



Introducing Santam 1918 – A Lloyd's Syndicate

Santam International Diversification Play

Group CEO Tavaziva Madzinga and Group CFO Wikus Olivier
23 July 2025

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

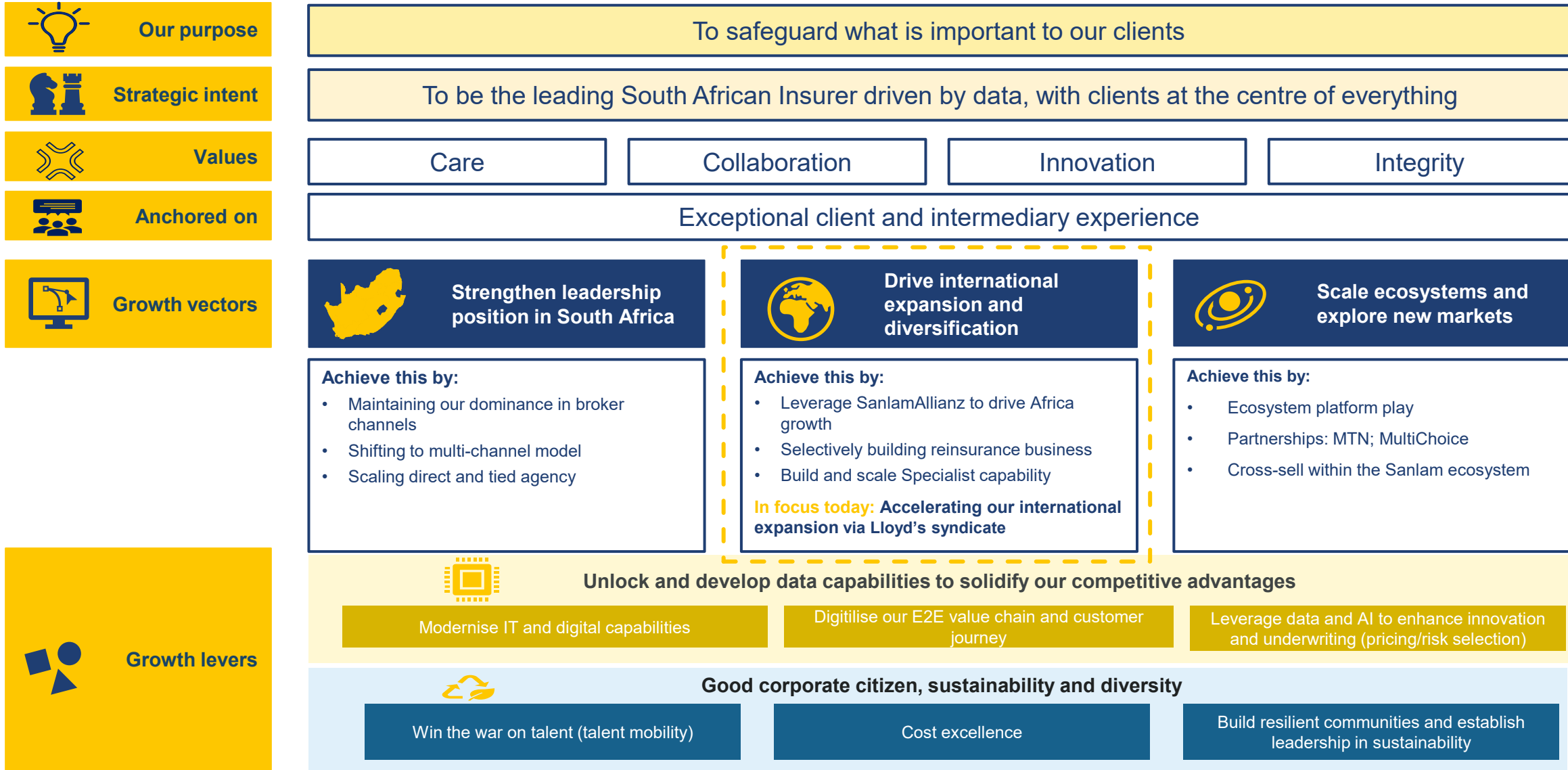


Agenda

- 2030 FutureFit Strategy
- Lloyd's at a glance
- Transforming the Santam Investment case
- Q&A



Santam's FutureFit strategy is anchored around three key strategic growth vectors, with the ambition to increase international contribution to >20% by 2030



Santam is a leading general insurer with a track record of consistent value creation with clear 2030 targets

1

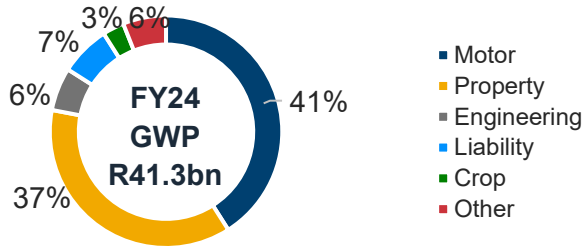
- Consistently achieved real GWP growth in line with our target of exceeding SA GDP + CPI growth
- Maintained a market share of more than 22% over the last 10 years
- Insures over 3.8 million policyholders and more than 80 of the top 100 companies listed on the JSE
- Relationship with SanlamAllianz has provided growth opportunities in specialist lines across Africa
- Uniquely diversified group (best-in-class products, geography and multi-channel distribution)
- Economic capital coverage ratio of 166%¹ is slightly above our long-term target range of 145% to 165%
- Settled claims of R28.6 billion in 2024¹, supporting financial resilience

2[#]

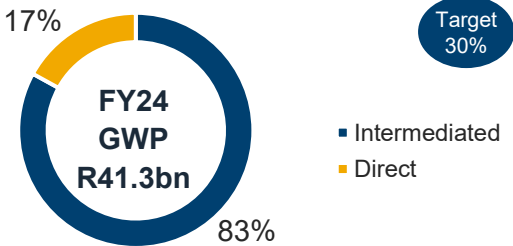
- Average net underwriting margin, within target range
7% Target 5 - 10%
- Average return on capital
24% Hurdle rate 24%
- Net earned premium average growth per annum
7% Target GDP+CPI+1-2%
- Ordinary dividend per share compounded annual growth
7% Target In line with NEP
- Total cumulative special dividends paid
R33.80 per share
- Alternative Risk Transfer earnings compounded annual growth rate
30%

3

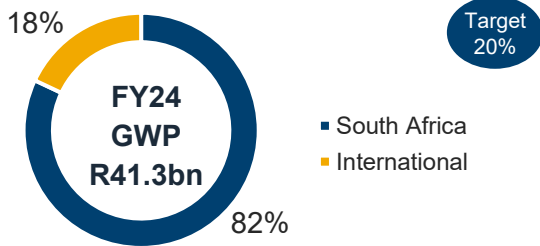
Conventional GWP per insurance class (2024)



Channel diversification (2024)



Geographic diversification of total GWP (2024)



Notes
1 = As at 31 December 2024
= Calculated over the 7-year period to 2024



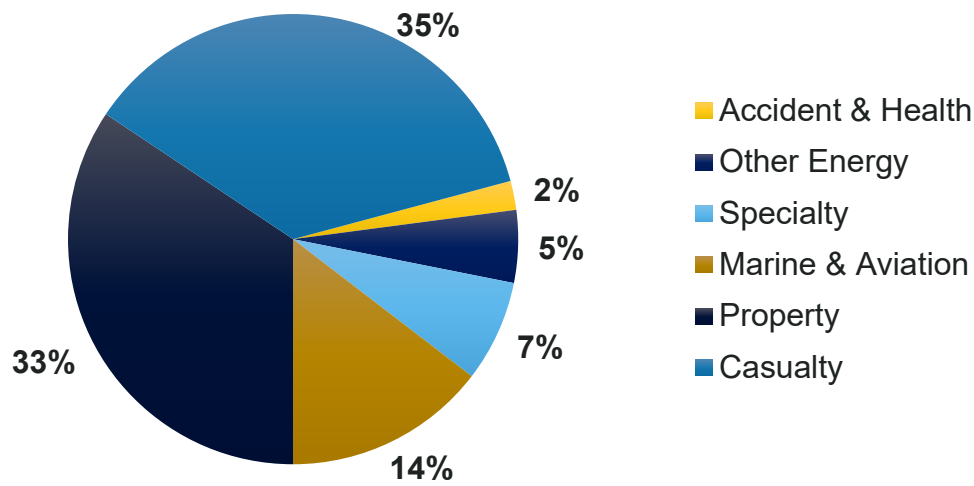
Lloyd's at a glance

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

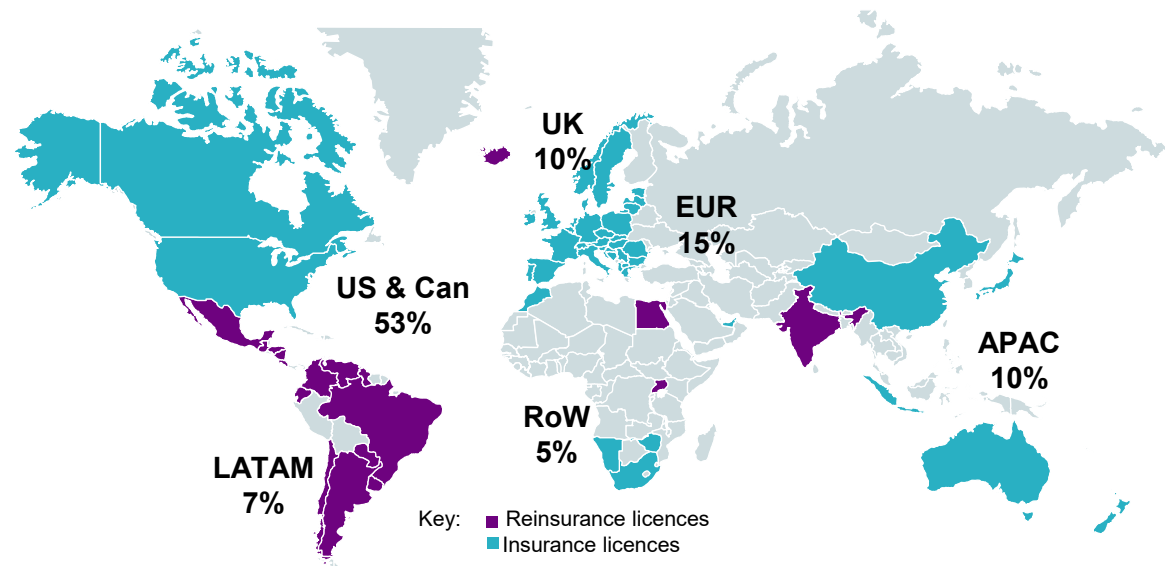


The London market plays a significant role in the global property and casualty market, representing c.8% of global commercial premiums and provides access to over 200 territories

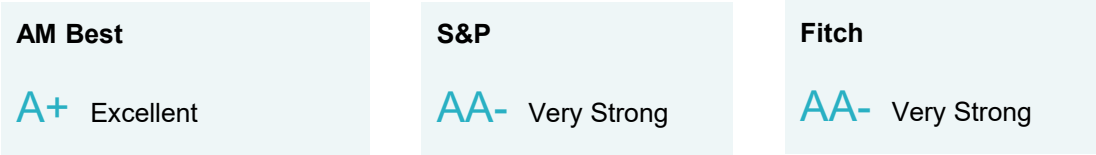
Lloyd's diverse lines of business



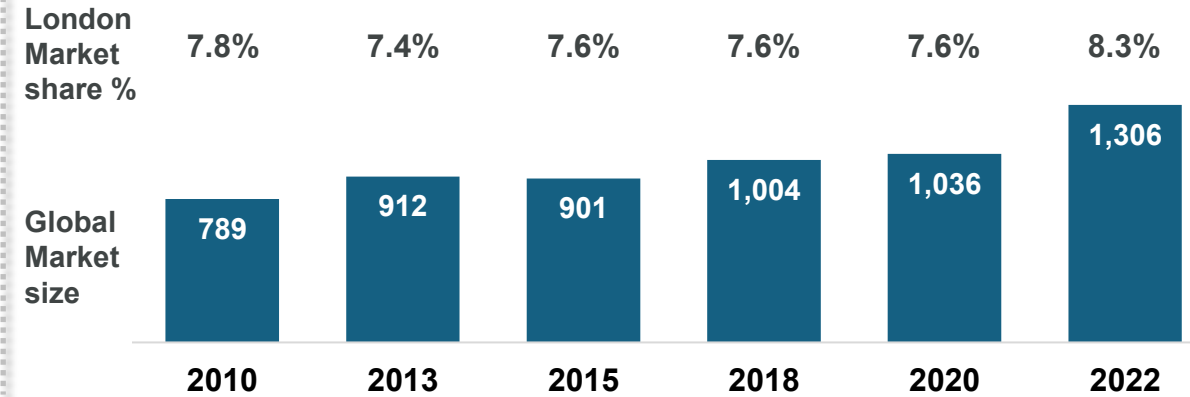
Lloyd's Premium by region



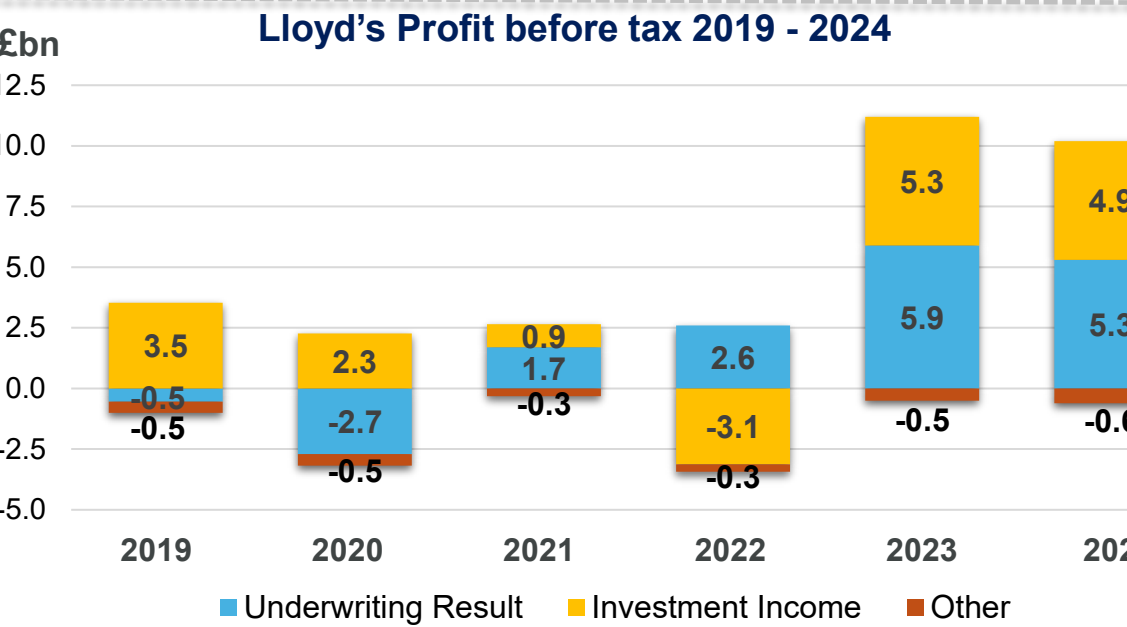
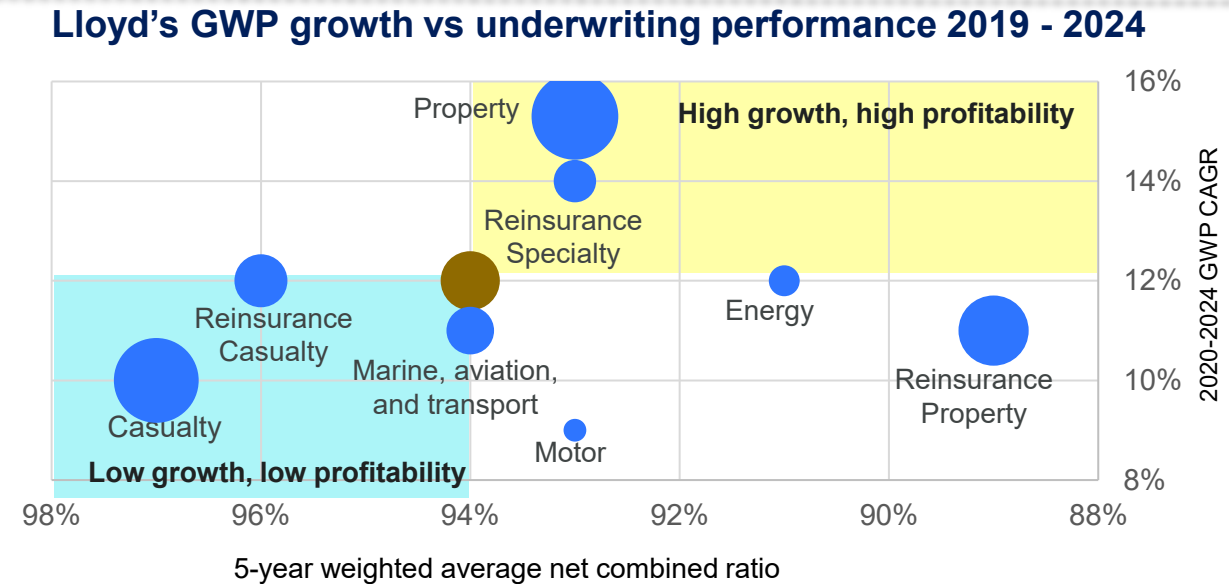
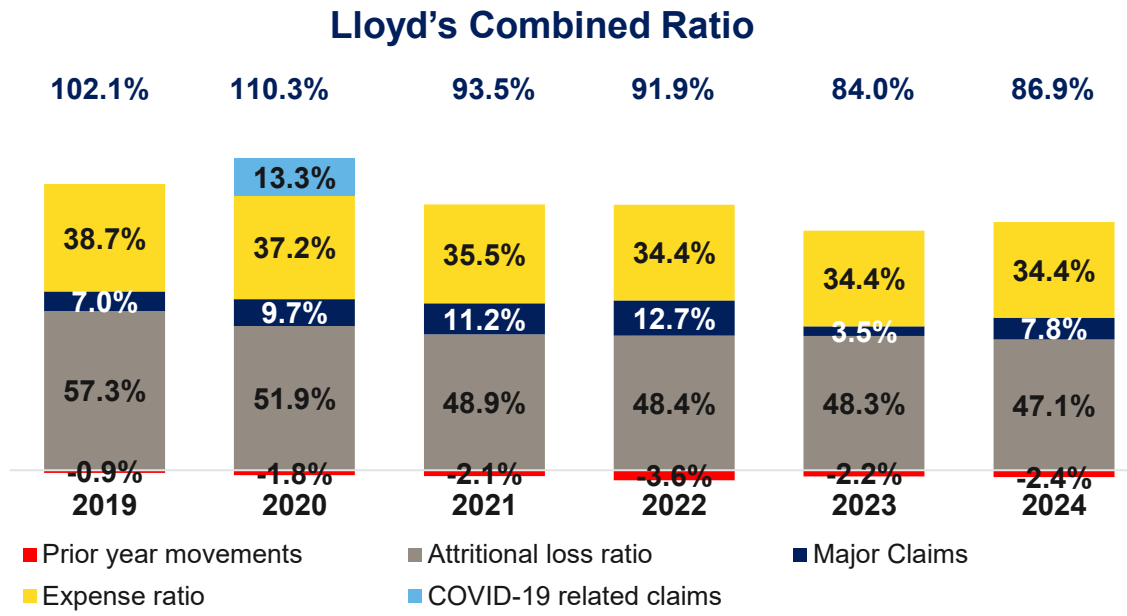
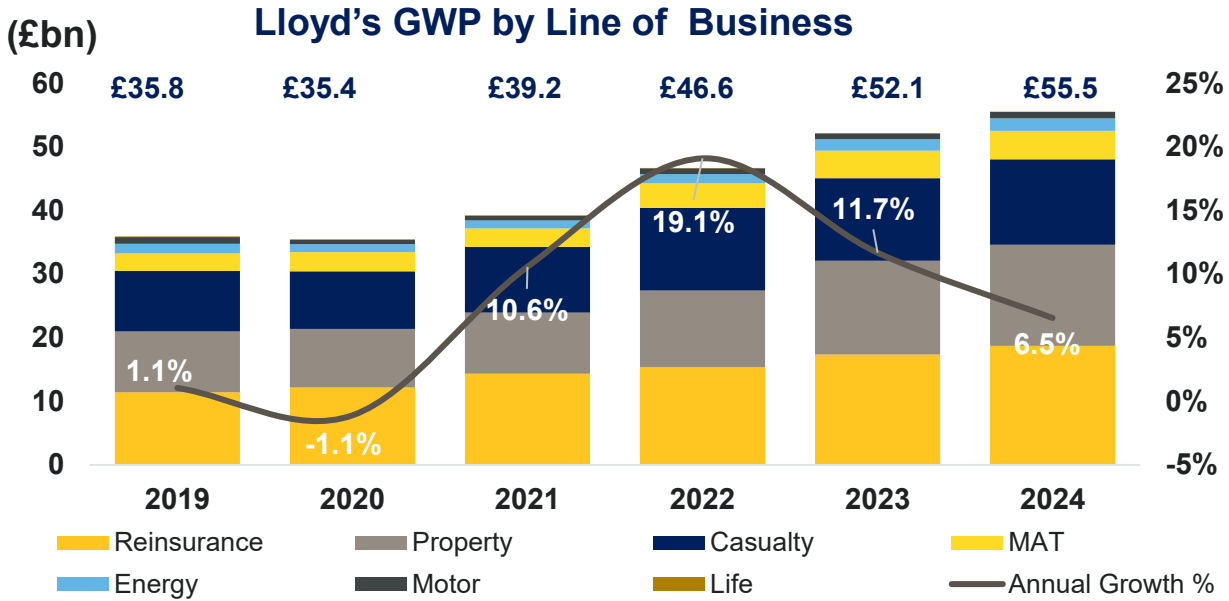
Lloyd's has a superior rating



Size of the global commercial insurance market, \$bn, 2022



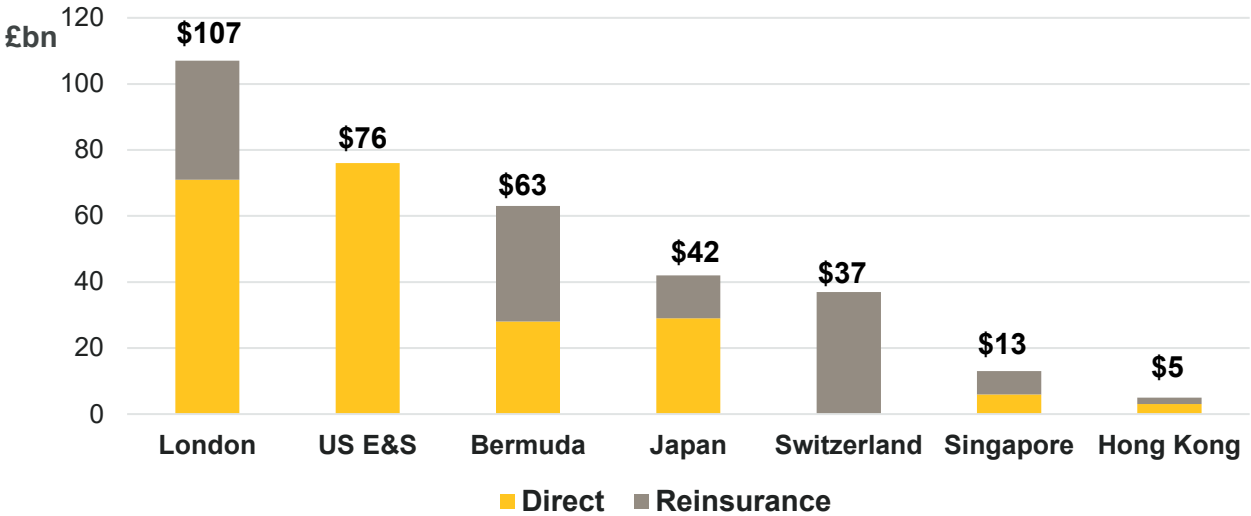
Lloyd's has delivered a strong performance underpinned by underwriting discipline and increased capacity



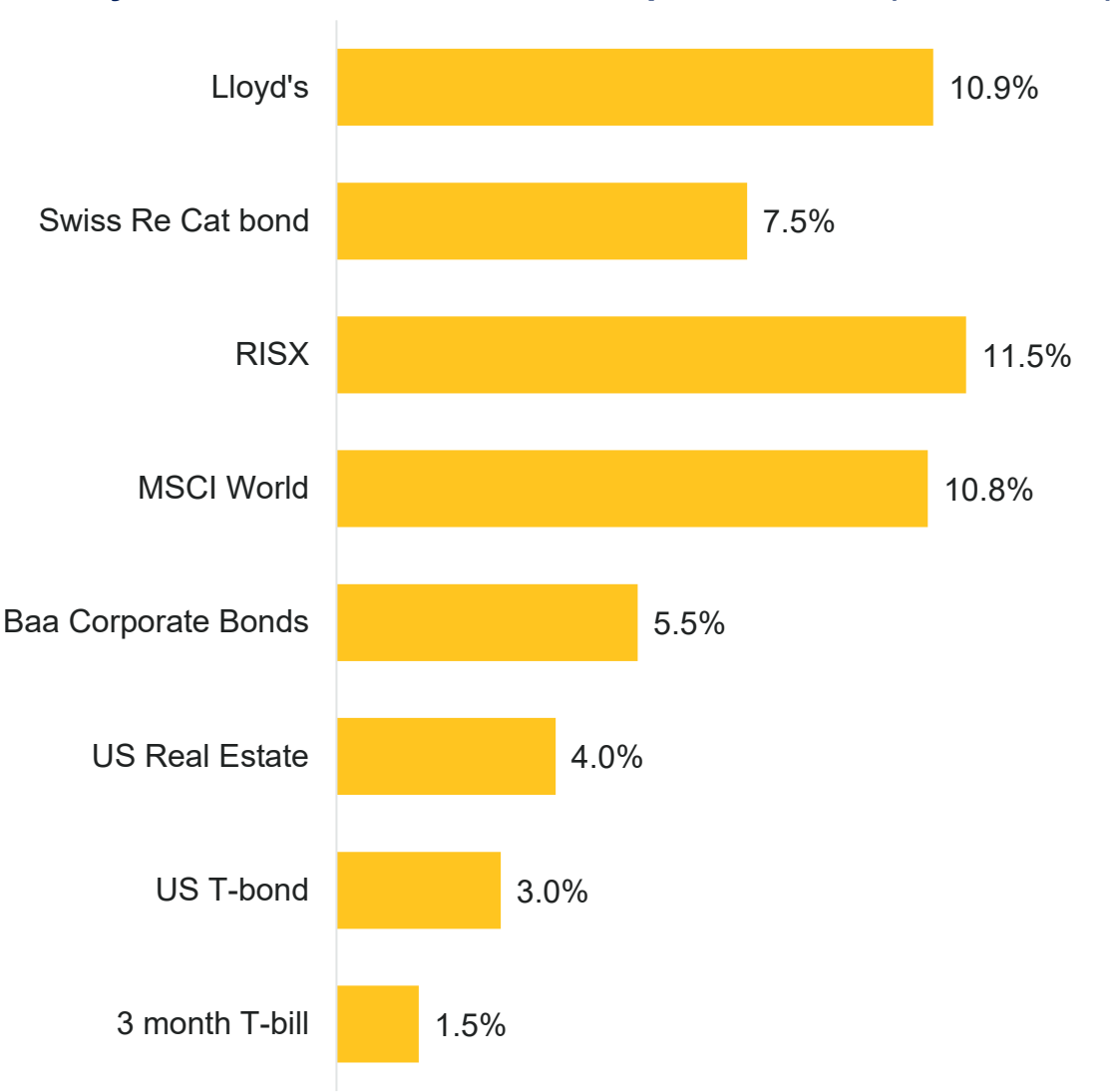
Source: Lloyd's Annual Report 2024, ICMR Analysis, Howden Re – Lloyd's of London Syndicate Performance Analysis 2024

Lloyd's is a proven value creation market for investors, compared with other traditional assets and markets

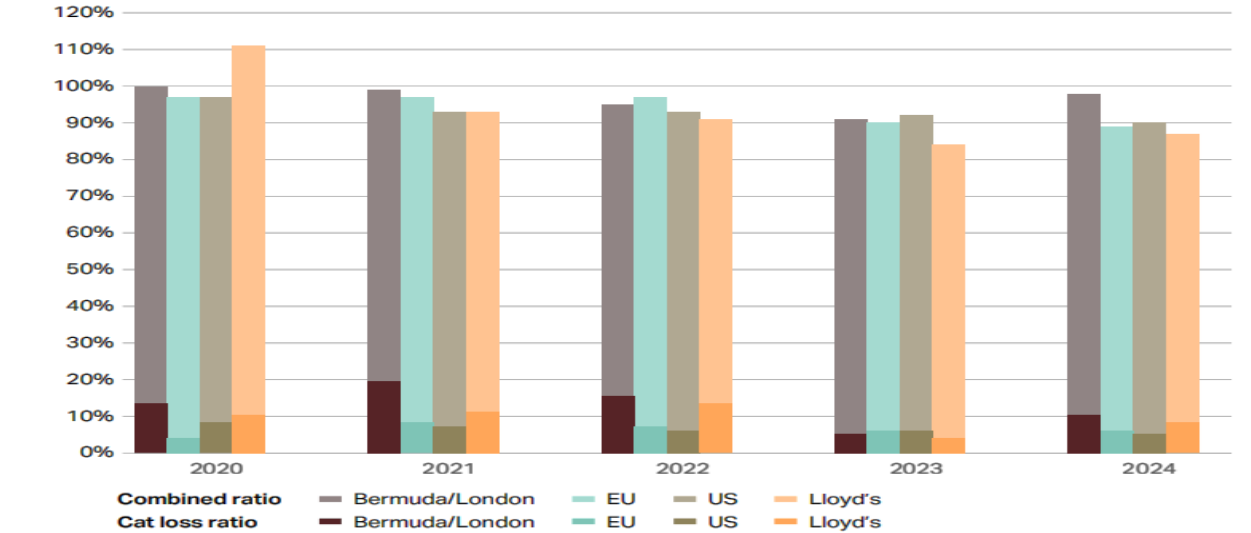
Global hubs by gross written premiums, \$bn 2022



Lloyd's annual return vs. other capital markets (2005 – 2024)



Combined ratio: Lloyd's vs. other markets (2020 – 2024)



Note: RISX is an equity benchmark for the global specialty (re)insurance sector based on publicly listed companies with underwriting subsidiaries at Lloyd's.



Growing our specialist capability through Lloyd's and transforming the Santam investment case

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



The Santam 1918 syndicate will accelerate our international diversification goals and significantly enhance the Group’s specialist capability whilst benefiting from scale and a superior credit rating



Lloyd’s opportunity

- International ambition** | Contribution to GWP >20%
- **Accelerates the execution of our international ambition.**
 - **Access to global specialty and reinsurance markets** and a scalable way to access new markets.
 - **Access to licenses to trade in 77 insurance and 200 reinsurance markets across the globe**, as well as international specialist underwriting expertise in the London market.
 - **Leverage our successful specialist capability in South Africa**, as well as our **strong partnership with SanlamAllianz** in the Rest of Africa.



Benefits from Lloyd’s

- Largest insurance marketplace in the world, with the superior Lloyd’s brand.
- Syndicates benefit from Lloyds’ strong credit ratings with A.M. Best, S&P and Fitch and capital efficient structure.
- Mutually beneficial partnerships with Lloyd’s, market participants and extensive distribution network.
- Strong governance oversight principles; capital-efficient modular structures.



Expected impact

Whilst initially dilutive due to the delayed recognition of premium written, the syndicate will be accretive over the medium to long term.	
Increase the share of international business to GWP in 2030	>20% Current 18%
Expected syndicate underwriting margin by 2030	>10%
Return on Capital of syndicate in hard currency returns for 2030	>24% Current hurdle rate

The syndicate will leverage our successful specialist capability to provide scale from day 1, with a planned Gross Written Premium of approximately £300 - 400 million for 2026

Portfolio mix

- Existing specialist business to be reinsured to the syndicate.
- Delivers **immediate scale** in the syndicate.
- **Synergistic growth opportunity for Lloyd's** in the African market.
- **Portfolio mix of 60/40 in 2026**, gravitating towards more incremental international over the long term.
- **The new London-based business to support the international strategy.**
- Will grow in specialist lines of business that we understand.
- **Access to new geographies / markets.**

Funding framework

- Our strong capital position enables Santam to explore growth opportunities.
- Syndicate to be funded through surplus capital and additional debt.
- We intend to issue **an additional R1 billion in subordinated debt** during 2025 to maintain **South African regulatory capital ratios and manage the impact on Group capital.**
- Santam is expected to remain within the capital coverage ratio range of 145% - 165%.
- Ordinary dividend expectations remain unchanged.

We will drive the execution through a London-based team, supported by strong governance

Highly-skilled, experienced leadership team

- ❖ Appointing a strong London-based leadership team
- ❖ Focus on strong underwriting and distribution experience

Aligned and supported by Santam Specialist Solutions

- ❖ Will leverage **market-leading specialist capability**
- ❖ Grow in lines of business we understand
- ❖ Supported by **existing shared services and enabling capabilities**

Embedding the right culture

- ❖ Embed Santam's inclusive culture
- ❖ Diverse hiring, **knowledge sharing** and secondments to foster Lloyd's expertise across our general insurance business
- ❖ Offering development opportunities and learning experiences in the London market

Underpinned by robust governance

World-class Lloyd's governance framework

Partnered with **Asta**, the **leading Managing Agent turnkey provider**

Strengthening the Santam Board, **with international experience and the Lloyd's market**

Adherence to Santam's Group Governance Policy, with dedicated 2nd line oversight through **Syndicate-specific Risk & Governance subsidiary**

In conclusion, the Lloyd's syndicate will accelerate our international strategy and transform Santam's investment case

- ✓ The syndicate will enhance Santam's growth potential and accelerate international growth in line with our 2030 FutureFit strategy.
- ✓ We are growing in lines of business that we understand and have a leading position in SA – low risk expansion.
- ✓ These lines of business will deliver margins in excess of our target range, with a short path to profitability.
- ✓ Access to the best skills available in the market.
- ✓ The syndicate is accretive to Santam and will achieve targets for key metrics in hard currency.



Q&A

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