

OLDMUTUAL LIFE ASSURANCE COMPANY (SOUTH AFRICA) LIMITED

# ANNUAL FINANCIAL STATEMENTS

Consolidated and separate  
For the year ended 31 December 2024



DO GREAT THINGS EVERY DAY



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**The consolidated and separate financial statements were audited in terms of the Companies Act, 71 of 2008. The preparation of the Group's and separate annual financial statements was supervised by Casper Troskie CA(SA), Chief Financial Officer.**

### Feedback

Your feedback is important to us, and we welcome your input to enhance the quality of our reporting. For any further feedback, please contact Investor Relations.

# Directors' responsibility and approval statement

The directors of Old Mutual Life Assurance Company (South Africa) Limited (the Company) are required by the South African Companies Act, 71 of 2008 (as amended) (the Companies Act) to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate annual financial statements and related financial and non-financial information included in this report.

The directors are responsible for the preparation and fair presentation of the consolidated and separate annual financial statements of the Company, comprising the consolidated and separate statements of financial position at 31 December 2024, the consolidated and separate income statements, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and cash flows for the year then ended, and the consolidated and separate notes thereto, which include material accounting policy elections and other explanatory notes in accordance with International Financial Reporting Standards (IFRS<sup>®</sup> Accounting Standards), as issued by the International Accounting Standards Board (IASB), including interpretations to IFRS<sup>®</sup> Accounting Standards as issued by the IFRS Interpretations Committee (IFRIC), the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee, the JSE Listings Requirements, and requirements of the Companies Act. In addition, the directors are responsible for the preparation of the Directors' report.

The directors are also ultimately responsible for such internal controls as they determine are necessary to enable the preparation of the consolidated and separate annual financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records in addition to reducing the risk of loss or error cost-effectively and effective risk management. An effective system of internal financial controls provides reasonable assurance as to the reliability of financial information being reported. To the best of their knowledge and belief the directors are satisfied that the system of internal controls provides reasonable assurance that reliance can be placed on financial records used in the preparation of the consolidated and separate financial statements during the financial year ended 31 December 2024.

The directors have made an assessment of the ability of the Company and its subsidiaries to continue as going concerns and have no reason to believe that the businesses will not be going concerns in the foreseeable future.

It is the responsibility of the Company's independent external auditors to report on the fair presentation of the consolidated and separate financial statements. These financial statements have been audited in terms of section 29(1) of the Companies Act. Their unmodified report is included within these annual financial statements.

## Approval of consolidated and separate annual financial statements

The consolidated and separate annual financial statements of Old Mutual Life Assurance Company (South Africa) Limited, as identified in the first paragraph, were approved by the Board of directors on 17 March 2025 and signed on their behalf by:

**TREVOR MANUEL**

**TA Manuel**

Chairman

**Cape Town**

17 March 2025

**IAIN WILLIAMSON**

**IG Williamson**

Chief Executive Officer

# Chief Executive Officer's and Chief Financial Officer's responsibility statement

The directors, whose names are stated below, hereby confirm that:

- (a) The annual financial statements set out on pages 3 to 195, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS<sup>®</sup> Accounting Standards
- (b) To the best of our knowledge and beliefs, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading
- (c) Internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer
- (d) The internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as Executive Directors with primary responsibility for implementation and execution of controls
- (e) Where we are not satisfied, we have disclosed to the Audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies
- (f) We are not aware of any fraud involving directors

**IAIN WILLIAMSON**

**IG Williamson**

Chief Executive Officer

**Sandton**

17 March 2025

**CASPER TROSKIE**

**CG Troskie**

Chief Financial Officer

## Certificate by the Group Company Secretary

In terms of Section 88(2)(e) of the South African Companies Act, 71 of 2008 (as amended), I certify that Old Mutual Life Assurance Company (South Africa) Limited has lodged with the Commissioner, all such returns and notices as required by the Companies Act for the year ended 31 December 2024, and that all such returns and notices appear to be true, correct and up to date.

**ELSABÉ KIRSTEN**

**EM Kirsten**

Group Company Secretary

17 March 2025

# Directors' report

The directors of Old Mutual Life Assurance Company (South Africa) Limited (the Company or the Group) have pleasure in submitting their report on the consolidated and separate annual financial statements for the year ended 31 December 2024.

## Review of activities

The principal activity of the Group is the transaction of all classes of life assurance, savings and retirement funding business. The Group underwrites life insurance risks associated with death and disability. It also issues a diversified portfolio of investment contracts and earns fee income from investment management service contracts.

The operating results and financial position of the Group and Company are set out in the income statements, statements of comprehensive income, statements of financial position, statements of changes in equity, statements of cash flows and accompanying notes.

Profit before tax for the Group was R9 125 million (2023: R7 685 million), and profit after tax was R4 256 million (2023: R3 405 million).

Profit before tax for the Company was R9 058 million (2023: R8 482 million), and profit after tax was R4 942 million (2023: R4 620 million).

## Consolidated and Company annual financial statements

In terms of IFRS<sup>®</sup> Accounting Standards, the Company is required to produce consolidated financial statements as its subordinated debt instruments are traded in a public market.

In the Company financial statements, the Company's investments in its subsidiaries, joint ventures, associate companies and structured entities are accounted for as financial assets at fair value through profit or loss and dividends are recognised when receivable.

Details of the financial results are set out on pages 16 to 195 of the consolidated annual financial statements and on pages 16 to 195 of the separate annual financial statements.

The directors have approved the consolidated and separate annual financial statements as reflected on pages 16 to 195, including the certificate by the Group Company Secretary on page 2 and the Audit committee report for the 2024 financial year on page 6.

## Holding company

The Company's holding company is Old Mutual Emerging Markets Proprietary Limited, incorporated in South Africa.

## Ultimate holding company

The Company's ultimate holding company is Old Mutual Limited, incorporated in South Africa and listed on the Johannesburg Stock Exchange, with secondary listings in Malawi, Namibia and Zimbabwe and a standard listing on the London Stock Exchange.

## Share capital

There were no changes in the authorised or issued ordinary share capital of the Company during the current and prior year.

## Dividends

Dividends on ordinary shares amounting to R7 646 million (2023: R3 550 million) and dividends on preference shares amounting to Rnil (2023: Rnil) were declared during the year by the Company.

The directors of the Company acknowledged, that it had applied the solvency and liquidity requirements of the Companies Act and Long-term Insurance Act, 52 of 1998 prior to the dividend declaration and reasonably concluded that the Company will satisfy same immediately after completing the distribution.

## Borrowings

The directors may from time to time exercise all of the powers of the Company to (a) borrow for the purposes of the Company such sums as they think fit; and (b) secure the payment or repayment of any such sums, or any other sum, as they think fit, whether by the creation and issue of any securities, mortgage or charge upon all or any of the property or assets of the Company provided that the Company may not borrow any assets without the prior written approval of the Prudential Authority, and the authorisation of the shareholders by an ordinary resolution.

## Directors

Details of the members of the Board who served during the year and at the reporting date have been provided below.

The issuer is required, by the Insurance Act, to annually evaluate the performance of the Board of directors of the issuer and that of its committees, its chair and its individual directors as set out by the King Code. The Board hereby confirms that it has performed a performance assessment for the reporting year, which assessment was performed by an independent service provider (*The Board Practice*). The biographical information of the current directors can be found in note L.

# Directors' report

The directors had no third party or company responsible for managing any business activities of the Group. Refer to note 13 for detailed related party disclosure.

Name	Position as director	Appointment date	Resignation date
TA Manuel <sup>c</sup>	Independent Non-executive Director	24.10.2017	
PG de Beyer <sup>a, ac, c, r</sup>	Independent Non-executive Director	01.03.2012	31.12.2024
AK Essien <sup>c, r</sup>	Independent Non-executive Director	24.10.2017	31.05.2024
O Ighodaro <sup>a, ac, r</sup>	Independent Non-executive Director	22.09.2020	
I Kgaboesele <sup>a, ac</sup>	Independent Non-executive Director	24.10.2017	
J Langner <sup>a, ac</sup>	Independent Non-executive Director	20.05.2021	
JR Lister <sup>a, ac, r</sup>	Independent Non-executive Director	24.10.2017	
Dr SM Magwentshu-Rensburg <sup>c</sup>	Independent Non-executive Director	24.10.2017	
TM Mokgosi-Mwantembe	Non-executive Director	24.10.2017	
BP Silwanyana <sup>a, ac, r</sup>	Independent Non-executive Director	04.12.2023	
JJ Strydom <sup>a, ac, r</sup>	Independent Non-executive Director	04.12.2023	
CG Troskie	Executive Director	01.04.2018	
IG Williamson	Executive Director	27.05.2019	

<sup>a</sup> Member of the Audit committee

<sup>ac</sup> Member of the Actuarial committee

<sup>c</sup> Member of the Committee for Customer Affairs

<sup>r</sup> Member of the Risk committee

The directors had no interest in any third party or company responsible for managing any of the business activities of the Group.

## Group Company Secretary

EM Kirsten is the Group Company Secretary.

## Auditors

During the year, Deloitte & Touche and Ernst & Young Inc. have been the joint auditors of the Group and the Company.

The auditors' engagement is in accordance with section 90 of the Companies Act of South Africa. The Audit committee confirms that it has complied with Par 7.3(e) III and IV of the JSE Debt Listing requirements, in that it has obtained the information detailed in paragraph 22.15(h) of section 22 of the JSE Listings Requirements in their assessment of the suitability for re-appointment of the audit firm and designated individual partner, and secondly, that it has ensured that the auditors are re-appointed at the Annual General Meeting of shareholders.

## Debt officer

The Board has considered and is satisfied with the competence, qualifications and experience of the appointed debt officer, M van der Walt.

## Events after the reporting period

Old Mutual Limited CEO, Iain Williamson, announced his retirement on 17 February 2025, effective 31 August 2025. The Board has initiated a process, considering internal and external candidates, to identify a new CEO to lead the Group through its next phase of growth and innovation.

During the budget speech presented on 12 March 2025, the Minister of Finance announced that the value added tax (VAT) rate will be increased from 15% to 15.5% with effect from 1 May 2025 (and a further increase of 0.5% to 16% with effect from 1 April 2026). The Group does not expect the VAT rate change to have a significant impact on the balances reported as at 31 December 2024.

Other than the aforementioned, the directors are not aware of any material events (as defined per IAS 10 *Events after the Reporting Period*) after the reporting date of 31 December 2024 until the date of authorisation of these audited consolidated financial statements.

# Corporate Governance report

## Corporate Governance Framework

Old Mutual Life Assurance Company (South Africa) Limited (OMLACSA) is a licensed life insurer and wholly owned subsidiary of Old Mutual Limited which is a Johannesburg Stock Exchange listed entity. Old Mutual Limited established a Group Governance Framework (GGF) which adheres to King IV™. This framework outlines the minimum governance requirements for the Group and its subsidiary entities.

The Group is in compliance with King IV™ and requires that its subsidiaries comply with the King IV™ governance outcomes through application of the principles as set out in the code.

The OMLACSA Board is satisfied that during 2024, it complied with the GGF, and has applied the King IV™ principles on the same basis as the Group. Refer to the full Old Mutual Limited Corporate Governance Report 2024 at <https://www.oldmutual.com/investor-relations/reporting-centre/reports> details of the application and explanation of the GGF principles, and King IV™ requirements.

## Going concern

Although the key management focus from a performance perspective is on Old Mutual Limited and its segments, significant information is collected for OMLACSA due to its regulated nature. The business plan process focused on OMLACSA capital compliance and ensuring liquidity reserves remained sufficient.

Despite the challenging local economic environment, the results of the projections indicate that the Group is expected to remain sufficiently capitalised to continue as a going concern. No material uncertainty in relation to the going concern has been identified and no items were identified through the operational business plan process that are expected to negatively impact the ability to continue as a going concern.

Based on the reviews, no material uncertainties that would require disclosure have been identified in relation to the ability of OMLACSA to remain a going concern for at least the next 12 months. The directors therefore consider it appropriate for the going concern basis to be adopted in preparing the financial statements.

# Audit committee report

This Audit committee report has been prepared based on the requirements of the SA Companies Act, 71 of 2008 (as amended) (Companies Act), the King Code of Governance for SA (King IV™\*), the JSE Listings Requirements and other applicable regulatory requirements.

This report sets out how the Audit committee has satisfied its various statutory obligations during the year, as well as some of the focus areas considered and how these have been addressed by the committee.

## Role and mandate

The committee's main role is to assist the Board in fulfilling its oversight responsibilities, in particular with regard to the integrity of the Group's financial statements, effectiveness of the systems of internal control, financial reporting and risk management.

In addition, the committee is responsible for assessing the effectiveness of the Group internal audit function, the Chief Financial Officer and the independence and effectiveness of the Group's external auditors.

These responsibilities are in terms of the mandate of the Audit committee as defined in section 94(7) of the Companies Act and its terms of reference, which are available at [www.oldmutual/about/governance/board-committees](http://www.oldmutual/about/governance/board-committees)

## Committee composition

The committee is comprised of seven independent Non-executive Directors who all satisfy the requirements to serve as members of an audit committee, as defined by section 94(7) of the Companies Act. Two out of the seven committee members are chartered accountants. Six of the seven members have risk management, finance and audit expertise, and one member has finance and audit expertise.

The Chairperson of the committee reports to the Board on its activities, all matters discussed, highlighting key issues requiring action and recommendations for resolution. The Audit committee works closely with the Risk committee, which reviews risk management and compliance initiatives and monitors the effectiveness of the risk, compliance and internal control environment of the Group.

The Chairperson of the Audit committee is a member of the Risk committee, and the Chairperson of the Risk committee is a member of the Audit committee. This helps ensure that there is adequate communication between the two committees.

Name	Appointment date	Resignation date	Board status	Scheduled meeting attendance <sup>#</sup>
O Ighodaro (Chairperson) BSc (Hons), FCA (ICAEW), CA(SA)	22.09.2020		Independent Non-executive	5/5
PG de Beyer BBus Sci (Hons), FASSA	01.03.2012	31.12.2024	Independent Non-executive	5/5
I Kgaboesele BCom, PDip (Acc), Dip (FMI), CA(SA)	24.10.2017		Independent Non-executive	4/5
J Langner BCom, FASSA, FFA	20.05.2021		Independent Non-executive	5/5
JR Lister BSc (Stats), FIA	24.10.2017		Independent Non-executive	5/5
BP Silwanyana BCom (Fin Acc), BCom (Hons), PGDA, MBA	11.12.2023		Independent Non-executive	0/0
JJ Strydom BSc (Hons) (Act), FIA, CFA, MBA	11.12.2023		Independent Non-executive	0/0

<sup>#</sup> In accordance with the Audit committee's terms of reference, it held the minimum of five scheduled meetings during 2023, convening five scheduled meetings along with four ad hoc meetings to adequately discharge its duties in accordance with its mandate

## Invited attendees

The engagement partners of the external auditors and the Group Internal Audit Director are standing invitees to the Audit committee meetings, as is the Board Chairman, Chief Executive Officer, Chief Financial Officer, Chief Risk Officer, Head of Actuarial Function and the heads of finance, actuarial and tax. Invitations to attend committee meetings are extended to senior executives and professional advisers as deemed appropriate. Directors of the Board who are not members of the committee have the right of attendance at Audit committee meetings.

When required, country and subsidiary Audit committee Chairpersons will be invited to attend meetings. The Group Company Secretary or her delegate is the secretary of the committee.

The committee Chairperson may, from time to time, attend subsidiaries' Audit committee meetings.

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## Contracts and matters in which directors and officers of the Company have an interest

The Group has adopted a Conflicts of Interest Policy, which sets out key provisions for both directors and employees to adhere to. Directors are required to confirm on a quarterly basis that their conflicts of interest disclosures are up to date, with a declaration being signed at each quarterly meeting.

## Actuarial sub-committee

The Board constituted a separate Actuarial committee, which functions as a sub-committee of the Audit committee. All the Audit committee members are members of the Actuarial committee.

The Actuarial committee assists the Audit committee in ensuring that relevant actuarial matters are properly considered prior to decision making by the Audit committee. The Actuarial committee is chaired by JR Lister, an Independent Non-executive Director and a qualified actuary.

During the year, the Actuarial sub-committee met five times, and meeting attendance was 95%.

## Our commitment to independence, transparency and collaboration

The Audit committee encourages continuous improvement of and fosters adherence to the Group's policies, procedures and practices at all levels of the organisation.

Application of these policies encourages open communication with assurance providers, including the external auditors, senior management, internal audit, compliance, the risk functions and the Board.

The Group Internal Audit Director also has a direct reporting line to the committee with unrestricted access to the committee Chairperson.

The independence of the committee is key to its effective functioning, while ensuring that it does not assume the functions of management.

As part of its mandate, it has the authority to investigate matters within the scope of its defined responsibility and to request information or explanations necessary for the performance of its functions.

## Areas of focus during the year

### Significant audit matters

The Audit committee routinely considers audit matters, as raised by the external auditors relating to the annual financial statements.

Audit matter	How the Audit committee addressed the matter
<b>Life insurance contract assets and liabilities</b>	The committee, through the Actuarial committee, reviewed and interrogated reports from the Group Chief Actuary, Group Actuary and the external auditors on actuarial assumptions and basis changes.
<b>Valuation of level 3 financial instruments</b>	The appropriateness of the assumptions and methodologies used in the valuation of investments and securities, inclusive of the fair value disclosures was considered.

## Financial statements and integrated reporting process

During the year under review the Audit committee:

- Reviewed the key audit matters identified by the external auditors and monitored the appropriateness of the management actions taken to address the key audit matters
- Reviewed and debated key accounting, actuarial and tax judgements including external audit's key audit matters and were satisfied with how these were addressed
- Reviewed the Group tax report which included a status, governance, controls and compliance update
- Analysed financial information included in the Group's interim and year-end results announcements to ensure the accuracy and integrity of financial data disclosed externally
- Reviewed and assessed the audited annual financial statements and found the controls and financial reporting processes underpinning its compilation to be appropriate and effective
- Recommended to the Board for approval, the annual financial statements, interim and annual results and the financial information included in the 2024 Integrated Report. Assessed and confirmed the appropriateness of the going concern assumption used in the interim and annual financial statements
- Reviewed the interim and final dividend proposals. Ensured that the Group had sufficient resources to make the dividend distributions, before recommending the proposals to the Board
- Reviewed the combined assurance plan for the Group, ensuring the inclusion of material risk areas, acceptable coverage of business processes and that all reporting requirements were met. Confirmed that assurance activities result in an adequate, effective control environment and the integrity of reports can be relied upon for decision making

# Audit committee report

- Reviewed and considered the overall effectiveness of the Group's internal controls
- Considered the suitability, qualifications, experience, independence and capacity of proposed engagement partners and recommended for approval to the Board
- Reviewed reports from the Head of Actuarial Function, Group Actuary and the joint external auditors on actuarial assumptions and the reliability and adequacy of the financial soundness results of Old Mutual Limited at 31 December 2024
- Monitored the levels of the various capital measures in the Group, ensuring that they are within acceptable ranges
- Monitored methodology and assumptions used to calculate the Group's liabilities and solvency capital ratio noting these are appropriate and in line with Prudential Standards
- Reviewed and recommended to the Board for approval the issuance and redemption of subordinated debt, subject to Prudential Authority approval
- Assessed compliance with all other statutory requirements in terms of section 94(7) of the Companies Act of 2008, King IV, JSE Listings Requirements and any other applicable regulatory requirements (including the JSE control sign-off and compliance certificates), and confirmed that no reportable irregularities were identified and reported by the external auditors in terms of the Auditing Profession Act, 26 of 2005 that impact the Company or are material to the Group
- Ensured that the recommendations, as set out in the JSE Proactive Monitoring review reports, have been incorporated into the annual financial statements
- Reviewed transactions that qualify as Financial Assistance or as a Distribution for Old Mutual Limited and OMLACSA, noting that the aggregate impact on solvency and liquidity tests for each entity
- Reviewed and approved restatements of the OMLACSA annual financial statements
- Discussed the key performance indicator policy update. The updated policy formalises the definitions and governance process regarding key performance indicators that are externally disclosed
- Reviewed and approved the OMLACSA materiality policy
- Confirmed that the Group tax function assessed the effectiveness of its system of internal control over tax reporting and compliance as at 31 December 2024
- Reviewed and considered subsidiary company Audit committee reports, noting key audit matters raised and related action plans
- Reviewed the updates to the terms of reference of the Audit committee and recommended them for Board approval

## Internal controls and risk management

The Audit committee is responsible for reviewing the effectiveness of systems for internal control, financial reporting and risk management, and for considering the findings of any major internal investigations into control weaknesses, fraud or misconduct, and management's response thereto.

The Audit and Risk committees delegate the duty to management to continuously identify, assess, mitigate and manage risks within the existing and changing risk profile of our operating environment. Mitigating controls are formulated to address the risks and the Board is kept abreast of progress on the Group's risk management plan.

During the year under review the committee considered control issues identified from the various reports reviewed by the committee in the context of the overall effectiveness of internal controls. These reports included internal and external audit reports, reports from the Board's Risk committee as well as specific internal control reports from management, relating to internal attestation of financial and other controls. The Group's modernisation and transformational projects to upgrade various legacy IT platforms continued to receive particular focus through the Audit, Risk and Technology and Platforms committees.

Where deficient controls or matters were raised, the committee reviewed the progress on remediation plans and were satisfied that any material impact on the Group's annual financial statements had been appropriately mitigated by management, through manual controls and increased oversight where necessary. Significant progress was noted by the committee in terms of improved controls and automation. The committee will continue to monitor and evaluate any remaining deficient controls as well as remediation plans in 2025.

Having considered, analysed, reviewed and discussed information provided by management, other Board committees, Internal Audit and the external auditors, the committee is of the opinion that the internal controls of the Group, together with management's additional procedures performed to mitigate identified control deficiencies, can be relied upon as a reasonable basis for the preparation of the annual financial statements, throughout the year under review.

## Internal audit

Internal audit is the third line of assurance in the assurance model, and provides independent assurance over the first and second lines of assurance operations and oversight functions.

Group internal audit is accountable to the Audit committee and has unrestricted access to the Chairperson of the Audit committee. Group internal audit meets with the Audit committee at least once a year without management being present, and has frequent interactions with the Chairperson of the Audit committee.

The Audit committee approves the internal audit plan and neither the Group Internal Audit Director nor the internal audit function reports into the executive committee rather than from an administrative perspective. Group internal audit is also independent from the activities it audits and from the day-to-day management of the Group. This maintains the functional and financial independence of the internal audit function.

During the year under review the Audit committee:

- Reviewed and approved the internal audit terms of reference and audit plan
- Evaluated the independence, effectiveness and performance of the Internal audit function and compliance with its charter
- Confirmed the appropriateness of the expertise, experience and resources of the internal audit function and that of the Group Internal Audit Director
- Reviewed and approved the annual consolidated internal audit plan in consultation with the Group Internal Audit Director, ensuring that material risk areas were included, that the coverage of risks and business processes was acceptable
- Reviewed and discussed with the Group Internal Audit Director the scope of work of the internal audit function, the issues identified as a result of its work and management's responsiveness to issues raised and agreed action plans
- Ensured coordination and cooperation between internal audit and the risk management and compliance functions

The Audit committee is satisfied with the appropriateness of the expertise, experience and resources of the internal audit function and that of the Audit Director.

## Chief Financial Officer

During the year under review, the Audit committee reviewed the performance and confirmed the suitability and appropriateness of the expertise and experience of the Chief Financial Officer, C Troskie, and the resources, expertise, succession planning and experience of the Group's finance function.

## External auditors

The Audit committee is responsible for the appointment, compensation and oversight of the joint external auditors for the Group, namely Deloitte & Touche and Ernst & Young Inc. Deloitte & Touche has served as joint auditor of the Group since June 2018, whereas Ernst & Young Inc. was appointed in May 2022.

During the year under review the Audit committee:

- Assessed the suitability for appointment and re-appointment of the audit firms and designated audit partners, considering the relevant legislative and regulatory requirements and presented and included the appointment of the auditors. Ensure that the appointment and the independence of the external auditors were in compliance with the Companies Act and all other regulatory and legal requirements
- Considered and recommended to the Board the appointment of the joint external auditors Deloitte and Touche (with John Kruger as designated registered auditor and joint signing partner of OMLACSA) and Ernst & Young Inc. (with Eugene Breytenbach as designated registered auditor and joint signing partner for OMLACSA)
- Monitored the effectiveness of the external auditors in terms of their audit quality, expertise and independence, as well as the execution of the audit plan
- Approved the joint external auditors' annual audit plan and ensured that all statutory and financial reporting requirements were met and material risks were identified and appropriately addressed
- Approved the audit fees for the 2024 year under review
- Reviewed the information provided by the auditors as detailed in paragraph 3.84(g)(ii), as read with section 22.15(h) of the JSE Listings Requirements
- Monitored and ensured that fees for non-audit services were in line with the Group's policy on non-audit services, which is summarised in the Corporate Governance section of our website
- Reviewed the external auditors findings and recommendations and ensured that matters raised were resolved appropriately
- Ensured coordination and cooperation between the external and internal auditors
- Convened with the external audit team, without management being present, and was assured that there were no unresolved areas of disagreement with management. Satisfaction was expressed with the skills and expertise in Group Finance and it was confirmed that throughout the audit there was good support from the management teams
- Ensured that the appointment and the independence of the external auditors were in compliance with the Companies Act and all other regulatory and legal requirements
- Confirmed that no reportable irregularities were identified and reported by the external auditors in terms of the Auditing Profession Act, 26 of 2005

The Audit committee reviewed and approved the non-audit services policy, which governs the type, value, approval process and scope of non-audit services that the external auditors are able to perform for the Group. Only those non-audit services that do not impact the external auditors' independence and where it is best placed for the auditors to perform the services are permitted under the policy.

The Audit committee is satisfied with the independence and appropriateness of the expertise, experience and resources of the external auditors, the external audit partners and the quality of the external audit.

## Combined assurance

The Audit committee is responsible for overseeing combined assurance activities and ensuring that these are effective in achieving its objectives.

The Group's Combined Assurance Framework establishes integrated and coordinated assurance activities between the three lines of assurance across all levels of the organisation. There is continued and ongoing focus on increased collaboration and sharing of information as well as reducing duplication of activities. The committee reviewed and approved the combined assurance plan for the Group.

In accordance with the principle of proportionality of our Group Governance Framework, both the Boards of non-operating holding companies and holding companies with own operations are required to adopt the Combined Assurance Framework and ensure that the framework is implemented within their entity. Any areas of concern are escalated to the Audit committee.

The Audit committee is satisfied that assurance activities result in an adequate, effective control environment and the integrity of reports can be relied upon for decision making.

# Audit committee report

## Committee training

As a part of the ongoing training for directors, the committee received training on actuarial modernisation and capital efficiency.

## Committee performance

The performance of the committee is reviewed annually as part of the effectiveness review of the Board and all its committees. The externally facilitated review performed during 2024 concluded that the committee operated effectively and successfully discharged its responsibilities and duties during the year under review, complying with its terms of reference in all material aspects.

## Key focus areas for 2025

- Continue to monitor capital management and the levels of the Group's various solvency measures, ensuring that they are within acceptable ranges
- Monitor methodology and assumptions used to calculate the Group's liabilities and solvency capital ratio, noting these are appropriate and in line with Prudential Standards
- Ensure that the Group's long-term actuarial assumptions remain appropriate for the current operating environment
- Focus on ensuring that the Group's financial processes and controls operate effectively and are proportionate with the Group's complexity
- Ensure adequate resourcing and succession planning in the finance and actuarial teams as well as for the committee

## Conclusion

The Audit committee is satisfied that it has complied with all statutory duties as well as its duties under its terms of reference for the reporting period.

The Audit committee reviewed the Group Annual Financial Statements for the year ended 31 December 2024 and recommended them for approval to the Board.

On behalf of the Audit committee

**FUNKE IGHODARO**

**O Ighodaro**

Audit committee Chairperson

**Cape Town**

17 March 2025

# Independent auditors' report

To the Shareholder of Old Mutual Life Assurance Company (South Africa) Limited

## Report on the audit of the consolidated and separate financial statements

### Opinion

We have audited the consolidated and separate financial statements of Old Mutual Life Assurance Company (South Africa) Limited and its subsidiaries (the Group and Company) set out on pages 16 to 194, which comprise of the separate and consolidated statements of financial position as at 31 December 2024, and the separate and consolidated income statements and statements of other comprehensive income, the separate and consolidated statements of changes in equity and the separate and consolidated statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of material accounting policy information, but excluding information marked as "unaudited".

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group and Company as at 31 December 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS<sup>®</sup> Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and Company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements of the Group and Company and in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (the EAR Rule) we report:

### Final Materiality

The ISAs recognise that:

- Misstatements, including omissions, are considered to be material if the misstatements, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements;
- Judgements about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both; and
- Judgements about matters that are material to users of the financial statements consider users as a group rather than as specific individual users, whose needs may vary greatly.

The amount we set as materiality represents a quantitative threshold used to evaluate the effect of misstatements to the financial statements as a whole based on our professional judgement. Qualitative factors are also considered in making final determinations regarding what is material to the financial statements.

### Group Final Materiality:

We determined final materiality for the Group to be R565 million, which is based on 8% of normalised profit before tax. We have identified profit before tax as the most appropriate basis as we typically believe that profit-making companies are principally evaluated by users on their ability to generate earnings. In using the earnings-based measure we normalised the base for the annual profit fluctuations adjusting the impact of portfolio returns to a five year historical average and adjusting for non-recurring items consisting of impairments of investments in associated undertakings, impairments of intangible assets and reversals of impairments of fixed assets.

### Company Final Materiality:

We determined final materiality for the Company to be R515 million, which is based on 8% of normalised profit before tax. We have identified profit before tax as the most appropriate basis as we typically believe that profit-making companies are principally evaluated by users on their ability to generate earnings. In using the earnings-based measure we normalised the base for the annual profit fluctuations by adjusting the impact of portfolio returns to a five year historical average and adjusting for non-recurring items consisting of reversals of impairments of fixed assets.

# Independent auditors' report

## Group and Company Audit Scope

Our assessment of audit risk, evaluation of materiality and allocation of performance materiality determines our audit scope for each component within the Group and Company. Taken together, this enables us to form an opinion on the consolidated and separate financial statements. We take into account the size and risk profile of the components in the Group and Company. In addition, we further consider the organisation of the Group and Company and effectiveness of Group wide controls, changes in the business environment, and other factors such as our experience in prior years and recent internal audit results when assessing the level of work to be performed at each component. Our process focuses on identifying and assessing the risk of material misstatement of the Group and Company financial statements as a whole including, with respect to the consolidation process.

In establishing our overall approach to the Group and Company audit, we determined the type of work that needed to be undertaken at each of the components by us, as the group audit engagement team, or by component auditors under our instruction.

In selecting components, we perform risk assessment activities across the Group and Company and its components to identify risks of material misstatement at an account balance and disclosure level. We then identify how the nature and size of the relevant classes of transactions, account balances or disclosures at the components contribute to those risks and thus determine which account balances require an audit response and at which components the response should be executed. We then consider for each component the degree of risk identified (whether pervasive or not) and the number of accounts requiring audit responses to assign the scope to each component as either an audit of financial information or audit of one or more account balances, classes of transactions or disclosures. We involved component auditors in this risk assessment process.

In our assessment of the residual account balances not covered by the audit procedures, we considered whether or not these could give rise to a risk of material misstatement of the consolidated and separate financial statements. This assessment included performing analytical procedures at the Group and Company level on the residual balances.

Excluding consolidated funds, we identified 60 and 30 components at the Group and Company respectively and selected 23 and 16 components respectively.

### Of the 23 components selected for the Group, we identified:

- 6 components ("audit of the component's financial information") for which the financial information of the component was audited.
- 17 components ("audit of one or more account balances, classes of transactions or disclosures components") where our procedures were limited to specific accounts which we considered had the potential for the greatest impact on the significant accounts in the consolidated financial statements given the specific risks identified.

For the remaining components of the Group where we did not perform either an audit of financial information or an audit of one or more account balances, classes of transactions or disclosures, none individually represents a contribution of greater than 3.5% of profit before tax, and 1% of total assets or total liabilities.

### Of the 16 components selected for the Company, we identified:

- 5 components ("audit of the component's financial information") for which the financial information of the component was audited.
- 11 components ("audit of one or more account balances, classes of transactions or disclosures components") where our procedures were limited to specific accounts which we considered had the potential for the greatest impact on the significant accounts in the separate financial statements given the specific risks identified.

For the remaining components of the Company where we did not perform either an audit of financial information or an audit of one or more account balances, classes of transactions or disclosures, none individually represents a contribution of greater than 3% of profit before tax, and 1% of total assets or total liabilities.

In addition, the group audit engagement team led specific audit procedures over certain central functions, the consolidation and certain specific account balances managed and accounted for centrally.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

The key audit matters applies equally to the audit of the consolidated and separate financial statements.

### Valuation of insurance contract assets and liabilities

#### Refer to accounting policy elections note A1.3 and note F2

Key audit matter	How the matter was addressed in our audit
<p><i>IFRS 17 Insurance contracts</i></p> <p>As at 31 December 2024, the Group's insurance contract liabilities amount to R597 738 million (R597 569 million in separate Company) and insurance contract assets amount to R6 246 million (R6 118 million in separate Company). Insurance contract assets and liabilities are determined in accordance with IFRS 17.</p> <p>We assessed the impact of IFRS 17 to be an area of focus due to the significant assumptions in the valuation of insurance contract assets and liabilities, which includes a number of estimates and judgements. The present value of future cash flows ("PVFCF") contained in the insurance contract assets and liabilities are associated with significant uncertainties requiring the use of expert judgement embedded within complex actuarial models relying on subjective assumptions relating to future events. Key assumptions include mortality, persistency and economic assumptions. As a result of the long duration of life insurance products, relatively small changes in key assumptions may have a significant impact on the valuation of the PVFCF.</p> <p>The actuarial valuations are based on complex models and methodologies and other computations for which inadequate assumptions and or inaccurate input data may be used. The contractual service margin ("CSM") is impacted by assumption changes to the PVFCF for future coverage that influences the release of the CSM in the current year and future periods.</p> <p>Accordingly, given the complexity and judgement involved we have identified insurance contract assets and liabilities as a key audit matter, which includes the PVFCF and CSM for remaining coverage.</p>	<p>Our procedures over the insurance contract assets and liabilities included, amongst others:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding and evaluated the design and implementation of management's controls over the significant estimates and assumptions used in the determination of the Group's and Company's insurance contracts, including model data inputs.</li> </ul> <p>To test the PVFCF and CSM, our audit procedures were executed with the assistance of our actuarial specialists:</p> <ul style="list-style-type: none"> <li>• Identified significant assumption changes through our attendance at actuarial committee meetings throughout the year where actuarial results were presented. Committee meetings, engagement with management and inspection of the Analysis of Surpluses.</li> <li>• Evaluated the material and high-risk experience investigations, including an audit of the models used to derive experience rates to assess whether the experience investigations have been appropriately considered in the assumptions applied.</li> <li>• Considered whether the assumptions are appropriate in light of the requirements of relevant accounting, regulatory and actuarial standards.</li> <li>• Performed tests to ensure the complete and accurate transfer of policyholder data from policy administration systems to the actuarial systems and testing management's key reconciliation controls were applicable.</li> <li>• Tested the methodology and logic of models used through independent recalculations on a sample of models, and comparison of calculation logic to industry comparable models.</li> <li>• Assessed the appropriateness of management's data and assumptions applied in determining the CSM, including the coverage units for reasonability.</li> <li>• For significant model changes, we performed a review of the model/code changes, as necessary, and where appropriate replicated the change impacts or assessed the methodology, assumptions and results of the significant model changes.</li> </ul> <p>Assessed and evaluated the presentation and disclosure in the consolidated and separate financial statements in relation to the insurance contracts and whether or not the disclosures are complete and accurate and in compliance with IFRS 17 Insurance Contracts in note F2.</p>

### Key Observations

Based on the procedures performed over valuation of insurance contract assets and liabilities, we did not identify any significant matters requiring further consideration in concluding on our procedures.

# Independent auditors' report

## Valuation of level 3 financial instruments (investments and securities)

Refer to accounting policy elections note A1.3 and disclosure note D3

Key audit matter	How the matter was addressed in our audit
<p>At 31 December 2024, investments and securities carried at fair value through profit or loss represented 88% and 94% of total assets in the consolidated and separate financial statements respectively. Level 3 investments and securities amounted to R56 366 million and R80 528 million representing 6% and 9% of the total investments and securities balances of the Group and Company respectively.</p> <p>The valuation of level 3 financial instruments is determined using models where one or more significant inputs are unobservable. Investments and securities measured at fair value through profit or loss are a significant portion of total assets in the consolidated and separate financial statements. The valuation risk is not uniform to all investment types and is higher for those assets expressed as level 3 under the fair value methodology. These asset valuations involve significant judgement and expertise.</p> <p>Given the level of judgement required in the selection and application of significant assumptions and unobservable inputs and the consequential impact upon profit or loss, our areas of focus related to:</p> <ul style="list-style-type: none"> <li>• The assumptions used, as these are largely non-observable inputs and include a significant level of judgement;</li> <li>• The completeness and accuracy of the data ingested in the valuation models; and</li> <li>• Where applicable, the use of complex methodologies as opposed to observable prices.</li> </ul> <p>Consequently, the determination of the fair value of investments and securities classified as level 3 financial instruments is more complex and/or judgemental, with a higher level of estimation uncertainty and we have therefore identified this as a key audit matter.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding and evaluated the design and implementation of key controls over the valuation of level 3 financial assets to ensure the accuracy of inputs, the appropriateness of methodologies and the assessment by management of the final measurement of the level 3 financial assets.</li> <li>• On a sample basis, selected level 3 financial assets and performed the following procedures together with our internal valuation specialists: <ul style="list-style-type: none"> <li>→ Assessed the key inputs and assumptions used in the valuation models, such as estimated cash flows, growth rates, discount rates and significant unobservable inputs, and critically assessed the valuation methodologies against current market practice and industry standards;</li> <li>→ Assessed the reasonableness of the estimated cash flows by performing retrospective testing and comparing actual financial performance against previous forecasts where cash flow forecasts are required for the valuation;</li> <li>→ Assessed the appropriateness of the earnings multiples used in certain valuations by comparing them with comparable listed companies, adjusted for comparability differences, sizes and liquidity; and</li> <li>→ Performed independent valuations of the investments to ascertain a reasonable range of outcomes and determining whether management's calculated value falls within this range.</li> </ul> </li> <li>• Assessed and evaluated the presentation and disclosure in the consolidated and separate financial statements in relation to the fair value of the level 3 financial assets and the disclosures relating to the estimation uncertainty are complete, appropriate and in compliance with IFRS 13: Fair Value Measurement ("IFRS 13") and IFRS 7: Financial Instrument Disclosures ("IFRS 7") as disclosed in note D3.</li> </ul>

### Key Observations

Based on the procedures performed over valuation of level 3 financial instruments, we did not identify any significant matters requiring further consideration in concluding on our procedures.

### Other Information

The directors are responsible for the other information. The other information comprises the information included in the 196-page document titled "Old Mutual Life Assurance Company (South Africa) Limited Annual Financial Statements for the year ended 31 December 2024", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa, the Directors Responsibility and Approval Statement, the Chief Executive Officer's and Chief Financial Officer's Responsibility Statement and information marked as "unaudited" in the consolidated and separate financial statements. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements, in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the group, as a basis for forming an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Deloitte & Touche has been the auditor of Old Mutual Life Assurance Company (South Africa) Limited for seven years and Ernst & Young Inc. has been the auditor of Old Mutual Life Assurance Company (South Africa) Limited for three years.

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**Ernst & Young Inc.**  
**Per: Eugene Breytenbach**  
**Chartered Accountant (SA)**  
**Registered Auditor**  
Director

17 March 2025

3rd Floor, Waterway House  
3 Dock Road  
V&A Waterfront  
8001

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**Deloitte & Touche**  
**Per: John Kruger**  
**Chartered Accountant (SA)**  
**Registered Auditor**  
Partner

17 March 2025

The Ridge  
6 Marina Road  
Portwood District  
V&A Waterfront  
8001

# Separate and consolidated income statements

For the year ended 31 December 2024

Rm	Notes	Separate		Consolidated	
		2024	2023	2024	2023
<b>Insurance service result</b>					
Insurance revenue	C1	38 595	37 432	40 210	38 734
Insurance service expenses	C6	(30 103)	(28 625)	(31 058)	(29 259)
Net (expenses)/income from reinsurance contracts	F2.5	500	(128)	28	(721)
<b>Total insurance service result</b>		<b>8 992</b>	<b>8 679</b>	<b>9 180</b>	<b>8 754</b>
<b>Investment result</b>					
Net investment return		111 764	91 503	126 060	106 321
Interest income on the effective interest method		1 108	736	1 549	1 138
Other investment return		110 656	90 767	124 511	105 183
Net finance income/(expenses) from insurance contracts	F2.5	(77 165)	(62 924)	(77 155)	(62 853)
Net finance income/(expenses) from reinsurance contracts	F2.5	189	367	137	357
Change in investment contract liabilities		(28 892)	(23 775)	(29 158)	(24 065)
Change in third-party interest in consolidated funds		-	-	(10 658)	(12 562)
<b>Total net investment result</b>	C2	<b>5 896</b>	<b>5 171</b>	<b>9 226</b>	<b>7 198</b>
<b>Non-insurance revenue and income</b>					
Fee and commission income, and income from service activities	C3	3 260	3 037	5 682	5 193
Other income		2 656	2 019	2 639	1 956
<b>Total non-insurance revenue and income</b>		<b>5 916</b>	<b>5 056</b>	<b>8 321</b>	<b>7 149</b>
<b>Non-insurance expenses</b>					
Credit impairment charges		(49)	(100)	(60)	(127)
Finance costs	C5	(972)	(904)	(972)	(906)
Other operating and administrative expenses <sup>1</sup>	C6	(10 725)	(9 420)	(16 017)	(14 277)
<b>Total non-insurance expenses</b>		<b>(11 746)</b>	<b>(10 424)</b>	<b>(17 049)</b>	<b>(15 310)</b>
Share of gains/(losses) of associated undertakings and joint ventures after tax	H2	-	-	292	(106)
Impairment of investments in associated undertakings	H2	-	-	(845)	-
<b>Profit before tax</b>		<b>9 058</b>	<b>8 482</b>	<b>9 125</b>	<b>7 685</b>
Income tax expense	C7	(4 116)	(3 862)	(4 869)	(4 280)
<b>Profit after tax for the financial period</b>		<b>4 942</b>	<b>4 620</b>	<b>4 256</b>	<b>3 405</b>
<b>Attributable to</b>					
Equity holders of the parent		4 942	4 620	4 205	3 393
Non-controlling interests		-	-	51	12
<b>Profit after tax for the financial period</b>		<b>4 942</b>	<b>4 620</b>	<b>4 256</b>	<b>3 405</b>

<sup>1</sup> Included in other operating and administrative expenses is finance costs of R334 million (2023: R168 million) in the separate and R1 159 million (2023: R853 million) in the consolidated income statements. This includes interest relating to funding that supports the operations (funding within Policyholder investments) of R308 million (2023: R144 million) and interest on lease liabilities of R25 million (2023: R25 million) for OMLACSA separate. Included for OMLACSA Group is interest relating to funding that supports the operations of R1 132 million (2023: R828 million) and interest on lease liabilities of R27 million (2023: R26 million). Refer to note C6 for further information

# Separate and consolidated statements of comprehensive income

For the year ended 31 December 2024

Rm	Notes	Separate		Consolidated	
		2024	2023	2024	2023
<b>Profit after tax for the financial year</b>		<b>4 942</b>	4 620	<b>4 256</b>	3 405
<b>Other comprehensive income for the financial year</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Remeasurement gains/(losses) on defined benefit plans		<b>(58)</b>	4	<b>103</b>	56
Fair value movements related to own credit risk on borrowed funds		<b>(8)</b>	(2)	<b>(8)</b>	(2)
Income tax on items that will not be reclassified to profit or loss	C7(c)	<b>16</b>	(1)	<b>16</b>	(1)
		<b>(50)</b>	1	<b>111</b>	53
<b>Items that may be reclassified to profit or loss</b>					
Currency translation differences on translating foreign operations		<b>14</b>	48	<b>(107)</b>	228
		<b>14</b>	48	<b>(107)</b>	228
<b>Total other comprehensive income/(loss) for the financial year</b>		<b>(36)</b>	49	<b>4</b>	281
<b>Total comprehensive income for the financial year</b>		<b>4 906</b>	4 669	<b>4 260</b>	3 686
<b>Attributable to</b>					
<b>Equity holders of the parent</b>		<b>4 906</b>	4 669	<b>4 221</b>	3 642
Non-controlling interests					
Ordinary shares		<b>-</b>	-	<b>39</b>	44
<b>Total comprehensive income for the financial year</b>		<b>4 906</b>	4 669	<b>4 260</b>	3 686

# Separate and consolidated statements of financial position

At 31 December 2024

Rm	Notes	Separate		Consolidated	
		At December 2024	Restated At December 2023	At December 2024	Restated At December 2023
<b>Assets</b>					
Goodwill and other intangible assets	G1	4 848	4 409	5 190	4 839
Property, plant and equipment <sup>1</sup>	G2(a)	3 881	3 564	4 265	6 456
Investment property	G2(b)	875	848	31 945	36 439
Deferred tax assets	G7(a)	2 552	2 892	2 700	3 082
Investments in associated undertakings and joint ventures	H2	–	–	12	729
Costs of obtaining contracts	G3	267	273	389	427
Loans and advances		821	280	976	630
Investments and securities	F1(a)	877 337	829 653	949 964	887 918
Other investments and securities including term deposits		846 023	809 534	918 650	865 853
Cash and cash equivalents		31 314	20 119	31 314	22 065
Insurance contract assets	F2.3	6 118	4 577	6 246	4 738
Reinsurance contract assets	F2.3	3 280	2 742	3 396	2 887
Current tax receivable		–	–	22	46
Amounts due by Group Companies	H1(c)	5 889	5 431	3 208	2 952
Trade, other receivables and other assets <sup>1</sup>	G4	9 601	9 009	38 823	42 255
Derivative financial instruments	F1(b)	4 942	8 099	4 965	8 193
Assets held for sale <sup>2</sup>	G9	3 981	–	9 148	698
Cash and cash equivalents <sup>1</sup>		12 621	10 727	21 925	21 663
<b>Total assets</b>		<b>937 013</b>	882 504	<b>1 083 174</b>	1 023 952
<b>Liabilities</b>					
Insurance contract liabilities	F2.3	597 569	557 618	597 738	557 779
Reinsurance contract liabilities	F2.3	3	34	584	598
Investment contract liabilities	F2.8	250 394	226 262	253 384	229 182
Third-party interests in consolidated funds		–	–	100 942	96 439
Derivative financial instruments <sup>2</sup>	F1(b)	8 179	11 473	8 257	11 498
Borrowed funds	F3	9 957	10 486	9 957	10 486
Provisions	G5	1 417	1 368	1 491	1 430
Contract liabilities	G6	123	110	313	312
Deferred tax liabilities	G7(b)	5 185	3 812	5 657	4 565
Current tax payable		172	191	203	217
Amounts due to Group companies	H1(c)	153	465	153	466
Trade, other payables and other liabilities <sup>1</sup>	G8	41 126	45 581	84 386	89 383
Liabilities held for sale		–	–	1 674	–
<b>Total liabilities</b>		<b>914 278</b>	857 400	<b>1 064 739</b>	1 002 355
<b>Net assets</b>		<b>22 735</b>	25 104	<b>18 435</b>	21 597
<b>Shareholders' equity</b>					
Equity attributable to the equity holders of the parent		22 735	25 104	17 775	20 724
<b>Non-controlling interests</b>					
Ordinary shares <sup>1</sup>		–	–	660	873
<b>Total non-controlling interests</b>		–	–	<b>660</b>	873
<b>Total equity</b>		<b>22 735</b>	25 104	<b>18 435</b>	21 597

<sup>1</sup> Refer to note 17 for details in relation to the restatement due to a prior period errors

<sup>2</sup> The order of line items within the statement of financial position has been amended to better represent their liquidity, arranging them, where possible, from least to most liquid. Assets held for sale has been moved from most liquid to above cash and cash equivalents and derivative financial liability instruments has been moved from most liquid to above borrowed funds. Apart from the changes noted above, no reclassifications or restatements of values between line items have been made

# Separate and consolidated statements of cash flows

For the year ended 31 December

Rm	Notes	Separate		Consolidated	
		2024	Restated 2023	2024	Restated 2023
<b>Cash flows from operating activities</b>					
Profit/(loss) before tax		9 058	8 482	9 125	7 685
Non-cash movements and adjustments to profit before tax	16	(67 611)	(51 045)	(63 660)	(45 829)
Net changes in working capital <sup>1</sup>	16	84 564	48 320	79 891	47 333
Taxation paid		(2 506)	(1 929)	(3 096)	(2 293)
<b>Net cash inflow from operating activities<sup>2</sup></b>		<b>23 505</b>	<b>3 828</b>	<b>22 260</b>	<b>6 896</b>
<b>Cash flows from investing activities</b>					
Acquisition of investment properties		(3)	(3)	(1 791)	(2 312)
Acquisition of property, plant and equipment <sup>1</sup>		(397)	(336)	(417)	(1 901)
Proceeds from disposal of property, plant and equipment		125	85	135	85
Acquisition of intangible assets		(887)	(874)	(897)	(910)
Acquisition of interests in subsidiaries, associated undertakings and joint ventures		-	-	(314)	(3)
Proceeds from disposal of interests in subsidiaries, associated undertakings and joint ventures		-	-	-	85
<b>Net cash outflow from investing activities</b>		<b>(1 162)</b>	<b>(1 128)</b>	<b>(3 284)</b>	<b>(4 956)</b>
<b>Cash flows from financing activities</b>					
Dividends paid to company's shareholders		(7 646)	(3 550)	(7 646)	(3 550)
Dividends paid to non-controlling interest		-	-	(23)	(7)
Change in participation of subsidiaries <sup>1</sup>		-	-	(157)	157
Lease repayments		(144)	(134)	(151)	(139)
Interest paid		(997)	(959)	(999)	(961)
Proceeds from issue of subordinated and other debt	F3	1 500	1 500	1 500	1 500
Subordinated debt and other debt repaid	F3	(2 000)	-	(2 000)	-
<b>Net cash outflow from financing activities</b>		<b>(9 287)</b>	<b>(3 143)</b>	<b>(9 476)</b>	<b>(3 000)</b>
<b>Net increase/(decrease) in cash and cash equivalents<sup>1</sup></b>		<b>13 056</b>	<b>(443)</b>	<b>9 500</b>	<b>(1 061)</b>
Effects of exchange rate changes on cash and cash equivalents		33	126	11	185
Cash and cash equivalents at beginning of the year <sup>1</sup>		30 846	31 163	43 728	44 604
<b>Total cash and cash equivalents at end of the year</b>		<b>43 935</b>	<b>30 846</b>	<b>53 239</b>	<b>43 728</b>
<b>Comprising</b>					
Cash and cash equivalents included in investments and securities		31 314	20 119	31 314	22 065
Cash and cash equivalents <sup>1</sup>		12 621	10 727	21 925	21 663
<b>Total</b>		<b>43 935</b>	<b>30 846</b>	<b>53 239</b>	<b>43 728</b>

<sup>1</sup> Refer to note 17 for details in relation to the restatement due to a prior period error and change in presentation

<sup>2</sup> Net cash inflow from operating activities includes interest received from investments and securities of R30 883 million (2023: R27 852 million) for the separate and R32 984 million (2023: R30 586 million) for the consolidated and dividends received from investments and securities of R10 897 million (2023: R10 109 million) for the separate and R12 373 million (2023: R11 915 million) for the consolidated

# Separate and consolidated statement of changes in equity

For the year ended 31 December 2024

## Separate

Rm	Share capital	Share premium	Share-based payments reserve	Liability credit reserve	Translation reserves	Retained earnings	Total equity
<b>Balance at 31 December 2022</b>	8	6 415	137	(377)	96	17 528	23 807
Profit after tax	–	–	–	–	–	4 620	4 620
Other comprehensive income/(loss)	–	–	–	(2)	48	3	49
Dividends	–	–	–	–	–	(3 550)	(3 550)
Share-based payment reserve movements	–	–	113	–	–	–	113
Other movements <sup>3</sup>	–	–	–	–	–	65	65
<b>Balance at 31 December 2023</b>	<b>8</b>	<b>6 415</b>	<b>250</b>	<b>(379)</b>	<b>144</b>	<b>18 666</b>	<b>25 104</b>
Profit after tax	–	–	–	–	–	4 942	4 942
Other comprehensive income/(loss)	–	–	–	(8)	14	(42)	(36)
Dividends	–	–	–	–	–	(7 646)	(7 646)
Share-based payment reserve movements	–	–	(42)	–	–	–	(42)
Other movements <sup>1</sup>	–	–	–	–	–	413	413
<b>Balance at 31 December 2024</b>	<b>8</b>	<b>6 415</b>	<b>208</b>	<b>(387)</b>	<b>158</b>	<b>16 333</b>	<b>22 735</b>

<sup>1</sup> Included in other movements is R281 million relating to the winddown of the OM Share Trust

## Consolidated

Rm	Share capital	Share premium	Share-based payments reserve	Liability credit reserve <sup>1</sup>	Translation reserves	Retained earnings	Non-controlling interest	Total equity
<b>Balance at 31 December 2022</b>	8	6 415	137	(377)	429	13 831	672	21 115
Profit after tax for the financial year	–	–	–	–	–	3 393	12	3 405
Other comprehensive (loss)/income	–	–	–	(2)	196	55	32	281
Dividends	–	–	–	–	–	(3 550)	(7)	(3 557)
Share-based payment reserve movements	–	–	113	–	–	–	–	113
Other movements	–	–	–	–	–	76	164	240
<b>Balance at 31 December 2023<sup>3</sup></b>	<b>8</b>	<b>6 415</b>	<b>250</b>	<b>(379)</b>	<b>625</b>	<b>13 805</b>	<b>873</b>	<b>21 597</b>
Profit after tax for the financial year	–	–	–	–	–	4 205	51	4 256
Other comprehensive (loss)/income	–	–	–	(8)	(95)	119	(12)	4
Dividends	–	–	–	–	–	(7 646)	(23)	(7 669)
Share-based payment reserve movements	–	–	(40)	–	–	–	–	(40)
Other movements <sup>2</sup>	–	–	–	–	(179)	695	(229)	287
<b>Balance at 31 December 2024</b>	<b>8</b>	<b>6 415</b>	<b>210</b>	<b>(387)</b>	<b>351</b>	<b>11 178</b>	<b>660</b>	<b>18 435</b>

<sup>1</sup> In the liability credit reserve, the Group recognises fair value gains and losses on the borrowed funds designated at fair value through profit or loss. The cumulative fair value gains and losses as a result of changes in the credit risk of the issued bonds are recognised in other comprehensive income and not in profit or loss. The balance of the total fair value gains and losses on these instruments is recognised in profit or loss. Refer to notes D4 and F3(b) for information regarding amounts repaid

<sup>2</sup> Included in other movements is R281 million relating to the winddown of the OM Share Trust

<sup>3</sup> Refer to note 17 for details in relation to the restatement due to prior period errors

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## A: Material accounting policies

### AI: Basis of preparation

#### 1.1 Statement of compliance

Old Mutual Life Assurance Company (South Africa) Limited (the Company) is a company incorporated in South Africa.

The financial statements for the year ended 31 December 2024 consolidate the results of the Company and its subsidiaries (together the Group) and equity accounts the Group's interest in associates and joint ventures (other than those held by investment-linked insurance funds and investments in venture capital divisions which are accounted for as investments at fair value through profit or loss).

The consolidated and separate financial statements (financial statements) comprise the consolidated and separate statements of financial position at 31 December 2024, the consolidated and separate income statements, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year ended 31 December 2024 and explanatory notes to the consolidated and separate financial statements. The financial statements are prepared on the going concern basis, which the directors believe is appropriate, taking into account the Group's most recent business plan and the capital and liquidity position. The financial statements were approved by the Board of directors on 17 March 2025.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS® Accounting Standards (IFRS)), as issued by the International Accounting Standards Board (IASB), including interpretations to IFRS® Accounting Standards as issued by the IFRS Interpretations Committee (IFRIC), the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the JSE Listings Requirements, and requirements of the Companies Act, 71 of 2008 (Companies Act).

The annual financial statements fairly present, in all material respects, the financial position, financial performance, and cash flows of the Group in terms of the IFRSs.

Only material information, as determined using the Group's internal framework for materiality has been included in these annual financial statements. The Group's internal framework for materiality was developed taking into cognisance the requirements of IFRS® Accounting Standards, the JSE Listings Requirements, as well as other relevant statutory reporting requirements applicable to the Group. Information is considered material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of these financial statements make based on these financial statements.

The Group presents separately each material class of similar items. The Group also presents separately items of a dissimilar nature or function unless they are immaterial.

If a line item is not individually material, it is aggregated with other items either in these financial statements or in the notes. An item that is not sufficiently material to warrant separate presentation in the primary statements may warrant separate presentation in the notes.

When applying the IFRS® Accounting Standards the Group shall decide, taking into consideration all relevant facts and circumstances, how it aggregates information in the financial statements, which include the notes. The Group does not reduce the understanding of its financial statements by obscuring material information with immaterial information or by aggregating material items that have different natures or functions.

IFRS® Accounting Standards specify information that is required to be included in the financial statements, which include the notes. The Group does not provide a specific disclosure required by IFRS® Accounting Standards if the information resulting from that disclosure is not material and could detract from providing meaningful and concise financial statements. This is the case even if the IFRS® Accounting Standards contain a list of specific requirements or describes them as minimum requirements. The Group may also provide additional disclosures when compliance with the specific requirements in IFRS® Accounting Standards is insufficient to enable users of financial statements to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance.

The principal accounting policies applied in the preparation of the consolidated and separate financial statements are set out and included in the specific notes to which they relate. These policies have been consistently applied. The consolidated and separate financial statements have been prepared under the historical cost convention modified to include the fair valuation of investment property and particular financial instruments to the extent required or permitted under IFRS® Accounting Standards as set out in the relevant accounting policies.

Amounts are stated in millions of rand (Rm), which is the presentation and the functional currency of the Company.

#### 1.2 Comparative information

Comparative information presented at and for the year ended 31 December 2023 within these financial statements is consistent with the Group's audited consolidated financial statements for the year ended 31 December 2023, unless otherwise restated/represented as indicated.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## A: Material accounting policies continued

### A1: Basis of preparation continued

#### 1.3 Accounting policy elections

The following material accounting policy elections have been made by the Company:

Area	Details
<b>Financial instruments</b>	<p>The Group has elected to designate certain financial assets and liabilities at fair value through profit or loss to reduce the accounting mismatch that would arise otherwise.</p> <p>This measurement election is typically utilised in respect of financial assets held to support liabilities in respect of contracts with policyholders.</p> <p>Regular way purchases or sales of financial assets are recognised and derecognised using trade date accounting.</p>
<b>Investment properties</b>	<p>The Group has elected to recognise all investment properties at fair value, with changes in fair value being recognised in profit or loss.</p>
<b>Property, plant and equipment</b>	<p>Land and buildings are stated at revalued amounts, being fair value less subsequent depreciation and impairment.</p> <p>Revaluation surpluses are recognised in equity, through other comprehensive income. When the property is disposed of, the cumulative revaluation surplus is transferred directly to retained earnings.</p> <p>The Group measures owner-occupied properties that are underlying items of direct participating contracts as assets at fair value through profit or loss to reduce accounting mismatches with the measurement of related contracts.</p> <p>Plant and equipment are carried at cost less accumulated depreciation.</p>
<b>Investment in venture capital divisions and investment-linked insurance funds</b>	<p>In venture capital divisions and investment-linked insurance funds, the Group has elected to carry associate and joint-venture entities at fair value through profit or loss and these are included within investment and securities.</p>
<b>Investments in subsidiaries, associated undertakings and joint ventures</b>	<p>The Group has elected to recognise these investments at fair value in the Company financial statements.</p>

#### 1.4 Going concern

The Group has performed a going concern assessment in order to support the 2024 annual reporting process. This assessment has relied on the Group's 2024 interim financial results as well as the 2025 to 2027 operational business plan. The operational business plan considered the projected new business and profitability over the plan period together with other items, which may impact the business's ability to continue as a going concern.

The results of the projections indicate that the Group is expected to remain sufficiently capitalised to continue as a going concern. No material uncertainty in relation to the going concern has been identified. The directors therefore consider it appropriate for the going concern basis to be adopted in preparing the annual financial statements.

## 1.5 Foreign currency translation

### Translation of foreign operations into the Group's presentation currency

The assets and liabilities held by foreign branches to support liabilities in respect of contracts with policyholders are translated from their respective functional currencies into the Group's presentation currency, using the period-end exchange rates, and their income and expenses using the average exchange rates for the year. Cumulative unrealised gains or losses resulting from translation of functional currencies to the presentation currency are included as a separate component of shareholders' equity. Upon the disposal of subsidiaries, the cumulative amount of exchange differences deferred in shareholders' equity is recognised in profit or loss.

The exchange rates used to translate the operating results, assets and liabilities of key foreign businesses to rand are:

	Year ended 31 December 2024		Year ended 31 December 2023	
	Income statement (average rate)	Statement of financial position (closing rate)	Income statement (average rate)	Statement of financial position (closing rate)
Pound sterling	23.4213	23.5835	22.9435	23.3763
US dollar	18.3297	18.8432	18.4525	18.3621

### A2: Critical accounting estimates and judgements

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

The critical accounting estimates and judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied in the preparation of the consolidated financial statements of Old Mutual Life Assurance Company (South Africa) Limited for the year ended 31 December 2024.

The following sets out the items that require the Group to make critical estimates and judgements in the application of the relevant accounting policy, with additional detail provided below on key accounting judgements applied in the current year.

Critical accounting estimates and judgements	Accounting policy reference
Measurement of insurance and reinsurance assets and liabilities	F2
Fair value measurement of financial assets and liabilities	D2
Estimation of uncertain tax positions	C7
Investments in subsidiaries, associated undertakings and joint ventures	H1/H2
Impairment of goodwill and other intangible assets	G1
Fair value of property assets	G2(b)

### A3: Liquidity analysis of the separate and consolidated statement of financial position

The separate and consolidated statements of financial position is in order of liquidity as is permitted by IAS 1 *Presentation of Financial Statements*.

Separate and consolidated statements of financial position captions generally expected to be recovered no more than 12 months after the reporting date are classified as current and as non-current if the expected recovery or settlement date is more than 12 months after the reporting date. The analysis of significant separate and consolidated statements of financial position captions into current and non-current are disclosed in the individual notes to which they relate.

### A4: Items labelled as 'Other'

Where items have been found to be individually immaterial, they have been disclosed under the 'Other' category. Where applicable footnotes have also been added to reflect the nature of these amounts and/or the major balances contained within these line items.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## A: Material accounting policies continued

### A5: Impairment of investments and loss on disposal of subsidiaries

#### Changes of interest in subsidiaries in the Group financial statements

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company. When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/ permitted by applicable IFRS® Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

#### Impairment of associates and joint ventures in the Group financial statements

The Group assesses at each reporting date whether there is objective evidence that the investment in associate or a joint venture is impaired. If such evidence of impairment exists, the Group calculates the amount of impairment as the difference between the recoverable amount of the investment and its carrying value.

## B: Segment information

### B1: Basis of segmentation

Segments as presented represent the OMLACSA contribution to the segments of the Old Mutual Limited Group.

#### 1.1 Segment presentation

The executive management team of Old Mutual Limited, with the support of the Board, is responsible for the assessment of performance and the allocation of resources of the continuing business operations during the year under review. The Group has identified the Chief Operating Decision Maker (CODM) to be the executive management team of Old Mutual Limited. The Group's operating segments have been identified based on the internal management reporting structure which is reflective of the nature of products and services as well as the target customer base. The managing directors of the operating segments form part of the executive team. Therefore, the CODM, being the executive team of Old Mutual Limited, is structured in a way reflective of the internal reporting structure.

The Group manages its business through the following operational segments, which are supported by central shareholder activities and enabling functions:

- **Mass and Foundation Cluster:** A retail segment that operates in Life and Savings. It provides simple financial services products to customers in the low-income and lower-middle income markets. These products are divided into four categories being: (i) risk, including funeral cover, (ii) savings, (iii) lending and (iv) transactional products
- **Personal Finance and Wealth Management:** Personal Finance is a retail segment that operates primarily in Life and Savings. It provides holistic financial advice and long-term savings, investment, income and risk products and targets the middle-income market. Wealth Management is a retail segment targeting high income and high net worth individuals, which provides vertically integrated advice, investment solutions and funds, and other financial solutions
- **Old Mutual Investments:** Operates across Asset Management through three distinct businesses: (i) Asset Management comprising eight investment boutiques that provide asset management services to retirement and benefit funds and to the retail market in partnership with Wealth, (ii) Alternatives, an unlisted alternatives investment business, and (iii) Specialised Finance, a proprietary risk and investment capability which manages and supports the origination of assets
- **Old Mutual Corporate:** Operates in Life and Savings and primarily provides group risk, investments, annuities and consulting services to employee-sponsored retirement and benefit funds
- **Other Group Activities:** Comprises the activities related to the management of the Group's capital structure. This includes the management of shareholder investment assets including the associated shareholder investment return, inter-company eliminations and third-party borrowings including the associated finance costs

#### 1.2 Presentation and disclosure

Profit before tax measures the operational performance of the Group and together with items such as investment return, finance costs and income from associated undertakings.

## B2: Segmental income statement

For the year ended 31 December 2024 Rm	Consolidated						
	Mass and Foundation Cluster	Personal Finance and Wealth Management	Old Mutual Invest- ments	Old Mutual Corporate	Other Group activities and inter- company eliminations	Conso- lidation of funds	Total
<b>Insurance service result</b>							
Insurance revenue	10 562	18 743	–	10 905	–	–	40 210
Insurance service expenses	(8 361)	(14 950)	–	(7 747)	–	–	(31 058)
Net income/(expenses) from reinsurance contracts	19	374	–	(498)	133	–	28
<b>Total insurance service result</b>	<b>2 220</b>	<b>4 167</b>	<b>–</b>	<b>2 660</b>	<b>133</b>	<b>–</b>	<b>9 180</b>
<b>Investment result</b>							
Net Investment return	3 556	82 862	10 547	39 828	(23 214)	12 481	126 060
Net finance income/ (expenses) from insurance contracts	(3 810)	(45 017)	–	(28 328)	–	–	(77 155)
Net finance income/ (expenses) from reinsurance contracts	15	(35)	–	157	–	–	137
Change in investment contract liabilities	5	(10 409)	(9 874)	(8 367)	(513)	–	(29 158)
Change in third-party interest in consolidated funds	–	–	–	–	–	(10 658)	(10 658)
<b>Total net investment result</b>	<b>(234)</b>	<b>27 401</b>	<b>673</b>	<b>3 290</b>	<b>(23 727)</b>	<b>1 823</b>	<b>9 226</b>
<b>Non-insurance revenue and income</b>							
Fee and commission income, and income from service activities	30	6 172	457	341	(648)	(670)	5 682
Other income	85	656	18	967	877	36	2 639
<b>Total non-insurance revenue and income</b>	<b>115</b>	<b>6 828</b>	<b>475</b>	<b>1 308</b>	<b>229</b>	<b>(634)</b>	<b>8 321</b>
<b>Non-insurance expenses</b>							
Reversal of impairment/ (impairment charges)	92	(47)	–	(11)	(94)	–	(60)
Finance costs	–	–	–	–	(972)	–	(972)
Other operating and administrative expenses	(430)	(16 620)	(7 982)	(4 634)	14 838	(1 189)	(16 017)
<b>Total non-insurance expenses</b>	<b>(338)</b>	<b>(16 667)</b>	<b>(7 982)</b>	<b>(4 645)</b>	<b>13 772</b>	<b>(1 189)</b>	<b>(17 049)</b>
Share of gains of associated undertakings and joint ventures after tax	–	5	–	11	276	–	292
Impairment of investments in associated undertakings	–	–	–	–	(845)	–	(845)
<b>Profit before tax</b>	<b>1 763</b>	<b>21 734</b>	<b>(6 834)</b>	<b>2 624</b>	<b>(10 162)</b>	<b>–</b>	<b>9 125</b>

Total Intersegments revenue included in total revenue is as follows: Mass and Foundation Cluster is R1 826 million (2023: R1 371 million), Personal Finance and Wealth Management is R12 514 million (2023: R11 523 million), Old Mutual Investments is R7 478 million (2023: R5 269 million), Old Mutual Corporate is R5 370 million (2023: R5 880 million) and Other Group Activities is R13 734 million (2023: R9 108 million). The Group accounts for intersegment revenues and transfers as if these transactions were with third parties.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## B: Segment information continued B2: Segmental income statement continued

For the year ended 31 December 2023 Rm	Consolidated						Total
	Mass and Foundation Cluster	Personal Finance and Wealth Management	Old Mutual Invest- ments	Old Mutual Corporate	Other Group activities and inter- company eliminations	Conso- lidation of funds	
<b>Insurance service result</b>							
Insurance revenue	10 490	17 624	–	10 620	–	–	38 734
Insurance service expenses	(8 498)	(13 332)	–	(7 370)	(59)	–	(29 259)
Net income/(expenses) from reinsurance contracts	65	55	–	(841)	–	–	(721)
<b>Total insurance service result</b>	2 057	4 347	–	2 409	(59)	–	8 754
<b>Investment result</b>							
Investment return	2 282	67 904	5 922	32 047	(16 233)	14 399	106 321
Net finance income/ (expenses) from insurance contracts	(2 822)	(37 002)	–	(22 888)	(141)	–	(62 853)
Net finance income/ (expenses) from reinsurance contracts	(4)	219	–	142	–	–	357
Change in investment contract liabilities	(3)	(12 203)	(5 620)	(6 428)	189	–	(24 065)
Change in third-party interest in consolidated funds	–	–	–	–	–	(12 562)	(12 562)
<b>Total net investment result</b>	(547)	18 918	302	2 873	(16 185)	1 837	7 198
<b>Non-insurance revenue and income</b>							
Fee and commission income, and income from service activities	33	5 610	735	293	(801)	(677)	5 193
Other income	75	313	13	864	660	31	1 956
<b>Total non-insurance revenue and income</b>	108	5 923	748	1 157	(141)	(646)	7 149
<b>Non-insurance expenses</b>							
Credit impairment charges	(1)	(107)	–	(11)	(8)	–	(127)
Finance costs	–	–	–	–	(906)	–	(906)
Other operating and administrative expenses	(517)	(15 184)	(8 052)	(4 294)	14 961	(1 191)	(14 277)
<b>Total non-insurance expenses</b>	(518)	(15 291)	(8 052)	(4 305)	14 047	(1 191)	(15 310)
Share of gains of associated undertakings and joint ventures after tax	1	2	–	10	(119)	–	(106)
<b>Profit/(loss) before tax</b>	1 101	13 899	(7 002)	2 144	(2 457)	–	7 685

### B3: Segmental statement of financial position

Consolidated							
At 31 December 2024 Rm	Mass and Foundation Cluster	Personal Finance and Wealth Management	Old Mutual Invest- ments	Old Mutual Corporate	Other Group activities and other inter- company elimination	Conso- lidation of funds	Total IFRS
Insurance contract assets (note F2)	4 190	1 928	–	128	–	–	6 246
Life risk and annuities	4 190	1 928	–	128	–	–	6 246
Other assets	37 941	512 047	83 628	310 766	4 675	127 871	1 076 928
<b>Total assets<sup>1</sup></b>	<b>42 131</b>	<b>513 975</b>	<b>83 628</b>	<b>310 894</b>	<b>4 675</b>	<b>127 871</b>	<b>1 083 174</b>
Insurance contract liabilities (note F2)	(32 544)	(351 593)	–	(213 601)	–	–	(597 738)
Life risk and annuities	(6 614)	(63 927)	–	(24 141)	–	–	(94 682)
Life savings	(25 930)	(287 666)	–	(189 460)	–	–	(503 056)
Investment contract liabilities	–	(118 976)	(74 425)	(61 248)	1 265	–	(253 384)
Other liabilities	(8 309)	(37 834)	(9 213)	(35 122)	4 732	(127 871)	(213 617)
<b>Total liabilities</b>	<b>(40 853)</b>	<b>(508 403)</b>	<b>(83 638)</b>	<b>(309 971)</b>	<b>5 997</b>	<b>(127 871)</b>	<b>(1 064 739)</b>
<b>Net assets</b>	<b>1 278</b>	<b>5 572</b>	<b>(10)</b>	<b>923</b>	<b>10 672</b>	<b>–</b>	<b>18 435</b>

Consolidated							
At 31 December 2023 Rm	Mass and Foundation Cluster	Personal Finance and Wealth Management	Old Mutual Invest- ments	Old Mutual Corporate	Other Group activities and other inter- company elimination <sup>2</sup>	Conso- lidation of funds	Total IFRS
Insurance contract assets (note F2)	3 083	1 493	–	162	–	–	4 738
Life risk and annuities	3 083	1 493	–	162	–	–	4 738
Other assets <sup>2</sup>	34 009	467 842	75 233	310 004	9 556	122 570	1 019 214
<b>Total assets<sup>1</sup></b>	<b>37 092</b>	<b>469 335</b>	<b>75 233</b>	<b>310 166</b>	<b>9 556</b>	<b>122 570</b>	<b>1 023 952</b>
Insurance contract liabilities (note F2)	(30 535)	(322 243)	–	(205 001)	–	–	(557 779)
Life risk and annuities	(5 707)	(52 604)	–	(23 409)	–	–	(81 720)
Life savings	(24 828)	(269 639)	–	(181 592)	–	–	(476 059)
Investment contract liabilities	(50)	(103 871)	(64 732)	(62 140)	1 611	–	(229 182)
Other liabilities <sup>2</sup>	(4 882)	(37 976)	(10 496)	(42 022)	2 552	(122 570)	(215 394)
<b>Total liabilities</b>	<b>(35 467)</b>	<b>(464 090)</b>	<b>(75 228)</b>	<b>(309 163)</b>	<b>4 163</b>	<b>(122 570)</b>	<b>(1 002 355)</b>
<b>Net assets</b>	<b>1 625</b>	<b>5 245</b>	<b>5</b>	<b>1 003</b>	<b>13 719</b>	<b>–</b>	<b>21 597</b>

<sup>1</sup> Total assets held for sale included in total assets is as follows: Mass and Foundation Cluster R364 million (2023: R49 million), Personal Finance and Wealth Management R529 million (2023: R84 million), Old Mutual Corporate R4 274 million (2023: R565 million), Other Group activities R3 981 million (2023: Rnil)

<sup>2</sup> Refer to note I7 for details in relation to the restatement due to prior period errors

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## C: Separate and consolidated income statement notes

### Accounting policies

The Group provides financial services, such as insurance and asset management services to our customers. Fees and commission from asset management services are accounted for as revenue from contracts with customers, while revenue from insurance contracts is accounted for in accordance with the accounting policies for insurance contracts, refer to note F2. Investment returns (fair value gains or losses, interest income and dividend income) earned on behalf of shareholders and customers are recognised in accordance with the accounting policies for financial instruments (note D).

### Basic revenue recognition principle

The Group recognises revenue from contracts with customers based on the amount expected to be received from customers when the performance obligations agreed to by the Group have been satisfied. Performance obligations are satisfied through the transfer of the promised services to the customer. The Group transfers the promised service over time or at a point in time depending on the nature of the promised services. In the majority of instances, the performance obligations are satisfied as the Group renders the agreed financial services to its customers over time.

### Asset management

Revenue from asset management consists of asset management fees, performance fees and administration fees. Fees are recognised as revenue over time as the Group provides the services. When the Group receives up-front payments for services to be rendered in the future, the payments are accounted for as contract liabilities.

If the amount of the fee can be reliably estimated, the Group recognises revenue over time as the services are rendered. If the fee cannot be reliably estimated, the recognition of fees is delayed until significant uncertainty regarding the Group's entitlement to the fee and the measurement of the fee have been resolved.

Fee and commission income is earned through providing asset management and related investment administration services to customers.

Fee and commission income is primarily based on funds-under-management, investment commitment values or amounts drawn from investors. Fee and commission income is generally recognised over time, on a monthly basis, as the services are rendered. Fee and commission income earned from collective investment schemes is recognised over time, on a daily basis, as the services are rendered.

In some instances, an initial fee is charged to the customers when entering into an investment agreement with the Group. The initial fee is collected as a reduction from the initial amount invested with the Group or through a separate payment made by the customer. Initial fees, which exceed the level of recurring fees and relate to the future provision of services are deferred and amortised over periods between five and ten years as the services are rendered.

The Group earns transaction fees from assisting customers with specific transactions on their portfolios. These fees are recognised when the transaction has been completed and are realised through a reduction in the customer portfolio.

The Group earns a performance fee if certain performance thresholds and other criteria are met. The performance fee is deducted from the portfolio or is invoiced separately as per the terms of the contract. The rate that the fee and commission income is charged at is agreed with our customers in investment mandates.

### Contract assets and contract liabilities

A contract asset exists if the Group has recognised revenue, but the amount expected to be received is not yet due from the customer. Contract assets are measured at the amount of revenue recognised. A contract liability (deferred revenue liability) exists if the Group has received or is entitled to consideration in advance of the Group satisfying the performance obligation. The contract liability represents the obligation to provide the agreed services to the customer. The contract liability is recognised as revenue as the Group satisfies the related performance obligation to the customer.

### Costs incurred in acquiring investment management service contracts

Incremental costs that are directly attributable to securing an investment management service contract are recognised as assets if the costs can be identified separately, measured reliably and it is probable that the costs will be recovered.

Costs of obtaining contracts are those costs that the Group incurs in acquiring investment management service contracts and are amortised as the related revenue is recognised.

### Fee and commission expenses

Fees and commission expenses are those expenses which correspond to any economic benefit, other than clearing and execution services, that an asset manager receives in connection with the Collective Investment Scheme's (CIS) payment of commissions on transactions that involve the CIS's portfolio securities. Fee and commissions are typically obtained from, or through, the executing brokerage whereby these costs are also incurred from obtaining sales from third-party agents. These are expensed when sales obtained through agents materialise, a commission will be a percentage of a premium paid where fees include referrals of clients to the Group.

### Deferred acquisition costs (DAC)

Incremental costs of obtaining investment contracts with investment management services are capitalised to a DAC asset if they are separately identifiable, can be measured reliably and it is probable that they will be recovered. DAC is amortised to the income statement over the term of the contracts as the related services are rendered and revenue recognised, which varies from year to year depending on the outstanding term of the contracts in force. The DAC asset is tested for impairment biannually and written down when it is not expected to be fully recovered from fee income.

### Other acquisition costs

Relate to those costs associated with new business in the Group. These costs are essentially incurred and recorded as not deferred due to the short-term nature of new business within the Group.

## CI: Insurance revenue

The Group's insurance revenue is analysed as follows:

Year ended 31 December 2024 Rm	Separate		
	Life risk and annuities	Life savings	Total
<b>Contracts not measured under the PAA</b>			
<b>Amounts relating to changes in liabilities for remaining coverage</b>	<b>18 614</b>	<b>8 215</b>	<b>26 829</b>
Expected incurred claims	13 032	465	13 497
Expected other insurance service expenses	2 348	2 482	4 830
Change in risk adjustment for non-financial risk for risk expired	825	180	1 005
CSM recognised for services provided	2 935	3 530	6 465
Other amounts relating to changes in liabilities for remaining coverage	(526)	1 558	1 032
Recovery of insurance acquisition cash flows	4 281	1 299	5 580
<b>Contracts not measured under the PAA</b>	<b>22 895</b>	<b>9 514</b>	<b>32 409</b>
Contracts measured under the PAA	6 186	–	6 186
<b>Total insurance revenue</b>	<b>29 081</b>	<b>9 514</b>	<b>38 595</b>

Year ended 31 December 2023 Rm	Separate		
	Life risk and annuities	Life savings	Total
<b>Contracts not measured under the PAA</b>			
<b>Amounts relating to changes in liabilities for remaining coverage</b>	<b>17 982</b>	<b>7 786</b>	<b>25 768</b>
Expected incurred claims	12 188	422	12 610
Expected other insurance service expenses	2 166	2 414	4 580
Change in risk adjustment for non-financial risk for risk expired	802	177	979
CSM recognised for services provided	2 938	3 434	6 372
Other amounts relating to changes in liabilities for remaining coverage	(112)	1 339	1 227
Recovery of insurance acquisition cash flows	3 996	1 265	5 261
<b>Contracts not measured under the PAA</b>	<b>21 978</b>	<b>9 051</b>	<b>31 029</b>
Contracts measured under the PAA	6 403	–	6 403
<b>Total insurance revenue</b>	<b>28 381</b>	<b>9 051</b>	<b>37 432</b>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## C: Separate and consolidated income statement notes continued

C1: Insurance revenue continued

Year ended 31 December 2024 Rm	Consolidated		
	Life risk and annuities	Life savings	Total
<b>Contracts not measured under the PAA</b>			
<b>Amounts relating to changes in liabilities for remaining coverage</b>	<b>19 565</b>	<b>8 215</b>	<b>27 780</b>
Expected incurred claims	13 243	465	13 708
Expected other insurance service expenses	2 408	2 482	4 890
Change in risk adjustment for non-financial risk for risk expired	908	179	1 087
CSM recognised for services provided	3 445	3 530	6 975
Other amounts relating to changes in liabilities for remaining coverage	(439)	1 559	1 120
Recovery of insurance acquisition cash flows	4 291	1 299	5 590
<b>Contracts not measured under the PAA</b>	<b>23 856</b>	<b>9 514</b>	<b>33 370</b>
Contracts measured under the PAA	6 840	–	6 840
<b>Total insurance revenue</b>	<b>30 696</b>	<b>9 514</b>	<b>40 210</b>

Year ended 31 December 2023 Rm	Consolidated		
	Life risk and annuities	Life savings	Total
<b>Contracts not measured under the PAA</b>			
<b>Amounts relating to changes in liabilities for remaining coverage</b>	<b>18 817</b>	<b>7 786</b>	<b>26 603</b>
Expected incurred claims	12 416	422	12 838
Expected other insurance service expenses	2 216	2 414	4 630
Change in risk adjustment for non-financial risk for risk expired	869	177	1 046
CSM recognised for services provided	3 367	3 434	6 801
Other amounts relating to changes in liabilities for remaining coverage	(51)	1 339	1 288
Recovery of insurance acquisition cash flows	3 999	1 265	5 264
<b>Contracts not measured under the PAA</b>	<b>22 816</b>	<b>9 051</b>	<b>31 867</b>
Contracts measured under the PAA	6 867	–	6 867
<b>Total insurance revenue</b>	<b>29 683</b>	<b>9 051</b>	<b>38 734</b>

## C2: Net investment result

The tables below analyses the investment result of the Company and the Group by line of business.

		Separate				
Year ended 31 December 2024	Notes	Life risk and annuities	Life savings	Investment contracts	Shareholder	Total
<b>Investment return</b>						
<b>Interest and similar income</b>						
Loans and advances		–	12	–	64	76
Investments and securities		8 749	11 451	7 803	1 772	29 775
Cash and cash equivalents		114	47	864	7	1 032
<b>Total interest and similar income</b>		<b>8 863</b>	<b>11 510</b>	<b>8 667</b>	<b>1 843</b>	<b>30 883</b>
Dividend income from investments and securities		193	7 047	2 563	1 094	10 897
Net fair value gains recognised in profit or loss		3 693	46 079	18 957	1 041	69 770
Rental income from investment properties	G2(b)	160	5	14	–	179
Net fair value losses on the revaluation of investment property	G2(b)	–	–	–	–	–
Net foreign currency gains and losses		–	–	35	–	35
<b>Total investment return recognised in profit or loss</b>		<b>12 909</b>	<b>64 641</b>	<b>30 236</b>	<b>3 978</b>	<b>111 764</b>
<b>Net finance income from insurance contracts</b>						
Changes in fair value of underlying items of direct participation contracts		(43)	(65 186)	–	–	(65 229)
Effects of risk mitigation option		–	(6)	–	–	(6)
Interest accreted		(6 613)	(48)	–	–	(6 661)
Effect of changes in interest rates and other financial assumptions		(5 434)	–	–	–	(5 434)
Effect of measuring changes in estimates at current rates and adjusted CSM at the rate on initial recognition		165	–	–	–	165
<b>Finance income/(expenses) from insurance contracts recognised in profit or loss</b>		<b>(11 925)</b>	<b>(65 240)</b>	<b>–</b>	<b>–</b>	<b>(77 165)</b>
<b>Net finance income from reinsurance contracts</b>						
Interest accreted		186	–	–	–	186
Other finance income/(expenses) from reinsurance contracts		3	–	–	–	3
<b>Total finance income from reinsurance contracts recognised in profit or loss</b>		<b>189</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>189</b>
<b>Change in investment contract liabilities</b>	F2.8	–	–	(28 892)	–	(28 892)
<b>Change in third-party interest in consolidated funds</b>		–	–	–	–	–
<b>Net investment result recognised in profit or loss</b>		<b>1 173</b>	<b>(599)</b>	<b>1 344</b>	<b>3 978</b>	<b>5 896</b>
The fair value gains shown above are analysed according to their IFRS 9 categorisations as follows:						
Mandatorily at fair value through profit or loss						68 979
Total interest income for assets at amortised cost (effective interest)						1 108
Designated at fair value through profit or loss						791

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## C: Separate and consolidated income statement notes continued

### C2: Net investment result continued

Year ended 31 December 2023 Rm	Notes	Separate				Total
		Life risk and annuities	Life savings	Investment contracts	Shareholder	
<b>Investment return</b>						
<b>Interest and similar income</b>						
Loans and advances		9	–	–	17	26
Investments and securities		8 471	12 371	5 033	1 241	27 116
Cash and cash equivalents		56	105	286	263	710
<b>Total interest and similar income</b>		<b>8 536</b>	<b>12 476</b>	<b>5 319</b>	<b>1 521</b>	<b>27 852</b>
Dividend income from investments and securities		17	6 477	2 217	1 398	10 109
Net fair value losses recognised in profit or loss		(3 482)	37 713	17 768	1 341	53 340
Rental income from investment properties	G2(b)	17	5	14	136	172
Net fair value losses on the revaluation of investment property	G2(b)	(6)	–	–	–	(6)
Net foreign currency gains		–	–	36	–	36
<b>Net investment return recognised in profit or loss</b>		<b>5 082</b>	<b>56 671</b>	<b>25 354</b>	<b>4 396</b>	<b>91 503</b>
<b>Net finance income/(expenses) from insurance contracts</b>						
Changes in fair value of underlying items of direct participation contracts		–	(57 915)	–	–	(57 915)
Effects of risk mitigation option		–	11	–	–	11
Interest accreted		(5 685)	(161)	–	–	(5 846)
Effect of changes in interest rates and other financial assumptions		611	–	–	–	611
Effect of measuring changes in estimates at current rates and adjustment to CSM at the rate on initial recognition		215	–	–	–	215
<b>Finance expenses from insurance contracts recognised in profit or loss</b>		<b>(4 859)</b>	<b>(58 065)</b>	<b>–</b>	<b>–</b>	<b>(62 924)</b>
<b>Net finance income from reinsurance contracts</b>						
Interest accreted		110	–	–	–	110
Other finance income from reinsurance contracts		257	–	–	–	257
<b>Net finance income from reinsurance contracts recognised in profit or loss</b>		<b>367</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>367</b>
<b>Change in investment contract liabilities</b>	F2.8	<b>–</b>	<b>–</b>	<b>(23 775)</b>	<b>–</b>	<b>(23 775)</b>
<b>Net investment result recognised in profit or loss</b>		<b>590</b>	<b>(1 394)</b>	<b>1 579</b>	<b>4 396</b>	<b>5 171</b>
The fair value gains shown above are analysed according to their IFRS 9 categorisations as follows: <sup>1</sup>						
Mandatorily at fair value through profit or loss						52 865
Total interest income for assets at amortised cost (effective interest)						736
Designated at fair value through profit or loss						475

<sup>1</sup> The amounts have been changed to separately disclose mandatorily and designated fair value gains through profit and loss

Year ended 31 December 2024 Rm		Consolidated					Total
		Life risk and annuities	Life savings	Investment contracts	Shareholder	Consolidation of funds	
	Notes						
<b>Investment return</b>							
<b>Interest and similar income</b>							
Loans and advances		–	12	–	68	–	80
Investments and securities		5 782	12 830	7 654	1 815	3 354	31 435
Cash and cash equivalents		382	47	883	158	(1)	1 469
<b>Total interest and similar income</b>		<b>6 164</b>	<b>12 889</b>	<b>8 537</b>	<b>2 041</b>	<b>3 353</b>	<b>32 984</b>
Dividend income from investments and securities		255	6 841	2 575	567	2 135	12 373
Net fair value gains/(losses) recognised in profit or loss		2 972	44 198	20 045	2 304	6 992	76 511
Rental income from investment properties	G2(b)	3 252	5	14	–	–	3 271
Net fair value gains/(losses) on the revaluation of investment property	G2(b)	878	–	–	–	–	878
Net foreign currency gains and losses		–	–	35	8	–	43
<b>Total investment return recognised in profit or loss</b>		<b>13 521</b>	<b>63 933</b>	<b>31 206</b>	<b>4 920</b>	<b>12 480</b>	<b>126 060</b>
<b>Net finance income/(expenses) from insurance contracts</b>							
Changes in fair value of underlying items of direct participation contracts		(43)	(65 186)	–	–	–	(65 229)
Effects of risk mitigation option		–	(6)	–	–	–	(6)
Interest accreted		(6 628)	(48)	–	–	–	(6 676)
Effect of changes in interest rates and other financial assumptions		(5 406)	–	–	–	–	(5 406)
Effect of measuring changes in estimates at current rates and adjusted CSM at the rate on initial recognition		162	–	–	–	–	162
<b>Finance (expenses)/income from insurance contracts recognised in profit or loss</b>		<b>(11 915)</b>	<b>(65 240)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(77 155)</b>
<b>Net finance income/(expenses) from reinsurance contracts</b>							
Interest accreted		179	–	–	–	–	179
Other finance income/(expenses) from reinsurance contracts		(42)	–	–	–	–	(42)
<b>Total finance income/(expenses) from reinsurance contracts recognised in profit or loss</b>		<b>137</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>137</b>
<b>Change in investment contract liabilities</b>	F2.8	–	–	(29 158)	–	–	(29 158)
<b>Change in third-party interest in consolidated funds</b>		–	–	–	–	(10 658)	(10 658)
<b>Net investment result recognised in profit or loss</b>		<b>1 743</b>	<b>(1 307)</b>	<b>2 048</b>	<b>4 920</b>	<b>1 822</b>	<b>9 226</b>
The fair value gains shown above are analysed according to their IFRS 9 categorisations as follows:							
Mandatorily at fair value through profit or loss							75 624
Total interest income for assets at amortised cost (effective interest)							1 549
Designated at fair value through profit or loss							887

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## C: Separate and consolidated income statement notes continued

### C2: Net investment result continued

Year ended 31 December 2023 Rm	Notes	Consolidated				Consolidation of funds	Total
		Life risk and annuities	Life savings	Investment contracts	Shareholder		
<b>Investment return</b>							
<b>Interest and similar income</b>							
Loans and advances		9	–	–	17	–	26
Investments and securities		7 226	12 371	4 728	1 285	3 838	29 448
Cash and cash equivalents		262	105	335	410	–	1 112
<b>Total interest and similar income</b>		<b>7 497</b>	<b>12 476</b>	<b>5 063</b>	<b>1 712</b>	<b>3 838</b>	<b>30 586</b>
Dividend income from investments and securities		150	6 477	2 233	417	2 638	11 915
Net fair value (losses)/gains recognised in profit or loss		(3 439)	37 713	17 781	765	7 923	60 743
Rental income from investment properties	G2(b)	2 245	5	617	136	–	3 003
Net fair value (losses)/gains on the revaluation of investment property	G2(b)	(179)	–	195	–	–	16
Net foreign currency gains		–	–	36	22	–	58
<b>Net investment return recognised in profit or loss</b>		<b>6 274</b>	<b>56 671</b>	<b>25 925</b>	<b>3 052</b>	<b>14 399</b>	<b>106 321</b>
<b>Net finance income/(expenses) from insurance contracts</b>							
Changes in fair value of underlying items of direct participation contracts		–	(57 915)	–	–	–	(57 915)
Effects of risk mitigation option		–	11	–	–	–	11
Interest accreted		(5 620)	(161)	–	–	–	(5 781)
Effect of changes in interest rates and other financial assumptions		618	–	–	–	–	618
Effect of measuring changes in estimates at current rates and adjusted CSM at the rate on initial recognition		214	–	–	–	–	214
<b>Finance expenses from insurance contracts recognised in profit or loss</b>		<b>(4 788)</b>	<b>(58 065)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(62 853)</b>
<b>Net finance income from reinsurance contracts</b>							
Interest accreted		103	–	–	–	–	103
Other finance income from reinsurance contracts		254	–	–	–	–	254
<b>Net finance income from reinsurance contracts recognised in profit or loss</b>		<b>357</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>357</b>
<b>Change in investment contract liabilities</b>	F2.8	–	–	(24 065)	–	–	(24 065)
<b>Change in third party interest in consolidated funds</b>		–	–	–	–	(12 562)	(12 562)
<b>Net investment result recognised in profit or loss</b>		<b>1 843</b>	<b>(1 394)</b>	<b>1 860</b>	<b>3 052</b>	<b>1 837</b>	<b>7 198</b>
The fair value gains shown above are analysed according to their IFRS 9 categorisations as follows: <sup>1</sup>							
Mandatorily at fair value through profit or loss							59 796
Total interest income for assets at amortised cost (effective interest)							1 138
Designated at fair value through profit or loss							947

<sup>1</sup> The amounts have been changed to separately disclose mandatorily and designated fair value gains through profit and loss

### C3: Fee and commission income, and income from service activities

#### (a) Analysis of fee and commission income, and income from service activities

This note analyses the fees and commission, earned by the Group, from negotiating, or participating in the negotiation of a transaction for third parties, transaction and performance fees earned and administration fees.

Year ended 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
Fee and commission income	3 270	3 040	5 561	5 105
Transaction and performance fees	–	–	104	80
Administration fees <sup>1</sup>	(10)	(3)	17	8
	3 260	3 037	5 682	5 193

<sup>1</sup> Administration fees are negative due to deferred fee income exceeding the amount recycled through the income statement in the period

The majority of fee and commission income is attributable to the Personal Finance and Wealth Management segment.

### C4: Revenue from contracts with customers

#### IFRS 15 revenue

##### Fee and commission income

The fees and commission income are earned from negotiating a transaction from third parties, transaction and performance fees earned and the movement in deferred origination fee.

The judgements used in deferred origination fees, include the period over which the origination fee is deferred.

##### Contract assets and contract liabilities

A contract asset exists if the Group has recognised revenue, however the amount expected to be received is not yet due from the customer. Contract assets are measured at the amount of revenue recognised. A contract liability (deferred revenue liability) exists if the Group has received or is entitled to consideration in advance of the Group satisfying the performance obligation. The contract liability represents the obligation to provide the agreed services to the customer. The contract liability is recognised as revenue as the Group satisfies the related performance obligations to the customer.

#### Non-IFRS 15 revenue

##### Insurance

Insurance service revenue is recognised using IFRS 17. The Group recognises insurance revenue as it satisfies its performance obligations – i.e. as it provides services under groups of insurance contracts. For contracts measured under the PAA, the insurance revenue for each period is the amount of expected premium receipts for providing services in the period. Refer to note F for the detailed accounting policies applied.

##### Investment return

This consists of interest and similar income that is recognised under IFRS 9. This includes interest income from Loans and advances, Investment and securities and cash and cash equivalents. Also included are estimates and judgements around credit risk, the risk of default and the time value of money. There are no judgements made around dividends receivable as they only become receivable when declared. There are no material financial assets that are measured in other foreign currency.

##### Other income

This includes income arising in the course of the Group's ordinary activities and have not been included in the items above.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## C: Separate and consolidated income statement notes continued

### C4: Revenue from contracts with customers continued

#### Revenue from contracts with customers

Revenue from contracts with customers is disaggregated by primary segment and type of revenue. The Group believes it best depicts how the nature, amount, timing and uncertainty of the Group's revenue and cash flows are affected by economic factors.

The Group does not apply significant judgements to determine the costs incurred to obtain or fulfil contracts with customers. Revenue from contracts with customers are assessed if they contain contract assets. These assets are disclosed in note G3.

Year ended 31 December 2024 Rm	Consolidated						Total
	Mass and Foundation Cluster	Personal Finance and Wealth Management	Old Mutual Investments	Old Mutual Corporate	Other Group activities and Inter- company eliminations	Consoli- dation of funds	
<b>Revenue from contracts with customers</b>							
Fee and commission income	30	6 053	414	341	(612)	(670)	5 556
Transaction and performance fees	–	102	43	–	(36)	–	109
Change in contract liabilities	–	17	–	–	–	–	17
<b>Fee and commission income, and income from service activities</b>	<b>30</b>	<b>6 172</b>	<b>457</b>	<b>341</b>	<b>(648)</b>	<b>(670)</b>	<b>5 682</b>
<b>Non-IFRS 15 revenue</b>							
Insurance	10 562	18 743	–	10 905	–	–	40 210
Investment return and other	3 641	83 518	10 565	40 795	(22 337)	12 517	128 699
<b>Total revenue from other activities</b>	<b>14 203</b>	<b>102 261</b>	<b>10 565</b>	<b>51 700</b>	<b>(22 337)</b>	<b>12 517</b>	<b>168 909</b>
<b>Total revenue</b>	<b>14 233</b>	<b>108 433</b>	<b>11 022</b>	<b>52 041</b>	<b>(22 985)</b>	<b>11 847</b>	<b>174 591</b>

Year ended 31 December 2023 Rm	Consolidated						Total
	Mass and Foundation Cluster	Personal Finance and Wealth Management	Old Mutual Investments	Old Mutual Corporate	Other Group activities and Inter- company eliminations	Consoli- dation of funds	
<b>Revenue from contracts with customers</b>							
Fee and commission income	33	5 527	540	293	(611)	(677)	5 105
Transaction and performance fees	–	75	195	–	(190)	–	80
Change in contract liabilities	–	8	–	–	–	–	8
<b>Fee and commission income, and income from service activities</b>	<b>33</b>	<b>5 610</b>	<b>735</b>	<b>293</b>	<b>(801)</b>	<b>(677)</b>	<b>5 193</b>
<b>Non-IFRS 15 revenue</b>							
Insurance	10 490	17 624	–	10 620	–	–	38 734
Investment return and other	2 357	68 217	5 935	32 911	(15 573)	14 430	108 277
<b>Total revenue from other activities</b>	<b>12 847</b>	<b>85 841</b>	<b>5 935</b>	<b>43 531</b>	<b>(15 573)</b>	<b>14 430</b>	<b>147 011</b>
<b>Total revenue</b>	<b>12 880</b>	<b>91 451</b>	<b>6 670</b>	<b>43 824</b>	<b>(16 374)</b>	<b>13 753</b>	<b>152 204</b>

## C5: Finance costs

Finance costs include interest payable, and gains and losses on revaluation of borrowed funds and on those derivative instruments which are used as economic hedges.

Year ended 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
<b>Interest on borrowed funds</b>	<b>1 009</b>	936	<b>1 009</b>	937
Subordinated debt	<b>1 009</b>	936	<b>1 009</b>	937
<b>Fair value (losses)/gains on borrowed funds and derivative instruments</b>	<b>(37)</b>	(32)	<b>(37)</b>	(31)
Borrowed funds	<b>(38)</b>	(40)	<b>(38)</b>	(40)
Derivative instruments used as economic hedges	<b>1</b>	8	<b>1</b>	9
<b>Total finance costs on debt instruments</b>	<b>972</b>	904	<b>972</b>	906
The fair value (losses)/gains shown above are analysed according to their IFRS 9 categorisations as follows:				
Designated and mandatorily at fair value through profit or loss	<b>(37)</b>	(32)	<b>(37)</b>	(31)

## C6: Other operating and administrative expenses

This note gives further detail on the items included within other operating and administrative expenses.

Year ended 31 December Rm	Notes	Separate		Consolidated	
		2024	2023	2024	2023
Staff costs	C6(b)	<b>6 596</b>	6 138	<b>6 852</b>	6 369
Fee and commission expenses and other acquisition costs		<b>7 583</b>	7 121	<b>7 773</b>	7 271
Depreciation	G2(a)	<b>275</b>	249	<b>297</b>	270
Computer, software and processing costs		<b>2 460</b>	2 036	<b>2 503</b>	2 079
Amortisation of other intangible assets and internally developed software	G1(d)	<b>450</b>	405	<b>494</b>	442
Impairment of goodwill and other intangible assets	G1(d)	<b>–</b>	–	<b>13</b>	–
Lease rentals – short-term and low-value assets		<b>19</b>	19	<b>19</b>	19
Asset management expenses		<b>1 942</b>	1 935	<b>2 556</b>	2 564
Technical and professional fees		<b>749</b>	814	<b>805</b>	846
Outsourcing expenses		<b>7</b>	13	<b>247</b>	209
Travel and entertainment expense – third party		<b>184</b>	175	<b>185</b>	178
Impairment/(reversal of impairment) of fixed assets	G2(a)	<b>(142)</b>	(134)	<b>(142)</b>	(134)
Auditors' remuneration – fees for audit service		<b>85</b>	90	<b>106</b>	90
Auditors' remuneration – fees for non-audit service		<b>10</b>	1	<b>10</b>	1
Other <sup>1</sup>		<b>3 323</b>	2 697	<b>7 589</b>	6 602
<b>Total operating and administration expenses</b>		<b>23 541</b>	21 559	<b>29 307</b>	26 806
Less: Amounts attributed to insurance acquisition cash flows		<b>(7 247)</b>	(6 630)	<b>(7 429)</b>	(6 783)
Other insurance service expenses		<b>(5 569)</b>	(5 509)	<b>(5 861)</b>	(5 746)
<b>Other operating and administration expenses</b>		<b>10 725</b>	9 420	<b>16 017</b>	14 277

<sup>1</sup> Included in other are finance costs of R334 million (2023: R168 million) in the separate and R1 159 million (2023: R853 million) in the consolidated income statements. This includes interest relating to funding that supports the operations (funding within policyholder investments) of R308 million (2023: R144 million) and interest on lease liabilities of R25 million (2023: R25 million) for OMLACSA separate. Included for OMLACSA Group is interest relating to funding that supports the operations of R1 132 million (2023: R828 million) and interest on lease liabilities of R27 million (2023: R26 million)

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## C: Separate and consolidated income statement notes continued

### C6: Other operating and administrative expenses continued

#### (a) Analysis of expenses

Total expenses consist of the following:

Year ended 31 December Rm	Notes	Separate		Consolidated	
		2024	2023	2024	2023
<b>Insurance service expenses</b>	F2.5	<b>30 103</b>	28 625	<b>31 058</b>	29 259
Claims and benefits		18 045	16 880	18 586	17 169
Other insurance service expenses		5 314	5 276	5 606	5 513
Other insurance service expenses reallocated from operating and administration expenses		5 569	5 509	5 861	5 746
Expenses allocated to the loss component of the liability for remaining coverage		(255)	(233)	(255)	(233)
Losses and reversal of losses on onerous contracts		827	852	829	850
Amortisation of insurance acquisition cash flows		5 917	5 617	6 037	5 727
<b>Other operating and administration expenses</b>	C6	<b>10 725</b>	9 420	<b>16 017</b>	14 277
<b>Total expenses</b>		<b>40 828</b>	38 045	<b>47 075</b>	43 536

The table below provides the disaggregation of insurance service expenses by line of business:

Year ended 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
Life risk and annuities	25 499	23 805	26 454	24 439
Life savings	4 604	4 820	4 604	4 820
<b>Insurance service expenses</b>	<b>30 103</b>	28 625	<b>31 058</b>	29 259

#### (b) Staff costs

Year ended 31 December Rm	Notes	Separate		Consolidated	
		2024	2023	2024	2023
Wages and salaries		4 678	4 291	4 887	4 484
Social security costs		27	25	27	26
Retirement obligations	11(d)	184	177	184	177
Bonus and incentive remuneration		833	723	869	746
Share-based payments		470	519	470	519
Cash settled	12(e)	368	339	368	339
Equity settled	12(e)	102	180	102	180
Other		404	403	415	417
		<b>6 596</b>	6 138	<b>6 852</b>	6 369

#### (c) Auditors' remuneration

Year ended 31 December Rm	Separate			
	Deloitte & Touche		Ernst & Young	
	2024	2023	2024	2023
Audit of the Group's consolidated and separate annual financial statements	55	55	30	30
Regulatory related services	4	3	3	2
Other assurance and related services performed under the standards as issued by the IAASB	1	1	1	–
Tax services	–	–	–	–
Other non-audit services	1	–	–	–

The OMLACSA Group audit fee for Deloitte & Touche is R69 million (2023: R70 million) and for Ernst & Young R41 million (2023: R55 million).

The non-audit fees are consistent between consolidated and company.

## C7: Income tax expense

### Current tax

Included in the current tax charge are amounts relating to:

- Normal income tax
- Taxes payable on behalf of policyholders
- Withholding tax borne by the Group
- Global Minimum Tax (GMT)

Current tax is the expected tax payable on the 'taxable income' as contemplated for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The Group is subject to income taxes in jurisdictions in which it operates. The calculation of the Group's tax charge and worldwide provisions for income tax, necessarily involve a degree of estimation and judgement. At any given time, the Group typically has a number of open tax returns with various tax authorities and engages in active dialogue to resolve this. Taxation provisions relating to these open items are recognised based on the Group's estimate of the most likely outcome, after taking into account external advice where appropriate. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact profit or loss, current and deferred income tax assets and liabilities in the period that such determination is made.

The Group has determined that the GMT which it is required to pay under Pillar II is an income tax in the scope of IAS 12.

### Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts required to be used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets are recognised for tax losses carried forward, only to the extent that realisation of the related tax benefit is probable, where on the basis of all available evidence, it is considered more likely than not that there will be suitable taxable profits against which the reversal of the deferred tax asset can be applied. In certain circumstances, as permitted by accounting guidance, deferred tax balances are not recognised. In particular, where the liability relates to the initial recognition of goodwill, or transactions that are not 'business combinations' as contemplated and at the time of their occurrence, affect neither accounting nor taxable profits.

Deferred tax relating to items recognised outside profit or loss (for example, items adjusted for against retained income) is accounted for on a similar basis. Deferred tax is recognised in alignment with the underlying transaction, either in other comprehensive income or directly in equity, as appropriate.

Deferred tax assets and liabilities are only offset when there is both a legal right to set-off and an intention to settle on a net basis.

In terms of a temporary mandatory relief from deferred tax accounting for the impacts of GMT no deferred tax will be raised in respect of GMT temporary differences that may arise, as provided in the amendments to IAS 12 issued in May 2023.

### Dividends tax

In South Africa, the recipient of a dividend is liable for dividends tax unless an exemption from this tax applies. In terms of the dividends tax provisions, the tax is withheld at a rate of 20% from dividends paid to certain qualifying shareholders. Life insurers are compelled to withhold dividends tax from dividends allocated to the Individual Policyholder Fund only at a rate of 20%. This has been included in the current tax charge described as withholding taxes.

### Tax laws substantively enacted

In terms of IAS 12, both current and deferred tax assets and liabilities are to be valued applying the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Changes in tax laws should be regarded as being substantively enacted when the changes in tax laws have been approved by Parliament and signed into law, by the President.

IAS 12 requires an entity to recognise deferred tax for temporary differences between the tax base of an asset or liability and its carrying amount in the statement of financial position.

### International Tax Reform – Pillar II Model Rules

The Old Mutual Group is subject to the Organisation for Economic Cooperation and Development (OECD) Pillar II Model Rules, which aim to ensure that multi-national entities (MNEs) with a turnover of more than €750 million, pay Corporate Income Tax of at least 15% in a country in which it operates.

The Global Minimum Tax Act and the Global Minimum Tax Administration Act were promulgated on 24 December 2024 and 9 January 2025 respectively in South Africa, effective from 1 January 2024. For the 2024 year of assessment, in countries where Old Mutual Limited has a presence, GMT legislation is also effective in 2024 in the UK, Ireland, Bulgaria, Romania and Zimbabwe. (Kenya, Isle of Man and Guernsey have implemented GMT effective 1 January 2025.)

GMT comprises three distinct bases of tax:

- Domestic Minimum Top-Up-Tax (DMTT) which would result in the Old Mutual Group being subject to DMTT in the jurisdictions in which Old Mutual Group operates. Where a MNE has multiple entities in a country that has implemented DMTT, the MNE would designate one of its subsidiaries in that jurisdiction as the representative that would submit the DMTT return and pay the related tax on behalf of other entities in that jurisdiction. The tax is then allocated to the other companies within the country impacted
- Income Inclusion Rule (IIR) which will ensure that the Old Mutual Group pays a 'top up' tax in South Africa (of at least 15%) in respect of any subsidiaries in 'low-taxed' jurisdictions (i.e. any country where the effective tax rate calculated in terms of the formula set out in the OECD Pillar II rules, is less than 15%). This IIR return would be submitted by Old Mutual Limited (OML) and Old Mutual Limited will be liable to pay the tax to SARS on behalf of these entities
- Under-Taxed Profit Rule (UTPR) which gives countries taxing rights to impose the 15% minimum corporate tax on MNEs, where IIR is not legislated

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## C: Separate and consolidated income statement notes continued

### C7: Income tax expense continued

The OMLACSA Group has estimated its current tax exposure for the 2024 year to be R11 million. In terms of a temporary mandatory relief from deferred tax accounting for the impacts of GMT no deferred tax will be raised in respect of GMT temporary differences that may arise, as provided in the amendments to IAS 12 issued in May 2023.

#### Significant accounting estimates and judgements – uncertain tax positions

The Group is committed to conducting its tax affairs in accordance with the tax legislation of the jurisdictions in which the Group operates. All interpretations by management are made with reference to the specific facts and circumstances of the transaction and in the context of relevant legislation, practice and directives.

Business and tax law complexity may result in the Group entering into transactions that expose the Group to tax, legal and business risks. Judgement is involved in determining whether there are uncertain tax positions. The revenue authorities in various jurisdictions in which the Group operates routinely review historic transactions undertaken and tax law interpretations made by the Group.

There are occasions where the Group's interpretation of tax law may be challenged by the revenue authorities. The financial statements include provisions that reflect the Group's assessment of liabilities which might reasonably be expected to materialise as part of their review.

The Group is satisfied that adequate provisions have been made to cater for the resolution of uncertain tax matters and that the resources required to fund such potential settlements, where necessary, are sufficient. Due to the level of estimation required in determining tax provisions, amounts ultimately payable may differ from the provisions recognised.

#### IFRIC 23 Uncertainty over Income Tax Treatments

The Group records and evaluates tax positions in terms of the following specific accounting standards/interpretation, which set out how to determine the accounting tax position, when there is uncertainty over income tax treatments:

- IFRIC 23 *Uncertainty over Income Tax Treatments*
- IAS 12 *Income Taxes*
- IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*

Uncertain tax positions are quantified on the basis of expected value (for corporate income tax in terms of IFRIC 23 and IAS 12), being the probability-weighted amounts in respect of the possible outcome, assessed in terms of laws and facts/information known to us at the reporting date. Where applicable, the impact of IFRIC 23 on the tax positions of the respective legal entities in the Group, has been considered and adequate amounts provided. IAS 37 provisions (mainly indirect taxes, other than income tax) are quantified based on the most likely outcome across the Group.

### (a) Analysis of total income tax expense

The total income tax expense for the year comprises:

Year ended 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
<b>Current tax</b>				
South Africa	2 122	1 408	2 720	1 837
Overseas tax				
Rest of Africa	–	–	(2)	(8)
Europe	–	–	8	–
Withholding taxes	290	304	301	315
Adjustments to current tax in respect of prior years	43	(23)	59	(23)
<b>Total current tax</b>	<b>2 455</b>	<b>1 689</b>	<b>3 086</b>	<b>2 121</b>
<b>Deferred tax</b>				
Deferred tax expense relating to the origination and reversal of temporary differences	1 767	2 070	1 875	2 062
Write down of previously recognised deferred tax assets	–	–	14	–
Adjustments to deferred tax in respect of prior years	(106)	103	(106)	97
<b>Total deferred tax expense</b>	<b>1 661</b>	<b>2 173</b>	<b>1 783</b>	<b>2 159</b>
<b>Total income tax expense</b>	<b>4 116</b>	<b>3 862</b>	<b>4 869</b>	<b>4 280</b>
<b>Attributable to</b>				
Shareholder funds	1 404	1 076	1 860	1 473
Policyholder funds	2 712	2 786	3 009	2 807
<b>Total income tax expense<sup>1</sup></b>	<b>4 116</b>	<b>3 862</b>	<b>4 869</b>	<b>4 280</b>

<sup>1</sup> R11 million included in the income tax expense is in respect of GMT for the OMLACSA Group

For South African entities that are in a tax paying position, tax has been provided at 27%. The Group uses the South African tax rate in respect of its tax rate reconciliation as Old Mutual Life Assurance Company (South Africa) Limited is domiciled in South Africa and the most significant operations are in South Africa.

(b) **Reconciliation of total shareholder income tax expense**

The income tax charge in the income statement differs from the income tax expense that would apply if all of the Group's profits from continuing operations in the different tax jurisdictions had been taxed at the South African standard corporate tax rate of 27%. This difference is reconciled below:

Year ended 31 December Rm	Separate		Consolidated	
	2024	2023 <sup>1</sup>	2024	2023 <sup>1</sup>
<b>Total income tax expense</b>	<b>4 116</b>	3 862	<b>4 869</b>	4 280
<b>Attributable to</b>				
Policyholder funds <sup>2</sup>	<b>(2 712)</b>	(2 786)	<b>(3 009)</b>	(2 807)
<b>Shareholder tax expense</b>	<b>1 404</b>	1 076	<b>1 860</b>	1 473
<b>Profit before tax per the income statement</b>	<b>9 058</b>	8 482	<b>9 125</b>	7 685
<b>Adjustment for</b>				
Policyholder tax <sup>3</sup>	<b>(2 712)</b>	(2 786)	<b>(3 009)</b>	(2 807)
<b>Profit before shareholder tax</b>	<b>6 346</b>	5 696	<b>6 116</b>	4 878
<b>Reconciliation of total income tax expense</b>				
<b>Profit before shareholder tax</b>	<b>6 346</b>	5 696	<b>6 116</b>	4 878
Tax at South African standard rate of 27.0%	<b>1 713</b>	1 538	<b>1 651</b>	1 317
Untaxed and low-taxed income <sup>4</sup>	<b>(318)</b>	(563)	<b>(141)</b>	(75)
Disallowable expenses <sup>5</sup>	<b>63</b>	55	<b>396</b>	202
Adjustments to current tax in respect of prior years	<b>(6)</b>	12	<b>(5)</b>	11
Net movement on deferred tax assets not recognised	<b>–</b>	–	<b>–</b>	16
Adjustments to deferred tax in respect of prior years	<b>(50)</b>	30	<b>(50)</b>	30
Withholding taxes	<b>2</b>	4	<b>2</b>	4
Other <sup>6</sup>	<b>–</b>	–	<b>7</b>	(32)
<b>Total shareholder income tax expense</b>	<b>1 404</b>	1 076	<b>1 860</b>	1 473

<sup>1</sup> As part of the Group's enhanced disclosure efforts, the reconciliation of total income tax expense has been amended to disclose the policyholder tax separately to eliminate the distorting effect of the policyholder tax on the reconciliation of total income tax expense

<sup>2</sup> Policyholder funds and the risk policy fund are separate tax persons which have differing taxation rules applied in the South African taxation legislation. There are three separate policyholder funds defined as the untaxed, individual and company policyholder funds. As the taxes related to these funds are in essence direct taxes against investments held on behalf of policyholders (not shareholders), it is not considered necessary to reconcile effective rates by fund

<sup>3</sup> Policyholder tax is deducted from profit before tax per the income statement to calculate profit before shareholder tax

<sup>4</sup> This includes exempt income, capital gains tax at lower than the South African corporate tax rate and non-taxable fair value movements.

The OMLACSA Group also includes the untaxed share of associate profits

<sup>5</sup> Disallowable expenses include provisions, non-deductible expenses and impairments

<sup>6</sup> Other: Minor amendments have been made to the 2023 Consolidated disclosure for small differences arising as a result of the mechanics of taking the policyholder tax in the reconciliation previously disclosed and dividing it by 73% to get to the actual policyholder tax disclosed above

(c) **Income tax relating to components of other comprehensive income**

The total income tax expense relating to items recognised in other comprehensive income is comprised of the following:

Year ended 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
Measurement gains on defined benefit plans	<b>(16)</b>	1	<b>(16)</b>	1
<b>Income tax on items that will not be reclassified subsequently to profit or loss</b>	<b>(16)</b>	1	<b>(16)</b>	1

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## D: Financial assets and liabilities

### Accounting policy

#### Classification and measurement of financial assets and financial liabilities

##### Initial recognition of financial assets

Financial instruments are measured at initial recognition at fair value net of directly attributable transaction costs, unless the financial instrument is classified as fair value through profit or loss. For instruments classified at fair value through profit or loss attributable transaction costs are immediately expensed.

At initial recognition, the Group considers the appropriate classification as:

- Amortised cost
- Fair value through other comprehensive income (FVOCI) which may include debt or equity instruments
- Fair value through profit or loss (FVTPL)

The classification of financial assets is based on whether the financial assets are equity instruments, debt instruments held or derivative assets. The classification and measurement of debt instruments is dependent on the business model in which the financial asset is managed and its contractual cash flow characteristics.

The business model refers to how the Group is managing its financial instruments to generate cash flows.

Business model assessments are performed on shareholder and policyholder portfolios and consider investment mandates, how the portfolios are being managed to generate cash flows and performance indicators. The Group first assesses the business model before considering whether an instrument meets the definition of the contractual cash flow test.

Only if the financial instruments are held in a business model to collect contractual cash flows or a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, the cash flows characteristics test is performed.

Equity instruments held for trading or not designated as at FVOCI and derivative assets are mandatorily categorised as financial assets at FVTPL or not designated as at FVOCI. Derivatives embedded in contracts where the host is a financial asset in the scope of IFRS 9 are not accounted for separately. Instead, the hybrid financial instrument as a whole is assessed for classification.

A debt instrument is classified as a financial asset at amortised cost if it meets both of the following conditions (and is not designated as at FVTPL):

- It is held within a business model where the objective is to hold assets to collect contractual cash flows
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets held in a 'hold to collect contractual cash flows business model' are managed to realise cash flows by collecting contractual payments over the life of the instrument.

A debt instrument is measured at FVOCI if it meets both of the following conditions (and is not designated as at FVTPL):

- It is held within a business model where the objective is achieved by both collecting contractual cash flows and selling financial assets
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets held in this type of business model are managed to realise cash flows by both collecting contractual cash flows and selling the financial instrument. Both these activities are fundamental to achieving the objective of the business model.

On initial recognition of an equity instrument that is not held for trading, the instrument may be irrevocably designated at FVOCI. In such an instance, changes in the equity instrument's fair value are recorded in other comprehensive income (OCI). This election is made on an investment-by-investment basis.

All debt instrument financial assets that were not classified as measured at amortised cost or FVOCI are measured at FVTPL. On initial recognition, the Group may irrevocably designate a debt instrument financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Transaction costs that are directly attributable to the acquisition of financial assets are expensed in profit or loss for financial assets initially classified at FVTPL. For financial assets not classified at FVTPL, transaction costs are added to or deducted from the fair value at initial recognition.

## Accounting policy continued

### Classification and measurement of financial assets and financial liabilities continued

#### Subsequent measurement of financial assets

The following accounting policies apply to the subsequent measurement of financial assets:

<b>Financial assets at FVTPL</b>	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
<b>Financial assets at amortised cost</b>	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
<b>Financial assets at FVOCI</b>	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

#### Derecognition of financial assets

The Group derecognises a financial asset when:

- The contractual rights to the cash flows from the financial asset expire
- It transfers the rights to receive the contractual cash flows in a transaction in which either:
  - Substantially all of the risks and rewards of ownership of the financial asset are transferred
  - The Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset
- The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised

#### Initial recognition of financial liabilities

Financial liabilities not measured at FVTPL on initial recognition are measured at fair value less transaction costs that are incremental and directly attributable to the issue of the financial liability. Transaction costs of financial liabilities carried at FVTPL are expensed in profit or loss.

#### Subsequent measurement of financial liabilities

Fair value movements attributable to changes in the credit risk of a financial liability designated at FVTPL is recorded in other comprehensive income and not recycled to profit or loss. On derecognition of the financial liability, the amount included in other comprehensive income is reclassified to retained earnings. The balance of the fair value movement is recorded in profit or loss.

<b>Financial liabilities at amortised cost</b>	These liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign currency exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
<b>Financial liabilities at fair value through profit or loss</b>	These liabilities are subsequently measured at fair value. Net fair value gains and losses, including any interest expense are recognised in profit or loss.

#### Derecognition of financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## D: Financial assets and liabilities continued

### D1: Categories of financial instruments

The analysis of financial assets and liabilities into their categories as defined in IFRS 9 *Financial Instruments* is set out in the tables below. Assets and liabilities of a non-financial nature, or financial assets and liabilities that are specifically excluded from the scope of IFRS 9, are reflected in the non-financial assets and liabilities category.

Information about the methods and assumptions used in determining fair value is included in note D2.

At 31 December 2024 Rm	Separate				
	Total	Mandatorily fair value through profit or loss	Designated fair value through profit or loss	Amortised cost	Non-financial other assets and liabilities
<b>Assets</b>					
Loans and advances	821	–	–	821	–
Investments and securities	877 337	702 831	174 506	–	–
Trade, other receivables and other assets	9 601	–	–	6 076	3 525
Derivative financial instruments	4 942	4 942	–	–	–
Amount due by Group Companies	5 889	–	–	5 889	–
Cash and cash equivalents	12 621	–	–	12 621	–
<b>Total assets that include financial instruments</b>	<b>911 211</b>	<b>707 773</b>	<b>174 506</b>	<b>25 407</b>	<b>3 525</b>
Assets held for sale and distribution	3 981	3 981	–	–	–
Total other non-financial assets	21 821	–	–	–	21 821
<b>Total assets</b>	<b>937 013</b>	<b>711 754</b>	<b>174 506</b>	<b>25 407</b>	<b>25 346</b>
<b>Liabilities</b>					
Investment contract liabilities	250 394	–	250 394	–	–
Borrowed funds	9 957	–	9 957	–	–
Trade, other payables and other liabilities	41 126	–	–	37 740	3 386
Amount due to Group Companies	153	–	–	153	–
Derivative financial instruments	8 179	8 179	–	–	–
<b>Total liabilities that include financial instruments</b>	<b>309 809</b>	<b>8 179</b>	<b>260 351</b>	<b>37 893</b>	<b>3 386</b>
Total other non-financial liabilities	604 469	–	–	–	604 469
<b>Total liabilities</b>	<b>914 278</b>	<b>8 179</b>	<b>260 351</b>	<b>37 893</b>	<b>607 855</b>

At 31 December 2023 <sup>1</sup> Rm	Separate				
	Total	Mandatorily fair value through profit or loss	Designated fair value through profit or loss	Amortised cost	Non-financial other assets and liabilities
<b>Assets</b>					
Loans and advances	280	–	–	280	–
Investments and securities	829 653	676 086	153 283	284	–
Trade, other receivables and other assets <sup>2</sup>	9 009	–	–	7 311	1 698
Derivative financial instruments	8 099	8 099	–	–	–
Amounts due by Group Companies	5 431	–	–	5 431	–
Cash and cash equivalents	10 727	–	–	10 727	–
<b>Total assets that include financial instruments</b>	<b>863 199</b>	<b>684 185</b>	<b>153 283</b>	<b>24 033</b>	<b>1 698</b>
Total other non-financial assets	19 305	–	–	–	19 305
<b>Total assets</b>	<b>882 504</b>	<b>684 185</b>	<b>153 283</b>	<b>24 033</b>	<b>21 003</b>
<b>Liabilities</b>					
Investment contract liabilities	226 262	–	226 025	237	–
Borrowed funds	10 486	–	10 486	–	–
Trade, other payables and other liabilities <sup>2</sup>	45 581	–	–	42 340	3 241
Amounts due to Group Companies	465	–	–	465	–
Derivative financial instruments	11 473	11 473	–	–	–
<b>Total liabilities that include financial instruments</b>	<b>294 267</b>	<b>11 473</b>	<b>236 511</b>	<b>43 042</b>	<b>3 241</b>
Total other non-financial liabilities	563 133	–	–	–	563 133
<b>Total liabilities</b>	<b>857 400</b>	<b>11 473</b>	<b>236 511</b>	<b>43 042</b>	<b>566 374</b>

<sup>1</sup> Insurance contract liabilities of R557 618 million and reinsurance contract liabilities of R34 million have been disclosed in Total other non-financial liabilities respectively

<sup>2</sup> Refer to note I7 for details in relation to the restatement due to a prior period error

Consolidated					
At 31 December 2024 Rm	Total	Mandatorily fair value through profit or loss	Designated fair value through profit or loss	Amortised cost	Non- financial other assets and liabilities
<b>Assets</b>					
Loans and advances	976	–	–	976	–
Investments and securities	949 964	774 957	175 007	–	–
Trade, other receivables and other assets	38 823	–	–	35 578	3 245
Derivative financial instruments	4 965	4 965	–	–	–
Amount due by Group Companies	3 208	–	–	3 208	–
Cash and cash equivalents	21 925	–	–	21 925	–
<b>Total assets that include financial instruments</b>	<b>1 019 861</b>	<b>779 922</b>	<b>175 007</b>	<b>61 687</b>	<b>3 245</b>
Assets held for sale and distribution	9 148	–	–	368	8 780
Total other non-financial assets	54 165	–	–	–	54 165
<b>Total assets</b>	<b>1 083 174</b>	<b>779 922</b>	<b>175 007</b>	<b>62 055</b>	<b>66 190</b>
<b>Liabilities</b>					
Investment contract liabilities	253 384	–	253 384	–	–
Third-party interest in consolidated funds	100 942	–	100 942	–	–
Borrowed funds	9 957	–	9 957	–	–
Trade, other payables and other liabilities	84 386	–	12 821	67 770	3 795
Amount due to Group Companies	153	–	–	153	–
Derivative financial instruments	8 257	8 257	–	–	–
<b>Total liabilities that include financial instruments</b>	<b>457 079</b>	<b>8 257</b>	<b>377 104</b>	<b>67 923</b>	<b>3 795</b>
Liabilities held for sale and distribution	1 674	–	–	1 265	409
Total other non-financial liabilities	605 986	–	–	–	605 986
<b>Total liabilities</b>	<b>1 064 739</b>	<b>8 257</b>	<b>377 104</b>	<b>69 188</b>	<b>610 190</b>

Consolidated					
At 31 December 2023 <sup>1</sup> Rm	Total	Mandatorily fair value through profit or loss	Designated fair value through profit or loss	Amortised cost	Non- financial other assets and liabilities
<b>Assets</b>					
Loans and advances	630	–	–	630	–
Investments and securities	887 918	644 036	243 598	284	–
Trade, other receivables and other assets <sup>2</sup>	42 255	–	–	40 052	2 203
Derivative financial instruments	8 193	8 193	–	–	–
Amounts due by Group Companies	2 952	–	–	2 952	–
Cash and cash equivalents <sup>2</sup>	21 663	–	–	21 663	–
<b>Total assets that include financial instruments</b>	<b>963 611</b>	<b>652 229</b>	<b>243 598</b>	<b>65 581</b>	<b>2 203</b>
Total other non-financial assets <sup>2</sup>	60 341	–	–	–	60 341
<b>Total assets</b>	<b>1 023 952</b>	<b>652 229</b>	<b>243 598</b>	<b>65 581</b>	<b>62 544</b>
<b>Liabilities</b>					
Investment contract liabilities	229 182	–	228 945	237	–
Third-party interest in consolidated funds	96 439	–	96 439	–	–
Borrowed funds	10 486	–	10 486	–	–
Trade, other payables and other liabilities <sup>2</sup>	89 383	–	9 586	74 743	5 054
Amounts due to Group Companies	466	–	–	466	–
Derivative financial instruments	11 498	11 498	–	–	–
<b>Total liabilities that include financial instruments</b>	<b>437 454</b>	<b>11 498</b>	<b>345 456</b>	<b>75 446</b>	<b>5 054</b>
Total other non-financial liabilities	564 901	–	–	–	564 901
<b>Total liabilities</b>	<b>1 002 355</b>	<b>11 498</b>	<b>345 456</b>	<b>75 446</b>	<b>569 955</b>

<sup>1</sup> Investments in associated undertakings and joint ventures of R729 million, insurance contract liabilities of R557 779 million and reinsurance contract liabilities of R598 million have been disclosed in Total other non-financial assets and Total other non-financial liabilities respectively

<sup>2</sup> Refer to note 17 for details in relation to the restatement due to a prior period error

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## D: Financial assets and liabilities continued

### D2: Fair values of financial assets and liabilities

The description of the determination of fair value and the fair value hierarchies of financial assets and liabilities described in this section applies to financial assets and liabilities for all the Group's businesses.

#### (a) Determination of fair value

The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset or liability is not active, or quoted prices cannot be obtained without undue effort, another valuation technique is used.

In general, the following inputs are taken into account when evaluating the fair value of financial instruments:

- Assessing whether instruments are trading with sufficient frequency and volume, that they can be considered liquid
- The inclusion of a measure of the counterparties' non-performance risk in the fair-value measurement of loans and advances, which involves the modelling of dynamic credit spreads
- The inclusion of credit valuation adjustment and debit valuation adjustment in the fair-value measurement of derivative instruments
- The inclusion of own credit risk in the calculation of the fair value of financial liabilities

There have been no significant changes in the valuation techniques applied when valuing financial instruments. The general principles applied to those instruments measured at fair value are outlined below:

#### Loans and advances

Loans and advances include mortgage loans, other asset-based loans, including collateralised debt obligations, and other secured and unsecured loans.

In the absence of an observable market for these instruments, the fair value is determined by using internally developed models that are specific to the instrument and that incorporate all available observable inputs. These models involve discounting the contractual cash flows by using a credit-adjusted zero-coupon rate.

#### Investments and securities

Investments and securities include government and government-guaranteed securities, listed and unlisted debt securities, preference shares and debentures, listed and unlisted equity securities, listed and unlisted pooled investments (see below), short-term funds and securities treated as investments, and certain other securities.

Pooled investments represent the Group's holdings of shares/units in open-ended investment companies, unit trusts, mutual funds and similar investment vehicles. Pooled investments are recognised at fair value. The fair values of pooled investments are based on widely published prices that are regularly updated or models based on the market prices of investments held in the underlying pooled investment funds.

Other investments and securities that are recognised at fair value are measured at observable market prices where available. In the absence of observable market prices, these investments and securities are fair valued utilising one or more of the following techniques: discounted cash flows, the application of an EBITDA multiple or any other relevant technique.

#### Investments in associated undertakings and joint ventures held by investment-linked insurance funds and venture capital divisions

Investments in associated undertakings and joint ventures are valued using appropriate valuation techniques. These techniques may include price earnings multiples, discounted cash flows or the adjusted value of similar completed transactions.

#### Derivative financial instruments

The fair value of derivatives is determined with reference to the exchange traded prices of the specific instruments. In situations where the derivatives are traded over the counter the fair value of the instruments is determined by using the discounted cash flows or any other relevant technique.

#### Investment contract liabilities

The fair value of the investment contract liabilities is determined with reference to the fair value of the underlying funds that are held by the Group.

#### Third-party interest in consolidation of funds

Third-party interests in consolidation of funds are measured at the attributable fair value of the net assets of each fund.

#### Borrowed funds

The fair values of amounts included in borrowed funds are based on quoted market prices at the reporting date where applicable, or by reference to quoted prices of similar instruments.

#### (b) Other financial assets and liabilities

The fair values of other financial assets and liabilities (comprising cash and cash equivalents; cash with central banks; trade, other receivables and other assets; and trade, other payables, other liabilities and advances due to and from Group companies) reasonably approximate their carrying amounts as included in the statement of financial position as they are short term in nature or re-priced to current market rates frequently.

(c) **Fair value hierarchy**

Fair values are determined according to the following hierarchy:

Description of hierarchy	Types of instruments classified in the respective levels
<b>Level 1</b> – quoted market prices: financial assets and liabilities with quoted prices for identical instruments in active markets.	Listed equity securities, listed government securities and other listed debt securities and similar instruments that are actively traded, actively traded pooled investments, listed borrowed funds and reinsurers' share of policyholder liabilities.
<b>Level 2</b> – valuation techniques using observable inputs: financial assets and liabilities with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial assets and liabilities valued using models where all significant inputs are observable.	Unlisted equity and debt securities where the valuation is based on models involving no significant unobservable data, with a majority determined with reference to observable prices. Certain loans and advances, certain privately placed debt instruments, third-party interests in consolidated funds and investment contract liabilities.
<b>Level 3</b> – valuation techniques using significant unobservable inputs: financial assets and liabilities valued using valuation techniques where one or more significant inputs are unobservable.	Unlisted equity and securities with significant unobservable inputs, securities where the market is not considered sufficiently active, including certain inactive pooled investments, and derivatives embedded in certain portfolios of insurance contracts where the derivative is not closely related to the host contract and the valuation contains significant unobservable inputs.

The judgement as to whether a market is active may include, for example, consideration of factors such as the magnitude and frequency of trading activity, the availability of prices and the size of bid/offer spreads. In inactive markets, obtaining assurance that the transaction price provides evidence of fair value or determining the adjustments to transaction prices that are necessary to measure the fair value of the asset or liability requires additional work during the valuation process.

All businesses have significant processes in place to perform reviews of the appropriateness of the valuation of Level 3 instruments.

The majority of valuation techniques employ only observable data and so the reliability of the fair value measurement is high. However, certain financial assets and liabilities are valued on the basis of valuation techniques that feature one or more significant inputs that are unobservable and, for them, the derivation of fair value is more judgemental. A financial asset or liability in its entirety is classified as valued using significant unobservable inputs if a significant proportion of that asset or liability's carrying amount is driven by unobservable inputs.

In this context, 'unobservable' means that there is little or no current market data available for which to determine the price at which an arm's length transaction would be likely to occur. It generally does not mean that there is no market data available at all upon which to base a determination of fair value. Furthermore, in some cases the majority of the fair value derived from a valuation technique with significant unobservable data may be attributable to observable inputs.

Consequently, the effect of uncertainty in determining unobservable inputs will generally be restricted to uncertainty about the overall fair value of the asset or liability being measured.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## D: Financial assets and liabilities continued

### D3: Disclosure of financial assets and liabilities measured at fair value

#### (a) Financial assets and liabilities measured at fair value, classified according to fair value hierarchy

The table below presents a summary of the financial assets and liabilities that are measured at fair value in the consolidated statement of financial position according to their IFRS 9 classification. The most material financial asset measured at fair value relates to investments and securities. The Group has exposure to listed and unlisted investments, with a large portion of these investments backing policyholder liabilities.

At 31 December 2024 Rm	Separate			
	Total	Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>				
Investments and securities	877 337	417 312	379 497	80 528
Derivative financial instruments – assets	4 942	44	4 898	–
Assets held for sale (refer to note G9)	3 981	–	–	3 981
<b>Total financial assets measured at fair value</b>	<b>886 260</b>	<b>417 356</b>	<b>384 395</b>	<b>84 509</b>
<b>Financial liabilities measured at fair value</b>				
Investment contract liabilities	250 394	–	250 394	–
Borrowed funds	9 957	–	9 957	–
Derivative financial instruments – liabilities	8 179	306	7 873	–
<b>Total financial liabilities measured at fair value</b>	<b>268 530</b>	<b>306</b>	<b>268 224</b>	<b>–</b>

At 31 December 2023 Rm	Separate			
	Total	Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>				
Investments and securities	829 369	403 198	349 789	76 382
Derivative financial instruments – assets	8 099	66	8 033	–
<b>Total financial assets measured at fair value</b>	<b>837 468</b>	<b>403 264</b>	<b>357 822</b>	<b>76 382</b>
<b>Financial liabilities measured at fair value</b>				
Investment contract liabilities	226 025	–	226 025	–
Borrowed funds	10 486	–	10 486	–
Derivative financial instruments – liabilities	11 473	95	11 378	–
<b>Total financial liabilities measured at fair value</b>	<b>247 984</b>	<b>95</b>	<b>247 889</b>	<b>–</b>

At 31 December 2024 Rm	Consolidated			
	Total	Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>				
Investments and securities	949 964	499 893	393 705	56 366
Derivative financial instruments – assets	4 965	44	4 921	–
<b>Total financial assets measured at fair value</b>	<b>954 929</b>	<b>499 937</b>	<b>398 626</b>	<b>56 366</b>
<b>Financial liabilities measured at fair value</b>				
Investment contract liabilities	253 384	–	253 384	–
Third-party interests in consolidated funds	100 942	–	100 942	–
Borrowed funds	9 957	–	9 957	–
Other liabilities	12 821	–	12 821	–
Derivative financial instruments – liabilities	8 257	306	7 951	–
<b>Total financial liabilities measured at fair value</b>	<b>385 361</b>	<b>306</b>	<b>385 055</b>	<b>–</b>

At 31 December 2023 Rm	Consolidated			
	Total	Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>				
Investments and securities <sup>1</sup>	887 634	485 639	359 905	42 090
Derivative financial instruments – assets	8 193	66	8 127	–
<b>Total financial assets measured at fair value</b>	<b>895 827</b>	<b>485 705</b>	<b>368 032</b>	<b>42 090</b>
<b>Financial liabilities measured at fair value</b>				
Investment contract liabilities	228 945	–	228 945	–
Third-party interests in consolidated funds	96 439	–	96 439	–
Borrowed funds	10 486	–	10 486	–
Other liabilities	9 586	–	9 586	–
Derivative financial instruments – liabilities	11 498	95	11 403	–
<b>Total financial liabilities measured at fair value</b>	<b>356 954</b>	<b>95</b>	<b>356 859</b>	<b>–</b>

<sup>1</sup> In 2023, unit trust funds were incorrectly included in level 1 investments and securities. The amount (R4 102 million) has been reclassified to level 2 as the fair value on investments and securities is derived from valuation techniques based on observable inputs

### Level 2 investment and securities

Level 2 assets comprise mainly of pooled investments that are not listed on an exchange, but are valued using market observable prices. Pooled investments represent the Group's holdings of shares or units in open-ended investment companies, unit trusts, mutual funds and similar investment vehicles which are not consolidated.

Structured notes and other derivatives are generally valued using option pricing models. For structured notes and other derivatives, principal assumptions concern the future volatility of asset values and the future correlation between asset values. For these valuations, estimates are based on available market data, which may include the use of a proxy method to derive a volatility or correlation from comparable assets for which market data is more readily available, and examination of historical levels.

Other assets classified as Level 2 include unlisted corporate debt, floating rate notes, money market instruments, listed debt securities that were not actively traded during the period and cash balances that are treated as short-term funds. The Level 2 instruments are valued based on discounted projected cash flows, relative yields, or cost basis with reference to market-related inputs. Main inputs used for Level 2 valuations include bond curves and interbank swap interest rate curves.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## D: Financial assets and liabilities continued

### D3: Disclosure of financial assets and liabilities measured at fair value continued

#### (b) Level 3 fair value hierarchy disclosure

The table below reconciles the opening balances of Level 3 financial assets and liabilities to closing balances at the end of the period.

Year ended 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
<b>Level 3 financial assets – Investments and securities</b>				
At beginning of the year	76 382	65 825	42 090	38 841
Total net fair value gains recognised in profit or loss	5 334	5 387	11 667	5 147
Purchases	7 797	11 143	5 890	9 088
Sales	(5 508)	(6 382)	(5 507)	(10 574)
Transfers in	562	405	562	405
Transfers out	(58)	–	(58)	–
Transfer to assets held for sale (refer to note G9)	(3 981)	–	–	–
Foreign exchange and other	(0)	4	1 722	(817)
<b>Total Level 3 financial assets</b>	<b>80 528</b>	<b>76 382</b>	<b>56 366</b>	<b>42 090</b>
Unrealised fair value gains relating to assets held at 31 December recognised in profit or loss	3 225	3 862	3 183	4 053

#### Transfer between fair value hierarchies

The Group deems a transfer to have occurred between Level 1 and Level 2 when an active, traded primary market ceases to exist for that financial instrument. During the year listed debt securities to the value of R1 364 million (2023: R1 532 million) were transferred from Level 1 to Level 2 as these securities were not actively traded on their primary exchange during the reporting period.

Similarly, the Group deems a transfer to have occurred between Level 2 and Level 1 when an instrument becomes actively traded on the primary market. During the period, listed bonds to the value of R1 826 million (2023: R7 859 million) were transferred from Level 2 to Level 1 as these securities were actively traded on their primary exchange during the reporting period. Pooled investments to the value of R5.9 million (2023: R10 million) were also transferred from Level 2 to Level 1 as markets in which these instruments trade, have become active. Pooled investments to the value of Rnil (2023: R589 million), unlisted debt securities of Rnil (2023: R53 million) and equity securities of Rnil (2023: R2 million) were also transferred from Level 1 to Level 2 as markets in which these instruments trade, have become less active.

A transfer between Level 2 and Level 3 occurs when any significant inputs used to determine fair value of the instrument become unobservable. At 31 December 2024, Level 3 assets comprised unlisted private company shares, unlisted debt securities and unlisted pooled investments mainly held by policyholder funds for which the majority of the investment risk is borne by policyholders. Unlisted debt securities of R562 million (2023: R405 million) were transferred from Level 2 to Level 3, reflecting the valuation technique used to value these investments as inputs became unobservable.

During the period, equity and debt securities to the value of R58 million (2023: Rnil) were transferred from Level 3 to Level 2, reflecting the valuation technique used to value these investments as the inputs became observable.

For all reporting periods, the Group did not have any Level 3 financial liabilities.

#### (c) Effect of changes in significant unobservable assumptions to reasonable possible alternatives

Favourable and unfavourable changes are determined on the basis of changes in the value of the financial asset or liability as a result of varying the levels of the unobservable parameters using statistical techniques. When parameters are not amenable to statistical analysis, quantification of uncertainty is judgemental.

When the fair value of a financial asset or liability is affected by more than one unobservable assumption, the figures shown reflect the most favourable or most unfavourable change from varying the assumptions individually.

The valuations of the private equity investments are performed on an asset-by-asset basis using a valuation methodology appropriate to the specific investment and in line with industry guidelines. In determining the valuation of the investment the principal assumption used is the valuation multiples applied to the main financial indicators (such as adjusted earnings). The source of these multiples may include multiples for comparable listed companies which have been adjusted for discounts for non-tradability and valuation multiples earned on transactions in comparable sectors.

The valuations of asset-backed securities are determined by discounted cash flow models that generate the expected value of the asset, incorporating benchmark information on factors such as prepayment patterns, default rates, loss severities and the historical performance of the underlying assets. The outputs from the models used are calibrated with reference to similar securities for which external market information is available.

The following table sets out information on significant unobservable inputs used in measuring financial instruments classified as Level 3.

Valuation technique	Significant unobservable input	Range of unobservable inputs	
		2024	2023
Discounted cash flow (DCF)	Risk adjusted discount rate:		
	– Equity risk premium	2.5% – 5.95%	2.5% – 5.95%
	– Liquidity discount rate	5.0% – 25.0%	5.0% – 20.0%
	– Nominal risk-free rate	3.8% – 17.64%	3.8% – 17.6%
	– Credit spreads	1.05% – 20.0%	1.6% – 15.0%
	– Internal rate of return	13.0% – 30.0%	13.0% – 30.0%
	– Preference dividend accrual rate	8.10% – 12.5%	8.64% – 12.5%
	– Marketability discount	6.3% – 25.0%	10.0% – 30.0%
Price earnings (PE) model/ multiple/embedded value	PE ratio/multiple	1.06 – 7.84 times	2 – 11.71 times
Sum of parts	PE ratio and DCF	See PE ratio and DCF	See PE ratio and DCF

There has been no change to the nature of the key unobservable inputs to Level 3 financial instruments and the interrelationship therein from those disclosed in the financial statements for the year ended 31 December 2024. For the purposes of the sensitivity analysis, the most significant unobservable input used to value Level 3 investments and securities has been increased/decreased by 10%. Although the variability of economic indicators may have been more severe during the current period than this, the use of this increment will afford the user the opportunity to assess the impact under multiple economic scenarios.

Rm	Separate					
	At 31 December 2024	At 31 December 2023	Valuation techniques used	Significant unobservable input	At 31 December 2024	At 31 December 2023
Types of financial instruments	Fair values				Fair value measurement sensitivity to unobservable inputs	
<b>Assets</b>						
Investments and securities	80 528	76 382	Discounted cash flows (DCF) Market comparable companies approach Adjusted net asset values	Equity risk premium Liquidity discount rate Nominal risk-free rate Credit spreads EBITDA multiples Price earnings ratios Internal rate of return	<b>Favourable:</b> 5 064 <b>Unfavourable:</b> 4 869	Favourable: 4 971 Unfavourable: 4 891

Rm	Consolidated					
	At 31 December 2024	At 31 December 2023	Valuation techniques used	Significant unobservable input	At 31 December 2024	At 31 December 2023
Types of financial instruments	Fair values				Fair value measurement sensitivity to unobservable inputs	
<b>Assets</b>						
Investments and securities	56 366	42 090	Discounted cash flows (DCF) Market comparable companies approach Adjusted net asset values	Equity risk premium Liquidity discount rate Nominal risk-free rate Credit spreads EBITDA multiples Price earnings ratios Internal rate of return	<b>Favourable:</b> 3 237 <b>Unfavourable:</b> 3 043	Favourable: 3 090 Unfavourable: 3 007

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## D: Financial assets and liabilities continued

D3: Disclosure of financial assets and liabilities measured at fair value continued

### (c) Effect of changes in significant unobservable assumptions to reasonable possible alternatives continued

The table below shows the sensitivity of the fair value of investments and securities per type of instrument at 31 December:

Rm			Separate				
	2024	2023	2024	2023	Sensitivities		
Types of financial instruments	Fair values		Most significant unobservable input	Favourable impact	Unfavourable impact	Favourable impact	Unfavourable impact
Investment in subsidiaries, associated undertakings and joint ventures	26 336	28 417	Price earnings ratio/multiple Price book value multiple	1 581	1 580	1 885	1 887
Debt securities, preference shares and debentures	4 139	4 610	Discount rate Credit spreads	33	31	34	34
Equity securities	6 227	4 778	Price earnings ratio/multiple Marketability discount rate	626	604	406	397
Pooled investments and other	43 826	38 577	Net asset value of underlying investments	2 824	2 654	2 646	2 573
<b>Total</b>	<b>80 528</b>	<b>76 382</b>		<b>5 064</b>	<b>4 869</b>	<b>4 971</b>	<b>4 891</b>

Rm			Consolidated				
	2024	2023	2024	2023	Sensitivities		
Types of financial instruments	Fair values		Most significant unobservable input	Favourable impact	Unfavourable impact	Favourable impact	Unfavourable impact
Debt securities, preference shares and debentures	4 699	5 168	Discount rate Credit spreads	33	31	34	34
Equity securities	6 805	5 555	Price earnings ratio/multiple Marketability discount rate	626	604	406	397
Pooled investments and other	44 862	31 367	Net asset value of underlying investments	2 578	2 408	2 650	2 576
<b>Total</b>	<b>56 366</b>	<b>42 090</b>		<b>3 237</b>	<b>3 043</b>	<b>3 090</b>	<b>3 007</b>

Fair value gains of R5 334 million (2023: R5 387 million) (separate) and fair value gains of R11 667 million (2023: R5 147 million) (consolidated) were recognised on Level 3 assets during the year. The gains are attributable to the approach followed in performing the valuations due to the low level of volatility with respect to economic outlook and due to higher comparable multiples.

## D4: Financial instruments designated as fair value through profit or loss

Financial instruments have been classified as designated as fair value through profit and loss where the Group has satisfied the criteria as described in the accounting policies (refer to note D1). Fair value movements on financial assets designated at fair value through profit or loss is recognised in investment return in the consolidated income statement.

Where the business model of a portfolio met the definition of amortised cost or FVOCI, the Group elected to designate the portfolio at FVTPL. This was done to eliminate a mismatch between the valuation of the investment assets and the valuation of the policyholder liability. The policyholder liability is valued at fair value through profit or loss and hence the assets backing the policyholder liability should also be at fair value through profit or loss.

Designation of instruments as fair value through profit or loss, is consistent with the Group's documented risk management strategy and investment mandates. The fair value of the instruments is managed and reviewed on a regular basis by the risk and investment functions of the Group. The risk of the portfolio is measured and monitored on a fair-value basis.

Certain borrowed funds that would otherwise be categorised as financial liabilities at amortised cost under IFRS 9, have been designated as fair value through profit or loss. Information relating to the change in fair value of these items as it relates to credit risk is shown in the table below.

Rm	Separate and consolidated			
	Financial liabilities where the change to own credit risk is recognised in OCI			
	Fair value	Current financial year	Cumulative	Contractual maturity amount
<b>Borrowed funds at 31 December 2024</b>	<b>9 957</b>	<b>8</b>	<b>387</b>	<b>9 883</b>
Borrowed funds at 31 December 2023	10 486	2	381	10 383

The fair values of other categories of financial liabilities designated as fair value through profit or loss do not change significantly in respect of credit risk.

The change in fair value due to credit risk of financial liabilities designated at fair value through profit or loss has been determined as the difference between fair values determined using a liability curve (adjusted for credit) and a risk-free liability curve. This difference is cross-checked to market-related data on credit spreads, where available. The basis for not using credit default swaps to determine the change in fair value due to credit risk is the unavailability of reliable market-priced instruments.

#### D5: Fair value hierarchy for assets and liabilities not measured at fair value

Certain financial instruments of the Group are not carried at fair value, principally investments and securities, and certain borrowed funds and other financial assets and financial liabilities that are measured at amortised cost. The calculation of the fair value of these financial instruments represents the Group's best estimate of the value at which these financial assets could be exchanged, or financial liabilities transferred, between market participants at the measurement date.

The Group's estimate of fair value does not necessarily represent the amount it would be able to realise on the sale of the asset or transfer of the financial liability in an involuntary liquidation or distressed sale. More information on financial assets measured at amortised cost can be found in note E1.5. The fair value of these assets approximates its carrying value.

The table below shows the fair value hierarchy for those assets not measured as fair value. Additional information regarding these and other financial instruments not carried at fair value is provided in the narrative following the table.

At 31 December 2024 Rm	Separate				
	Carrying value	Fair value	Fair value hierarchy		
Level 1			Level 2	Level 3	
<b>Financial assets</b>					
Investments and securities	-	-	-	-	-
<b>Financial liabilities</b>					
Investment contract liabilities	-	-	-	-	-

At 31 December 2023 Rm	Separate				
	Carrying value	Fair value	Fair value hierarchy		
Level 1			Level 2	Level 3	
<b>Financial assets</b>					
Investments and securities	284	284	-	284	-
<b>Financial liabilities</b>					
Investment contract liabilities	237	237	-	237	-

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## D: Financial assets and liabilities continued

### D5: Fair value hierarchy for assets and liabilities not measured at fair value continued

At 31 December 2024 Rm	Consolidated				
	Carrying value	Fair value	Fair value hierarchy		
			Level 1	Level 2	Level 3
<b>Financial assets</b>					
Investments and securities	-	-	-	-	-
<b>Financial liabilities</b>					
Investment contract liabilities	-	-	-	-	-

At 31 December 2023 Rm	Consolidated				
	Carrying value	Fair value	Fair value hierarchy		
			Level 1	Level 2	Level 3
<b>Financial assets</b>					
Investments and securities	284	284	-	284	-
<b>Financial liabilities</b>					
Investment contract liabilities	237	237	-	237	-

For trade, other receivables and other assets, cash and cash equivalents and trade, other payables and other liabilities, the carrying amount approximates fair value due to the short-term nature of these balances.

Loans and advances principally comprise variable rate financial assets. The interest rates on these variable rate instruments are adjusted when the applicable benchmark interest rates change and, therefore, the carrying amount approximates fair value.

For amounts due by/to Group companies, the carrying amount approximates fair value.

The table below displays the Group's primary valuation techniques used in determining the fair value of its financial assets and financial liabilities:

	Valuation technique	Significant inputs
<b>Financial assets</b>		
Investments and securities	Discounted cash flow model	Yield curve
Loans and advances	Discounted cash flow model	Yield curve
Amounts due by Group companies	Discounted cash flow model	Yield curve
<b>Financial liabilities</b>		
Investment contract liabilities	Discounted cash flow model	Spot curve
Borrowed funds	Discounted cash flow model	Yield curve
Amounts due to Group companies	Discounted cash flow model	Yield curve

### D6: Master netting or similar agreements

The Group offsets financial assets and liabilities in the consolidated statement of financial position when it has a legally enforceable right to do so and intends to settle on a net basis simultaneously. Certain master netting agreements do not provide the Group with the current legally enforceable right to offset the instruments.

The majority of these transactions are governed by the principles of International Swaps and Derivatives Association or similar type of agreements. These agreements aim to protect the parties in the event of default.

At 31 December 2024 Rm	Separate				
	Gross amount of financial instrument	Amounts offset in the statement of financial position	Net amounts of financial instruments presented in the statement of financial position	Amounts that may be netted off on the occurrence of a future event <sup>1</sup>	Position not available to be offset
<b>Financial assets</b>					
Derivative financial instruments – assets	4 942	-	4 942	(4 357)	585
<b>Financial liabilities</b>					
Derivative financial instruments – liabilities	8 179	-	8 179	(4 357)	3 822

<sup>1</sup> This represents the amounts that could be offset in the event of default and includes collateral received/pledged at the reporting date. These arrangements are typically governed by master netting and collateral arrangements. Details of the Group's security lending arrangements can be found in note E1

At 31 December 2023 Rm	Gross amount of financial instrument	Amounts offset in the statement of financial position	Separate	Amounts that may be netted off on the occurrence of a future event <sup>1</sup>	Position not available to be offset
			Net amounts of financial instruments presented in the statement of financial position		
<b>Financial assets</b>					
Derivative financial instruments – assets	8 099	–	8 099	(7 530)	569
<b>Financial liabilities</b>					
Derivative financial instruments – liabilities	11 473	–	11 473	(7 530)	3 943

<sup>1</sup> This represents the amounts that could be offset in the event of default and includes collateral received/pledged at the reporting date. These arrangements are typically governed by master netting and collateral arrangements. Details of the Group's security lending arrangements can be found in note E1

At 31 December 2024 Rm	Consolidated				
	Gross amount of financial instrument	Amounts offset in the statement of financial position	Net amounts of financial instruments presented in the statement of financial position	Amounts that may be netted off on the occurrence of a future event <sup>1</sup>	Position not available to be offset
<b>Financial assets</b>					
Derivative financial instruments – assets	4 965	–	4 965	(4 357)	608
<b>Financial liabilities</b>					
Derivative financial instruments – liabilities	8 257	–	8 257	(4 357)	3 900

<sup>1</sup> This represents the amounts that could be offset in the event of default and includes collateral received/pledged at the reporting date. These arrangements are typically governed by master netting and collateral arrangements. Details of the Group's security lending arrangements can be found in note E1

At 31 December 2023 Rm	Consolidated				
	Gross amount of financial instrument	Amounts offset in the statement of financial position	Net amounts of financial instruments presented in the statement of financial position	Amounts that may be netted off on the occurrence of a future event <sup>1</sup>	Position not available to be offset
<b>Financial assets</b>					
Derivative financial instruments – assets	8 193	–	8 193	(7 530)	663
<b>Financial liabilities</b>					
Derivative financial instruments – liabilities	11 498	–	11 498	(7 530)	3 968

<sup>1</sup> This represents the amounts that could be offset in the event of default and includes collateral received/pledged at the reporting date. These arrangements are typically governed by master netting and collateral arrangements. Details of the Group's security lending arrangements can be found in note E1

Cash and bond collateral amounts not offset against derivative assets and liabilities for separate and consolidated in the statement of financial position are R2 395 million (2023: R3 001 million).

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## E: Financial risk and capital management

The Group is exposed to financial risk through its financial assets, financial liabilities (investment contracts, customer deposits and borrowings), reinsurance assets and insurance liabilities. The key focus of financial risk management for the Group is ensuring that the proceeds from its financial assets are sufficient to fund the obligations arising from its insurance. The most important components of financial risk are credit risk, market risk (arising from changes in equity, bond prices, interest and foreign exchange rates) and liquidity risk.

The Board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of directors has established the Board Risk committee (BRC), which is responsible for developing and monitoring the Group's risk management policies through the Group Risk Control Function. The BRC reports regularly to the Board of directors on its activities.

The Group's risk preferences and appetite limits are set out as part of the Group strategy and describes specific risk preferences and metrics. This strategy is reviewed, at a minimum, annually by the Old Mutual Limited Board and subsidiary risk preferences and appetite limits may need to be adjusted accordingly.

The Group manages asset and liability mismatches within a Market Risk Management Framework together with a Liquidity Risk Management Framework, both approved by the Group Asset and Liability committee (ALCO). The aim of the frameworks is to ensure the identification of the applicable financial risks across the Group and provide guidance on the management (including mitigation) of the risks in line with the Group risk strategy.

The principal mitigation technique with regards to market risk (and asset/liability mismatches) for insurance contracts where shareholders bear the market risk is to match appropriate assets with the liabilities arising from these insurance contracts. Investment contracts (i.e. unit-linked and with-profit products) where policyholders require the market risk exposure are managed within a set mandate considering the risk profile of the relevant customer base. The shareholder investment portfolio is managed within a set mandate considering the Group risk strategy and the market risk exposure resulting from the chosen investments.

For insurance contracts defined as non-profit (i.e. benefits not linked to underlying asset performance) and those with embedded derivatives (i.e. benefits consist of upside participation and downside protection) the resultant market, credit and liquidity risk exposures are borne by the shareholder. The liabilities are translated into financial risk metrics and appropriate hedging strategies (which include derivative instruments) ensure that these exposures are managed within appetite. The notes below explain how the financial risks are managed using the categories utilised in the Market Risk Framework. Note F2 explains in more detail how insurance risk is managed.

## EI: Credit risk

Credit risk refers to the risk that a counterparty to a financial instrument will cause a financial loss to the Group by failing to discharge an obligation to repay cash or deliver another financial asset. Losses incurred due to credit risk include actual losses from defaults, declines in the market value of the Group's assets due to credit rating downgrades and/or spread widening, or impairments and write-downs. Credit risk in the Group arises from trading and investing activities.

The Group also has material exposure through its insurance businesses where credit risk arises predominantly through the management of credit assets backing non-profit contracts (mostly annuity products), but also through direct credit exposure through invested shareholder capital in assets such as fixed income securities, investment properties and retail lending.

The valuation of investment credit securities and associated credit spreads are driven by a variety of factors including general market conditions such as macroeconomic environment, supply and demand dynamics of investment credit, market liquidity as well as counter-specific information. Listed credit instruments are recorded at its market value as reflected on the exchange. The valuation policy for unlisted credit assets outlines the consideration given to general spread direction in the market and a hierarchy of inputs to be used in valuations including latest traded prices of similar assets and adjusted for instrument level specifics.

The Group is also exposed to concentration risk, which is the risk of default by counterparties or in investments in which it has taken large positions, or which are highly correlated. The Group maintains limits on the values of transactions with single counterparties or investments in specific sectors.

The Group is also exposed to credit risk which results indirectly from activities undertaken in the normal course of business such as premium payments, outsourcing contracts, reinsurance, exposure from material suppliers, lending of securities and lending to consumers.

### 1.1 Credit risk governance

Credit risk is monitored through the Old Mutual Limited Management Credit Risk Committee (MCRC), a sub-committee of the Old Mutual Limited Balance Sheet committee (BSC), to enable the Group Executive committee (Exco) to discharge their obligations in terms of the Group's aggregated credit risk appetites, exposures and risk management.

The scope and authority of the committee extends to all activities of the Group in which credit or counterparty credit risks are present. This includes credit risk arising through banking and insurance activities, encompassing both institutional and retail credit. The committee relies on the work and reporting of the credit committees in the various credit-related businesses across the Group and assists the Exco to set and monitor credit policy and credit risk in the Group.

## 1.2 Credit risk management

Credit risk is managed through the implementation of comprehensive policies, processes and controls to ensure a sound credit risk management environment with appropriate credit granting, administration, measurement, monitoring and reporting of credit risk exposure.

The key objective of the Group's Level 1 credit policy is to establish and define the overall framework for the consistent and unified governance, oversight, identification, measurement, monitoring, reporting and management of credit risk and counterparty credit risk across Old Mutual. The Level 1 credit policy sets out the high-level principles which must be applied in this regard. Boards of subsidiaries engaging in business activities that take on credit or counterparty credit risk, in any form (in non-profit funds, asset-based fees, surplus assets, banking and lending, investment guarantee reserves or debtors) regardless of whether it is for the shareholders or policyholders, are required to adopt this policy and ensure all the applicable requirements are implemented and complied with unless it is expressly agreed otherwise.

The Group's Level 2 credit policies and frameworks apply to all businesses taking on credit risk and counterparty credit risk. Level 2 credit policies and frameworks are split into two distinct portfolios: investment credit risk and banking credit risk. The Level 2 credit risk policies and frameworks set out detailed requirements which must be applied in investment management, banking and lending business units. In addition, these Level 2 policies set out the roles and responsibilities for governance committees, business units, functions and individuals involved in credit risk management processes throughout the Group for the business units and functions within the scope of the policy.

The Level 3 credit policies in the business units set out the detailed requirements for each business unit in alignment with the relevant Level 2 credit policy.

The Group manages its credit risk by having a comprehensive risk strategy for all risk types including credit risk, sound investment processes across single assets, single counterparties and aggregate credit portfolio, and comprehensive limit frameworks in place. The risk strategy includes a risk-return framework which sets the overall risk appetite and the risk appetite for specific risk types including credit risk.

Limit frameworks implemented places limits, where applicable, on single facilities, counterparties or groups of counterparties, industry segments, maturity bands and products and are based on both regulatory and economic risk considerations.

The Group ensures comprehensive mandates for the management of credit portfolios relating to insurance businesses are in place, including frameworks, policies and procedures to ensure the appropriate oversight of credit risk. The robust framework ensures a process for identifying, measuring, analysing, monitoring and reporting on risks, including a rigorous model risk governance framework and an independent group model validation capability. Credit risk management follows a rigorous operating model including governance committees, as well as group and business unit roles focused on the management and oversight of credit risk in accordance with Old Mutual Limited's Three Lines of Defence Model. The Group implements formalised and strict escalation processes relating to credit governance and the application, testing and monitoring of risk mitigation actions.

Each investment credit asset acquired follows a strict credit approval process, supported by a credit analysis considering both qualitative and quantitative aspects taking into account the risk return profile. This includes, *inter alia*, financial and industry analysis and risk assessments coupled with Environmental, Social and Governance analysis. Where applicable, external public credit ratings are considered and the credit quality of exposures are reviewed at least on an annual basis.

Risk monitoring ensures that the risk management approaches in place are effective. The Group employs an active risk monitoring approach both at Group level and business unit (BU) level based on the stated risk appetite and corresponding limits set to manage credit risk. The Group monitors credit risk at a portfolio level (aggregated over the BUs) while BUs monitor credit risk on, *inter alia*, individual deal, mandate, fund, product, customer segment, regional, counterparty, economic sector category levels, whichever is applicable, as well as on a BU portfolio level. Credit risk exposures are monitored and assessed using appropriate metrics, including trend analysis and communicated to the relevant governance and management committees. Credit risk is monitored against early warning thresholds and exposures are monitored against limits.

The ongoing monitoring and a proactive view of emerging risks are integrated in the granting of new credit. The credit risk appetite and limits are accordingly adjusted to manage the portfolio in view of actual and potential changes in macroeconomic conditions. Portfolio management actions exist in the investment credit asset environment to reduce the exposure to certain counterparties or industries based on this outlook.

Collateral is mainly used in the investment credit portfolios to mitigate the amount of credit risk taken. This is part of the process to ensure OMLACSA has appropriate legal protection in the event of default. Stricter loan covenant or higher levels or better quality collateral are required based on the counterparty and industry outlook.

Within the expected credit loss (ECL) process, the provision is monitored as part of the ongoing management of the underlying credit portfolio. This includes monitoring of the actual credit experience to the expected levels of the following components; default rates, recovery rates and movements between the different ECL stages. The impact of any changes in the ECL parameters is calculated and reported at business unit level. These impacts, together with all other credit risk metrics are reported at the management risk credit committee (a sub-committee of the Board) on a quarterly basis as part of a forward-looking approach to manage credit risk given emerging risks, opportunities and the defined risk appetite. The financial impact of the ECL provision on each business unit is included in the monthly finance reporting process.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## E: Financial risk and capital management continued

### E1: Credit risk continued

#### 1.3 Internal credit risk ratings

The Group uses internal credit risk ratings that reflect its assessment of the probability of default of individual counterparties in the investment businesses.

The assessment of credit risk across the Group relies on internally developed rating models to categorise exposures according to their probability of default and loss given default. The rating models comprise 28 rating categories (OM1 to OM28). These ratings are determined by incorporating both qualitative and quantitative information that builds on information from established rating agencies like Standard & Poor's and Moody's, supplemented with information specific to the counterparty and other external information that could affect the counterparty's behaviour.

At initial recognition, each risk exposure is allocated to the credit rating based on the available information about the counterparty. All exposures are subsequently monitored through general and tailored procedures. The data used to monitor these exposures include, but are not limited to, credit information from external rating agencies, changes in business and economic conditions, payment record and ageing, customer behaviour, affordability metrics, utilisation of credit limits, probability of default or any other applicable quantitative and qualitative factors.

#### 1.4 Concentrations of credit risk

A concentration of credit risk exists when a number of counterparties are located in a geographical region or are engaged in similar activities and have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

The Group manages its credit exposure based on the carrying value of the financial instruments and insurance and reinsurance assets.

#### 1.5 Exposure to credit risk: Financial assets at amortised cost and debt instruments at fair value through profit or loss

The Group holds collateral and other credit enhancements against certain of its credit exposures.

The following table sets out the maximum exposure to credit risk on financial assets within the scope of IFRS 9 impairment model, debt instruments measured at fair value through profit or loss outside of the scope of IFRS 9 impairment model:

At 31 December 2024 Rm	Separate		
	Total financial assets	Within IFRS 9 ECL allowance scope	Outside of IFRS 9 ECL allowance scope
Loans and advances	821	821	–
Investments and securities	877 337	–	877 337
Government and government-guaranteed securities	103 521	–	103 521
Other debt securities, preference shares and debentures	90 170	–	90 170
Short-term funds and securities treated as investments	41 465	–	41 465
Other <sup>1</sup>	642 181	–	642 181
Trade, other receivables and other assets	9 601	6 076	3 525
Derivative financial instruments – assets	4 942	–	4 942
Amount due by Group Companies	5 889	5 889	–
Cash and cash equivalents	12 621	12 621	–
Assets held for sale and distributions	3 981	–	3 981

<sup>1</sup> Other includes equity securities and pooled investments which are not exposed to credit risk

At 31 December 2023 Rm	Separate		
	Total financial assets	Within IFRS 9 ECL allowance scope	Outside of IFRS 9 ECL allowance scope
Loans and advances	280	280	–
Investments and securities	829 653	284	829 369
Government and government-guaranteed securities	103 190	–	103 190
Other debt securities, preference shares and debentures	84 167	284	83 883
Short-term funds and securities treated as investments	32 169	–	32 169
Other <sup>1</sup>	610 127	–	610 127
Trade, other receivables and other assets <sup>2</sup>	9 009	7 311	1 698
Derivative financial instruments – assets	8 099	–	8 099
Amount due by Group Companies	5 431	5 431	–
Cash and cash equivalents	10 727	10 727	–

<sup>1</sup> Other includes equity securities and pooled investments which are not exposed to credit risk

<sup>2</sup> Refer to note 17 for details in relation to the restatement due to prior period errors

At 31 December 2024 Rm	Consolidated		
	Total financial assets	Within IFRS 9 ECL allowance scope	Outside of IFRS 9 ECL allowance scope
Loans and advances	976	976	–
Investments and securities	949 964	–	949 964
Government and government-guaranteed securities	119 067	–	119 067
Other debt securities, preference shares and debentures	104 766	–	104 766
Short-term funds and securities treated as investments	49 767	–	49 767
Other <sup>1</sup>	676 364	–	676 364
Trade, other receivables and other assets	38 823	35 578	3 245
Derivative financial instruments – assets	4 965	–	4 965
Amount due by Group Companies	3 208	3 208	–
Cash and cash equivalents	21 925	21 925	–
Assets held for sale and distributions	9 148	368	8 780

<sup>1</sup> Other includes equity securities and pooled investments which are not exposed to credit risk

At 31 December 2023 Rm	Consolidated		
	Total financial assets	Within IFRS 9 ECL allowance scope	Outside of IFRS 9 ECL allowance scope
Loans and advances	630	630	–
Investments and securities	887 918	284	887 634
Government and government-guaranteed securities	116 506	–	116 506
Other debt securities, preference shares and debentures	93 230	284	92 946
Short-term funds and securities treated as investments	37 331	–	37 331
Other <sup>1</sup>	640 851	–	640 851
Trade, other receivables and other assets <sup>2</sup>	42 255	40 052	2 203
Derivative financial instruments – assets	8 193	–	8 193
Amount due by Group Companies	2 952	2 952	–
Cash and cash equivalents <sup>2</sup>	21 663	21 663	–

<sup>1</sup> Other includes equity securities and pooled investments which are not exposed to credit risk

<sup>2</sup> Refer to note 17 for details in relation to the restatement due to prior period errors

## 1.6 Collateral

### Financial collateral

The Group takes financial collateral to support exposures in its securities lending activities. Cash collateral is included as part of investments and securities. These transactions are entered into under terms and conditions that are standard industry practice to securities lending activities.

At 31 December 2024, the Group has cash collateral of R2 757 million (2023: R4 568 million).

The company conducts securities lending activities as lender in respect of some of its listed equities and bonds. The fair value of collateral accepted as security for securities lending arrangements amount to R10 084 million (2023: R6 007 million).

OMLACSA has placed government securities amounting to R22 672 million (2023: R29 229 million) as collateral for deposits received under repurchase agreements. The full amount can be sold or repledged.

These amounts represent assets that have been transferred, but do not qualify for derecognition under IFRS 9. The associated liabilities amounted to R22 519 million (2023: R28 653 million).

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## E: Financial risk and capital management continued

### E1: Credit risk continued

#### 1.7 Analysis of financial assets held at amortised cost

#### Separate

At 31 December 2024 Rm	Gross carrying amount	Allowance for ECL	Net amount	Allowance for ECL		
				Stage 1	Stage 2	Stage 3
Loans and advances	823	(2)	821	(2)	–	–
Investments and securities	–	–	–	–	–	–
Trade, other receivables and other assets	6 397	(321)	6 076	–	(321)	–
Amount due by Group Companies	5 889	–	5 889	–	–	–
Cash and cash equivalents	12 621	–	12 621	–	–	–
	<b>25 730</b>	<b>(323)</b>	<b>25 407</b>	<b>(2)</b>	<b>(321)</b>	<b>–</b>

#### Separate

At 31 December 2023 Rm	Gross carrying amount	Allowance for ECL	Net amount	Allowance for ECL		
				Stage 1	Stage 2	Stage 3
Loans and advances	282	(2)	280	(2)	–	–
Investments and securities	284	–	284	–	–	–
Trade, other receivables and other assets <sup>1</sup>	7 562	(251)	7 311	–	(251)	–
Amount due by Group Companies	5 431	–	5 431	–	–	–
Cash and cash equivalents	10 727	–	10 727	–	–	–
	<b>24 286</b>	<b>(253)</b>	<b>24 033</b>	<b>(2)</b>	<b>(251)</b>	<b>–</b>

<sup>1</sup> Refer to note 17 for details in relation to the restatement due to prior period errors

#### Consolidated

At 31 December 2024 Rm	Gross carrying amount	Allowance for ECL	Net amount	Allowance for ECL		
				Stage 1	Stage 2	Stage 3
Loans and advances	978	(2)	976	(2)	–	–
Investments and securities	–	–	–	–	–	–
Trade, other receivables and other assets	35 629	(51)	35 578	–	(51)	–
Amount due by Group Companies	3 208	–	3 208	–	–	–
Cash and cash equivalents	21 925	–	21 925	–	–	–
Assets held for sale and distributions	368	–	368	–	–	–
	<b>62 108</b>	<b>(53)</b>	<b>62 055</b>	<b>(2)</b>	<b>(51)</b>	<b>–</b>

#### Consolidated

At 31 December 2023 Rm	Gross carrying amount	Allowance for ECL	Net amount	Allowance for ECL		
				Stage 1	Stage 2	Stage 3
Loans and advances	632	(2)	630	(2)	–	–
Investments and securities	284	–	284	–	–	–
Trade, other receivables and other assets <sup>1</sup>	40 382	(330)	40 052	–	(330)	–
Amount due by Group Companies	2 952	–	2 952	–	–	–
Cash and cash equivalents <sup>1</sup>	21 663	–	21 663	–	–	–
	<b>65 913</b>	<b>(332)</b>	<b>65 581</b>	<b>(2)</b>	<b>(330)</b>	<b>–</b>

<sup>1</sup> Refer to note 17 for details in relation to the restatement due to prior period errors

The simplified approach for trade receivables has been applied, resulting in measuring the loss allowance at an amount equal to lifetime ECLs. The allowances have been displayed under Stage 2 as allowances within this stage are also calculated on a lifetime ECL basis.

## 1.8 Credit quality analysis

The following tables set out information about the credit quality of debt and similar securities according to their credit rating (Moody's, Standard and Poor's, or equivalent). These instruments are all measured at fair value and are therefore not in scope of ECL. The total carrying amounts represent the maximum exposure to credit risk at the reporting date:

At 31 December 2024 Rm	Separate						
	Loans and advances	Government securities	Other debt securities	Short-term funds	Derivative financial instruments – assets	Cash and cash equivalents	Total
Investment grade (AAA to BBB)	–	7 491	46 124	17 958	2 370	12 557	86 500
Sub-investment grade (BB and lower)	–	96 029	30 135	18 002	2 471	64	146 701
Not rated	821	1	13 911	5 505	101	–	20 339
<b>Total</b>	<b>821</b>	<b>103 521</b>	<b>90 170</b>	<b>41 465</b>	<b>4 942</b>	<b>12 621</b>	<b>253 540</b>

A 31 December 2023 Rm	Separate						
	Loans and advances	Government securities	Other debt securities	Short-term funds	Derivative financial instruments – assets	Cash and cash equivalents	Total
Investment grade (AAA to BBB)	–	1 930	39 403	9 723	3 177	10 704	64 937
Sub-investment grade (BB and lower)	–	101 160	34 279	16 798	4 872	23	157 132
Not rated	280	100	10 485	5 648	50	–	16 563
<b>Total</b>	<b>280</b>	<b>103 190</b>	<b>84 167</b>	<b>32 169</b>	<b>8 099</b>	<b>10 727</b>	<b>238 632</b>

At 31 December 2024 Rm	Consolidated						
	Loans and advances	Government securities	Other debt securities	Short-term funds	Derivative financial instruments – assets	Cash and cash equivalents	Total
Investment grade (AAA to BBB)	–	7 582	46 545	20 646	2 370	18 556	95 699
Sub-investment grade (BB and lower)	–	111 437	51 998	18 752	2 471	339	184 997
Not rated	976	48	6 223	10 369	124	3 030	20 770
<b>Total</b>	<b>976</b>	<b>119 067</b>	<b>104 766</b>	<b>49 767</b>	<b>4 965</b>	<b>21 925</b>	<b>301 466</b>

A 31 December 2023 Rm	Consolidated						
	Loans and advances	Government securities	Other debt securities	Short-term funds	Derivative financial instruments – assets	Cash and cash equivalents	Total
Investment grade (AAA to BBB)	–	1 929	42 454	9 723	3 233	19 527	76 866
Sub-investment grade (BB and lower)	–	114 476	42 090	21 945	4 878	98	183 487
Not rated <sup>1</sup>	630	101	8 686	5 663	82	2 038	17 200
<b>Total</b>	<b>630</b>	<b>116 506</b>	<b>93 230</b>	<b>37 331</b>	<b>8 193</b>	<b>21 663</b>	<b>277 553</b>

<sup>1</sup> Refer to note 17 for details in relation to the restatement due to prior period errors

### Reinsurance assets

Reinsurance treaties are only entered into with reinsurers who comply with local regulatory requirements and have an international or national credit rating of A- or better.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## E: Financial risk and capital management continued

### E2: Market risk

Market risk is the potential impact of unfavourable changes in foreign exchange rates, interest rates and equity prices on the financial position and financial performance of the Group. Market risk arises differently across the Group's businesses depending on the types of financial assets and liabilities held, which in turn is driven by the nature of the business activities.

The Group has developed risk policies which set out the practices which are used to monitor and manage market risk. These policies are cascaded to business units across the Group. Each of the business units has its own established set of policies, principles and governance processes to monitor and manage market risk within its individual businesses and in accordance with local regulatory requirements.

Market risk on policies where the terms are guaranteed in advance and the investment risk is carried by the shareholders (e.g. guaranteed non-profit annuities) are predominantly matched with suitably dated interest-bearing assets which minimises interest rate risk and ensures adequate asset and liability matching. Residual risk exposures are minimal and within risk appetite and, where applicable, absorbed by discretionary margins (e.g. savings products).

The Asset-liability Management (ALM) value chain for these products are generally as follows:

- Match interest rate risk with suitable assets – see more detail in note E2.2 Interest rate risk
- Manage the counterparty credit risk due to derivative trading with banks through suitable collateral- and margin-management processes
- Manage the liquidity risk resulting from the above collateral- and margin-management process by holding adequate sources of liquid assets which can serve as collateral (for more details see note E3 Liquidity risk)
- In order to generate liquidity, we might enter securitised short-term funding contracts to create cash liquidity from the matching assets – e.g. repurchase agreements (repos). These transactions require similar collateral processes to derivatives and would create similar collateral- and margin risk as described above (for more details see note E3 Liquidity risk)
- Cash raised from the above repo positions, introduce potential liquidity risk and more specifically repo roll risk; we manage this by holding sufficient liquidity to be able to step in and fund short-dated funding gaps where and when applicable (for more details see note E3 Liquidity risk)

Market risks on with-profit policies, where investment risk is shared between policyholders and shareholders, are minimised by appropriate bonus declaration practices and having suitable mandates for asset allocation (the stock selection and investment analysis process is supported by well-developed research functions). In addition, shareholder risk is further minimised through dynamically managed hedging strategies based on the risk attached to the various shareholder guarantees. Where residual risk exposures exist (specifically sensitivity to rate and equity volatility) adequate discretionary margins are held to absorb adverse market movements.

Market risk resulting from shareholder investments is managed through set asset allocation mandates in line with the Group risk strategy. For the South Africa shareholder-listed equity portfolio we aim to limit capital losses using a hedged equity strategy. The hedging strategy is executed primarily in the form of zero cost collars where the exposure to losses is limited to 5% – 15% of the investment value while underlying equities track the Capped SWIX total return Index.

The principal market risk arising in the Group's banking operations is interest rate risk on the banking book resulting from repricing and/or maturity mismatches between on and off-balance sheet components in all banking business. Governance structures are in place to achieve effective independent monitoring and management of market risk.

### 2.1 Currency translation risk

The Group has exposure to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of a change in foreign exchange rates.

The Company operates in Guernsey and Isle of Man through branches and in China through an associate. This creates an additional source of foreign currency translation risk which arises from the fact that the branches use US dollar and the joint venture the Chinese Yuan Renminbi as their functional currencies, whereas the functional currency of the Company is rand.

At 31 December 2024 Rm	Separate					
	ZAR	GBP	USD	EUR	Other	Total
<b>Assets</b>						
Reinsurance contract assets	3 280	–	–	–	–	3 280
Insurance contract assets	6 118	–	–	–	–	6 118
Loans and advances	821	–	–	–	–	821
Investments and securities	775 429	10 657	85 052	4 124	2 075	877 337
Amounts due by Group Companies	5 889	–	–	–	–	5 889
Trade, other receivables and other assets	8 814	–	787	–	–	9 601
Derivative financial instruments – assets	4 942	–	–	–	–	4 942
Cash and cash equivalents	11 412	196	848	118	47	12 621
Total assets that include financial instruments	816 705	10 853	86 687	4 242	2 122	920 609
Assets held for sale and distribution	3 981	–	–	–	–	3 981
Total non-financial assets	12 072	79	272	–	–	12 423
<b>Total assets</b>	<b>832 758</b>	<b>10 932</b>	<b>86 959</b>	<b>4 242</b>	<b>2 122</b>	<b>937 013</b>
<b>Liabilities</b>						
Reinsurance contract liabilities	3	–	–	–	–	3
Insurance contract liabilities	597 569	–	–	–	–	597 569
Investment contract liabilities	151 222	10 370	82 770	4 013	2 019	250 394
Borrowed funds	9 957	–	–	–	–	9 957
Amounts due to Group Companies	153	–	–	–	–	153
Trade, other payables and other liabilities	40 810	316	–	–	–	41 126
Derivative financial instruments – liabilities	8 179	–	–	–	–	8 179
Total liabilities that include financial instruments	807 893	10 686	82 770	4 013	2 019	907 381
Total non-financial liabilities	3 950	–	2 947	–	–	6 897
<b>Total liabilities</b>	<b>811 843</b>	<b>10 686</b>	<b>85 717</b>	<b>4 013</b>	<b>2 019</b>	<b>914 278</b>

At 31 December 2023 Rm	Separate					
	ZAR	GBP	USD	EUR	Other	Total
<b>Assets</b>						
Reinsurance contract assets	2 742	–	–	–	–	2 742
Insurance contract assets	4 577	–	–	–	–	4 577
Loans and advances	280	–	–	–	–	280
Investments and securities	740 873	10 578	71 756	4 198	2 248	829 653
Amounts due by Group Companies	5 431	–	–	–	–	5 431
Trade, other receivables and other assets <sup>1</sup>	8 879	–	130	–	–	9 009
Derivative financial instruments – assets	8 099	–	–	–	–	8 099
Cash and cash equivalents	9 281	321	908	165	52	10 727
Total assets that include financial instruments	780 162	10 899	72 794	4 363	2 300	870 518
Total non-financial assets	11 708	–	278	–	–	11 986
<b>Total assets</b>	<b>791 870</b>	<b>10 899</b>	<b>73 072</b>	<b>4 363</b>	<b>2 300</b>	<b>882 504</b>
<b>Liabilities</b>						
Reinsurance contract liabilities	34	–	–	–	–	34
Insurance contract liabilities	557 618	–	–	–	–	557 618
Investment contract liabilities	139 317	10 357	70 280	3 866	2 442	226 262
Borrowed funds	10 486	–	–	–	–	10 486
Amounts due to Group Companies	465	–	–	–	–	465
Trade, other payables and other liabilities <sup>1</sup>	44 887	53	596	45	–	45 581
Derivative financial instruments – liabilities	11 473	–	–	–	–	11 473
Total liabilities that include financial instruments	764 280	10 410	70 876	3 911	2 442	851 919
Total non-financial liabilities	3 580	1	1 900	–	–	5 481
<b>Total liabilities</b>	<b>767 860</b>	<b>10 411</b>	<b>72 776</b>	<b>3 911</b>	<b>2 442</b>	<b>857 400</b>

<sup>1</sup> Refer to note 17 for details in relation to the restatement due to prior period errors

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## E: Financial risk and capital management continued

### E2: Market risk continued

#### 2.1 Currency translation risk continued

		Consolidated					
At 31 December 2024		ZAR	GBP	USD	EUR	Other	Total
Rm							
<b>Assets</b>							
Reinsurance contract assets		3 396	–	–	–	–	3 396
Insurance contract assets		6 246	–	–	–	–	6 246
Loans and advances		976	–	–	–	–	976
Investments and securities		847 401	11 312	85 052	4 124	2 075	949 964
Amounts due by Group Companies		3 208	–	–	–	–	3 208
Trade, other receivables and other assets		37 768	–	789	89	177	38 823
Derivative financial instruments – assets		4 956	–	–	5	4	4 965
Cash and cash equivalents		20 309	243	913	327	133	21 925
Total assets that include financial instruments		924 260	11 555	86 754	4 545	2 389	1 029 503
Assets held for sale		9 148	–	–	–	–	9 148
Total non-financial assets		35 488	85	281	4 884	3 785	44 523
<b>Total assets</b>		<b>968 896</b>	<b>11 640</b>	<b>87 035</b>	<b>9 429</b>	<b>6 174</b>	<b>1 083 174</b>
<b>Liabilities</b>							
Reinsurance contract liabilities		584	–	–	–	–	584
Insurance contract liabilities		597 738	–	–	–	–	597 738
Investment contract liabilities		154 211	10 370	82 770	4 013	2 020	253 384
Third-party interest in consolidation of funds		100 942	–	–	–	–	100 942
Borrowed funds		9 957	–	–	–	–	9 957
Amounts due to Group Companies		153	–	–	–	–	153
Trade, other payables and other liabilities		77 901	533	997	2 823	2 132	84 386
Derivative financial instruments – liabilities		8 194	–	9	50	4	8 257
Total liabilities that include financial instruments		949 680	10 903	83 776	6 886	4 156	1 055 401
Liabilities held for sale		1 674	–	–	–	–	1 674
Total non-financial liabilities		4 282	5	2 949	234	194	7 664
<b>Total liabilities</b>		<b>955 636</b>	<b>10 908</b>	<b>86 725</b>	<b>7 120</b>	<b>4 350</b>	<b>1 064 739</b>

		Consolidated					
At 31 December 2023		ZAR	GBP	USD	EUR	Other	Total
Rm							
<b>Assets</b>							
Reinsurance contract assets		2 887	–	–	–	–	2 887
Insurance contract assets		4 738	–	–	–	–	4 738
Loans and advances		630	–	–	–	–	630
Investments and securities		798 845	10 874	71 756	4 195	2 248	887 918
Amounts due by Group Companies		2 952	–	–	–	–	2 952
Trade, other receivables and other assets <sup>1</sup>		41 847	57	133	62	156	42 255
Derivative financial instruments – assets		8 137	–	–	13	43	8 193
Cash and cash equivalents <sup>1</sup>		19 287	326	951	965	134	21 663
Total assets that include financial instruments		879 323	11 257	72 840	5 235	2 581	971 236
Total non-financial assets <sup>1</sup>		45 961	32	312	3 392	3 019	52 716
<b>Total assets</b>		<b>925 284</b>	<b>11 289</b>	<b>73 152</b>	<b>8 627</b>	<b>5 600</b>	<b>1 023 952</b>
<b>Liabilities</b>							
Reinsurance contract liabilities		598	–	–	–	–	598
Insurance contract liabilities		557 779	–	–	–	–	557 779
Investment contract liabilities		142 237	10 357	70 280	3 866	2 442	229 182
Third-party interest in consolidation of funds		96 439	–	–	–	–	96 439
Borrowed funds		10 486	–	–	–	–	10 486
Amounts due to Group Companies		466	–	–	–	–	466
Trade, other payables and other liabilities <sup>1</sup>		82 784	882	1 436	2 077	2 204	89 383
Derivative financial instruments – liabilities		11 488	–	10	–	–	11 498
Total liabilities that include financial instruments		902 277	11 239	71 726	5 943	4 646	995 831
Total non-financial liabilities		4 231	6	1 900	165	222	6 524
<b>Total liabilities</b>		<b>906 508</b>	<b>11 245</b>	<b>73 626</b>	<b>6 108</b>	<b>4 868</b>	<b>1 002 355</b>

<sup>1</sup> Refer to note I7 for details in relation to the restatement due to prior period errors

The Group may reduce currency translation risk through the use of currency swaps, currency borrowings and forward foreign exchange contracts.

## Sensitivity analysis

The following analysis is performed for reasonably possible movements in key variables, with all other variables held constant, showing the impact on, profit after tax, and equity due to changes in the fair value of currency-sensitive monetary assets and liabilities, including those relating to insurance and reinsurance contracts. The correlation of variables will have a significant effect in determining the ultimate impact of currency risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. The method used for deriving sensitivity information and significant variables did not change from the previous year:

Separate					
Rm	Change in exchange rate	Impact on profit after tax		Impact on equity	
		Strength-ening	Weakening	Strength-ening	Weakening
<b>At 31 December 2024</b>					
<b>GBP</b>	<b>10%</b>	<b>(24)</b>	<b>24</b>	<b>(24)</b>	<b>24</b>
<b>USD</b>	<b>10%</b>	<b>(124)</b>	<b>124</b>	<b>(124)</b>	<b>124</b>
At 31 December 2023					
GBP	10%	(49)	49	(49)	49
USD	10%	(30)	30	(30)	30

Consolidated					
Rm	Change in exchange rate	Impact on profit after tax		Impact on equity	
		Strength-ening	Weakening	Strength-ening	Weakening
<b>At 31 December 2024</b>					
<b>GBP</b>	<b>10%</b>	<b>(73)</b>	<b>73</b>	<b>(73)</b>	<b>73</b>
<b>USD</b>	<b>10%</b>	<b>(31)</b>	<b>31</b>	<b>(31)</b>	<b>31</b>
At 31 December 2023					
GBP	10%	(4)	4	(4)	4
USD	10%	47	(47)	47	(47)

## 2.2 Interest rate risk

Interest rate risk is the risk that fluctuating interest rates will unfavourably affect the Group's earnings and the value of its assets, liabilities and capital.

The Group has due regard to the nature of the liabilities and guarantees given to policyholders. Generally, the interest rate risk of such liabilities is managed by investing in fixed interest assets of similar duration.

For guaranteed annuities and protection products (life, funeral, disability and critical illness cover), the interest rate risk is managed by investing in fixed interest assets of varying terms, in order to hedge the liability's exposure to interest rate risk across the yield curve.

For products with embedded guarantees, investment guarantee reserves (IGRs) are calculated on a market-consistent basis. These IGRs are sensitive to movements in interest rates as well as the implied volatility of interest rates, with a reduction in interest rates and/or an increase in implied interest rate volatility increasing the reserves held. Economic hedging is largely in place to mitigate the impact of interest rate movements. A discretionary margin is also held for the potential ineffectiveness of such hedging strategies and for the movements in implied volatilities which are not hedged.

The Group has a policy of hedging the underlying items of insurance contracts with direct participation features by investing in appropriate assets. The fair value movement in underlying items of life savings contracts is therefore matched by equal and opposite movements in hedging assets. Consequently only the impact on the components of the liability other than the underlying items and financial instruments backing these reserves components is disclosed.

Shareholder capital is also exposed to interest rate risk due to fluctuations in the market value of government bonds within the shareholder funds. Interest rate risk also arises due to changes in the fair value of fixed rate debt when interest rates move, which is hedged using swaps.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## E: Financial risk and capital management continued

### E2: Market risk continued

#### 2.2 Interest rate risk continued

Changes in interest rates mainly affect profit or loss, and equity, net of tax as follows.

#### Profit or loss and equity

- Interest revenue and other finance costs on floating-rate financial instruments (assuming that interest rates had varied by 100 basis points during the year)
- Changes in the fair value of derivatives and fixed-rate financial instruments measured at FVTPL
- Changes in the fair value of underlying items of direct participating contracts recognised as insurance finance income or expenses
- Changes in the amount of the Group's share of the fair value of underlying items of onerous direct participating contracts
- Changes in fulfilment cash flows of onerous direct participating contracts arising from interest rate guarantees
- Insurance finance income or expenses recognised in profit or loss for participating and non-life contracts as a result of discounting future cash flows at a revised current rate
- The net effect of the risk mitigation option recognised in profit or loss

#### Sensitivity analysis

An analysis of the sensitivity of the Group's profit and loss and equity to a 1% increase or decrease in interest rates at the reporting date, assuming that all other variables remain constant, is presented below.

For the year ended 31 December 2024 Rm	Separate and consolidated			
	Profit or loss		Equity	
	Increase	Decrease	Increase	Decrease
<b>Life risk and annuities</b>				
Insurance contracts (net of reinsurance contracts)	3 981	(4 559)	3 981	(4 559)
Financial instruments	(3 753)	4 333	(3 753)	4 333
<b>Life savings</b>				
Insurance contracts (net of reinsurance contracts)	2	(14)	2	(14)
Financial instruments	(64)	77	(64)	77
<b>Shareholder funds</b>				
Financial instruments	(112)	123	(112)	123

For the year ended 31 December 2023 Rm	Separate and consolidated			
	Profit or loss		Equity	
	Increase	Decrease	Increase	Decrease
<b>Life risk and annuities</b>				
Insurance contracts (net of reinsurance contracts)	2 534	(3 371)	2 534	(3 371)
Financial instruments	(2 770)	3 204	(2 770)	3 204
<b>Life savings</b>				
Insurance contracts (net of reinsurance contracts)	33	(39)	33	(39)
Financial instruments	(83)	99	(83)	99
<b>Shareholder funds</b>				
Financial instruments	(131)	144	(131)	144

### Interbank offered rates (IBOR) reforms

Considering the global transition to alternative benchmark rates, the SARB has commenced the transition in South Africa from the Johannesburg Interbank Average Rate (JIBAR) benchmark to the South African Rand Overnight Index Average (ZARONIA). The Market Practitioners Group (MPG), formed by the SARB, advises and assists with interest rate benchmark reform in the South African financial markets. Individuals from the Group participate in various MPG workgroups, allowing consideration of the Group's interests and ensuring that the Group stays up to date with developments and planned timeframes of the reform project.

Broader stakeholder education and training regarding ZARONIA adoption and transition, and the impact thereof, is continuing within the Group to ensure broad-based understanding for purposes of implementation. The SARB's transition plan involves adoption in derivatives markets first, followed by broader market instruments, and finally, the conversion of legacy JIBAR positions to ZARONIA. The Group has launched projects for development towards operational and system readiness, to support transition as per the timelines which continue to be communicated by the SARB from time to time. Some project phases have been completed, some are in process, and some will commence in the near future. JIBAR rates are currently the only affected rates with regards to transition. The following instruments will be impacted:

- Non-derivative financial assets which comprise cash, cash equivalents, debt securities and fund deposits
- Non-derivative financial liabilities
- Derivatives

Based on current timelines provided by the SARB/MPG the expected transition date from JIBAR-based to ZARONIA-based financial instruments will likely only take place during 2025 and 2026. Impacts to the Group's risk management strategy are dependent on the pace of market adoption and liquidity build in the market.

### 2.3 Equity price risk

Equity price risk is the risk that fluctuating equity prices will unfavourably affect the Group's earnings and the value of its assets, liabilities and capital.

There is limited exposure to equity price risk in non-profit products as equity securities are generally not regarded as suitable to match such insurance obligations (where the main risk is interest rate risk).

Indirect shareholder exposure to equity price risk exists where fees earned on products (primarily smoothed bonus, with-profit annuities and unit-linked) are based on the underlying portfolio.

Shareholder capital is also exposed to equity price risk due to equity investments forming part of the Strategic Asset Allocation (or SAA) strategy. The exposure of South African shareholder capital investments to adverse movements in equity prices is mitigated to a large degree by the utilisation of equity hedging instruments.

For insurance contracts with embedded guarantees valued using the variable fee approach (VFA), the IGRs are calculated on a market-consistent basis that is sensitive to movements in equity prices as well as implied equity volatility, with a reduction in equity prices and/or an increase in implied equity volatility typically increasing the reserves held. Economic hedging is largely in place to mitigate the impact of interest rate movements and any hedge ineffectiveness is reflected in profit and loss. Where equity price risk is not hedged the impact of equity price movements on investment guarantee reserves would unlock the CSM and not impact profit or loss directly.

The Group has a policy of hedging the underlying items of insurance contracts with direct participation features by investing in appropriate assets. The fair value movement in underlying items of life savings contracts is therefore matched by equal and opposite movements in hedging assets. Consequently only the impact on the components of the liability other than the underlying items and financial instruments backing these reserves components is disclosed.

Changes in interest rates mainly affect profit or loss, and equity, net of tax as follows.

#### Profit or loss and equity

- Changes in the fair value of equity investments measured at FVTPL that are not underlying items
- Changes in the amount of the Group's share of the fair value of underlying items of onerous direct participating contracts
- Changes in fulfilment cash flows of onerous direct participating contracts arising from equity guarantees
- The net effect of the risk mitigation option recognised in profit or loss

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## E: Financial risk and capital management continued

### E2: Market risk continued

#### 2.3 Equity price risk continued

##### Sensitivity analysis

An analysis of the Group's sensitivity to a 5% increase or decrease in equity prices at the reporting date, assuming that all other variables remain constant, is presented below.

For the year ended 31 December 2024 Rm	Separate and consolidated			
	Profit or loss		Equity	
	Increase	Decrease	Increase	Decrease
<b>Life savings</b>				
Insurance contracts (net of reinsurance contracts)	75	(74)	75	(74)
Financial instruments	(4)	4	(4)	4
<b>Shareholder funds</b>				
Financial instruments	338	(381)	338	(381)

For the year ended 31 December 2023 Rm	Separate and consolidated			
	Profit or loss		Equity	
	Increase	Decrease	Increase	Decrease
<b>Life savings</b>				
Insurance contracts (net of reinsurance contracts)	76	(78)	76	(78)
Financial instruments	(9)	9	(9)	9
<b>Shareholder funds</b>				
Financial instruments	257	(303)	257	(303)

### E3: Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets. Financial assets that count as available liquidity include cash and money market accounts in holding companies, undrawn amounts in revolving credit facilities and dividends declared by subsidiaries. Financial assets are used to meet liquidity requirements that arise from central expenses, derivative margin and collateral calls, planned transactions, dividend declarations, subsidiary liquidity shortfalls (if any), capital support and external debt calls.

Subsidiaries are responsible for managing their own liquidity needs in line with the Group Liquidity Risk Policy. This allows the subsidiaries to withstand severe stress events while also taking into account any applicable local regulations. The work is overseen by the local subsidiary Company's Board, which for material subsidiaries includes Group representation. Liquidity is also held centrally to meet the liquidity demands of a listed holding company.

The Group liquidity position is monitored over a forecast period of 36 months. The Group's liquidity risk appetite is to maintain sufficient liquidity to withstand a 1-in-200 year stress event over a one-year period while meeting the demands of ongoing operations.

The primary sources of liquidity risk are:

- Within the Insurance businesses, where derivative instruments may be used for the purposes of hedging and efficient portfolio management. The largest exposure of this nature relates to annuity, embedded derivatives and risk product portfolios in OMLACSA. The derivative instruments give rise to collateral calls in a changing interest rate environment. These are managed by performing rigorous stress tests and ensuring adequate liquidity exists to cover potential collateral and margin calls
- At a holding company level (managed directly by the Group's central treasury function), where the key liquidity risks relate to the balance between remittances received from the businesses either by way of operations or through capital items, compared to central costs including debt funding and/or capital or liquidity demands of the underlying businesses

The above risks are mitigated by a combination of holding readily accessible liquidity where the risks lie, whether these arise from shareholder commitments or policyholder liabilities, having access to contingent sources of liquidity such as revolving credit facilities, management processes to monitor lending covenants and suitable management actions to proactively remedy any deterioration in the covenant status or liquidity coverage. In the event of a liquidity risk scenario occurring the actual actions to be taken will be tailored to the specific circumstances.

The contractual maturities of the Group's insurance contracts and financial liabilities are set out in notes F and G.

#### E4: Insurance risk

The Group assumes liability risk, sometimes referred to as insurance risk, by issuing life insurance contracts under which the Group agrees to compensate the policyholder or beneficiary if a specified uncertain future event affecting the policyholder occurs. This risk includes mortality and morbidity risk for life insurance contracts. As such, the Group is exposed to the uncertainty surrounding the timing and severity of such claims.

The principal risk is that the frequency and severity of claims is greater than expected and that the Group does not charge premiums appropriate for the risk accepted. Insurance events are, by their nature, random, and the actual number and size of events during any one year may vary from those estimated using established statistical techniques.

Another key risk is that the actual return on the portfolio of assets held by the Group is not sufficient to cover the return assumption used in calculating claims and other reserves.

The Group's risk philosophy is therefore to hold capital where the risks lie and the Group only takes on risks that we can understand, price appropriately and have the skills to monitor and manage.

#### Risk management objectives and policies for mitigating insurance risk

The Group manages insurance risk through the following mechanisms:

- An agreed risk preference for all risk types, including those relating to insurance
- The diversification of business over several classes of insurance and large numbers of uncorrelated individual risks, by which the Group seeks to reduce variability in loss experience
- The maintenance and use of information management systems, which provide current data on the risks to which the business is exposed and the quantification of such risks
- Actuarial models, which use the above information to calculate premiums and monitor decrements and claims patterns. Past experience and statistical methods are used
- Guidelines for concluding insurance contracts and assuming insurance risks. These include underwriting principles and product pricing procedures
- Reinsurance, which is used to limit the Group's exposure to large single claims and catastrophes. When selecting a reinsurer, consideration is given to those companies that provide high security using rating information from both public and private sources
- The mix of assets, which is driven by the nature and term of the insurance liabilities. The management of assets and liabilities is closely monitored to ensure that there are sufficient interest-bearing assets to match the guaranteed portion of liabilities. Hedging instruments are used at times to limit exposure to equity market and interest rate movements

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## E: Financial risk and capital management continued

### E4: Insurance risk continued

#### Risk management objectives and policies for mitigating insurance risk continued

##### Management of insurance risks

The following table summarises the variety of insurance risks to which the Group is exposed, and the methods by which it seeks to mitigate these risks.

Risk type	Nature of risk	Risk management
<b>Liability – mortality</b>	Misalignment of policyholders to the appropriate pricing basis or impact of anti-selection or random fluctuation in deaths, resulting in a loss	Experience is closely monitored. Mortality rates can be reset at the end of the guarantee term.  Underwriting limits, health requirements, spread of risks and training of underwriters and reinsurance all mitigate the risk.
<b>Liability – morbidity</b>	Misalignment of policyholders to the appropriate pricing basis or impact of anti-selection or random fluctuation in disability/critical illness, resulting in a loss	Experience is closely monitored. Morbidity rates can be reset at the end of the guarantee term.  Underwriting limits, health requirements, spread of risks and training of underwriters all mitigate the risk.
<b>Liability – longevity</b>	Possible increase in annuity costs due to policyholders living longer	For non-profit annuities, improvement to longevity is allowed for in pricing and valuation.  Experience is closely monitored. For with-profit annuity business, the longevity risk is carried by policyholders and any mortality profit or loss is reflected in bonuses declared.
<b>Liability – mortality catastrophe</b>	Natural and non-natural disasters could result in increased mortality risk and payouts on policies	Catastrophe excess of loss re-insurance treaty covers claims from one incident occurring within a specified period between a range of specified limits.
<b>Liability – morbidity catastrophe</b>	Natural and non-natural disasters could result in increased morbidity risk and payouts on policies	Catastrophe excess of loss re-insurance treaty covers claims from one incident occurring within a specified period between a range of specified limits.
<b>Market – yield curve movement</b>	Lower swap curves and higher volatilities cause investment guarantee reserves to increase	An investment guarantee reserve has been set up to mitigate the risk of poor market performance relative to investment guarantees. Shareholder risk is further minimised through dynamically managed hedging strategies based on the risk attached to the various shareholder guarantees. Hedging is largely in place for most products, and fewer and lower guarantees are typically provided on new business. Where residual risk exposures exist (specifically sensitivity to interest rate volatility and extreme yield curve shape changes) we apply the risk mitigation option to reflect changes in the effects of financial risk on investment guarantee reserves in profit and loss. The CSM will be adjusted for changes in the effects of financial risk that are not hedged. The movement on the hedging instruments will go through profit and loss, consequently the preferred approach is for the movement in the hedged liability to be treated consistently to minimise mismatches.
<b>Market – asset price movement</b>	Unfavourable movements in asset prices may result in asset values being less than guaranteed policy values, particularly on smooth bonus business. (This product delivers stable, or 'smooth' returns over time, the smoothing approach delivers investment returns in the form of annual bonuses)	An investment guarantee reserve has been set up to mitigate the risk of poor market performance relative to investment guarantees. Shareholder risk is further minimised through dynamically managed hedging strategies based on the risk attached to the various shareholder guarantees. Interest rate hedging is largely in place for most products, and fewer and lower guarantees are typically provided on new business. Where residual risk exposures exist (specifically sensitivity to interest rate and equity volatility, extreme yield curve shape changes) we apply the risk mitigation option to reflect changes in the effects of financial risk on investment guarantee reserves in profit and loss. The CSM will be adjusted for changes in the effects of financial risk that are not hedged. The movement on the hedging instruments will go through profit and loss, consequently the preferred approach is for the movement in the hedged liability to be treated consistently to minimise mismatches.

Risk type	Nature of risk	Risk management
<b>Tax</b>	<p>Tax risk is the risk that the projected taxation basis for basic life assurance business is incorrect, resulting in contracts being incorrectly priced</p> <p>Tax risk also represents potential changes in the interpretation or application of prevailing tax legislation applicable to either policyholders or shareholders, resulting in higher taxes reducing profitability or increasing shareholder tax burdens</p>	<p>The taxation position of the operations is projected annually and tax changes will result in changes to new business pricing models as part of the annual control cycle. High risk issues and emerging trends are reported internally on a quarterly basis.</p>
<b>Policyholder behaviour</b>	<p>The risk that business performance will be below projections as a result of negative variances in new business volumes and margins, and lapse, rebate and expense experience</p> <p>A natural consequence of doing business, which is proportional to the size of our business, is that it will grow as the businesses grow. These arise as a result of new products and new business</p>	<p>Good business practices and disciplines. When selling new business, the Group will only sell products that meet its customers' needs and which they can afford, which then has a better chance of staying on books (this benefits both the customer and the Group).</p> <p>The Group offers innovative products to suit different clients and needs, enabling it to find opportunities even in challenging market conditions.</p> <p>In order to limit lapse risk, products are designed to limit the financial loss on surrender, subject to 'Treating Customers Fairly' principles.</p> <p>Expense risk is limited through the quarterly monitoring of budgets and forecasts.</p>
<b>Business volume risk</b>	<p>Business volumes are not in line with those allowed for in the pricing of products, meaning the expenses are not fully recovered</p>	<p>Business volumes are closely monitored, and pricing assumptions may be updated to allow appropriately for the expenses incurred by the Group in writing and maintaining policies.</p>
<b>Expenses</b>	<p>Expense risk is the risk that actual expenses and expense inflation differ from expected levels. Higher expenses and expense inflation may result in emerging profit falling below the Group's profit objectives</p>	<p>Expense levels are monitored quarterly against budgets and forecasts. An activity-based costing process is used to allocate costs relating to processes and activities to individual product lines.</p> <p>Some products' structures include variable maintenance charges. These charges are reviewed annually in light of changes in maintenance expense levels. This review may result in changes in charge levels, subject to Treating Customers Fairly principles.</p>
<b>Lapse risk</b>	<p>Lapse risk arises where policies lapse before initial costs are recouped, or where lapse experience differs from pricing assumptions</p>	<p>Product design also allows for surrender penalties on early surrender with certain products. Experience is closely monitored.</p> <p>Premium rates can be reset at the end of the guarantee term. Old Mutual Rewards benefits offered to our customers also contribute towards encouraging persistency.</p>
<b>Mass lapse risk</b>	<p>Mass lapse risk is the risk that the Group will not be able to continue operations after losing the policyholders due to market panic or some other external event</p>	<p>The Group holds capital to guard against a mass lapse scenario. This includes an allowance for operating expenses over a one-year period.</p>

### Concentration of insurance risk

Concentration risk is the risk of a large number of claims from a single event or in a particular geographical area. The Group manages concentration risk through various mechanisms and monitors the opportunities for mitigating actions. Such mechanisms include: underwriting principles and product pricing procedures, reinsurance and the diversification of business over several classes of insurance and large numbers of uncorrelated individual risks. The Group's life businesses are focused on different market segments, resulting in a mix of individual and institutional clients, as well as ranges across low-income, middle-income markets and high net worth clients.

The risk of several claims arising simultaneously on individual lives is small, while the retained exposure per life is relatively low. Group life contracts are similar to individual insurance contracts but there is greater risk of correlation between claims on group schemes because the assured lives live in the same geographical location or work in the same industry, hence a higher degree of concentration risk exists. Reinsurance is further used to protect against the concentration of risk through managing the maximum claim amount retained by the Group on a specific policy.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## E: Financial risk and capital management continued

### E4: Insurance risk continued

#### Underlying items of contracts with direct participation features

The following table sets out the composition and fair value of the underlying items of the Group's life savings contracts<sup>1</sup>.

Year ended 31 December Rm	Separate and consolidated	
	2024	2023
Cash and cash equivalents	27 145	15 600
Government bonds	32 009	32 520
Other debt securities	27 763	26 978
Equities	105 442	108 881
Pooled investments	295 773	277 533
Properties	13 633	15 059
Other	474	68
	<b>502 239</b>	<b>476 639</b>

<sup>1</sup> The Company and the Group's life savings contracts are insurance contracts with direct participation features, measured using the variable fee approach

#### Sensitivity analysis

Changes in key assumptions used to value insurance contracts would result in increases or decreases to the insurance contract provisions recorded, with impact on profit/(loss) and/or shareholders' equity. The effect of a change in assumption is mitigated by the offset (partial or full) to the bonus stabilisation reserve in the case of smoothed bonus products in South Africa.

The following tables demonstrate the effect of a change in a key assumption to policyholder liabilities related to insurance contracts while other assumptions remain unchanged. The analysis presents the sensitivities both before and after risk mitigation by reinsurance, it includes policyholder tax, however, excludes shareholder tax.

For the year ended 31 December 2024 Rm	Separate					
	CSM		Profit or loss		Equity	
	Gross	Net	Gross	Net	Gross	Net
<b>Life risk and annuities</b>						
5% increase in mortality rates	(2 696)	(2 008)	(862)	(725)	(862)	(725)
5% decrease in mortality rates	2 745	2 041	855	717	855	717
5% increase in morbidity rates	(687)	(487)	(148)	(149)	(148)	(149)
5% decrease in morbidity rates	689	489	148	149	148	149
5% increase in annuitant mortality rates	628	628	12	12	12	12
5% decrease in annuitant mortality rates	(665)	(665)	(9)	(9)	(9)	(9)
10% increase in discontinuance (lapse) rates	(1 060)	(1 112)	(297)	(311)	(297)	(311)
10% decrease in discontinuance (lapse) rates	1 172	1 233	314	328	314	328
10% increase in maintenance rates (expenses)	(1 094)	(1 123)	(322)	(292)	(322)	(292)
10% decrease in maintenance rates (expenses)	1 107	1 136	306	277	306	277
<b>Life savings</b>						
5% increase in mortality rates	(112)	(112)	(30)	(30)	(30)	(30)
5% decrease in mortality rates	113	113	30	30	30	30
5% increase in morbidity rates	(10)	(10)	(3)	(3)	(3)	(3)
5% decrease in morbidity rates	10	10	3	3	3	3
5% increase in annuitant mortality rates	(65)	(65)	18	18	18	18
5% decrease in annuitant mortality rates	68	68	(18)	(18)	(18)	(18)
10% increase in discontinuance (lapse) rates	(866)	(866)	(92)	(92)	(92)	(92)
10% decrease in discontinuance (lapse) rates	950	950	102	102	102	102
10% increase in maintenance rates (expenses)	(485)	(485)	(122)	(122)	(122)	(122)
10% decrease in maintenance rates (expenses)	495	495	124	124	124	124

For the year ended 31 December 2023 Rm	Separate					
	CSM		Profit or loss		Equity	
	Gross	Net	Gross	Net	Gross	Net
<b>Life risk and annuities</b>						
5% increase in mortality rates	(2 592)	(1 931)	(575)	(528)	(575)	(528)
5% decrease in mortality rates	2 645	1 970	575	527	575	527
5% increase in morbidity rates	(678)	(491)	(63)	(82)	(63)	(82)
5% decrease in morbidity rates	681	492	62	82	62	82
5% increase in annuitant mortality rates	584	584	(44)	(44)	(44)	(44)
5% decrease in annuitant mortality rates	(618)	(618)	47	47	47	47
10% increase in discontinuance (lapse) rates	(1 034)	(1 072)	(283)	(302)	(283)	(302)
10% decrease in discontinuance (lapse) rates	1 147	1 192	290	308	290	308
10% increase in maintenance rates (expenses)	(1 044)	(1 071)	(280)	(253)	(280)	(253)
10% decrease in maintenance rates (expenses)	1 044	1 071	278	251	278	251
<b>Life savings</b>						
5% increase in mortality rates	(114)	(114)	(25)	(25)	(25)	(25)
5% decrease in mortality rates	114	114	25	25	25	25
5% increase in morbidity rates	(12)	(12)	(3)	(3)	(3)	(3)
5% decrease in morbidity rates	12	12	3	3	3	3
5% increase in annuitant mortality rates	(49)	(49)	6	6	6	6
5% decrease in annuitant mortality rates	52	52	(6)	(6)	(6)	(6)
10% increase in discontinuance (lapse) rates	(849)	(849)	(76)	(76)	(76)	(76)
10% decrease in discontinuance (lapse) rates	928	928	82	82	82	82
10% increase in maintenance rates (expenses)	(573)	(573)	(108)	(108)	(108)	(108)
10% decrease in maintenance rates (expenses)	576	576	109	109	109	109

For the year ended 31 December 2024 Rm	Consolidated					
	CSM		Profit or loss		Equity	
	Gross	Net	Gross	Net	Gross	Net
<b>Life risk and annuities</b>						
5% increase in mortality rates	(2 696)	(2 008)	(862)	(725)	(862)	(725)
5% decrease in mortality rates	2 745	2 041	855	717	855	717
5% increase in morbidity rates	(687)	(487)	(148)	(149)	(148)	(149)
5% decrease in morbidity rates	689	489	148	149	148	149
5% increase in annuitant mortality rates	628	628	12	12	12	12
5% decrease in annuitant mortality rates	(665)	(665)	(9)	(9)	(9)	(9)
10% increase in discontinuance (lapse) rates	(1 060)	(1 112)	(297)	(311)	(297)	(311)
10% decrease in discontinuance (lapse) rates	1 172	1 233	314	328	314	328
10% increase in maintenance rates (expenses)	(1 094)	(1 123)	(322)	(292)	(322)	(292)
10% decrease in maintenance rates (expenses)	1 107	1 136	306	277	306	277
<b>Life savings</b>						
5% increase in mortality rates	(112)	(112)	(30)	(30)	(30)	(30)
5% decrease in mortality rates	113	113	30	30	30	30
5% increase in morbidity rates	(10)	(10)	(3)	(3)	(3)	(3)
5% decrease in morbidity rates	10	10	3	3	3	3
5% increase in annuitant mortality rates	(65)	(65)	18	18	18	18
5% decrease in annuitant mortality rates	68	68	(18)	(18)	(18)	(18)
10% increase in discontinuance (lapse) rates	(866)	(866)	(92)	(92)	(92)	(92)
10% decrease in discontinuance (lapse) rates	950	950	102	102	102	102
10% increase in maintenance rates (expenses)	(485)	(485)	(122)	(122)	(122)	(122)
10% decrease in maintenance rates (expenses)	495	495	124	124	124	124

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## E: Financial risk and capital management continued

### E4: Insurance risk continued

For the year ended 31 December 2023 Rm	CSM		Consolidated Profit or loss		Equity	
	Gross	Net	Gross	Net	Gross	Net
<b>Life risk and annuities</b>						
5% increase in mortality rates	(2 592)	(1 931)	(575)	(528)	(575)	(528)
5% decrease in mortality rates	2 645	1 970	575	527	575	527
5% increase in morbidity rates	(678)	(491)	(63)	(82)	(63)	(82)
5% decrease in morbidity rates	681	492	62	82	62	82
5% increase in annuitant mortality rates	584	584	(44)	(44)	(44)	(44)
5% decrease in annuitant mortality rates	(618)	(618)	47	47	47	47
10% increase in discontinuance (lapse) rates	(1 034)	(1 072)	(283)	(302)	(283)	(302)
10% decrease in discontinuance (lapse) rates	1 147	1 192	290	308	290	308
10% increase in maintenance rates (expenses)	(1 044)	(1 071)	(280)	(253)	(280)	(253)
10% decrease in maintenance rates (expenses)	1 044	1 071	278	251	278	251
<b>Life savings</b>						
5% increase in mortality rates	(114)	(114)	(25)	(25)	(25)	(25)
5% decrease in mortality rates	114	114	25	25	25	25
5% increase in morbidity rates	(12)	(12)	(3)	(3)	(3)	(3)
5% decrease in morbidity rates	12	12	3	3	3	3
5% increase in annuitant mortality rates	(49)	(49)	6	6	6	6
5% decrease in annuitant mortality rates	52	52	(6)	(6)	(6)	(6)
10% increase in discontinuance (lapse) rates	(849)	(849)	(76)	(76)	(76)	(76)
10% decrease in discontinuance (lapse) rates	928	928	82	82	82	82
10% increase in maintenance rates (expenses)	(573)	(573)	(108)	(108)	(108)	(108)
10% decrease in maintenance rates (expenses)	576	576	109	109	109	109

#### Sensitivity analysis

Changes in underwriting risk variables mainly affect the CSM, profit or loss and equity, net of tax as follows.

<b>CSM</b>	Changes in fulfilment cash flows not relating to any loss components, other than those recognised as insurance finance income or expenses.
<b>Profit or loss and equity</b>	Changes in fulfilment cash flows relating to loss components. Changes in fulfilment cash flows that are recognised as insurance finance income or expenses in profit or loss.

#### Assumptions

Actuarial methods are used to estimate the ultimate cost of claims and there are underlying assumptions with these methods. These include the assumption that past experience is a reasonable guide for the future development of claims. In some classes of business, where processes or systems change, adjustments are made in order to estimate the ultimate claims. Judgement is applied where needed, but the methods are reviewed by the Head of Actuarial for reasonability.

#### Guarantees and options

Some of the insurance contracts issued by the Group contain guarantees and options, the ultimate liability for which will depend significantly on the number of policyholders exercising their options and on market and investment conditions applying at that time.

Certain life assurance contracts include the payment of guaranteed values to policyholders on maturity, death, disability or survival. The published liabilities include the provision for both the intrinsic and time-value of the options and guarantees.

The time-value of options and guarantees has been valued using a market-consistent stochastic asset model that is in alignment with the Advisory Practice Notes (APN) issued by the Actuarial Society of South Africa as guidance, APN 110 in particular.

The options and guarantees that could have a material effect on the amount, timing and uncertainty of future cash flows are described in the following table:

Product category	Description of options and guarantees
<b>Retail</b>	
<b>Death, disability, point and/or maturity guarantees</b>	A closed block of universal life business with an underlying minimum growth rate guarantee (4.25% p.a. for life and endowment business and 4.75% p.a. for retirement annuity business), and smoothed bonus business with vested bonuses, applicable when calculating death, disability and maturity claims.
<b>Guaranteed annuity options</b>	Retirement annuities sold prior to June 1997 contain guaranteed annuity options, whereby the policyholder has an option to exchange the full retirement proceeds for a minimum level of annuity income at maturity.
<b>Corporate</b>	
<b>Vested bonuses in respect of pre-retirement with-profits business</b>	There is a material pre-retirement savings smoothed bonus portfolio. Vested bonuses affect the calculation of benefit payments when a member exits from the scheme as the face value is paid out. If, however, a scheme terminates, the lower of face and market value is paid out and the vested bonuses are not guaranteed.
<b>Guaranteed annuity payments in respect of with-profit annuity business</b>	There is a significant with-profit annuity portfolio. The underlying pricing interest rate is guaranteed and as such the current level of annuity payments (including past declared bonuses) cannot be reduced. If, however, a scheme terminates, the lower of the liability value on the Financial Soundness Valuation basis and the underlying asset market value is paid out.

The following disclosures are provided within the principles of APN 110 issued by the Actuarial Society.

Investment guarantee reserves have been calculated using an internal economic scenario generator (ESG) model that generates product-specific economic scenarios. These scenarios comprise interest rates, inflation and fund returns. The model is calibrated to South African derivative market data (where available and reliable), according to the Group's specific calibration requirements. The calibration has been performed as at 31 December 2024.

The risk-free zero coupon yield curve has been derived from mid-swap spot rates at the calibration date.

Term (years)	Annualised zero-coupon yield
1	7.6%
2	7.6%
3	7.6%
4	7.8%
5	8.0%
10	9.4%
15	10.4%
20	10.5%
25	10.3%
30	9.8%

Maturity (years)	Strike	Price	Implied volatility
1	Spot	4.90%	17.60%
1	0.8 times spot	1.14%	22.57%
1	Forward	6.36%	16.48%
5	Spot	8.39%	22.88%
5	1.04 <sup>5</sup> times spot	15.19%	21.93%
5	Forward	16.35%	21.82%
20	Spot	2.11%	27.97%
20	1.04 <sup>20</sup> times spot	9.65%	28.08%
20	Forward	24.44%	28.21%

Description of derivative contract <sup>1</sup>	Calculated price (% of spot price)
Five-year put with a strike price equal to (1.04) <sup>5</sup> of spot, on an underlying index constructed as 60% FTSE/JSE Top 40 and 40% ALBI, with rebalancing of the underlying index back to these weights taking place yearly.	6.69%
Twenty-year put option based on an interest rate with a strike equal to the present five-year forward rate as at maturity of the put option (stripped from the zero coupon yield curve), which pays out if the five-year interest rate at the time of maturity (in 20 years) is lower than this strike.	0.38%

<sup>1</sup> Note that the FTE/JSE TOP40 referred to in this section is a capital return index, whereas the ALBI is a total return index

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## E: Financial risk and capital management continued

### E5: Capital management

The Company aims to maintain its solvency levels within the target range of 165% – 200%. The target range has been set with reference to the requirements of relevant stakeholders and seeks to ensure we maintain sufficient, but not excessive, financial strength to support stakeholder requirements and retain financial flexibility through the maintenance of sufficient liquidity.

The Prudential Standards prescribed under the Insurance Act seek to improve policyholder protection and contribute to financial stability through aligning insurers' regulatory capital requirements with underlying risks. It also strengthens the regulatory requirements in respect of governance, risk management and internal controls for insurers and aligns with international standards. In accordance with the Prudential Standards, each insurance company must maintain own funds to cover at a minimum their capital requirements. In practice, companies will hold a buffer above this minimum requirement. The solvency capital requirements (SCR) is the primary solvency capital requirement for South African insurers. The SCR is calibrated to correspond to the amount of own funds that an insurer needs to hold at a confidence level of 99.5% over a one-year period. The SCR can be calculated either using the Standard Formula or an Internal Model.

The required capital for OMLACSA, which is the major component of the Group solvency, is calculated using the Standard Formula. This requires the calculation of capital requirements for each key risk category, namely business risk, market risk, life liability risk, credit, counterparty and concentration risk, operational risk and currency risk. The capital requirements for each risk category are aggregated using a prescribed correlation matrix, which allows for diversification effects between some of the risk categories. Subject to regulatory approval, the Standard Formula allows for certain methodology elections to be made.

The Company solvency capital position must be compliant with regulatory requirements at all times. In addition to the calculated regulatory capital requirement, the Company holds a buffer above these minimum requirements that will allow it to remain compliant after a predefined extreme adverse scenario. The primary sources of capital used by the Company are shareholders equity and qualifying subordinated debt. There are a number of constraints, including the Company's desired credit rating, required liquidity and dividend capacity, which inform the optimal mix of capital sources.

The OMLACSA solvency target range was reviewed in 2024 in line with the three-year review cycle. The OMLACSA solvency target range was reduced from 175% to 210% to 165% to 200%.

At 31 December Rm (unaudited)	Optimal target range	2024	2023 <sup>1</sup>	Change (2024 vs 2023)
<b>OMLACSA</b>				
Eligible own funds		54 955	59 055	
Solvency capital requirement (SCR)		29 366	29 061	
Regulatory solvency ratio (%)	165% to 200%	187%	203%	(16%)

<sup>1</sup> The OMLACSA comparatives have been re-presented to align with the Prudential Authority submission

**F: Analysis of financial and insurance assets and liabilities**  
**Fl: Investment and securities and derivative financial assets and liabilities**  
**(a) Investments and securities**

The table below analyses the investments and securities that the Group invests in, either for its own proprietary behalf (shareholder funds) or on behalf of third parties (either policyholder funds or pooled investments).

At 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
<b>Investments in Group undertakings</b>				
Associated undertakings, joint ventures and subsidiaries	26 336	28 772	–	–
Capital advances to Group undertakings <sup>1</sup>	9 958	7 200	9 958	7 200
Old Mutual Limited	1 403	1 639	1 403	1 639
	<b>37 697</b>	37 611	<b>11 361</b>	8 839
<b>Other financial assets</b>				
Government and government-guaranteed securities	103 521	103 190	119 067	116 506
Other debt securities, preference shares and debentures	90 170	84 167	104 766	93 230
Listed	26 832	24 811	26 832	24 811
Unlisted	63 338	59 356	77 934	68 419
Equity securities	164 887	159 302	314 547	308 794
Listed <sup>2</sup>	158 312	154 454	302 672	300 986
Unlisted	6 575	4 848	11 875	7 808
Pooled investments <sup>3</sup>	439 579	413 214	349 441	321 774
Listed <sup>2</sup>	142 085	134 103	146 208	137 956
Unlisted	297 494	279 111	203 233	183 818
Short-term funds and securities treated as investments <sup>4</sup>	41 465	32 169	49 767	37 331
Other	18	–	1 015	1 444
<b>Total investments and securities</b>	<b>877 337</b>	829 653	<b>949 964</b>	887 918

<sup>1</sup> Refer to note H1(c)(i) for disclosure relating to the capital advances to Group undertakings

<sup>2</sup> An error was detected regarding the presentation of exchange-traded funds. As a result listed equity securities amounting to R873 million was reclassified to listed pooled investments

<sup>3</sup> Pooled investments represent the Group's holdings of shares or units in open-ended investment companies, unit trusts, mutual funds and similar investment vehicles which are not consolidated

<sup>4</sup> Included in short-term funds and securities treated as investments is cash and cash equivalents of R31 314 million (2023: R20 119 million) for the separate and R31 314 million (2023: R22 065 million) for the consolidated accounts

The Company conducts securities lending activities as lender in respect of some of its listed equities and bonds. The fair value of collateral accepted as security for securities lending arrangements amount to R10 084 million (2023: R6 007 million).

OMLACSA has placed government securities and negotiable certificates of deposit amounting to R22 672 million (2023: R29 229 million) as collateral for deposits received under repurchase agreements.

These amounts represent assets that have been transferred, but do not qualify for derecognition under IFRS 9. The associated liabilities amounted to R22 519 million (2023: R28 653 million).

The credit grading for the underlying securities within the consolidation of funds has been disclosed as not rated. Sufficient details for the consolidation of funds' securities could not be obtained.

Investments and securities (separate) are regarded as current and non-current assets based on the intention with which the financial assets are held, as well as their contractual maturity profile. Of the amounts shown above, R26 246 million (2023: R23 855 million) is expected to be recoverable within 12 months from the reporting date and the remainder is expected to be recovered more than 12 months from the reporting date.

Investments and securities (consolidated) are regarded as current and non-current assets based on the intention with which the financial assets are held, as well as their contractual maturity profile. Of the amounts shown above, R26 314 million (2023: R23 855 million) is expected to be recoverable within 12 months from the reporting date and the remainder is expected to be recovered more than 12 months from the reporting date.

The majority of the listed equity securities are traded on well-established exchanges such as the New York Stock Exchange, London Stock Exchange and Johannesburg Securities Exchange.

The Group's holdings of unlisted equity securities arise principally from private equity investments and unlisted investment vehicles.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

### F1: Investment and securities and derivative financial assets and liabilities continued

#### (b) Derivative financial assets and liabilities

Derivative financial assets and liabilities predominantly consist of interest rate swaps and bond forward contracts used to economically hedge the Group's borrowed fund fixed and variable rate exposures.

At 31 December Rm	Separate				2023			
	2024		2023		Carrying value		Notional value	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Interest rate swaps	4 785	(7 755)	99 570	126 863	8 013	(11 100)	383 861	147 740
Forward rate agreements	106	(113)	8 239	4 527	20	(278)	150 534	25 181
Other (options and futures)	51	(311)	-	-	66	(95)	-	-
<b>Total</b>	<b>4 942</b>	<b>(8 179)</b>	<b>107 809</b>	<b>131 390</b>	<b>8 099</b>	<b>(11 473)</b>	<b>534 395</b>	<b>172 921</b>

R157 million (2023: R464 million) of the total derivative financial assets is regarded as current with the remainder being non-current.

R135 million (2023: R422 million) of the total derivative financial liabilities is regarded as current with the remainder being non-current.

At 31 December Rm	Consolidated				2023			
	2024		2023		Carrying value		Notional value	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Interest rate swaps	4 794	(7 786)	99 570	126 863	8 075	(11 125)	383 861	147 740
Forward rate agreements	106	(113)	8 239	4 527	19	(278)	150 534	25 181
Other (options and futures)	65	(358)	-	-	99	(95)	-	-
<b>Total</b>	<b>4 965</b>	<b>(8 257)</b>	<b>107 809</b>	<b>131 390</b>	<b>8 193</b>	<b>(11 498)</b>	<b>534 395</b>	<b>172 921</b>

R163 million (2023: R464 million) of the total derivative financial assets is regarded as current with the remainder being non-current.

R148 million (2023: R422 million) of the total derivative financial liabilities is regarded as current with the remainder being non-current.

#### Maturity analysis

The table below provides the maturity profile of the anticipated future cash flows, based on contractual maturity dates for derivative liabilities. It is presented on an undiscounted basis, and will therefore, differ from the carrying value of derivative liabilities above:

At 31 December Rm	Separate	
	2024	2023
Less than one year	(229)	(508)
Greater than one year and less than five years	(1 384)	(1 387)
Greater than five years	(15 466)	(22 365)
<b>Total</b>	<b>(17 079)</b>	<b>(24 260)</b>

At 31 December Rm	Consolidated	
	2024	2023
Less than one year	(240)	(511)
Greater than one year and less than five years	(1 398)	(1 411)
Greater than five years	(15 466)	(22 365)
<b>Total</b>	<b>(17 104)</b>	<b>(24 287)</b>

## F2: Insurance and investment contracts

### 2.1 Accounting policies

#### Classification of contracts

Insurance contracts are contracts under which the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Group uses judgement to assess whether a contract transfers insurance risk (i.e. if there is a scenario with commercial substance in which the Group has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant.

Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Group to financial risk are classified as investment contracts and follow financial instruments accounting under IFRS 9. Some investment contracts without discretionary participation features issued by the Group fall under this category.

Some investment contracts issued by the Group contain discretionary participation features (DPF), whereby the investor has the right and is expected to receive, as a supplement to the amount not subject to the Group's discretion, potentially significant additional benefits based on the return of specified pools of investment assets. The Group accounts for these contracts under IFRS 17.

The Group issues insurance contracts with direct participation features that are substantially investment-related service contracts where the return on the underlying items is shared with policyholders. Underlying items comprise specified portfolios of investment assets that determine amounts payable to policyholders.

An insurance contract with direct participation features is defined by the Group as one which, at inception, meets the following criteria:

- The contractual terms specify that the policyholders participate in a share of a clearly identified pool of underlying items
- The Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items
- The Group expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items

The Group has set the threshold for 'substantial' in the above criteria at 50% (i.e. in excess of 50%) of amounts paid to the policyholder will vary with the change in fair value of the underlying items. This assessment is performed by considering the characteristics of the different contracts and only applying a quantitative approach where it is unclear whether the contract is substantially investment-related or not.

All other insurance contracts originated by the Group are insurance contracts without direct participation features.

In the normal course of business, the Group uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

#### Separation of components of insurance contracts

Before the Group accounts for an insurance contract based on the guidance in IFRS 17, it analyses whether the contract contains components that should be separated. IFRS 17 distinguishes three categories of components that have to be accounted for separately:

- Cash flows relating to embedded derivatives that are required to be separated
- Cash flows relating to distinct investment components
- Promises to transfer distinct goods or distinct non-insurance services

The Group applies IFRS 17 to all remaining components of the contract.

#### Level of aggregation of insurance contracts

The Group manages insurance contracts issued by product lines within an operating segment. Insurance contracts within a product line that are subject to similar risks and are managed together are aggregated into a portfolio of contracts. Each portfolio is further disaggregated, by considering either the individual contracts or a set of contracts, into groups of contracts that are issued within a calendar year (annual cohorts) and are (i) contracts that are onerous at initial recognition; (ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or (iii) a group of remaining contracts. Profitability assessment is only performed at a set of contracts level where reasonable and supportable information exists to conclude that a set of contracts will have homogeneous profitability. These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such groups are not subsequently reconsidered.

#### Recognition

Groups of insurance contracts issued are initially recognised from the earliest of the following:

- The beginning of the coverage period
- The date when the first payment from the policyholder is due or actually received, if there is no due date
- When the Group determines that a group of contracts becomes onerous

Insurance contracts acquired in a business combination or a portfolio transfer are accounted for as if they were entered into at the date of acquisition or transfer.

Investment contracts with DPF are initially recognised at the date the Group becomes a party to the contract. The Group becomes party to a contract when the Group accepts the first payment, which is the date from which the Group has an obligation to provide investment-return or investment-related service.

The Group recognises a group of proportionate reinsurance contracts held from the later of:

- The beginning of the coverage period of the Group of reinsurance contracts held
- The date of initial recognition of any underlying contract

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

### F2: Insurance and investment contracts continued

#### 2.1 Accounting policies continued

##### Recognition continued

If the Group recognises an onerous group of underlying contracts before the beginning of the coverage period of the group of reinsurance contracts held, then the group of proportionate reinsurance contracts held is recognised at the same time as the onerous group of underlying contracts.

The Group recognises a group of non-proportionate reinsurance contracts held (such as Group-wide catastrophe stop-loss reinsurance) from the beginning of the coverage period of the group of reinsurance contracts; this is typically the first period in which premiums are paid or reinsurance recoveries are received.

Reinsurance contracts are to be recognised in full for all underlying insurance contracts expected to be issued that fall within the boundary of the reinsurance contracts held. An insurance contract is derecognised when it is:

- Extinguished (i.e. when the obligation specified in the insurance contract expires or is discharged or cancelled)
- The contract is modified and certain additional criteria are met

##### Modification

When an insurance contract is modified by the Group as a result of an agreement with the counterparties or due to a change in regulations, the Group treats changes in cash flows caused by the modification as changes in estimates of the fulfilment cash flows (FCF), unless the conditions for the derecognition of the original contract are met. The Group derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:

- (a) If the modified terms had been included at contract inception and the Group would have concluded that the modified contract:
  - (i) Is not in scope of IFRS 17
  - (ii) Results in different separable components
  - (iii) Results in a different contract boundary
  - (iv) Belongs to a different group of contracts
- (b) The original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa
- (c) The original contract was accounted for under the premium allocation approach (PAA), but the modification means that the contract no longer meets the eligibility criteria for that approach

##### Derecognition

When an insurance contract not accounted for under the PAA is derecognised from within a group of insurance contracts, the Group:

- (a) Adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the Group
- (b) Adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the liability for remaining coverage (LFRC) of the Group) in the following manner, depending on the reason for the derecognition:
  - (i) If the contract is extinguished, in the same amount as the adjustment to the FCF relating to future service
  - (ii) If the contract is transferred to a third party, in the amount of the FCF adjustment in (a) less the premium charged by the third party
  - (iii) If the original contract is modified resulting in its derecognition, in the amount of the FCF adjustment in (a) adjusted for the premium the Group would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification. When recognising the new contract in this case, the Group assumes such a hypothetical premium as actually received
- (c) Adjusts the number of coverage units for the expected remaining coverage to reflect the number of coverage units removed

When an insurance contract accounted for under the PAA is derecognised, adjustments to the FCF to remove related rights and obligations and account for the effect of the derecognition result in the following amounts being charged immediately to profit or loss:

- (a) If the contract is extinguished, any net difference between the derecognised part of the LFRC of the original contract and any other cash flows arising from extinguishment
- (b) If the contract is transferred to the third party, any net difference between the derecognised part of the LFRC of the original contract and the premium charged by the third party
- (c) If the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LFRC and the hypothetical premium the entity would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification

## Measurement

### Fulfilment cash flows

The fulfilment cash flows (FCF) are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:

- (a) Are based on a probability weighted mean of the full range of possible outcomes
- (b) Are determined from the perspective of the Group, provided the estimates are consistent with observable market prices for market variables
- (c) Reflect conditions existing at the measurement date

While the rates should reflect current market conditions, they could differ between groups or even different cash flow types of insurance contracts due to the characteristics, nature and uncertainty of the cash flows involved. By discounting expected linear cash flows (e.g. expected expenses) at market rates and by using a risk-neutral valuation for non-linear risks (e.g. investment guarantee reserves) uncertainty in these are allowed for appropriately. Refer to note F2.2 Life and savings for more detail.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For contracts measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the liability for incurred claims (LIC).

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation.

In the measurement of reinsurance contracts held, the probability weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.

The Group estimates certain FCF at the portfolio level or higher and then allocates such estimates to groups of contracts. IFRS 17 requires the inclusion of an allocation of fixed and variable overheads in FCF. Most overheads are, by their nature, not directly attributable to specific portfolios of insurance contracts, consequently they must be allocated to portfolios on appropriate bases.

These bases are specific to each portfolio and are generally volume based, for example:

- New business policy volumes
- In-force policy volumes
- Premium flows

IFRS 17 further allows fulfilment cash flows to be estimated at a higher level of aggregation than the profitability group, but then requires that the resulting fulfilment cash flows be allocated to each group of contracts. The items requiring allocation include actual cash flow amounts for premiums, benefits, acquisition and maintenance costs, tax cash flows specifically chargeable to the policyholder and investment components. These amounts need to be allocated to groups as they are only available at a product or portfolio level in the underlying financial records. This allocation is done using projected cash flows from the start of the period, adjusted for the actual closing position and new business written over the period. Where transactional data extracts from policy administration systems are available, these are used to do the allocations.

The Group uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the Group belongs. Other costs that are incurred in fulfilling the contracts include:

- Claims handling, maintenance and administration costs
- Recurring commissions payable on instalment premiums receivable within the contract boundary
- Costs that the Group will incur in providing investment services
- Costs that the Group will incur in performing investment activities to the extent that the Group performs them to enhance benefits from insurance coverage for policyholders by generating an investment return from which policyholders will benefit if an insured event occurs
- Income tax and other costs specifically chargeable to the policyholders under the terms of the contracts

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

### F2: Insurance and investment contracts continued

#### 2.1 Accounting policies continued

##### Contract boundary

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance coverage or other services. A substantive obligation ends when:

- (a) The Group has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks
- (b) Both of the following criteria are satisfied:
  - (i) The Group has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio
  - (ii) The pricing of premiums related to coverage to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date

In assessing the practical ability to reprice, risks transferred from the policyholder to the Group, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender and expense risk, are not included.

Riders, representing add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, which are issued together with the main insurance contracts form part of a single insurance contract with all the cash flows within its boundary.

Some insurance contracts issued by the Group provide policyholders with an option to buy an annuity upon the initially issued policies' maturity. The Group assesses its practical ability to reprice such insurance contracts in their entirety to determine if annuity-related cash flows are within or outside of the insurance contract boundary. As a result of this assessment, non-guaranteed annuity options are not measured by the Group until they are exercised.

Cash flows outside the insurance contracts' boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

When the contract is recognised, it is added to an existing group of contracts or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts are added.

Cash flows are within the boundaries of investment contracts with DPF if they result from a substantive obligation of the Group to deliver cash at a present or future date.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive services from the reinsurer.

The Group's quota share life reinsurance agreements held generally have an unlimited duration but are cancellable for new underlying business with a one-month notice period (individual business) or a three-month notice period (group business) by either party. Facultative arrangements tend to be written as one-year contracts. Thus, the Group treats such reinsurance contracts as a series of annual contracts that cover underlying business issued within a year. Estimates of future cash flows arising from all underlying contracts issued and expected to be issued within one-year's boundary are included in each of the reinsurance contracts' measurement.

##### Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows and reflects the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

## Initial measurement – groups of contracts not measured under the PAA

### Contractual service margin

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Group will recognise as it provides coverage in the future.

At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous) arising from:

- (a) The initial recognition of the FCF
- (b) The derecognition at the date of initial recognition of any asset or liability recognised for insurance acquisition cash flows
- (c) Cash flows arising from the contracts in the Group at that date

A negative CSM at the date of inception means the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately with no CSM recognised on the balance sheet on initial recognition.

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case the Group recognises the net cost immediately in profit or loss. For reinsurance contracts held, the CSM represents a deferred gain or loss that the Group will recognise as a reinsurance expense as it receives reinsurance coverage in the future.

For insurance contracts acquired, at initial recognition, the CSM is an amount that results in no income or expenses arising from:

- (a) The initial recognition of the FCF
- (b) Cash flows arising from the contracts in the Group at that date, including consideration received for the contracts as a proxy for the premiums received at the date of acquisition. In a business combination, the consideration received is the fair value of the contracts at that date

For onerous contracts acquired as part of a business combination, the Group recognises the difference between the consideration paid (after excluding amounts relating to other assets/liabilities acquired) and the FCF as goodwill or as a gain on a bargain purchase. For onerous contracts acquired as part of a transfer of insurance contracts this difference is recognised as a loss in profit or loss.

The Group establishes a loss component of the liability for remaining coverage for this excess.

For reinsurance contracts acquired where the underlying contracts are onerous at the date of acquisition or transfer a loss recovery component (LRC) is set up at the date of acquisition or transfer.

The LRC will be recognised as goodwill or as a gain on a bargain purchase where the business was acquired as part of a business combination. For transfers of insurance contracts this difference is recognised as an income in profit or loss.

## Subsequent measurement – groups of contracts not measured under the PAA

The carrying amount at the end of each reporting period of a group of insurance contracts issued is the sum of:

- (a) The LFRC, comprising:
  - (i) The FCF related to future service allocated to the Group at that date
  - (ii) The CSM of the Group at that date
- (b) The LIC, comprising the FCF related to past service allocated to the Group at the reporting date

The carrying amount at the end of each reporting period of a group of reinsurance contracts held is the sum of:

- (a) The remaining coverage, comprising:
  - (i) The FCF related to future service allocated to the Group at that date
  - (ii) The CSM of the Group at that date
- (b) The incurred claims, comprising the FCF related to past service allocated to the Group at the reporting date

For a group of contracts to which the premium allocation approach does not apply, the Group continues to treat the premiums receivable from the intermediary as future cash flows within the boundary of an insurance contract and, applying IFRS 17, includes them in the measurement of the Group of insurance contracts until recovered in cash.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

### F2: Insurance and investment contracts continued

#### 2.1 Accounting policies continued

##### Subsequent measurement – groups of contracts not measured under the PAA continued

##### Changes in fulfilment cash flows

The FCF are updated by the Group for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and of discount rates.

The way in which the changes in estimates of the FCF are treated depends on which estimate is being updated:

- (a) Changes that relate to current or past service are recognised in profit or loss
- (b) Changes that relate to future service are recognised by adjusting the CSM or the loss component within the LFRC as per the policy below

For insurance contracts measured under the general measurement model (GMM), the following adjustments relate to future service and thus adjust the CSM:

- (a) Experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes
- (b) Changes in estimates of the present value of future cash flows in the LFRC, except those relating to the effect of the time value of money and the effect of financial risk and changes thereof
- (c) Differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period
- (d) Differences between any policyholder loan expected to become repayable (plus any insurance finance income or expenses related to that expected repayment before it becomes repayable in the period) and the actual policyholder loan that becomes repayable in the period
- (e) Changes in the risk adjustment for non-financial risk that relate to future service

Adjustments (a) to (d) are measured using the locked-in discount rates as described in the section Interest accretion on the CSM below.

For insurance contracts under the GMM, the following adjustments do not relate to future service and thus do not adjust the CSM:

- (a) Changes in the FCF for the effect of the time value of money and the effect of financial risk and changes thereof
- (b) Changes in the FCF relating to the LIC
- (c) Experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows)

For insurance contracts under the VFA, the following adjustments relate to future service and thus adjust the CSM:

- (a) Changes in the Group's share of the fair value of the underlying items, except to the extent that the Group has applied the risk mitigation option to exclude from the CSM changes in the effect of financial risk on the amount of its share of the underlying items or fulfilment cash flows; and
- (b) Changes in the FCF that do not vary based on the returns of underlying items:
  - (i) Changes in the effect of the time value of money and financial risks including the effect of financial guarantees
  - (ii) Experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes
  - (iii) Changes in estimates of the present value of future cash flows in the LFRC, except those described in paragraphs (iv) to (vi)
  - (iv) Differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period
  - (v) Differences between any policyholder loan expected to become repayable in the period and the actual policyholder loan that becomes repayable in the period
  - (vi) Changes in the risk adjustment for non-financial risk that relate to future service

Adjustments (ii) to (vi) are measured using the current discount rates.

For insurance contracts under the VFA, the following adjustments do not relate to future service and thus do not adjust the CSM:

- (a) Changes in the obligation to pay the policyholder the amount equal to the fair value of the underlying items
- (b) Changes in the FCF that do not vary based on the returns of underlying items:
  - (i) Changes in the FCF relating to the LIC
  - (ii) Experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows)

### Changes to the contractual service margin

For insurance contracts issued, at the end of each reporting period, the carrying amount of the CSM is adjusted by the Group to reflect the effect of the following changes:

- (a) The effect of any new contracts added to the Group
- (b) For contracts measured under the GMM, interest accreted on the carrying amount of the CSM
- (c) Changes in the FCF relating to future service are recognised by adjusting the CSM. Changes in the FCF are recognised in the CSM to the extent the CSM is available. When an increase in the FCF exceeds the carrying amount of the CSM, the CSM is reduced to zero, the excess is recognised in insurance service expenses and a loss component is recognised within the LFRC. When the CSM is zero, changes in the FCF adjust the loss component within the LFRC with correspondence to insurance service expenses. The excess of any decrease in the FCF over the loss component reduces the loss component to zero and reinstates the CSM
- (d) The effect of any currency exchange differences
- (e) The amount recognised as insurance revenue for services provided during the period determined after all other adjustments above

For a group of reinsurance contracts held, the carrying amount of the CSM at the end of each reporting period is adjusted to reflect changes in the FCF in the same manner as a group of underlying insurance contracts issued, except that when underlying contracts are onerous and thus changes in the underlying FCF related to future service are recognised in insurance service expenses by adjusting the loss component, respective changes in the FCF of reinsurance contracts held are also recognised in the insurance service result.

### Interest accretion on the CSM

Under the GMM, interest is accreted on the CSM using discount rates determined at initial recognition that are applied to nominal cash flows (locked-in discount rates). If more contracts are added to the existing groups in the subsequent reporting periods, the Group revises the locked-in discount curves by calculating weighted-average discount curves over the period that contracts in the Group are issued. The weighted-average discount curves are determined by multiplying the new CSM added to the Group and their corresponding discount curves over the total CSM.

### Adjusting the CSM for changes in the FCF relating to future service

The CSM is adjusted for changes in the FCF measured applying the discount rates as specified above in the Changes in fulfilment cash flows section.

### Release of the CSM to profit or loss

The amount of the CSM recognised in profit or loss for services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining expected coverage period of the Group of insurance contracts based on coverage units.

The total number of coverage units in a group is the quantity of coverage provided by the contracts in the Group over the expected coverage period. The coverage units are determined at each reporting period-end prospectively by considering:

- (a) The quantity of benefits provided by contracts in the Group
- (b) The expected coverage duration of contracts in the Group
- (c) The likelihood of insured events occurring, only to the extent that they affect the expected duration of contracts in the Group

For reinsurance contracts held, the CSM is released to profit or loss as services are received from the reinsurer in the period.

The Group changes the treatment of accounting estimates made in previous annual financial statements when applying IFRS 17 in this subsequent annual reporting period.

### Onerous contracts – loss component

When adjustments to the CSM exceed the amount of the CSM, the group of contracts becomes onerous and the Group recognises the excess in insurance service expenses and records it as a loss component of the LFRC.

When a loss component exists, the Group allocates the following between the loss component and the remaining component of the LFRC for the respective group of contracts, based on the ratio of the loss component to the FCF relating to the expected future cash outflows:

- (a) Expected incurred claims and expenses for the period
- (b) Changes in the risk adjustment for non-financial risk for the risk expired
- (c) Finance income (expenses) from insurance contracts issued

The amounts of loss component allocation in (a) and (b) above reduce the respective components of insurance revenue and are not reflected in insurance service expenses.

Decreases in the FCF in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF in subsequent periods increase the loss component.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

### F2: Insurance and investment contracts continued

#### 2.1 Accounting policies continued

##### Initial and subsequent measurement – groups of contracts measured under the PAA

The Group uses the PAA for measuring contracts with a coverage period of one year or less, or where it reasonably expects that such a simplification would produce a measurement of the liability for remaining coverage that would not differ materially from the one that would be produced by applying the General Measurement Model.

The Group enters into cell captive arrangements in terms of which it underwrites insurance contracts on behalf of clients (cell owners). The Group thus accounts for those insurance policies as insurance contracts issued.

The cell owners enter into shareholder participation agreements (SPAs) which transfer the risks and rewards of these insurance contracts to the cell owners. Consequently, the SPAs are accounted for as in-substance reinsurance contracts held by the Group.

The contractual terms of the SPAs result in the remaining coverage component of the reinsurance contract balances equalling:

- The cumulative preference share capital contributed by the cell owner; plus/(minus)
- Accumulated after-tax profits/(losses) in the cell; less
- Preference dividends paid to the cell owner (if any)

irrespective of whether the general measurement model (GMM) or the premium allocation approach (PAA) is applied.

This is supported by a test case where both models have been applied to these contracts and yielded an insignificant difference. Consequently, the Group reasonably expects that the PAA would produce a measurement of the liability for remaining coverage that would not differ materially from the one that would be produced applying the GMM. The Group has chosen to apply the PAA to these portfolios.

On initial recognition of insurance contracts issued, the Group measures the LFRC at the amount of premiums received, less any acquisition cash flows allocated to the Group of contracts adjusted for any amounts arising from the derecognition of any prepaid acquisition cash flows asset.

For groups of insurance contracts measured under the PAA that do not contain contracts with a coverage period greater than one year, the Group expenses acquisition cash flows as the costs are incurred.

On initial recognition of reinsurance contracts held, the Group measures the remaining coverage at the amount of ceding premiums paid.

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

- (a) The LFRC
- (b) The LIC, comprising the FCF related to past service allocated to the Group at the reporting date

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

- (a) The remaining coverage
- (b) The incurred claims, comprising the FCF related to past service allocated to the Group at the reporting date

For insurance contracts issued, at each of the subsequent reporting dates, the LFRC is:

- (a) Increased for premiums received in the period
- (b) Decreased for insurance acquisition cash flows paid in the period (if applicable)
- (c) Decreased for the amounts of expected premiums received recognised as insurance revenue for the services provided in the period
- (d) Increased for accretion of interest (if applicable)
- (e) Increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses (if applicable)

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

- (a) Increased for ceding premiums paid in the period
- (b) Decreased for the amounts of ceding premiums recognised as reinsurance expenses for the services received in the period

The Group does not adjust the LFRC for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money where, at initial recognition, the entity expects the time between any premium becoming due and providing the related insurance contract services is one year or less, except with the following exception:

- Subscription amounts received from the cell owner for the issue of preference shares are accounted for as amounts due to the third-party cell owner in the remaining coverage component. When subscription amounts attract interest because of investment returns earned on underlying investments, the interest that accrues to the cell owner is accounted for as reinsurance finance income and expenses

If a group of contracts becomes onerous, the Group increases the carrying amount of the LFRC to the amounts of the FCF determined under the GMM with the amount of such an increase recognised in insurance service expenses.

Subsequently, the Group amortises the amount of the loss component within the LFRC by decreasing insurance service expenses. The loss component amortisation is based on the passage of time over the remaining coverage period of contracts within an onerous group. If facts and circumstances indicate that the expected profitability of the onerous group during the remaining coverage has changed, then the Group remeasures the FCF by applying the GMM and reflects changes in the FCF by adjusting the loss component as required until the loss component is reduced to zero.

For a group of contracts to which the premium allocation approach applies the Group does not increase the liability for remaining coverage, it does so only when it recovers the premiums in cash from the intermediary.

## Presentation

Portfolios of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the statement of financial position. Any assets or liabilities recognised for cash flows arising before the recognition of the related group of contracts (including any assets for insurance acquisition cash flows under (iii)) are included in the carrying amount of the related portfolios of contracts.

The Group disaggregates amounts recognised in the statement of profit or loss into (a) an insurance service result, comprising insurance revenue and insurance service expenses; and (b) insurance finance income or expenses.

Income and expenses from reinsurance contracts are presented separately from income and expenses from insurance contracts. Income and expenses from reinsurance contracts, other than insurance finance income or expenses, are presented on a net basis as 'net expenses from reinsurance contracts' in the insurance service result.

## Insurance revenue and expenses

Insurance revenue and insurance service expenses exclude any investment components and are recognised as follows:

### Measurement and presentation

#### Insurance revenue – contracts not measured under the PAA

The Group recognises insurance revenue as it satisfies its performance obligations – i.e. as it provides services under groups of insurance contracts. For contracts not measured under the PAA, the insurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining coverage that relate to services for which the Group expects to receive consideration, and comprises the following items.

- A release of the CSM, measured based on coverage units provided (see 'Release of the CSM' below)
- Changes in the risk adjustment for non-financial risk relating to current services
- Claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year. This includes amounts arising from the derecognition of any assets for cash flows other than insurance acquisition cash flows at the date of initial recognition of a group of contracts (see (v)), which are recognised as insurance revenue and insurance service expenses at that date
- Other amounts, including experience adjustments for premium receipts for current or past services for the life risk segment and amounts related to incurred policyholder tax expenses for the participating segment

In addition, the Group allocates a portion of premiums that relate to recovering insurance acquisition cash flows to each period in a systematic way based on the passage of time. The Group recognises the allocated amount, adjusted for interest accretion at the discount rates determined on initial recognition of the related group of contracts, as insurance revenue and an equal amount as insurance service expenses.

#### Insurance revenue – contracts measured under the PAA

For contracts measured under the PAA, the insurance revenue for each period is the amount of expected premium receipts for providing services in the period. The Group allocates expected premiums equally to each period of related insurance contract services, unless the expected pattern of the release of risk during the coverage period differs significantly from an even basis. In the latter case, expected premium receipts are allocated to the period based on the expected timing of incurred claims and other incurred insurance service expenses.

#### Loss components

For contracts not measured under the PAA, the Group establishes a loss component of the liability for remaining coverage for onerous groups of insurance contracts. The loss component determines the amounts of fulfilment cash flows that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue when they occur. When the fulfilment cash flows are incurred, they are allocated between the loss component and the liability for remaining coverage excluding the loss component on a systematic basis.

Changes in fulfilment cash flows relating to future services and changes in the amount of the Group's share of the fair value of the underlying items for direct participating contracts are allocated solely to the loss component. If the loss component is reduced to zero, then any excess over the amount allocated to the loss component creates a new CSM for the Group of contracts.

#### Insurance service expenses

Insurance service expenses arising from insurance contracts are recognised in profit or loss generally as they are incurred. They exclude repayments of investment components and comprise the following items:

- Incurred claims and other insurance service expenses: For some life risk contracts, incurred claims also include premiums waived on death or detection of critical illness
- Amortisation of insurance acquisition cash flows: For contracts not measured under the PAA, this is equal to the amount of insurance revenue recognised in the year that relates to recovering insurance acquisition cash flows. For contracts measured under the PAA, the Group amortises insurance acquisition cash flows on a straight-line basis over the coverage period of the group of contracts
- Losses on onerous contracts and reversals of such losses
- Adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein
- Impairment losses on assets for insurance acquisition cash flows and reversals of such impairment losses

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

### F2: Insurance and investment contracts continued

#### 2.1 Accounting policies continued

##### Measurement and presentation continued

##### Net expenses from reinsurance contracts

Net expenses from reinsurance contracts comprise an allocation of reinsurance premiums paid less amounts recovered from reinsurers.

The Group recognises an allocation of reinsurance premiums paid in profit or loss as it receives services under groups of reinsurance contracts. For contracts not measured under the PAA, the allocation of reinsurance premiums paid relating to services received for each period represents the total of the changes in the asset for remaining coverage that relate to services for which the Group expects to pay consideration.

For contracts measured under the PAA, the allocation of reinsurance premiums paid for each period is the amount of expected premium payments for receiving services in the period.

For a group of reinsurance contracts covering onerous underlying contracts, the Group establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised:

- On recognition of onerous underlying contracts, if the reinsurance contract covering those contracts is entered into before or at the same time as those contracts are recognised
- For changes in fulfilment cash flows of the group of reinsurance contracts relating to future services that result from changes in fulfilment cash flows of the onerous underlying contracts

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. It is adjusted to reflect changes in the loss component of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Group expects to recover from the reinsurance contracts.

##### Insurance finance income and expenses

Insurance finance income and expenses comprise changes in the carrying amounts of groups of insurance and reinsurance contracts arising from the effects of the time value of money, financial risk and changes therein, unless any such changes for groups of direct participating contracts are allocated to a loss component and included in insurance service expenses. They include changes in the measurement of groups of contracts caused by changes in the value of underlying items (excluding additions and withdrawals).

The Group has chosen not to disaggregate insurance finance income and expenses between profit or loss and OCI. All insurance finance income and expenses for the period is presented in profit or loss.

The Group disaggregates changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

#### 2.2 Significant judgements and estimates

##### Fulfilment cash flows

The Group's objective in estimating future cash flows is to determine the expected value of a range of scenarios that reflects the full range of possible outcomes. The cash flows from each scenario are discounted and weighted by the estimated probability of that outcome to derive an expected present value. If there are significant interdependencies between cash flows that vary based on changes in market variables and other cash flows, then the Group uses stochastic modelling techniques to estimate the expected present value. Stochastic modelling involves projecting future cash flows under a large number of possible economic scenarios for market variables such as interest rates and equity returns.

##### Estimates of future cash flows

In estimating future cash flows, the Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events.

The estimates of future cash flows reflect the Group's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices.

Investment guarantees embedded in insurance contracts and investment contracts with discretionary participation features are measured using stochastic modelling techniques because the guarantee does not move symmetrically with different investment return scenarios. The Group's measurement of the investment guarantee reserves incorporates a full range of scenarios representing possible future investment return (or interest rate) environments.

##### Contract boundaries

The assessment of the contract boundary, which defines which future cash flows are included in the measurement of a contract, requires judgement and consideration of the Group's substantive rights and obligations under the contract.

### Insurance contracts

Some term assurance and critical illness contracts issued by the Group have annual terms that are guaranteed to be renewable each year. The Group determines that the cash flows related to future renewals (i.e. the guaranteed renewable terms) of these contracts are outside the contract boundary. This is because the premium charged for each year reflects the Group's expectation of its exposure to risk for that year and, on renewal, the Group can reprice the premium to reflect the reassessed risks for the next year based on claims experience and expectations for the respective portfolio. Any renewal of the contract is treated as a new contract and is recognised, separately from the initial contract, when the recognition criteria are met.

Some universal life contracts contain a guaranteed annuity option, which allows the policyholder to convert, on maturity of the stated term, the maturity benefit into an immediately starting life-contingent annuity at a predetermined rate. The Group has assessed the contract boundary for the entire contract, including the option, and concluded that the cash flows related to the guaranteed annuity option fall within the boundary of the contract. This is because the Group does not have the practical ability to reprice the contract on maturity of the stated term.

### Reinsurance contracts

Each of the Group's quota share reinsurance contracts has an annual term, covers underlying contracts issued within the term on a risk-attaching basis and provides unilateral rights to both the Group and the reinsurer to terminate the cession of new business at any time by giving three months' notice to the other party. On initial recognition, the cash flows within the reinsurance contract boundary are determined to be those arising from underlying contracts that the Group expects to issue and cede under the reinsurance contract within the next three months. Subsequently, expected cash flows beyond the end of this initial notice period are considered cash flows of new reinsurance contracts and are recognised, separately from the initial contract, as they fall within the rolling three-month notice period.

Cash flows within the contract boundary are those arising from underlying claims incurred during the year.

### Life and savings

Assumptions about mortality/longevity, morbidity and policyholder behaviour that are used in estimating future cash flows are developed by product type at local entity level, reflecting recent experience and the profiles of policyholders within a group of insurance contracts.

Mortality/longevity and morbidity assumptions are generally developed using a blend of national mortality data, industry trends and the local entity's recent experience. Experience is monitored through regular studies, the results of which are reflected both in the pricing of new products and in the measurement of existing contracts.

Policyholder behaviour is a key assumption in the measurement of life savings and participating insurance contracts. Each type of policyholder behaviour is estimated by product type, based on trends in recent experience.

### Discount rates

All cash flows are discounted using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts. The Group generally determines the risk-free rates using the observed mid-price for swap instruments from AA-rated banks and government bond instruments. The yield curve is extrapolated between the last available market data point and an ultimate forward rate, which reflects long-term real interest rate and inflation expectations. Although the ultimate forward rate is subject to revision, it is expected to be stable and would change only on significant changes to long-term expectations. To reflect the liquidity characteristics of the insurance contracts, the risk-free yield curves are adjusted by an illiquidity premium as appropriate. Illiquidity premiums are generally determined by removing the credit premium from the observed corporate bond spreads.

Cash flows that vary based on the returns on any financial underlying items are adjusted for the effect of that variability using risk-neutral measurement techniques and discounted using the risk-free rates as adjusted for illiquidity. When the present value of future cash flows is estimated by stochastic modelling, the cash flows are discounted at scenario-specific rates calibrated, on average, to be the risk-free rates as adjusted for illiquidity.

The table below sets out the yield curves used to discount the cash flows of insurance contracts.

	Separate and consolidated	
	At 31 December 2024	At 31 December 2023
<b>South African risk-free reference spot yields and expense inflation</b>		
Risk-free rates		
One year	7.6%	8.4%
Five years	9.4%	9.6%
10 years	11.1%	12.2%
20 years	12.6%	14.5%
Expense inflation rates		
One year	3.6%	4.3%
Five years	4.4%	5.3%
10 years	5.9%	6.9%
20 years	7.2%	9.0%

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

### F2: Insurance and investment contracts continued

#### 2.2 Significant judgements and estimates continued

##### Risk adjustment for non-financial risk

Risk adjustments for non-financial risk are determined to reflect the compensation that the individual issuing entity would require for bearing non-financial risk, separately for the non-life and other contracts, and are allocated to groups of contracts based on an analysis of the risk profiles of the groups. Risk adjustments for non-financial risk reflect the diversification benefits from contracts issued by the entity, in a way that is consistent with the compensation that it would require and that reflects its degree of risk aversion, and the effects of the diversification benefits are determined using a correlation matrix technique.

The risk adjustment for non-financial risk is determined using a confidence level technique based on regulatory solvency stresses. Applying this technique, the Group estimates the probability distribution of the expected present value of the future cash flows from insurance contracts at each reporting date and calculates the risk adjustment for non-financial risk as the excess of the value at risk at the 75th percentile (the target confidence level) over the expected present value of the future cash flows. 75% has been selected as this aligns to the compensation required by the Group for bearing risk implied by the cost of non-hedgeable risk allowance in the market consistent embedded value calculations.

The confidence level is calculated using appropriately calibrated loadings applied to best estimate assumptions, with the loadings calibrated as a percentage of the solvency stresses for non-financial risk and modelled as a single equivalent scenario at a contract level. The confidence level applies at a Group level as the risk adjustment is correct at a total group level (even though the shocks are applied at a contract level and rolled up to portfolio level) due to allowing for the diversification factors in the risk adjustment shocks applied that allows for the portfolio level diversification in relation to the Group level diversification. The 75% confidence level is consistent with both the Group methodologies and regulatory required methodologies.

To determine the risk adjustment for non-financial risk for reinsurance contracts, the Group applies these techniques both gross and net of reinsurance and derives the amount of risk being transferred to the reinsurer as the difference between the two results.

##### Contractual service margin

##### Determination of coverage units

The CSM of a group of contracts is recognised in profit or loss to reflect services provided in each year based on the number of coverage units provided in the year, which is determined by considering for each contract the quantity of the benefits provided and its expected coverage period. The coverage period allows for full expected runoff of the cohort based on the valuation assumptions. The coverage units in each month will be the benefit payments that the Group stands ready to pay in that month, subject to any term restrictions. The coverage units are reviewed and updated at each reporting date.

The Group determines the quantity of the benefits provided under each contract as follows.

Benefit type	Coverage unit
Lump sum pure risk benefits	Projected total sum assured in-force
Income protection benefits (where the insured event is defined as the policyholder becoming sick or disabled)	Present value of regular payments on claim inception
Income protection benefits (where the insured event is defined as the policyholder continuing to be sick or disabled)	Projected regular payment in-force
Waiver of premium benefits (payable on death or where the insured event is defined as the policyholder becoming sick or disabled)	Present value of waived premiums on claim inception
Waiver of premium benefits (where the insured event is defined as the policyholder continuing to be sick or disabled)	Projected waived premium in-force
Guaranteed and inflation-linked annuities	<ul style="list-style-type: none"> <li>• Insurance service</li> <li>• Projected annuity in-force (outside of the guaranteed period)</li> <li>• Investment service                             <ul style="list-style-type: none"> <li>→ Option 1: Present value of annuity payments remaining within the guaranteed period</li> <li>→ Option 2: Projected annuity in-force (within the guaranteed period)</li> </ul> </li> </ul>
Reinsurance benefits	Projected total reinsurance sum assured in-force
Investment contracts with discretionary participation features	Underlying item (unit fund and bonus smoothing account)
Universal life contracts with direct participation features	Higher of projected total sum assured in-force (excluding accelerated benefits) and underlying item (unit fund and bonus smoothing account)
Conventional reversionary bonus contracts	Projected total sum assured in-force (including projected bonuses)

For insurance contracts that provide both insurance coverage and investment services, the assessment of the quantity of benefits entails determining the relative weighting of the benefits provided to the policyholder by these services, determining how the benefits provided by each service change over the coverage period and aggregating those different benefits.

To determine the relative weighting of the benefits provided by insurance coverage and investment services, the Group generally considers the selling prices for the services had they been offered on a stand-alone basis and adjusts the quantity of benefits for each service in proportion to those standalone selling prices. The standalone selling price for a service may be evidenced by observable prices when the Group sells that service separately to policyholders with similar characteristics.

#### Risk mitigation option

The Group uses derivatives and other instruments to mitigate the financial risk arising from financial guarantees in certain participating contracts in accordance with its documented risk management objective and strategy for mitigating financial risk. An economic offset exists between the insurance contracts and the risk-mitigating items, and credit risk does not dominate the economic offset.

The Group has chosen to recognise changes in the amount of its share of the fair value of the underlying items and changes in fulfilment cash flows due to changes in the effect of financial risk not arising from underlying items that are mitigated by the use of derivatives or reinsurance contracts in profit or loss and not to adjust the CSM.

#### Investment components

The Group identifies the investment component of a contract by determining the amount that it would be required to repay to the policyholder in all scenarios with commercial substance. These include circumstances in which an insured event occurs or the contract matures or is terminated without an insured event occurring. Investment components are excluded from insurance revenue and insurance service expenses.

Some participating contracts have explicit surrender values. The investment component excluded from insurance revenue and insurance service expenses is determined as the surrender value specified in the contractual terms less any accrued fees and surrender charges.

### 2.3 Insurance and reinsurance contracts

Rm	Separate			
	At 31 December 2024		At 31 December 2023	
	Assets	Liabilities	Assets	Liabilities
<b>Insurance contracts</b>				
<b>Total life and guaranteed savings</b>	<b>6 118</b>	<b>(597 569)</b>	4 577	(557 618)
Life risk and annuities	<b>6 118</b>	<b>(94 513)</b>	4 577	(81 559)
Life savings	-	<b>(503 056)</b>	-	(476 059)
<b>Total insurance contracts</b>	<b>6 118</b>	<b>(597 569)</b>	4 577	(557 618)
Of which:				
Expected to be recovered/(settled) more than 12 months after the reporting date	<b>5 567</b>	<b>(529 080)</b>	3 197	(501 365)
Expected to be recovered/(settled) within 12 months after the reporting date	<b>551</b>	<b>(68 489)</b>	1 380	(56 253)
<b>Reinsurance contracts</b>				
<b>Total life and guaranteed savings</b>	<b>3 280</b>	<b>(3)</b>	2 742	(34)
Life risk and annuities	<b>3 280</b>	<b>(3)</b>	2 742	(34)
Life savings	-	-	-	-
<b>Total reinsurance contracts</b>	<b>3 280</b>	<b>(3)</b>	2 742	(34)
Of which:				
Expected to be recovered/(settled) more than 12 months after the reporting date	<b>1 794</b>	<b>1</b>	2 405	212
Expected to be recovered/(settled) within 12 months after the reporting date	<b>1 486</b>	<b>(4)</b>	337	(246)

The estimates of the present value of the future cash flows from insurance and reinsurance assets represents the Company's maximum exposure to credit risk from these assets. The maximum exposure to credit risk from reinsurance contracts is R3 020 million (2023: R3 155 million). The maximum exposure to credit risk from insurance contracts is insignificant.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

F2: Insurance and investment contracts continued

2.3 Insurance and reinsurance contracts continued

Rm	Consolidated			
	At 31 December 2024		At 31 December 2023	
	Assets	Liabilities	Assets	Liabilities
<b>Insurance contracts</b>				
<b>Total life and guaranteed savings</b>	<b>6 246</b>	<b>(597 738)</b>	4 738	(557 779)
Life risk and annuities	<b>6 246</b>	<b>(94 682)</b>	4 738	(81 720)
Life savings	–	<b>(503 056)</b>	–	(476 059)
<b>Total insurance contracts</b>	<b>6 246</b>	<b>(597 738)</b>	4 738	(557 779)
Of which:				
Expected to be recovered/(settled) more than 12 months after the reporting date	<b>5 530</b>	<b>(528 623)</b>	3 200	(500 996)
Expected to be recovered/(settled) within 12 months after the reporting date	<b>716</b>	<b>(69 115)</b>	1 538	(56 783)
<b>Reinsurance contracts</b>				
<b>Total life and guaranteed savings</b>	<b>3 396</b>	<b>(584)</b>	2 887	(598)
Life risk and annuities	<b>3 396</b>	<b>(584)</b>	2 887	(598)
Life savings	–	–	–	–
<b>Total reinsurance contracts</b>	<b>3 396</b>	<b>(584)</b>	2 887	(598)
Of which:				
Expected to be recovered/(settled) more than 12 months after the reporting date	<b>1 889</b>	<b>(131)</b>	2 585	190
Expected to be recovered/(settled) within 12 months after the reporting date	<b>1 507</b>	<b>(453)</b>	302	(788)

The estimates of the present value of the future cash flows from insurance and reinsurance assets represents the Group's maximum exposure to credit risk from these assets. The maximum exposure to credit risk from reinsurance contracts is R2 577 million (2023: R3 330 million). The maximum exposure to credit risk from insurance contracts is insignificant.

### 2.4 Movements in the carrying amounts of insurance and reinsurance contracts

The following reconciliations show how the net carrying amounts of insurance and reinsurance in each line of business changed during the year as a result of cash flows and amounts recognised in the income statement.

For each line of business, the Group presents a table that separately analyses movements in the liability for remaining coverage and movement in the liability for incurred claims and reconciles these movements to the line items in the income statement.

A second reconciliation is presented for contracts not measured under the PAA, which separately analyses changes in the estimates for the present value of future cash flows, the risk adjustment for non-financial risk and the CSM.

## 2.5 Analysis of insurance and reinsurance contracts

### (a) Life risk and annuities

#### (i) Insurance contracts: Analysis by remaining coverage and incurred claims

Year ended 31 December 2024 Rm	Separate					
	Liability for remaining coverage		Liabilities for incurred claims			
	Excluding loss component	Loss component	Contracts not under PAA	Contracts under the PAA		Total
Estimates of present value of future cash flows				Risk-adjustment for non-financial risk		
<b>Net opening balance (insurance contracts)</b>	<b>(58 270)</b>	<b>(5 195)</b>	<b>(3 370)</b>	<b>(10 082)</b>	<b>(65)</b>	<b>(76 982)</b>
<b>Represented by:</b>						
Opening insurance assets	7 470	(2 356)	(537)	–	–	4 577
Opening insurance liabilities	(65 740)	(2 839)	(2 833)	(10 082)	(65)	(81 559)
<b>Changes in profit or loss</b>						
<b>Insurance revenue</b>	<b>29 081</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>29 081</b>
Contracts under the modified retrospective approach	3 339	–	–	–	–	3 339
Contracts under the fair value approach	5 666	–	–	–	–	5 666
Other contracts	20 076	–	–	–	–	20 076
<b>Insurance service expenses</b>	<b>(4 618)</b>	<b>(4)</b>	<b>(15 993)</b>	<b>(4 882)</b>	<b>(2)</b>	<b>(25 499)</b>
Incurred claims and other insurance service expenses	–	691	(15 994)	(5 322)	–	(20 625)
Amortisation of insurance acquisition cash flows	(4 618)	–	–	–	–	(4 618)
Losses and reversal of losses on onerous contracts	–	(695)	–	–	–	(695)
Adjustments to liabilities for incurred claims	–	–	1	440	(2)	439
<b>Insurance service result</b>	<b>24 463</b>	<b>(4)</b>	<b>(15 993)</b>	<b>(4 882)</b>	<b>(2)</b>	<b>3 582</b>
Insurance finance expense	(10 466)	(495)	(3)	(952)	(9)	(11 925)
<b>Total changes in profit or loss</b>	<b>13 997</b>	<b>(499)</b>	<b>(15 996)</b>	<b>(5 834)</b>	<b>(11)</b>	<b>(8 343)</b>
<b>Investment components</b>	<b>2 751</b>	<b>–</b>	<b>(2 751)</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Cash flows</b>						
Premiums received	(33 064)	–	–	–	–	(33 064)
Insurance acquisition cash flows paid	5 995	–	–	–	–	5 995
Insurance claims paid, including investment components	–	–	16 536	4 718	–	21 254
Other expenses paid	–	–	2 417	328	–	2 745
<b>Total cash flows (insurance contracts)</b>	<b>(27 069)</b>	<b>–</b>	<b>18 953</b>	<b>5 046</b>	<b>–</b>	<b>(3 070)</b>
Foreign currency exchange differences and other	–	–	–	–	–	–
<b>Net closing balance (insurance contracts)</b>	<b>(68 591)</b>	<b>(5 694)</b>	<b>(3 164)</b>	<b>(10 870)</b>	<b>(76)</b>	<b>(88 395)</b>
<b>Represented by:</b>						
Closing insurance assets	9 618	(2 947)	(545)	(8)	–	6 118
Closing insurance liabilities	(78 209)	(2 747)	(2 619)	(10 862)	(76)	(94 513)
<b>Net closing balance (insurance contracts)</b>	<b>(68 591)</b>	<b>(5 694)</b>	<b>(3 164)</b>	<b>(10 870)</b>	<b>(76)</b>	<b>(88 395)</b>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

F2: Insurance and investment contracts continued

2.5 Analysis of insurance and reinsurance contracts continued

(a) Life risk and annuities continued

(i) Insurance contracts: Analysis by remaining coverage and incurred claims continued

### Consolidated

Year ended 31 December 2024 Rm	Liability for remaining coverage		Liabilities for incurred claims			Total
	Excluding loss component	Loss component	Contracts not under PAA	Contracts under the PAA		
				Estimates of present value of future cash flows	Risk-adjustment for non-financial risk	
<b>Net opening balance (insurance contracts)</b>	<b>(57 939)</b>	<b>(5 222)</b>	<b>(3 374)</b>	<b>(10 376)</b>	<b>(71)</b>	<b>(76 982)</b>
<b>Represented by:</b>						
Opening insurance assets	7 749	(2 363)	(647)	(1)	–	4 738
Opening insurance liabilities	(65 688)	(2 859)	(2 727)	(10 375)	(71)	(81 720)
<b>Changes in profit or loss</b>						
<b>Insurance revenue</b>	<b>30 696</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>30 696</b>
Contracts under the modified retrospective approach	3 339	–	–	–	–	3 339
Contracts under the fair value approach	5 883	–	–	–	–	5 883
Other contracts	21 474	–	–	–	–	21 474
<b>Insurance service expenses</b>	<b>(4 737)</b>	<b>(5)</b>	<b>(16 452)</b>	<b>(5 260)</b>	<b>–</b>	<b>(26 454)</b>
Incurring claims and other insurance service expenses	–	692	(16 493)	(5 696)	–	(21 497)
Amortisation of insurance acquisition cash flows	(4 737)	–	–	–	–	(4 737)
Losses and reversal of losses on onerous contracts	–	(697)	–	–	–	(697)
Adjustments to liabilities for incurred claims	–	–	41	436	–	477
<b>Insurance service result</b>	<b>25 959</b>	<b>(5)</b>	<b>(16 452)</b>	<b>(5 260)</b>	<b>–</b>	<b>4 242</b>
Insurance finance expense	(10 445)	(498)	(3)	(946)	(23)	(11 915)
<b>Total changes in profit or loss</b>	<b>15 514</b>	<b>(503)</b>	<b>(16 455)</b>	<b>(6 206)</b>	<b>(23)</b>	<b>(7 673)</b>
<b>Investment components</b>	<b>2 751</b>	<b>–</b>	<b>(2 751)</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Cash flows</b>						
Premiums received	(34 897)	–	–	–	–	(34 897)
Insurance acquisition cash flows paid	6 177	–	–	–	–	6 177
Insurance claims paid, including investment components	–	–	16 788	5 125	–	21 913
Other expenses paid	–	–	2 578	447	–	3 025
<b>Total cash flows (insurance contracts)</b>	<b>(28 720)</b>	<b>–</b>	<b>19 366</b>	<b>5 572</b>	<b>–</b>	<b>(3 782)</b>
Foreign currency exchange differences and other	–	1	–	–	–	1
<b>Net closing balance (insurance contracts)</b>	<b>(68 394)</b>	<b>(5 724)</b>	<b>(3 214)</b>	<b>(11 010)</b>	<b>(94)</b>	<b>(88 436)</b>
<b>Represented by:</b>						
Closing insurance assets	9 881	(2 957)	(668)	(10)	–	6 246
Closing insurance liabilities	(78 275)	(2 767)	(2 546)	(11 000)	(94)	(94 682)
<b>Net closing balance (insurance contracts)</b>	<b>(68 394)</b>	<b>(5 724)</b>	<b>(3 214)</b>	<b>(11 010)</b>	<b>(94)</b>	<b>(88 436)</b>

Year ended 31 December 2023 Rm	Liability for remaining coverage		Separate Liabilities for incurred claims			Total
	Excluding loss component	Loss component	Contracts not under PAA	Contracts under the PAA		
				Estimates of present value of future cash flows	Risk-adjustment for non-financial risk	
<b>Net opening balance (insurance contracts)</b>	(53 473)	(4 765)	(3 229)	(10 026)	(46)	(71 539)
<b>Represented by:</b>						
Opening insurance assets	5 198	(1 705)	(268)	–	–	3 225
Opening insurance liabilities	(58 671)	(3 060)	(2 961)	(10 026)	(46)	(74 764)
<b>Changes in profit or loss</b>						
<b>Insurance revenue</b>	28 381	–	–	–	–	28 381
Contracts under the modified retrospective approach	3 420	–	–	–	–	3 420
Contracts under the fair value approach	5 676	–	–	–	–	5 676
Other contracts	19 285	–	–	–	–	19 285
<b>Insurance service expenses</b>	(4 353)	(35)	(14 627)	(4 771)	(19)	(23 805)
Incurred claims and other insurance service expenses	–	621	(14 618)	(4 907)	–	(18 904)
Amortisation of insurance acquisition cash flows	(4 353)	–	–	–	–	(4 353)
Losses and reversal of losses on onerous contracts	–	(656)	–	–	–	(656)
Adjustments to liabilities for incurred claims	–	–	(9)	136	(19)	108
<b>Insurance service result</b>	24 028	(35)	(14 627)	(4 771)	(19)	4 576
Insurance finance expense	(3 931)	(395)	(1)	(532)	–	(4 859)
<b>Total changes in profit or loss</b>	20 097	(430)	(14 628)	(5 303)	(19)	(283)
<b>Investment components</b>	2 208	–	(2 208)	–	–	–
<b>Cash flows</b>						
Premiums received	(32 526)	–	–	–	–	(32 526)
Insurance acquisition cash flows paid	5 424	–	–	–	–	5 424
Insurance claims paid, including investment components	–	–	14 460	4 962	–	19 422
Other expenses paid	–	–	2 236	285	–	2 521
<b>Total cash flows (insurance contracts)</b>	(27 102)	–	16 696	5 247	–	(5 159)
Foreign currency exchange differences and other	–	–	(1)	–	–	(1)
<b>Net closing balance (insurance contracts)</b>	(58 270)	(5 195)	(3 370)	(10 082)	(65)	(76 982)
<b>Represented by:</b>						
Closing insurance assets	7 470	(2 356)	(537)	–	–	4 577
Closing insurance liabilities	(65 740)	(2 839)	(2 833)	(10 082)	(65)	(81 559)
<b>Net closing balance (insurance contracts)</b>	(58 270)	(5 195)	(3 370)	(10 082)	(65)	(76 982)

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

F2: Insurance and investment contracts continued

2.5 Analysis of insurance and reinsurance contracts continued

(a) Life risk and annuities continued

(i) Insurance contracts: Analysis by remaining coverage and incurred claims continued

Year ended 31 December 2023 Rm	Liability for remaining coverage		Liabilities for incurred claims			Total
	Excluding loss component	Loss component	Contracts not under PAA	Contracts under the PAA		
				Estimates of present value of future cash flows	Risk-adjustment for non-financial risk	
<b>Net opening balance (insurance contracts)</b>	(53 106)	(4 793)	(3 203)	(9 703)	(50)	(70 855)
<b>Represented by:</b>						
Opening insurance assets	5 543	(1 733)	(374)	–	–	3 436
Opening insurance liabilities	(58 649)	(3 060)	(2 829)	(9 703)	(50)	(74 291)
<b>Changes in profit or loss</b>						
<b>Insurance revenue</b>	29 683	–	–	–	–	29 683
Contracts under the modified retrospective approach	3 420	–	–	–	–	3 420
Contracts under the fair value approach	5 666	–	–	–	–	5 666
Other contracts	20 597	–	–	–	–	20 597
<b>Insurance service expenses</b>	(4 462)	(35)	(14 967)	(4 955)	(20)	(24 439)
Incurred claims and other insurance service expenses	–	619	(15 004)	(5 019)	–	(19 404)
Amortisation of insurance acquisition cash flows	(4 462)	–	–	–	–	(4 462)
Losses and reversal of losses on onerous contracts	–	(654)	–	–	–	(654)
Adjustments to liabilities for incurred claims	–	–	37	64	(20)	81
<b>Insurance service result</b>	25 221	(35)	(14 967)	(4 955)	(20)	5 244
Insurance finance expense	(3 906)	(396)	(1)	(484)	(1)	(4 788)
<b>Total changes in profit or loss</b>	21 315	(431)	(14 968)	(5 439)	(21)	456
<b>Investment components</b>	2 208	–	(2 208)	–	–	–
<b>Cash flows</b>						
Premiums received	(33 846)	–	–	–	–	(33 846)
Insurance acquisition cash flows paid	5 490	–	–	–	–	5 490
Insurance claims paid, including investment components	–	–	14 683	4 317	–	19 000
Other expenses paid	–	–	2 322	449	–	2 771
<b>Total cash flows (insurance contracts)</b>	(28 356)	–	17 005	4 766	–	(6 585)
Foreign currency exchange differences and other	–	2	–	–	–	2
<b>Net closing balance (insurance contracts)</b>	(57 939)	(5 222)	(3 374)	(10 376)	(71)	(76 982)
<b>Represented by:</b>						
Closing insurance assets	7 749	(2 363)	(647)	(1)	–	4 738
Closing insurance liabilities	(65 688)	(2 859)	(2 727)	(10 375)	(71)	(81 720)
<b>Net closing balance (insurance contracts)</b>	(57 939)	(5 222)	(3 374)	(10 376)	(71)	(76 982)

(ii) Insurance contracts: Analysis by measurement component – contracts not measured under the PAA  
Separate

Year ended 31 December 2024 Rm	Contractual service margin					
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	Total
<b>Net opening balance (insurance contracts)</b>	<b>(32 626)</b>	<b>(3 699)</b>	<b>(8 141)</b>	<b>(6 865)</b>	<b>(15 813)</b>	<b>(67 144)</b>
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non-financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Opening insurance assets	6 478	(826)			(1 075)	4 577
Opening insurance liabilities	(39 104)	(2 873)			(29 744)	(71 721)
<b>Changes in profit or loss</b>						
<b>Changes that relate to current services</b>	<b>(484)</b>	<b>860</b>	<b>680</b>	<b>604</b>	<b>1 651</b>	<b>3 311</b>
CSM recognised for services provided	–	–	680	604	1 651	2 935
Release of risk adjustment for the risk expired	–	825	–	–	–	825
Tax recovered from policyholders	(210)	–	–	–	–	(210)
Experience adjustments	(274)	35	–	–	–	(239)
<b>Changes that relate to future services</b>	<b>287</b>	<b>(747)</b>	<b>(88)</b>	<b>596</b>	<b>(769)</b>	<b>(721)</b>
Contracts initially recognised in the year	2 326	(764)	–	–	(2 103)	(541)
Changes in estimates that adjust the CSM	(1 861)	19	(88)	596	1 334	–
Changes in estimates that result in losses and reversal of losses on onerous contracts	(178)	(2)	–	–	–	(180)
<b>Changes that relate to past services</b>						
Adjustment to liabilities for incurred claims	(3)	3	–	–	–	–
<b>Insurance service result</b>	<b>(200)</b>	<b>116</b>	<b>592</b>	<b>1 200</b>	<b>882</b>	<b>2 590</b>
Insurance finance expense	(7 559)	(494)	(695)	(597)	(1 618)	(10 963)
<b>Total changes in profit or loss</b>	<b>(7 759)</b>	<b>(378)</b>	<b>(103)</b>	<b>603</b>	<b>(736)</b>	<b>(8 373)</b>
<b>Cash flows</b>						
Premiums received	(26 862)	–	–	–	–	(26 862)
Insurance acquisition cash flows paid	5 657	–	–	–	–	5 657
Insurance claims paid, including investment components	16 536	–	–	–	–	16 536
Other expenses paid	2 417	–	–	–	–	2 417
<b>Total cash flows (insurance contracts)</b>	<b>(2 252)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(2 252)</b>
Effect of movements in exchange rates and other	–	–	–	–	–	–
<b>Net closing balance (insurance contracts)</b>	<b>(42 637)</b>	<b>(4 077)</b>	<b>(8 244)</b>	<b>(6 262)</b>	<b>(16 549)</b>	<b>(77 769)</b>
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non-financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Closing insurance assets	8 607	(1 085)			(1 410)	6 112
Closing insurance liabilities	(51 244)	(2 992)			(29 645)	(83 881)
<b>Net closing balance (insurance contracts)</b>	<b>(42 637)</b>	<b>(4 077)</b>			<b>(31 055)</b>	<b>(77 769)</b>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

F2: Insurance and investment contracts continued

2.5 Analysis of insurance and reinsurance contracts continued

(a) Life risk and annuities continued

(ii) Insurance contracts: Analysis by measurement component – contracts not measured under the PAA continued

Year ended 31 December 2024 Rm	Consolidated					
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin			Total
Contracts under modified retrospective approach			Contracts under fair value approach	Other contracts		
<b>Net opening balance (insurance contracts)</b>	<b>(31 380)</b>	<b>(3 798)</b>	<b>(8 141)</b>	<b>(7 274)</b>	<b>(16 320)</b>	<b>(66 913)</b>
<b>Represented by:</b>					<b>Contractual service margin</b>	<b>Total</b>
Opening insurance assets	7 561	(915)			(1 908)	4 738
Opening insurance liabilities	(38 941)	(2 883)			(29 827)	(71 651)
<b>Changes in profit or loss</b>						
<b>Changes that relate to current services</b>	<b>(623)</b>	<b>942</b>	<b>680</b>	<b>683</b>	<b>2 082</b>	<b>3 764</b>
CSM recognised for services provided	–	–	680	683	2 082	3 445
Release of risk adjustment for the risk expired	–	908	–	–	–	908
Tax recovered from policyholders	(210)	–	–	–	–	(210)
Experience adjustments	(413)	34	–	–	–	(379)
<b>Changes that relate to future services</b>	<b>937</b>	<b>(834)</b>	<b>(88)</b>	<b>547</b>	<b>(1 287)</b>	<b>(725)</b>
Contracts initially recognised in the year	2 939	(830)	–	–	(2 682)	(573)
Changes in estimates that adjust the CSM	(1 853)	(1)	(88)	547	1 395	–
Changes in estimates that result in losses and reversal of losses on onerous contracts	(149)	(3)	–	–	–	(152)
<b>Changes that relate to past services</b>						
Adjustment to liabilities for incurred claims	40	1	–	–	–	41
<b>Insurance service result</b>	<b>354</b>	<b>109</b>	<b>592</b>	<b>1 230</b>	<b>795</b>	<b>3 080</b>
Insurance finance expense	(7 436)	(506)	(695)	(622)	(1 674)	(10 933)
<b>Total changes in profit or loss</b>	<b>(7 082)</b>	<b>(397)</b>	<b>(103)</b>	<b>608</b>	<b>(879)</b>	<b>(7 853)</b>
<b>Cash flows</b>						
Premiums received	(27 936)	–	–	–	–	(27 936)
Insurance acquisition cash flows paid	5 731	–	–	–	–	5 731
Insurance claims paid, including investment components	16 788	–	–	–	–	16 788
Other expenses paid	2 578	–	–	–	–	2 578
<b>Total cash flows (insurance contracts)</b>	<b>(2 839)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(2 839)</b>
Effect of movements in exchange rates and other	–	–	–	–	–	–
<b>Net closing balance (insurance contracts)</b>	<b>(41 301)</b>	<b>(4 195)</b>	<b>(8 244)</b>	<b>(6 666)</b>	<b>(17 199)</b>	<b>(77 605)</b>
<b>Represented by:</b>					<b>Contractual service margin</b>	<b>Total</b>
Closing insurance assets	9 603	(1 173)			(2 191)	6 239
Closing insurance liabilities	(50 904)	(3 022)			(29 918)	(83 844)
<b>Net closing balance (insurance contracts)</b>	<b>(41 301)</b>	<b>(4 195)</b>			<b>(32 109)</b>	<b>(77 605)</b>

Year ended 31 December 2023 Rm	Separate Contractual service margin					Total
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	
<b>Net opening balance (insurance contracts)</b>	(29 291)	(3 697)	(8 065)	(6 304)	(14 503)	(61 860)
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non-financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Opening insurance assets	4 870	(616)			(1 029)	3 225
Opening insurance liabilities	(34 161)	(3 081)			(27 843)	(65 085)
<b>Changes in profit or loss</b>						
<b>Changes that relate to current services</b>	213	833	674	680	1 584	3 984
CSM recognised for services provided	–	–	674	680	1 584	2 938
Release of risk adjustment for the risk expired	–	802	–	–	–	802
Tax recovered from policyholders <sup>1</sup>	(55)	–	–	–	–	(55)
Experience adjustments <sup>1</sup>	268	31	–	–	–	299
<b>Changes that relate to future services</b>	2 302	(581)	(50)	(812)	(1 514)	(655)
Contracts initially recognised in the year	1 960	(698)	–	–	(1 915)	(653)
Changes in estimates that adjust the CSM	362	99	(50)	(812)	401	–
Changes in estimates that result in losses and reversal of losses on onerous contracts	(20)	18	–	–	–	(2)
<b>Changes that relate to past services</b>						
Adjustment to liabilities for incurred claims	7	(15)	–	–	–	(8)
<b>Insurance service result</b>	2 522	237	624	(132)	70	3 321
Insurance finance expense	(1 580)	(239)	(700)	(429)	(1 380)	(4 328)
<b>Total changes in profit or loss</b>	942	(2)	(76)	(561)	(1 310)	(1 007)
<b>Cash flows</b>						
Premiums received	(26 040)	–	–	–	–	(26 040)
Insurance acquisition cash flows paid	5 067	–	–	–	–	5 067
Insurance claims paid, including investment components	14 460	–	–	–	–	14 460
Other expenses paid	2 236	–	–	–	–	2 236
<b>Total cash flows (insurance contracts)</b>	(4 277)	–	–	–	–	(4 277)
Effect of movements in exchange rates and other	–	–	–	–	–	–
<b>Net closing balance (insurance contracts)</b>	(32 626)	(3 699)	(8 141)	(6 865)	(15 813)	(67 144)
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non-financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Closing insurance assets	6 478	(826)			(1 075)	4 577
Closing insurance liabilities	(39 104)	(2 873)			(29 744)	(71 721)
<b>Net closing balance (insurance contracts)</b>	(32 626)	(3 699)			(30 819)	(67 144)

<sup>1</sup> Prior year has been restated to disaggregate the revenue attributable to tax recovered from policyholders from experience adjustments

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

F2: Insurance and investment contracts continued

F2.5 Analysis of insurance and reinsurance contracts continued

(a) Life risk and annuities continued

(ii) Insurance contracts: Analysis by measurement component – contracts not measured under the PAA continued

Year ended 31 December 2023 Rm	Estimates of present value of future cash flows	Risk adjustment for non- financial risk	Contractual service margin			Total
			Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	
<b>Net opening balance (insurance contracts)</b>	(28 101)	(3 787)	(8 065)	(6 719)	(14 875)	(61 547)
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non- financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Opening insurance assets	5 848	(696)			(1 715)	3 437
Opening insurance liabilities	(33 949)	(3 091)			(27 944)	(64 984)
<b>Changes in profit or loss</b>						
<b>Changes that relate to current services</b>	210	900	674	679	2 014	4 477
CSM recognised for services provided	–	–	674	679	2 014	3 367
Release of risk adjustment for the risk expired	–	869	–	–	–	869
Tax recovered from policyholders <sup>1</sup>	(55)	–	–	–	–	(55)
Experience adjustments <sup>1</sup>	265	31	–	–	–	296
<b>Changes that relate to future services</b>	2 897	(646)	(50)	(805)	(2 028)	(632)
Contracts initially recognised in the year	2 405	(748)	–	–	(2 310)	(653)
Changes in estimates that adjust the CSM	492	81	(50)	(805)	282	–
Changes in estimates that result in losses and reversal of losses on onerous contracts	–	21	–	–	–	21
<b>Changes that relate to past services</b>						
Adjustment to liabilities for incurred claims	48	(15)	–	–	–	33
<b>Insurance service result</b>	3 155	239	624	(126)	(14)	3 878
Insurance finance expense	(1 484)	(245)	(700)	(429)	(1 431)	(4 289)
<b>Total changes in profit or loss</b>	1 671	(6)	(76)	(555)	(1 445)	(411)
<b>Cash flows</b>						
Premiums received	(27 069)	–	–	–	–	(27 069)
Insurance acquisition cash flows paid	5 114	–	–	–	–	5 114
Insurance claims paid, including investment components	14 683	–	–	–	–	14 683
Other expenses paid	2 322	–	–	–	–	2 322
<b>Total cash flows (insurance contracts)</b>	(4 950)	–	–	–	–	(4 950)
Effect of movements in exchange rates and other	–	(5)	–	–	–	(5)
<b>Net closing balance (insurance contracts)</b>	(31 380)	(3 798)	(8 141)	(7 274)	(16 320)	(66 913)
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non- financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Closing insurance assets	7 561	(915)			(1 908)	4 738
Closing insurance liabilities	(38 941)	(2 883)			(29 827)	(71 651)
<b>Net closing balance (insurance contracts)</b>	(31 380)	(3 798)			(31 735)	(66 913)

<sup>1</sup> Prior year has been restated to disaggregate the revenue attributable to tax recovered from policyholders from experience adjustments

## (iii) Reinsurance contracts: Analysis by remaining coverage and incurred claims

## Separate

Year ended 31 December 2024 Rm	Remaining coverage component		Incurred claims component			Total
	Excluding loss recovery component	Loss recovery component	Contracts under PAA			
			Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contract not under the PAA	
<b>Net opening balance (reinsurance contracts)</b>	<b>(969)</b>	<b>510</b>	<b>2 238</b>	<b>12</b>	<b>917</b>	<b>2 708</b>
<b>Represented by:</b>						
Opening reinsurance assets	8	302	2 238	12	182	2 742
Opening reinsurance liabilities	(977)	208	-	-	735	(34)
<b>Changes in profit or loss</b>						
Allocation of reinsurance premiums paid	(2 117)	(74)	-	-	-	(2 191)
<b>Amounts recoverable from reinsurers</b>	-	142	582	(2)	1 969	2 691
Recoveries of incurred claims and other insurance service expenses	-	-	558	-	1 969	2 527
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	142	-	-	-	142
Adjustments to assets for incurred claims	-	-	24	(2)	-	22
<b>Net expenses from reinsurance contracts</b>	<b>(2 117)</b>	<b>68</b>	<b>582</b>	<b>(2)</b>	<b>1 969</b>	<b>500</b>
Net finance income/(expense) from reinsurance contracts	(77)	57	207	2	-	189
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	-
<b>Total changes in profit or loss</b>	<b>(2 194)</b>	<b>125</b>	<b>789</b>	<b>-</b>	<b>1 969</b>	<b>689</b>
<b>Cash flows</b>						
Premiums paid net of ceding commission and other attributable expenses	1 954	-	-	-	-	1 954
Amounts received	-	-	(587)	-	(1 495)	(2 082)
<b>Total cash flows (reinsurance contracts)</b>	<b>1 954</b>	<b>-</b>	<b>(587)</b>	<b>-</b>	<b>(1 495)</b>	<b>(128)</b>
Effect of movements in exchange rates and other	8	-	-	-	-	8
<b>Net closing balance (reinsurance contracts)</b>	<b>(1 201)</b>	<b>635</b>	<b>2 440</b>	<b>12</b>	<b>1 391</b>	<b>3 277</b>
<b>Represented by:</b>						
Closing reinsurance assets	(1 197)	635	2 440	12	1 390	3 280
Closing reinsurance liabilities	(4)	-	-	-	1	(3)
<b>Net closing balance (reinsurance contracts)</b>	<b>(1 201)</b>	<b>635</b>	<b>2 440</b>	<b>12</b>	<b>1 391</b>	<b>3 277</b>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

F2: Insurance and investment contracts continued

2.5 Analysis of insurance and reinsurance contracts continued

(a) Life risk and annuities continued

(iii) Reinsurance contracts: Analysis by remaining coverage and incurred claims continued

### Consolidated

Year ended 31 December 2024 Rm	Remaining coverage component		Incurred claims component			Total
	Excluding loss recovery component	Loss recovery component	Contracts under the PAA			
			Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contract not under the PAA	
<b>Net opening balance (reinsurance contracts)</b>	<b>(1 565)</b>	<b>508</b>	<b>2 361</b>	<b>16</b>	<b>969</b>	<b>2 289</b>
<b>Represented by:</b>						
Opening reinsurance assets	37	302	2 252	13	283	2 887
Opening reinsurance liabilities	(1 602)	206	109	3	686	(598)
<b>Changes in profit or loss</b>						
Allocation of reinsurance premiums paid	(2 977)	(74)	–	–	–	(3 051)
<b>Amounts recoverable from reinsurers</b>						
Recoveries of incurred claims and other insurance service expenses	–	144	504	(1)	2 432	3 079
Recoveries and reversals of recoveries of losses on onerous underlying contracts	–	–	489	–	2 442	2 931
Adjustments to assets for incurred claims	–	144	–	–	–	144
	–	–	15	(1)	(10)	4
<b>Net expenses from reinsurance contracts</b>	<b>(2 977)</b>	<b>70</b>	<b>504</b>	<b>(1)</b>	<b>2 432</b>	<b>28</b>
Net finance income/(expense) from reinsurance contracts	(120)	50	206	1	–	137
Effect of changes in non-performance risk of reinsurers	–	1	11	–	(12)	–
<b>Total changes in profit or loss</b>	<b>(3 097)</b>	<b>121</b>	<b>721</b>	<b>–</b>	<b>2 420</b>	<b>165</b>
<b>Cash flows</b>						
Premiums paid net of ceding commission and other attributable expenses	2 808	–	–	–	–	2 808
Amounts received	–	–	(527)	–	(1 931)	(2 458)
<b>Total cash flows (reinsurance contracts)</b>	<b>2 808</b>	<b>–</b>	<b>(527)</b>	<b>–</b>	<b>(1 931)</b>	<b>350</b>
Effect of movements in exchange rates and other	8	–	–	–	–	8
<b>Net closing balance (reinsurance contracts)</b>	<b>(1 846)</b>	<b>629</b>	<b>2 555</b>	<b>16</b>	<b>1 458</b>	<b>2 812</b>
<b>Represented by:</b>						
Closing reinsurance assets	(1 166)	634	2 454	13	1 461	3 396
Closing reinsurance liabilities	(680)	(5)	101	3	(3)	(584)
<b>Net closing balance (reinsurance contracts)</b>	<b>(1 846)</b>	<b>629</b>	<b>2 555</b>	<b>16</b>	<b>1 458</b>	<b>2 812</b>

Year ended 31 December 2023 Rm	Remaining coverage component		Separate Incurred claims component			Total
	Excluding loss recovery component	Loss recovery component	Contracts under the PAA			
			Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contract not under the PAA	
<b>Net opening balance (reinsurance contracts)</b>	(1 046)	408	2 261	16	912	2 551
<b>Represented by:</b>						
Opening reinsurance assets	(28)	181	2 261	12	143	2 569
Opening reinsurance liabilities	(1 018)	227	–	4	769	(18)
<b>Changes in profit or loss</b>						
Allocation of reinsurance premiums paid	(2 296)	–	–	–	–	(2 296)
<b>Amounts recoverable from reinsurers</b>	–	115	465	(4)	1 592	2 168
Recoveries of incurred claims and other insurance service expenses	–	–	807	–	1 561	2 368
Recoveries and reversals of recoveries of losses on onerous underlying contracts	–	115	–	–	–	115
Adjustments to assets for incurred claims	–	–	(342)	(4)	31	(315)
<b>Net expenses from reinsurance contracts</b>	(2 296)	115	465	(4)	1 592	(128)
Net finance income/(expense) from reinsurance contracts	228	(13)	152	–	–	367
<b>Total changes in profit or loss</b>	(2 068)	102	617	(4)	1 592	239
<b>Cash flows</b>						
Premiums paid net of ceding commission and other attributable expenses	2 145	–	–	–	–	2 145
Amounts received	–	–	(640)	–	(1 587)	(2 227)
<b>Total cash flows (reinsurance contracts)</b>	2 145	–	(640)	–	(1 587)	(82)
Effect of movements in exchange rates and other	–	–	–	–	–	–
<b>Net closing balance (reinsurance contracts)</b>	(969)	510	2 238	12	917	2 708
<b>Represented by:</b>						
Closing reinsurance assets	8	302	2 238	12	182	2 742
Closing reinsurance liabilities	(977)	208	–	–	735	(34)
<b>Net closing balance (reinsurance contracts)</b>	(969)	510	2 238	12	917	2 708

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

F2: Insurance and investment contracts continued

2.5 Analysis of insurance and reinsurance contracts continued

(a) Life risk and annuities continued

(iii) Reinsurance contracts: Analysis by remaining coverage and incurred claims continued

Year ended 31 December 2023 Rm	Remaining coverage component		Incurred claims component				Total
	Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Contracts under the PAA		Contract not under the PAA	
				Risk adjustment for non-financial risk			
<b>Net opening balance (reinsurance contracts)</b>	(1 621)	408	2 501	21	901	2 210	
<b>Represented by:</b>							
Opening reinsurance assets	16	181	2 292	12	206	2 707	
Opening reinsurance liabilities	(1 637)	227	209	9	695	(497)	
<b>Changes in profit or loss</b>							
Allocation of reinsurance premiums paid	(3 155)	–	–	–	–	(3 155)	
<b>Amounts recoverable from reinsurers</b>	–	115	496	(3)	1 826	2 434	
Recoveries of incurred claims and other insurance service expenses	–	–	839	–	1 821	2 660	
Recoveries and reversals of recoveries of losses on onerous underlying contracts	–	115	–	–	–	115	
Adjustments to assets for incurred claims	–	–	(343)	(3)	5	(341)	
<b>Net expenses from reinsurance contracts</b>	(3 155)	115	496	(3)	1 826	(721)	
Net finance income/(expense) from reinsurance contracts	219	(14)	152	–	–	357	
<b>Total changes in profit or loss</b>	(2 936)	101	648	(3)	1 826	(364)	
<b>Cash flows</b>							
Premiums paid net of ceding commission and other attributable expenses	2 992	–	–	–	–	2 992	
Amounts received	–	–	(788)	–	(1 758)	(2 546)	
<b>Total cash flows (reinsurance contracts)</b>	2 992	–	(788)	–	(1 758)	446	
Effect of movements in exchange rates and other	–	(1)	–	(2)	–	(3)	
<b>Net closing balance (reinsurance contracts)</b>	(1 565)	508	2 361	16	969	2 289	
<b>Represented by:</b>							
Closing reinsurance assets	37	302	2 252	13	283	2 887	
Closing reinsurance liabilities	(1 602)	206	109	3	686	(598)	
<b>Net closing balance (reinsurance contracts)</b>	(1 565)	508	2 361	16	969	2 289	

(iv) Reinsurance contracts: Analysis by measurement component – contracts not measured under the PAA  
Separate

Year ended 31 December 2024 Rm	Contractual service margin					Total
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	
<b>Net opening balance (reinsurance contracts)</b>	280	384	(310)	27	133	514
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non-financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Opening reinsurance assets	444	14			87	545
Opening reinsurance liabilities	(164)	370			(237)	(31)
<b>Changes in profit or loss</b>						
<b>Changes that relate to current services</b>	280	(27)	34	(8)	(19)	260
CSM recognised for services received	–	–	34	(8)	(19)	7
Release of risk adjustment for the risk expired	–	(27)	–	–	–	(27)
Experience adjustments	280	–	–	–	–	280
<b>Changes that relate to future services</b>	146	12	(46)	19	11	142
Contracts initially recognised in the year	113	(1)	–	–	(8)	104
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	–	–	–	16	22	38
Changes in estimates that adjust the CSM	33	13	(46)	3	(3)	–
<b>Net income or expenses from reinsurance contracts</b>	426	(15)	(12)	11	(8)	402
Net finance income/(expense) from reinsurance contracts	(88)	81	(27)	2	12	(20)
Effect of changes in non-performance risk	–	–	–	–	–	–
<b>Total changes in profit or loss</b>	338	66	(39)	13	4	382
<b>Cash flows</b>						
Premiums paid net of ceding commission and other attributable expenses	1 449	–	–	–	–	1 449
Amounts received	(1 495)	–	–	–	–	(1 495)
<b>Total cash flows (reinsurance contracts)</b>	(46)	–	–	–	–	(46)
Effect of movements in exchange rates and other	8	–	–	–	–	8
<b>Net closing balance (reinsurance contracts)</b>	580	450	(349)	40	137	858
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non-financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Closing reinsurance assets	580	450			(172)	858
Closing reinsurance liabilities	–	–			–	–
<b>Net closing balance (reinsurance contracts)</b>	580	450			(172)	858

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

F2: Insurance and investment contracts continued

### 2.5 Analysis of insurance and reinsurance contracts continued

(a) Life risk and annuities continued

(iv) Reinsurance contracts: Analysis by measurement component – contracts not measured under the PAA continued

#### Consolidated

Year ended 31 December 2024 Rm	Contractual service margin					Total
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	
<b>Net opening balance (reinsurance contracts)</b>	(112)	417	(310)	221	182	398
<b>Represented by:</b>					<b>Contractual service margin</b>	<b>Total</b>
Opening reinsurance assets	353	32			261	646
Opening reinsurance liabilities	(465)	385			(168)	(248)
<b>Changes in profit or loss</b>						
<b>Changes that relate to current services</b>	359	(67)	34	(51)	(31)	244
CSM recognised for services received	–	–	34	(51)	(31)	(48)
Release of risk adjustment for the risk expired	–	(67)	–	–	–	(67)
Experience adjustments	359	–	–	–	–	359
<b>Changes that relate to future services</b>	41	45	(46)	67	36	143
Contracts initially recognised in the year	(108)	38	–	–	194	124
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	–	–	–	16	3	19
Changes in estimates that adjust the CSM	149	7	(46)	51	(161)	–
<b>Changes that relate to past services</b>						
Adjustment to liabilities for incurred claims	(11)	1	–	–	–	(10)
<b>Net income or expenses from reinsurance contracts</b>	389	(21)	(12)	16	5	377
Net finance income/(expense) from reinsurance contracts	(131)	82	(27)	18	1	(57)
Effect of changes in non-performance risk	–	–	–	–	–	–
<b>Total changes in profit or loss</b>	258	61	(39)	34	6	320
<b>Cash flows</b>						
Premiums paid net of ceding commission and other attributable expenses	1 799	–	–	–	–	1 799
Amounts received	(1 931)	–	–	–	–	(1 931)
<b>Total cash flows (reinsurance contracts)</b>	(132)	–	–	–	–	(132)
Effect of movements in exchange rates and other	8	–	–	–	–	8
<b>Net closing balance (reinsurance contracts)</b>	22	478	(349)	255	188	594
<b>Represented by:</b>					<b>Contractual service margin</b>	<b>Total</b>
Closing reinsurance assets	497	463			(19)	941
Closing reinsurance liabilities	(475)	15			113	(347)
<b>Net closing balance (reinsurance contracts)</b>	22	478			94	594

Year ended 31 December 2023 Rm	Separate Contractual service margin					Total
	Estimates of present value of future cash flows	Risk adjustment for non- financial risk	Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	
<b>Net opening balance (reinsurance contracts)</b>	407	331	(79)	14	(338)	335
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non- financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Opening reinsurance assets	243	10			101	354
Opening reinsurance liabilities	164	321			(504)	(19)
<b>Changes in profit or loss</b>						
<b>Changes that relate to current services</b>	1	(25)	23	(4)	(13)	(18)
CSM recognised for services received	–	–	23	(4)	(13)	6
Release of risk adjustment for the risk expired	–	(25)	–	–	–	(25)
Experience adjustments	1	–	–	–	–	1
<b>Changes that relate to future services</b>	(260)	91	(249)	17	517	116
Contracts initially recognised in the year	93	3	–	–	1	97
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	–	–	–	2	17	19
Changes in estimates that adjust the CSM	(353)	88	(249)	15	499	–
<b>Changes that relate to past services</b>						
Adjustment to liabilities for incurred claims	30	1	–	–	–	31
<b>Net income or expenses from reinsurance contracts</b>	(229)	67	(226)	13	504	129
Net finance income/(expense) from reinsurance contracts	264	(11)	(5)	–	(32)	216
<b>Total changes in profit or loss</b>	35	56	(231)	13	472	345
<b>Cash flows</b>						
Premiums paid net of ceding commission and other attributable expenses	1 425	–	–	–	–	1 425
Amounts received	(1 587)	–	–	–	–	(1 587)
<b>Total cash flows (reinsurance contracts)</b>	(162)	–	–	–	–	(162)
Effect of movements in exchange rates and other	–	(3)	–	–	(1)	(4)
<b>Net closing balance (reinsurance contracts)</b>	280	384	(310)	27	133	514
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non- financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Closing reinsurance assets	444	14			87	545
Closing reinsurance liabilities	(164)	370			(237)	(31)
<b>Net closing balance (reinsurance contracts)</b>	280	384			(150)	514

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

F2: Insurance and investment contracts continued

2.5 Analysis of insurance and reinsurance contracts continued

(a) Life risk and annuities continued

(iv) Reinsurance contracts: Analysis by measurement component – contracts not measured under the PAA continued

Year ended 31 December 2023 Rm	Consolidated					
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	Total
<b>Net opening balance (reinsurance contracts)</b>	320	360	(78)	203	(310)	495
					<b>Contractual service margin</b>	
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non-financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Opening reinsurance assets	156	39			319	514
Opening reinsurance liabilities	164	321			(504)	(19)
<b>Changes in profit or loss</b>						
<b>Changes that relate to current services</b>	45	(38)	23	(13)	(79)	(62)
CSM recognised for services received	–	–	23	(13)	(79)	(69)
Release of risk adjustment for the risk expired	–	(38)	–	–	–	(38)
Experience adjustments	45	–	–	–	–	45
<b>Changes that relate to future services</b>	(343)	103	(249)	10	583	104
Contracts initially recognised in the year	75	10	–	–	12	97
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	–	–	–	2	5	7
Changes in estimates that adjust the CSM	(418)	93	(249)	8	566	–
<b>Changes that relate to past services</b>						
Adjustment to liabilities for incurred claims	4	1	–	–	–	5
<b>Net income or expenses from reinsurance contracts</b>	(294)	66	(226)	(3)	504	47
Net finance income/(expense) from reinsurance contracts	235	(19)	(6)	21	(13)	218
Effect of changes in non-performance risk	–	10	–	–	–	10
<b>Total changes in profit or loss</b>	(59)	57	(232)	18	491	275
<b>Cash flows</b>						–
Premiums paid net of ceding commission and other attributable expenses	1 385	–	–	–	–	1 385
Amounts received	(1 758)	–	–	–	–	(1 758)
<b>Total cash flows (reinsurance contracts)</b>	(373)	–	–	–	–	(373)
Effect of movements in exchange rates and other	–	–	–	–	1	1
<b>Net closing balance (reinsurance contracts)</b>	(112)	417	(310)	221	182	398
					<b>Contractual service margin</b>	
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non-financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Closing reinsurance assets	353	32			261	646
Closing reinsurance liabilities	(465)	385			(168)	(248)
<b>Net closing balance (reinsurance contracts)</b>	(112)	417			93	398

(b) Life savings  
(i) Insurance contracts: Analysis by remaining coverage and incurred claims

Separate

Year ended 31 December 2024 Rm	Liability for remaining coverage		Liabilities for incurred claims	
	Excluding loss component	Loss component	Contracts not under PAA	Total
<b>Net opening balance (insurance contracts)</b>	<b>(470 642)</b>	<b>(674)</b>	<b>(4 743)</b>	<b>(476 059)</b>
<b>Represented by:</b>				
Opening insurance assets	–	–	–	–
Opening insurance liabilities	<b>(470 642)</b>	<b>(674)</b>	<b>(4 743)</b>	<b>(476 059)</b>
<b>Changes in profit or loss</b>				
<b>Insurance revenue</b>	<b>9 514</b>	–	–	<b>9 514</b>
Contracts under the modified retrospective approach	<b>4 175</b>	–	–	<b>4 175</b>
Contracts under the fair value approach	<b>2 931</b>	–	–	<b>2 931</b>
Other contracts	<b>2 408</b>	–	–	<b>2 408</b>
<b>Insurance service expenses</b>	<b>(1 299)</b>	<b>(33)</b>	<b>(3 272)</b>	<b>(4 604)</b>
Incurred claims and other insurance service expenses	–	<b>99</b>	<b>(3 304)</b>	<b>(3 205)</b>
Amortisation of insurance acquisition cash flows	<b>(1 299)</b>	–	–	<b>(1 299)</b>
Losses and reversal of losses on onerous contracts	–	<b>(132)</b>	–	<b>(132)</b>
Adjustments to liabilities for incurred claims	–	–	<b>32</b>	<b>32</b>
<b>Insurance service result</b>	<b>8 215</b>	<b>(33)</b>	<b>(3 272)</b>	<b>4 910</b>
Insurance finance expense	<b>(65 193)</b>	–	<b>(47)</b>	<b>(65 240)</b>
<b>Total changes in profit or loss</b>	<b>(56 978)</b>	<b>(33)</b>	<b>(3 319)</b>	<b>(60 330)</b>
Investment components	<b>74 622</b>	–	<b>(74 622)</b>	–
<b>Cash flows</b>				
Premiums received	<b>(45 914)</b>	–	–	<b>(45 914)</b>
Insurance acquisition cash flows paid	<b>1 252</b>	–	–	<b>1 252</b>
Insurance claims paid, including investment components	–	–	<b>75 171</b>	<b>75 171</b>
Other expenses paid	–	–	<b>2 824</b>	<b>2 824</b>
<b>Total cash flows (insurance contracts)</b>	<b>(44 662)</b>	–	<b>77 995</b>	<b>33 333</b>
Effect of movements in exchange rates and other	–	–	–	–
<b>Net closing balance (insurance contracts)</b>	<b>(497 660)</b>	<b>(707)</b>	<b>(4 689)</b>	<b>(503 056)</b>
<b>Represented by:</b>				
Closing insurance assets	–	–	–	–
Closing insurance liabilities	<b>(497 660)</b>	<b>(707)</b>	<b>(4 689)</b>	<b>(503 056)</b>
<b>Net closing balance (insurance contracts)</b>	<b>(497 660)</b>	<b>(707)</b>	<b>(4 689)</b>	<b>(503 056)</b>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

F2: Insurance and investment contracts continued

2.5 Analysis of insurance and reinsurance contracts continued

(b) Life savings continued

(i) Insurance contracts: Analysis by remaining coverage and incurred claims continued

Year ended 31 December 2024 Rm	Consolidated			
	Liability for remaining coverage		Liabilities for incurred claims	
	Excluding loss component	Loss component	Contracts not under PAA	Total
<b>Net opening balance (insurance contracts)</b>	<b>(470 642)</b>	<b>(674)</b>	<b>(4 743)</b>	<b>(476 059)</b>
<b>Represented by:</b>				
Opening insurance assets	–	–	–	–
Opening insurance liabilities	<b>(470 642)</b>	<b>(674)</b>	<b>(4 743)</b>	<b>(476 059)</b>
<b>Changes in profit or loss</b>				
<b>Insurance revenue</b>	<b>9 514</b>	<b>–</b>	<b>–</b>	<b>9 514</b>
Contracts under the modified retrospective approach	<b>4 175</b>	–	–	<b>4 175</b>
Contracts under the fair value approach	<b>2 931</b>	–	–	<b>2 931</b>
Other contracts	<b>2 408</b>	–	–	<b>2 408</b>
<b>Insurance service expenses</b>	<b>(1 299)</b>	<b>(33)</b>	<b>(3 272)</b>	<b>(4 604)</b>
Incurred claims and other insurance service expenses	–	<b>99</b>	<b>(3 304)</b>	<b>(3 205)</b>
Amortisation of insurance acquisition cash flows	<b>(1 299)</b>	–	–	<b>(1 299)</b>
Losses and reversal of losses on onerous contracts	–	<b>(132)</b>	–	<b>(132)</b>
Adjustments to liabilities for incurred claims	–	–	<b>32</b>	<b>32</b>
<b>Insurance service result</b>	<b>8 215</b>	<b>(33)</b>	<b>(3 272)</b>	<b>4 910</b>
Insurance finance expense	<b>(65 192)</b>	–	<b>(48)</b>	<b>(65 240)</b>
<b>Total changes in profit or loss</b>	<b>(56 977)</b>	<b>(33)</b>	<b>(3 320)</b>	<b>(60 330)</b>
<b>Investment components</b>	<b>74 622</b>	–	<b>(74 622)</b>	–
<b>Cash flows</b>				
Premiums received	<b>(45 915)</b>	–	–	<b>(45 915)</b>
Insurance acquisition cash flows paid	<b>1 252</b>	–	–	<b>1 252</b>
Insurance claims paid, including investment components	–	–	<b>75 172</b>	<b>75 172</b>
Other expenses paid	–	–	<b>2 824</b>	<b>2 824</b>
<b>Total cash flows (insurance contracts)</b>	<b>(44 663)</b>	–	<b>77 996</b>	<b>33 333</b>
Effect of movements in exchange rates and other	–	–	–	–
<b>Net closing balance (insurance contracts)</b>	<b>(497 660)</b>	<b>(707)</b>	<b>(4 689)</b>	<b>(503 056)</b>
<b>Represented by:</b>				
Closing insurance assets	–	–	–	–
Closing insurance liabilities	<b>(497 660)</b>	<b>(707)</b>	<b>(4 689)</b>	<b>(503 056)</b>
<b>Net closing balance (insurance contracts)</b>	<b>(497 660)</b>	<b>(707)</b>	<b>(4 689)</b>	<b>(503 056)</b>

Year ended 31 December 2023 Rm	Liability for remaining coverage		Separate	Total
	Excluding loss component	Loss component	Liabilities for incurred claims	
			Contracts not under PAA	
<b>Net opening balance (insurance contracts)</b>	(444 068)	(572)	(4 550)	(449 190)
<b>Represented by:</b>				
Opening insurance assets	–	–	–	–
Opening insurance liabilities	(444 068)	(572)	(4 550)	(449 190)
<b>Changes in profit or loss</b>				
<b>Insurance revenue</b>	9 051	–	–	9 051
Contracts under the modified retrospective approach	4 152	–	–	4 152
Contracts under the fair value approach	2 718	–	–	2 718
Other contracts	2 181	–	–	2 181
<b>Insurance service expenses</b>	(1 265)	(102)	(3 453)	(4 820)
Incurred claims and other insurance service expenses	–	94	(3 486)	(3 392)
Amortisation of insurance acquisition cash flows	(1 265)	–	–	(1 265)
Losses and reversal of losses on onerous contracts	–	(196)	–	(196)
Adjustments to liabilities for incurred claims	–	–	33	33
<b>Insurance service result</b>	7 786	(102)	(3 453)	4 231
Insurance finance expense	(57 904)	–	(161)	(58 065)
<b>Total changes in profit or loss</b>	(50 118)	(102)	(3 614)	(53 834)
<b>Investment components</b>	65 542	–	(65 542)	–
<b>Cash flows</b>				
Premiums received	(43 205)	–	–	(43 205)
Insurance acquisition cash flows paid	1 207	–	–	1 207
Insurance claims paid, including investment components	–	–	66 085	66 085
Other expenses paid	–	–	2 878	2 878
<b>Total cash flows (insurance contracts)</b>	(41 998)	–	68 963	26 965
Effect of movements in exchange rates and other	–	–	–	–
<b>Net closing balance (insurance contracts)</b>	(470 642)	(674)	(4 743)	(476 059)
<b>Represented by:</b>				
Closing insurance assets	–	–	–	–
Closing insurance liabilities	(470 642)	(674)	(4 743)	(476 059)
<b>Net closing balance (insurance contracts)</b>	(470 642)	(674)	(4 743)	(476 059)

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

F2: Insurance and investment contracts continued

2.5 Analysis of insurance and reinsurance contracts continued

(b) Life savings continued

(i) Insurance contracts: Analysis by remaining coverage and incurred claims continued

Year ended 31 December 2023 Rm	Consolidated			
	Liability for remaining coverage		Liabilities for incurred claims	
	Excluding loss component	Loss component	Contracts not under PAA	Total
<b>Net opening balance (insurance contracts)</b>	(444 068)	(572)	(4 550)	(449 190)
<b>Represented by:</b>				
Opening insurance assets	–	–	–	–
Opening insurance liabilities	(444 068)	(572)	(4 550)	(449 190)
<b>Changes in profit or loss</b>				
<b>Insurance revenue</b>	9 051	–	–	9 051
Contracts under the modified retrospective approach	4 152	–	–	4 152
Contracts under the fair value approach	2 718	–	–	2 718
Other contracts	2 181	–	–	2 181
<b>Insurance service expenses</b>	(1 265)	(102)	(3 453)	(4 820)
Incurred claims and other insurance service expenses	–	94	(3 486)	(3 392)
Amortisation of insurance acquisition cash flows	(1 265)	–	–	(1 265)
Losses and reversal of losses on onerous contracts	–	(196)	–	(196)
Adjustments to liabilities for incurred claims	–	–	33	33
<b>Insurance service result</b>	7 786	(102)	(3 453)	4 231
Insurance finance expense	(57 904)	–	(161)	(58 065)
<b>Total changes in profit or loss</b>	(50 118)	(102)	(3 614)	(53 834)
<b>Investment components</b>	65 542	–	(65 542)	–
<b>Cash flows</b>				
Premiums received	(43 205)	–	–	(43 205)
Insurance acquisition cash flows paid	1 207	–	–	1 207
Insurance claims paid, including investment components	–	–	66 085	66 085
Other expenses paid	–	–	2 878	2 878
<b>Total cash flows (insurance contracts)</b>	(41 998)	–	68 963	26 965
Effect of movements in exchange rates and other	–	–	–	–
<b>Net closing balance (insurance contracts)</b>	(470 642)	(674)	(4 743)	(476 059)
<b>Represented by:</b>				
Closing insurance assets	–	–	–	–
Closing insurance liabilities	(470 642)	(674)	(4 743)	(476 059)
<b>Net closing balance (insurance contracts)</b>	(470 642)	(674)	(4 743)	(476 059)

(ii) Insurance contracts: Analysis by measurement component – contracts not measured under the PAA  
Separate

Year ended 31 December 2024 Rm	Contractual service margin					
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	Total
<b>Net opening balance (insurance contracts)</b>	<b>(448 722)</b>	<b>(1 199)</b>	<b>(11 222)</b>	<b>(10 850)</b>	<b>(4 066)</b>	<b>(476 059)</b>
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non-financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Opening insurance assets	–	–			–	–
Opening insurance liabilities	<b>(448 722)</b>	<b>(1 199)</b>			<b>(26 138)</b>	<b>(476 059)</b>
<b>Changes in profit or loss</b>						
<b>Changes that relate to current services</b>	<b>1 294</b>	<b>187</b>	<b>2 054</b>	<b>1 028</b>	<b>448</b>	<b>5 011</b>
CSM recognised for services provided	–	–	<b>2 054</b>	<b>1 028</b>	<b>448</b>	<b>3 530</b>
Release of risk adjustment for the risk expired	–	<b>179</b>	–	–	–	<b>179</b>
Tax recovered from policyholders	<b>1 560</b>	–	–	–	–	<b>1 560</b>
Experience adjustments	<b>(266)</b>	<b>8</b>	–	–	–	<b>(258)</b>
<b>Changes that relate to future services</b>	<b>2 512</b>	<b>(199)</b>	<b>(1 502)</b>	<b>(412)</b>	<b>(532)</b>	<b>(133)</b>
Contracts initially recognised in the year	<b>439</b>	<b>(89)</b>	–	–	<b>(573)</b>	<b>(223)</b>
Changes in estimates that adjust the CSM	<b>1 984</b>	<b>(111)</b>	<b>(1 502)</b>	<b>(412)</b>	<b>41</b>	–
Changes in estimates that result in losses and reversal of losses on onerous contracts	<b>89</b>	<b>1</b>	–	–	–	<b>90</b>
<b>Changes that relate to past services</b>						
Adjustment to liabilities for incurred claims	<b>32</b>	–	–	–	–	<b>32</b>
<b>Insurance service result</b>	<b>3 838</b>	<b>(12)</b>	<b>552</b>	<b>616</b>	<b>(84)</b>	<b>4 910</b>
Insurance finance expense	<b>(65 178)</b>	–	–	<b>(62)</b>	–	<b>(65 240)</b>
<b>Total changes in profit or loss</b>	<b>(61 340)</b>	<b>(12)</b>	<b>552</b>	<b>554</b>	<b>(84)</b>	<b>(60 330)</b>
<b>Cash flows</b>						
Premiums received	<b>(45 914)</b>	–	–	–	–	<b>(45 914)</b>
Insurance acquisition cash flows paid	<b>1 252</b>	–	–	–	–	<b>1 252</b>
Insurance claims paid, including investment components	<b>75 171</b>	–	–	–	–	<b>75 171</b>
Other expenses paid	<b>2 824</b>	–	–	–	–	<b>2 824</b>
<b>Total cash flows (insurance contracts)</b>	<b>33 333</b>	–	–	–	–	<b>33 333</b>
Effect of movements in exchange rates and other	–	–	–	–	–	–
<b>Net closing balance (insurance contracts)</b>	<b>(476 729)</b>	<b>(1 211)</b>	<b>(10 670)</b>	<b>(10 296)</b>	<b>(4 150)</b>	<b>(503 056)</b>
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non-financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Closing insurance assets	–	–			–	–
Closing insurance liabilities	<b>(476 729)</b>	<b>(1 211)</b>			<b>(25 116)</b>	<b>(503 056)</b>
<b>Net closing balance (insurance contracts)</b>	<b>(476 729)</b>	<b>(1 211)</b>			<b>(25 116)</b>	<b>(503 056)</b>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

F2: Insurance and investment contracts continued

### 2.5 Analysis of insurance and reinsurance contracts continued

(b) Life savings continued

(ii) Insurance contracts: Analysis by measurement component – contracts not measured under the PAA continued

Year ended 31 December 2024 Rm	Consolidated					
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin			Total
Contracts under modified retrospective approach			Contracts under fair value approach	Other contracts		
<b>Net opening balance (insurance contracts)</b>	<b>(448 722)</b>	<b>(1 199)</b>	<b>(11 052)</b>	<b>(11 020)</b>	<b>(4 066)</b>	<b>(476 059)</b>
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non-financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Opening insurance assets	–	–			–	–
Opening insurance liabilities	<b>(448 722)</b>	<b>(1 199)</b>			<b>(26 138)</b>	<b>(476 059)</b>
<b>Changes in profit or loss</b>						
<b>Changes that relate to current services</b>	<b>1 293</b>	<b>187</b>	<b>2 054</b>	<b>1 028</b>	<b>448</b>	<b>5 010</b>
CSM recognised for services provided	–	–	<b>2 054</b>	<b>1 028</b>	<b>448</b>	<b>3 530</b>
Release of risk adjustment for the risk expired	–	<b>179</b>	–	–	–	<b>179</b>
Tax recovered from policyholders	<b>1 560</b>	–	–	–	–	<b>1 560</b>
Experience adjustments	<b>(267)</b>	<b>8</b>	–	–	–	<b>(259)</b>
<b>Changes that relate to future services</b>	<b>2 513</b>	<b>(199)</b>	<b>(1 502)</b>	<b>(412)</b>	<b>(532)</b>	<b>(132)</b>
Contracts initially recognised in the year	<b>439</b>	<b>(88)</b>	–	–	<b>(573)</b>	<b>(222)</b>
Changes in estimates that adjust the CSM	<b>1 985</b>	<b>(112)</b>	<b>(1 502)</b>	<b>(412)</b>	<b>41</b>	–
Changes in estimates that result in losses and reversal of losses on onerous contracts	<b>89</b>	<b>1</b>	–	–	–	<b>90</b>
<b>Changes that relate to past services</b>						
Adjustment to liabilities for incurred claims	<b>32</b>	–	–	–	–	<b>32</b>
<b>Insurance service result</b>	<b>3 838</b>	<b>(12)</b>	<b>552</b>	<b>616</b>	<b>(84)</b>	<b>4 910</b>
Insurance finance expense	<b>(65 177)</b>	–	–	<b>(63)</b>	–	<b>(65 240)</b>
<b>Total changes in profit or loss</b>	<b>(61 339)</b>	<b>(12)</b>	<b>552</b>	<b>553</b>	<b>(84)</b>	<b>(60 330)</b>
<b>Cash flows</b>						
Premiums received	<b>(45 915)</b>	–	–	–	–	<b>(45 915)</b>
Insurance acquisition cash flows paid	<b>1 252</b>	–	–	–	–	<b>1 252</b>
Insurance claims paid, including investment components	<b>75 172</b>	–	–	–	–	<b>75 172</b>
Other expenses paid	<b>2 824</b>	–	–	–	–	<b>2 824</b>
<b>Total cash flows (insurance contracts)</b>	<b>33 333</b>	–	–	–	–	<b>33 333</b>
Effect of movements in exchange rates and other	–	–	–	–	–	–
<b>Net closing balance (insurance contracts)</b>	<b>(476 728)</b>	<b>(1 211)</b>	<b>(10 500)</b>	<b>(10 467)</b>	<b>(4 150)</b>	<b>(503 056)</b>
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non-financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Closing insurance assets	–	–			–	–
Closing insurance liabilities	<b>(476 728)</b>	<b>(1 211)</b>			<b>(25 117)</b>	<b>(503 056)</b>
<b>Net closing balance (insurance contracts)</b>	<b>(476 728)</b>	<b>(1 211)</b>			<b>(25 117)</b>	<b>(503 056)</b>

Year ended 31 December 2023 Rm	Separate Contractual service margin					
	Estimates of present value of future cash flows	Risk adjustment for non- financial risk	Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	Total
<b>Net opening balance (insurance contracts)<sup>1</sup></b>	(422 105)	(1 221)	(12 115)	(10 377)	(3 372)	(449 190)
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non- financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Opening insurance assets	–	–			–	–
Opening insurance liabilities	(422 105)	(1 221)			(25 864)	(449 190)
<b>Changes in profit or loss</b>						
<b>Changes that relate to current services</b>	775	185	2 002	1 042	390	4 394
CSM recognised for services provided	–	–	2 002	1 042	390	3 434
Release of risk adjustment for the risk expired	–	177	–	–	–	177
Tax recovered from policyholders <sup>2</sup>	1 344	–	–	–	–	1 344
Experience adjustments <sup>2</sup>	(569)	8	–	–	–	(561)
<b>Changes that relate to future services</b>	3 071	(162)	(1 109)	(912)	(1 084)	(196)
Contracts initially recognised in the year	534	(101)	–	–	(595)	(162)
Changes in estimates that adjust the CSM	2 572	(62)	(1 109)	(912)	(489)	–
Changes in estimates that result in losses and reversal of losses on onerous contracts	(35)	1	–	–	–	(34)
<b>Changes that relate to past services</b>						
Adjustment to liabilities for incurred claims	34	(1)	–	–	–	33
<b>Insurance service result</b>	3 880	22	893	130	(694)	4 231
Insurance finance expense	(57 462)	–	–	(603)	–	(58 065)
<b>Total changes in profit or loss</b>	(53 582)	22	893	(473)	(694)	(53 834)
<b>Cash flows</b>						
Premiums received	(43 205)	–	–	–	–	(43 205)
Insurance acquisition cash flows paid	1 207	–	–	–	–	1 207
Insurance claims paid, including investment components	66 085	–	–	–	–	66 085
Other expenses paid	2 878	–	–	–	–	2 878
<b>Total cash flows (insurance contracts)</b>	26 965	–	–	–	–	26 965
Effect of movements in exchange rates and other	–	–	–	–	–	–
<b>Net closing balance (insurance contracts)<sup>1</sup></b>	(448 722)	(1 199)	(11 222)	(10 850)	(4 066)	(476 059)
<b>Represented by:</b>	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non- financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
Closing insurance assets	–	–			–	–
Closing insurance liabilities	(448 722)	(1 199)			(26 138)	(476 059)
<b>Net closing balance (insurance contracts)</b>	(448 722)	(1 199)			(26 138)	(476 059)

<sup>1</sup> An error was detected regarding the presentation of the contractual service margin as either contracts under the modified retrospective approach, contracts under fair value approach and other contracts within the Life savings line of business. As a result, previously presented contracts under the fair value approach and other contracts amounting to R4 080 million and R22 million were restated to contracts under the modified retrospective approach

<sup>2</sup> Prior year has been restated to disaggregate the revenue attributable to tax recovered from policyholders from experience adjustments

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

F2: Insurance and investment contracts continued

2.5 Analysis of insurance and reinsurance contracts continued

(b) Life savings continued

(ii) Insurance contracts: Analysis by measurement component – contracts not measured under the PAA continued

Year ended 31 December 2023 Rm	Consolidated					
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	Total
<b>Net opening balance (insurance contracts)<sup>1</sup></b>	(422 105)	(1 221)	(11 945)	(10 547)	(3 372)	(449 190)
	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non-financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
<b>Represented by:</b>						
Opening insurance assets	–	–			–	–
Opening insurance liabilities	(422 105)	(1 221)			(25 864)	(449 190)
<b>Changes in profit or loss</b>						
<b>Changes that relate to current services</b>	775	185	2 002	1 042	390	4 394
CSM recognised for services provided	–	–	2 002	1 042	390	3 434
Release of risk adjustment for the risk expired	–	177	–	–	–	177
Tax recovered from policyholders <sup>2</sup>	1 344	–	–	–	–	1 344
Experience adjustments <sup>2</sup>	(569)	8	–	–	–	(56)
<b>Changes that relate to future services</b>	3 071	(162)	(1 109)	(912)	(1 084)	(196)
Contracts initially recognised in the year	534	(101)	–	–	(595)	(162)
Changes in estimates that adjust the CSM	2 572	(62)	(1 109)	(912)	(489)	–
Changes in estimates that result in losses and reversal of losses on onerous contracts	(35)	1	–	–	–	(34)
<b>Changes that relate to past services</b>						
Adjustment to liabilities for incurred claims	34	(1)	–	–	–	33
<b>Insurance service result</b>	3 880	22	893	130	(694)	4 231
Insurance finance expense	(57 462)	–	–	(603)	–	(58 065)
<b>Total changes in profit or loss</b>	(53 582)	22	893	(473)	(694)	(53 834)
<b>Cash flows</b>						
Premiums received	(43 205)	–	–	–	–	(43 205)
Insurance acquisition cash flows paid	1 207	–	–	–	–	1 207
Insurance claims paid, including investment components	66 085	–	–	–	–	66 085
Other expenses paid	2 878	–	–	–	–	2 878
<b>Total cash flows (insurance contracts)</b>	26 965	–	–	–	–	26 965
Effect of movements in exchange rates and other	–	–	–	–	–	–
<b>Net closing balance (insurance contracts)<sup>1</sup></b>	(448 722)	(1 199)	(11 052)	(11 020)	(4 066)	(476 059)
	<b>Estimates of present value of future cash flows</b>	<b>Risk adjustment for non-financial risk</b>			<b>Contractual service margin</b>	<b>Total</b>
<b>Represented by:</b>						
Closing insurance assets	–	–			–	–
Closing insurance liabilities	(448 722)	(1 199)			(26 138)	(476 059)
<b>Net closing balance (insurance contracts)</b>	(448 722)	(1 199)			(26 138)	(476 059)

1 An error was detected regarding the presentation of the contractual service margin as either contracts under the modified retrospective approach, contracts under fair value approach and other contracts within the Life savings line of business. As a result, previously presented contracts under the fair value approach and other contracts amounting to R4 080 million and R22 million were restated to contracts under the modified retrospective approach  
2 Prior year has been restated to disaggregate the revenue attributable to tax recovered from policyholders from experience adjustments

## 2.6 Effect of contracts initially recognised in the year

The following table summarises the effect on the measurement components of insurance and reinsurance contracts arising from the initial recognition of contracts not measured under the PAA that were initially recognised during the year:

Year ended 31 December 2024 Rm	Separate		
	Profitable contracts issued	Onerous contracts issued	Total insurance contracts issued
<b>Insurance contracts: Life risk and annuities</b>			
Insurance acquisition cash flows	(2 825)	(1 795)	(4 620)
Claims and other insurance service expenses payable	(11 906)	(2 665)	(14 571)
<b>Estimate of present value of cash outflows</b>	<b>(14 731)</b>	<b>(4 460)</b>	<b>(19 191)</b>
Estimate of present value of cash inflows	17 364	4 153	21 517
Risk adjustment for non-financial risk	(530)	(234)	(764)
Contractual service margin	(2 103)	–	(2 103)
<b>Losses recognised on initial recognition</b>	<b>–</b>	<b>(541)</b>	<b>(541)</b>

Year ended 31 December 2024 Rm	Separate		
	Contracts initiated without loss-recovery component	Contracts initiated with loss-recovery component	Total reinsurance contracts issued
<b>Reinsurance contracts: Life risk and annuities</b>			
Estimate of present value of cash outflows	–	(467)	(467)
Estimate of present value of cash inflows	–	580	580
Risk adjustment for non-financial risk	–	(1)	(1)
Contractual service margin	–	(8)	(8)
<b>Income recognised on initial recognition</b>	<b>–</b>	<b>104</b>	<b>104</b>

Year ended 31 December 2024 Rm	Consolidated		
	Profitable contracts issued	Onerous contracts issued	Total insurance contracts issued
<b>Insurance contracts: Life risk and annuities</b>			
Insurance acquisition cash flows	(2 874)	(1 796)	(4 670)
Claims and other insurance service expenses payable	(12 247)	(2 735)	(14 982)
<b>Estimate of present value of cash outflows</b>	<b>(15 121)</b>	<b>(4 531)</b>	<b>(19 652)</b>
Estimate of present value of cash inflows	18 413	4 178	22 591
Risk adjustment for non-financial risk	(610)	(220)	(830)
Contractual service margin	(2 682)	–	(2 682)
<b>Losses recognised on initial recognition</b>	<b>–</b>	<b>(573)</b>	<b>(573)</b>

Year ended 31 December 2024 Rm	Consolidated		
	Contracts initiated without loss-recovery component	Contracts initiated with loss-recovery component	Total reinsurance contracts issued
<b>Reinsurance contracts: Life risk and annuities</b>			
Estimate of present value of cash outflows	(540)	(516)	(1 056)
Estimate of present value of cash inflows	321	627	948
Risk adjustment for non-financial risk	37	1	38
Contractual service margin	203	(9)	194
<b>Income recognised on initial recognition</b>	<b>21</b>	<b>103</b>	<b>124</b>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

### F2: Insurance and investment contracts continued

#### 2.6 Effect of contracts initially recognised in the year continued

The following table summarises the effect on the measurement components of insurance and reinsurance contracts arising from the initial recognition of contracts not measured under the PAA that were initially recognised during the year:

Year ended 31 December 2024 Rm	<b>Consolidated</b> <b>Profitable contracts acquired</b>
<b>Insurance contracts: Life risk and annuities</b>	
Estimate of present value of cash inflows – claims and other insurance service expenses payable	217
Estimates of present value of cash inflows	(372)
Risk adjustment for non-financial risk	13
Contractual service margin	142
<b>Losses recognised on initial recognition</b>	–

Year ended 31 December 2023 Rm	<b>Separate</b>		<b>Total insurance contracts issued</b>
	<b>Profitable contracts issued</b>	<b>Onerous contracts issued</b>	
<b>Insurance contracts: Life risk and annuities</b>			
Insurance acquisition cash flows	(2 608)	(2 133)	(4 741)
Claims and other insurance service expenses payable	(11 423)	(3 260)	(14 683)
<b>Estimate of present value of cash outflows</b>	(14 031)	(5 393)	(19 424)
Estimate of present value of cash inflows	16 351	5 033	21 384
Risk adjustment for non-financial risk	(405)	(293)	(698)
Contractual service margin	(1 915)	–	(1 915)
<b>Losses recognised on initial recognition</b>	–	(653)	(653)

Year ended 31 December 2023 Rm	<b>Separate</b>		<b>Total reinsurance contracts issued</b>
	<b>Contracts initiated without loss-recovery component</b>	<b>Contracts initiated with loss-recovery component</b>	
<b>Reinsurance contracts: Life risk and annuities</b>			
Estimate of present value of cash outflows	–	(616)	(616)
Estimate of present value of cash inflows	–	709	709
Risk adjustment for non-financial risk	–	3	3
Contractual service margin	–	1	1
<b>Income recognised on initial recognition</b>	–	97	97

The following table summarises the effect on the measurement components of insurance and reinsurance contracts arising from the initial recognition of contracts not measured under the PAA that were initially recognised during the year:

Year ended 31 December 2023 Rm	Consolidated		
	Profitable contracts issued	Onerous contracts issued	Total insurance contracts issued
<b>Insurance contracts: Life risk and annuities</b>			
Insurance acquisition cash flows	(2 633)	(2 133)	(4 766)
Claims and other insurance service expenses payable	(11 621)	(3 260)	(14 881)
<b>Estimate of present value of cash outflows</b>	<b>(14 254)</b>	<b>(5 393)</b>	<b>(19 647)</b>
Estimate of present value of cash inflows	17 019	5 033	22 052
Risk adjustment for non-financial risk	(455)	(293)	(748)
Contractual service margin	(2 310)	–	(2 310)
<b>Losses recognised on initial recognition</b>	<b>–</b>	<b>(653)</b>	<b>(653)</b>

Year ended 31 December 2023 Rm	Consolidated		
	Contracts initiated without loss-recovery component	Contracts initiated with loss-recovery component	Total reinsurance contracts issued
<b>Reinsurance contracts: Life risk and annuities</b>			
Estimate of present value of cash outflows	(75)	(665)	(740)
Estimate of present value of cash inflows	70	745	815
Risk adjustment for non-financial risk	3	7	10
Contractual service margin	2	10	12
<b>Income recognised on initial recognition</b>	<b>–</b>	<b>97</b>	<b>97</b>

Year ended 31 December 2024 Rm	Separate		
	Profitable contracts issued	Onerous contracts issued	Total insurance contracts issued
<b>Insurance contracts: Life savings</b>			
Insurance acquisition cash flows	(569)	(640)	(1 209)
Claims and other insurance service expenses payable	(12 953)	(10 727)	(23 680)
<b>Estimate of present value of cash outflows</b>	<b>(13 522)</b>	<b>(11 367)</b>	<b>(24 889)</b>
Estimate of present value of cash inflows	14 145	11 183	25 328
Risk adjustment for non-financial risk	(50)	(39)	(89)
Contractual service margin	(573)	–	(573)
<b>Losses recognised on initial recognition</b>	<b>–</b>	<b>(223)</b>	<b>(223)</b>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

### F2: Insurance and investment contracts continued

#### 2.6 Effect of contracts initially recognised in the year continued

The following table summarises the effect on the measurement components of insurance and reinsurance contracts arising from the initial recognition of contracts not measured under the PAA that were initially recognised during the year:

Year ended 31 December 2024 Rm	Consolidated		
	Profitable contracts issued	Onerous contracts issued	Total insurance contracts issued
<b>Insurance contracts: Life savings</b>			
Insurance acquisition cash flows	(569)	(640)	(1 209)
Claims and other insurance service expenses payable	(12 953)	(10 727)	(23 680)
<b>Estimate of present value of cash outflows</b>	<b>(13 522)</b>	<b>(11 367)</b>	<b>(24 889)</b>
Estimate of present value of cash inflows	14 145	11 183	25 328
Risk adjustment for non-financial risk	(50)	(38)	(88)
Contractual service margin	(573)	–	(573)
<b>Losses recognised on initial recognition</b>	<b>–</b>	<b>(222)</b>	<b>(222)</b>

Year ended 31 December 2023 Rm	Separate		
	Profitable contracts issued	Onerous contracts issued	Total insurance contracts issued
<b>Insurance contracts: Life savings</b>			
Insurance acquisition cash flows	(636)	(457)	(1 093)
Claims and other insurance service expenses payable	(13 590)	(8 444)	(22 034)
<b>Estimate of present value of cash outflows</b>	<b>(14 226)</b>	<b>(8 901)</b>	<b>(23 127)</b>
Estimate of present value of cash inflows	14 888	8 773	23 661
Risk adjustment for non-financial risk	(67)	(34)	(101)
Contractual service margin	(595)	–	(595)
<b>Losses recognised on initial recognition</b>	<b>–</b>	<b>(162)</b>	<b>(162)</b>

Year ended 31 December 2023 Rm	Consolidated		
	Profitable contracts issued	Onerous contracts issued	Total insurance contracts issued
<b>Insurance contracts: Life savings</b>			
Insurance acquisition cash flows	(636)	(457)	(1 093)
Claims and other insurance service expenses payable	(13 590)	(8 444)	(22 034)
<b>Estimate of present value of cash outflows</b>	<b>(14 226)</b>	<b>(8 901)</b>	<b>(23 127)</b>
Estimate of present value of cash inflows	14 888	8 773	23 661
Risk adjustment for non-financial risk	(67)	(34)	(101)
Contractual service margin	(595)	–	(595)
<b>Losses recognised on initial recognition</b>	<b>–</b>	<b>(162)</b>	<b>(162)</b>

## 2.7 Contractual service margin maturity analysis

The following table illustrates when the Group expects to realise the remaining CSM as revenue for contracts not measured under the PAA:

Year ended 31 December 2024 Rm	Separate				Total
	Less than one year	One to five years <sup>1</sup>	Six to 10 years	More than 10 years	
<b>Insurance contracts</b>					
<b>Total life</b>	(5 915)	(17 660)	(13 413)	(19 183)	(56 171)
Life risk and annuities	(2 727)	(8 621)	(7 245)	(12 462)	(31 055)
Life savings	(3 188)	(9 039)	(6 168)	(6 721)	(25 116)
<b>Total insurance contracts</b>	<b>(5 915)</b>	<b>(17 660)</b>	<b>(13 413)</b>	<b>(19 183)</b>	<b>(56 171)</b>
<b>Reinsurance contracts</b>					
<b>Total life</b>	(9)	(36)	(38)	(89)	(172)
Life risk and annuities	(9)	(36)	(38)	(89)	(172)
Life savings	–	–	–	–	–
<b>Total reinsurance contracts</b>	<b>(9)</b>	<b>(36)</b>	<b>(38)</b>	<b>(89)</b>	<b>(172)</b>

<sup>1</sup> Greater than one year to five years have been combined as there are no material differences between each year's CSM maturities

Year ended 31 December 2024 Rm	Consolidated				Total
	Less than one year	One to five years <sup>1</sup>	Six to 10 years	More than 10 years	
<b>Insurance contracts</b>					
<b>Total life</b>	(6 343)	(18 158)	(13 492)	(19 233)	(57 226)
Life risk and annuities	(3 154)	(9 119)	(7 324)	(12 512)	(32 109)
Life savings	(3 189)	(9 039)	(6 168)	(6 721)	(25 117)
<b>Total insurance contracts</b>	<b>(6 343)</b>	<b>(18 158)</b>	<b>(13 492)</b>	<b>(19 233)</b>	<b>(57 226)</b>
<b>Reinsurance contracts</b>					
<b>Total life</b>	41	91	25	(63)	94
Life risk and annuities	41	91	25	(63)	94
Life savings	–	–	–	–	–
<b>Total reinsurance contracts</b>	<b>41</b>	<b>91</b>	<b>25</b>	<b>(63)</b>	<b>94</b>

<sup>1</sup> Greater than one year to five years have been combined as there are no material differences between each year's CSM maturities

Year ended 31 December 2023 Rm	Separate				Total
	Less than one year	One to five years <sup>1</sup>	Six to 10 years	More than 10 years	
<b>Insurance contracts</b>					
<b>Total life</b>	(5 922)	(18 075)	(13 818)	(19 141)	(56 956)
Life risk and annuities	(2 750)	(8 688)	(7 298)	(12 083)	(30 819)
Life savings	(3 172)	(9 387)	(6 520)	(7 058)	(26 137)
<b>Total insurance contracts</b>	<b>(5 922)</b>	<b>(18 075)</b>	<b>(13 818)</b>	<b>(19 141)</b>	<b>(56 956)</b>
<b>Reinsurance contracts</b>					
<b>Total life</b>	(12)	(42)	(37)	(59)	(150)
Life risk and annuities	(12)	(42)	(37)	(59)	(150)
Life savings	–	–	–	–	–
<b>Total reinsurance contracts</b>	<b>(12)</b>	<b>(42)</b>	<b>(37)</b>	<b>(59)</b>	<b>(150)</b>

<sup>1</sup> Greater than one year to five years have been combined as there are no material differences between each year's CSM maturities

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

### F2: Insurance and investment contracts continued

#### 2.7 Contractual service margin maturity analysis continued

The following table illustrates when the Group expects to realise the remaining CSM as revenue for contracts not measured under the PAA:

Year ended 31 December 2023 Rm	Consolidated				Total
	Less than one year	One to five years <sup>1</sup>	Six to 10 years	More than 10 years	
<b>Insurance contracts</b>					
<b>Total life</b>	(6 290)	(18 525)	(13 899)	(19 159)	(57 873)
Life risk and annuities	(3 117)	(9 137)	(7 379)	(12 102)	(31 735)
Life savings	(3 173)	(9 388)	(6 520)	(7 057)	(26 138)
<b>Total insurance contracts</b>	(6 290)	(18 525)	(13 899)	(19 159)	(57 873)
<b>Reinsurance contracts</b>					
<b>Total life</b>	32	76	23	(38)	93
Life risk and annuities	32	76	23	(38)	93
Life savings	–	–	–	–	–
<b>Total reinsurance contracts</b>	32	76	23	(38)	93

<sup>1</sup> Greater than one year to five years have been combined as there are no material differences between each year's CSM maturities

#### 2.8 Investment contracts

The following table reconciles the movements of the Group's investment contracts:

Year ended 31 December Rm	Separate	
	2024	2023
Opening balance	226 262	190 494
Contributions received	26 801	31 771
Maturities, withdrawals and surrenders	(32 985)	(24 240)
Fair value movements	28 892	23 775
Foreign exchange and other movements	1 424	4 462
<b>Balance at end of the year</b>	<b>250 394</b>	226 262

Year ended 31 December Rm	Consolidated	
	2024	2023
Opening balance	229 182	194 141
Contributions received	26 947	31 771
Maturities, withdrawals and surrenders	(33 319)	(24 661)
Fair value movements	29 158	24 065
Foreign exchange and other movements	1 416	3 866
<b>Balance at end of the year</b>	<b>253 384</b>	229 182

## 2.9 Maturity analysis

The following table shows a maturity analysis of cash flows for investment contracts, participating insurance contracts and risk insurance and reinsurance contracts which reflects the dates on which the cash flows are expected to occur, for portfolios which are in a liability position.

This analysis does not include the liability for remaining coverage for contracts measured under the PAA.

The maturity analysis for investment contracts reflects the contractual maturity dates. The majority of investment contracts are open ended and have no fixed maturity date. These contracts are included in the one year or less category.

Year ended 31 December 2024 Rm	Separate						
	Undiscounted cash flows						
	One year or less	One to two years	Two to three years	Three to four years	Four to five years	More than five years	Total
<b>Net policyholder cash flows</b>							
<b>Insurance contract cash flows</b>	(70 019)	(58 333)	(56 633)	(55 602)	(54 480)	(2 080 060)	(2 375 127)
Life risk and annuities	(8 118)	(4 875)	(4 932)	(5 253)	(5 562)	(247 005)	(275 745)
Life savings	(61 901)	(53 458)	(51 701)	(50 349)	(48 918)	(1 833 055)	(2 099 382)
<b>Reinsurance contract cash flows</b>	-	-	-	-	-	-	-
Life risk and annuities	-	-	-	-	-	-	-
<b>Investment contract cash flows</b>	(233 847)	(2 258)	(3 435)	(3 809)	(2 663)	(86)	(246 098)
Unit-linked investment contracts and similar contracts	(233 290)	-	-	-	-	-	(233 290)
Other investment contracts	(557)	(2 258)	(3 435)	(3 809)	(2 663)	(86)	(12 808)
<b>Net policyholder cash flows</b>	<b>(303 866)</b>	<b>(60 591)</b>	<b>(60 068)</b>	<b>(59 411)</b>	<b>(57 143)</b>	<b>(2 080 146)</b>	<b>(2 621 225)</b>

Year ended 31 December 2024 Rm	Consolidated						
	Undiscounted cash flows						
	One year or less	One to two years	Two to three years	Three to four years	Four to five years	More than five years	Total
<b>Net policyholder cash flows</b>							
<b>Insurance contract cash flows</b>	(69 795)	(58 129)	(56 444)	(55 424)	(54 317)	(2 078 618)	(2 372 727)
Life risk and annuities	(7 894)	(4 671)	(4 743)	(5 075)	(5 399)	(245 563)	(273 345)
Life savings	(61 901)	(53 458)	(51 701)	(50 349)	(48 918)	(1 833 055)	(2 099 382)
<b>Reinsurance contract cash flows</b>	(104)	(70)	(48)	(26)	1	168	(79)
Life risk and annuities	(104)	(70)	(48)	(26)	1	168	(79)
<b>Investment contract cash flows</b>	(237 122)	(2 258)	(3 435)	(3 809)	(2 663)	(86)	(249 373)
Unit-linked investment contracts and similar contracts	(236 565)	-	-	-	-	-	(236 565)
Other investment contracts	(557)	(2 258)	(3 435)	(3 809)	(2 663)	(86)	(12 808)
<b>Net policyholder cash flows</b>	<b>(307 021)</b>	<b>(60 457)</b>	<b>(59 927)</b>	<b>(59 259)</b>	<b>(56 979)</b>	<b>(2 078 536)</b>	<b>(2 622 179)</b>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

### F2: Insurance and investment contracts continued

#### 2.9 Maturity analysis continued

The following table shows a maturity analysis of cash flows for investment contracts, participating insurance contracts and risk insurance and reinsurance contracts which reflects the dates on which the cash flows are expected to occur, for portfolios which are in a liability position.

This analysis does not include the liability for remaining coverage for contracts measured under the PAA.

The maturity analysis for investment contracts reflects the contractual maturity dates. The majority of investment contracts are open ended and have no fixed maturity date. These contracts are included in the one year or less category.

Year ended 31 December 2023 Rm	Separate Undiscounted cash flows						Total
	One year or less	One to two years	Two to three years	Three to four years	Four to five years	More than five years	
<b>Net policyholder cash flows</b>							
<b>Insurance contract cash flows</b>	(57 888)	(49 818)	(50 376)	(51 247)	(52 137)	(2 461 982)	(2 723 448)
Life risk and annuities	(4 502)	(3 778)	(3 904)	(4 181)	(4 537)	(236 114)	(257 016)
Life savings	(53 386)	(46 040)	(46 472)	(47 066)	(47 600)	(2 225 868)	(2 466 432)
<b>Reinsurance contract cash flows</b>	(36)	(47)	(58)	(65)	(72)	7 302	7 024
Life risk and annuities	(36)	(47)	(58)	(65)	(72)	7 302	7 024
<b>Investment contract cash flows</b>	(226 499)	(568)	(2 395)	(3 588)	(3 964)	(227)	(237 241)
Unit-linked investment contracts and similar contracts	(208 863)	–	–	–	–	–	(208 863)
Other investment contracts	(17 636)	(568)	(2 395)	(3 588)	(3 964)	(227)	(28 378)
<b>Net policyholder cash flows</b>	(284 423)	(50 433)	(52 829)	(54 900)	(56 173)	(2 454 907)	(2 953 665)

Year ended 31 December 2023 Rm	Consolidated Undiscounted cash flows						Total
	One year or less	One to two years	Two to three years	Three to four years	Four to five years	More than five years	
<b>Net policyholder cash flows</b>							
<b>Insurance contract cash flows</b>	(57 187)	(49 636)	(50 206)	(51 086)	(51 983)	(2 456 400)	(2 716 498)
Life risk and annuities	(3 801)	(3 596)	(3 734)	(4 020)	(4 383)	(230 532)	(250 066)
Life savings	(53 386)	(46 040)	(46 472)	(47 066)	(47 600)	(2 225 868)	(2 466 432)
<b>Reinsurance contract cash flows</b>	(109)	(108)	(112)	(102)	(90)	7 162	6 641
Life risk and annuities	(109)	(108)	(112)	(102)	(90)	7 162	6 641
<b>Investment contract cash flows</b>	(229 419)	(568)	(2 395)	(3 588)	(3 964)	(227)	(240 161)
Unit-linked investment contracts and similar contracts	(211 783)	–	–	–	–	–	(211 783)
Other investment contracts	(17 636)	(568)	(2 395)	(3 588)	(3 964)	(227)	(28 378)
<b>Net policyholder cash flows</b>	(286 715)	(50 312)	(52 713)	(54 776)	(56 037)	(2 449 465)	(2 950 018)

Life risk and annuities contracts have zero amounts payable on demand.

Unit-linked and similar investment contract policyholders have the option to terminate or transfer their contracts at any time and to receive the surrender or transfer value of their policies, being the policyholders' account values less applicable surrender fees. Although these liabilities are payable on demand, the Group does not expect all these amounts to be paid out within one year of the reporting date.

In the separate financial statements, for life savings contracts with a carrying value of R477 billion (2023: R449 billion) the amount payable on demand at 31 December 2024 is R329 billion (2023: R319 billion).

In the consolidated financial statements, for life savings contracts with a carrying value of R447 billion (2023: R449 billion) the amount payable on demand as at 31 December 2024 is R329 billion (2023: R319 billion).

### F3: Borrowed funds

At 31 December Rm	Note	Separate		Consolidated	
		2024	2023	2024	2023
Subordinated debt securities	F3(a)	9 957	10 486	9 957	10 486

Included in the amount above for OMLACSA separate and consolidated is an amount of R3 805 million (2023: R2 958 million) that is regarded as current with the remainder regarded as non-current.

#### Maturity analysis

The table below provides the maturity profile of the anticipated future cash flows, based on contractual maturity dates for borrowed funds, including interest. It is presented on an undiscounted basis, and will therefore, differ from both carrying value and fair value of borrowed funds:

At 31 December Rm	Separate and consolidated	
	2024	2023
Less than one year	4 576	2 958
Greater than one year and less than five years	7 204	8 823
Greater than five years	–	1 907
<b>Total</b>	<b>11 780</b>	<b>13 688</b>

#### (a) Subordinated debt securities

At 31 December Rm	Tier	Maturity date	Separate and consolidated	
			2024	2023
<b>Non-banking</b>				
R500 million at three-month JIBAR + 1.55%	Tier 2	October 2027	500	500
R1 110 million at three-month JIBAR + 1.55%	Tier 2	June 2027	1 125	1 114
R1 500 million at three-month JIBAR + 1.54%	Tier 2	September 2026	1 515	1 512
R2 000 million at three-month JIBAR + 1.55%	Tier 2	Repaid	–	2 005
R1 150 million at 10.96%	Tier 2	March 2025	1 156	1 175
R623 million at 11.35%	Tier 2	September 2025	635	647
R2 000 million at three-month JIBAR + 1.93%	Tier 2	November 2025	2 014	2 027
R859 million at three-month JIBAR + 1.50%	Tier 2	May 2028	867	865
R641 million at three-month JIBAR +1.34%	Tier 2	November 2028	641	641
R1 000 million at three-month JIBAR +1.34%	Tier 2	May 2029	1 003	–
R500 million at three-month JIBAR +1.30%	Tier 2	November 2029	501	–
<b>Total net subordinated debt securities</b>			<b>9 957</b>	<b>10 486</b>

On 9 May 2024 and 29 November 2024, Old Mutual Life Assurance Company (South Africa) Limited (OMLACSA) issued a R1 000 million and R500 million floating rate subordinated debt instrument under the R25 billion Multi-Issuer Note Programme. The subordinated note is guaranteed by Old Mutual Limited and has a coupon rate of three-month Johannesburg Interbank Average Rate (JIBAR) plus 134 bps and 130 bps, payable quarterly in arrears. The maturity date of this instrument is 09 May 2029 and 29 November 2029. R2 billion subordinated debt was redeemed on 11 June 2024.

On 23 May 2023 and 3 November 2023, Old Mutual Life Assurance Company (South Africa) Limited (OMLACSA) issued a R859 million and R641 million floating rate subordinated debt instrument under the R25 billion Multi-Issuer Note Programme. The subordinated note is guaranteed by Old Mutual Limited and has a coupon rate of three-month JIBAR rate plus 150 bps and 134 bps, payable quarterly in arrears. The maturity date of this instrument is 28 May 2028 and 03 November 2028. No subordinated debt instruments were redeemed in the prior period.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## F: Analysis of financial and insurance assets and liabilities continued

### F3: Borrowed funds continued

#### (b) Reconciliation of borrowed funds arising from financing activities

Year ended 31 December Rm	Separate and consolidated	
	2024	2023
<b>Balance at beginning of the year</b>	<b>10 486</b>	9 024
<b>Changes from financing cash flows</b>	<b>(1 500)</b>	566
<b>Proceeds from issue of subordinated and other debt</b>	<b>1 500</b>	1 500
Proceeds from issue of subordinated debt securities	1 500	1 500
<b>Redemption of borrowed funds</b>	<b>(2 000)</b>	–
Redemption of subordinated debt securities	(2 000)	–
<b>Interest paid</b>	<b>(1 000)</b>	(934)
<b>Non-cash changes</b>	<b>971</b>	896
Fair value changes	(38)	(40)
Accrued interest	1 009	936
<b>Balance at end of the year</b>	<b>9 957</b>	10 486

## G: Non-financial assets and liabilities

### G1: Goodwill and other intangible assets

Goodwill arises on the acquisition of a business and represents the premium of the amount paid over the fair value of identifiable assets and liabilities. Other intangible assets include those assets which were initially recognised on a business combination and software development costs related to amounts recognised for in-house systems development.

#### (a) Goodwill and goodwill impairment

Goodwill arising on the acquisition of a subsidiary undertaking is recognised as an asset at the date that control is achieved (the acquisition date). Goodwill is measured as the excess of, the aggregate of (i) the consideration transferred, (ii) the amount of any non-controlling interest in the acquiree, and (iii) if the business combination is achieved in stages, the acquisition date fair value of the acquirers previously held equity interest, over the net of the acquisition amounts of the identifiable assets acquired and the liabilities assumed. If the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any), this excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is allocated to one or more cash-generating units (CGUs), being the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

On loss of control of a subsidiary undertaking, any attributable goodwill is included in the determination of any profit or loss on disposal. On disposal of a business, where goodwill on acquisition is allocated to the CGU, goodwill is allocated to the disposal on a relative basis.

Goodwill is not amortised, but is reviewed for impairments at least once annually for each CGU, by comparing the carrying amount of each CGU to its recoverable amount, being the higher of that CGU's value in use or fair value less costs to sell. Any impairment losses are recognised immediately in profit or loss and are not subsequently reversed. The appropriateness of the CGUs is evaluated on an annual basis.

#### (b) Internally developed software

Internally developed software (software) is amortised over its estimated useful life, where applicable. Such assets are stated at cost less accumulated amortisation and impairment losses. Software is recognised in the consolidated statement of financial position if, and only if, it is probable that the relevant future economic benefits attributable to the software will flow to the Group and its cost can be measured reliably.

Costs incurred in the research phase are expensed in profit or loss whereas costs incurred in the development phase are capitalised when the requirements of IAS 38 relating to the recognition of internally generated assets have been met.

The main criteria being that future economic benefits can be identified as a result of the development expenditure.

Amortisation is charged to other operating and administrative expenses in profit or loss on a straight-line basis over the estimated useful lives of the relevant software, which range between two and fifteen years, depending on the nature and use of the software. This excludes capitalised software that has not been brought into use yet.

#### (c) Subsequent expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

(d) **Analysis of goodwill and other intangible assets**

The following table analyses the movements in cost, amortisation and impairment of goodwill and other intangible assets for the year ended 31 December 2024 and the year ended 31 December 2023:

Rm	Separate	Consolidated		Total
	Intangible assets	Goodwill	Intangible assets	
<b>Cost</b>				
<b>Balance at 1 January 2023</b>	4 860	544	5 246	5 790
Additions	874	–	910	910
Disposals and retirements	(16)	(66)	(34)	(100)
Transfer from PPE	276	–	276	276
Foreign exchange and other movements	(148)	14	(48)	(34)
<b>Balance at 31 December 2023</b>	<b>5 846</b>	<b>492</b>	<b>6 350</b>	<b>6 842</b>
Acquisitions through business combinations	–	<b>64</b>	–	<b>64</b>
Additions	<b>887</b>	–	<b>897</b>	<b>897</b>
Disposals and retirements	–	–	<b>(4)</b>	<b>(4)</b>
Foreign exchange and other movements	<b>2</b>	<b>(9)</b>	<b>(103)</b>	<b>(112)</b>
<b>Balance at 31 December 2024</b>	<b>6 735</b>	<b>547</b>	<b>7 140</b>	<b>7 687</b>
<b>Amortisation and impairment losses</b>				
<b>Balance at 1 January 2023</b>	913	309	1 141	1 450
Amortisation	405	–	442	442
Disposals and retirements	(15)	–	(33)	(33)
Transfer from PPE	162	–	162	162
Foreign exchange and other movements	(28)	14	(32)	(18)
<b>Balance at 31 December 2023</b>	<b>1 437</b>	<b>323</b>	<b>1 680</b>	<b>2 003</b>
Amortisation	<b>450</b>	–	<b>494</b>	<b>494</b>
Impairments	–	–	<b>13</b>	<b>13</b>
Disposals and retirements	–	–	<b>(4)</b>	<b>(4)</b>
Foreign exchange and other movements	–	<b>(9)</b>	–	<b>(9)</b>
<b>Balance at 31 December 2024</b>	<b>1 887</b>	<b>314</b>	<b>2 183</b>	<b>2 497</b>
<b>Net carrying value</b>				
Balance at 31 December 2023	4 409	169	4 670	4 839
<b>Balance at 31 December 2024</b>	<b>4 848</b>	<b>233</b>	<b>4 957</b>	<b>5 190</b>

At 31 December  
Rm

	2024	2023
Old Mutual Wealth	169	169
Old Mutual Properties	64	–
<b>Goodwill, net of impairment losses</b>	<b>233</b>	169

In the performance of goodwill impairment testing, the Group's CGUs mostly used discounted cash flow models, which incorporated planned business performance, with a risk-adjusted discount rate reflecting cost of equity as appropriate for the CGU.

The carrying value of intangible assets is reviewed for indicators of impairment annually. If indicators of impairment exist, the particular asset is tested for impairment.

During 2024, R13 million of impairments were raised. During the previous year, no impairments were recognised in 2023.

All of the remaining year-end goodwill and intangible asset impairment reviews indicated that there is sufficient headroom to maintain these balances, with no additional impairments required to be recognised.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## G: Non-financial assets and liabilities continued

### G2: Fixed assets

#### (a) Property, plant and equipment

Buildings that are owner-occupied are recorded at fair value. Owner-occupied properties are valued as at 31 December each year by internal and external professional valuers. Fair value is determined by reference to market-based evidence. For each business, the valuation methodology adopted is dependent upon the nature of the property. Income generating assets are valued using discounted cash flows and vacant land and property are valued according to sales of comparable properties.

The Group assesses and adjusts (if required) the useful life, residual value and depreciation method for property and equipment on an annual basis.

#### Leased assets

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16. Contracts where the service provider has a substantive right to substitute the asset for an alternative asset during the lease term is not regarded as a lease, but instead a service contract. Accordingly, these contracts are not accounted for in accordance with IFRS 16. The Group recognises a right-of-use asset and a lease liability at the lease commencement date.

Category	Valuation model	Measurement
<b>Land</b>	<b>Revaluation model</b>	<ul style="list-style-type: none"> <li>Land is stated at revalued amounts and is not depreciated.</li> <li>Increases or decreases in the carrying amount are taken to other comprehensive income and presented in a revaluation reserve in equity</li> <li>The revaluation reserve will be released in equity when the asset is sold</li> </ul>
<b>Buildings</b>	<b>Revaluation model</b>	<ul style="list-style-type: none"> <li>Stated at revalued amounts. Depreciated over a period of 50 years using the straight-line method</li> <li>Revaluation gains and losses on owner-occupied property are recognised in the consolidated statement of comprehensive income. Losses that offset previous gains in respect of the same asset are charged against the property revaluation reserve, and all other losses are charged to the income statement as an impairment</li> <li>On revaluation any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the property concerned and the net amount restated to the revalued amount</li> <li>On derecognition, any gain or loss on disposal, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss in the period the asset is derecognised</li> </ul>
<b>Plant and equipment</b>	<b>Cost model</b>	<ul style="list-style-type: none"> <li>Plant and equipment, principally computer equipment, motor vehicles, fixtures and fittings are stated at cost less accumulated depreciation and impairment losses. The maximum estimated useful life ranges from three to 10 years</li> </ul>
<b>Leased assets</b>	<b>Cost model</b>	<ul style="list-style-type: none"> <li>The lease term is defined as the non-cancellable period for which a lessee has the right to use an underlying asset, together with both: <ul style="list-style-type: none"> <li>→ Periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option.</li> <li>→ Periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option</li> </ul> </li> <li>If the lease transfers ownership of the underlying assets to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessee will depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the lessee shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term</li> </ul>

Category	Valuation model	Measurement
<b>Lease liability (Group as lessee)</b>	<b>Amortised cost</b>	<p>The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise:</p> <ul style="list-style-type: none"> <li>• Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.</li> <li>• Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date</li> <li>• The amount expected to be payable by the lessee under residual value guarantees</li> <li>• The exercise price of purchase options, if the lessee is reasonably certain to exercise the options</li> <li>• Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease</li> </ul> <p>The lease liability is included in Trade, other payables and other liabilities line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:</p> <ul style="list-style-type: none"> <li>• The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate</li> <li>• The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used)</li> <li>• A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification</li> </ul> <p>The Group did not make any such adjustments during the periods presented.</p>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## G: Non-financial assets and liabilities continued

### G2: Fixed assets continued

#### (a) Property, plant and equipment continued

##### Property, plant and equipment owned by the Group

The following tables analyse land, buildings, plant and equipment and buildings leased by the Group.

Rm	Separate					
	Land (revalued)	Buildings (revalued)	Plant and equipment	Total owned	Leased buildings	Total
<b>Gross carrying amount</b>						
<b>Balance at 1 January 2023</b>	142	3 062	1 408	4 612	507	5 119
Additions	–	165	171	336	150	486
Increase arising from revaluation	–	74	–	74	–	74
Transfer to intangible assets	–	–	(276)	(276)	–	(276)
Disposals	–	(63)	(279)	(342)	(96)	(438)
Foreign exchange and other movements	(43)	43	–	–	–	–
<b>Balance at 31 December 2023</b>	<b>99</b>	<b>3 281</b>	<b>1 024</b>	<b>4 404</b>	<b>561</b>	<b>4 965</b>
Additions	–	157	240	397	96	493
Increase arising from revaluation	–	78	–	78	–	78
Disposals	–	(78)	(98)	(176)	(91)	(267)
Foreign exchange and other movements	(71)	71	(17)	(17)	(42)	(59)
<b>Balance at 31 December 2024</b>	<b>28</b>	<b>3 509</b>	<b>1 149</b>	<b>4 686</b>	<b>524</b>	<b>5 210</b>
<b>Accumulated depreciation and impairment losses</b>						
<b>Balance at 1 January 2023</b>	–	581	949	1 530	276	1 806
Depreciation charge for the year	–	12	131	143	106	249
Transfer to intangible assets	–	–	(162)	(162)	–	(162)
Reversal of impairments <sup>1</sup>	–	(134)	–	(134)	–	(134)
Disposals	–	–	(261)	(261)	(92)	(353)
Foreign exchange and other movements	–	–	–	–	(5)	(5)
<b>Balance at 31 December 2023</b>	<b>–</b>	<b>459</b>	<b>657</b>	<b>1 116</b>	<b>285</b>	<b>1 401</b>
Depreciation charge for the period	–	24	139	163	112	275
Reversal of impairments <sup>1</sup>	–	(142)	–	(142)	–	(142)
Disposals	–	–	(74)	(74)	(85)	(159)
Foreign exchange and other movements	–	–	1	1	(47)	(46)
<b>Balance at 31 December 2024</b>	<b>–</b>	<b>341</b>	<b>723</b>	<b>1 064</b>	<b>265</b>	<b>1 329</b>
<b>Net carrying amount at:</b>						
31 December 2023	99	2 822	367	3 288	276	3 564
<b>31 December 2024</b>	<b>28</b>	<b>3 168</b>	<b>426</b>	<b>3 622</b>	<b>259</b>	<b>3 881</b>

<sup>1</sup> In 2024, the R142 million reversal of impairment recognised relates to a R115 million reversal of impairment on Mutual Park and R27 million reversal of impairment on 1 Mutual Place in Sandton. In 2023, the R134 million reversal of impairment recognised relates to a reversal of impairment on 1 Mutual Place in Sandton. Both Mutual Park and 1 Mutual Place building is included in the Other Group activities segment

Consolidated						
Rm	Land (revalued)	Buildings (revalued)	Plant and equipment <sup>2</sup>	Total owned	Leased buildings	Total
<b>Gross carrying amount</b>						
<b>Balance at 1 January 2023</b>	142	3 263	1 470	4 875	546	5 421
Additions <sup>1,2</sup>	–	1 243	1 746	2 989	158	3 147
Increase arising from revaluation	–	74	–	74	–	74
Transfers to intangible assets	–	–	(276)	(276)	–	(276)
Disposals	–	(63)	(285)	(348)	(102)	(450)
Foreign exchange and other movements	(43)	43	–	–	1	1
<b>Balance at 31 December 2023</b>	<b>99</b>	<b>4 560</b>	<b>2 655</b>	<b>7 314</b>	<b>603</b>	<b>7 917</b>
Additions	–	157	260	417	120	537
Increase arising from revaluation	–	78	–	78	–	78
Disposals	–	(78)	(105)	(183)	(116)	(299)
Foreign exchange and other movements <sup>3</sup>	(71)	(885)	(1 566)	(2 522)	(44)	(2 566)
Transfer to assets held for sale and distribution	–	–	(5)	(5)	–	(5)
<b>Balance at 31 December 2024</b>	<b>28</b>	<b>3 832</b>	<b>1 239</b>	<b>5 099</b>	<b>563</b>	<b>5 662</b>
<b>Accumulated depreciation and impairment losses</b>						
<b>Balance at 1 January 2023</b>	–	577	983	1 560	299	1 859
Depreciation charge for the year	–	13	138	151	119	270
Transfers to intangibles assets	–	–	(162)	(162)	–	(162)
Reversal of impairments <sup>4</sup>	–	(134)	–	(134)	–	(134)
Disposals	–	–	(266)	(266)	(100)	(366)
Foreign exchange and other movements	–	–	–	–	(6)	(6)
<b>Balance at 31 December 2023</b>	<b>–</b>	<b>456</b>	<b>693</b>	<b>1 149</b>	<b>312</b>	<b>1 461</b>
Additions	–	–	9	9	–	9
Depreciation charge for the period	–	24	149	173	124	297
Reversal of impairments <sup>1</sup>	–	(142)	–	(142)	–	(142)
Disposals	–	–	(79)	(79)	(102)	(181)
Foreign exchange and other movements	–	–	–	–	(47)	(47)
<b>Balance at 31 December 2024</b>	<b>–</b>	<b>338</b>	<b>772</b>	<b>1 110</b>	<b>287</b>	<b>1 397</b>
<b>Net carrying amount at:</b>						
31 December 2023	99	4 104	1 962	6 165	291	6 456
<b>31 December 2024</b>	<b>28</b>	<b>3 494</b>	<b>467</b>	<b>3 989</b>	<b>276</b>	<b>4 265</b>

1 Assets to the value of R1 078 million are included in additions and relate to the Group looking through certain investments deemed to be controlled in 2023

2 Refer to note 17 for details in relation to the restatement due to prior period errors

3 In 2024 assets to the value of R1 550 million are included in other movements and relate to the Group no longer controlling certain investments where a look-through process was applied in the past when consolidating these investments

4 In 2024, the R142 million reversal of impairment recognised relates to a R115 million reversal of impairment on Mutual Park and R27 million reversal of impairment on 1 Mutual Place in Sandton. In 2023, the R134 million reversal of impairment recognised relates to a reversal of impairment on 1 Mutual Place in Sandton. Both Mutual Park and 1 Mutual Place building is included in the Other Group activities segment

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## G: Non-financial assets and liabilities continued

### G2: Fixed assets continued

#### (a) Property, plant and equipment continued

##### Property, plant and equipment owned by the Group continued

#### (i) Property, plant and equipment

The Group engages internal and independent external valuers to determine the carrying value of its owner-occupied property. Fair value is determined by reference to market-based evidence. The valuations are carried out at intervals throughout the year by internal valuers and every three years by external valuers.

The carrying value that would have been recognised had owner-occupied property been carried under the historic cost model would be R3 371 million (2023: R3 395 million) for the Group and Company.

Property, plant and equipment are classified as Level 3 in terms of the fair value hierarchy. Level 3 fair value measurements are those that include the use of significant unobservable inputs. The significant non-observable inputs used in the valuations are the expected rental values per square foot and the capitalisation rates. Details of the valuation techniques and ranges of estimates for unobservable inputs are disclosed in note G2(c).

#### (ii) Leases as lessee

Year ended 31 December Rm	Separate	
	2024	2023
<b>Amounts recognised in profit or loss</b>		
Finance expense on lease liabilities	25	25
Lease expenses relating to short-term leases	16	15
Lease expenses relating to low-value leases	3	5
<b>Amounts recognised in statement of cash flows</b>		
<b>Total cash outflows on repayment of leases</b>	144	134
<b>Total cash outflows on interest paid on leases</b>	25	25

Year ended 31 December Rm	Consolidated	
	2024	2023
<b>Amounts recognised in profit or loss</b>		
Finance expense on lease liabilities	27	26
Lease expenses relating to short-term leases	16	15
Lease expenses relating to low-value leases	4	5
<b>Amounts recognised in statement of cash flows</b>		
<b>Total cash outflows on repayment of leases</b>	151	139
<b>Total cash outflows on interest paid on leases</b>	27	26

#### Analysis of lease costs

The following table sets out the maturity analysis of undiscounted outstanding commitments under non-cancellable operating leases:

At 31 December Rm	Separate	
	2024	2023
Within one year	109	78
Greater than one year and less than five years	158	169
After five years	–	65
	267	312

At 31 December Rm	Consolidated	
	2024	2023
Within one year	105	81
Greater than one year and less than five years	153	170
After five years	–	65
	258	316

(iii) **Lease renewal options**

Some leases of office buildings contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

At 31 December 2024 Rm	Separate	
	Lease liabilities recognised (discounted)	Potential future lease payments not included in lease liabilities
Office buildings	264	–

At 31 December 2023 Rm	Separate	
	Lease liabilities recognised (discounted)	Potential future lease payments not included in lease liabilities
Office buildings	288	–

At 31 December 2024 Rm	Consolidated	
	Lease liabilities recognised (discounted)	Potential future lease payments not included in lease liabilities
Office buildings	272	–

At 31 December 2023 Rm	Consolidated	
	Lease liabilities recognised (discounted)	Potential future lease payments not included in lease liabilities
Office buildings	293	–

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## G: Non-financial assets and liabilities continued

### G2: Fixed assets continued

#### (b) Investment property

##### Classification

Investment properties are held to earn rentals or for capital appreciation or both and are not significantly occupied by the Group or any of its subsidiaries. Certain investment properties are matched to policyholder liabilities.

##### Measurement

Investment properties are measured at fair value as determined by a registered independent valuer at least every three years, and annually by locally qualified staff, having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

For practical reasons, valuations are carried out on a cyclical basis over a 12-month period due to the large number of properties involved. In the event of a material change in market and property-specific conditions between the valuation date and reporting date an internal valuation is performed and adjustments made to reflect any material changes in value.

Surpluses and deficits arising from changes in fair value and rental income are reflected as investment income in investment return in the income statement, as appropriate.

##### Fair value hierarchy of the Group's properties

The fair values of the Group's investment properties are categorised into Level 3 of the fair value hierarchy.

The following table reconciles the fair value measurements of Group's investment properties:

Year ended 31 December Rm	Notes	Separate		Consolidated	
		2024	2023	2024	2023
Balance at beginning of the year		848	851	36 439	34 201
Additions		3	3	1 791	2 222
Additions from business combinations	18(a)	-	-	841	-
Net (decrease)/increase from fair value adjustments	C2	-	(6)	878	16
Foreign exchange and other movements		24	-	605	698
Transfer to assets held for sale	G9	-	-	(8 609)	(698)
<b>Balance at end of the year</b>		<b>875</b>	<b>848</b>	<b>31 945</b>	<b>36 439</b>

All of the Group's investment properties are located in Africa, Romania and Bulgaria and are principally held within the policyholder funds.

The value of freehold and leasehold properties are as follows:

Year ended 31 December Rm	Separate	
	2024	2023
Freehold	875	848
Leasehold	-	-
	<b>875</b>	<b>848</b>

Year ended 31 December Rm	Consolidated	
	2024	2023
Freehold	31 945	36 439
Leasehold	-	-
	<b>31 945</b>	<b>36 439</b>

##### Amounts recognised in profit or loss for investment properties

The following table analyses the amounts recognised in profit or loss for investment properties owned, right of use assets and investment properties subject to operating lease:

Year ended 31 December Rm	Notes	Separate		Consolidated	
		2024	2023	2024	2023
Rental income from investment property	C2	179	172	3 271	3 003
Direct operating expense arising from investment property that did not generate rental income		(33)	(33)	(1 689)	(1 594)

(c) **Fair value hierarchy of the Group's property**

The fair value of the Group's properties is categorised into Level 3 of the fair value hierarchy.

Overall, there has been a decrease in the property assets balance. This was largely attributable to R8 609 million of property assets being transferred to held for sale in the current financial year.

Unobservable inputs are inputs for which there is no market data available. They are developed using the best information available about the assumptions that market participants would use when pricing the asset or liability.

The information in the table below discloses the significant unobservable inputs used at year end in measuring investment and owner-occupied properties categorised at Level 3:

Type of property	Valuation approach	Key unobservable inputs	Range of estimates for unobservable inputs
<b>Income-generating assets – office/retail/industrial properties and owner-occupied properties</b>	Valued using the internationally and locally recognised discounted cash flow (DCF) method. A minimum of five years (if required for specific leases, a longer period is used) of net income is discounted at a market-related rate, together with the present value of the capitalised net income in year six. Net income is determined by considering gross income, vacancies and lease obligations from which all normalised operating expenditure is deducted. The discount rate is determined with reference to the current market conditions and is constantly monitored by reference to comparable market transactions.	Valuation capitalisation and discount rates are based on industry guidelines predominantly from South African Property Owners Association (SAPOA) and Investment Property Databank (IPD) as well as comparison to listed property funds in South Africa. For properties in Bulgaria and Romania, valuation yields and discount rates are based on industry guidelines from the Bulgarian National Statistics Institute and Association of Authorised Romanian Valuers (ANEVAR) respectively. Where market rentals are used, these are based on the valuers' assumptions and information they have based on similar valuations they have done or sourced from external brokers. Vacancy rates are based on property specific data.	<p><b>South African properties:</b></p> <p><b>Office</b> Capitalisation rates: 8.25% to 9.00% (2023: 8.50%) Discount rates: 13.25% to 13.50% (2023: 13.00%) Market rentals: R192 per m<sup>2</sup> (2023: R205 per m<sup>2</sup>) Vacancy rates: 3.00% (2023: 0.0%)</p> <p><b>Retail</b> Capitalisation rates: 6.75% to 10.50% (2023: 6.75% to 10.0%) Discount rates: 12.50% to 15.50% (2023: 12.75% to 15.50%) Market rentals: R120 to R535.56 per m<sup>2</sup> (2023: R130 to R516.24 per m<sup>2</sup>) Vacancy rates: 0.0% to 16.25% (2023: 0.0% to 16.48%)</p> <p><b>Industrial</b> Capitalisation rates: 8.5% to 14.0% (2023: 8.5% to 11.0%) Discount rates: 13.0% to 18.5% (2023: 13.0% to 15.0%) Market rentals: R36 to R100.00 per m<sup>2</sup> (2023: R36 to R72.09 per m<sup>2</sup>) Vacancy rates: 0.0% to 10.01% (2023: 0.0% to 10.01%)</p> <p><b>Bulgarian properties:</b></p> <p><b>Office</b> Capitalisation rates: 7.4% to 7.6% (2023: 7.6%) Discount rates: 10.4% to 10.6% (2023: 10.4% to 10.6%) Market rentals: €12.5 to €17.5 per m<sup>2</sup> (2023: €12 to €17 per m<sup>2</sup>) Vacancy rates: 5.0% to 6.0% (2023: 4.0% to 5.0%)</p> <p><b>Romanian properties:</b></p> <p><b>Office</b> Capitalisation rates: 7.08% (2023: 6.9%) Discount rates: 8.98% (2023: 8.91%) Market rentals: €15.96 to €17.20 per m<sup>2</sup> (2023: €16 per m<sup>2</sup>) Vacancy rates: 5.0% (2023: 5.0%)</p>
<b>Land (South Africa)</b>	Valued according to the existing zoning and town planning scheme at the date of valuation with a cost allocation for the pro rata share of construction costs actually incurred and paid by the owner allocated pro rata to the land portions in proportion to the bulk available for each portion.  However, there are cases where exceptional circumstances need to be considered.	The land per m <sup>2</sup> and bulk per m <sup>2</sup> are based on comparable sales and zoning conditions. Discount rates are based on industry guidelines predominantly from SAPOA and IPD as well as comparison to listed property funds in South Africa.	Land value per m <sup>2</sup> : R75 to R250 (2023: R100 to R250)
<b>Near vacant properties</b>	Land value less the estimated cost of demolition.	Recent sales of land in the area and local government valuation rolls adjusted for estimated cost of demolition.	Land value per m <sup>2</sup> : R75 to R250 (2023: R75 to R250)

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## G: Non-financial assets and liabilities continued

### G2: Fixed assets continued

#### (d) Sensitivity analysis

The table below indicates the sensitivity of the aggregate property market values for a movement in discount and capitalisation rates and market rentals:

Year ended 31 December Rm	Consolidated	
	2024	2023
An increase of 1% in discount rates would decrease the fair value by:	(1 774)	(1 296)
A decrease of 1% in discount rates would increase the fair value by:	1 910	1 371
An increase of 1% in capitalisation rates would decrease the fair value by:	(2 296)	(2 295)
A decrease of 1% in capitalisation rates would increase the fair value by:	2 979	2 970
An increase of 10% in market rentals per m <sup>2</sup> would increase the fair value by:	3 003	2 375
A decrease of 10% in market rentals per m <sup>2</sup> would decrease the fair value by:	(2 976)	(2 363)
An increase of 1% in vacancy rates would decrease the fair value by:	(329)	(307)
A decrease of 1% in vacancy rates would increase the fair value by:	313	286

The assessment above depicts the potential impact on profit or (loss) as a result of the change in the parameter identified.

#### (e) Operating lease arrangements (with the Group as lessor)

Investment property comprises a portfolio of retail, commercial and industrial properties that are leased to third parties. These leases are classified as operating leases, because they do not transfer substantially all the risks and rewards incidental to the ownership of the assets. Each lease has a defined lease period and financial terms. Renewal negotiations with tenants commence prior to expiry of their current lease agreement. Lease periods vary and are dependent on the tenant and property type. Contingent rents charged are immaterial. During the year ended 31 December 2024, rental concessions of R3 million (2023: R3 million) were provided to tenants of the South African property portfolio.

At 31 December Rm	Consolidated	
	2024	2023
<b>Total future minimum lease receivables under operating leases</b>		
Within one year	2 752	2 534
Greater than one year and less than five years	6 269	6 381
After five years	1 522	2 587
	<b>10 543</b>	<b>11 502</b>

### G3: Costs of obtaining contracts

Costs of obtaining contracts relate to costs that the Group incurred to obtain new business. These acquisition costs are capitalised in the statement of financial position and are amortised in profit or loss over the life of the contracts.

The following table analyses the movements in deferred acquisition costs relating to investment and asset management contracts.

Year ended 31 December Rm	Separate	
		Investment contracts
<b>Balance at 1 January 2023</b>		284
New business		43
Amortisation		(77)
Foreign exchange and other movements		23
<b>Balance at 31 December 2023</b>		<b>273</b>
New business		<b>59</b>
Amortisation		<b>(69)</b>
Foreign exchange and other movements		<b>4</b>
<b>Balance at 31 December 2024</b>		<b>267</b>

#### Separate

Based on the maturity profile of the above assets, R27 million (2023: R58 million) is expected to be earned within 12 months from the reporting date and the remaining balance is non-current.

Year ended 31 December Rm	Consolidated		
	Investment contracts	Asset management	Total
<b>Balance at 1 January 2023</b>	284	192	476
New business	43	29	72
Amortisation	(77)	(68)	(145)
Foreign exchange and other movements	23	1	24
<b>Balance at 31 December 2023</b>	<b>273</b>	<b>154</b>	<b>427</b>
New business	<b>58</b>	<b>23</b>	<b>81</b>
Amortisation	<b>(69)</b>	<b>(54)</b>	<b>(123)</b>
Foreign exchange and other movements	<b>4</b>	<b>-</b>	<b>4</b>
<b>Balance at 31 December 2024</b>	<b>266</b>	<b>123</b>	<b>389</b>

#### Consolidated

Based on the maturity profile of the above assets, R70 million (2023: R108 million) is expected to be earned within 12 months from the reporting date and the remaining balance is non-current.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## G: Non-financial assets and liabilities continued

### G4: Trade, other receivables and other assets

At 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
Amounts owed by policyholders	96	111	96	111
Amounts owed by intermediaries	279	357	279	357
Outstanding settlements	–	–	27 539	31 323
Other receivables <sup>1</sup>	1 314	507	1 742	1 009
Accrued interest and rent	4 912	5 195	4 943	5 232
Prepayments and accrued income	904	820	1 156	1 035
Other assets	2 096	2 019	3 068	3 188
<b>Total trade, other receivables and other assets</b>	<b>9 601</b>	<b>9 009</b>	<b>38 823</b>	<b>42 255</b>

<sup>1</sup> Refer to note I7 for details in relation to the restatement due to a prior period error

The trade, other receivables and other assets are presented net of expected credit losses. Refer to note E1 for further details.

Included in the amounts above for OMLACSA separate is an amount of R8 837 million (2023: R8 265 million) that is regarded as current with the remainder regarded as non-current.

Included in the amounts above for OMLACSA consolidated is an amount of R37 720 million (2023: R41 787 million) that is regarded as current with the remainder regarded as non-current.

### G5: Provisions

Year ended 31 December Rm	Separate			
	Compensation provisions	Provision for donations	Other	Total
<b>Balance at 31 December 2023</b>	<b>309</b>	<b>716</b>	<b>343</b>	<b>1 368</b>
Charge to profit or loss	38	70	288	396
Utilised during the year	(89)	(49)	(184)	(322)
Transfer to other liabilities	–	–	(31)	(31)
Foreign exchange and other movements	–	–	6	6
<b>Balance at 31 December 2024</b>	<b>258</b>	<b>737</b>	<b>422</b>	<b>1 417</b>

Year ended 31 December Rm	Consolidated			
	Compensation provisions	Provision for donations	Other	Total
<b>Balance at 31 December 2023</b>	<b>309</b>	<b>716</b>	<b>405</b>	<b>1 430</b>
Charge to profit or loss	38	70	331	439
Utilised during the year	(89)	(49)	(215)	(353)
Transfer (to)/from other liabilities	–	–	(31)	(31)
Foreign exchange and other movements	–	–	6	6
<b>Balance at 31 December 2024</b>	<b>258</b>	<b>737</b>	<b>496</b>	<b>1 491</b>

### Separate and consolidated analysis of provisions

#### Compensation provisions at 31 December 2024 comprise:

- R90 million (2023: R152 million) relating to regulatory uncertainty
- R45 million (2023: R44 million) relating to multiple causal events
- R123 million (2023: R113 million) relates to the provision for claw-back of prescribed claims. This provision is held to allow for the probable future payment of claims that have been previously reversed

Of the total compensation provisions, R258 million (2023: R309 million) is estimated to be payable after 12 months from the reporting date.

#### Provisions for donations

The provision for donations is predominately held in respect of commitments made by the South African business to the future funding of charitable donations. The funds were made available on the closure of the Group's unclaimed shares trusts which were set up as part of the demutualisation in 1999 and closed in 2006. All of this is regarded to be payable after more than one year due to the long-term nature of the agreements in place.

#### Other provisions

Other provisions include amounts for the resolution of legal uncertainties and the settlement of other claims raised by contracting parties. Based on the maturity profile of other provisions, the total balance is estimated to be payable within 12 months from the reporting date.

Material, provisions and accruals are discounted at discount rates specific to the risks inherent in the liability. The timing and final amounts of payments in respect of provisions, particularly those in respect of litigation claims and similar actions against the Group, are uncertain and could result in adjustments to the amounts recorded.

Due to the nature of the above provisions, the timing of the expected cash outflows is uncertain. Estimates of these provisions are reviewed annually and are adjusted as and when new circumstances arise.

The effects of discounting for all provisions noted above are immaterial.

### G6: Contract liabilities

Contract liabilities relates to initial fees received for the future provision of services that the Group will render on investment management contracts. These fees are recognised as a liability in the separate and consolidated statement of financial position and are recognised in the separate and consolidated income statements over the expected life of the contracts as the performance obligations are transferred. The table below analyses the movements in contract liabilities.

Year ended 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
<b>Balance at 1 January</b>	<b>110</b>	99	<b>312</b>	310
Fees and commission income deferred	<b>61</b>	43	<b>138</b>	134
Revenue recognised during the year	<b>(53)</b>	(63)	<b>(143)</b>	(138)
Foreign exchange and other movements	<b>5</b>	31	<b>6</b>	6
Amount reallocated from other liabilities	<b>-</b>	-	<b>-</b>	-
<b>Balance at 31 December</b>	<b>123</b>	110	<b>313</b>	312

Based on the maturity profile of the above liabilities from a Company perspective, R12 million (2023: R43 million) is expected to be earned within 12 months from the reporting date and the remaining balance is non-current.

Based on the maturity profile of the above liabilities from a consolidated perspective, R23 million (2023: R49 million) is expected to be earned within 12 months from the reporting date and the remaining balance is non-current.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## G: Non-financial assets and liabilities continued

### G7: Deferred tax assets and liabilities

Deferred income taxes are calculated on all temporary differences at the tax rate applicable to the jurisdiction in which the temporary differences arise.

#### (a) Deferred tax assets

Deferred tax assets are recognised for tax losses carried forward only to the extent that realisation of the related tax benefit is probable, where on the basis of all available evidence, it is considered more likely than not that there will be suitable taxable profits against which the reversal of the deferred tax asset may be set off.

The following table provides an analysis of the deferred tax asset account:

At 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
<b>Deferred tax asset</b>				
Tax losses carried forward <sup>1</sup>	698	574	775	670
Accelerated capital allowances	–	–	5	6
Other temporary differences <sup>2</sup>	1 854	2 318	1 920	2 406
<b>Total</b>	<b>2 552</b>	<b>2 892</b>	<b>2 700</b>	<b>3 082</b>

<sup>1</sup> A significant portion of the carried forward tax losses (deferred tax asset of R698 million; R574 million in 2023) relates to transfer losses incurred between policyholder and shareholder funds within OMLACSA. This includes a deferred tax asset of R349 million related to Covid 19 losses that arose in 2020 and 2021 which has been partially set off in 2022 and 2023. Further, a deferred tax asset has been recognised in respect of cumulative tax losses amounting to R77 million (2023: R95 million) by Adviceworx Proprietary Limited. Management has interrogated the business case for all entities for which deferred tax assets have been raised and are confident that these entities will generate sufficient future taxable profits against which these losses will be set off.

<sup>2</sup> Included in other temporary differences is the transitional tax impact of IFRS 17 of R1 854 million (2023: R2 318 million) which will be realised over the remaining phase-in period of four years (2023: five years)

The amounts for which no deferred tax asset has been recognised comprise:

At 31 December Rm	Consolidated			
	2024		2023	
	Gross amount	Tax	Gross amount	Tax
<b>Tax losses</b>				
Expiring in less than a year	2	–	124	12
Expiring in the second to fifth year inclusive	2 169	586	27	4
Expiring after five years	369	100	3 147	850
	<b>2 540</b>	<b>686</b>	<b>3 298</b>	<b>866</b>
Other temporary differences	1 590	356	807	218
<b>Total</b>	<b>4 130</b>	<b>1 042</b>	<b>4 105</b>	<b>1 084</b>

#### (b) Deferred tax liabilities

The following table provides an analysis of the deferred tax liabilities account:

At 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
<b>Deferred tax liabilities</b>				
Capital gains tax – shareholder	526	284	558	307
Capital gains tax – policyholder	4 434	3 273	4 862	3 959
Other temporary differences	225	255	237	299
<b>Total</b>	<b>5 185</b>	<b>3 812</b>	<b>5 657</b>	<b>4 565</b>
<b>Reconciliation of net deferred tax asset/(liability)</b>				
At beginning of the year	(920)	1 284	(1 483)	756
Income statement charge	(1 661)	(2 173)	(1 783)	(2 160)
Addition from business combination	–	–	(59)	–
Foreign exchange and other movements	(68)	(30)	352	(78)
Charged to other comprehensive income	16	(1)	16	(1)
<b>At the end of the year</b>	<b>(2 633)</b>	<b>(920)</b>	<b>(2 957)</b>	<b>(1 483)</b>

## G8: Trade, other payables and other liabilities

At 31 December Rm	Notes	Separate		Consolidated	
		2024	2023	2024	2023
Amounts owed to policyholders		313	470	287	651
Amounts owed to intermediaries		216	296	248	314
Accruals		1 197	1 232	1 558	1 512
Post employment benefits	11	1 369	1 383	1 369	1 383
Share-based payments – cash-settled scheme liabilities	12(e)	573	423	573	454
Trade creditors		653	753	969	1 310
Outstanding settlements		2 808	2 771	31 601	30 589
Liability in respect of repurchase agreements		22 519	28 653	22 519	28 653
Obligations in relation to collateral holdings		6 630	5 469	6 630	5 469
Lease liabilities	G8.1	270	288	277	293
Interest-bearing liabilities <sup>1,2</sup>	G8.2	–	–	13 164	12 938
Short-term employee benefits		1 252	1 089	1 287	1 113
Other liabilities <sup>1,2</sup>		3 326	2 754	3 904	4 704
<b>Trade, other payables and other liabilities</b>		<b>41 126</b>	<b>45 581</b>	<b>84 386</b>	<b>89 383</b>

1 Refer to note 17 for details in relation to the restatement due to a prior period error. As a result, interest-bearing liabilities increased by R1 475 million and other payables decreased by R431 million in OMLACSA consolidated

2 An error was detected regarding the presentation of interest-bearing liabilities. As a result, interest-bearing liabilities amounting to R1 122 million was reclassified from other payables to interest-bearing liabilities

Included in the amounts above for OMLACSA separate R35 892 million (2023: R45 415 million) is regarded as current with the remainder regarded as non-current.

Included in the amounts above for OMLACSA consolidated R48 325 million (2023: R60 097 million) is regarded as current with the remainder regarded as non-current.

### 8.1: Lease liabilities

The following table provides an analysis of the lease liabilities included in trade, other payables and other liabilities:

At 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
<b>Balance at 1 January</b>	<b>288</b>	243	<b>293</b>	250
Additions	94	154	101	155
Interest accrued	29	25	32	26
Repayments (capital)	(141)	(134)	(149)	(139)
Other movements	–	–	–	1
<b>Balance at 31 December</b>	<b>270</b>	288	<b>277</b>	293

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## G: Non-financial assets and liabilities continued

### G8: Trade, other payables and other liabilities continued

#### 8.2: Interest-bearing liabilities

The following table provides an analysis of the interest-bearing liabilities included in trade, other payables and other liabilities:

Year ended 31 December Rm	Maturity date	Consolidated	
		2024	2023
<b>Floating rate term loans</b>			
R500 million drawn of a R500 million facility at three-month JIBAR + 2%	April 2024	–	512
R500 million drawn of a R500 million facility at three-month JIBAR + 1.63%	May 2026	509	510
R500 million drawn of a R500 million facility at three-month JIBAR + 1.703%	May 2027	512	512
€61 million drawn of a €61 million facility at three-month EURIBOR + 2.25%	February 2024	–	1 234
€38 million drawn of a €38 million facility at three-month EURIBOR + 2.70%	November 2027	701	768
€58 million drawn of a €58 million facility at three-month EURIBOR + 2.70%	November 2027	1 098	1 200
R500 million drawn of a R500 million facility at three-month JIBAR + 1.85%	March 2024	–	501
€44 million drawn of a €44 million facility at three-month EURIBOR + 2.25%	March 2025	735	804
R78 million drawn of a R78 million facility at three-month JIBAR + 2.00%	May 2025	79	79
R400 million drawn of a R400 million facility at three-month JIBAR + 1.70%	April 2026	411	411
R300 million drawn of a R300 million facility at three-month JIBAR + 1.70%	April 2026	308	308
R128 million drawn of a R600 million facility at one-month JIBAR + 1.6%	May 2025	–	128
R500 million drawn of a R500 million facility at three-month JIBAR + 2.19%	June 2025	506	510
R500 million drawn of a R500 million facility at three-month JIBAR + 2.12%	June 2024	–	506
R300 million drawn of a R300 million facility at three-month JIBAR + 1.3%	May 2027	304	303
R300 million drawn of a R300 million facility at three-month JIBAR + 1.45%	June 2026	303	303
R300 million drawn of a R300 million facility at three-month JIBAR + 1.5%	November 2027	304	303
R300 million drawn of a R300 million facility at three-month JIBAR + 1.72%	June 2029	307	305
R953 million drawn of a R953 million facility at three-month JIBAR <sup>1</sup>	February 2024	–	1 021
R46 million drawn of a R77 million facility at three-month JIBAR + 2.00% <sup>1</sup>	February 2024	–	46
€65 million drawn of a €65 million facility at one-month EURIBOR + 2.25%	February 2032	1 237	–
R500 million drawn of a R500 million facility at three-month JIBAR + 1.52%	March 2029	502	–
€36 million drawn of a €36 million facility at three-month EURIBOR + 1.9%	December 2031	696	–
R500 million drawn of a R500 million facility at three-month JIBAR + 1.45%	April 2028	511	–
R500 million drawn of a R500 million facility at three-month JIBAR + 1.45%	May 2028	507	–
€16 million drawn of a €16 million facility at three-month EURIBOR + 2.35%	August 2027	319	–
R920 million drawn of a R920 million facility at prime + 2%	December 2029	920	–
R909 million drawn of a R1 000 million facility at three-month JIBAR + 1.75% <sup>2</sup>	October 2025	909	779
R199 million drawn of a R675 million facility at three-month JIBAR + 2.85% <sup>2</sup>	June 2025	199	199
R99 million drawn of a R135 million facility at three-month JIBAR + 4% <sup>2</sup>	June 2025	99	99
<b>Fixed rate term loans</b>			
€16 million drawn at 5.6%	August 2027	–	329
£21.5 million drawn at 3.5%	July 2025	501	478
£15 million drawn at 4.5%	February 2026	350	337
R408 million drawn at 12.0% <sup>1</sup>	February 2024	–	408
€16 million drawn of €40 million facility at 8.75%	March 2027	292	–
R45 million drawn of a R90 million facility at 10% <sup>2</sup>	June 2025	45	45
<b>Total fixed and variable rate term loans</b>		<b>13 164</b>	<b>12 938</b>

<sup>1</sup> Refer to note I7 for details in relation to the restatement due to prior period errors

<sup>2</sup> An error was detected regarding the presentation of interest-bearing liabilities. As a result, interest-bearing liabilities amounting to R1 122 million was reclassified from other payables to interest-bearing liabilities

Property to the value of R24 412 million (2023: R23 001 million) has been pledged as security for the interest-bearing liabilities reflected in the table above.

### 8.3: Maturity analysis

The table below provides the maturity profile of the anticipated future cash flows, based on contractual maturity dates for trade, other payables and other liabilities that are classified as financial liabilities. It is presented on an undiscounted basis, and will therefore, differ from the carrying value of trade, other payables and other liabilities above:

At 31 December Rm	Separate	
	2024	2023 <sup>1</sup>
Less than one year	32 506	42 174
Greater than one year and less than five years	4 582	167
Greater than five years	1 369	–
<b>Total</b>	<b>38 457</b>	<b>42 341</b>

At 31 December Rm	Consolidated	
	2024	2023 <sup>1</sup>
Less than one year	44 530	55 063
Greater than one year and less than five years	34 603	8 416
Greater than five years	2 908	27 809
<b>Total</b>	<b>82 041</b>	<b>91 288</b>

<sup>1</sup> Refer to note 17 for details in relation to the restatement due to prior period errors

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## G: Non-financial assets and liabilities continued

### G9: Assets and liabilities held for sale

#### OMLACSA separate

The Company classified investments and securities of R3 981 million as assets held for sale relating to a sale of a subsidiary investment, Community Property Holdings.

Year ended 31 December Rm	Separate	
	2024	2023
<b>Assets classified as held for sale</b>		
Investments and securities	3 981	–
<b>Total assets</b>	<b>3 981</b>	<b>–</b>

#### OMLACSA consolidated

The Group reclassified investment property to the value of R225 million into assets held for sale. The Group further classified total assets of R8 923 million and total liabilities of R1 674 million into assets and liabilities held for sale relating to the sale of a subsidiary, Community Property Holdings, as part of the ongoing strategic efforts of the Group. The assets and liabilities held for sale mainly comprised property, plant and equipment (R5 million), investment property (R8 384 million), investments in associated undertakings and joint ventures (R166 million), trade, other receivables and other assets (R99 million), cash and cash equivalents (R269 million), deferred tax liabilities (R406 million), current tax payable (R2 million), and trade, other payables and other liabilities (R1 266 million). This transaction has no impact on profit or loss. The Group disposed of an investment property (R698 million) classified as held for sale.

In 2023, the Group reclassified investment property to the value of R698 million into assets held for sale. The net fair value loss arising from the valuation of these properties on transfer date amounted to R62 million and was recognised in investment returns in the income statement.

Assets held for sale per segment have been disclosed in note B3.

Year ended 31 December Rm	Consolidated	
	2024	2023
<b>Assets classified as held for sale</b>		
Property, plant and equipment	5	–
Investment property	8 609	698
Investments in associated undertakings and joint ventures	166	–
Trade, other receivables and other assets	99	–
Cash and cash equivalents	269	–
<b>Total assets</b>	<b>9 148</b>	<b>698</b>
<b>Assets classified as held for sale</b>		
Deferred tax liabilities	406	–
Current tax payable	2	–
Trade, other payables and other liabilities	1 266	–
<b>Total liabilities</b>	<b>1 674</b>	<b>–</b>

## G10: Share capital

Financial instruments issued are classified as equity when there is no contractual obligation to transfer cash, other financial assets or issue a variable number of own equity instruments. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

### (a) Authorised share capital

At 31 December Rm	Separate and consolidated	
	2024	2023
10 000 000 ordinary shares of R1 each	10	10
10 redeemable preference shares of R1 each	–	–
10 000 000 redeemable, no par value preference shares	–	–
	10	10

### (b) Issued share capital and share premium

At 31 December Rm	Separate and consolidated	
	2024	2023
8 000 001 ordinary shares	8	8
1 redeemable preference share of R1	–	–
Share premium	6 415	6 415

## G11: Other reserves

### Share-based payment reserve

The reserve comprises the credit to equity for equity-settled share-based payment arrangements in terms of IFRS 2. The standard requires that the expense be charged to the profit or loss component of the statement of comprehensive income, while a credit needs to be raised against equity over the vesting period. When awards vest, the reserve related to the specific awards is transferred to retained earnings. If the awards lapse before vesting, the related reserve is reversed through the profit or loss component of the statement of comprehensive income. Refer to note I2 for further information on share-based payment.

### Liability credit reserve

The reserve comprises movement in the fair value attributable to own credit risk on liabilities designated at FVTPL.

### Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations into the presentation currency of the Group. This also includes translations of subsidiary accounts to the functional currency.

### Retained earnings

The retained earnings comprise the cumulative total comprehensive income recognised from inception (reduced by any amounts transferred to a separate reserve), reduced by dividends paid to date, movement in own shares held by employee share trusts, and any total comprehensive income relating to disposed subsidiaries and includes changes in OCI with respect to the following:

- Movement in the actuarial valuation of defined benefit fund assets and liabilities

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## H: Interests in subsidiaries, associates and joint ventures

### Basis of consolidation and equity accounting

	Subsidiaries	Associates	Joint ventures
<b>Typical shareholding in the assessment of entities that are not structured entities</b>	Greater than 50%	Between 20% and 50%	Between 20% and 50%
<b>Nature of the relationship</b>	Entities over which the Group has control as defined in IFRS 10 are consolidated.	Entities over which the Group has significant influence as defined in IAS 28.	A joint arrangement in terms of which the Group and the other contracting parties have joint control as defined in IFRS 11.

### Critical accounting estimates and judgements – Investments in subsidiaries, associated undertakings and joint ventures

The Group has applied the following key judgements in the application of the requirements of the consolidation set of standards (IFRS 10 *Consolidated Financial Statements* and IFRS 11 *Joint Arrangements*):

#### Consolidation of subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

#### Consolidation of investment funds and securitisation vehicles

The Group acts as a fund manager to a number of investment funds. In determining whether the Group controls such a fund, it will focus on an assessment of the aggregate economic interests of the Group (comprising any carried interests and expected management fees) and the investor's rights to remove the fund manager. This general assessment is supplemented by an assessment of third-party rights in the investment funds, with regards to their practical ability to allow the Group not to control the fund. The Group assesses, on an annual basis, such interests to determine if the fund will be consolidated. The non-controlling interests in investment funds consolidated by the Group are classified as third-party interests in consolidated funds, a financial liability, in the consolidated statement of financial position. These interests are classified at fair value through profit or loss and measured at fair value, which is equal to the bid value of the number of units of the investment funds' scheme not owned by the Group.

The Group has sponsored certain asset-backed financing (securitisation) vehicles under its securitisation programme which are run according to pre-determined criteria that are part of the initial design of the vehicles. The Group is exposed to variability of returns from the vehicles through its holding of junior debt securities in the vehicles. It has concluded that it controls these vehicles and therefore has consolidated these asset-backed financing vehicles.

#### Structured entities

The Group is required to make judgements on what constitutes a structured entity. Accounting standards define a structured entity as an entity designed so that its activities are not governed by way of voting rights. In assessing whether the Group has power over such investees in which it has an economic interest, the Group considers numerous factors. These factors may include the purpose and design of the investee, its practical ability to direct the relevant activities of the investee, the nature of its relationship with the investee and the size of its exposure to the variability of returns of the investee. The Group has evaluated all exposures and has concluded that all investments in investment funds as well as certain securitisation vehicles and other funding vehicles represent investments in structured entities.

## H1: Subsidiaries

### (a) Investments in subsidiaries and Group enterprises

The following table lists the Company's significant investments in subsidiaries, associates and joint ventures whose results are included in the consolidated financial statements. All shares held are ordinary shares and are held directly or indirectly by the Company.

	2024			2023
	Number of issued ordinary shares	% interest	Carrying value Rm	Carrying value Rm
<b>Unlisted subsidiaries</b>				
Old Mutual Technology Holdings Ltd <sup>1</sup>	11 000	100%	0.15	2
Community Property Holdings (Pty) Ltd <sup>2</sup>	1 988 561 149	83.6%	6 815	6 174
Old Mutual Alternative solutions Ltd <sup>1</sup>	45 000 001	100%	2	2
Old Mutual Alternative Risk Transfer Ltd <sup>1</sup>	125	100%	81	95
Old Mutual Wealth (Pty) Ltd <sup>1</sup>	12 200	100%	6 858	6 323
Old Mutual Real Estate Holding Company (Pty) Ltd <sup>1</sup>	2 441 540 129	100%	16 358	15 066
Grand Central Airport (Pty) Ltd <sup>1</sup>	18 000	100%	191	186

<sup>1</sup> Country of incorporation: Republic of South Africa

<sup>2</sup> Included in the investment in Community Property Holding Proprietary Limited is a loan receivable of R4 430 million (2023: R4 000 million)  
Refer to Note G9: Asset and liabilities held for sale

All the above companies have a year end of 31 December and their financial results have been incorporated and are included in the Group financial statements from the effective date that the Group controls the entity. There are certain funds in which the Group owns more than 50% of the equity but does not consolidate these because of certain management contracts which give other parties the power to control these funds. These management contracts may include that the ability to control is delegated to a third party with no rights of removal on similar types of contractual agreements.

During the year, the Ideas Managed Partnership, a fund previously controlled by the Group, revised the terms of its various management agreements to align to industry best practice. This resulted in the Group losing control of the fund during the current year.

### (b) Non-controlling interests in subsidiaries

The following table summarises the information relating to the Group's subsidiaries that have material non-controlling interests:

At 31 December 2024 Rm	Community Property Holdings (Pty) Ltd	Other subsidiaries	Total
<b>Consolidated statement of financial position</b>			
Total assets	2 108		
Current assets	368		
Non-current assets	1 740		
Total liabilities	(1 674)		
Current liabilities	(396)		
Non-current liabilities	(1 278)		
<b>Net assets</b>	<b>434</b>		
<b>Non-controlling interests</b>	<b>468</b>	<b>192</b>	<b>660</b>
<b>Non-controlling interests (%)</b>	<b>16%</b>		
<b>Consolidated income statement</b>			
Total revenue	964		
Profit before tax	205		
Income tax expense	(162)		
<b>Profit/(loss) after tax for the financial year</b>	<b>43</b>		
<b>Non-controlling interests</b>	<b>46</b>	<b>5</b>	<b>51</b>
<b>Consolidated statement of cash flows</b>			
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(50)</b>		

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## H: Interests in subsidiaries, associates and joint ventures continued

H1: Subsidiaries continued

### (b) Non-controlling interests in subsidiaries continued

At 31 December 2023 Rm	Community Property Holdings (Pty) Ltd	Other subsidiaries	Total
<b>Consolidated statement of financial position</b>			
Total assets	1 838		
Current assets	472		
Non-current assets	1 366		
Total liabilities	(1 448)		
Current liabilities	(362)		
Non-current liabilities	(1 086)		
<b>Net assets</b>	<b>390</b>		
<b>Non-controlling interests<sup>1</sup></b>	<b>423</b>	<b>450</b>	<b>873</b>
<b>Non-controlling interests (%)</b>	<b>16%</b>		
<b>Consolidated income statement</b>			
Total revenue	715		
Profit before tax	38		
Income tax expense	(48)		
<b>(Loss)/profit after tax for the financial year</b>	<b>(10)</b>		
<b>Non-controlling interests</b>	<b>24</b>	<b>(12)</b>	<b>12</b>
<b>Consolidated statement of cash flows</b>			
Net (decrease)/increase in cash and cash equivalents	(281)		

<sup>1</sup> Refer to note 17 for details in relation to the restatement due to prior period errors

During the year ended 31 December 2024, dividends of R23 million (2023: R7 million) were paid to non-controlling interests.

### (c) Analysis of capital advances to Group undertakings

The Company has advanced capital amounting to R 9 958 million (2023: R7 200 million) to Old Mutual Capital Holding Proprietary Limited.

#### Amounts due by/(to) Group Companies

The following tables provide analysis of the amount due to and from Group Companies.

At 31 December Rm	Separate	
	2024	2023
<b>Subsidiaries and associates</b>		
Old Mutual Alternative Risk Transfer Ltd	1 776	1 616
Celestis Brokers Services (Pty) Ltd	5	–
Old Mutual Unit Trust Managers (RF) (Pty) Ltd	25	23
Old Mutual Real Estate Holding Company (Pty) Ltd	633	601
Old Mutual Wealth Trust Company (Pty) Ltd	43	34
Grand Central Airport (Pty) Ltd	5	4
Old Mutual Investment Services (Pty) Ltd	210	195
	<b>2 697</b>	<b>2 473</b>

At 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
<b>Holding companies</b>				
Old Mutual Emerging Markets (Pty) Ltd (intermediary holding company)	11	3	11	3
Old Mutual Limited (ultimate holding company)	44	130	44	130
	<b>55</b>	<b>133</b>	<b>55</b>	<b>133</b>

At 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
<b>Fellow subsidiaries</b>				
Old Mutual (Africa) Holdings (Pty) Ltd	74	66	74	66
Old Mutual (South Africa) Share Trust	1	(281)	1	(281)
Old Mutual Investment Administrators (Pty) Ltd	20	26	20	26
Old Mutual Specialised Finance (Pty) Ltd	(12)	(103)	(12)	(103)
Old Mutual Finance (Pty) Ltd	598	435	598	435
Old Mutual Black Distributors Trust	36	32	36	32
Old Mutual Transaction Services (Pty) Ltd	25	20	25	20
Futuregrowth Asset Management (Pty) Ltd	(28)	3	(28)	3
Old Mutual Alternative Investments (Pty) Ltd	(15)	(13)	(15)	(13)
Old Mutual Investment Services (Pty) Ltd	(33)	(2)	(33)	(2)
OMSA Management Incentive Trust	-	1	-	1
Old Mutual Investment Group (Pty) Ltd	(30)	(20)	(30)	(20)
African Infrastructure Investment Managers (Pty) Ltd	2	6	2	6
Old Mutual Life Assurance Company (Namibia) Ltd – Life	237	250	237	250
Old Mutual Life Assurance Co (Swaziland) Ltd	1	8	1	8
Faulu Microfinance Bank Ltd	-	1	-	1
Old Mutual Life Assurance Company (Ghana) Ltd	-	3	-	3
Old Mutual Insure Limited	36	16	36	16
Old Mutual Life Insurance Company (Botswana) Ltd	-	(3)	-	(3)
Old Mutual Limited Broad-Based Black Economic Empowerment Employee Trust	1 186	1 008	1 186	1 008
Old Mutual Limited Employee Trust	667	703	667	703
Old Mutual International (Guernsey) Ltd	-	1	-	-
Old Mutual West Africa Company Ltd	1	1	1	1
Old Mutual Foundation (Charitable Trust)	17	7	17	7
Old Mutual Financial Services Botswana (Pty) Ltd	-	3	-	3
Black Distributors SPV	15	17	15	17
Remchannel (Pty) Ltd	4	8	4	8
Mutual & Federal Investments (Pty) Ltd	(1)	(1)	(1)	(1)
Old Mutual Capital Holding (Pty) Ltd	82	6	82	6
Old Mutual Life Assurance Company Zimbabwe Ltd	-	10	-	10
Old Mutual Funeral Services (Pty) Ltd	1	2	1	2
Old Mutual Rewards (Pty) Ltd	10	14	10	14
Old Mutual Education SPV	1	-	1	-
Old Mutual Nigeria Life Assurance Company Ltd	(1)	(1)	(1)	(1)
Fairbairn Consult (Pty) Ltd	(6)	(11)	(6)	(11)
Old Mutual Emerging Markets Ltd (OSI)	(23)	33	(23)	33
Old Mutual East African Holdings Group Limited	-	20	-	20
Old Mutual Holdings plc	11	13	11	13
Old Mutual plc	-	(18)	-	(18)
Main Street 1844 (Pty) Ltd	2	42	2	42
Masthead (Pty) Ltd	-	1	-	1
Celestis Brokers Services (Pty) Ltd	-	(3)	-	(3)
Risk Finance	-	(1)	-	(1)
Other	106	61	122	55
	<b>2 984</b>	<b>2 360</b>	<b>3 000</b>	<b>2 353</b>
	<b>5 736</b>	<b>4 966</b>	<b>3 055</b>	<b>2 486</b>

At 31 December 2024, debt funding with a fair value of R2 107 million (2023: R4 093 million) had been lent to Old Mutual Specialised Finance Proprietary Limited.

At 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
Amounts due by Group Companies	5 889	5 431	3 208	2 952
Amounts due to Group Companies	(153)	(465)	(153)	(466)
	<b>5 736</b>	<b>4 966</b>	<b>3 055</b>	<b>2 486</b>

All amounts due by or to Group Companies above are unsecured, interest free and are not subject to fixed terms of repayment.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## H: Interests in subsidiaries, associates and joint ventures continued

### H1: Subsidiaries continued

#### (d) Transactions with related entities

The Company's immediate holding company is Old Mutual Emerging Markets Proprietary Limited, incorporated in South Africa, which holds 100% of the Company's ordinary shares. The ultimate holding company is Old Mutual Limited, incorporated in South Africa.

At 31 December 2024 Rm	Separate			
	Holding company	Fellow subsidiaries	Subsidiaries	Associates
<b>Income statement</b>				
Interest income	–	297	1 962	–
Dividend income	–	7	728	–
Fee income/(expense)	–	468	(348)	–
Insurance revenue	–	–	109	–
Insurance service expense	–	–	77	–
Net income/(expense) from reinsurance contracts	–	–	31	–
<b>Statement of financial position</b>				
Zero coupon bonds held	–	185	–	–
Collateral owing	–	(1 516)	–	–
Call loans including interest	–	1 037	–	–
Promissory notes	–	381	–	–
Interest-bearing loans	–	(23)	–	–
<b>Statement of changes in equity</b>				
Dividends declared	(7 646)	–	–	–

At 31 December 2023 Rm	Separate			
	Holding company	Fellow subsidiaries	Subsidiaries	Associates
<b>Income statement</b>				
Interest income	–	104	1 792	–
Dividend income	–	17	986	–
Fee income/(expense)	–	298	(326)	–
Insurance revenue	–	–	103	–
Insurance service expense	–	–	92	–
Net income/(expenses) from reinsurance contracts	–	–	11	–
<b>Statement of financial position</b>				
Zero coupon bonds held	–	160	–	–
Collateral owing	–	(1 446)	–	–
Call loans including interest	–	1 500	–	–
Promissory notes	–	640	–	–
<b>Statement of changes in equity</b>				
Dividends declared	(3 550)	–	–	–

At 31 December 2024 Rm	Consolidated			
	Holding company	Fellow subsidiaries	Subsidiaries	Associates
<b>Income statement</b>				
Interest income	-	220	-	-
Dividend income	-	7	-	-
Fee income/(expense)	-	468	(348)	-
Insurance revenue	-	-	109	-
Insurance service expense	-	-	77	-
Net income/(expenses) from reinsurance contracts	-	-	31	-
<b>Statement of financial position</b>				
Zero coupon bonds held	-	185	-	-
Collateral owing	-	(1 516)	-	-
Call loans including interest	-	1 037	-	-
Promissory notes	-	381	-	-
Interest-bearing loans	-	(23)	-	-
<b>Statement of changes in equity</b>				
Dividend expense	(7 646)	-	-	-

At 31 December 2023 Rm	Consolidated			
	Holding company	Fellow subsidiaries	Subsidiaries	Associates
<b>Income statement</b>				
Interest income	-	28	(3)	-
Dividend income	-	17	-	-
Fee income/(expense)	-	298	(326)	-
Insurance revenue	-	-	103	-
Insurance service expense	-	-	92	-
Net income/(expense) from reinsurance contracts	-	-	11	-
<b>Statement of financial position</b>				
Zero coupon bonds held	-	160	-	-
Collateral owing	-	(1 446)	-	-
Call loans including interest	-	1 500	-	-
Promissory notes	-	640	-	-
<b>Statement of changes in equity</b>				
Dividends declared	(3 550)	-	-	-

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## H: Interests in subsidiaries, associates and joint ventures continued

### H2: Investments in associated undertakings and joint ventures

#### (a) Aggregate Group investment in associated undertakings and joint ventures

The following table presents the aggregate amounts for investment in associated undertakings and joint ventures at 31 December:

Year ended 31 December Rm	Consolidated	
	2024	2023
Balance at beginning of the year	729	804
Additions of investment in associated undertakings and joint ventures	314	3
Disposal of investment in associated undertakings and joint ventures	–	(19)
Share in profit/(loss) after tax	292	(106)
Impairment provision for investments in associated undertakings <sup>1</sup>	(845)	–
Dividend income	(14)	(66)
Transfer to held for sale	(166)	–
Foreign exchange and other movements	(298)	113
<b>Balance at the end of the year</b>	<b>12</b>	<b>729</b>

<sup>1</sup> Impairments in the current year relate to the write down of our investment in China to Rnil due to a reduction in the recoverable amount as determined through a value-in-use assessment. This outcome is as a result of negative expense variances and new business pressures contributing to reduced future cash flow expectations. The value in use has been determined using a discount rate of 11.81%

#### (b) Analysis of equity accounted and fair value investments in associated undertakings and joint ventures

Of the total carrying value of associates and joint ventures, Rnil (2023: Rnil) relates to those that are measured at fair value and R12 million (2023: R729 million) relates to those that have been equity accounted.

The Group's equity-accounted and fair value investments in associated undertakings and joint ventures are as follows:

At 31 December 2024 Rm	Carrying amount	Group share of profit
<b>Associated undertakings</b>		
Individually immaterial associates <sup>1</sup>	12	13
<b>Total investment in associate undertakings</b>	<b>12</b>	<b>13</b>
<b>Joint ventures</b>		
Individually immaterial joint ventures <sup>1</sup>	–	279
<b>Total investment in joint ventures</b>	<b>–</b>	<b>279</b>
<b>Total investments in associates and joint ventures</b>	<b>12</b>	<b>292</b>

<sup>1</sup> During 2024, there were no individual material associates or joint ventures to be separately disclosed

At 31 December 2023 Rm	Carrying amount	Group share of profit
<b>Associated undertakings</b>		
Individually immaterial associates <sup>1</sup>	155	12
<b>Total investments in associate undertakings</b>	<b>155</b>	<b>12</b>
<b>Joint ventures</b>		
Individually immaterial joint ventures <sup>1</sup>	574	(118)
<b>Total investments in joint ventures</b>	<b>574</b>	<b>(118)</b>
<b>Total investments in associates and joint ventures</b>	<b>729</b>	<b>(106)</b>

<sup>1</sup> During 2023, there were no individual material associates or joint ventures to be separately disclosed

#### (c) Aggregate financial information of immaterial investments in associated undertakings and joint ventures

The aggregate financial information of other immaterial investments in associated undertakings and joint ventures is as follows:

At 31 December Rm	2024	2023
Profit/(loss) from continuing operations	607	(411)
Total comprehensive loss	607	(411)

#### (d) Contingent liabilities and commitments

At 31 December 2024 and 31 December 2023, the Group had no significant contingent liabilities or commitments relating to investments in associated undertakings and joint ventures.

### H3: Structured entities

#### (a) Group's involvement in structured entities

In structured entities, voting rights are not the predominant factor in deciding who controls the entity but rather the Group's exposure to the variability of returns from these entities. The Group acts as fund manager to a number of investment funds. Determining whether the Group controls such an investment fund usually focuses on the assessment of decision-making rights as fund manager, the investor's rights to remove the fund manager and the aggregate economic interests of the Group in the fund in the form of interest held and exposure to variable returns.

In most instances, the Group's decision-making authority, in its capacity as fund manager, with regard to these funds is regarded to be well-defined. Discretion is exercised when decisions regarding the relevant activities of these funds are being made. Fund management agreements include only terms, conditions or amounts that are customarily present in arrangements for similar services and level of skills negotiated on an arm's length basis. The Group has concluded that it acts as agent on behalf of the investors in all instances.

The Group is considered to be acting as principal where the Group is the fund manager and is able to make the investment decisions on behalf of the unit holders, earn a variable fee, and there are no kick-out rights that would remove the Group as fund manager.

The Group has not provided any non-contractual support to any consolidated or unconsolidated structured entities.

The Group has committed to providing certain liquidity facilities for certain securitisation vehicles.

Refer to note H: Basis of consolidation and equity accounting, for the Group's policy on consolidation.

The table below summarises the types of structured entities the Group does not consolidate, but may have an interest in:

Type of structured entity	Nature	Purpose	Interest held by the Group
<b>Investment funds</b>	<ul style="list-style-type: none"> <li>Manage client funds through the investment in assets</li> </ul>	<ul style="list-style-type: none"> <li>Generate fees from managing assets on behalf of third-party investors</li> </ul>	<ul style="list-style-type: none"> <li>Investments in units issued by the fund</li> </ul>
<b>Security vehicles</b>	<ul style="list-style-type: none"> <li>Hold and realise assets as a result of the default of a client</li> </ul>	<ul style="list-style-type: none"> <li>These entities seek to protect the collateral of the Group on the default of a loan</li> </ul>	<ul style="list-style-type: none"> <li>At 31 December 2024, the Group held no value in security vehicles</li> </ul>
<b>Client's investment entities</b>	<ul style="list-style-type: none"> <li>Hold client investment assets</li> </ul>	<ul style="list-style-type: none"> <li>Generates various sources of income for the Group</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>

The Group's holdings in investment vehicles are subject to the terms and conditions of the respective investment vehicle's offering documentation and are susceptible to market price risk arising from uncertainties about future values of those investment vehicles. All of the investment vehicles in the investment portfolios are managed by portfolio managers who are compensated by the respective investment vehicles for their services. Such compensation generally consists of an asset-based fee and a performance-based incentive fee, and is reflected in the valuation of the investment vehicles.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## H: Interests in subsidiaries, associates and joint ventures continued

### H3: Structured entities continued

#### (b) Interest in unconsolidated structured entities

The Group invests in unconsolidated structured entities as part of its normal investment and trading activities. The Group's total interest in unconsolidated structured entities is classified as investments and securities held at fair value through profit or loss. The Group does not sponsor any of the unconsolidated structured entities.

The table below provides a summary of the carrying value of the Group's interest in unconsolidated structured entities for both continuing operations and those classified as held for distribution:

At 31 December Rm	Consolidated	
	2024	2023 <sup>1</sup>
Debt securities, preference shares and debentures	229	1 042
Equity securities	536	2 722
Pooled investment funds <sup>1</sup>	233 162	182 052
	<b>233 927</b>	185 816

<sup>1</sup> An error was detected regarding the presentation of exchange-traded funds amounting to R873 million. As a result, an amount of R873 million was included in pooled investment funds

The Group's maximum exposure to loss with regard to the interests presented above is the carrying amount of the Group's investments. Once the Group has disposed of its shares or units in a fund, it ceases to be exposed to any risk from that fund. The Group's holdings in the above unconsolidated structured entities are largely less than 50% and as such the net asset value of these structured entities are likely to be significantly higher than their carrying value.

#### Pooled investment funds include the following investments:

##### Fund 1

The fund aims to create long-term wealth for investors within the constraints governing retirement funds. It aims to outperform the average return of similar funds without assuming any more risk. The fund invests in government securities, listed and unlisted debt securities, listed and unlisted equity securities. As at year end the Company's interest in the fund totalled R8 771 million (2023: R8 330 million) compared to a total fund size of R199 900 million (2023: R184 500 million).

##### Fund 2

The fund aims to achieve the best possible investment growth for retirement savers (within the constraints of Regulation 28 of the Pension Funds Act) over the long term. The fund invests in government securities, listed and unlisted debt securities, listed and unlisted equity securities. As at year end the Company's interest in the fund totalled R8 264 million (2023: R7 662 million) compared to a total fund size of R122 250 million (2023: R110 490 million).

##### Fund 3

The fund aims to provide a total return (the combination of income and capital growth) by investing in equities (e.g. company shares). Other investments may include the units of other funds (including foreign funds) and derivatives. As at year end the Company's interest in the fund totalled R3 775 million (2023: R3 070 million) compared to a total fund size of R15 100 million (2023: R13 100 million).

##### Remaining funds

The remaining R212 352 million (2023: R145 407 million) across almost 1 700 (2023: 1 500) funds with various investment strategies.

#### (c) Other interests in unconsolidated structured entities

The Group receives management fees and other fees in respect of its asset management businesses that manage investments in which the Group has no holding. These also represent interests in unconsolidated structured entities. As these investments are not held by the Group, the investment risk is borne by the external investors and therefore the Group's maximum exposure to loss relates to future management fees. The Group does not sponsor any of the funds or investment vehicles from which it receives fees.

## I: Other notes

### II: Post employment benefits

The Group's post retirement schemes provide for the retirement, medical and disability benefits of employees and have been designed and are administered in accordance with local conditions and practices in the countries concerned and include both defined contribution and defined benefit schemes. The assets of these schemes are held in separate trustee administered funds. Actuarial advice confirms that the existing assets are adequate to secure members' benefits over the remaining service lives of participating employees. The schemes are reviewed at least on a triennial basis or in accordance with local practice and regulations. In the intervening years the actuary reviews the continuing appropriateness of the assumptions applied. The actuarial assumptions used to calculate the projected benefit obligations of the Group's pension schemes vary according to the economic conditions of the countries in which they operate. The post retirement medical aid benefit is no longer offered by the Group and therefore the disclosure relates to winding up of this benefit.

The movement analysis of post employment benefits presented in note II(a) includes the information for all of the Group's pension schemes, including movements in plan assets for the year.

#### Restriction on the ability to access individual pension fund surpluses

The Group has pension fund surpluses and its ability to access the surpluses is regulated by local laws and regulations. In all situations, the Group does not have the unilateral right to access these surpluses as the use of the surplus must be approved by the relevant governing bodies of the pension funds.

### (a) Liability for defined benefit obligations

Year ended 31 December Rm	Separate and consolidated			
	Pension plans		Other post retirement benefit schemes	
	2024	2023	2024	2023
<b>Changes in projected benefit obligation</b>				
<b>Projected defined benefit obligation at beginning of the year</b>	174	181	1 383	1 354
Current service cost	–	–	11	13
Interest cost on benefit obligation	18	19	154	144
Measurement (gains)/losses arising from experience adjustments	(26)	(26)	(102)	(56)
Benefits paid	–	–	(77)	(72)
<b>Projected defined benefit obligation at end of the year</b>	<b>166</b>	174	<b>1 369</b>	1 383
<b>Change in plan assets</b>				
<b>Plan assets at fair value at beginning of the year</b>	174	181	–	–
Actual return on plan assets	(8)	(7)	–	–
<b>Plan assets at fair value at end of the year</b>	<b>166</b>	174	–	–
<b>Net defined benefit obligation</b>	–	–	<b>(1 369)</b>	(1 383)
<b>Net amount recognised in consolidated statement of financial position</b>	–	–	<b>(1 369)</b>	(1 383)

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

- I: **Other notes continued**  
 II: **Post employment benefits continued**  
 (b) **Principal actuarial assumptions**

The significant actuarial assumptions and sensitivities of the defined benefit liabilities to changes in those assumptions are set out below:

	Separate and consolidated			
	Pension plans		Other post retirement benefit schemes	
	2024	2023	2024	2023
Discount rate used	9.9%	10.9%	10.6%	10.9%
Price inflation	4.8%	5.3%	7.1%	7.4%
Rate of future salary increases	5.8%	6.8%	9.6%	9.9%
Expected return on plan assets	9.9%	10.9%	11.2%	11.4%

Actuarial assumptions used in calculating the projected benefit obligation are based on mortality estimates in line with that adopted for the 92 series of mortality tables prepared by the Continuous Mortality Investigation Bureau of the Institute of Actuaries.

Year ended 31 December 2024 Rm	Separate and consolidated				
	Reasonable possible change	Pension plans		Other post retirement benefit schemes	
		%	Increase	Decrease	Increase
<b>Sensitivity analysis of significant assumptions</b>					
Increase in discount rate	1.0	158	179	1 230	1 536
Increase in accrued service liabilities due to salary increases	1.0	179	158	–	–
Increase in assumed health cost trend rates	1.0	–	–	1 541	1 225

Year ended 31 December 2023 Rm	Separate and consolidated				
	Reasonable possible change	Pension plans		Other post retirement benefit schemes	
		%	Increase	Decrease	Increase
<b>Sensitivity analysis of significant assumptions</b>					
Increase in discount rate	1.0%	166	183	1 251	1 567
Increase in accrued service liabilities due to salary increases	1.0%	183	166	–	–
Increase in assumed health cost trend rates	1.0%	–	–	1 571	1 245

(c) **Plan asset allocation**

Plan asset allocation relates to all of the Group's pension schemes is as follows:

Year ended 31 December %	Separate and consolidated	
	2024	2023
Equity securities	26.7	51.9
Debt securities	48.6	25.5
Property	6.6	6.2
Cash	3.9	–
Annuities and other	14.2	16.4
	100.0	100.0

(d) **Expenses recognised in the income statements**

Year ended 31 December Rm	Separate and consolidated			
	Pension plans		Other post retirement benefit schemes	
	2024	2023	2024	2023
Current service costs	–	–	12	13
Net interest cost	18	19	154	145
<b>Total (included in staff costs)</b>	<b>18</b>	<b>19</b>	<b>166</b>	<b>158</b>

I2: **Share-based payments**

(a) **Share incentive schemes**

The Group incentivises employees through a number of share incentive schemes. These include an employee share ownership plan (ESOP), long-term incentive plan (LTIP) and broad-based incentive (BBI) schemes. The ESOP, LTIP and BBI schemes are cash-settled except where the Company is not obligated to settle the share awards; these are equity-settled. More information on the Group's share incentive schemes is available in the Old Mutual Limited Remuneration Report which will be released in March 2025 and can be accessed on <https://www.oldmutual.com/investor-relators/reporting-centre/reports>

**Employee share ownership plan (ESOP)**

These awards are granted under the Employee Share Ownership Plan (ESOP) rules. ESOP consist of the deferred short-term incentive, buyout/sign-on and retention awards.

**Deferred short-term incentive awards**

A portion of the annual short-term incentive award, for middle management and above, is mandatorily deferred for a maximum period of three years. This deferral is converted to forfeitable Old Mutual Limited shares for participants in South Africa and Namibia. Awards granted from 2021 vest in three equal tranches on the first, second and third anniversaries of the award, and have no further financial performance conditions. The awards are subject to malus and clawback conditions.

**Buyout/sign-on awards**

These awards support the recruitment of key and/or critical talent into the organisation subject to stringent policy guidelines. Buyout awards replace potential loss of income/unvested awards for new joiners, and or address any financial obligations that the new joiner may have with their previous employer. Sign-on awards increase the overall competitiveness and attractiveness of an offer, specifically for the recruitment of scarce skills or high potential individuals. These awards are preferably granted in forfeitable Old Mutual Limited shares for participants in South Africa and Namibia.

**Retention awards**

These awards are granted in special circumstances to retain key talent based on the outcomes of the Group Talent Management Strategy, or scarce and/or critical skills identified as a potential flight risk. The awards typically vest after three years.

**Long-term incentive plan (LTIP)**

LTI awards are granted under the Long-Term Incentive Plan (LTIP) rules. These awards are granted to executives and select senior managers, on a discretionary basis, subject to a minimum individual performance condition. These awards aim to align senior management and shareholder interests. Awards granted in 2021 and 2022 are conditional Old Mutual Limited shares for participants in South Africa and Namibia. Vesting is subject to the achievement of company and individual performance targets, and vest in equal tranches on the third, fourth and fifth anniversaries of the award. These LTI awards were then replaced by the forfeitable deferred performance award (DPA) still issued under the LTIP rules. The first DPA grant took place in April 2024. The DPA share awards will vest subject to acceptable individual performance outcomes as well as continued employment. The awards are subject to malus and clawback conditions.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

**I: Other notes continued**  
**I2: Share-based payments continued**  
**(a) Share incentive schemes continued**

**Broad-based incentive scheme (BBI)**

**B-BBEE listing awards**

A one-off broad-based share incentive scheme was awarded, in September 2018, to all employees permanently employed at the time of Old Mutual listing on the JSE and still in service on the date of grant. This award was in recognition of each employee's contribution to the smooth transition to listing, and the anticipated future contribution they would make to the Group. In terms of this scheme, 25 254 employees were initially allocated 366 Old Mutual Limited shares each, totalling 8 485 344 shares (at a share price of R29.80). This initial grant was supplemented by a further 128 Old Mutual Limited shares at a share price of R22.00 (3 232 512 shares in total). The total Old Mutual Limited shares allocated were 11 717 856. The awards, granted under the ESOP rules, all vested on 18 September 2020. After taking into account the lapse of shares linked to leavers, 11 122 496 Old Mutual Limited shares vested at a share price of R10.07.

**B-BBEE Bula Tsela awards**

A one-off broad-based share incentive scheme awarded 205.3 million new Old Mutual Limited ordinary shares, during the 2022 year to the following groups:

- Qualifying Old Mutual employees, as part of the Old Mutual Bula Tsela Employee Transaction granted under the ESOP rules (grant date: 6 December 2022)
- A Community Trust for the support of eligible Black South African individuals and groups as part of the Old Mutual Bula Tsela Community Transaction (grant date: 12 August 2022)
- Qualifying Black South African individuals and groups whose applications pursuant to the public offer were successful, as part of the Old Mutual Bula Tsela Retail Transaction (grant date: 21 November 2022)

The Old Mutual Bula Tsela Community and Retail transactions do not impact OMLACSA.

The Old Mutual Bula Tsela Employee Transaction, has the following core elements:

- 78 125 166 shares were issued under the employee scheme with 20% of these shares (the Other Employee Subscription Shares) issued at a subscription price equal to the post retail offer closing date VWAP (R10.22 per share, five-day VWAP as at 1 November 2022) and 80% of these shares (the Notionally-funded Employee (NVF) Subscription Shares) issued at their fair value as determined through the use of a Monte Carlo option pricing model. The subscription price equated to R3.39 per share
- This option pricing model calculates the potential benefit accruing to beneficiaries, taking into account various assumptions/inputs, including the number of shares issued, the price at which shares are trading and the cost of funding provided to the beneficiaries over the 10-year term
- Employees will be allocated shares which will vest in tranches after four (25%), six (25%) and eight (50%) years. Shares may not be traded until the completion of a 10-year lock in period. Employees will be entitled to a 15% trickle dividend on the NVF shares (remaining dividend will be used to settle the NVF) and 100% of the dividend on the remaining shares during the vesting period

The cash-settled share-based payment is expensed on a graded vesting basis as a result of the various vesting tranches. The expense is adjusted to reflect the actual number of share rights for which the vesting conditions are met.

**(b) Measurements and assumptions**

The income statement charge is measured as the change in the fair value of the cash-settled share-based payment liability during the reporting period.

The March 2023 grant cycle of 24 013 739 (April 2022: 13 613 150) shares awarded were granted from the Old Mutual Limited Broad-Based Black Economic Empowerment Employee Trust (OML BBEEET) as a free award funded by excess capital transferred from the OMSA Management Incentive Trust. The Company was not obligated to settle this award and therefore the awards have been treated as equity-settled. Refer to the statement of changes in equity for the related share-based payment reserve.

**(c) Forfeitable/restricted share grants**

The following table summarises the fair value of restricted shares granted by the Group during the year:

Instruments granted and purchased during the year	Separate and consolidated	
	Number granted	Weighted average fair value
Shares in Old Mutual Limited (Johannesburg Stock Exchange)	<b>2024</b>	<b>R10.95</b>
	2023	R11.54
		40 227 199
		39 914 641

	Number of shares 2024	Weighted average fair value grant date R	Number of shares 2023	Weighted average fair value grant date R
<b>Deferred Short-term Incentive Awards (ESOP)</b>				
<b>Movements in unvested shares</b>				
1 January <sup>1</sup>	35 292 425	13.06	34 565 955	10.46
Transferred employees <sup>3</sup>	–	–	47 572	12.00
Granted	27 241 948	11.24	22 197 729	11.90
Settled	(15 242 807)	11.45	(19 766 958)	11.70
Lapsed	(1 921 383)	12.51	(1 751 873)	13.06
<b>31 December<sup>1</sup></b>	<b>45 370 183</b>	<b>12.51</b>	<b>35 292 425</b>	<b>13.06</b>
<b>Long-term Incentive Plan Awards (LTIP)</b>				
<b>Movements in unvested shares</b>				
1 January <sup>1</sup>	16 973 476	13.06	18 334 749	10.46
Transferred employees <sup>3</sup>	–	–	(416 344)	12.00
Granted	6 879 924	11.24	–	–
Settled	(1 343 106)	13.55	(4 339)	12.23
Lapsed	(5 370 178)	12.51	(940 590)	13.06
<b>31 December<sup>1</sup></b>	<b>17 140 116</b>	<b>12.51</b>	<b>16 973 476</b>	<b>13.06</b>
<b>Buyout/Sign-on Awards (ESOP)</b>				
<b>Movements in unvested shares</b>				
1 January <sup>1</sup>	4 279 508	13.06	3 446 874	10.46
Transferred employees <sup>3</sup>	–	–	106 204	12.00
Granted	1 650 566	12.16	864 117	11.92
Settled	(1 447 618)	12.35	(34 371)	11.98
Lapsed	(1 113 674)	12.51	(103 316)	13.06
<b>31 December<sup>1</sup></b>	<b>3 368 782</b>	<b>12.51</b>	<b>4 279 508</b>	<b>13.06</b>
<b>Retention Awards (ESOP)</b>				
<b>Movements in unvested shares</b>				
1 January <sup>1</sup>	25 815 993	13.06	16 876 303	10.46
Transferred employees <sup>3</sup>	–	–	106 243	12.00
Granted	1 045 405	13.17	14 350 331	11.90
Settled	(7 124 520)	11.78	(3 491 794)	11.79
Lapsed	(990 558)	12.51	(2 025 090)	13.06
<b>31 December<sup>1</sup></b>	<b>18 746 320</b>	<b>12.51</b>	<b>25 815 993</b>	<b>13.06</b>
<b>Broad-based Incentive Awards (BBI)</b>				
<b>Movements in unvested shares</b>				
1 January <sup>1</sup>	1 856	13.06	1 856	10.46
Settled	(464)	20.14	–	–
<b>31 December<sup>1</sup></b>	<b>1 392</b>	<b>12.51</b>	<b>1 856</b>	<b>13.06</b>
<b>B-BBEE Bula Tsela Awards</b>				
<b>Movements in unvested shares</b>				
1 January <sup>1</sup> – Other employee shares	8 411 667	13.06	10 124 407	10.46
1 January <sup>1</sup> – NVF shares	33 647 460	5.36	40 497 628	3.42
Transferred employees <sup>3</sup>	–	–	(291 989)	4.63
Other employee shares granted	681 944	13.23	500 329	11.93
NVF shares granted <sup>2</sup>	2 727 412	5.15	2 002 135	4.61
Lapsed	(7 630 050)	6.32	(10 773 383)	6.90
<b>31 December<sup>1,2</sup> – Other employee shares</b>	<b>7 567 627</b>	<b>12.51</b>	<b>8 411 667</b>	<b>13.06</b>
<b>31 December<sup>1,2</sup> – NVF shares</b>	<b>30 270 806</b>	<b>4.77</b>	<b>33 647 460</b>	<b>5.36</b>

<sup>1</sup> Share value at reporting date

<sup>2</sup> The weighted average exercise price on grant date was R9.12 (2023: R9.00) and at 31 December 2024 was R9.02 (2023: R8.88)

<sup>3</sup> During the year the employment of certain employees moved into and out of the Company which included a pro rata of the awards previously made to them

No adjustment was made in the above weighted average fair value for expected dividends where the holder of the restricted share is entitled to dividends throughout the vesting period, except as it relates to the NVF shares.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## I: Other notes continued

### I2: Share-based payments continued

#### (d) Deferred short-term incentive awards – forecast

The annual bonus allocation (South Africa and Namibia) gives rise to deferred short-term incentive awards. The start of the vesting period of these awards have been determined as 1 January of the year prior to the date of issue, to take into account the element of the award linked to previous performance. The initial fair value is determined by estimating the level of awards to be made in the following year taking into account expected company and individual performance.

The Group anticipates awards under the South African scheme of 35 931 890 restricted shares (2023: 35 076 675).

The restricted shares have been valued using a share price of R12.00 (2023: R12.00). The method used to calculate the forecast grant is based on a rand value determined at 1 January using the last reported share price which is not adjusted for changes in the share price until the actual awards are made.

#### (e) Financial impact

Year ended 31 December Rm	Separate		Consolidated	
	2024	2023	2024	2023
Expense arising from cash-settled share plans	368	339	368	339
Expense arising from equity-settled share plans	102	180	102	180
Closing balance of liability for cash-settled share awards	573	423	573	423
Closing balance of liability for equity-settled share awards	211	251	211	251

## I3: Related parties

### (a) Transactions with key management personnel, remuneration and other compensation

The Company's key management personnel include all members of the Board, (both Executive and Non-executive Directors) and Prescribed Officers as defined by the Companies Act. In addition, due to the influence on the planning, direction and control over the activities of the Group, all members of the Executive committee will also be included as key management personnel.

The definition of key management personnel also includes the close family members of key management personnel and any entity over which key management exercises control or joint control. Close family members are those family members who may influence, or be influenced by that person in their dealings with the Group. These may include the person's domestic partner and children, the children of the person's domestic partner, and dependants of the person or the person's domestic partner.

The directors' emolument disclosure required by the Companies Act are set out in note K. Disclosures required in terms of King IV™ will be disclosed in the Old Mutual Limited Remuneration Report which will be released in March 2025 and can be accessed on <https://www.oldmutual.com/investor-relations/reporting-centre/reports>. Compensation paid to the Board of directors is aggregated below, together with the aggregate compensation paid to the Executive committee members (Exco), as well as the number of share options and instruments held.

Year ended 31 December	2024		2023	
	Number of personnel	Rm	Number of personnel	Rm
Directors' fees	11	28	11	24
Remuneration		137		124
Salaries and other benefits	8	78	9	85
Share-based payment expense	9	59	9	39
		165		148

	2024		2023	
	Number of personnel	Number of options/shares '000s	Number of personnel	Number of options/shares '000s
<b>Restricted shares</b>				
Outstanding at beginning of the year	8	14 612	9	16 170
Leavers	–	–	1	(837)
New appointments	–	–	–	–
Granted during the year	–	7 099	–	1 785
Lapsed during the year	–	(3 582)	–	(706)
Released during the year	–	(1 517)	–	(1 800)
<b>Outstanding at end of the year</b>	<b>8</b>	<b>16 612</b>	<b>8</b>	<b>14 612</b>

The aggregate value of transactions and outstanding balances related to key management personnel and entities over which they have control or significant influence at and for the year ended 31 December were as follows:

Year ended 31 December	2024		2023	
	Number of personnel	Value Rm	Number of personnel	Value Rm
Current accounts	4	–	4	–
Credit cards	–	–	–	–
Mortgages	–	–	–	–
Investments	11	240	9	178
<b>Property and casualty contracts</b>				
Total premium paid during the year	6	1	7	–
Claims paid during the year	–	–	–	–
<b>Life insurance products</b>				
Total sum assured/value of investment at end of the year	9	103	9	73
<b>Pensions</b>				
Value of pension plans as at end of the year	11	145	9	137

Transactions with key management personnel are made on terms equivalent to those that prevail in arm's length transactions.

Various members of key management personnel hold or have at various times during the year held, investments managed by asset management businesses of the Group. These include unit trusts, mutual funds and hedge funds. None of the amounts concerned are material in the context of the funds managed by the Group business concerned, and all of the investments have been made by the individuals concerned either on terms which are the same as those available to external customers generally or, where that is not the case, on the same terms as were available to employees of the business generally.

**(b) Transactions and balances with other related parties**

Material subsidiaries of the Group are identified in note H1(a) and the Group's material investments in associated undertakings and joint ventures are identified in note H2.

No transactions between the Group and its related parties, other than key management personnel disclosed above, occurred during the current and previous reporting period.

**(c) Investments in the Kutana group of companies**

Thoko Mokgosi-Mwantembe, a Non-executive Director of the Company, is also the Chief Executive Officer and sole equity holder of Kutana Capital Proprietary Limited (Kutana).

Old Mutual Specialised Finance provided preference share funding to Luxanio 220 (RF) Proprietary Limited, a wholly owned subsidiary of Kutana. In June 2023, all the preference shares funding provided to Luxanio 220 (c.R315 million as of December 2022) was repaid and refinanced by the Old Mutual Hybrid Equity Fund 1 (Equity Fund). Equity Fund is a limited liability partnership, and the Group holds c.90% of the interest in Equity Fund. In line with the nature of this structure, the Group has no influence over the investment decisions of this fund.

The Group continues to review relationships where Kutana has significant influence in the wider structure and have provided additional information in respect of these relationships.

The Group, through various of its operating subsidiaries, has provided debt funding as part of a consortium of lenders, to In2Food Group Proprietary Limited through an entity called Middle Road Packers (Middle Road), an entity in which Kutana has an effective ownership of 35%.

The Group indirectly holds a 31% minority stake in Middle Road alongside Kutana's 35% interest, which was acquired by the Old Mutual Private Equity Fund IV (Fund IV) prior to Thoko Mokgosi-Mwantembe having been appointed as a Non-executive Director of the Company and OMLACSA. Fund IV is a limited liability partnership and the Group holds c.88% of the interest in Fund IV. In line with the nature of this structure, the Group has no influence over the investment decisions of this fund. These structures within the Group ensure that the independence of our asset management businesses is maintained.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## I: Other notes continued

### I3: Related parties continued

#### (c) Investments in the Kutana group of companies continued

The transactions concluded with the Kutana Group of companies and fellow subsidiaries arose in the ordinary course of business and were conducted on the same commercial terms, including interest rates and security, as comparable transactions with third party counterparties. The transactions did not involve more than the normal risk of repayment, nor do they present any other unfavourable features to the Group.

Year ended 31 December Rm	2024	2023
<b>Debt instruments held</b>		
Preference shareholding – Luxanio 220 (RF) (Pty) Ltd	–	–
Mezzanine debt – In2Food Group (Pty) Ltd	60	60
Term loan A – In2Food Group (Pty) Ltd	161	182
Term loan B – In2Food Group (Pty) Ltd	200	200
<b>Income earned</b>		
Preference dividends accrued – Luxanio 220 (RF) (Pty) Ltd	–	16
Mezzanine debt interest accrued – In2Food Group (Pty) Ltd	1	1
Term loan A interest accrued – In2Food Group (Pty) Ltd	2	2
Term loan B interest accrued – In2Food Group (Pty) Ltd	2	2

Income earned for the 2024 year amounted to R54 million.

## 14: Contingent liabilities

The Group has provided certain guarantees for specific client obligations, in return for which the Group has received a fee. The Group has evaluated the extent of the possibility of the guarantees being called on and has provided appropriately.

### Contingent liabilities – legal proceedings

The Group operates in a legal and regulatory environment that exposes it to litigation risks. As a result, the Group is involved in disputes and legal proceedings that arise in the ordinary course of business. Legal expenses incurred in respect of these disputes and legal proceedings are expensed as incurred. Claims, if any, cannot be reasonably estimated at this time but the Group does not expect the ultimate resolution of any of the proceedings to which it is party to have a significant adverse effect on the financial position of the Group.

### Tax

The Group is committed to conducting its tax affairs in accordance with the tax legislation of the jurisdictions in which the Group operates. All interpretations by management, are made with reference to the specific facts and circumstances of the transaction and in the context of relevant legislation, practice and directives. All positions taken are vigorously tested and are defensible.

Business and tax law complexity may result in the Group entering into transactions that expose the Group to tax, legal and business risks. Judgement is involved in determining whether there are uncertain tax positions. The revenue authorities in various jurisdictions in which the Group operates routinely review historic transactions undertaken and tax law interpretations made by the Group.

There are occasions where the Group's interpretation of tax law may be challenged by the revenue authorities. The financial statements include provisions that reflect the Group's assessment of liabilities which might reasonably be expected to materialise as part of their review.

The Board is satisfied that adequate provisions have been made to cater for the resolution of uncertain tax matters and that the resources required to fund such potential settlements, where necessary, are sufficient. Due to the level of estimation required in determining tax provisions amounts eventually payable may differ from the provision recognised.

### Consumer protection

The Group is committed to treating customers fairly and supporting our customers in meeting their lifetime goals is central to how our businesses operate. We routinely engage with our customers and regulators to ensure that we meet this commitment. There is the risk of regulatory intervention across various jurisdictions, giving rise to the potential for customer redress which can result in retrospective changes to policyholder benefits, penalties or fines. The Group monitors the exposure to these actions and makes provision for the related costs as appropriate.

### Old Mutual Unit Trust Managers and Living Hands Umbrella Trust case

The Living Hands Umbrella Trust (the Trust), formerly known as the Matco Trust, was invested in Old Mutual unit trust funds, which were administered by Old Mutual Unit Trusts Managers (RF) Proprietary Limited (OMUT).

In October 2004, OMUT was instructed by its client, Matco, to disinvest the unit trust holdings. After verifying the authenticity of the disinvestment instruction, OMUT processed the disinvestment and transferred the cash value of the assets held at the time into the bank account of its client, Matco Trust. After receiving the deposits into its bank account, Matco placed the funds under the control of Fidentia Asset Management Proprietary Limited (Fidentia). OMUT believes that its actions were in accordance with its contract with Matco as well as the applicable laws and regulations.

The case was brought against OMUT by the Living Hands Umbrella Trust. The court found that although OMUT had acted in accordance with the client's instructions, it should have further interrogated the instruction and informed the regulator about it prior to effecting payment.

OMUT was granted leave to appeal the court judgement ordering OMUT to pay R1.7 billion on 12 December 2022 to the Supreme Court of Appeal. The Supreme Court of Appeal delivered its judgement on 16 May 2024, whereby OMUT's appeal was upheld with costs. On 6 June 2024, the Living Hands Umbrella Trust brought an application for leave to appeal this Appeal Court judgement to the Constitutional Court, which application OMUT opposed. On 10 December 2024, the Constitutional Court refused the application for leave to appeal with costs.

## 15: Commitments

The Group's management is confident that future net revenues and existing funding arrangements will be sufficient to cover these commitments.

At 31 December Rm	2024	2023
Investment property	468	685
Intangible assets	239	255

The Group entered into agreements where it has committed to provide capital to funds and partnerships that it has invested in. The total undrawn commitment at 31 December 2024 is R15 481 million (2023: R17 521 million).

Old Mutual Guernsey, a branch of the Group, reserved US\$226.9 million (2023: US\$238.4 million) of policyholder assets in a trust; currently the trustees are Credit Suisse. This is a requirement by the Guernsey regulator.

The Group has evaluated the extent of the possibility of the guarantees being called on and has provided appropriately.

### Commitments under derivative instruments

The Group enters into option contracts, financial features contracts, forward rate and interest rate swap agreements, and other financial agreements in the normal course of business.

The Group has options to acquire further stakes in businesses dependent on various circumstances which are regarded by the Group as collectively and individually immaterial.

## 16: Cash flow information

Management considers it appropriate for all cash flows relating to Investment portfolios backing policyholder liabilities and supporting regulatory and Group risk adjusted minimum capital levels, to be reflected as cash flows from investing activities rather than as cash flows from operating activities.

### Cash and cash equivalents

#### Cash and cash equivalents comprise:

- Coins and bank notes
- Money at call and short notice
- Balances with central banks (other than mandatory reserve deposits)

Cash and cash equivalents only include items held for the purpose of meeting short-term cash commitments rather than for investing or other purposes. Cash and cash equivalents have a maturity of less than three months from the date of acquisition.

Cash and cash equivalents included in the cash flow statement comprise coins and bank notes, money at call and short notice, balances with central banks, mandatory reserve deposits held with central banks and cash and cash equivalents subject to the consolidation of funds.

#### Cash and cash equivalents held within Investment and securities

Cash and cash equivalents held within the policyholder portfolio and for risk management are disclosed under the subtotal 'Investments and securities'.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

- I: Other notes continued  
 I6: Cash flow information continued  
 I6.1: Cash flows from operating activities

Year ended 31 December Rm	Notes	Separate		Consolidated	
		2024	2023	2024	2023
<b>Non-cash movements and adjustments to profit before tax</b>					
Amortisation		465	419	474	449
Depreciation	C6	275	249	297	270
Net fair value (gains) or losses	C2	(69 770)	(53 340)	(76 512)	(60 744)
Net fair value losses on the revaluation of Investment property	C2	–	6	(878)	(16)
Finance costs (including interest and similar expenses)		997	959	999	961
Share-based payment charge		470	519	470	519
Charges to provisions and post employment benefits obligations		45	177	57	177
Impairment/(reversal) of fixed assets	C6	(142)	(134)	(142)	(134)
Impairment of Intangibles		–	–	13	–
Credit impairment charges		49	100	60	127
Impairment in associate undertakings		–	–	845	–
Non-cash changes in consolidated investment funds		–	–	10 657	12 562
<b>Total non-cash movement and adjustments to profit before tax</b>		<b>(67 611)</b>	<b>(51 045)</b>	<b>(63 660)</b>	<b>(45 829)</b>
<b>Changes in working capital</b>					
Costs to obtain contracts		(56)	(44)	(79)	(74)
Contract liabilities		63	66	141	132
Loans and advances		(494)	(348)	(469)	(450)
Trade, other receivables and other assets <sup>1</sup>		2 891	(1 430)	(1 792)	(15 734)
Trade, other payables and other liabilities <sup>1</sup>		7 477	362	4 677	10 717
Investments and securities <sup>2</sup>		13 139	(6 636)	10 577	13 447
Consolidation of funds		–	–	4 491	(17 728)
Insurance and reinsurance contract		55 832	49 491	56 240	51 451
Investment contracts		4 697	6 474	4 887	5 457
Loans to/from Group companies		(146)	(344)	57	(614)
Collateral owing		1 161	729	1 161	729
<b>Total changes in working capital</b>		<b>84 564</b>	<b>48 320</b>	<b>79 891</b>	<b>47 333</b>

<sup>1</sup> Refer to note I7 for details in relation to the restatement due to prior period errors

<sup>2</sup> Refer to note I7 for details in relation to the change in presentation

## 17: Restatements

Included below is a summary of the impact of restatements on the statement of financial position as at 31 December 2023:

Rm	As previously reported at 31 December 2023	Separate Control account amendment (refer to note 17.1)	Restated after 31 December 2023
<b>Assets</b>			
Trade, other receivables and other assets	9 515	(506)	9 009
<b>Total assets</b>	883 010	(506)	882 504
<b>Liabilities</b>			
Trade, other payables and other liabilities	46 087	(506)	45 581
<b>Total liabilities</b>	857 906	(506)	857 400
<b>Total equity</b>	25 104	–	25 104

Rm	As previously reported at 31 December 2023	IFRS 10 adjustment (refer to note 17.2)	Separate Control account amendment (refer to note 17.1)	Restated after 31 December 2023
<b>Assets</b>				
Property, plant and equipment	4 906	1 550	–	6 456
Trade, other receivables and other assets	42 761	–	(506)	42 255
Cash and cash equivalents	21 506	157	–	21 663
<b>Total assets</b>	1 022 751	1 707	(506)	1 023 952
<b>Liabilities</b>				
Trade, other payables and other liabilities	88 339	1 550	(506)	89 383
<b>Total liabilities</b>	1 001 311	1 550	(506)	1 002 355
Non-controlling interest	716	157	–	873
<b>Total equity</b>	21 440	157	–	21 597

The extent to which this amendment has impacted the statement of cash flows as at 31 December 2023 is set out in the following table:

Rm	As previously reported at 31 December 2023	Separate Presentation amendment (refer to note 17.3)	Restated after 31 December 2023
<b>Cash flows from operating activities</b>			
Net changes in working capital	54 956	(6 636)	48 320
<b>Net cash inflow from operating activities</b>	10 464	(6 636)	3 828
<b>Cash flows from investing activities</b>			
Net (acquisition)/disposal of financial investments	(6 636)	6 636	–
<b>Net cash inflow from investing activities</b>	(7 764)	6 636	(1 128)

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## I: Other notes continued

### I7: Restatements continued

Rm	Consolidated			Restated after 31 December 2023
	As previously reported at 31 December 2023	IFRS 10 amendment (refer to note I7.2)	Presentation amendment (refer to note I7.3)	
<b>Cash flows from operating activities</b>				
Net changes in working capital	32 336	1 550	13 447	47 333
<b>Net cash inflow from operating activities</b>	(8 101)	1 550	13 447	6 896
<b>Cash flows from investing activities</b>				
Acquisition of property, plant and equipment	(351)	(1 550)	–	(1 901)
Net (acquisition)/disposal of financial investments	13 447	–	(13 447)	–
<b>Net cash inflow from investing activities</b>	10 041	(1 550)	(13 447)	(4 956)
<b>Cash flows from operating activities</b>				
Change in participation of subsidiaries	–	157	–	157
<b>Net cash inflow from financing activities</b>	(3 157)	157	–	(3 000)
<b>Net increase/(decrease) in cash and cash equivalents</b>	(1 218)	157	–	(1 061)
<b>Total cash and cash equivalents at end of the year</b>	43 571	157	–	43 728

Details on each correction and re-presentation are provided below.

#### I7.1 Misallocation restatement

##### OMLACSA Separate and Consolidated

There was a misallocation between trade, other payables and other liabilities and trade, other receivables and other assets. This resulted in an overstatement of trade, other payables and other liabilities and trade, other receivables and other assets. The amount of the overstatement is R506 million. The statement of financial position has been amended by restating each of the financial statement line items as at 31 December 2023 with no impact on 31 December 2022. There is no impact on the statement of comprehensive income, statement of changes in equity and statement of cash flows.

#### I7.2: IFRS 10 restatement

##### OMLACSA Consolidated

IFRS 10 *Consolidated Financial Statements* requires the consolidation of the assets, liabilities, equity, income, expense and cash flows of the parent and its subsidiaries to present those as one single economic entity. An error was noted in relation to one of the Group's subsidiaries, Msenge Emoyeni Wind Farm (RF) Proprietary Limited, where the assets and liabilities were inaccurately consolidated resulting in an understatement of the property, plant and equipment, cash and cash equivalents, trade, other payables and other liabilities and non-controlling interest balances on the statement of financial position. Property, plant and equipment of R1 550 million, cash and cash equivalents of R157 million, trade, other payables and other liabilities of R1 550 million and non-controlling interest of R157 million were not consolidated as at 31 December 2023. The statement of financial position, statement of changes in equity and statement of cash flows have been amended by restating each of the financial statement line items as at 31 December 2023 with no impact on 31 December 2022. There is no impact on the statement of comprehensive income.

#### I7.3: Change in accounting policy of investments and securities cash flows

##### OMLACSA Separate and Consolidated

Previously, cash flows arising from the purchases and disposals of financial assets have been classified within cash flows from investing activities on the statement of cash flows. These consisted of purchases and disposals of financial assets. These activities are now being reclassified under cash flows from operating activities, as these financial assets are utilised for purposes of managing capital and liquidity as well as increased investment returns. The presentation of the statement of cash flows has been amended by restating each of the financial statement line items as at 31 December 2023. There is no impact on the statement of financial position, statement of comprehensive income, and statement of changes in equity.

## 18: Acquisitions and disposals of businesses and other similar transactions

### (a) Acquisitions of businesses during the current reporting period

The Group, through its wholly owned subsidiary, Old Mutual Real Estate Holding Company Proprietary Limited, acquired 100% of the share capital of Varna Logistics EOOD, an investment property company, holding property in the transportation, logistics, storage and supply chain sector, with effect from 1 October 2024, and is a business combination within the scope of IFRS 3. The acquisition forms part of the Group's growth strategy to increase investments in the industrial portfolio in Eastern Europe.

Goodwill of R64 million has been recognised mainly due to the value of the business acquired, the fair value of the investment property, and other synergies in the Group. Goodwill recognised is not deductible for income tax purposes.

Details of the consideration paid, assets acquired and liabilities assumed, at fair value, are as follows:

Rm	Fair value recognised on acquisition date
<b>Consideration at date of acquisition</b>	
Cash and cash equivalents	780
<b>Total consideration</b>	<b>780</b>
<b>Recognised amounts of identifiable assets acquired and liabilities assumed</b>	
Property, plant and equipment	4
Investment property	841
Trade, other receivables and other assets	333
Derivative financial instruments	5
Cash and cash equivalents	5
Trade, other payables and other liabilities	(415)
Deferred tax liabilities	(57)
<b>Total identifiable net assets</b>	<b>716</b>
Goodwill	64
<b>Total</b>	<b>780</b>

From the date of acquisition, Varna Logistics EOOD contributed R11 million profit and R24 million to the Group total revenue respectively. If the acquisition had occurred on 1 January 2024, consolidated revenue and profit for the year ended 31 December 2024 would have been R72 million and R26 million respectively.

The Group incurred acquisition-related costs of R7 million which is included in other expenses in the income statement for the year ended 31 December 2024.

A summary of the total net cash outflow and cash and cash equivalents related to acquisition is included below:

Year ended 31 December Rm	2024
<b>Summary of net cash outflows due to acquisitions</b>	<b>775</b>

### (b) Acquisitions of businesses prior to the current reporting period

There were no acquisitions in the prior reporting period.

### (c) Disposals of businesses and other similar transactions during the current reporting period

There were no disposals in the current reporting period.

### (d) Disposals of businesses and other similar transactions during the prior reporting period

During the prior reporting period the Group disposed of its investment in Remchannel Proprietary Limited. It was sold for R66.7 million. No profit or loss was realised upon disposal.

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## I: Other notes continued

### 19: Events after the reporting date

Old Mutual Limited CEO, Iain Williamson, announced his retirement on 17 February 2025, effective 31 August 2025. The Board has initiated a process, considering internal and external candidates, to identify a new CEO to lead the Group through its next phase of growth and innovation.

During the budget speech presented on 12 March 2025, the Minister of Finance announced that the value added tax (VAT) rate will be increased from 15% to 15.5% with effect from 1 May 2025 (and a further increase of 0.5% to 16% with effect from 1 April 2026). The Group does not expect the VAT rate change to have a significant impact on the balances reported as at 31 December 2024.

Other than the aforementioned, the directors are not aware of any material events (as defined per IAS 10 *Events after the Reporting Period*) after the reporting date of 31 December 2024 until the date of authorisation of these audited separate and consolidated financial statements.

## J: Future standards, amendments to standards and interpretations not early adopted in the 2024 financial statements

A number of new standards and amendments to standards are effective for annual periods beginning on or after 1 January 2024 and earlier application is permitted; however, the Group has not early adopted any of the forthcoming new or amended standards in preparing these separate and consolidated financial statements.

### Amendments to standards

The Group has adopted the following amendments for the first time in the annual reporting period commencing 1 January 2024:

- Amendment to IAS 1 *Classification of liabilities as current or non-current*
- Amendment to IFRS 16 *Lease Liability in a Sale and Leaseback*
- Amendments to IAS 7 and IFRS 7 *Supplier Finance Arrangements*

These amendments did not have a material impact on the financial statements.

### New standards and amendments to standards issued but not effective

The following standards and amendments were issued but not effective for the period commencing 1 January 2024:

- Amendments to IAS 21 *Lack of exchangeability* – effective 1 January 2025
- Amendments to IFRS 9 and IFRS 7 *Classification and Measurement of Financial Instruments* – effective 1 January 2026
- IFRS 18 *Presentation and Disclosure in Financial Statements* – effective 1 January 2027. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures* – effective 1 January 2027
- IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures*<sup>1</sup>
- Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* – effective 1 January 2026

Except for IFRS 18, these standards and amendments to standards are not expected to have a material impact on the financial statements.

<sup>1</sup> The IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting

## K: Directors' and Prescribed Officers' emoluments

The directors' emoluments disclosures required by the Companies' Act are set out below and includes disclosure in relation to Executive Directors and Prescribed Officers. Disclosures required in terms of King IV™ will be disclosed in the Old Mutual Limited Remuneration Report which will be released in March 2025 and can be accessed on <https://www.oldmutual.com/investor-relations/reporting-centre/reports>

Executive Directors	Iain Williamson		Casper Troskie	
	2024	2023	2024	2023
Salary	10 332 255	9 817 524	6 077 208	5 773 113
Other benefits	123 542	187 061	–	–
Retirement benefits	374 745	356 076	220 417	209 388
<b>TGP</b>	<b>10 830 542</b>	<b>10 360 661</b>	<b>6 297 625</b>	<b>5 982 501</b>
Bonus amounts	7 220 677	7 923 928	4 615 306	4 656 618
<b>Total excluding share-based payments</b>	<b>18 051 219</b>	<b>18 284 589</b>	<b>10 912 931</b>	<b>10 639 119</b>
IFRS 2 fair value of unvested shares at year end owed to director	23 191 470	13 057 502	11 500 355	6 993 774
Number of shares vested	437 658	287 164	215 060	267 241
Class of share	Ordinary	Ordinary	Ordinary	Ordinary

Prescribed Officers	Zureida Ebrahim		Clarence Nethengwe	
	2024	2023	2024	2023
Salary	5 506 531	4 989 050	5 655 650	5 290 613
Retirement benefits	199 719	180 950	203 350	191 888
<b>TGP</b>	<b>5 706 250</b>	<b>5 170 000</b>	<b>5 859 000</b>	<b>5 482 501</b>
Bonus amounts	3 022 635	3 970 163	1 420 823	4 564 061
<b>Total excluding share-based payments</b>	<b>8 728 885</b>	<b>9 140 163</b>	<b>7 279 823</b>	<b>10 046 562</b>
IFRS 2 fair value of unvested shares at year end owed to director	11 069 635	5 109 321	10 466 896	6 265 320
Number of shares vested	138 319	79 405	193 376	163 899
Class of share	Ordinary	Ordinary	Ordinary	Ordinary

Prescribed Officers	Kerrin Land		Prabashini Moodley	
	2024	2023	2024	2023
Salary	5 406 412	5 112 088	4 979 400	4 540 325
Retirement benefits	196 088	185 413	180 600	164 675
<b>TGP</b>	<b>5 602 500</b>	<b>5 297 501</b>	<b>5 160 000</b>	<b>4 705 000</b>
Bonus amounts	3 960 438	3 970 610	3 519 806	4 395 022
<b>Total excluding share-based payments</b>	<b>9 562 938</b>	<b>9 268 111</b>	<b>8 679 806</b>	<b>9 100 022</b>
IFRS 2 fair value of unvested shares at year end owed to director	9 547 371	5 159 471	8 831 954	4 247 784
Number of shares vested	160 747	158 736	135 102	112 945
Class of share	Ordinary	Ordinary	Ordinary	Ordinary

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## K: Directors' and Prescribed Officers' emoluments continued Bonus share awards

	Award date	Vesting date	Issue price (ZAR)	2023 year-end VWAP (ZAR)	Share units 2024 year-end VWAP (ZAR)
<b>Iain Williamson<sup>2</sup></b>					
<b>Long-term incentive plan</b>					
2021 Tranche 1 <sup>1</sup>	9-Apr-21	9-Apr-24	13.09	11.92	<b>12.89</b>
2021 Tranche 2 <sup>1</sup>	9-Apr-21	9-Apr-25	13.09	11.92	<b>12.89</b>
2021 Tranche 3 <sup>1</sup>	9-Apr-21	9-Apr-26	13.09	11.92	<b>12.89</b>
2022 Tranche 1	13-Apr-22	13-Apr-25	13.79	11.92	<b>12.89</b>
2022 Tranche 2	13-Apr-22	13-Apr-26	13.79	11.92	<b>12.89</b>
2022 Tranche 3	13-Apr-22	13-Apr-27	13.79	11.92	<b>12.89</b>
<b>Deferred performance award</b>					
2024 Tranche 1	8-Apr-24	8-Apr-26	11.24	11.92	<b>12.89</b>
2024 Tranche 2	8-Apr-24	8-Apr-27	11.24	11.92	<b>12.89</b>
2024 Tranche 3	8-Apr-24	8-Apr-28	11.24	11.92	<b>12.89</b>
<b>Deferred short-term incentive</b>					
2021 Tranche 3	09-Apr-21	09-Apr-24	13.09	11.92	<b>12.89</b>
2022 Tranche 2	13-Apr-22	13-Apr-24	13.79	11.92	<b>12.89</b>
2022 Tranche 3	13-Apr-22	13-Apr-25	13.79	11.92	<b>12.89</b>
2023 Tranche 1	31-Mar-23	31-Mar-24	11.90	11.92	<b>12.89</b>
2023 Tranche 2	31-Mar-23	31-Mar-25	11.90	11.92	<b>12.89</b>
2023 Tranche 3	31-Mar-23	31-Mar-26	11.90	11.92	<b>12.89</b>
2024 Tranche 1	8-Apr-24	8-Apr-25	11.24	11.92	<b>12.89</b>
2024 Tranche 2	8-Apr-24	8-Apr-26	11.24	11.92	<b>12.89</b>
2024 Tranche 3	8-Apr-24	8-Apr-27	11.24	11.92	<b>12.89</b>
<b>Total</b>					

<sup>1</sup> The one-off LTIP top-up award made in 2021 has been combined with the annual 2021 LTIP award values as the same performance and vesting conditions linked to the annual 2021 LTIP award apply

<sup>2</sup> Long-term incentive plan estimated closing fair values on 31 December 2024 are shown based on estimated vesting values

Share units					Value (pre-tax)		
Opening balance on 1 Jan 2024 (Number)	Granted during 2024 (Number)	Lapsed during 2024 (Number)	Settled during 2024 (Number)	Closing balance on 31 Dec 2024 (Number)	Value of lapsed awards during 2024 (ZAR)	Value of settled awards during 2024 (ZAR)	Estimated closing fair value on 31 Dec 2024 (ZAR)
703 226	-	471 163	232 063	-	5 352 412	2 636 236	-
703 225	-	471 161	-	232 064	-	-	987 132
703 227	-	471 162	-	232 065	-	-	987 135
339 376	-	-	-	339 376	-	-	4 475 171
339 377	-	-	-	339 377	-	-	4 475 185
339 377	-	-	-	339 377	-	-	4 475 185
-	402 608	-	-	402 608	-	-	5 189 617
-	402 608	-	-	402 608	-	-	5 189 617
-	402 609	-	-	402 609	-	-	5 189 630
32 651	-	-	32 651	-	-	370 915	-
49 097	-	-	49 097	-	-	529 757	-
49 097	-	-	-	49 097	-	-	632 860
123 847	-	-	123 847	-	-	1 436 625	-
123 848	-	-	-	123 848	-	-	1 596 401
123 848	-	-	-	123 848	-	-	1 596 401
-	156 661	-	-	156 661	-	-	2 019 360
-	156 661	-	-	156 661	-	-	2 019 360
-	156 661	-	-	156 661	-	-	2 019 360
<b>3 630 196</b>	<b>1 677 808</b>	<b>1 413 486</b>	<b>437 658</b>	<b>3 456 860</b>	<b>5 352 412</b>	<b>4 973 533</b>	<b>40 852 414</b>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## K: Directors' and Prescribed Officers' emoluments continued

Bonus share awards continued

	Award date	Vesting date	Issue price (ZAR)	2023 year-end VWAP (ZAR)	Share units 2024 year-end VWAP (ZAR)
<b>Casper Troskie<sup>2</sup></b>					
<b>Long-term incentive plan</b>					
2021 Tranche 1 <sup>1</sup>	9-Apr-21	9-Apr-24	13.09	11.92	12.89
2021 Tranche 2 <sup>1</sup>	9-Apr-21	9-Apr-25	13.09	11.92	12.89
2021 Tranche 3 <sup>1</sup>	9-Apr-21	9-Apr-26	13.09	11.92	12.89
2022 Tranche 1	13-Apr-22	13-Apr-25	13.79	11.92	12.89
2022 Tranche 2	13-Apr-22	13-Apr-26	13.79	11.92	12.89
2022 Tranche 3	13-Apr-22	13-Apr-27	13.79	11.92	12.89
<b>Deferred performance award</b>					
2024 Tranche 1	8-Apr-24	8-Apr-26	11.24	11.92	12.89
2024 Tranche 2	8-Apr-24	8-Apr-27	11.24	11.92	12.89
2024 Tranche 3	8-Apr-24	8-Apr-28	11.24	11.92	12.89
<b>Deferred short-term incentive</b>					
2021 Tranche 3	9-Apr-21	9-Apr-24	13.09	11.92	12.89
2022 Tranche 2	13-Apr-22	13-Apr-24	13.79	11.92	12.89
2022 Tranche 3	13-Apr-22	13-Apr-25	13.79	11.92	12.89
2023 Tranche 1	31-Mar-23	31-Mar-24	11.90	11.92	12.89
2023 Tranche 2	31-Mar-23	31-Mar-25	11.90	11.92	12.89
2023 Tranche 3	31-Mar-23	31-Mar-26	11.90	11.92	12.89
2024 Tranche 1	8-Apr-24	8-Apr-25	11.24	11.92	12.89
2024 Tranche 2	8-Apr-24	8-Apr-26	11.24	11.92	12.89
2024 Tranche 3	8-Apr-24	8-Apr-27	11.24	11.92	12.89
<b>Total</b>					

<sup>1</sup> The one-off LTIP top-up award made in 2021 has been combined with the annual 2021 LTIP award values as the same performance and vesting conditions linked to the annual 2021 LTIP award apply

<sup>2</sup> Long-term incentive plan estimated closing fair values on 31 December 2024 are shown based on estimated vesting values

Share units					Value (pre-tax)		
Opening balance on 1 Jan 2024 (Number)	Granted during 2024 (Number)	Lapsed during 2024 (Number)	Settled during 2024 (Number)	Closing balance on 31 Dec 2024 (Number)	Value of lapsed awards during 2024 (ZAR)	Value of settled awards during 2024 (ZAR)	Estimated closing fair value on 31 Dec 2024 (ZAR)
237 339	-	159 019	78 320	-	1 806 456	889 715	-
237 338	-	159 016	-	78 322	-	-	333 156
237 340	-	159 018	-	78 322	-	-	333 159
166 183	-	-	-	166 183	-	-	2 191 367
166 183	-	-	-	166 183	-	-	2 191 367
166 184	-	-	-	166 184	-	-	2 191 380
-	197 338	-	-	197 338	-	-	2 543 687
-	197 338	-	-	197 338	-	-	2 543 687
-	197 338	-	-	197 338	-	-	2 543 687
24 684	-	-	24 684	-	-	280 410	-
29 381	-	-	29 381	-	-	317 021	-
29 382	-	-	-	29 382	-	-	378 734
82 675	-	-	82 675	-	-	959 030	-
82 676	-	-	-	82 676	-	-	1 065 694
82 676	-	-	-	82 676	-	-	1 065 694
-	92 064	-	-	92 064	-	-	1 186 705
-	92 064	-	-	92 064	-	-	1 186 705
-	92 065	-	-	92 065	-	-	1 186 718
<b>1 542 041</b>	<b>868 207</b>	<b>477 053</b>	<b>215 060</b>	<b>1 718 135</b>	<b>1 806 456</b>	<b>2 446 176</b>	<b>20 941 740</b>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## K: Directors' and Prescribed Officers' emoluments continued

Bonus share awards continued

	Award date	Vesting date	Issue price (ZAR)	2023 year-end VWAP (ZAR)	Share units 2024 year-end VWAP (ZAR)
<b>Clarence Nethengwe<sup>2</sup></b>					
<b>Long-term incentive plan</b>					
2021 Tranche 1 <sup>1</sup>	9-Apr-21	9-Apr-24	13.09	11.92	<b>12.89</b>
2021 Tranche 2 <sup>1</sup>	9-Apr-21	9-Apr-25	13.09	11.92	<b>12.89</b>
2021 Tranche 3 <sup>1</sup>	9-Apr-21	9-Apr-26	13.09	11.92	<b>12.89</b>
2022 Tranche 1	13-Apr-22	13-Apr-25	13.79	11.92	<b>12.89</b>
2022 Tranche 2	13-Apr-22	13-Apr-26	13.79	11.92	<b>12.89</b>
2022 Tranche 3	13-Apr-22	13-Apr-27	13.79	11.92	<b>12.89</b>
<b>Deferred performance award</b>					
2024 Tranche 1	8-Apr-24	8-Apr-26	11.24	11.92	<b>12.89</b>
2024 Tranche 2	8-Apr-24	8-Apr-27	11.24	11.92	<b>12.89</b>
2024 Tranche 3	8-Apr-24	8-Apr-28	11.24	11.92	<b>12.89</b>
<b>Deferred short-term incentive</b>					
2021 Tranche 3	9-Apr-21	9-Apr-24	13.09	11.92	<b>12.89</b>
2022 Tranche 2	13-Apr-22	13-Apr-24	13.79	11.92	<b>12.89</b>
2022 Tranche 3	13-Apr-22	13-Apr-25	13.79	11.92	<b>12.89</b>
2023 Tranche 1	31-Mar-23	31-Mar-24	11.90	11.92	<b>12.89</b>
2023 Tranche 2	31-Mar-23	31-Mar-25	11.90	11.92	<b>12.89</b>
2023 Tranche 3	31-Mar-23	31-Mar-26	11.90	11.92	<b>12.89</b>
2024 Tranche 1	8-Apr-24	8-Apr-25	11.24	11.92	<b>12.89</b>
2024 Tranche 2	8-Apr-24	8-Apr-26	11.24	11.92	<b>12.89</b>
2024 Tranche 3	8-Apr-24	8-Apr-27	11.24	11.92	<b>12.89</b>
<b>Total</b>					

<sup>1</sup> The one-off LTIP top-up award made in 2021 has been combined with the annual 2021 LTIP award values as the same performance and vesting conditions linked to the annual 2021 LTIP award apply

<sup>2</sup> Long-term incentive plan estimated closing fair values on 31 December 2024 are shown based on estimated vesting values

Share units					Value (pre-tax)		
Opening balance on 1 Jan 2024 (Number)	Granted during 2024 (Number)	Lapsed during 2024 (Number)	Settled during 2024 (Number)	Closing balance on 31 Dec 2024 (Number)	Value of lapsed awards during 2024 (ZAR)	Value of settled awards during 2024 (ZAR)	Estimated closing fair value on 31 Dec 2024 (ZAR)
237 312	-	159 001	78 311	-	1 806 251	889 613	-
237 311	-	158 998	-	78 313	-	-	333 118
237 313	-	159 000	-	78 313	-	-	333 121
143 522	-	-	-	143 522	-	-	1 892 549
143 522	-	-	-	143 522	-	-	1 892 549
143 522	-	-	-	143 522	-	-	1 892 549
-	182 058	-	-	182 058	-	-	2 346 728
-	182 058	-	-	182 058	-	-	2 346 728
-	182 058	-	-	182 058	-	-	2 346 728
18 511	-	-	18 511	-	-	210 285	-
31 919	-	-	31 919	-	-	344 406	-
31 920	-	-	-	31 920	-	-	411 449
64 635	-	-	64 635	-	-	749 766	-
64 635	-	-	-	64 635	-	-	833 145
64 635	-	-	-	64 635	-	-	833 145
-	90 234	-	-	90 234	-	-	1 163 116
-	90 234	-	-	90 234	-	-	1 163 116
-	90 235	-	-	90 235	-	-	1 163 129
<b>1 418 757</b>	<b>816 877</b>	<b>476 999</b>	<b>193 376</b>	<b>1 565 259</b>	<b>1 806 251</b>	<b>2 194 070</b>	<b>18 951 169</b>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## K: Directors' and Prescribed Officers' emoluments continued

Bonus share awards continued

					Share units
	Award date	Vesting date	Issue price (ZAR)	2023 year-end VWAP (ZAR)	2024 year-end VWAP (ZAR)
<b>Kerrin Land<sup>2</sup></b>					
<b>Long-term incentive plan</b>					
2021 Tranche 1 <sup>1</sup>	9-Apr-21	9-Apr-24	13.09	11.92	<b>12.89</b>
2021 Tranche 2 <sup>1</sup>	9-Apr-21	9-Apr-25	13.09	11.92	<b>12.89</b>
2021 Tranche 3 <sup>1</sup>	9-Apr-21	9-Apr-26	13.09	11.92	<b>12.89</b>
2022 Tranche 1	13-Apr-22	13-Apr-25	13.79	11.92	<b>12.89</b>
2022 Tranche 2	13-Apr-22	13-Apr-26	13.79	11.92	<b>12.89</b>
2022 Tranche 3	13-Apr-22	13-Apr-27	13.79	11.92	<b>12.89</b>
<b>Deferred performance award</b>					
2024 Tranche 1	8-Apr-24	8-Apr-26	11.24	11.92	<b>12.89</b>
2024 Tranche 2	8-Apr-24	8-Apr-27	11.24	11.92	<b>12.89</b>
2024 Tranche 3	8-Apr-24	8-Apr-28	11.24	11.92	<b>12.89</b>
<b>Deferred short-term incentive</b>					
2021 Tranche 3	9-Apr-21	9-Apr-24	13.09	11.92	<b>12.89</b>
2022 Tranche 2	13-Apr-22	13-Apr-24	13.79	11.92	<b>12.89</b>
2022 Tranche 3	13-Apr-22	13-Apr-25	13.79	11.92	<b>12.89</b>
2023 Tranche 1	31-Mar-23	31-Mar-24	11.90	11.92	<b>12.89</b>
2023 Tranche 2	31-Mar-23	31-Mar-25	11.90	11.92	<b>12.89</b>
2023 Tranche 3	31-Mar-23	31-Mar-26	11.90	11.92	<b>12.89</b>
2024 Tranche 1	8-Apr-24	8-Apr-25	11.24	11.92	<b>12.89</b>
2024 Tranche 2	8-Apr-24	8-Apr-26	11.24	11.92	<b>12.89</b>
2024 Tranche 3	8-Apr-24	8-Apr-27	11.24	11.92	<b>12.89</b>
<b>Total</b>					

<sup>1</sup> The one-off LTIP top-up award made in 2021 has been combined with the annual 2021 LTIP award values as the same performance and vesting conditions linked to the annual 2021 LTIP award apply

<sup>2</sup> Long-term incentive plan estimated closing fair values on 31 December 2024 are shown based on estimated vesting values

Share units					Value (pre-tax)		
Opening balance on 1 Jan 2024 (Number)	Granted during 2024 (Number)	Lapsed during 2024 (Number)	Settled during 2024 (Number)	Closing balance on 31 Dec 2024 (Number)	Value of lapsed awards during 2024 (ZAR)	Value of settled awards during 2024 (ZAR)	Estimated closing fair value on 31 Dec 2024 (ZAR)
142 388	-	95 402	46 986	-	1 083 767	533 761	-
142 387	-	95 399	-	46 988	-	-	199 872
142 390	-	95 401	-	46 989	-	-	199 876
143 522	-	-	-	143 522	-	-	1 892 549
143 522	-	-	-	143 522	-	-	1 892 549
143 522	-	-	-	143 522	-	-	1 892 549
-	175 556	-	-	175 556	-	-	2 262 917
-	175 556	-	-	175 556	-	-	2 262 917
-	175 556	-	-	175 556	-	-	2 262 917
18 511	-	-	18 511	-	-	210 285	-
32 379	-	-	32 379	-	-	349 369	-
32 379	-	-	-	32 379	-	-	417 365
62 871	-	-	62 871	-	-	729 304	-
62 871	-	-	-	62 871	-	-	810 407
62 872	-	-	-	62 872	-	-	810 420
-	78 501	-	-	78 501	-	-	1 011 878
-	78 501	-	-	78 501	-	-	1 011 878
-	78 502	-	-	78 502	-	-	1 011 891
<b>1 129 614</b>	<b>762 172</b>	<b>286 203</b>	<b>160 747</b>	<b>1 444 836</b>	<b>1 083 767</b>	<b>1 822 719</b>	<b>17 939 985</b>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## K: Directors' and Prescribed Officers' emoluments continued

Bonus share awards continued

					Share units
	Award date	Vesting date	Issue price (ZAR)	2023 year-end VWAP (ZAR)	2024 year-end VWAP (ZAR)
<b>Prabashini Moodley<sup>2</sup></b>					
<b>Long-term Incentive Plan</b>					
2021 Tranche 1 <sup>1</sup>	9-Apr-21	9-Apr-24	13.09	11.92	<b>12.89</b>
2021 Tranche 2 <sup>1</sup>	9-Apr-21	9-Apr-25	13.09	11.92	<b>12.89</b>
2021 Tranche 3 <sup>1</sup>	9-Apr-21	9-Apr-26	13.09	11.92	<b>12.89</b>
2022 Tranche 1	13-Apr-22	13-Apr-25	13.79	11.92	<b>12.89</b>
2022 Tranche 2	13-Apr-22	13-Apr-26	13.79	11.92	<b>12.89</b>
2022 Tranche 3	13-Apr-22	13-Apr-27	13.79	11.92	<b>12.89</b>
<b>Deferred performance award</b>					
2024 Tranche 1	8-Apr-24	8-Apr-26	11.24	11.92	<b>12.89</b>
2024 Tranche 2	8-Apr-24	8-Apr-27	11.24	11.92	<b>12.89</b>
2024 Tranche 3	8-Apr-24	8-Apr-28	11.24	11.92	<b>12.89</b>
<b>Deferred short-term incentive</b>					
2021 Tranche 3	9-Apr-21	9-Apr-24	13.09	11.92	<b>12.89</b>
2022 Tranche 2	13-Apr-22	13-Apr-24	13.79	11.92	<b>12.89</b>
2022 Tranche 3	13-Apr-22	13-Apr-25	13.79	11.92	<b>12.89</b>
2023 Tranche 1	31-Mar-23	31-Mar-24	11.90	11.92	<b>12.89</b>
2023 Tranche 2	31-Mar-23	31-Mar-25	11.90	11.92	<b>12.89</b>
2023 Tranche 3	31-Mar-23	31-Mar-26	11.90	11.92	<b>12.89</b>
2024 Tranche 1	8-Apr-24	8-Apr-25	11.24	11.92	<b>12.89</b>
2024 Tranche 2	8-Apr-24	8-Apr-26	11.24	11.92	<b>12.89</b>
2024 Tranche 3	8-Apr-24	8-Apr-27	11.24	11.92	<b>12.89</b>
<b>Total</b>					

<sup>1</sup> The one-off LTIP top-up award made in 2021 has been combined with the annual 2021 LTIP award values as the same performance and vesting conditions linked to the annual 2021 LTIP award apply

<sup>2</sup> Long-term incentive plan estimated closing fair values on 31 December 2024 are shown based on estimated vesting values

Share units					Value (pre-tax)		
Opening balance on 1 Jan 2024 (Number)	Granted during 2024 (Number)	Lapsed during 2024 (Number)	Settled during 2024 (Number)	Closing balance on 31 Dec 2024 (Number)	Value of lapsed awards during 2024 (ZAR)	Value of settled awards during 2024 (ZAR)	Estimated closing fair value on 31 Dec 2024 (ZAR)
156 274	-	104 706	51 568	-	1 189 460	585 812	-
156 272	-	104 702	-	51 570	-	-	219 362
156 275	-	104 704	-	51 571	-	-	219 366
128 414	-	-	-	128 414	-	-	1 693 327
128 414	-	-	-	128 414	-	-	1 693 327
128 415	-	-	-	128 415	-	-	1 693 341
-	156 049	-	-	156 049	-	-	2 011 472
-	156 050	-	-	156 050	-	-	2 011 485
-	156 050	-	-	156 050	-	-	2 011 485
16 544	-	-	16 544	-	-	187 940	-
11 301	-	-	11 301	-	-	121 938	-
11 301	-	-	-	11 301	-	-	145 670
55 689	-	-	55 689	-	-	645 992	-
55 690	-	-	-	55 690	-	-	717 844
55 690	-	-	-	55 690	-	-	717 844
-	86 892	-	-	86 892	-	-	1 120 038
-	86 892	-	-	86 892	-	-	1 120 038
-	86 893	-	-	86 893	-	-	1 120 051
<b>1 060 279</b>	<b>728 826</b>	<b>314 112</b>	<b>135 102</b>	<b>1 339 891</b>	<b>1 189 460</b>	<b>1 541 682</b>	<b>16 494 650</b>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## K: Directors' and Prescribed Officers' emoluments continued

Bonus share awards continued

	Award date	Vesting date	Issue price (ZAR)	2023 year-end VWAP (ZAR)	Share units 2024 year-end VWAP (ZAR)
<b>Zureida Ebrahim<sup>1</sup></b>					
<b>Long-term incentive plan</b>					
2022 Tranche 1	13-Apr-22	13-Apr-25	13.79	11.92	<b>12.89</b>
2022 Tranche 2	13-Apr-22	13-Apr-26	13.79	11.92	<b>12.89</b>
2022 Tranche 3	13-Apr-22	13-Apr-27	13.79	11.92	<b>12.89</b>
<b>Deferred performance award</b>					
2024 Tranche 1	8-Apr-24	8-Apr-26	11.24	11.92	<b>12.89</b>
2024 Tranche 2	8-Apr-24	8-Apr-27	11.24	11.92	<b>12.89</b>
2024 Tranche 3	8-Apr-24	8-Apr-28	11.24	11.92	<b>12.89</b>
<b>Deferred short-term incentive</b>					
2022 Tranche 2	13-Apr-22	13-Apr-24	13.79	11.92	<b>12.89</b>
2022 Tranche 3	13-Apr-22	13-Apr-25	13.79	11.92	<b>12.89</b>
2023 Tranche 1	31-Mar-23	31-Mar-24	11.90	11.92	<b>12.89</b>
2023 Tranche 2	31-Mar-23	31-Mar-25	11.90	11.92	<b>12.89</b>
2023 Tranche 3	31-Mar-23	31-Mar-26	11.90	11.92	<b>12.89</b>
2024 Tranche 1	8-Apr-24	8-Apr-25	11.24	11.92	<b>12.89</b>
2024 Tranche 2	8-Apr-24	8-Apr-26	11.24	11.92	<b>12.89</b>
2024 Tranche 3	8-Apr-24	8-Apr-27	11.24	11.92	<b>12.89</b>
<b>Buy-out award</b>					
2022 Tranche 2a	13-Apr-22	13-Apr-24	13.79	11.92	<b>12.89</b>
2022 Tranche 1b	13-Apr-22	13-Apr-25	13.79	11.92	<b>12.89</b>
2022 Tranche 2b	13-Apr-22	13-Apr-26	13.79	11.92	<b>12.89</b>
2022 Tranche 3b	13-Apr-22	13-Apr-27	13.79	11.92	<b>12.89</b>
<b>Total</b>					

<sup>1</sup> Long-term incentive plan estimated closing fair values on 31 December 2024 are shown based on estimated vesting values

Share units					Value (pre-tax)		
Opening balance on 1 Jan 2024 (Number)	Granted during 2024 (Number)	Lapsed during 2024 (Number)	Settled during 2024 (Number)	Closing balance on 31 Dec 2024 (Number)	Value of lapsed awards during 2024 (ZAR)	Value of settled awards during 2024 (ZAR)	Estimated closing fair value on 31 Dec 2024 (ZAR)
135 968	-	-	-	135 968	-	-	1 792 938
135 968	-	-	-	135 968	-	-	1 792 938
135 969	-	-	-	135 969	-	-	1 792 951
-	178 807	-	-	178 807	-	-	2 304 822
-	178 807	-	-	178 807	-	-	2 304 822
-	178 807	-	-	178 807	-	-	2 304 822
3 263	-	-	3 263	-	-	35 208	-
3 264	-	-	-	3 264	-	-	42 073
58 913	-	-	58 913	-	-	683 391	-
58 913	-	-	-	58 913	-	-	759 389
58 913	-	-	-	58 913	-	-	759 389
-	78 492	-	-	78 492	-	-	1 011 762
-	78 493	-	-	78 493	-	-	1 011 775
-	78 493	-	-	78 493	-	-	1 011 775
76 143	-	-	76 143	-	-	821 583	-
120 860	-	-	-	120 860	-	-	1 593 717
120 861	-	-	-	120 861	-	-	1 593 730
120 861	-	-	-	120 861	-	-	1 593 730
<b>1 029 896</b>	<b>771 899</b>	<b>-</b>	<b>138 319</b>	<b>1 663 476</b>	<b>-</b>	<b>1 540 182</b>	<b>21 670 633</b>

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## K: Directors' and Prescribed Officers' emoluments continued

Bonus share awards continued

				Share units	
	Award date	Vesting date	Issue price (ZAR)	2022 20-day year-end VWAP (ZAR)	2023 20-day year-end VWAP (ZAR)
<b>Iain Williamson</b>					
<b>Long-term incentive plan</b>					
2020 Tranche 1	26-Mar-20	26-Mar-23	11.95	10.44	11.92
2020 Tranche 2	26-Mar-20	26-Mar-24	11.95	10.44	11.92
2020 Tranche 3	26-Mar-20	26-Mar-25	11.95	10.44	11.92
2021 Tranche 1 <sup>1</sup>	09-Apr-21	09-Apr-24	13.09	10.44	11.92
2021 Tranche 2 <sup>1</sup>	09-Apr-21	09-Apr-25	13.09	10.44	11.92
2021 Tranche 3 <sup>1</sup>	09-Apr-21	09-Apr-26	13.09	10.44	11.92
2022 Tranche 1	13-Apr-22	13-Apr-25	13.79	10.44	11.92
2022 Tranche 2	13-Apr-22	13-Apr-26	13.79	10.44	11.92
2022 Tranche 3	13-Apr-22	13-Apr-27	13.79	10.44	11.92
<b>Deferred short-term incentive</b>					
2020	26-Mar-20	26-Mar-23	11.95	10.44	11.92
2021 Tranche 2	09-Apr-21	09-Apr-23	13.09	10.44	11.92
2021 Tranche 3	09-Apr-21	09-Apr-24	13.09	10.44	11.92
2022 Tranche 1	13-Apr-22	13-Apr-23	13.79	10.44	11.92
2022 Tranche 2	13-Apr-22	13-Apr-24	13.79	10.44	11.92
2022 Tranche 3	13-Apr-22	13-Apr-25	13.79	10.44	11.92
2023 Tranche 1	31-Mar-23	31-Mar-24	11.90	10.44	11.92
2023 Tranche 2	31-Mar-23	31-Mar-25	11.90	10.44	11.92
2023 Tranche 3	31-Mar-23	31-Mar-26	11.90	10.44	11.92

### Total

<sup>1</sup> The one-off LTIP top-up award made in 2021 has been combined with the annual 2021 LTIP award values as the same performance and vesting conditions linked to the annual 2021 LTIP award apply

Share units					Value (pre-tax)		
Opening balance on 1 Jan 2023 (Number)	Granted during 2023 (Number)	Lapsed during 2023 (Number)	Settled during 2023 (Number)	Closing balance on 31 Dec 2023 (Number)	Value of lapsed awards during 2023 (ZAR)	Value of settled awards during 2023 (ZAR)	Estimated closing fair value on 31 Dec 2023 (ZAR)
297 936	–	297 936	–	–	3 399 450	–	–
297 936	–	297 936	–	–	3 399 450	–	–
297 935	–	297 935	–	–	3 399 438	–	–
703 227	–	–	–	703 227	–	–	2 766 606
703 226	–	–	–	703 226	–	–	2 766 602
703 225	–	–	–	703 225	–	–	2 766 598
339 376	–	–	–	339 376	–	–	2 176 713
339 377	–	–	–	339 377	–	–	2 176 720
339 377	–	–	–	339 377	–	–	2 176 720
205 417	–	–	205 417	–	–	2 343 808	–
32 651	–	–	32 651	–	–	385 608	–
32 650	–	–	–	32 650	–	–	389 243
49 096	–	–	49 096	–	–	553 312	–
49 097	–	–	–	49 097	–	–	585 319
49 097	–	–	–	49 097	–	–	585 319
–	123 847	–	–	123 847	–	–	1 476 466
–	123 848	–	–	123 848	–	–	1 476 477
–	123 848	–	–	123 848	–	–	1 476 477
4 439 623	371 543	893 807	287 164	3 630 195	10 198 338	3 282 728	20 819 260

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## K: Directors' and Prescribed Officers' emoluments continued

Bonus share awards continued

				Share units	
	Award date	Vesting date	Issue price (ZAR)	2022 year-end VWAP (ZAR)	2023 year-end VWAP (ZAR)
<b>Casper Troskie<sup>3</sup></b>					
<b>Long-term incentive plan</b>					
2018 Tranche 3 <sup>2</sup>	18-Sep-18	28-Sep-23	21.58	10.44	11.92
2018 Special Grant Tranche 3 <sup>2</sup>	14-Dec-18	28-Sep-23	22.00	10.44	11.92
2020 Tranche 1	26-Mar-20	26-Mar-23	11.95	10.44	11.92
2020 Tranche 2	26-Mar-20	26-Mar-24	11.95	10.44	11.92
2020 Tranche 3	26-Mar-20	26-Mar-25	11.95	10.44	11.92
2021 Tranche 1 <sup>1</sup>	09-Apr-21	09-Apr-24	13.09	10.44	11.92
2021 Tranche 2 <sup>1</sup>	09-Apr-21	09-Apr-25	13.09	10.44	11.92
2021 Tranche 3 <sup>1</sup>	09-Apr-21	09-Apr-26	13.09	10.44	11.92
2022 Tranche 1	13-Apr-22	13-Apr-25	13.79	10.44	11.92
2022 Tranche 2	13-Apr-22	13-Apr-26	13.79	10.44	11.92
2022 Tranche 3	13-Apr-22	13-Apr-27	13.79	10.44	11.92
<b>Deferred short-term incentive</b>					
2020	26-Mar-20	26-Mar-23	11.95	10.44	11.92
2021 Tranche 2	09-Apr-21	09-Apr-23	13.09	10.44	11.92
2021 Tranche 3	09-Apr-21	09-Apr-24	13.09	10.44	11.92
2022 Tranche 1	13-Apr-22	13-Apr-23	13.79	10.44	11.92
2022 Tranche 2	13-Apr-22	13-Apr-24	13.79	10.44	11.92
2022 Tranche 3	13-Apr-22	13-Apr-25	13.79	10.44	11.92
2023 Tranche 1	31-Mar-23	31-Mar-24	11.90	10.44	11.92
2023 Tranche 2	31-Mar-23	31-Mar-25	11.90	10.44	11.92
2023 Tranche 3	31-Mar-23	31-Mar-26	11.90	10.44	11.92

### Total

<sup>1</sup> The one-off LTIP top-up award made in 2021 has been combined with the annual 2021 LTIP award values as the same performance and vesting conditions linked to the annual 2021 LTIP award apply

<sup>2</sup> Vesting date changed to 28 September due to closed period that resulted in a delayed vesting

<sup>3</sup> Long-term incentive plan estimated closing fair values on 31 December 2023 are shown based on estimated vesting values

Share units					Value (pre-tax)		
Opening balance on 1 Jan 2023 (Number)	Granted during 2023 (Number)	Lapsed during 2023 (Number)	Settled during 2023 (Number)	Closing balance on 31 Dec 2023 (Number)	Value of lapsed awards during 2023 (ZAR)	Value of settled awards during 2023 (ZAR)	Estimated closing fair value on 31 Dec 2023 (ZAR)
38 245	–	–	38 245	–	–	467 736	–
14 511	–	–	14 511	–	–	177 470	–
122 272	–	122 272	–	–	1 395 124	–	–
122 272	–	122 272	–	–	1 395 124	–	–
122 271	–	122 271	–	–	1 395 112	–	–
237 338	–	–	–	237 338	–	–	933 725
237 339	–	–	–	237 339	–	–	933 729
237 340	–	–	–	237 340	–	–	933 733
166 183	–	–	–	166 183	–	–	1 065 876
166 183	–	–	–	166 183	–	–	1 065 876
166 184	–	–	–	166 184	–	–	1 065 882
160 421	–	–	160 421	–	–	1 830 404	–
24 683	–	–	24 683	–	–	291 506	–
24 684	–	–	–	24 684	–	–	294 275
29 381	–	–	29 381	–	–	331 124	–
29 381	–	–	–	29 381	–	–	350 271
29 382	–	–	–	29 382	–	–	350 283
–	82 675	–	–	82 675	–	–	985 626
–	82 676	–	–	82 676	–	–	985 638
–	82 676	–	–	82 676	–	–	985 638
1 928 070	248 027	366 815	267 241	1 542 041	4 185 360	3 098 240	9 950 552

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## K: Directors' and Prescribed Officers' emoluments continued

Bonus share awards continued

				Share units	
	Award date	Vesting date	Issue price (ZAR)	2022 year-end VWAP (ZAR)	2023 year-end VWAP (ZAR)
<b>Clarence Nethengwe<sup>2</sup></b>					
<b>Long-term incentive plan</b>					
2020 Tranche 1	26-Mar-20	26-Mar-23	11.95	10.44	11.92
2020 Tranche 2	26-Mar-20	26-Mar-24	11.95	10.44	11.92
2020 Tranche 3	26-Mar-20	26-Mar-25	11.95	10.44	11.92
2021 Tranche 1 <sup>1</sup>	09-Apr-21	09-Apr-24	13.09	10.44	11.92
2021 Tranche 2 <sup>1</sup>	09-Apr-21	09-Apr-25	13.09	10.44	11.92
2021 Tranche 3 <sup>1</sup>	09-Apr-21	09-Apr-26	13.09	10.44	11.92
2022 Tranche 1	13-Apr-22	13-Apr-25	13.79	10.44	11.92
2022 Tranche 2	13-Apr-22	13-Apr-26	13.79	10.44	11.92
2022 Tranche 3	13-Apr-22	13-Apr-27	13.79	10.44	11.92
<b>Deferred short-term incentive</b>					
2020	26-Mar-20	26-Mar-23	11.95	10.44	11.92
2021 Tranche 2	09-Apr-21	09-Apr-23	13.09	10.44	11.92
2021 Tranche 3	09-Apr-21	09-Apr-24	13.09	10.44	11.92
2022 Tranche 1	13-Apr-22	13-Apr-23	13.79	10.44	11.92
2022 Tranche 2	13-Apr-22	13-Apr-24	13.79	10.44	11.92
2022 Tranche 3	13-Apr-22	13-Apr-25	13.79	10.44	11.92
2023 Tranche 1	31-Mar-23	31-Mar-24	11.90	10.44	11.92
2023 Tranche 2	31-Mar-23	31-Mar-25	11.90	10.44	11.92
2023 Tranche 3	31-Mar-23	31-Mar-26	11.90	10.44	11.92

### Total

<sup>1</sup> The one-off LTIP top-up award made in 2021 has been combined with the annual 2021 LTIP award values as the same performance and vesting conditions linked to the annual 2021 LTIP award apply

<sup>2</sup> Long-term incentive plan estimated closing fair values on 31 December 2023 are shown based on estimated vesting values

Share units					Value (pre-tax)		
Opening balance on 1 Jan 2023 (Number)	Granted during 2023 (Number)	Lapsed during 2023 (Number)	Settled during 2023 (Number)	Closing balance on 31 Dec 2023 (Number)	Value of lapsed awards during 2023 (ZAR)	Value of settled awards during 2023 (ZAR)	Estimated closing fair value on 31 Dec 2023 (ZAR)
110 044	–	110 044	–	–	1 255 602	–	–
110 044	–	110 044	–	–	1 255 602	–	–
110 046	–	110 046	–	–	1 255 625	–	–
237 312	–	–	–	237 312	–	–	933 623
237 312	–	–	–	237 312	–	–	933 623
237 312	–	–	–	237 312	–	–	933 623
143 522	–	–	–	143 522	–	–	920 531
143 522	–	–	–	143 522	–	–	920 531
143 522	–	–	–	143 522	–	–	920 531
113 469	–	–	113 469	–	–	1 294 681	–
18 511	–	–	18 511	–	–	218 615	–
18 510	–	–	–	18 510	–	–	220 670
31 919	–	–	31 919	–	–	359 727	–
31 919	–	–	–	31 919	–	–	380 528
31 920	–	–	–	31 920	–	–	380 540
–	64 635	–	–	64 635	–	–	770 558
–	64 635	–	–	64 635	–	–	770 558
–	64 635	–	–	64 635	–	–	770 558
1 718 884	193 905	330 134	163 899	1 418 756	3 766 829	1 873 023	8 855 874

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## K: Directors' and Prescribed Officers' emoluments continued

Bonus share awards continued

				Share units	
	Award date	Vesting date	Issue price (ZAR)	2022 20-day year-end VWAP (ZAR)	2023 20-day year-end VWAP (ZAR)
<b>Kerrin Land<sup>2</sup></b>					
<b>Long-term incentive plan</b>					
2020 Tranche 1	26-Mar-20	26-Mar-23	11.95	10.44	11.92
2020 Tranche 2	26-Mar-20	26-Mar-24	11.95	10.44	11.92
2020 Tranche 3	26-Mar-20	26-Mar-25	11.95	10.44	11.92
2021 Tranche 1 <sup>1</sup>	09-Apr-21	09-Apr-24	13.09	10.44	11.92
2021 Tranche 2 <sup>1</sup>	09-Apr-21	09-Apr-25	13.09	10.44	11.92
2021 Tranche 3 <sup>1</sup>	09-Apr-21	09-Apr-26	13.09	10.44	11.92
2022 Tranche 1	13-Apr-22	13-Apr-25	13.79	10.44	11.92
2022 Tranche 2	13-Apr-22	13-Apr-26	13.79	10.44	11.92
2022 Tranche 3	13-Apr-22	13-Apr-27	13.79	10.44	11.92
<b>Deferred short-term incentive</b>					
2020	26-Mar-20	26-Mar-23	11.95	10.44	11.92
2021 Tranche 2	09-Apr-21	09-Apr-23	13.09	10.44	11.92
2021 Tranche 3	09-Apr-21	09-Apr-24	13.09	10.44	11.92
2022 Tranche 1	13-Apr-22	13-Apr-23	13.79	10.44	11.92
2022 Tranche 2	13-Apr-22	13-Apr-24	13.79	10.44	11.92
2022 Tranche 3	13-Apr-22	13-Apr-25	13.79	10.44	11.92
2023 Tranche 1	31-Mar-23	31-Mar-24	11.90	10.44	11.92
2023 Tranche 2	31-Mar-23	31-Mar-25	11.90	10.44	11.92
2023 Tranche 3	31-Mar-23	31-Mar-26	11.90	10.44	11.92

### Total

<sup>1</sup> The one-off LTIP top-up award made in 2021 has been combined with the annual 2021 LTIP award values as the same performance and vesting conditions linked to the annual 2021 LTIP award apply

<sup>2</sup> Long-term incentive plan estimated closing fair values on 31 December 2023 are shown based on estimated vesting values

Share units					Value (pre-tax)		
Opening balance on 1 Jan 2023 (Number)	Granted during 2023 (Number)	Lapsed during 2023 (Number)	Settled during 2023 (Number)	Closing balance on 31 Dec 2023 (Number)	Value of lapsed awards during 2023 (ZAR)	Value of settled awards during 2023 (ZAR)	Estimated closing fair value on 31 Dec 2023 (ZAR)
110 044	–	110 044	–	–	1 255 602	–	–
110 044	–	110 044	–	–	1 255 602	–	–
110 046	–	110 046	–	–	1 255 625	–	–
142 388	–	–	–	142 388	–	–	560 177
142 388	–	–	–	142 388	–	–	560 177
142 389	–	–	–	142 389	–	–	560 181
143 522	–	–	–	143 522	–	–	920 531
143 522	–	–	–	143 522	–	–	920 531
143 522	–	–	–	143 522	–	–	920 531
107 847	–	–	107 847	–	–	1 230 534	–
18 511	–	–	18 511	–	–	218 615	–
18 510	–	–	–	18 510	–	–	220 670
32 378	–	–	32 378	–	–	364 900	–
32 379	–	–	–	32 379	–	–	386 012
32 379	–	–	–	32 379	–	–	386 012
–	62 871	–	–	62 871	–	–	749 529
–	62 871	–	–	62 871	–	–	749 529
–	62 872	–	–	62 872	–	–	749 540
1 429 869	188 614	330 134	158 736	1 129 613	3 766 829	1 814 049	7 683 420

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## K: Directors' and Prescribed Officers' emoluments continued

Bonus share awards continued

				Share units	
	Award date	Vesting date	Issue price (ZAR)	2022 year-end VWAP (ZAR)	2023 year-end VWAP (ZAR)
<b>Prabashini Moodley<sup>2</sup></b>					
<b>Long-term incentive plan</b>					
2020 Tranche 1	26-Mar-20	26-Mar-23	11.95	10.44	11.92
2020 Tranche 2	26-Mar-20	26-Mar-24	11.95	10.44	11.92
2020 Tranche 3	26-Mar-20	26-Mar-25	11.95	10.44	11.92
2021 Tranche 1 <sup>1</sup>	09-Apr-21	09-Apr-24	13.09	10.44	11.92
2021 Tranche 2 <sup>1</sup>	09-Apr-21	09-Apr-25	13.09	10.44	11.92
2021 Tranche 3 <sup>1</sup>	09-Apr-21	09-Apr-26	13.09	10.44	11.92
2022 Tranche 1	13-Apr-22	13-Apr-25	13.79	10.44	11.92
2022 Tranche 2	13-Apr-22	13-Apr-26	13.79	10.44	11.92
2022 Tranche 3	13-Apr-22	13-Apr-27	13.79	10.44	11.92
<b>Deferred short-term incentive</b>					
2020	26-Mar-20	26-Mar-23	11.95	10.44	11.92
2021 Tranche 2	09-Apr-21	09-Apr-23	13.09	10.44	11.92
2021 Tranche 3	09-Apr-21	09-Apr-24	13.09	10.44	11.92
2022 Tranche 1	13-Apr-22	13-Apr-23	13.79	10.44	11.92
2022 Tranche 2	13-Apr-22	13-Apr-24	13.79	10.44	11.92
2022 Tranche 3	13-Apr-22	13-Apr-25	13.79	10.44	11.92
2023 Tranche 1	31-Mar-23	31-Mar-24	11.90	10.44	11.92
2023 Tranche 2	31-Mar-23	31-Mar-25	11.90	10.44	11.92
2023 Tranche 3	31-Mar-23	31-Mar-26	11.90	10.44	11.92

### Total

<sup>1</sup> The one-off LTIP top-up award made in 2021 has been combined with the annual 2021 LTIP award values as the same performance and vesting conditions linked to the annual 2021 LTIP award apply

<sup>2</sup> Long-term incentive plan estimated closing fair values on 31 December 2023 are shown based on estimated vesting values

Share units					Value (pre-tax)		
Opening balance on 1 Jan 2023 (Number)	Granted during 2023 (Number)	Lapsed during 2023 (Number)	Settled during 2023 (Number)	Closing balance on 31 Dec 2023 (Number)	Value of lapsed awards during 2023 (ZAR)	Value of settled awards during 2023 (ZAR)	Estimated closing fair value on 31 Dec 2023 (ZAR)
97 818	–	97 818	–	–	1 116 103	–	–
97 818	–	97 818	–	–	1 116 103	–	–
97 819	–	97 819	–	–	1 116 115	–	–
156 273	–	–	–	156 273	–	–	614 803
156 273	–	–	–	156 273	–	–	614 803
156 275	–	–	–	156 275	–	–	614 810
128 414	–	–	–	128 414	–	–	823 631
128 414	–	–	–	128 414	–	–	823 631
128 415	–	–	–	128 415	–	–	823 637
85 102	–	–	85 102	–	–	971 014	–
16 543	–	–	16 543	–	–	195 373	–
16 544	–	–	–	16 544	–	–	197 232
11 300	–	–	11 300	–	–	127 351	–
11 301	–	–	–	11 301	–	–	134 727
11 301	–	–	–	11 301	–	–	134 727
–	55 689	–	–	55 689	–	–	663 907
–	55 690	–	–	55 690	–	–	663 919
–	55 690	–	–	55 690	–	–	663 919
1 299 610	167 069	293 455	112 945	1 060 279	3 348 321	1 293 738	6 773 746

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## K: Directors' and Prescribed Officers' emoluments continued

Bonus share awards continued

				Share units	
	Award date	Vesting date	Issue price (ZAR)	2022 20-day year-end VWAP (ZAR)	2023 20-day year-end VWAP (ZAR)
<b>Zureida Ebrahim<sup>1</sup></b>					
<b>Long-term incentive plan</b>					
2022 Tranche 1	13-Apr-22	13-Apr-25	13.79	10.44	11.92
2022 Tranche 2	13-Apr-22	13-Apr-26	13.79	10.44	11.92
2022 Tranche 3	13-Apr-22	13-Apr-27	13.79	10.44	11.92
<b>Deferred short-term incentive</b>					
2022 Tranche 1	13-Apr-22	13-Apr-23	13.79	10.44	11.92
2022 Tranche 2	13-Apr-22	13-Apr-24	13.79	10.44	11.92
2022 Tranche 3	13-Apr-22	13-Apr-25	13.79	10.44	11.92
2023 Tranche 1	31-Mar-23	31-Mar-24	11.90	10.44	11.92
2023 Tranche 2	31-Mar-23	31-Mar-25	11.90	10.44	11.92
2023 Tranche 3	31-Mar-23	31-Mar-26	11.90	10.44	11.92
<b>Buyout award</b>					
2022 Tranche 1a	13-Apr-22	13-Apr-23	13.79	10.44	11.92
2022 Tranche 2a	13-Apr-22	13-Apr-24	13.79	10.44	11.92
2022 Tranche 1b	13-Apr-22	13-Apr-25	13.79	10.44	11.92
2022 Tranche 2b	13-Apr-22	13-Apr-26	13.79	10.44	11.92
2022 Tranche 3b	13-Apr-22	13-Apr-27	13.79	10.44	11.92
<b>Total</b>					

<sup>1</sup> Long-term incentive plan estimated closing fair values on 31 December 2023 are shown based on estimated vesting values

Share units					Value (pre-tax)		
Opening balance on 1 Jan 2023 (Number)	Granted during 2023 (Number)	Lapsed during 2023 (Number)	Settled during 2023 (Number)	Closing balance on 31 Dec 2023 (Number)	Value of lapsed awards during 2023 (ZAR)	Value of settled awards during 2023 (ZAR)	Estimated closing fair value on 31 Dec 2023 (ZAR)
135 968	–	–	–	135 968	–	–	872 081
135 968	–	–	–	135 968	–	–	872 081
135 969	–	–	–	135 969	–	–	872 087
3 263	–	–	3 263	–	–	36 774	–
3 263	–	–	–	3 263	–	–	38 900
3 264	–	–	–	3 264	–	–	38 912
–	58 913	–	–	58 913	–	–	702 343
–	58 913	–	–	58 913	–	–	702 343
–	58 913	–	–	58 913	–	–	702 343
76 142	–	–	76 142	–	–	858 120	–
76 143	–	–	–	76 143	–	–	907 753
120 860	–	–	–	120 860	–	–	775 180
120 861	–	–	–	120 861	–	–	775 187
120 861	–	–	–	120 861	–	–	775 187
932 562	176 739	–	79 405	1 029 896	–	894 894	8 034 397

# Notes to the consolidated and separate financial statements

For the year ended 31 December 2024

## K: Directors' and Prescribed Officers' emoluments continued Bonus share awards continued

Non-executive Directors	2024	2023
Trevor Manuel (Chairman)	5 716 953	5 406 475
Peter de Beyer (resigned 31 December 2024)	2 775 617	2 066 290
Albert Essien (resigned 31 May 2024)	1 199 792	1 992 948
Olufunke Ighodaro	2 264 971	2 208 363
Itumeleng Kgaboesele	2 082 537	1 928 933
Jaco Langner	1 720 911	1 571 271
John Lister	5 624 722	5 685 633
Dr Sizeka Magwentshu-Rensburg	1 887 104	1 920 451
Thoko Mokgosi-Mwantembe	1 204 555	1 131 963
Busisiwe Silwanyana	1 586 388	86 245
Johann Jurie Strydom	1 657 348	86 245
	<b>27 720 898</b>	24 084 817

The above amounts are show exclusive of VAT.

## L: Biographical information on the directors (unaudited)

### Trevor Manuel (South African) (68)

Trevor is the Independent Chairman of the Board. He served in the South African Government for more than 20 years, including as Minister of Finance and as Minister in the Presidency, responsible for the National Planning Commission.

During his ministerial career, he assumed a number of ex-officio positions at international bodies including the United Nations Commission for Trade and Development, the World Bank, the International Monetary Fund, the G20, the African Development Bank Group and SADC.

### Iain Williamson (South African) (54)

Iain was appointed Chief Executive Officer of the Company in July 2020, after serving as the Interim Chief Executive Officer from May 2019. He joined the Group in 1993 and following various roles across employee benefits and personal finance, he relocated to London in a Corporate Development role at Old Mutual plc. Iain returned to South Africa in 2003, serving in a number of roles across distribution, technology and finance before being promoted to CFO Retail Affluent and then Managing Director of the Retail Affluent segment. He was appointed as Old Mutual Emerging Markets' Finance Director in 2015, as Chief Operating Officer in 2017 and has also previously been the Interim Chief Executive Officer in 2017.

### Casper Troskie (South African) (61\*)

Casper was appointed as Chief Financial Officer of the Group in March 2018. Before joining the Old Mutual, he spent seven years as the Financial Director of the Liberty Group, serving on the Boards of Liberty Holdings, Liberty Group and STANLIB.

Prior to that, he held the position of Chief Financial Officer at the Standard Bank Group, as well as holding leadership positions at Deloitte.

### Peter de Beyer (South Africa) (68\*)

Peter is an Independent Non-executive Director. He worked for the Old Mutual Group from 1978 to 2008, starting his career in actuarial and technical roles, and progressing through executive roles in a variety of business units. After demutualisation and the listing of Old Mutual plc in 1999, Peter was appointed deputy Managing Director of Old Mutual South Africa, responsible for the retail businesses, and at his retirement in 2008, was Managing Director (customer solutions for Old Mutual South Africa). He has subsequently served as an Independent Non-executive Director of a number of Old Mutual subsidiaries in Africa, including the Old Mutual Emerging Markets Board from 2012. He has also served as Independent Chairperson of OMLACSA.

### Albert Essien (Ghanaian) (69\*)

Albert is an Independent Non-executive Director. He started his banking career with the National Investment Bank Limited in Accra, and subsequently joined the corporate banking department of Ecobank Ghana. He previously served as the Group Chief Executive Officer of Ecobank and led Ecobank's expansion into Burundi, Kenya, Malawi, Rwanda, South Africa, Tanzania, Uganda and Zambia. Albert also led Ecobank's negotiations in the formation of the Ecobank-Nedbank alliance.

### **Olufunke Ighodaro (Nigerian and British) (61)**

Olufunke is an Independent Non-executive Director. She is a Non-executive Director of Telkom SOC Limited, and Sabvest Capital Limited.

Olufunke has over 22 years' experience operating at executive Board level, having previously served as Chief Financial Officer of JSE listed companies namely Tiger Brands Limited, Primedia Limited and as Executive Director and Chief Financial Officer designate of Barloworld Limited. She was an Executive Director of EMTS Limited (trading as 9mobile), Nigeria's fourth largest telco and founded and led the private equity business of the Kagiso Trust Investment Group.

### **Itumeleng Kgaboesele (South African) (53\*)**

Itumeleng is an Independent Non-executive Director. He has over 20 years of financial services experience, having held executive positions with Hambros Bank Limited, Deutsche Bank AG London and Merrill Lynch.

### **Jaco Langner (South African) (51\*)**

Jaco is an Independent Non-executive Director. He is an actuary with more than 25 years financial services, management and insurance expertise and former managing Director of Alexander Forbes Life. Jaco has extensive experience in establishing new business lines and turn around strategies and co-founded the insurtech company Surion Proprietary Limited in 2018.

### **John Lister (British) (66\*)**

John is an Independent Non-executive Director. He has over three decades of experience in the insurance sector and is a finance and risk specialist. He is the former Chief Risk Officer of AVIVA plc and Chief Financial Officer and Chief Actuary of its UK life and savings business. He was the former chairman of the Risk committee of Delta Lloyd Limited, Netherlands, prior to its sale to the NN Group. He has significant experience and knowledge across a number of areas including capital management, risk management and regulatory engagement.

### **Sizeka Magwentshu Rensburg (South African) (65)**

Sizeka is an Independent Non-executive Director. She has extensive experience spanning over 25 years in Small, Medium and Micro Enterprise (SMME) development space in South Africa and Southern Africa. She currently serves on the Board of the Industrial Development Corporation. She served on various Boards of state-owned enterprises and was a member of the South African Ministerial Advisory committee on SMME Development (Ministry of Economic Development).

### **Thoko Mokgosi Mwantembe (South African) (63\*)**

Thoko is a Non-executive Director. Her career spans numerous sectors, including pharmaceuticals companies such as Logos Pharmaceutical and Glaxo Wellcome. She is the former Chief Executive Officer of Alcatel South Africa Proprietary Limited, Hewlett Packard South Africa Proprietary Limited and former Non-executive Director of Vodacom Group Limited.

### **Busisiwe Silwanyana (South African) (51\*)**

Busisiwe is an Independent Non-executive Director. She is also an Independent Non-executive Director at Stefanutti Stocks Limited and is the Chairperson of the Social and Ethics committee and is a member of the Audit and Risk committees. She is also an Independent Non-executive Director of YeboYethu (RF) Limited and YeboYethu Investment (RF) Limited and is the Chairperson of the Audit and Risk committee.

### **Jurie Strydom (South African) (49\*)**

Jurie is an Independent Non-executive Director. He is a fintech entrepreneur and investor and is the Chairman and Majority shareholder of FSPHub. He is also the Chairman of the Common Good Foundation.

After graduating Jurie spent a few years at Sanlam, working initially as an investment actuary before becoming a General Manager. After a brief stint as Chief Executive at Alexander Forbes Life, Jurie took up the positions of Chief Executive of Regent Insurance Group and Executive Director of Imperial Holdings. In 2016 he returned to Sanlam where he served as Chief Executive: Life and Savings (previously Sanlam Personal Finance) until June 2022.

\* Age as at 31 December 2024

# Administration

**Registered name:**  
**Country of incorporation:**  
**Registration number:**

Old Mutual Life Assurance Company (South Africa) Limited  
South Africa  
1999/004643/06

## Registered office

Mutualpark  
Jan Smuts Drive  
Pinelands  
Cape Town  
7405  
South Africa  
Telephone: +27 (0)21 509 9111

## Postal address

PO Box 66  
Cape Town  
8000  
South Africa

## Group Company Secretary

## Group Company Secretary

Elsabé Kirsten

## Directors

### Independent Non-executive

Trevor Manuel (Chairman)  
Peter de Beyer (resigned 31 December 2024)  
Albert Essien (resigned 31 May 2024)  
Olufunke Ighodaro  
Itumeleng Kgaboesele  
Jaco Langer  
John Lister  
Dr Sizeka Magwentshu-Rensburg  
Busisiwe Silwanyana  
Jurie Strydom

### Non-executive

Thoko Mokgosi-Mwantembe

### Executive

Iain Williamson (Chief Executive Officer)  
Casper Troskie (Chief Financial Officer)

### Public Officer

Nazrien Kader

### Debt Officer

Martin van der Walt





[www.oldmutual.com](http://www.oldmutual.com)