



2020

REMUNERATION REPORT

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PART 1: REPORT FROM THE HUMAN RESOURCES AND REMUNERATION COMMITTEE CHAIR



The COVID-19 pandemic indelibly affected the world, our country and the Santam business. The outflow of this impact on the insurance industry, in particular the contingent business interruption claims, has severely muted our financial results and set new legal precedents for the industry. The economic outlook for 2021 and beyond remains uncertain, which provides us with a fresh perspective and challenges us to adapt our remuneration policies and practices to continue to sustainably motivate and retain our key talent while ensuring alignment to our shareholder interests.

As a purpose-driven and people-led organisation, 2020 provided us with the opportunity to showcase our agility. During the initial hard lockdown, close to 90% of our employees were enabled to work remotely and for those who were unable to perform their duties remotely we assured financial stability through various leave arrangements. When regulations were adjusted and those who were unable to work from home could return to office, we ensured and continue to ensure that the highest level of safety protocols are maintained. Our wellbeing and lifestyle programmes were pivoted to provide safe and seamless access to physical, financial, emotional and professional wellness support initiatives.

In the face of continued uncertainty, we will continue to make prudent remuneration decisions to assure the livelihood of our employees and the sustainability of the Santam business.

HOW WE ENGAGE WITH SHAREHOLDERS

At the 2020 annual general meeting (AGM) (relating to the 2019 financial year) our remuneration policy received a positive vote of **97.41%**, while our implementation report received a positive vote of **97.52%**.

See a summary below of shareholder voting outcomes over the past three years.

	For	Against
AGM in respect of 2019 remuneration policy	97.41%	2.59%
AGM in respect of 2019 implementation report	97.52%	2.48%
AGM in respect of 2018 remuneration policy	91.24%	8.76%
AGM in respect of 2018 implementation report	87.64%	12.36%
AGM in respect of 2017 remuneration policy	89.80%	10.20%
AGM in respect of 2017 implementation report	86.84%	13.16%

The human resources and remuneration committee (HRRC) welcomes ongoing engagement with shareholders and encourages shareholders to share their ideas with the company.

Once shareholders have had time to study the remuneration report, we welcome feedback, preferably in writing. The company will respond to queries and input from shareholders in writing and will hold engagement sessions if required.

If shareholders would, at any other time during the year, like to make suggestions or provide input to the HRCC, such feedback will be appreciated and will be handled in the same manner as set out above.

During 2020, we engaged with shareholders/investors and proxy voting advisors. In these consultations we solicited feedback and discussion on the Santam remuneration policy, the implementation thereof and the disclosure of both aspects.

Below is a summary of the feedback/key areas discussed and Santam's proposed actions aligned to market best practice:

Concerns raised/feedback from shareholders or proxy voting advisors	Feedback/proposed actions from Santam
The financial targets for vesting of DSP shares should be disclosed.	The financial targets for the DSPs are similar to the financial targets for the short-term incentive (STI) – which are disclosed in the remuneration report on page 9. These financial and strategic performance conditions per executive director are tested over a rolling five-year period for DSP vesting. Outcomes of testing of DSP vesting conditions for executive directors are disclosed on page 14 of the implementation report.
The benchmark group and subsequent constituents used in determining the executive directors' base pay should be disclosed.	This is not disclosed as we use executive salary surveys from Mercer and Willis Towers Watson based on a number of data points (of companies of similar size and industry) to ensure that the market data is robust. Therefore an extensive number of companies' data is included in the benchmarking.

We received positive feedback from shareholders and proxy voting advisors on the consultations, actions and increased disclosure. This is an ongoing process and we are committed to open and continuous engagement in this regard.

For the 2021 AGM the remuneration policy and the implementation report of the remuneration report will be tabled separately for non-binding advisory votes by shareholders. In the event that either or both the policy or implementation report are voted against by 25% or more of the voting rights exercised, the ongoing engagement process as outlined herein will be followed.

REMUNERATION GOVERNANCE

The Santam Ltd board (board) is responsible for the governance of remuneration in the Santam group. The HRRC is mandated by the board to ensure that the company remunerates fairly, responsibly and transparently to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term. Santam's remuneration philosophy and policy support the group's strategy by incentivising the behaviour required to meet and exceed our predetermined strategic goals. Short and long-term strategic objectives are measured and rewarded, and this blended approach strongly mitigates excessive risk-taking and balances longer-term strategic objectives with short-term operational performance. The remuneration philosophy is therefore also an integral part of the group's risk management structure. In setting up the reward structures, we take cognisance of prevailing economic conditions, as well as local and international governance principles.

The group pays attention to correctly positioning the nature and the scale of remuneration relative to appropriate comparator groups and international best practice. Those include the Prudential Standards (Governance and Operational Standards for Insurers, issued in terms of the Insurance Act, 18 of 2017) and the King IV Report on Corporate Governance™ for South Africa, 2016 (King IV)¹. The group conforms to the remuneration principles contained in the broad-based black economic empowerment (BBBEE) Codes of Good Practice, issued by the Department of Trade, Industry and Competition in accordance with the BBBEE Amendment Act 46 of 2013.

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

HUMAN RESOURCES AND REMUNERATION COMMITTEE AND KEY MATTERS CONSIDERED

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

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

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

Read more about the HRRC's terms of reference online and about the composition and summarised terms of reference for the HRRC in the corporate governance report.

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DURING 2020, THE HRRC CONSIDERED THE FOLLOWING MATTERS AND APPROVED (WHERE RELEVANT):

- Changes to the remuneration approach based on feedback received from shareholders, investors and proxy voting advisor engagements
- Benchmarking remuneration levels and practices to local comparator groups
- Monitoring and approving STIs and LTIs, as appropriate
- Benchmarking Santam executive directors' and Santam executive committee members' remuneration against a suitable market
- Benchmarking Santam non-executive directors' remuneration against a suitable market and recommending fee proposals to be considered by shareholders at the 2020 AGM
- Review of Santam's remuneration policy and practices in South Africa against prudential standards, King IV, applicable governance principles and market best practice
- Remuneration design for heads of control and persons whose actions may have a material impact on the company's risk exposure
- The remuneration review/annual increases and STI and LTI awards of the Santam executive committee
- STI measures achieved for accrual of bonus pool/s and achievement of performance conditions for the vesting of LTIs
- Findings and analysis on gender pay equity across all levels in the group and appropriate actions in this regard
- Considering measures to support existing strategies to correct the underrepresentation of black people at all levels of the company
- Review of market benchmarking on LTI scheme design and changes to the remuneration policy regarding the design of performance conditions for LTI awards

FUTURE AREAS OF FOCUS

During 2021 the HRRC will continue to focus on a holistic review of variable remuneration design for executive committee members, including cash bonuses, deferral mechanisms and types and levels of performance conditions of LTI awards. A review of executives' MSR against market best practice will be a key focus to ensure appropriate investment levels and aid risk alignment for remuneration. Looking ahead, we will continue to build strong, ethical leadership to lead Santam's people and embed the Santam Way values. We will continue to strive for an employee-led human resources offering and build a personalised reward and recognition offering to create a compelling employee proposition. We will use technology to develop employee experiences that enhance employee engagement and are aligned with the workforce of the future.

I am pleased to present the remuneration policy and implementation report as set out in this remuneration report and trust it will be met with your voting support at the upcoming AGM to be held on 2 June 2021.

The HRRC is committed to ongoing consultations with shareholders and welcomes feedback and input from stakeholders throughout the year.

MLD Marole

Chair: human resources and remuneration committee

PART 2: OVERVIEW OF REMUNERATION POLICY



REMUNERATION PHILOSOPHY

The board recognises that appropriate remuneration for executive directors, members of the Santam executive committee and other employees is inextricably linked to the attraction, development and retention of top-level talent and intellectual capital within the group. Santam's operating environment is characterised by a tough economic climate, changing regulatory requirements and ongoing skills shortages. Therefore, it is essential that adequate measures are in place to attract and retain the required skills. In order to meet the strategic objectives of a high-performance company, the remuneration philosophy is positioned to reward exceptional performance and to maintain that performance over time.

The primary objectives of the policy are to:

- Attract, motivate, reward and retain key talent
- Promote the company's strategic objectives, within its risk appetite
- Promote positive outcomes across the capitals which the group uses or affects
- Promote an ethical culture and behaviour that are consistent with our values and which encourage responsible corporate citizenship

Santam's remuneration philosophy aims to:

- Inform stakeholders of Santam's approach to rewarding its employees
- Identify those aspects of the reward philosophy that are prescribed and to which all businesses should adhere
- Provide a general framework for all the other elements of the reward philosophy
- Offer guidelines for STI and LTI and retention processes
- Offer general guidelines about how the businesses should apply discretion in their own internal remuneration allocation and distribution

The board recognises certain industry-specific and other relevant differences between group businesses and, where appropriate, allows the businesses relative autonomy in positioning themselves to attract, retain and reward their employees appropriately within an overarching framework. In this regard, there are some areas where the dictates of good corporate governance, the protection of shareholders' interests and those of the Santam brand or corporate identity require full disclosure, motivation and approval by subsidiaries' human resources committees, either at group or business level.

The principle of management discretion, with regard to individual employees, is central to the remuneration philosophy on the basis that all rewards are based on merit. However, the overarching principles and design of the remuneration structure are consistent, to support a common philosophy and to ensure good corporate governance, with differentiation where appropriate. Santam remuneration philosophy implies that the businesses are mandated to apply their own discretion, given the role that their own remuneration or human resources committees will play in ensuring good governance. The group continues to apply a total reward strategy for its employees, as far as practicable. This offering comprises remuneration (which includes cash remuneration, STIs and LTIs), benefits (retirement funds, group life, etc), learning and development, an attractive working environment and a range of lifestyle benefits.

DESIGN PRINCIPLES

In applying the remuneration philosophy and implementing the total reward strategy, a number of principles are followed:

- **Pay for performance:** Performance is a key guiding principle of the remuneration philosophy and as such all remuneration practices are designed to create clear differentiation between individuals with regard to performance. Remuneration practices are also designed to create a clear alignment between performance hurdles and the achievement of the group strategy.
- **Competitiveness:** A key objective of the remuneration philosophy is that remuneration package levels should enable the group and its businesses to attract and retain highly talented employees in order to ensure the group's performance, growth and sustainability.
- **Leverage and alignment:** The reward impact for individual employees is, as far as possible, aligned with and influenced by:
 - The interests of Santam shareholders (and, where applicable, minority shareholders in group subsidiaries)
 - The interests of other stakeholders (for example employment equity and client experience)
 - The performance of the group as a whole
 - The performance of any region, business unit or support function
 - The employee's own performance contribution
- **Consistency and fairness:** The reward philosophy strives to be consistent and transparent. Where there is differentiation between employees performing similar work, the differentiation is fair, rational and explainable. Differentiation in terms of market comparison for specific skills groups or roles is necessary and differentiation concerning performance is imperative. Unfair differentiation is unacceptable.

- **Attraction and retention:** Remuneration practices are recognised as a key instrument in attracting and retaining the required talent to meet the group's objectives and ensure its sustainability over the long term.
- **Shared participation in relevant components of remuneration:** Employee identification with the success of Santam is important owing to its direct link to Santam's and individuals' performance. All employees should be recognised and rewarded for their contribution and the value they add to Santam, and, in particular, for achieving excellent performance and results, in relation to Santam's stated strategic objectives. The performance management process contributes significantly towards obtaining this level of participation and towards lending structure to the process.
- **Best practice:** Reward packages and practices reflect local and international best practice, where appropriate and practical.
- **Communication and transparency:** The remuneration philosophy, policy and practices, as well as the processes to determine individual pay levels, are transparent and communicated to all employees. In this process, the link between remuneration and the group's strategic objectives is clarified to all employees.
- **Market information:** Accurate and up-to-date market information, information on best practice and trend information from reputable sources are crucial in determining the quantum of remuneration packages.
- **Malus and clawback:** Where defined trigger events take place provision is made for redress against remuneration through either malus (pre-vesting forfeiture) or clawback (post-vesting forfeiture). Malus and clawback provisions and the application thereof to trigger events are governed by the Santam group Malus and Clawback Policy, which relates to this group remuneration policy and these provisions have been incorporated in relevant remuneration governance documents/rules.

For the group to remain competitive, remuneration policies and practices are evaluated regularly against local and international remuneration trends and governance frameworks, most notably King IV and the Prudential Standards.

EXECUTIVE CONTRACTS

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

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

REMUNERATION OVERVIEW

Structure

The different components of remuneration applied for all group employees are summarised in the table below.

A detailed description of each component follows in the next section.

Where applicable, the quantum of the different components of the package is determined as follows:

- The guaranteed component is market-related and based on the individual's performance, competence and potential
- The STI component of remuneration is based on individual and business performance during the performance measurement period (January to December)
- The LTI allocations are based on the individual's performance, potential and strategic contribution to the group and/or business, and on market benchmarks for the employee's role

Element	Purpose	Performance period and measures	Operation and delivery
Total guaranteed package	Core element that reflects market value of role and individual performance.	Reviewed annually based on performance against contracted output and market surveys. Benchmarked against comparator group and positioned on average on the 50th percentile of the insurance market.	TGP is delivered to the employee as a cash salary and a mix of compulsory and discretionary benefits.
STIs (performance bonus)	Creates a high-performance culture through a cash bonus in relation to performance against predetermined outputs.	Annual, based on short-term performance with the aim to remunerate outstanding performance in excess of market average.	This is based on different levels and predetermined performance hurdles for business and personal targets. Cash settlement is capped at a maximum of 160% of total guaranteed package.
LTIs (share-based awards)	Alignment with shareholder interests.	Annual grants vesting over five years.	Vesting is based upon reaching individual/strategic performance targets and meeting relevant company performance hurdles where relevant.

Effects of COVID-19 and application to remuneration components

The COVID-19 landscape and the material impact it had on business performance informed decisions taken on remuneration policy for guaranteed pay, bonuses and LTIs as follows:

- **Guaranteed pay:** In April 2020 we continued with salary increases for employees; however for 2021 pay increases will generally be frozen for senior and executive employees, with inflationary and performance-based increases for junior employees.
- **Bonuses:** The minimum annual business bonus targets were not achieved; however, the HRRC approved a modest discretionary pool to reward exceptional performance and retain key and critical talent.
It should be noted that the group executive members received no bonuses irrespective of individual performance.
- **LTIs:** Performance conditions for the 2020 award are outlined on page 9 and 10 of this report. Santam has absolute financial conditions for LTIs since relative measures are not deemed appropriate due to the limited number of direct competitors. Using 2020 financial data, either in measurement or as a baseline, would create a high degree of volatility in the outcomes. Therefore, the HRRC resolved to exclude 2020 financial measurements from the measurement period for the 2020 awards.

Total guaranteed package

PURPOSE

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

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

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

PROCESS AND BENCHMARKING

Average TGP is normally set by reference to the median paid by a comparator group of similarly sized companies which Santam considers to be appropriate. The comparator group is made up of a sizeable and representative sample of companies that are in the insurance sector (but not limited to this sector), have similar market capitalisation and an international footprint. In terms of the process followed for benchmarking TGP against these comparator companies, Santam obtains and analyses data from several local salary surveys. In addition to this benchmarking process, Santam considers the skills, potential and performance of the individual concerned and the current consumer price index of the country.

HRRC'S ROLE

Upon completion of the benchmarking process, proposals regarding increases for the following year are considered and approved by the HRRC. The HRRC also reviews and approves the adjustments to TGP for Santam executive directors, executive committee members and heads of control.

LEVELS

TGP levels are positioned on average around the median of the comparator market. Where specific skills dictate, TGP levels may be set in excess of the median. Benefits form part of TGP and in certain instances there may be a salary sacrifice in favour of a flexible benefit.

Short-term incentives

PURPOSE

The purpose of the annual bonus plan is to align employees' performance with the group's goals and to motivate and reward employees who outperform the agreed performance hurdles. The focus is on operational matters to optimise the net insurance result, to grow the business and to ensure that it is managed sustainably. The design and quantum of the annual performance bonus is regularly reviewed against best market practice and the quantum is benchmarked against the market using a relevant comparator group.

HRRC'S ROLE

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

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

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

VESTING LEVELS

The annual bonus plan is a cash-based bonus scheme. Where the annual business and individual bonus targets are achieved in full, 50% of the maximum (cap) bonus will be paid to employees. For certain senior management (and specifically executive directors), up to 70% of the maximum bonus will be paid on achievement of targets.

The payments that can be achieved by executive directors at the target and stretch levels are indicated below. These levels are benchmarked with comparator groups and other components of remuneration.

Individual	% of TGP at target performance	Performance bonus cap as % of TGP
Lizé Lambrechts	112	160
Hennie Nel	84	120

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

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

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

For the 2020 financial year the group reported reduced operating results under very difficult economic circumstances, particularly the negative impact of COVID-19. Contingent business interruption (CBI) claims following the national lockdown negatively impacted the underwriting results. The net underwriting margin of 2.5% was below the long-term target range of 4% to 8% of net earned premiums. Gross written premium growth was also adversely affected by the economic consequences of the strict measures put in place by government to control the spread of COVID-19, which led to the underachievement of growth targets. The management expense ratio was significantly better than target, supported by strong focus on efficiencies and lower STIs. Following limited new appointments in 2020, the group marginally missed its employment equity targets. The preferential procurement target and the financial inclusion targets were met despite the challenges of COVID-19 and the group marginally missed the target on skills development.

The minimum annual business bonus targets were not achieved. However the HRRC approved a modest discretionary pool to reward exceptional performance and retain key and critical talent below group executive member level.

RETENTION ARRANGEMENTS

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

Where bonuses are forfeited by incoming senior and key employees upon sign-on with the group, it may be necessary to agree a sign-on bonus with such employees.

This sign-on bonus will be subject to retention conditions and repayment terms if conditions are not met.

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

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

Long-term incentives

OVERVIEW AND GENERAL POLICY

Santam currently grants awards under the following three LTI plans:

- The Santam DSP
- The Santam performance deferred share plan (PDSP)
- The Santam outperformance plan (Santam OPP)

HRRC'S ROLE

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

- Ensure their structure contributes to shareholder value, employee retention and the group's long-term sustainability
- Set appropriate performance measures and take responsibility for monitoring and agreeing on the level of achievement with those performance measures
- Approve award levels and, at vesting, ensure that performance and other vesting conditions are met, or subsequently that incentives are forfeited where conditions are not met

Prior to 2019, Santam granted executive committee members awards under the Sanlam DSP and the Sanlam PDSP. As a result, executive committee members have unvested awards under the Sanlam DSP and PDSP.

These LTI plans are equity-settled and the OPP is cash or share-based, and rewards long-term performance.

In respect of the DSP and the PDSP, Santam's general policy is that awards are made annually to ensure that the total face value of outstanding awards (calculated on their face value at date of grant) is equal to a set multiple of the individual's TGP. The set multiples are determined by reference to the individual's job grade and performance impact on the group. In addition, transformation considerations and the role and performance of an individual and the need to attract and retain key talent are considered when determining the total multiple.

Santam's policy is therefore **not to make the same annual** DSP or PDSP award (expressed as % of TGP), but to ensure that employees' value of outstanding awards (or share lock-in/multiple) is maintained. The total multiples are determined by reference to the individual's role.

In general, the total multiple for award ranges from 70% to 245% of TGP but may exceed this in specific circumstances as referred to above.

LTI awards granted are split between:

- Individual/strategic performance awards granted under the DSP
- Performance awards granted under the PDSP with financial conditions

The scheme has 12 million available shares.

PARTICIPATION

The LTIs are aimed at attracting and retaining key employees. While participation is available to all employees of the Santam group, the practice is to target allocations to employees in management or key functional roles. Non-executive directors do not participate in any LTIs.

LTIs are awarded in the form of Santam DSP shares and PDSP shares.

DEFERRED SHARE PLANS

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

For Santam executive committee members, these hurdles are derived from business scorecards reflecting key financial and strategic objectives.

The CEO and CFO have the following financial and strategic metrics for vesting of DSPs:

Financial: group and business level		CEO	CFO
Achieve desired market price performance	50% Weighting	✓	✓
Improve/achieve growth targets		✓	✓
Achieve Santam group net insurance result (NIR) target		✓	✓
Achieve management cost ratio target		✓	✓
Improve/achieve return to shareholders in excess of target ROC (Return on Capital)		✓	✓
Strategic measures supporting the group's strategy			
Capital optimisation	50% Weighting	✓	✓
Growing and diversifying the business		✓	✓
Achieve ART operating profit and review of ART strategy			✓
Drive optimisation of management expenses (getting the cost base in line)		✓	✓
Optimise return on insurance funds and investment income			✓
Treating Customers Fairly (TCF)		✓	
Achieve employment equity, skills development, preferential procurement and financial inclusion targets		✓	✓
Review of Santam's strategy (Building a Future-Fit Santam)		✓	

The 2020 DSP award is eligible for vesting after year three (40%), four (30%) and five (30%).

For purpose of determining the vesting of DSP shares per executive director, the five year rolling average of their performance assessments is used as a measure of achievement that warrants a vesting. The performance score is a rating out of 5 and full vesting will occur at an average of 3 or higher and no vesting occurs where the average is 2.5 or lower, with a sliding scale applied between 2.5 and 3.0.

Outcomes of testing of DSP vesting conditions for executive directors are disclosed on page 14 of the implementation report.

Given the extraordinary circumstances of 2020 and the resultant financial impacts of the COVID-19 pandemic, only individual/strategic performance achievement for 2020 will be used for purposes of measuring individual performance under the DSP schemes (ie no financial performance).

Typically, awards granted under a DSP scheme have a face value of up to 105% of TGP as part of the total multiple, with awards higher than 105% of TGP granted as PDSPs (see below).

In line with the Santam LTI policy to maintain an unvested value equal to a set total multiple of TGP, to the extent that this percentage falls, whether through vesting or due to a promotion or salary increase, an additional award may be granted annually to maintain the level of participation under the DSP.

For the year ended 31 December 2020 allocations in respect of 365 626 shares (2019: 322 626) were made to 304 participants (2019: 315) under the Santam DSP.

PERFORMANCE DEFERRED SHARE PLANS

To the extent that the face value of the awards granted under a DSP scheme does not satisfy the total applicable multiple of TGP to be granted as LTI awards, the individual may be granted an award under a PDSP scheme. Awards granted under a PDSP are conditional rights to acquire shares for no consideration subject to financial and other vesting conditions being satisfied.

In addition to the individual remaining employed by the group throughout the measurement period and maintaining agreed individual performance hurdles, the vesting of a Santam PDSP award is subject to the condition that the Santam group's ROC exceeds its cost of capital for the relevant measurement period, as finally determined by the directors. The exact condition varies by reference to the value of the performance award as a proportion of the individual's TGP.

The use of ROC as a performance condition is considered appropriate as this is the key performance indicator of the group's strategy and long-term sustainability, and the use of this measure means a direct link between the LTI reward, group strategy and shareholders' interests. See page 14 of the implementation report regarding the achievement of ROC targets for the three, four and five-year measurement periods.

To the extent that the value of performance awards falls below the specified multiple of TGP, whether through vesting or due to a promotion or salary increase, an additional award may be granted annually to maintain the level of performance awards and encourage ongoing long-term performance, similar to the DSP policy.

In the 2019 report, it was disclosed as a forward looking approach that performance conditions for the 2020 PDSP awards were proposed to range from 20% (threshold) to 24% (at stretch target). Following the economic downturn due to COVID-19 and the lower interest rate environment, the ROC performance conditions for the 2020 award were reviewed. Measurement of the 2020 awards will commence on 1 January 2021, to take cognisance of the extraordinary effect of the COVID-19 pandemic on 2020 financial results. Furthermore, the HRRC and board may exercise discretion over any impacts in the 2021 financial year arising from the CBI claims of 2020, adjusting for this item if deemed appropriate and taking into account management responses in 2021 to finalising this matter. This will allow the impact of the 2020 CBI matter to potentially be confined to the 2020 year. Finally, a revision to the long-term ROC hurdles will be applied reflecting the inherent volatility of the earnings of the business. Although full vesting will still only occur if the average ROC over the period of vesting is 24%, the threshold below which no vesting will occur has been reduced from 20% to 16%, with a sliding scale applied between 16% (threshold) and 24% (stretch).

2020 allocations to the CEO which exceed 1.75 times annual TGP will be subject to ROC performance conditions of 20% (threshold) to 25% (at stretch target) applied on a linear basis.

Prior to 2020 the ROC threshold for the purposes of measuring share vesting was the Santam group's cost of capital. We will not adjust any of the historical measurements or targets for PDSP allocations made prior to 2020.

The 2020 DSP award is eligible for vesting after year three (40%), four (30%) and five (30%) and the ROC will be tested over the financial years applicable to these vesting periods.

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

For the year ended 31 December 2020 allocations in respect of 37 472 shares (2019: 31 237) were made to 10 participants (2019: 10) under the Santam PDSP.

DISCRETION OF THE HRRC IN RELATION TO LTI PERFORMANCE CONDITIONS

In order to ensure that performance conditions do not result in unintended consequences, the HRRC can apply discretion in reviewing performance condition outcomes when considering/approving vesting of DSP and PDSP shares. In applying its discretion the HRRC will recognise external factors that significantly impact on the calculation of ROC such as the impact of extra-ordinary currency, bond and equity market movements, which may be totally beyond the control of management. The HRRC has the discretion to exclude the impact of such extra-ordinary events (both positive and negative) and determine that a percentage of the award may vest, subject to any additional conditions which may be determined.

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

LEGACY POLICY: MEASUREMENT OF PERFORMANCE PRE- AND POST-2017

There was a change in policy (effective from the 2017 DSP and PDSP awards) with regards to the testing of performance conditions and the vesting profile.

The pre-2017 vesting period was aimed at encouraging performance that will result in the performance hurdles being met earlier than the agreed six-year measurement period.

In line with global vesting practices, awards granted under the DSP and PDSP from 2017 onwards are subject to a fixed period for the measurement of performance conditions, if the condition is not met that portion of the award will lapse, to the extent that HRRC does not exercise its discretion (as detailed in this policy) otherwise.

The change is summarised below:

Policy component	Awards made before 2017	Awards made in 2017 and thereafter
DSP shares		
Employment period, performance (individual/strategic) condition and % which may vest	The measurement period is five years and staggered vesting may occur as follows provided that all the vesting conditions have been met: <ul style="list-style-type: none"> After three years: 40% After four years: 70%, less any portion vested earlier After five years: 100%, less any portion that vested 	Tranche vesting over five years: <ul style="list-style-type: none"> 40% of the award to be measured after three years since the date of grant and to the extent that the vesting/performance hurdle is not achieved the entitlement to that portion of the DSP shares will lapse* 30% of the award to be measured after four years since the date of grant and to the extent that the vesting/performance hurdle is not achieved the entitlement to that portion of the DSP shares will lapse* 30% of the award to be measured after five years since the date of grant and to the extent that the vesting/performance hurdle is not achieved the entitlement to that portion of the DSP shares will lapse*
PDSP shares		
Employment period, performance (financial and individual/strategic) condition and % which may vest	PDSP shares can vest prior to the end of the six-year performance measurement period on a proportional basis to the extent that all the vesting conditions are met earlier, as follows: <ul style="list-style-type: none"> After three years: 40% After four years: 70%, less any portion vested earlier After five years: 100%, less any portion that vested 	Same performance testing and vesting profile as for DSP shares above.

* SUBJECT TO HRRC DISCRETION BEING EXERCISED WITHIN PARAMETERS.

OUTPERFORMANCE PLAN

From time to time, at the discretion of the HRRC, participation in an individual OPP is extended to the CEO and in very limited circumstances to senior management within the main businesses. The OPP rewards superior performance over a three to five-year measurement period.

No reward is delivered under the OPP unless the agreed performance target over the period is exceeded. A full reward is made only if the stretch performance target is met. In the event that the OPP is equity-settled, the number of shares is calculated with reference to the TGP at the date that the award is made. Where targets are not achieved, OPP shares are forfeited upon final measurement.

OPPs are contracted on an individual level and the earning potential per year (cumulated over the total OPP period) may be considerably less than the maximum reward parameters outlined above.

In exceptional circumstances, a collective OPP arrangement may be extended to senior management.

There were no OPPs for executive management including executive directors in place for 2020.

USE OF SANTAM SHARES SUBJECT TO VESTING RESTRICTIONS

To support long-term alignment with shareholders where remuneration payable in cash is deferred, subject to certain conditions, cash amounts are converted into Santam shares. Such shares will be held by the individual in a restricted account and will become unrestricted only if vesting and continued employment conditions are met.

These Santam shares are also subject to malus and clawback provisions, per the Malus and Clawback Policy.

RISK ADJUSTMENT

Provision is made to protect the company from inappropriate risk-taking behaviour in relation to remuneration. These include:

- The nature of the performance hurdles for STIs and LTIs
- A measurement period of up to five years for LTI performance hurdles, before vesting takes place
- Malus and clawback of remuneration for "trigger events"¹
- Compliance with legislation and governance best practice standards in the financial services industry

Minimum shareholding requirement

To encourage alignment between executive and shareholder interests, Santam applies a minimum shareholding Policy to all current and future members of the Santam executive committee, including Santam executive directors (participating executives). In terms of these arrangements, the following minimum shareholding levels, expressed as a percentage of annual TGP, must be reached by the later of 31 December 2024 or within six years from the date of appointment of a participating executive:

Group CEO	100%
CFO	50%
Executive heads	50%

Participating executives and executive heads are required to maintain the target shareholding throughout their tenure with the group. Unvested shares under any LTI arrangement will not be considered when assessing compliance with the MSR policy.

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

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

Remuneration details for non-executive directors

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

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

¹ DEFINED "TRIGGER EVENTS" INCLUDE DISHONESTY, FRAUD, MISREPRESENTATION, GROSS MISCONDUCT, MISSTATED FINANCIAL RESULTS AND ACTIONS RESULTING IN REPUTATIONAL DAMAGE FOR THE COMPANY ATTRIBUTABLE TO THE EMPLOYEE. IN ASSESSING WHETHER DEFINED TRIGGER EVENTS HAVE TAKEN PLACE, THE HRRC WILL WORK WITH THE RELEVANT BOARD COMMITTEE, THE BOARD, PROFESSIONAL ADVISORS AND/OR ANY OTHER DEPARTMENT WITHIN THE GROUP TO ENSURE THAT ANY ASSUMPTIONS ARE CORRECT.

PART 3: IMPLEMENTATION REPORT



REMUNERATION DETAILS FOR EXECUTIVE DIRECTORS

Executive remuneration summary

Remuneration earned by executive directors was as follows:

REMUNERATION FOR THE YEAR ENDED 31 DECEMBER 2020

For purposes of total remuneration, the vesting value of LTIs is disclosed in the table below as opposed to the fair value of LTIs on award date that was disclosed in prior years. The disclosure approach was amended in 2019 to align closer with King IV recommendations. Separate disclosure is provided in respect of the number and value of LTIs that were awarded and vested in the year (refer page 14).

Individuals	Months in service	Salary R	Company contributions R	Sub-total guaranteed package R	Performance bonus ¹ R	Attributable value of LTIs ² R	Total remuneration R
Lizé Lambrechts	12	5 889 125	210 000	6 099 125	–	4 717 315	10 816 440
Hennie Nel	12	3 445 852	208 636	3 654 488	–	1 768 926	5 423 414
Total: executive directors		9 334 977	418 636	9 753 613	–	6 486 241	16 239 854

¹ BONUS IN RESPECT OF 2020 PAID IN 2021.

² VESTING VALUE.

REMUNERATION FOR THE YEAR ENDED 31 DECEMBER 2019

Individuals	Months in service	Salary R	Company contributions R	Sub-total guaranteed package R	Performance bonus ¹ R	Attributable value of LTIs ² R	Total remuneration R
Lizé Lambrechts	12	5 620 000	210 000	5 830 000	7 200 000	6 135 832	19 165 832
Hennie Nel	12	3 301 156	226 344	3 527 500	3 400 000	1 621 639	8 549 139
Total: executive directors		8 921 156	436 344	9 357 500	10 600 000	7 757 471	27 714 971

¹ BONUS IN RESPECT OF 2020 PAID IN 2021.

² VESTING VALUE.

Total guaranteed package

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

Individual	TGP as at 1 April 2020 R	TGP as at 1 April 2019 R	TGP as at 1 April 2018 R	% increase during 2020	% increase during 2019
Lizé Lambrechts	6 165 500	5 900 000	5 620 000	4.5	4.9
Hennie Nel	3 730 650	3 570 000	3 400 000	4.5	5.0

The average salary increases paid to executives for 2020 was 4.5% (2019: 5.5%) compared with an average salary increase paid to all employees of 4.5% (2019: 5.4%). The remuneration increase trends for the past three years are as follows:

	2018 %	2019 %	2020 %
Executives	6.1	5.5	4.5
Employees	6.0	5.4	4.5

Short-term incentives

PERFORMANCE TARGETS

The performance targets for the annual bonus plan are set by the HRRC on an annual basis for executive directors. In respect of the 2020 annual bonus, the split between group and strategic goals for executive directors was as follows:

Individual	Group %	Strategic goals %
Lizé Lambrechts	50	50
Hennie Nel	50	50

The group performance measures that was applied in 2020 consisted of the following:

- NIR – used to determine the size of the bonus pools
- Modifiers:
 - Gross written premium
 - Performance against management expense ratio targets
 - Transformation (Performance against FSC targets)
 - Performance against skills development targets
 - Performance against employment equity targets
 - Performance against preferential procurement targets
 - Performance against financial inclusion targets

The actual achievement of the group performance measure for 2020 is as follows:

Santam group	Weight %	Threshold %	Target %	Stretch %	Score %
Adjusted operating profit ¹	100	70	100	130	– ³
Modifiers ²					
Gross written premium (Conventional insurance)	15	(15)	–	15	(13.1)
Transformation	7.5	(7.5)	–	7.5	0.7
Management expense ratio	7.5	(7.5)	–	7.5	7.5
					– ³

¹ **ADJUSTED OPERATING PROFIT IS DEFINED AS FOLLOWS:** NET INSURANCE RESULT (CONVENTIONAL INSURANCE) PLUS PROFIT BEFORE TAX FOR CENTRIQ PLUS PROFIT AFTER TAX FOR SANTAM STRUCTURED INSURANCE'S ALTERNATIVE RISK TRANSFER BUSINESS PLUS SANTAM'S SHARE OF THE NET INSURANCE RESULT FOR THE SEM AND SAHAM GENERAL INSURANCE BUSINESSES.

² **MODIFIERS ARE DEFINED AS FOLLOWS:** THE BASE BONUS POOL AS DETERMINED BY THE ADJUSTED OPERATING PROFIT WILL BE INCREASED OR DECREASED BY UP TO THE MODIFIER % BASED ON THE ACTUAL PERFORMANCE AGAINST THE INDIVIDUAL MODIFIER TARGETS.

³ THE 2020 ADJUSTED OPERATING PROFIT WAS BELOW THE 70% THRESHOLD, RESULTING IN A NIL SCORE.

The minimum annual business bonus targets were not achieved as the 2020 adjusted operating profit was below the 70% threshold; however, the HRRC approved a modest discretionary pool to reward exceptional performance and retain key and critical talent below group executive level.

Group executive members were not eligible at all for discretionary bonuses.

PAYMENTS

The table below shows that no annual bonus was payable to the CEO and CFO in respect of the performance achieved in 2020.

Individual	% of TGP achieved 2020	Payment 2021 R	% of TGP achieved 2019	Payment 2020 R
Lizé Lambrechts	–	–	122%	7 200 000
Hennie Nel	–	–	95%	3 400 000

Long-term incentives

PERFORMANCE MEASUREMENT FOR JUNE 2020 LTI VESTING

PDSP subject to company financial performance conditions

Due to Santam's vesting profile, three LTI tranches were performance measured in 2020 for vesting from a financial metric perspective, namely:

- Award 2017 (40% of award and three financial years reviewed for performance testing)
- Award 2016 (30% of award and four financial years reviewed for performance testing)
- Award 2015 (30% of award and five financial years reviewed for performance testing)

A summary of the performance measurement and achievement for LTI vesting in June 2020 is shown below as it pertains to the ROC (for Santam PDSP) and return on group equity value (RoGEV) (for Sanlam PDSP) condition:

Measurement period	Award 2015 five years	Award 2016 four years	Award 2017 three years
Target			
PDSP Santam (ROC)	14.0	14.2	14.2
PDSP Sanlam (RoGEV)	13.2	15.4	15.2
Actual achievement			
PDSP Santam (ROC)	24.4	21.5	25.9
PDSP Sanlam (RoGEV)	15.9	16.2	15.7
		Santam PDSP: 100%	
		Sanlam PDSP: No early vesting ¹	100
Vesting achievement (%)	100		

¹ PERFORMANCE CONDITIONS FOR THE 2016 AWARD WERE PARTIALLY MET; HOWEVER, THE SANLAM GROUP HUMAN RESOURCES COMMITTEE DID NOT APPLY DISCRETION TO ALLOW FOR EARLY VESTING.

The outcome of ROC (for Santam PDSP) achievement resulted in 100% LTI vesting in June 2020 in relation to the three LTI tranches of the Santam PDSP.

The outcome of the RoGEV measurement (for Sanlam PDSP) resulted in the 2015 and 2017 PDSP awards vesting.

DSP

For DSP vesting Santam executive committee members' business scorecard achievement will be evaluated. Due to their roles and line of sight these scorecards are based on financial metrics and some strategic metrics which support the Santam business strategy. Refer to page 9 of this report for more information in respect of the financial and strategic metrics applied as well as the weighting attributed to Lizé Lambrechts and Hennie Nel. See page 13 for the threshold applied for DSP vesting.

The executive directors' scorecard achievements were evaluated over the DSP performance period/s for June 2020 vesting as follows:

	Average performance rating over five years	% vesting
Lizé Lambrechts	3.3	100%
Hennie Nel	3.4	100%

In 2020 DSP shares vested 100% for Lizé Lambrechts and Hennie Nel. The vested DSP shares related to awards made in 2015, 2016 and 2017.

THE PARTICIPATION BY EXECUTIVE DIRECTORS IN THE GROUP'S LTI SCHEMES (EXCLUDING THE OPP) AT 31 DECEMBER 2020 WAS AS FOLLOWS:

Number of shares	Balance 31 December 2019	Awarded in 2020	Shares vested 2020	Shares forfeited 2020	Balance 31 December 2020	Vesting in				
						2021	2022	2023	2024	2025
Lizé Lambrechts										
Santam	51 486	17 724	16 411		52 799	10 794	11 747	14 960	9 981	5 317
Sanlam	31 292	0	4 924		26 368	11 287	9 387	5 694	0	0
DSP										
Santam	22 047	7 328	6 588		22 787	5 365	5 157	6 010	4 057	2 198
Sanlam	14 950	0	3 093		11 857	5 207	4 485	2 165	0	0
PDSP										
Santam	29 439	10 396	9 823		30 012	5 429	6 590	8 950	5 924	3 119
Sanlam	16 342	0	1 831		14 511	6 080	4 902	3 529	0	0
RSP – Sanlam	0	0			0	0	0	0	0	0
Hennie Nel										
Santam	17 218	22 004	5 090		34 132	3 917	4 240	11 215	8 159	6 601
Sanlam	19 700	0	6 786		12 914	7 797	3 598	1 519	0	0
DSP										
Santam	12 245	5 073	3 679		13 639	2 813	3 012	3 695	2 597	1 522
Sanlam	13 564	0	5 383		8 181	4 514	2 619	1 048	0	0
PDSP										
Santam	4 973	16 931	1 411		20 493	1 104	1 228	7 520	5 562	5 079
Sanlam	6 136	0	1 403		4 733	3 283	979	471	0	0

Minimum shareholding requirement

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

NUMBER OF SHARES AS AT 31 DECEMBER 2020

Individual	Minimum shareholding requirement	Actual qualifying shareholding	Date at which minimum shareholding must be reached
Lizé Lambrechts	24 199	31 127	31 December 2024
Hennie Nel	7 321	9 220	31 December 2024

SANTAM SHARE SCHEME ALLOCATION

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

The following table illustrates the movement for 2019 and 2020 and the capacity position as at 31 December 2020:

Santam share scheme allocation	Number of shares
Scheme allocation originally approved	12 000 000
Allocation under DSP and PDSP from 2009 to 2018	(4 156 686)
Shares forfeited from 2009 to 2018	706 110
Balance of scheme carried forward as at 31 December 2018	8 549 424
Allocation under DSP and PDSP in 2019	(352 951)
Shares forfeited in 2019	31 357
Balance of scheme carried forward as at 31 December 2019	8 227 830
Allocation under DSP and PDSP in 2020	(403 098)
Shares forfeited in 2020	51 835
Balance of scheme carried forward as at 31 December 2020	7 876 567

REMUNERATION DETAILS FOR NON-EXECUTIVE DIRECTORS

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

Disclosure of individual directors' emoluments, as required in terms of the JSE Listings Requirements, is detailed below.

NON-EXECUTIVE DIRECTORS' EMOLUMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Individual	Board, committee and retainer fees R	Other meetings R	Fees from group R	Total R
Bruce Campbell	905 400			905 400
Junior Ngulube	519 200			519 200
Paul Hanratty	324 667			324 667
Machiel Reyneke	1 084 700			1 084 700
Vusi Khanyile	1 077 500			1 077 500
Ian Kirk	316 700			316 700
Dawn Marole	828 300			828 300
Preston Speckmann ¹	905 300		615 000 ³	1 520 300
Monwabisi Fandeso	853 900		197 500 ⁴	1 051 400
Abigail Mukhuba	155 250			155 250
Total non-executive directors	6 970 917		812 500	7 783 417

NON-EXECUTIVE DIRECTORS' EMOLUMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Individual	Board, committee and retainer fees R	Other meetings R	Fees from group R	Total R
Bruce Campbell	763 100	146 800 ²		909 900
Junior Ngulube	445 650			445 650
Heinie Werth	323 183			323 183
Machiel Reyneke	850 000			850 000
Vusi Khanyile	1 027 500			1 027 500
Ian Kirk	629 000			629 000
Dawn Marole	631 000			631 000
Preston Speckmann ¹	739 400	25 200	584 000 ³	1 348 600
Nomagugu Mtetwa	612 181			612 181
Themba Gamedze	139 583			139 583
Total non-executive directors	6 160 597	172 000	584 000	6 916 597

¹ THE NUMBERS FOR SPECKMANN DO NOT INCLUDE FEES FOR DIRECTORSHIPS IN THE SANLAM GROUP.

² SGIRF FEES.

³ CENTRIQ AND MIWAY FEES.

⁴ SANTAM STRUCTURED INSURANCE AND BROLINK (PTY) LTD FEES.

PART 4: DIRECTORS' INTEREST IN SHARE CAPITAL



TOTAL INTEREST OF ALL DIRECTORS IN SHARE CAPITAL AS AT 31 DECEMBER 2020

Individual	Number of Santam shares Beneficial		
	Direct	Indirect	Non-beneficial
Executive directors			
Lizé Lambrechts	37 764		
Hennie Nel ¹	20 125		
Total executive directors	57 889		
Non-executive directors			
Bruce Campbell	8 370		
Paul Hanratty			
Monwabisi Fandeso	1 196		
Vusi Khanyile (chairman)		200	
Dawn Marole			
Abigail Mukhuba			
Junior Ngulube	5 104		
Machiel Reyneke		271	
Preston Speckmann	1 000		
Total non-executive directors	15 670		
Total	73 559	471	

TOTAL INTEREST OF ALL DIRECTORS IN SHARE CAPITAL AS AT 31 DECEMBER 2019

Individual	Number of Santam shares Beneficial		
	Direct	Indirect	Non-beneficial
Executive directors			
Lizé Lambrechts	21 353		
Hennie Nel ¹	15 035		
Total executive directors	36 388		
Non-executive directors			
Bruce Campbell	8 370		
Vusi Khanyile (chairman)		200	
Dawn Marole			
Junior Ngulube	2 548		
Machiel Reyneke		271	
Preston Speckmann	1 000		
Ian Kirk	23 750		
Total non-executive directors	35 668	471	
Total	72 056	471	

¹ AT 31 DECEMBER 2019, 10 905 SANTAM SHARES WITH A MARKET VALUE OF R3.1 MILLION WERE PLEDGED AS SECURITY FOR A LOAN WITH SANLAM PRIVATE WEALTH.



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