



**Remuneration**  
report

**2024**

# Table of contents

## PART

# 1

### LETTER FROM THE HUMAN RESOURCES AND REMUNERATION COMMITTEE (“COMMITTEE”) CHAIRPERSON

- 2 Reflecting on 2024 financial performance
- 2 2024 remuneration outcomes and decisions
- 3 Key policy changes
- 3 Forward-looking policy
- 3 Shareholder engagement and voting outcomes

## PART

# 2

### OVERVIEW OF THE REMUNERATION POLICY

- 4 Remuneration governance and committee responsibilities
- 5 Remuneration philosophy
- 6 Design principles for our remuneration policy
- 7 Remuneration overview
  - 7 Structure
  - 8 Total guaranteed package
  - 8 Short-term incentives
  - 10 Long-term incentives
- 13 Risk adjustment
- 13 Executive contracts
- 14 Minimum shareholding requirements
- 14 Non-executive directors’ fees

## PART

# 3

### IMPLEMENTATION REPORT

- 15 Remuneration details for executive directors
  - 15 Executive remuneration summary
  - 16 Total guaranteed package
  - 16 Short-term incentives
  - 17 CEO and CFO 2024 performance outcomes
  - 18 Long-term incentives
  - 19 Santam group CEO OPP
- 20 Minimum shareholding requirement
- 20 Santam share scheme allocation
- 21 Remuneration details for non-executive directors

## PART

# 4

### DIRECTORS’ INTEREST IN SHARE CAPITAL

- 22 Directors’ interest in share capital

# Part 1: Letter from the human resources and remuneration committee (“committee”) chairperson

## Dear Shareholders,

On behalf of the Committee and all who work at Santam, we affirm our collective commitment to building an enduring company that continues to deliver value for all stakeholders. Our rich and long history of successfully operating for over 106 years is a testament to this commitment and we look forward not only to the next year but to a future of many more years.

This past year, we, once again, demonstrated robustness, adaptability and resilience by achieving strong results despite facing several challenges. These challenges included a substantial increase over the past few years in the frequency and severity of losses from inclement weather conditions, including in South Africa, which traditionally has been seen as a benign catastrophe environment. While we have experienced a moderation in inflation, easing interest rates and a suspension of load-shedding, economic growth and employment levels remained subdued and personal disposable income remains under pressure.

We made significant progress in executing our refreshed FutureFit 2030 growth strategy during the period, which enabled us to navigate these challenges successfully. As part of our strategic execution, we remained steadfast in implementing several underwriting actions in response to the elevated claims frequency and severity experienced over the past years. Through these actions, we have successfully addressed power surge losses and achieved an improvement in the profitability of the motor book. We are amidst the rollout of actions in the property book, with a performance improvement also evident in this class of business. Our talented and dedicated employees made this performance possible, and they epitomise the company's values of “caring and collaboration” by serving with empathy and consideration, ensuring that by working together, we safeguard what is essential to our clients.

To enhance our ambitions of creating a great place to work, such that employees would recommend us to family and friends, we focused our attention on the following initiatives:

- Pioneering an underwriting academy to ensure that we have the right level of skill and capabilities for the future;
- Culture and leadership – leading with purpose and freedom to live, lead and serve the Santam Way;
- Transforming and embracing diversity – with emphasis on our ambitions to attract, develop and retain skilled and capable persons with disabilities to Santam and the Financial Services industry in general.

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. Some key initiatives and improvements were:

- Applause, our recognition platform, empowered leaders and peers to recognise employees living our values and promises. In 2024, R6.4 million (2023: R2.7 million) worth of recognition points were sent and redeemed through the platform.
- Yell for Yellow, our lifestyle programme focused on saving our employees time and money through its concierge service, price negotiation, discounts, and subsidised offerings, which continued to add value to the lives of our employees. The value and savings for our employees through the programme amounted to R5.5 million for 2024 (2023: R4.5 million).
- Our holistic wellness programme continued to deliver targeted interventions to assist our employees. Lifestyle and nutrition programmes, mental resilience webinars, financial coaching and psychosocial support programmes through qualified counsellors and psychologists were some of these interventions.
- In March 2024, performance bonuses were paid to employees across the group based on business and individual outcomes, and a 5.75% increase in the salary base was awarded in 2024 (including promotions).
- In December 2024, junior employees were paid an accelerated performance bonus of 6.7% of total guaranteed pay (TGP) to aid them with the rising cost of living.

Our employees received these initiatives well and were seen as a means for the group to support employees affected by financial pressures. The impact of these initiatives is also reflected positively in our 2024 annual engagement survey results. The engagement results showed that we have a highly engaged workforce that would recommend Santam to their friends and family as a place to work. To ensure we continue to deliver a world-class employee experience, Santam once again participated in the Top Employer certification process. The Top Employer certification celebrates excellence in employment practices and is bestowed on those organisations that lead the way in outstanding “people-first” Human Capital practices. In 2024 (for the 2025 certification), the Institute certified over 2 500 organisations in 125 countries, which impact the lives of over eight million employees globally. Santam achieved Top Employer certification for the ninth consecutive year and was ranked 5th out of 154 participating companies in South Africa, up from 8th place in 2023 for the 2024 certification. Furthermore, Santam was ranked 1st in the Insurance Sector amongst 11 certified Top Employers in South Africa’s Insurance Sector.

As a business, 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. The management actions implemented to date, which we continue to roll out, are creating positive momentum for 2025.

The committee believes that our broader people and remuneration strategy is supportive and well-positioned to build and maintain a transformed, diverse, high-performing and inclusive culture where our employees are inspired to deliver superior performance through meaningful work that makes a difference in the lives of our clients, intermediaries and other stakeholders. In this report, we explain our remuneration policy and the application thereof. This includes implementing key policy changes to short-term incentive (STI) and long-term incentive (LTI) schemes, creating greater alignment with shareholder interests.

## Reflecting on 2024 financial performance

The group’s diversification across market segments, insurance classes and geographical reach served us well. Our industry-leading human capital base and the strength of our balance sheet provided a solid platform to achieve an overall strong performance despite the challenging operating environment.

The full financial and strategic results are explained in detail in our integrated report, and relevant aspects are highlighted later in this report. The overall financial performance had a positive impact on remuneration outcomes for 2024. Our 2024 remuneration decisions align directly with the past year’s business strategy and performance.

## 2024 remuneration outcomes and decisions

In 2024, employees were awarded base salary increases of 5.75% (on average, including promotions).

For 2025, an overall 5.65% increase in the guaranteed pay base has been approved, with differentiation based on performance and market competitiveness.

For the 2024 financial year, the corporate achievement against performance bonus targets was as follows:

- The achievement against **financial conditions amounts to 145.4%** of the target (72.7% contribution to the overall score based on a 50% weighting).
  - » The group operating result and underwriting margin outperformed the targets, achieving 195% and 125%, respectively.
  - » Growth in net earned premium (NEP) was acceptable at 68% achievement on this target.
  - » Expense management was good, but the overall increase in variable remuneration based on the strong performance, reduced this component to a 79% achievement.
  - » The Santam share price performed very well in absolute and relative terms for the year, resulting in a 200% achievement for these components.
  - » Return on capital for the year outperformed the 24% hurdle rate, achieving a 200% score.
  - » The result in respect of dividend growth was above target at 122%.
- **Strategic initiatives are assessed at an achievement level of 134.0%** of the target (67.0% contribution to the overall score based on a 50% weighting).

The overall group scorecard achievement was a score of **139.7%**. Further details of achievement against targets are outlined on page 17 of this report.

In line with our policy, we only awarded performance deferred share plans (PDSPs) to executive committee members and senior management employees in June 2024. All PDSPs awarded carry the same performance conditions of group return on capital performance of between 16% (threshold) and 24% (stretch), measured over the performance and vesting periods of three, four and five years. No deferred share plan shares (DSPs) were awarded to senior management with only individual performance conditions. DSPs are reserved for emerging talent, succession planning and retention at levels below senior management.

We kept close to market developments and carefully reviewed all aspects of remuneration to ensure Santam remains competitive, while our remuneration policy is bespoke and agile to enable our unique business strategy.

## Key policy changes

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 (MSR) for Exco members. Further details are disclosed on page 14 of this report.

## Forward-looking policy

Santam will propose at the 2025 annual general meeting (AGM) to reduce its share usage limit for long-term incentives 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 on the disclosure requirements from the regulators, we would hold off publication until such time that the amendments to the Companies Act are promulgated and provides the clarity required.

## Shareholder engagement and voting outcomes

Through our engagements with shareholders, we received positive feedback on the consultations and actions taken to simplify remuneration design and increase disclosure.

At the 2024 AGM (relating to the 2023 financial year), our remuneration policy received a favourable vote of **96.53%**, while our implementation report received a favourable vote of **97.95%**.

We welcome ongoing engagement with shareholders and extend a standing invitation to shareholders to engage with us on our remuneration policy and the implementation thereof throughout the year. We also actively strive to incorporate our remuneration policy approach and the link to business strategy in our shareholder dialogues. This report expands on our disclosure in line with comments received from our engagements with shareholders.

### Lucia Swartz

*Chairperson: human resources and remuneration committee*

# Part 2: Overview of the remuneration policy

## Remuneration governance and committee responsibilities

The Santam Limited board (board) is responsible for remuneration governance in the Santam group. The board mandates the human resources and remuneration committee (HRRC) to ensure that the organisation remunerates fairly, responsibly and transparently to promote achieving strategic objectives and positive outcomes for all of the group's key stakeholders in the short, medium and long term. 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. When setting reward structures, we consider prevailing economic conditions and local and international governance principles.

The group pays attention to correctly positioning the nature and the scale of remuneration relative to appropriate comparator groups, governance standards and international best practices. These include the Prudential Standards (Governance and Operational Standards for Insurers, issued in terms of the Insurance Act in South Africa) and the King IV Report on Corporate Governance™ for South Africa 2016 (King IV)<sup>1</sup>. The group conforms to the remuneration principles contained in the Broad-based Black Economic Empowerment (BBBEE) Codes of Good Practice, issued by the South African Department of Trade and Industry and Competition (DTIC) in accordance with the BBBEE Act, 46 of 2013.

Santam is the sole or part owner of several businesses, including subsidiaries and associated companies. While compliance with the Santam remuneration strategy and policy is primarily targeted at Santam Limited and its subsidiary companies, Santam will use its influence to encourage sound remuneration practices in those businesses where it does not hold a controlling interest.

The HRRC is responsible for overseeing and monitoring the development, implementation and execution of the group's remuneration policy and strategy and ensuring the policy objectives are met. The HRRC is responsible for presenting the policy to the board for approval. Its activities include approving the guidelines and philosophy to be applied in formulating mandates for all STI and LTI schemes and setting remuneration packages for the Santam executive directors, the Santam executive committee and the Santam heads of control functions relative to industry benchmarks. Recommendations made by the business on the remuneration design of key persons (as defined in the Prudential Standards) are reviewed and approved by the HRRC.

The HRRC has the prerogative to make all remuneration decisions it deems appropriate within an approved framework. It may propose amendments to any part of the group's remuneration policy as necessitated by changing circumstances. It makes recommendations to the board regarding the remuneration of Santam's non-executive directors. To fulfil the role described above, the HRRC undertakes the following:

- It oversees and recommends to the board for approval STI and LTI schemes, subject to shareholder approval where applicable. This includes setting guidelines for annual allocations and regularly reviewing the appropriateness and structure of the schemes to ensure alignment with Santam's strategy and stakeholder interests.
- It sets appropriate performance drivers for STIs and LTIs, monitoring and testing those drivers and vesting outcomes.
- It ensures that the remuneration policy applies in a proportionate and risk-based way and contains specific arrangements for the review of remuneration for the roles of the directors, executives, heads of control functions, key persons, and persons whose actions may have a material impact on the group's or its insurance companies' risk exposure.
- It reviews the management of employment contracts and determination of remuneration packages, including TGP, STIs and LTIs of Santam executive directors, Santam executive committee members and the heads of control functions to ensure that their remuneration and terms are aligned with good practice principles.
- It reviews the remuneration strategy and finalises the remuneration of Santam executive directors, Santam executive committee members and heads of control functions, including TGP, STIs and LTIs, and other conditions of employment.
- It develops and recommends STI and LTI schemes for the CEO and other Santam executive committee members to the board for approval. This includes setting annual targets, monitoring those targets, and reviewing the incentive schemes regularly to ensure a clear link between the schemes and performance in support of the group strategy. Furthermore, the HRRC ensures that incentives are appropriate and supported by corporate governance standards and that the design is aligned with long-term value creation for shareholders and other stakeholders.
- It reviews the succession plans for the CEO and members of the Santam executive committee and provides for succession in emergencies and over the long term.
- It recommends the fees of the Santam non-executive directors (excluding HRRC fees) to the board for approval at the AGM.

*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.*

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

**During 2024, the HRRC considered the following matters and approved them (where relevant):**

- Changes to the remuneration approach are based on feedback received from shareholders, investors, and proxy voting advisor engagements.
- Benchmarking remuneration levels and practices against local comparator groups.
- Monitoring and approving STIs and LTIs, as appropriate.
- Benchmarking Santam executive directors and Santam executive committee members' remuneration against a suitable market.
- Benchmarking Santam non-executive directors' remuneration against a suitable market and recommended fee proposals to be considered by shareholders at the 2024 AGM.
- Review Santam's remuneration policy and practices in South Africa against Prudential Standards, King IV, applicable governance principles and market best practices.
- Remuneration design for heads of control functions and persons whose actions may have a material impact on the organisation's risk exposure.
- The remuneration review/annual increases and STI and LTI awards of the Santam executive committee.
- STI measures achieved for accrual of bonus pool/s and achievement of performance conditions for the vesting of LTIs.
- Considering findings and analyses on race and gender pay equity across all levels in the group and approving appropriate actions in this regard.
- Measures should be considered to support existing strategies to address people transformation at all levels of the organisation.
- Review of Santam's STI scheme performance conditions.

## Remuneration philosophy

Santam has a total reward strategy for our people. This offering comprises remuneration (cash remuneration, STI and 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 the prescribed aspects of the remuneration policy and which all businesses should adhere to 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 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, 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 the group or business level, is required.

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. However, the overarching principles of the Santam remuneration structure are consistently applied to support a common philosophy and to ensure good corporate governance, with differentiation between businesses/industries where appropriate.

## Design principles for our remuneration policy

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:** The reward consequences for individual employees are, as far as possible, 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 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 skill groups or roles and differentiation concerning performance is imperative. Unfair differentiation is unacceptable.
- **Attraction and retention:** Remuneration practices are key in attracting and retaining the required talent to meet Santam's objectives and ensure its sustainability.
- **Shared participation in relevant remuneration components:** Employee identification with Santam's success is crucial as it is directly linked to Santam's and individuals' 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 practices, where appropriate and practical.
- **Communication and transparency:** The remuneration philosophy, policy and practices, and 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 practices are essential 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.



## Remuneration overview

### 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.  On exception (and if good rationale exists) may be settled in cash, but this will be disclosed.

## Total guaranteed package

### Purpose

TGP is the guaranteed component of the remuneration offering. It forms the basis of the group's ability to attract and retain the required skills. To create a high-performance culture, Santam emphasises the variable/performance component of remuneration rather than the guaranteed component. For this reason, TGP is normally positioned on the 50th percentile of the market.

As an integral part of TGP, Santam provides a flexible structure of benefits that can be tailored, within certain limits, to individual requirements. These include:

- Retirement funding
- Group life cover
- Medical aid or insurance

### Process and benchmarking

Average TGP is set by reference to the median paid by a comparator group of similarly sized companies, which Santam considers appropriate. The comparator group comprises a sizeable and representative sample of companies in the insurance sectors with similar market capitalisation and an international footprint. Regarding the process followed for benchmarking TGP against these comparator companies, Santam obtains and analyses data from survey sources such as Remchannel and publicly sourced information. Comparator companies participating in Remchannel are OUTsurance, Hollard, Discovery, and Old Mutual. This comparator group is our primary benchmark with financial services comparator groups (insurance and banking), providing a holistic view of senior and executive talent rewards. In addition to this benchmarking process, Santam considers the skills, potential, and performance of the individual concerned and the country's current consumer price index.

#### HRRC's role

Upon completion of the benchmarking process, proposals regarding increases for the following year are considered and approved by the HRRC. The HRRC also reviews and approves the adjustments to TGP for each Santam executive director, executive committee member and head of control function.

### Levels

On average, TGP levels are positioned around the comparator market's median. Where specific skills dictate, TGP levels may be set higher than the median. Benefits form part of TGP; in certain instances, a salary may be sacrificed in favour of a flexible benefit.

## Short-term incentives

### Purpose

The annual bonus plan aims to align employees' performance with the group's goals and to motivate and reward employees who outperform the agreed performance hurdles. The focus is on operational matters to optimise profitability, grow the business and ensure sustainable strategic execution. The design and quantum of the annual performance bonus are regularly reviewed against market best practices, and the quantum is benchmarked against the market using a relevant comparator group.

Group and business performance measures are multi-dimensional and are required to support positive outcomes on various strategic indicators, including economic, social and sustainability metrics.

#### HRRC's role

The HRRC's role regarding the annual performance bonus plan is to:

- Determine the overall structure of the annual performance bonus plan, ensuring that it provides a clear link to performance and is aligned with the group's business strategy.
- Set the overall principle with respect to thresholds, targets and stretch levels for the annual performance bonus plan, as well as the percentage of TGP that can be earned at each level by each group of employees.
- In respect of Santam executive directors and executive committee members:
  - » Agree on the performance drivers for their annual bonus plan, and
  - » Agree on the relative contribution of business, group and individual/strategic performance criteria.
- Consider and approve proposals regarding annual bonuses for Santam executive committee members and heads of control functions.
- Determine, within its discretion, the final quantum of performance bonus payments to avoid any unintended consequences of bonus design principles and to support risk alignment.

## STI potential and weightings for executive directors

The design of the executive directors' bonus structure is driven by simplicity and line of sight, enabling the Santam business strategy to be encapsulated in the group measures.

However, performance bonus outcomes are subject to committee discretion to avoid unintended consequences.

The payments that executive directors can achieve at the target and stretch levels are indicated below (including the weighting of business and strategic objectives). These levels are benchmarked against comparator groups and other components of remuneration.

Individual	Potential (% of TGP)		Weightings for STI	
	On target	Maximum	Financial %	Strategic%
Tavaziva Madzinga	100%	200%	50%	50%
Wikus Olivier	85%	170%	50%	50%

## Executive committee STI payment and deferral

For the executive committee, the performance bonus is paid partly in cash in March, following the prior year-end, and partly deferred into restricted Santam shares (deferred bonus shares). The current split is at minimum 70% cash/30% deferral. Bonus shares have no further forward-looking performance conditions and vest subject to continued employment and satisfactory individual performance (based on non-financial key performance areas only) after three years. Malus and clawback principles apply.

## Executive directors' STI principles

Executive directors' annual performance bonus targets incorporate several financial and strategic performance measures directly linked to the group strategy and key performance indicators. Key financial metrics and strategic targets for 2024 included:

### Financial performance metrics

- Santam group operating result:** Source of cash generation in support of dividends to our shareholders.
- Growth in conventional net earned premium:** Indication of the business size and future earnings growth potential.
- Santam group conventional underwriting margin:** Indication of pricing, claims risk management and efficiency.
- Total shareholder return (relative):** Shareholder value creation.
- Total shareholder return (absolute):** Shareholder value creation.
- Management expense ratio:** Indication of cost efficiency.
- Dividend growth:** Indication of cash generation for shareholders.
- Return on capital (RoC):** Measuring overall financial performance, including capital efficiency.

### Strategic targets

- Strengthen our leadership position in South Africa** through scaling direct channels and partnerships, expanding omni-channel distribution, and maintaining dominance in the broker market.
- Drive international expansion and diversification:** Build the Pan-African specialist business and selectively build other international businesses through Santam Re and Specialist Solutions.
- Brand and Client Experience:** Creating intuitive client journeys enabled by technology.
- Technology modernisation:** An enabler and driver of innovation, efficiency and optimal decision making.
- Culture, values and talent management:** Empowering our people, embedding our values and evolving our culture to be competitive in a rapidly changing world.
- Sustainability/ESG:** Help build resilient societies through an impactful partnership for risk and resilience programme. Measure transformation (employment equity, preferential procurement, skills development, financial inclusion, number of supported black brokers). BBEE scorecard Level 1 and maintain ranking on the FTSE/JSE SRI Top 30 Index.
- Sound governance, risk management and compliance:** Adherence to the Santam internal control policy. Effective management of operational risk exposures. Driving a risk-aware and strong governance culture.

### Discretionary bonuses

Where the bonus targets are not achieved in full, a reduced bonus, based on a sliding scale, will be paid only if a minimum threshold performance level has been achieved (performance at individual and business levels).

Where the minimum annual business bonus targets are not achieved, an amount may be set aside to reward exceptional individual performance at the discretion of the CEO and subject to HRRC approval.

The annual bonus targets at a business unit level incorporate financial and non-financial performance measures directly linked to the group strategy and key performance indicators, including NIR, premium growth, management expense ratio and transformation targets. The specific performance targets and relative weighting are determined per business unit based on the business unit's strategic initiatives. The support functions' targets reflect the group's overall performance.

### Retention arrangements

Retention arrangements, typically driven by forfeitable bonus payments upon sign-on or for the retention of specific employees for a specific period, where it is a strategic imperative, may be made to key employees. Such retention arrangements are subject to a retention period. In certain instances, where performance or agreed outputs and the conditions of continued employment are not met, the retention quanta is repayable in full, or shares are forfeited. For senior employees and executives, awarding LTI or deferred shares (with future vesting dates based on certain performance and employment conditions) is Santam's preferred policy to ensure retention.

Where incoming senior and key employees forfeit bonuses upon sign-on with the group, agreeing on a sign-on bonus or restricted share award (subject to a retention period) with such employees may be necessary.

Retention arrangements/share awards are subject to malus and clawback provisions.

Santam non-executive directors are not eligible for STIs, LTIs or retention arrangements.

## Long-term incentives

### Overview and general policy

Our LTIs support the group's business strategy, long-term value creation for shareholders, and wealth creation for key talent participating in LTIs.

The primary LTI is the performance deferred share plan in which deferred shares (PDSPs), with financial, strategic and individual performance conditions for vesting, are the mechanism for retaining and incentivising key talent and management employees. Deferred shares (DSPs) with individual performance and employment conditions are utilised for successors and emerging talent.

The outperformance plan (OPP), operating over the long term with extremely stretching performance conditions (exceeding those of the PDSPs), is a focused incentive where the value crystallised is delivered in Santam shares.

All LTIs (i.e., DSP and PDSP) are equity-settled plans from a Santam perspective. OPPs can be cash or share-based plans. However, equity settlement for OPPs is the preferred remuneration approach, with cash settlement being the exception. No cash-settled OPPs are currently in operation.

#### HRRC's role

The HRRC's role as far as the LTI plans are concerned is to:

- Ensure their structure contributes to shareholder value, employee retention and the group's long-term sustainability.
- Approve award levels.
- Set appropriate performance measures for each award and review and approve vesting outcomes versus performance conditions set. Where performance conditions are not met, to ensure forfeiture of awards.

The scheme has 12 million available shares (share scheme allocation to be reduced subject to approval).

### Participation

LTIs are awarded to employees with a line of sight of group performance or critical talent employees executing the business strategy. For emerging talent and transformation purposes, shares without financial performance conditions may be awarded as DSPs. LTIs are an essential tool in retaining and attracting key talent.

### Award policy and vesting for DSPs/PDSPs

For our primary LTI (i.e., DSP/PDSP), Santam's award policy is to keep key employees locked in with the face value of unvested LTIs at a specific multiple of TGP (% of TGP). It should be noted that the total award is generally not made at once to new participants but staggered over two to three years. Therefore, it differs from specific market competitors where the same percentage of TGP is awarded annually.

As Santam's LTI awards vest **over five years** based on the vesting profile of 40% in year 3, 30% in year 4 and 30% in year 5, the total multiple per level should be annualised (generally divided by 3.9) to compare it to competitor companies' awards.

The general total DSP/PDSP award levels for employees eligible to receive LTI are as follows:

Level
Executive committee
Senior management
Specialists/middle management and emerging talent and succession management

% of TGP (Total unvested LTI multiple awarded over two to three years, NOT annual awards)	% of TGP (Annualised)
170% – 275% <sup>1</sup>	43.6% – 70.5%
120% <sup>1</sup>	30.8%
35% – 70% <sup>2</sup>	8.9% – 17.9%

<sup>1</sup> PDSP awards only.

<sup>2</sup> DSP awards only.

As participants' DSPs/PDSPs vest or participants receive TGP increases, replacement awards are made to ensure critical talent remains locked in at up to the total LTI multiple (as a percentage of TGP).

**Differentiation and discretion** are key principles of our remuneration philosophy, and therefore, leaders apply both when awarding LTIs. LTIs are variable pay instruments; thus, the above levels are firm guidelines for transparency and fairness. Still, differentiation and discretion can be applied per level and on an individual basis. Therefore, where a specific industry or role warrants it, higher allocations may be made with more stretching performance conditions attached. Any such higher allocations will be disclosed in the case of executive directors.

### Deferred share plans

From 2022 onwards, only performance shares will be awarded to senior management and the executive committee.

Awards granted in terms of the DSP are conditional rights to acquire shares for no consideration, subject to satisfied vesting conditions. The award has individual and strategic performance hurdles attached to it.

The 2024 DSP award (issued to middle management/specialists and emerging talent only) is eligible for vesting after year 3 (40%), year 4 (30%) and year 5 (30%), subject to individual performance and continued employment.

Awards granted under the DSP scheme to middle management/specialists and emerging talent in 2024 have a face value of up to 70% of TGP.

### Performance deferred share plans

PDSPs have a five-year tranche vesting profile.

Performance hurdles are reviewed carefully each year to ensure they are competitive, create value for shareholders, motivate key employees who participate in LTIs and should be flexible enough to address extraordinary events.

The HRRC will set the performance conditions for every PDSP to ensure they are relevant, support Santam's business strategy and reflect stretched targets.

The use of RoC as a performance condition is considered appropriate as this is the key performance indicator of the group's strategy and long-term sustainability. Using this measure means a direct link between the LTI reward, group strategy and shareholders' interests. See page 18 of the implementation report regarding achieving RoC targets for the three-, four- and five-year measurement periods and the applicable tranches.

The 2024 PDSPs are eligible for vesting after year 3 (40%), year 4 (30%) and year 5 (30%), and the RoC will be tested over the financial years applicable to these vesting periods. Performance conditions for the 2024 PDSP award are as follows:

### 2024 performance conditions

2024 allocations are subject to RoC performance conditions of between 16% (threshold) and 24% (stretch). The lower RoC threshold for PDSPs, compared to the RoC threshold in the performance bonus scorecard, caters to the volatility of RoC over the three to five-year measurement period. RoC carries an effective 100% weighting for purposes of the PDSP vesting conditions compared to a 5% weighting for the performance bonus. Volatility in RoC has commensurately a much more pronounced impact on the PDSP's vesting.

Historic performance conditions were disclosed in detail in previous remuneration reports, but the details are included below for completeness.

### 2021, 2022, 2023 performance conditions

2021, 2022 and 2023 allocations are subject to RoC performance conditions of between 16% (threshold) and 24% (stretch).

**2020 performance conditions**

Following the economic downturn due to COVID-19 and the lower interest rate environment, the 2020 awards were measured on 1 January 2021 to take cognisance of the extraordinary effect of the COVID-19 pandemic on the 2020 financial results. The allocations for 2020 are subject to RoC performance conditions of between 16% (threshold) and 24% (stretch).

**Performance conditions before 2020**

Before 2020, the RoC threshold to measure share vesting was the Santam group’s cost of capital. No adjustments to historical measurements or targets for PSDP allocations will be made before 2020.

**Discretion of the HRRC concerning LTI performance conditions**

To ensure that performance conditions do not result in unintended consequences, the HRRC can apply discretion in reviewing performance condition outcomes when considering and approving the vesting of DSPs and PSDPs. In applying its discretion, the HRRC will consider external factors that significantly impact the calculation of RoC, such as the impact of extraordinary currency, bond and equity market movements beyond the control of management. The HRRC has the discretion to exclude the impact of such extraordinary events (both positive and negative) and determine that a percentage of the award may vest, subject to any additional conditions which may be determined.

Where HRRC discretion is exercised, it will be fully disclosed to shareholders in the annual remuneration report.

**Outperformance plan (OPP)**

The purpose and strategic intent of OPPs are explained in the remuneration overview. Where it supports the Santam business strategy and after review and approval by the HRRC, OPPs may be granted to individual executive committee members. These executive committee members are typically the group CEO and leaders of the group’s main operating businesses. The committee will set relevant and stretching targets applicable to the business area and the group and, most importantly, align them with the strategic targets of the Santam business strategy. At the committee’s discretion, OPPs may be extended (by exception) to business leaders below the executive committee.

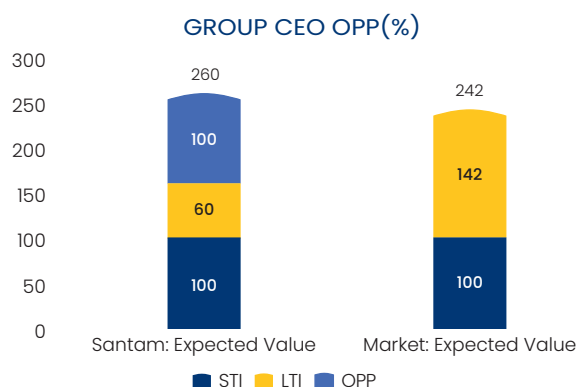
The OPP rewards exceptional performance over three to five years, and we believe it is effective as it is focused and bespoke. No value is earned in terms of the OPP unless minimum targets over the period are exceeded, and full value is only delivered at a stretch. OPPs are designed to be fully self-funded. As a principle, all policy principles applicable to performance share awards consistently apply (where relevant) to OPPs.

The maximum value that can be earned in terms of an OPP is 200% of TGP per year over the OPP period (five years), therefore 10 times the annual TGP. Where the value is settled in shares, the percentage of shares which qualify for vesting after the measurement period (if any) depends upon the OPP achievement between minimum and maximum hurdles.

Where the OPP is share-based, the preferred design, the TGP at the implementation of the OPP is used as the basis for the earning potential.

The total variable pay potential (STI, LTI and OPP) of the Santam group CEO versus similar CEO and executive roles at competitor companies of similar size and complexity have been considered and are disclosed below.

The graphs below depict the total variable pay potential (expected value) expressed as a percentage of TGP.



Certain assumptions and inputs needed to be applied as with any indicative depiction. It should also be noted that the modelling is merely indicative using market benchmarks and is not a financial forecast upon which reliance can be placed. Assumptions/inputs applied:

1. Based on Santam and market data, a consistent average TGP was used in the indicative graph.
2. Market LTI vesting probability of 80% (of the market face value of 178% of TGP) is in accordance with vesting probability benchmarks from independent remuneration consultants.
3. Santam LTI vesting probability of 85% (based on RoC internal model simulations) applied to the annual allocation (70% of TGP per year), equating to 60% of TGP.
4. Santam’s OPP assumed a vesting probability of 50% applied to the face value allocation (200% of TGP per year), equating to 100% of TGP.

The graphs illustrate that Santam's OPP potential (expected value) compares well with the STI and LTI potential of CEOs of similar competitor companies. The OPP is therefore considered a fair and equitable instrument from a market competitive perspective, specifically considering that stretch performance is required for the OPP.

See page 19 of the implementation report for further details and measurements related to the group CEO's OPP arrangement.

### Use of Santam shares subject to vesting conditions

To support the attraction and retention of key talent and long-term alignment with shareholders where remuneration payable in cash is deferred (for example, deferred bonuses) or for sign-on arrangements, Santam restricted shares may be awarded. Such shares are purchased in the market and held by the individual in a restricted account. They will become unrestricted only if vesting conditions (strategic and other appropriate conditions) and continued employment conditions are met.

Per the malus and clawback policy, these Santam shares are also subject to malus and clawback provisions.

### Number of LTI awards

	2024	2023
Number of shares awarded under the Santam DSP	248 610	358 901
Number of participants per year under the Santam DSP	362	307
Number of shares awarded under the Santam PDSP	226 390	371 935
Number of participants per year under the Santam PDSP	63	60

## Risk adjustment

Provision is made to protect the group from inappropriate risk-taking behaviour pertaining to remuneration. These include:

- The mix of short-term and long-term financial performance conditions combined with a material weighting towards non-financial/strategic conditions ensures that risk-taking behaviour is not encouraged.
- Minimum shareholding requirements require executives to hold a percentage of vested LTIs as shareholders and not to sell LTIs upon vesting.
- Partial deferral of bonuses for executive committee into restricted Santam shares for three years.
- A three to five-year measurement period for LTI performance hurdles before vesting occurs.
- Malus and clawback of remuneration for "trigger events". Defined trigger events include dishonesty, fraud, misrepresentation, gross misconduct, misstated financial results and actions resulting in reputational damage for the group attributable to the employee.
- In assessing whether defined trigger events have occurred, the HRRC will work with the relevant board committee, the board, professional advisors and any other department within the group to ensure correct assumptions.
- Compliance with legislation and governance best practice standards in the financial services industry.

## Executive contracts

Santam executive directors and executive committee members are contracted as full-time, permanent employees for employment contracting purposes. As a standard element of these contracts, a restraint of trade (12 months) is included, which Santam has the discretion to enforce depending on the circumstances surrounding the individual's departure.

Notice periods regarding termination of employment are three months' written notice. Bonus payments and the vesting of LTIs that are in place at the time of an individual's termination of service are subject to the rules of the relevant scheme, with some discretion being allowed to the HRRC based on the recommendations of the CEO. No clauses are included in employment contracts that relate to any form of payments in the event of a change in control of Santam. In the event of a change in control, the vesting of share awards will only be accelerated if an offer does not substitute unvested LTIs with arrangements on terms similar to the existing terms and conditions.

## Minimum shareholding requirement

To drive alignment between executive and shareholder interests, Santam applies a minimum shareholding requirement (MSR) policy to all current and future members of the Santam executive committee, including Santam executive directors (participating executives). In terms of these arrangements, minimum shareholding levels, expressed as a percentage of annual TGP, must be reached within six years from a participating executive’s appointment date.

Level

Group CEO  
 Group CFO  
 Business Executives  
 Support Executives

Minimum level With effect from 1 January 2025	Previous minimum level
200%	150%
150%	75%
100%	75%
75%	75%

There is no limit on the maximum MSR holding of participating executives.

Participating executives must maintain the target shareholding throughout their tenure with the group. Unvested shares under any LTI arrangement will not be considered when assessing compliance with the MSR policy.

Incentive arrangements implemented after 1 January 2019 may include MSR terms and conditions determined by the HRRC to ensure compliance with the prescribed levels in the prescribed periods and the implications of not adhering to the MSR.

To determine compliance with the MSR levels, the value of a participating executive’s shareholding at the end of each financial year will be determined by using the average closing price of Santam ordinary shares on the JSE for the trading days in that financial period and expressed as a percentage of the participating executive’s annual TGP at the end of such financial year.

## Non-executive directors’ fees

Fee structures are reviewed annually based on data from independent service providers and, where applicable, external advice. Recommendations are reviewed for reasonableness by the HRRC and the board and are then proposed to shareholders for approval at the AGM. See details of proposed fees in the Notice of AGM.

See special resolution number 1 in the 2024 Notice of AGM. For 1 July 2025 to 30 June 2026, a general increase of 5.65%, aligned with employee increases, is proposed.

The fee structure will remain in place for one year, from 1 July until 30 June. Non-executive directors receive annual board fees and retainers. In addition, a fee is paid for attending board and committee meetings. Santam pays for all travel and accommodation expenses for board meetings. The chairperson of the board receives a fixed annual fee that is inclusive of all board and committee attendances, as well as all other services performed on behalf of the group.



# Part 3: Implementation report

## Remuneration details for executive directors

### Executive remuneration summary

Remuneration earned by executive directors was as follows:

**Table 1**  
Remuneration for the year ended 31 December 2024

The vesting value of LTIs is disclosed in the table below for total remuneration. Separate disclosure is provided regarding the number and value of LTIs awarded and vested in the year (refer to page 18).

Individuals	Months in service	Salary R	Contribution to retirement fund R	Subtotal: guaranteed package R	Performance bonus <sup>2</sup>			Attributable value of LTIs <sup>1</sup> R	Other R	Total remuneration R
					Cash R	Deferred R	Restricted shares R			
Tavaziva Madzinga	12	8 000 000	350 000	8 350 000	5 000 000	10 000 000	2 644 579 <sup>3</sup>	–	24 000	26 018 579
Wikus Olivier	12	4 062 419	350 000	4 412 419	3 726 196	1 596 941	3 200 174 <sup>4</sup>	2 465 932	12 000	15 413 663
<b>Total: executive directors</b>		12 062 419	700 000	12 762 419	8 726 196	11 596 941	5 844 753	2 465 932	36 000	41 432 242

<sup>1</sup> Vesting value.

<sup>2</sup> Performance bonus in respect of 2024 payable in 2025.

<sup>3</sup> Awarded R7.5 million in restricted Santam shares upon appointment, vesting 12, 24 and 36 months after the award date (in equal tranches), to compensate for remuneration forfeited upon joining Santam. All vested restricted Santam shares were pledged to MSR, and the vesting value is reflected in the table.

<sup>4</sup> Restricted shares received at Sanlam and converted to Santam. All vested restricted Santam shares were pledged to MSR, and the vesting value is reflected in the table.

**Table 2**  
Remuneration for the year ended 31 December 2023

Individuals	Months in service	Salary R	Contribution to retirement fund R	Subtotal: guaranteed package R	Performance bonus <sup>2</sup>			Attributable value of LTIs <sup>1</sup> R	Other R	Total remuneration R
					Cash R	Deferred R	Restricted shares R			
Tavaziva Madzinga	12	7 472 500	350 000	7 822 500	–	9 520 000 <sup>6</sup>	2 530 230 <sup>5</sup>	–	24 000	19 872 730
Wikus Olivier <sup>3</sup>	12	3 765 000	350 000	4 115 000	2 894 378	1 240 448	–	–	11 000	8 260 826
Hennie Nel <sup>4</sup>	12	3 840 000	350 000	4 190 000	1 293 994	554 569	–	3 494 812	18 000	9 551 375
<b>Total: executive directors</b>		15 077 500	1 050 000	16 127 500	4 188 372	11 315 017	2 530 230	3 494 812	53 000	37 684 931

<sup>1</sup> Vesting value.

<sup>2</sup> Bonus in respect of 2023 paid in 2024.

<sup>3</sup> Appointed as deputy CFO on 1 January 2023, and as CFO and executive director effective 1 July 2023.

<sup>4</sup> HD Nel resigned from Santam Ltd effective 1 July 2023. Amounts are, however, for the full year and include salary and benefits earned from Sanlam Ltd after 1 July 2023.

<sup>5</sup> Awarded R7.5 million in restricted Santam shares upon appointment, vesting 12, 24 and 36 months after the award date (in equal tranches), to compensate for remuneration forfeited upon joining Santam. All vested restricted Santam shares were pledged to MSR, and the vesting value is reflected in the table.

<sup>6</sup> Full FY2023 performance bonus deferred into restricted Santam shares.

## Total guaranteed package

The executive directors' TGP (in Rand) is reflected in the table below. Due to increases (if any) in TGP being granted during the year (i.e. April), the TGP amounts reflected in the table will not correspond to those included in the summary remuneration tables above, which relates to the financial year January to December.

**Table 3**

Individual	TGP as at 1 April 2024 R	TGP as at 1 April 2023 R	TGP as at 1 April 2022 R	% increase during 2024	% increase during 2023
Tavaziva Madzinga	8 490 000	7 930 000	7 500 000	7.06% <sup>2</sup>	5.75%
Wikus Olivier <sup>1</sup>	4 473 225	4 230 000	–	5.75%	–

<sup>1</sup> TGP on appointment as CFO effective 1 July 2023.

<sup>2</sup> Higher increase to align closer to market comparisons.

The average salary increase paid to executives for 2024 was 5.75% (2023: 5.75%), excluding the group CEO (2023: 5.75%), aligned with an average salary increase paid to all employees of 5.75% (2023: 5.75%). The group CEO received a higher increase to align closer to market comparisons.

The remuneration increase trends for the past three years are as follows:

**Table 4**

	2022 %	2023 %	2024 %
Executives	5.40%	5.75%	5.75%
Employees	5.80%	5.75%	5.75%

## Short-term incentives

### Performance targets

The HRRC sets the performance targets for the annual bonus plan for executive directors annually. In respect of the 2023 annual bonus, the split between financial and strategic goals for executive directors was as follows:

**Table 5**

Individual	Financial %	Strategic %
Tavaziva Madzinga	50%	50%
Wikus Olivier	50%	50%

## CEO and CFO 2024 performance outcomes

Performance measures for the CEO and CFO for 2024 and achievement against it are set out below.

**Table 6**

	Weighting	Threshold/ Max	Measure (For 100%)	Actual	Achievement (0% – 200%)	Outcome
<b>Financial metrics (50%)</b>						
Santam group Operating Result	10.0%	R2.7bn – R4.0bn	R3.3bn	R3.9bn	195.0%	19.5%
Growth in Conventional Net Earned Premium	10.0%	R31.1bn – R34.3bn	R32.7bn	R32.2bn	68.4%	6.8%
Santam group Conventional Management Expense Ratio	5.0%	18.8% – 17.0%	17.9%	18.1%	79.2%	4.0%
Santam group Conventional Underwriting Margin	5.0%	5.0% – 10.0%	6.8%	7.6%	125.0%	6.3%
Total shareholder return – relative to FINI15	5.0%	11.6% – 31.6%	21.6%	43.4%	200.0%	10.0%
Total shareholder return – absolute	5.0%	6.6% – 13.6%	10.1%	43.4%	200.0%	10.0%
Dividend growth	5.0%	0.0% – 14.0%	7.0%	8.6%	122.4%	6.1%
Return on Capital	5.0%	18.0% – 30.0%	24.0%	31.9%	200.0%	10.0%
<b>Financial achievement</b>	<b>50.0%</b>				<b>145.4%</b>	<b>72.7%</b>

### Strategic metrics (50%)

Strengthen leadership position in South Africa	15.0%	140.0%	21.0%
Drive international expansion and diversification	5.0%	150.0%	7.5%
Brand and client experience	5.0%	129.0%	6.4%
Culture, Values & Talent Management	10.0%	125.0%	12.5%
Technology Modernisation	5.0%	125.0%	6.3%
Sustainability (ESG)	5.0%	140.0%	7.0%
Sound governance, Risk Management & Compliance	5.0%	125.0%	6.3%

### Strategic achievement

**TOTAL ACHIEVEMENT (Out of a maximum of 200%)**

	Weighting	Achievement	Outcome
	15.0%	140.0%	21.0%
	5.0%	150.0%	7.5%
	5.0%	129.0%	6.4%
	10.0%	125.0%	12.5%
	5.0%	125.0%	6.3%
	5.0%	140.0%	7.0%
	5.0%	125.0%	6.3%
	<b>50.0%</b>	<b>134.0%</b>	<b>67.0%</b>
			<b>139.7%</b>

### Committee discretion

A pure formulaic calculation of the CEO scorecard renders an outcome of 139.7%. In light of out-performance by the CEO, both in absolute and relative terms (compared to peers) in a challenging macroeconomic environment, the committee exercised discretion and approved a performance outcome of 175% for the CEO.

### STI outcomes

The table below shows the total bonuses (cash and deferred) to the CEO and CFO for 2024 and comparatives for 2024.

**Table 7**

	% of TGP achieved 2024	Total bonus 2024 R	Cash (70%) R	Deferred (30%) R	% of TGP achieved 2023
Tavaziva Madzinga <sup>1</sup>	177%	15 000 000	5 000 000	10 000 000	120%
Wikus Olivier	119%	5 323 138	3 726 196	1 596 941	98%

<sup>1</sup> 67% of FY2024 performance bonus deferred into restricted Santam shares.

A balanced scorecard, with broadly the same financial and strategic metrics as the corporate scorecard above and some differentiation in individual business units, was applied for employees in the group.

## Long-term incentives

### Performance measurement for June 2024 LTI vesting

#### PDSP subject to company financial performance conditions

Due to Santam's vesting profile, three LTI tranches were performance measured in 2024 for vesting from a financial metric perspective, namely:

- Award 2021: 40% of award and two financial years reviewed for performance testing
- Award 2020: 30% of award and four financial years reviewed for performance testing
- Award 2019: 30% of award and five financial years reviewed for performance testing

A summary of the performance measurement and achievement for LTI vesting in June 2024 is shown below as it pertains to the RoC (for Santam PDSP):

**Table 8**

Award year	Award 2021	Award 2020	Award 2019
<b>Tranches measured</b>	<b>1st (40%)</b>	<b>2nd (30%)</b>	<b>3rd (30%)</b>
Santam PDSP (RoC) <sup>1</sup>	100%	100%	100%

<sup>1</sup> Before 2020, the RoC threshold to measure share vesting was the Santam group's cost of capital. The historical measurements or targets for PSDP allocations made before 2020 will not be adjusted. 2024 allocations are subject to RoC performance conditions of between 16% (threshold) and 24% (stretch).

The outcome of RoC (for Santam PDSP) achievement resulted in 100% LTI vesting in June 2024 regarding the third tranche of the 2019 award, the second tranche of the 2019 award and the first tranche of the 2020 award.

**The participation by executive directors in the group's LTI schemes (excluding the OPP) as at 31 December 2024 was as follows:**

**Table 9**

#### Number of shares

	Balance 31 December 2023	Special Dividend	Awarded in 2024	Shares vested 2024	Balance 31 December 2024	Vesting in				
						2025	2026	2027	2028	2029
<b>Tavaziva Madzinga</b>										
<b>Santam</b>	115 605	5 731	32 141	8 878	144 599	27 700	41 210	60 623	14 890	176
PDSP	90 378	5 731	584	–	96 693	18 823	33 738	29 066	14 890	176
RSP	25 227	–	31 557	8 878	47 906	8 877	7 472	31 557	–	–
<b>Wikus Olivier</b>										
<b>Santam</b>	55 554	1 693	14 177	18 351	53 073	24 918	10 150	11 966	3 019	3 020
DSP	7 990	932	–	4 610	4 312	3 340	972	–	–	–
PDSP	18 719	761	10 065	3 719	25 826	7 899	4 034	7 854	3 019	3 020
RSP	28 845	–	4 112	10 022	22 935	13 679	5 144	4 112	–	–

## Santam group CEO OPP

Key financial measures primarily drive the vesting percentage of the group CEO's OPP shares. However, recognising that it is important to promote sustainable improvements, vesting may be modified upwards or downwards based on the board's performance evaluation on a few key strategic criteria.

### Financial measures

Potential – maximum number of shares that can be delivered	Measurement period and description	OPP performance conditions				
		Financial Measure	Description	Minimum (0% vesting below this)	Maximum (100% vesting)	Weighting
263 847 shares <sup>1</sup> (200% TGP per year)	1 January 2023 – 31 December 2027  (Final measurement March 2028 after conclusion of 2027 financial year-end)	Growth in gross written premium (GWP)	Future growth potential: Measure average real growth in GWP over the five years based on 2022 normalised gross written premium	CPI + GDP + 2% Average nominal growth of 8.7% per annum based on current GDP and CPI forecasts	CPI + GDP + 6% Average nominal growth of 12.7% per annum based on current GDP and CPI forecasts	20%
		Net insurance result (NIR) growth	Dividend growth: Measure real growth in accumulated NIR over the five years based on the 2022 normalised NIR base	GDP + 3%	GDP + 7%	20%
		Total shareholder return (TSR)	Shareholder value creation: Average Santam TSR vs average FINI15 return over the measurement period	1% out-performance	5% out-performance	20%
		Total shareholder return (TSR)	Shareholder value creation: Average Santam TSR vs average CPI + 3% – 10% return over the measurement period	3% out-performance	10% out-performance	20%
		Return on capital (RoC)	Measure financial performance and capital efficiency: Average RoC over the measurement period	22%	30%	10%
		Net underwriting margin (NUM)	Efficiency and risk pricing: Average NUM over the measurement period	7.5%	10%	10%
		<b>TOTAL</b>				<b>100%</b>
		<b>Post-employment holding period</b> It was agreed with the group CEO that shares which met the performance conditions (vested) will be held for a further holding period of 12 months from March 2028 until March 2029. This further supports direct alignment with shareholders.				

#### Notes:

<sup>1</sup> Based on TGP as at 1 April 2023 and 3-Day VWAP (R300.60) after the 2022 annual results were announced.

A sliding scale determines the vesting percentage between minimum and maximum hurdles.

The committee may adjust targets for material reorganisations, acquisitions or disposals during the measuring period.

#### Modifier for the OPP shares

The board may moderate the vesting that arises from the financial metrics of the OPP component of the Santam group CEO OPP five-year remuneration arrangement to reflect several areas that impact the long-term sustainability and value of the group. These include:

- Diversification of the Santam business
- Modernisation of the business through data and digital transformation
- Leadership position in South Africa
- Transformation of the employee base
- Culture and ESG

A maximum adjustment of an added 25% or decreased 25% may be made at the board's discretion (after testing the financial metrics) to reflect these factors. Modification cannot result in more than 100% vesting. Any discretion exercised in terms of this modifier will be disclosed.

## Minimum shareholding requirement

The table below reflects the actual qualifying Santam shares held by executive directors relative to the minimum shareholding requirement.

**Table 10**  
Number of shares as at 31 December 2024

Individual	Minimum shareholding requirement	Actual qualifying shareholding	Date at which minimum shareholding must be reached
Tavaziva Madzinga	51 741	17 756	31 December 2027
Wikus Olivier	20 446	34 821	In full compliance

## Santam share scheme allocation

According to the amendments to Schedule 14 of the JSE Listings Requirements, the shareholders of Santam approved a scheme allocation of 12 million ordinary shares\* available to be utilised for LTI purposes with effect from 1 January 2009, provided that the maximum allocation during any financial year cannot exceed 2 million ordinary shares.

The following table illustrates the movement from 2009 to 2024 and the capacity position as at 31 December 2024:

**Table 11**

	Number of shares
<b>Scheme allocation originally approved</b>	12 000 000*
Allocation under DSP and PDSP from 2009 to 2020	(4 912 735)
Shares forfeited from 2009 to 2020	789 302
Balance of scheme carried forward as at 31 December 2020	7 876 567
Allocation under DSP and PDSP in 2021	(403 666)
Shares forfeited in 2021	45 493
Balance of scheme carried forward as at 31 December 2021	7 518 394
Allocation under DSP and PDSP in 2022	(567 959)
Shares forfeited in 2022	116 040
Balance of scheme carried forward on 31 December 2022	7 066 475
Allocation under DSP and PDSP in 2023	(677 370)
Allocation under DSP and PDSP in 2023 (Transfers)	(53 466)
Shares forfeited in 2023	147 338
Shares forfeited in 2023 (Transfers)	21 456
Balance of scheme carried forward on 31 December 2023	6 504 433
Allocation under DSP and PDSP in 2024	(475 000)
Shares forfeited in 2024	157 155
Shares forfeited in 2024 (transfers)	31 043
<b>Balance of scheme carried forward on 31 December 2024</b>	<b>6 217 631</b>

\* Share scheme allocated will be reduced subject to approvals.

## Remuneration details for non-executive directors

The remuneration policy part of this report summarises the policy for non-executive directors' fees.

Disclosure of individual directors' payments, as required by the JSE Listings Requirements, is detailed below.

**Table 12**

### Non-executive directors' payments for the year ended 31 December 2024

Individual	Board, committee and retainer fees R	Other meetings R	Fees from group R	Total R
Preston Speckmann <sup>1,2</sup>	974 319	–	722 000	1 696 319
Monwabisi Fandeso <sup>2</sup>	1 448 104	–	870 823	2 318 927
Junior Ngulube	600 698	–	–	600 698
Paul Hanratty <sup>3</sup>	721 238	–	–	721 238
Abigail Mukhuba <sup>3</sup>	789 678	–	–	789 678
Caroline Da Silva	971 668	–	–	971 668
Debbie Loxton <sup>2</sup>	1 086 532	–	361 000	1 447 532
Mmaboshadi Chauke	730 061	–	268 250	998 311
Nombulelo Moholi	1 631 855	–	–	1 631 855
Mlondolozu Mahlangeni <sup>3</sup>	669 138	–	–	669 138
Lucia Swartz <sup>2</sup>	672 920	–	185 500	858 420
<b>Total non-executive directors</b>	<b>10 296 211</b>	<b>–</b>	<b>2 222 073</b>	<b>12 703 784</b>

<sup>1</sup> The amounts for Preston Speckmann do not include fees for directorships in the Sanlam Group. Sanlam fees were R2.38 million for 2024.

<sup>2</sup> Fees from group included Board member fees from Santam Limited subsidiaries.

<sup>3</sup> Fees paid to holding company, Sanlam Limited.

**Table 13**

### Non-executive directors' payments for the year ended 31 December 2023

Individual	Board, committee and retainer fees R	Other meetings R	Fees from group R	Total R
Preston Speckmann <sup>1,2</sup>	878 781	–	682 690	1 561 471
Monwabisi Fandeso <sup>2</sup>	1 119 535	–	735 957	1 855 492
Dawn Marole	636 631	–	–	636 631
Junior Ngulube	573 325	–	–	573 325
Paul Hanratty <sup>3</sup>	676 735	–	–	676 735
Abigail Mukhuba <sup>3</sup>	615 185	–	–	615 185
Lucia Swartz	324 128	–	–	324 128
Caroline Da Silva	846 569	–	–	846 569
Debbie Loxton <sup>2</sup>	1 003 343	–	175 500	1 178 843
Shadi Chauke <sup>2</sup>	944 162	–	341 500	1 285 662
Nombulelo Moholi	1 553 701	–	–	1 553 701
Mlondolozu Mahlangeni <sup>3</sup>	648 828	–	–	648 828
<b>Total non-executive directors</b>	<b>9 820 923</b>	<b>–</b>	<b>1 935 647</b>	<b>11 756 570</b>

<sup>1</sup> The amounts for Preston Speckmann do not include fees for directorships in the Sanlam Group. Sanlam fees amounted to R1.88 million for 2023.

<sup>2</sup> Board member fees from Santam Limited subsidiaries.

<sup>3</sup> Fees paid to holding company, Sanlam Limited.

# Part 4: Directors' interest in share capital

**Table 14**

**Directors' and prescribed officers' interest in the shares of the company**

At 31 December 2024, the directors of the company held direct interests, including family interests, in 138 216 of the company's issued ordinary shares (2023: 96 249). Details of shares held per individual director are listed below. A total of 126 831 (2023: 124 511) deferred shares are allocated to directors in terms of the company's employee share schemes. No material changes occurred between the reporting date and the date of approval of the financial statements.

All shares, as disclosed below, were held as direct beneficial shares. Other than disclosed below, no other directors held shares. No directors held direct non-beneficial shares, indirect beneficial shares or indirect non-beneficial shares.

	NUMBER OF SHARES	
	2024	2023
<b>Executive directors and prescribed officers</b>		
TC Madzinga	69 612	36 305
ML Olivier	62 304	53 644
<b>Non-executive directors</b>		
MP Fandesio	1 196	1 196
JJ Ngulube	5 104	5 104
	<b>138 216</b>	<b>96 249</b>







## **Contact**

### Santam head office Registered address

1 Sportica Crescent, Tyger Valley, Bellville 7530  
PO Box 3881,  
Tyger Valley 7536  
Tel: 021 915 7000  
Fax: 021 914 0700  
[www.santam.co.za](http://www.santam.co.za)