

Shaping our future with confidence

Annual Results Booklet 2024

Sanlam

Live with confidence

Financial Planning | Retirement | Insurance | Health | Investments | Wealth | Credit

Disclaimer

In this document, Sanlam Ltd (SLM or Sanlam), its subsidiaries and, where applicable, its joint ventures and associates are referred to as “we”, “us”, “our”, “Sanlam” and the “group”.

Forward-looking statements

In this report, we make certain statements that are not historical facts and relate to analyses and other information based on forecasts of future results not yet determinable, relating, among others, to new business volumes and investment returns (including exchange-rate fluctuations). These statements may also relate to our future prospects, developments and business strategies. These are forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995. Words such as “believe”, “anticipate”, “intend”, “seek”, “will”, “plan”, “could”, “may”, “expect” and “project” and similar expressions are intended to identify such forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements involve inherent risks and uncertainties and, if one or more of these risks materialise, or should underlying assumptions prove incorrect, actual results may be very different from those anticipated. Forward-looking statements apply only as of the date on which they are made, and Sanlam does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. Any forward-looking information contained in this document has not been reviewed and reported on by Sanlam’s external auditors.

Non-IFRS financial measures

Sanlam prepares its financial statements in accordance with international financial reporting standards (IFRS). This document includes financial measures that are not based on IFRS (non-IFRS financial measures). Sanlam believes that these non-IFRS financial measures provide information that is useful to investors in understanding Sanlam’s performance and facilitate the comparison of the quarterly and full-year results from period to period. These non-IFRS financial measures do not have any standardised meaning and may not be comparable with similar measures used by other companies. For certain non-IFRS financial measures, there are no directly comparable amounts under IFRS. These non-IFRS financial measures should not be viewed as alternatives to measures of financial performance determined in accordance with IFRS.

Currency

Unless otherwise noted, all amounts are in South African rand.


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6 March 2025
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Notes

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In this presentation we make certain statements that are not historical facts and relate to analyses and other information based on forecasts of future results not yet determinable, relating, among others, to new business volumes, investment returns (including exchange rate fluctuations) and actuarial assumptions. These statements may also relate to our future prospects, developments and business strategies. These are forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995. Words such as “believe”, “anticipate”, “intend”, “seek”, “will”, “plan”, “could”, “may”, “endeavour” and “project” and similar expressions are intended to identify such forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements involve inherent risks and uncertainties and, if one or more of these risks materialise, or should underlying assumptions prove incorrect, actual results may be very different from those anticipated. Forward-looking statements apply only as of the date on which they are made, and Sanlam does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. Any forward-looking information contained in this announcement has not been reviewed and reported on by Sanlam’s external auditors.

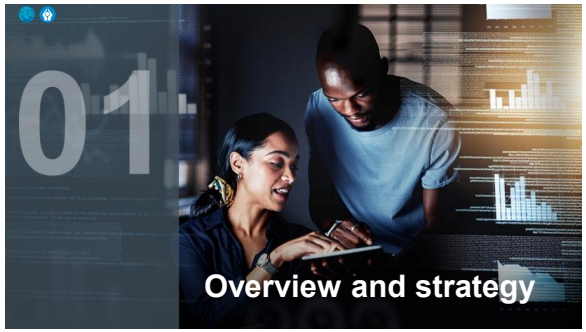
SanlamAllianz JV formation impact on Sanlam group reporting

In the financial commentary provided, all reference to South Africa includes Sanlam Life and Savings, Sanlam Investment Group and Santam. Pan-Africa refers to the group’s operations in Africa outside of South Africa (SanlamAllianz) and includes Namibia, while Asia refers to our operations in India and Malaysia.

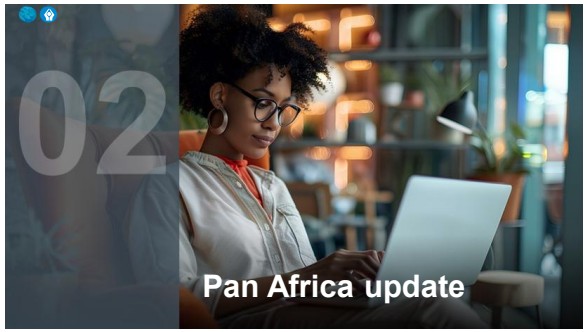
The SanlamAllianz JV became effective 1 October 2023 resulting in the JV being equity-accounted. Prior to this the Sanlam Pan-Africa businesses were consolidated and as a result, 2024 is not comparable to 2023. For the first nine-month period to 30 September 2023, the Sanlam Emerging Markets (SEM) cluster consisted of Sanlam Pan-Africa (SPA) including Namibia and Asia. Effective from 1 October 2023, all the assets of Sanlam Pan-Africa (SPA), except the Namibian assets, were contributed to SanlamAllianz. From 1 October 2023, the SEM cluster consisted of SanlamAllianz, Namibia as a standalone business and Asia. As of 1 January 2024, SEM is no longer reported as a cluster. Pan-Africa (SanlamAllianz and Namibia) and Asia (India and Malaysia) are presented as separate clusters. In the second half of 2024, Namibia was incorporated into SanlamAllianz.

Notes

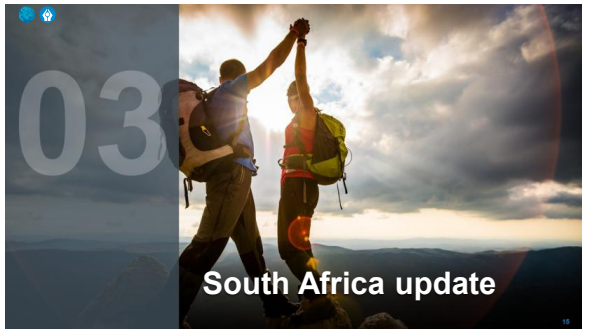
Contents



Paul Hanratty



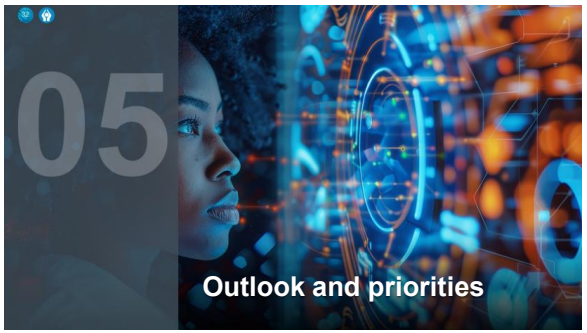
Heinie Werth



Anton Gildenhuys



Abigail Mukhuba

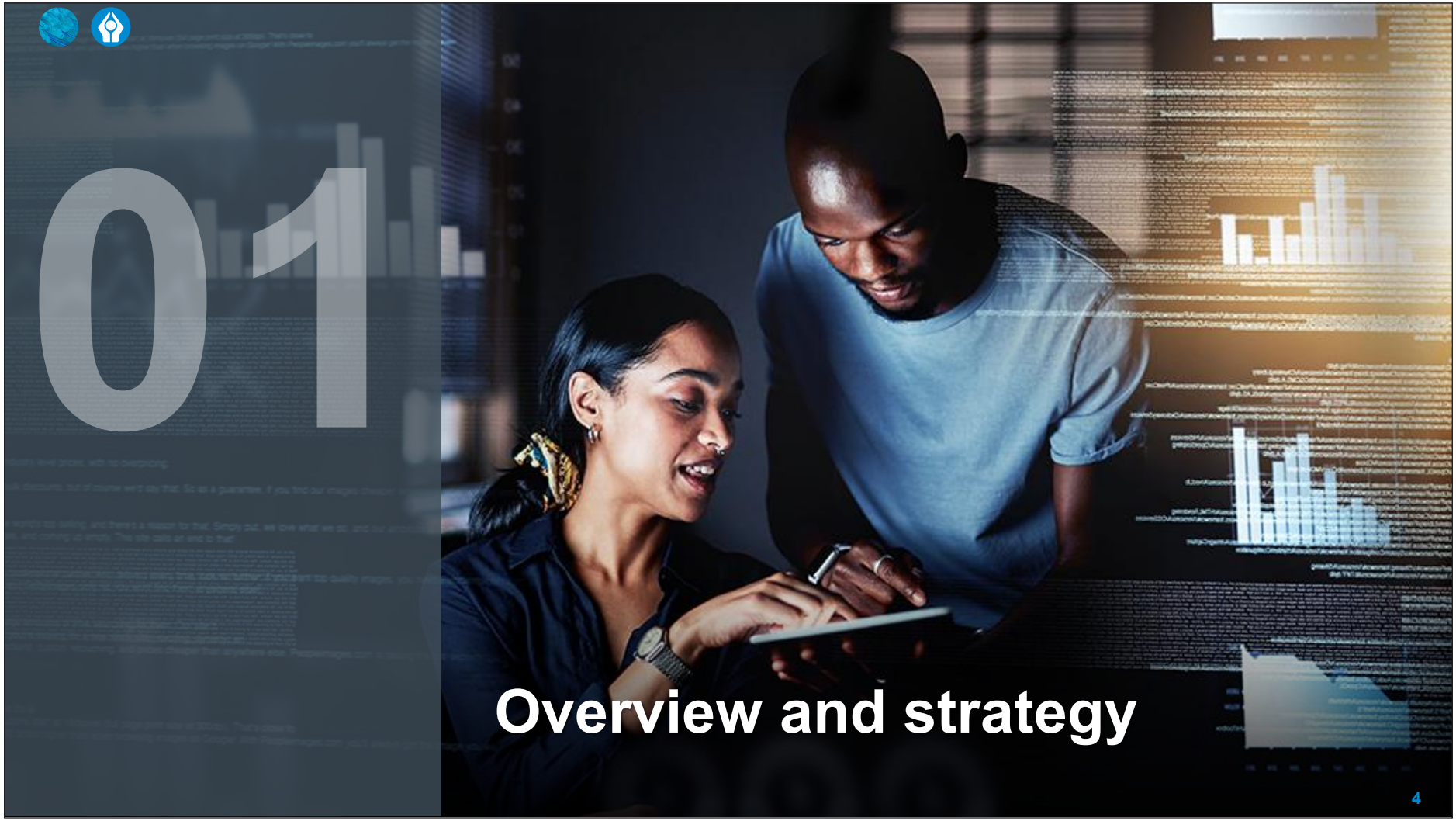


Paul Hanratty

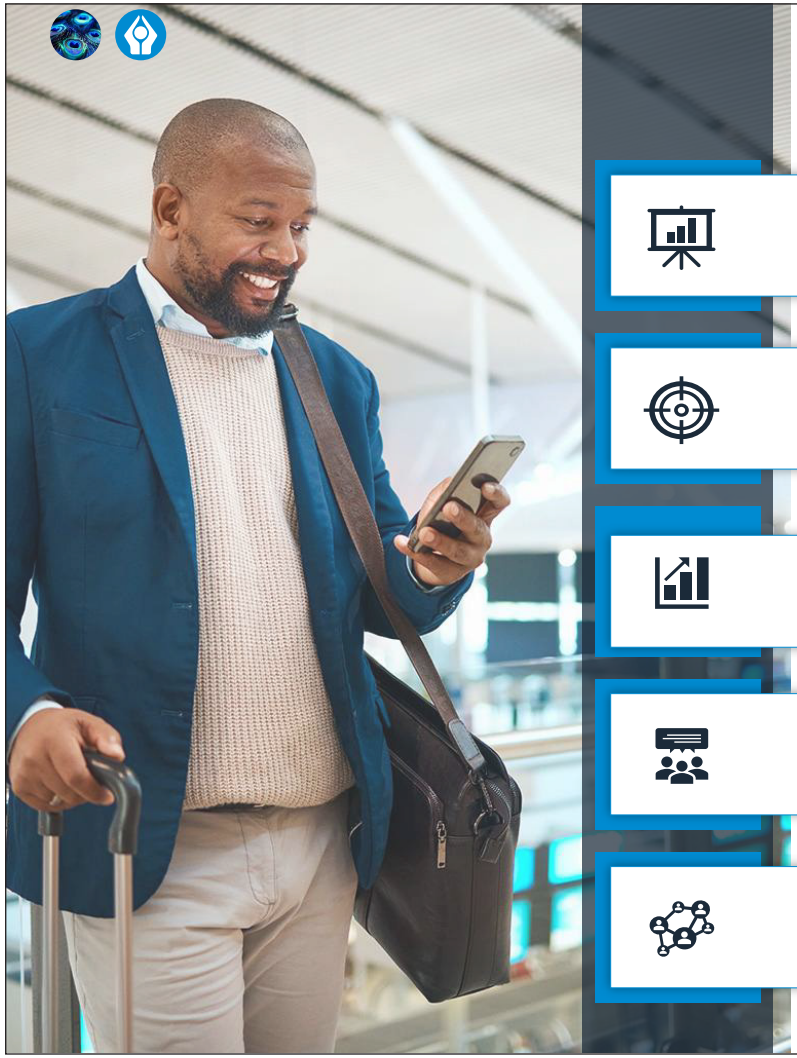


Additional information

Notes



Notes



Key messages

- **Strong operating results**
- **Continuing organic growth**
- **Capital allocation promoting future growth**
- **Integrations progressing well**
- **Sanlam people and partners central to our success**

Notes

Consistent delivery on financial metrics

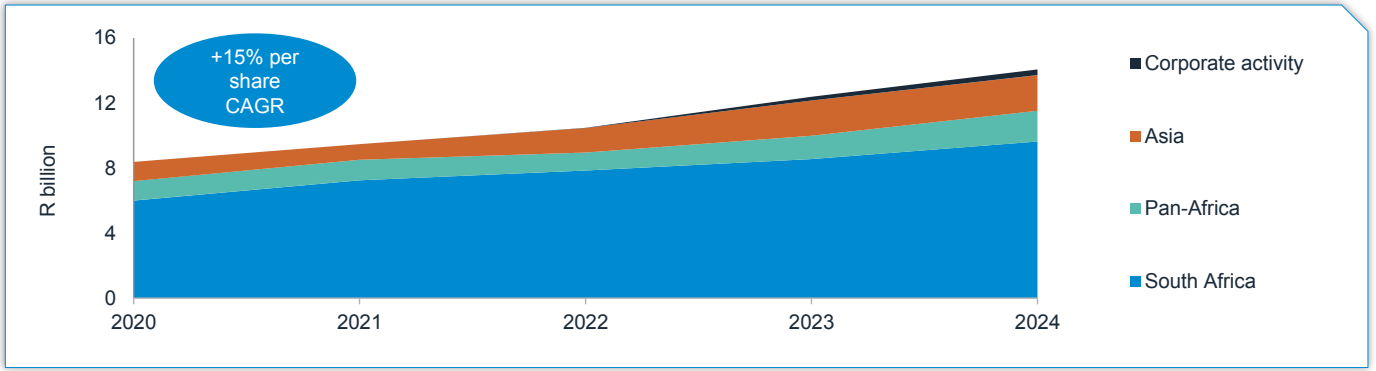
Earnings and cash	**+17%** Cash NRFFS[1,2] per share	**+26%** Net operational earnings[2] per share	**+52%** Attributable earnings per share
Growth	**+9%** Group new business volumes[3]	**+52%** Net client cash flow	**+2%** Life insurance net value of new business (VNB)
Value Creation	**20,3%** RoGEV[4] per share	**18,0%** Adjusted RoGEV per share above hurdle of 15,6%	**19,8%** Return on Equity[2]
Capital	**168%** Group solvency cover ratio	**445 cps** Dividend +11%	**R4,1 billion** Discretionary capital balance

1. Net result from financial services
2. Excluding reinsurance recapture fee
3. Includes SanlamAllianz on an unaudited pro forma basis
4. Return on group equity value

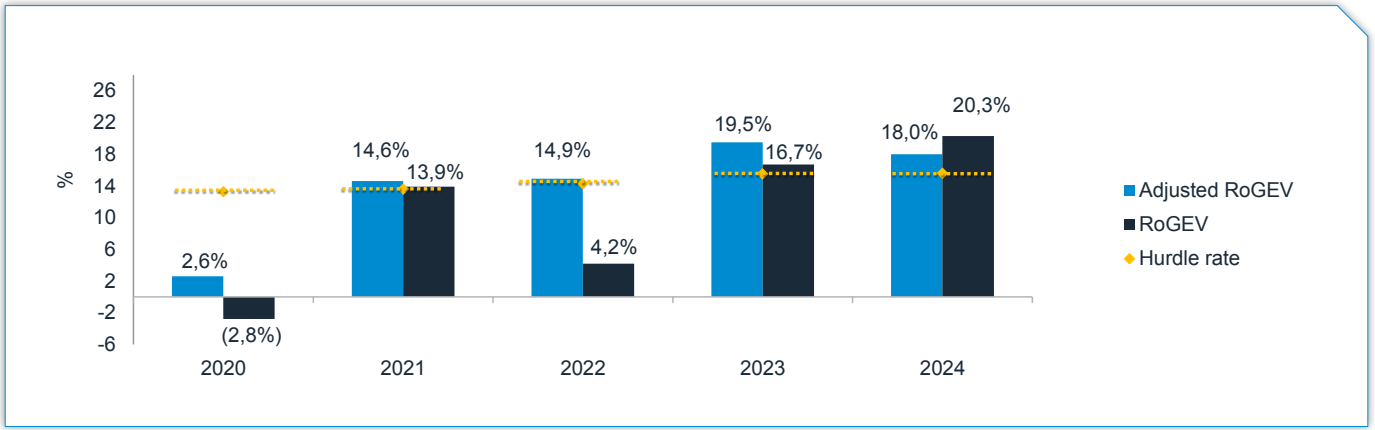
Notes

Strong performance driven by underlying organic growth

NRFFS[1]



RoGEV[2]



1. Excluding reinsurance recapture fee
2. Per share

Notes

Three core regions driving growth

South Africa

Leadership delivers growth

NRFFS[1] +16%, new business volumes +8%, adjusted RoGEV 18,2%[4]

- Life insurance: Sustained positive risk experience, new business growth, strong VNB and margins, mass market individual life persistency recovered
- General insurance: Santam underwriting margin recovery continues, growth initiatives delivering
- Investment management: >R100 billion in net inflows since 2020 supported by diverse product set and Sanlam product and distribution capabilities

Pan-Africa

SanlamAllianz is the leading franchise

NRFFS +26%, new business volumes +17%[2], adjusted RoGEV 21,4%[4]

- Improved performance driven by life insurance operations recording strong constant currency earnings and VNB growth
- General insurance performance satisfactory with net insurance result margin within target range
- Sanlam Namibia integrated; Allianz exercise option to increase stake in JV to 49% (subject to regulatory approvals)

Asia

Focused India growth opportunity

NRFFS +10%, new business volumes +26%, adjusted RoGEV 26%[3,4]

- Excellent new business growth across lines of business (Life: +21%, GI +30%), strong SFL loan book growth
- India credit earnings growth of 16%[3] with good credit experience, lower life earnings reflect investment in distribution, GI growth reflects high investment return base
- Malaysia underperformance on earnings, good new business growth

With our strategic partners

Ubuntu Botho Investments (Pty) Ltd — *>20-year partnership*

Allianz — *Partnership formed in 2023*

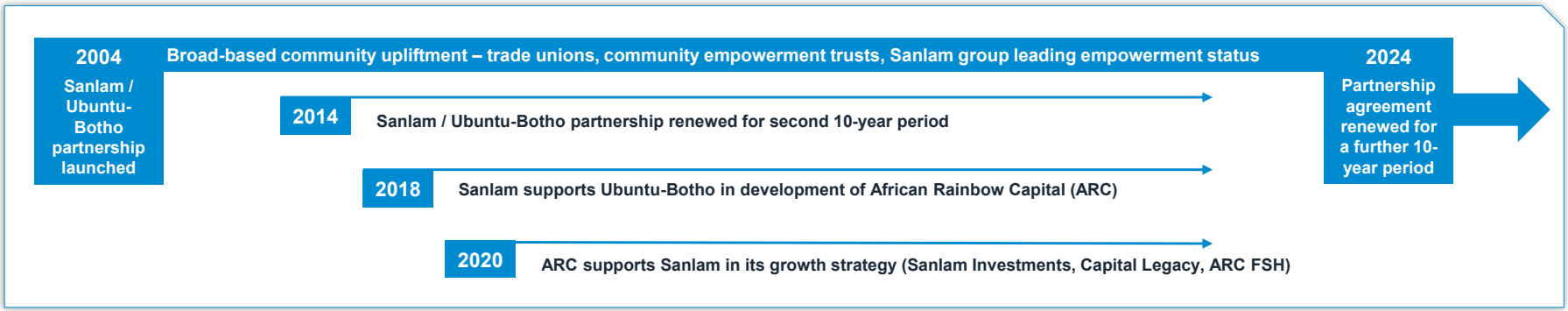
Shriram Group, Empowering people through prosperity — *>20-year partnership*

1. Excluding reinsurance recapture fee
2. On a pro-forma basis: 100% of SanlamAllianz for 2024 and 2023 on a like-for-like basis in constant currency
3. Metrics shown for India only, NRFFS normalised for reduced shareholding in Shriram Finance Limited
4. Adjusted RoGEV by region excludes discretionary and other capital

Notes

Ubuntu-Botho central to our success in South Africa

- Ubuntu-Botho partnership renewed for a further 10-year period until 31 December 2034
- Commitment to remain an anchor shareholder in Sanlam
- Ensure mutual collaboration transactions are undertaken through ARC FSH, in which Sanlam is a 25% shareholder



The long-standing partnership between Sanlam and Ubuntu-Botho Investments (UBI) (including its operating entity, ARC), is an outstanding example of a globally competitive business partnership that has created attractive returns for its shareholders, and has benefited its stakeholders, whilst contributing to the improvement of the living conditions and standards of living of poor and marginalised South Africans. We are proud of this partnership and are committed to enhancing Sanlam's leadership in the financial services industry in South Africa and Africa.

Dr Patrice Motsepe, UBI Chairman

Notes



02 Pan-Africa update

Notes

SanlamAllianz | strategy remains building a strong diversified foundation for future growth

Grow and optimise our businesses

- Underpinned by successful integrations post JV formation
- Relentless focus on top-and bottom-line drivers
- Prioritise core countries and markets
- Optimise captive reinsurance and grow third party business
- Asset management – de-risk and optimise returns
- Efficient capital, cash and cost management
- Built on a strong governance, risk and compliance

Enable success through hub office

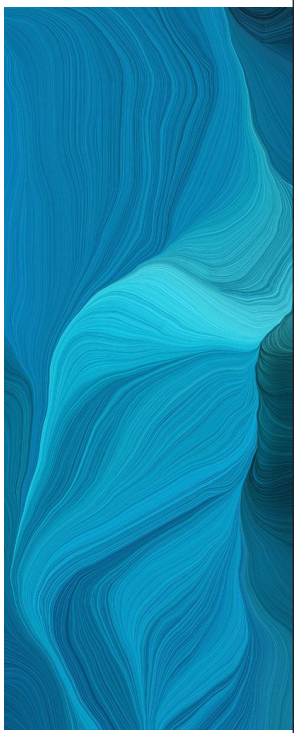
Manage interface with Sanlam and Allianz groups	Steer strategy, set standards and monitor performance	Provide operational support and drive group-led priorities	Enable cross-country and cross-cluster synergies

Complimented by portfolio management

- Further scale through mergers and acquisitions in core markets
- Opportunistic bolt-ons
- Exit unattractive markets and businesses
- Gradually add new countries

Key enablers

- **People.** Human capital management and vesting the culture
- **Systems.** Standardise and simplify IT/operations environment and platforms
- Vest our **brand** Sanlam | Allianz



Notes

2025 focus areas | Solidifying foundation and growing responsibly

Deliver 2025 budgets	Finalise integration and rebranding	Drive an inclusive high-performance culture	Solid systems, process standardisation and simplification	Ensure proper balance sheet controls & management
1	2	3	4	5
Create value in everything we do Accelerate top and bottom-line growth Expand responsibly in reinsurance business, leveraging on the acquired A - rating De-risk and optimise investment returns Foster GI & life collaboration for growth	Complete integration of remaining countries Vest and capitalise on our powerful brand, evidenced by customer satisfaction levels and growth in market shares	Live our values and business philosophy Roll out relevant training and development Have the right people in the right jobs Excellence in execution, evidenced by culture and staff surveys	Deliver IT operating systems on-time Drive operational efficiencies and automation / digitisation Deliver support systems (HR, finance, asset management)	Have adequate but no lazy capital Debtors and cash management Ensure adequate reserving Sound liabilities matching Ensure investments are fair valued and recoverable

Notes

Integration progressing well, synergies realised in completed countries as per plan

	Country	Filing Status	Closing Status	Surv. Entity	Jan-25 Feb-25 Mar-25 Apr-25 May-25 Jun-25 Jul-25 Aug-25 Sep-25 Oct-25 Nov-25 Dec-25	Exp. end of integration	Comments
	Côte d'Ivoire	Done	✓	Allianz (Merger)		Done - BAU	• Integration completed • Focusing on synergy realisation
	Senegal	Done	✓	Allianz (Merger)		Done - BAU	
	Ghana	Done	✓	Sanlam (Merger)	Complete PAS Migration	Mar 2025	• Integration nearing completion, also focusing on realising synergies
	Cameroon	Done	✓	Allianz (Merger)	Complete o/s integration tasks	Apr 2025	
	Madagascar	Done	✓	Allianz (Merger)	Integration Implementation	Q3 2025	• Regulator approval obtained Dec 2024 currently focusing on integration
JUBILEE	Tanzania	Done	Apr	Allianz (PT)	Prework ▲ Integration implementation	Q4 2025	• Shareholder engagements with Jubilee are ongoing • Regulatory approvals submitted • Integration planning is ongoing
JUBILEE	Mauritius	Done	Mar	Sanlam (Merger)	Prework ● ▲ Integration implementation	Q3 2025	
JUBILEE	Uganda	Done	Mar	Sanlam (Merger)	Prework ● ▲ Integration implementation	Q3 2025	
JUBILEE	Kenya	Done	Apr	Allianz (PT)	Prework ● ▲ Integration implementation	Q4 2025	
	Nigeria	Done	Mar	Sanlam (Scheme of Merger)	Prework ● ▲ Integration implementation Complete PAS Migration	Q3 2025	• Regulator in principle approval obtained. Closing expected in March
	Morocco				SAZ Decision; Implement structural commitments	*tbc*	• Regulator accepted our proposals • Started implementation of structural commitments made to regulator

● Regulatory approval ▲ Closing

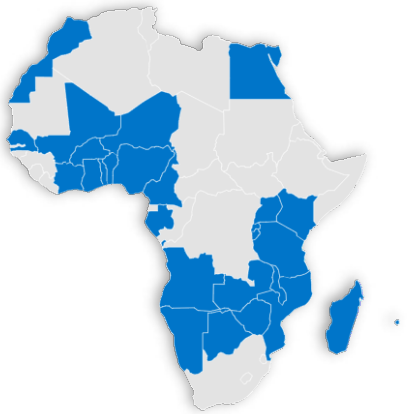
(Timelines dependent on regulatory approvals)

Notes

Tracking well on our key financial metrics

SanlamAllianz key performance metrics on an unaudited pro forma basis in constant currency (including Namibia)

Sanlam | Allianz



General Insurance

Net earned premium	Net insurance ratio
Expected growth: ***12% - 15%***	*Expected range:* ***10% - 15%***
ZAR 21,9bn +11,1%	**12,3%**

Life Insurance (excluding asset management)

GWP	New business volume	Value of new business
Expected growth: ***12% - 15%***	*Expected growth:* ***12% - 15%***	*Expected growth:* ***15% - 20%***
ZAR 25,6bn +15,6%	**ZAR 11,5bn +23,8%**	**ZAR 697m +36,0%**

SanlamAllianz

NRFFS	Attributable earnings	Dividend pay-out ratio[1]	Adjusted RoGEV
Expected growth: ***15% - 20%***	*Expected growth:* ***15% - 20%***	*Expected:* ***65% - 75%***	*Expected growth:* ***RFR +6% - 8%***
ZAR 2,6bn +30,5%	**ZAR 4,3bn +65,4%**	**86%**	**19,8%**

1. Dividend pay-out ratio from in-country operations to SanlamAllianz

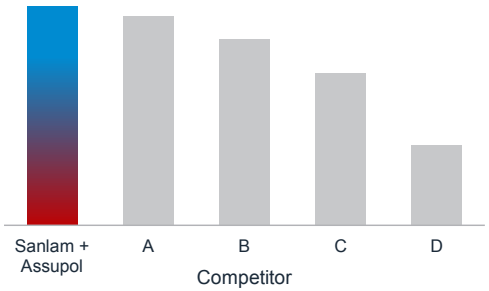
Notes



Notes

Sanlam + Assupol: leading player in South Africa mass market segment

Largest player in the mass market by size of book[1]



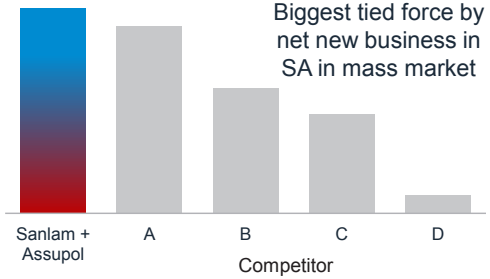
Largest distribution footprint in South Africa

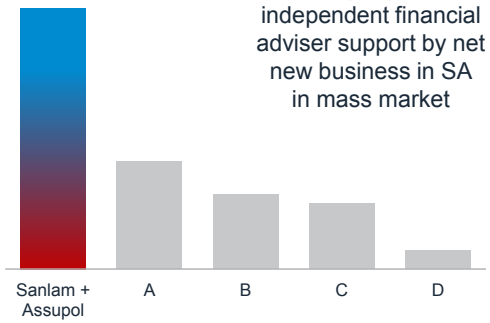


7 000 tied agents across South Africa

Over **1 000** supporting independent financial advisers (IFAs)

Market dominance across traditional channels[1]





What has been achieved thus far?

- Value protection
- Organisational and leadership alignment
- Operating model synergies
- New business growth potential confirmed
- Procurement and technology alignment

EARLY SUCCESSES

60% reduction in inter-organisational policy replacements

Retention of
KEY TALENT
new integrated executive committee, manpower stable

Continued
GROWTH
in book in Q4 2024

12,3% return on investment since take-on
R6,57 billion: initial outlay
R781 million: dividend received by Sanlam
R6,6 billion: GEV at 31 December 2024

1. NMG Funeral Distribution Monitor 2024Q3

Notes

Focus for 2025

The Sanlam Assupol merger creates significant strategic advantages and financial benefits

Strategic initiatives

Cost
- Grow market share and profitability

Product diversification
- Will product – Sanlam Legacy
- Credit – Sanlam Fintech
- Primary health care – Afrocentric
- General insurance – Santam / MiWay
- Transactional – Sanlam Fintech

Distribution
- Roll out iManage Pro digital customer onboarding tool to all advisers
- Expand branch network and reposition current

Customer
- Retention
- More needs met per customer
- Cultivate and improve relationships

Implementation with focus on handovers and smooth transition between leaders

Unlock low-hanging synergies across both entities
- Business harmonisation and integration
- IT consolidation
- Procurement alignment

Improve productivity to close gap between organisations
- Adoption of digital tools
- Implementation of cross-sell strategies
- Enhance adviser value proposition

Grow branch presence to meet broader needs of clients
- New branches across South Africa
- New model supporting insurance and non-insurance financial services
- Enable dual servicing across branches

Notes



Notes

Strong performance on financial metrics

R14,1 billion[1]
+14%
(+16% per share)
NRFFS

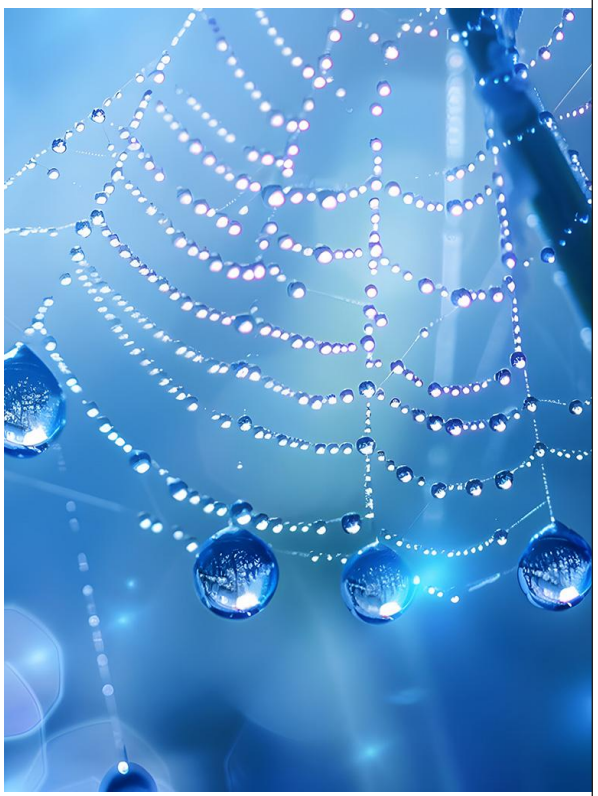
R103 billion
+3%
Life insurance new business volumes (PVNBP)

R17,1 billion[1]
+24%
(+26% per share)
Net operational earnings

R54 billion
+52%
Net client cash inflow

R 22,2 billion
+54%
(+52% per share)
Attributable earnings

R171,8 billion
Group equity value
(31 December 2023: R149,9 billion)

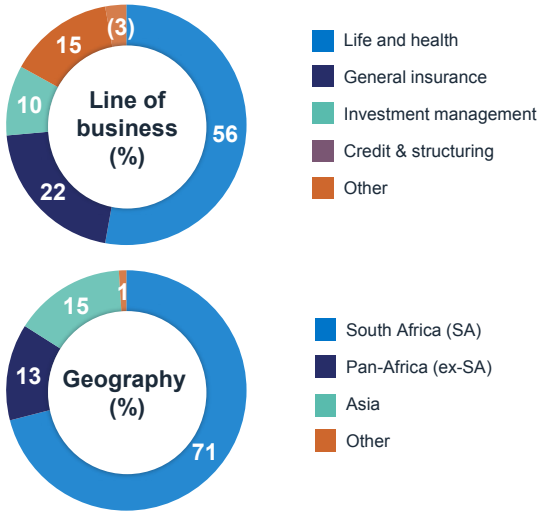


1. Excluding reinsurance recapture fee

Notes

Net result from financial services[1]

R million	2024	2023	% change
Life insurance and health	7 961	7 282	9%
General insurance	3 047	2 179	40%
Investment management	1 403	1 234	14%
Credit and structuring	2 142	2 148	0%
Other	(482)	(464)	(4%)
NRFFS	**14 071**	**12 379**	**14%**
Net investment return	3 542	2 120	67%
Project expenses	(441)	(610)	28%
Net operational earnings	**17 172**	**13 889**	**24%**

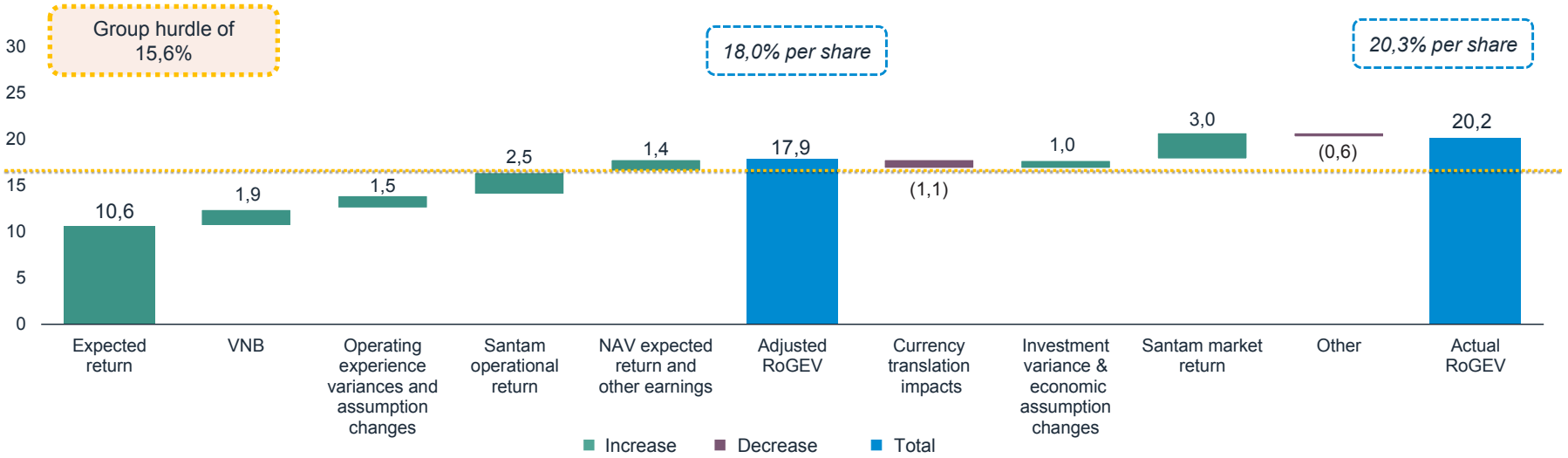


- Life insurance: satisfactory growth in South African and strong performance in Pan-Africa, weaker performance in Malaysia impacting Asia
- General insurance: continued recovery in Santam underwriting performance, good performance in Pan-Africa
- Investment management: good performance across all operations
- Credit and structuring: growth rate impacted by corporate activity
- Cash NRFFS (R14,2 billion) up by 14% supports dividend growth of 11%

1. Excluding reinsurance recapture fee

Notes

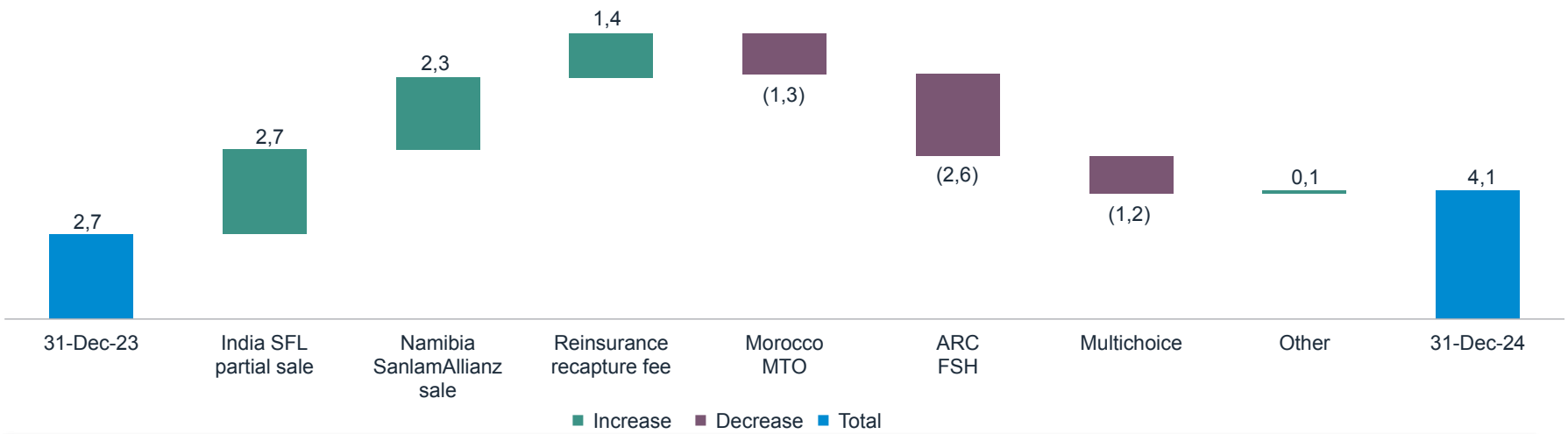
Return on group equity value (RoGEV) (%)



- Performance above the hurdle rate of 15,6%, strong contributions from all regions, clusters and lines of business
- **Life insurance (covered) business**: robust new business and positive risk, working capital and credit spread experience
- **Non-life (non-covered) business**: strong operating results from Santam, as well as improved performance and outlook from the India credit business (Shriram Finance Limited (SFL)) and solid performance from SanlamAllianz, partially offset by the write-down of the Afrocentric valuation

Notes

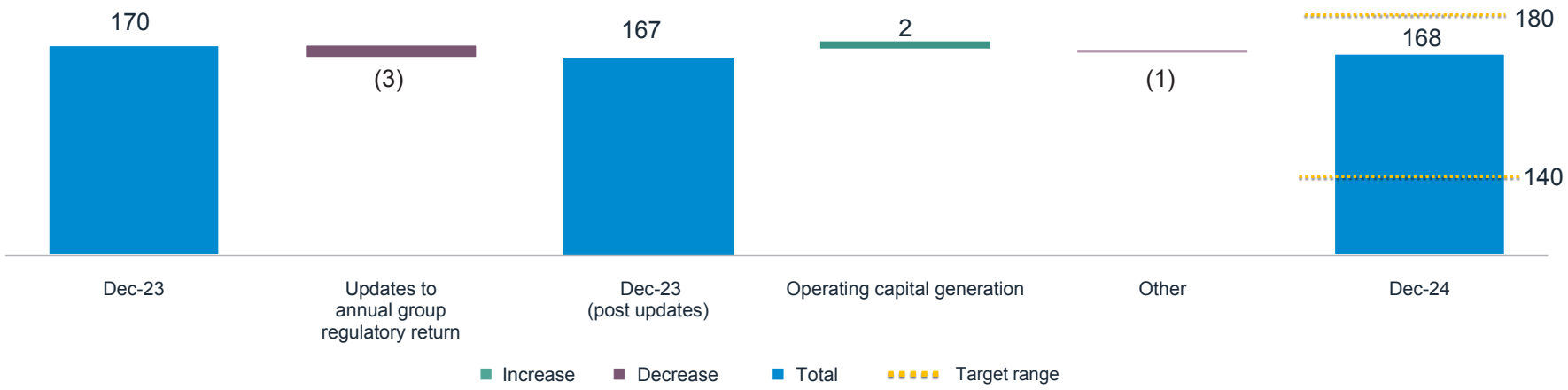
Strategic deployment of discretionary capital in 2024 (R billion)



- R1,3 billion net discretionary capital deployment across our three core regions
- Assupol acquisition funded by bridge finance
- 2025 discretionary capital movements include expected inflows from Allianz option exercise and expected outflows for further increasing shareholding in Shriram wealth, stockbroking, asset management and insurance operations in India (pending regulatory approvals)
- 2025 discretionary capital expected to be within target range of R1 billion to R3 billion

Notes

Group solvency cover ratio (SCR) (%)



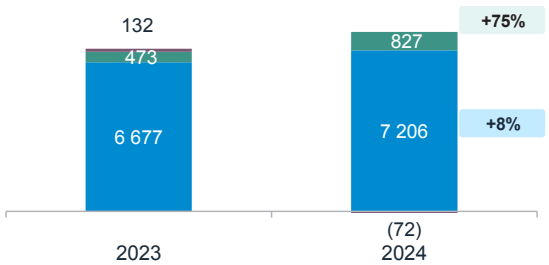
- SCR cover ratio stable and within target range
- Operating capital generation uplift driven by net unwind, new business, operating profits, operational and economic experience variances and assumption changes
- Other includes positive impact of capital optimisation and balance sheet management, offset by impact of corporate activity

Notes

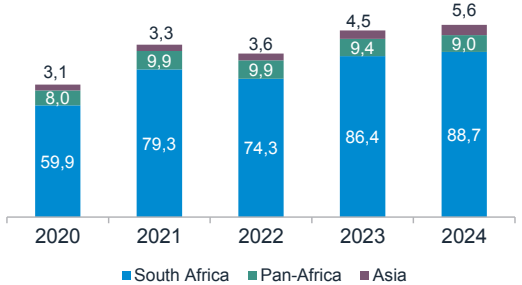
Life insurance and health | strong earnings and new business performance

NRFFS[1]	New business volumes (PVNBP)	Value of new business (VNB)	Net client cash flow
R8,0 billion	R103 billion	R2,9 billion	R16,7 billion
+9%	+3%	+2%	(10%)

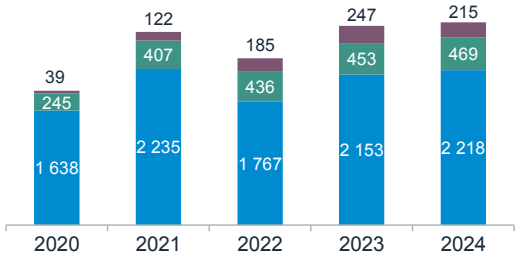
NRFFS
(R million)



New business volumes (PVNBP)
(R billion)



Value of new business
(R million)



- NRFFS supported by book growth, higher asset-based fees, cost efficiencies
- Good retail recurring premium savings and corporate risk sales growth in South Africa dampened by slow-down in life annuity single premiums, strong new business growth in Asia
- VNB growth impacted by corporate activity and currency depreciations, strong overall VNB margin of 2,81%
- NCCF impacted by loss of single client and “two-pot” outflows in South Africa corporate business

1. Excluding reinsurance recapture fee

Notes

General insurance | strong recovery in South Africa

NRFFS

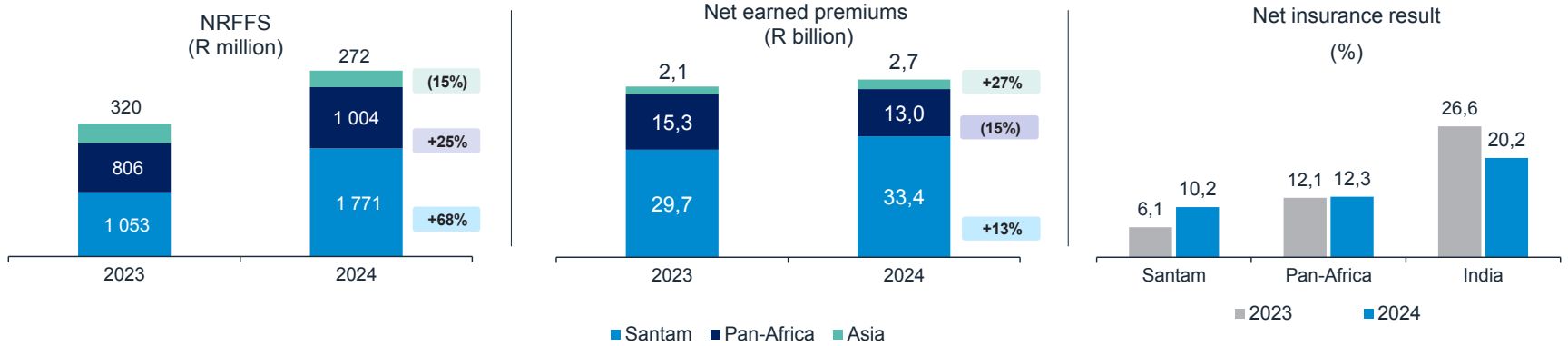
R3,0 billion

+40%

New business volumes

R49,1 billion

+4%



- Santam underwriting margin improved to 7,6% despite continued weather events in South Africa, management actions effective
- Pan-Africa net insurance margin of 12,3% within target range
- India earnings growth rate impacted by positive modelling changes in 2023 base, continued strong growth in net earned premiums

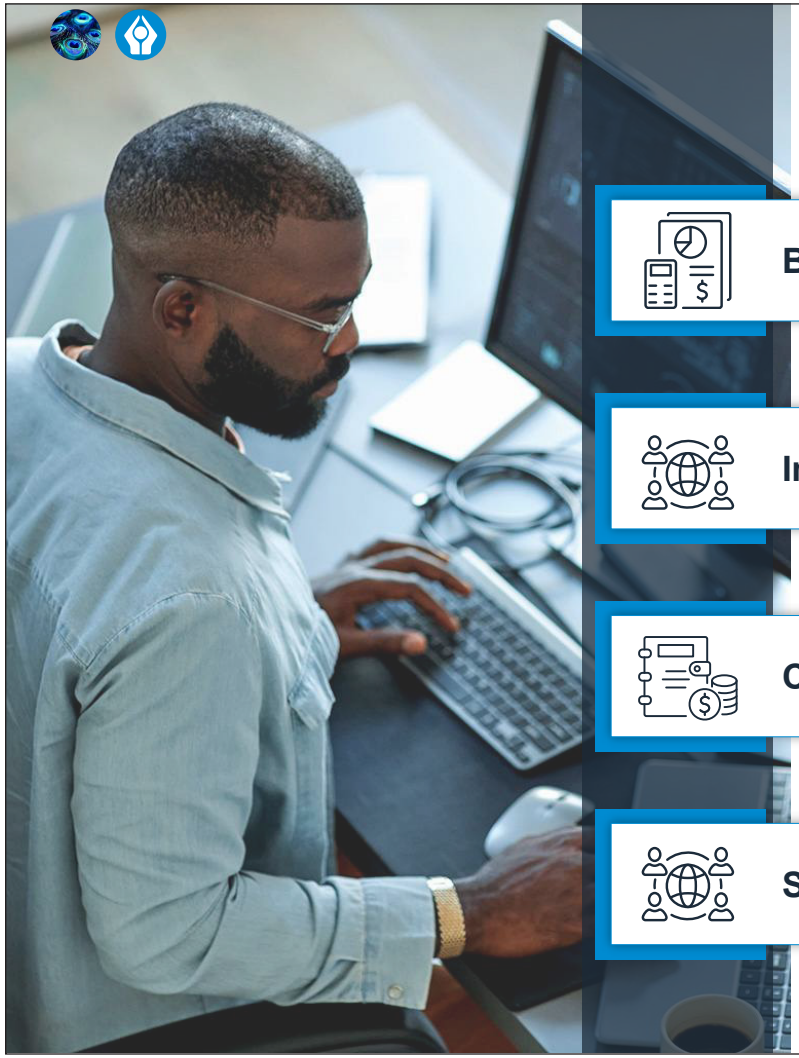
Notes



05

Outlook and priorities

Notes



Priorities for 2025

Build on leading position in South Africa

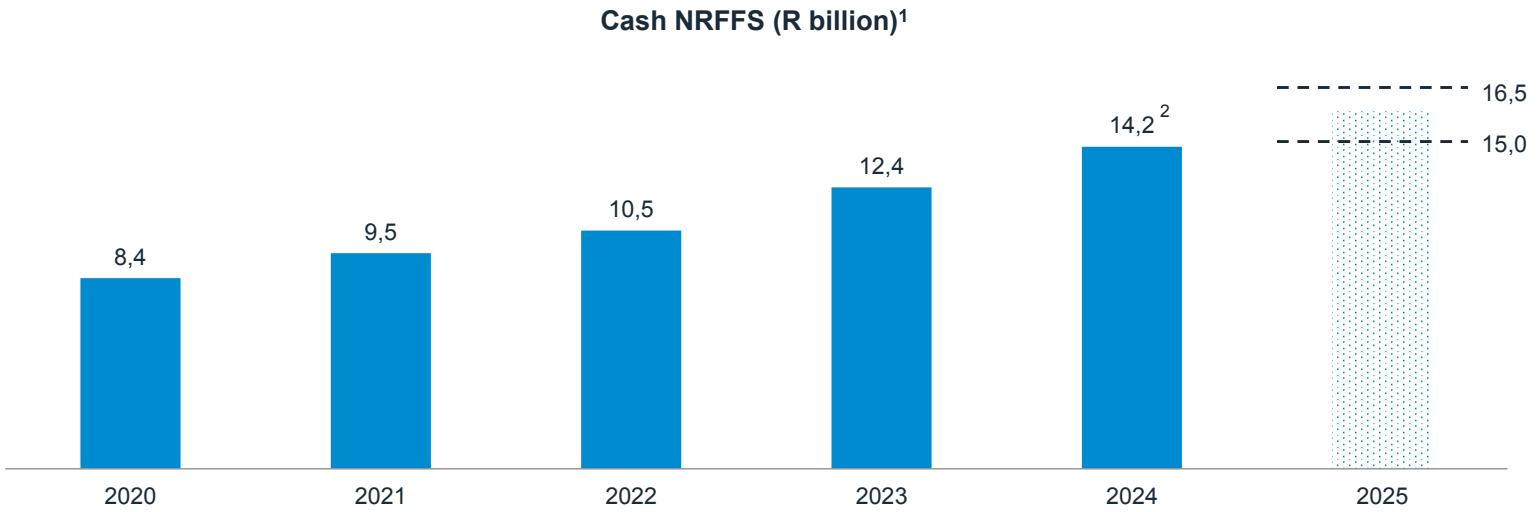
Implement transactional banking capabilities

Complete Ninety One, SanlamAllianz and India transactions

Sanlam Fintech and Rewards

Notes

Outlook for 2025



- RoGEV to remain above hurdle
- Dividend growth to continue in our long-term range
- Timing of Ninety One transaction may affect the cash NRFFS and target outlook, but it is not expected to affect the dividend outlook

1. NRFFS for 2020 and 2021
2. Excluding reinsurance recapture fee

Notes



Confident in long-term outlook for Sanlam

Consistent performance and strategic execution

Growth from three engines each with competitive advantage

Value creation – unique diverse portfolio, growing new business and profits, investing in long-term growth

Notes


Shaping our future with confidence
Thank you
Sanlam
Live with confidence
Financial Planning | Retirement | Insurance | Health | Investments | Wealth | Credit

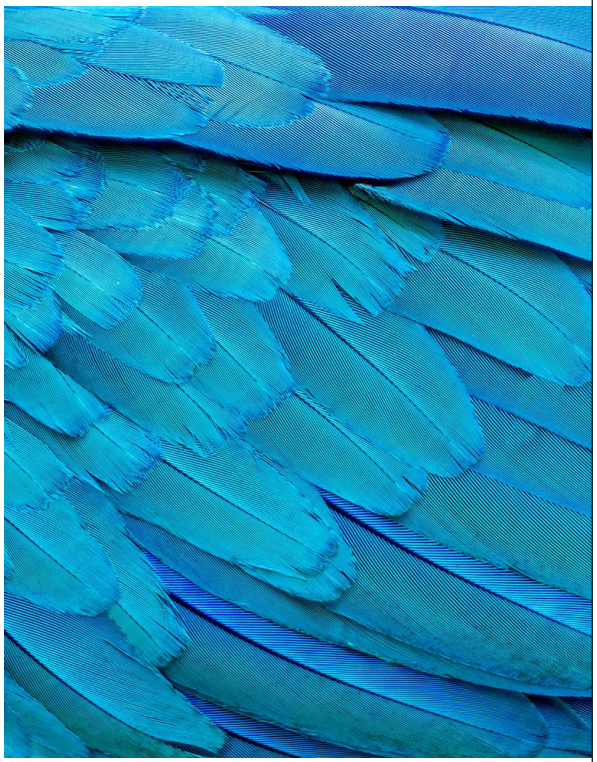
Notes



Notes

Cash earnings

R million	2024	2023	% change
Net result from financial services[1,2]	**14 071**	**12 379**	**14%**
Amortisation of capitalised IT projects and other non-cash adjustments	93	19	
Cash net result from financial services	**14 164**	**12 398**	**14%**
Project expenses not included in NRFFS	(423)	(339)	
Retained in business	(4 451)	(3 370)	
Cash available for dividend declaration	**9 290**	**8 689**	**7%**



- Higher retention of cash in SanlamAllianz business in the short-term

1. Excluding reinsurance recapture fee
2. After shareholders' fund adjustments

Notes

Reconciliation of IFRS earnings and SHF NRFFS

R billion



- NRFFS excludes investment return on shareholder capital and shareholder-specific adjustments which are included in attributable (IFRS) earnings
- SHF adjustments for 2024 include excess investment returns absorbed by the asset mismatch reserve (AMR)
- Proceeds on sale of Sanlam Namibia into SanlamAllianz, partial sale of the direct stake in SFL, partly offset by an impairment of R1,3 billion largely from the write-down in value of Afrocentric – all recognised in attributable earnings and not NRFFS

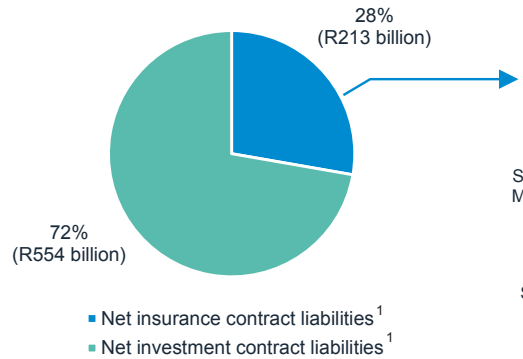
1. Other includes net amortisation of value of business acquired and other intangibles, net equity-accounted earnings and fund transfers
2. Reinsurance recapture fee

Notes

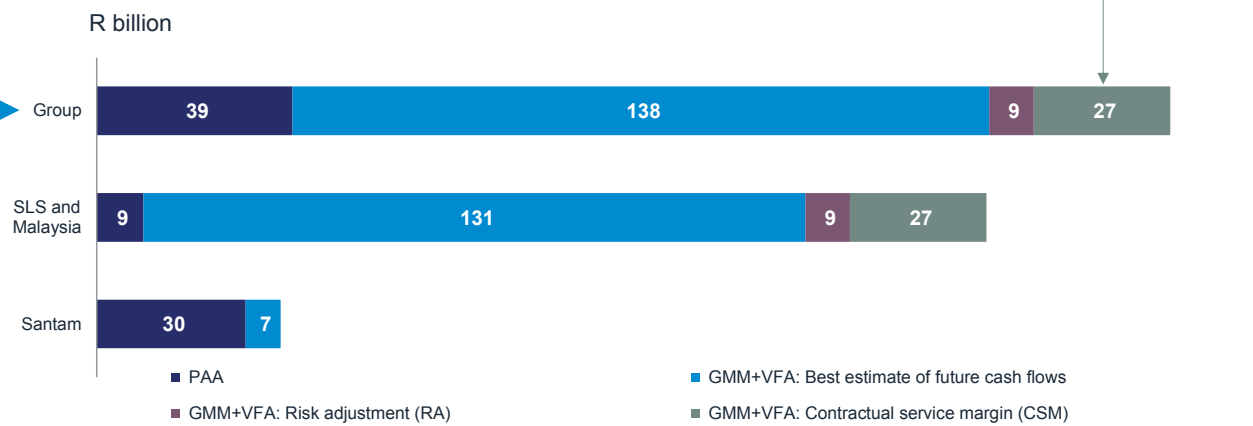
Policyholder liabilities on Sanlam group balance sheet

at 31 December 2024

Sanlam has significant investment contract liabilities



Net IFRS 17 insurance liabilities per measurement model



- **Net IFRS 17 insurance liabilities make up only ~28% of total policyholder liabilities**
- **Reported CSM balance only includes Sanlam Life and Savings (SLS) and Malaysia, and excludes:**
  - **Santam**: zero CSM and RA on net of reinsurance basis due to elimination in third party cells; and
  - **SanlamAllianz (SAZ)**: equity-accounted (life insurance CSM of ~R4.6 billion at 31 Dec 2024 based on Sanlam's share of 59.59%)
- **Overall size of Sanlam's reported CSM also affected by**:
  - **Level of other liability components,** e.g. higher RA balance reduces the CSM balance
  - **IFRS 17 transition approach**: e.g. past unallocated expenses not capitalised in the CSM under the fair value approach (Sanlam fair valued ~67% of CSM at transition date)

  This only affects the timing of profit recognition, with limited impact on EV of covered business
- **Losses on onerous contracts are not material:** these losses are recognised immediately in profit and loss rather than CSM

1. Net of insurance contract assets and reinsurance contract assets / liabilities for insurance contracts, and net of investment contract assets for investment contracts

Refer to pages 40 and 41 for glossary of terms

Notes

Change in CSM (reported)[1]

R billion



Reported CSM build-up / metrics for 2024 distorted by the following corporate activity:

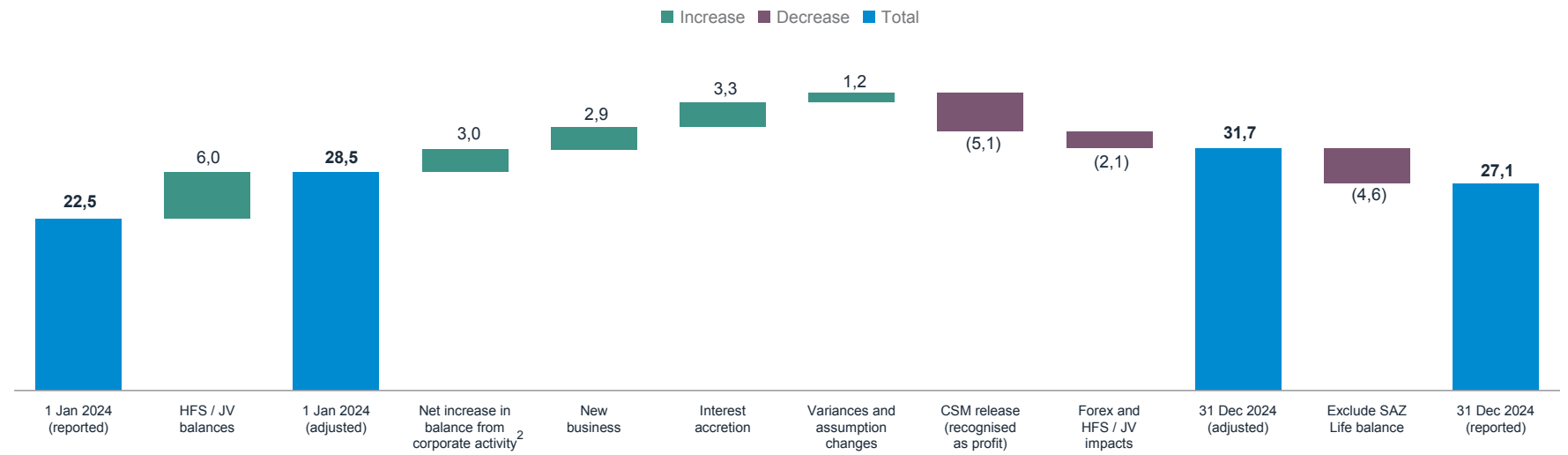
- Namibia & Malaysia held for sale at 31 Dec 2023, therefore not included in 2024 opening balance, however Namibia H1 2024 (prior to joining SAZ joint venture) and Malaysia full-year movements included
- Malaysia included in closing balance because no longer held for sale at 31 December 2024
- Timing of Assupol acquisition (30 Sep 2024) and Capitec joint venture (JV) termination (31 Oct 2024)
- Derecognition of Capitec liabilities including CSM on termination, resulting in additional negative variances and release of CSM (reducing CSM) compared to the prior year
- SAZ not included (H2 2024 movements for Namibia also included in SAZ after entering the JV arrangement)

1. Net of reinsurance

Notes

Change in CSM on normalised (adjusted) basis[1]

R billion



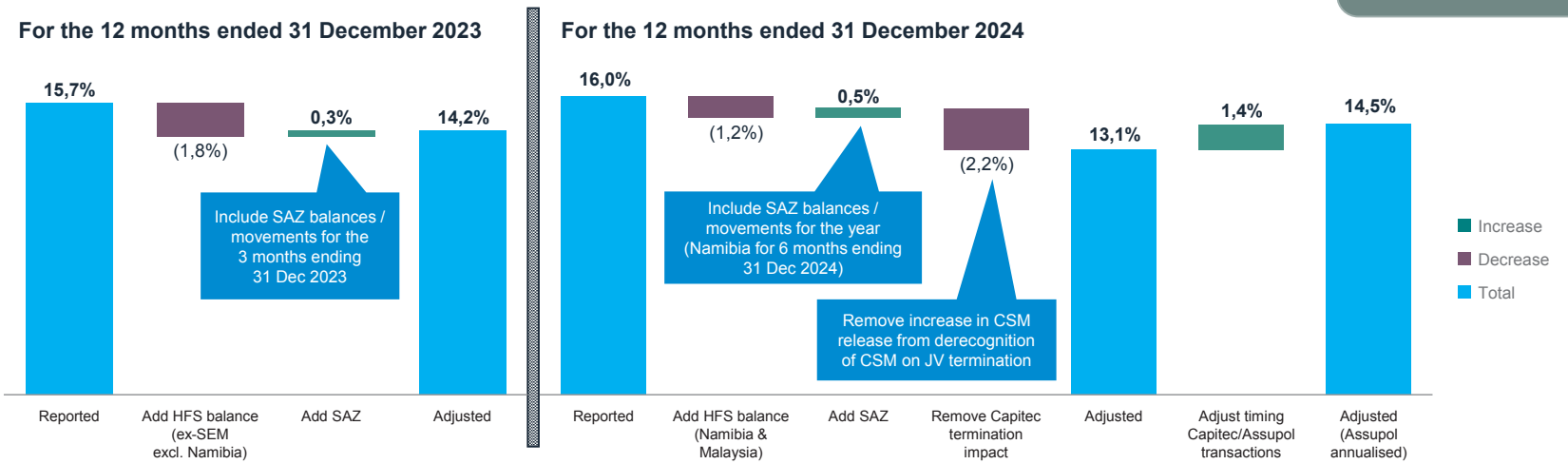
- Normalised CSM build-up removes the distortions from corporate activity
- Healthy core CSM growth from new business and interest earned on CSM (+R6,2 billion) being higher than the CSM recognised as profit (-R5,1 billion)
  - Sanlam's higher rate of CSM release not impacting negatively on CSM growth and leads to better alignment of profit recognition to cash earnings
  - Sanlam does not write significant loss-making business (with zero CSM), therefore onerous contracts had limited impact on profit margins included in new business CSM for profitable contracts
- Positive experience and assumption change impact for 2024 (+R1,2 billion)

1. Net of reinsurance, based on 59.59% Sanlam share of SAZ JV
2. Assupol balance on transaction date (30 September 2024) less the reduction in the opening Namibia balance based on the average of the opening balance on 1 Jan 2024 (pre-JV) and acquired balance on1 July 2024 (post-JV at Sanlam's share)

Notes

Rate of CSM release on normalised basis for FY23 and FY24

Similar rate of CSM release on adjusted basis compared to prior year



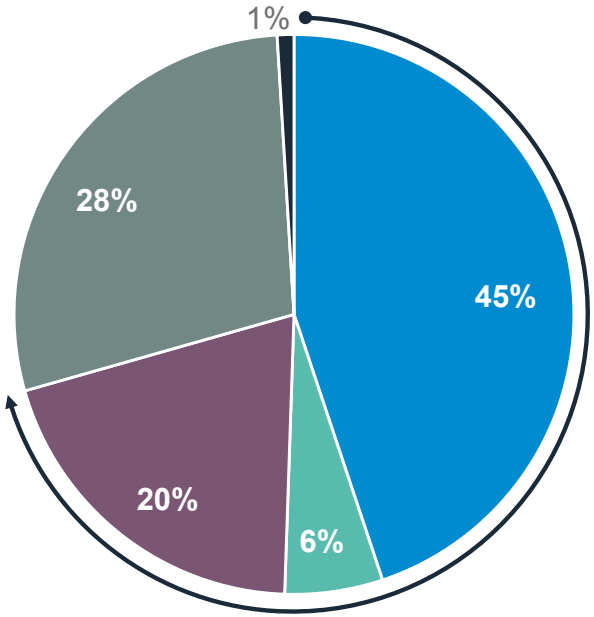
- Rate of CSM release[1] was approximately 14.5% for 2024 (2023: 14.2%) after adjusting for the timing of the Assupol / Capitec transactions (i.e. annualised)[2]
- Rate of release is not typically expected to change significantly between periods because Sanlam writes a diverse mix of business with largely offsetting impacts between new and older cohorts of insurance contracts with different durations in-force
- Rate of CSM release is mainly a function of the:
  - mix and duration of business; and
  - basis for discounting coverage units, e.g. discounting coverage units at nominal interest rates will shorten the duration over which the CSM is recognised
- Sanlam's CSM release pattern leads to better alignment of profit recognition to cash earnings

1. CSM release expressed as a percentage of opening balance plus net increase in CSM balance from corporate activity plus movements before release
2. The adjusted rate of release of 13.1% (before allowing for timing of Assupol / Capitec transactions) is consistent with the normalised CSM build-up on the previous slide

Notes

Components of gross value in-force (VIF)[1] of covered business

at 31 December 2024



CSM contributes ~35% to gross VIF of R58,8 billion

- Insurance contracts (GMM+VFA)
- Insurance contracts (PAA)
- SHF reserves
- Investment contracts (IFRS 9)
- Other

Life insurance business

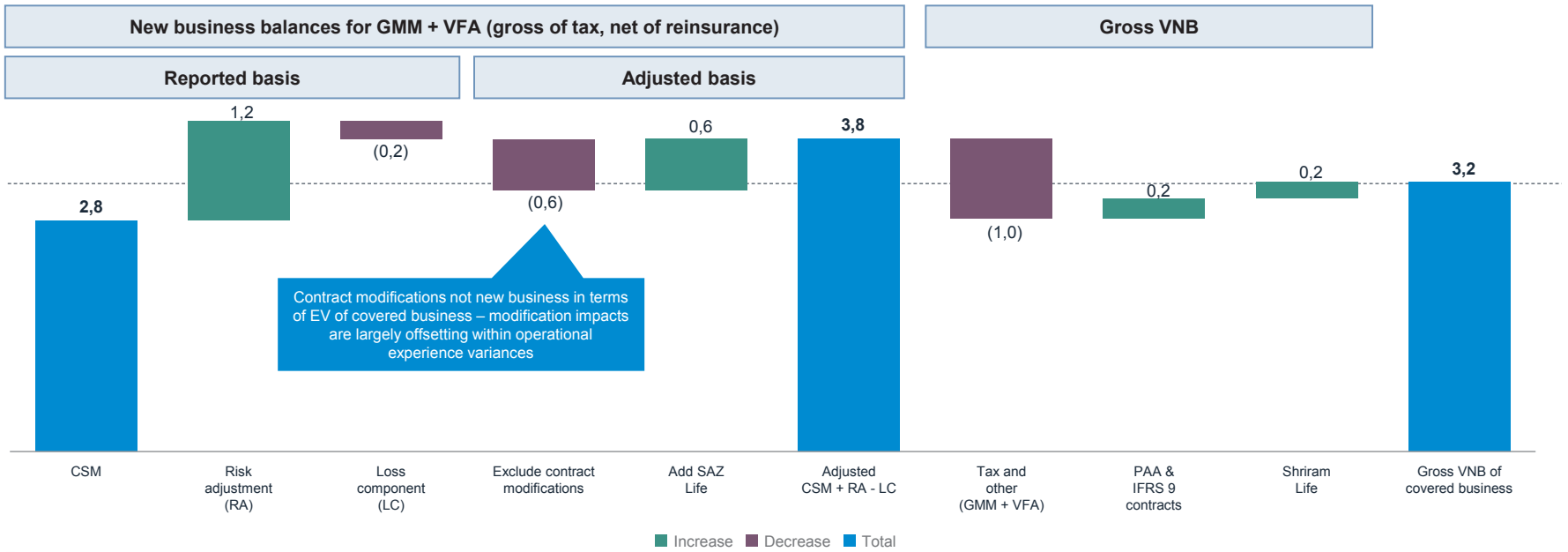
- ~65% of gross VIF from longer duration insurance contracts (GMM+VFA) and some shareholders' fund (SHF) reserves
  - VIF on GMM (risk) and VFA (savings) business mainly driven by future releases of CSM and risk adjustment. CSM contributes approximately 35% to gross VIF
  - VIF on some SHF reserves mainly driven by future releases of asset mismatch reserves and insurance contract assets (negative liabilities)
- ~34% of gross VIF from investment contracts and short-duration insurance business (PAA)

1. Gross VIF before cost of capital

Notes

Bridging between new business CSM and gross VNB of covered business

R billion



- Gross VNB before cost of capital of R3,2 billion, net VNB after cost of capital of R2,9 billion
- VNB for longer duration insurance business (GMM and VFA) makes up ~90% of the gross VNB before cost of capital
- Reported basis includes IFRS 17 new business balances (CSM + RA – LC) for SLS, Malaysia and Namibia for H1 2024 (i.e. prior to entering SanlamAllianz JV arrangement)
- Adjusted basis also includes IFRS 17 new business balances for SanlamAllianz Life entities (including Namibia for H2 2024, i.e. after entering SanlamAllianz JV arrangement)
- VNB for Shriram Life's insurance contracts based on local statutory reserves (IFRS 17 not yet effective in-country) and not material enough to restate per group

Notes

Glossary of terms

Technical terms and definitions	
“Adjusted RoGEV”	Excludes from RoGEV the impact of actual investment return relative to long-term assumptions, interest rate changes, exchange rate movements and other impacts not under management control.
“Asset mismatch reserve” or “AMR”	The reserve created in the group statement of financial position for investment variances emanating from insurance and investment contracts measured under IFRS 17 and IFRS 9, respectively.
“bps”	Basis points
“Cash NRFFS”	Cash NRFFS represents NRFFS as adjusted for the reversal of specific non-cash items: amortisation of capitalised IT projects and IFRS 17 specific and other non-cash adjustments.
“CSM”	Contractual service margin
“Covered business”	Life insurance business written by Sanlam Life and Savings and Sanlam Emerging Markets.
“Embedded value of covered business ” or “EV”	The present value of the expected future profits from all in-force policies, based on actuarial assumptions. Includes the value of the capital required to back the policies, over and above the reserves held, less the opportunity cost of this capital. Excludes future new business but does include the new business sold to the valuation date.
“GMM”	General measurement model
“GWP”	Gross written premium
“Group equity value” or “GEV”	The aggregate of the following components: • The embedded value of covered business; • The fair value of other group operations based on longer-term assumptions, which includes the investment management, capital markets, general insurance, retail credit and the non-covered wealth management operations of the group; and • The fair value of discretionary and other capital. Discretionary capital represents management’s assessment of capital in excess of that required for current operations of the group. Such capital may be used to fund future operations and acquisitions or be returned to shareholders.
“LISP”	Linked investment service provider.
“Net client cash flows” or “NCCF”	New business volumes net of surrenders and other payments to clients.
“Net operational earnings”	Profit after tax earned by the group from operating activities and includes investment return earned on the capital portfolio and project expenditure.
“Net results from financial services “ or “NRFFS”	Profit earned by the group from operating activities and excludes investment return earned on the capital portfolio.

Notes

Glossary of terms

Technical terms and definitions	
“New business volumes”	The annualised value of all new policies (insurance and investment contracts) that have been issued during the financial year according to the group’s embedded value assumptions and have not subsequently been refunded.
“PAA”	Premium Allocation Approach
“Persistency”	The rate at which policies remain in force (i.e. do not lapse).
“PVNBP”	Present value of new business premiums from covered business. Expected new business premiums’ cash flows are present valued based on lapse, premium collection and mortality assumptions over the expected life of the policy.
“RA”	Risk adjustment
“Return on Group Equity Value” or “RoGEV”	The return generated on the GEV from the start to the end of the period, excluding dividends and changes in issued share capital. Normalised RoGEV excludes effects of factors beyond management control (e.g. investment market movements). Key contributors to the RoGEV are: the unwinding of the discount rate, VNB, experience variances (that is by how much actual experience is better / worse than expected), and actuarial assumption changes (called ‘basis changes’).
“SEM”	Sanlam emerging markets, including Pan-African and Asian operations.
“SCR”	The solvency capital requirement under SAM is a risk-based measure of capital required to maintain solvency subject to a confidence level of 99,5% over a one-year period (which is equivalent to a 1-in-200-year event).
“STFC”	Shriram Transport Finance Company
“SCUF”	Shriram City Union Finance
“Value of new business” or “VNB”	The value of new business is calculated as the discounted value, at point of sale, using a risk-adjusted discount rate of the projected stream of after-tax profits for new covered business issued, net of the cost of capital over the life of this business.
“VFA”	Variable fee approach
“VNB margin”	Profit margin of new life insurance business written, calculated by dividing value of new business by PVNBP.

Notes

Notes

Shaping our future with confidence

Annual Results 2024



Sanlam

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Financial Planning | Retirement | Insurance | Health | Investments | Wealth | Credit

Annual results for the year ended 31 December 2024 – **Financial information**

Basis of preparation

The Sanlam group's financial statements for the year ended 31 December 2024 are presented based on and in compliance with International Financial Reporting Standards (IFRS). The basis of presentation and accounting policies for the IFRS financial statements and shareholders' fund information are, in all material respects, consistent with those applied in the 2023 integrated report and annual financial statements.

The financial and strategic review is prepared on a shareholders' fund basis. The basis of preparation for the shareholders' fund can be found on pages 14 to 23.

All references to 2024 and 2023 relate to the twelve months, unless otherwise stated.

Forward-looking statements

In this report, we make certain statements that are not historical facts and relate to analyses and other information based on forecasts of future results not yet determinable, relating, among others, on the financial results, to new business volumes and investment returns (including exchange-rate fluctuations). These statements may also relate to our future prospects, developments and business strategies. These are forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995. Words such as "believe", "anticipate", "intend", "seek", "will", "plan", "could", "may", "expect" and "project" and similar expressions are intended to identify such forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements involve inherent risks and uncertainties and, if one or more of these risks materialise, or should underlying assumptions prove incorrect, actual results may be very different from those anticipated. Forward-looking statements apply only as of the date on which they are made, and Sanlam does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. Any forward-looking information contained in this document has not been reviewed and reported on by Sanlam's external auditors.

Constant currency information

The constant currency information included in this report has been presented to illustrate the impact of changes in the South African rand exchange rates.

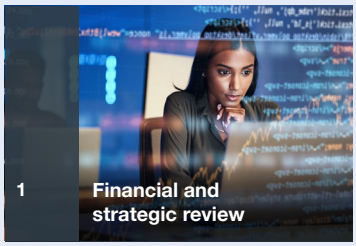
It is presented for illustrative purposes only and, because of its nature, may not fairly present the group's financial position, changes in equity, results of operations or cash flows. All references to constant currency information for results for the year ended 31 December 2024 are based on the translation of foreign currency at the weighted average exchange rate at 31 December 2023, which is also applied to the translation of comparative information.

The major currencies contributing to the exchange rate movements are the British pound, United States dollar, Botswana pula, Indian rupee, Moroccan dirham, Angolan kwanza, Nigerian naira and the Egyptian pound.

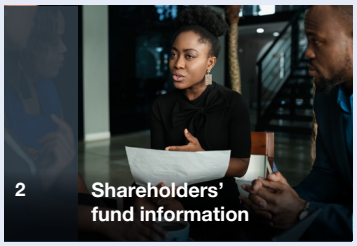
Foreign currency/ZAR	United Kingdom	USA	Botswana	India	Morocco	Angola	Nigeria	Egypt
31/12/2023	23,31	18,29	1,37	0,22	1,86	0,02	0,02	0,60
31/12/2024	23,63	18,87	1,35	0,22	1,86	0,02	0,01	0,37
(Strengthening)/Weakening	1,4%	3,2%	(1,7%)	(0,7%)	(0,1%)	(6,9%)	(40,7%)	(37,8%)
Average for 2023	22,91	18,44	1,38	0,22	1,82	0,03	0,03	0,60
Average for 2024	23,42	18,32	1,35	0,23	1,84	0,02	0,02	0,42
(Strengthening)/Weakening	2,2%	(0,7%)	(2,1%)	(2,0%)	1,2%	(25,4%)	(58,8%)	(30,3%)

Shaping our future with confidence

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2 Strong growth and operational performance
5 Confidence in Sanlam's outlook
6 Key performance indicators
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Financial and strategic review

Strong growth and operational performance

Earnings[1]	Value creation	Financial strength
Net result from financial services (NRFFS)[2] **+14%** (+16% per share) Net operational earnings[3] **+24%** (+26% per share)	Return on group equity value (RoGEV) **20,3%** per share Adjusted RoGEV **18,0%** per share[4] Return on equity (RoE)[1][5] **19,8%**	Group solvency cover **168%** Discretionary capital **R4,1 billion** Dividend per share **445 cents** +11%

Creating a leading emerging markets financial services group

Sanlam's strategy is to build an emerging markets financial services group dedicated to empowering generations across our emerging markets footprint to live with financial confidence. This is enabled by leveraging our partnerships, technology and the talents of our people to deliver the best solutions to our clients. Our strategic partners are Ubuntu-Botho Investments (Ubuntu-Botho) in South Africa, where our partnership spans over 20 years; Shriram in India, where our partnership is also two decades old; and Allianz in Africa (excluding South Africa), where our partnership was formed in 2023.

We envisaged building the scale, reach, relevance and impact necessary to transform communities and countries across Africa and in India. Sanlam has been capitalising on our robust balance sheet, exercising prudent and disciplined capital stewardship, and leveraging our partnership advantage. Our businesses and partnerships provide a unique ecosystem of leading, holistic, client-centred solutions and service options to advance our purpose of empowering generations to be financially confident, secure, and prosperous.

The consistent implementation of our strategy, concentrating on organic growth while complementing this with strategic corporate activity, continues to come through in our financial results. In 2024, the group built on the previous year's strong operational performance to deliver excellent results. Our financial performance in 2024 was largely due to unlocking the potential of our existing operations. We expect contributions from strategic corporate activity to further enhance the group's performance in future periods.

Shareholder value creation through consistent organic growth and delivery on key metrics

The group's performance for the year was highlighted by strong earnings growth, robust new business volumes and value of new business.

RoGEV per share for the year of 20,3% and adjusted RoGEV per share of 18,0% were both above the hurdle rate of 15,6%, with strong contributions from all regions, clusters and lines of business.

The adjusted RoGEV performance was supported by:

- **Life insurance (covered) business:** robust new business and positive risk, working capital and credit spread experience.
- **Non-life (non-covered) business:** strong operating results from Santam, improved performance and outlook from the India credit business (Shriram Finance Limited (SFL)) and solid performance from SanlamAllianz, marginally offset by the partial write-down of Afrocentric.

NRFFS increased by 14% to over R14 billion (up by 25% including the one-off reinsurance recapture fee), with strong contributions from life insurance, general insurance and investment management; and steady performance from credit and structuring as good underlying earnings growth was offset by reduction in the stake in SFL.

South Africa grew NRFFS[1] by 16% with robust life insurance and investment management performance, and strong general insurance result as Santam saw the positive impact of focused and deliberate underwriting actions. Pan-Africa increased by 26% driven by strong growth in the life insurance operations and improved general insurance performance. The relatively smaller contribution from credit and structuring was weaker in both regions.

(1) Excluding reinsurance recapture fee.
(2) A measure of Sanlam group's operating performance aligned with cash earnings that drive dividend distribution.
(3) NRFFS including investment return after allowing for specific shareholders' fund adjustments and project expenses.
(4) Adjusted RoGEV excludes the impact of actual investment return relative to long-term assumptions, interest rate changes and other once-off effects not under management's control (eg, tax changes and currency exchange rate movements).
(5) Net operational earnings divided by opening balance of shareholders' fund equity adjusted for non-operational line items on the shareholders' fund income statement of the relevant year.

In the Asia portfolio, India (SFL) continues to deliver double-digit growth in the credit business, while maintaining satisfactory credit experience. The Shriram life and general insurance businesses are both growing new business strongly, however, earnings growth was impacted by investment in distribution in life insurance, and a high base of earnings from a one-off modelling change in 2023 in general insurance. Malaysia recorded weaker performance largely due to higher claims and increased expenses in life insurance.

Net operational earnings increased by 24% (up by 34% including the one-off reinsurance recapture fee), benefiting from higher investment returns on the shareholder capital portfolio, coupled with reduced corporate project expenses.

Attributable earnings per share (EPS) increased by 52%, gaining from the profit on the disposal of the Sanlam Namibia operations to SanlamAllianz, as well as the marginal reduction of the group's shareholding in SFL.

Group new business volumes increased by 6% to R420 billion, benefiting from strong inflows in the South African asset management business. Life and general insurance recorded robust underlying performance. Adjusting for structural corporate activity in the Pan-Africa portfolio, group new business volumes increased by 9%.

Life insurance new business volumes increased by 3% on a present value of new business premiums basis (PVNBP). Strong growth in risk and investment business sales were partially offset by a slight decline in life annuity sales in the second half of the year off a high base and in line with the reduction in bond yields, as well as a non-repeat large corporate single premium inflow in the fourth quarter of 2023.

Life insurance net VNB increased by 2%, following structural corporate activity involving the sale of Sanlam Namibia and the termination of the Capitec joint venture, as well as currency depreciations in the Pan-Africa portfolio.

Net client cash flows of R54 billion improved by 52%, driven by a rebound in the South Africa investment management operations. Life insurance recorded muted growth mainly from weaker net flows in the South Africa corporate business, which was also impacted by "two-pot"[6] retirement fund withdrawals since its implementation on 1 September 2024. General insurance recorded satisfactory growth in net inflows.

Dividend increased by 11% to 445 cents per share, delivering three-year inflation adjusted average growth of 4,5% which compares favourably against the group target range of South Africa CPI plus 2% to 4%.

Laying the foundations for future growth without compromising current performance

In 2024, we deepened our strategic partnership with Ubuntu-Botho, when Sanlam Life paid R2,6 billion in cash and swapped its 25% shareholding in the investment arm of Ubuntu-Botho, African Rainbow Capital Financial Services Investments (ARC FSI) – valued at R1,492 billion – for a 25% stake in ARC Financial Services Holdings (ARC FSH). Sanlam has benefited significantly from its holding in ARC FSI with an investment return of 24% per annum. In addition, this investment presented the Sanlam group access to strategic opportunities with businesses inside the ARC FSI portfolio, including Capital Legacy and the AlexForbes linked investment platform (LISP), which are delivering operational benefits to the group.

In December 2024, the group extended their relationship agreement with Ubuntu-Botho. The previous relationship agreement between Sanlam and Ubuntu-Botho expired on 31 December 2024 and the parties have entered into a new relationship agreement to extend their strategic partnership for a further 10 years to 31 December 2034. There are no capital impacts from the renewal of this partnership and Sanlam is delighted to have a strategic partner in the form of Ubunto-Botho for the future development of our business.

Following our R6,6 billion acquisition of Assupol in 2024, the group has begun to integrate Assupol fully into Sanlam and in early 2025 the executive team of Assupol is now fully integrated in Sanlam's retail mass executive team.

Our acquisition of 60% of MultiChoice's insurance business, NMS Insurance Services (SA) Limited (NMSIS), is now complete and Sanlam has assumed operational control of the business.

Our investment in Afrocentric forms an essential element of our strategy to provide a holistic healthcare offering in South Africa, which leverages combined data sets to add new value to our clients. In 2024, this came to fruition with the launch of a new Fedhealth offering as a Sanlam-endorsed open medical aid scheme.

In April 2024, we announced our intention to increase our effective economic shareholding in Shriram General Insurance to 50,99% from 40,25%, and in Shriram Life Insurance to 54,4% from 42,38%. The group decreased our holding in SFL from 10,19% to 9,54% as part funding for, and to increase our exposure towards core insurance entities in line with our strategy. The insurance transactions await Indian regulatory approvals.

On 20 November 2024, the group announced the intention to enter a long-term relationship with Ninety One, whereby Ninety One will acquire all the issued shares in Sanlam Investment Management Proprietary Limited (SIM) in return for a shareholding in Ninety One, and Sanlam will appoint Ninety One as its primary active investment manager for single-managed local and global products, subject to regulatory approval. As a core building block of its investment solutions, Sanlam's active asset management capability will be strengthened by this arrangement. The transaction will result in a swap of cash earnings for dividend income because of Sanlam holding a minority interest of 12,3% in Ninety One post the transaction.

SanlamAllianz made substantive progress in its first year of operation, completing several major integrations and meeting most of its business targets. This success can be attributed to careful, centrally co-ordinated change management, alignment of purpose, values and leadership, and ensuring that the right employees are placed in the right roles without undue disruption to business as usual. Despite the intensiveness of the integration programme, our focus on revenue growth and cost management remained relentless. SanlamAllianz recorded strong performance on operating metrics in 2024, despite currency depreciations, particularly the Egyptian pound and Nigerian naira, which impacted actual currency metrics. Pro forma financial information is shown overleaf.

[6] The Two-Pot Retirement System enables members of a retirement fund to access a small portion of their retirement savings, for emergency purposes, before they retire. Most members' retirement savings will remain "preserved," until the member retires. It divides members' benefits into three separate pots: a vested pot, savings pot and a retirement pot.

Financial and strategic review continued

The pro forma financial information, including the assumptions on which it is based and the financial information from which it has been prepared, is the responsibility of the directors. It has been prepared for illustrative purposes only, to provide information on how SanlamAllianz may have affected Sanlam's financial position and financial performance for the year ended 31 December 2024, had the effective date occurred on 1 January 2023 for statement of profit or loss purposes. The pro forma financial information has not been reviewed or reported on by Sanlam's external auditors.

On a pro forma basis, comparing 100% of SanlamAllianz (including Namibia) for 2024 and 2023:

Performance on operating metrics in constant currency[7]

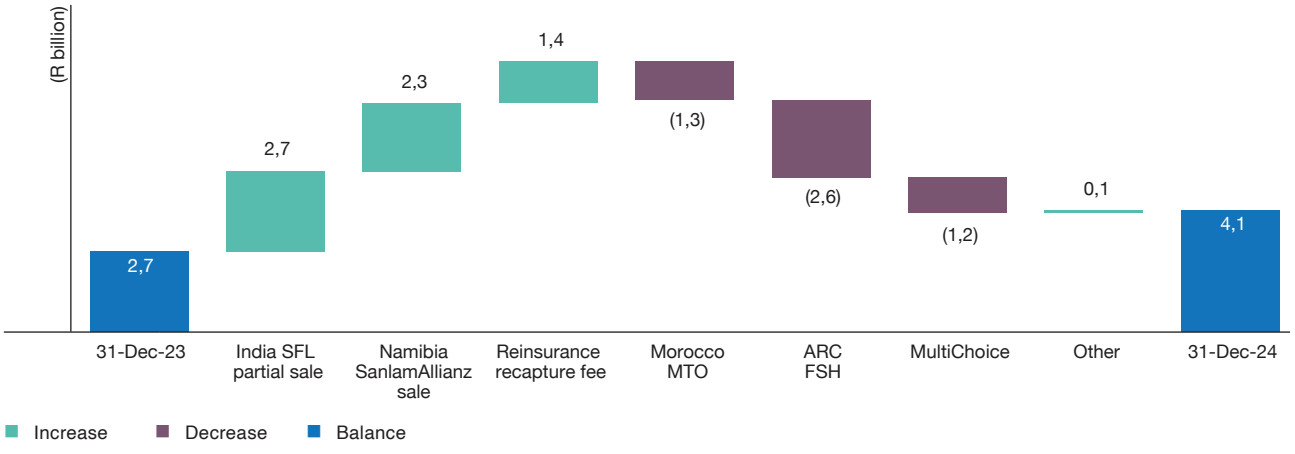
- Life insurance new business volumes grew above the 12% – 15% medium-term target range at 24% (6% in actual currency mainly due to the Egyptian pound and Nigerian naira devaluations).
- Life insurance value of new business grew above the 15% – 20% medium-term target range at 36% (7% in actual currency).
- General insurance net earned premium growth below the 12% – 15% medium-term target range at 11% (7% in actual currency), mainly due to underperformance in Côte d'Ivoire and Kenya.
- Net insurance ratio within the 10% – 15% target range at 12,3%.
- NRFFS increased by 31% (10% in actual currency), above the 15% – 20% medium-term target range mainly due to strong performance in the life insurance portfolio.

On 20 December 2024, the group announced Allianz Europe BV's (Allianz) intention to acquire 8,59% in SanlamAllianz, for a consideration of R4,5 billion, subject to regulatory approval. This will result in a final shareholding split in SanlamAllianz of 51% Sanlam and 49% Allianz. The final consideration will be subject to closing adjustments, which will be determined based on the 31 December 2024 audited financial statements of SanlamAllianz.

Capital deployment

The group's discretionary capital balance increased to R4,1 billion on 31 December 2024 from R2,7 billion at 31 December 2023. This increase is mainly due to the partial sale of the group's shareholding in SFL, the integration of Sanlam Namibia into SanlamAllianz and the reinsurance recapture fee. Discretionary capital was reduced by the outlay associated with the offer to buy out minority shareholders in Sanlam Maroc, as part of the broader SanlamAllianz transaction, acquiring a 25% shareholding in ARC FSH and purchasing 60% in NMSIS from MultiChoice. It is expected that once transactions in progress are completed that discretionary capital will be reduced to be consistent with our long-term target range.

Discretionary capital



[7] Targets are in constant currency.

Events post the reporting period

In early 2025, the group agreed to subscribe for shares in Shriram's wealth and stockbroking businesses, increasing its effective economic shareholding from 26% to 50%. The group will also subscribe for shares in Shriram's listed asset management operations, Shriram Asset Management Company, to increase its effective economic shareholding from 16,3% to 34,8%. These transactions remain subject to regulatory approvals. The combined capital outlay for these transactions is around R1 billion, funded from discretionary capital.

The asset and wealth management businesses have not been a strategic focus of the partnership to date but given the development of the Indian domestic market in recent years, supported by tailwinds of economic growth, financialisaton of savings and maturing capital markets, Sanlam believes that the opportunity is significant and of strategic importance. The financial impacts are expected to be broadly neutral on earnings and dividends in the initial years but expected to be accretive from year three as the businesses are growing assets very strongly.

Confidence in Sanlam's outlook

Looking forward, our strategic focus is primarily on integration of recent acquistions, synergy realisation, and innovation to drive organic growth, as we work towards building a leading financial services group delivering sustainable long-term growth through our operations in high potential emerging markets. We are extracting the growth and efficiency synergies identified and optimising the human and capital resources our strategic initiatives brought together, ensuring that our unique and diverse partnerships deliver value. Underscoring all our strategic efforts will be our continued emphasis on efficient management of capital, cash flow and costs; and maintaining a robust governance, risk management and compliance foundation.

In **South Africa**, our focus is on the successful integration of Assupol in the mass market segment, leveraging the Sanlam and Assupol branch networks and collaborating with our partner to broaden the product offerings to our clients. The consolidation, integration and renewal of our IT systems, alongside development on innovative digital and client loyalty programme offerings, will enable a holistic client engagement model that underpins organic growth.

In our **Pan-Africa** operations, SanlamAllianz's focus is on integrating the operations and realising revenue and cost synergies. We remain positive about the medium to long-term prospects for the African countries in which we operate. Short-term economic challenges are set to reverse over time and the continent is likely to achieve good income growth, which will support our operations.

In **Asia**, Shriram's exceptional reach in the expansive Indian finance market, and its dominance in underserved outlying areas, present us with virtually unrestricted ability to drive insurance growth and financial inclusion. Structural positives include low insurance penetration and rapid advancements in digitalisation and adoption.

We are positive about the group's growth prospects for 2025, on the back of improved investor and business sentiment in South Africa, coupled with improved economic outlook for Pan-Africa and continuing strong growth in Asia. The group expects organic growth to continue to drive earnings in 2025, with the impacts of corporate activity expected to contribute more meaningfully over the medium term.

The group is targeting cash NRFFS for 2025 within a range of R15,0 billion to R16,5 billion off the 2024 base of R14,2 billion (excluding the reinsurance recapture fee). The group's two major measures of value creation, namely RoGEV and real growth in dividend, are expected to be ahead of minimum hurdle for RoGEV and within range for dividends.

Ongoing geopolitical tensions pose risk to the outlook for investment markets, interest rates and inflation. The group's earnings remain sensitive to significant moves in global investment markets, as well as variations in experience.

Dividend

The group declared a dividend of 445 cents per share (2023: 400 cents per share) slightly ahead of our normal dividend policy range of real growth of 2% to 4% over a rolling three-year period, without undermining the group's ability to deal with further financial stresses.

The declaration of a dividend reflects the group's resilience and ability to generate cash, and the board's confidence in the underlying strength of the business.

Financial and strategic review continued

Key performance indicators

For the year ended 31 December	Unit	2024	2023	Δ
Earnings				
Shareholders' fund information				
Net result from financial services	R million	**15 443**	12 379	25%
Cash net result from financial services	R million	**15 536**	12 398	25%
Net operational earnings	R million	**18 544**	13 889	34%
NRFFS excluding reinsurance recapture fee	R million	**14 071**	12 379	14%
Cash NRFFS excluding reinsurance recapture fee	R million	**14 164**	12 398	14%
Net operational earnings excluding reinsurance recapture fee	R million	**17 172**	13 889	24%
Headline earnings	R million	**20 083**	14 467	39%
Weighted average number of shares	million	**2 111**	2 089	1%
Adjusted weighted number of shares	million	**2 115**	2 158	(2%)
Net result from financial services per share	cents	**730**	574	27%
Cash net result from financial services per share	cents	**735**	574	28%
Net operational earnings per share	cents	**877**	644	36%
NRFFS per share excluding reinsurance recapture fee	cents	**665**	574	16%
Cash NRFFS per share excluding reinsurance recapture fee	cents	**670**	574	17%
Net operational earnings per share excluding reinsurance recapture fee	cents	**812**	644	26%
Headline earnings per share	cents	**964**	702	37%
Dividend per share	cents	**445**	400	11%
IFRS information				
Basic profit attributable to shareholders per share	cents	**1 068**	703	52%
Diluted basic profit attributable to shareholders' per share	cents	**1 054**	693	52%
Business volumes				
Total new business volumes	R million	**420 236**	396 590	6%
Total net client cash flows	R million	**54 141**	35 672	52%
Life insurance				
New business volumes (PVNBP)	R million	**103 231**	100 241	3%
Value of new covered business	R million	**2 902**	2 853	2%
New covered business margin	%	**2,81**	2,85	
Life insurance net client cash flows	R million	**16 737**	18 678	(10%)
General insurance				
New business volumes	R million	**49 139**	47 153	4%
Net client cash flows	R million	**19 966**	16 744	19%
Investment management				
New business volumes	R million	**297 211**	274 579	8%
Net client cash flows	R million	**17 438**	250	>100%
Group equity value				
Group equity value	R million	**171 810**	149 904	
Group equity value per share	cents	**8 123**	7 086	
Return on group equity value per share	%	**20,3**	16,7	
Adjusted return on group equity value per share	%	**18,0**	19,5	
Return on equity				
Return on equity	%	**21,3**	15,8	
Return on equity excluding reinsurance recapture fee	%	**19,8**	15,8	
Solvency cover				
Sanlam Group	%	**168**	170	
Sanlam Life Insurance Limited	%	**231**	245	
Sanlam Life Insurance Limited covered business	%	**168**	170	

Additional information

Sanlam at a glance

Group line of business and geographical footprint

Life insurance and health	General insurance	Investment management	Credit and structuring
South Africa • Sanlam Life and Savings (SLS) – Risk and Savings – Glacier – Retail Mass – Corporate and Health • Sanlam Specialised Finance (SanFin) **Pan-Africa** • SanlamAllianz **Asia** • India • Malaysia	**South Africa** • Santam **Pan-Africa** • SanlamAllianz **Asia** • India • Malaysia	**South Africa** • Sanlam Investments Management • Wealth Management • International **Pan-Africa** • SanlamAllianz	**South Africa** • Sanlam Personal Loans • Sanlam Specialised Finance **Pan-Africa** • SanlamAllianz **Asia** • India

Financial performance analysis

In this analysis, all references to South Africa includes Sanlam Life and Savings, Sanlam Investment Group and Santam. Pan-Africa refers to the operations in Africa outside of South Africa (SanlamAllianz) and includes Namibia, while Asia refers to our operations in India and Malaysia.

SanlamAllianz impact on Sanlam group reporting

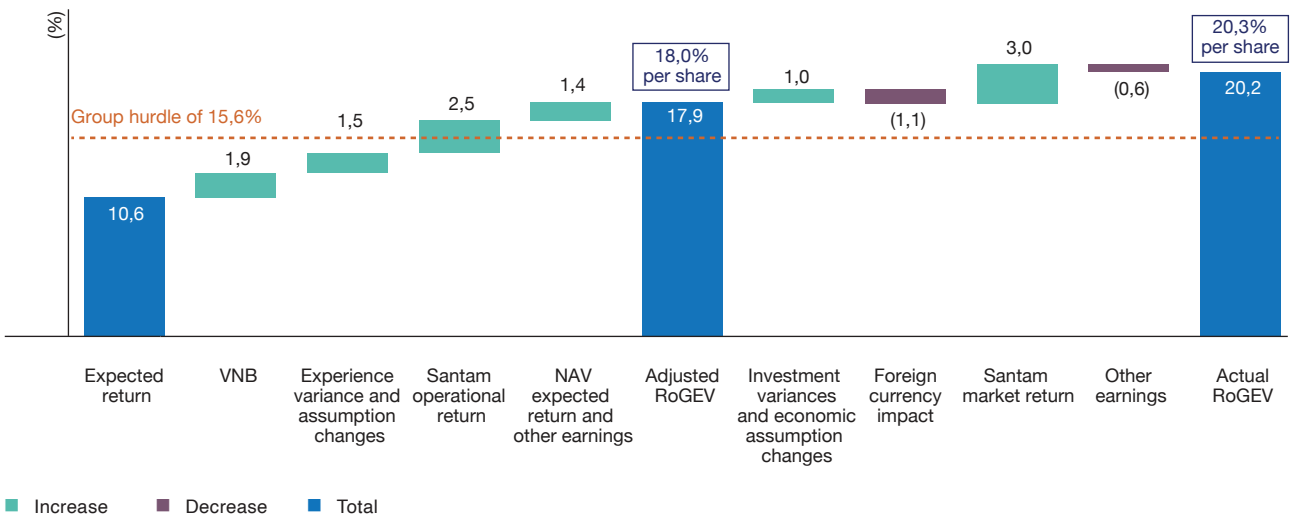
The SanlamAllianz JV became effective 1 October 2023 resulting in the JV being equity-accounted. Prior to this the Sanlam Pan-Africa businesses were consolidated and as a result, 2024 is not comparable to 2023.

For the first nine-month period to 30 September 2023, the Sanlam Emerging Markets (SEM) cluster consisted of Sanlam Pan-Africa (SPA) including Namibia and Asia. Effective from 1 October 2023, all the assets of Sanlam Pan-Africa (SPA), except the Namibian assets, were contributed to SanlamAllianz. From 1 October 2023, the SEM cluster consisted of SanlamAllianz, Namibia as a standalone business and Asia. As of 1 January 2024, SEM is no longer reported as a cluster. Pan-Africa (SanlamAllianz and Namibia) and Asia (India and Malaysia) are presented as separate clusters. In the second half of 2024, Namibia was incorporated into SanlamAllianz.

Group equity value

Group equity value amounted to R171,8 billion or 8 123 cents per share on 31 December 2024, with RoGEV per share of 20,3% and adjusted RoGEV per share of 18,0%, both above the hurdle rate of 15,6%.

Adjusted RoGEV



Financial and strategic review continued

The key drivers of adjusted RoGEV were:
- VNB contributed 1,9%, benefiting from robust levels of new business volumes across the Africa operations.
- Operating experience variances and assumption changes together contributed 1,5% (0,8% from experience variances and 0,7% from assumption changes).
- Positive contribution from Santam due to outperformance against its return on capital target over the period.

Actual RoGEV outperformed adjusted RoGEV over the period due to:
- Positive economic assumption changes mostly from the decrease in the South African risk-free yield curve and positive investment returns due to the impact of lower bond yields on assets backing the shareholders' fund reserves and the contractual service margin (CSM) portfolios.
- Currency translation impacts were negative due to the depreciation of the Egyptian pound relative to the rand.
- The Santam market return relates to the strong performance of the Santam share price over 2024.
- The negative contribution from other earnings relate mostly to the implementation of the global minimum tax rules in South Africa, impacting the Pan-Africa operations.

Operating experience variances

- Positive risk experience variance of R868 million on covered business (2023: positive R1,480 million). Risk experience remained strongly positive across all businesses in South Africa, however, there was some weakening in mortality experience variance in the retail mass and corporate businesses, as well as negative risk experience in Malaysia.
- Persistency experience variances on covered business improved, albeit still slightly negative (2024: negative R66 million, 2023: negative R810 million). In South Africa, basis strengthening in December 2023 in the retail mass business supported improved variance recorded. The retail mass individual life business continues to show the benefit of management actions implemented from the second quarter of 2024, recording positive persistency experience variance for 2024. However, experience weakened on the Capitec and mass market retail group businesses over the year. The South Africa risk and savings business and Pan-Africa operations recorded improved persistency experience, while Asia recorded slight negative experience largely from Malaysia.
- Higher positive credit spread and working capital profits due to increased margin income in the credit portfolio and the impact of higher interest income on working capital.
- Operating experience variances were slightly negative in the non-covered business mostly from lower than expected net inflows in the asset management operations.

Operating assumption changes

- The non-covered business operations recorded positive assumption changes of R0,8 billion mainly from the revaluation of the Indian non-covered business (credit and general insurance), which was partly offset by the write-down in Afrocentric.

Earnings

Year ended 31 December (R million)	2024	2023	Δ%
Life insurance and health	**7 961**	7 282	9%
General insurance	**3 047**	2 179	40%
Investment management	**1 403**	1 234	14%
Credit and structuring	**2 142**	2 148	0%
Corporate expenses and other	**(482)**	(464)	(4%)
Net result from financial services (excluding reinsurance recapture fee)	**14 071**	12 379	14%
Reinsurance recapture fee	**1 372**	–	
Net result from financial services (including reinsurance recapture fee)	**15 443**	12 379	25%

Life insurance and health NRFFS increased by 9%

South Africa NRFFS increased by 8% supported by good growth in the retail life insurance businesses. The mass market business benefited from higher CSM and risk adjustment (RA) releases, improved persistency experience and the inclusion of Assupol in the fourth quarter of 2024. The risk and savings and Glacier businesses in the affluent market both recorded improved asset-based income from improved investment market performance, with Glacier further supported by higher CSM and RA releases from strong recent net inflows to higher margin products. Life insurance performance was bolstered by contraction of credit spreads on international assets in the credit portfolio backing life insurance liabilities. The South Africa **health** portfolio recorded lower earnings relative to 2023.

Pan-Africa increased by 75% despite the negative impacts of currency devaluations in Nigeria and Egypt. Growth was supported by cost saving initiatives, a solid performance in Namibia and Botswana as well as a strong performance from the credit life business in Tanzania and deposit administration and the group risk business in Malawi.

In **Asia**, India recorded muted growth as improved investment returns, premium growth and positive mortality experience were offset by investments in developing additional sales channels, which continue to support strong new business growth. Malaysia recorded lower earnings, impacted by a challenging claims environment in the health portfolio as well as elevated expenses, partly due to regulatory changes.

General insurance NRFFS increased by 40%

South Africa (Santam) recorded a 68% increase, with the underwriting margin improving to 7,6% (2023: 3,5%) for the conventional insurance operations, supported by improved claims experience, as the underwriting actions implemented over the past two years continue to bear positive results. The investment return on insurance funds of 2,6% of net earned premiums was in line with 2023.

Shareholders and noteholders are referred to Santam's annual results released on 3 March 2025 for more information (https://www.santam.co.za/about-us/investor-relations/).

Pan-Africa increased by 25% due to higher investment returns on insurance funds and overall book growth within the portfolio. Good results were achieved in Morocco, SanlamAllianz Re, and Egypt, which was partially offset by underperformance in Côte d'Ivoire and Angola. The business achieved a net insurance margin of 12,3%, within its 10% to 15% target range.

Asia recorded lower earnings due to the non-repeat of a positive one-off modelling change in 2023 in India. Underlying business performance remained satisfactory with an improved underwriting margin recorded in 2024 in India. Malaysia was impacted by a challenging claims environment in the motor book.

Investment management NRFFS increased by 14%

South Africa recorded 16% growth, supported by higher fee income from increased assets under management and improved performance fees in the multi-manager business. Wealth management benefited from increased offshore trading fees, while the international operations maintained satisfactory performance driven by a continued focus on cost savings. This growth was partly dampened by repricing of certain products on the Glacier platform. **Pan-Africa** recorded satisfactory growth, benefiting from higher market-related fee income.

Credit and structuring NRFFS was in line with prior year

The SFL operations in India are the largest contributors to the group's credit and structuring earnings, contributing more than 80% of the total from this line of business.

SFL earnings recognised by Sanlam, which are reported with a three-month lag relative to SFL's own reporting, increased by 10%. Earnings benefited from continued growth in advances, coupled with credit experience remaining stable. The results include the lower effective shareholding for three quarters of 2024 after the partial sale of the group's direct interest in SFL at the end of March 2024. On a normalised basis, adjusting for the change in shareholding, earnings increased by 16%.

Credit and structuring performance in Africa were weaker than 2023 due to higher loan write-offs and elevated operating costs in Pan-Africa, and increased technology investments in Sanlam Personal Loans (SPL) in South Africa post the group taking full ownership of this business.

Reconciliation of shareholders' fund NRFFS to IFRS earnings

The main operating difference between the two earnings metrics is the exclusion of investment return on shareholder capital and shareholder-specific adjustments in NRFFS. SHF adjustments for 2024 include excess investment returns absorbed by the asset mismatch reserve (AMR).

Year ended 31 December (R million)	2024	2023	Δ%
Net result from financial services (including reinsurance recapture fee)	**15 443**	12 379	25%
Net investment return	**3 542**	2 120	67%
Net project expense	**(441)**	(610)	28%
Net operational earnings (including reinsurance recapture fee)	**18 544**	13 889	34%
Shareholders' fund adjustments[8]	**2 179**	1 776	23%
Net profit on disposal of subsidiaries and associates	**3 636**	336	>100%
Other[9]	**(2 119)**	(1 523)	(39%)
Attributable earnings as per group statement of comprehensive income	**22 240**	14 478	54%

Attributable earnings (IFRS earnings) increased by 54% to R22,2 billion. The greater increase relative to net operational earnings is due to higher positive shareholders' fund adjustments, proceeds on the sale of Sanlam's Namibia operations into the SanlamAllianz joint venture and the partial sale of the direct stake in SFL in March 2024. These gains were partly offset by an impairment largely from the partial write-down in value of Afrocentric, owing to the operational challenges the business experienced during the year.

The higher shareholders' fund adjustments in 2024 are due to stronger performance from equity markets and a reduction in bond yields across major markets in the group's portfolio. The positive impact of these movements is absorbed by the AMR in NRFFS and fully recognised in attributable (IFRS) earnings.

[8] Shareholders' fund adjustments for the year ended 31 December 2024 include excess investment returns absorbed by the asset mismatch reserve.
[9] Other includes net amortisation of value of business acquired and other intangibles, impairments, net equity-accounted earnings and fund transfers.

Financial and strategic review continued

Return on equity

The group recorded an RoE of 19,8% for 2024 (21,3% including the reinsurance recapture fee) relative to 15,8% in 2023. The improvement in RoE is supported by strong growth in NRFFS and improved investment return on the shareholder capital portfolio, coupled with lower project expenses and the continued optimisation of our balance sheet. RoE is reported on a shareholders' fund basis.

New business volumes and value of new business

Year ended 31 December (R million)	2024	2023	Δ%
Total new business volumes	**420 236**	396 590	6%
Life business	**73 886**	74 858	(1%)
General insurance	**49 139**	47 153	4%
Investment management	**297 211**	274 579	8%
Life insurance			
PVNBP	**103 231**	100 241	3%
VNB	**2 902**	2 853	2%
VNB margin	**2,81%**	2,85%	(4bps)

Life insurance

Life insurance new business volumes on a PVNBP basis increased by 3% to R103 billion.

South Africa's PVNBP increased by 3%, impacted by the non-repeat of a large single premium inflow in the corporate business in the fourth quarter of 2023.

Retail mass recurring premiums grew 6% driven by positive contributions from the Capitec funeral JV over the first 10 months of the year and the first-time inclusion of Assupol for the last quarter of 2024. This was partly reduced by weaker contribution from individual life because of the management actions taken to address policy churn.

The affluent segment, which consists of the risk and savings and Glacier businesses, recorded an 8% increase in PVNBP. In recurring premium business, we continue to see market share gains in individual underwritten life, and good growth in savings products. Single premium sales benefited from international and living annuity products seeing increased flows with life annuity sales tapering off in the second half of the year in line with the reduction in bond yields. Corporate growth was muted due to the high single premium base, while recurring premiums sales increased strongly.

Pan-Africa, in comparison with 2023, is impacted by the corporate activity structural change in the portfolio. On a comparable basis[10], life insurance new business volumes increased by 24%, supported by good annuity, credit life and individual life flows in Southern Africa, credit life flows in Tanzania, strong unit linked volumes in Egypt, savings volume in Morocco and individual life and annuity volumes in Nigeria.

Asia new business volumes increased by 26%, driven by good growth in both India and Malaysia. India recorded increased sales on the back of strong individual life volumes from the development of new sales channels. Malaysia recorded strong volume growth from increased sales of savings products and growth in group business.

Group net VNB increased by 2%. **South Africa** grew by 3% as the good affluent and corporate segment growth was dampened by muted growth in the mass market segment from the actions taken to address churn and the inclusion of Capitec's contribution for only 10 months in 2024 relative to a full year in 2023. Affluent market VNB increased by 7% as good contributions to risk and savings growth from individual life risk, Capital Legacy and BrightRock were dampened by a lower contribution from Glacier due to the weakening in life annuity sales. Corporate VNB increased by 29% due to strong sales of higher margin recurring premium business and strong sales of life annuities taken by retiring members.

Pan-Africa VNB contribution increased by 4%, supported by good volume growth in Namibia, Egypt, Malawi, Tanzania and Nigeria, dampened by currency devaluation in Egypt and Nigeria, and the structural impact of the sale of Sanlam Namibia to SanlamAllianz. On a comparable basis, VNB is 36% higher in constant currency.

Asia's VNB growth was muted by development costs in establishing new distribution channels in India, while Malaysia was impacted by shift to lower-margin business sales.

Group net VNB margin of 2,81% was recorded, with South Africa at 2,50% (2023:2,49%), Pan-Africa at 5,24% (2023: 4,84%) and Asia delivering 3,85% (2023: 5,46%).

[10] 100% of SanlamAllianz for 2024 and 2023 on a like-for-like basis in constant currency.

General insurance

New business volumes (net earned premiums) increased by 4% to R49 billion, supported by double-digit growth in South Africa and Asia.

In **South Africa**, Santam's conventional insurance business net earned premiums grew by 10%, with all but specialist business contributing to the growth.

Pan-Africa's net earned premium comparison is impacted by corporate activity structural changes in the Pan-African portfolio. On a comparable basis, the portfolio recorded 11% growth, with strong contributions from increased internal reinsurance recorded in SanlamAllianz Re, premium growth in Egypt as well as stronger motor and commercial business growth in Morocco.

Asia's growth in net earned premium was mainly due to 30% growth in India supported by strong motor third party and own damage sales. Malaysia's sales improved by 7%.

Investment management

New business volumes increased by 8% to R297 billion, supported by good growth from South Africa with strong inflows in the retail multi-management, index tracking and wealth management operations as well as strong retail segment growth. The international operations business inflows were in line with 2023. On a comparable basis, the **Pan-Africa** portfolio recorded 19% growth, boosted by inflows in Botswana, Namibia and Kenya.

Net client cashflows

Group net client cash inflows rose by 52% to R54,1 billion, driven primarily by robust performance in the investment management operations, partially offset by lower net inflows in the life insurance operations.

Life insurance

Life net client cash inflows were satisfactory at R16,7 billion, albeit 10% lower than 2023. Growth in Pan-Africa and Asia was offset by weaker performance in South Africa. **South Africa** was impacted by net outflows in the corporate business, including two-pot claims, as well as the loss of a large client. This offset strong inflows in the mass and affluent segments.

Investment management

Net client cash inflows increased significantly to R17,4 billion from R250 million in 2023. **South Africa** recorded R19 billion in net client cash inflows. Asset management's net inflows improved in the Satrix, retail multi-management operations and former Absa asset management operations, however dampened by active manager outflows.

Wealth management achieved strong net inflows due to its robust offshore capabilities. The international asset manager recovered from large 2023 outflows to record net inflows of R895 million. **Pan-Africa** recorded lower net outflows in Namibia.

General insurance

General insurance net client cash flows increased by 19% to R20 billion relative to 2023. **South Africa** recorded 38% growth primarily from double-digit growth in net earned premiums in Santam coupled with lower claims frequency. **Pan-Africa's** performance was impacted by the structural change in the portfolio, on a comparable basis net client cash flows increased by 8%. **Asia** grew by 21% supported by sustained strong net earned premium inflows in India, which was partly offset by higher claims experience in Malaysia.



Shareholders' fund information 2024



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Basis of accounting – shareholders' fund information

This financial information is extracted from audited information but is not itself audited. The Shareholders Fund Information from which this information has been extracted, along with the auditors' report thereon is available at http://sanl.am/SHFAFS24.

The purpose of this section is to provide additional information to users of the group's shareholders' fund in a format that corresponds with that used by management in evaluating the performance of the group and is additional information to the Sanlam financial statements prepared in terms of IFRS® Accounting Standards.

It includes analysis of the group's shareholders' fund consolidated financial position and results in a similar format to that used by the group for internal management purposes. The group financial statements are prepared in accordance with IFRS Accounting Standards and include the consolidated results and financial position of both the shareholder and policyholder activities. The IFRS financial statements also do not distinguish between the shareholders' operational and investment activities, which are separate areas of management focus and an important distinction in evaluating the Sanlam group's financial performance. Information is presented in this section to provide additional shareholders' fund information to users of Sanlam's financial information.

The group also discloses group equity value (GEV) information in accordance with the requirements of Actuarial Practice Note (APN 107). The group's key strategic objective is to maximise returns to shareholders. GEV has been identified by management as the primary measure of value and return on GEV (RoGEV) is used by the group as the main performance measure to evaluate the success of its strategies toward sustainable value creation in excess of its cost of capital. For the purpose of internal monitoring, the directors make use of GEV to reflect the performance of the group. This is considered to provide a meaningful basis of reporting the underlying value of the group's operations and the related performance drivers. This basis explicitly allows for the impact of uncertainty in future investment returns and is consistent with the group's operational management structure.

The additional shareholders' fund information also includes the embedded value of covered business (EV), change in EV and value of new business.

Basis of accounting – additional shareholders' fund information

The basis of accounting and accounting policies in respect of the financial information of the shareholders' fund are the same as those set out in the financial statements, apart from the specific items described under separate headings. Management considers this basis of accounting applied for the shareholders' fund information to be suitable for the intended users of this financial information. The shareholders' fund information is prepared on a going concern basis.

The application of the basis of accounting of the shareholders' fund information is also consistent with that applied in the prior year apart from the following:

- Sanlam Life and Savings (SLS) is one cluster from 2024. The prior years reflected the three clusters within SLS (Sanlam Life and Savings, SA Retail Mass and Sanlam Corporate).
- The Pan-Africa cluster includes the following and is presented as such:
  - For the period to 31 December 2024, Pan-Africa consisted of SanlamAllianz and Namibia. Following the contribution of Sanlam Namibia to SanlamAllianz JV in 2024, all of the assets of Sanlam Pan-Africa (SPA) is now part of the SanlamAllianz JV as illustrated below:

2023		**2024**
January – September SEM cluster	October – December	Full year Pan-Africa cluster
• Sanlam Pan-Africa including Namibia	• SanlamAllianz JV • Namibia	• SanlamAllianz JV (including Namibia)

  - In the financial commentary provided on page 2, all references to Pan-Africa refers to operations in Africa outside of South Africa (SanlamAllianz).
  - The Asia cluster consists of operations in India and Malaysia.

Group equity value

GEV is the aggregate of:

- The embedded value of covered business, which comprises the required capital supporting these operations (also referred to as adjusted net worth) and their net value of in-force business.
- The fair value of other group operations based on longer-term assumptions, which includes the investment management, capital markets, general insurance and the non-covered wealth management operations of the group; and
- The fair value of discretionary and other capital. Discretionary capital represents management's assessment of capital in excess of that required for current operations of the group. Such capital may be used to fund future operations and acquisitions or be returned to shareholders.

GEV is calculated by adjusting the shareholders' fund at net asset value with the following:

- Adjustments in respect of covered business:
  - Elimination of goodwill and other intangible assets in respect of investment contracts are measured under IFRS 9 *Financial Instruments*, as these assets are replaced by the value of the in-force book.
  - Elimination of some insurance contract assets recognised in terms of IFRS 17 *Insurance Contracts*, as these assets are included in the calculation of the value of the in-force book.
  - Elimination of the asset mismatch reserve and other specific shareholders' fund reserves held as part of the capital allocated to contracts measured under IFRS 17 and IFRS 9, as these reserves are included in the calculation of the value of the in-force book.
  - Adding the value of the in-force book.
- Adjustments in respect of non-covered operations:
  - Adding the fair value adjustment for other operations, comprising of the difference between the fair value of these operations and the corresponding net asset value included in the shareholders' fund at net asset value.
  - Adjustments to net worth, including allowance for the present value of holding company expenses.

Although being a measure of value, GEV is not equivalent to the economic value of the group as the embedded value of covered business does not allow for the value of future new business. An economic value may be derived by adding to the GEV an estimate of the value of the future sales of new covered business, often calculated as a multiple of the value of new covered business written during the past year.

The GEV is inherently based on estimates and assumptions set out in this basis of preparation and as also disclosed under critical accounting estimates and judgements in the condensed consolidated interim financial statements. It is reasonably possible that outcomes in future financial years will be different to the current assumptions and estimates, possibly significantly, impacting on the reported GEV. Accordingly, sensitivity analyses are provided for changes from the base estimates and assumptions (refer to note 5 for covered operations and note 6 for non-covered operations).

Fair value of businesses included in GEV

Fair values for listed businesses are determined by using stock exchange prices or directors' valuations and for unlisted businesses by using directors' valuations. Where directors' valuations are used for listed businesses, the listed values of these businesses are disclosed for information purposes.

The valuation of businesses is based on generally accepted and applied investment valuation techniques but is subject to judgement to allow for perceived risks. Estimates and assumptions are an integral part of business valuations and as such have an impact on the amounts reported. Management applies judgement in determining the appropriate valuation technique to be used. In addition, in applying the valuation techniques judgement is utilised in setting assumptions of future events and experience, and where applicable, risk-adjusted discount rates.

Estimates and judgements are regularly updated to reflect latest experience. Actual outcomes in future financial years may differ from current estimates and assumptions, possibly significantly, which could require a material adjustment to the business valuations.

The appropriateness of the valuations is regularly tested through the group's approval framework, in terms of which the valuations of investments is reviewed and recommended for approval by the audit, actuarial and finance committee of the board by the Sanlam Non-Listed Asset Controlling Body.

Businesses may comprise legal entities or components of legal entities as determined by the directors.

Basis of accounting – shareholders' fund information continued

Adjustments to net worth

Present value of corporate expenses

GEV is determined by deducting the present value of corporate expenses, by applying a multiple to the after-tax corporate expenses. This adjustment is made as the embedded value of covered business and the fair value of other group operations do not allow for an allocation of corporate expenses.

Share incentive schemes granted on subsidiaries' own shares

Where group subsidiaries grant share incentives to staff on the entities' own shares, the fair value of the outstanding incentives at period end is deducted in determining GEV. The expected cost of future grants in respect of these incentive schemes is allowed for in the calculation of the value of in-force covered business and the fair value of other group operations as appropriate.

Share incentive schemes granted on Sanlam shares

Long-term incentives granted by the group on Sanlam shares are accounted for as dilutive instruments. The GEV is accordingly not adjusted for the fair value of these outstanding shares, but the number of issued shares used to calculate GEV per share is adjusted for the dilutionary effect of the outstanding instruments at period end. The expected cost of future grants in respect of these incentive schemes is allowed for in the calculation of the value of in-force covered business and the fair value of other group operations.

Change in group equity value

The change in group equity value consists of the embedded value earnings from covered business, earnings from other group operations on a fair value basis, earnings on discretionary and other capital and capital transactions with shareholders.

Return on group equity value

The RoGEV is equal to the change in GEV during the reporting period, after adjustment for dividends paid and changes in issued share capital, as a percentage of GEV at the beginning of the period, adjusted for changes in issued share capital during the year.

Shareholders' fund at net asset value, income statement and related information

The analysis of the shareholders' fund at net asset value and the related shareholders' fund income statement reflects the consolidated financial position and earnings of the shareholders' fund, based on accounting policies consistent with those contained in the Sanlam financial statements, apart from the ones discussed below.

Basis of consolidation

The shareholders' funds of group companies are consolidated in the analysis of the Sanlam group shareholders' fund at net asset value. The policyholders' and outside shareholders' interests in these companies are treated as non-controlling shareholders' interest on consolidation.

The analysis of the shareholders' fund at net asset value is consistent with the group's operational management structure.

Consolidation reserve

A consolidation reserve is created as part of shareholders' equity in the group statement of financial position for the IFRS accounting mismatches outlined below that are regarded as non-economical in management's view. The consolidation reserve is not recognised in the shareholders' fund at net asset value. The fund transfers between the shareholders' and policyholders' fund relating to movements in the consolidation reserve are commensurately also not recognised in the shareholders' fund's normalised attributable earnings.

- In terms of IFRS Accounting Standards, deferred tax assets are recognised in respect of assessed tax losses in policyholder funds, which increases the group's equity value, whereas the policy liabilities are not increased correspondingly. This leads to an artificial mismatch, with a consequential impact on the group's shareholders' fund and earnings.

The consolidation of the broad-based black economic empowerment special purpose vehicle (B-BBEE SPV Group) to which 111 349 000 shares were issued in March 2019, was treated similarly and was also recognised in the consolidation reserve and fund transfers, respectively up to 30 June 2023. At 30 June 2023, the B-BBEE SPV Group was not consolidated in the shareholders' fund as it was 50% funded by external parties and therefore no value was recognised for shareholders reporting. Following the A Preference share Acquisition in August 2023, entities in the Sanlam Group own both the A preference shares and the B preferences shares. As at 31 December 2024, the B-BBEE SPV is consolidated and includes the repurchase and cancellation of the Sanlam shares during June 2024.

Specific shareholders fund reserves

Asset mismatch reserve

An asset mismatch reserve is created in the group's statement of financial position for investment variances emanating from insurance and investment contracts measured under IFRS 17 and IFRS 9 respectively. Although the group follows a policy of matching insurance and investment contract cash flows on a duration-matched basis, complete matching is not possible for all lines of business given unique product features and/or the availability of matching assets. This results in mismatch profits or losses being recognised in earnings as changes in the measurement of insurance and investment contract liabilities and the underlying matching assets will not fully offset. In addition, investments in corporate credit instruments measured at fair value also result in earnings volatility due to movements in market spreads and credit default provisions. The difference between the assumed and actual investment return earned on asset classes is another source of mismatch profits and losses. Changes in the cost of investment guarantees is another source of earnings volatility, with these variances mainly being driven by economic impacts such as changes in equity market levels, interest rates and equity volatility. Excess claims related to the payment of investment guarantees and/or any capital injections due to shortfalls arising from inadequate funding levels, will be recognised as losses in earnings. Changes in the estimates of the future cost of investment guarantees are absorbed by the CSM and deferred over the lifetime of the insurance contracts, impacting the:

- amount of the CSM recognised in net result from financial services in the current reporting period; and
- the amounts of the CSM expected to be recognised in net result from financial services in future reporting periods.

The asset mismatch reserve is utilised to absorb the earnings volatility described above, supporting the group's strategic objective of increasing dividends to shareholders by between 2% and 4% in real terms over a three-year rolling basis.

The asset mismatch reserve is recognised in the shareholders' fund at net asset value. Movements in the asset mismatch reserve are recognised in a separate line item in the shareholders' fund's income statement, outside of net operational earnings with corresponding adjustments to net result from financial services. The adjustments related to insurance contracts are included in the following line items in net result from financial services:

- insurance revenue for the effect of changes in the cost of investment guarantees on CSM recognition amounts if the mismatch profits or losses are outside a specific range;
- insurance service expenses for excess claims/capital injections due to shortfalls related to investment guarantees if the mismatch profits or losses are outside a specific range; and
- insurance investment result for other investment mismatch profits or losses as covered below.

The asset mismatch reserve is increased or reduced for insurance contracts by allowing for the following:

- economic mismatch profits or losses due to duration mismatching of the assets backing the fulfilment cash flows and CSM;
- investment variances arising from actual investment returns on the assets backing the liabilities being different from those expected, including the risk-free rate component of corporate credit exposures;
- movements in credit spreads and default provisions relating to corporate credit exposures;
- mismatch profits or losses due to changes in the cost of investment guarantees for insurance contracts measured under the VFA; and
- net investment return earned on the assets backing the asset mismatch reserve.

For insurance contracts measured under the variable fee approach (VFA), the investment variances described above are only adjusted for in the asset mismatch reserve if they arise from holding assets not related to the underlying items.

The asset mismatch reserve is increased or reduced for investment contracts in SLS by allowing for economic mismatch profits or losses and investment variances (as described above) specifically related to the assets backing the contract cash flows for vesting bonuses and tax credits.

The asset mismatch reserve is recycled (released) to net result from financial services in insurance investment result based on the reserve balance at the end of the previous month/quarter and a rate of release of approximately 10% per annum, which considers:

- the expected volatility of the items that will be transferred to the asset mismatch reserve driven by the underlying asset mix and the general economic environment that the relevant business operates in;
- the prevailing interest rate environment and the underlying asset mix, and therefore the expected growth in the asset mismatch reserve from the investment returns on the backing assets (before allowing for the release in the asset mismatch reserve);
- the mix and duration of the insurance business (for example, general insurance business relative to life insurance business); and
- the projected solvency cover level compared to target ranges based on a specified release pattern.

Basis of accounting – shareholders' fund information continued

Other shareholders' fund reserves

Other shareholders' fund reserves were created on transition to IFRS 17 for specific future events such as pandemics and digital transformation (future-fit) projects related to insurance business, as well as the recognition of shareholders' fund reserves backed by some insurance contract assets (ie, negative insurance liabilities). These shareholders' fund reserves are held in addition to the insurance liabilities.

Similar to the asset mismatch reserve above, other shareholders' fund reserves are recognised in the shareholders' fund at net asset value. Movements in these reserves are recognised in a separate line item in the shareholders' fund income statement, outside of net operational earnings with a corresponding adjustment to net result from financial services. The adjustments related to insurance contracts are included in the following line items in net result from financial services:

- Insurance service expenses for adjustments related to pandemic events;
- Other expenses relating to insurance operations for adjustments related to future-fit project expenses;
- Insurance investment result for adjustments related to insurance contract asset economic impacts; and
- Insurance revenue for other non-cash adjustments related to insurance contract asset impacts.

The future release pattern of the reserves for future project expenses is consistent with the related expenses incurred over time. These reserves will also absorb excess claims in a future pandemic. The purpose of these reserves is therefore to manage volatility in cash earnings available for dividend distribution.

Reserves in respect of future-fit projects originated on transition to IFRS 17 where specific policyholder reserves were released to equity, and investment return on the assets backing this reserve will also be used to fund these project expenses. This reserve is used to absorb costs directly expensed in the income statement and expenses capitalised to manage the impact on dividend volatility. The utilisation of this reserve is presented in the shareholders' fund income statement by reducing the related expenses included in net result from financial services, with a corresponding adjustment in net movement in other shareholders' fund reserves (outside of operational earnings), resulting in a decrease in the reserve. Future-fit expenses capitalised are also funded from this reserve to manage the impact on dividend distribution.

Sanlam re-established a pandemic reserve in 2022, presented as a reduction in net result from financial services with a corresponding increase in the net movement in other shareholders' fund reserves (outside of operational earnings), with a zero impact on attributable earnings. The utilisation of this reserve is presented in the shareholders' fund income statement on a similar basis, resulting in a decrease in the reserve. Investment returns on the assets backing the pandemic reserves will be released to net result from financial services over time.

The other shareholders' fund reserves are increased or reduced by the changes in the backing insurance contract assets. The economic impacts on these insurance contract assets are adjusted for in net result from financial services, including the unwind / accretion of interest on the negative insurance liabilities and the impact of economic assumption changes. Other non-cash changes in these insurance contract assets are also adjusted for in net result from financial services.

Accounting mismatch

For insurance contracts measured under the General Measurement Model (GMM) in terms of IFRS 17, changes in estimates of the fulfilment cash flows related to future service (for example, changes due to non-financial assumption changes) are reflected in the CSM. However, these changes are measured at the locked-in interest rates that applied at the initial recognition date of each group of insurance contracts, which results in a mismatch between the movements in the fulfilment cash flows (at current interest rates) and the adjustments to the CSM (at locked-in interest rates). These accounting mismatches are removed from net result from financial services in insurance investment result with a corresponding adjustment to other shareholders' fund reserves outside of operational earnings. These mismatches will be released to net result from financial services over time.

Target shares

Strategic diversification activities between Sanlam Emerging Markets (SEM) and Santam consist of the investment in target shares issued by SEM to Santam and vice versa. These shares give the holder the right to participate in the growth of the underlying short-term insurance investments. For purposes of the group's shareholders' fund income statement, the total return on these short-term insurance investments are therefore split between SEM and Santam, after consideration of the respective non-controlling interests.

Segregated funds

Sanlam also manages and administers assets in terms of third-party mandates, which are for the account of and at the risk of the clients. As these are not the assets of the Sanlam group, they are not recognised in the Sanlam group statement of financial position in terms of IFRS Accounting Standards and are also excluded from the shareholders' fund at net asset value and fair value. Fund flows relating to segregated funds are however included in the notes to the shareholders' fund information to reflect all fund flows relating to the group's assets under management.

Net result from financial services

Net result from financial services is a measure of operating performance of the Sanlam group that is better aligned to cash earnings that drives dividend distribution. Investment return on assets held in the capital portfolio are excluded from net result from financial services. The specific shareholders' fund adjustments described above are included in net result from financial services to reflect earnings that are closely aligned to cash earnings for dividend distribution:

- Asset mismatch reserve movements; and
- Other shareholders' fund reserve movements related to:
  - Pandemic events;
  - Future-fit project expenses;
  - Insurance contract asset impacts; and
  - Accounting mismatch impacts related to locked-in interest rates in terms of IFRS 17 as described above.

The following shareholders' fund adjustments have net zero impact on net result from financial services:

- The CSM is accreted with interest based on locked-in interest rates for GMM products. The difference between accreting interest on the CSM at locked-in interest rates and current interest rates is shifted from the insurance investment result to insurance revenue with net zero impact on net result from financial services. Insurance revenue in the shareholders' fund income statement therefore presents CSM recognition amounts at current interest rates.

Shareholders' fund adjustments in the income statement

Sanlam's dividend policy is supported by sustainable operating performance. Consequently, net result from financial services is adjusted for short-term market volatility (eg, as a result of investment variances), accounting mismatches because of adjusting the CSM at locked-in rates, and other amounts as specified in the sections below. These adjustments are reversed in the shareholders' fund income statement outside of operational earnings to have a zero impact in the IFRS income statement. Additional disclosures are provided in note 1 on the specific shareholders' fund income statement adjustments.

Equity-accounted earnings

Equity-accounted earnings are presented in the shareholders' fund income statement based on the allocation of the group's investments in associates and joint ventures between operating and non-operating entities:

- At 31 December 2024, operating associates and joint ventures include investments in strategic operational businesses, namely SanlamAllianz, Shriram Finance Limited, Shriram General Insurance, Shriram Life Insurance and Pacific & Orient. The equity-accounted operating earnings and investment return on capital from operating associates and joint ventures are included in the net result from financial services and net investment return respectively.
- Non-operating associates and joint ventures include investments held as part of the group's balanced investment portfolio. The Santam group's equity-accounted investments are the main non-operating associates and joint ventures. The group's share of earnings from these entities are reflected as equity-accounted earnings.

Normalised earnings per share

As discussed under the policy note for 'Consolidation reserve' above, the IFRS Accounting Standards' prescribed accounting treatment of the B-BBEE SPV up to 30 June 2023 creates a small artificial accounting mismatch with a consequential impact on the group's IFRS earnings. However, the group calculates normalised diluted earnings per share (a non-IFRS Accounting Standards measure) to eliminate fund transfers relating to the B-BBEE SPV. This is in the group's opinion a better representation of the earnings attributable to the group's shareholders.

Fund flows

The notes to the shareholders' fund information also provide information in respect of fund flows relating to the group's assets under management. These fund flows have been prepared in terms of the following bases:

Funds received from clients

Funds received from clients include single and recurring life and general insurance premium income from insurance and investment policy contracts, which are recognised in the financial statements. It also includes contributions to collective investment schemes and non-life insurance linked-products as well as inflows of segregated funds, which are not otherwise recognised in the financial statements as they are funds held on behalf of and at the risk of clients. Funds received in respect of non-annuity assets under administration are excluded from funds received from clients. Transfers between the various types of business, other than those resulting from a specific client instruction, are eliminated. Funds received from clients include the group's effective share of funds received from clients by strategic operational associates and joint ventures.

New business

In the case of long-term insurance business, the annualised value of all new policies (insurance and investment contracts) that have been issued during the financial year according to the group's embedded value assumptions and have not subsequently been refunded, is regarded as new business.

All segregated fund inflows (excluding those related to assets under administration), inflows to collective investment schemes and short-term insurance premiums (also called net earned premiums) are regarded as new business.

New business includes the group's share of new business written by strategic operational associates and joint ventures.

Payments to clients

Payments to clients include policy benefits paid in respect of life and general insurance and investment policy contracts, which are recognised in the financial statements. It also includes withdrawals from collective investment schemes and non-life insurance linked-products as well as outflows of segregated funds, which are not otherwise recognised in the financial statements as they relate to funds held on behalf of and at the risk of clients. Withdrawals of non-annuity funds under administration are excluded. Transfers between the various types of business, other than those resulting from a specific client instruction, are eliminated.

Payments to clients include the group's effective share of payments to clients by strategic operational associates and joint ventures.

Basis of accounting – shareholders' fund information continued

Basis of accounting and presentation – embedded value of covered business

The group's embedded value of covered business information is prepared in accordance with APN107, the guidance note on embedded value financial disclosures of South African long-term insurers issued by the Actuarial Society of South Africa (Actuarial Society). Covered business represents the group's long-term insurance business for which the value of new and in-force contracts is attributable to shareholders.

The embedded value results of the group's covered business are included in the shareholders' information as it forms an integral part of GEV and the information used by management in evaluating the performance of the group. The embedded value of covered business does not include the contribution to GEV relating to other group operations or discretionary and other capital, which are included separately in the analysis of GEV.

The basis of presentation for the embedded value of covered business is consistent with that applied in the 2023 financial statements.

Covered business

Covered business includes all material long-term insurance business that is recognised in the Sanlam group financial statements. This business includes individual stable bonus, linked and market-related business, group stable bonus business, annuity business and other non-participating business written by Sanlam Risk and Savings, Glacier, Sanlam Retail Mass, Sanlam Corporate, Pan-Africa and Asia.

Acquisitions, disposals and other movements

The embedded value of covered business results are prepared taking cognisance of changes in the group's effective shareholding in covered business operations.

Methodology

Embedded value of covered business

The embedded value of covered business is a measure of the consolidated value of shareholders' interests in the covered business, excluding any value that may be attributed to future new business. It is calculated on an after-tax basis considering current legislation and known future changes.

The embedded value of covered business comprises the following components:
- Adjusted net worth (ANW); and
- The net value of in-force business.

Adjusted net worth

Adjusted net worth comprises the required capital supporting the covered business and is equal to the net value of assets allocated to covered business that does not back policy liabilities, asset mismatch reserves or other shareholders' fund reserves (refer to page 42).

The required capital allocated to covered business reflects the level of capital considered sufficient to support the covered business, allowing for an assessment of the market, credit, insurance and operational risks inherent in the underlying products, subject to a minimum level of the local statutory solvency requirement for each business.

For South African insurance businesses (and businesses with similar regulatory regimes) the level of required capital for covered business is set to ensure that own funds attributable to in-force covered business maintains a solvency cover ratio within a specific range, eg, between 150% and 200% for Sanlam Life, over the next 10 years. The minimum end of the targeted cover range is set such that Sanlam Life's covered business is expected to be able to absorb a combined economic shock, a pandemic/catastrophe shock, and an operational risk event without breaching 100% of regulatory SCR cover. A similar methodology was followed to set ranges for the other South African life insurers.

The capital allocated to covered business is funded from a balanced investment portfolio, comprising investments in equities, hedged equities, fixed-interest securities, cash and subordinated debt funding. The subordinated debt funding liability is matched by ring-fenced bonds and other liquid assets held as part of the balanced investment portfolio.

Transfers are made to or from adjusted net worth on an annual basis for the following:
- Transfers of net operating profit. These transfers relate to dividends paid from covered business in terms of the group's internal dividend policy to fund the dividend payable to Sanlam Limited shareholders; and
- Transfers to or from the balanced investment portfolio. Any capital in the portfolio that is in excess of the requirements of the covered business is transferred to discretionary capital in terms of the group's capital management framework.

Net value of in-force business

The net value of in-force business (PVIF) consists of the present value of future shareholder profits from in-force covered business (PVFP), after allowance for the cost of required capital supporting the covered business.

Present value of future shareholder profits from in-force covered business

The policy liabilities are valued based on IFRS 17 for life insurance contracts and IFRS 9 for investment contracts. The adjusted net worth incorporates certain adjustments from the shareholders' fund at net asset value as outlined. The policy liabilities include profit margins, which can be expected to emerge as profits in future. For insurance contracts measured under the GMM and VFA, these profit margins mainly comprise of the CSM and the risk adjustment for non-financial risk. The assets backing the asset mismatch reserves can be expected to emerge as profits in the future, excluding the portion of the assets earmarked to absorb variances in the cost of investment guarantees. This investment guarantee surplus included in the asset mismatch reserves will absorb the variances in the estimates of the future cost of investment guarantees as described on page 17, where relevant. If the estimates of the future cost of investment guarantees are higher than expected, therefore reducing the CSM and PVIF, the PVIF on the asset mismatch reserves will be increased to offset this variance by reducing the investment guarantee surplus (and vice versa if the estimates of the future cost of investment guarantees are lower than expected). The investment returns on the assets backing the pandemic reserves can also be expected to emerge as profit. The other shareholders' reserves backed by some insurance contract assets is another source of expected profits expected to emerge in future as these negative liabilities unwind over the lifetime of the contracts. For investment contracts measured under IFRS 9, future fund-based charges less expenses will emerge as profit margins. The discounted value, using a risk-adjusted discount rate, placed on these expected future profits, after taxation, is the PVIF.

The PVFP excludes the cost of required capital, which is separately disclosed.

Cost of required capital

A charge is deducted from the embedded value of covered business for the cost of required capital supporting the group's existing covered business. The cost is the difference between the carrying value of the required capital at the valuation date and the discounted value, using a risk-adjusted discount rate, of the projected releases of the capital allowing for the assumed after-tax investment return on the assets deemed to back the required capital over the life of the in-force business.

Value of new business

The value of new business is calculated as the discounted value, at point of sale, using a risk-adjusted discount rate, of the projected stream of after-tax profits for new covered business issued during the financial period under review. The value of new business is also reduced by the cost of required capital for new covered business.

In determining the value of new business:

- A policy is only taken into account if at least one premium, that is not subsequently refunded, is recognised in the financial statements;
- Premium increases that have been allowed for in the value of in-force covered business are not counted again as new business at inception;
- Increases in recurring premiums associated with indexation arrangements are not included, but instead allowed for in the value of in-force covered business;
- The expected value of future premium increases resulting from premium indexation on the new recurring premium business written during the financial period under review is included in the value of new business;
- Continuations of individual policies and deferrals of retirement annuity policies after the maturity dates in the contract are treated as new business if they have been included in policy benefit payments at their respective maturity dates;
- For employee benefits, increases in business from new schemes or new benefits on existing schemes are included and new members or salary-related increases under existing schemes are excluded and form part of the in-force value;
- Annuities purchased by retirement fund members using in-fund options are treated as new business;
- Renewable recurring premiums under Group insurance contracts are treated as in-force business; and
- Assumptions are consistent with those used for the calculation of the value of in-force covered business at the end of the period.

Profitability of new covered business is measured by the ratio of the net value of new business to the present value of new business premiums (PVNBP). The PVNBP is defined as new single premiums plus the discounted value, using a risk-adjusted discount rate, of expected future premiums on new recurring premium business. The premiums used for the calculation of PVNBP are based on the life insurance new business premiums disclosed in note 7 on page 50, excluding white label new business.

Risk discount rates and allowance for risk

In accordance with the actuarial guidance, the underlying risks within the covered business are allowed for within the embedded value calculations through a combination of the following:

- Explicit allowances within the projected shareholder cash flows;
- The level of required capital and the impact on cost of required capital; and
- The risk discount rates, intended to cover all residual risks not allowed for elsewhere in the valuation.

Basis of accounting – shareholders' fund information continued

The risk margins are set using a top-down approach based on Sanlam Limited's weighted average cost of capital (WACC), which is calculated based on a gross risk-free interest rate, an assumed equity risk premium, a market assessed risk factor (beta), and an allowance for subordinated debt on a market value basis. The beta provides an assessment of the market's view of the effect of all types of risk on the group's operations, including operational and other non-economic risk.

To derive the risk discount rate assumptions for covered business, an adjusted WACC is calculated to exclude the non-covered group operations included in Sanlam Limited's WACC and to allow for future new covered business. The covered business operations of the group use risk margins of between 2,5% and 7,0% and the local gross risk-free rate at the valuation date.

Minimum investment guarantees to policyholders

An investment guarantee reserve is included in the reserving basis for policy liabilities, which makes explicit allowance for the best estimate cost of all material investment guarantees. A stochastic modelling approach is used to provide for the possible cost of minimum investment return guarantees on insurance contracts, where relevant. These reserves are determined on a consistent basis in accordance with actuarial guidance from the Actuarial Society (APN110). No further deduction from the embedded value of covered business is therefore required.

Share incentive schemes

The embedded value of covered business assumes the payment of long-term incentives in the future and allows for the expected cost of future grants within the value of in-force covered business and value of new business.

Sensitivity analysis

Sensitivities are determined at the risk discount rates used to determine the base values, unless stated otherwise. For each of the sensitivities, all other assumptions are left unchanged. The different sensitivities do not imply that they have a similar chance of occurring.

The risk discount rate appropriate to an investor will depend on the investor's own requirements, tax position and perception of the risk associated with the realisation of the future profits from the covered business. The disclosed sensitivities to changes in the risk discount rate provide an indication of the impact of changes in the applied risk discount rate.

Risk premiums relating to mortality and morbidity are assumed to be increased consistent with mortality and morbidity experience respectively, where appropriate.

Foreign currencies

Changes in the embedded value of covered business, as well as the present value of new business premiums, of foreign operations are converted to South African rand at the weighted average exchange rates for the financial year, except where the average exchange rate is not representative of the timing of specific changes in the embedded value of covered business, in which instances the exchange rate on transaction date is used. The closing rate is used for the conversion of the embedded value of covered business at the end of the financial year.

Assumptions

Best estimate assumptions

The embedded value calculation is based on best estimate assumptions. The assumptions are reviewed actively and changed when evidence exists that material changes in the expected future experience are reasonably certain. The best estimate assumptions are also used as basis for the statutory valuation method.

It is reasonably possible that outcomes in future financial years will be different to these current best estimate assumptions, possibly significantly, impacting on the reported embedded value of covered business. Accordingly, sensitivity analyses are provided for the value of in-force and value of new business.

Economic assumptions

The assumed investment return on assets supporting the policy liabilities and required capital is based on the assumed long-term asset mix for these funds.

Inflation assumptions for unit cost, policy premium indexation and employee benefits salary inflation are based on an assumed long-term gap relative to fixed-interest securities, however term-dependent inflation assumptions are used where market observable data is available.

Future rates of bonuses for stable bonus business and participating annuities are set at levels that are supportable by the assets backing the respective product asset funds at each valuation date.

Assets backing required capital

The assumed composition of the assets backing the required capital is consistent with Sanlam's practice and with the assumed long-term asset distribution used to calculate the statutory capital requirements and internal required capital assessments of the group's covered business.

Demographic assumptions

Future mortality, morbidity and discontinuance rates are based on recent experience, adjusted for expected future trends where appropriate. Future mortality rates also include an allowance for the impact of future pandemics.

Expense assumptions

Future expense assumptions reflect the expected level of expenses required to manage the in-force covered business, including investment in systems required to support that business, and allow for future inflation. The allocation between acquisition and maintenance expenses is based on functional cost analyses and reflects actual expenses incurred in 2023. Expense assumptions include those expenses deemed to be not directly attributable to the fulfilment of insurance contracts under IFRS 17.

Investment management fees

Future investment expenses are based on the current scale of fees payable by the group's life insurance businesses to the relevant asset managers. To the extent that this scale of fees includes profit margins for Sanlam Investment Group, these margins are not included in the value of in-force covered business and value of new business, as they are incorporated in the valuation of the Sanlam Investment Group businesses at fair value.

Taxation

Projected taxation is based on the current tax basis that applies in each country.

Allowance has been made for the impact of capital gains tax on investments in South Africa, assuming a five-year roll-over period.

Earnings from covered business

The embedded value earnings from covered business for the period are equal to the change in embedded value, after adjustment for any transfers to or from discretionary capital, and are analysed into the following main components:

Value of new business

The value of new business is calculated at point of sale using assumptions applicable at the end of the reporting period.

Net earnings from existing covered business

Expected return on value of covered business

The expected return on value of covered business comprises the expected return on the starting value of in-force covered business and the accumulation of value of new business from point of sale to the valuation date.

Operating experience variances

The calculation of embedded values is based on assumptions regarding future experiences including discontinuance rates (how long policies will stay in force), risk (mortality and morbidity) and future expenses. Actual experience may differ from these assumptions. The impact of the difference between actual and assumed experience for the period is reported as operating experience variances.

Operating assumption changes

Operating assumption changes consist of the impact of changes in assumptions at the end of the reporting period (compared to those used at the end of the previous reporting period) for operating experience, excluding economic or taxation assumptions. It also includes model refinements where relevant.

Expected investment return on adjusted net worth

The expected investment return on adjusted net worth attributable to shareholders is calculated using the future investment return assumed at the start of the reporting period.

The total embedded value earnings from covered business include two further main items:

Economic assumption changes

The impact of changes in external economic conditions, including the effect that changes in interest rates have on risk discount rates and future investment return and inflation assumptions, on the embedded value of covered business.

Investment variances

Investment variances – value of in-force

The impact on the value of in-force business caused by differences between the actual investment return earned on policyholder fund assets during the reporting period and the expected return based on the economic assumptions used at the start of the reporting period.

Investment variances – investment return on adjusted net worth

Investment return variances caused by differences between the actual investment return earned on shareholders' fund assets during the reporting period and the expected return based on economic assumptions used at the start of the reporting period.

Group equity value

at 31 December

R million	Notes	Group equity value 2024	Group equity value 2023	Value of in-force/ fair value adjustment 2024	Value of in-force/ fair value adjustment 2023
Sanlam Life and Savings		**66 792**	57 692	**52 270**	47 664
Covered business[1]	8.1.4	**58 031**	49 852	**51 065**	45 140
SA Retail Mass		**17 284**	11 601	**12 722**	10 143
Sanlam Risk and Savings		**26 983**	24 892	**25 701**	23 414
Glacier		**7 643**	7 443	**7 185**	6 755
Sanlam Corporate		**6 121**	5 916	**5 457**	4 828
Non-covered business		**8 761**	7 840	**1 205**	2 524
Glacier		**3 312**	3 136	**2 694**	2 577
Sanlam Personal Loans		**2 397**	2 066	**(784)**	(124)
Sanlam Corporate: Afrocentric and other		**1 464**	2 278	**43**	(179)
Other operations		**1 588**	360	**(748)**	250
Pan Africa		**26 305**	24 446	**1 098**	2 886
Covered business: SanlamAllianz	8.2.2.3	**6 193**	7 495	**2 543**	3 064
Non-covered business		**20 112**	16 951	**(1 445)**	(178)
SanlamAllianz		**20 112**	18 425	**(1 445)**	(178)
Other operations		**–**	(1 474)	**–**	–
Asia		**24 039**	22 711	**11 399**	8 937
Covered business	8.3.2.4	**2 870**	2 656	**1 417**	1 175
India		**1 803**	1 552	**937**	747
Malaysia		**1 067**	1 104	**480**	428
Non-covered business		**21 169**	20 055	**9 982**	7 762
India		**20 903**	19 756	**10 048**	7 791
Malaysia		**266**	299	**(66)**	(29)
Sanlam Investment Group		**14 427**	13 466	**9 466**	7 897
Covered business	8.4.4	**669**	1 314	**(727)**	(782)
Non-covered business		**13 758**	12 152	**10 193**	8 679
Sanlam Investments[2]		**3 895**	3 293	**1 694**	1 165
Wealth Management		**4 119**	3 424	**3 896**	3 202
International		**3 674**	3 640	**2 732**	2 704
Sanlam Financial Markets		**2 070**	1 795	**1 871**	1 608
Santam		**26 626**	19 433	**19 200**	13 200
Discretionary capital		**4 119**	2 710	**–**	–
Other capital		**12 179**	12 117	**–**	–
Present value of holding company expenses	14	**(2 677)**	(2 671)	**(2 677)**	(2 671)
Group equity value		**171 810**	149 904	**90 756**	77 913
Covered business	4	**67 763**	61 317	**54 298**	48 597
Non-covered business	6.1	**90 426**	76 431	**39 135**	31 987
Group operations		**158 189**	137 748	**93 433**	80 584
Discretionary, other capital and PV of holding company expenses		**13 621**	12 156	**(2 677)**	(2 671)
Group equity value		**171 810**	149 904	**90 756**	77 913
Value per share	13	**81,23**	70,86		

[1] Excludes subordinated debt funding of Sanlam Life.
[2] Includes Sanlam 66% share of the third party asset management business of R4 312 million (31 December 2023: R3 684 million).

Adjusted net asset value		Elimination of specific shareholders' fund reserves		Elimination of goodwill		Shareholders' fund at net asset value	
2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
14 522	10 028	**(14 973)**	(12 732)	**(1 323)**	(1 067)	**30 818**	23 827
6 966	4 712	**(14 973)**	(12 732)	**(1 323)**	(1 067)	**23 262**	18 511
4 562	1 458	**(5 287)**	(5 378)	**(283)**	(76)	**10 132**	6 912
1 282	1 478	**(9 686)**	(7 354)	**(543)**	(494)	**11 511**	9 326
458	688	**–**	–	**(270)**	(270)	**728**	958
664	1 088	**–**	–	**(227)**	(227)	**891**	1 315
7 556	5 316	**–**	–	**–**	–	**7 556**	5 316
618	559	**–**	–	**–**	–	**618**	559
3 181	2 190	**–**	–	**–**	–	**3 181**	2 190
1 421	2 457	**–**	–	**–**	–	**1 421**	2 457
2 336	110	**–**	–	**–**	–	**2 336**	110
25 207	21 560	**(984)**	(1 171)	**(338)**	(791)	**26 529**	23 522
3 650	4 431	**(984)**	(1 171)	**(338)**	(791)	**4 972**	6 393
21 557	17 129	**–**	–	**–**	–	**21 557**	17 129
21 557	18 603	**–**	–	**–**	–	**21 557**	18 603
–	(1 474)	**–**	–	**–**	–	**–**	(1 474)
12 640	13 774	**–**	–	**(526)**	(528)	**13 166**	14 302
1 453	1 481	**–**	–	**(526)**	(528)	**1 979**	2 009
866	805	**–**	–	**(330)**	(332)	**1 196**	1 137
587	676	**–**	–	**(196)**	(196)	**783**	872
11 187	12 293	**–**	–	**–**	–	**11 187**	12 293
10 855	11 965	**–**	–	**–**	–	**10 855**	11 965
332	328	**–**	–	**–**	–	**332**	328
4 961	5 569	**–**	–	**–**	–	**4 961**	5 569
1 396	2 096	**–**	–	**–**	–	**1 396**	2 096
3 565	3 473	**–**	–	**–**	–	**3 565**	3 473
2 201	2 128	**–**	–	**–**	–	**2 201**	2 128
223	222	**–**	–	**–**	–	**223**	222
942	936	**–**	–	**–**	–	**942**	936
199	187	**–**	–	**–**	–	**199**	187
7 426	6 233	**–**	–	**–**	–	**7 426**	6 233
4 119	2 710	**–**	–	**–**	–	**4 119**	2 710
12 179	12 117	**–**	–	**(1 197)**	(1 197)	**13 376**	13 314
–	–	**–**	–	**–**	–	**–**	–
81 054	71 991	**(15 957)**	(13 903)	**(3 384)**	(3 583)	**100 395**	89 477
13 465	12 720	**(15 957)**	(13 903)	**(2 187)**	(2 386)	**31 609**	29 009
51 291	44 444	**–**	–	**–**	–	**51 291**	44 444
64 756	57 164	**(15 957)**	(13 903)	**(2 187)**	(2 386)	**82 900**	73 453
16 298	14 827	**–**	–	**(1 197)**	(1 197)	**17 495**	16 024
81 054	71 991	**(15 957)**	(13 903)	**(3 384)**	(3 583)	**100 395**	89 477
						47,47	42,29

Analysis of group equity value per line of business

at 31 December

	Total		Life business and health		General insurance	
R million	**2024**	2023	**2024**	2023	**2024**	2023
South Africa	**117 662**	98 966	**60 103**	53 386	**27 551**	19 433
Pan-Africa	**26 305**	24 446	**6 193**	7 495	**19 590**	17 161
Asia	**24 039**	22 711	**2 870**	2 656	**4 363**	3 662
International – UK	**3 804**	3 781	**–**	–	**–**	–
Total	**171 810**	149 904	**69 166**	63 537	**51 504**	40 256

	Investment management		Credit and structuring		Discretionary capital and other	
R million	**2024**	2023	**2024**	2023	**2024**	2023
South Africa	**11 924**	10 402	**4 111**	3 359	**13 973**	12 386
Pan-Africa	**714**	726	**1 206**	1 826	**(1 398)**	(2 762)
Asia	**–**	–	**16 806**	16 393	**–**	–
International – UK	**3 804**	3 781	**–**	–	**–**	–
Total	**16 442**	14 909	**22 123**	21 578	**12 575**	9 624

Change in group equity value

for the year ended 31 December 2024

R million	GEV at the beginning of the period	Earnings	Net capital investment	Dividend paid	GEV at the end of the period
Sanlam Life and Savings	57 692	11 224	6 344	(8 468)	66 792
Covered business	49 852	11 143	5 323	(8 287)	58 031
SA Retail Mass[1]	11 601	2 543	6 474	(3 334)	17 284
Sanlam Risk and Savings	24 892	5 500	(373)	(3 036)	26 983
Glacier	7 443	1 467	(273)	(994)	7 643
Sanlam Corporate	5 916	1 633	(505)	(923)	6 121
Non-covered business	7 840	81	1 021	(181)	8 761
Glacier	3 136	337	–	(161)	3 312
Sanlam Personal Loans	2 066	338	–	(7)	2 397
Sanlam Corporate: Afrocentric and other	2 278	(763)	(25)	(26)	1 464
Other operations	360	169	1046	13	1 588
Pan Africa	24 446	1 691	1 017	(849)	26 305
Covered business: SanlamAllianz	7 495	1 317	(1 792)	(827)	6 193
Non-covered business	16 951	374	2 809	(22)	20 112
SanlamAllianz	18 425	595	1 114	(22)	20 112
Other operations	(1 474)	(221)	1 695	–	–
Asia	22 711	5 502	(3 035)	(1 139)	24 039
Covered business	2 656	311	(169)	72	2 870
India	1 552	354	(32)	(71)	1 803
Malaysia	1 104	(43)	(137)	143	1 067
Non-covered business	20 055	5 191	(2 866)	(1 211)	21 169
India	19 756	5 221	(2 866)	(1 208)	20 903
Malaysia	299	(30)	–	(3)	266
Sanlam Investment Group	13 466	3 269	(771)	(1 537)	14 427
Covered business	1 314	695	(856)	(484)	669
Non-covered business	12 152	2 574	85	(1 053)	13 758
Sanlam Investments	3 293	1 005	73	(476)	3 895
Wealth Management	3 424	1 023	–	(328)	4 119
International	3 640	51	76	(93)	3 674
Sanlam Financial Markets	1 795	495	(64)	(156)	2 070
Santam	19 433	8 173	–	(980)	26 626
Discretionary capital	2 710	313	1 096	–	4 119
Other capital	12 117	62	8 316	(8 316)	12 179
Present value of holding company expenses	(2 671)	(6)	–	–	(2 677)
Intergroup dividends	–	–	(12 973)	12 973	–
Group equity value	149 904	30 228	(6)	(8 316)	171 810
Covered business	61 317	13 466	2 506	(9 526)	67 763
Non-covered business	76 431	16 393	1 049	(3 447)	90 426
Group operations	137 748	29 859	3 555	(12 973)	158 189
Discretionary and other capital	12 156	369	9 412	(8 316)	13 621
Intergroup dividends	–	–	(12 973)	12 973	–
Group equity value	149 904	30 228	(6)	(8 316)	171 810

[1] The net capital investment for SA Retail Mass includes the acquisition of Assupol at R6 571 million.

Change in group equity value continued

for the year ended 31 December 2023

R million	GEV at the beginning of the period	Earnings	Net capital investment	Dividend paid	GEV at the end of the period
Sanlam Life and Savings	54 415	8 216	1 595	(6 534)	57 692
Covered business	49 386	7 133	(650)	(6 017)	49 852
SA Retail Mass	11 682	1 572	(82)	(1 571)	11 601
Sanlam Risk and Savings	26 416	266	951	(2 741)	24 892
Glacier	5 447	3 400	(593)	(811)	7 443
Sanlam Corporate	5 841	1 895	(926)	(894)	5 916
Non-covered business	5 029	1 083	2 245	(517)	7 840
Glacier	2 647	670	80	(261)	3 136
Sanlam Personal Loans	1 219	386	647	(186)	2 066
Other operations	297	128	(32)	(33)	360
Sanlam Corporate	866	(101)	1 550	(37)	2 278
Pan-Africa	25 554	(442)	(95)	(571)	24 446
Covered business: SanlamAllianz	6 777	553	878	(713)	7 495
Non-covered business	18 777	(995)	(973)	142	16 951
SanlamAllianz	20 174	(895)	(973)	119	18 425
Other operations	(1 397)	(100)	–	23	(1 474)
Asia	16 748	7 141	(25)	(1 153)	22 711
Covered business	2 248	565	(25)	(132)	2 656
India	1 203	443	2	(96)	1 552
Malaysia	1 045	122	(27)	(36)	1 104
Non-covered business	14 500	6 576	–	(1 021)	20 055
India	14 200	6 577	–	(1 021)	19 756
Malaysia	300	(1)	–	–	299
Sanlam Investment Group	13 752	2 098	(832)	(1 552)	13 466
Covered business	1 747	810	(808)	(435)	1 314
Non-covered business	12 005	1 288	(24)	(1 117)	12 152
Sanlam Investments	3 137	448	32	(324)	3 293
Wealth Management	3 138	535	–	(249)	3 424
International	4 201	(266)	(56)	(239)	3 640
Sanlam Financial Markets	1 529	571	–	(305)	1 795
Santam	17 391	4 158	–	(2 116)	19 433
Discretionary capital	5 274	(384)	(2 180)	–	2 710
Other capital	10 170	1 469	8 365	(7 887)	12 117
Present value of holding company expenses	(2 528)	(143)	–	–	(2 671)
Intergroup dividends	–	–	(11 926)	11 926	–
Group equity value	140 776	22 113	(5 098)	(7 887)	149 904
Covered business	60 158	9 061	(605)	(7 297)	61 317
Non-covered business	67 702	12 110	1 248	(4 629)	76 431
Group operations	127 860	21 171	643	(11 926)	137 748
Discretionary and other capital	12 916	942	6 185	(7 887)	12 156
Intergroup dividends	–	–	(11 926)	11 926	–
Group equity value	140 776	22 113	(5 098)	(7 887)	149 904

Return on group equity value

for the year ended 31 December

%	2024	2023
Sanlam Life and Savings	**19,4**	14,8
Covered business	**22,4**	14,4
SA Retail Mass	**21,9**	13,5
Sanlam Risk and Savings	**22,1**	1,0
Glacier	**19,7**	62,4
Sanlam Corporate	**27,6**	32,4
Non-covered business	**1,0**	18,1
Glacier	**15,7**	25,8
Sanlam Personal Loans	**16,4**	31,7
Other operations	**(8,7)**	30,7
Sanlam Corporate: Afrocentric and other	**(33,5)**	(5,7)
Pan-Africa	**6,9**	(1,7)
Covered business	**19,7**	8,2
SanlamAllianz	**19,7**	8,2
Non-covered business	**2,1**	(5,3)
SanlamAllianz	**3,1**	(4,4)
Other operations	**15,0**	7,2
Asia	**26,3**	42,6
Covered business	**11,7**	25,1
India	**22,8**	36,8
Malaysia	**(3,9)**	11,7
Non-covered business	**28,4**	45,4
India	**26,4**	46,3
Malaysia	**(10,0)**	(0,3)
Sanlam Investment Group	**24,5**	15,3
Covered business	**52,9**	46,4
Non-covered business	**21,4**	10,7
Sanlam Investments	**30,5**	14,2
Wealth Management	**29,9**	17,0
International	**1,4**	(6,4)
Sanlam Financial Markets	**27,6**	37,3
Santam	**42,1**	23,9
Discretionary capital and other	**2,7**	7,9
Group equity value[1]	**20,2**	15,7
Covered business	**22,3**	15,1
Non-covered business	**21,6**	17,6
Group operations	**21,9**	16,4
Discretionary and other capital	**2,7**	7,9
Group equity value	**20,2**	15,7
RoGEV per share	**20,3**	16,7
Sanlam group hurdle rate	**15,6**	15,5
South African risk free rate (nine-year bond yield)	**11,6**	11,5
Plus margin	**4,0**	4,0

[1] Refer to the financial and strategic review on page 2 for adjusted RoGEV information.

Analysis of group equity value earnings

for the year ended 31 December

Covered business[1]	Total		Gross value of in-force	
R million	**2024**	2023	**2024**	2023
Operational earnings	**11 771**	10 025	**2 128**	2 445
Value of new life insurance business[2]	**2 902**	2 853	**5 649**	5 081
Unwinding of discount rate	**7 123**	6 864	**7 074**	6 772
Expected profit	**–**	–	**(8 896)**	(8 254)
Operating experience variances	**1 568**	1 272	**(1 596)**	(261)
Risk experience	**868**	1 480	**123**	186
Persistency	**(66)**	(810)	**108**	(541)
Maintenance expenses	**(191)**	(208)	**(40)**	3
Working capital management	**549**	508	**–**	–
Credit spreads	**567**	443	**–**	–
Other	**(159)**	(141)	**(1 787)**	91
Operating assumption changes	**178**	(964)	**(103)**	(893)
Risk experience	**(59)**	124	**(91)**	93
Persistency	**86**	(837)	**72**	(677)
Maintenance expenses	**(70)**	(421)	**(134)**	(369)
Modelling changes and other	**221**	170	**50**	60
Net investment return	**589**	1 030	**–**	–
Expected return on adjusted net asset value	**1 031**	1 106	**–**	–
Investment variances on adjusted net asset value	**(442)**	(76)	**–**	–
Valuation and economic basis	**977**	435	**897**	539
Investment variances on in-force business	**1 009**	339	**947**	547
Economic assumption changes	**137**	128	**257**	64
Foreign currency translation differences	**(169)**	(32)	**(307)**	(72)
Regulatory and tax changes	**(117)**	–	**(111)**	–
IFRS 17 and related tax changes	**–**	(1 452)	**–**	(1 212)
Profit/(loss) on disposal of subsidiaries and associated companies	**–**	(958)	**–**	(1 275)
Goodwill from business	**260**	–	**260**	–
Net project expenses	**(14)**	(19)	**–**	–
GEV earnings: covered business	**13 466**	9 061	**3 174**	497
Acquired value of in-force	**7 199**	2 259	**4 511**	1 994
Disposal of businesses	**(1 635)**	–	**(1 297)**	–
Transfers from/(to) other group operations	**(1 921)**	(2 000)	**(121)**	–
Transfers from covered business	**(10 663)**	(8 161)	**–**	–
Embedded value of covered business at the beginning of the year	**61 317**	60 158	**52 509**	50 018
Embedded value of covered business at the end of the year	**67 763**	61 317	**58 776**	52 509

[1] Refer to note 8 for a detailed analysis per cluster.
[2] Refer to note 3 for additional information.

Covered business per cluster

for the year ended 31 December

	Total		Gross value of in-force	
R million	**2024**	2023	**2024**	2023
Sanlam Life and Savings	**58 031**	49 852	**53 605**	46 810
Pan-Africa	**6 193**	7 495	**3 301**	4 222
Asia	**2 870**	2 656	**1 742**	1 424
Sanlam Investment Group	**669**	1 314	**128**	53
Sanlam group	**67 763**	61 317	**58 776**	52 509

Cost of capital		Adjusted net asset value	
2024	2023	**2024**	2023
102	207	**9 541**	7 373
(346)	(255)	**(2 401)**	(1 973)
49	92	**–**	–
–	–	**8 896**	8 254
54	5	**3 110**	1 528
(28)	14	**773**	1 280
62	(7)	**(236)**	(262)
2	–	**(153)**	(211)
–	–	**549**	508
–	–	**567**	443
18	(2)	**1 610**	(230)
345	365	**(64)**	(436)
(2)	(1)	**34**	32
(13)	(8)	**27**	(152)
1	(1)	**63**	(51)
359	375	**(188)**	(265)
–	–	**589**	1 030
–	–	**1 031**	1 106
–	–	**(442)**	(76)
95	(28)	**(15)**	(76)
36	(135)	**26**	(73)
(79)	67	**(41)**	(3)
138	40	**–**	–
–	–	**(6)**	–
–	(240)	**–**	–
–	(174)	**–**	491
–	–	**–**	–
–	–	**(14)**	(19)
197	(235)	**10 095**	8 799
(879)	(37)	**3 567**	302
116	–	**(454)**	–
–	–	**(1 800)**	(2 000)
–	–	**(10 663)**	(8 161)
(3 912)	(3 640)	**12 720**	13 780
(4 478)	(3 912)	**13 465**	12 720

Cost of capital		Adjusted net asset value	
2024	2023	**2024**	2023
(2 540)	(1 670)	**6 966**	4 712
(758)	(1 158)	**3 650**	4 431
(325)	(249)	**1 453**	1 481
(855)	(835)	**1 396**	2 096
(4 478)	(3 912)	**13 465**	12 720

Non-covered business

for the year ended 31 December

R million	Total 2024	Total 2023	Sanlam Life and Savings 2024	Sanlam Life and Savings 2023
Earnings from operations valued at listed share prices	**8 173**	4 158	**–**	–
Earnings from operations valued at net asset value	**322**	131	**–**	–
Earnings from operations valued based on discounted cash flows	**7 898**	7 821	**81**	1 083
Unwinding of discount rate	**8 708**	7 577	**1 540**	1 006
Operating experience and investment variances[1]	**(273)**	712	**(352)**	(92)
General insurance	**283**	707	**–**	–
Investment management	**(198)**	(713)	**–**	–
Credit and banking	**(219)**	797	**(213)**	(13)
Administration, health and other	**(139)**	(79)	**(139)**	(79)
Operating assumption changes[2]	**820**	2 504	**(1 532)**	85
General insurance	**66**	369	**–**	–
Investment management	**141**	222	**–**	–
Credit and banking	**2 091**	1 756	**(54)**	(72)
Administration, health and other	**(1 478)**	157	**(1 478)**	157
Economic assumption changes	**159**	(2 684)	**425**	(27)
Change in tax basis	**(963)**	(38)	**–**	–
Impact of corporate activity	**(280)**	(1 985)	**–**	111
Foreign currency translation differences	**(273)**	1 735	**–**	–
GEV earnings: non-covered operations	**16 393**	12 110	**81**	1 083

R million	*Total 2024*	*Total 2023*	*Sanlam Life and Savings 2024*	*Sanlam Life and Savings 2023*
[1] Operating experience and investment variances	***(273)***	*712*	***(352)***	*(92)*
General insurance business	***283***	*707*	***–***	*–*
Risk experience	***693***	*101*	***–***	*–*
Premium income	***(314)***	*994*	***–***	*–*
Investment return	***28***	*99*	***–***	*–*
Maintenance expenses	***147***	*326*	***–***	*–*
Other	***(271)***	*(813)*	***–***	*–*
Investment management	***(198)***	*(713)*	***–***	*–*
Credit business	***(219)***	*784*	***(213)***	*(26)*
Administration, health and other	***(139)***	*(66)*	***(139)***	*(66)*
[2] Operating assumption changes	***820***	*2 504*	***(1 532)***	*85*
General insurance business	***66***	*369*	***–***	*–*
Risk experience	***(1 670)***	*1 886*	***–***	*–*
Premium income	***1 437***	*(1 247)*	***–***	*–*
Maintenance expenses	***990***	*(715)*	***–***	*–*
Modelling and other assumption changes	***(691)***	*445*	***–***	*–*
Investment management	***141***	*222*	***–***	*–*
Credit business	***2 091***	*1 756*	***(54)***	*(72)*
Income	***1 979***	*2 404*	***(67)***	*(161)*
Bad debts	***(12)***	*(713)*	***12***	*(50)*
Other	***124***	*65*	***1***	*139*
Administration, health and other	***(1 478)***	*157*	***(1 478)***	*157*

Pan-Africa		Asia		Sanlam Investment Group		Santam	
2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
–	–	**–**	–	**–**	–	**8 173**	4 158
53	(1 108)	**(53)**	1 062	**322**	177	**–**	–
321	113	**5 244**	5 514	**2 252**	1 111	**–**	–
2 581	2 655	**2 641**	2 097	**1 946**	1 819	**–**	–
168	551	**132**	902	**(221)**	(649)	**–**	–
332	582	**(49)**	125	**–**	–	**–**	–
23	(64)	**–**	–	**(221)**	(649)	**–**	–
(187)	33	**181**	777	**–**	–	**–**	–
–	–	**–**	–	**–**	–	**–**	–
(209)	(35)	**2 440**	2 338	**121**	116	**–**	–
(43)	63	**109**	306	**–**	–	**–**	–
20	106	**–**	–	**121**	116	**–**	–
(186)	(204)	**2 331**	2 032	**–**	–	**–**	–
–	–	**–**	–	**–**	–	**–**	–
(1 187)	(1 327)	**616**	(824)	**305**	(506)	**–**	–
(963)	(38)	**–**	–	**–**	–	**–**	–
377	(2 096)	**(657)**	–	**–**	–	**–**	–
(446)	403	**72**	1 001	**101**	331	**–**	–
374	(995)	**5 191**	6 576	**2 574**	1 288	**8 173**	4 158

Pan-Africa		*Asia*		*Sanlam Investment Group*	
2024	*2023*	***2024***	*2023*	***2024***	*2023*
168	*551*	***132***	*902*	***(221)***	*(649)*
332	*582*	***(49)***	*125*	***–***	*–*
695	*117*	***(2)***	*(16)*	***–***	*–*
(256)	*914*	***(58)***	*80*	***–***	*–*
34	*132*	***(6)***	*(33)*	***–***	*–*
145	*326*	***2***	*–*	***–***	*–*
(286)	*(907)*	***15***	*94*	***–***	*–*
23	*(64)*	***–***	*–*	***(221)***	*(649)*
(187)	*33*	***181***	*777*	***–***	*–*
–	*–*	***–***	*–*	***–***	*–*
(209)	*(35)*	***2 440***	*2 338*	***121***	*116*
(43)	*63*	***109***	*306*	***–***	*–*
(1 676)	*1 748*	***6***	*138*	***–***	*–*
1 267	*(1 537)*	***170***	*290*	***–***	*–*
990	*(715)*	***–***	*–*	***–***	*–*
(624)	*567*	***(67)***	*(122)*	***–***	*–*
20	*106*	***–***	*–*	***121***	*116*
(186)	*(204)*	***2 331***	*2 032*	***–***	*–*
(18)	*(112)*	***2 064***	*2 677*	***–***	*–*
(24)	*(4)*	***–***	*(659)*	***–***	*–*
(144)	*(88)*	***267***	*14*	***–***	*–*
–	*–*	***–***	*–*	***–***	*–*

Discretionary and other capital

for the year ended 31 December

R million	Total 2024	Total 2023
Investment return and other	**987**	510
B-BBEE SPV impairment reversal	**–**	948
Corporate expenses	**(375)**	(611)
Net group office expenses	**(369)**	(468)
Change in present value of holding company expenses	**(6)**	(143)
Share-based payment transactions	**(243)**	95
GEV earnings: discretionary and other capital	**369**	942

Reconciliation of group equity value earnings

R million	2024	2023
Earnings (excluding fund transfers)	**19 339**	13 845
Normalised attributable earnings per shareholders' fund income statement	**22 642**	16 557
Earnings recognised directly in equity		
Foreign currency translation differences	**35**	2 071
Net cost of treasury shares delivered	**(700)**	(326)
Share-based payments	**457**	421
Change in ownership of subsidiaries	**131**	(2 388)
Other comprehensive income and other	**(3 226)**	(2 490)
Fair value adjustments	**10 519**	7 219
Change in fair value adjustments: non-life	**7 148**	6 957
Earnings from covered business: value of in-force	**3 371**	262
Adjustments to net worth	**370**	1 049
Present value of holding company expenses	**(6)**	(143)
Movement in book value of treasury shares: non-life subsidiaries	**(100)**	(137)
Change in goodwill/value of business acquired less value of in-force acquired and change in shareholder fund reserves	**476**	1 329
Group equity value earnings	**30 228**	22 113

Analysis of shareholders' fund at net asset value

at 31 December

R million	Sanlam Life[1] 2024	Sanlam Life[1] 2023	Pan Africa 2024	Pan Africa 2023	Asia 2024	Asia 2023
Assets						
Goodwill	**2 454**	2 797	**–**	14	**196**	–
Equipment	**1 163**	841	**–**	36	**–**	–
Rights-of-use assets	**607**	487	**–**	16	**–**	–
Owner-occupied properties	**751**	817	**–**	–	**–**	–
Intangible assets	**3 692**	2 757	**6**	6	**–**	–
Contract costs for investment management services	**2 768**	2 422	**(3)**	4	**–**	–
Insurance contract assets	**118**	–	**–**	–	**–**	–
Reinsurance contract assets	**–**	–	**–**	–	**–**	–
Deferred tax	**551**	548	**–**	15	**–**	–
Investments	**41 501**	30 205	**29 752**	26 968	**17 266**	15 970
Investment properties	**364**	898	**–**	8	**–**	–
Associated companies	**5 341**	1 424	**–**	1 272	**15 736**	15 970
Joint ventures	**–**	–	**29 752**	23 782	**–**	–
Equities and similar securities	**3 739**	1 544	**–**	143	**110**	–
Interest-bearing investments	**19 798**	12 235	**–**	1 558	**1 420**	–
Structured transactions	**869**	647	**–**	4	**–**	–
Investment funds	**9 941**	8 217	**–**	37	**–**	–
Deposits and similar securities	**1 449**	5 240	**–**	164	**–**	–
Trading account assets	**533**	229	**215**	211	**–**	–
Advances to customers	**4 213**	4 065	**–**	–	**–**	–
Non-current assets reclassified as held for sale	**–**	–	**–**	–	**–**	1 893
Working capital assets	**14 675**	15 178	**1 561**	2 832	**579**	–
Trade and other receivables	**8 134**	8 320	**943**	1 421	**414**	–
Taxation	**63**	53	**384**	412	**–**	–
Cash and cash equivalents	**6 478**	6 805	**234**	999	**165**	–
Total assets	**73 026**	60 346	**31 531**	30 102	**18 041**	17 863
Equity and liabilities						
Shareholders' fund	**41 244**	37 994	**29 031**	23 328	**16 526**	16 851
Non-controlling interest	**1 449**	1 081	**2 073**	2 870	**666**	753
Total equity	**42 693**	39 075	**31 104**	26 198	**17 192**	17 604
Insurance contract liabilities	**47**	–	**–**	–	**–**	–
Reinsurance contract liabilities	**–**	–	**–**	–	**–**	–
Term finance	**16 876**	8 220	**–**	1 300	**839**	–
Lease liabilities	**768**	604	**–**	18	**–**	–
Structured transactions liabilities	**827**	205	**–**	–	**–**	–
Deferred tax	**5 299**	5 056	**234**	53	**10**	–
Trading account liabilities	**654**	–	**121**	118	**–**	–
Non-current liabilities reclassified as held for sale	**925**	13	**–**	–	**–**	259
Collateral guarantee contracts	**–**	–	**–**	–	**–**	–
Working capital liabilities	**4 937**	7 173	**72**	2 415	**–**	–
Trade and other payables	**3 396**	6 140	**–**	2 353	**–**	–
Provisions	**40**	40	**–**	–	**–**	–
Taxation	**1 501**	993	**72**	62	**–**	–
Total equity and liabilities	**73 026**	60 346	**31 531**	30 102	**18 041**	17 863
Analysis of shareholders' fund						
Covered business	**23 262**	18 511	**4 972**	6 393	**1 979**	2 009
Other operations	**7 556**	5 316	**21 557**	17 129	**11 187**	12 293
Discretionary and other capital	**10 426**	14 167	**2 502**	(194)	**3 360**	2 549
Shareholders' fund at net asset value	**41 244**	37 994	**29 031**	23 328	**16 526**	16 851
Consolidation reserve	**322**	564	**87**	87	**–**	–
Shareholders' fund per group statement of financial position on page 80 of the Sanlam annual financial statements	**41 566**	38 558	**29 118**	23 415	**16 526**	16 851

[1] Includes the operations of Sanlam Life and Savings and discretionary capital held by Sanlam Life.

Sanlam Investment Group		Santam		Group office		Consolidation entries		Shareholders' fund at net asset value	
2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
1 897	1 942	**959**	955	**–**	–	**1 197**	1 197	**6 703**	6 905
113	100	**196**	573	**–**	–	**–**	–	**1 472**	1 550
63	60	**606**	637	**–**	–	**–**	–	**1 276**	1 200
162	156	**–**	1	**–**	–	**–**	–	**913**	974
361	447	**222**	120	**–**	–	**–**	–	**4 281**	3 330
–	–	**–**	–	**–**	–	**–**	–	**2 765**	2 426
–	–	**467**	408	**–**	–	**(93)**	–	**492**	408
–	–	**6 760**	9 361	**–**	–	**–**	–	**6 760**	9 361
345	283	**191**	162	**–**	–	**(67)**	(55)	**1 020**	953
3 787	4 325	**38 280**	32 344	**–**	4 030	**(1 379)**	(4 513)	**129 207**	109 329
–	–	**–**	–	**–**	–	**–**	–	**364**	906
441	450	**1 797**	1 524	**–**	–	**(1 071)**	(866)	**22 244**	19 774
253	203	**–**	–	**–**	–	**–**	–	**30 005**	23 985
58	82	**2 383**	2 857	**–**	–	**751**	792	**7 041**	5 418
703	565	**23 001**	20 816	**–**	4 030	**(516)**	(4 558)	**44 406**	34 646
–	27	**440**	296	**–**	–	**(663)**	–	**646**	974
2 123	2 732	**10 186**	2 786	**–**	–	**120**	119	**22 370**	13 891
209	266	**473**	4 065	**–**	–	**–**	–	**2 131**	9 735
24 497	16 167	**–**	–	**–**	–	**(5 930)**	(2 863)	**19 315**	13 744
–	–	**–**	–	**–**	–	**–**	–	**4 213**	4 065
–	–	**–**	–	**–**	–	**–**	–	**–**	1 893
7 486	12 429	**12 214**	10 425	**1 867**	1 819	**3 946**	(309)	**42 328**	42 374
4 923	8 292	**6 736**	6 051	**1 628**	1 607	**3 687**	(969)	**26 465**	24 722
56	19	**45**	474	**41**	39	**–**	–	**589**	997
2 507	4 118	**5 433**	3 900	**198**	173	**259**	660	**15 274**	16 655
38 711	35 909	**59 895**	54 986	**1 867**	5 849	**(2 326)**	(6 543)	**220 745**	198 512
6 233	6 742	**7 426**	6 233	**1 088**	2 475	**(1 153)**	(4 146)	**100 395**	89 477
1 230	1 134	**5 606**	4 222	**–**	–	**(2 078)**	(1 764)	**8 946**	8 296
7 463	7 876	**13 032**	10 455	**1 088**	2 475	**(3 231)**	(5 910)	**109 341**	97 773
–	–	**34 991**	32 722	**–**	–	**–**	–	**35 038**	32 722
–	–	**3 052**	2 889	**–**	–	**(46)**	–	**3 006**	2 889
1 185	995	**3 063**	3 053	**750**	3 350	**(2 944)**	(3 178)	**19 769**	13 740
81	85	**786**	824	**–**	–	**–**	–	**1 635**	1 531
28	1	**–**	7	**–**	–	**(637)**	–	**218**	213
94	55	**203**	1 088	**–**	–	**–**	–	**5 840**	6 252
25 204	18 392	**852**	690	**–**	–	**(1 362)**	(66)	**25 469**	19 134
–	–	**–**	–	**–**	–	**–**	–	**925**	272
–	–	**120**	113	**–**	–	**–**	–	**120**	113
4 656	8 505	**3 796**	3 145	**29**	24	**5 894**	2 611	**19 384**	23 873
3 858	7 788	**3 559**	2 937	**26**	21	**5 705**	2 554	**16 544**	21 793
1	1	**186**	126	**3**	3	**22**	18	**252**	188
797	716	**51**	82	**–**	–	**167**	39	**2 588**	1 892
38 711	35 909	**59 895**	54 986	**1 867**	5 849	**(2 326)**	(6 543)	**220 745**	198 512
1 396	2 096	**–**	–	**–**	–	**–**	–	**31 609**	29 009
3 565	3 473	**7 426**	6 233	**–**	–	**–**	–	**51 291**	44 444
1 272	1 173	**–**	–	**1 088**	2 475	**(1 153)**	(4 146)	**17 495**	16 024
6 233	6 742	**7 426**	6 233	**1 088**	2 475	**(1 153)**	(4 146)	**100 395**	89 477
–	–	**–**	–	**–**	–	**157**	(1 598)	**566**	(947)
6 233	6 742	**7 426**	6 233	**1 088**	2 475	**(996)**	(5 744)	**100 961**	88 530

Shareholders' fund income statement

for the year ended 31 December

R million	Sanlam Life and Savings 2024	Sanlam Life and Savings 2023	Pan-Africa 2024	Pan-Africa 2023	Asia 2024	Asia 2023
Result from life insurance operations	**9 291**	7 153	**353**	1 203	**(190)**	233
Insurance revenue	**45 994**	39 024	**975**	7 384	**1 843**	1 671
Insurance service expenses	**(36 549)**	(31 395)	**(785)**	(6 328)	**(1 932)**	(1 528)
Income or expense from reinsurance contracts	**(421)**	(717)	**(27)**	(406)	**22**	16
Insurance investment result	**1 050**	996	**197**	571	**(123)**	74
Other expenses relating to insurance operations	**(783)**	(755)	**(7)**	(18)	**–**	–
Result from general insurance operations	**(49)**	–	**–**	1 054	**–**	–
Insurance revenue	**123**	–	**–**	17 032	**–**	–
Insurance service expenses	**(180)**	–	**–**	(13 413)	**–**	–
Income or expense from reinsurance contracts	**–**	–	**–**	(2 764)	**–**	–
Insurance investment result	**8**	–	**–**	199	**–**	–
Other expenses relating to insurance operations	**–**	–	**–**	–	**–**	–
Result from other operations	**2 423**	2 016	**2 872**	946	**3 146**	2 979
Revenue	**16 311**	11 642	**67**	1 082	**17**	–
Net other income[1]	**60**	182	**2 955**	1 387	**3 189**	3 033
Sales remuneration	**(1 136)**	(1 052)	**(43)**	(123)	**–**	–
Administration costs	**(12 812)**	(8 756)	**(107)**	(1 400)	**(60)**	(54)
Result from financial services before tax	**11 665**	9 169	**3 225**	3 203	**2 956**	3 212
Tax on result from financial services	**(3 135)**	(2 482)	**(936)**	(961)	**(877)**	(886)
Non-controlling interest	**(172)**	(75)	**(480)**	(808)	**8**	(160)
Net result from financial services	**8 358**	6 612	**1 809**	1 434	**2 087**	2 166
Net investment income	**627**	394	**846**	104	**(128)**	31
Net investment surpluses	**160**	298	**751**	137	**741**	162
Project expenses	**(37)**	(37)	**(236)**	(163)	**(35)**	(7)
Net operational earnings	**9 108**	7 267	**3 170**	1 512	**2 665**	2 352
Net movement in shareholder fund reserves	**2 063**	1 174	**153**	702	**(37)**	(100)
Net amortisation of value of business acquired and other intangibles	**(68)**	(14)	**–**	2	**(2)**	(3)
(Impairments)/reversal if impairments	**(1 179)**	(34)	**(20)**	(268)	**–**	–
Net equity-accounted earnings	**(7)**	(7)	**(284)**	2	**–**	–
Net profit on disposal of subsidiaries and associated companies	**6**	845	**3 002**	(597)	**634**	–
Normalised attributable earnings	**9 923**	9 231	**6 021**	1 353	**3 260**	2 249
Fund transfers	**(240)**	(141)	**(88)**	(51)	**(1)**	(2)
Attributable earnings per group statement of comprehensive income	**9 683**	9 090	**5 933**	1 302	**3 259**	2 247
Diluted earnings per share						
Weighted average number of shares for normalised earnings per share (million)						
Net result from financial services (cents)	**395,2**	306,4	**85,5**	66,4	**98,7**	100,4

[1] Comparative information is the former SPA prior to the merger with Allianz to form part of the SanlamAllianz merger. Refer to page 56 for additional information. Net other income includes equity-accounted earnings from strategic investments in associates and joint venture as disclosed in note 9. Included in net other income is six months of Namibia's results as Namibia formed part of the SanlamAllianz JV since 1 July 2024.

Sanlam Investment Group		Santam		Group office and other		Total	
2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
546	509	**–**	–	**–**	–	**10 000**	9 098
–	158	**–**	–	**–**	–	**48 812**	48 237
(435)	(418)	**–**	–	**–**	–	**(39 701)**	(39 669)
–	–	**–**	–	**–**	–	**(426)**	(1 107)
981	769	**–**	–	**–**	–	**2 105**	2 410
–	–	**–**	–	**–**	–	**(790)**	(773)
–	–	**3 825**	2 170	**–**	–	**3 776**	3 224
–	–	**52 317**	46 882	**–**	–	**52 440**	63 914
–	–	**(40 038)**	(37 299)	**–**	–	**(40 218)**	(50 712)
–	–	**(8 328)**	(7 587)	**–**	–	**(8 328)**	(10 351)
–	–	**352**	434	**–**	–	**360**	633
–	–	**(478)**	(260)	**–**	–	**(478)**	(260)
2 189	1 910	**175**	241	**(700)**	(684)	**10 105**	7 408
6 789	6 242	**–**	–	**227**	229	**23 411**	19 195
219	198	**175**	241	**(196)**	(42)	**6 402**	4 999
(72)	(11)	**–**	–	**–**	–	**(1 251)**	(1 186)
(4 747)	(4 519)	**–**	–	**(731)**	(871)	**(18 457)**	(15 600)
2 735	2 419	**4 000**	2 411	**(700)**	(684)	**23 881**	19 730
(635)	(576)	**(1 018)**	(600)	**186**	193	**(6 415)**	(5 312)
(313)	(261)	**(1 211)**	(758)	**145**	23	**(2 023)**	(2 039)
1 787	1 582	**1 771**	1 053	**(369)**	(468)	**15 443**	12 379
84	110	**13**	130	**(120)**	367	**1 322**	1 136
49	130	**519**	257	**–**	–	**2 220**	984
(11)	(59)	**(11)**	(4)	**(111)**	(340)	**(441)**	(610)
1 909	1 763	**2 292**	1 436	**(600)**	(441)	**18 544**	13 889
–	–	**–**	–	**–**	–	**2 179**	1 776
(64)	(64)	**(40)**	(33)	**–**	–	**(174)**	(112)
2	(23)	**(110)**	–	**–**	948	**(1 307)**	623
–	–	**55**	50	**–**	–	**(236)**	45
(6)	15	**–**	73	**–**	–	**3 636**	336
1 841	1 691	**2 197**	1 526	**(600)**	507	**22 642**	16 557
1	(1)	**2**	(10)	**(76)**	(1 874)	**(402)**	(2 079)
1 842	1 690	**2 199**	1 516	**(676)**	(1 367)	**22 240**	14 478
						2 114,8	2 158,1
84,5	73,3	**83,7**	48,8	**(17,4)**	(21,7)	**730,2**	573,6

Net results from financial services

for the year ended 31 December

Geographic analysis per line of business[1]

	Life business and health		General insurance		Investment management	
R million	**2024**	2023	**2024**	2023	**2024**	2023
South Africa	**8 578**	6 677	**1 771**	1 053	**1 058**	914
Pan-Africa	**827**	473	**1 004**	806	**98**	86
Asia	**(72)**	132	**272**	320	**–**	–
International – UK	**–**	–	**–**	–	**247**	234
Net results from financial services	**9 333**	7 282	**3 047**	2 179	**1 403**	1 234
Net results from financial services before net movement in shareholder fund reserves	**10 177**	8 527	**3 128**	2 229	**1 403**	1 234
Net movement in shareholder fund reserves	**(844)**	(1 245)	**(81)**	(50)	**–**	–
Impact of adjusting the CSM at locked-in interest rates[2]	**(168)**	(178)	**–**	–	**–**	–
Insurance contract assets impacts[3]	**(1)**	(597)	**–**	–	**–**	–
Asset mismatch reserve movements[4]	**(670)**	(276)	**(81)**	(50)	**–**	–
Other adjustments[5]	**(5)**	(194)	**–**	–	**–**	–
Net results from financial services after net movement in shareholder fund reserves	**9 333**	7 282	**3 047**	2 179	**1 403**	1 234

(1) Refer to note 8 for an analysis per cluster.
(2) Removal of accounting mismatches related to the impact of adjusting the CSM at locked-in rates (refer to page 17 for further details).
(3) Elimination of the non-cash movements in the backing insurance contract assets (refer to page 17 for further details).
(4) Includes a release in asset mismatch reserve of R621 million (increasing net result from financial services) as per note 2, refer to page 42 for further details on the movement in asset mismatch reserves.
(5) Net impact of new reserves established in respect of future-fit project expenses (reducing net result from financial services) and the release of shareholder fund reserves to absorb the actual project expenses recognised in the statement of comprehensive income (increasing net result from financial services). Refer to page 17 for further details.

Notes to the shareholders' fund information

for the year ended 31 December

1 Cash earnings

R million	**2024**	2023
Net result from financial services before net movement in shareholders' fund reserves	**16 368**	13 674
Shareholders' fund adjustments[1]	**(925)**	(1 295)
Net result from financial services	**15 443**	12 379
Amortisation of capitalised IT projects	**93**	142
IFRS 17 specific and other non-cash adjustments[1]	**–**	(123)
Cash net result from financial services	**15 536**	12 398
Project expenses not included in net results from financial services	**(423)**	(339)
Cash generated	**15 113**	12 059
Project expenses capitalised	**(27)**	(117)
Release from specific shareholders' fund reserves	**–**	90
Cash earnings available for dividend distribution	**15 086**	12 032
Retained by clusters	**(5 796)**	(3 343)
Cash for dividend declaration	**9 290**	8 689

(1) The IFRS 17 specific adjustments for Sanlam Life and Savings amounting to -R123 million in 2023 were shown separately. In 2024, these non-cash movements amounts to -R6 million and have been included in the shareholders' fund adjustments line above. This simplifies disclosures and does not impact 'cash net result from financial services.'

Credit and structuring		Corporate expenses and other		Total	
2024	2023	**2024**	2023	**2024**	2023
271	343	**(378)**	(442)	**11 300**	8 545
137	232	**(257)**	(163)	**1 809**	1 434
1 734	1 573	**153**	141	**2 087**	2 166
–	–	**–**	–	**247**	234
2 142	2 148	**(482)**	(464)	**15 443**	12 379
2 142	2 148	**(482)**	(464)	**16 368**	13 674
–	–	**–**	–	**(925)**	(1 295)
–	–	**–**	–	**(168)**	(178)
–	–	**–**	–	**(1)**	(597)
–	–	**–**	–	**(751)**	(326)
–	–	**–**	–	**(5)**	(194)
2 142	2 148	**(482)**	(464)	**15 443**	12 379

Notes to the shareholders' fund information continued

for the year ended 31 December

2 Net movement in shareholders fund reserves

R million	2024	2023
Balance at the beginning of the period	**14 578**	11 735
Included in net results from financial services:	**925**	1 295
Asset mismatch and other shareholder fund reserves profit adjustments recognised during the period	**1 546**	1 810
Asset mismatch reserves released during the period	**(621)**	(515)
Recognised in net investment return	**1 254**	481
Recognised directly in statement of changes in equity[1]	**2 233**	1 033
Cash flow movements not in the income statement	**–**	34
Balance at the end of the period consisting of:	**18 990**	14 578
Asset mismatch reserves	**7 930**	6 168
Life business	**7 342**	5 664
General insurance	**588**	504
Future-fit project expense reserves	**1 881**	1 660
Reserves backed by insurance contract assets	**8 354**	5 904
Pandemic and other reserves	**825**	846

[1] This net increase in shareholders fund reserves is mainly as a result of new reserves established for Assupol backed by insurance contract assets, partly offset by the disposal of 40,41% of the asset mismatch reserve for Namibia on entering the SanlamAllianz joint venture on 1 July 2024.

3 Value of new covered business

	Total		Sanlam Life and Savings		Pan-Africa		Asia	
R million	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Value of new covered business (at point of sale)								
Gross value of new covered business	**3 386**	3 429	**2 352**	2 278	**676**	767	**358**	384
Cost of capital	**(347)**	(278)	**(134)**	(121)	**(129)**	(84)	**(84)**	(73)
Value of new covered business	**3 039**	3 151	**2 218**	2 157	**547**	683	**274**	311
Value of new business attributable to								
Shareholders' fund	**2 902**	2 853	**2 218**	2 153	**469**	453	**215**	247
Non-controlling interest	**137**	298	**–**	4	**78**	230	**59**	64
Value of new covered business	**3 039**	3 151	**2 218**	2 157	**547**	683	**274**	311
Analysis of new business profitability								
Before non-controlling interest								
Present value of new business premiums	**105 176**	104 845	**88 685**	86 445	**9 512**	12 508	**6 979**	5 892
New business margin (%)	**2,89**	3,01	**2,50**	2,50	**5,75**	5,46	**3,93**	5,28
After non-controlling interest								
Present value of new business premiums	**103 231**	100 241	**88 685**	86 355	**8 955**	9 363	**5 591**	4 523
New business margin (%)	**2,81**	2,85	**2,50**	2,49	**5,24**	4,84	**3,85**	5,46
Capitalisation factor – recurring premiums	**3,8**	3,6	**4,4**	4,2	**2,4**	2,4	**3,1**	3,2

Geographical analysis

R million	Value of new covered business		Present value of new business premiums		New business margin	
	2024	2023	**2024**	2023	**2024**	2023
Before non-controlling interest						
South Africa	**2 218**	2 157	**88 685**	86 445	**2,50%**	2,50%
SA Retail Mass	**719**	782	**14 389**	13 733	**5,00%**	5,69%
Sanlam Risk and Savings	**654**	370	**15 555**	13 418	**4,20%**	2,76%
Glacier	**662**	863	**45 296**	42 942	**1,46%**	2,01%
Sanlam Corporate	**183**	142	**13 445**	16 352	**1,36%**	0,87%
Pan-Africa	**547**	683	**9 512**	12 508	**5,75%**	5,46%
Asia	**274**	311	**6 979**	5 892	**3,93%**	5,28%
Total	**3 039**	3 151	**105 176**	104 845	**2,89%**	3,01%
After non-controlling interest						
South Africa	**2 218**	2 153	**88 685**	86 355	**2,50%**	2,49%
SA Retail Mass	**719**	782	**14 389**	13 733	**5,00%**	5,69%
Sanlam Risk and Savings	**654**	366	**15 555**	13 328	**4,20%**	2,75%
Glacier	**662**	863	**45 296**	42 942	**1,46%**	2,01%
Sanlam Corporate	**183**	142	**13 445**	16 352	**1,36%**	0,87%
Pan-Africa	**469**	453	**8 955**	9 363	**5,24%**	4,84%
Asia	**215**	247	**5 591**	4 523	**3,85%**	5,46%
Total	**2 902**	2 853	**103 231**	100 241	**2,81%**	2,85%

Notes to the shareholders' fund information continued

for the year ended 31 December

4 Covered business sensitivity analysis

R million	Gross value of in-force business 2024	Gross value of in-force business 2023	Cost of capital 2024	Cost of capital 2023	Net value of in-force business 2024	Net value of in-force business 2023	Change from base value % 2024	Change from base value % 2023
Value of in-force covered business sensitivity analysis								
Base value	**58 776**	52 509	**(4 478)**	(3 912)	**54 298**	48 597		
Risk discount rate increase by 1%	**55 765**	50 274	**(4 736)**	(4 270)	**51 029**	46 004	**(6)**	(5)
Investment return and inflation decrease by 1%, coupled with a 1% decrease in risk discount rates, and with bonus rates changing commensurately	**60 383**	53 379	**(4 708)**	(3 915)	**55 675**	49 464	**3**	2
Equity and property values decrease by 10%, without a corresponding change in dividend and rental yields	**57 137**	50 713	**(4 441)**	(3 879)	**52 696**	46 834	**(3)**	(4)
Expected return on equity and property investments increase by 1%, without a corresponding change in discount rates	**59 296**	52 995	**(4 451)**	(3 730)	**54 845**	49 265	**1**	1
Rand exchange rate depreciates by 10%	**59 145**	52 859	**(4 567)**	(4 006)	**54 578**	48 853	**1**	1
Expenses and persistency								
Non-commission maintenance expenses (excluding investment expenses) decrease by 10%	**61 308**	55 009	**(4 581)**	(3 931)	**56 727**	51 078	**5**	5
Discontinuance rates decrease by 10%	**60 756**	54 301	**(4 703)**	(4 021)	**56 053**	50 280	**3**	3
Insurance risk								
Mortality and morbidity decrease by 5% for life assurance business	**61 660**	55 111	**(4 600)**	(3 931)	**57 060**	51 180	**5**	5
Mortality and morbidity decrease by 5% for annuity business	**58 450**	52 268	**(4 479)**	(3 906)	**53 971**	48 362	**(1)**	(1)
Gross value of in-force business profile								
Years 1 – 5	**58%**	61%						
Year 1	**16%**	18%						
Year 2	**14%**	14%						
Year 3	**11%**	12%						
Year 4	**9%**	9%						
Year 5	**8%**	8%						
Year 6 – 10	**24%**	22%						
Year 11 – 20	**14%**	14%						
Year 20+	**4%**	3%						

R million	Gross value of new business 2024	Gross value of new business 2023	Cost of capital 2024	Cost of capital 2023	Net value of new business 2024	Net value of new business 2023	Change from base value % 2024	Change from base value % 2023
Value of new covered business sensitivity analysis								
Base value	**3 248**	3 108	**(346)**	(255)	**2 902**	2 853		
Risk discount rate increase by 1%	**2 982**	2 843	**(362)**	(274)	**2 620**	2 569	**(10)**	(10)
Investment return and inflation decrease by 1%, coupled with a 1% decrease in risk discount rates, and with bonus rates changing commensurately	**3 296**	3 262	**(357)**	(256)	**2 939**	3 006	**1**	5
Expenses and persistency								
Non-commission maintenance expenses (excluding investment expenses) decrease by 10%	**3 527**	3 351	**(351)**	(253)	**3 176**	3 098	**9**	9
Acquisition expenses (excluding commission and commission related expenses) decrease by 10%	**3 595**	3 428	**(347)**	(252)	**3 248**	3 176	**12**	11
Discontinuance rates decrease by 10%	**3 553**	3 408	**(368)**	(259)	**3 185**	3 149	**10**	10
Insurance risk								
Mortality and morbidity decrease by 5% for life assurance business	**3 585**	3 401	**(355)**	(248)	**3 230**	3 153	**11**	11
Mortality and morbidity decrease by 5% for annuity business	**3 199**	2 966	**(346)**	(219)	**2 853**	2 747	**(2)**	(4)

5 Economic assumptions – covered business

5.1 Gross investment return, risk discount rate and inflation

%	2024	2023
Sanlam Life[1]		
Point used on the relevant yield curve	**9 year**	9 year
Fixed-interest securities	**10,7**	11,6
Equities	**14,2**	15,1
Offshore investments	**13,2**	14,1
Hedged equity	**9,7**	10,6
Property	**11,7**	12,6
Cash	**9,7**	10,6
Inflation rate[1]	**(PI curve +1,5%, capped at 10,1%)**	9,6
Risk discount rate	**13,2**	14,1
Sanlam Developing Markets[2]		
Point used on the relevant yield curve	**5 year**	5 year
Fixed-interest securities	**9,2**	9,8
Equities and offshore investments	**12,7**	13,3
Hedged equities	**8,2**	8,8
Property	**10,2**	10,8
Cash	**8,2**	8,8
Inflation rate	**7,2**	7,8
Risk discount rate	**11,7**	12,3

[1] Expense inflation of CPI curve +1,5% (capped at 10%) is assumed for retail business.
[2] Excludes the Sanlam Life products written on the SDM's licences.

Illiquidity premiums

Investment returns on non-participating, individual risk and inflation-linked annuities, as well as guarantee plans include assumed illiquidity premiums due to matching assets being held to maturity.

Assumed illiquidity premiums generally amount to between 25bps and 70bps (2023: 25bps and 70bps) for non-participating annuities, between 0bps and 70bps (2023: 0bps and 70bps) for individual risk business, between 25bps and 75bps (2023: 25bps to 75bps) for inflation-linked annuities and capped at 120bps (2023: 120bps), reflecting both illiquidity premiums and credit risk premium for guarantee plans.

Notes to the shareholders' fund information continued

for the year ended 31 December

5 Economic assumptions – covered business continued

5.2 Asset mix of the assets supporting adjusted net asset value – covered business

	R million		Fixed-interest securities %		Equities %	
	2024	2023	**2024**	2023	**2024**	2023
Required capital						
South Africa[1]	**6 763**	6 825	**–**	–	**3**	4
Africa – excluding South Africa	**2 428**	2 930	**57**	50	**12**	11
Shriram Life Insurance (India)	**866**	616	**100**	100	**–**	–
MCIS (Malaysia)	**799**	798	**67**	68	**18**	17
Total required capital	**10 856**	11 169				
Free surplus	**2 609**	1 551				
Adjusted net asset value	**13 465**	12 720				

[1] At 31 December 2024, asset mix backing the Sanlam Life required capital is 98% hedged (31 December 2023: 98%).

5.3 Assumed long-term expected return on required capital

	Gross %		Net %	
	2024	2023	**2024**	2023
Sanlam Life[1]	**9,7**	10,6	**8,1**	8,9
Sanlam Developing Markets	**9,1**	9,7	**7,1**	7,5
Sanlam Namibia	**11,7**	12,6	**10,5**	11,3
Sanlam Namibia Holdings	**9,9**	10,5	**8,7**	9,2
Shriram Life Insurance (India)	**6,5**	7,6	**5,5**	6,5
MCIS (Malaysia)	**4,9**	4,4	**4,5**	4,1

[1] Sanlam Life uses subordinated debt as a part of its capital base. The cost of required capital in the Embedded Value of Covered Business has been increased to reflect the risks associated with using subordinated debt to back required capital. This increased cost equates to approximately 1,33% p.a. of the value of the subordinated debt.

Hedged equities %		Property %		Cash %		Total %	
2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
59	87	**–**	–	**38**	9	**100**	100
–	–	**1**	6	**30**	33	**100**	100
–	–	**–**	–	**–**	–	**100**	100
–	–	**–**	–	**15**	15	**100**	100

6 Value of non-covered operations sensitivity analysis

6.1 Valuation methodology

	Total	
R million	**2024**	2023
Listed share price – Santam	**26 626**	19 433
Discounted cash flows	**61 312**	54 464
Sanlam Life and Savings	**7 836**	7 840
Glacier	**3 312**	3 136
Sanlam Personal Loans	**2 397**	2 066
Sanlam Corporate	**1 464**	2 278
Other operations	**663**	360
Pan-Africa: SanlamAllianz	**20 112**	16 951
Asia	**20 630**	18 157
India	**20 364**	17 858
Malaysia	**266**	299
Sanlam Investment Group	**12 734**	11 516
Sanlam Investments	**3 670**	3 211
Wealth Management	**4 119**	3 424
International	**3 265**	3 476
Sanlam Financial Markets	**1 680**	1 405
Net asset value	**2 488**	2 534
Sanlam Investment Group	**1 024**	636
Sanlam Investments	**225**	82
International	**409**	164
Sanlam Financial Markets	**390**	390
Asia: India	**539**	1 898
Sanlam Life and Savings	**925**	–
Total	**90 426**	76 431

Notes to the shareholders' fund information continued

for the year ended 31 December

6 Value of non-covered operations sensitivity analysis

6.2 Sensitivity analysis: businesses valued at discounted cash flows

	Base value		Risk discount rate +1%	
R million	**2024**	2023	**2024**	2023
Sanlam Life and Savings	**7 836**	7 840	**7 173**	7 252
Glacier	**3 312**	3 136	**3 008**	2 890
Sanlam Personal Loans	**2 397**	2 066	**2 221**	1 983
Sanlam Corporate	**1 464**	2 278	**1 349**	2 095
Other operations	**663**	360	**595**	284
Pan-Africa: SanlamAllianz	**20 112**	16 951	**18 223**	15 451
Asia	**20 630**	18 157	**17 292**	15 549
India	**20 364**	17 858	**17 026**	15 302
Malaysia	**266**	299	**266**	247
Sanlam Investment Group	**12 734**	11 516	**11 573**	10 578
Sanlam Investments[1]	**3 670**	3 211	**3 326**	2 995
Wealth Management	**4 119**	3 424	**3 731**	3 120
International	**3 265**	3 476	**2 962**	3 158
Sanlam Financial Markets	**1 680**	1 405	**1 554**	1 305
	61 312	54 464	**54 261**	48 830
Weighted average assumption			**16,1%**	16,1%

[1] Includes third party asset management business based on the following main assumptions:
- Weighted average discount rate: 19,5% (December 2023: 19,3%)
- Weighted average perpetuity growth rate: 5% (December 2023: 5,0%)

Perpetuity growth rate +1%		Equities and properties –10%		Risk discount rate –1%		Rand exchange rate depreciation +10%	
2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
8 005	8 049	**7 303**	7 552	**8 448**	8 460	**7 813**	7 840
3 415	3 238	**2 779**	2 848	**3 620**	3 424	**3 289**	3 136
2 460	2 095	**2 397**	2 066	**2 600**	2 161	**2 397**	2 066
1 513	2 348	**1 464**	2 278	**1 599**	2 488	**1 464**	2 278
617	368	**663**	360	**629**	387	**663**	360
21 165	18 325	**20 112**	16 951	**22 302**	19 342	**21 831**	18 622
23 596	20 377	**20 630**	18 157	**25 252**	21 705	**22 693**	19 973
23 330	20 058	**20 364**	17 858	**24 986**	21 345	**22 400**	19 644
266	319	**266**	299	**266**	360	**293**	329
13 296	11 964	**11 247**	10 234	**13 660**	12 638	**13 088**	11 902
3 817	3 298	**3 190**	2 829	**3 608**	3 463	**3 700**	3 242
4 319	3 570	**3 821**	3 200	**4 588**	3 787	**4 132**	3 438
3 425	3 652	**2 668**	2 905	**3 635**	3 868	**3 576**	3 817
1 735	1 444	**1 568**	1 300	**1 829**	1 520	**1 680**	1 405
66 062	58 715	**59 292**	52 894	**69 662**	62 145	**65 425**	58 337
2 – 7%	2 – 7%						

Notes to the shareholders' fund information continued

for the year ended 31 December

7 Business volumes

7.1 Analysis of new business and total funds received

	Life business[1]		General insurance		Investment business[2]		Total	
R million	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Sanlam Life and Savings	**63 512**	63 982	**–**	–	**72 085**	61 514	**135 597**	125 496
Sanlam Risk and Savings	**3 399**	3 264	**–**	–	**135**	132	**3 534**	3 396
Recurring	**2 153**	2 022	**–**	–	**9**	15	**2 162**	2 037
Single	**1 246**	1 242	**–**	–	**126**	117	**1 372**	1 359
Glacier: Single	**44 694**	42 307	**–**	–	**61 834**	49 327	**106 528**	91 634
SA Retail Mass: Recurring	**4 674**	4 417	**–**	–	**–**	–	**4 674**	4 417
Sanlam Corporate	**10 745**	13 994	**–**	–	**10 116**	12 055	**20 861**	26 049
Recurring	**508**	434	**–**	–	**317**	452	**825**	886
Single	**10 237**	13 560	**–**	–	**9 799**	11 603	**20 036**	25 163
Pan-Africa: SanlamAllianz	**7 358**	8 482	**13 033**	15 345	**17 357**	20 118	**37 748**	43 945
Recurring	**2 323**	2 900	**13 033**	15 345	**–**	–	**15 356**	18 245
Single	**5 035**	5 582	**–**	–	**17 357**	20 118	**22 392**	25 700
Asia	**3 016**	2 394	**2 675**	2 101	**–**	–	**5 691**	4 495
India	**1 789**	1 473	**2 413**	1 857	**–**	–	**4 202**	3 330
Recurring	**1 114**	954	**2 413**	1 857	**–**	–	**3 527**	2 811
Single	**675**	519	**–**	–	**–**	–	**675**	519
Malaysia	**1 227**	921	**262**	244	**–**	–	**1 489**	1 165
Recurring	**749**	623	**262**	244	**–**	–	**1 011**	867
Single	**478**	298	**–**	–	**–**	–	**478**	298
Sanlam Investment Group	**–**	–	**–**	–	**207 769**	192 947	**207 769**	192 947
Investment Management SA	**–**	–	**–**	–	**177 123**	164 919	**177 123**	164 919
Wealth Management	**–**	–	**–**	–	**13 902**	11 115	**13 902**	11 115
International	**–**	–	**–**	–	**16 744**	16 913	**16 744**	16 913
Santam	**–**	–	**33 431**	29 707	**–**	–	**33 431**	29 707
Total new business	**73 886**	74 858	**49 139**	47 153	**297 211**	274 579	**420 236**	396 590
Recurring premiums on existing funds:								
Sanlam Life and Savings	**40 638**	36 897	**–**	–	**6 084**	4 706	**46 722**	41 603
SA Retail Mass	**12 841**	10 432	**–**	–	**–**	–	**12 841**	10 432
Sanlam Risk and Savings	**17 544**	16 598	**–**	–	**154**	138	**17 698**	16 736
Glacier	**268**	(222)	**–**	–	**–**	–	**268**	(222)
Sanlam Corporate	**9 985**	10 089	**–**	–	**5 930**	4 568	**15 915**	14 657
Pan-Africa: SanlamAllianz	**6 613**	6 383	**–**	–	**–**	–	**6 613**	6 383
Asia	**3 199**	3 126	**–**	–	**–**	–	**3 199**	3 126
India	**1 625**	1 406	**–**	–	**–**	–	**1 625**	1 406
Malaysia	**1 574**	1 720	**–**	–	**–**	–	**1 574**	1 720
Total funds received	**124 336**	121 264	**49 139**	47 153	**303 295**	279 285	**476 770**	447 702

[1] Life business relates to business written under a life licence that is included in the calculation of embedded value of covered business.
[2] Includes life licence and investment business. Life licence business relates to investment products provided by means of a policy where there is very little to no insurance risk excluded from the calculation of embedded value of covered business.

7.2 Analysis of payments to clients

R million	Life business[1] 2024	Life business[1] 2023	General insurance 2024	General insurance 2023	Investment business[2] 2024	Investment business[2] 2023	Total 2024	Total 2023
Sanlam Life and Savings	**95 359**	88 567	**–**	–	**72 178**	62 136	**167 537**	150 703
SA Retail Mass	**10 238**	8 322	**–**	–	**–**	–	**10 238**	8 322
Surrenders	**625**	513	**–**	–	**–**	–	**625**	513
Other	**9 613**	7 809	**–**	–	**–**	–	**9 613**	7 809
Sanlam Risk and Savings	**22 931**	22 045	**–**	–	**384**	320	**23 315**	22 365
Surrenders	**1 412**	1 598	**–**	–	**–**	–	**1 412**	1 598
Other	**21 519**	20 447	**–**	–	**384**	320	**21 903**	20 767
Glacier	**35 411**	36 293	**–**	–	**60 247**	49 588	**95 658**	85 881
Surrenders	**9 363**	11 667	**–**	–	**–**	–	**9 363**	11 667
Other	**26 048**	24 626	**–**	–	**60 247**	49 588	**86 295**	74 214
Sanlam Corporate	**26 779**	21 907	**–**	–	**11 547**	12 228	**38 326**	34 135
Surrenders	**3 943**	3 756	**–**	–	**3 393**	2 312	**7 336**	6 068
Other	**22 836**	18 151	**–**	–	**8 154**	9 916	**30 990**	28 067
Pan-Africa: SanlamAllianz	**8 405**	10 439	**7 733**	9 309	**19 607**	22 537	**35 745**	42 285
Asia	**3 835**	3 580	**1 779**	1 358	**–**	**–**	**5 614**	4 938
India	**995**	832	**1 565**	1 187	**–**	–	**2 560**	2 019
Surrenders	**213**	159	**–**	–	**–**	–	**213**	159
Other	**782**	673	**1 565**	1 187	**–**	–	**2 347**	1 860
Malaysia	**2 840**	2 748	**214**	171	**–**	–	**3 054**	2 919
Surrenders	**764**	914	**–**	–	**–**	–	**764**	914
Other	**2 076**	1 834	**214**	171	**–**	–	**2 290**	2 005
Sanlam Investment Group	**–**	–	**–**	–	**194 072**	194 362	**194 072**	194 362
Investment Management SA	**–**	–	**–**	–	**168 744**	161 004	**168 744**	161 004
Wealth Management	**–**	–	**–**	–	**9 479**	9 371	**9 479**	9 371
International	**–**	–	**–**	–	**15 849**	23 987	**15 849**	23 987
Santam	**–**	–	**19 661**	19 742	**–**	–	**19 661**	19 742
Total payments to clients	**107 599**	102 586	**29 173**	30 409	**285 857**	279 035	**422 629**	412 030

7.3 Analysis of net inflow/(outflow) of funds

R million	Life business[1] 2024	Life business[1] 2023	General insurance 2024	General insurance 2023	Investment business[2] 2024	Investment business[2] 2023	Total 2024	Total 2023
Sanlam Life and Savings	**8 791**	12 312	**–**	–	**5 991**	4 084	**14 782**	16 396
SA Retail Mass	**7 277**	6 527	**–**	–	**–**	–	**7 277**	6 527
Sanlam Risk and Savings	**(1 988)**	(2 183)	**–**	–	**(95)**	(50)	**(2 083)**	(2 233)
Glacier	**9 551**	5 792	**–**	–	**1 587**	(261)	**11 138**	5 531
Sanlam Corporate	**(6 049)**	2 176	**–**	–	**4 499**	4 395	**(1 550)**	6 571
Pan-Africa: SanlamAllianz	**5 566**	4 426	**5 300**	6 036	**(2 250)**	(2 419)	**8 616**	8 043
Asia	**2 380**	1 940	**896**	743	**–**	**–**	**3 276**	2 683
India	**2 419**	2 047	**848**	670	**–**	–	**3 267**	2 717
Malaysia	**(39)**	(107)	**48**	73	**–**	–	**9**	(34)
Sanlam Investment Group	**–**	–	**–**	–	**13 697**	(1 415)	**13 697**	(1 415)
Investment Management SA	**–**	–	**–**	–	**8 379**	3 915	**8 379**	3 915
Wealth Management	**–**	–	**–**	–	**4 423**	1 744	**4 423**	1 744
International	**–**	–	**–**	–	**895**	(7 074)	**895**	(7 074)
Santam	**–**	–	**13 770**	9 965	**–**	–	**13 770**	9 965
Total net fund inflows	**16 737**	18 678	**19 966**	16 744	**17 438**	250	**54 141**	35 672

Notes to the shareholders' fund information continued

for the year ended 31 December

SLS

8 Cluster information

8.1 Sanlam Life and Savings

8.1.1 Analysis of earnings

R million	Life business and health 2024	Life business and health 2023	Credit and structuring 2024	Credit and structuring 2023
Net result from financial services[1]	**8 094**	6 242	**50**	104
Risk and Savings	**2 840**	2 712	**–**	–
Glacier	**1 039**	823	**–**	–
SA Retail Mass	**3 335**	1 553	**–**	–
Sanlam Corporate	**1 047**	1 032	**–**	–
Other	**(167)**	122	**50**	104
Net investment return	**568**	376	**–**	–
Net other earnings	**786**	631	**–**	–
Net profit on disposal of subsidiaries, associated companies and joint ventures	**6**	354	**–**	491
Normalised attributable earnings	**9 454**	7 603	**50**	595

[1] For life business, this includes non-cash items (eg amortisation of project expenses and impacts related to insurance contract assets) and will therefore not reconcile to embedded value adjusted net asset earnings which only includes cash earnings.

8.1.2 Assets under management

R million	SA Retail Mass 2024	SA Retail Mass 2023	Risk and savings 2024	Risk and savings 2023	Glacier 2024	Glacier 2023	Sanlam Corporate 2024	Sanlam Corporate 2023
Life business	**4 899**	4 963	**178 611**	169 811	**345 963**	297 518	**180 885**	160 529
Investment operations	**–**	–	**1 823**	1 756	**423 047**	376 200	**–**	–
Total assets under management[1]	**4 899**	4 963	**180 434**	171 567	**769 010**	673 718	**180 885**	160 529

[1] The assets under management of Glacier include both the primary inflow of funds and all separate client elections where the same funds are invested.

Investment management		Corporate and other		Total	
2024	2023	**2024**	2023	**2024**	2023
223	240	**(9)**	26	**8 358**	6 612
9	9	**–**	11	**2 849**	2 732
214	231	**–**	–	**1 253**	1 054
–	–	**–**	–	**3 335**	1 553
–	–	**–**	–	**1 047**	1 032
–	–	**(9)**	15	**(126)**	241
43	14	**176**	302	**787**	692
(32)	(23)	**18**	474	**772**	1 082
–	–	**–**	–	**6**	845
234	231	**185**	802	**9 923**	9 231

8.1.3 Credit business

	Gross size of loan book		Interest margin		Bad debt ratio		Administration cost as % of net interest	
R million	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Sanlam Personal Loans	**5 371**	5 163	**15,7%**	15,4%	**7,0%**	6,4%	**46,2%**	42,2%

Notes to the shareholders' fund information continued

for the year ended 31 December

SLS

8 Cluster information continued

8.1 Sanlam Life and Savings continued

8.1.4 Analysis of change in GEV – covered business

	Total		Gross value of in-force	
R million	**2024**	2023	**2024**	2023
Operational earnings	**9 713**	8 273	**1 472**	1 934
Value of new life insurance business	**2 218**	2 153	**4 393**	4 061
Unwinding of discount rate	**6 350**	6 022	**6 325**	5 996
Expected profit	**–**	–	**(7 740)**	(7 212)
Operating experience variances	**1 082**	729	**(1 605)**	(330)
Risk experience	**937**	1 406	**102**	163
Persistency	**(104)**	(796)	**79**	(579)
Maintenance expenses	**(121)**	(153)	**–**	–
Working capital management	**439**	387	**–**	–
Other[1]	**(69)**	(115)	**(1 786)**	86
Operating assumption changes	**63**	(631)	**99**	(581)
Risk experience	**(87)**	192	**(83)**	151
Persistency	**148**	(704)	**133**	(587)
Maintenance expenses	**29**	(325)	**(43)**	(288)
Modelling changes and other	**(27)**	206	**92**	143
Net investment return	**360**	452	**–**	–
Expected return on adjusted net asset value	**369**	528	**–**	–
Investment variances on adjusted net asset value	**(9)**	(76)	**–**	–
Valuation and economic basis	**1 104**	72	**1 077**	174
Investment variances on in-force business	**809**	(4)	**728**	122
Economic assumption changes	**295**	76	**349**	52
IFRS 17 and related tax changes	**–**	(1 292)	**–**	(1 278)
Profit on disposal of subsidiaries and associated companies	**–**	(372)	**–**	(372)
Goodwill from business	**(34)**	–	**(34)**	–
GEV earnings: covered business	**11 143**	7 133	**2 515**	458
Acquired value of in-force	**6 912**	1 482	**4 401**	1 217
Transfers to other group operations	**(1 221)**	(1 392)	**(121)**	–
Transfers from covered business	**(8 655)**	(6 757)	**–**	–
Embedded value of covered business at the beginning of the period	**49 852**	49 386	**46 810**	45 135
Embedded value of covered business at the end of the period	**58 031**	49 852	**53 605**	46 810

[1] The impact of the termination of the group's funeral joint venture with Capitec (31 October 2024) is included in other operating experience variances, resulting in a decrease in the net value of in-force and an increase in adjusted net asset value.

Cost of capital		Adjusted net asset value	
2024	2023	**2024**	2023
(16)	233	**8 257**	6 106
(158)	(136)	**(2 017)**	(1 772)
25	26	**–**	–
–	–	**7 740**	7 212
(12)	7	**2 699**	1 052
(31)	(2)	**866**	1 245
(7)	15	**(176)**	(232)
–	–	**(121)**	(153)
–	–	**439**	387
26	(6)	**1 691**	(195)
129	336	**(165)**	(386)
(6)	1	**2**	40
(15)	–	**30**	(117)
–	–	**72**	(37)
150	335	**(269)**	(272)
–	–	**360**	452
–	–	**369**	528
–	–	**(9)**	(76)
(3)	(13)	**30**	(89)
38	(26)	**43**	(100)
(41)	13	**(13)**	11
–	(14)	**–**	–
–	–	**–**	–
–	–	**–**	–
(19)	206	**8 647**	6 469
(851)	(37)	**3 362**	302
–	–	**(1 100)**	(1 392)
–	–	**(8 655)**	(6 757)
(1 670)	(1 839)	**4 712**	6 090
(2 540)	(1 670)	**6 966**	4 712

Notes to the shareholders' fund information continued

for the year ended 31 December

8 Cluster information continued

8.2 Pan-Africa

8.2.1 Analysis of net result from financial services and investment return

	Life business		General insurance		Investment management	
R million	2024	2023	2024	2023	2024	2023
Net result from financial services	**827**	473	**1 004**	806	**98**	86
Net investment return	**541**	321	**993**	297	**17**	27

8.2.2 Analysis of SanlamAllianz key performance indicators

8.2.2.1 Analysis of general insurance and reinsurance

	Gross written premiums	Insurance revenue [2]	Underwriting result	Claims ratio (%)	Underwriting margin (%)	Investment return on insurance funds margin (%)	Net insurance result (%)
R million	2024	2024	2024	2024	2024	2024	2024
SanlamAllianz (100%)[1]	**31 400**	**35 141**	**1 432**	**59,3**	**6,5**	**5,8**	**12,3**

[1] No comparatives are available for 2023 as the integration of the businesses, including financial reporting, could only commence after the SanlamAllianz effective date. As a consequence, Sanlam could only disclose summarised information in December 2024 when the processes were fully aligned.

[2] Included in insurance revenue is an amount of R4 835 million of revenue that is only recognised on consolidation due to the application of the IFRS 17 requirements for business combinations relating to amounts forming part of liabilities for incurred claims in the underlying GI SanlamAllianz subsidiaries. These revenue amounts are not reflected in the insurance revenue figures of the relevant stand-alone GI SanlamAllianz businesses.

8.2.2.2 Assets under management

R million	2024	2023
Life business	**103 223**	69 262
Investment operations	**143 182**	141 172
Total assets under management	**246 405**	210 434

Credit and structuring		Corporate and other		Total	
2024	2023	**2024**	2023	**2024**	2023
137	232	**(257)**	(163)	**1 809**	1 434
3	2	**43**	(406)	**1 597**	241

8.2.2.3 Analysis of change in GEV – covered business

	Total		Value of in-force		Cost of capital		Adjusted net asset value	
R million	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Operational earnings	**1 331**	934	**383**	301	**177**	(64)	**771**	697
Value of new life insurance business	**469**	453	**663**	581	**(126)**	(66)	**(68)**	(62)
Unwinding of discount rate	**601**	681	**593**	647	**8**	34	**–**	–
Expected profit	**–**	–	**(657)**	(729)	**–**	–	**657**	729
Operating experience variances	**228**	141	**51**	59	**61**	6	**116**	76
Risk experience	**4**	99	**18**	31	**–**	15	**(14)**	53
Persistency	**89**	(37)	**35**	25	**59**	(10)	**(5)**	(52)
Maintenance expenses	**48**	(18)	**–**	3	**2**	–	**46**	(21)
Working capital management	**110**	121	**–**	–	**–**	–	**110**	121
Credit spread	**1**	10	**–**	–	**–**	–	**1**	10
Other	**(24)**	(34)	**(2)**	–	**–**	1	**(22)**	(35)
Operating assumption changes	**33**	(341)	**(267)**	(257)	**234**	(38)	**66**	(46)
Risk experience	**(27)**	(57)	**(30)**	(51)	**1**	–	**2**	(6)
Persistency	**(62)**	(114)	**(56)**	(85)	**(3)**	1	**(3)**	(30)
Maintenance expenses	**(115)**	(101)	**(101)**	(86)	**–**	(1)	**(14)**	(14)
Modelling changes and other	**237**	(69)	**(80)**	(35)	**236**	(38)	**81**	4
Net investment return	**(73)**	202	**–**	–	**–**	–	**(73)**	202
Expected return on adjusted net asset value	**448**	295	**–**	–	**–**	–	**448**	295
Investment variances on adjusted net asset value	**(521)**	(93)	**–**	–	**–**	–	**(521)**	(93)
Valuation and economic basis	**(109)**	180	**(300)**	232	**135**	(68)	**56**	16
Investment variances on in-force business	**160**	257	**88**	364	**(2)**	(109)	**74**	2
Economic assumption changes	**(80)**	13	**(55)**	10	**(7)**	(11)	**(18)**	14
Foreign currency translation differences	**(189)**	(90)	**(333)**	(142)	**144**	52	**–**	–
Regulatory and tax changes	**(117)**	–	**(111)**	–	**–**	–	**(6)**	–
IFRS 17 and related tax changes	**–**	(160)	**–**	66	**–**	(226)	**–**	–
Profit on disposal of subsidiaries and associated companies	**–**	(586)	**–**	(903)	**–**	(174)	**–**	491
Goodwill from business	**294**	–	**294**	–	**–**	–	**–**	–
Net project expenses	**(9)**	(17)	**–**	–	**–**	–	**(9)**	(17)
GEV earnings: covered business	**1 317**	553	**266**	(304)	**312**	(532)	**739**	1 389
Acquired value of in-force	**287**	777	**110**	777	**(28)**	–	**205**	–
Disposal of businesses	**(1 635)**	–	**(1 297)**	–	**116**	–	**(454)**	–
Transfers from covered business	**(1 271)**	(612)	**–**	–	**–**	–	**(1 271)**	(612)
Embedded value of covered business at the beginning of the period	**7 495**	6 777	**4 222**	3 749	**(1 158)**	(626)	**4 431**	3 654
Embedded value of covered business at the end of the period	**6 193**	7 495	**3 301**	4 222	**(758)**	(1 158)	**3 650**	4 431

Notes to the shareholders' fund information continued

for the year ended 31 December

Asia

8 Cluster information continued

8.3 Asia

8.3.1 Analysis of net result from financial services and investment return

	Life business		General insurance	
R million	**2024**	2023	**2024**	2023
Net result from financial services	**(72)**	132	**272**	320
Net investment return	**123**	98	**324**	109

8.3.2 Analysis of India key performance indicators

India is reported with a three-month lag.

8.3.2.1 Analysis of net results from financial services

R million	**2024**	2023
Life business	**71**	97
General insurance	**305**	337
Credit and structuring	**1 734**	1 573
Corporate and other	**166**	141
Total net result from financial services[1]	**2 276**	2 148

[1] On 28 March 2024, the indirect shareholding of Shriram Finance Limited (SFL) changed from 8,18% to 9,13% and the direct shareholding of SFL changed from 2,01% to 0,41%. The size of loanbook (Sanlam share) is calculated on the new shareholding. The credit and structuring net result from financial services includes nine months results on new shareholding and three months results on the old shareholding.

8.3.2.2 Credit and structuring

	Size of loan books (Sanlam share)		Net interest margin		Bad debt ratio		Administration cost as % of net interest margin	
R million	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Shriram Finance Limited[1]	**51 021**	47 191	**9,3%**	8,9%	**2,8%**	2,8%	**29,7%**	30,0%

[1] On 28 March 2024, the indirect shareholding of Shriram Finance Limited (SFL) changed from 8,18% to 9,13% and the direct shareholding of SFL changed from 2,01% to 0,41%. The size of loanbook (Sanlam share) is calculated on the new shareholding. The credit and structuring net result from financial services includes nine months results on new shareholding and three months results on the old shareholding.

8.3.2.3 Insurance activities

Analysis of net result from financial services (Shriram General Insurance) (100%)

R million	**2024**	2023
Gross written premium	**7 273**	5 776
Net earned premiums	**5 996**	4 624
Net claims incurred	**(3 887)**	(2 949)
Net commission	**(1 570)**	(762)
Management expenses	**(801)**	(1 153)
Underwriting result	**(262)**	(240)
Investment return on insurance funds	**1 475**	1 472
Net insurance result (100%)[1]	**1 213**	1 232
Sanlam share of the after tax net insurance result (net movement in shareholder fund reserves)	**236**	245
Net movement in shareholder fund reserves	**37**	100
IFRS 17 adjustments	**32**	(7)
Net result from financial services per SHF IS	**305**	338

Ratios (Shriram General Insurance)[1]	**2024**	2023
Total net expense ratio	**(39,5%)**	(41,4%)
Claims ratio	**(64,8%)**	(63,8%)
Underwriting margin	**(4,4%)**	(5,2%)
Investment return on insurance funds margin	**24,6%**	31,8%

[1] The net insurance result is based on local results as per local accounting standards.

Credit and structuring		Corporate and other		Total	
2024	2023	**2024**	2023	**2024**	2023
1 734	1 573	**153**	141	**2 087**	2 166
17	19	**149**	(33)	**613**	193

8.3.2.4 Analysis of change in GEV – covered business

	Total		Value of in-force		Cost of capital		Adjusted net asset value	
R million	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Operational earnings	**145**	323	**274**	211	**(68)**	(25)	**(61)**	137
Value of new life insurance business	**215**	247	**593**	439	**(62)**	(53)	**(316)**	(139)
Unwinding of discount rate	**161**	164	**149**	129	**12**	35	**–**	–
Expected profit	**–**	–	**(491)**	(313)	**–**	–	**491**	313
Operating experience variances	**(304)**	(34)	**(43)**	10	**10**	(11)	**(271)**	(33)
Risk experience	**(73)**	(25)	**3**	(8)	**3**	1	**(79)**	(18)
Persistency	**(51)**	23	**(6)**	13	**10**	(12)	**(55)**	22
Maintenance expenses	**(118)**	(37)	**(40)**	–	**–**	–	**(78)**	(37)
Other	**(62)**	5	**–**	5	**(3)**	–	**(59)**	–
Operating assumption changes	**73**	(54)	**66**	(54)	**(28)**	4	**35**	(4)
Risk experience	**55**	(11)	**22**	(7)	**3**	(2)	**30**	(2)
Persistency	**–**	(19)	**(5)**	(5)	**5**	(9)	**–**	(5)
Maintenance expenses	**16**	5	**10**	5	**1**	–	**5**	–
Modelling changes and other	**2**	(29)	**39**	(47)	**(37)**	15	**–**	3
Net investment return	**146**	176	**–**	–	**–**	–	**146**	176
Expected return on adjusted net asset value	**45**	44	**–**	–	**–**	–	**45**	44
Investment variances on adjusted net asset value	**101**	132	**–**	–	**–**	–	**101**	132
Valuation and economic basis	**25**	68	**44**	81	**(8)**	(8)	**(11)**	(5)
Investment variances on in-force business	**55**	34	**56**	11	**–**	–	**(1)**	23
Economic assumption changes	**(50)**	(24)	**(38)**	–	**(2)**	4	**(10)**	(28)
Foreign currency translation differences	**20**	58	**26**	70	**(6)**	(12)	**–**	–
Net project expenses	**(5)**	(2)	**–**	–	**–**	–	**(5)**	(2)
GEV earnings: covered business	**311**	565	**318**	292	**(76)**	(33)	**69**	306
Transfers from covered business	**(97)**	(157)	**–**	–	**–**	–	**(97)**	(157)
Embedded value of covered business at the beginning of the period	**2 656**	2 248	**1 424**	1 132	**(249)**	(216)	**1 481**	1 332
Embedded value of covered business at the end of the period	**2 870**	2 656	**1 742**	1 424	**(325)**	(249)	**1 453**	1 481

Notes to the shareholders' fund information continued

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SIG

8 Cluster information continued

8.4 Sanlam Investment Group

8.4.1 Analysis of earnings

R million	Sanlam investments 2024	Sanlam investments 2023	Wealth management 2024	Wealth management 2023	International 2024	International 2023
Result from life insurance contracts	–	–	–	–	–	–
Result from other operations	1 052	890	425	378	288	293
Revenue[1]	3 663	3 281	1 521	1 401	826	899
Net other income	179	124	–	–	40	74
Sales remuneration	–	–	–	–	(72)	(11)
Administration costs[1]	(2 790)	(2 515)	(1 096)	(1 023)	(506)	(669)
Gross result from financial services before performance fees	1 052	890	425	378	288	293
Performance fees	96	42	4	4	(2)	(1)
Gross result from financial services	1 148	932	429	382	286	292
Tax on result from financial services	(302)	(239)	(76)	(101)	(39)	(58)
Non-controlling interest	(314)	(261)	–	–	–	–
Net result from financial services	532	432	353	281	247	234
Life business	–	–	–	–	–	–
Investment management	532	432	353	281	247	234
Credit and structuring	–	–	–	–	–	–
Net investment return	(54)	1	(1)	(5)	26	75
Life business	–	–	–	–	–	–
Investment management	(54)	1	(1)	(5)	26	75
Project expenses	(7)	(56)	–	–	–	–
Net operational earnings	471	377	352	276	273	309
Amortisation of intangible assets	(7)	(10)	(21)	(17)	(13)	(12)
Profit on disposal of subsidiaries and associates	–	1	–	–	–	14
Impairments and other	2	(23)	–	–	–	–
Normalised attributable earnings	466	345	331	259	260	311

[1] Revenue and administration costs on page 38 include performance fees and the related administration costs.

8.4.2 Asset under management

	Assets under management 2024 R million	Assets under management 2023 R million	Fee income 2024 %	Fee income 2023 %	Administration cost 2024 %	Administration cost 2023 %
Sanlam Investments[1]	1 120 468	962 767	0,32	0,36	0,22	0,25
Wealth Management	148 673	127 129	1,10	1,18	0,79	0,86
International[2]	168 594	159 481	0,37	0,51	0,19	0,33
Intra-cluster eliminations	(32 042)	(33 793)				
Asset management operations	1 405 693	1 215 584				
Covered business Sanlam Financial Markets	90 043	70 452				
Assets under management	1 495 736	1 286 036				

[1] Includes Sanlam assets of R232 billion (2023: R207 billion).
[2] Includes Sanlam assets of R69 billion (2023: R77 billion).

Sanlam Financial Markets		Corporate services		Consolidation		Total	
2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
546	509	**–**	–	**–**	–	**546**	509
394	354	**(68)**	(51)	**–**	–	**2 091**	1 864
723	653	**–**	–	**(42)**	(39)	**6 691**	6 195
–	–	**–**	–	**–**	–	**219**	198
–	–	**–**	–	**–**	–	**(72)**	(11)
(329)	(299)	**(68)**	(51)	**42**	39	**(4 747)**	(4 518)
940	863	**(68)**	(51)	**–**	–	**2 637**	2 373
–	2	**–**	–	**–**	–	**98**	47
940	865	**(68)**	(51)	**–**	–	**2 735**	2 420
(235)	(191)	**18**	12	**–**	–	**(634)**	(577)
–	–	**–**	–	**–**	–	**(314)**	(261)
705	674	**(50)**	(39)	**–**	–	**1 787**	1 582
484	435	**–**	–	**–**	–	**484**	435
–	–	**(50)**	(39)	**–**	–	**1 082**	908
221	239	**–**	–	**–**	–	**221**	239
156	200	**6**	(31)	**–**	–	**133**	240
156	200	**–**	–	**–**	–	**156**	200
–	–	**6**	(31)	**–**	–	**(23)**	40
(4)	–	**–**	(3)	**–**	–	**(11)**	(59)
857	874	**(44)**	(73)	**–**	–	**1 909**	1 763
–	–	**(23)**	(25)	**–**	–	**(64)**	(64)
–	–	**(6)**	–	**–**	–	**(6)**	15
–	–	**–**	–	**–**	–	**2**	(23)
857	874	**(73)**	(98)	**–**	–	**1 841**	1 691

Notes to the shareholders' fund information continued

for the year ended 31 December

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8 Cluster information continued

8.4 Sanlam Investment Group continued

8.4.3 Asset mix of assets under management

R million	Fixed interest	Equities	Offshore	Properties	Cash	Total
2024						
Sanlam Investments	**278 796**	**430 008**	**200 681**	**33 460**	**177 523**	**1 120 468**
Wealth Management	**–**	**62 975**	**82 676**	**–**	**3 022**	**148 673**
International	**–**	**–**	**168 594**	**–**	**–**	**168 594**
Intra-cluster consolidation						**(32 042)**
Assets under management – asset management operations	**278 796**	**492 983**	**451 951**	**33 460**	**180 545**	**1 405 693**
2023						
Sanlam Investments	253 556	365 817	145 962	31 843	165 589	962 767
Wealth Management	–	58 906	64 074	–	4 149	127 129
International	–	–	159 481	–	–	159 481
Intra-cluster consolidation						(33 793)
Assets under management – asset management operations	253 556	424 723	369 517	31 843	169 738	1 215 584

8.4.4 Analysis of change in GEV – covered business

	Total		Gross value of in-force		Cost of capital		Adjusted net asset value	
R million	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Operational earnings	**582**	495	**(1)**	(1)	**9**	63	**574**	433
Unwinding of discount rate	**11**	(3)	**7**	–	**4**	(3)	**–**	–
Expected profit	**–**	–	**(8)**	–	**–**	–	**8**	–
Operating experience variances	**562**	436	**1**	–	**(5)**	3	**566**	433
Credit spread	**566**	433	**–**	–	**–**	–	**566**	433
Other	**(4)**	3	**1**	–	**(5)**	3	**–**	–
Operating assumption changes	**9**	62	**(1)**	(1)	**10**	63	**–**	–
Net investment return	**156**	200	**–**	–	**–**	–	**156**	200
Expected return on adjusted net asset value	**169**	239	**–**	–	**–**	–	**169**	239
Investment variances on adjusted net asset value	**(13)**	(39)	**–**	–	**–**	–	**(13)**	(39)
Valuation and economic basis	**(43)**	115	**76**	52	**(29)**	61	**(90)**	2
Investment variances on in-force business	**(15)**	52	**75**	50	**–**	–	**(90)**	2
Economic assumption changes	**(28)**	63	**1**	2	**(29)**	61	**–**	–
GEV earnings: covered business	**695**	810	**75**	51	**(20)**	124	**640**	635
Transfers from/(to) other covered business group operations	**(700)**	(608)	**–**	–	**–**	–	**(700)**	(608)
Transfers from covered business	**(640)**	(635)	**–**	–	**–**	–	**(640)**	(635)
Embedded value of covered business at the beginning of the period	**1 314**	1 747	**53**	2	**(835)**	(959)	**2 096**	2 704
Embedded value of covered business at the end of the period	**669**	1 314	**128**	53	**(855)**	(835)	**1 396**	2 096

8.5 Santam

8.5.1 Insurance activities

	Gross written premium	
R million	**2024**	2023
Motor	**16 786**	15 738
Property	**15 435**	14 076
Engineering	**2 804**	2 024
Liability	**2 526**	1 967
Transportation	**1 673**	1 371
Accident and health	**1 345**	572
Guarantee	**653**	27
Other	**86**	1 593
Total: conventional insurance	**41 308**	37 368

Ratios[1]	**2024**	2023
Administration cost ratio	**18,1%**	16,5%
Claims ratio	**61,1%**	66,2%
Underwriting margin	**7,6%**	3,5%
Investment return on insurance funds margin	**2,6%**	2,6%

R million	**2024**	2023
Conventional insurance		
Insurance revenue	**39 730**	36 895
Gross written premium	**41 308**	37 368
Less: unearned premium and experience adjustments	**(1 578)**	(473)
Net earned premiums	**32 192**	29 335
Net claims incurred	**(19 657)**	(19 420)
Net commission	**(4 270)**	(4 049)
Management expenses	**(5 824)**	(4 816)
Underwriting result: conventional insurance	**2 441**	1 050
Investment return on insurance funds	**823**	759
Net insurance result	**3 264**	1 809
Net other income	**561**	361
Alternative risk[2]	**694**	443
Other	**(133)**	(82)
Strategic participations	**175**	207
Saham	**–**	82
SEM target shares	**175**	125
Gross result from financial services	**4 000**	2 377
Tax and non-controlling interest	**(2 229)**	(1 324)
Net result from financial services	**1 771**	1 053

(1) Ratios are calculated as a percentage of net earned premiums for the conventional business.
(2) Includes operating income and expenses relating to ART business and other operating income and expenses not related to underwriting results.

Notes to the shareholders' fund information continued

for the year ended 31 December

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8 Cluster information continued

8.6 Group office analysis of earnings

R million	Corporate expenses and other 2024	Corporate expenses and other 2023	Consolidation[1] 2024	Consolidation[1] 2023	Total 2024	Total 2023
Result from other operations	**(504)**	(642)	**(196)**	(42)	**(700)**	(684)
Revenue	**227**	229	**–**	–	**227**	229
Net other income	**–**	–	**(196)**	(42)	**(196)**	(42)
Administration costs	**(731)**	(871)	**–**	–	**(731)**	(871)
Results from financial services	**(504)**	(642)	**(196)**	(42)	**(700)**	(684)
Tax on result from financial services	**135**	174	**51**	19	**186**	193
Non-controlling interest	**–**	–	**145**	23	**145**	23
Net result from financial services	**(369)**	(468)	**–**	–	**(369)**	(468)
Net investment income	**(120)**	367	**–**	–	**(120)**	367
Project expenses	**(111)**	(340)	**–**	–	**(111)**	(340)
Net operational earnings	**(600)**	(441)	**–**	–	**(600)**	(441)
Impairment reversal/(charge)[2]	**–**	948	**–**	–	**–**	948
Normalised attributable earnings	**(600)**	507	**–**	–	**(600)**	507

[1] Includes the consolidation entries relating to SEM target shares and Saham Finances included within the Santam results.
[2] An impairment reversal of R948 million in respect of the Broad-Based Black Economic Empowerment Special Purpose Vehicle (B-BBEE SPV) was recognised in 2023.

9 Equity-accounted earnings included in result from financial services before tax

R million	2024	2023
Equity-accounted earnings included in result from financial services before tax:		
Sanlam Life and Savings	**37**	180
Sanlam Personal Loans	**–**	105
Capital Legacy Solutions	**37**	–
Sanlam Corporate – Afrocentric	**–**	75
Pan-Africa: SanlamAllianz	**2 955**	1 294
Asia	**3 189**	3 028
Shriram Capital Private Limited	**2 674**	2 241
Shriram other	**569**	810
Pacific & Orient	**(54)**	(23)
Sanlam Investment Group	**242**	174
Santam	**175**	165
Total	**6 598**	4 841

10 Investments

10.1 Investment in associated companies

R million	2024	2023
Shriram Capital	11 794	10 793
Shriram General Insurance – direct investment	2 157	1 728
Shriram Life Insurance – direct investment	751	675
Shriram Finance Limited – direct investment	538	2 451
ARC Financial Services Holdings (ARC FSH)[1]	3 995	–
Capital Legacy Solutions	1 395	58
Pacific & Orient	433	447
Other associated companies	1 181	3 622
Total investment in associated companies	**22 244**	19 774

[1] During the year, Sanlam Life entered into an asset for share transaction in which it disposed of its 25% stake in ARC FSI for a 25% stake in ARC FSH.

Details of the investments in the material associated companies are reflected in note 12.2 on page 158 of the Sanlam annual financial statements.

10.2 Investment in joint ventures

R million	2024	2023
SanlamAllianz[1]	29 752	23 782
Other joint ventures	253	203
Total investment in joint ventures	**30 005**	23 985

[1] With effect from 1 October 2023, Sanlam and Allianz formed a joint venture, namely SanlamAllianz with Sanlam holding 59,59%.

Details of the investments in the material joint ventures are reflected in note 12.2 on page 158 of the Sanlam annual financial statements online.

11 Investment income

R million	2024	2023
Equities and similar securities	2 064	1 529
Interest-bearing, preference shares and similar securities	(120)	97
Properties	–	30
Rental income	–	38
Rental-related expenses	–	(8)
Total investment income	**1 944**	1 656
Interest expense netted off against investment income	**1 260**	1 131

Notes to the shareholders' fund information continued

for the year ended 31 December

12 Normalised diluted earnings per share

	2024	2023
Normalised diluted earnings per share:	**Cents**	Cents
Net result from financial services	**730,2**	573,6
Net operational earnings	**876,9**	643,6
Profit attributable to shareholders' fund	**1 070,6**	767,2
	R million	R million
Analysis of operational earnings (refer shareholders' fund income statement on page 38):		
Net result from financial services	**15 443**	12 379
Net operational earnings	**18 544**	13 889
Normalised profit attributable to shareholders' fund	**22 642**	16 557
Reconciliation of operational earnings:		
Headline earnings per note 27 on page 194 of the Sanlam annual financial statements	**20 083**	14 467
Add/(Less):	**(1 539)**	(578)
Fund transfers	**402**	2 079
B-BEE SPV impairment	**–**	(948)
Net movement in shareholder fund reserves	**(2 179)**	(1 776)
Net equity-accounted earnings	**64**	(45)
Net amortisation of value of business acquired and other intangibles	**174**	112
Net operational earnings	**18 544**	13 889
	Million	Million
Adjusted number of shares:		
Weighted average number of shares for diluted earnings per share (refer note 27 on page 194 of the Sanlam annual financial statements)	**2 110,6**	2 089,3
Add: Weighted average Sanlam shares held by policyholders and B-BBEE SPV[1]	**4,2**	68,8
Adjusted weighted average number of shares for normalised diluted earnings per share	**2 114,8**	2 158,1

[1] For more information, refer to note 13.

13 Value per share

	2024 R million	2023 R million
Net asset value per share is calculated on the group shareholders' fund at net asset value	**100 395**	89 477
Equity value per share is calculated based on the group equity value	**171 810**	149 904
	Million	Million
Number of shares for value per share		
Number of ordinary shares in issue	**2 117,1**	2 202,9
Shares held by subsidiaries in shareholders' fund	**(29,6)**	(116,1)
Outstanding shares in respect of Sanlam Limited long-term incentive schemes	**27,5**	28,8
Adjusted number of shares for value per share	**2 115,0**	2 115,6

14 Present value of holding company expenses

The present value of holding company expenses has been calculated by applying a multiple of 8,0 (31 December 2023: 7,8) to the after tax recurring corporate expenses.

15 Share transactions

15.1 Shares repurchased and cancelled

Sanlam shareholders granted specific approval under special resolution number 3 adopted at the last annual general meetings to repurchase Sanlam shares from its wholly owned subsidiary (SU BEE Investment).

A cumulative 85,7 million ordinary shares were repurchased in 2024 and subsequently cancelled in 2024.

15.2 Shares in issue

Following the cancellation, the issued share capital of the company now comprises 2 117,1 million ordinary shares of 1 cent each.

Notes to the shareholders' fund information continued

for the year ended 31 December

16 Reconciliations

16.1 Reconciliation between group statement of comprehensive income and shareholders' fund income statement

R million	IFRS total (1)(A)	Total shareholders' fund (2)(B)	Shareholders' activities (C)	Net movement in shareholder fund reserves (D)	Policyholder activities (3)(E)	IFRS adjustments (4)(F)
	2024					
Result from insurance operations	13 080	13 776	14 982	(1 206)	–	(696)
Result from insurance contracts	14 628	15 044	16 173	(1 129)	–	(416)
Insurance service result	12 935	12 579	12 587	(8)	–	356
Insurance revenue	93 475	101 252	101 260	(8)	–	(7 777)
Insurance service expenses	(75 553)	(79 919)	(79 919)	–	–	4 366
Income or expense from reinsurance contracts	(4 987)	(8 754)	(8 754)	–	–	3 767
Insurance investment result	1 693	2 465	3 586	(1 121)	–	(772)
Other expenses relating to insurance operations	(1 548)	(1 268)	(1 191)	(77)	–	(280)
Result from other operations	14 003	15 284	16 896	(1 612)	1 164	(2 445)
Revenue	23 415	23 411	23 411	–	424	(420)
Investment income	32 090	1 944	2 285	(341)	17 920	12 226
Investment surpluses	55 047	3 235	4 576	(1 341)	44 986	6 826
Finance cost – margin business	(366)	–	–	–	–	(366)
Change in fair value of investment contract liabilities	(66 679)	–	–	–	(66 154)	(525)
Change in fair value of external investors' liabilities	(6 996)	–	–	–	4 794	(11 790)
Net other income	–	6 402	6 402	–	–	(6 402)
Sales remuneration	(1 201)	(1 251)	(1 251)	–	–	50
Administration costs	(21 307)	(18 457)	(18 527)	70	(806)	(2 044)
Net movement in shareholder fund reserves	–	2 179	–	2 179	–	(2 179)
Impairments	(1 412)	(1 307)	(1 307)	–	–	(105)
Net impairment losses on financial and contract assets	(63)	–	–	–	–	(63)
Other impairments	(1 349)	(1 307)	(1 307)	–	–	(42)
Project expenses	–	(441)	(441)	–	–	441
Net profit on disposal of subsidiaries and associated companies	–	3 636	3 636	–	–	(3 636)
Amortisation of intangibles	(532)	(174)	(174)	–	–	(358)
Net operating result	25 139	32 953	33 592	(639)	1 164	(8 978)
Equity-accounted earnings	5 617	(236)	(22)	(214)	–	5 853
Finance cost – other	(1 243)	–	–	–	–	(1 243)
Profit before tax	29 513	32 717	33 570	(853)	1 164	(4 368)
Taxation	(7 909)	(7 458)	(8 311)	853	(1 164)	713
Shareholders' fund	(6 210)	(7 458)	(8 311)	853	–	1 248
Policyholders' fund	(1 699)	–	–	–	(1 164)	(535)
Profit from the year from discontinued operations	3 240	–	–	–	–	3 240
Profit for the period	24 844	25 259	25 259	–	–	(415)
Attributable to:						
Shareholders' fund	22 240	22 642	–	–	–	(402)
Profit from continuing operations	19 133	22 642	–	–	–	(3 509)
Profit from discontinued operations	3 107	–	–	–	–	3 107
Non-controlling interest	2 604	2 617	–	–	–	(13)
	24 844	25 259	–	–	–	(415)

(1) IFRS total (A) = (B)+(E)+(F).
(2) Total shareholders' fund (B) = (C)+(D).
(3) Policyholder activities relate to the inclusion of policyholders' after-tax investment return in respect of investment contracts, and the allocation thereof to policy liabilities, in the group statement of comprehensive income.
(4) IFRS adjustments relate to amounts that have been set-off in the shareholders' fund income statement that is not permitted in terms of IFRS and fund transfers.

2023					
IFRS total (1)(A)	Total shareholders' fund (2)(B)	Shareholders' activities (C)	Net movement in shareholder fund reserves (D)	Policyholder activities (3)(E)	IFRS adjustments (4)(F)
10 369	12 322	14 080	(1 758)	–	(1 953)
11 580	13 355	15 113	(1 758)	–	(1 775)
9 760	10 312	10 300	12	–	(552)
87 840	112 151	112 139	12	–	(24 311)
(70 684)	(90 381)	(90 381)	–	–	19 697
(7 396)	(11 458)	(11 458)	–	–	4 062
1 820	3 043	4 813	(1 770)	–	(1 223)
(1 211)	(1 033)	(1 033)	–	–	(178)
8 797	11 021	11 502	(481)	1 558	(3 782)
18 960	19 195	19 195	–	74	(309)
24 629	1 656	2 113	(457)	16 813	6 160
58 855	1 957	1 981	(24)	55 859	1 039
(412)	–	–	–	–	(412)
(66 262)	–	–	–	(67 450)	1 188
(8 678)	–	–	–	(3 246)	(5 432)
–	4 999	4 999	–	–	(4 999)
(1 063)	(1 186)	(1 186)	–	–	123
(17 232)	(15 600)	(15 600)	–	(492)	(1 140)
–	1 776	–	1 776	–	(1 776)
(79)	623	623	–	–	(702)
20	–	–	–	–	20
(99)	623	623	–	–	(722)
–	(610)	(610)	–	–	610
–	336	336	–	–	(336)
(257)	(112)	(112)	–	–	(145)
18 830	25 356	25 819	(463)	1 558	(8 084)
2 958	45	45	–	–	2 913
(1 106)	–	–	–	–	(1 106)
20 682	25 401	25 864	(463)	1 558	(6 277)
(7 079)	(6 186)	(6 649)	463	(1 558)	665
(4 396)	(6 186)	(6 649)	463	–	1 790
(2 683)	–	–	–	(1 558)	(1 125)
3 394	–	–	–	–	3 394
16 997	19 215	19 215	–	–	(2 218)
14 478	16 557	–	–	–	(2 079)
11 595	16 557	–	–	–	(4 962)
2 883	–	–	–	–	2 883
2 519	2 658	–	–	–	(139)
16 997	19 215	–	–	–	(2 218)

Notes to the shareholders' fund information continued

for the year ended 31 December

16 Reconciliations continued

16.2 Reconciliation between group statement of financial position and shareholders' fund at net asset value

R million	2024 Total	Shareholder activities	Policyholder activities[1]	Consolidation reserve
Assets				
Goodwill	6 703	6 703	–	–
Equipment	1 682	1 472	210	–
Rights-of-use assets	1 323	1 276	47	–
Owner-occupied properties	992	913	79	–
Intangible assets	4 366	4 281	85	–
Contract costs for investment management services	2 768	2 765	3	–
Investment contract assets	789	–	789	
Insurance contract assets	13 736	492	13 244	–
Reinsurance contract assets	11 233	6 760	4 473	–
Deferred tax	1 409	1 020	67	322
Investments	998 644	129 207	869 193	244
Investment properties	7 812	364	7 448	–
Associated companies	22 244	22 244	–	–
Joint ventures	26 511	30 005	(3 494)	–
Equities and similar securities	198 193	7 041	191 152	–
Interest-bearing investments	347 804	44 406	303 154	244
Structured transactions	32 429	646	31 783	–
Investment funds	332 464	22 370	310 094	–
Deposits and similar securities	31 187	2 131	29 056	–
Trading account assets	22 759	19 315	3 444	–
Advances to customers	4 213	4 213	–	–
Non-current assets reclassified as held for sale	6 837	–	6 837	–
Working capital assets	56 090	42 328	13 762	–
Trade and other receivables	13 448	26 465	(13 017)	–
Taxation	576	589	(13)	–
Cash and cash equivalents	42 066	15 274	26 792	–
Total assets	1 133 544	220 745	912 233	566
Equity and liabilities				
Shareholders' fund	100 961	100 395	–	566
Non-controlling interest	9 194	8 946	248	–
Insurance contract liabilities	232 554	35 038	197 516	–
Reinsurance contract liabilities	5 185	3 006	2 179	–
Investment contract liabilities	554 955	–	554 955	–
Term finance	19 769	19 769	–	–
Lease liabilities	1 685	1 635	50	–
Structured transactions liabilities	12 201	218	11 983	–
External investors in consolidated funds	124 755	–	124 755	–
Deferred tax	8 925	5 840	3 085	–
Trading account liabilities	28 673	25 469	3 204	–
Non-current liabilities reclassified as held for sale	–	925	(925)	–
Collateral guarantee contracts	120	120	–	–
Working capital liabilities	34 567	19 384	15 183	–
Trade and other payables	31 112	16 544	14 568	–
Provisions	275	252	23	–
Taxation	3 180	2 588	592	–
Total equity and liabilities	1 133 544	220 745	912 233	566

[1] Includes the impact of IFRS adjustments.

2023			
Total	Shareholder activities	Policyholder activities[1]	Consolidation reserve
6 905	6 905	–	–
1 535	1 550	(15)	–
1 189	1 200	(11)	–
1 015	974	41	–
3 330	3 330	–	–
2 822	2 426	396	–
–	–	–	–
9 478	408	9 070	–
14 529	9 361	5 168	–
1 619	953	102	564
827 309	109 329	719 491	(1 511)
7 913	906	7 007	–
19 766	19 774	(8)	–
24 708	23 985	723	–
159 384	5 418	153 966	–
249 372	34 646	216 237	(1 511)
26 114	974	25 140	–
301 949	13 891	288 058	–
38 103	9 735	28 368	–
18 414	13 744	4 670	–
4 065	4 065	–	–
47 213	1 893	45 320	–
57 297	42 374	14 923	–
20 017	24 722	(4 705)	–
954	997	(43)	–
36 326	16 655	19 671	–
996 720	198 512	799 155	(947)
88 530	89 477	–	(947)
8 375	8 296	79	–
193 374	32 722	160 652	–
5 686	2 889	2 797	–
488 501	–	488 501	–
14 936	13 740	1 196	–
1 519	1 531	(12)	–
12 287	213	12 074	–
76 468	–	76 468	–
8 768	6 252	2 516	–
25 835	19 134	6 701	–
39 403	272	39 131	–
113	113	–	–
32 925	23 873	9 052	–
30 799	21 793	9 006	–
188	188	–	–
1 938	1 892	46	–
996 720	198 512	799 155	(947)

Administration

Registered name: Sanlam Limited

Registration number:	1959/001562/06
Tax reference number:	9536/346/84/5
JSE share code (primary listing):	SLM
NSX share code:	SLA
A2X share code:	SLM
ISIN:	ZAE000070660 incorporated in South Africa
Internet address:	http://www.sanlam.com

Directors:

Temba Mvusi
Chair

Dr Patrice Motsepe
Deputy Chair

Paul Hanratty
Group Chief Executive Officer

Abigail Mukhuba
Group Finance Director

Andrew Birrell
Anton Botha
Ebenezer Essoka
Elias Masilela
Nicolaas Kruger
Ndivhuwo Manyonga
Mathukana Mokoka
Kobus Möller
Sipho Nkosi
Karabo Nondumo
Thembisa Skweyiya[1]
Willem van Biljon
Dr Johan van Zyl
Dr Shirley Zinn

Executive Head: Investor Relations
Grant Davids

Company Secretary:
Adela Fortune

Registered office:
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Telephone +27 (0) 21 947 9111
Fax +27 (0) 21 947 3670
33"45'09.77S 18"38'28.32E

Postal address:
PO Box 1, Sanlamhof 7532

Equity Sponsor to Sanlam
The Standard Bank of South Africa Limited

Debt Sponsor to Sanlam Life Insurance Limited
The Standard Bank of South Africa Limited

Transfer secretaries:
Registered number: 2004/003647/07

Computershare Investor Services (Pty) Ltd
Rosebank Towers, 15 Biermann Avenue,
Rosebank 2196, South Africa

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Fax +27 (0) 11 688 5200
sanlamholders@computershare.co.za

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0860 SANLAM (0860 726 526),
(021) 947 9111/+27 (0) 21 947 9111 (International)

Contact:
Investor relations:
ir@sanlam.co.za

[1] On 3 February 2025, Ms Thembisa Skweyiya stepped down as a non-executive director of both the Sanlam and Sanlam Life boards as well as a member of the Customer Interest Committee, Risk and Compliance Committee, Non-executive Directors Committee and Independent Non-executive Directors Committee.

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