

The background of the entire page is a photograph of a woman with voluminous curly hair, wearing a yellow shirt, leaning out of the open rear window of a dark-colored SUV. She is smiling broadly with her eyes closed, enjoying the view. The background shows a scenic landscape with a body of water, distant mountains, and a clear sky. The scene is bathed in warm, golden light, suggesting a sunset or sunrise. A semi-transparent white banner is overlaid at the bottom of the image, containing the text "Integrated report" and "2024".

**Integrated**  
report

**2024**

## WELCOME TO OUR 2024 INTEGRATED REPORT

# 1

- 4 Our theme this year: Embracing the freedom to live life fully
- 5 About our report

## SANTAM GROUP OVERVIEW

# 2

- 8 Who we are
- 11 What we do
- 18 Why invest in Santam
- 24 How we operate – business operating model
- 28 Santam's key stakeholder relationships

## ENSURING GOOD GOVERNANCE

# 3

- 40 A message from the chairperson
- 42 The Santam board at 31 December 2024
- 43 The members of the board of directors (profiles)
- 47 Our 2024 leadership team
- 49 Our governance structure
- 50 Governance summary

## OUR VALUE CREATION

# 4

- 55 A message from our group CEO
- 58 Our FutureFit strategy
- 64 Insight into our growth levers
- 74 Our market in context
- 75 Our material matters
- 80 Our key risks and opportunities

## REMUNERATION

# 5

- 85 Remuneration report summary

## FINANCIAL PERFORMANCE OVERVIEW

# 6

- 90 Financial and operational review

## SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

# 7

## SUPPLEMENTS

# 8

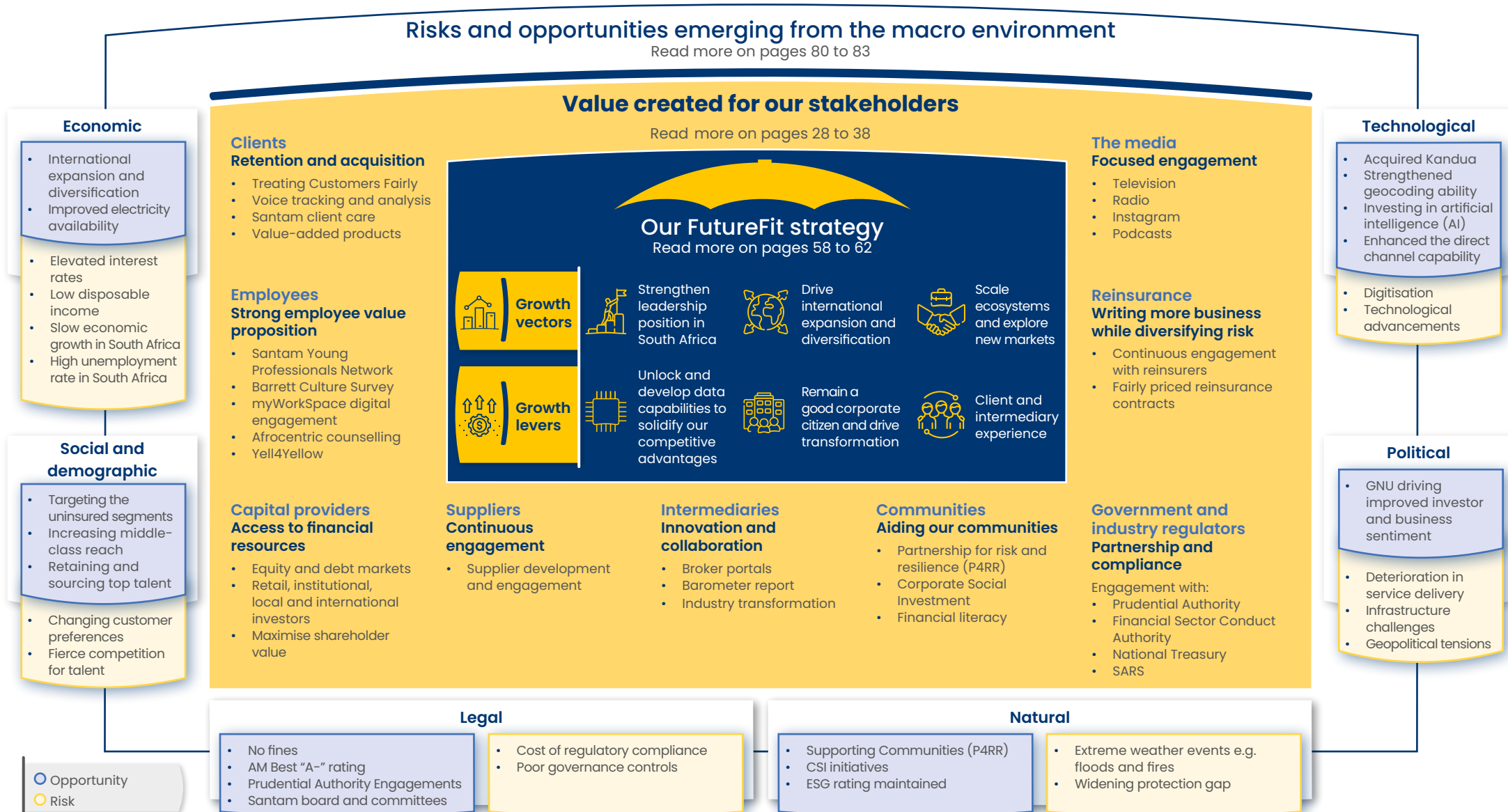
- 125 Seven-year review (Santam group)
- 130 Seven-year review (Santam conventional)
- 131 Glossary
- 134 Administration

# WELCOME TO OUR 2024 INTEGRATED REPORT

# 1

## Delivering value in challenging times

*Though our global context continues to change, our promise to do **Insurance good and proper** has not. Through the delivery of this promise, we ensure our stakeholders have the freedom to live life fully.*



# Our theme this year: embracing the **freedom** to live life fully



As South Africa's leading insurer with a 106-year legacy, Santam has always committed to doing **Insurance good and proper**, a philosophy that has underpinned brand positioning.

However, we recognise that the world has changed, and with it, so have the needs and expectations of our clients and what resonates with them. We will always do **Insurance good and proper**, but in 2024 we refreshed our brand positioning to extend our brand appeal to a wider audience.

## A new approach: From fear to freedom

The new brand positioning represents a deliberate shift away from the association of fear, regret and worry that many people associate with our industry. Instead, it embodies empowerment and signifies the key role that we play in giving our clients the freedom to explore, grow and pursue their dreams, knowing that Santam stands behind them, safeguarding what matters most. By addressing the risk protection gap – the difference between the insurance coverage individuals need and what they currently have – we provide our clients with the freedom to embrace opportunities. When clients feel secure in their coverage, they can focus on realising their aspirations rather than worrying about potential setbacks.

**By framing insurance as a means to seize each day, we aim to inspire a sense of liberation and possibility, enabling our clients to view insurance in a new light – not as a safety net to fall back on, but as a springboard to reach new heights.**

## Empowering our people: From limits to possibilities

For our people, this brand refresh is also about embracing and embodying the spirit of freedom.

It goes beyond marketing and is a cultural transformation. Our commitment to excellence remains, but we are shifting from a limiting mindset to one that encourages innovation, calculated risk-taking, and learning from mistakes. We aim to create an environment where employees feel supported and empowered to bring their best selves to work every day.

This change requires a shift in mindset, from restrictive beliefs to an empowered approach that embraces possibilities and drives continuous improvement. Key behaviours that bring this vision to life include caring for each other, adapting to change, acting with integrity and boldly exploring new opportunities.

**As we embark on this journey together, we are not changing who we are. We are evolving to stay relevant and impactful in a rapidly changing world.**

Our human resources team will be central to embedding these values at every level, ensuring that the freedom to grow and succeed is woven into our daily operations, training programmes and performance reviews.

Santam is committed to protecting the freedom to live without hesitation – whether for our clients, employees or communities.

This is a new era, where we do not merely insure. We enable.

## This is freedom.

# About our report

This report covers the 12 months ended 31 December 2024 (reporting period, year or FY2024). It provides an assessment of our performance in creating and preserving sustainable value for our stakeholders. It is our primary report to Santam's shareholders and debt investors, our main providers of financial capital.

The reporting boundary includes Santam Ltd and its subsidiaries as set out in the annual financial statements. More information about our subsidiaries can be found on their websites. The reporting boundary applies to financial and non-financial information. It includes our conventional insurance, alternative risk transfer business together with the investment activities that underpin these.

## Our disclosures and reporting

This report provides a holistic overview of our impact on key stakeholders, society in general and the natural environment. A suite of additional publications supplement this integrated report as part of our comprehensive sustainability reporting. These provide targeted information for different stakeholder audiences and can be accessed at <https://www.santam.co.za/investor-relations/integrated-report/financial-results-and-reports/>.

### Financial reporting

- Our complete annual financial statements contain a comprehensive report of the group's financial performance for the year
- A summary of our performance for the year is set out in our 2024 summary financial statements and analyst presentation

### Sustainability reporting

- Santam does not currently produce a separate sustainability report. Since our group-level sustainability strategic focus areas are integrated into our strategy, our integrated annual report contains disclosures of the company's impact and performance against a range of ESG criteria
- We compile an annual carbon footprint report with Sanlam
- We make annual submissions to the CDP (formerly the Carbon Disclosure Project) and ClimateWise, which are available on our website
- Santam is a founding signatory of the United Nations Environment Programme Finance Initiative's (UNEP FI) Principles for Sustainable Insurance (PSI)
- We periodically publish a Task Force on Climate-related Financial Disclosures (TCFD) report, which sets out our approach to identifying, assessing and addressing climate-related risks and opportunities. This year, our progress update is outlined in the summary table on page 21
- Our objective is to align our future climate-related reports with the International Sustainability Standards Board's requirements
- The corporate governance report provides details on the board of directors (the board's composition, board member qualifications and experience, etc.) and sets out the mandates for each of the six (6) board committees
- Our King IV™ disclosure report provides a synopsis of our application of and response to the 17 principles and recommended practices that are outlined in the King Report on Corporate Governance™ for South Africa, 2016 (King IV)<sup>1</sup>
- Our remuneration report includes information on how our remuneration philosophy, practices and the implementation thereof support the group's FutureFit strategy
- Our website contains a range of governance policies and statutory records. Click here to access these <https://www.santam.co.za/about-us/esg/governance/>
- We have a Statement of Commitment to embed the principles of Treating Customers Fairly (TCF) in our FutureFit strategy and corporate culture
- The Santam Human Rights Statement establishes our commitment to upholding our values and ethical behaviour to respect and safeguard human rights
- Our Climate Change and Coal Position Statements outline how we are impacted by climate change and the role that we, as an insurer, play in adapting to and mitigating climate and weather-related risk
- 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)

### Shareholder information

- The annual general meeting (AGM) notice and proxy form provides information to enable shareholders to participate in the AGM

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

## Integrated thinking and materiality

Our integrated approach to decision making, management and reporting enables us to sustainably create and preserve value as we fulfil our purpose. We apply the principle of materiality in assessing what information should be included in our integrated report. This report focuses on the opportunities and challenges emerging from our operating environment that materially impact Santam's ability to create and maintain sustainable value for our stakeholders.

Our FutureFit strategy responds to our material matters, as described from page 58, and informs the evolution of our business model and influences our short-, medium- and long-term targets. We identify material matters using input from all business units, risk and opportunity assessments, and stakeholder feedback. We review our material matters annually to ensure our strategy remains relevant in a rapidly evolving operating environment.

## Integrated reporting process

Our integrated report is the outcome of a group-wide reporting process governed by the board, led by the executive committee and delivered through group-wide collaboration.

The report was developed with consideration of the following reporting requirements and principles:

- South African Companies Act, No 71 of 2008, as amended (Companies Act)
- International Financial Reporting Standards (IFRS)
- The IFRS Foundation's Integrated Reporting <IR> Framework
- JSE Listings Requirements and JSE Debt & Specialist Securities Listings Requirements
- King IV
- Sustainability-focused, industry-specific indicators tracked by FTSE Russell

## How our reporting elements are assured

- The summary consolidated financial statements are extracted from audited information but are not audited. The consolidated financial statements for the year ended 31 December 2024 have been audited by the group's independent auditors KPMG Inc., who expressed an unmodified opinion thereon. The audited financial statements and the auditor's report thereon are available for inspection on the company's website. The directors of Santam Ltd take full responsibility for the preparation of this report and that the financial information has been correctly extracted from the underlying financial statements.
- Crowe UK LLP reviewed our 2024 annual ClimateWise report as part of the global ClimateWise assurance process
- IRAS, an independent assurance provider, assured the group carbon emission data.
- AQRate verified data relating to broad-based black economic empowerment (B-BBEE)
- Non-financial indicators were reviewed through an internal process that included approval by the executive committee and the board

## Timeframes and forward looking statements

This report is intended to enable our stakeholders to make informed assessments of our ability to create and preserve value in the short term (the next 12 months), medium term (two to five years) and long term (more than five years).

From a climate and biodiversity risk perspective, medium-term climate change risks and opportunities have a timeframe of three to nine years, while long-term climate change risks and opportunities span 10 years and beyond. These time horizons allow for longer term strategic planning.

This report contains statements concerning Santam's financial position, results, operations and businesses. These statements represent our judgements and future expectations. Risks, uncertainties and other factors could cause results to differ materially from our expectations. Forward looking statements apply only as of the date the board approved this report.

## Review and approval

All content contributors and the executive committee reviewed the report to ensure accuracy and that all material matters were addressed. The report was reviewed by the audit committee and the social, ethics and sustainability (SES) committee. The reviewed report was recommended to the board, who approved it on 28 February 2025.

The board is satisfied that the report addresses all material matters, whether positive or negative, and offers the necessary substance for providers of financial capital and other stakeholders to evaluate the group's performance and ability to create sustainable value.

Please share your experience of reading this report by emailing Santam investor relations at [investor.relations@santam.co.za](mailto:investor.relations@santam.co.za)

Readers can also interact with us using the following social media platforms:



Facebook



TikTok



Instagram



X



LinkedIn



YouTube



# SANTAM GROUP OVERVIEW

# 2

# Who we are

Santam is the leading general insurer in South Africa, with a market share of more than 22.0%. Santam was founded in 1918 and listed on the JSE in 1964 under the insurance (non-life) sector. The group has secondary listings on the Namibian Stock Exchange and A2X Markets Exchange.

Santam is a subsidiary of the South African financial services group Sanlam, which holds 59.1% of Santam's issued shares (62.3% effective interest excluding Santam treasury shares held within the group).

We provide a diverse range of general insurance products and services across Africa and internationally through a multi-channel approach that spans a network of more than 3 285 independent intermediaries, 516 tied agents, franchises and direct channels.

Our revenue is derived from insurance activities and investments in South Africa and other select global markets. We offer insurance policies that cover, among others, property, motor, engineering, liability, loss of income and crop-related risks, including cover for catastrophe events. We operate in the primary, alternative risk transfer and reinsurance markets. Premiums earned from these insurance policies are invested in a diverse portfolio managed by our primary asset manager, Sanlam Investments, and some smaller mandates allocated to other asset managers.

Sanlam Investments and Abax Investments manage our investments with guidance from the United Nations Principles for Responsible Investment (UN PRI) and Code for Responsible Investing in South Africa (CRISA), to which they are signatories.

Our insurance and investment activities enable us to consistently deliver on our purpose: to safeguard what is important to our clients in a manner that enables wealth creation and protection for all stakeholders.

## Our purpose is to safeguard what is important to our clients

Our purpose signifies value creation and preservation for our clients. We deliver on this purpose through an extensive ecosystem of relationships and dependencies which form the social, political, regulatory and economic environment (together, our operating environment) in which we operate.

Our sustainability over the long term is intricately linked to our ability to provide value to our clients and to be a positive contributor to all stakeholders in our operating environment by successfully navigating the challenges and embracing the opportunities emerging from this environment. Our FutureFit strategy described on page 58 signifies our response to optimise value creation in the context of our operating environment. We deliver on our strategy through a client-focused operating model, described on page 11.

The impact of our insurance and investment activities and strategy implementation, and the outcomes for our key stakeholders, are described throughout the report.

## Our values

*Our new brand essence, "Freedom", influences the way we will behave: we care, we always play fair, we listen and adapt, we explore boldly and we invest in creating a better future.*



**Care**

It's in everything we do



**Collaboration**

It's how we unlock our winning as one spirit



**Innovation**

It's how we strive for continuous improvement



**Integrity**

It's all about doing the right thing

**Santam is a general insurance group based in South Africa with diversification across market segments, distribution channels, insurance classes and geographies.**

## Financial results

Group operating earnings<sup>1</sup>

**R3 714 million**

(2023: Restated to R2 201 million)<sup>1</sup>

Headline earnings per share

**3 477 cents**

(2023: 2 310 cents)

Return on capital\*

**31.9%**

(2023: 28.5%)

Target: >24%

Economic capital coverage ratio

**166%**

(2023: 155%)

Target range: 145% to 165%

Final dividend\*

**985 cents per share**

(2023: 905 cents per share)

Standard & Poor's Local rating

South African national scale

**zaAAA**

(2023: zaAAA)

AM Best rating

International scale

**A-**

(2023: n/a)

Conventional Insurance

Gross written premium (GWP) growth

**11.0% to R41.3 billion**

(2023: 6% to R37.4 billion)

Net earned premium\*

**10.0% to R32.2 billion**

(2023: 6% to R29.3 billion)

Net underwriting margin\*

**7.6%**

(2023: 3.5%)

Target range: 5% to 10%

Investment return on insurance funds

**2.6%**

(2023: 2.6%)

Target range: 2% to 2.5%

Administration cost ratio\*

**18.3%**

(2023: 16.5%)

Alternative Risk Transfer (ART)

Profit before tax\*

**R781 million**

(2023: R516 million)

\* Financial performance metrics linked to the group's short-term incentive scorecard – refer to the remuneration report for more detail.

<sup>1</sup> Metric renamed in line with the segment report included in the summary consolidated financial statements on page 102 and prior year amount restated.

## Sustainability key indicators

### Employees

**6 692**

(2023: 6 472)

### B-BBEE rating\*

**Level 1**

(2023: Level 1)

Certified as a **Top Employer** by the Top Employer Institute for the **9th** consecutive year and ranked **5th** out of 154 participating companies in South Africa and **1st** place in the Insurance Sector among 11 peers (2023: 8<sup>th</sup>)

**New jobs** created via Santam-funded SME development and growth programmes:

**2 803**

(2023: 1 453)

GWP written through **black intermediaries**

**R1.3 billion**

(2023: R1.2 billion)

**Santam Ombudsman for Short-Term Insurance (OSTI) overturn ratio**

**9.13%<sup>1</sup>**

(2023: 11.03%)<sup>2</sup>

**MiWay OSTI overturn ratio**

**5.57%<sup>1</sup>**

(2023: 8.87%)<sup>2</sup>

**Corporate Social Investment spend to support vulnerable communities:**

**R25.9 million**

(2023: R18.1 million)

**Santam net promotor (NPS) score\***

**57**

(2023: 52)

**MiWay NPS score\***

**60**

(2023: 60)

**Black Broker Programme**

**690**

(2023: 603)

**Municipalities supported through P4RR\***

**102**

(2023: 95)

Contributions to investment funds with ESG focus: **Resilient Investment Fund** that focuses on social impact

**R190 million**

(2023: R171 million)

**ASISA fund:**

**R114 million**

(2023: R117 million)

**Legacy SME Debt Fund**

**R96 million**

(2023: R77 million)

Constituent of **FTSE4Good Index Series** and **FTSE/JSE Responsible Investment Top 30 Index**

Member of **ClimateWise** and **UN Global Compact**

Signatory to **UNEP FI PSI** and the **TCFD**

**Our purpose is to safeguard what is important to our clients in a manner that enables wealth creation and protection for all stakeholders. We consistently deliver on this purpose, as evidenced by paying out R28.6 billion in claims in 2024.**

\* Sustainability performance metrics linked to the group's short-term incentive scorecard – refer to the remuneration report for more detail.

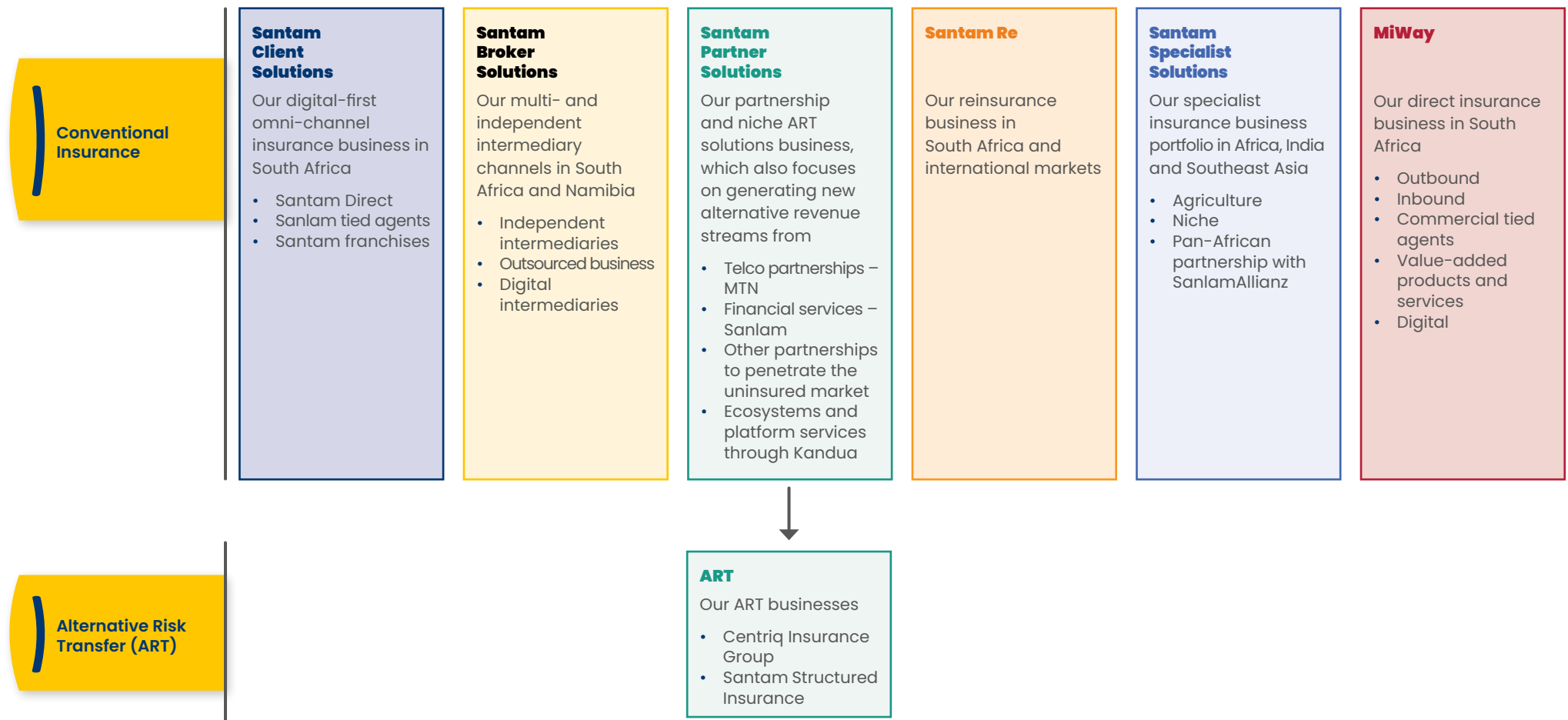
<sup>1</sup> The OSTI Annual Report, containing official OSTI figures, will be released after this integrated report has been published. This number is based on Santam's internal figures.

<sup>2</sup> These results were extracted from the 2023 OSTI Annual Report.

# What we do

*We believe that the freedom to seize every day is worth protecting. We operate and build our business to make this belief a reality for our clients.*

## Our operating model



We exist to safeguard what is important to our clients and do this by meeting their insurance needs. Whether mainstream or niche, we work to develop an in-depth understanding of all sectors we operate in. This allows us to provide innovative and insightful solutions that meet the specific needs of our clients and help them manage risk. We offer general insurance solutions to individuals, small and big businesses, the agricultural sector and various other

specialist sectors. We do this through focused business units within our portfolio.

In 2022, we introduced the new operating model and implemented it in 2023. This enhanced our multi-channel distribution ability in line with the needs expressed by our clients. This internal re-organisation positioned us to effectively execute our refreshed strategy described on page 58.

Specifically, the new operating model focuses on growing our broker and specialist businesses in South Africa, continuing to dominate selected segments, scaling our direct and partnerships businesses and driving accelerated growth through international expansion.

We aim to meet our market's needs by offering various services, products and solutions through multiple business units.

**Multi-channel distribution** allows clients to purchase a policy using their preferred channel (telephone, website, mobile phone, etc.). This ensures all of our products are accessible to different target audiences.

## Conventional Insurance

### Santam Client Solutions

This is our Santam-branded omni-channel insurance business, where we deal directly with clients through digital and owned distribution channels. We also offer independent administration through Brolink.

**Omni-channel** refers to a seamless experience across all channels. This allows a client to, for example, start the process of taking out a policy on their computer and complete it later on their mobile phone or face-to-face with an intermediary.

#### Areas of strength

- Diverse product and service offering
- Strong Santam brand
- Omni-channel distribution capability

#### Channels

- Direct
- Tied agents
- Franchises
- Digital

#### Customer segments

- Personal (middle-income to affluent with a specific focus on growing the younger segment)
- Commercial, including small and medium enterprises (SMEs)

#### Strategic initiatives

- Enable growth by building a digital-first omni-channel experience
- Digitise the customer journey, from sales to service and claims
- Expand franchises through tactical acquisitions and sales enablement
- Enable strategic referral partnerships
- Increase tied agents' reach and size through an agent vesting strategy in alignment with Sanlam's distribution network
- Digitisation to improve operational efficiency, customer experience and sales capability

#### Outputs

- Digital-first omni-channel experience
- Multiple classes of insurance:
  - » Motor
  - » Property
  - » Business
- Value-added products

#### 2024 Highlights

- SmartSME, a bespoke insurance product offering for small businesses, was launched during the third quarter of 2024
- Digitised the customer journey by developing the functionality to quote and bind<sup>1</sup> on the Santam website
- Established strategic partnerships via dealerships for the digital channels
- Increased tied advisor force, with a 30% improvement in advisor activity
- Acquired a sizeable franchise during the financial year 2024
- Customer satisfaction score improved from 46 in 2023 to 63 in 2024, an all-time high
- Successfully integrated Brolink into the cluster to enhance synergies and growth

<sup>1</sup> Bind is to confirm that insurance coverage is in place, even though an insurance policy may not yet have been issued.

## Santam Broker Solutions

Our multi- and independent intermediary channels in South Africa and Namibia.

### Areas of strength

- Relationships with clients, intermediaries, suppliers and partners
- Diverse product and service offerings
- Extensive geographic footprint and distribution network
- Technical underwriting and claims capabilities

### Channels

- National and localised independent intermediaries
- Outsourced portfolio administrators

### Customer segments

- Personal (middle and high net worth segments)
- Commercial, including SME, real estate, hospitality and leisure

### Strategic initiatives

- Achieve incremental growth in segment solutions
- Grow multi-channel approach, encompassing support, online platforms and binders
- Prioritise automation and self-service to enhance operational efficiency
- Being the best broker enabler

### Outputs

- Exceptional client and intermediary experience
- Multiple classes of insurance:
  - » Accident and health
  - » Engineering
  - » Liability
  - » Marine
  - » Motor
  - » Property
- Value-added products including:
  - » BusinessAssist, a suite of value-added products for the small, medium and micro-enterprise (SMME) market
  - » SmartProtect allows intermediaries and clients real-time access to selected Santam procurement contracts and services through the client portal and broker portal

### 2024 Highlights

- Achieved growth and profit targets despite severe weather and catastrophe-related events
- Geocoding of policies increased to more than 80% of the property portfolio, which facilitated improved flood underwriting and accumulation management
- Increased buy-in and support from intermediaries following the Broker Connect engagement sessions
- Won the FIA Best Personal Lines Award
- The total number of emerging intermediaries has increased from 601 in 2023 to 690 in 2024, surpassing our 2024 target of 661
- Our Namibian business launched a Premium Finance Partners model, ART, and a new personal lines offering for young adults.
- Rolled out the claims module of the GuideWire policy administration platform in Namibia. The business also acquired a competitor, which awaits approval from the High Court of Namibia

## Santam Partner Solutions

This business houses our partnerships, ecosystem and platform services, and ART solutions. This business is laying the foundation for future growth in new customer segments that we cannot reach through traditional distribution channels. The vision is to lower the risk protection gap in the lower income segments by co-creating financially inclusive products, driving growth in new customer segments and creating new sources of earnings.

ART business is written through the insurance licences of Santam Structured Insurance (SSI) and Centriq.

**ART** insurance uses techniques other than traditional insurance and reinsurance to provide risk-bearing entities with coverage or protection. Tailored insurance solutions allow clients access to multi-peril cover and aim to reduce the cost of risk management for clients over the medium to long term.

### Areas of strength

- Partner-led niche solutions
- Ability to scale fast through partnerships
- Cross-sell with Sanlam
- Strong market position
- Expert and entrepreneurial skills
- **Centriq** and **SSI** have the flexibility to be innovative in the alternative insurance solutions space
- Alternative earnings streams for shareholders

### Channels

- Partnerships e.g. financial services, retailers, telecommunications, motor industry, Sanlam etc.
- Ecosystem and platform services (Kandua)
- Contact centres
- Underwriting management agencies (UMAs)

### Customer segments

- Personal (low, middle and high segments)
- Commercial, including SMEs and corporates

### Strategic initiatives

- Deliver frequent and relevant interactions to gain access to clients at scale through our own digital platforms as well as those of strategic partners
- Make the digital acquisition of clients a key success indicator
- Scale and launch new ecosystems and platform services
- Build partnerships across the retail, telecommunications and bancassurance<sup>1</sup> sectors
- Develop low-complexity product solutions by leveraging key data from ecosystems and key partnerships

### Outputs

#### Strategic partnerships

- Value-added products
- Standalone device insurance
- Low-priced motor insurance
- No or low advice legal, home and content solutions to affinity markets

#### Ecosystem and platform services

- Enable the group and partners with ecosystem-as-a-service to support creating new and improved value propositions for existing and new clients
- Financial inclusion by enabling informal artisans/suppliers through training and job creation
- Our underlying platform is a strategic enabler to the demand and supply side of the ecosystem, promoting agile growth through strategic partnerships

#### Centriq

- Conventional and structured insurance policies
- Multi-year insurance structures
- Blended risk transfer or retention insurance policies
- First-party cells
- Specialist UMA solutions via cell captive structures
- Alternative distribution and brand affinity third-party cells

#### SSI

- Structured products focusing on onshore and offshore protected cell solutions, accident and health, post-retirement medical aid solutions and structured key management policies

### 2024 Highlights

- Santam Partner Solutions met all its strategic objectives in the current year, as is evident from the strong financial performance contributing to shareholder alternative earnings
- Strategic Partnerships with MTN continue to surpass expectations, with growth passing 500 000 policies, including the in-force book (approximately 300 000) that transferred in January 2024
- Centriq and SSI showed strong performance across all businesses
- Plus Ecosystem Ventures (Kandua), a platform business, has started onboarding Santam claims

<sup>1</sup> Bancassurance is an arrangement between a bank and an insurance company allowing the insurance company to sell its products to the bank's client base.

## Santam Re

This is our treaty reinsurance business in South Africa and international markets. Santam Re is a wholesale reinsurance service provider for the Santam group general insurance businesses and an independent general reinsurer in Europe, Middle East and Africa (EMEA)

and Asia Pacific. Santam Re operates under the Santam general insurance licence, enabling it to optimise the size, quality and diversity of the overall risk pool relative to capital resources and risk appetite.

### Areas of strength

- Strong Santam brand
- Strong analytical, reinsurance underwriting and actuarial technical skills
- Tightly defined risk management framework
- A high-quality portfolio of treaty participations

### Channels

- Reinsurance brokers
- Direct

### Customer segments

- Primary insurers
- Reinsurers (retrocession)

### Strategic initiatives

- Drive diversification and expansion
- Strengthen the underwriting capacity
- Invest in our people
- Secure independent A-Rating paper

### Outputs

- Treaty reinsurance, proportional and non-proportional
- Multiple classes of insurance products, including:
  - » Accident and health
  - » Agriculture
  - » Engineering
  - » Liability
  - » Marine
  - » Motor
  - » Property

### 2024 Highlights

- Santam Re successfully launched the Non-Proportional Risk and CAT online pricing tool in 2024. This enhancement gives Santam Re a full set of online pricing tools to quote on the reinsurance business
- Achieved a double-digit growth despite cancelling more than R1 billion worth in premium income of underperforming business in its drive for profitable business
- Strengthened underwriting practices
- The client management function was separated from the pricing, actuarial and underwriting functions
- Established a dedicated claims management department
- We are growing the team and are recruiting experienced underwriters, pricing actuaries and client managers

## Santam Specialist Solutions

Santam Specialist Solutions insures a range of large, medium and small complex risks across a wide spectrum of industries in Africa as well as other emerging markets. Underwriting these classes of insurance requires expert technical underwriting, reinsurance and claims management skills, which our focused business units offer.

- Emerald Risk Transfer provides property and business interruption insurance solutions for large industrial, parastatal, local government and corporate businesses across the African continent
- Stalker Hutchison Admiral (SHA) is the leading provider of specialist liability insurance solutions, crime and civil liability for financial institutions, cyber and computer crime liability, directors' and officers' liability, professional indemnity, as well as personal accident death and disability, contingency and kidnapping and ransom insurance
- Santam Agriculture is the leading crop insurer in South Africa, focusing on named peril insurance and multi-peril crop insurance
- Mirabilis Engineering Underwriting Managers offers a comprehensive range of engineering insurance solutions in Africa and selected international markets

- Santam Mobility encompasses the following lines of business:
  - » Santam Heavy Haulage is the leading heavy commercial vehicle insurer in South Africa and offers comprehensive cover to transport contractors
  - » Santam Marine is a leading marine underwriter covering cargo, hull and liabilities
  - » Santam Aviation specialises in general aviation for commercial and private sector insurance, including hull, third-party and passenger liability insurance
  - » Vulindlela Underwriting Managers (VUM) specialises in a range of insurance solutions for owners of minibuses, midibuses and metered taxis in South Africa. VUM recently entered the SMME market to include other assets and motor vehicles in previously underinsured markets
  - » Santam Motor Fleet offers comprehensive insurance for mid-sized and large corporate motor fleets
  - » Travel Insurance Consultants (TIC) is South Africa's largest travel insurance provider, offering specialised travel insurance solutions, including emergency medical, loss of money or baggage, and travel supplier insolvency for leisure and corporate travellers

### Areas of strength

- Strong Santam brand (our clients include 80 of the top 100 listed JSE companies in South Africa)
- Leadership position in the specialist insurance market
- Financial strength, selected international capabilities, and access to an established Pan-African footprint (writing business in 33 countries in Africa and selected international markets)
- SanlamAllianz distribution arrangement
- Diverse products backed by unmatched technical expertise and knowledge in specialist insurance solutions

### Channels

- International and national brokers
- UMA
- Direct
- Digital

### Customer segments

- Large and niche corporates
- SME and mid-market commercial segment
- Personal/retail segments

### Strategic initiatives

- Drive international expansion and diversification in key selected markets
- Use data and risk management to select and underwrite targeted clients and segments requiring specialist solutions
- Leverage SanlamAllianz relationship and build specialist capability
- Enhance seamless specialist value proposition

### Outputs

- Multiple classes of insurance products:
  - » Accident and health
  - » Aviation
  - » Crop
  - » Engineering
  - » Liability
  - » Marine
  - » Motor
  - » Property
  - » Transport
  - » Travel

### 2024 Highlights

- Successfully implemented four business clusters to create a more focused Santam Specialist Solutions team
- Maintained our target net combined ratio of 81%
- Invested in additional capacity to focus on the corporate property mid-market segment
- Maintained our leading market share positions in each speciality class
- FIA awarded as the Best Corporate Insurer

## MiWay

A direct insurance business in South Africa that underwrites personal and commercial short-term insurance business through direct selling, supported by a smaller intermediated channel. MiWay, aims to enable people to do more of what they love by taking care of clients' valuable

possessions. This business leverages technology and innovation to ensure client convenience with an omni-channel experience. MiWay's vision is to offer excellent service, superior value products and fair treatment at all times.

### Areas of strength

- Individualised, scientific underwriting based on data-driven insights
- A seamless digital client experience with online quoting, buying and policy servicing, including claims submission
- Committed to creating an extraordinary client experience, augmented by our Lead by Service, Led by Service culture

### Channels

- Direct contact centre
- App and online
- Face-to-face
- Broker

### Customer segments

- Personal
- Commercial

### Strategic initiatives

- Grow our inbound and tied agent channels to strengthen our distribution network
- Expand the client value proposition and product mix to meet a broader range of client needs
- Elevate the client experience by implementing measures that enhance service quality and satisfaction through our Lead by Service, Led by Service culture
- Enhance our digital offering and presence to cater to the evolving preferences of our clients

### Outputs

- Ranked first place on HelloPeter for client service
- Winner in the 2024 Data EQ Insurance Index for Operational Net Customer Sentiment
- Seamless digital client experience
- A variety of product options:
  - » Car
  - » Home
  - » Business
  - » Value-added products
  - » Premium policy benefits

### 2024 Highlights

- A positive impact from the new #Moveforvalue marketing strategy, which stimulated inbound demand for both personal and business insurance
- Soft launched MiCashback, rewarding clients with 10% of their premiums every two claim-free years
- Good growth in the new tied agent distribution channel for business insurance
- Improved collection rates as the economy recovered in the second half of 2024
- Improved loss ratio due to favourable claims experience and ongoing price optimisation

# Why invest in Santam

## Exceptional track record

We have a solid legacy and a consistent, proven record of sustainable value creation. Despite extraordinary challenges, we have proven to be a resilient business with robust performance. This consistency makes us a trusted brand, especially in South Africa.

Santam has provided sustainable value to stakeholders over our 106 years in business

Consistently achieved real GWP growth in line with our target of exceeding SA GDP + CPI growth

We have maintained a market share of more than 22% over the last 10 years

Economic capital coverage ratio of 166% is slightly above our long-term target range of 145% to 165%

Settled claims of R28.6 billion in 2024, supporting financial resilience

We insure over one and a half million policyholders and more than 80 of the top 100 companies listed on the JSE

Relationship with SanlamAllianz has provided growth opportunities in specialist lines across Africa

A uniquely diversified group (best-in-class products, geography and multi-channel distribution)

# You keep investing, we keep creating value.

Over the past decade, we have achieved consistent results

Average net underwriting margin of 7%, within our target range

Average return on capital of 24%

Stable dividend policy with ordinary dividend per share at 7% compound annual growth rate

Paid cumulative special dividends of R33.80 per share

ART earnings compound annual growth rate of 30%

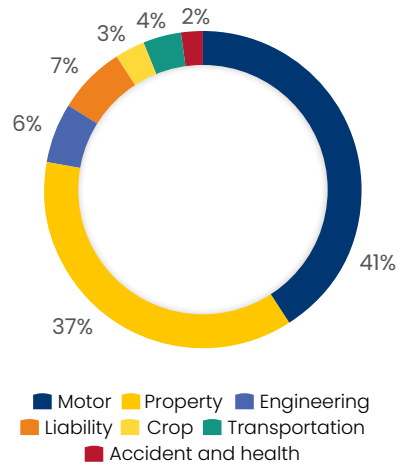
Net earned premiums grew by 7% per annum on average

Geocoding 81% of the property portfolio completed

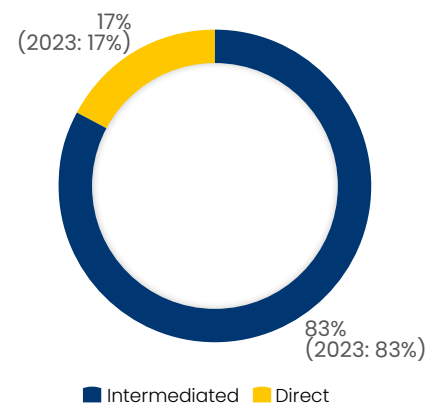
## Increasing scale and diversification

We are the leading insurer based in South Africa with a portfolio that offers diversity across product lines, distribution channels and geographies. Although we derive most of our revenue from property and motor lines, we also offer diversification across our specialist lines of business. In most of these specialist lines, we are the market leader.

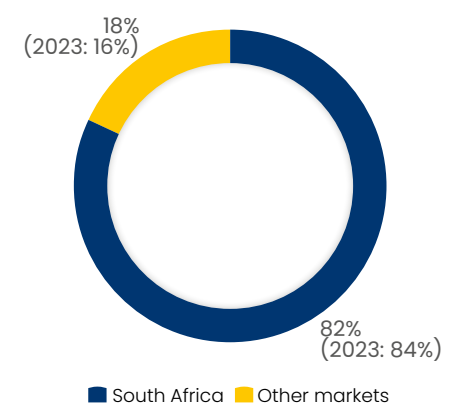
CONVENTIONAL GWP PER INSURANCE CLASS (2024)



CHANNEL DIVERSIFICATION (2024)



GEOGRAPHICAL DIVERSIFICATION OF TOTAL GWP (2024)



## Our sustainability strategy and performance

We acknowledge that our business operates within environmental and social thresholds. The insurance industry operates in an ever-evolving risk landscape, necessitating that we continue to take ESG issues and sustainability seriously. The Santam group is committed to being a good corporate citizen and contributing to a sustainable and transformed South African economy. Our sustainability approach is shaped by our long-term aspiration to narrow the risk protection gap in the markets in which we operate, through collaboration, proactive risk management and provision of inclusive risk management solutions.

Our strategic sustainability pillars focus on what is important to our stakeholders and what is most material to our business. The pillars contribute to a sustainable and transformed South African economy and include:



### Running a responsible business

- Ensure stakeholders experience safety, fairness and inclusion with a focus on client outcomes and market conduct
- Demonstrate good governance and transparency through sustainability disclosure and reporting
- Address key risks such as climate change and extreme weather events



### Helping to build resilient societies

- Invest in financial education for underserved communities
- Offer innovative business solutions to access new markets and to address the rising risk protection gap
- Partner for risk and resilience with selected municipalities and double the impact



### Nurturing talent and culture

- Promote a diverse and inclusive workforce
- Use diversity to improve culture
- Invest in employee wellbeing and improve employee engagement





### Running a responsible business

Strong governance policies in place, including:

- Anti-bribery and anti-corruption
- Conflict of interests
- Whistleblowing

**52** policies approved by the board during the year

Continued commitment to excellent customer experience:

Consistent NPS improvement  
FIA Intermediary Experience Awards: Recognised by intermediaries as the **Best Personal Insurer** and **Best Corporate Insurer**

Market Value of **R114 million** in new and scalable businesses that contribute to job creation and social impact through the ASISA Enterprise Supplier Development Fund

Invested **R400 million** in companies that reduce long-term systemic risk through the Santam Resilient Investment Fund, ASISA Fund and the Legacy SME Debt Fund

Conducted internal training for the social and ethics management committee



### Helping to build resilient societies

Paid **R28.6 billion** in claims in FY2024

Made progress in geocoding property book and extended the initiative to the Santam Specialist Solutions businesses

**28 million** people reached through the P4RR since 2012, supporting 102 municipalities

In partnership with the South African Insurance Association (SAIA), reached:

- 2.6 million radio listeners
- 690 SMMEs through the Building Resilient Business Programme

Developed 10 Climate Change Adaptation Plans for district municipalities in collaboration with the Council for Scientific and Industrial Research (CSIR) through the GreenBook<sup>1</sup> online tool

Over **690** emerging intermediaries in our Black Broker Development programme

Maintained B-BBEE **Level 1** status since **2018**



### Nurturing talent and culture

Spent **R20.3 million** on skills development

Recognised for the upliftment and employment of Persons with Disabilities in Financial services, by the National Council of and for Persons with Disabilities, in partnership with Integrated Reporting and Assurance Services

Won the Women Empowerment in the Workplace in Southern Africa award at the Gender Mainstreaming Awards held in Johannesburg

Ranked **5th** in the Top Employer Survey and **1st** place in the Insurance Sector

Minimum wage of R180 000 per annum for Santam employees approved and implemented in 2023

Wellness and lifestyle recognition programmes continued to deliver targeted interventions tailored to assist employees

Launched the Santam Young Professionals Network and Leadership Conversations for Santammers to connect and learn

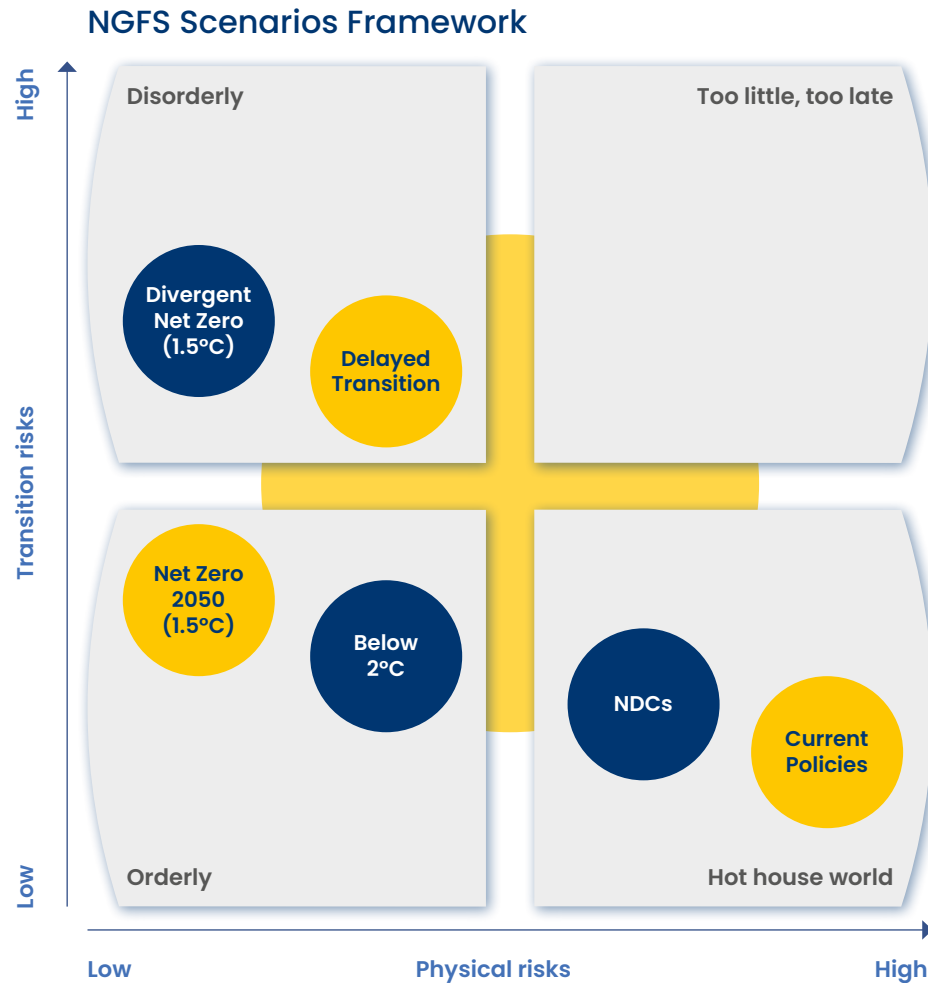
<sup>1</sup> The GreenBook is an online planning support tool that provides quantitative scientific evidence on the likely impacts that climate change and urbanisation will have on South Africa's cities and towns. It also presents adaptation actions that can be implemented by local government to support climate-resilient development.

## Managing climate-related risks and opportunities

Being a signatory to the TCFD means we understand that climate change presents a financial risk to the global economy and that we need to understand the nature of our exposure to climate-related risks and opportunities. Below is a summary table that highlights our progress against the four pillars of the TCFD recommendations.

### Progress made in 2024

Governance	Strategy	Risk management	Metrics and targets
<p><b>How does the board assess and manage climate-related risks and opportunities?</b></p> <p><b>Does the organisation have top-level governance on climate-related matters?</b></p> <hr/> <p><b>Progress in 2024</b></p> <ul style="list-style-type: none"> <li>The SES board subcommittee met four times to assess the group's ESG and climate-related performance</li> <li>The SES board subcommittee and executive committee had sight of the outcomes and recommendations from the climate scenario exercise</li> <li>The cross-functional climate change committee provided input into the development of a group-wide Climate Change Strategy Response plan</li> <li>The risk committee provided oversight and monitoring of wildfire risk</li> <li>The board approved the SES committee charter, which included updated ClimateWise principles</li> <li>The executive committee engaged a Climate Scientist on anticipated national and regional climate patterns</li> </ul> <p><b>Priorities for 2025 and beyond</b></p> <ul style="list-style-type: none"> <li>Maintain and continue to capacitate existing governance structures with climate and sustainability oversight</li> <li>Upskill board and committees on climate- and nature-related matters</li> <li>Approve group-wide climate strategy once complete</li> </ul>	<p><b>What are the potential and actual impacts of climate-related risks and opportunities on the business strategy and financial planning?</b></p> <hr/> <p><b>Progress in 2024</b></p> <ul style="list-style-type: none"> <li>The 2023 climate scenario outcomes were socialised across the group through the group climate change committee. Refer to the section below for more detail</li> <li>Joined the UNEP FI PSI Nature-Positive Working Group to develop an understanding of nature in the insurance business context</li> <li>Developed and proposed an approach towards a group-wide climate change strategy</li> <li>Investigated the case for developing a parametric rainfall product, six-month pilot to run in 2025</li> </ul> <p><b>Priorities for 2025 and beyond</b></p> <ul style="list-style-type: none"> <li>Monitor the development of a group-wide climate change strategy to guide our climate response</li> <li>Develop a responsible supply chain strategy</li> </ul>	<p><b>How is the organisation managing climate-related risks and opportunities?</b></p> <p><b>How are climate-related risks integrated into the overall risk management framework?</b></p> <hr/> <p><b>Progress in 2024</b></p> <ul style="list-style-type: none"> <li>Conducted a sustainability materiality assessment across the group's supply chain to support the inclusion of ethical and responsible business practices within our operations. Once complete, the outcome of the work will feed into the development of a responsible supply chain strategy</li> <li>Made progress in geocoding our property insurance book and extended this into the specialist businesses</li> <li>Made progress to include the integrated climate-related risks identified in the climate scenarios exercise into the group risk register</li> <li>Regular monitoring and reporting on wildfire risk</li> <li>Maintained localised flood analysis to guide underwriters in pricing processes</li> <li>Developed a Fire Support Services Fund in Partnership with two local insurers to enhance fire services capabilities</li> </ul> <p><b>Priorities for 2025 and beyond</b></p> <ul style="list-style-type: none"> <li>Track and monitor climate-related risks</li> </ul>	<p><b>What metrics and targets does the organisation use to measure and manage relevant climate-related risks and opportunities?</b></p> <p><b>Are metrics and targets forward looking in nature?</b></p> <hr/> <p><b>Progress in 2024</b></p> <ul style="list-style-type: none"> <li>Maintained our position in the Top 30 of the FTSE/JSE Responsible Investment Index</li> <li>Achieved a ClimateWise score of 51%<sup>1</sup></li> <li>Our emission and water reduction targets remained the same for this year (10% reduction against a 2019 baseline, to be achieved by 2025)</li> <li>The Santam facilities team continued to manage and measure the environmental impact of the group's facilities through energy, water use and waste management targets</li> <li>Number of municipalities supported increased to 102 (95: 2023)</li> </ul> <p><sup>1</sup> 51% score is based on the updated reporting methodology and it is not comparable to 2023 score.</p> <p><b>Priorities for 2025 and beyond</b></p> <ul style="list-style-type: none"> <li>Track and report quarterly to the board</li> <li>Review metrics and targets based on the climate change strategy outcomes</li> <li>Develop emissions targets across scope one to three at a group level</li> </ul>



## Maturing our extreme weather-related and climate response

Climate change continues to pose a direct and indirect threat to both human and natural systems. These risks undermine business resilience and the ability to operate both in the short and in the long term. In the insurance sector, climate change presents both a risk and an opportunity. Conducting the group-wide climate scenarios in the 2023 financial year prepared the business to develop a robust climate change strategy response plan which will detail the group's climate change actions. Under the three Network for Greening the Financial System (NGFS) scenarios (Current policies (+3°C); Net zero (+1.5°C) and Delayed transition (+1.8°C)), Santam is likely to face the following risks:

Physical Risks	Transition Risks	Opportunities
Increasing severity of extreme weather events such as floods and wildfires, etc. (Direct)	Increase in climate-related regulation (Direct)	Develop new products and services tailored to mitigating climate impacts
Changes in precipitation patterns and extreme variability in weather patterns (Direct)	Brain drain due to climate-induced migration (Indirect)	Develop and/or expand insurance products to de-risk alternative energy products
	Resource scarcity (Indirect)	Access to new markets, adapting products to consumer needs, and attracting talent
	Lack of skilled workforce as a result of the transition to a low-carbon economy (Indirect)	

## Growth opportunities

Our market dominance, financial capacity and technical expertise position us well to scale our business profitably. Technology, digitisation and partnerships are key levers to unlock growth.

### Technological enhancements

We know our growth needs to be supported by technology and rich data. This thinking continues to be embedded in our FutureFit strategy.

#### Underwriting



**World-class underwriting capabilities,** including diverse and specialist insurance skills.



Furthered the roll-out of our **geocoding** system across our property book, measurably reducing losses.



**Improved our underwriting** to manage and reduce risks. Read more on page 80.

#### Client-facing



**Digitally enhanced intermediary platform** improves experience and efficiency.



**Launched web quote and buy** "get cover in under 2 minutes".



**Acquired Kandua,** a leading online marketplace, to open new avenues for client growth and digital innovation.

## Growth market segments

We have identified market segments that support our growth and diversification strategy. This is supported by strategic relationships that we will leverage to scale our business, improve our product offering and unlock exponential growth.

### Large market share in South Africa in both the broker and specialist segments

- Enhance growth through improved client and intermediary value propositions and experience

### Underrepresented in the direct market

- MiWay inbound and face-to-face commercial distribution model
- Dedicated focus on direct under the Santam brand in the Santam Client Solutions business unit

### Growth opportunity in uninsured and underserved segments

- Executed through Partner Solutions business – partnerships and growing non-insurance revenue sources and client engagement through ecosystems
- Cross-selling opportunities with Sanlam in South Africa
- Access to a new customer base through our partnership with MTN in South Africa

### Growing outside South Africa through Santam Re and Specialist

- SanlamAllianz joint venture provides growth opportunities in specialist lines across Africa
- Grow specialist lines outside of Africa
- Grow Santam Re with treaty business across a wide geography (Southeast Asia, Middle East and Africa)

## Corrective actions

We experienced pressure on our underwriting results since 2022 across the motor, property and treaty reinsurance books. Motor claims experience was elevated by high levels of claims inflation and an increase in the theft of high-value vehicles. The property book underperformed due to an increase in the frequency and severity of weather-related and fire losses and power surge claims resulting from load shedding. Santam Re also incurred a number of large property and motor losses. We have implemented a range of management actions since 2022, including segmented premium adjustments, increases in excess amounts, additional vehicle security requirements, and the geocoding initiative's roll-out. These have effectively addressed power surge claims and reduced the motor claims experience.

The property actions are ongoing, with benefits already reflected in improved profitability, albeit not yet at the desired level. Santam Re completed a portfolio restructuring and trimming of underperforming treaties. These actions enabled the group to deliver an underwriting margin for 2024 within the target range, despite an increase in the cumulative weather-related and large claims compared to 2023. This reflects the improvement in the underlying rate strength of the overall insurance book.



# How we operate – business operating model

Santam's business model reflects the inter-connectedness of our operating environment, the key resources we depend on, the challenges and opportunities we are exposed to, the needs and expectations of our clients and other stakeholders 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

### Financial capital



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

### Human capital



- Employees
- Intermediaries
- Business partners

### Manufactured capital



- The infrastructure of our offices, other buildings and technology systems
- Our clients' insured physical assets
- Transport and other infrastructure that supports economic activity and can impact insurance risk

### 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
- Business partners
- Shareholders
- Governments and regulators
- Communities

### Natural capital



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

- Energy
- Water

*We endeavour to provide best-in-class expertise to ensure prosperity for all our clients, and solutions that align with their changing contexts.*

## enable us to deliver on our strategy

### 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
  - Maintaining a strong financial capital position
  - Resilience in challenging market conditions
  - Effective treasury and investment management
  - Effective risk management
  - Prudent underwriting
  - Approved internal capital model
- 
- Attract and retain the top talent in the industry
  - Remunerate competitively
  - Improve and transfer skills through training initiatives
  - P4RR
- 
- Competitive employee value proposition
  - Social innovation
  - Technology-driven change
  - Investment in technology, research and training
  - Digitised multi-channel approach
  - Geocoding for the property book
- 
- Client support and claims payments
  - Transformation initiatives
  - P4RR
  - Financial inclusion initiatives (consumer financial education) and access to financial services
- 
- Corporate social investment (CSI)
  - Media engagement
  - Supplier and Broker Development programme
  - P4RR
- 
- Improved environmental sustainability to reduce impact
  - Incentivising behaviours that preserve natural capital
  - Impact-based investment funds

to facilitate value-adding business activities, outputs



● Created | ● Maintained | ● Eroded

Created, maintained or eroded, as compared to last year

### Financial capital



- Fund business activities such as acquisitions, investments in technology and training
- Help municipalities preserve manufactured capital through P4RR
- Improve socio-economic conditions, particularly in South Africa
- Pay claims, dividends, taxes and other expenses such as salaries

- Santam group share price as at 31 December 2024: R392.64 (2023: R286.57).
- Return on capital of 31.9% (2023: 28.5%).
- R2 036 million tax paid (2023: R1 220 million).
- R1 664 million in dividends paid (2023: R3 510 million including special dividend).

- Clients
- Employees
- Providers of capital
- Communities
- Government and regulators

### Human capital



- Remunerate fairly
- Expand and transfer skills
- Improve employee diversity
- Improved employee experience and wellbeing

- Certified as a Top Employer by the Top Employer Institute for the 9th consecutive year. We ranked 5th out of 154 participating companies in South Africa.
- Employee engagement score of 86% (2023: 85%).
- Invested R3.0 million in the Santam emerging leader programme that supported 53 participants.
- 1 472 employees trained through the data literacy programme.
- 141 people with disabilities employed through our partnership with Disability Connect.
- Continued to build a pipeline of skills through the graduate and learnership programmes. 14 employees benefitted.
- 351 leaders participated in 14 leadership development initiatives. Focus areas included: advancing female leadership, supporting previously disadvantaged groups and promoting talent mobility across the Sanlam Group.
- Partnered with Business Engage to advance women's empowerment and gender transformation. 11 women were prepared for senior leadership positions through board meeting simulations, mentoring and networking.
- Launched four Employee Resource Groups to support employees who are part of the different sexual orientation communities.
- Participation in Sanlam development programmes, e.g. CA Trainee programme and Data Academy.

- Employees
- Suppliers
- Intermediaries

### Manufactured capital



- Insure physical assets
- Invest in infrastructure development projects
- Incentivise responsible behaviours

- SmartProtect product assists clients to manage risk, reducing the risk of loss of property.
- Roll-out of geocoding and increased use of surveying to underwrite and manage property risks more effectively.
- R400 million invested through responsible investment and resilient funds.
- 102 municipalities supported through P4RR to better equip them to protect the property of communities they serve.
- No material fraud incidents identified.

- Clients
- Suppliers
- Communities

and outcomes

to create value for our stakeholders

**Intellectual capital**

- Keep the client at the core
- Maintain our competitive advantage
- Innovate in product development
- Underwrite responsibly
- Act responsibly with client data

- Implemented the MiWay inbound and tied agency strategy.
- Launched Santam Business Assist.
- Launched Santam SmartSME.
- Improved client experience through investment in digital processes and training of client contact staff.
- Continue to be the best intermediary enabler – enabled more than 3 000 intermediaries digitally.
- Cross-selling with Sanlam.
- Launched the Underwriting Academy to grow our own underwriting skills.

- Clients
- Employees
- Suppliers
- Intermediaries

**Social and relationship capital**

- Collaborate with industry associations, such as SAIA and the Financial Intermediaries Association of Southern Africa (FIA)
- Develop supply chain partners
- Support SMME suppliers
- Black Broker Development programme
- Build resilient societies through P4RR, CSI and employee volunteerism
- Invest in impact funds which support ESG

- Invested in four enterprise and supplier development funds (2023: four).
- Santam OSTI overturn ratio 9.13% (2023: 11.03%).
- MiWay OSTI overturn ratio 5.57% (2023: 8.87%).
- R3.2 billion spent with SMME suppliers (2023: R2.8 billion).
- 690 black intermediaries supported through the Black Broker Development programme (2023: 603).
- Supported 102 municipalities through P4RR since 2012 (2023: 95).
- No material incidences of fraud (2023: 0).
- Intermediary NPS of 61 (2023: 59).
- Partnered with the CSIR to develop climate change adaptation plans for 10 district municipalities using the GreenBook online tool.
- Provided equipment and training to disaster risk management practitioners, fire services and communities. With our partners, we reached over 73 200 people with disaster risk education and awareness.

- Clients
- Suppliers
- Intermediaries
- Communities
- Government and regulators

**Natural capital**

- Impact on insured portfolios (extreme weather-related claims)
- Invest responsibly
- Procure responsibly
- Operational reduction of energy and water use and waste

- Conducted an ESG supply chain materiality assessment to support the broader strategy for integrating ESG principles across supplier operations.
- ClimateWise score 51%<sup>1</sup> (2023: 73%).
- CDP score (2023: B).<sup>2</sup>
- Constituent of the FTSE4Good index and FTSE/JSE responsible investment Top 30 index.

- Providers of capital
- Suppliers
- Communities
- Government and regulators

<sup>1</sup> 51% score is based on the updated reporting methodology and it is not comparable to the 2023 score.

<sup>2</sup> The score is not available at the time of publication of the report.

# Santam's key stakeholder relationships

*The aspirations of our stakeholders and our long-term objectives are intrinsically intertwined, and hinge on unlocking freedom for our clients and those we work with. We are committed to understanding and being responsible to our stakeholders.*

How we manage and govern stakeholder relationships to ensure effective engagements



## Our key stakeholders

### Clients

Our priorities are to retain existing clients by improving their experience across the entire client journey, ensuring that the solutions we offer remain relevant to their needs and continuously enhance the overall value propositions. Our goal is also to acquire new clients through innovative product solutions and a multi-channel distribution approach.

*We strive to give our clients the confidence to pursue their hopes and aspirations without fear of loss.*

#### How we engage

- Direct channels
- Intermediaries
- Client surveys, market research and strategic reviews
- Feedback
- Consumer financial education
- Traditional media and social media channels
- Client journey mapping through focus groups

#### Their needs and expectations

- Personalised, innovative, appropriate and flexible product solutions
- Competitive and transparent pricing
- Exceptional client experiences and ease of use
- Responsible and appropriate advice
- Safeguarding client privacy
- The assurance that we will pay legitimate claims and provide relief in times of significant financial strain
- Treated with fairness, respect and dignity
- Digital capabilities that enable self-service
- Omni-channel experience with speed of service

#### How we assess value creation, preservation or erosion

- Treating Customers Fairly is a regulatory and supervisory approach driven by principles that address the consistent delivery of fair client outcomes. Santam's conduct is assessed to reduce the risk of client dissonance
- Voice of the Client tracking and analysis
- National Financial Ombudsman findings
- Complaints managed by the Santam client care division
- Monitoring of client Net Promoter Score against the internal target and industry benchmark
- 360-degree competitor review

#### Examples of engagements in 2024

We engaged with our clients through digital platforms such as social media and podcasts, traditional channels such as radio, television and out-of-home, market research as well as written communications. We also engaged through brand and marketing initiatives, including sponsorships and business conferences.

We run client surveys daily, while intermediaries and suppliers share feedback monthly and some quarterly.

We mapped clients and intermediary journeys specifically for Namibia this year.

We manage and resolve stakeholders (clients, intermediaries and supplier) complaints.

#### What was learned during engagements

Research helped us understand customer choices better.

Customer engagement helps foster trust and loyalty.

Brand direction/brand refresh was influenced by client engagement.

MiWay and Santam experienced improved social media responses.

#### How Santam is responding/will respond to needs or expectations

Deliver exceptional client experiences by focusing on simplicity, accessibility, and ease of doing business.

Listening to clients closely with empathy and making sure they feel heard, valued and trusted. This includes reading, responding to and analysing social media engagement and website reviews. We use these insights to refine our customer experience strategy, ensure our product offering evolves with client needs, and enhance our brand reputation.

Products and self-service channels are optimised to address client needs at various life stages.

Our omni-channel strategy responds to the need for enhanced connectedness with clients.

Ensure pricing remains competitive while fostering trust and affordability for our clients.

Demonstrate reliability by paying valid claims and reinforcing the company's role as a dependable partner.

Launched a new Santam brand and MiWay marketing campaign to position both brands for growth and relevance.

**Treating Customers Fairly** refers to a regulatory framework set by the Financial Sector Conduct Authority that ensures financial institutions act with integrity and fairness. The framework outlines six outcomes:

1. Customers are confident they are dealing with firms where the fair treatment of customers is central to the firm's culture.
2. Products and services marketed and sold in the retail market are designed to meet the needs of identified customer groups and are targeted accordingly.
3. Customers are given clear information and are kept appropriately informed before, during and after the time of contracting.
4. Where customers receive advice, the advice is suitable and takes account of their circumstances.
5. Customers are provided with products that perform as firms have led them to expect and the associated service is both of an acceptable standard and what they have been led to expect.
6. Customers do not face unreasonable post-sale barriers to change product, switch provider, submit a claim or make a complaint.

## Employees

Our 6 692 employees are the driving force behind achieving the targets set out in our strategy.

### How we engage

- Digital engagement through the myWorkSpace employee platform
- Face-to-face engagement
- Inclusion Index Survey
- Pulse Survey
- The Santam Way Culture Roadshow
- Talent and performance management
- Skills development programmes
- Engagement with leaders of the Employee Resource Groups
- Employee results announcements

### Examples of engagements in 2024

Through the Senior Leadership Conference, employees engaged with the executive team and gained insight into their leadership journeys, styles and business priorities. These engagements made the executive team more relatable and it provided a good platform to create visibility for senior business leaders.

The Women of Santam network was the most active network in 2024. It demonstrated the importance of employee ownership supported by executive sponsorship.

Other engagement mechanisms included:

- Ten culture roadshows around the country (33 sessions).
- Two engagement surveys.
- Santam Hackathon.
- Young Professionals Network.
- Under the Yellow Umbrella Leadership Engagement.

### Their needs and expectations

- Alignment with the group's purpose and values
- Fair and competitive remuneration
- Effective performance management
- Training and development for personal and career advancement
- Opportunities for innovation and digital enablement for new ways of working
- An ethical, fair, inclusive and safe work environment
- Protection of labour and human rights

### What was learned during engagements

Overall, employees have a positive employee experience and find the workplace supportive, and enjoy a sense of belonging.

Employees desire greater internal mobility, regular engagement with their leaders, a workplace environment that prioritises psychological safety and work-life balance. They also have inconsistent leadership experiences and are sometimes not aware of the range of benefits and services available to them.

Harnessing the ideas and enabling employees to solve and innovate around business problems, coupled with exposure to senior leaders, supports employee engagement.

### How we assess value creation, preservation or erosion

- A diverse and inclusive employee profile
- Employee engagement feedback
- Results of Pulse and Barret Surveys
- Santam's occupational health and safety approach ensures compliance with the Occupational Health and Safety Act and Regulations, 85 of 1993, the Compensation for Occupational Injuries and Diseases Act, 130 of 1993, and local bylaws

### How Santam is responding/will respond to needs or expectations

Enhanced communication on our Employee value proposition (EVP) and the offering available to employees.

Embedding the Santam Way leadership charter that defines expectations of leaders.

Enhance the visibility of career opportunities across the group.

Continuously seek ways to improve our employee wellbeing offering through a range of partnerships.

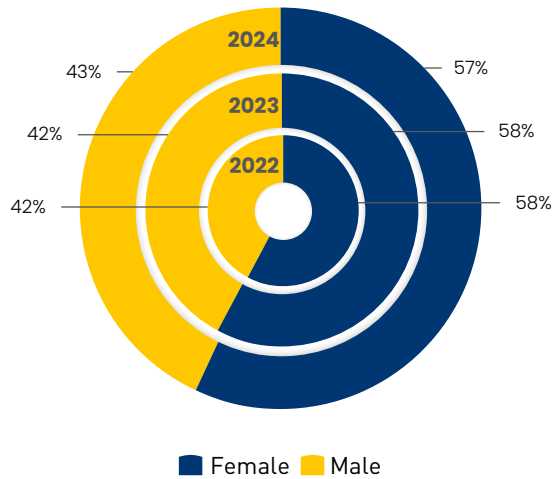
Bolster the leadership of the employee networks, create visibility of the networks and broaden network membership, enhance collaboration and opportunities to work alongside or shadow senior business leaders.

Broaden network membership, enhance cross-network collaboration.

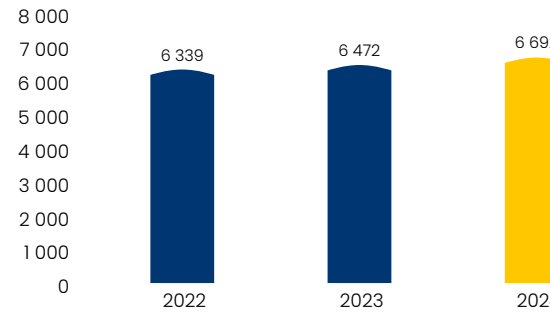
Continue executive engagements in 2025 to introduce the rest of the executive team.

## A profile of our employees

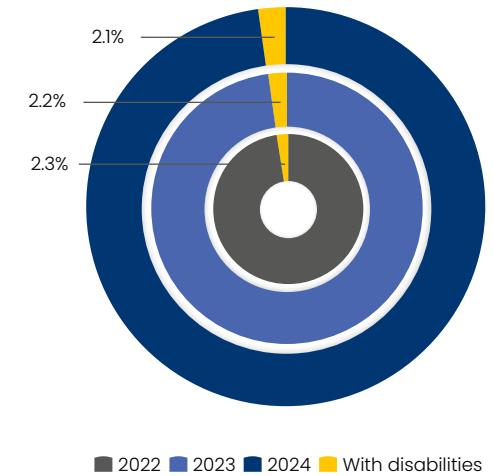
EMPLOYEES BY GENDER (%)



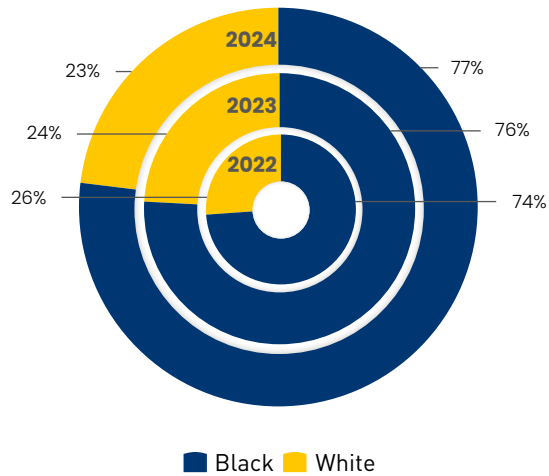
NUMBER OF PERMANENT EMPLOYEES (%)



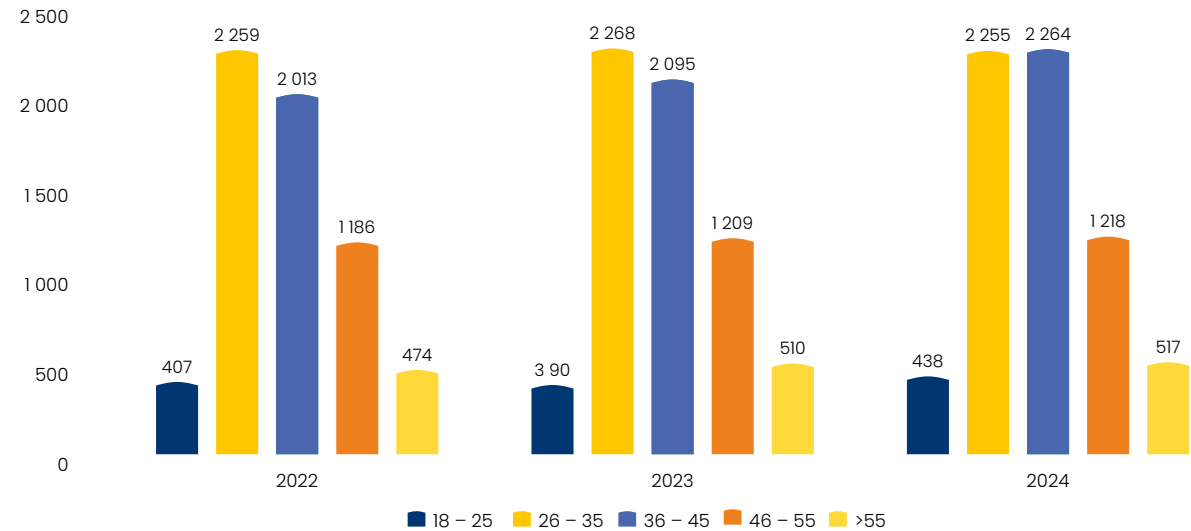
EMPLOYEES WITH DISABILITIES (%)



EMPLOYEES BY RACE (%)



EMPLOYEES BY AGE (NUMBER)



## Case study

### The Santam Way Culture Roadshow

Building on the success of last year's countrywide CEO roadshows, we launched the Culture Roadshows. The purpose of these roadshows was to co-create the Santam Way – an organisational culture that enables Santam to achieve its strategy, drive high performance and position Santam for success over the next 106 years. During the roadshow, we shared and received input from employees on the proposed Santam Way Culture Manifesto, which includes culture priorities and leadership behaviours. The roadshows were facilitated across a number of our Santam locations, including Santam Namibia.

## Case study

### Ensuring fair remuneration for our employees Our commitment to a living wage

The financial services industry does not have a sectoral minimum wage and uses the national minimum wage of R4 350 per month. Effective 1 September 2023, Santam decided that it would formally adopt the principle of paying employees (permanent, non-commission earning) a minimum of R15 000 per month, which we consider a living wage. In 2024, we implemented this new minimum across the group. Santam's remuneration policy, which pre-dates the living wage decision, already incorporated the principle of fair remuneration.

### Closing the income differentials over time

We use an increase matrix when calculating annual increases, which supports our pay-for-performance principle, in line with the Equal Pay for Equal Value legislation. This matrix considers employee performance ratings alongside their salaries compared to the market-related benchmarks. The matrix recommends that employees who have salaries lower than the market average and those who have the highest performance ratings should receive the highest increases. The goal is to use this tool to close the differential gap over time.



## Capital providers

Our providers of capital are our shareholders, including individual and institutional investors and investors in Santam subordinated debt instruments. Our performance and sustainable growth directly impact the providers of capital.

### How we engage

- Annual general meeting
- Results presentations
- Investor conferences
- One-on-one meetings
- Reports
- Santam website
- The Vault online investor relations communication tool

### Their needs and expectations

- Return on investment in excess of cost of capital
- Sustainable dividend growth
- Transparency, accountability and good corporate governance
- A strong balance sheet and effective growth strategy
- Long-term sustainability

### How we assess value creation, preservation or erosion

- Shareholder voting on resolutions at our AGM
- Feedback at shareholder engagements
- Our providers of capital have a vested interest in Santam's long-term sustainability and monitor our sustainability ratings
- Demand for debt issuances
- Share price performance

### Examples of engagements in FY2024

The Santam chief executive officer (CEO), finance director, head of investor relations and other executives held a series of engagements with the investor community. These included: one-on-one and group meetings with local and international investors on various topics.

### What was learned during engagements

A continued need for regular and planned engagements. Investors need to understand the group's business performance, growth drivers, and progress in strategy implementation.

### How Santam is responding/will respond to needs or expectations

We incorporate regular and planned engagements into our investor engagement strategy.

## Suppliers

Suppliers are our interface with clients at the most crucial time – during the claims process. Many of Santam's suppliers are SMMEs, the foundation of the South African economy. We maintain strong relationships with suppliers, business partners and industry associations. Ongoing engagement is critical to ensure compliance, ethical conduct, and adherence to contracts.

### How we engage

- Procurement processes
- Industry bodies
- Supplier development initiatives
- Engagement on compliance, ethical conduct and adherence to contracts

### Their needs and expectations

- Suppliers expect Santam to meet its contractual terms and agreements
- Long-term beneficial relationships, regular engagement and support
- Fair process in awarding contracts

### How we assess value creation, preservation or erosion

- Supplier feedback
- Client complaints about suppliers

### Examples of engagements in 2024

We held various engagements with industry associations and suppliers, such as our quarterly meetings with suppliers' associations, to share and create alignment around our claims and procurement strategy.

### What was learned during engagements

The key concerns from suppliers' centre around reduced volumes which is exacerbated by the economic slowdown and reduced new car sales.

Engagements with suppliers also highlighted the need for an increased focus on transformation, embedding technology and improving the client experience.

### How Santam is responding/will respond to needs or expectations

Improved efficiency and the use of technology should improve the client experience and reduce the cost of repair. Making insurance more affordable to a wider population can ultimately increase the insurance pool size.

## Intermediaries

Santam's more than 3 000 intermediaries guide clients through the structure of policies and offer advice, information and assistance regarding risk management strategies and claims processes. Included here is MiWay, a predominantly direct insurance business that is also supported by an intermediated channel. Our supporting brokers and tied agents guide clients through the structure of policies, offer customised risk management advice and assist with claims processes.

### How we engage

- Broker Quoting Platforms such as FSP and iPlatform
- Virtual and face-to-face engagements
- Online training initiatives (webinars)
- We engage with the FIA and black intermediaries regarding industry transformation imperatives including the INSETA Broker Continuity Programme (10 learners placed at black-owned brokerages)
- Structured feedback loops via surveys
- Broker and advisor conferences

### Their needs and expectations

- Innovative and customisable products and services
- Product and regulatory training
- Fair incentives and sales remuneration
- Support and infrastructure to enable productivity
- Digital applications and tools with a focus on ease of doing business
- Responsible insurance services and solutions
- Access to specialist risk insights and emerging trends that enable the brokers to stay abreast in competitive market (market intelligence)
- Fair treatment of clients at claims and policy servicing stages

### How we assess value creation, preservation or erosion

- Broker performance metrics
- Our investment in training intermediaries and the value they derive from training
- We monitor the feedback received from digital engagement channels
- We monitor intermediary NPS
- Quarterly tracking of digital engagement channels
- The number of new and existing supporting intermediaries

### Examples of engagements in 2024

We hosted 16 face-to-face Broker Connect sessions nationwide attended by 1 220 brokers.

We hosted three broker advisory forums.

Specialist Solutions hosted two regional Symposiums reaching 200 brokers.

We held driver wellness days impacting 300 truck drivers, which supports risk management.

In casualty lines of business, we had tailored technical webinars which targeted 600 brokers.

Regional Manager conference for the tied agents held this year (MiWay).

Broker Boot Camp to drive understanding of the commercial insurance products, processes and systems (MiWay).

Monthly virtual product training with over 100 brokers attending each session, for both personal and commercial lines (MiWay).

### What was learned during engagements

Survey feedback from intermediaries and commercial clients indicated that while they understood the need for cyber security, more awareness was needed to understand specific mitigation actions and insurance cover options.

Brokers find themselves spending more time on administration and compliance than on sales and advice, hindering the ease of doing business.

We identified improvements to streamline certain processes (MiWay).

There is a strong positive sentiment around the simplicity of MiWay business insurance product and service offering as well as the ease of doing business with MiWay.

### How Santam is responding/will respond to needs or expectations

Santam is working on a simpler quotation process to promote better adoption of cyber cover. The tool stimulates conversations with intermediaries and their clients about the cover, risk mitigation measures companies have in place, and the strength of their IT systems and policies. Going through the quoting process reveals the level of risk preparedness.

We put client and intermediary experience at the core of what we do.

Tailored training and development programmes for brokers, such as a broker academy.

Simplified processes for cross-selling opportunities across specialist solutions.

Digital enablement, providing AI-driven tools that enable real-time support of understanding complex insurance.

Enhanced communication and support through continuous feedback via our surveys.

MiWay continuously optimises sales and servicing processes for a better intermediary and client experience, based on the feedback from our engagements with our intermediaries.

## Communities

Our communities include the people living in the countries where we operate. Santam is a responsible corporate citizen and supports the South African societal development imperative. We partner with all spheres of government, non-governmental organisations, and research and academic institutions to co-create and implement socio-economic developmental initiatives, including interventions that seek to enhance institutional capacity to manage local disaster risks.

### How we engage

- Partnership for risk and resilience (P4RR) programme
- Corporate Social Investment CSI initiatives
- Consumer financial education (CFE)
- Staff volunteerism programme

### Their needs and expectations

- Strengthening their capacity to manage disaster risks, including those related to climate change
- Skills development
- Employment opportunities
- Financial education and inclusion
- Contributions to addressing social and environmental issues
- Transparent and comprehensive reporting on material ESG-related risks and opportunities

### How we assess value creation, preservation or erosion

- We continuously partner with a number of selected municipalities and other partners we support through P4RR and engage with them to ensure we are creating value
- Total CSI spend
- Investment in CFE and the value communities derive from it
- We regularly monitor and evaluate our initiatives to ensure that they are impactful, and we conduct impact studies on initiatives implemented

### Examples of engagements in 2024

Through the P4RR programme, we provide ongoing support to existing partner municipalities. We continued implementing resilience-building initiatives with our partner municipalities, including assisting 10 district municipalities in creating climate change adaptation plans and planting over 600 indigenous trees in selected district municipalities to contribute to climate change adaptation. We formally partnered with Nkangala District Municipality and the Ekurhuleni Metro during the year as part of the P4RR programme.

Through CSI:

- We partnered with the Western Cape Department of Economic Development and Tourism to empower SMMEs by providing financial education and support.
- We partnered with the Department of Basic Education and the National Disaster Management Centre to provide support for schools for Learners with Special Educational Needs. Through this partnership, we provide risk assessments, resourcing and risk management training.

### What was learned during engagements

There is a general appreciation for Santam's partnership with various spheres of government. Santam is providing thought leadership and catalysing initiatives that enable communities to improve disaster risk management capabilities. We have also learned that ownership by partner agencies is critical for the sustainability of initiatives.

SMMEs are in dire need of support, such as personal finance education and business finance management principles.

The existence of a well-functioning school safety committee is critical in risk management. In addition, the involvement of school management, and especially the principal, is essential

There is high value in practical simulations, such as the fire drills in schools to test response to disasters.

Training and sensitisation play a key part in emergency prevention and risk management.

### How Santam is responding/will respond to needs or expectations

We will continue working with selected partners to help build resilient communities.

Through CSI:

- We collaborate within the industry and the group for opportunities to offer various tailored financial inclusion programmes.
- Using digital technology such as podcast and webinars provides a significant opportunity for scale, access and tailor-made education.

**P4RR** is a programme aimed at building societal resilience through collaboration and partnerships with all spheres of government, state owned entities, research and academic institutions, community-based organisations, private sector agencies to co-create initiatives to enhance institutional capacity of mandated organisations to manage disaster risks.

## Case study

### Impact through P4RR: City of Tshwane stormwater cleaning initiative

The City of Tshwane faces increasing flood risks due to blocked stormwater drainage systems, littering and other urban challenges. These issues have resulted in significant losses, particularly in high-risk urban areas. To combat this growing problem, a proactive approach was needed to enhance drainage and reduce the risk of flooding.

In response, the City partnered with Santam through the P4RR programme to launch a pilot project aimed at cleaning stormwater drainage facilities in three targeted regions. This initiative commenced in November 2023 and will run for 16 months. It includes the involvement of 10 learners selected by the City's Leadership Academy, providing them with valuable skills and experience.

Santam is supporting the project by providing stipends and personal protective equipment for the learners, as well as funding the hire of specialised high-pressure machinery necessary for effective cleaning. The collaboration aims not only to mitigate flood risks and related losses but also to empower the learners and enhance community resilience. Over 300 stormwater catchpits have been cleaned in three selected regions as part of this initiative.

Santam plans to replicate this initiative in other high-risk areas, using insights gained from this pilot to refine future implementations.

## Case study

### Enhancing veldfire response through quick response force aerial capabilities

The Cape Winelands District has faced significant challenges in responding to veldfires, which can rapidly escalate, causing extensive damage to property and natural resources. There is an urgent need for swift response to fire events, which is critical to contain fires before they expand and require additional resources.

In November 2021, Santam, alongside several insurance companies, launched a pilot programme through a consortium to establish a Quick Response Force (QRF) to enhance aerial firefighting capabilities. This initiative focuses on rapidly responding to fire incidents within a 50km radius of Stellenbosch to prevent the spread of fires until ground-based resources can arrive.

Santam has played a pivotal role in the ongoing implementation of the QRF, which has proven instrumental in protecting livelihoods and reducing fire-related losses and fatalities. In 2024, the programme expanded to the lowveld area, specifically around Mbombela, in collaboration with the Lowveld Escarpment Fire Protection Association. Feedback from partners indicated that the QRF has been crucial in fire suppression efforts, including an intervention in October 2024 at Skukuza Airport, where the QRF successfully contained a fire, minimising damage to the facility, which is insured by Emerald, part of the Santam group.

## Case study

### CSI funding delivers vital humanitarian service to vulnerable communities

The South African Red Cross Society (SARCS) was established in 1921 to prevent and alleviate human suffering in the face of emergencies, disasters and conflict. This is done in three ways:

1. Provide humanitarian service
2. Promote disaster risk reduction and management
3. Build resilient communities and support vulnerable groups

In September and November 2024, the communities in Thabo Mofutsanyana were impacted by two windstorm disasters. In September 2022, the Jagersfontein tailings dam wall collapsed, releasing sludge made of mine waste. This disaster affected downstream communities, killing two people and destroying 164 homes and 1 600 hectares of agricultural land.<sup>1</sup>

With funding provided by Santam, SARCS was able to provide these communities with disaster relief, including food parcels, hygiene packs, mattresses and blankets. Through a partnership between Santam, SARCS and local authorities, SARCS also managed to run a one-of-its-kind provincial food and clothing bank.

160 community members received first aid and disaster management training to enhance community capacity for disaster preparedness and response. These individuals provide additional support to existing community-based disaster management structures that can effectively respond to disasters in the area. This team, for example, assisted motorists who were stuck in the snowstorm on the Van Reenen's Pass in September 2024.

<sup>1</sup> <https://www.bench-marks.org.za/wp-content/uploads/2023/09/Jagersfontein-report-BMF-Sep23.pdf>

## Government and industry regulators

Santam views the government as a partner to help us navigate the challenges and opportunities of the market. We are regulated by various laws and regulatory bodies in the countries where we operate; this ensures a reliable insurance sector, reduces systemic risk and promotes a functioning economy. The chief risk officer provided input into the Climate Guidance Note released by the Prudential Authority.

### How we engage

- Together with Sanlam, Santam regularly engages with governmental stakeholders in South Africa
- Engagement with the Prudential Authority and the Financial Sector Conduct Authority (FSCA)
- Discussions with government representatives and legal entities and institutions, both locally and abroad

### Their needs and expectations

- Payment of taxes, levies and fees
- Compliance with regulatory and legal requirements
- Strong governance frameworks and ethics
- Active participation in industry and regulatory engagements
- Protection of consumer, environment, labour and human rights
- B-BBEE and transformation
- Occupational health and safety standards

### How we assess value creation, preservation or erosion

- In-person feedback
- Annual and quarterly regulatory reporting and compliance

### Examples of engagements in 2024

Examples of the routine engagements we have with the government and the regulator include:

- The stakeholder relations function and the transformation office met with the Financial Sector Transformation Charter (FSTC) and collaborated to host the Financial Inclusion Week aimed at supporting SMEs with financial management education and providing a platform for engagements with various financing opportunities.
- The finance office engaged with the National Treasury and the South African Revenue Service around implementation of IFRS 17, playing an active role in ensuring appropriate tax legislation and outcomes for the South African Revenue Service.
- The board met with the Prudential Authority in May and November to discuss organisational resilience.
- The Prudential Authority conducted its annual due diligence on Santam's internal model during October 2024. Meetings were held with the Santam CEO, CRO, non-executives and senior management.
- The group CEO and CFO meet with the Prudential Authority biannually to discuss financial results.

### What was learned during engagements

Santam abides by the regulations set out by government entities. As such, no major concerns were raised or need to be addressed.

### How Santam is responding/will respond to needs or expectations

We will continue to maintain a healthy working relationship with relevant regulators.

## Reinsurers

Our risk as a general insurance group is diversified by purchasing insurance from reinsurers. Doing business with reinsurers allows Santam to write more business by being able to take on more risk than our balance sheet would otherwise allow.

### How we engage

- Annual discussions on reinsurance programmes
- Market visits and conferences

### Their needs and expectations

- There is an alignment of interests between insurers and reinsurers
- Reinsurance contract wordings are fully understood and adequately communicate the coverage and exclusions

### How we assess value creation, preservation or erosion

- Support from a diverse reinsurance panel
- Sufficient reinsurance capacity provided to the group
- Fairly priced reinsurance contracts

### Examples of engagements in 2024

Santam attended the Baden-Baden reinsurance conference and hosted a breakfast presentation. The Santam team took the audience through the South African operating environment, our exposure management and geocoding initiatives, capital management and ESG commitments, and concluded with a summary of our reinsurance placements.

### What was learned during engagements

Reinsurers are looking to deploy capacity in South Africa following increases in rates and deductibles during the hard market cycle. Santam's exposure management and geocoding initiatives have been well received in the market. Our expectation for the upcoming renewal is that Santam's programmes will remain oversubscribed.

### How Santam is responding/will respond to needs or expectations

We continue to engage with reinsurers to secure cost-effective reinsurance. We will continue to improve our internal risk management initiatives to limit increases in reinsurance rates that need to be passed on to our clients.

## The media

Santam believes in transparency and has therefore cultivated an open and honest relationship with media stakeholders. Santam utilises the media as a platform for communicating information and updates on corporate initiatives and developments.

### How we engage

- Santam's "always on" approach, where expert opinion on insurance matters is regularly provided to the media
- Using television, radio, digital platforms, print and our social media platforms to convey messaging
- Frequent thought leadership commentary
- Regular networking with media stakeholders

### Their needs and expectations

- Transparency and availability
- A clear purpose and values

### How we assess value creation, preservation or erosion

- Evaluate mainstream media sentiment regarding Santam coverage

### Examples of engagements in 2024

During the year under review, Santam hosted a number of engagement sessions with the media, including:

- Interviews with company experts on topical issues affecting the short-term insurance industry.
- The group CEO, CFO and other executives, held a series of interviews with the media during the presentations of the annual and interim results.
- Santam regularly provided thought leadership commentary on a range of topical issues.

### What was learned during engagements

The media is an important stakeholder that gives Santam an opportunity to tell its story, leading to an increase in the company's brand reputation.

### How Santam is responding/will respond to needs or expectations

The company will continue to nurture and sustain the relationship with media stakeholders and ensure enquiries are responded to timeously and with honesty.



# ENSURING GOOD GOVERNANCE

3



## A message from the chairperson

*Santam supports clients and other stakeholders in creating a prosperous, safe and empowered society. This commitment hinges on delivering reliable insurance services and engaging in initiatives that promote freedom for everyone.*

### Santam's world and performance in 2024

The insurance industry continues to face significant pressures, characterised by volatility from extreme weather events and geopolitical tensions, cost-of-living challenges for clients and intense competition driven by rapidly advancing technology. Santam fulfilled its purpose by paying R28.6 billion in legitimate claims to clients in 2024. Significant claim events included the Western Cape storms in July 2024 and substantial losses from the Shelley Point fire and the Taiwan earthquake affecting Santam Re.

The board recognises the adaptability and resilience needed to navigate such an environment. The group's robust governance structures and renewed strategy, operating model and brand positioning enable Santam to respond to market shifts and trends. We have closely monitored performance:

- The progress Santam Broker Solutions and Santam Client Solutions made in strengthening premium rates is commendable.
- Growth within Santam Partner Solutions, following the transfer of MTN's in-force book, is noteworthy.
- The successful restructuring of Santam Re has created a more diversified and lower-risk foundation, reflecting prudent decision making.
- While the board acknowledges the competitive pressures faced by Santam Specialist Solutions, we are confident in the division's focus on profitability and pricing integrity.
- Positive developments within MiWay, driven by new inbound and agency strategy, demonstrate effective management and potential for growth.
- The robust performance of the investment in Shriram General Insurance reinforces the board's confidence in the strength of Santam's portfolio and strategic direction.

**The FutureFit strategy has been thoughtfully refined to adapt to the evolving risks and opportunities facing Santam, positioning the group as South Africa's leading insurer. Seeing how strategic actions have significantly improved profitability across the portfolio is gratifying.**

**Nombulelo Moholi**, chairperson

### Strategy and brand

The refreshed brand, "Freedom," resonates with Santam's strategy and reflects the group's dedication to being an innovative insurer focused on clients. With the omni-channel model now fully operational, Santam is effectively targeting specific market segments, and the positive results of technology investments are encouraging. The risk committee's review of publications on consumer vulnerability and diversity, equity and inclusion has deepened our understanding of the diverse customer profiles served.

## Underwriting

This year, there was a strong emphasis on enhancing underwriting performance, particularly within property and motor portfolios. This included a focus on understanding the changing nature of the risk landscape and appropriately pricing for the risk to enhance the performance of the group. Ensuring the profitability of Santam Re, by not renewing unprofitable business was also a focus.

In February, Michael Cheng was appointed Chief Underwriting Officer. With over 25 years as a qualified actuary and CFA charterholder, we are confident in his ability to oversee pricing, analytics, and underwriting strategy, and to drive profitability alongside executive teams.

Over the past few years, Santam has also enhanced its employee value proposition, and it is pleasing to see this reflected in an improved ranking on the Top Employer South Africa list and the number of awards it has received. Santam focuses on talent development to equip the workforce with essential skills, ensuring continued success and competitiveness. The establishment of an underwriting academy will further enhance recruitment and training initiatives.

## Data strategy and risk management

Advancing the data strategy remains a key business priority. Capabilities in data governance and information management have been enhanced and suitably resourced given their centrality in our digitisation strategy. Investments in geocoding and AI are paving the way for innovation. AI has now become a standard agenda item for the SES committee, and an AI governance framework has been approved.

The risk committee conducted a deep dive into cyber security risk management, which highlighted the group's reliance on Sanlam Group Technology, prompting a review of the service level agreement, resulting in a new agreement and an update to the IT risk governance framework.

## Governance and ethical standards

In August, concerns were raised by motor body repairers regarding the appointment of a senior procurement consultant who was also one of Santam's suppliers. Following his resignation, which was accepted, we consider the matter resolved, and there is a continued commitment to maintaining strong relationships with all suppliers while upholding the highest ethical standards.

After a thorough session with internal and external audit functions, the board was pleased to report that no material issues required escalation. Proactive steps have been mandated and overseen by the risk committee, including implementing a stakeholder engagement plan and requiring all employees to resubmit their conflict of interest declarations.

## Financial flexibility

Santam is the first South African general insurer to have the Prudential Authority approve its internal risk assessment model. This achievement allows the group to hold lower capital reserves than standard regulations typically require, providing crucial financial flexibility in a challenging economic environment and enabling Santam to seize more business opportunities.

As the group navigated the end of its partnership with Munich Re, alternative arrangements were put in place through Santam acquiring its own A- rating from AM Best. This rating is crucial, as it reflects the financial strength and reliability that clients and investors expect.

## Audit effectiveness

This year, the audit committee successfully recommended KPMG as Santam's new auditors, replacing PricewaterhouseCoopers. We have confidence that Mr Mark Danckwerts, the designated independent auditor, and his team conducted the audit thoroughly and professionally, ensuring the accuracy and reliability of financial statements.

## Policies

The board reviewed key policies, including the group governance policy and the policy promoting diversity attributes on the board. In addition, we approved the director induction, training and development policy.

## Board composition

The board remains dedicated to effectiveness, and we assess the effectiveness of the board (as a collective) and the board committees annually. We receive quarterly updates from the nomination committee on board composition, succession planning and committee memberships. The approved director induction, training and development policy now covers essential topics, including reinsurance and responses to AI developments.

The departure of Shadi Chauke as an independent non-executive director, effective 14 October 2024, as she transitions to an executive role at Sanlam, is acknowledged with sincere appreciation for her commitment and insights during her tenure.

The nomination committee is reviewing the board's composition to ensure it maintains the necessary skills and expertise to support Santam's strategic objectives.

## Outlook and appreciation

As the board looks to the future, we remain vigilant regarding South Africa's socio-political risks and the challenges of failing infrastructure. In fulfilling Santam's function as an insurer – to empower our clients to live freely without the worry of unexpected setbacks, collaboration with municipalities through our P4RR and CSI initiatives is essential for enhancing community resilience.

We have confidence that the strategy, supported by a diverse and talented executive team and workforce, will lead Santam toward a successful and sustainable future.

I extend my gratitude to my fellow board members for their guidance and to Tava, the executive management team and the entire Santam group family for their unwavering dedication to achieving positive outcomes despite the challenges faced.

**Nombulelo Moholi**

*Chairperson*

# The Santam **board** at 31 December 2024

## The board of directors

### Role and mandate

*The board oversees the Santam group. It is the custodian of corporate governance and is responsible for directing, administering and controlling the group's affairs in a transparent, fair, ethical and responsible manner.*

This includes achieving and maintaining an appropriate balance of knowledge, skills, experience, diversity and independence to ensure that the board can objectively and effectively discharge its governance role and responsibilities. The board ensures that the necessary systems and processes are in place for the group to achieve its key strategic deliverables sustainably and to operate a sustainable business that creates value for its stakeholders. The board delegates some of its responsibilities to its board committees and management, in line with the delegation of authority framework, understanding that such delegation does not constitute a discharge of its accountability.

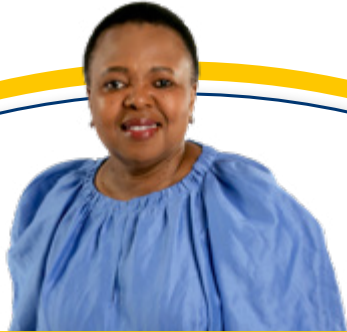
The board is further accountable for the following:

- Determining Santam's overall objectives, approving strategic plans to achieve the objectives, monitoring operational performance, ensuring effective risk management and internal controls, and monitoring legislative, regulatory and governance requirements
- Ensuring that there are clear and formal procedures in key areas so that regulators and auditors can readily review decisions and actions, both internally and externally
- Conducting business in accordance with Santam's code of ethics
- Overseeing the issuance of reports to comply with legal requirements and to meet the legitimate and reasonable information needs of material stakeholders
- Allocating major roles and responsibilities according to the company's delegation of authority framework
- Overseeing and appreciating that Santam's core purpose, strategy, risks and opportunities, business model, performance and sustainable development are all inseparable elements of the value creation process, and giving effect to this
- Delegating 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, its financial performance and the environment
- Overseeing the group's investments, the strategic investments and corporate actions

# The members of the board of directors (profiles)

As at 31 December 2024, Santam's board comprised ten non-executive directors (of which seven were classified as "independent") and two executive directors.

## Independent non-executive directors



**Nombulelo Moholi (64)** 🇷🇷

*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 of 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 Woolworths Holdings Ltd and AECI Ltd.



**Caroline Da Silva (59)** 🇧🇷

*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 of experience in the insurance industry, and she served in various executive roles at the Financial Services Board and Financial Sector Conduct Authority and was a trustee of the Financial Services Consumer Education Foundation.



**Deborah (Debbie) Loxton (61)** 🇳🇷

*Chair of the risk committee*

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

*Date of appointment:* 3 June 2021

Debbie is a chartered accountant and previous partner at PwC. She has extensive experience in audit, risk, finance and governance and has served both in executive and non-executive director roles at companies in the insurance and reinsurance industry. She is the Chair of the Board of Centriq Holdings (Pty) Ltd.



**Junior John (JJ) Ngulube (66)\*** 🇳🇷

*Qualifications:* BSc (Hons) (Agriculture), MSc (Agriculture), Dip (Financial Management)

*Date of appointment:* 23 April 2018

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

*\* During the latter part of 2024, Junior Ngulube was classified as an independent non-executive director. This followed a robust external independence review that was conducted on his directorship on Santam Ltd's Board of directors.*

## Independent non-executive directors



**Lucia Swartz (67)** 🇷🇷

*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 resources executive and strategic business partner, with international experience in corporate and start-up operations and a proven track record of accomplishments of successfully building and aligning people's strategies, capabilities and processes with the needs of the business to achieve organisational success. She currently serves on the board of MiWay Group Holdings (Pty) Ltd., Mr Price Group Ltd, Tiger Brands Ltd and Fibertime Group (Pty) Ltd. She was also previously employed by AB InBEV Africa (Pty) Ltd/SABMiller Africa Ltd as the Vice President – People Africa Zone.



**Mmaboshadi (Shadi) Chauke (45)** \* 🇷🇷

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

*Date of appointment:* 3 June 2021 (Resigned: 14 October 2024)

Shadi is a chartered accountant with 20 years of post-qualification experience in the external audit and financial services industries. She is a former registered auditor, having served five years as an audit partner at Deloitte & Touche South Africa until February 2018. She served as an independent non-executive director on the boards of Sanlam Developing Markets, Afrocentric Investment Corporation, The Small Enterprise Foundation, Mamor Investments (Pty) Ltd and Mamor Capital Ventures (Pty) Ltd until her resignation in October 2024.

\* Shadi Chauke resigned as an independent non-executive director and a member of the Santam Ltd board with effect from 14 October 2024. Her resignation also resulted in her stepping down on the same day as the chair of the MiWay group of companies.



**Monwabisi Fandeso (66)** 🇷🇷

*Lead independent director (LID) and chair of the investment committee*

*Qualifications:* BSc (Hons), MBA

*Date of appointment:* 15 January 2020

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



**Preston Speckmann (68)** \*\* 🇷🇷

*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 and Pepkor Holdings Ltd. He is a former PwC audit partner. He serves as a director of the MiWay group of companies, the Centriq group of companies, Safrican Insurance Company Ltd, SIH Capital Holdings (Pty) Ltd and Impala Holdings Ltd.

\*\* Preston Speckmann previously served as the LID of the MiWay group of companies. However, on 1 December 2024, he assumed his new role as the chair of the MiWay group of companies.

## Non-executive directors



### Abigail Muelelwa Mukhuba (45) 🇷🇷

*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. She currently serves as the finance director of Sanlam Ltd and Sanlam Life Insurance Ltd as well as a non-executive director of Sanlam Emerging Markets (Pty) Ltd and Sanlam Investments (Pty) Ltd.



### Mlondoloz Mahlangeni (44) 🇷🇷

*Qualifications:* BBusSc (Hons), Fellow of the Institute of Actuaries, FASSA

*Date of appointment:* 12 December 2022

Mlondoloz is an actuary with over 20 years of extensive and diverse experience in the insurance, reinsurance, investments and investment banking sectors. He is the Group Chief Actuary and Chief Risk Officer of Sanlam Ltd. He also serves as a director on the board of ARC Financial Services Investments (Pty) Ltd and ARC Financial Services Holdings (Pty) Ltd.



### Paul Hanratty (63) 🇮🇪

*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 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 Allianz Africa, Sanlam Investment Holdings (Pty) Ltd, SIH Capital Holdings (Pty) Ltd and aYo Holdings Ltd.

## Executive directors (ex officio)



**Tavaziva (Tava) Madzinga (46)** 🌍  
Group CEO

*Qualifications:* BBusSc, MSc, FASSA, FIA

*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, the SSI Group of Companies and the South African Insurance Association.



**Matthys Lodewikus (Wikus) Olivier (50)** 🌍  
Group finance director (FD) and CFO

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

*Date of appointment:* 1 July 2023

Wikus' expertise includes accounting, actuarial finance, financial markets and investments as well as general business and risk management. Before 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 CFO 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, and Santam Namibia Ltd.

## Group company secretary



**Ruwaida Eksteen (46)** 🌍  
Group company secretary

*Qualifications:* BCom (Law), LLB, Masters degree (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 fast-moving consumer goods (FMCG) industry and the energy sector, before joining the Sanlam Group in 2018.

# Our 2024 **leadership** team

*Our skilled and diverse leadership team drives and oversees our freedom agenda.*

## Ex officio directors



**Tava Madzinga (46)**

*Group CEO*

*Appointed at Santam: 2022  
Appointed in this role: 2022*



**Wikus Olivier (50)**

*Group CFO*

*Appointed at Santam: 2023  
Appointed in this role: 2023*

## Client-facing businesses



**Gareth Beaver (55)**

*CEO: Specialist Solutions*

*Appointed at Santam: 2008  
Appointed in this role: 2023*



**Fanus Coetzee (55)**

*CEO: Broker Solutions*

*Appointed at Santam: 2001  
Appointed in this role: 2023*



**Sory Diomande (52)\***

*CEO: Santam Re*

*Appointed at Santam: 2023  
Appointed in this role: 2023*



**Atang Matebesi (36)**

*CEO: Client Solutions*

*Appointed at Santam: 2023  
Appointed in this role: 2023*



**Burton Naicker (50)**

*CEO: MiWay*

*Appointed at MiWay: 2021  
Appointed in this role: 2021*



**Gloria Tapon-Njamo (46)**

*CEO: Partner Solutions*

*Appointed at Santam: 2019  
Appointed in this role: 2023*

\* Asher Grevler succeeded Sory Diomande as the Interim CEO: Santam Re with effect from 1 January 2025.

For detailed profiles of our leadership team, please visit <https://www.santam.co.za/about-us/board-and-executives/>

## Enabling services



**Michael Cheng (46)**

Chief underwriting officer (CUO)

Appointed at Santam: 2024

Appointed in this role: 2024



**Ruwaida Eksteen (46)**

Group company secretary

Appointed at Santam: 2022

Appointed in this role: 2022



**Quinten Matthew (61)**

Chief commercial officer (CCO)

Appointed at Santam: 2003

Appointed in this role: 2023



**Gugu Mtetwa (45)**

Chief operating officer (COO)

Appointed at Santam: 2023

Appointed in this role: 2023



**Sam Nkosi (55)**

Chief information officer (CIO)

Appointed at Santam: 2023

Appointed in this role: 2023



**Charisse Ras (41)**

Chief risk officer and head of actuarial function (CRO & HAF)

Appointed at Santam: 2012

Appointed in this role: 2023



**Thabiso Rulashe (45)**

Head: strategy and investor relations

Appointed at Santam: 2017

Appointed in this role: 2023



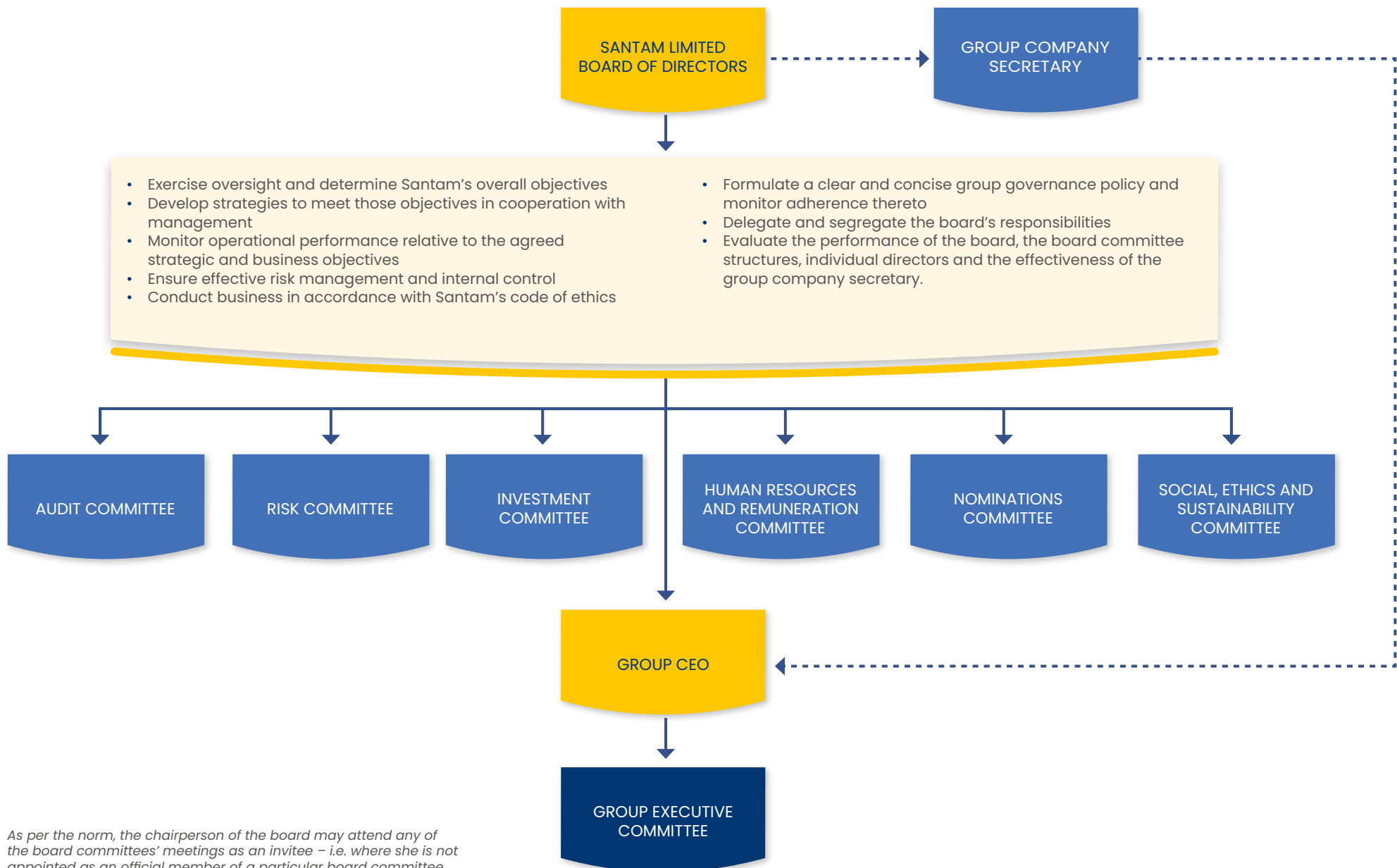
**Norah Sehunoe (44)**

Executive head: human capital (HC)

Appointed at Santam: 2023

Appointed in this role: 2023

# Our **governance** structure



*As per the norm, the chairperson of the board may attend any of the board committees' meetings as an invitee – i.e. where she is not appointed as an official member of a particular board committee.*

# Governance summary

## Our governance approach and statement of commitment

Santam's board of directors is the custodian of ethical governance in the group. Santam's commitment to good governance is formalised in its charters, policies and operating procedures. The board has delegated specific functions to committees to assist it in meeting its oversight responsibilities.

- The board provides effective leadership through high standards of corporate governance, ethical values and business integrity, while recognising the company's responsibility to conduct its affairs with responsibility and fairness, safeguarding the interests of stakeholders
- The board considers governance as being key to the long-term success of Santam and is ultimately responsible for ensuring that corporate governance standards are set and implemented throughout the group
- The board is particularly mindful of the regulatory environment that governs the business landscape
- The board supports the principles contained in King IV, which are fundamental to good governance
- The recommended corporate governance structures and practices are pivotal to delivering sustainable value in the interest of Santam's stakeholders
- The group reviews its corporate governance practices and structures regularly to reflect best practice and to facilitate effective leadership, corporate citizenship and sustainability
- Details of Santam's application and explanation of the King IV principles are available at <https://www.santam.co.za/about-us/reports-and-financial-results/>

## Governance of stakeholder relationships

Santam is responsible for conducting its affairs with prudence and safeguarding the interests of its stakeholders. The board considers the legitimate and reasonable needs, interests and expectations of material stakeholders in the execution of its duties in the best interests of the company over the longer term.

The board is responsible for the governance of stakeholder relationships. This is formalised through Santam's stakeholder relations policy, which articulates the direction these relationships should take. The policy also assists in monitoring the effectiveness of Santam's stakeholder management. The responsibility for the implementation and execution of

effective stakeholder relationship management is delegated to management, and the board maintains oversight. Read more about our relationships with our key stakeholders on page 28.

## Governance of ethics at Santam

The board is responsible for setting the direction on the ethical standards of the group. Various structures have been established to help govern the management of ethics and fraud. This approach is formalised in Santam's code of ethics, conflict of interest policy, anti-money laundering policy and business integrity policy. Our policies relating to business ethics are available on our website at <https://www.santam.co.za/about-us/esg/governance/>.

We also have established governance structures to manage ethics from operational to executive management to board levels. The business integrity, compliance and forensics departments assist with governance and training relating to ethics, compliance, insurance crime and corruption.

## Governance of sustainability

The SES committee has oversight of ESG considerations. The Santam board is responsible for the overall governance of risk and is assisted by the risk committee in discharging this responsibility, which includes considering sustainability risks and opportunities. The board's investment committee assists the board and provides oversight on responsible investment practices that promote good governance and value creation.

**The board was satisfied with Santam's conduct in 2024. The board believes that Santam complied with the relevant rules and guidelines including the JSE's Listings and Debt & Specialist Securities Listings requirements; the Companies Act; the King IV principles and its memorandum of incorporation and constitutional documents.**

## Board composition and mix

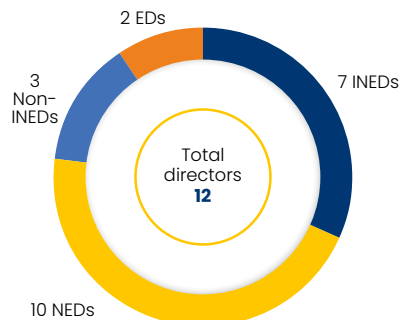
The non-executive directors on the Santam board can all influence decision making. These directors bring a diverse range of skills and experience to the board and provide insight and add value to board meetings. It is their responsibility to exercise their judgement freely and independently.

In the board's opinion, there is no business or other relationship within the current structure that could materially interfere with the impartial judgement of any of the non-executive directors.

The independent non-executive directors have a standing closed session agenda item at every board meeting to deliberate any issues they wish to discuss with the chairperson or the group CEO and/or any other directors.

### Key facts about Santam's board as at 31 December 2024

#### Board member classification



■ Independent non-executive directors (INEDs)  
 ■ Non-executive directors (NEDs)  
 ■ Non-independent non-executive directors  
 ■ Executive directors (EDs) (ex officio)

#### Diversity management applied at a board level



Black directors:  
8 (67%)



African Black directors:  
6 (50%)



Female directors:  
5 (42%)



African Black female directors:  
2 (17%)



White directors:  
4 (33%)



Black female directors:  
3 (25%)



Coloured directors:  
2 (17%)



Black male directors:  
5 (42%)



Male directors:  
7 (58%)



2 White male directors (17%) and  
2 White female directors (17%)

#### Board tenure and age

100%

Independence classification of the chairperson of the board and the chairpersons of the six board committees

58 years

Average age of board members

4 (33%)

Number of board members rotating in 2024

6 directors

Tenure between 3 and 6 years

4 directors

Tenure between 0 and 3 years

1 director

Board resignations

#### Board and board committee meetings

Quarterly

Frequency of board and board committee meetings

4

Number of board meetings held during 2024

6

Number of established board committees

31

Total number of board committee meetings held during 2024

1

Board strategy sessions held during 2024

8.33%

Voting rights per board member

## Governance-related milestones and key focus areas during the financial year

The board held four meetings and one strategy session to consider and deliberate on strategic, financial, governance, risk-related and other relevant matters. Below is a synopsis of the areas of focus.

### Strategy

The board reviewed the group's corporate strategy which included Santam's investment strategy, strategic portfolio (mergers and acquisitions), reinsurance strategy and the group's enhanced approach to sustainability.

### Operating model

The board also reviewed the group's operating model that details the nature of work to be performed at all levels of the organisation, ways to measure efficiency and productivity, and allowance for flexibility related to hybrid work.

Dedicated resources were assigned to continue to review the group's shared services operating model. This includes the group's brand management, marketing, sourcing and procurement, human capital, data management and IT functions.

**The board believes its current composition of skills, experience, diversity and independence enables it to fulfil its responsibilities in accordance with King IV.**

Consideration was also given to opportunities for collaboration with the Sanlam Group to create synergies, enhance efficiencies and establish strategic partnerships, such as cross-selling initiatives.

### Digital adoption

Digital adoption and rapidly adopting best practices remained an ongoing agenda item. The board is satisfied with the viability and effectiveness of Santam's response to digital transformation and AI, and the progress made implementing the group's digital strategy and IT roadmap.

### Sustainability

Sustainability continued to be a key focus area in alignment with the group's strategic objectives. The board oversaw the embedding of ESG principles into Santam's business conduct and reward structure. Sustainability-specific KPIs were included in the performance measurement criteria of group executive committee and senior management. Read our remuneration report for more information.

Specific resources were also assigned to improve the disclosure of material and ESG matters.

### Diversification

Santam's diversification across market segments, insurance classes and geographical reach continued to receive attention.

## Succession planning

To support succession planning at the board, executive and senior management levels, actions were implemented to mitigate the retirement of critical skills and manage key person dependency risks.

## Risk management

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.

The board was pleased with the positive outcomes resulting from the recent corrective underwriting actions that were implemented. Further benefits are expected from the roll-out of geocoding, risk management, and other directed measures.

Extensive work was done on geocoding the property book during 2024 to better understand the nature of risks, improve pricing mechanisms and reduce the cost of claims.

As part of its regular responsibilities, the board reviewed and approved Santam's own risk and solvency assessment report, numerous governance-related policies, and its risk appetite statement and risk tolerance levels. This was done in conjunction with the review of the group's approach to reinsurance and the associated renewal negotiations. The board oversaw the onboarding of the new external auditors in line with the auditor rotation principle. More detail is available in the governance report.

## Details of member attendance at board and board committee meetings January – December 2024

*The attendance at board and board committee meetings during the 2024 financial year can be summarised as follows:*

Board membership	Board meetings	Board session	Audit committee	Ad hoc audit committee	Risk committee	Investment committee	SES committee	HRRC	Nominations committee
<b>Total number of meetings held in 2024</b>	4	1	4	2	4	4	4	4	4
Nombulelo Moholi (Chairperson)	C 4/4	C 1/1	–	–	–	–	–	M 4/4	C 4/4
Monwabisi Fandeso (LID)	M 4/4	M 1/1	M 4/4	M 2/2	M 4/4	C 4/4	–	–	M 4/4
Preston Speckmann	M 4/4	M 1/1	C 4/4	C 2/2	M 4/4	–	–	–	–
Caroline da Silva	M 4/4	M 1/1	I 4/4	I 2/2	M 4/4	–	C 4/4	M 4/4	–
Paul Hanratty	M 4/4	M 1/1	–	–	–	–	–	M 4/4	M 4/4
Debbie Loxton	M 4/4	M 1/1	M 4/4	M 2/2	C 4/4	M 4/4	–	–	–
Abigail Mukhuba <sup>1</sup>	M 4/4	M 1/1	I 4/4	I 1/2	M 4/4	M 4/4	–	–	–
Mlondolazi Mahlangeni	M 4/4	M 1/1	I 4/4	I 1/2	M 3/4	I 4/4	–	–	–
Shadi Chauke <sup>2</sup>	M 3/3	–	M 3/3	M 2/2	M 3/3	–	M 3/3	–	–
Junior Ngulube	M 4/4	M 1/1	–	–	–	–	M 4/4	–	–
Lucia Swartz <sup>3</sup>	M 4/4	M 1/1	–	–	–	–	I 3/4	C 4/4	–
Tava Madzinga	M 4/4	M 1/1	I 4/4	I 2/2	M 4/4	M 4/4	M 3/4	I 4/4	I 4/4
Wikus Olivier	M 4/4	M 1/1	I 4/4	I 2/2	M 4/4	M 4/4	–	–	–

<sup>1</sup> Maternity leave during Q1: 2024

<sup>2</sup> Resigned with effect from 14 October 2024

<sup>3</sup> Appointed as an additional member of the SES committee with effect from 1 December 2024

C Chair

M Member

I Invitee

# OUR VALUE CREATION

# 4

## A message from our group CEO

*In another year marked by significant challenges, the group demonstrated resilience and adaptability, achieving a solid performance.*

### Navigating an evolving operating environment

Artificial intelligence and big data advancements are transforming the insurance industry, challenging traditional business models. With consumers now more empowered, insurers must adapt risk assessment methods and improve engagement with clients and intermediaries.

At the same time, several long-term trends impacted our operating environment, including the global cost-of-living crisis, geopolitical uncertainties and extreme weather events. The escalation in tensions in Russia/Ukraine and the Middle East dominated the operating environment, prompting insurers to examine exposures closely. Additionally, global insured losses from natural disasters continue to rise. As a result, reinsurance rates have remained elevated, forcing insurers to take on increased risk and derisk through repricing, acute risk selection and increased deductibles.

To address these challenges, Santam has prioritised two main areas: offerings, taking underwriting actions to improve profitability, and driving profitable growth. These initiatives enabled Santam to drive sustainable value creation for all stakeholders and protect what matters most to our clients.

In South Africa, we faced heightened competition and a difficult macro-economic landscape. Investment markets were volatile in the first half of the year, largely due to uncertainties surrounding the South African general elections. However, the formation of a Government of National Unity in late June was positively received, resulting in a rally in equity and fixed-interest investments, also supported by the performance of global markets.

While progress has been made in addressing the country's structural growth constraints, such as electricity supply and transport infrastructure, improvements have been slower than expected. Economic growth in our largest market remained lacklustre, and unemployment rates continued at a historical high. Additionally, rising motor repair costs that outpaced general inflation and increasing regulatory pressures, particularly regarding sustainability disclosures, have added complexity.

**Enhancing our technological capabilities and innovative product solutions will strengthen our insurance value proposition.**

**Tavaziva Madzinga**, group CEO

## Underwriting measures and performance

Santam delivered an underwriting margin of 7.6% (2023: 3.5%) and a net insurance margin of 10.2%, compared to 6.1% in 2023.

We continued implementing various underwriting measures in response to the current operating environment. Our key actions effectively addressed power surge losses in the first half of the year and enhanced the performance of our motor portfolio.

In addition, we emphasised the property class by accelerating the roll-out of geocoding and geomapping to improve risk selection. We have made significant progress, with 81% of the property class now geocoded. We also implemented segmented premium increases, targeted excesses, and expanded our surveying efforts. These property-focused underwriting measures are already benefitting our financial performance.

Santam supported clients by paying R748 million in weather-related claims in 2024. This came even in a country typically regarded as having low catastrophe risk, demonstrating our dedication to supporting clients through unexpected challenges. Our financial results for the period are covered in detail in the Financial and operational review from page 90.

## Our FutureFit strategy and refreshed brand

*Strategic actions have improved profitability across our portfolio, driving robust financial performance in 2024. In addition, our net promoter score increased from 52 in 2023 to 57 in 2024, reflecting improved customer satisfaction and loyalty.*

Over the past two years, we have refined our FutureFit strategy to respond to shifting risks and opportunities. We aim to continue to be South Africa's leading insurer, driven by data and focused on the client. To achieve this, we are strengthening our leadership position in South Africa, expanding internationally and diversifying into new markets.

Our strategy remains flexible. As highlighted in the performance commentary above, we focused on enhanced underwriting performance, particularly in the property and motor portfolios. We continue to advance our data strategy by investing in data governance and information management and using data for geocoding and AI to improve risk pricing and strengthen underwriting capabilities. We are expanding our direct channels, targeting underpenetrated, non-traditional segments with significant growth potential.

Our international expansion beyond South Africa is promising, with current initiatives yielding profitable results. We are committed to building on this success as we move forward.

Our omni-channel model is now fully operational, targeting specific market segments with tailored distribution. This model, supported by technology investments, has already shown positive results, particularly for MiWay, which is starting to gain momentum. Tied agents have also exceeded expectations, contributing to growth.

### A refreshed brand: Freedom

As we mark Santam's 106th year, we refreshed our brand to align with our evolving strategy. This rebrand supports our FutureFit initiatives, positioning Santam as a reliable, innovative insurer that offers clients the freedom to pursue their dreams and live fully. Refer to page 4 for details.

## Embedding ESG principles for sustainable success

We recognise that our operations are embedded within inter-connected environmental and social contexts, making it essential to address ESG issues for the long-term success of our business and the sustainable transformation of the South African economy. Our sustainability strategy focuses on closing the risk protection gap through collaboration, proactive risk management and inclusive solutions, as well as climate risk opportunity management and integration. This strategy aligns with our stakeholders' and group priorities, including running a responsible business, building resilient societies, and nurturing talent and culture.

### Climate risk management

Having completed our climate scenario analyses in 2023, both the executive management team and the board has continued to engage climate scientists to remain updated on the necessary climate-response actions for Santam. Key to this process is maintaining oversight over climate-related risks and opportunities as the world transitions to net zero. In 2025, we will work towards maturing our climate response and further enhance our response by developing a comprehensive climate change strategy.

### Establishing a resilient and transformed supply chain

Aligned to our strategic sustainability pillar of running a responsible business, we are conducting an ESG materiality assessment of our supply chain to empower our suppliers and embed ethical and responsible business practices within our supply chain. We continue to work with the motor body repair (MBR) industry to improve our engagements. This has involved a number of meetings/roadshows held with associations to build closer alignment on building a sustainable and transformed value chain. It is evident that there is economic pressure across the value chain. We have identified a number of initiatives aimed at improving the client experience, utilising technology more effectively and improving efficiency in the many processes.

## Community support initiatives

Our commitment to supporting communities continues. Through the P4RR programme, we maintained partnerships with 102 municipalities. We continued to build capacity and resource these municipalities to address fire, flood and drought risk. Together with our partners, we reached over 40 000 people with disaster risk education and awareness. This year, we also bolstered our response to risk management within our communities through the establishment of a Fire Services Support Fund in partnership with two insurers. The fund is structured as a strategic and highly focused vehicle to catalyse, enable, guide, lobby for, and manage the provision of solution(s) through collaborative efforts to build sustainable, resilient solutions for fire services in South Africa.

This year, our CSI focus included assisting special needs schools with fire risk mitigation (see pages 35 to 36) and supporting communities affected by flooding, particularly in Gqeberha and Uitenhage.

## Attracting and retaining top talent

In line with our dedication to attracting and retaining top talent, our strong employee value proposition has improved our ranking in the “Top Employer South Africa” list, moving from eighth to fifth place in 2024. We have established an underwriting academy to enhance our recruitment and training efforts and remain competitive in the talent landscape.

## Building on a strong foundation for success

We are cautiously optimistic about South Africa’s economic outlook, particularly with the promise of governmental reform. As the country’s leading general insurer, Santam is well prepared to adapt to changing circumstances, thanks to our diverse market presence across segments, insurance classes and geographies.

Our FutureFit strategy is critical to our success, underpinned by a strong brand and a commitment to service excellence that sets us apart in a competitive landscape. Our brand repositioning has reinforced our focus on clients, allowing them the freedom to navigate life with greater confidence and less worry.

I extend my heartfelt gratitude to our employees for their resilience this year. Your dedication to delivering exceptional service is the cornerstone of our success. I also want to acknowledge our intermediaries, particularly for their participation in the Santam 2024 Broker Connect roadshows, which covered all nine provinces and engaged 690 participants. During these events, we presented more than 150 Santam Broker awards. I am especially grateful to those who travelled to connect with us and their peers.

To our clients, thank you for your trust and loyalty; we remain committed to meeting your needs and exceeding your expectations. I also thank our board and shareholders for their unwavering support. Together, we will continue to propel Santam forward.

**Tavaziva Madzinga**

*Group CEO*



**We bid farewell to Shadi Chauke, who joined Sanlam in an executive role after serving on the board for the last three years.**

# Our FutureFit strategy

*Freedom is as relevant to our clients as it is to us as an organisation. We view our FutureFit strategy as the blueprint that will give us the freedom to spread our wings and achieve new heights.*

Our FutureFit strategy consists of three growth vectors. These are the focus areas that will help us achieve the growth, scale and diversification we seek. We also have three growth levers. Each lever is a foundational part of what we need to have in place to deliver on our growth vectors.



● Achieved    ● Requires improvement    ● Insufficient progress

## The ambitious targets we set for ourselves

We have set ambitious long-term targets for ourselves to ensure our strategy delivers the outcomes necessary to diversify and scale our business.

### Our 2030 targets

#### Our financial targets

##### GWP growth rate

Target: CPI + GDP + 1 to 2%

Achieved in 2024: 10.5%

Our growth needs to exceed that of the economy and inflation.

##### Net underwriting margin

Target: 5 to 10%

Achieved in 2024: 7.6%

Remaining within this margin ensures we do not underwrite business that is too risky, and do not depend on investment returns to maintain our profit margins.

##### Diversification

Target: International GWP: >20%

Achieved in 2024: 18%

Direct GWP: >30%

Achieved in 2024: 17%

We track the total business volume from different geographies and distribution channels.

##### Return on capital

Target: >24%

Achieved in 2024: 31.9%

This metric ensures we remain an efficient business that is attractive to investors.

##### Dividend growth

Guideline in line with the growth of our insurance book (9.7% for 2024)

Achieved in 2024: 8.6%

This metric ensures we remain an efficient business that is attractive to investors.

##### Capital coverage ratio

Target: 145 to 165%

Achieved in 2024: 166%

This ratio ensures we maintain sufficient surplus capital to meet obligations to policyholders in the long term.

#### Our non-financial targets

##### Policy count

Target: >2 million

Achieved in 2024: 1.7 million

##### Market share

Target: >24%

Achieved in 2024: >22%

##### Customer experience

Target: NPS >60

Achieved in 2024: 57

The NPS is an independent measure of our efforts to be fair and transparent in our engagement with customers.

##### Employee engagement score

Target: >75%

Achieved in 2024: 86%

This metric ensures we remain an employer of choice.

##### B-BBEE (Broad-Based Black Economic Empowerment)

Target: Level 1

Achieved in 2024: Level 1

We view maintaining this status as an important part of our societal contribution to our home market.

##### ESG

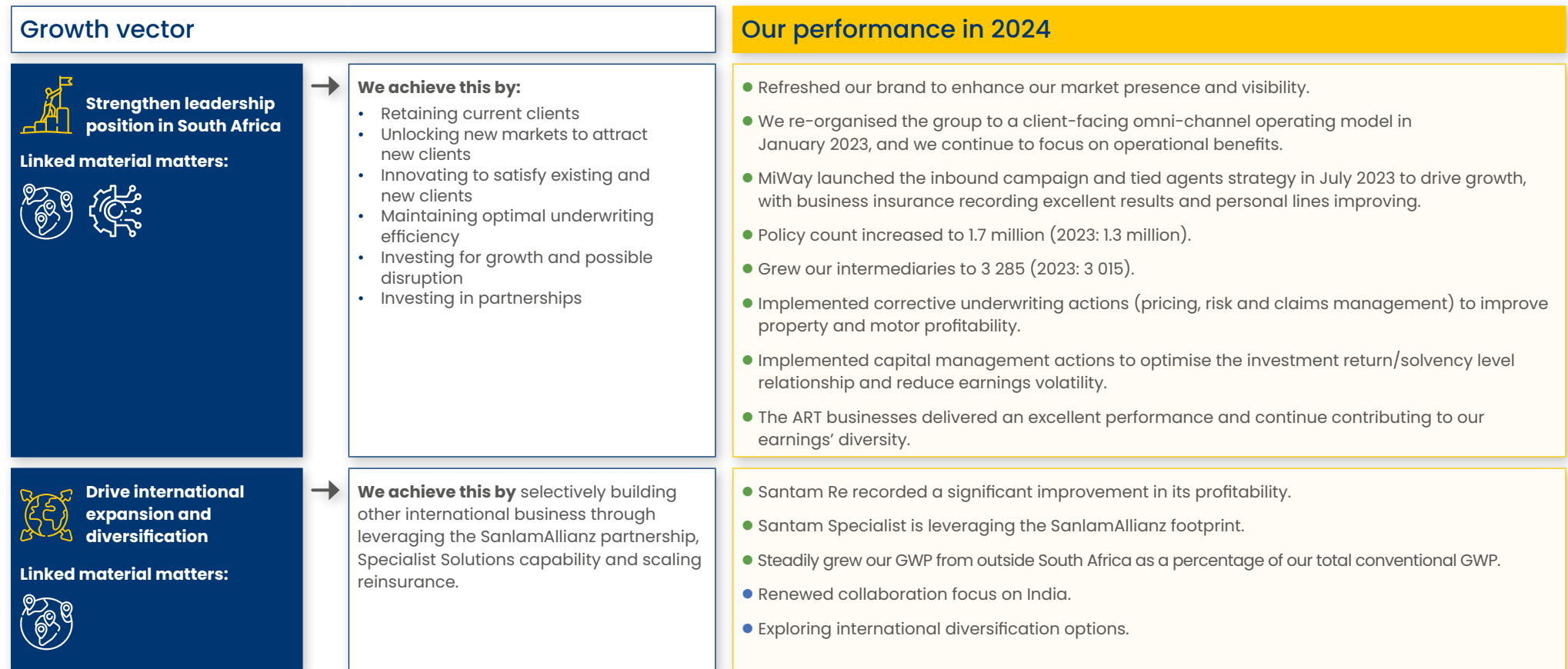
Target: Maintain Top 30 JSE Responsible Investment Index

Achieved in 2024: Maintained Top 30

This independent ESG rating ensures that we continuously advance sustainability within our organisation.

## How we performed against our strategy in 2024


We are making progress in implementing key actions to support our growth vectors to realise our value creation ambitions and deliver on the refreshed 2030 FutureFit targets we have set for ourselves.





● Achieved    ● Requires improvement    ● Insufficient progress



## Growth vector

 **Scale ecosystems and explore new markets**

**Linked material matters:**



### We are leveraging Sanlam and our partnerships to expand our reach to new markets and segments:

- Ecosystem/platform play
- Partnerships
- Cross-sell with Sanlam

## Our performance in 2024

- Finalised the transfer of the MTN in-force book to the Santam licence. The policy count grew to 549 428 policies in 2024 (2023: 151 000).
- Announced an investment in the MultiChoice general insurance business (subject to conditions precedent), which will add 3.3 million active device insurance clients to our business with cross-sell opportunities across the full MultiChoice client base of 8.6 million subscribers.
- Acquired Kandua and consolidated Santam Home+ under the Kandua brand, South Africa's #1 online marketplace for home services. The marketplace connects homeowners with tradespeople. Kandua will support our ecosystem play.
- Improved collaboration with Sanlam, including:
  - Piloted the cross-selling initiative with Sanlam
  - Scaling the Sanlam Tied Agents business – now the highest growth channel in Santam
  - Invested in Sanlam's Succession Financial Planning, a business actively focused on independent intermediaries to drive increased volumes from this source

## Growth lever

 **Unlock and develop data capabilities to solidify our competitive advantages**

**Linked material matters:**



### We achieve this by:

- Leveraging data and AI to enhance innovation and underwriting
- Enabling a data-driven culture
- Implementing a fit-for-purpose data architecture and modern infrastructure
- Using internal and external data sources effectively

### This ensures that our clients:

- Remain satisfied with our value offering
- Experience safety, fairness and inclusion

## Our performance in 2024

- Enhanced the benefits from the shared services operating model approach to improve cost efficiencies across Sanlam Group (including Santam).
- Geocoding has been rolled out across 81% of our property book.
- Improved risk management and governance practices across the group.
- Launched the personal lines vehicle web quote and bind channel.
- Further enhanced our multi-channel communication to clients through digital assets such as WhatsApp and client apps, both in MiWay and Santam.
- Approved a data strategy to improve our decision making and underwriting.

Read more about our efforts to modernise our IT and digital capabilities on page 64.

● Achieved    ● Requires improvement    ● Insufficient progress

## Growth lever



**Remain a good corporate citizen and drive transformation**

**Linked material matters:**



**Santam is a responsible corporate citizen; we:**

- Invest responsibly
- Drive transformation
- Practise sound governance
- Align with global industry norms
- Understand ESG impacts
- Have a positive impact on society

**To be competitive in a rapidly changing world and build outstanding human capital, we:**

- Conduct targeted external talent acquisition
- Support internal capacity-building through development programmes that grow the talent pipeline over time
- Promote a diverse workforce
- Improve employee wellbeing
- Improve employee engagement

**Santam helps build resilient societies by:**

- Redistributing risk and protecting wealth and prosperity
- Developing new markets and innovative business solutions, including formerly uninsured market segments in the protection net
- Helping to mitigate risk by partnering for resilience through P4RR
- Taking decisive action on climate change
- Investing in financial education for underserved communities

## Our performance in 2024

- Our executive management team is accountable for delivering on sustainability objectives and has financial incentives linked to sustainability metrics.
- Won an award in August 2024 for our contribution to the upliftment and employment of persons with disabilities in financial services.
- Santam won the Women Empowerment in the Workplace in Southern Africa award at the recent Gender Mainstreaming Awards
- Maintained high engagement scores across Sentiment Pulse surveys with engagement scores of 86%.
- Living wage formally adopted and implemented for permanent, non-commission earning employees.
- Improved talent mobility between Sanlam and Santam.
- 90 learners to participate in our underwriting academy.
- We delivered numerous wellbeing programmes.
  - Physical wellbeing programmes included on-site and virtual clinics, challenges to encourage healthy behaviours, weight loss programmes and on-site wellness days
  - Emotional wellbeing included a continuation of our counselling services for employees and their families. We also had several other programmes that covered the following topics: employee resilience, planning for success, and building and maintaining healthy relationships
  - Financial wellbeing programmes included the continuation of our Yell for Yellow concierge service and our financial wellness offering through our partnership with Interface
- Increased the number of black intermediaries contracted to the group.
- Provided direct technical and operational support to 40 100% black-owned businesses through Enterprise and Supplier Development efforts
- Delivered an entrepreneurship development series to tackle youth unemployment, benefitting 750 participants, including Technical Vocational Education and Training (TVET) college students, alumni, and community members.
- Partnered with 102 municipalities since 2012 to build resilience and reduce risk in communities.
- Partnered with SAIA to deliver various CFE programmes:
  - Took 20 employees through a financial mentorship bootcamp
  - Delivered 30 interviews reaching 2.6 million radio listeners
  - Workshops targeted 44 thousand start-up beneficiaries
- Made a pilot online platform available to 19.9 thousand individuals reached.

We optimise our financial performance and deliver sound results through cost excellence (read more in the CFO report on pages 90 to 94).

Read more about our climate performance on pages 21 to 22 and our transformation performance on pages 68 to 70.

● Achieved ● Requires improvement ● Insufficient progress

Growth lever

Our performance in 2024



**Client and intermediary experience**

**Linked material matters:**



Refer to pages 71 to 73 for information on how we achieved this, as well as our performance in 2024.

● Achieved

● Requires improvement

● Insufficient progress



# Insight into our **growth** levers

Each of our growth levers enables us to deliver on our FutureFit strategy and achieve our 2030 targets. We share insight into aspects of our progress for each of these levers.

## Technological innovation and a data-driven organisation

*Responsible use of our data and technological innovation has opened new possibilities for us to give our clients the freedom to live their best lives.*

### Context

The insurance industry is becoming increasingly competitive, and innovation in products and business models plays a key role in shaping its future.

Clients have expressed interest in more affordable, demand-based insurance coverage and want access to tech-driven tools to help manage their policies. Competitors use technology and ecosystem platforms to attract and retain clients. The rise of fintech insurers demonstrates how technology is transforming the industry.

Digital transformation will be crucial in creating scalable business models, and we aim to be at the forefront of these developments. We are creating advanced models to drive this transformation, while maintaining strong governance to manage associated risks.

### Our technology strategy

Our technology strategy is central to achieving the goals of our FutureFit strategy, with a strong emphasis on becoming a data-driven organisation. We are dedicated to leveraging data-driven technologies to enhance the value we provide to clients and intermediaries, while also investing in upskilling our employees to boost technological expertise.

Santam's technology strategy is integrated into the group strategy and supports all three growth levers of FutureFit by:

Modernising IT and digital capabilities

Digitising the value chain and customer experience

Using data and AI to drive innovation and improve pricing and risk selection

**Santam's technology strategy is business-led, with technology driving progress. Every output is fully aligned with business needs, ensuring that every interaction with Santam – whether from internal or external stakeholders – is personalised and meaningful.**

**Sam Nkosi**, Chief technology officer



*Santam's technology strategy objective is to harness technology and innovation to drive business growth, enhance operational efficiency and deliver exceptional customer experience in the digital age.*

#### Strategic pillars

Growing our culture and people	Transforming client experience	Delivering operational excellence	Driving sustainable growth
From a technology perspective, we are focused on fostering a visible culture that promotes an inclusive and engaging workplace. This includes improving the retention of critical skills, developing technology capabilities and increasing employee engagement. Our efforts also prioritise diversity, equity, belonging, inclusion, and employee wellness.	We aim to enhance, simplify and innovate client interaction channels to improve customer experiences. Key initiatives include implementing strategic programmes and driving digital transformation to support these goals.	We focus on modernisation and simplification, supported by cloud migration and IT service management frameworks. We ensure strong governance, IT risk management and cyber security while improving vendor and third-party management. Building capabilities in GenAI and data analytics is central to this pillar.	We are simplifying our architecture to improve business services and drive productivity. This includes partnerships, refocusing teams, optimising business service costs and reducing reliance on legacy systems. Change management principles and agile transformation will guide these efforts.

#### Growing our culture and people

Santam is committed to investing in our people as a vital complement to our investments in technology. We aim to keep top talent and build strategic partnerships to access specialised skills when needed, ensuring our teams are ready to drive technological progress.

**It is my passion to grow our own timber, to support young people from universities and provide them with real opportunities through internships.**

**Sam Nkosi**

The myWorkSpace employee platform remains a key tool for internal communication, helping us meet group requirements through effective digital announcements.

#### Transforming client experience

We focus on a digital-first, omni-channel approach to personalise client experience with the help of technology and data.

As we transition to a fully digital-first approach for our existing clients, we are simultaneously enhancing our digital offerings to attract potential clients through targeted marketing strategies to reach a wider audience.

Key digital initiatives include:

- The Santam Switch app, which allows clients to adjust cover according to their lifestyle
- The SmartPark programme, offering reduced motor insurance rates for clients driving less than 15 000km annually
- BusinessAssist and SmartProtect, providing real-time access to procurement contracts and services via client and broker portals
- The digital insurance solution for micro-township enterprises, developed in partnership with MoyaApp, has yielded valuable insights. We are continuously refining this offering, recognising that it differs significantly from our traditional products, but is essential for promoting financial inclusion
- Enhanced multi-channel communication using platforms like WhatsApp and mobile apps

#### Technological innovation and our NPS

A net promoter score (NPS) is a customer experience metric that measures how likely a customer is to recommend a company, product, or service to others. At Santam, we maintain a strong NPS of 57 – significantly above industry standards. We managed to achieve this even though we have certain manual processes in the client value chain that pose challenges. We are working to automate these processes to keep our NPS high.



## Delivering operational excellence

### Cyber security and data protection

Cyber risk at Santam involves the threat of security breaches that could compromise our brand, data confidentiality and system integrity, potentially leading to financial losses or business disruption. This risk is primarily linked to business activities outside our controlled environment. To address it, we collaborate with Sanlam to pool resources and expertise, implement a comprehensive cyber resilience framework, provide continuous employee training and conduct in-depth third-party risk assessments.

Businesses face significant impacts from cyber security threats, which can affect their long-term viability. This impacts our business and we prioritise building awareness, enhancing security and providing adequate cyber security coverage for clients.

We have ramped up cyber security training, specifically focusing on emerging risks, including AI-related threats. New security measures, such as one-time PIN authentication, have been implemented to safeguard client data and prevent impersonation. Training is thorough and includes testing to ensure employees grasp the content, as well as simulations and real-life scenarios to help them recognise phishing attempts and prevent breaches.

### Driving sustainable growth

Our growth strategy centres on forming technology partnerships that support skill-sharing and digital collaboration. Initially informal, these partnerships have been formalised with agreements to ensure mutual benefits and protection. This approach also allows us to scale resources up or down as needed.

**Our partnerships are more than just collaborations; they are key to sharing resources and driving innovation forward.**

Sam Nkosi

Key partnerships include:

- As a subsidiary of the Shriram Group in India, Novac Technology Solutions brings expertise in digital transformation and cloud-based solutions. Together, we are developing commercial websites for seamless client transactions, supporting our aim to deliver efficient multi-platform services.
- Our partnership with Zensar Academy equips young employees with programming, software development, game creation and AI skills. In addition, strategic partnerships with Tech Mahindra are pivotal in driving our FinOps and Cloud capabilities, while GuideWire remains a critical strategic partner as part of our overarching group strategy.
- Santam Partner Solutions' collaboration with MTN is not only about accessing a new customer base but also advancing our data strategy, refining our data model and strengthening our IT capabilities through the support of MTN's data consultancy.

## What we focused on in 2024

**We worked hard to build foundational capabilities that modernise our digital systems and elevate the client experience.**

Sam Nkosi

We are transitioning to Snowflake, a cloud data warehouse that accommodates multi-cloud environments and allows for scalable storage and computing resources. Our approach to cloud migration is careful and strategic, ensuring we have the right data strategies in place to maximise the benefits of this transition.

Despite some initial delays, we have launched the Stakeholder Hub, a centralised digital platform designed to improve stakeholder engagement. Our focus will now shift to ensuring its effective integration.

#### Challenges

One challenge we face is the rising costs from technology and software providers, increasing our acquisition expenses. Although these costs are challenging to manage, they have not hindered the roll-out of new client-focused capabilities, though they do necessitate additional cost management efforts.

While we have made progress with geocoding, there are still critical areas to explore, especially regarding future initiatives such as cross-selling, client profiling and the renewal of business intelligence capabilities.

A key ongoing project involves leveraging data and AI to drive innovation in our underwriting processes. We are exploring practical applications of technologies such as ChatGPT to enhance these processes, particularly in our agriculture segment.

We are integrating our subsidiaries and intermediaries into central digital platforms to enhance security and efficiency. While some subsidiaries, like MiWay, are ahead in this integration, others are being brought up to speed. We are utilising chief information officer forums and IT steering committees to align strategies and strengthen digital protection across the group.

We are developing a roadmap for convergence by 2027 to implement a unified policy administration system across subsidiaries to reduce unit costs.

## Case study

### #SantamHackathon24

As customer expectations evolve and the need for streamlined processes increases, fresh ideas and innovative approaches are essential to effectively address these challenges. We recognised the opportunity to drive innovation from within and launched our first-ever Hackathon to harness creativity across our organisation to transform our processes and client interactions.

The Hackathon was not merely an event. It was a platform for incubating new ideas and inspiring out-of-the-box thinking. Over two days, we focused on breaking down silos and encouraging collaboration among employees from different teams and roles. Participants engaged in problem-solving, refining their ideas with guidance from experienced mentors who provided valuable feedback and insights.

Momentum built when our group CEO, Tavaziva Madzinga, made a surprise visit. His engagement with the teams provided a boost as he listened to their innovative ideas and acknowledged the potential impact they could have on our operations and customer experience.

Santam's recent Hackathon was a showcase of innovation aligned with our core strategic levers of operational efficiency and enhancing customer experience. Below are highlights of the top three winning ideas, demonstrating how they address these key themes and their potential impact.

The Hackathon showcased innovative ideas, drawing over 50 compelling internal entries. After rigorous evaluation, eight exceptional ideas advanced to compete for the title. The top three ideas stood out for their significant business benefits and alignment with our strategic goals.

#### 1. Lean Advertising and Distribution

By accurately segmenting customer leads, the initiative reduces advertising costs and enhances marketing relevance. The next steps are piloting the profiling tools and integrating insights into the customer relationship management system.

#### 2. Instant Quotes and Effortless Policy Management

Automates client queries through a WhatsApp chatbot, improving accessibility and saving time. The next steps are to develop and test the chatbot for one product line and refine it based on adoption.

#### 3. AI-Driven Fraud Detection

Leverages AI to accelerate claim resolution and reduce fraud-related losses, the next steps to integrate AI tools into the claims system and train algorithms using historical data.

These solutions promise cost savings, streamlined operations, and a superior customer experience. Piloting these ideas is critical to drive measurable results, reinforcing Santam's commitment to operational excellence and client satisfaction.

## Case study

### Our AI transformation

#### AI models deployed at Santam

Santam has deployed AI models to enhance productivity for assessors and underwriters supporting Agri product offerings and claim procedures. These models enable product documents to be easily searchable, allowing assessors and underwriters to locate relevant content quickly. This improvement reduces the volume of inquiries directed to underwriters, resulting in significant time savings, faster claim resolution and better customer service. The time saved from this automation allows assessors and underwriters to focus on higher-value tasks, driving overall operational effectiveness and supporting the organisation's goal of delivering efficient and seamless service. Santam implements strong internal governance procedures and staff training to ensure the responsible use of AI.

You keep  
dreaming,  
we keep  
doing.



## Driving transformation

### An overview of the transformation strategy at Santam

*Transformation is not something separate from our business strategy. It is anchored in our commercial pursuits to ensure sustainable growth and impact.*

Our transformation efforts align directly with our refreshed FutureFit ambitions. We integrate transformation into our strategic initiatives by attracting top talent, building resilient communities and exploring new opportunities. This approach supports long-term business growth and creates meaningful social impact.

The Santam transformation strategy encompasses two main areas:

External-facing initiatives involve engaging with various stakeholders, including communities, market participants, suppliers, intermediaries and assessors.

Internal aspects, focusing on human capital development.

Refer to page 26 for more details on human capital.



The external-facing transformation approach aims to empower historically disadvantaged groups to participate actively in the economy. It focuses on two key areas:

- Transformative financial inclusion
- Supply chain transformation

Various initiatives are strategically aligned to support these focus areas.

**At Santam, transformation is about driving social and economic inclusion in every aspect of our operations, from supply chains to community partnerships.**

**Mbali Phewa**, Head: Transformation

## Transformative financial inclusion

We aim to expand economic participation in disadvantaged groups through a strategy that integrates numerous initiatives. We focus on two primary areas:

Consumer Financial Education (CFE) and awareness initiatives	Improved access to financial products
<p>We provide CFE to equip individuals with essential financial skills, especially those entering the workforce.</p> <p>In addition, specialised programmes help small businesses improve their financial management practices to address high failure rates associated with financial illiteracy.</p> <p>To ensure wide-reaching impact, we collaborate to deliver financial education through training sessions, seminars and webinars, and actively engage with communities to build financial awareness. This includes targeted educational content delivered via local radio stations, covering topics such as the benefits and risks of insurance, understanding risk exposure and accessing insurance products.</p>	<p>Santam's offerings cater to various market segments, including individuals and businesses. We are committed to improving access to financial products designed to meet the needs of historically underserved communities.</p> <p>Recently, we introduced micro-insurance products tailored for micro-businesses, providing coverage for assets owned by street vendors, taxi operators, delivery drivers and gig economy workers. This targeted approach addresses market gaps while supporting a more inclusive economic environment.</p> <p>The partnership with MTN allows Santam to broaden insurance solutions offering over and above the device insurance, further narrowing the insurance gap.</p>

### Aligning CSI with financial inclusion

Our CSI initiatives complement our financial inclusion efforts, focusing on impactful interventions that address the specific needs of underserved groups and communities. For more details, refer to page 36.

**Our commitment to financial inclusion means not only bringing people into the economy but also designing products that truly fit their needs. From micro-business insurance to coverage for delivery drivers, we're innovating to protect underserved segments.**

**Mbali Phewa**

### Supply chain transformation

*Our supply chain procurement policy is not just about spending; it is about directing growth. We work closely with our partners to ensure that Santam is building a network that aligns with our vision and transformation goals.*

Our enterprise and supplier development efforts are integrated with commercial goals to ensure sustainability. Key activities include business development, training and providing small businesses with access to infrastructure, markets and capital.

To promote diversity, we go beyond simply adding suppliers to the supply chain. Businesses must also receive fair work allocations. An extensive analysis of the supply chain identified areas that need intervention, and led to targeted improvement strategies.

Our programmes address gaps in the supply chain where transformation is lacking, with actions such as:

- Support for small businesses, including identifying beneficiaries for investment, assisting established businesses and creating a pipeline of new suppliers to integrate into the supply chain
- Encouraging entrepreneurship and start-ups by promoting entrepreneurship, particularly among unemployed youth, and supporting new start-ups to drive innovation and market disruption
- Empowering diverse businesses by engaging mature black-owned and woman-owned businesses to create greater market impact
- Investing in job creation and economic growth, through initiatives that promote sustainable economic development and increase employment opportunities

We also support the broader supply chain ecosystem, with annual engagements with assessors and intermediaries to ensure fair distribution of spending.

Partnerships are crucial for meaningful impact. We collaborate with external partners such as the Sanlam Group, the ASISA Enterprise and Supplier Development Fund, academic institutions like Central Johannesburg Technical Vocational Education and Training (TVET) College, and industry peers like Glasfit.

**We believe in creating a feeder system of opportunities, from developing existing small businesses to encouraging youth entrepreneurship.**

**Mbali Phewa**

### Youth employment initiatives

Our programmes aspire to reduce youth unemployment by equipping young people with trade skills and entrepreneurial capabilities.

Artisan Incubator Programme	Business Start-Up Seminars	Youth Skills Transfer Programme
<p><b>Candidates:</b> The programme targets final-year students and recent graduates.</p> <p><b>Objective:</b> To assist participants in becoming entrepreneurs and ultimately starting their own businesses as artisans to support Santam’s supply chain.</p> <p><b>Partner:</b> Central Johannesburg TVET College.</p> <p><b>Focus areas:</b> electrical work, plumbing and motor mechanics.</p> <p><b>Structure:</b> Participants undergo formal training and trade-specific courses, including in qualifications needed for accreditation (e.g. becoming a qualified electrician).</p> <p><b>Incubation phase:</b> Includes 12 months of on-the-job training, where participants are paired with existing businesses. After incubation, participants receive support to start their own businesses, including assistance with business development, funding and market access, potentially through Santam’s network.</p>	<p><b>Candidates:</b> Training is available to all students, particularly those nearing graduation or who have completed training.</p> <p><b>Sponsorship:</b> Santam sponsors and designs the seminar content.</p> <p><b>Community access:</b> Open to the local community, especially near Central Johannesburg TVET College campuses, to meet the high demand for income-generating opportunities.</p> <p><b>Content:</b> Covers essential business start-up topics, such as administrative tasks and foundational requirements for new enterprises.</p> <p><b>Impact:</b> The seminars have been successful in partnership with the college, with positive feedback from participants.</p>	<p><b>Candidates:</b> Unemployed youth.</p> <p><b>Objective:</b> Provide training in glass repairs, specifically windscreen repairs, to equip candidates for employment opportunities.</p> <p><b>Duration:</b> 12 months.</p> <p><b>Structure:</b> Combines classroom learning with on-the-job training. Participants are placed in various Glasfit branches.</p> <p><b>Outcomes:</b> Graduates may be employed by Glasfit and other companies in the industry. Upon completion, participants receive a toolkit for use in employment or to start their own business.</p>

### Successes

Santam tracks the allocation of work and spending across business sizes and ownership categories. Data shows five-year trends in spending with SMEs, black-owned and women-owned businesses. The last three years have seen notable shifts, aligning with targeted transformation initiatives.

In 2024, we spent R10.8 billion on procurement, prioritising equitable distribution. We focused on building a diverse supply chain, particularly supporting black-owned and woman-owned businesses. A substantial portion of our procurement was directed towards these suppliers.

Motor sector achievements	Property sector improvements
<p>The motor category has seen significant transformation efforts. This sector historically posed barriers to entry for black-owned businesses, but Santam has made strides in increasing diversity.</p> <p>Achievements are the result of continuous, deliberate efforts to monitor and promote transformation in this space and work remains ongoing to achieve further progress.</p> <p>62% of all Santam-affiliated motor portfolio are black-owned and 67% of all work allocated in 2024 went to black-owned businesses.</p>	<p>This area includes building insurance and home insurance. The transformation has been gradual, taking several years to reach current levels.</p> <p>57% of all Santam-affiliated property suppliers are black-owned. In 2024 we achieved a 10% year-on-year growth rate in work allocated to these suppliers, bringing this to 52% of total spend.</p> <p>28% of all Santam-affiliated property suppliers are woman-owned and 10% of all work allocated in 2024 went to woman-owned businesses.</p>

Integrating transformation into the supply chain is ongoing with no defined start or end date. While significant progress has been made, ongoing monitoring and interventions are needed to maintain and accelerate transformation.



**Experience is not just a buzzword. It is the essence of how we meet our customers at their point of need and provide solutions that resonate with them.**

**Khwathelani Tshikovhi**, Head: Santam experience

The Santam experience division is responsible for evaluating the experiences of key stakeholders, extending beyond just our customers. We focus on four primary stakeholder groups.

The objective is to enhance the experiences of these groups, thereby improving overall service delivery.

The Santam experience also includes aspects relevant to societal partners, such as governments and regulators. We engage with these stakeholders to tackle broader issues, like those addressed through our P4RR initiatives.

#### Approach

The focus is on an “outside-in” perspective, designing products and services based on customer needs and expectations instead of an “inside-out” approach that prioritises internal processes over customer preferences.

## The Santam experience

### Context

Santam competes with emerging insurers while striving to remain the market leader in an evolving industry.

Like most financial services companies, Santam traditionally operated from a product-centric perspective, developing well-designed and thoughtfully crafted insurance products for our customers.

In 2021, we established the Santam experience division to distinguish ourselves from our competitors. This was in response to the rapid evolution in the industry and the needs and expectations of the stakeholders we serve.

By focusing on customer experience, we have transitioned to a more stakeholder-centric approach. This shift has necessitated a cultural change prioritising stakeholder needs across all departments, including underwriting, product development, pricing, research, branding, communication and customer service.

*Through the Santam experience, we support the FutureFit strategy and aim to grow the business by reducing customer churn, acquiring new customers, increasing profitability and achieving cost savings, particularly by minimising poorly targeted marketing.*

**Customers:** Personal or commercial policyholders who pay premiums and rely on us for solutions, advice and support. There is no specific differentiation between “customers” and “clients” in our terminology.

**Intermediaries:** Sometimes called brokers, these individuals or entities play a crucial role in acquiring and signing up new customers. They help connect potential policyholders with our services, acting as a bridge between Santam and new clients.

**Employees:** As the central touchpoint, employees deliver essential services to customers, intermediaries and partners. Their role is critical in ensuring consistent, high-quality interactions across all aspects of our operations. Employee KPIs are linked to customer experience metrics, emphasising that everyone contributes to a positive client experience.

**Suppliers and partners:** This group includes motor body repair operators, electricians, plumbers and other service providers essential for servicing customers, especially during claims. Their expertise and timely response help maintain customer satisfaction and support our commitment to quality service.

**Customers are no longer simply seeking insurance coverage; their behaviours, needs and expectations are evolving, and we must evolve with them.**

**Khwathelani Tshikovhi**

## Santam experience initiatives

### Journey mapping

This initiative focuses on understanding the entire customer experience. It identifies pain points across various touchpoints, such as social media, websites, portals, contact centres and servicing areas, providing insights for enhancing client, intermediary and partner interactions.

### Self-service

We introduced a new web quoting tool that enables customers to generate quotes online. While many customers prefer the convenience of self-service, we recognise the importance of maintaining a balanced approach to accommodate those who still value personal assistance.

### Onboarding requirements

New employees and partners complete client experience training during onboarding, ensuring alignment with Santam's client service standards.

### VoX programme

The Voice of Experience (VoX) programme captures feedback from various stakeholders, including customers, intermediaries, employees and suppliers. It aims to understand stakeholders' perceptions of Santam, including brand recommendations, product satisfaction and ease of doing business. The data collected helps identify areas for improvement.

### Escalation management system

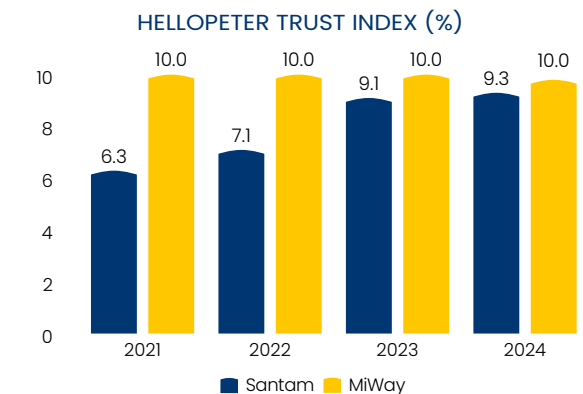
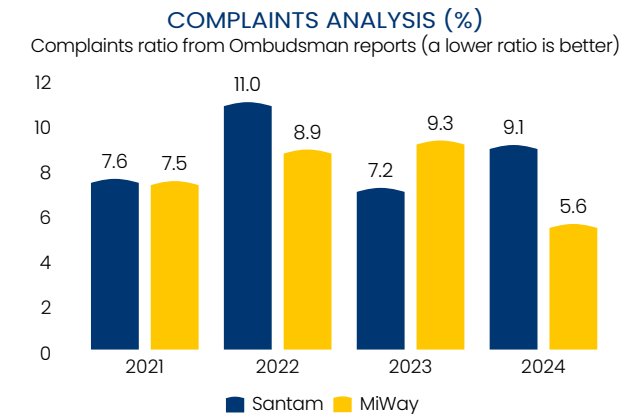
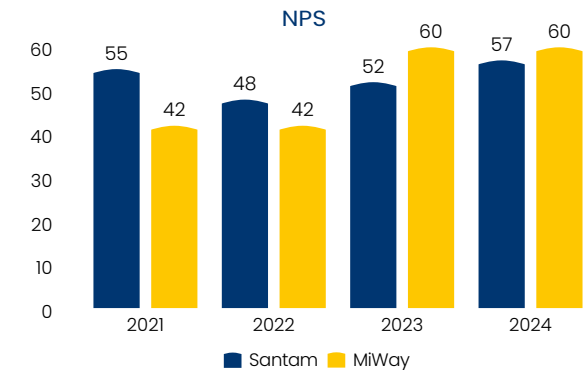
This system ensures that negative customer feedback triggers immediate outreach from team leaders, aiming to understand and resolve issues proactively.

### Training and development

Two compulsory modules have been introduced: "What is customer experience?" and "What is client journey mapping?" These modules educate employees and partners about customer-centric practices and are refreshed periodically for new employees and partners to ensure consistent understanding across the business.

## Performance

Since the launch of these initiatives in 2021, we have observed notable improvements in client experience and satisfaction.



**The challenge lies not just in selling insurance products but in truly understanding and meeting customer needs at every touchpoint.**

**Khwathelani Tshikovhi**

Key performance indicators highlight this progress:

#### Contact centre performance

Key metrics, including service level agreements (SLAs), quality assurance and abandonment rates, demonstrate strong performance against established targets.

#### Pain points

At the group level, customers have highlighted two main areas for improvement that are critical for enhancing satisfaction and loyalty:

- Some express frustration with customer service, particularly regarding communication gaps and insufficient follow-ups. Some clients feel that their needs are not adequately prioritised
- Customers also voice dissatisfaction with high premiums and question the overall value they receive in return. Santam faces a perception that some systems may be outdated, as they still rely on legacy systems that lack proper integration

## Future focus

To continue to build a more positive customer experience and strengthen our market position, we have identified several immediate areas of action and enhancement:

### Enhance communication strategies

- Implement a multi-channel approach for timely updates
- Train employees for personalised interactions with customers
- Establish feedback mechanisms for customer input

### Invest in modernising systems

- Pursue continuous improvements for inter-connected systems
- Implement more automation and self-service options for customer convenience
- Provide ongoing training for employees on new systems

### Re-assess pricing strategy and value perception

- Conduct customer surveys to understand pricing perceptions
- Analyse competitor pricing models for opportunities
- Consider targeted promotional campaigns to enhance perceived value
- Regularly assess pricing in response to market trends and feedback

**True freedom lies in giving our customers the power to choose their cover, platforms and the timing of their services – empowering them to engage on their terms and embark on a transformative customer experience.**

**Khwathelani Tshikovhi**

Santam's new brand positioning reflects customer insights that highlighted the need for greater autonomy and flexibility. We are committed to adapting our strategies to meet these evolving demands, ensuring we maintain an excellent Santam experience.

**Live in the moment,  
not in the worry.**

# Our market in context

*The global environment has shown resilience despite the tough economic environment. While South Africa's growth has lagged in recent years, the formation of the GNU provided optimism for the country and investors.*

## The international context

Global political uncertainty remains elevated. The conflict in the Middle East between Israel, Palestine, Lebanon and Iran continues, as does the war between Ukraine and Russia. In Asia, tensions between China and Taiwan remain elevated. We have seen political shifts in the UK, Europe and the US, and we await the implications of these changes on the global economy.

Global natural catastrophe losses remain a theme. For the first time, global warming exceeded 1.5°C for a 12-month period<sup>1</sup>, risking more severe climate change impacts, extreme weather events and a growing protection gap.

Competition for talent also remains fierce, within and outside of the industry. Shareholder activism also remains relevant to companies. Shareholder activists are increasingly using their voting rights, typically to raise concerns related to ESG issues, such as remuneration and labour practices.

## Global outlook

Despite these headwinds, global growth remains resilient, with emerging markets, particularly India and China, continuing to be the major engines of growth. In the coming year, we expect to see stabilisation of inflationary pressures and higher economic activity.

Global growth is estimated to be at 3.2% in 2024 and is further projected to grow at 3.3% in both 2025 and 2026, with the battle against inflation mostly won in most markets<sup>2</sup>. Inflation peaked at 9.4% in 2022 and is projected to fall to 4.2% by the end of 2025, close to central banks targets.

Inflation and rising claims costs saw non-life insurance rates increase in recent years. Personal lines are predicted to continue seeing higher prices, but at a slower rate, in 2025. Rate increases for commercial lines have already started to decelerate. Overall, non-life premium will grow more slowly than in recent years as the premium rates continue to moderate.

## The South African context

GDP growth in sub-Saharan Africa is projected to be 4.2% in 2025, a slight increase from 3.7% in 2023 and 2024<sup>4</sup>. In South Africa, GDP growth is estimated to be at 0.8% in 2024 and is expected to be 1.5% in 2025, driven by a stronger Rand, lower inflation, lower interest rates and improved business and consumer confidence. The improved confidence can be attributed to the newly formed GNU taking power after the South African elections, as well as the improved availability of electricity in 2024.

South Africa's persistent challenges that still severely hamper the country's ability to reach its potential include high unemployment rates that continue to fuel social tensions, and the deterioration of infrastructure such as our roads, water systems, rail systems, municipalities and ports. Eskom's 12.7% tariff increase in electricity will deepen the financial strain on households that are already struggling and put pressure on the disposable income of South Africans. Extreme weather events and increased regulation also continue to challenge our business.



<sup>1</sup> <https://climate.copernicus.eu/c3s-contribution-bams-34th-state-climate-report>

<sup>2</sup> <https://mediacenter.imf.org/news/imf-world-economic-outlook-presser/s/a3cbcd84-76a7-4026-baab-918189b3bd4b>

<sup>3</sup> <https://www.swissre.com/dam/jcr:a8119162-8099-4a35-9b5a-38157ccb500f/sri-sigma-global-economic-insurance-market-outlook-2025-2026.pdf>

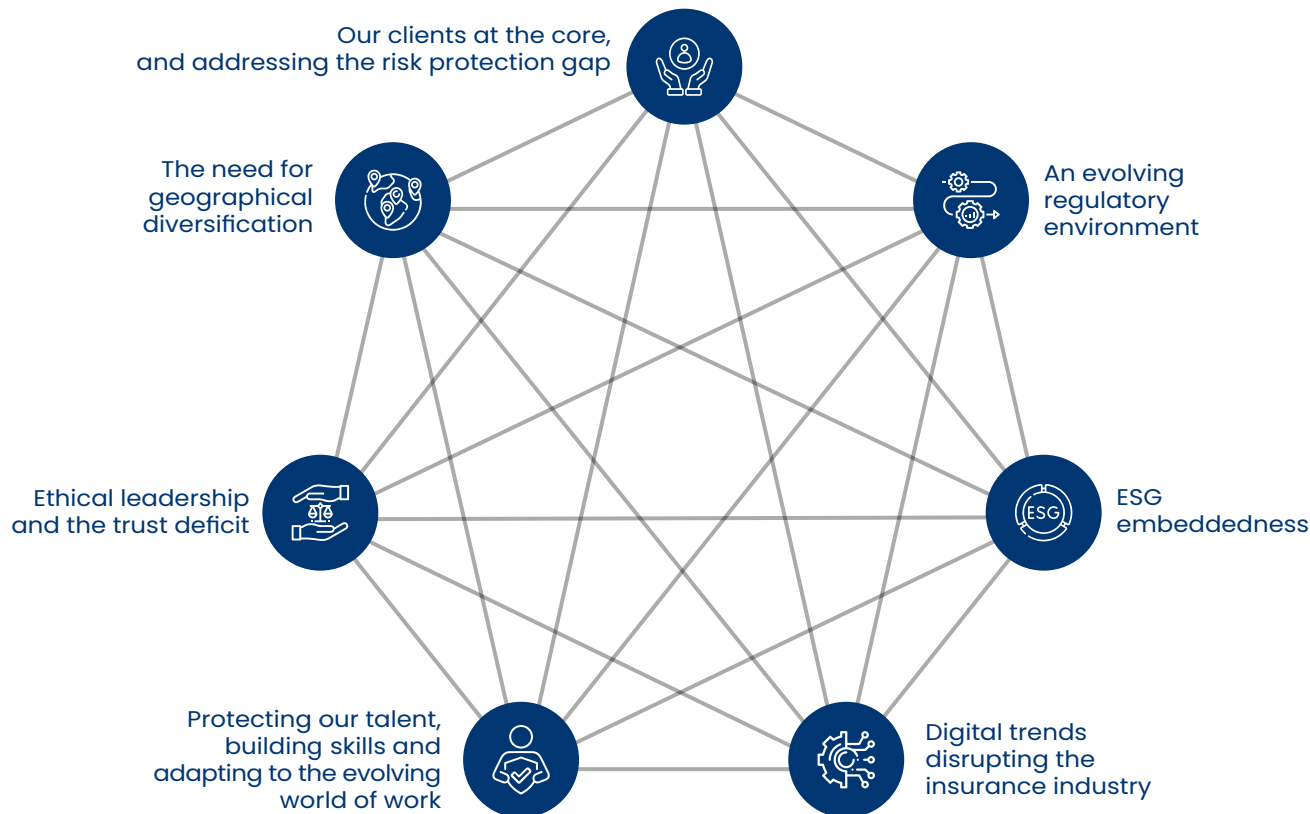
<sup>4</sup> <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>

# Our material matters

*By proactively understanding and responding to material matters, we give our clients the freedom to live their best lives, assured in a partnership prepared for tomorrow.*

Our material matters are long-term drivers of change and do not change annually. We update our material matters annually to understand how these matters manifest and change. Each material matter can impact Santam's ability to create, protect and erode value for our stakeholders and each is inter-connected with one another. We describe how we respond to these material matters in our strategy section on page 58.

## Our inter-connected material matters at a glance



## The need for geographical diversification

Santam remains the dominant insurer in the South African market and across numerous lines of specialist business. We know Santam is underrepresented in the South African young and low-middle-income segments. We are engaging this market segment through our partnerships, refreshed brand and new offerings, such as our digital insurance product for micro-township enterprises – the first of its kind in South Africa. Furthermore, we are underrepresented in the direct space, where we can grow market share. These areas offer us the opportunity to grow our business in South Africa at a higher rate than nominal economic growth but will not be sufficient to reach our 2030 targets.

To achieve our 2030 growth and diversification targets, we have strategic interests in emerging markets outside of South Africa through our reinsurance and specialist offerings. These markets may be less formalised, but there is less competition and these economies are growing rapidly. We see a great opportunity for Santam to close the risk protection gap in these regions.

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

**The risk protection gap** is the difference between total economic losses experienced compared to the total losses covered by insurance. Risks such as extreme weather, poorly maintained infrastructure, cyber security and unemployment widen this gap.

The risk protection gap is both an opportunity and a risk for Santam. There is an opportunity for Santam to close the gap through partnerships, low-cost insurance and innovation, especially in markets where insurance is underutilised. In a South African context, where consumers' disposable incomes are under pressure, insurance must be appropriate and affordable in order to close the risk protection gap.

We also know that proactive risk assessment and management can reduce risk and insurance costs. In recent years, we have implemented corrective actions (see page 23) to ensure that we do not take excessive risk into our books, so that insurance remains competitively priced for our clients. Leveraging technology and partnerships, such as the venture with MTN, has grown the number of insurance policies we underwrite.

Short-term insurance is poorly understood in underpenetrated markets, making financial education and awareness-building essential. Through our CSI initiatives and P4RR programme, we, along with our key partners, contribute to educating and upskilling communities, municipalities, and future clients, which in turn closes the risk protection gap.

## Digital trends disrupting the insurance industry

### Cyber security

Cyber crime continues to evolve and manifests in new forms. In 2024, some of the trends we saw included deepfakes, malware, ransomware, insider threats, distributed denial of service attacks, supply chain attacks and man-in-the-middle attacks<sup>1</sup>. Cyber insurance is still in its infancy in South Africa, but the market is expanding quickly. Education is still needed to assist individuals and businesses in protecting themselves from cyber attacks. For example, the first step for businesses wanting to use cyber insurance is to ensure they have a strong internal cyber security framework in place. Business exposure to cyber crime can have major impacts on their long-term viability, which in turn can impact our business. It is in our interest to help build this awareness, improve security, and provide adequate cyber security cover for our clients and potential clients.

## Technology-backed insurance

In the context of increasing competition, technological innovations can support cost efficiencies, enhance product offerings, and improve the customer experience. The launch of Quote and Buy is an example of how we are responding to digitisation at Santam through our direct business. Quote and Buy is an online platform that allows clients to get a quote for motor insurance and sign up for the policy in less than two minutes. This aligns with the preferences of clients, who have higher expectations of seamless digital interactions with insurers. Read more about how we are driving technological innovation and using data on page 64.

## ESG embeddedness

Climate change has been on our radar for decades. In recent years, it has become better understood and seen as an existential threat; not only to society, but to the insurance industry itself. Extreme weather events continued to shape 2024 as a sustained rise in temperatures above 1.5°C increases the risk of more severe extreme weather-related impacts resulting in transgressing planetary tipping points.

**A tipping point or planetary boundary<sup>2</sup> is a set of safe thresholds related to nine planetary systems. If humanity crosses these boundaries, the balance of these systems can be disrupted, leading to abrupt and irreversible planetary changes. We have already breached the global warming boundary set at 350 parts per million (corresponding to approximately 1° to 2°C of warming).<sup>3</sup>**

In the insurance industry, extreme weather events specifically affects underwriting, reserving, coverage and pricing. Insurance companies are currently under scrutiny, and are expected to have responsible targets in place for their underwriting and investment activity. The Prudential Authority, for example, encourages insurers to disclose how climate-related risks are integrated into governance and risk management processes.

Climate regulation and stakeholder pressures have been a driving force in encouraging action against climate change. We have also seen the momentum building at a national level, for example President Ramaphosa signing the Climate Change Act into law and the Prudential Authority releasing climate guidance notes for insurers and banks. We expect this momentum to continue in the coming years.

This increasing drive for companies to embed ESG into their core operations also comes from rating agencies, standard setters, stock exchanges and society. In South Africa, there is a strong focus on the social dimension, which we respond to through our transformation efforts (page 68), P4RR and CSI (page 35), by integrating sustainability metrics into executive remuneration (page 10), and by ensuring fair pay for all employees (page 85).

While the risk of climate change and the impact of extreme weather events to the insurance sector are widely documented, there is further opportunity for the sector to play a key role in the transition through the following areas:

- Making society resilient to the impacts of climate change:
  - » Santam is well placed to continue leveraging its risk management expertise towards helping society to adapt and become more resilient to climate-related risks. To date, we achieve this through our P4RR programme and through climate adaptation efforts facilitated through the GreenBook tool.
- Insuring the transition:
  - » Investments into new technologies and processes as the transition to net zero matures will result in increased uncertainty in the risk landscape providing an opportunity for the insurance sector's risk transfer solutions to be at the centre stage of the transition. In line with our commitment to a just transition, Santam provides cover to a range of renewable energy projects.
- Financing the transition:
  - » There is also an opportunity for the sector to scale funds towards climate solutions and impact investments. Santam, through its asset manager Sanlam Investments is in a position to enhance this offering through its existing responsible investment and Enterprise Supplier Development funds.

<sup>1</sup> [https://www.investec.com/en\\_za/focus/money/cybersecurity-in-south-africa-2024.html](https://www.investec.com/en_za/focus/money/cybersecurity-in-south-africa-2024.html)

<sup>2</sup> <https://www.stockholmresilience.org/research/planetary-boundaries.html>

<sup>3</sup> <https://www.science.org/doi/10.1126/sciadv.adh2458>

## Responsible supply chain practices

At the core of running a responsible business is embedding sustainability and ESG considerations across business operations and the value chain. Santam's supply chain has not been immune to increasing geopolitical tensions and environmental pressures which have equally affected global supply chains. The increasing vulnerability to a series of disruptions requires that businesses build resilience and contingency into their systems. This necessitates that we understand the inherent sustainability risks within our supply chain and as such, Santam has embarked on a process to undertake an ESG materiality assessment across our supply chain. Understanding how our own suppliers manage and understand sustainability risk provides an opportunity to influence and capacitate our suppliers and promote good labour practices, human rights practices and environmental management practices in our value chain.

## Bolstering our risk management to enhance accurate pricing

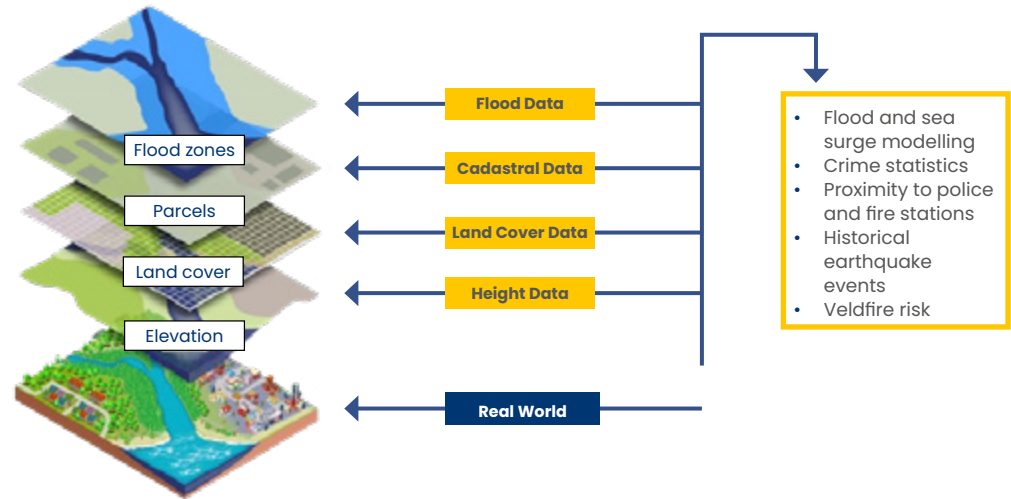
In 2024, Santam remained steadfast in implementing several underwriting actions in response to the elevated claims frequency, severity and inflation experienced over the past few years. The property class continued to receive attention through accelerated geocoding to enhance risk selection and rating, segmented premium increases, higher excess amounts for selected risks and expanded surveying.

Despite the continued weather-related and other large losses experienced, the property class turned profitable, albeit below the required rate of capital.

### Use of Geographical Information Systems to mitigate pricing risk Risk analytics tool focus – Geographic Information Systems (GIS)

The primary objective of underwriting is to manage risk, price appropriately and gain a clear picture of all variables involved in making a decision. The more data we can obtain, the more choices and opportunities will be presented to make informed decisions on premiums.

GIS is a geocoding method which uses geographic information to predict risk. GIS allows for collaborative risk management and enables targeted sales and marketing based on well-informed decisions by underwriters.

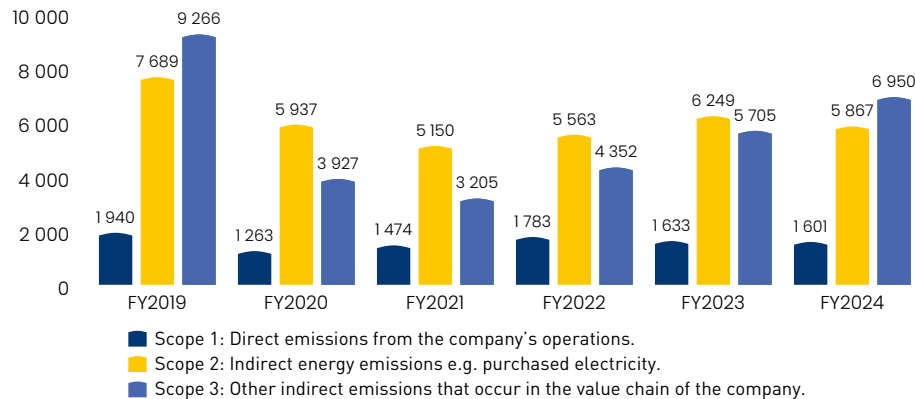


## Managing our carbon footprint

Key indicators	2020	2021	2022	2023	2024*
Electricity used (kWh)	6 125 593	4 507 005	5 337 680	6 152 046	6 019 037
Water used (kL)	27 400	14 032	18 389	17 361	28 566
Scope 1 (direct emissions) (tCO <sub>2</sub> e)	1 263	1 474	1 783	1 633	1 601
Scope 2 (indirect emissions) (tCO <sub>2</sub> e)	5 937	5 150	5 563	6 249	5 867
Scope 3 (other indirect emissions) (tCO <sub>2</sub> e)	3 927	3 205	4 352	5 705	6 950
Total carbon footprint (tCO <sub>2</sub> e)	11 127	9 829	11 698	13 588	14 419
Total carbon footprint (tCO <sub>2</sub> e/employee)	1.86	1.63	1.85	2.10	2.15
Employees	5 973	6 025	6 339	6 472	6 692

\* Reporting boundary: 1 January 2024 – 31 December 2024

\* GHG emissions reported in accordance with the GHG Protocol Corporate Standard

SANTAM'S EMISSIONS (tCO<sub>2</sub>e)

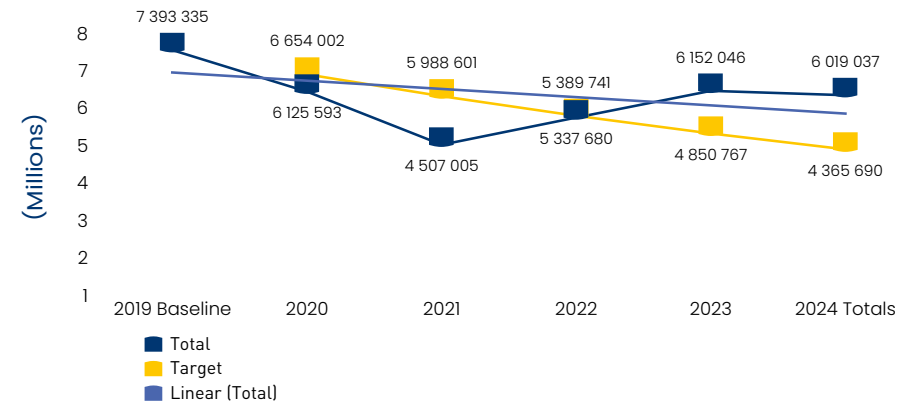
## Resource efficiency

In 2019, Santam set a target to reduce the utilisation of resources, including water, electricity, and waste to landfill, by 10% by 2025. As part of the Sanlam Group-wide Energy Forum, consumption is monitored monthly to ensure that Santam's buildings are water and energy efficient. The forum is also tasked with exploring opportunities to integrate renewable energy sources. Progress towards these targets are expanded upon below:

### Purchased (grid) electricity

- The total consumption for 2024 was 6 million kWh, below the target of 4 million kWh and showed a slight improvement from the 2023 consumption. Comparing the 2024 usage against the initial 2019 baseline, the portfolio achieved a 20% reduction in electricity usage.
- Further initiatives for 2025 include:
  - » Commencing with an energy efficient lighting project in 2025
  - » ISO 50001 certification to further improve energy use and overall management
  - » Ongoing energy audits and the identification and implementation of energy saving opportunities
  - » Investigation of wheeling opportunities to enable shift to renewable energy sources

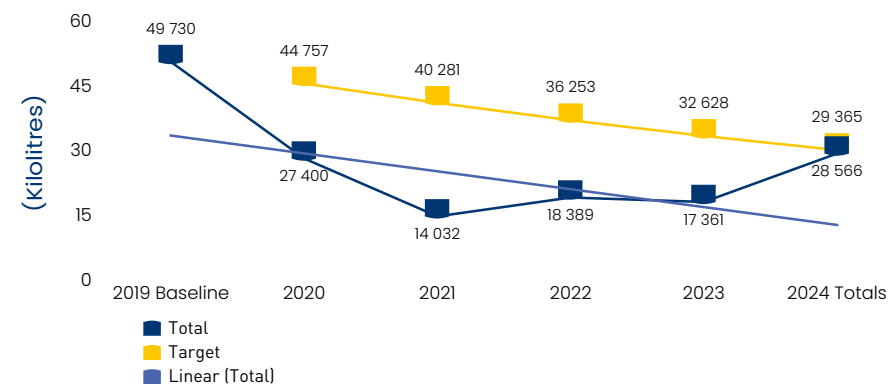
GRID ELECTRICITY



### Water

- While consumption increased by 65% in 2024 (28kL) compared to the 17kL water usage in 2023, Santam made significant strides in reducing water usage with performance at 45% below the baseline.
- Ongoing water efficiency initiatives for 2025 include:
  - » Automatic Meter Reading (AMR) of water supply points for proactive management
  - » Management of leaks and water use and wastage
  - » Continual improvement of standard operating procedures to ensure business resilience in the face of drought and water supply challenges due to aging infrastructure

WATER CONSUMPTION



### Waste to landfill

Similarly, the group has set a 10% improvement in our waste-to-landfill ratio by 2025 against the 2015 baseline of 51%. Operational changes in 2022 and 2023 saw a retraction in total waste diversion from landfill but this has improved to 38% in 2024, which is 3% below the 2025 target of 41%.

## An evolving regulatory environment

As regulatory bodies try to keep up with the pace of emerging risks, we expect to see new regulations introduced. We expect emerging regulations to cover topics including AI, machine learning, fintech, data security, cyber security, sustainable finance and sustainability. Specific changes we saw this year included:

- The highly anticipated Conduct of Financial Institutions Bill will consolidate disparate financial legislation into a single standard of industry conduct for the financial sector. The bill requires financial institutions to provide consumers with transparent information about their services, fees and the risks associated with their products. The implications for companies will be varied, such as the likely introduction of safeguards on company IT systems that ensure compliance with data protection.
- The Financial Sector Conduct Authority and National Treasury called on banks and insurers to contribute to the development of the Draft Financial Education Commitment Charter. This will require insurers to adopt a financial education plan with targets, follow best practices, and enhance impact through partnerships, digitisation and tracking. SASRIA is exploring the expansion of its coverage options to include climate, severe weather, as well as cyber risks.
- The Reserve Bank's Prudential Authority issued a guidance note to insurers in May 2024. This guides insurers on integrating climate-related risks into their governance and risk management frameworks, including guidance on the insurer's own risk and solvency assessments.
- The Climate Change Act was signed into law in July 2024. Government institutions and high-emission companies will be required to integrate climate change considerations into their policies and development plans and submit mitigation plans with carbon emission targets.

We continuously monitor the regulatory landscape in which we operate, in order to ensure we have a thorough understanding of current and future legislation, as well as its implications for our business.

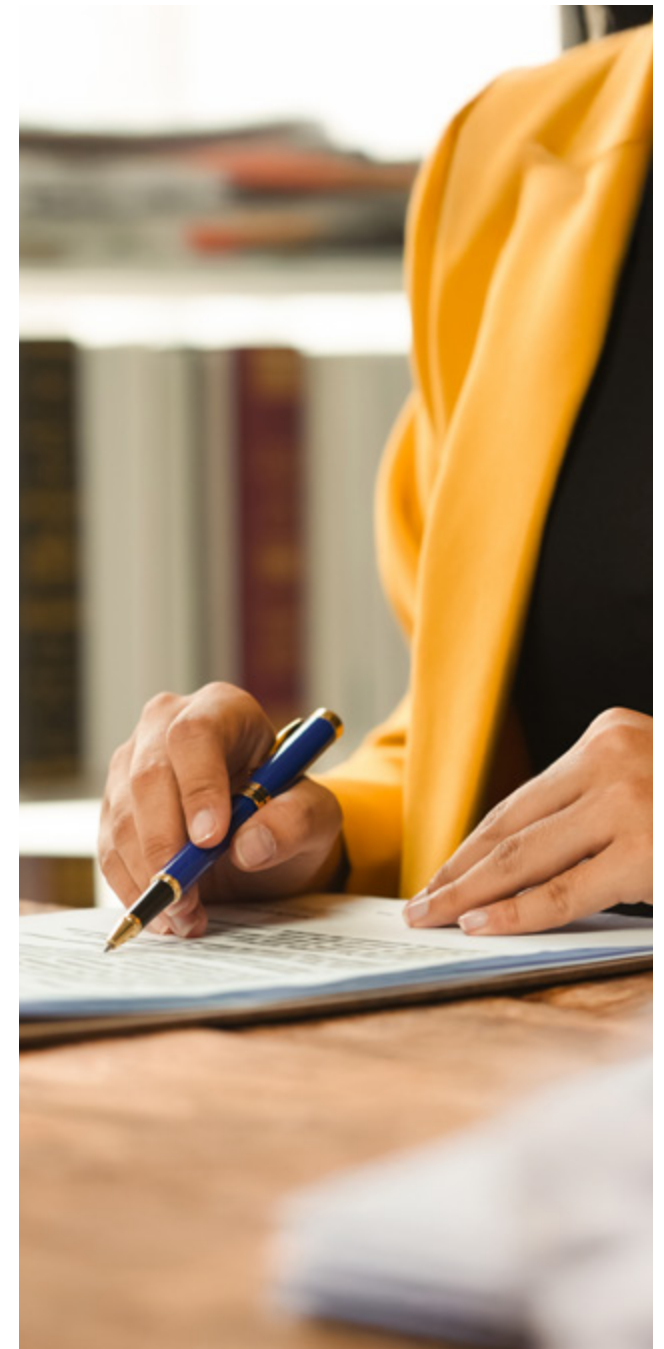
We participate in the development of regulation through industry bodies. We also ensure that we effectively meet and implement all regulatory requirements.

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

Being able to successfully run our business and deliver on our strategy is dependent on having appropriately skilled and experienced people in our business. Achieving this is challenged by strong competition for talent in our industry, especially in areas such as underwriting and cyber security. We attract these skills by developing talent through training and development programmes (page 26), and by ensuring we remain a top employer that can effectively attract and retain talent. Read more about our employee-related efforts on page 30.

## Ethical leadership and the trust deficit

There is a sense that the South African government is trying to rebuild public confidence after decades of mismanagement of public resources and unethical behaviour. This trust deficit filters through to the financial sector when good ethics are not engrained into company culture and governance failures occur. In the insurance industry, consumers only buy insurance when they believe that insurers will honour their commitment to pay claims promptly and deliver on the promises they make. However, the insurance industry is notorious for complicating insurance products, resulting in mistrust among consumers<sup>1</sup>. At Santam, we strive to build trust and lasting relationships with our clients by honouring claims responsibly, through our financial education initiatives (page 69), and by working to enhance the client experience (page 71). We closely monitor key metrics such as the NPS, VoX survey and OSTI findings to ensure we have an independent view of whether we are delivering on our promise of **Insurance good and proper**.



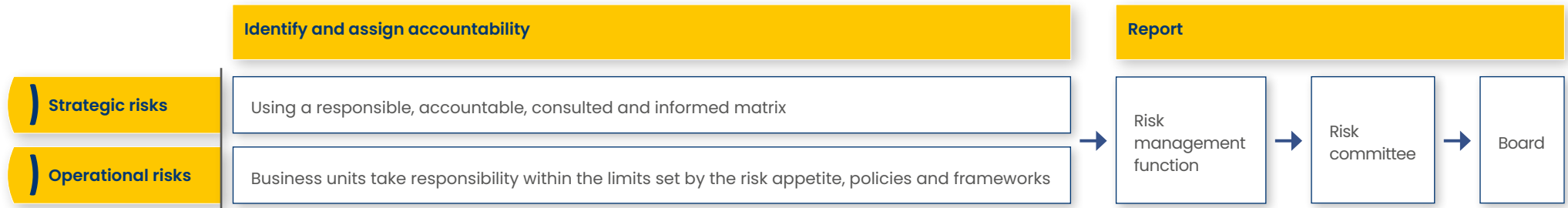
<sup>1</sup> <https://www.fsca.co.za/Documents/South%20African%20Retail%20Financial%20Customer%20Behaviour%20and%20Sentiment%20Report.pdf>

# Our key risks and opportunities

## Risk management at Santam

We use a comprehensive risk management system to support the group's growth, to protect value for stakeholders, and to make more informed decisions. Our risk management process supports Santam in building its leadership position from a financial, reputation and market share perspective. It also ensures we protect our policyholders.

Our risk management process is as follows:



## Our top risks and related opportunities

Our top risks and opportunities are aligned with our material matters and strategy. All our risks from last year remain relevant, and we have added two new risks to this year's list.

Risk	Description	Trend	Mitigating actions and opportunities
<b>Climate risk, including catastrophe events and extreme weather</b> 	<p>Climate change poses serious risks to the stability and quality of human society, as well as the global economy. The consequences of global warming are already evident in more extreme weather events.</p> <p>Santam faces the risk of an increase in the frequency and severity of extreme weather events (droughts, floods, wildfires and windstorms) and the consequent impact on its claims experience and business processes.</p>		<ul style="list-style-type: none"> <li>The impact of weather-related events on expected claims experience is a key element of Santam's pricing and underwriting frameworks.</li> <li>Santam performs scenario modelling where the impact of an increase in the frequency and severity of climate-related events on the income statement and balance sheet, both gross and net of reinsurance, is quantified.</li> <li>The group is working on understanding climate-related risks (physical and transitional) in accordance with the recommendations of the Task Force for Climate-Related Financial Disclosure (TCFD) as these risks affect the underwriting and investment sides of our business.</li> <li>We have been a member of ClimateWise since 2009 and a founding member of the UN Environment's Principles for Sustainable Insurance since 2012. We completed our ClimateWise and carbon disclosure reports which respond to the TCFD-aligned questions on the group's climate action initiatives.</li> <li>We have committed to TCFD reporting and publish a TCFD report.</li> </ul>

Risk	Description	Trend	Mitigating actions and opportunities
<b>Failing infrastructure and lack of maintenance in South Africa impacting claims</b> 	<p>Failure to adequately invest in, upgrade or secure public infrastructure networks, as well as commercial infrastructure and private property, can lead to pressures or breakdowns with systemic implications – specifically from an insurance perspective.</p>		<ul style="list-style-type: none"> <li>Increased underwriting focus on the impact of failing infrastructure on claims experience.</li> <li>Our P4RR initiative aims to help vulnerable municipalities improve their risk management.</li> <li>Santam partners with the Department of Cooperative Governance, the South African Local Government Association, and local district municipalities to support and promote infrastructure maintenance and resilience to mitigate disaster-related risks.</li> <li>Santam partners with the Department of Cooperative Governance, the South African Local Government Association, and local district municipalities to support and promote infrastructure maintenance and resilience to mitigate disaster-related risks.</li> <li>Our crisis management plan can be applied and adopted for a wide range of crisis scenarios.</li> </ul>
<b>Lack of A-rated paper on which to write international business</b> 	<p>Santam's ability to write business outside Africa is dependent on it being able to offer the market A-rated paper.</p> <p>Many insurers require a strong credit rating from a recognised rating agency in order to place business with that counterparty.</p>		<ul style="list-style-type: none"> <li>Santam has obtained an A- credit rating from AM Best</li> </ul>
<b>Political and social risks in South Africa</b> 	<p>Economic conditions directly impact our clients' ability or appetite to spend money on risk mitigation.</p> <p>South Africa's low economic growth exacerbates high unemployment, inequality and macro-vulnerabilities. Inflation influences consumer spending, which may result in increased cancellations and returned debit orders.</p>		<ul style="list-style-type: none"> <li>Santam is a committed corporate citizen. Refer to the sections on transformation and stakeholder value creation for more information.</li> <li>Several partnerships with government and industry bodies assist and proactively address certain areas of concern.</li> <li>International diversification strategy.</li> </ul>
<b>Cyber risk outside GTI network</b> 	<p>The risk of a security breach of Santam's IT systems affecting the Santam brand, confidentiality, and availability and/or integrity of information, resulting in a financial loss and/or business disruption.</p> <p>The predominant risk in this respect lies with business risks not managed in the Sanlam/Santam-controlled environment.</p>		<ul style="list-style-type: none"> <li>Sanlam and Santam have a shared service approach managing cyber risk.</li> <li>By pooling resources, budgets and skills, the group can mitigate cyber risks more efficiently.</li> <li>To understand and manage this risk, Santam maintains a cyber resilience framework which identifies material cyber risks and their management, as well as a crisis management guide to deal with cyber risk scenarios.</li> </ul>



New risk



Risk shows integration of climate change






Improved









Same



Deteriorated

Risk	Description	Trend	Mitigating actions and opportunities
<b>Cyber risk inside GTI network</b> 	<p>The risk of a security breach of Santam's IT systems affecting the Santam brand, confidentiality, and availability and/or integrity of information, resulting in a financial loss and/or business disruption.</p> <p>The predominant risk in this respect lies with business risks not managed in the Sanlam/Santam-controlled environment.</p>	▼	<ul style="list-style-type: none"> <li>Santam employees receive continuous cybersecurity awareness training to improve user awareness of cyber security.</li> <li>Santam performs a significant amount of third-party risk analysis to ensure that the risk posed by businesses not managed within the Sanlam/Santam-controlled environment are well understood.</li> </ul>
<b>Skills shortage, including attracting and retaining top talent</b> 	<p>There are industry challenges regarding shortages of certain skills and, more generally, the quality of skills available.</p> <p>The insurance industry competes with other sectors for suitably qualified and skilled candidates with the appropriate level of performance.</p>	▲ ▼	<ul style="list-style-type: none"> <li>Strong focus on managing Santam's human capital and developing talent pipelines within the company and externally.</li> <li>Santam has historically been successful in managing to retain key employees.</li> <li>Santam invests in the development of leaders to identify and coach emerging talent.</li> <li>Santam invests significantly in programmes that introduce learners and graduates to the business.</li> <li>We provide an extensive suite of total rewards and benefits to attract, retain and motivate employees.</li> <li>We review our talent and develop succession plans.</li> <li>We support wider industry initiatives to increase the uptake of professional learning and qualifications.</li> </ul>
<b>Failure of the Government of National Unity</b> 	<p>Political instability leads to a loss of investor confidence, deterioration of currency, increase in inflation and economic stagnation.</p>	▼	<ul style="list-style-type: none"> <li>Several partnerships with government and industry bodies assist and proactively address certain areas of concern.</li> <li>International diversification strategy.</li> </ul>

Risk	Description	Trend	Mitigating actions and opportunities
<b>Increasing management expense ratios</b> 	Expense ratios that grow at a faster rate than the growth in premiums erode Santam's net underwriting margin. A sustainable business model relies on containing costs.		<ul style="list-style-type: none"> <li>Detailed budgeting process followed included projections of future expenses.</li> <li>Monthly financial performance reviews measuring actual versus budgeted expenses.</li> <li>Strategic initiative, including the use of technology, to improve operational processes and reduce expenses.</li> </ul>
<b>Suitability and implementation of IT systems</b> 	<p>Unsuitable IT systems can delay digital initiatives like automation, AI-driven underwriting and customer engagement technologies, making Santam less competitive.</p> <p>Poorly implemented systems often lack flexibility and scalability, which would prevent Santam from quickly adapting to new product demands, regulatory changes, or shifts in market conditions.</p>		<ul style="list-style-type: none"> <li>The Santam Architecture Review Board is instrumental in ensuring that new systems are compatible and suitable regarding meeting business requirements and compatible with existing IT systems.</li> <li>Santam's executive team maintain close contact with key IT-Service and IT-system providers to ensure that such can meet the group's business demands (as these relate to both current and future needs).</li> <li>The Santam initiative investment committee (SIIC) ensures key IT Investments align with business strategy through a defined process, maintaining a strong connection with the Project Governance activities of the Project Delivery Centre (which delivers fit-for-purpose systems across the breadth of the group's operations).</li> </ul>
<b>Santam's ability to achieve premium growth targets</b> 	Santam's ability to grow the group at an acceptable rate is the single biggest risk we face in terms of creating sustainable shareholder value.		<ul style="list-style-type: none"> <li>Business unit specific initiatives for achieving growth and profitability in line with budgets.</li> <li>Monthly financial performance reviews measuring actual growth and margins against budget.</li> <li>Quarterly performance against strategy reviews.</li> <li>Significant focus on managing expense levels.</li> </ul>



# REMUNERATION

# 5

# Remuneration report summary



**In recognition of the importance that our people play in supporting the long-term sustainability of our group, we continued to implement remuneration initiatives and employee experience enhancements aligned with our people strategy to ensure that critical talent is attracted and retained.**

**Lucia Swartz**, Chairperson: human resources and remuneration committee (HRRC)

Santam has a total reward strategy for our people. This offering comprises remuneration (cash remuneration, short-term incentives (STI) and long-term incentives (LTI)), benefits (retirement fund, medical aid, risk benefits, group life, etc.), learning, development and career growth and a balanced working environment with a range of lifestyle benefits.

Our remuneration philosophy sets out to:

- Identify those aspects of the remuneration policy that are prescribed and to which all businesses should adhere in accordance with our group governance policy
- Provide a general framework for total remuneration across the group
- Provide guidelines for STI and LTI and retention processes
- Provide mandates and guidelines about how businesses should apply discretion in awarding remuneration and incentives

The board recognises certain industry-specific and other relevant differences between Santam businesses and where warranted differentiation in remuneration is applied to enable businesses to attract, retain and reward their employees appropriately within an overarching policy. In this regard, there are some areas where good corporate governance, the protection of shareholder interests and those of the Santam brand or corporate identity require full disclosure, motivation and approval by human resources committees, either at group or business level.

The principle of pay for performance and management discretion about individual employees is central to the remuneration philosophy because all remuneration is based on merit.

## Overview of our remuneration policy

Santam's remuneration philosophy and policy support the group's strategy by incentivising the behaviours required to meet and exceed our predetermined strategic goals. Short and long-term strategic objectives are measured and rewarded, and this blended approach strongly mitigates excessive risk-taking and balances longer-term strategic objectives with short-term operational performance. The remuneration philosophy is, therefore, also an integral part of the group's risk management structure. We consider prevailing economic conditions and local and international governance principles in setting up the reward structures. The group pays attention to correctly positioning the nature and the scale of remuneration relative to appropriate comparator groups, governance standards and international best practice.

Our remuneration policy is a key enabler of the Santam business strategy. Therefore, it must be market-competitive, fair and equitable to all stakeholders. The primary objectives of the remuneration policy are to:

- Attract, motivate, reward and retain key talent
- Drive the group's strategic objectives while complying with our risk and governance frameworks
- Promote an ethical culture and behaviours consistent with our values and responsible corporate citizenship

The key principles of our policy are:

- **Pay for performance:** Performance is the cornerstone of the remuneration philosophy. On this basis, all remuneration practices are structured in such a way as to provide for clear differentiation between individuals with regard to performance. It is also positioned to maintain a clear link between performance conditions and the Santam business strategy
- **Competitiveness:** A key objective of the remuneration philosophy is that remuneration packages should enable the group and its businesses to attract and retain employees of the highest quality to ensure sustainability
- **Leverage and alignment:** Reward consequences for individual employees are aligned with, linked to, and influenced by:
  - » The interests of Santam shareholders (and, where applicable, minority shareholders in subsidiaries)
  - » The interests of other stakeholders (for example, employment equity, client service, the community)
  - » Sustainable performance of Santam as a whole
  - » The performance of any region, business unit or support function
  - » The employee's own contribution
- **Consistency and fairness:** The remuneration philosophy strives to provide a framework that encourages consistency but allows for differentiation where it is fair, rational and explainable. Differentiation in market comparison for specific skills groups or roles and differentiation concerning performance is imperative. Unfair differentiation is unacceptable
- **Attraction and retention:** Remuneration practices are recognised as key in attracting and retaining the required talent to meet Santam's objectives and ensure its sustainability
- **Shared participation in relevant components of remuneration:** Employee identification with the success of Santam is important as it is directly linked to both Santam's and individual performance. All employees should have the chance to be recognised and rewarded for their contribution and the value they add to Santam and for achieving excellent performance and results in relation to Santam's stated strategic objectives. The performance management process contributes significantly to lending structure to the process and obtaining this participation level
- **Best practice:** Reward packages and practices reflect local and international best practice, where appropriate and practical

- **Communication and transparency:** The remuneration philosophy, policy and practices, as well as the processes to determine individual remuneration levels, are transparent and communicated effectively to all employees. In this process, all employees understand the link between remuneration and Santam's strategic objectives
- **Market information:** Accurate and up-to-date market information and information on best practice are important factors in determining the quantum of the remuneration packages
- **Malus and clawback:** Where defined trigger events occur, provision is made for redress against remuneration through either malus (pre-vesting forfeiture) or clawback (post-vesting forfeiture). Malus and clawback provisions and the application thereof to trigger events are governed by the Santam group malus and clawback policy, which is a related policy to this group remuneration policy, and these provisions will be incorporated in relevant remuneration governance documents/rules

## Key policy changes in 2024

To ensure Santam is aligned with industry best practice and the broader Sanlam Group, a review against peer companies was conducted to benchmark the minimum shareholding requirement for executive committee. Further details are disclosed on in the remuneration report.

## Key focus areas 2024

The HRRC is responsible for overseeing and monitoring the development, implementation and execution of the remuneration policy and strategy of the group and ensuring that the policy objectives are met. The committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference. Read more about the HRRC's terms of reference online and the composition and summarised terms of reference for the HRRC in the corporate governance report.

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

- Oversaw a benchmarking exercise on non-executive directors' fees which informed the recommendation made to shareholders for approval at the AGM
- Reviewed internal pay equity across all levels of the group

- Continuous efforts were made to ensure compliance with the South African Revenue Service 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 (GOGs) as governed by the FSCA, the compliance requirements imposed by the JSE Listings Requirements, and the Prudential Authority's GOGs and governance and operational standards for insurers (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
- Reviewed the evaluation of Santam's employment equity plan, which was developed in accordance with the applicable legislative requirements and best practices. This includes the HRRC noting the recent developments in connection with the proposed sectorial targets
- Reviewed the group's ongoing approach towards "new ways of work" in response to Santam's ongoing hybrid operating environment
- Considered and responded to shareholder recommendations regarding Santam's remuneration policy that was presented for approval at the 2024 AGM
- Reviewed Santam's ongoing culture journey and the outcomes of the engagement surveys that were conducted
- Reviewed the group's reporting and disclosure on remuneration aspects to simplify the content while enhancing transparency
- 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 2024 reporting period
- 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
- Reviewed Santam's Fit and Proper Policy and the committee's charter. The committee also 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

## Structure

The different components of remuneration are summarised in the table below. The summary is generic for all South African employees but highlights specific aspects applicable to executive committee members.

Element	Purpose	Potential	Design	How delivered?
<b>Total Guaranteed Package (TGP)</b>	Reflects the market value of the role and individual performance.	The market benchmark for comparative role.	Annual benchmarking against market surveys.	Cash salary and a mix of compulsory and discretionary benefits.
<b>Short-Term incentives (STIs)</b>	Rewards performance over a 12-month period (financial year).	For the executive committee, STI on-target ranges between 75% and 100% of TGP.  Maximum STI caps are set at 200% of TGP.	Quantum for executive committee based on individual, business and group performance.	Cash settlement is generally capped at 200% of TGP.  For the executive committee, deferral principles apply at a minimum of 30% of STI.
<b>Long-Term Incentives (LTIs)</b>	Rewards company performance over a 3-to-5-year period.  Long-term value creation for shareholders.	Total LTI award levels range between 35% and 275% of TGP (based on unvested awards). As an indicative annual award, these percentages comprise approximately 10% to 70% of TGP.	Vesting in tranches in years 3 (40%), 4 (30%) and 5 (30%).	Vesting is based upon reaching individual/strategic performance targets and meeting relevant company performance hurdles where relevant. The potential is capped at a maximum of 275% of TGP.
<b>Restricted Santam shares</b>	For attraction and retention of key talent, as well as the mechanism for the partial deferral of executive committee STIs.	The potential is linked to market benchmarks for attraction and retention. For STI deferral shares, 30% of the annual bonus for the executive committee is granted in RSPs.	Vesting profiles depend on the sign-on agreement and the delivery of strategic initiatives in case of attraction and retention. STI deferral shares vest after three years.	Vesting is subject to strategic and other performance conditions, employment malus and clawback in the case of attraction and retention. For STI deferral shares, vesting is subject to continued employment and maintaining individual performance.
<b>Out Performance Plan (OPP)</b>	Focused and bespoke incentives for a specific period (long-term) aligned to the Santam business strategy and key strategic projects.	100% to 200% of TGP per annum.	Performance conditions are set considerably more stretching than LTIs.  Due to the outperformance targets set, the probability of vesting is lower than that of LTIs.	OPP value is measured and delivered in Santam shares to align with shareholders.  Exception (and if good rationale exists) may be settled in cash, but this will be disclosed.

## Engagement and voting outcomes from the last AGM

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 2024 AGM. This vote enables shareholders to express their views on the group’s remuneration policies and its implementation. 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 interest to investors, such as linking performance and strategy. At the 2024 AGM, Santam’s shareholders endorsed the company’s remuneration policy. The remuneration policy received a positive vote of 96.53%, while our implementation report received a positive vote of 97.95%. We summarise the shareholder voting outcomes over the past three years below.

Santam continues to invite shareholders to individual engagements to discuss specific concerns or enquiries relating to the implementation report.

	For	Against
AGM in respect of 2023 remuneration policy	96.53%	3.47%
AGM in respect of 2023 implementation report	97.95%	2.05%
AGM in respect of 2022 remuneration policy	92.29%	7.71%
AGM in respect of 2022 implementation report	87.47%	12.53%
AGM in respect of 2021 remuneration policy	92.02%	7.98%
AGM in respect of 2021 implementation report	92.45%	7.55%

## 2025 AGM

For the 2025 AGM, the remuneration policy and the implementation report will be tabled separately for non-binding advisory votes by shareholders. In the event that either or both the policy or implementation report are voted against by 25% or more of the voting rights exercised, the ongoing engagement process as outline herein will be followed.

## Forward looking policy

Santam will propose at the next AGM to reduce its share usage limit from 10% to 5% in line with shareholder expectations.

## Pay Gap Reporting

The committee deliberated whether, in the interest of transparency, it was appropriate at this time to publish our pay gap analysis but decided that due to insufficient clarity from the regulators, we would hold off publication until such time that the amendments to the Companies Act were promulgated and provided the clarity required.

The HRRC will continue to review value drivers in the group to ensure that incentives are directly aligned to shareholder value creation and address the integration of any acquired businesses. The principles of simplification and transparency will inform any forward looking policy decisions.





# FINANCIAL PERFORMANCE OVERVIEW

# 6

# Financial and operational review



**The group achieved a strong performance in 2024 across all key performance indicators. The underwriting margin more than doubled despite a continuance of losses from extreme weather conditions, testimony to the improvement in the underlying profitability and resilience of the in-force book.**

**Wikus Olivier**, group CFO

## Key features

### Business volumes

- Strong premium growth in excess of long-term target
- New strategic initiatives at MiWay driving double-digit growth in the fourth quarter of 2024
- MTN device insurance sales exceeding the original business plan

### Earnings

- Underwriting margin of 7.6% – well within the target range (2023: 3.5%)
- Property portfolio turned profitable
- Significant improvement in Santam Re results
- MiWay achieved a double-digit underwriting margin before strategic investments
- Net income attributable to equity holders up 13%

### Capital

- Return on capital of 32% exceeded the hurdle rate of 24%
- Final dividend of 985 cents per share, up 8.8%
- Total ordinary dividend distributions of 1 520 cents per share, up 8.6%

## Executive summary

The group delivered a strong performance in 2024 despite a challenging operating environment, shaped by extreme weather events, social, economic and geopolitical forces that are intricately linked and changing at an accelerated pace. It directly impacts the risks we face in the general insurance market but simultaneously creates new opportunities for stakeholder value creation. Our refreshed FutureFit 2030 strategy responds to these conditions (refer to the report by the chief executive officer from page 55), which together with the range of underwriting actions implemented over the past two years, positioned us well to deliver a marked improvement in financial performance in the 2024 financial year. Double-digit premium growth exceeded our long-term targets by a considerable margin, while the group underwriting margin more than doubled from 3.5% in 2023 to 7.6% in 2024, well within the 5% to 10% target range. This financial performance is testimony not only to the solid foundation laid by our FutureFit strategy but also to the valued support of our clients and intermediaries, as well as our staff's skills, dedication and operational excellence.

Business and investor confidence improved following the general elections and the formation of a Government of National Unity (GNU) in South Africa. Progress has been made in addressing the structural constraints to economic growth in South Africa, albeit at a slower-than-anticipated pace. The absence of electricity supply disruptions for an extended period in 2024 and positive signs around addressing the country's infrastructure challenges bode well for future economic growth in our largest market. However, South Africa recorded lacklustre growth in gross domestic product (GDP) in 2024, with real GDP forecasted to expand by only 1.1% year-on-year at the end of 2024. This reflects the lag between improving business and investor confidence and accelerating foreign capital flows and corporate capital investment.

Consumer personal disposable income remained under pressure during 2024 following high inflation and elevated interest rates. Persistent high unemployment levels also suppressed any real growth in the size of the consumer base. This had a negative impact on the affordability of insurance premiums, as well as new vehicle sales, a key driver of growth in our largest line of business. However, inflation started to ease considerably in the past few months, which enabled the South African Reserve Bank to enter a cycle of interest rate reductions. This is providing some relief to consumers.

These conditions limited our growth potential due to the high level of penetration in the traditional insurance markets in South Africa, with these segments closely coupled to the performance of the economy and employment levels. Our refreshed strategy aligns with these trends through enhanced focus on our direct channels, where we do not have a commensurate market share, and the non-traditional segments, which are much less penetrated and provide good prospects for accelerated growth while driving enhanced financial inclusion. Opportunities for growth outside of South Africa were also more favourable, with the group's low market share in global markets providing enhanced growth opportunities.

Our two largest insurance classes, motor and property, were affected by a challenging claims environment. Motor repair costs increased by more than headline CPI, which is not sustainable over the long term. We are working with key stakeholders to contain costs across the motor value chain over the long term. Losses from extreme weather conditions are most pronounced in our property book. The frequency and severity of claims from inclement weather conditions have increased substantially over the past decade, including in South Africa, which has traditionally been seen as a benign catastrophe environment. These trends persisted, with weather-related catastrophe claims of R748 million in 2024, broadly in line with 2023.

We have implemented several underwriting actions in the past two years in response to the elevated claims environment. These included segmented premium increases and higher excess amounts for selected risks across the motor and property classes, enhanced safety requirements to mitigate against high-value vehicle theft, the accelerated roll-out of geocoding to enhance property risk selection and rating and expanded surveying of property risks. Through these actions, we have successfully addressed power surge losses, improved the profitability of the motor book and turned around the property portfolio from a loss contributor over an extended period to a positive contributor to the underwriting performance in 2024.

Our strategic progress, as further elaborated on in the chief executive officer's report from page 55, underpinned our financial performance in 2024:

Performance measure	Long-term goal	2024 performance	Rating
Growth in size of book	CPI + GDP + 1 to 2% (6.5% – 7.5% for 2024)	Gross written premium (GWP): 10.5% Net earned premium (NEP): 9.7%	●
Net underwriting margin	5% – 10%	7.6%	●
Diversification			
• International	>20% by 2030	18%	●
• Direct	>30% by 2030	17%	●
Return on capital	24%	32%	●
Dividend growth	Based on NEP (9.7% for 2024)	8.6%	●
Capital coverage ratio	145% – 165%	166%	●

Favourable investment market performance and outperformance of benchmarks by the group's asset managers contributed to a return on insurance funds of 2.6%. The 2024 net insurance margin of 10.2% compares to 6.1% in 2023.

The alternative risk transfer (ART) businesses delivered an excellent performance, supported by solid growth across all revenue lines.

Santam Ltd obtained an international A- (Excellent) financial strength rating from AM Best at the end of 2024, which supports the international growth strategy.

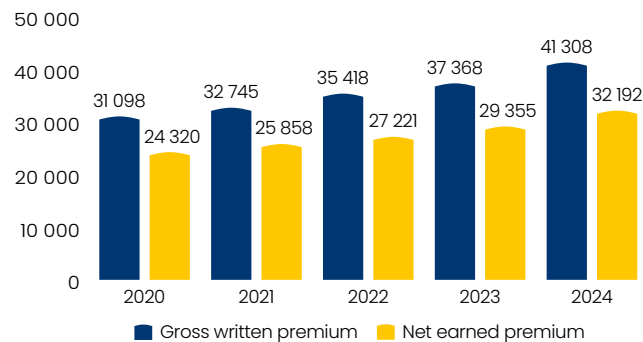
Refer to page 24 for a description of the group's operating model and business units, which are referred to in this report.

## Business volumes

GWP indicates the size of the business written by the group's distribution channels before allowing for reinsurance premiums paid. As it excludes reinsurance, it reflects the group's distribution capacity rather than earnings potential. NEP is also disclosed as an indicator of the size of the business retained by the group. It relates to the portion of GWP after deducting reinsurance costs recognised in the current reporting period regarding expired risk and is a better reflection of the group's earnings potential.

GWP increased by 10.5%, while NEP increased by 9.7%.

### CONVENTIONAL BUSINESS VOLUMES (R million)



Periods before 2022 not restated for IFRS 17 adoption.

GWP  
NEP

Compound  
annual growth  
rate

7.4%  
7.3%

All business units contributed to the growth in GWP, except for Specialist Solutions, which experienced a marginal decline on 2023.

Broker Solutions and Client Solutions continued to strengthen premium rates and achieved robust growth in excess of the group's target range. The underperformance of the property class over a number of years necessitated higher-than-inflation premium increases as part of the package of underwriting actions. Motor premium increases were moderated in line with the improved performance of this book and are closely monitored relative to claims inflation. Persistency experience was managed within expectations and improved compared to 2023 across commercial and personal lines.

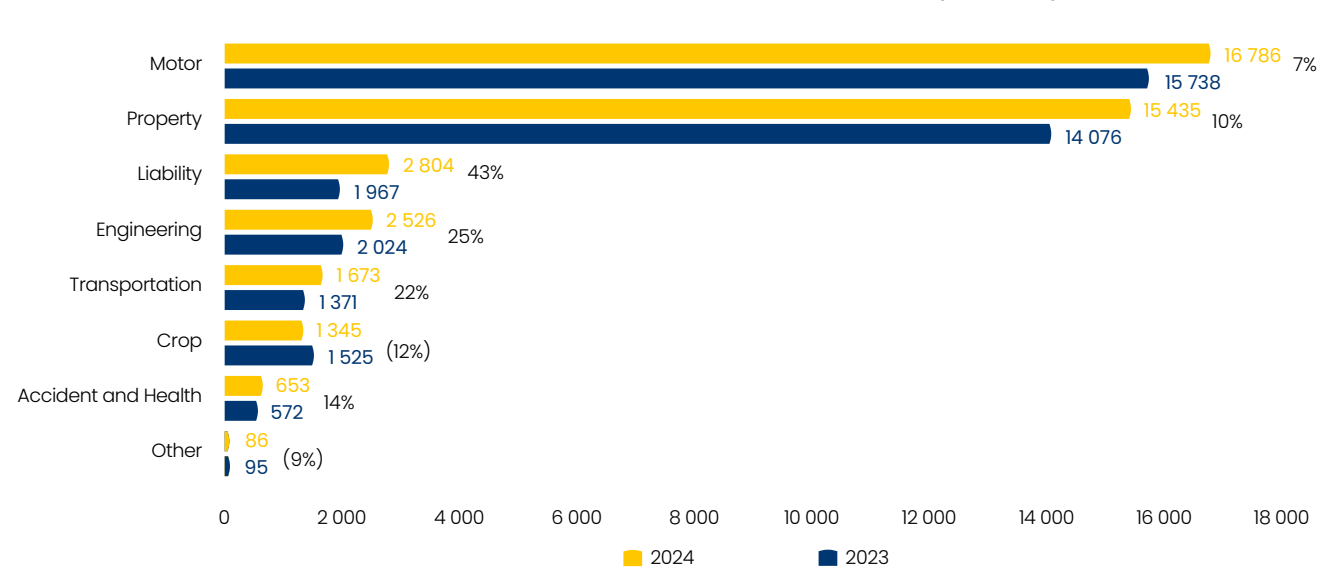
Partner Solutions grew strongly from a low base, supported by the transfer of the MTN in-force book to the Santam licence in the first quarter of 2024.

MiWay's new inbound and tied agency strategies gained traction in the second half of the year, with overall double-digit growth in GWP in the last quarter of 2024. Business insurance performed exceptionally well, supported by the inbound and tied agency strategies. Personal lines business performed below expectations in the first half of the year but accelerated in the last quarter, achieving targeted monthly growth rates in December. Overall growth of 8% is a pleasing improvement on the 5% achieved in 2023.

Specialist Solutions experienced a marginal decline in business volumes. Casualty and corporate property business were negatively affected by international players' aggressive deployment of capacity at unsustainable premium rates. We did not deviate from our strategic focus on profitable growth and were prepared to forsake topline growth in the short term in the interest of long-term profitability. Crop business experienced lower volumes due to adverse planting conditions in some regions, especially in the first half of the year. All other major lines of business achieved good growth.

Santam Re achieved excellent double-digit growth despite the cancellation of underperforming business. The portfolio has been successfully restructured and is expected to deliver improved profitability over the medium to long term. The performance in 2024 already showed a strong turnaround compared to 2023.

### CONVENTIONAL BUSINESS GWP BY INSURANCE CLASS (R million)



GWP from the motor business grew by 7%. Broker Solutions, Client Solutions and MiWay achieved good overall growth. This was partly offset by low growth at Specialist Solutions. The 10% growth in property business is the combined effect of rate strengthening in the Broker Solutions and Client Solutions portfolios, the base effect of transferring the MTN in-force device insurance book onto the Santam licence in the first quarter of 2024 and good growth in the MTN book since its onboarding. A decline in corporate property business at Specialist Solutions detracted somewhat. Santam Re's portfolio restructuring resulted in a shift in GWP to the engineering and liability business. This contributed to strong growth in the engineering (25%) and liability (43%) classes. The transportation business accelerated over the course of the second half of 2024, increasing by 22% for the full year, with robust growth in the marine business.

## Geographical analysis

South Africa remains the most significant contributor to GWP at 82% (2023: 84%), with business from this market increasing by 8% to R33.9 billion (2023: R31.5 billion). GWP from outside South Africa contributed 18% (2023: 16%) of total GWP and grew by 28% to R7.4 billion (2023: R5.8 billion).

The partnership with SanlamAllianz across the African continent in specialist business continued to deliver positive results. However, GWP declined by 5% to R782 million (2023: R822 million) due to the volatile nature of specialist business lines.

## Earnings

	2024 R million	2023 R million	Variance
<b>Conventional</b>	<b>4 604</b>	<b>2 910</b>	<b>58%</b>
Net insurance result	3 264	1 790	82%
Investment return on capital	1 340	1 120	20%
<b>Net income ART</b>	<b>781</b>	<b>516</b>	<b>51%</b>
<b>Other</b>	<b>(244)</b>	<b>673</b>	<b>&gt;(100%)</b>
Associated companies	88	786	(89%)
Amortisation and other	(332)	(113)	>(100%)
<b>Income before tax and non-controlling interest</b>	<b>5 141</b>	<b>4 099</b>	<b>25%</b>
Tax and non-controlling interest	(1 462)	(849)	(72%)
<b>Net income</b>	<b>3 679</b>	<b>3 250</b>	<b>13%</b>

## Conventional insurance

	2024 R million	% of NEP	2023 R million	% of NEP
<b>Gross written premium</b>	<b>41 308</b>		<b>37 368</b>	
Net earned premium	32 192	100%	29 335	100%
Claims incurred	19 657	61.1%	19 420	66.2%
Acquisition cost	10 094	31.3%	8 884	30.3%
Commission	4 270	13.2%	4 049	13.8%
Management expenses	5 824	18.1%	4 835	16.5%
<b>Underwriting result</b>	<b>2 441</b>	<b>7.6%</b>	<b>1 031</b>	<b>3.5%</b>
Investment return on insurance funds	823	2.6%	759	2.6%
<b>Net insurance result</b>	<b>3 264</b>	<b>10.2%</b>	<b>1 790</b>	<b>6.1%</b>
Combined ratio	<b>92.4%</b>		<b>96.5%</b>	

Net income increased by 13%, supported by a 58% increase in the earnings from conventional insurance and a 51% rise in ART earnings.

## Underwriting result

An underwriting margin of 7.6% was achieved for 2024, compared to 3.5% in 2023. The underwriting margin increased from 6.5% in the first half of 2024 to 8.6% in the second half of the year, partly due to fewer weather events. The underwriting margin was well within our 5% – 10% target range, despite weather-related and other large losses of R986 million in 2024 (2023: R1.3 billion). We maintained our prudent approach in setting the valuation basis, increasing the reserving confidence level from the 79th percentile in December 2023 to the 84th percentile at the end of 2024. Both personal and commercial lines delivered solid underwriting margins within the target range.

We experienced a similar number of significant weather-related events in 2024 (catastrophe claims from a single event in excess of R100 million) compared to 2023. Losses from these events were more severe in 2024 at R652 million compared to R583 million in 2023. The events were widespread across the Western Cape, Eastern Cape and KwaZulu-Natal. Cumulative claims from all events categorised as catastrophes were in line with 2023 at R748 million (2023: R744 million). These losses were all within the group's retention limits, and no reinsurance offsets applied. Other significant losses (mostly fire-related) amounted to R238 million, declining from R536 million in 2023.

The underwriting actions implemented at Broker Solutions, Client Solutions and Santam Re significantly improved the risk profile and rating strength of the group's in-force book. This created positive earnings momentum that enabled the group to absorb the large loss experience of close to R1 billion while remaining slightly above the mid-point of the target range.

All businesses achieved underwriting margins in excess of those recorded for 2023, except for Specialist Solutions, which declined from a high comparative base but still exceeded its targets for the year. The Crop and Marine businesses incurred several large claims compared to a more benign claims environment in 2023.

The motor book showed a good recovery, with all business units contributing to the improvement. The non-recurrence of the substantial losses incurred in 2023 regarding cancelled business outside of South Africa had a particularly favourable impact.

Most weather-related and other significant losses highlighted above impacted the property class. Despite this, the property portfolio turned profitable in 2024 due to the various underwriting actions implemented across the personal lines and commercial books when compared to the sizable underwriting losses experienced over several previous reporting periods. We continue to focus on this book.

Engineering delivered strong growth in underwriting results, benefitting from a decline in the frequency of significant losses. Liability declined from a high base in 2023 but achieved margins in line with expectations for the year. Transportation profits also declined and underperformed longer-term expected margins. Several large marine claims offset a solid contribution from heavy haulage.

Crop recovered from a disappointing first-half 2024 performance and delivered a solid margin, albeit lower than the comparable 2023 performance that benefitted from a benign claims experience. The current period was subject to several hail losses.

### Expense management

The net acquisition cost ratio increased marginally to 31.3% (2023: 30.3%), with the net commission ratio at 13.2% compared to 13.8% in 2023. The net commission ratio is influenced by the mix of business written between specialist, commercial and personal lines.

Management expenses remained well-controlled as part of the group's efficiency drive. The increase in the management expense ratio from 16.5% in 2023 to 18.1% in 2024 is largely attributable to the investment in strategic initiatives at MiWay, Client Solutions and at group level, and an increase in variable remuneration in line with the improved financial performance.

### Investment return on insurance funds

The investment return on insurance funds of 2.6% (2023: 2.6%) of net earned premium benefitted from solid returns on local and global fixed-income investments, the combination of a favourable investment market performance and an outperformance of portfolio benchmarks.

### Investment return on capital

Investment return on capital increased from R1 120 million in 2023 to R1 340 million in 2024. This is mainly attributable to an increase in marked-to-market changes on equities and fixed-interest securities and the investment return earned on the group's investment in Shriram General Insurance (the latter increasing from R462 million in 2023 to R556 million in 2024).

### Alternative risk transfer business

The ART businesses performed well and grew their profit contribution by 51%, from R516 million in 2023 to R781 million in 2024. This is the combination of a 57% growth in operating earnings to R694 million (2023: R443 million) and an increase in investment return earned on capital to R87 million (2023: R73 million). Operating earnings were supported by good growth across all main income lines (fee income, investment margin and underwriting margins). Fee income grew in line with an increase in business under administration. One-off initial fees were, in addition, earned from new deals written during the year, contributing to an overall growth of 28% in fee income from R379 million in 2023 to R487 million in 2024. The favourable investment market performance was the main driver behind the 24% growth in investment margin to R399 million (2023: R323 million). The ART businesses participate on a discretionary basis in some of the reinsurance placed by cells. Most of these agreements performed well in 2024, more than doubling underwriting profit to R197 million (2023: R85 million).

### India/Malaysia general insurance businesses

Santam's share of the GWP of Shriram General Insurance (SGI) in India and Pacific & Orient Insurance Co. Berhad (P&O) in Malaysia increased by 20%. SGI's contribution increased by 26%, with solid growth from all distribution channels.

Net insurance results declined by 3%. The SGI underwriting performance benefitted from book growth and a favourable claims ratio, offset by lower underwriting profits at P&O and a decline in investment return on insurance funds from a high base in 2023.

### Capital management

We announced in November 2024 that Santam has entered into agreements with Sanlam Life Insurance Ltd to acquire its 60% interest in the A1 ordinary shares in NMS Insurance Services (SA) Ltd (NMSIS) for an initial cash consideration of R925 million. Further information regarding this transaction is provided in the chief executive officer's report on page 55. The transaction is expected to become effective in the first quarter of 2025. The transaction will be funded from internal cash resources generated by the disposal of listed equities of a similar amount. No other significant corporate actions were concluded in 2024.

The group and all of its principal subsidiaries remain well-capitalised. Based on the internal model, the group economic capital requirement at 31 December 2024 amounted to R9.5 billion (2023: R8.8 billion) compared to the actual capital of R15.8 billion (2023: R13.7 billion). This equates to an economic capital coverage ratio of 166% (2023: 155%), slightly above the upper end of the capital target range of 145% to 165%. The final dividend declaration will bring the economic capital solvency ratio back within the target range.

Santam Ltd, the primary operating entity, had an economic capital coverage ratio of 159% at 31 December 2024 and a regulatory capital coverage ratio of 173%, well above the risk appetite levels.

No significant changes were made to the strategic asset allocation of the key investment portfolios, apart from the disposal of listed equities to fund the NMS Insurance Services (SA) Ltd acquisition once it concludes in 2025.

### Dividend

The group's ordinary dividend policy aims to achieve stable dividend growth in line with longer-term sustainable business growth while maintaining the group solvency ratio within the target range. Special dividends are considered when the group solvency ratio is expected to exceed the upper end of the target range over the medium to long term after allowing for any potential corporate transactions under consideration.

Given the group's sound solvency position at 31 December 2024, the board approved a final dividend of 985 cents per ordinary share in respect of the 2024 financial year, an increase of 8.8% on the final dividend of 905 cents declared in respect of the 2023 financial year. Total dividend distributions in respect of the 2024 financial year increased by 8.6% to 1 520 cents per ordinary share.

### Prospects

Economic growth conditions are expected to improve slightly in 2025, with forecasted GDP growth at 1.5% compared to an expected growth of 1.1% by the SARB at the end of 2024. Together with easing pressure on personal disposable income and our strategic focus on higher growth areas in the direct, partnership and international space, we are upbeat about our growth prospects in 2025.

Volatile weather conditions are expected to persist, which may result in volatility in underwriting margins. However, the underwriting actions we have implemented will position us well to manage these. Investment market returns are expected to normalise in 2025 from a strong performance in 2024, which will put downward pressure on the investment return earned on insurance funds, the investment margin earned by the ART businesses and the net investment return earned on capital.

We remain confident in the group's prospects and the potential to deliver enhanced growth and profitability, as our FutureFit 2030 strategy has been tailored to the environment in which we operate.

### Events after the reporting period

There were no material changes in the affairs or financial position of the group since the statement of financial position date.

**ML Olivier**  
Group CFO

28 February 2025



# SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

# 7

# **Approval** of the summary consolidated financial statements

To the shareholders of Santam Ltd

## **Responsibility for and approval of the summary consolidated financial statements**

The board of Santam Ltd accepts responsibility for the integrity, objectivity and reliability of the group summary consolidated financial statements of Santam Ltd. Adequate accounting records have been maintained. The board endorses the principle of transparency in financial reporting.

The responsibility for the preparation and presentation of the financial statements has been delegated to management.

The responsibility of the external auditors is to express an independent opinion on the fair presentation of the financial statements based on their audit of Santam Ltd and its subsidiaries.

The board has confirmed that adequate internal financial control systems are being maintained. There were no breakdowns in the functioning of the internal control systems during the year that had a material impact on the financial results. The board is satisfied that the financial statements fairly present the financial position, the results of the operations and cash flows in accordance with relevant accounting policies, based on IFRS® Accounting Standards, supported by reasonable and prudent judgements consistently applied.

The board is of the opinion that Santam Ltd is financially sound and operates as a going concern. The financial statements have accordingly been prepared on this basis.

The financial statements were authorised for issue and publication by the board and signed on its behalf by:

**NT Moholi**  
Chairperson  
Authorised director

28 February 2025

**TC Madzinga**  
Group chief executive officer  
Authorised director

28 February 2025

# **Preparation** and presentation of the summary consolidated financial statements

The preparation of the summary consolidated financial statements was supervised by the group chief financial officer of Santam Ltd, ML (Wikus) Olivier (CA (SA)).

# **Statement** on internal financial controls

Each of the directors, whose names are stated below, hereby confirm that:

- The summary consolidated financial statements set out on pages 97 to 123, fairly present in all material respects the financial position, financial performance and cash flows of the group in terms of IFRS® Accounting Standards.
- To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the summary consolidated financial statements false or misleading.
- Internal financial controls have been put in place to ensure that material information relating to the group and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the group.
- The internal financial controls are adequate and effective and can be relied upon in compiling the summary consolidated financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls.
- Where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies.
- We are not aware of any fraud involving directors.

**ML Olivier**  
Group chief financial officer  
Authorised director

28 February 2025

**TC Madzinga**  
Group chief executive officer  
Authorised director

28 February 2025

# **Secretarial** certification

In accordance with section 88(2)(e) of the Companies Act, 71 of 2008, as amended (the Companies Act), it is hereby certified that the company has lodged with the Registrar of Companies all such applicable returns as are required of a public company in terms of the Companies Act and that such returns are to our knowledge true, accurate and up to date.

**R Eksteen**  
Group company secretary

28 February 2025

# Summary consolidated statement of **financial position**

	Notes	As at 31 December 2024 R million	As at 31 December 2023 R million		Notes	As at 31 December 2024 R million	As at 31 December 2023 R million
<b>ASSETS</b>				<b>LIABILITIES</b>			
Intangible assets		996	1 226	Deferred income tax		259	1 103
Property and equipment		801	877	Lease liabilities		786	824
Investment in associates and joint ventures		610	542	Financial liabilities at fair value through profit or loss			
Strategic investment – unquoted Sanlam target shares	6	2 483	2 030	Debt securities	6	3 063	3 053
Deferred income tax		257	162	Investment contracts	6	6 638	6 286
Financial assets at fair value through profit or loss	6	51 773	43 748	Derivatives	6	–	7
Insurance contract assets	7	516	426	Financial liabilities at amortised cost			
Reinsurance contract assets	7	6 780	10 087	Repo liability		852	690
Loans and receivables		2 793	2 739	Collateral guarantee contracts		120	113
Current income tax		45	474	Insurance contract liabilities	7	38 219	34 650
Cash and cash equivalents		6 385	4 819	Reinsurance contract liabilities	7	5 499	5 789
<b>Total assets</b>		<b>73 439</b>	<b>67 130</b>	Provisions for other liabilities		186	141
<b>EQUITY</b>				Loans and payables		3 437	2 830
Capital and reserves attributable to the company's equity holders				Current income tax		305	238
Share capital		103	103	<b>Total liabilities</b>		<b>59 364</b>	<b>55 724</b>
Treasury shares		(902)	(845)	<b>Total shareholders' equity and liabilities</b>		<b>73 439</b>	<b>67 130</b>
Other reserves		13	10				
Distributable reserves		13 522	11 424				
		12 736	10 692				
<b>Non-controlling interest</b>		<b>1 339</b>	<b>714</b>				
<b>Total equity</b>		<b>14 075</b>	<b>11 406</b>				

# Summary consolidated statement of **comprehensive income**

	Notes	Year ended 31 December 2024 R million	Year ended 31 December 2023 R million
Insurance revenue		52 317	46 882
Insurance service expense		(39 980)	(37 230)
Net expense from reinsurance contracts held		(7 825)	(6 835)
<b>Insurance service result</b>		<b>4 512</b>	<b>2 817</b>
Finance expense from insurance contracts issued		(2 647)	(1 980)
Finance expense from reinsurance contracts held		(235)	(66)
<b>Net insurance service result</b>		<b>1 630</b>	<b>771</b>
Interest income on amortised cost instruments	8	664	466
Interest income on fair value through profit or loss instruments	8	3 471	2 733
Other investment income	8	226	745
Net fair value gains on financial assets and liabilities at fair value through profit or loss	8	1 536	746
Other revenue		364	464
Investment management services fees		(119)	(125)
<b>Net investment income and other revenue</b>		<b>6 142</b>	<b>5 029</b>
Other operating expenses		(843)	(722)
Investment return allocated to structured products		(618)	(497)
Amortisation and impairment of intangible assets		(217)	(77)
<b>Total other operating expenses</b>		<b>(1 678)</b>	<b>(1 296)</b>
<b>Result of operating activities</b>		<b>6 094</b>	<b>4 504</b>
Other finance costs		(538)	(438)
Net income from associates and joint ventures		88	81
Income tax recovered from structured products		308	258
<b>Profit before tax</b>		<b>5 952</b>	<b>4 405</b>
<b>Total tax expense</b>		<b>(1 596)</b>	<b>(1 727)</b>
Tax expense allocated to shareholders	9	(1 240)	(716)
Tax expense allocated to cell owners and structured products	9	(356)	(1 011)
<b>Profit from continuing operations</b>		<b>4 356</b>	<b>2 678</b>
Profit from discontinued operations		–	705
<b>Profit for the year</b>		<b>4 356</b>	<b>3 383</b>

## Other comprehensive income, net of tax

Items that may subsequently be reclassified to income

Hedging reserve movement

Hedging reserve released on sale of discontinued operations

Foreign currency translation and other non-distributable reserves released on sale of discontinued operations

## Total comprehensive income for the year

### Profit attributable to:

– equity holders of the company

– non-controlling interest

## Total comprehensive income attributable to:

– equity holders of the company

– non-controlling interest

## Total comprehensive income for the year arises from:

Continuing operations

Discontinued operations

## Earnings attributable to equity shareholders

### Earnings per share (cents)

Basic earnings per share

Diluted earnings per share

Notes	Year ended 31 December 2024 R million	Year ended 31 December 2023 R million
	–	(87)
	–	122
	–	37
	<b>4 356</b>	<b>3 455</b>
	<b>3 679</b>	<b>3 250</b>
	<b>677</b>	<b>133</b>
	<b>4 356</b>	<b>3 383</b>
	<b>3 679</b>	<b>3 322</b>
	<b>677</b>	<b>133</b>
	<b>4 356</b>	<b>3 455</b>
	<b>4 356</b>	<b>2 678</b>
	–	777
	<b>4 356</b>	<b>3 455</b>
11	<b>3 356</b>	<b>2 973</b>
11	<b>3 322</b>	<b>2 952</b>

# Summary consolidated statement of changes in equity

	Attributable to equity holders of the company					Non-controlling interest	
	Share capital R million	Treasury shares R million	Other reserves R million	Distributable reserves R million	Total R million	R million	Total R million
<b>Balance as at 1 January 2023</b>	103	(713)	(63)	11 537	10 864	670	11 534
Profit for the year	–	–	–	3 250	3 250	133	3 383
Other comprehensive income:							
Hedging reserve movement	–	–	(87)	–	(87)	–	(87)
Hedging reserve released on sale of discontinued operations	–	–	122	–	122	–	122
Foreign currency translation and other non-distributable reserves released on sale of discontinued operations	–	–	37	–	37	–	37
<b>Total comprehensive income for the year ended 31 December 2023</b>	–	–	72	3 250	3 322	133	3 455
Issue of treasury shares in terms of share incentive schemes	–	89	–	(89)	–	–	–
Purchase of treasury shares	–	(221)	–	–	(221)	–	(221)
Share-based payment costs	–	–	–	117	117	–	117
Movement in foreign currency translation reserve	–	–	1	–	1	–	1
Transfer between equity holders and non-controlling interest	–	–	–	33	33	(33)	–
Issue of equity interest in cell captive	–	–	–	–	–	30	30
Dividends paid	–	–	–	(3 424)	(3 424)	(86)	(3 510)
<b>Balance as at 31 December 2023</b>	<b>103</b>	<b>(845)</b>	<b>10</b>	<b>11 424</b>	<b>10 692</b>	<b>714</b>	<b>11 406</b>
Profit for the year	–	–	–	3 679	3 679	677	4 356
<b>Profit/total comprehensive income for the year ended 31 December 2024</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3 679</b>	<b>3 679</b>	<b>677</b>	<b>4 356</b>
Issue of treasury shares in terms of share incentive schemes	–	104	–	(104)	–	–	–
Purchase of treasury shares	–	(161)	–	–	(161)	–	(161)
Share-based payment costs	–	–	–	99	99	–	99
Movement in foreign currency translation reserve	–	–	3	–	3	–	3
Equity interest in cell captive settled	–	–	–	–	–	(291)	(291)
Issue of equity interest in cell captive	–	–	–	–	–	327	327
Dividends paid	–	–	–	(1 576)	(1 576)	(88)	(1 664)
<b>Balance as at 31 December 2024</b>	<b>103</b>	<b>(902)</b>	<b>13</b>	<b>13 522</b>	<b>12 736</b>	<b>1 339</b>	<b>14 075</b>

# Summary consolidated statement of cash flows

	Notes	Year ended 31 December 2024 R million	Year ended 31 December 2023 R million		Notes	Year ended 31 December 2024 R million	Year ended 31 December 2023 R million
<b>Cash flows from operating activities</b>				<b>Cash flows from financing activities</b>			
Cash generated from operations		8 470	5 860	Purchase of treasury shares		(161)	(221)
Dividends received		257	178	Proceeds from issue of unsecured subordinated callable notes		–	1 000
Interest received		3 356	2 688	Redemption of unsecured subordinated callable notes		–	(500)
Interest paid		(515)	(425)	Dividends paid to company's shareholders		(1 576)	(3 424)
Income tax paid		(2 036)	(1 220)	Dividends paid to non-controlling interest		(88)	(86)
Net movement from acquisition and sale of financial assets		(5 852)	(6 414)	Issue of equity interest in cell captive		327	30
<b>Net cash from operating activities</b>		<b>3 680</b>	<b>667</b>	Settlement of equity interest in cell captive		(291)	–
<b>Cash flows from investing activities</b>				Payment of principal element of lease liabilities		(171)	(134)
Acquisition of subsidiaries, net of cash acquired		–	(99)	<b>Net cash used in financing activities</b>		<b>(1 960)</b>	<b>(3 335)</b>
Acquisition of associates and joint ventures		(20)	–	<b>Net increase/(decrease) in cash and cash equivalents</b>			
Acquisition of business, net of cash acquired	10	(38)	–			1 581	(528)
Proceeds from sale of equipment		38	–	Cash and cash equivalents at beginning of the year		4 819	5 387
Purchase of equipment		(86)	(189)	Exchange losses on cash and cash equivalents		(15)	(40)
Purchase of intangible assets		(33)	(82)	<b>Cash and cash equivalents at end of the year</b>		<b>6 385</b>	<b>4 819</b>
Proceeds from sale of on non-current assets held for sale <sup>1</sup>		–	2 632				
Settlement of zero cost collar		–	(122)				
<b>Net cash (used in)/from investing activities</b>		<b>(139)</b>	<b>2 140</b>				

<sup>1</sup> Represents cash flow relating to disposal of discontinued operations.

# Notes to the summary consolidated financial statements

## 1. Basis of preparation

The summary consolidated financial statements for the year ended 31 December 2024 are prepared in accordance with IFRS® accounting standards, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee (FRG), the Financial Pronouncements, as issued by the Financial Reporting Standards Council (FRP) and the requirements of the Companies Act of South Africa, No 71 of 2008 (Companies Act) and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*.

The summary consolidated financial statements have been prepared on a going concern basis. In adopting the going concern basis, the board has reviewed the group's ongoing commitments for the next 12 months and beyond. The board's review included the group's strategic plans and updated financial forecasts including capital position, liquidity and credit facilities, and investment portfolio.

In the context of the current challenging environment, a range of downside scenarios have been considered. These include scenarios which reflect subdued economic activity, market volatility and increased climate-related claim events.

As a result, the board believes that the group is well placed to meet future capital requirements and liquidity demands. Based on this review, no material uncertainties, that would require disclosure, have been identified in relation to the ability of the group to remain a going concern for at least the next 12 months, from the date of the approval of the summary consolidated financial statements.

All amounts in the summary consolidated financial statements are presented in South African rand, rounded to the nearest million, unless otherwise stated.

## 2. Accounting policies

The accounting policies applied in the preparation of the consolidated financial statements, from which the summary consolidated financial statements were derived, are in terms of IFRS Accounting Standards and are consistent with those accounting policies applied in the preparation of the previous consolidated financial statements, except for those referred to below:

### Standards effective in 2024

The following new IFRSs and/or IFRICs were effective for the first time from 1 January 2024:

- Amendment to IAS 1 *Presentation of financial statements (classification of liabilities as current or non-current)*
- Amendments to IAS 1 *Presentation of financial statements (non-current liabilities with covenants)*
- Amendments to IFRS 16 *Leases (sale and leaseback)*
- Amendments to IAS 7 *Statement of cash flows* and IFRS 7 *Financial instruments: Disclosures (on supplier finance arrangements)*

The adoption of these amendments to IFRS Accounting Standards did not have a material impact.

### Standards not yet effective in 2024

- Amendments to IAS 21 *The effects of changes in foreign exchange rates (on lack of exchangeability)*
- IFRS 18 *Presentation and disclosure in financial statements*
- IFRS 19 *Subsidiaries without public accountability: Disclosures*
- Amendments to IFRS 7 and IFRS 9 related to the *Classification and measurement of financial instruments* as well as *clarifying derecognition of financial asset or financial liability when settled through electronic payment systems*

The group did not early adopt any of the IFRS Accounting Standards that are not yet effective. The group has started the process of assessing the potential impact of adopting the new standards and amendments.

## 3. Estimates

The preparation of summary consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these summary consolidated financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the annual financial statements for the year ended 31 December 2024. Estimates and their underlying assumptions continue to be reviewed on an ongoing basis with revisions to estimates being recognised prospectively.

## 4. Risk management

The group's activities expose it to a variety of financial risks: market risk (including price risk, interest rate risk, foreign currency risk and derivatives risk), credit risk and liquidity risk. Insurance activities expose the group to insurance risk (including pricing risk, reserving risk, accumulation risk and reinsurance risk). The group is also exposed to operational risk and legal risk.

The capital risk management philosophy is to maximise the return on shareholders' capital within an appropriate risk framework.

The summary consolidated financial statements do not include all risk management information and disclosures required in the annual financial statements and should be read in conjunction with the group's annual financial statements for the year ended 31 December 2024.

There have been no material changes to the risk management policies since 31 December 2023.

## 5. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the chief executive officer, supported by the group executive committee.

The group conducts mainly insurance activities.

### Insurance activities

The group presents its insurance results in the following segments:

- Conventional insurance business written on insurance licences controlled by the group, consisting of Santam Broker Solutions, Santam Client Solutions, Santam Partner Solutions, Santam Specialist Solutions, MiWay and Santam Re;
- Alternative risk transfer (ART) insurance business written on the insurance licences of the Centriq Insurance group (Centriq) and the Santam Structured Insurance group (SSI); and
- Santam's share of the insurance results of the Sanlam general insurance businesses in India and Malaysia.

Conventional insurance is further analysed between personal and commercial business. Operating segments are aggregated based on quantitative and/or qualitative significance. The performance of insurance activities is based on gross written premium as a measure of growth, with operating result as measure of profitability.

Growth is measured for the Sanlam general insurance businesses in India and Malaysia based on the insurance revenue generated by the underlying businesses. The information is considered to be a reallocation of fair value movements recognised on the Sanlam target shares. It is also included as reconciling items in order to reconcile to the summary consolidated statement of comprehensive income. Overall profitability is measured based on net investment income and fair value movements from Sanlam target share investments.

Insurance business denominated in foreign currencies is covered by foreign-denominated bank accounts and investment portfolios. Foreign exchange movements on underwriting activities are therefore offset against the foreign exchange movements recognised on the bank accounts and investment portfolios.

The investment return on insurance funds is calculated based on the day-weighted effective return realised by the group on the assets held to cover the group's net insurance working capital requirements.

### Other activities

Other activities include the results of businesses that do not assume insurance risk for their own account. They are primarily involved in providing insurance advice, platform services and/or administrative services. This segment also includes the amortisation and impairment of intangible assets and income from associates and joint ventures.

### All activities

Given the nature of the operations, there is no single external client that provides 10% or more of the group's revenues.

Santam Ltd is domiciled in South Africa. Geographical analysis of the insurance revenue and non-current assets is based on the countries in which the business is underwritten or managed. Non-current assets comprise goodwill and intangible assets, property and equipment, investments in associates and joint ventures and Sanlam target shares.

### Restatement of segment report

In line with changes in internal reporting to the CODM, the segment report has been restated as follows:

- The investment segment has been removed and the investment results instead included as part of the Conventional and ART segments, as it is inherently part of, and supports, the insurance activities.
- The ART segment now excludes cell results that are not attributable to Santam's shareholders and have been moved to reconciling items.
- A new segment named "Other" that includes the results of brokerage, platforms and administrative businesses that do not assume insurance risk for their own account, income from associates and joint ventures and the amortisation and impairment of intangible assets, has been included.

## 5. Segment information (continued)

### 5.1 Segment report

For the year ended 31 December 2024

	OPERATING SEGMENTS						RECONCILING ITEMS						
	Conventional R million	Alternative risk transfer R million	Other R million	Santam's share of Sanlam general insurance businesses' R million	Total operating segments R million	Sanlam target shares' R million	ART cells <sup>3</sup> R million	Other income and expenses <sup>4</sup> R million	Reinsurance commission <sup>5</sup> R million	Foreign currency on technical reserves <sup>6</sup> R million	Investment return <sup>7</sup> R million	Total reconciling items R million	Statement of comprehensive income R million
Insurance revenue – external	39 730	2 101	55	1 160	43 046	(1 160)	11 673	–	(1 242)	–	–	9 271	52 317
Insurance service expense	(32 725)	(1 042)	(155)	(937)	(34 859)	937	(7 541)	241	1 242	–	–	(5 121)	(39 980)
Gross claims	(20 883)	(584)	(41)	(561)	(22 069)	561	(5 829)	–	–	–	–	(5 268)	(27 337)
Gross commission	(6 018)	(223)	–	(222)	(6 463)	222	(1 031)	(17)	1 242	–	–	416	(6 047)
Admin expenses <sup>2</sup>	(5 824)	(235)	(114)	(154)	(6 327)	154	(681)	258	–	–	–	(269)	(6 596)
Net (expense)/income from reinsurance contracts held	(3 855)	(862)	103	(233)	(4 847)	233	(3 211)	–	–	–	–	(2 978)	(7 825)
Reinsurance premiums	(7 538)	(1 221)	(54)	(233)	(9 046)	233	(10 072)	–	3 338	–	–	(6 501)	(15 547)
Reinsurance claims	1 935	355	41	–	2 331	–	5 391	–	–	–	–	5 391	7 722
Reinsurance commission	1 748	4	116	–	1 868	–	1 470	–	(3 338)	–	–	(1 868)	–
<b>Insurance service result</b>	<b>3 150</b>	<b>197</b>	<b>3</b>	<b>(10)</b>	<b>3 340</b>	<b>10</b>	<b>921</b>	<b>241</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 172</b>	<b>4 512</b>
Finance (expense)/income from insurance contracts issued	(1 074)	–	–	–	(1 074)	–	(1 800)	–	–	227	–	(1 573)	(2 647)
Finance income/(expense) from reinsurance contracts held	365	–	–	–	365	–	(557)	–	–	(43)	–	(600)	(235)
<b>Net insurance service result</b>	<b>2 441</b>	<b>197</b>	<b>3</b>	<b>(10)</b>	<b>2 631</b>	<b>10</b>	<b>(1 436)</b>	<b>241</b>	<b>–</b>	<b>184</b>	<b>–</b>	<b>(1 001)</b>	<b>1 630</b>

<sup>1</sup> Operating segment results represent Santam's share of Sanlam general insurance businesses' commission and claims included on a net basis within insurance service expenses. Reconciling items represent the reallocation of net operating results relating to the underlying investments of the Sanlam target shares for management reporting purposes (as a result of the investments in Sanlam target shares being carried at fair value through profit or loss).

<sup>2</sup> Includes depreciation of R258 million for Conventional and R7 million for ART. Includes employee benefit expense of R4 682 million for Conventional and R247 million for ART.

<sup>3</sup> Inclusion of ART profit/(loss) attributable to cell owners.

<sup>4</sup> Reallocation of finance cost on leases and amortisation of computer software included in operating result for management reporting purposes. Also reallocation of other income and expenses to IFRS Accounting Standards classification.

<sup>5</sup> Reallocation of reinsurance commission (including inwards reinsurance commission) to premium for IFRS Accounting Standards.

<sup>6</sup> Reallocation of foreign currency profit/(loss) on technical reserves from investment results to net insurance service result for IFRS Accounting Standards.

<sup>7</sup> Reallocation of investment return on insurance funds and capital to IFRS Accounting Standards classification.

## 5. Segment information (continued)

### 5.1 Segment report (continued)

For the year ended 31 December 2024

	OPERATING SEGMENTS						RECONCILING ITEMS						
	Conventional R million	Alternative risk transfer R million	Other R million	Santam's share of Sanlam general insurance businesses' R million	Total operating segments R million	Sanlam target shares' R million	ART cells <sup>3</sup> R million	Other income and expenses <sup>4</sup> R million	Reinsurance commission <sup>5</sup> R million	Foreign currency on technical reserves <sup>6</sup> R million	Investment return <sup>7</sup> R million	Total reconciling items R million	Statement of comprehensive income R million
Investment return on insurance funds	823	399	–	199	1 421	(199)	79	–	–	–	(1 301)	(1 421)	–
Interest income on amortised cost instruments	–	–	–	–	–	–	282	–	–	–	382	664	664
Interest income on fair value through profit or loss instruments	–	–	–	–	–	–	2 172	–	–	–	1 299	3 471	3 471
Other investment income/(losses)	–	–	–	–	–	–	62	–	–	(184)	348	226	226
Net fair value gains on financial assets and liabilities at fair value through profit or loss	–	–	–	–	–	–	287	–	–	–	1 249	1 536	1 536
Other revenue	–	487	–	–	487	–	(487)	364	–	–	–	(123)	364
Investment management services fees	–	–	–	–	–	–	–	–	–	–	(119)	(119)	(119)
<b>Net investment income and other revenue</b>	<b>823</b>	<b>886</b>	<b>–</b>	<b>199</b>	<b>1 908</b>	<b>(199)</b>	<b>2 395</b>	<b>364</b>	<b>–</b>	<b>(184)</b>	<b>1 858</b>	<b>4 234</b>	<b>6 142</b>
Other operating expenses	–	(389)	(103)	–	(492)	–	190	(541)	–	–	–	(351)	(843)
Investment return allocated to structured products	–	–	–	–	–	–	(618)	–	–	–	–	(618)	(618)
Amortisation and impairment of intangible assets <sup>4</sup>	–	–	(232)	–	(232)	–	–	15	–	–	–	15	(217)
<b>Total other operating expenses</b>	<b>–</b>	<b>(389)</b>	<b>(335)</b>	<b>–</b>	<b>(724)</b>	<b>–</b>	<b>(428)</b>	<b>(526)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(954)</b>	<b>(1 678)</b>

<sup>1</sup> Operating segment results represent Santam's share of Sanlam general insurance businesses' commission and claims included on a net basis within insurance service expenses. Reconciling items represent the reallocation of net operating results relating to the underlying investments of the Sanlam target shares for management reporting purposes (as a result of the investments in Sanlam target shares being carried at fair value through profit or loss).

<sup>2</sup> Includes depreciation of R258 million for Conventional and R7 million for ART. Includes employee benefit expense of R4 682 million for Conventional and R247 million for ART.

<sup>3</sup> Inclusion of ART profit/(loss) attributable to cell owners.

<sup>4</sup> Reallocation of finance cost on leases and amortisation of computer software included in operating result for management reporting purposes. Also reallocation of other income and expenses to IFRS Accounting Standards classification.

<sup>5</sup> Reallocation of reinsurance commission (including inwards reinsurance commission) to premium for IFRS Accounting Standards.

<sup>6</sup> Reallocation of foreign currency profit/(loss) on technical reserves from investment results to net insurance service result for IFRS Accounting Standards.

<sup>7</sup> Reallocation of investment return on insurance funds and capital to IFRS Accounting Standards classification.

## 5. Segment information (continued)

### 5.1 Segment report (continued)

For the year ended 31 December 2024

	OPERATING SEGMENTS						RECONCILING ITEMS						
	Conventional R million	Alternative risk transfer R million	Other R million	Santam's share of Sanlam general insurance businesses <sup>1</sup> R million	Total operating segments R million	Sanlam target shares <sup>1</sup> R million	ART cells <sup>3</sup> R million	Other income and expenses <sup>4</sup> R million	Reinsurance commission <sup>5</sup> R million	Foreign currency on technical reserves <sup>6</sup> R million	Investment return <sup>7</sup> R million	Total reconciling items R million	Statement of comprehensive income R million
<b>Result of operating activities</b>	3 264	694	(332)	189	3 815	(189)	531	79	–	–	1 858	2 279	6 094
Investment return on capital	1 340	87	–	–	1 427	–	41	–	–	–	(1 468)	(1 427)	–
Other finance costs <sup>4</sup>	–	–	–	–	–	–	(69)	(79)	–	–	(390)	(538)	(538)
Net income from associates and joint ventures	–	–	88	–	88	–	–	–	–	–	–	–	88
Reallocation of operating result	–	–	–	(189)	(189)	189	–	–	–	–	–	189	–
Income tax recovered from structured products	–	–	–	–	–	–	308	–	–	–	–	308	308
<b>Profit before tax</b>	4 604	781	(244)	–	5 141	–	811	–	–	–	–	811	5 952
Tax expense allocated to shareholders	(962)	(188)	(90)	–	(1 240)	–	–	–	–	–	–	–	(1 240)
Tax expense allocated to cell owners and structured products	–	–	–	–	–	–	(356)	–	–	–	–	(356)	(356)
<b>Profit after tax</b>	3 642	593	(334)	–	3 901	–	455	–	–	–	–	455	4 356
<b>Attributable to:</b>													
Equity holders of the company	3 536	477	(334)	–	3 679	–	–	–	–	–	–	–	3 679
Non-controlling interest	106	116	–	–	222	–	455	–	–	–	–	455	677
<b>Earnings analysis:</b>													
Net underwriting result	2 441	197	3	–	2 641								
Investment return on insurance funds	823	399	–	–	1 222								
<b>Net insurance result</b>	3 264	596	3	–	3 863								
Other income and expenses	–	98	(247)	–	(149)								
<b>Operating earnings</b>	3 264	694	(244)	–	3 714								
Investment return on capital	1 340	87	–	–	1 427								
<b>Profit before tax</b>	4 604	781	(244)	–	5 141								

<sup>1</sup> Operating segment results represent Santam's share of Sanlam general insurance businesses' commission and claims included on a net basis within insurance service expenses. Reconciling items represent the reallocation of net operating results relating to the underlying investments of the Sanlam target shares for management reporting purposes (as a result of the investments in Sanlam target shares being carried at fair value through profit or loss).

<sup>2</sup> Includes depreciation of R258 million for Conventional and R7 million for ART. Includes employee benefit expense of R4 682 million for Conventional and R247 million for ART.

<sup>3</sup> Inclusion of ART profit/(loss) attributable to cell owners.

<sup>4</sup> Reallocation of finance cost on leases and amortisation of computer software included in operating result for management reporting purposes. Also reallocation of other income and expenses to IFRS Accounting Standards classification.

<sup>5</sup> Reallocation of reinsurance commission (including inwards reinsurance commission) to premium for IFRS Accounting Standards.

<sup>6</sup> Reallocation of foreign currency profit/(loss) on technical reserves from investment results to net insurance service result for IFRS Accounting Standards.

<sup>7</sup> Reallocation of investment return on insurance funds and capital to IFRS Accounting Standards classification.

## 5. Segment information (continued)

### 5.1 Segment report (continued)

For the year ended 31 December 2023 (Restated)

	OPERATING SEGMENTS					RECONCILING ITEMS							
	Conventional R million	Alternative risk transfer R million	Other R million	Santam's share of Sanlam general insurance businesses <sup>1</sup> R million	Total operating segments R million	Sanlam target shares <sup>1</sup> R million	ART cells <sup>3</sup> R million	Other income and expenses <sup>4</sup> R million	Reinsurance commission <sup>5</sup> R million	Foreign currency on technical reserves <sup>6</sup> R million	Investment return <sup>7</sup> R million	Total reconciling items R million	Statement of comprehensive income R million
Insurance revenue	36 895	1 487	–	937	39 319	(937)	9 866	–	(1 366)	–	–	7 563	46 882
External	36 042	1 487	–	937	38 466	(937)	9 866	–	(1 366)	–	–	7 563	46 029
Intersegment <sup>8</sup>	853	–	–	–	853	–	–	–	–	–	–	–	853
Insurance service expense	(30 989)	(1 168)	–	(754)	(32 911)	754	(6 714)	275	1 366	–	–	(4 319)	(37 230)
Gross claims	(20 415)	(816)	–	(443)	(21 674)	443	(4 975)	–	–	–	–	(4 532)	(26 206)
Gross commission	(5 739)	(140)	–	(110)	(5 989)	110	(1 016)	–	1 366	–	–	460	(5 529)
Admin expenses <sup>2</sup>	(4 835)	(212)	–	(201)	(5 248)	201	(723)	275	–	–	–	(247)	(5 495)
Net (expense)/income from reinsurance contracts held	(4 250)	(237)	–	(209)	(4 696)	209	(2 348)	–	–	–	–	(2 139)	(6 835)
Reinsurance premiums	(7 560)	(1 000)	–	(209)	(8 769)	209	(8 480)	–	3 069	–	–	(5 202)	(13 971)
Reinsurance claims	1 620	668	–	–	2 288	–	4 848	–	–	–	–	4 848	7 136
Reinsurance commission	1 690	95	–	–	1 785	–	1 284	–	(3 069)	–	–	(1 785)	–
<b>Insurance service result</b>	<b>1 656</b>	<b>82</b>	<b>–</b>	<b>(26)</b>	<b>1 712</b>	<b>26</b>	<b>804</b>	<b>275</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 105</b>	<b>2 817</b>
Finance (expense)/income from insurance contracts issued	(1 223)	3	–	–	(1 220)	–	(478)	–	–	(282)	–	(760)	(1 980)
Finance income/(expense) from reinsurance contracts held	598	–	–	–	598	–	(708)	–	–	44	–	(664)	(66)
<b>Net insurance service result</b>	<b>1 031</b>	<b>85</b>	<b>–</b>	<b>(26)</b>	<b>1 090</b>	<b>26</b>	<b>(382)</b>	<b>275</b>	<b>–</b>	<b>(238)</b>	<b>–</b>	<b>(319)</b>	<b>771</b>

<sup>1</sup> Operating segment results represent Santam's share of Sanlam general insurance businesses' commission and claims included on a net basis within insurance service expenses. Reconciling items represent the reallocation of net operating results relating to the underlying investments of the Sanlam target shares for management reporting purposes (as a result of the investments in Sanlam target shares being carried at fair value through profit or loss).

<sup>2</sup> Includes depreciation of R240 million for Conventional and R8 million for ART. Includes employee benefit expense of R4 188 million for Conventional and R207 million for ART.

<sup>3</sup> Inclusion of ART profit/(loss) attributable to cell owners.

<sup>4</sup> Reallocation of finance cost on leases and amortisation of computer software included in operating result for management reporting purposes. Also reallocation of other income and expenses to IFRS Accounting Standards classification.

<sup>5</sup> Reallocation of reinsurance commission (including inwards reinsurance commission) to premium for IFRS Accounting Standards.

<sup>6</sup> Reallocation of foreign currency profit/(loss) on technical reserves from investment results to net insurance service result for IFRS Accounting Standards.

<sup>7</sup> Reallocation of investment return on insurance funds and capital to IFRS Accounting Standards classification.

<sup>8</sup> Intersegmental revenue includes revenue earned from the Santam's share of Sanlam general insurance businesses segment.

## 5. Segment information (continued)

### 5.1 Segment report (continued)

For the year ended 31 December 2023 (Restated)

	OPERATING SEGMENTS						RECONCILING ITEMS						
	Conventional R million	Alternative risk transfer R million	Other R million	Santam's share of Sanlam general insurance businesses <sup>1</sup> R million	Total operating segments R million	Sanlam target shares <sup>1</sup> R million	ART cells <sup>3</sup> R million	Other income and expenses <sup>4</sup> R million	Reinsurance commission <sup>5</sup> R million	Foreign currency on technical reserves <sup>6</sup> R million	Investment return <sup>7</sup> R million	Total reconciling items R million	Statement of comprehensive income R million
Investment return on insurance funds	759	324	–	221	1 304	(221)	26	–	–	–	(1 109)	(1 304)	–
Interest income on amortised cost instruments	–	–	–	–	–	–	214	–	–	–	252	466	466
Interest income on fair value through profit or loss instruments	–	–	–	–	–	–	1 531	–	–	–	1 202	2 733	2 733
Other investment income	–	–	–	–	–	–	106	–	–	238	401	745	745
Net fair value losses on financial assets and liabilities at fair value through profit or loss	–	–	–	–	–	–	(141)	–	–	–	887	746	746
Other revenue	–	379	8	–	387	–	(379)	456	–	–	–	77	464
Investment management services fees	–	–	–	–	–	–	–	–	–	–	(125)	(125)	(125)
<b>Net investment and other income</b>	<b>759</b>	<b>703</b>	<b>8</b>	<b>221</b>	<b>1 691</b>	<b>(221)</b>	<b>1 357</b>	<b>456</b>	<b>–</b>	<b>238</b>	<b>1 508</b>	<b>3 338</b>	<b>5 029</b>
Other operating expenses	–	(345)	(90)	–	(435)	–	345	(632)	–	–	–	(287)	(722)
Investment return allocated to structured products	–	–	–	–	–	–	(497)	–	–	–	–	(497)	(497)
Amortisation and impairment of intangible assets <sup>4</sup>	–	–	(31)	–	(31)	–	–	(46)	–	–	–	(46)	(77)
<b>Total other operating expenses</b>	<b>–</b>	<b>(345)</b>	<b>(121)</b>	<b>–</b>	<b>(466)</b>	<b>–</b>	<b>(152)</b>	<b>(678)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(830)</b>	<b>(1 296)</b>

<sup>1</sup> Operating segment results represent Santam's share of Sanlam general insurance businesses' commission and claims included on a net basis within insurance service expenses. Reconciling items represent the reallocation of net operating results relating to the underlying investments of the Sanlam target shares for management reporting purposes (as a result of the investments in Sanlam target shares being carried at fair value through profit or loss).

<sup>2</sup> Includes depreciation of R240 million for Conventional and R8 million for ART. Includes employee benefit expense of R4 188 million for Conventional and R207 million for ART.

<sup>3</sup> Inclusion of ART profit/(loss) attributable to cell owners.

<sup>4</sup> Reallocation of finance cost on leases and amortisation of computer software included in operating result for management reporting purposes. Also reallocation of other income and expenses to IFRS Accounting Standards classification.

<sup>5</sup> Reallocation of reinsurance commission (including inwards reinsurance commission) to premium for IFRS Accounting Standards.

<sup>6</sup> Reallocation of foreign currency profit/(loss) on technical reserves from investment results to net insurance service result for IFRS Accounting Standards.

<sup>7</sup> Reallocation of investment return on insurance funds and capital to IFRS Accounting Standards classification.

<sup>8</sup> Intersegmental revenue includes revenue earned from the Santam's share of Sanlam general insurance businesses segment.

## 5. Segment information (continued)

### 5.1 Segment report (continued)

For the year ended 31 December 2023 (Restated)

	OPERATING SEGMENTS					RECONCILING ITEMS							
	Conventional R million	Alternative risk transfer R million	Other R million	Santam's share of Sanlam general insurance businesses¹ R million	Total operating segments R million	Sanlam target shares¹ R million	ART cells³ R million	Other income and expenses⁴ R million	Reinsurance commission⁵ R million	Foreign currency on technical reserves⁶ R million	Investment return⁷ R million	Total reconciling items R million	Statement of comprehensive income R million
Result of operating activities	1 790	443	(113)	195	2 315	(195)	823	53	–	–	1 508	2 189	4 504
Investment return on capital	1 120	73	–	–	1 193	–	–	–	–	–	(1 193)	(1 193)	–
Other finance costs⁴	–	–	–	–	–	–	(70)	(53)	–	–	(315)	(438)	(438)
Net income from associates and joint ventures	–	–	81	–	81	–	–	–	–	–	–	–	81
Reallocation of operating result	–	–	–	(195)	(195)	195	–	–	–	–	–	195	–
Income tax recovered from structured products	–	–	–	–	–	–	258	–	–	–	–	258	258
Profit before tax from continuing operations	2 910	516	(32)	–	3 394	–	1 011	–	–	–	–	1 011	4 405
Profit from discontinued operations	–	–	705	–	705	–	–	–	–	–	–	–	705
Profit before tax from continuing and discontinued operations	2 910	516	673	–	4 099	–	1 011	–	–	–	–	1 011	5 110
Tax expense allocated to shareholders	(692)	(55)	31	–	(716)	–	–	–	–	–	–	–	(716)
Tax expense allocated to cell owners and structured products	–	–	–	–	–	–	(1 011)	–	–	–	–	(1 011)	(1 011)
Profit after tax	2 218	461	704	–	3 383	–	–	–	–	–	–	–	3 383
Attributable to:													
Equity holders of the company	2 129	417	704	–	3 260	–	–	–	–	–	–	–	3 250
Non-controlling interest	89	44	–	–	133	–	–	–	–	–	–	–	133

<sup>1</sup> Operating segment results represent Santam's share of Sanlam general insurance businesses' commission and claims included on a net basis within insurance service expenses. Reconciling items represent the reallocation of net operating results relating to the underlying investments of the Sanlam target shares for management reporting purposes (as a result of the investments in Sanlam target shares being carried at fair value through profit or loss).

<sup>2</sup> Includes depreciation of R240 million for Conventional and R8 million for ART. Includes employee benefit expense of R4 188 million for Conventional and R207 million for ART.

<sup>3</sup> Inclusion of ART profit/(loss) attributable to cell owners.

<sup>4</sup> Reallocation of finance cost on leases and amortisation of computer software included in operating result for management reporting purposes. Also reallocation of other income and expenses to IFRS Accounting Standards classification.

<sup>5</sup> Reallocation of reinsurance commission (including inwards reinsurance commission) to premium for IFRS Accounting Standards.

<sup>6</sup> Reallocation of foreign currency profit/(loss) on technical reserves from investment results to net insurance service result for IFRS Accounting Standards.

<sup>7</sup> Reallocation of investment return on insurance funds and capital to IFRS Accounting Standards classification.

<sup>8</sup> Intersegmental revenue includes revenue earned from the Santam's share of Sanlam general insurance businesses segment.

## 5. Segment information (continued)

### 5.1 Segment report (continued)

For the year ended 31 December 2023 (Restated)

	OPERATING SEGMENTS					RECONCILING ITEMS							
	Conventional R million	Alternative risk transfer R million	Other R million	Santam's share of Sanlam general insurance businesses <sup>1</sup> R million	Total operating segments R million	Sanlam target shares <sup>1</sup> R million	ART cells <sup>3</sup> R million	Other income and expenses <sup>4</sup> R million	Reinsurance commission <sup>5</sup> R million	Foreign currency on technical reserves <sup>6</sup> R million	Investment return <sup>7</sup> R million	Total reconciling items R million	Statement of comprehensive income R million
<b>Earnings analysis:</b>													
Net underwriting result	1 031	85	–	–	1 116								
Investment return on insurance funds	759	324	–	–	1 083								
<b>Net insurance result</b>	1 790	409	–	–	2 199								
Other income and expenses	–	34	(32)	–	2								
<b>Operating earnings</b>	1 790	443	(32)	–	2 201								
Investment return on capital	1 120	73	–	–	1 193								
<b>Profit before tax from continuing operations</b>	2 910	516	(32)	–	3 394								
Profit from discontinued operations	–	–	705	–	705								
<b>Profit before tax from continuing and discontinued operations</b>	2 910	516	673	–	4 099								

<sup>1</sup> Operating segment results represent Santam's share of Sanlam general insurance businesses' commission and claims included on a net basis within insurance service expenses. Reconciling items represent the reallocation of net operating results relating to the underlying investments of the Sanlam target shares for management reporting purposes (as a result of the investments in Sanlam target shares being carried at fair value through profit or loss).

<sup>2</sup> Includes depreciation of R240 million for Conventional and R8 million for ART. Includes employee benefit expense of R4 188 million for Conventional and R207 million for ART.

<sup>3</sup> Inclusion of ART profit/(loss) attributable to cell owners.

<sup>4</sup> Reallocation of finance cost on leases and amortisation of computer software included in operating result for management reporting purposes. Also reallocation of other income and expenses to IFRS Accounting Standards classification.

<sup>5</sup> Reallocation of reinsurance commission (including inwards reinsurance commission) to premium for IFRS Accounting Standards.

<sup>6</sup> Reallocation of foreign currency profit/(loss) on technical reserves from investment results to net insurance service result for IFRS Accounting Standards.

<sup>7</sup> Reallocation of investment return on insurance funds and capital to IFRS Accounting Standards classification.

<sup>8</sup> Intersegmental revenue includes revenue earned from the Santam's share of Sanlam general insurance businesses segment.

## 5. Segment information (continued)

### 5.1 Segment report (continued)

#### Additional information on Conventional insurance activities

##### Insurance revenue

Gross written premium

Unearned premium and experience adjustments

##### Net earned premium

Gross insurance revenue

Reinsurance cost

##### Net claims incurred

Gross claims cost

Gross claims incurred

Unwinding of discount rate

Reinsurance claims

Reinsurance claims recovered

Unwinding of discount rate

##### Net commission

Gross commission incurred

Reinsurance commission received

##### Management expenses<sup>1,2</sup>

##### Net underwriting result

Investment return on insurance funds

##### Net insurance result

Investment return on capital

##### Profit before tax from continuing operations

31 December  
2024  
R million

31 December  
2023  
R million

39 730

36 895

41 308

37 368

(1 578)

(473)

32 192

29 335

39 730

36 895

(7 538)

(7 560)

19 657

19 420

21 957

21 638

20 883

20 415

1 074

1 223

(2 300)

(2 218)

(1 935)

(1 620)

(365)

(598)

4 270

4 049

6 018

5 739

(1 748)

(1 690)

5 824

4 835

2 441

1 031

823

759

3 264

1 790

1 340

1 120

4 604

2 910

#### Gross written premium

31 December  
2024  
R million

31 December  
2023  
R million

16 786

15 738

15 435

14 076

2 804

1 967

2 526

2 024

1 673

1 371

1 345

1 525

653

572

86

95

41 308

37 368

Motor

Property

Liability

Engineering

Transportation

Crop

Accident and health

Other

**Total**

#### 31 December 2024

#### 31 December 2023

Gross written premium R million	Net earned premium R million	Under-writing result R million
24 435	17 544	1 518
16 873	14 648	923
41 308	32 192	2 441

#### Comprising:

Commercial insurance

Personal insurance

**Total**

Gross written premium R million	Net earned premium R million	Under-writing result R million
22 519	16 593	1 053
14 849	12 742	(22)
37 368	29 335	1 031

<sup>1</sup> Amortisation of computer software is included in management expenses.

<sup>2</sup> Finance costs relating to lease liabilities is included in management expenses.

## 5. Segment information (continued)

### 5.2 Geographical analysis

	INSURANCE REVENUE		NON-CURRENT ASSETS	
	31 December 2024 R million	Restated 31 December 2023 R million	31 December 2024 R million	31 December 2023 R million
South Africa	36 076	32 648	2 400	2 635
Rest of Africa <sup>1</sup>	2 614	2 533	7	10
Other international	4 356	4 138	2 483	2 030
	43 046	39 319	4 890	4 675
Reconciling items:				
Sanlam target shares <sup>2</sup>	(1 160)	(937)	–	–
ART insurance revenue <sup>3</sup>	11 673	9 866	–	–
Inwards reinsurance commission <sup>4</sup>	(1 242)	(1 366)	–	–
<b>Group total</b>	<b>52 317</b>	<b>46 882</b>	<b>4 890</b>	<b>4 675</b>

<sup>1</sup> Includes insurance revenue relating to Santam Namibia Ltd of R1 235 million (2023: R1 088 million).

<sup>2</sup> Relates to the underlying investments included in the Sanlam target shares for management reporting purposes (as a result of the investments in Sanlam target shares being carried at fair value through profit or loss).

<sup>3</sup> Inclusion of ART insurance revenue attributable to cell owners.

<sup>4</sup> Reallocation of inwards reinsurance commission to insurance revenue for IFRS Accounting Standards.

## 6. Financial assets and liabilities at fair value

The group's financial assets and liabilities are summarised below by measurement category.

	31 December 2024 R million	31 December 2023 R million
<b>Financial assets mandatorily measured at fair value through profit or loss</b>		
Strategic investment – unquoted Sanlam target shares	2 483	2 030
Financial assets at fair value through profit or loss	51 773	43 748
	54 256	45 778
Expected to be realised after 12 months <sup>1</sup>	36 336	32 251
Expected to be realised within 12 months	17 920	13 527
<sup>1</sup> Including unquoted Sanlam target shares amounting to R2 483 million (2023: R2 030 million).		
<b>Financial liabilities</b>		
Financial liabilities at fair value through profit or loss	9 701	9 346
Expected to be settled after 12 months	2 113	4 329
Expected to be settled within 12 months	7 588	5 017

### 6.1 Financial instruments measured at fair value on a recurring basis

The table below analyses financial instruments, carried at fair value through profit or loss, by valuation method. There were no significant changes in the valuation methods applied since 31 December 2023. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Input other than quoted prices included within level 1 that is observable for the asset or liability, either directly (that is, by prices) or indirectly (that is, derived from prices). The fair value of level 2 instruments are determined as follows:
  - » Listed equities and similar securities: valued using quoted prices with the main assumption that quoted prices might require adjustments due to an inactive market.
  - » Unlisted equities and similar securities: valued using the discounted cash flow (DCF) or net asset value method based on market input.

## 6. Financial assets and liabilities at fair value (continued)

### 6.1 Financial instruments measured at fair value on a recurring basis (continued)

- » Interest-bearing investments:
  - Quoted interest-bearing investments are valued using yield of benchmark bond, DCF benchmarked against similar instruments with the same issuer, price quotations of the JSE interest rate market or issue price of external valuations based on market input.<sup>2</sup>
  - Unquoted interest-bearing investments are valued using the DCF method, real interest rates, benchmark yield plus fixed spread or deposit rates based on market input.
- » Structured transactions: valued using the DCF method, real interest rates, benchmark yield plus fixed spread or deposit rates based on market input.
- » Investment funds:
  - Quoted investment funds with underlying equity securities are valued using quoted prices with the main assumption that quoted prices might require adjustments due to an inactive market.
  - Quoted investment funds with underlying debt securities are valued using the DCF method, external valuations and published price quotations on the JSE equity and interest rate market or external valuations that are based on published market input with the main assumptions being market input, uplifted with inflation.<sup>2</sup>
- » Derivatives are valued using the Black-Scholes model, net present value of estimated floating costs less the performance of the underlying index over contract term, DCF (using fixed contract rates and market-related variable rates adjusted for credit risk, credit default swap premiums, offset between strike price and market projected forward value, yield curve of similar market traded instruments) with the main assumptions being market input, credit spreads and contract inputs.
- Level 3: Input for the asset or liability that is not based on observable data (that is, unobservable input).

<sup>2</sup> These investments are classified as level 2 as the markets that they trade in are not considered to be active.

There were no significant transfers between level 1 and level 2 during the current or prior year. The group recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

All other financial instruments are held at amortised cost, and the carrying value approximates the fair value.

#### 31 December 2024

##### Equities and similar securities

Listed equities and similar securities	2 450	–	–	2 450
Unlisted equities and similar securities	–	–	2 507	2 507

##### Interest-bearing investments

Government interest-bearing investments	–	6 692	–	6 692
Corporate interest-bearing investments	–	24 566	43	24 609
Mortgages and loans	–	38	–	38

##### Structured transactions

Structured notes	–	438	–	438
Derivative assets	–	–	2	2

##### Investment funds

	–	14 683	114	14 797
--	---	--------	-----	--------

##### Deposits and similar securities

	–	2 723	–	2 723
--	---	-------	---	-------

##### Financial assets at fair value through profit or loss

2 450	49 140	2 666	54 256
-------	--------	-------	--------

##### Debt securities

–	3 063	–	3 063
---	-------	---	-------

##### Investment contracts

–	6 638	–	6 638
---	-------	---	-------

##### Financial liabilities at fair value through profit or loss

–	9 701	–	9 701
---	-------	---	-------

## 6. Financial assets and liabilities at fair value (continued)

### 6.1 Financial instruments measured at fair value on a recurring basis (continued)

31 December 2023	Level 1 R million	Level 2 R million	Level 3 R million	Total R million
<b>Equities and similar securities</b>				
Listed equities and similar securities	2 926	–	–	2 926
Unlisted equities and similar securities	–	2	2 171	2 173
<b>Interest-bearing investments</b>				
Government interest-bearing investments	–	5 336	–	5 336
Corporate interest-bearing investments	–	18 090	46	18 136
Mortgages and loans	–	125	–	125
<b>Structured transactions</b>				
Structured notes	–	296	–	296
<b>Investment funds</b>				
	–	10 324	–	10 324
<b>Deposits and similar securities</b>				
	–	6 462	–	6 462
<b>Financial assets at fair value through profit or loss</b>	<b>2 926</b>	<b>40 635</b>	<b>2 217</b>	<b>45 778</b>
<b>Debt securities</b>	–	3 053	–	3 053
<b>Investment contracts</b>	–	6 286	–	6 286
<b>Derivative liabilities</b>	–	–	7	7
<b>Financial liabilities at fair value through profit or loss</b>	<b>–</b>	<b>9 339</b>	<b>7</b>	<b>9 346</b>

The following table presents the changes in level 3 instruments:

	Equity securities R million	Interest-bearing investments R million	Derivative (liabilities)/ assets R million	Investment funds R million	Total R million
<b>31 December 2024</b>					
Opening balance	2 171	46	(7)	–	2 210
Transfers	(117)	–	–	117	–
Settlements	–	–	7	–	7
Gains/(losses) recognised in profit or loss	453	(3)	2	(3)	449
<b>Closing balance</b>	<b>2 507</b>	<b>43</b>	<b>2</b>	<b>114</b>	<b>2 666</b>
<b>31 December 2023</b>					
Opening balance	1 738	60	(35)	–	1 763
Settlements	–	–	122	–	122
Gains/(losses) recognised in profit or loss	433	(14)	(7)	–	412
Losses recognised directly in equity	–	–	(87)	–	(87)
<b>Closing balance</b>	<b>2 171</b>	<b>46</b>	<b>(7)</b>	<b>–</b>	<b>2 210</b>

## 6. Financial assets and liabilities at fair value (continued)

### 6.1 Financial instruments measured at fair value on a recurring basis (continued)

#### Unlisted equity instruments

The unquoted equity instruments recognised as level 3 instruments consist mainly of the participation target shares issued by Sanlam.

Of the R453 million gain (2023: R433 million gain) recognised on equity securities, a R453 million gain (2023: R433 million gain) relates to the Sanlam target shares, of which R7 million relates to foreign exchange losses (2023: R121 million gains), and R460 million (2023: R312 million) to an increase in fair value in local currency terms. The key drivers of the fair value movements of Santam's share of the Sanlam investment portfolio were:

- In 2024, the increase in the value of SGI of R471 million (2023: R320 million) (excluding the impact of exchange rate movements) was attributable to higher new business volumes. SGI also reported a better claims experience than prior years and expects the claims ratio to gradually improve over the short term.

Fair value (excluding Sanlam target shares) is determined based on valuation techniques where the input is determined by management, e.g. multiples of net asset value, and is not readily available in the market or where market observable input is significantly adjusted. Valuations are generally based on multiples of net asset value ranging between 0.7 and 1.0 (2023: 0.6 and 1.0). The value of unlisted equity instruments (excluding Sanlam target shares) is not material.

The fair value of the Sanlam target shares is determined using predominantly DCF models, with the remainder valued at or within close proximity of the latest available net asset value of the underlying company. The most significant investment relates to the target share which provides a participatory interest in SGI in India to the value of R2 351 million (2023: R1 894 million). No other individual target share is material.

The fair value of the SGI target shares is determined using a DCF model. Given the short-term volatility of earnings patterns, the group uses a 10 year discounting period, rather than a five year one, in order to provide a more robust valuation of the SGI business. The 10 year DCF model discounts expected cash flows and a perpetual value (after providing for regulatory capital requirements) at an appropriate risk-adjusted discount rate.

#### Significant unobservable input used in this DCF model

	31 December 2024	31 December 2023
Discount rate	14.6%	14.9%
Rand/Indian rupee exchange rate	0.220	0.222
Average net insurance margin over a 10 year period	17.5%	20.2%

	31 December 2024		31 December 2023	
Impact on the investment of a 10% change in:	Increase R million	Decrease R million	Increase R million	Decrease R million
Discount rate	(466)	734	(365)	570
Rand/Indian rupee exchange rate	235	(235)	189	(189)
Average net insurance margin over a 10 year period	190	(190)	149	(149)

The remaining Sanlam target share is valued with reference to the net asset value of the underlying company and was mostly impacted by changes in the exchange rate.

#### Investment funds

The fair value of investments funds classified as level 3 approximates Santam's share of the net asset value of the fund. The value is determined based on valuation techniques where the input is determined by management and is not readily available in the market or where market observable inputs are significantly adjusted.

## 6. Financial assets and liabilities at fair value (continued)

### 6.2 Debt securities

The summary consolidated financial statements do not include all information and disclosures relating to debt securities required in the annual financial statements, and should be read in conjunction with the group's annual financial statements for the year ended 31 December 2024.

There have been no changes to debt securities since 31 December 2023.

AM Best issued an international credit rating of A- to Santam in December 2024. This is in addition to the national credit rating of zaAAA issued by Standard and Poor's in March 2023. The movement in the fair value of the unsecured subordinated callable notes is considered immaterial and mainly represents the market movement.

### 6.3 Derivatives

At 31 December 2024, the group had exchange-traded futures with an exposure value of R271 million (2023: R319 million). The exchange-traded futures relate to interest rate derivatives used to manage interest rate risk in Santam's fixed income portfolios.

At 31 December 2024, the group had equity futures which are margined and settled daily resulting in a carrying value of Rnil (2023: Rnil). The fair value of the futures are disclosed on a net basis in the statement of financial position as well as the statement of comprehensive income due to the contractual right to settle the instrument on a net basis. They are classified as level 3 per the fair value hierarchy. The gross exposure of the asset and liability as at 31 December 2024 both amounted to R244 million.

At 31 December 2023, the group had interest rate swaps and currency swaps. The fair value of the swaps are disclosed on a net basis in the statement of financial position as well as the statement of comprehensive income due to the contractual right to settle the instrument on a net basis. They are classified as level 3 per the fair value hierarchy. The gross exposure of the asset and liability as at 31 December 2023 both amounted to R22 million.

There were no hedged items or hedging instruments in the current year. The movement in the hedging instrument and hedged item during the prior year was as follows:

	31 December 2023	
	Hedging instrument R million	Hedged item R million
Carrying/fair value beginning of the year	(35)	2 264
Movement in carrying/fair value	(87)	379
Settlements	122	(2 643)
Carrying/fair value end of the year	–	–

The hedging instrument was a foreign exchange collar that expired and was settled in full. The hedge was replaced with a FEC contract, and the hedged item was the forecasted transaction for the disposal of the group's interest in SAN JV. The hedge remained fully effective until settlement, and no hedge ineffectiveness was accounted for.

## 7. Insurance and reinsurance contracts

Notes	31 December 2024 R million	31 December 2023 R million
Insurance contract assets	(516)	(426)
Reinsurance contract assets	(6 780)	(10 087)
Insurance contract liabilities	38 219	34 650
Reinsurance contract liabilities	5 499	5 789
<b>Net insurance contract liabilities</b>	<b>36 422</b>	<b>29 926</b>

7.1

## 7. Insurance and reinsurance contracts (continued)

### 7.1 Insurance and reinsurance contracts analysis

	31 December 2024			31 December 2023		
	Assets R million	Liabilities R million	Net R million	Assets R million	Liabilities R million	Net R million
<b>Insurance contracts issued</b>						
<b>General insurance</b>						
Premium allocation approach	(467)	34 351	33 884	(408)	32 047	31 639
General measurement model	–	641	641	–	675	675
	(467)	34 992	34 525	(408)	32 722	32 314
<b>Life insurance</b>						
Premium allocation approach	(45)	339	294	(18)	293	275
General measurement model	(4)	2 888	2 884	–	1 635	1 635
	(49)	3 227	3 178	(18)	1 928	1 910
<b>Insurance contract (assets)/liabilities</b>	(516)	38 219	37 703	(426)	34 650	34 224
Expected to be settled after 12 months	(6)	6 994	6 988	(2)	5 711	5 709
Expected to be settled within 12 months	(510)	31 225	30 715	(424)	28 939	28 515
<b>Reinsurance contracts held</b>						
<b>General insurance</b>						
Premium allocation approach	(6 759)	86	(6 673)	(9 361)	119	(9 242)
	(6 759)	86	(6 673)	(9 361)	119	(9 242)
<b>Life insurance</b>						
Premium allocation approach	(21)	–	(21)	(25)	3	(22)
General measurement model	–	22	22	(701)	3	(698)
	(21)	22	1	(726)	6	(720)
<b>Third party cell insurance contracts</b>						
<b>General insurance</b>						
Premium allocation approach	–	1 521	1 521	–	1 290	1 290
General measurement model	–	1 448	1 448	–	1 480	1 480
	–	2 969	2 969	–	2 770	2 770
<b>Life insurance</b>						
Premium allocation approach	–	487	487	–	483	483
General measurement model	–	1 935	1 935	–	2 411	2 411
	–	2 422	2 422	–	2 894	2 894
<b>Reinsurance contract (assets)/liabilities</b>	(6 780)	5 499	(1 281)	(10 087)	5 789	(4 298)
Expected to be recovered after 12 months	(1 286)	12	(1 274)	(1 967)	14	(1 953)
Expected to be recovered within 12 months	(5 494)	5 487	(7)	(8 120)	5 775	(2 345)

## 8. Investment income and net gains/(losses) on financial assets and liabilities

	31 December 2024 R million	31 December 2023 R million
<b>Investment income</b>	<b>4 361</b>	<b>3 944</b>
Interest income derived from	<b>4 135</b>	<b>3 199</b>
Financial assets measured at amortised cost	<b>664</b>	<b>466</b>
Financial assets mandatorily measured at fair value through profit or loss	<b>3 471</b>	<b>2 733</b>
Other investment income	<b>226</b>	<b>745</b>
Dividend income	<b>279</b>	<b>205</b>
Foreign exchange differences	<b>(53)</b>	<b>540</b>
<b>Net gains/(losses) on financial assets and liabilities at fair value through profit or loss</b>	<b>1 536</b>	<b>746</b>
Net fair value gains on financial assets mandatorily at fair value through profit or loss	<b>1 730</b>	<b>947</b>
Net realised fair value gains on financial assets excluding derivative instruments	<b>510</b>	<b>242</b>
Net unrealised fair value gains on financial assets excluding derivative instruments	<b>1 218</b>	<b>712</b>
Net realised/fair value gains/(losses) on derivative instruments	<b>2</b>	<b>(7)</b>
Net fair value losses on financial liabilities designated as at fair value through profit or loss	<b>(194)</b>	<b>(201)</b>
Net fair value losses on debt securities	<b>(13)</b>	<b>–</b>
Net fair value losses on investment contracts	<b>(181)</b>	<b>(201)</b>
	<b>5 897</b>	<b>4 690</b>

## 9. Income tax

	31 December 2024 R million	31 December 2023 R million
<b>Normal taxation</b>		
Current year	<b>1 488</b>	<b>690</b>
Prior year underprovision <sup>1</sup>	<b>960</b>	<b>4</b>
Other taxes	<b>3</b>	<b>1</b>
Foreign taxation – current year	<b>81</b>	<b>51</b>
<b>Total income taxation for the year</b>	<b>2 532</b>	<b>746</b>
<b>Deferred taxation</b>		
Current year	<b>–</b>	<b>981</b>
Prior year overprovision	<b>(936)</b>	<b>–</b>
<b>Total deferred taxation for the year<sup>1</sup></b>	<b>(936)</b>	<b>981</b>
<b>Total taxation as per statement of comprehensive income</b>	<b>1 596</b>	<b>1 727</b>
Income tax allocated to cell owners and structured products	<b>(356)</b>	<b>(1 011)</b>
<b>Total tax expense attributable to shareholders</b>	<b>1 240</b>	<b>716</b>
Profit before taxation per statement of comprehensive income from continuing and discontinued operations	<b>5 952</b>	<b>5 110</b>
Adjustment for income tax allocated to cell owners and structured products	<b>(356)</b>	<b>(1 011)</b>
<b>Total profit before tax attributable to shareholders from continuing and discontinued operations</b>	<b>5 596</b>	<b>4 099</b>

<sup>1</sup> The 2023 Taxation Laws Amendment Act was promulgated during December 2023, which contained changes to section 28 of the Income Tax Act (“the Act”) to cater for the implementation of IFRS 17. The changes made to section 28 of the Act did not address all unintended consequences as the interpretation of the IFRS 17 disclosure requirements continued to evolve during the year. This resulted in an increase in the deferred tax liability recognised in respect of the shareholders’ fund and policyholders/cell owners’ interests of respectively R947 million and R77 million in respect of the 2023 financial year. The insurance sector engaged with National Treasury in this regard to effect changes to the Act. The 2024 Taxation Laws Amendment Act was promulgated during December 2024, which contained further changes to section 28 of the Act. These changes adequately addressed the IFRS 17 timing differences identified by the insurance sector with retrospective effect from 1 January 2023. The amended legislation results in a decrease in the deferred tax liability recognised in respect of the shareholders’ fund and policyholders/cell owners’ interests respectively of R945 million and R88 million, in respect of the 2024 financial year. The impact in respect of policyholders/cell owners’ interests are for the account of clients and do not affect after tax profit attributable to equity holders of the group.

## 9. Income tax (continued)

	31 December 2024 R million	31 December 2023 R million
<b>Reconciliation of taxation rate (%)</b>		
Normal South African taxation rate	27.0	27.0
Adjusted for:		
Disallowable expenses	0.3	0.3
Foreign tax differential	(2.0)	(1.1)
Exempt income <sup>2</sup>	(0.9)	(1.0)
Investment results <sup>3</sup>	(1.8)	(0.5)
Income from associates, joint ventures and discontinued operations	(0.4)	(7.2)
Previous year's (over)/underprovision	(0.2)	0.1
Other permanent differences	0.1	(0.2)
Other taxes	0.1	0.1
Net reduction	(4.8)	(9.5)
<b>Effective rate attributable to shareholders (%)</b>	<b>22.2</b>	<b>17.5</b>

<sup>2</sup> Exempt income consists mainly of dividends received.

<sup>3</sup> Investment results consists mainly of gains/losses taxed at CGT rate.

## 10. Material corporate transactions

### For the year ended 31 December 2024

#### Acquisitions

##### MTN South Africa device insurance book

In January 2024, Santam Ltd acquired the device insurance book of MTN South Africa for R59 million in cash.

	R million
<b>Details of the assets and liabilities acquired are as follows:</b>	
Intangible assets – Key business relationships	9
Cash and cash equivalents	21
Insurance contract liabilities – deferred acquisition cost	50
Insurance contract liabilities – liability for incurred claims	(21)
<b>Net asset value acquired/purchase consideration paid</b>	<b>59</b>

### IDWork (Pty) Ltd, trading as Kandua

During December 2023, the Santam group purchased the underlying business of IDWork (Pty) Ltd, trading as Kandua for R42 million in cash. A detailed valuation was completed in 2024 and the prior year disclosure was updated.

#### For the year ended 31 December 2023

Refer to note 14 of the group's annual financial statements for the year ended 31 December 2023.

## 11. Earnings per share

	31 December 2024	31 December 2023
<b>Basic earnings per share</b>		
Profit attributable to the company's equity holders (R million)	3 679	3 250
Weighted average number of ordinary shares in issue (million)	109.61	109.33
Earnings per share (cents)	3 356	2 973
Continuing operations	3 356	2 328
Discontinued operations	–	645
<b>Diluted earnings per share</b>		
Profit attributable to the company's equity holders (R million)	3 679	3 250
Weighted average number of ordinary shares in issue (million)	109.61	109.33
Adjusted for share incentive schemes (million)	1.13	0.75
Weighted average number of ordinary shares for diluted earnings per share (million)	110.74	110.08
Diluted basic earnings per share (cents)	3 322	2 952
Continuing operations	3 322	2 312
Discontinued operations	–	640

## 11. Earnings per share (continued)

	31 December 2024	31 December 2023
<b>Headline earnings per share</b>		
Profit attributable to the company's equity holders (R million)	3 679	3 250
Adjusted for:		
Profit on disposal of discontinued operations	–	(705)
Impairment of intangible assets	176	–
Tax on impairment of intangible assets	(44)	–
Gain on remeasurement to subsidiary	–	(19)
Headline earnings (R million)	3 811	2 526
Weighted average number of ordinary shares in issue (million)	109.61	109.33
Headline earnings per share (cents)	3 477	2 310
<b>Diluted headline earnings per share</b>		
Headline earnings (R million)	3 811	2 526
Weighted average number of ordinary shares for diluted headline earnings per share (million)	110.74	110.08
Diluted headline earnings per share (cents)	3 441	2 295

## 12. Dividend per share

	31 December 2024	31 December 2023
Interim dividend per share (cents)	535	495
Final dividend per share (cents) <sup>1</sup>	985	905
Total dividend per share (cents)	1 520	1 400

<sup>1</sup> 2024: Approved (2023: Paid).

No special dividend was declared in 2024 (2023: a special dividend of 1 780 cents per share was declared in September 2023 and paid in October 2023).

## 13. Related parties

During the year ended 31 December 2024, there have been no related party transactions that have materially affected the financial position or the results for the year. There have also been no changes in the nature of the related party transactions as disclosed in note 27 of the group's annual financial statements for the year ended 31 December 2024.

## 14. Subsequent events

There were no material changes in the affairs or financial position of the group since the statement of financial position date.

## 15. Analysis of policyholder/shareholder financial position and results

This note provides information on cellholder/policyholder versus shareholder statement of financial position and statement of comprehensive income. Cellholder/policyholder activities relates mainly to alternative risk transfer insurance business written on the insurance licences of Centriq Insurance group (Centriq) and the Santam Structured Insurance group (SSI).

### 15.1 Analysis of policyholder/shareholder statement of financial position

	Group 31 December 2024 R million	Shareholder 31 December 2024 R million	Policyholder/ cellholder 31 December 2024 R million
<b>ASSETS</b>			
Intangible assets	996	996	–
Property and equipment	801	801	–
Investment in associates and joint ventures	610	610	–
Strategic investment – unquoted Sanlam target shares	2 483	2 483	–
Deferred income tax	257	116	141
Financial assets at fair value through profit or loss	51 773	20 083	31 690
Insurance contract assets	516	363	153
Reinsurance contract assets	6 780	6 218	562
Loans and receivables	2 793	2 096	697
Current income tax	45	7	38
Cash and cash equivalents	6 385	4 113	2 272
<b>Total assets</b>	<b>73 439</b>	<b>37 886</b>	<b>35 553</b>
<b>EQUITY</b>			
<b>Capital and reserves attributable to the company's equity holders</b>			
Share capital	103	103	–
Treasury shares	(902)	(902)	–
Other reserves	13	13	–
Distributable reserves	13 522	13 522	–
	12 736	12 736	–
<b>Non-controlling interest</b>	<b>1 339</b>	<b>583</b>	<b>756</b>
<b>Total equity</b>	<b>14 075</b>	<b>13 319</b>	<b>756</b>

	Group 31 December 2024 R million	Shareholder 31 December 2024 R million	Policyholder/ cellholder 31 December 2024 R million
<b>LIABILITIES</b>			
Deferred income tax	259	229	30
Lease liabilities	786	786	–
Financial liabilities at fair value through profit or loss			
Debt securities	3 063	3 063	–
Investment contracts	6 638	149	6 489
Financial liabilities at amortised cost			
Repo liability	852	–	852
Collateral guarantee contracts	120	–	120
Insurance contract liabilities	38 219	16 594	21 625
Reinsurance contract liabilities	5 499	75	5 424
Provisions for other liabilities	186	186	–
Loans and payables	3 437	3 200	237
Current income tax	305	285	20
<b>Total liabilities</b>	<b>59 364</b>	<b>24 567</b>	<b>34 797</b>
<b>Total shareholders' equity and liabilities</b>	<b>73 439</b>	<b>37 886</b>	<b>35 553</b>

## 15. Analysis of policyholder/shareholder financial position and results (continued)

### 15.1 Analysis of policyholder/shareholder statement of financial position (continued)

	Group 31 December 2023 R million	Shareholder 31 December 2023 R million	Policyholder/ cellholder 31 December 2023 R million
<b>ASSETS</b>			
Intangible assets	1 226	1 226	–
Property and equipment	877	877	–
Investment in associates and joint ventures	542	542	–
Strategic investment – unquoted Sanlam target shares	2 030	2 030	–
Deferred income tax	162	97	65
Financial assets at fair value through profit or loss	43 748	17 165	26 583
Insurance contract assets	426	346	80
Reinsurance contract assets	10 087	8 419	1 668
Loans and receivables	2 739	2 179	560
Current income tax	474	441	33
Cash and cash equivalents	4 819	3 087	1 732
<b>Total assets</b>	<b>67 130</b>	<b>36 409</b>	<b>30 721</b>
<b>EQUITY</b>			
<b>Capital and reserves attributable to the company's equity holders</b>			
Share capital	103	103	–
Treasury shares	(845)	(845)	–
Other reserves	10	10	–
Distributable reserves	11 424	11 424	–
	10 692	10 692	–
<b>Non-controlling interest</b>	<b>714</b>	<b>486</b>	<b>228</b>
<b>Total equity</b>	<b>11 406</b>	<b>11 178</b>	<b>228</b>

	Group 31 December 2023 R million	Shareholder 31 December 2023 R million	Policyholder/ cellholder 31 December 2023 R million
<b>LIABILITIES</b>			
Deferred income tax	1 103	1 103	–
Lease liabilities	824	824	–
Financial liabilities at fair value through profit or loss			
Debt securities	3 053	3 053	–
Investment contracts	6 286	–	6 286
Derivatives	7	7	–
Financial liabilities at amortised cost			
Repo liability	690	–	690
Collateral guarantee contracts	113	–	113
Insurance contract liabilities	34 650	17 332	17 318
Reinsurance contract liabilities	5 789	49	5 740
Provisions for other liabilities	141	141	–
Loans and payables	2 830	2 496	334
Current income tax	238	226	12
<b>Total liabilities</b>	<b>55 724</b>	<b>25 231</b>	<b>30 493</b>
<b>Total shareholders' equity and liabilities</b>	<b>67 130</b>	<b>36 409</b>	<b>30 721</b>

## 15. Analysis of policyholder/shareholder financial position and results (continued)

### 15.2 Analysis of policyholder/shareholder statement of comprehensive income

	Group 31 December 2024 R million	Shareholder 31 December 2024 R million	Policyholder/ cellholder 31 December 2024 R million
Insurance revenue	52 317	39 235	13 082
Insurance service expense	(39 980)	(31 753)	(8 227)
Net expense from reinsurance contracts held	(7 825)	(3 785)	(4 040)
<b>Insurance service result</b>	<b>4 512</b>	<b>3 697</b>	<b>815</b>
Finance expense from insurance contracts issued	(2 647)	(846)	(1 801)
Finance (expense)/income from reinsurance contracts held	(235)	300	(535)
<b>Net insurance service result</b>	<b>1 630</b>	<b>3 151</b>	<b>(1 521)</b>
Interest income on amortised cost instruments	664	382	282
Interest income on fair value through profit or loss instruments	3 471	1 299	2 172
Other investment income	226	164	62
Net fair value gains on financial assets and liabilities at fair value through profit or loss	1 536	1 180	356
Other revenue	364	364	–
Investment management services fees	(119)	(109)	(10)
<b>Net investment income and other revenue</b>	<b>6 142</b>	<b>3 280</b>	<b>2 862</b>
Other operating expenses	(843)	(749)	(94)
Investment return allocated to structured products	(618)	–	(618)
Amortisation and impairment of intangible assets	(217)	(217)	–
<b>Total other operating expenses</b>	<b>(1 678)</b>	<b>(966)</b>	<b>(712)</b>

#### Result of operating activities

Other finance costs

Net income from associates and joint ventures

Income tax recovered from structured products

#### Profit before tax

#### Total tax expense

Tax expense allocated to shareholders

Tax expense allocated to cell owners and structured products

#### Profit for the year

#### Profit attributable to:

- equity holders of the company
- non-controlling interests

Group 31 December 2024 R million	Shareholder 31 December 2024 R million	Policyholder/ cellholder 31 December 2024 R million
6 094	5 465	629
(538)	(469)	(69)
88	88	–
308	–	308
5 952	5 084	868
(1 596)	(1 240)	(356)
(1 240)	(1 240)	–
(356)	–	(356)
4 356	3 844	512
3 679	3 679	–
677	165	512
4 356	3 844	512

## 15. Analysis of policyholder/shareholder financial position and results (continued)

### 15.2 Analysis of policyholder/shareholder statement of comprehensive income (continued)

	Group 31 December 2023 R million	Shareholder 31 December 2023 R million	Policyholder/ cellholder 31 December 2023 R million
Insurance revenue	46 882	36 250	10 632
Insurance service expense	(37 230)	(30 015)	(7 215)
Net expense from reinsurance contracts held	(6 835)	(4 240)	(2 595)
<b>Insurance service result</b>	2 817	1 995	822
Finance expense from insurance contracts issued	(1 980)	(1 512)	(468)
Finance (expense)/income from reinsurance contracts held	(66)	646	(712)
<b>Net insurance service result</b>	771	1 129	(358)
Interest income on amortised cost instruments	466	252	214
Interest income on fair value through profit or loss instruments	2 733	1 202	1 531
Other investment income	745	639	106
Net fair value gains/(losses) on financial assets and liabilities at fair value through profit or loss	746	850	(104)
Other revenue	464	474	(10)
Investment management services fees	(125)	(114)	(11)
<b>Net investment income and other revenue</b>	5 029	3 303	1 726
Other operating expenses	(722)	(671)	(51)
Investment return allocated to structured products	(497)	–	(497)
Amortisation and impairment of intangible assets	(77)	(77)	–
<b>Total other operating expenses</b>	(1 296)	(748)	(548)

	Group 31 December 2023 R million	Shareholder 31 December 2023 R million	Policyholder/ cellholder 31 December 2023 R million
<b>Result of operating activities</b>	4 504	3 684	820
Other finance costs	(438)	(374)	(64)
Net income from associates and joint ventures	81	81	–
Income tax recovered from structured products	258	–	258
<b>Profit before tax</b>	4 405	3 391	1 014
<b>Total tax expense</b>	(1 727)	(716)	(1 011)
Tax expense allocated to shareholders	(716)	(716)	–
Tax expense allocated to cell owners and structured products	(1 011)	–	(1 011)
<b>Profit from continuing operations</b>	2 678	2 675	3
Loss from discontinued operations	705	705	–
<b>Profit for the year</b>	3 383	3 380	3
<b>Profit attributable to:</b>			
– equity holders of the company	3 250	3 250	–
– non-controlling interest	133	130	3
	3 383	3 380	3

# SUPPLEMENTS

# 8

# Seven-year review (Santam group)

	7 year compound growth % /average	2024	2023	2022	2021	2020	2019	2018
<b>PERFORMANCE PER ORDINARY SHARE</b>								
<i>cents per share</i>								
Headline earnings	8.8	3 477	2 310	1 817	2 495	905	2 069	2 099
Dividends	6.7	1 520	1 400	1 307	1 222	–	1 110	1 028
Special dividends		–	1 780	–	800	–	–	–
Net asset value		12 896	10 452	10 524	10 903	8 481	8 637	8 479
<b>INSURANCE ACTIVITIES</b>								
Net claims paid and provided (%)	62.9	60.8	63.5	63.3	61.7	68.0	62.3	60.6
Cost of acquisition (%)	30.4	31.6	30.9	30.6	30.2	29.5	30.0	30.2
Net commission paid (%)	12.2	11.3	12.3	12.6	13.1	12.3	11.9	11.6
Management expenses(%)	18.3	20.3	18.6	18.0	17.1	17.2	18.1	18.6
Combined ratio (%)	93.3	92.4	94.2	93.9	91.9	97.5	92.2	90.8
Underwriting result(%)	6.7	7.6	5.8	6.1	8.1	2.5	7.8	9.2
Earned premium (%)		100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>INVESTMENT ACTIVITIES</b>								
Interest, dividends and forex gains net of asset management fees (R million)		3 704	3 381	2 213	1 698	1 634	1 616	1 713
Net profit/(loss) on financial assets and liabilities at fair value through profit or loss (R million)		1 536	746	(550)	732	(273)	321	(428)
<b>RETURN AND PRODUCTIVITY</b>								
Earnings expressed as % of average shareholders' funds (%)	24.4	31.9	28.5	18.5	28.5	8.0	22.2	33.5
Pre-tax return on total assets (%)	6.3	8.1	6.6	5.4	6.6	2.6	7.1	7.8
Effective tax rate (%)	25.3	22.2	17.5	23.8	23.6	36.5	27.4	25.9
Gross premium per employee (R '000)*	5 368	6 173	5 774	5 587	5 435	5 206	4 812	4 586
<b>SOLVENCY AND LIQUIDITY</b>								
Dividend cover (times)	1.7	2.2	2.1	1.4	2	–	1.8	2.1
Economic capital coverage ratio (%)		166	155	156	169	161	160	159

\* Alternative Risk Transfer premiums excluded.

Periods before 2022 not restated for IFRS 17 adoption.

# Seven-year review (Santam group)

7 year  
compound  
growth %  
/average

## OTHER STATISTICS

Number of permanent employees

Staff composition (% of black staff members)

Number of shareholders

Corporate social investment spend (% of NPAT)

## SANTAM SHARE PERFORMANCE AND RELATED INDICATORS

Market price per share (cents)

Closing

Highest

Lowest

Market capitalisation (R million)

Closing price/earnings (times)

Closing price/equity per share (times)

Closing dividend yield (%)

Number of shares issued (million)

Number of shares traded (million)

Number of shares traded as a % of total number of shares in issue

Value of shares traded (R million)

2024

2023

2022

2021

2020

2019

2018

6 692

6 472

6 339

6 025

5 973

6 177

6 043

77.2

75.9

74.4

73.1

73.0

72.8

71.4

5 625

7 142

7 116

6 557

6 992

7 110

6 815

0.6

0.4

1.2

0.9

4.0

1.1

0.6

39 264

28 657

25 645

26 900

25 478

29 014

29 644

40 696

31 600

31 599

28 900

26 468

34 499

35 000

27 698

24 504

22 856

23 137

23 001

27 800

26 201

41 965

31 274

28 106

29 633

28 107

32 053

32 743

11.7

9.6

14.2

10.8

86.1

14.6

14.1

3.0

2.7

2.4

2.6

3.0

3.4

3.5

3.9

4.9

5.1

4.5

0.0

3.8

3.5

109.1

109.1

109.6

110. 2

110.3

110.5

110.5

14.0

14.7

19.6

20.6

21.1

11.1

16.1

12.8

13.5

17.9

18.7

19.1

10.0

14.6

4 519.9

4 207.9

5 193.5

5 211.4

5 782.7

3 315.0

4 937.3

# Seven-year review (Santam group)

	7 year compound growth % /average	2024 R million	2023 R million	2022 R million	2021 R million	2020 R million	2019 R million	2018 R million
<b>STATEMENTS OF COMPREHENSIVE INCOME</b>								
Insurance revenue <sup>1,2</sup>	7.9	52 317	46 882	43 082	42 129	38 273	35 852	33 109
Net earned premium <sup>1</sup>	6.3	34 673	31 044	29 113	27 363	25 517	25 132	24 068
Net insurance service result <sup>1,3</sup>	(4.1)	1 630	771	2 073	2 157	617	1 884	2 097
Investment return on insurance funds		1 301	1 100	559	610	663	687	597
Net insurance result		2 931	1 871	2 632	2 767	1 280	2 571	2 694
Other income/(expense)		(479)	(304)	(214)	–	3	–	–
Investment income & associated companies		3 409	2 611	964	970	(460)	662	756
BEE Costs		–	–	(2)	(2)	(2)	(3)	(8)
Amortisation of intangible asset/Impairment of goodwill/impairment of loans		(217)	(31)	(23)	(20)	(19)	(35)	(29)
Income tax recovered from structured products		308	258	126	592	429	280	106
Income before taxation		5 952	4 405	3 483	4 307	1 231	3 475	3 519
Taxation		1 596	1 727	1 392	1 471	800	1 154	990
Non-controlling interest		677	133	97	99	104	122	102
Net income from continuing operations		3 679	2 545	1 994	2 737	327	2 199	2 427
Results from discontinued operations		–	705	(14)	8	–	–	–
Net income attributable to equity holders	7.2	3 679	3 250	1 980	2 745	327	2 199	2 427

<sup>1</sup> Years prior to 2022 includes amounts disclosed in accordance with IFRS4.

<sup>2</sup> Amounts prior to 2022 include Gross premium income with 2022 and years post including gross insurance revenue.

<sup>3</sup> Amounts prior to 2022 include underwriting result with 2022 and years post including Insurance service result which includes insurance and reinsurance finance income and expense.

# Seven-year review (Santam group)

	7 year compound growth % /average	<b>2024</b> R million	2023 R million	2022 R million	2021 R million	2020 R million	2019 R million	2018 R million
<b>STATEMENTS OF FINANCIAL POSITION</b>								
Property and equipment		801	877	640	702	760	984	142
Intangible assets		996	1 226	1 073	989	968	948	885
Deferred tax asset		257	162	139	130	102	107	155
Investments in associates and joint ventures		610	542	467	2 284	2 205	2 661	2 927
Insurance contract assets <sup>1,2</sup>		516	426	797	190	175	206	204
Strategic investment and financial assets	14.7	54 256	45 778	37 665	32 879	30 932	25 885	23 777
Reinsurance contract assets <sup>1,3</sup>		6 780	10 087	14 005	13 980	9 785	7 548	7 106
Loans and receivables and cash		9 223	8 032	8 098	6 293	11 253	10 895	9 902
Non-current assets held for sale		–	–	1 768	–	–	–	–
<b>Total assets</b>		<b>73 439</b>	<b>67 130</b>	<b>64 652</b>	<b>57 447</b>	<b>56 180</b>	<b>49 234</b>	<b>45 098</b>
Shareholders' funds	7.0	14 075	11 406	11 534	12 011	10 092	10 063	9 365
Financial liabilities and reinsurance contract liabilities <sup>1,4</sup>		16 172	15 938	12 800	10 870	10 401	8 747	8 055
Lease liabilities		786	824	669	764	782	978	–
Insurance contract liabilities <sup>1,5</sup>		38 219	34 650	36 221	30 896	29 388	23 696	21 149
Loans and payables and tax		4 187	4 312	3 428	2 906	5 517	5 750	6 529
<b>Total equity and liabilities</b>		<b>73 439</b>	<b>67 130</b>	<b>64 652</b>	<b>57 447</b>	<b>56 180</b>	<b>49 234</b>	<b>45 098</b>

<sup>1</sup> Years prior to 2021 includes amounts disclosed in accordance with IFRS4.

<sup>2</sup> 2020 and prior years includes Deposit with cell owners and cell owners' and policyholders' interest. These items are reclassified to Reinsurance contract assets or liabilities under IFRS17.

<sup>3</sup> 2020 and prior years includes Deferred acquisition costs. Deferred acquisition costs are reclassified to Insurance contract liabilities under IFRS17.

<sup>4</sup> 2020 and prior years includes Financial liabilities, cell owners' and policyholders' interest and reinsurance liability relating to cell owners. These items are reclassified to Reinsurance contract assets or liabilities under IFRS17.

<sup>5</sup> 2020 and prior years includes deferred acquisition revenue. Deferred acquisition revenue is reclassified to Reinsurance contract assets under IFRS17.

# Seven-year review (Santam group)

7 year  
compound  
growth %  
/average

## STATEMENTS OF CASH FLOW

Cash generated from operating activities after finance costs 19.9

Income tax paid

### Net cash from operating activities

Cash generated/(utilised) in investment activities

Acquisition/(disposal) of associated companies

Acquisition/(disposal) of business/subsidiaries, net of cash received

Cash utilised in additions to property and equipment and intangible assets

Proceeds from sale of equipment and intangible assets

Proceeds from sale of associated companies

Capitalisation of associated companies

Net proceeds from disposal of SAN JV

### Net cash (used in)/from investing activities

Purchase of treasury shares

Proceeds from issue/redemption of unsecured subordinated callable notes

Dividends paid

Purchase of non-controlling interest in subsidiaries

Payment of principal element of lease liabilities

Equity interest issued/redeemed to cell captive

### Net cash used in financing activities

### Net increase/(decrease) in cash and cash equivalents

Cash and cash equivalents at beginning of year

Exchange (losses)/gains on cash and cash equivalents

### Cash and cash equivalents at end of year

2024 R million	2023 R million	2022 R million	2021 R million	2020 R million	2019 R million	2018 R million
5 716	1 887	5 088	2 510	422	3 852	1 921
(2 036)	(1 220)	(1 545)	(626)	(437)	(955)	(785)
3 680	667	3 543	1 884	(15)	2 897	1 136
–	–	92	(1)	(180)	45	260
(20)	–	(2)	–	–	–	(923)
(38)	(99)	31	–	(4)	(48)	(86)
(119)	(271)	(136)	(108)	(146)	(120)	(89)
38	–	16	–	–	–	–
–	–	–	–	–	–	168
–	–	–	–	–	(158)	(15)
–	2 510	–	–	–	–	–
(139)	2 140	1	(109)	(180)	(281)	(685)
(161)	(221)	(237)	(120)	(155)	(106)	(91)
–	500	–	(500)	1 000	–	–
(1 664)	(3 510)	(2 362)	(704)	(843)	(1 280)	(1 186)
–	–	(6)	(176)	(69)	–	–
(171)	(134)	(123)	(156)	(141)	(173)	–
36	30	40	22	–	–	–
(1 960)	(3 335)	(2 688)	(1 634)	(208)	(1 559)	(1 277)
1 581	(528)	856	141	(403)	1 057	(826)
4 819	5 387	4 496	4 383	4 642	3 618	4 321
(15)	(40)	35	(28)	144	(33)	123
6 385	4 819	5 387	4 496	4 383	4 642	3 618

# Seven-year review (Santam conventional)

			7 year compound growth % /average	2024	2023	2022	2021	2020	2019	2018
<b>INSURANCE ACTIVITIES</b>										
Net claims paid and provided (%)	Avg	63.6		61.1	66.2	65.0	62.0	68.2	62.1	60.3
Cost of acquisition (%)	Avg	30.2		31.3	30.3	29.9	30.0	29.3	30.2	30.4
Net commission paid (%)	Avg	13.1		13.2	13.8	13.9	13.4	12.7	12.5	12.4
Management expenses(%)	Avg	17.1		18.1	16.5	16.0	16.6	16.6	17.7	18.0
Combined ratio (%)	Avg	93.8		92.4	96.5	94.9	92.0	97.5	92.3	90.7
Underwriting result(%)	Avg	6.2		7.6	3.5	5.1	8.0	2.5	7.7	9.3
Earned premium (%)				100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>STATEMENTS OF COMPREHENSIVE INCOME</b>										
Gross written premium (R million)		6.9		41 308	37 368	35 418	32 745	31 098	29 725	27 711
Net earned premium (R million)		6.3		32 192	29 335	27 727	25 858	24 320	23 673	22 371
Underwriting result (R million)		2.8		2 441	1 031	1 402	2 064	615	1 820	2 066
Investment return on insurance funds (R million)		7.5		823	759	341	400	501	579	532
Net insurance result (R million)		3.9		3 264	1 790	1 743	2 464	1 116	2 399	2 598

Periods before 2022 not restated for IFRS 17 adoption.

# Glossary

<b>Acquisition costs</b>	Costs primarily related to the acquisition of new or renewal of insurance contracts, e.g. commissions and management expenses. Acquisition costs are often expressed as a percentage of earned premiums and referred to as the acquisition cost ratio.
<b>AGM</b>	Annual general meeting
<b>AI</b>	Artificial intelligence
<b>ART</b>	Alternative Risk Transfer
<b>ASISA</b>	Association for Savings and Investment South Africa
<b>B-BBEE</b>	Broad-based black economic empowerment
<b>Catastrophe event</b>	Fire, earthquake, windstorm, explosion, and other similar events that result in substantial losses
<b>Cell captive insurer</b>	An insurer that is structured with separate independent cells. The assets and liabilities of the cells are ring-fenced. Profits and losses from business introduced by the cell owner to the insurer are attributable to the cell owner.
<b>CDP</b>	Carbon Disclosure Project
<b>CEO</b>	Chief executive officer
<b>CFE</b>	Consumer financial education
<b>CFO</b>	Chief financial officer
<b>Churn rate</b>	The proportion of policyholders who leave an insurer during a given period
<b>Claim</b>	A demand to the insurer for indemnification for a loss incurred from an insured peril
<b>Claims ratios</b>	Ratios expressing the relationship between claims and premiums. The net claims ratio expresses claims net of recoveries from reinsurers as a percentage of premiums net of premiums ceded to reinsurance. The gross claims ratio reflects the position before reinsurance is considered. Also referred to as loss ratios.
<b>CRISA</b>	Code for Responsible Investing in South Africa
<b>CSI</b>	Corporate social investment
<b>Economic capital coverage ratio</b>	The economic capital coverage ratio is equal to the available capital resources, comprising shareholder's funds and subordinated debt, divided by the solvency capital requirement as determined by Santam's internal economic capital model
<b>ERM</b>	Enterprise risk management
<b>ESG</b>	Environmental, social and governance
<b>FTSE</b>	Financial Times Stock Exchange
<b>FIA</b>	Financial Intermediaries Association of Southern Africa
<b>FSC</b>	Financial Sector Charter – the FSC is a transformation policy based on the terms of the Broad-based Black Economic Empowerment Act, 53 of 2003, to promote social and economic integration and access to the financial services sector
<b>FSCA</b>	Financial Sector Conduct Authority – the regulator responsible for market conduct and consumer protection under twin peaks
<b>General/short-term/non-life insurance</b>	Defined in the Short-term Insurance Act, 53 of 1998 as providing benefits under short-term policies, which means agricultural insurance, engineering policies, guarantee policies, liability policies, miscellaneous policies, motor policies, accident and health policies, property policies or transportation policies or a contract comprising a combination of any of those policies

<b>GIS</b>	Geographic information system
<b>GWP</b>	Gross written premium – premium that an insurer is contractually entitled to receive from the insured in relation to contracts of insurance or from other insurers in relation to inwards reinsurance contracts. These are premiums on contracts entered into during the accounting period or adjustments to premiums from prior years. Also defined as premium written and received but before deduction of reinsurance ceded.
<b>IAP2</b>	International Association for Public Participation
<b>IFC</b>	International Finance Corporation
<b>IFRS</b>	International Financial Reporting Standards
<b>IFRS 17 Insurance Contracts</b>	Addresses the establishment of principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard (effective 1 January 2023)
<b>IFRS S1</b>	IFRS's first sustainability disclosure standard titled General Requirements for Disclosure of Sustainability-related Financial Information
<b>IFRS S2</b>	IFRS's first sustainability disclosure standard titled Climate-related Disclosures
<b>IMF</b>	International Monetary Fund
<b>Insurance revenue</b>	Insurance revenue is the revenue earned by the insurer for rendering services to the insured
<b>Insurance service expense</b>	This includes all of the expenses incurred by the insurer in rendering services to the insured, and includes claims incurred, acquisition costs and other expenses
<b>Intermediary</b>	A person who negotiates contracts of insurance or reinsurance with the insurer or reinsurer on behalf of the insured or reinsured
<b>ISSB</b>	International Sustainability Standards Board
<b>IT</b>	Information technology

<b>JSE</b>	JSE Limited
<b>King IV</b>	King IV Report on Corporate Governance™ for South Africa, 2016 (King IV) application register. Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.
<b>Liability for incurred claims</b>	The best estimate liability recognised by the insurer in respect of past services rendered to the insured, comprising claims incurred and other expenses. The liability for incurred claims also includes a component of claims incurred but not reported to the insurer.
<b>Liability for remaining coverage</b>	The best estimate liability recognised by the insurer in respect of future services (typically in the form of settling claims) to be provided to the insured
<b>NEP</b>	Net earned premium
<b>NGFS</b>	Network for Greening the Financial System
<b>NPS</b>	Net promoter score
<b>OSTI</b>	Ombudsman for Short-Term Insurance
<b>P2P</b>	Peer-to-peer
<b>P4RR</b>	Partnership for risk and resilience. The group's contribution to economic growth in South Africa includes the P4RR programme initiatives. These assist municipalities in building capacity to combat the risks of fire and flooding in invulnerable communities.
<b>PSI</b>	Principles for Sustainable Insurance
<b>QRF</b>	Quick Response Force
<b>Reinsurance</b>	A form of insurance cover for insurance companies where an insurance company transfers a portion of its risks to the reinsurer
<b>SA-csi</b>	South African customer satisfaction index
<b>SAIA</b>	South African Insurance Association

<b>Salvage</b>	The amount received by an insurer from the sale of (usually damaged) property on which he has paid a total loss to the insured
<b>SAM</b>	Solvency Assessment and Management
<b>SARTA</b>	South African Repair Towing Association
<b>SEB</b>	Santam employee bot
<b>SES</b>	Social, ethics and sustainability
<b>SME</b>	Small and medium enterprise
<b>SMME</b>	Small, medium and micro-enterprise
<b>SSI</b>	Santam Structured Insurance
<b>Sustainable insurance</b>	A strategic approach by which all activities in the insurance value chain are performed in a responsible and forward looking way by identifying, assessing, managing and monitoring risks and opportunities associated with ESG issues

<b>TCFD</b>	Task Force on Climate-related Financial Disclosures
<b>Underwriting</b>	The process of examining, accepting, or rejecting insurance risks, and classifying or segmenting those selected, to charge the proper premium for each
<b>UMAs</b>	Underwriting management agencies
<b>UN PSI</b>	United Nations Environment Programme's Principles for Sustainable Insurance
<b>Underwriting result</b>	The underwriting profit or loss calculated by deducting claims incurred, net commission and management expenses from premiums earned
<b>UNEP FI</b>	United Nations Environment Programme Finance Initiative

# **Administration**

## Santam is an authorised financial services provider

Licence number: 3416

Registration number: 1918/001680/06

ISIN: ZAE000093779

JSE share code: SNT (*primary listing*)

NSX share code: SNM (*secondary listing*)

A2X share code: SNT (*secondary listing*)

Debt company code: BISAN

## Sponsor

Investec Bank Ltd (equity and debt sponsor)

## Transfer secretaries

Computershare Investor Services (Pty) Ltd

15 Biermann Avenue, Rosebank 2196

Private Bag X9000, Saxonwold 2132

Tel: 011 370 5000

Fax: 011 688 5216

[www.computershare.com](http://www.computershare.com)

## Group company secretary

Ruwaida Eksteen

[GroupCompanySec@santam.co.za](mailto:GroupCompanySec@santam.co.za)

## Head strategy and investor relations

Thabiso Rulashe

## Santam head office registered address

1 Sportica Crescent, Tyger Valley, Bellville (Cape Town), 7530

PO Box 3881, Tyger Valley, 7536

Tel: 021 915 7000

Fax: 021 914 0700

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



## **Contact**

### **Santam Limited head office**

#### **Registered address**

1 Sportica Crescent, Tyger Valley, Bellville (Cape Town), 7530  
PO Box 3881,  
Tyger Valley 7536  
Tel: 021 915 7000  
Fax: 021 914 0700  
[www.santam.co.za](http://www.santam.co.za)