



Momentum Group

Strategy F2025 to F2027

Jeanette Marais



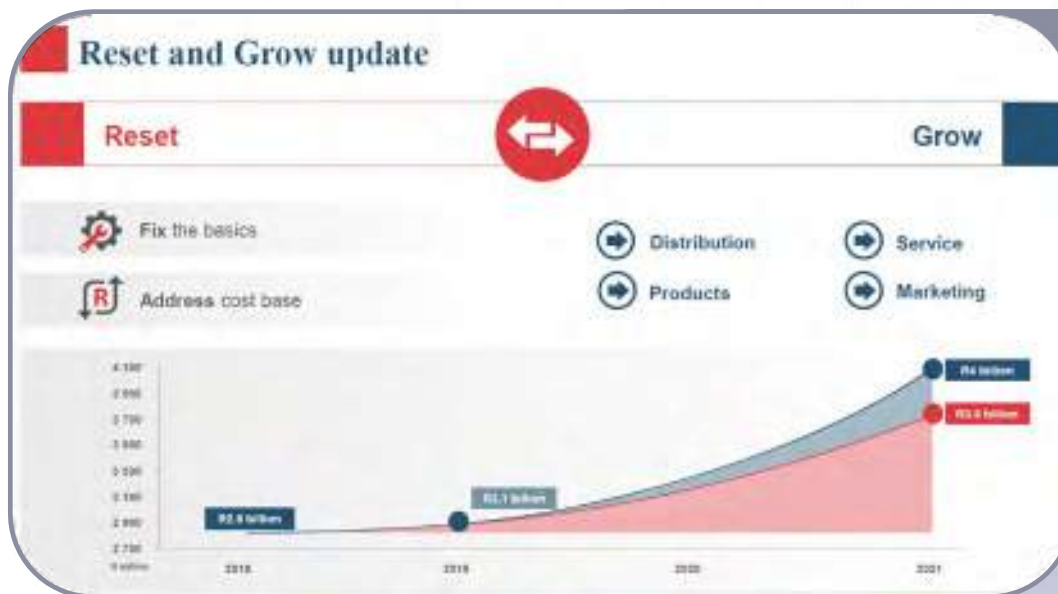
Agenda

- 1 Momentum Group today
- 2 Market dynamics and key considerations
- 3 Our Group purpose
- 4 Our Group strategy



Momentum Group today

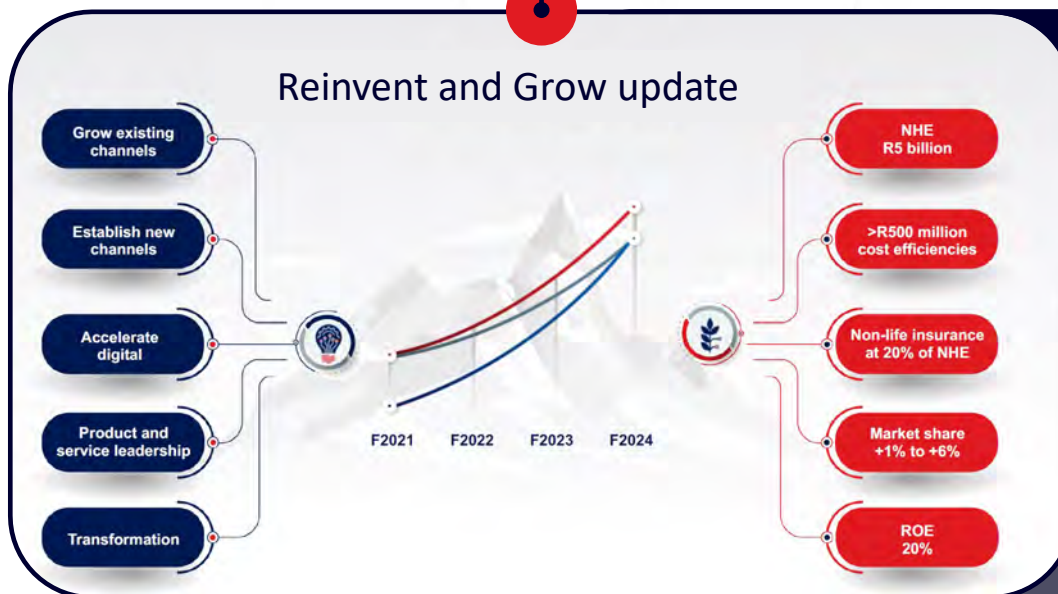




F2019 to F2021

Reset and Grow

a **TURNAROUND** strategy



F2022 to F2024

Reinvent and Grow

created a strong **FOUNDATION** for future growth

Consistently delivering on our promises

- Simplified group name
- Re-energised brands

BRAND

OPERATING
MODEL

- Successfully adopted federated operating model
- Repositioned Multiply as part of Momentum Health

- Exits - Africa and aYo
- African Bank lending partnership
- Momentum Money
- **Momentum Insure**
- **Metropolitan**
- **VNB**

ADDRESS UNDER-
PERFORMANCE

DISTRIBUTION
SUCCESES

- Dominance in IFA distribution
- Alternative channels
- **Tied agency**

GROWTH

- Step-change in earnings
- Momentum Investments
- Momentum Corporate
- Guardrisk

Accelerated digital

Returned significant value to shareholders

Strong balance sheet and cash generation



Opportunity to simplify and strengthen Group brand



- We simplified our Group name to Momentum Group
- Research showed that the Momentum brand has the stronger brand equity in South Africa
- Our client-facing brands continue as is



Consistently delivering on our promises

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Federated operating model

8 Business units | 33 Planning units



Momentum Retail

Myriad

Investo

MMerge

Momentum Trust

Momentum Advice

Momentum Distribution Services

Momentum Investments

Wealth Management

Structured products and Annuities

Multi Management and Solutions

Asset Management

- Internal capabilities
- Curate
- IMG and Eris

Momentum Corporate

FundsAtWork

Group Insurance

Structured Investments and Annuities

Momentum Retirement Administrators

Direct Client Engagement

Member Solutions

Guardrisk

Guardrisk Non-Life Cell Captive

Guardrisk General Insurance

Guardrisk Life

Guardrisk Microinsurance

Momentum International

Namibia

Lesotho

Botswana

Ghana

Mozambique

India

Health

Open scheme

Restricted schemes

Public sector

Health4Me

Incentivised wellness

Metropolitan

Momentum Insure

Market dynamics and key considerations





Low SA growth

- **Explore** other geographies



Changing client needs and behaviour

- **Simplify** and **digitise** client experience



Continued dominance of face-to-face distribution

- **Increase** distribution footprint



Importance of advice

- Focus on **advice**



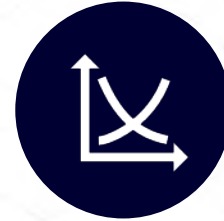
Technology advancements (digital & data)

- Imperative and key enabler, prioritise **digital** balanced with a **“fast follower”** approach to mitigate risks of early adoption



Untapped markets in SA

- Enter **new market** segments



Regulatory complexities

- **Optimise** cost base



Market-leading businesses

- **Strengthen and grow** our businesses



Under-performing businesses

- **Turnaround strategies** for underperforming businesses



Scale challenges

- **Optimise** cost base and operating model

Our Group **PURPOSE**



“WE
BUILD
AND *Protect*
OUR CLIENTS’
FINANCIAL *dreams.*”



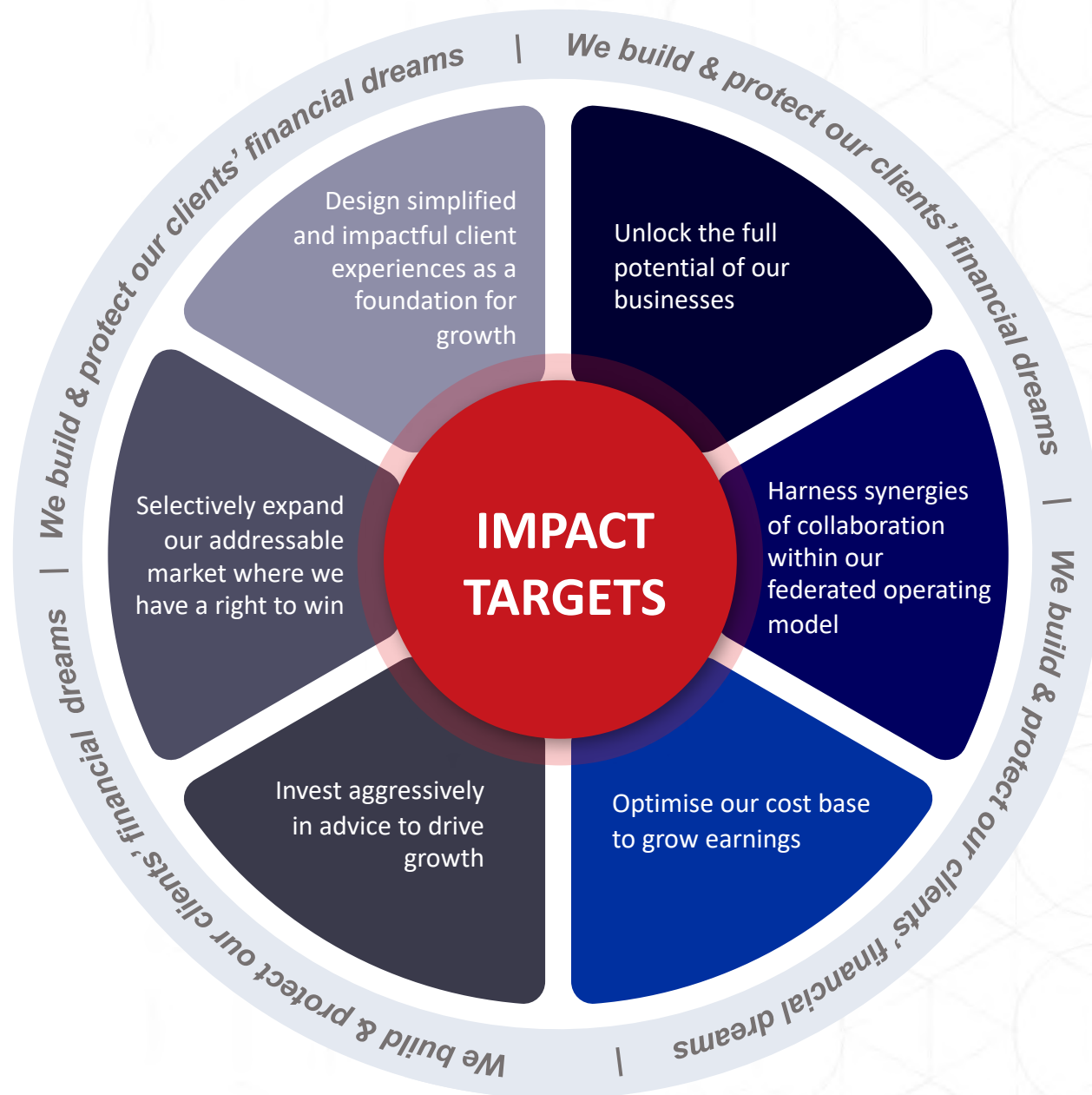


IMPACT

F2025 to F2027

STRATEGY



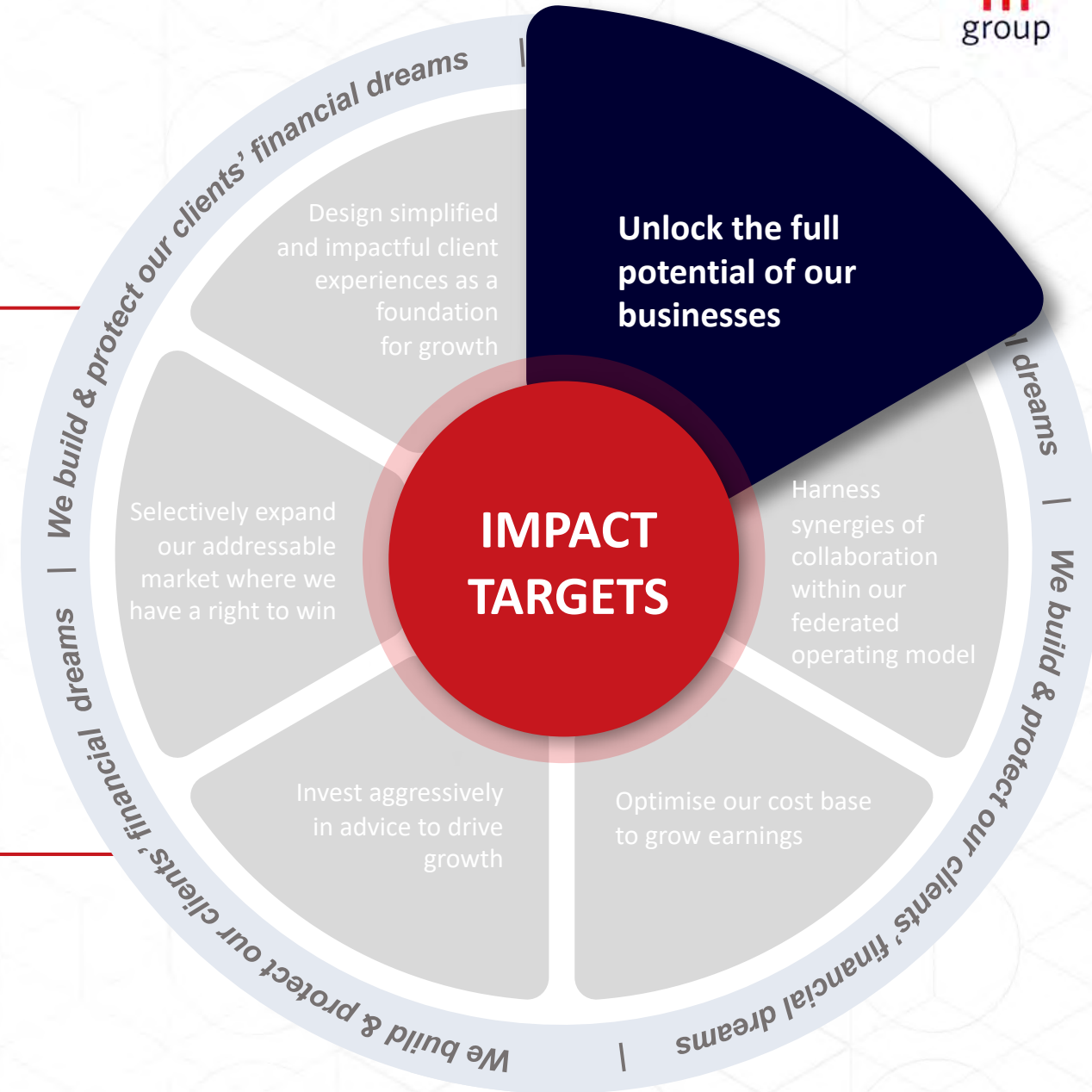


Strategic objectives

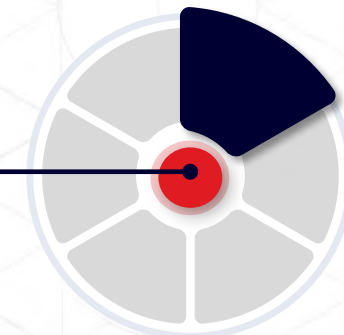


“ Empower our **TOP** businesses
to **ACHIEVE MORE** ”

- Not all our businesses are equally successful
- **BOOSTING SUCCESSFUL** businesses with more capital
- **TURNAROUND STRATEGIES** for underperforming businesses
- Reflected in our **CAPITAL DEPLOYMENT** decisions



Unlock the full potential of our businesses



Momentum Retail

- **Momentum Advice a top industry player**
- Leader in the protection industry
- Leader in IFA distribution (specialisation)
- Increase direct sales
- Digital way of work

Momentum Investments

- Future-fit Wealth platform
- Multi-Management the institutional platform provider of choice in SA
- **Launch and grow Curate**
- Strengthen and grow AM businesses

Momentum Corporate

- Top 4 in umbrella fund market
- Significant umbrella fund in SME market
- Remain top 3 in Group Insurance
- Partnerships to accelerate organic growth

Metropolitan

- Optimise existing markets
- Optimise and grow tied agency force
- Increase public sector and private sector penetration
- Sales workforce management

Guardrisk

- **Diversify and grow revenue through targeted acquisitions**
- Increase contribution to Group earnings
- Organic growth and increase share of premium
- Capital efficiencies and structure

Momentum Insure

- Scale direct-to-client sales
- **Focus Safety client value proposition on improving client attraction**
- Predictable and acceptable earnings and ROE, in line with Momentum Group's expectations

Health

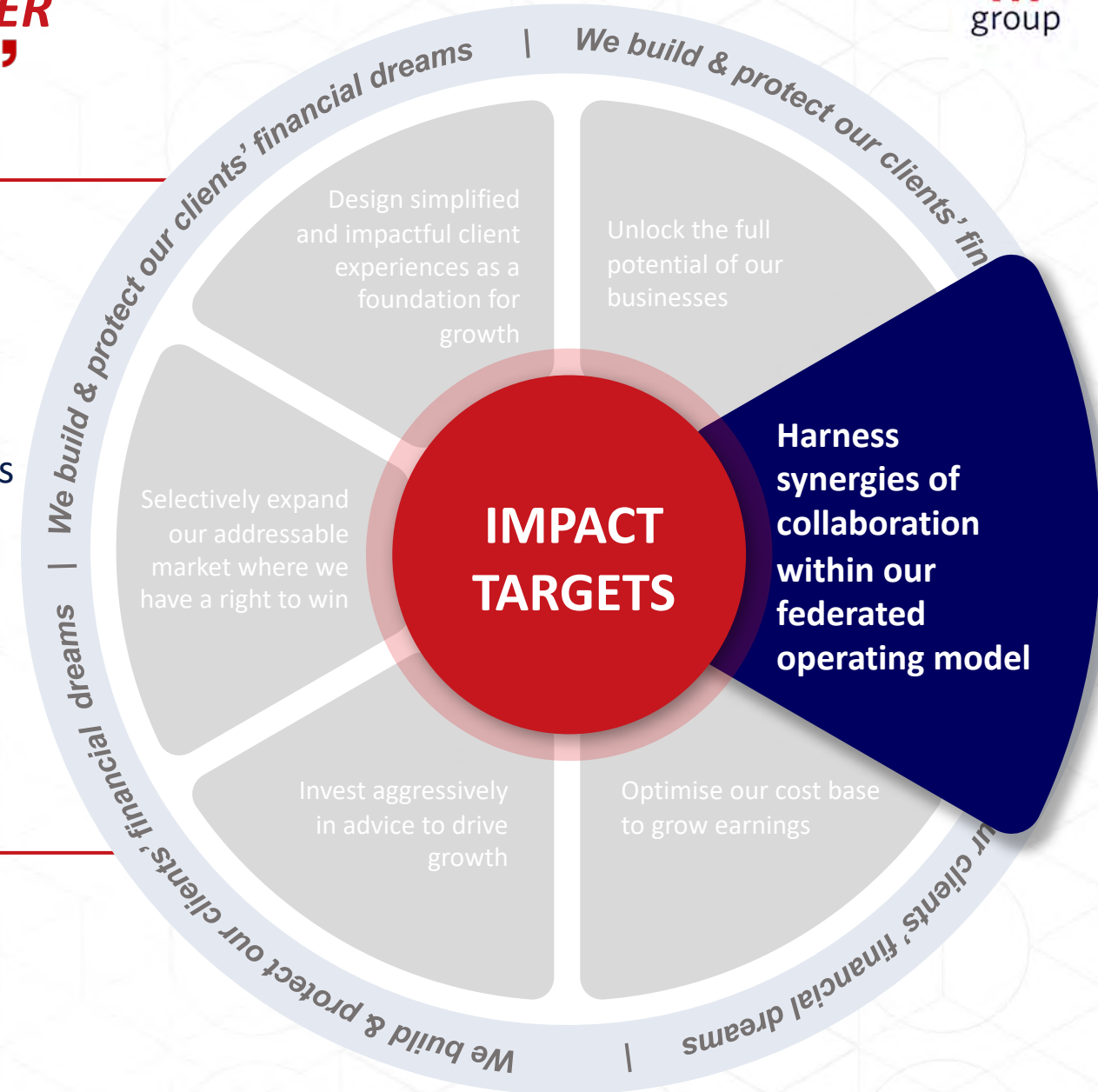
- **Single, labour-aligned business on one platform, single brand, and aligned client value proposition**
- Sustainable GEMS partnership model

Momentum Africa

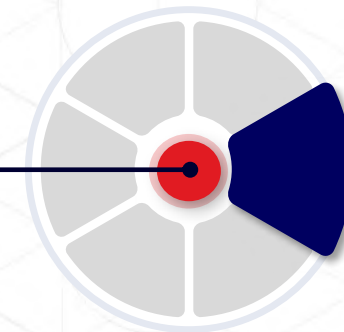
- Improve product competitiveness
- Enhance client experience
- **Improve distribution channels**
- Optimise operating model

“Where the **WHOLE** is far **BIGGER** than the sum of its parts.”

- **BLEND** of a strong and value-adding center, empowered and accountable businesses
- Our unique competitive **ADVANTAGE**
- To unlock **GROWTH**, we will:
 - strengthen and empower our businesses
 - eradicate duplication
 - drive collaboration
 - share capabilities and resources
 - show up as a Group and hunt together
 - leverage vertically integrated offerings and advice



Harness synergies of collaboration within our federated operating model



Momentum Retail

- **Momentum Advice vertical integration**
- Align product and channel teams
- **Distribution of in-house asset management capabilities by MDS**
- Sharing of product administration systems

Momentum Investments

- Increase DFM share of platform assets
- Increase GLA inflows into internal Multi-management products
- Asset Management vertical integration to exploit synergies between business units

Momentum Corporate

- **Integrated Health and Employee Benefits value proposition**

Metropolitan

- Employee Benefits and Health collaboration for union opportunities

Guardrisk

- Optimise value chain through investment opportunities

Momentum Insure

- Drive growth and collaboration in Momentum Group channels

Health

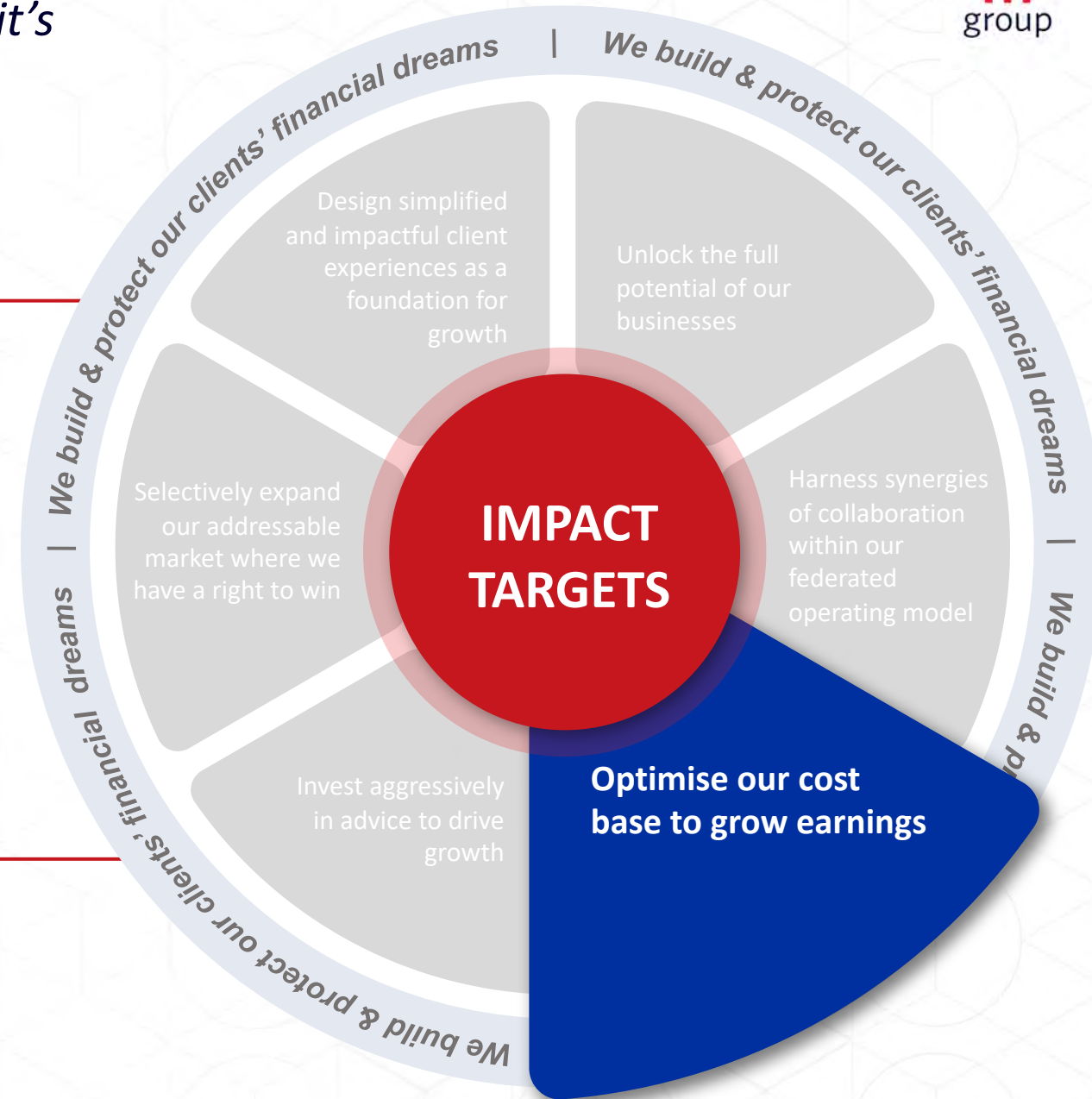
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Momentum Africa

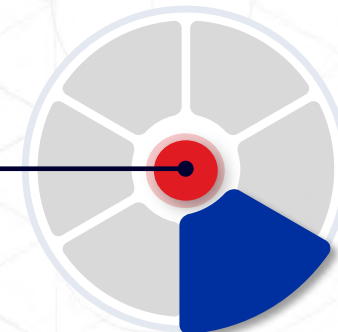
- Optimise operating model to benefit from Group synergies

“ It’s not just a financial imperative, it’s a **STRATEGIC CHOICE** that will strengthen us. ”

- Essential for sustainable growth and to solve our **VNB** challenge
- Reaching **FIGHTING WEIGHT**, not just cutting costs
- Goal: strengthen, enhance agility, improve competitiveness, boost efficiency without compromising quality
- Identified significant **COST REDUCTION** opportunities through benchmarking



Optimise our cost base to grow earnings



Momentum Retail

- Momentum Advice technology platform
- **Digitilisation of product processes**
- MMerge product rationalisation

Momentum Investments

- **New Wealth operating model**
- Optimise Structured Products and Annuities processes and cost base
- Global MM operating model
- AM focus on targeted digital capabilities

Momentum Corporate

- Use LEAN methodologies and digitalisation to drive operational excellence

Metropolitan

- Optimise cost base
- Stable and scalable Product Administration systems with supporting environments

Guardrisk

- **Client and channel scalability through digitisation**

Momentum Insure

- Accelerate digitalisation to drive efficiencies and reduce costs

Health

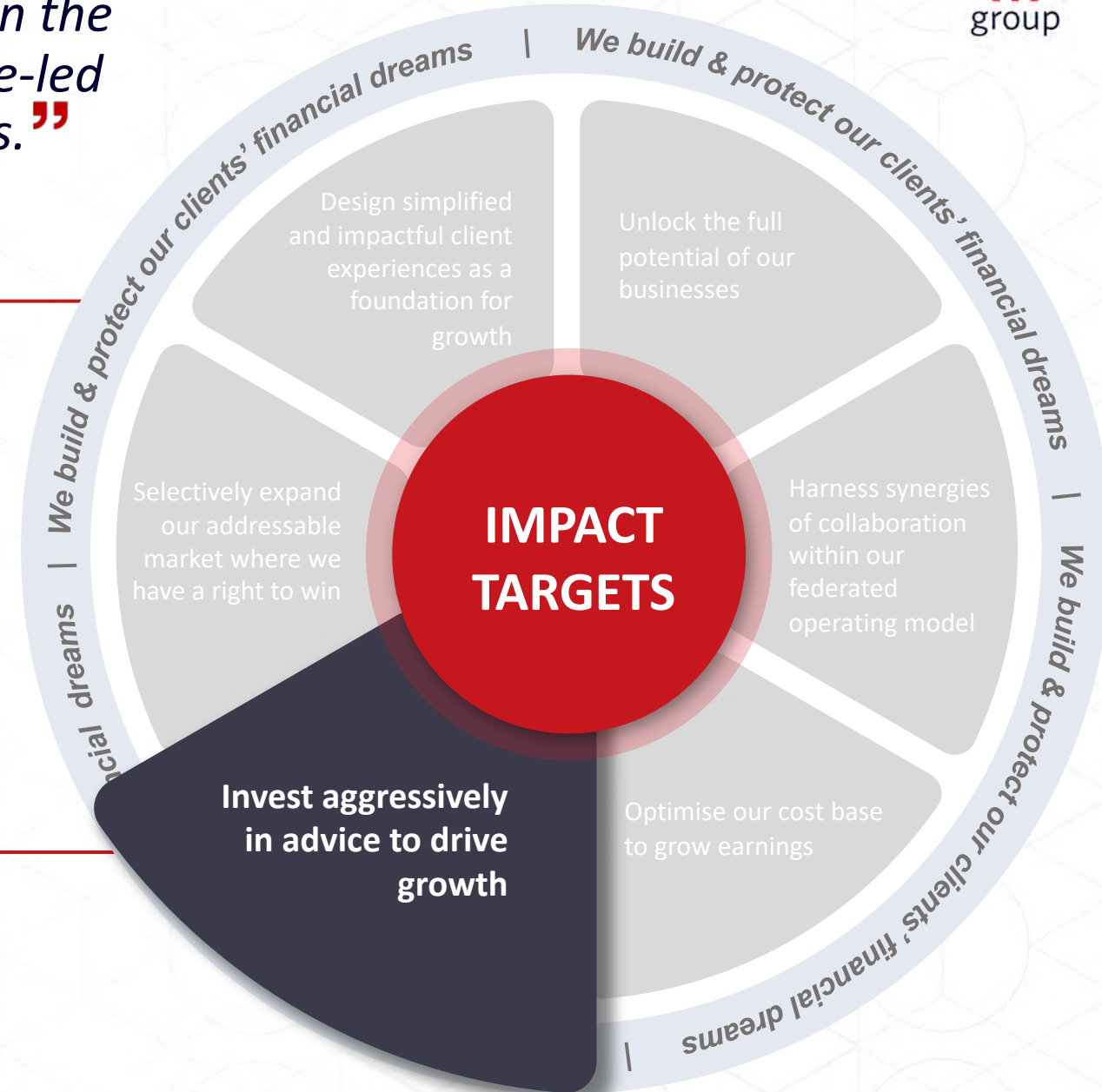
- Optimisation of portfolio

Momentum Africa

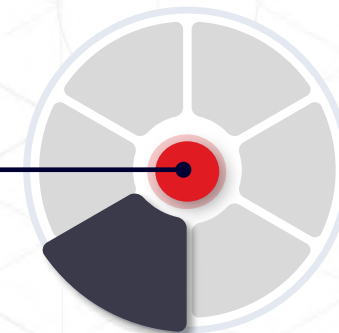
- Optimise operational efficiencies to reduce costs and support improved client experience

“We continue to believe strongly in the importance of **ADVICE**; an advice-led approach will differentiate us.”

- **FACE-TO-FACE** advice is here to stay and offers growth opportunities
- **OWN ADVICE** as a brand to outshine competitors (incl. banks)
- Leading **IFA** market share proves our expertise
- Expand our smaller **AGENCY FORCE** to gain market share
- Use technology to empower advisers and boost client experience



Invest aggressively in advice to drive growth



Momentum Retail

- **Footprint growth in MFP and Consult**
- Grow retail broker consultants
- Grow supporting IFA base
- Single need propositions via direct sales

Momentum Investments

- **Wealth platform proposition for advisers**
- Multi-management investment in IFA networks in UK and expat markets
- Grow international Asset Management distribution footprint

Momentum Corporate

- **Execute omni-channel distribution strategy**

Metropolitan

- Optimise and grow tied agency with emphasis on workforce management
- Increase contribution from Broker Channel

Guardrisk

- Strengthening broker partnerships to enhance client offerings

Momentum Insure

- **Reposition the BDC (tied) channel**

Health

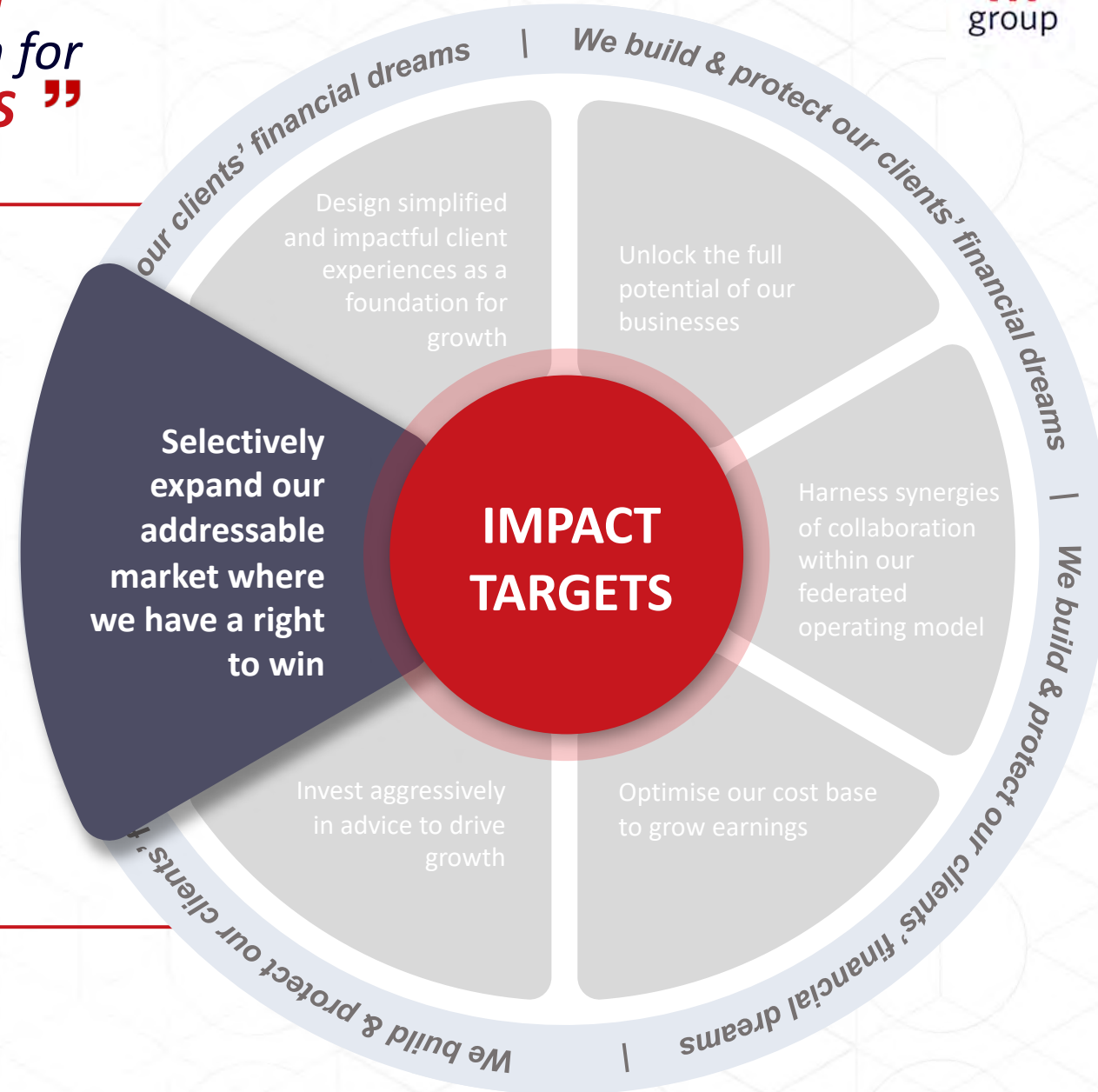
- Optimise existing and alternative channels with appropriate resources and technology to achieve growth

Momentum Africa

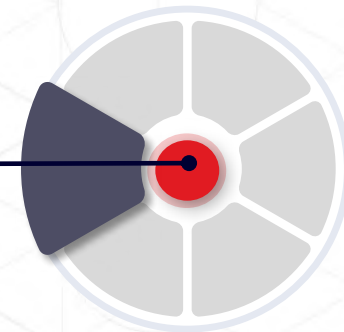
- Optimise agency channel
- Strengthen broker value proposition
- Establish partnerships to grow distribution

“ We will follow a *FOCUSED and SELECTIVE* approach to expansion for growth and *WINNING RESULTS* ”

- Selectively expanding through **FOUR VECTORS**: channel, segment, product and geography
- Leverage our **STRENGTHS** and strategic advantages
- Strategic **PARTNERSHIPS**: key to accelerate market expansion and enhance offerings
- Expand to enhance market presence, diversify market risk, capture new revenue streams and for sustainable growth
- Response to **BANKS**



Selectively expand our addressable market where we have a right to win



Momentum Retail

- New product innovations
- Advice segmentation

Momentum Investments

- Wealth exploration of new markets
- Structured Products & Annuities - new markets
- Launch fiduciary business in UK
- Strengthen our position in the AM market
- DFM proposition for Expats

Momentum Corporate

- Launch Structured Investments and Annuities solutions to new segments
- **Grow SME market through Momentum Grow**

Metropolitan

- **Enhance and scale alternative channels (brokers, tele, Affinity and direct)**
- Increase alternative channels APE contribution

Guardrisk

- **Diversify and grow revenue through embedded insurance**
- Explore opportunities in India

Momentum Insure

- Diversify premium income
- Selectively grow commercial-lines (SMME) new business

Health

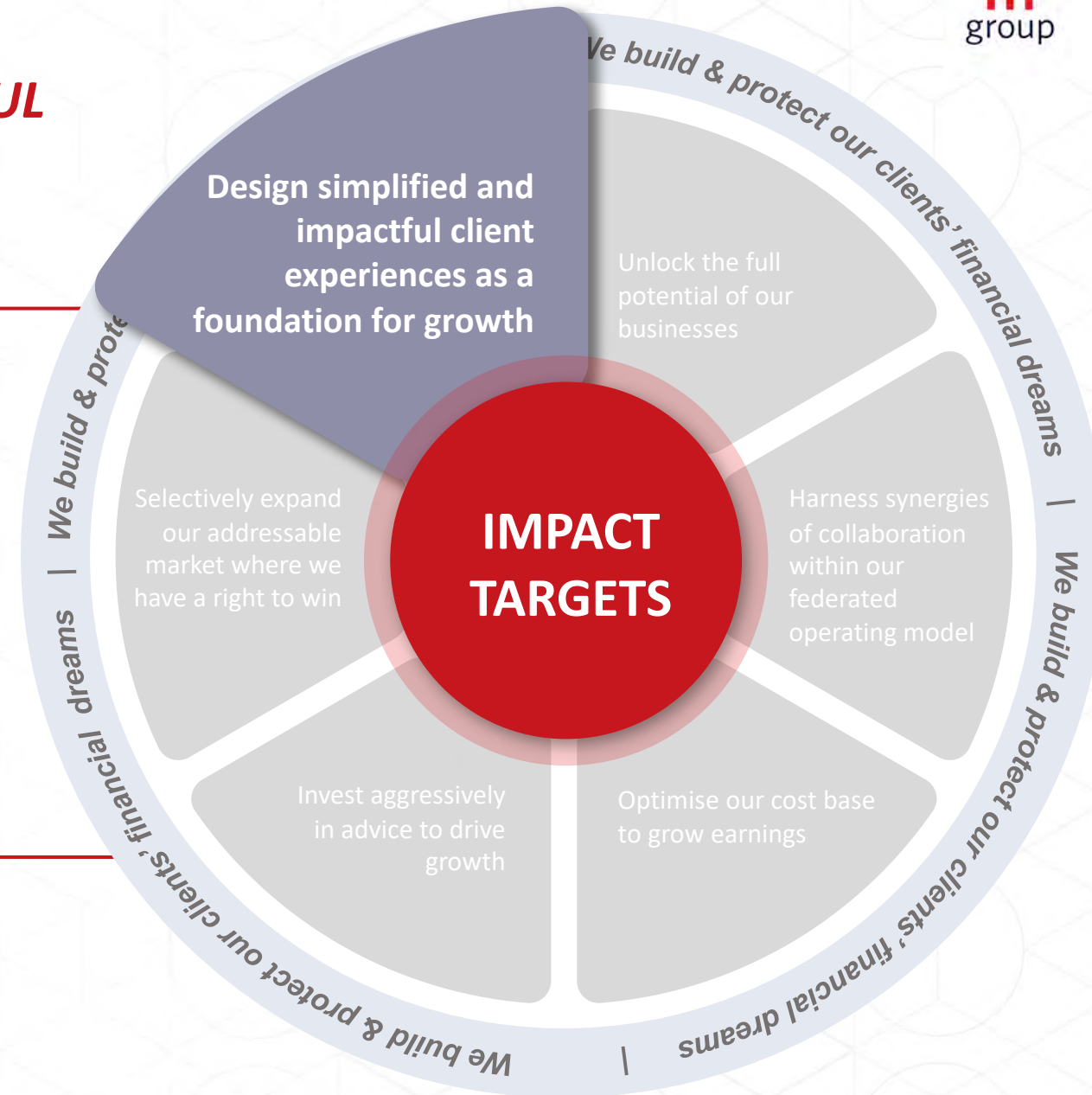
- Growth into other public sector markets
- **Growth through vertical integration into healthcare provision at scale**
- Direct participation in healthcare outside South Africa

Momentum Africa

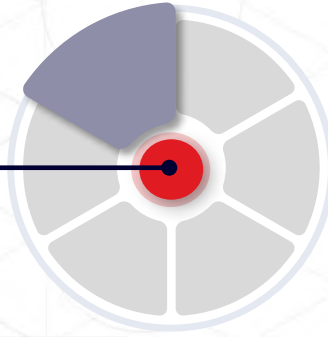
- **Diversify into new markets (youth, informal and SME) and channels to unlock growth**

“ We believe in the power of **SIMPLICITY** to have an **IMPACTFUL** client experience. ”

- Key to realising our **PURPOSE**
- Enhance **CLIENT EXPERIENCE** – build stronger long-lasting relationships founded on trust and transparency
- Drive **EFFICIENCIES** – optimised processes, reduced cost, quicker time to market, and scale
- Strive for simplicity and ease of doing business as our competitive edge



Design simplified and impactful client experiences as a foundation for growth



Momentum Retail

- Digital engagement of product processes
- Product-adviser engagement platforms
- Adviser-client engagement platforms

Momentum Investments

- Strong Asset management and Multi-management client engagement propositions
- **Wealth digital client & adviser experience**
- Behavioural finance for personalised experiences

Momentum Corporate

- **Achieve service excellence through digital transformation**

Metropolitan

- **Optimise and simplify solutions to meet changing client needs**
- Successfully execute on the Metropolitan value proposition
- Increase client satisfaction and client value

Guardrisk

- Enhance client and channel interaction and scalability through digitisation

Momentum Insure

- Enhance client experience to build loyalty

Health

- Single, labour-aligned business on one platform, single brand
- **Aligned client value proposition and incentivised wellness at scale**

Momentum Africa

- Achieve elevated client experience through effective product solutions and streamlined operations

Strategic enablers



Strategic enablers



People

Our people are
our competitive
advantage



Transformation

Authentically,
inclusively and
for impact



Digital

Moving from
capability to
impact



Sustainability

From basic
compliance to
sustainability
leadership

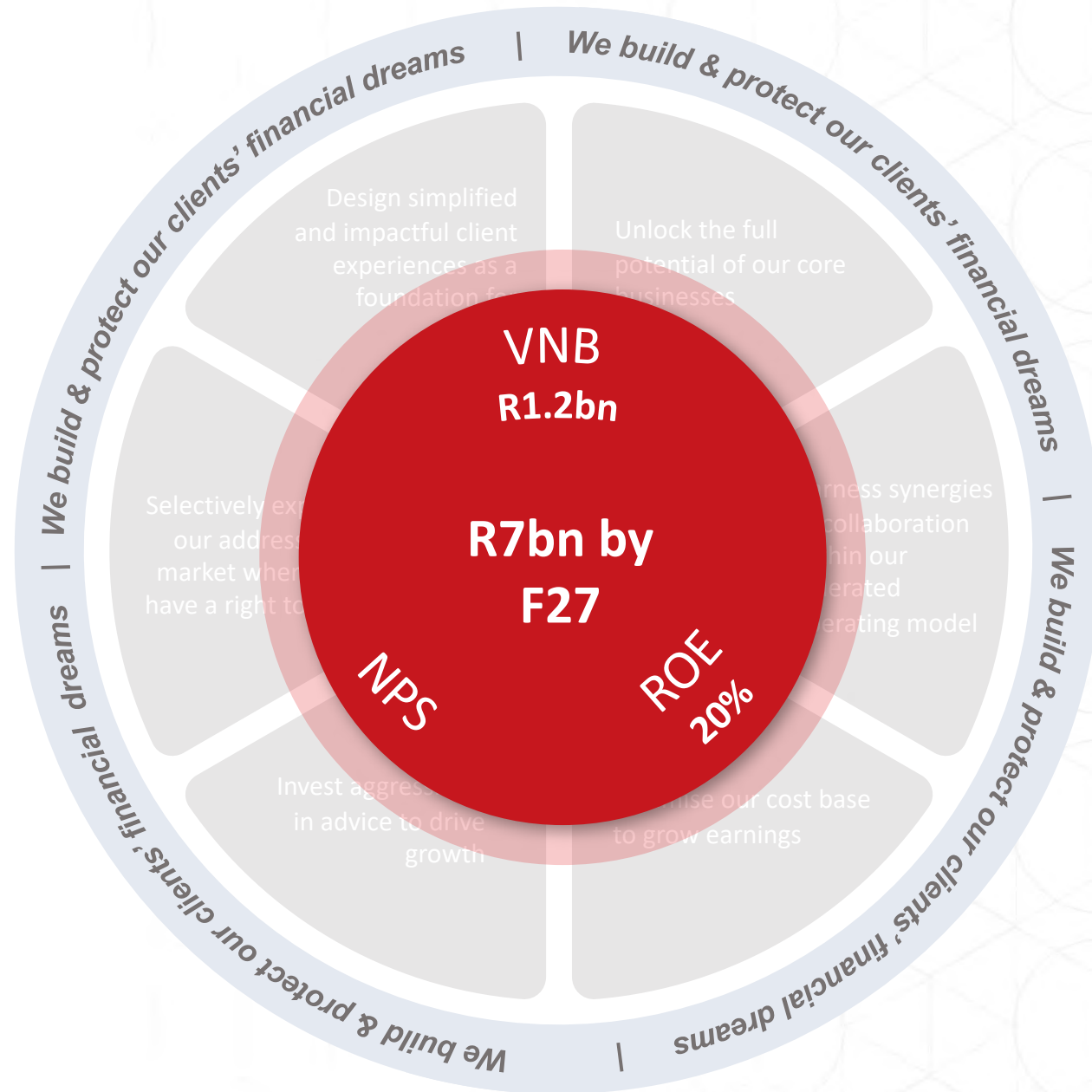


Capital deployment

Our
pathway
to growth

Impact targets







IMPACT

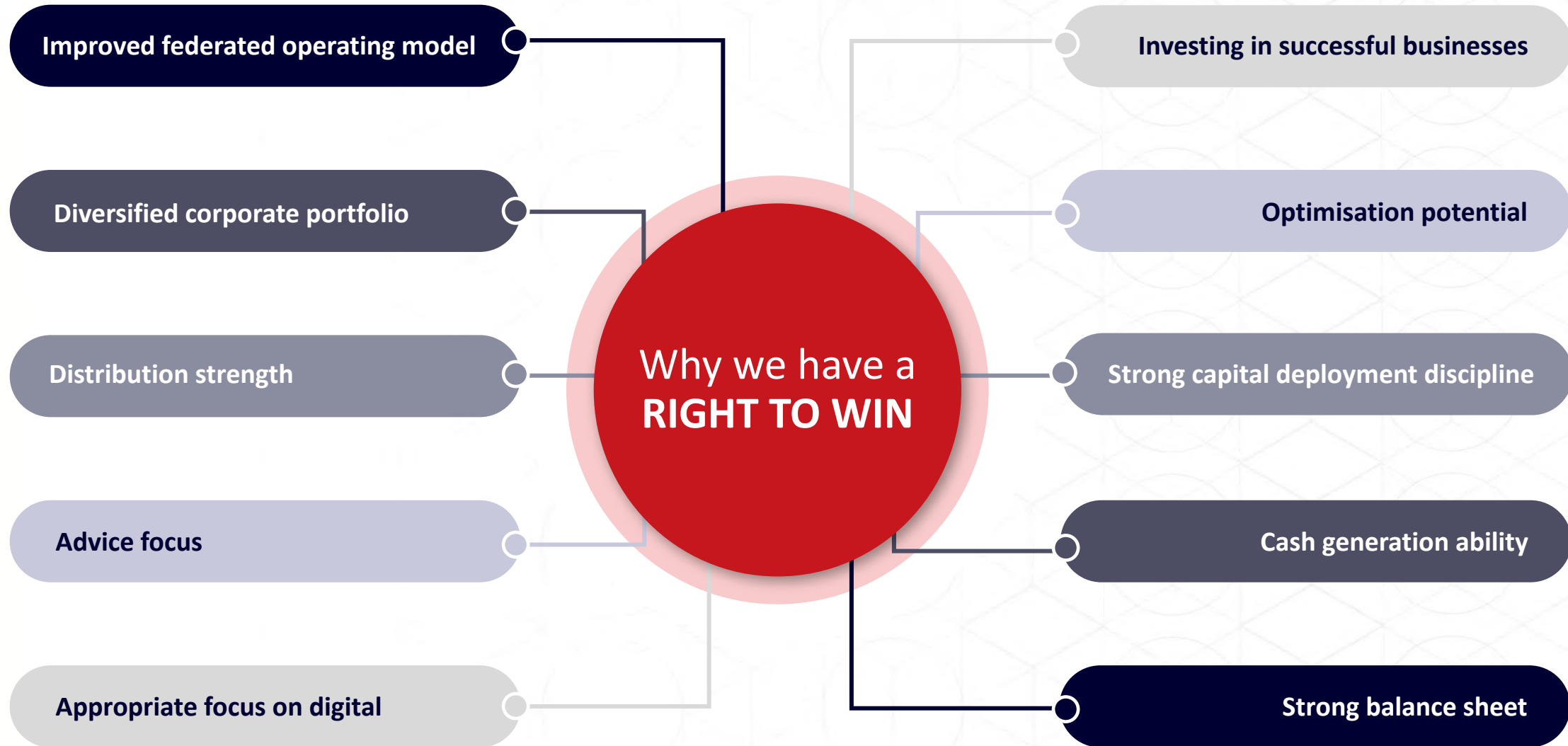
F2025 to F2027

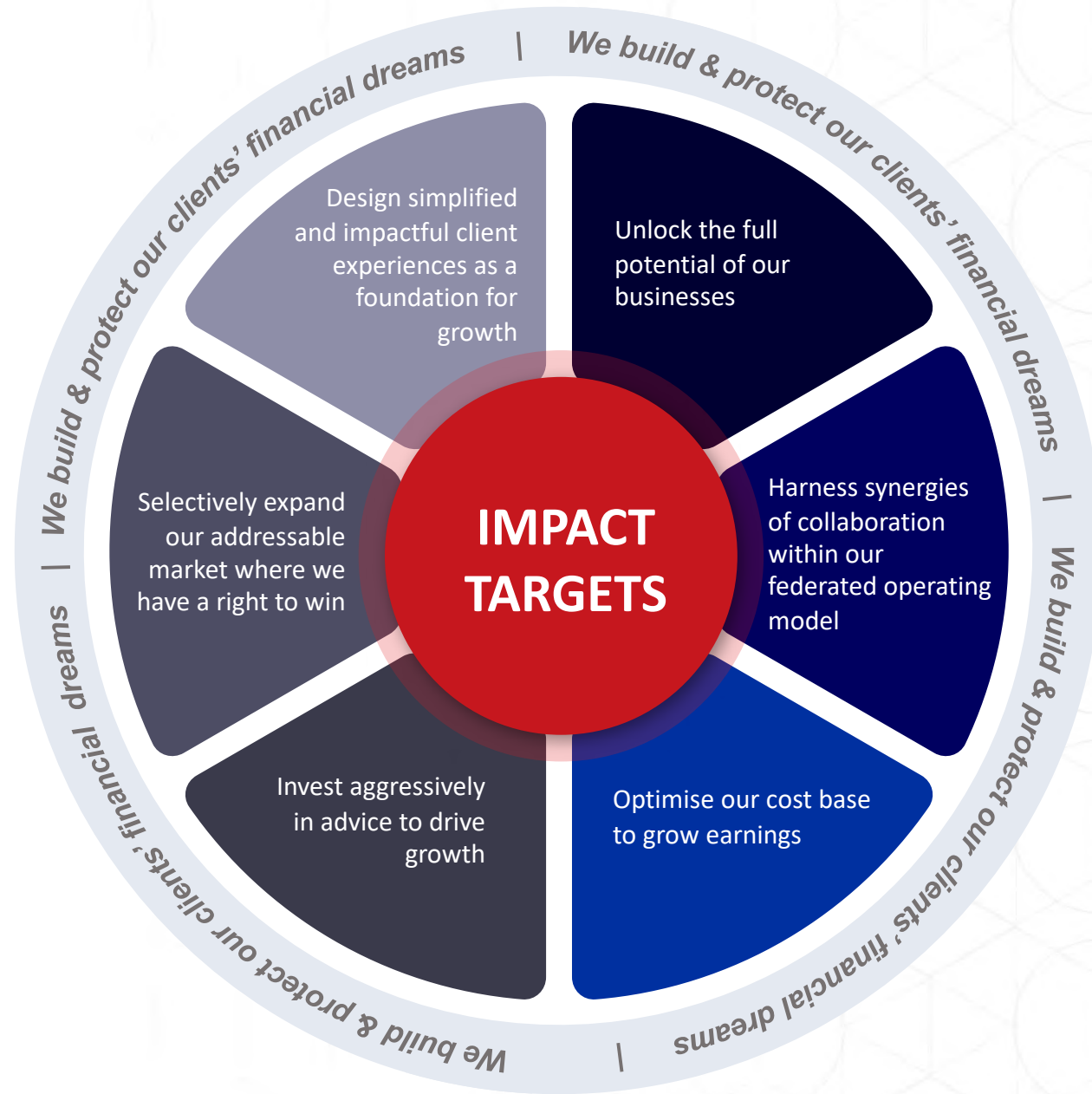
STRATEGY



Key takeaways









Thank you





Financial aspirations

Impact Strategy

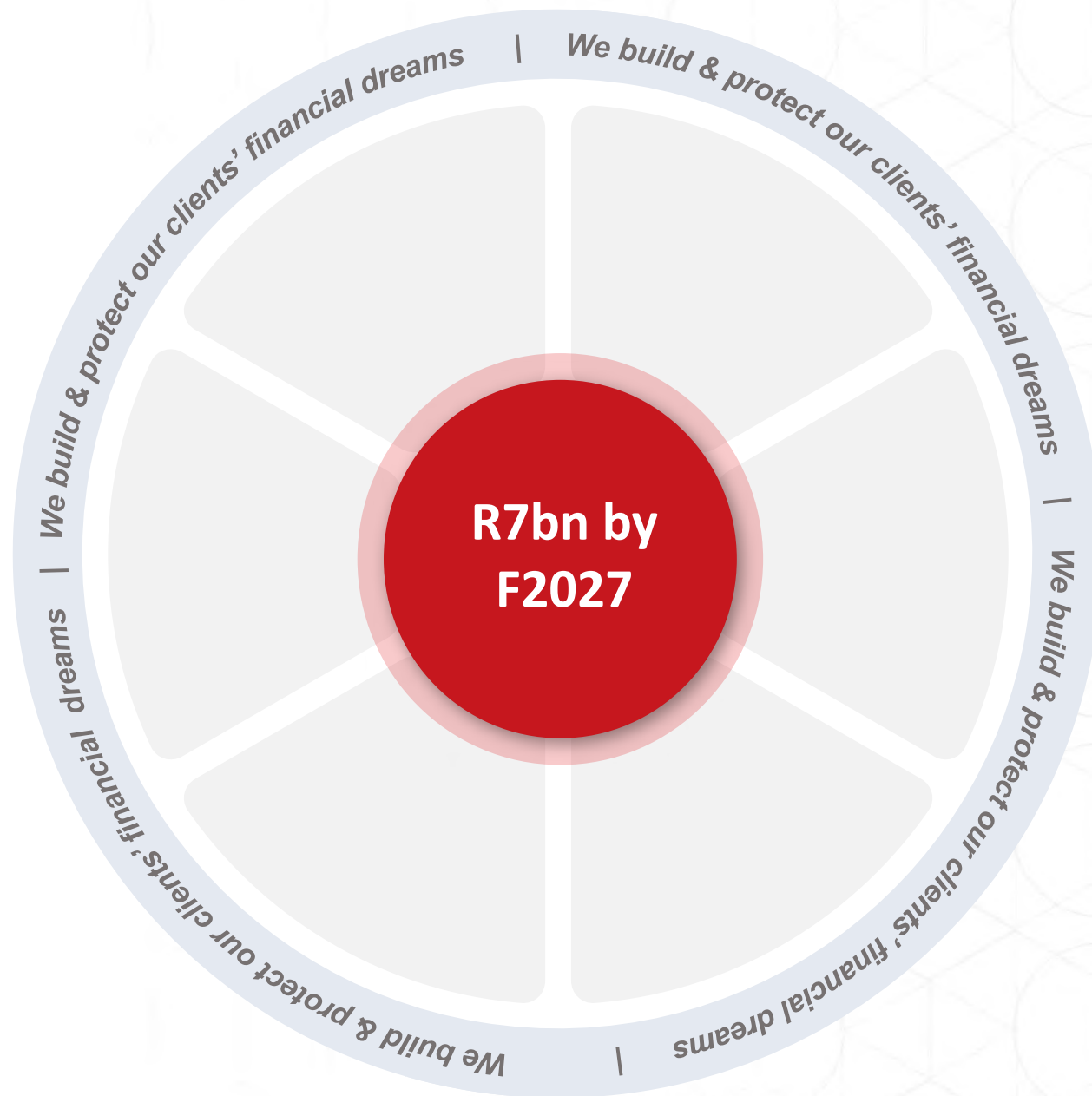
Risto Ketola



Agenda

- 1 Earnings ambition
- 2 VNB margin
- 3 ROE ambition
- 4 Cash generation
- 5 Capital management





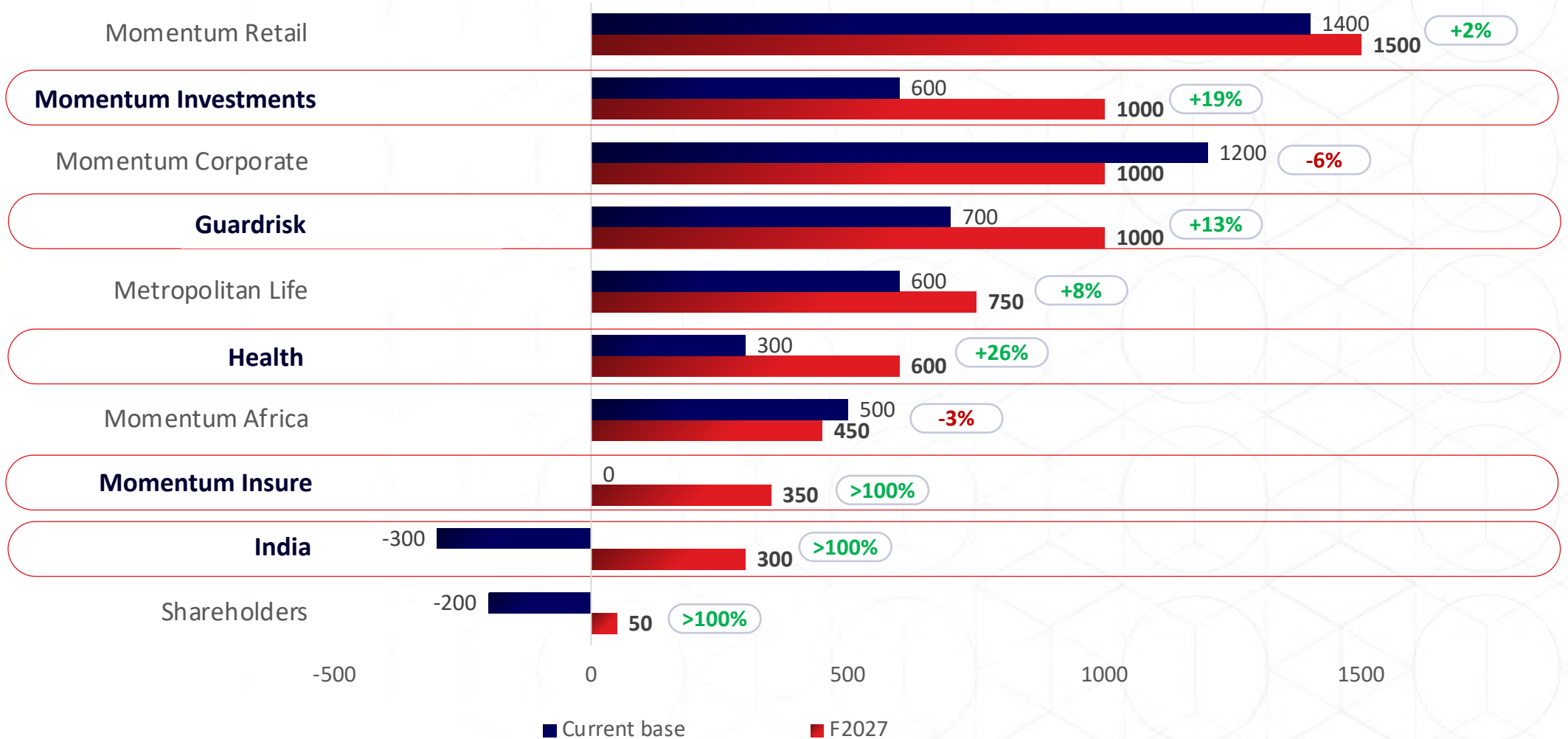
Group earnings ambition

NHE ambition
of R7bn by
F2027

R'million	F2027
Momentum Retail	1 500
Momentum Investments	1 000
Momentum Corporate	1 000
Guardrisk	1 000
Metropolitan Life	750
Health	600
Africa	450
Momentum Insure	350
India	300
Shareholders	50
Total	7 000

Group earnings ambition

R'million

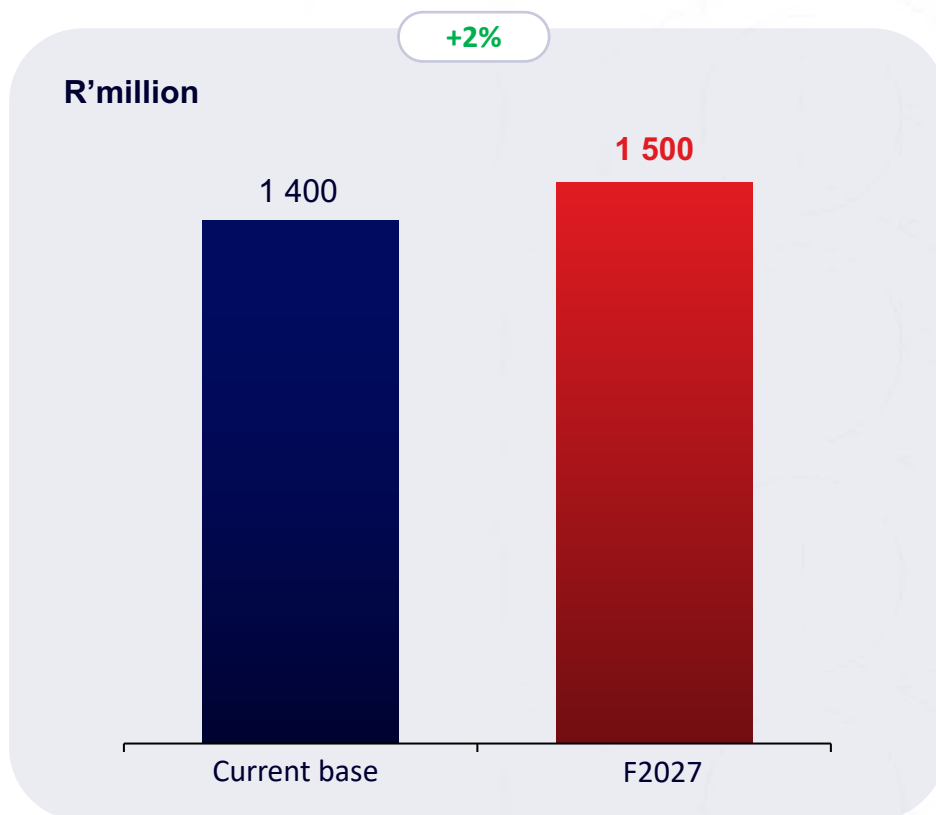


*Growth expressed as CAGR over 3 years

**The current base represents double the 1HF2024 earnings, rounded to the nearest R100 million.

Earnings ambition

Momentum Retail



Key enablers

- Digital transformation
- Distribution footprint growth
- Onboarding innovation
- Expense rationalisation

Key risks

- Yield curve uncertainty
- Low SA growth
- Changing client needs

*Growth expressed as CAGR over 3 years

**The current base represents double the 1HF2024 earnings, rounded to the nearest R100 million.

Earnings ambition

Momentum Investments

R'million



Key enablers

- Vertical integration driving Wealth Platform profitability
- Footprint expansion through strategic global and local partnerships
- Strengthened structured product offering

Key risks

- Changes in market conditions
- Impact of investment performance on flows
- Digital adoption post Wealth re-platforming

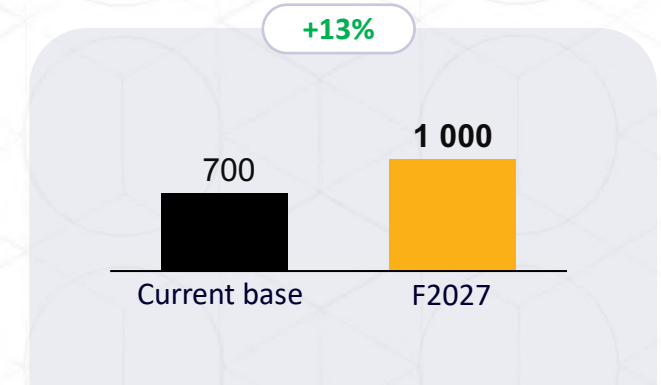
Momentum Corporate



- Continued focus on digital enablement
- Leverage strategic partnerships for greater market access
- Pricing discipline and risk management

- Inherent volatility of new business flows
- Underwriting profits and risk pricing pressure from competitive market

Guardrisk

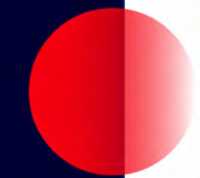


- Growth in commercial and specialist lines
- Investment in new product development
- Enhance digital capabilities

- Assumes below inflation expense growth
- Volatile claims experience

*Growth expressed as CAGR over 3 years

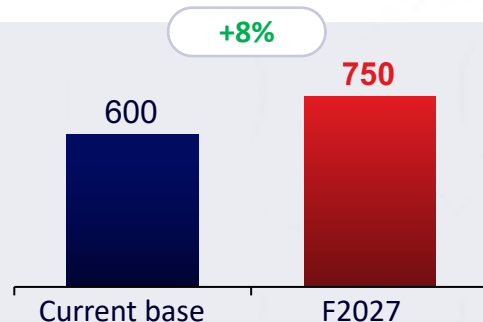
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Earnings ambition

Metropolitan Life

R'million



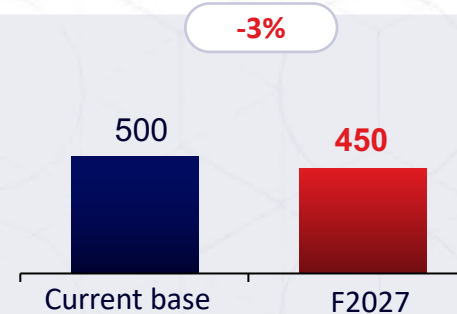
Key enablers

- Increase in agent productivity
- Product commerciality
- Cost base optimisation
- Savings from platform migration

Key risks

- Future experience variances or basis changes
- Volumes
- Macro-economic impact on emerging clients

Momentum Africa

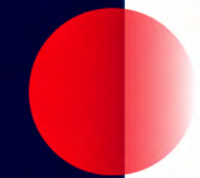


- Strategic focus on growing distribution
- Successful system implementation and product refresh
- Elevated focus on client experience
- Leverage strategic partnerships

- Macroeconomic and regulatory environment challenges
- Timely implementation of administration systems
- Competition from existing and new market players

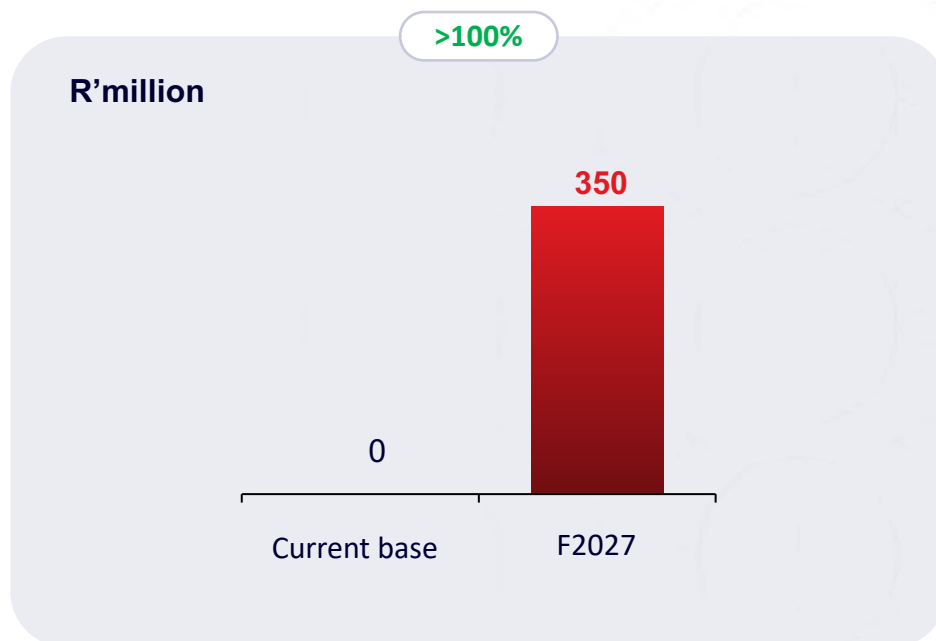
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Earnings ambition

Momentum Insure

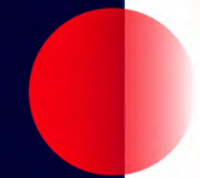


Key enablers

- Targeted claims ratio of 58%
- Accelerate digitalisation to drive efficiencies
- Reduce the cost to serve in the IFA channel
- Scale personal lines Direct and Digital sales
- Drive premium diversification through growth in commercial lines

Key risks

- Worse than expected cyclical weather volatility
- Current market conditions persist or deteriorate
- Pace of digital transformation



Earnings ambition

Health

R'million



Key enablers

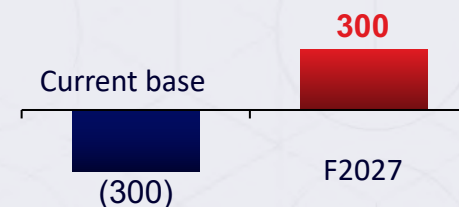
- Employment growth in the public sector
- Union alignment
- Cost efficiencies and portfolio optimisation

Key risks

- NHI impact
- Low market growth
- Regulatory uncertainty

India

>100%



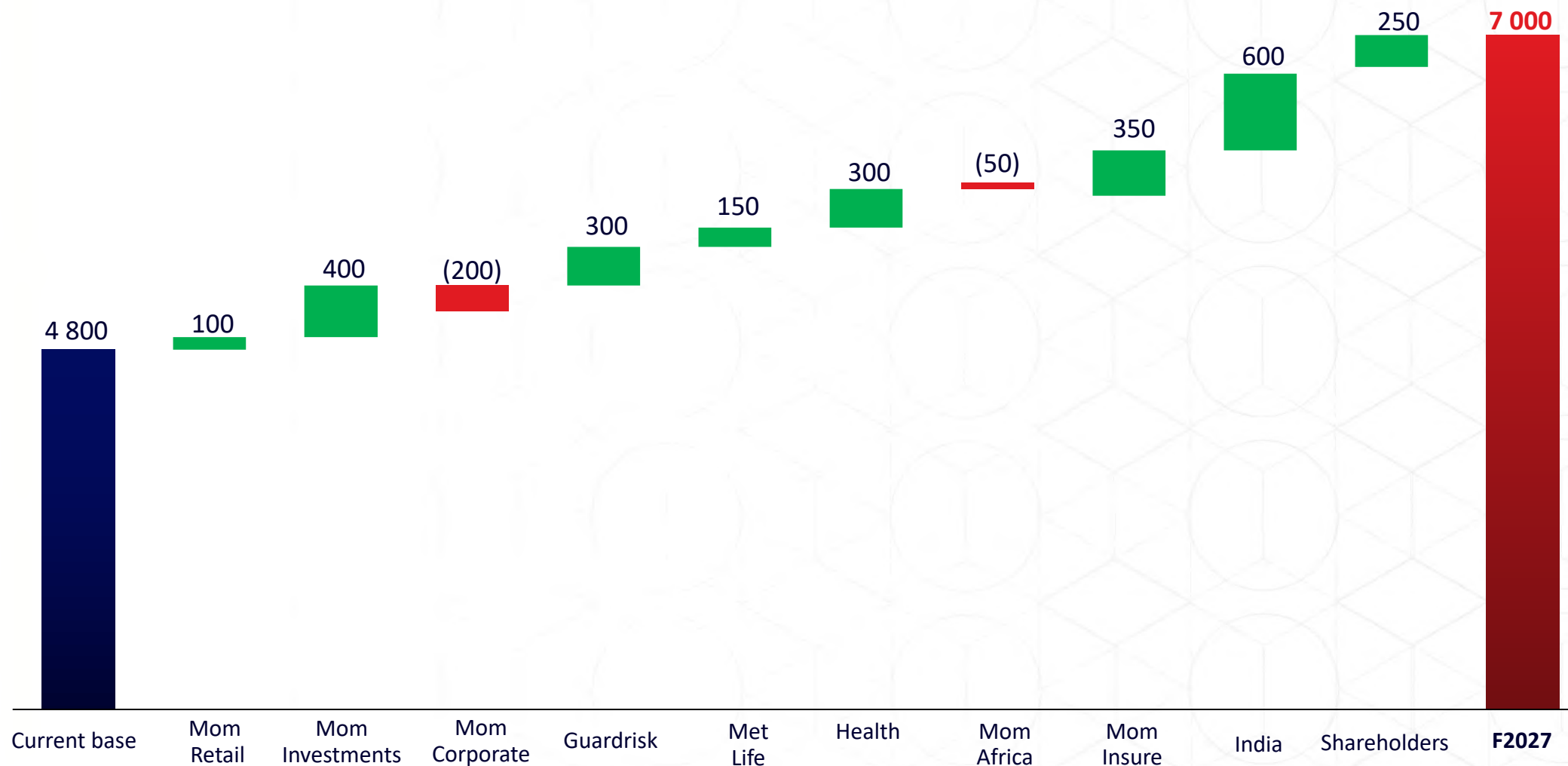
- Differentiated health first model
- Diversified omni-channel distribution
- Maturing health and disease risk management
- Leverage partner brand and ecosystem

- Balance business mix to minimise claims ratio whilst lowering expense ratio to meet regulatory limit by 2026
- Intensity of competition
- Medical inflation and provider abuse

*Growth expressed as CAGR over 3 years

**The current base represents double the 1HF2024 earnings, rounded to the nearest R100 million.

Earnings ambition contribution



VNB margin



VNB margin target

	1HF2024	F2027
Momentum Retail	(0.9)%	0% - 1%
Momentum Investments	1.5%	1% - 2%
Momentum Corporate	0.1%	0% - 1%
Metropolitan Life	(2.6)%	4% - 5%
Momentum Africa	(1.1)%	0% - 1%
Group	0.5%	1% - 2%

VNB enablers

- Distribution footprint growth
- Unlocking product and channel revenue through vertical integration
- Product commercialisation
- Digital enablement to reduce cost and improve client experience
- Cost optimisation

VNB risks

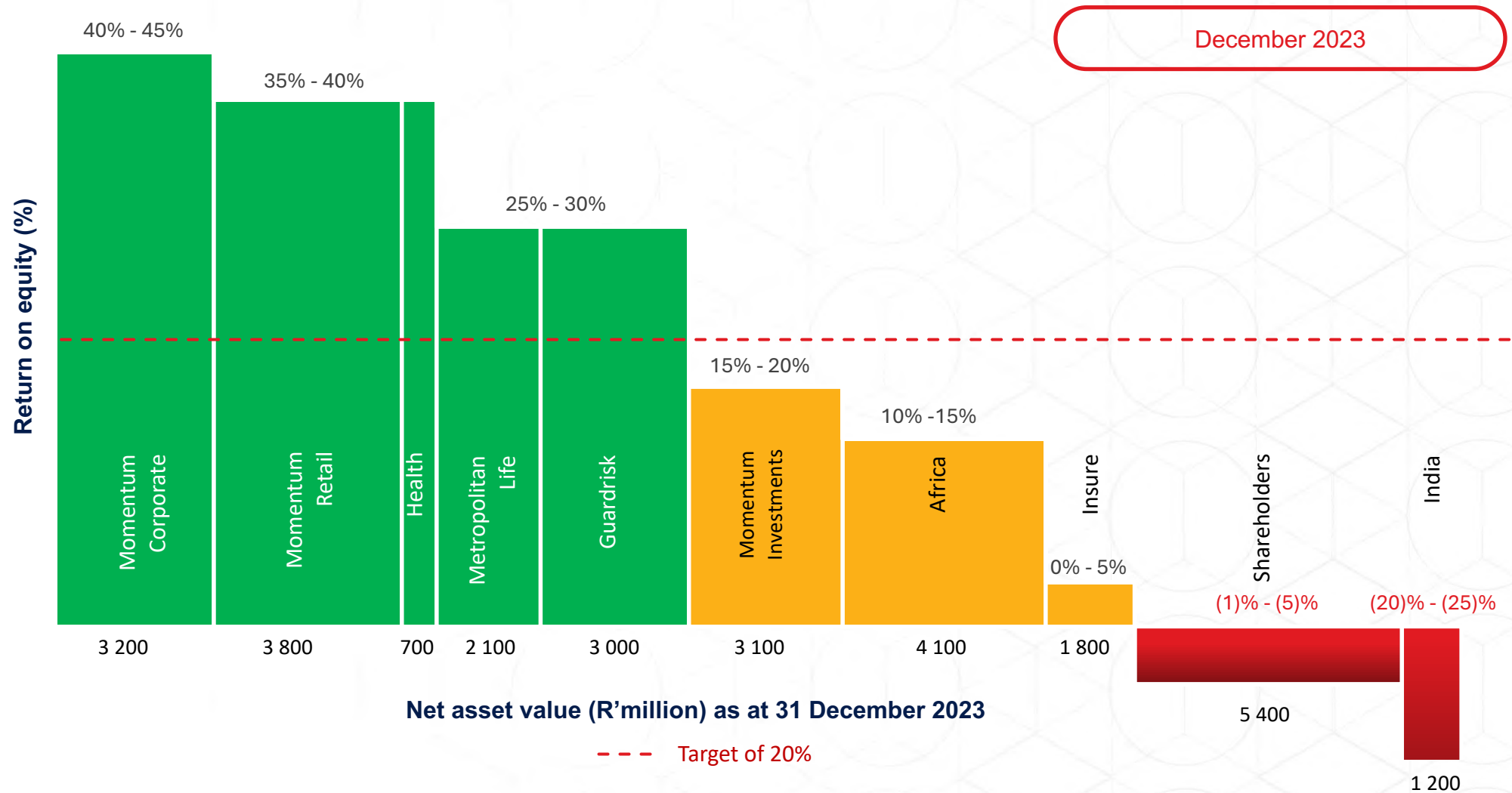
- Market competitiveness
- Quality of business
- Product mix
- Market volatility
- Interest rate risk

Group VNB ambition for F2027 is R1.0bn – R1.2bn

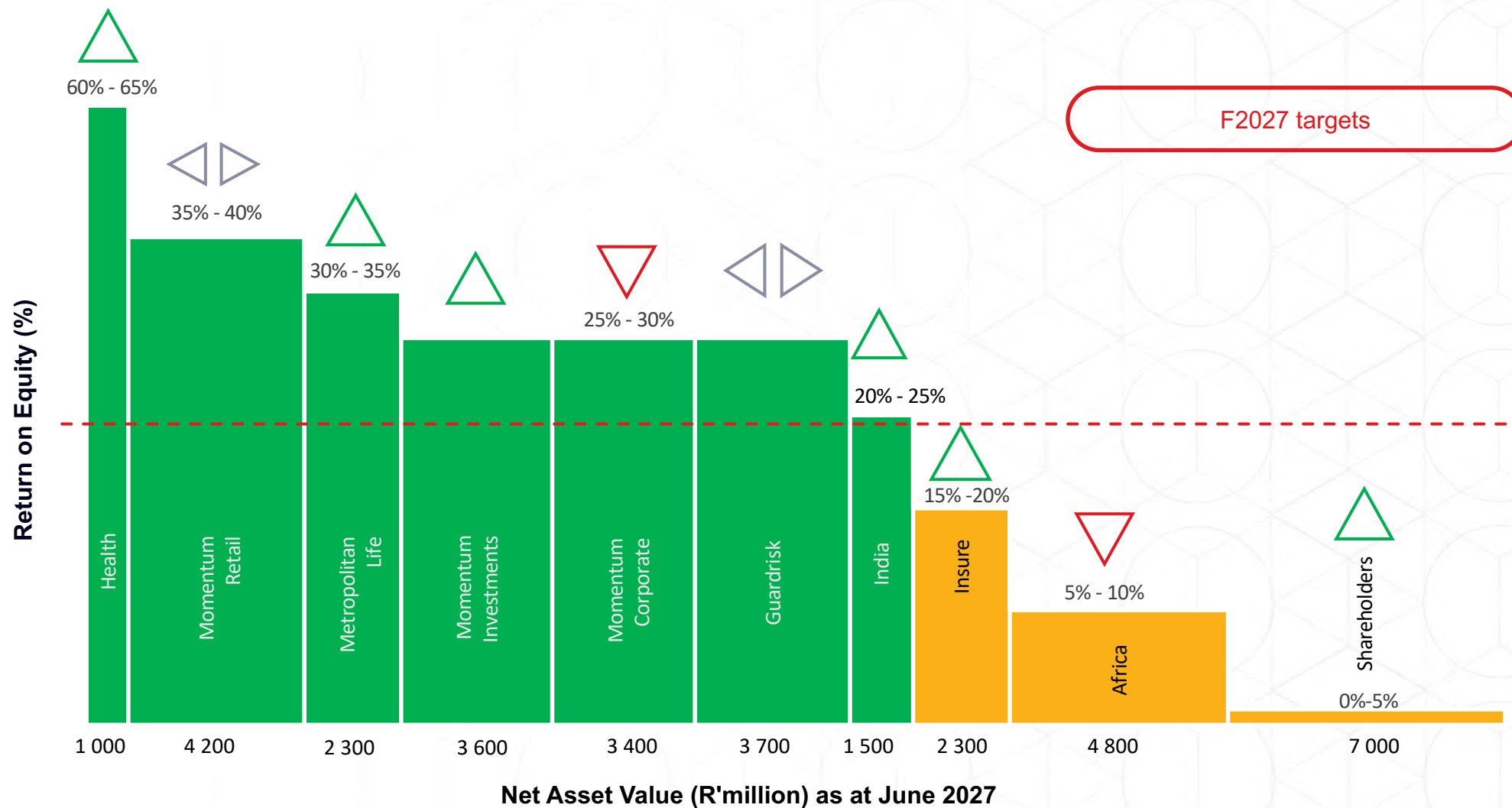
ROE ambition



ROE achieved



ROE ambition



--- Target of 20%

*Net Asset Value assumed to grow in line with liability forecast

Cash generation





MML capital cover



--- Target range of 1.6 - 2.0



Cash generation

R'million	2021*	2022*	2023*	Cumulative*
SA Life businesses	391	2 999	3 601	6 991
Guardrisk	340	248	311	899
Africa	69	164	560	793
Momentum Investments	-	93	281	374
Health	170	151	218	539
Dividend inflow to Momentum Group	970	3 655	4 971	9 596
Other	255	297	(33)	519
Momentum Multiply	-	-	(143)	(143)
MM Finance Company	(12)	(153)	-	(165)
VC fund investment	-	(30)	(192)	(222)
Momentum Money	-	-	(297)	(297)
Momentum Insure	(16)	(181)	(380)	(577)
India	(372)	(329)	-	(701)
Preference shares	(90)	(99)	(529)	(718)
Cash generated to Momentum Group	735	3 160	3 397	7 292
Ordinary dividend	(747)	(1 720)	(1 891)	(4 358)
Net of dividend payment	(12)	1 440	1 506	2 934
Approved buyback	-	(1 250)	(1 000)	(2 250)
Net of buyback & dividend	(12)	190	506	684

*These periods refer to calendar years and not financial years

Cash generation

R'million	Cumulative to 2023*	F2025 – F2027
Dividend inflow to Momentum Group	9 596	11 000 – 12 000
No further support required	(874)	-
Momentum Insure	(577)	-
Momentum Money	(297)	-
Significant reduction in support	(1 949)	<1 000
Preference shares	(718)	
India	(701)	
VC fund investment	(222)	
MM Finance Company	(165)	
Momentum Multiply	(143)	
Cash generated to Momentum Group	7 292	10 000 – 11 000
Dividends		?
Share buybacks		?
M&A		?
Internal initiatives		?

*These periods refer to calendar years and not financial years

Capital management

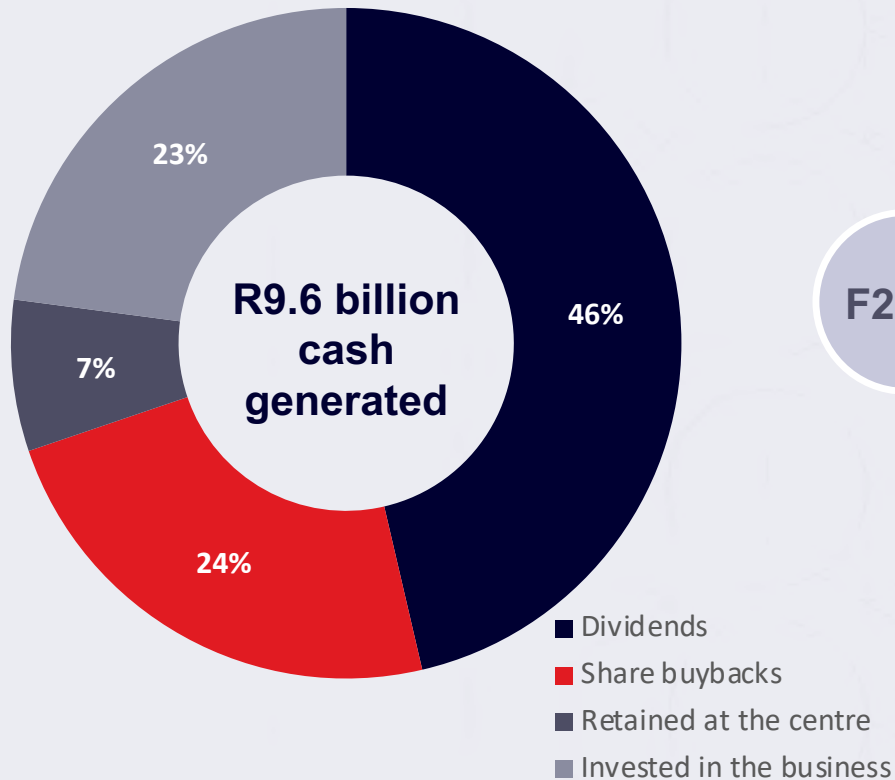


Capital allocation approach

- 1 Formalisation and standardisation of capital allocation processes
- 2 Adopted a more dynamic hurdle rate framework
- 3 Ability of business unit to support its own operations, market attractiveness and healthy state of business unit will play role in capital decisions
- 4 Increased focus on cash generation and management of steep J-curves
- 5 Increased rigour in understanding the external environment in the targeted industry

Capital deployment

Last 3 years' cash generation and utilisation

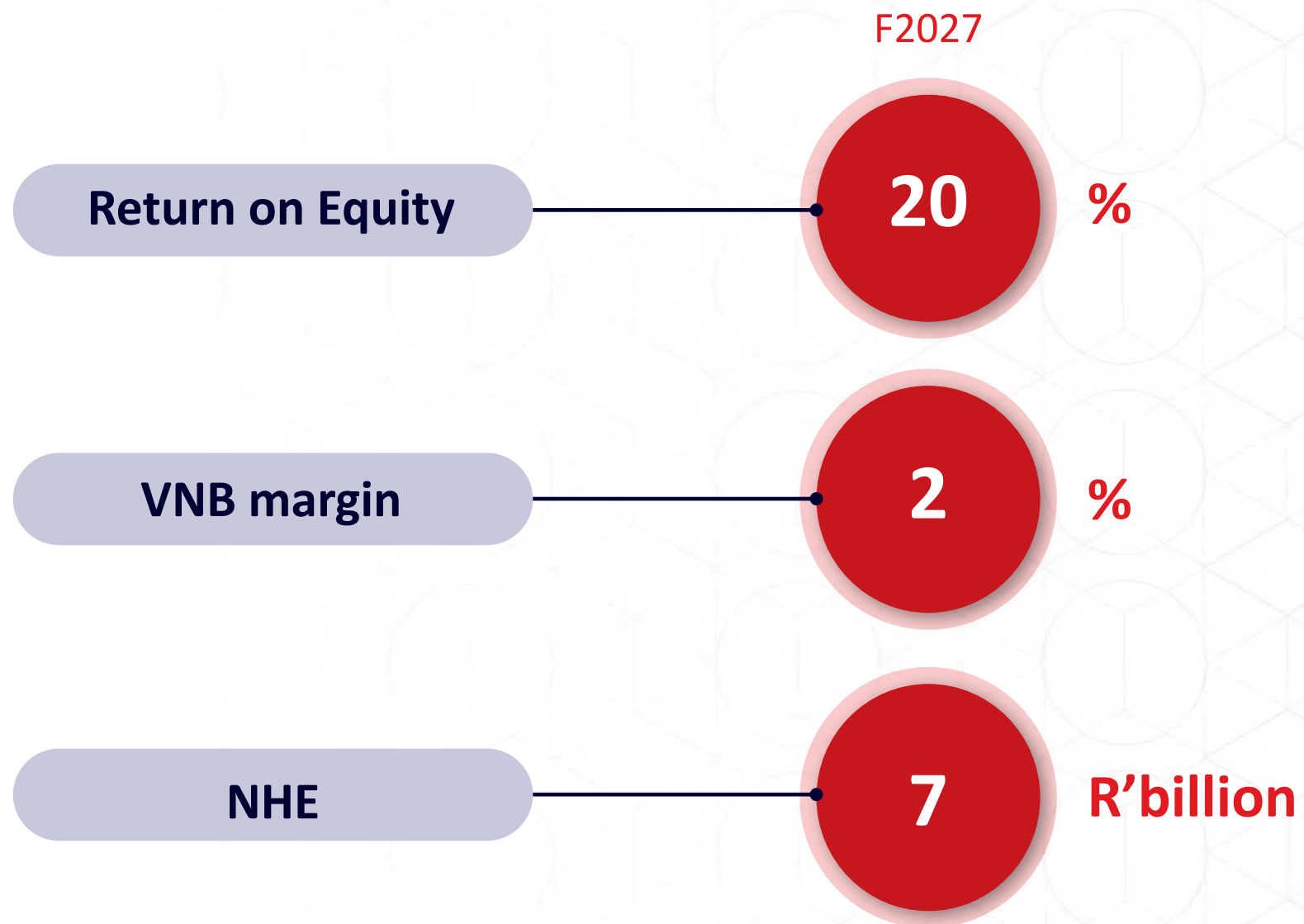


F2027

Investment in the business to be guided by strategic growth ambitions:

- 1 Dividend pay-out target range remains at 33% to 50% of NHE
- 2 Dividend payments expected to be around R6bn over the next 3 years
- 3 Preferred segments for organic and inorganic capital deployment :
 - Investment Management
 - Distribution
 - Corporate businesses

Financial Ambition





Thank you





Momentum Retail

Impact strategy

Johann le Roux



Agenda

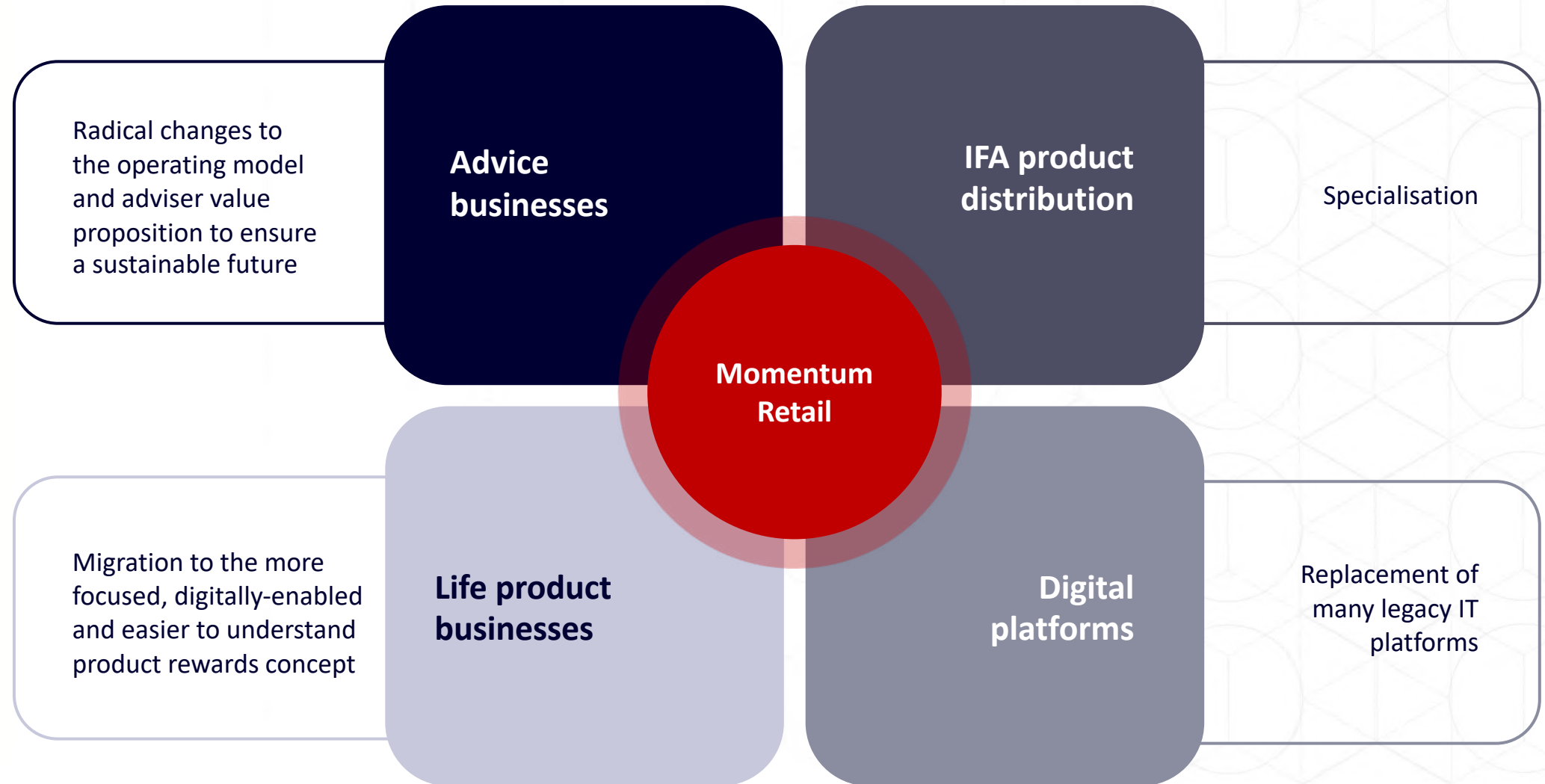
- 1 Momentum Retail today
- 2 Market dynamics and key considerations
- 3 Strategic focus areas
- 4 Objectives and measures of success
- 5 Why we will win



Momentum Retail today



The Momentum Retail business portfolio



Market dynamics and key considerations



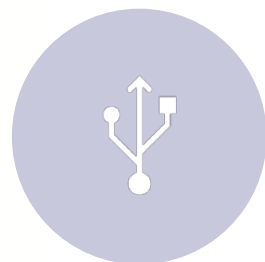
Market dynamics and key considerations



Collaboration



Digital way of work



Future of underwriting



Importance of advice



Growth runway

Strategic focus areas



Strategic focus areas

What we will focus on in the next 3 years (F25-F27)



Growth



Digital transformation



Expense rationalisation

Objectives and measures of success





Momentum Advice



LONG-TERM WINNING ASPIRATION

“

Supporting clients of Momentum Financial Planning and Consult to manage their financial affairs and achieve their financial dreams.





”

IMPACT STRATEGY AMBITION

“

Become an advice business with 1 500 advisers with MFP a top-3 agency force and Consult the top product supplier supported network.

”

FOCUS AREA	OBJECTIVES
Growth	 Top industry player with an attractive range of client and adviser value propositions
Vertical integration	 Integrations with other areas in the Group (i.e. Momentum Investments)
Digital transformation	 Process automation  Digital financial planning and advice process

MEASURES OF SUCCESS

Footprint growth of

+50% in MFP and **+85%** in Consult by F27

Consult CAT II Assets by F2027: **+33%**

MFP in-house solutions by F2027: **+100%**

100% online workspace & advice process adoption by F2027





Momentum Distribution Services



LONG-TERM WINNING ASPIRATION



Momentum Distribution Services is the Group's preferred distribution channel for Momentum products to independent financial advisers.



IMPACT STRATEGY AMBITION



Momentum Distribution Services is the preferred business partner for IFAs, providing them with specialist knowledge, technological capabilities and practice management support, making it easy to do business with us.



FOCUS AREA	OBJECTIVES
Growth	 Expand our best-in-class specialist broker consultant force and target strategic partnerships with independent financial advisers (IFAs) and key accounts
Efficiencies	 Drive efficiencies and ease of doing business across the value chain through a leading adviser digital enablement and integration
Alignment with product partners	 Align product and distribution go-to-market strategies  Establish Momentum Investments as a seeded player and increase adoption of in-house

MEASURES OF SUCCESS

Footprint growth of
+33% in retail broker consultants by F2027

-10% acquisition costs by F2027

+15% growth in supporting advisers by F2027





LONG-TERM WINNING ASPIRATION

“
The leading insurer to all middle and upper-market South Africans. Trusted by our clients to protect their financial dreams against life’s uncertainties with innovative solutions and unmatched client experience.
”

IMPACT STRATEGY AMBITION

“
Be the #1 product provider in the South African risk market with a market share of at least 20%; recognised (by advisers) for innovative product proposition and onboarding solutions.
”

FOCUS AREA	OBJECTIVES
Onboarding innovation	 Attain a market-leading position in onboarding and innovation
Channel partnerships	  Proactively partner with independent financial advisers (IFAs) networks and align closely with Momentum Financial Planning
Product leadership	 Entrench market-leading product position and improve client engagement mechanisms
Direct-to-client	 Continued growth in direct-to-client risk sales

MEASURES OF SUCCESS

Leader position in “ease of doing business” and “underwriting”

20% IFA market share by F2027

Direct-to-client:

15% of new business sales by F2027





Investo



LONG-TERM WINNING ASPIRATION

“

To be the chosen long-term savings provider, empowering more South Africans to meet their goals and dreams.




”

IMPACT STRATEGY AMBITION

“

To be the chosen client experience leader providing innovative, convenient, flexible and simple long-term savings solutions to meet client needs.

”

FOCUS AREA	OBJECTIVES	MEASURES OF SUCCESS
Digital solutions	 Create end-to-end digital engagement model for clients and advisers whilst ensuring that we drive greater experience through specific client touchpoints	Adoption of digital capabilities F2025: +90%
Growth	 Simplifying the product offering and elevate enhanced benefits in existing products  Strengthen channel partnerships	Adviser support growth Advice: +10% by F2027 MDS: +15% by F2027
New markets	 Leverage group capabilities and offerings to explore new markets	





MMerge



LONG-TERM WINNING ASPIRATION



Make MMerge the industry leader for cost-effective policy administration for traditional insurance solutions.




IMPACT STRATEGY AMBITION



To unlock stakeholder value and service clients effectively.



FOCUS AREA	OBJECTIVES	MEASURES OF SUCCESS
Sustained operational efficiency	 Efficient provisioning of retail policy administration system offerings and appropriate capabilities to support the rest of the Group	R70m to R100m cost saving in Metropolitan & Africa by F2027
Product	 Rationalise existing products and improve the use of data to extract insights  Robust product model to ensure efficient enhancements and assist with ongoing monitoring	
Client & intermediary experience	 Implement and leverage appropriate digital solutions to improve client and intermediary experience	





Momentum Trust



LONG-TERM WINNING ASPIRATION



To be the preferred fiduciary services partner of financial advisers in selected markets in South Africa.



IMPACT STRATEGY AMBITION



Known for our comprehensive service offering with a reputation of being able to work effectively with our financial advisers in protecting their clients' legacies and securing the future.



FOCUS AREA	OBJECTIVES	MEASURES OF SUCCESS
Digital transformation	 Leverage technology & improve business intelligence	+100% growth in in-house support by F2027 25% efficiency improvement by F2027
Expansion of our offering	 Build a comprehensive fiduciary services offering for the Group	
Adviser support	 Be the preferred fiduciary provider for advisers in the market	



Why we will win



Why we will win





Thank you





Momentum Investments

Impact strategy

Ferdi van Heerden



Agenda

- 1 Momentum Investments today
- 2 Market dynamics and key considerations
- 3 Ambition and focus areas
- 4 Objectives and measures of success
- 5 Why we will win



Momentum Investments today



Strategy in motion

Key achievements from previous strategies



- Top 3 LISP platform – reclaimed market share
- Strong guaranteed annuities business
- Established our DFM (Equilibrium)
- Investment in digital capabilities
- Specialised distribution model successes
- Growth in adviser footprint and support
- Strong institutional capabilities established
- Specialised distribution model successes
- Developed new retail asset management business
- Product rationalisation and simplification
- Focus on service experience
- BEE level 2 obtained (level 1 exp F25)

Momentum Investments became a strong financial contributor to the Group

Broad range of capabilities

Wealth Management (our investment (LISP) platforms, local and international)

Structured products and Annuities

Institutional platform driving value chain integration

Multi-Management

Multi-Managed Funds
(MOBS, MGIM)

Model Portfolio Solutions
(Equilibrium)

Outcomes-based investment philosophy & process

Collaborate on research and partnerships

Centralised investment provider to internal and external advice networks / partners

Asset Management

Specialist Single Manager Funds
(Curate)

Internal capabilities
(MAM, CAIM, Securities)

Independent Specialists & Boutiques
(IMG, ERIS)

Single managed funds each managed by a specialist manager

Independent brands

Systematic strategies

Alternatives

Fixed income

Property

Independent, owner managed businesses

Complimentary to in-house capabilities

Market dynamics and key considerations



Market trends



Low SA growth

- Vertical integration
- New markets & segments
- Consolidation & partnerships



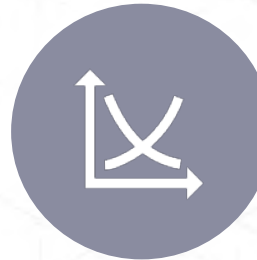
Changing client needs

- Digital capabilities (self-drive, self-manage services)
- Personalisation in delivery
- Closer engagement with clients
- Integrating into advice practices



Margin pressure

- Product simplification
- Structured & alternative product focus
- AI & digital (innovation and cost efficiencies)



Regulatory complexities

- Leverage AI & digital solutions
 - more scalable compliance and legal capability
 - aid predictive compliance risk identification and monitoring



Sustainability & Impact

- Strong focus on an integrated ESG / Responsible Investment process and philosophy



Migration of talent

- Strong EVP
- Culture driving & supporting purposeful leadership
- Enable access to global talent pool

Ambition and strategic focus areas



LONG-TERM

WINNING ASPIRATION

“

Being a ***trusted investment and wealth manager***, who crafts sustainable local and global solutions offering unique engagement journeys that advisers and clients can rely on to ***build and protect their financial dreams.***

”

IMPACT STRATEGY

AMBITION

Establish ourselves as *a major contributor to the Momentum Group earnings* with AUM exceeding a trillion rand, reducing our cost-to-income ratio by 5% and achieving a sustained NPS above 70.



Strategic focus areas

What we will focus on in the next 3 years (F25-F27)



Growth

- Vertical integration
- Global growth / new markets
- Partnership opportunities



Client experience

- Creating unique distinctive individualised service experiences (consistently)



Operating model

- FNZ re-platforming
- Optimisation of capabilities / funds
- Reset the cost base



Product

- Product simplification
- Expansion to structured & alternative products



People

- EVP
- Purposeful leadership and culture

Enabled by data, AI and digital

Executed through the federated capability model

Delivered with simplicity

to achieve



NHE

>R1 billion

AUM/A

>R1 trillion

Cost efficiency

>R150m | CTI +5% | CTA +0.05%

Net flows

>30bn

NPS

>70

Objectives and measures of success





Wealth Management



FOCUS AREA	OBJECTIVES	MEASURES OF SUCCESS
Growth	<ul style="list-style-type: none">Future-fit platform proposition and capability stack for local and global advisers, clients and DFMsVertical integration, to ensure that the platform proposition and capability stack enables the broader ecosystemExplore opportunities to unlock scale in South Africa and selected international markets	<p>Platform AUA of R370bn by F2027</p> <p>DFM share of platform assets of 15% by F2027</p> <p>NPS of 70 by F2027</p> <p>Cost-to-asset ratio of 33bps by F2027</p>
Client experience	<ul style="list-style-type: none">A future-fit client experience to strengthen the platform proposition for local and global advisers, clients and DFMs. Digital anchored in human heart	
Operating model	<ul style="list-style-type: none">A new Wealth Management operating model to ensure profitability, scalability and sustainability across all jurisdictions	





Structured Products and Annuities

FOCUS AREA	OBJECTIVES	MEASURES OF SUCCESS
Growth	<ul style="list-style-type: none">Increase participation in existing markets and optimise earnings emergenceEnter new markets to sustain growth	NHE of R600m by F2027
Client experience	<ul style="list-style-type: none">Implement a model that consistently differentiates service	NPS of 70 by F2027
Efficiency	<ul style="list-style-type: none">Optimise processes and cost base to ensure profitability, scalability and sustainability	VNB margin 1%-2% with VNB of R550-750m by F2027
Product	<ul style="list-style-type: none">Expand revenue sources by focusing on structured products	





Multi-Management



FOCUS AREA	OBJECTIVES	MEASURES OF SUCCESS
Growth	<ul style="list-style-type: none">Become the investment manager to all advice and product businesses in Momentum GroupAccess untapped markets through internal collaborationInvest in / create an IFA network in the UK and selected expat marketsLaunch a sustainable and profitable fiduciary management business in the UK	<p>AUM of R320bn by F2027</p> <p>AUA of R190bn by F2027</p>
Client experience	<ul style="list-style-type: none">Be recognised for excellent client service in all our key markets	
Efficiency	<ul style="list-style-type: none">Create a single, scalable and global operating model by leveraging technology	<p>30% into internal products from GLA inflows</p>
Product	<ul style="list-style-type: none">Become a leading provider of sustainable investment solutionsEvolve and gain support for innovative product range that responds to changing client needsBecome the institutional platform provider of choice in the SA market	<p>70% of fund performance in quartiles 1/2</p>



Unlock full potential of our businesses



Harness synergies of collaboration



Optimise our cost base



Invest aggressively in advice



Selectively expand our addressable market



Design simplified and impactful client experiences



Asset Management



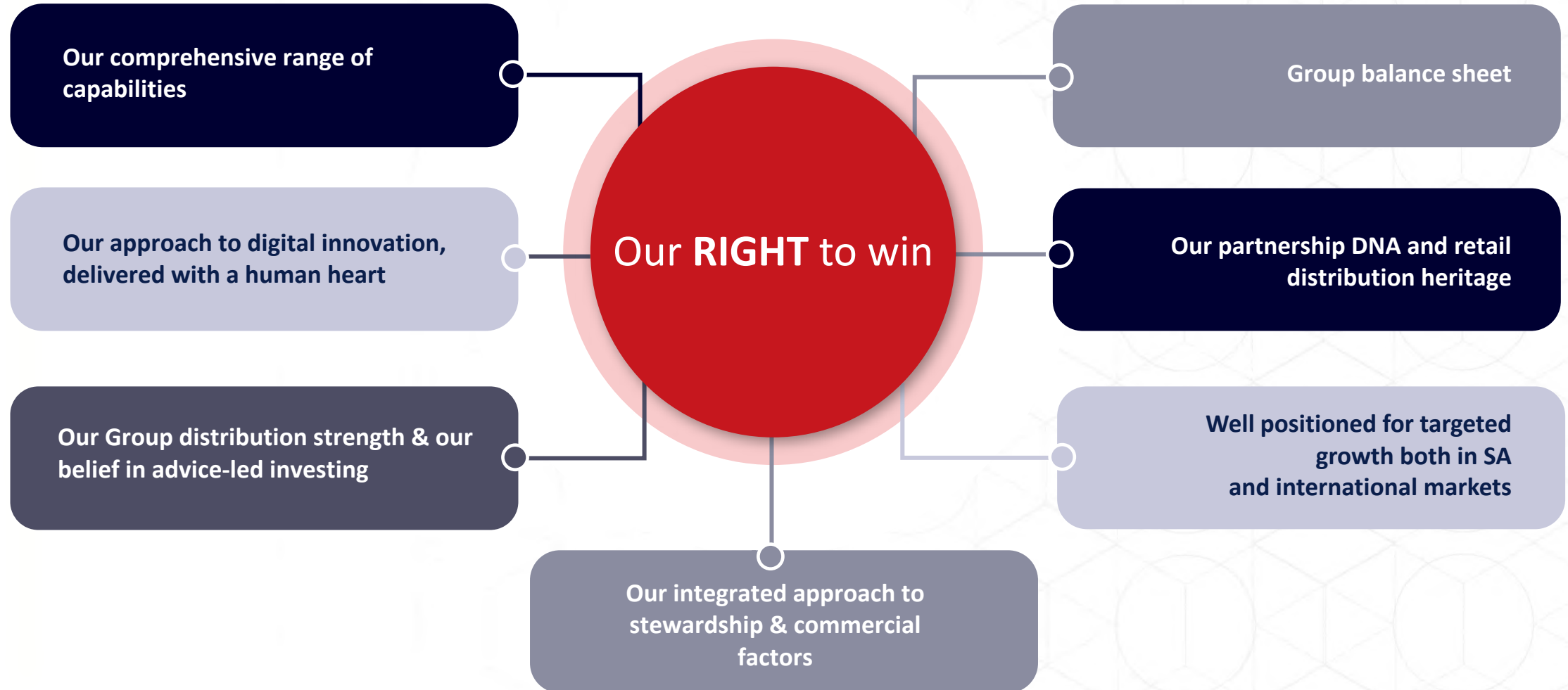
FOCUS AREA	OBJECTIVES	MEASURES OF SUCCESS
Growth	<ul style="list-style-type: none">Position Momentum Securities as an integral part of our investment and wealth management propositionsStrengthen and grow SA asset management businessesDevelop and broaden our direct investment capabilitiesGrow international distribution footprint and revenueLaunch and grow CurateOptimise and maximise IMG affiliates	<p>Direct Asset Management</p> <p>AUM R300bn by F2027</p> <p>ERIS AUM R25bn by F2027</p> <p>Curate NMG Brand perception</p> <p>>8 by F2027</p>
Client experience	<ul style="list-style-type: none">Build and develop strong client engagement propositionsContinuously review and expand fund range to meet evolving client needs	
Efficiency	<ul style="list-style-type: none">Strong participation in vertical integration, exploiting synergies between business unitsFocus on targeted digital capabilities, leveraging data and new technologies	



Why we will win



Why we will win





Thank you





Momentum Corporate

Impact strategy

Dumo Mbethe



Agenda

- 1 Momentum Corporate today
- 2 Market dynamics and key considerations
- 3 Ambition and focus areas
- 4 Objectives and measures of success
- 5 Why we will win



Momentum Corporate today



Broad range of capabilities

FundsAtWork Umbrella Funds

Group Insurance

Structured Investments and Annuities

Consulting and Actuarial solutions

Stand-Alone Retirement Fund Administration

Member Solutions

Our Planning Units

FAW umbrella funds (FAW)

Our FundsAtWork umbrella fund is significant and well established in the market, supported by market-leading digital solutions

Group Insurance (GI)

Our Group Insurance solutions cover a wide range of risks, including death, disability and critical illness

Structured Investments and Annuities (SIA)

Our scope of investment and income solutions is vast, and provides significant choice for both employers and members

Direct Client Engagement

Our DCE arm houses our direct distribution capability and provides asset, healthcare, employee benefits, member advisory, actuarial and legal consulting

Momentum Retirement Administrators (MRA)

Our MRA business is a specialist administrator for stand-alone retirement funds

Member Solutions

Our Member Solutions business educates and supports members through our benefit counselling capability whilst delivering on retailisation objectives

Our story in numbers

As at December 2023

*Annualised Claims



We look after approx. **7 000 employers** and their **1,6 million+ employees**



Over R40 billion assets under management in Structured Investments and Annuities with approx. 30k annuitants and over 80 schemes on board



±1.6 million digital engagements and self-service transactions by members, with a 4.3 out of 5 client experience rating



Our standalone retirement administration business administers approx. 40 schemes with over 380k members totalling over R230 billion in assets



We paid over R2 billion in death claims and over R160 million in funeral benefits*



70% of employers made use of digital claims and 44% of all claims were triggered via digital processes



We received over **R5 billion** in annual premium income for Group Insurance



> R1.4 billion in annuity solutions and preserved more than R600 million in retirement savings



We paid over R1.4 billion in income disability benefits and over R360 million in lump sum disability benefits*

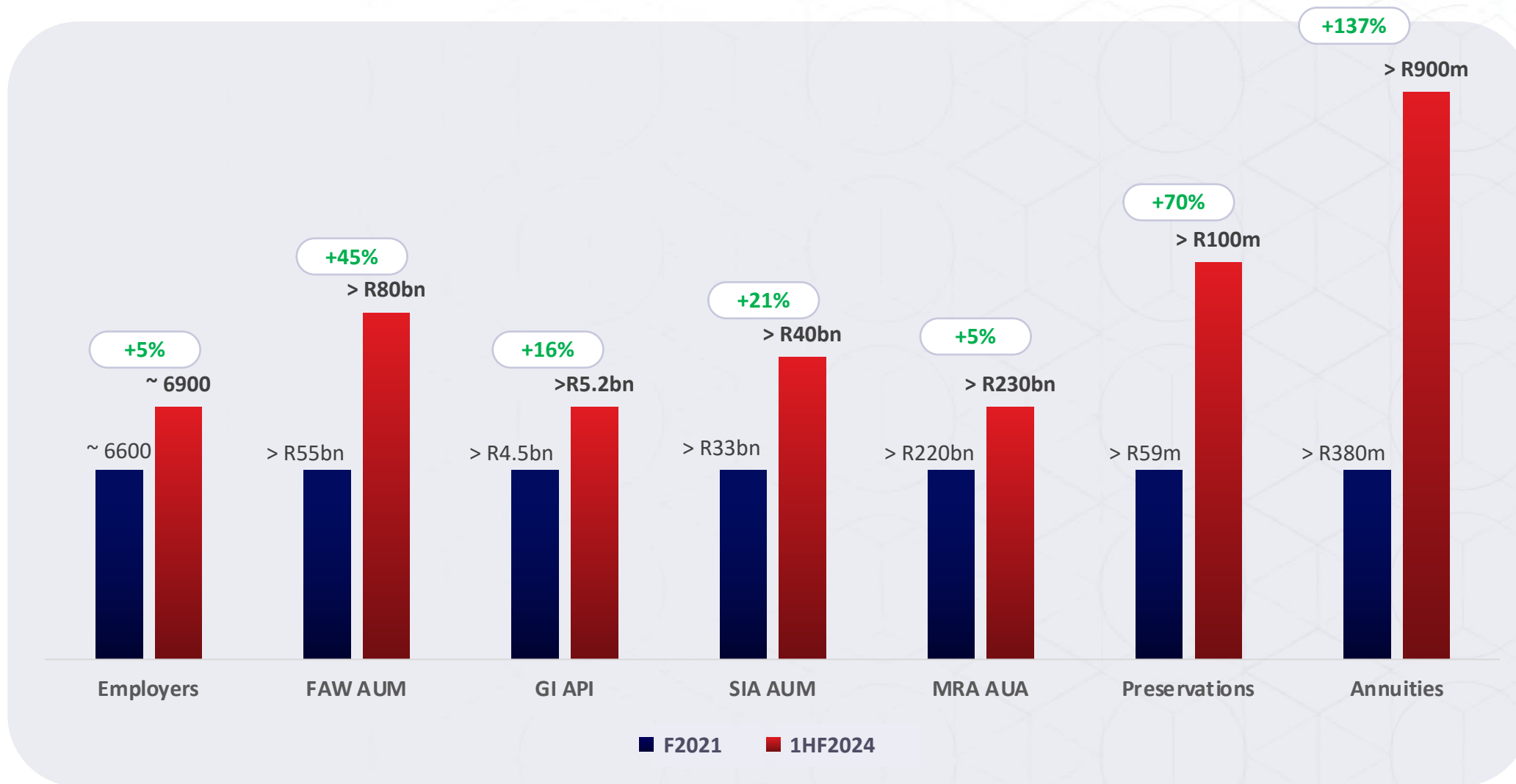


Over R80 billion in assets under management in the FundsAtWork Umbrella Funds and **over 500k** members



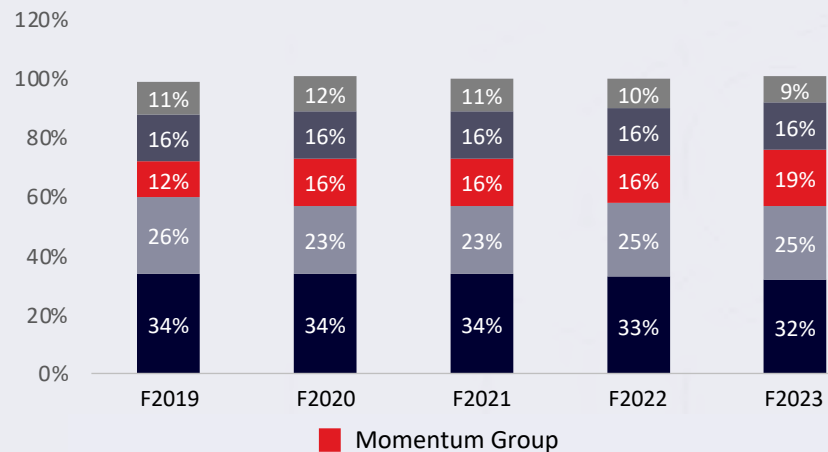
Momentum Corporate

Our Reinvent and Grow journey

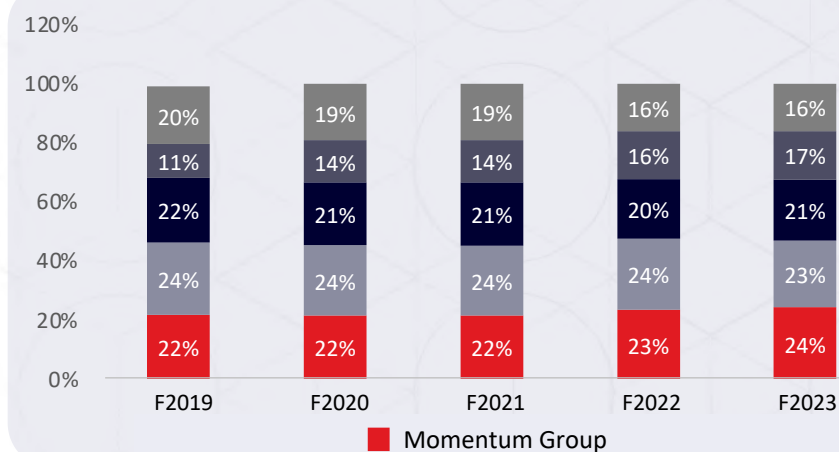


Market share

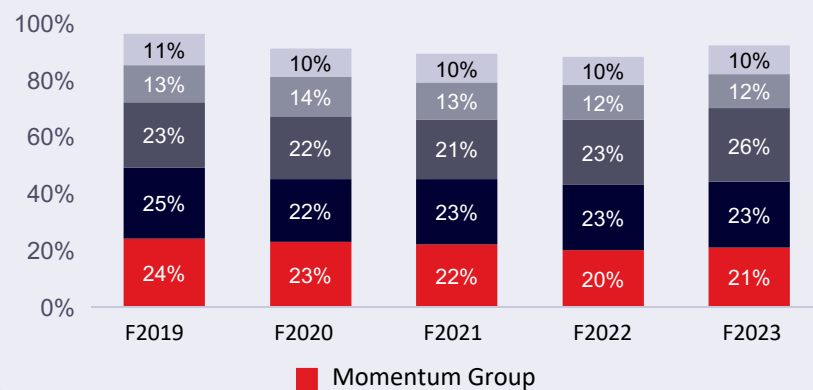
Umbrella assets



Umbrella members

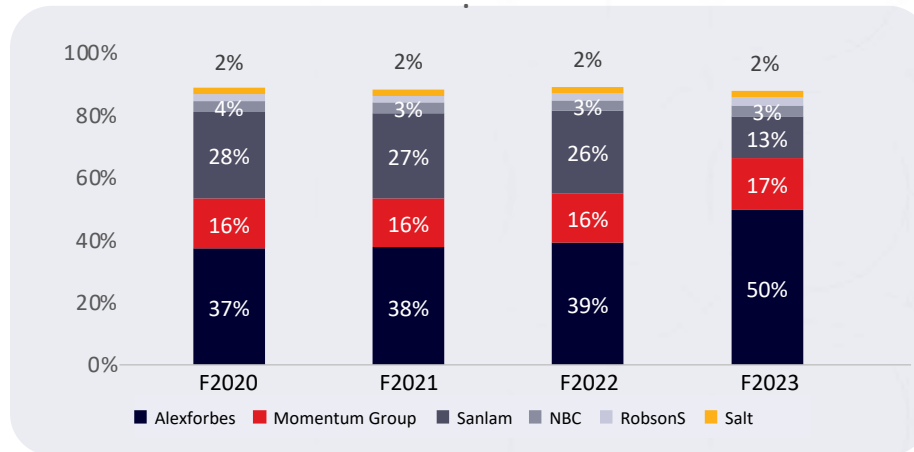


Group insurance market share

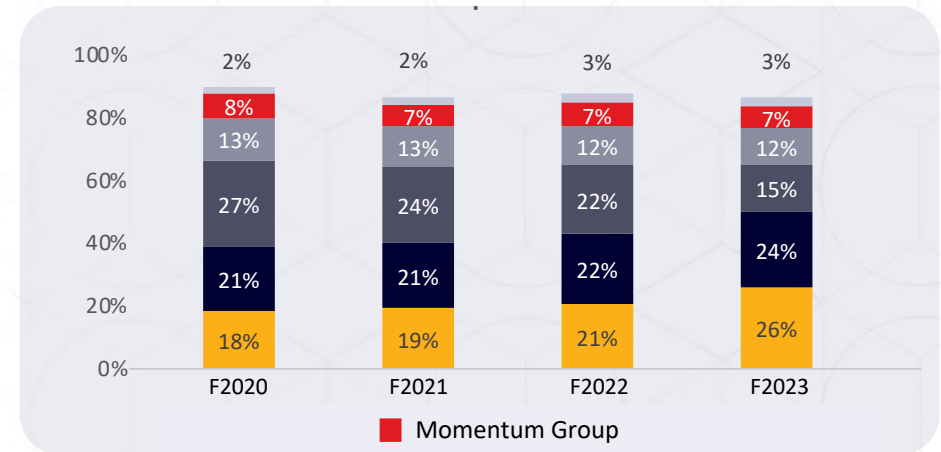


Market share

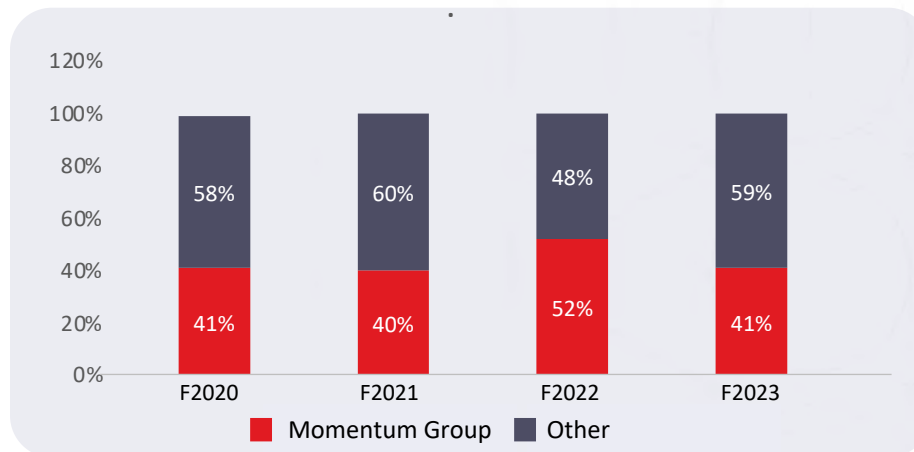
Stand-alone assets



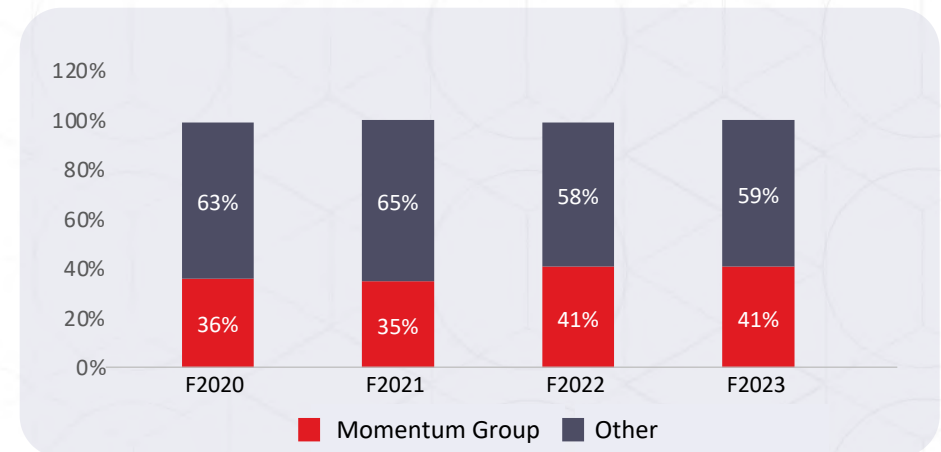
Stand-alone members



Preservation market share



Annuities market share



Market dynamics and key considerations



Market trends



Economic

- Financial pressure on business and employees
- Low economic growth impacting industry growth



Clients

- Under financial strain
- Increasing preference for self-service tools
- Desire for flexibility and bespoke solutions



Industry

- Changes to legislation: Two-pot
- Price pressure necessitating cost reduction



Members

- Preference for balancing digital with human interaction
- Seeking more personalised engagement and solutions
- Increase in contract and gig-worker economy



Competitors

- Digital acceleration to enhance CX and advisory reach
- Consolidation through M&A

Ambition and strategic focus areas



LONG-TERM

WINNING ASPIRATION

To become the *leading, digitally-led employee benefits* business in SA in terms of *sustainable profit growth*; and to make employee benefits *accessible to all employed in South Africa.*

IMPACT STRATEGY

AMBITION

To become a **digitally-led** business that thinks “**Human First**”, and grows our market share profitably and sustainably through **superior** distribution capabilities, **innovative** product offerings, and operational and service **excellence**, while positioning ourselves as the brand of choice for clients, members and advisers alike.



“

”

Strategic focus areas

What we will focus on in the next 3 years (F25-F27)



Growth and distribution

- **Omni-channel distribution** strategy
- **Digital transformation** focus to enhance growth, efficiencies and client experience
- Expanding addressable **market segments**
- Broaden **alternative revenue streams**



Operational and service efficiency

- Prioritising **client experience**
- Operational and service excellence through **Digital transformation & LEAN**
- Reducing Cost to Serve through adequate risk and control measures and **continuously attain operational excellence**



Product excellence

- **Product simplicity, accessibility and ease of use**
- Explore **fully digital products** with a **digital client experience**
- Offer **financial and non-financial solutions** at member level



Collaboration and partnerships

- **Leverage Group collaboration** for greater market access and proposition strengthening
- **Selective partnerships** to **complement organic growth** and create value proposition enhancements



FOCUS AREA	OBJECTIVES	MEASURES OF SUCCESS
Growth and distribution	<ul style="list-style-type: none">Remain a top 4 player in terms of assets in the umbrella fund marketBecome a significant player in the SME market	<p>Grow FAW AUM to >R110bn by F2027</p>
Operational and service efficiency	<ul style="list-style-type: none">Drive operational and service excellence through LEAN methodologies and digitalisation	<p>Increase the number of SME employers by 250 employers by F2027</p>
Product excellence	<ul style="list-style-type: none">Provide clients with holistic value propositions	
Collaboration and partnerships	<ul style="list-style-type: none">Drive value for the Momentum Group through internal partnerships and collaboration	<p>Completion of our integrated Health and Employee Benefits value proposition</p>



Objectives and measures of success





Momentum Corporate



FOCUS AREA	OBJECTIVES	MEASURES OF SUCCESS
Growth and distribution	<ul style="list-style-type: none">Execution of omni-channel distribution strategyProfitably grow SME market share through Momentum Grow	Deliver R800m – R1bn earnings by F2027
Operational and service efficiency	<ul style="list-style-type: none">Achieve operational and service excellence through digital transformation & LEAN baked-in methodologiesTo embed ESG into our strategic ambition and business outcomes	Target VNB margin of 0.5% by F2027
Product excellence	<ul style="list-style-type: none">Product differentiation that enables revenue growth and diversification	Cost-to-income ratio of 65% by F2027
Collaboration and partnerships	<ul style="list-style-type: none">Internal collaboration for greater market access and proposition strengtheningSelective partnerships to accelerate organic growth	Achieve NPS >65 by F2027





Group Insurance



FOCUS AREA	OBJECTIVES
Growth and distribution	<ul style="list-style-type: none">Remain one of the top 3 group insurance providers in SAImprove disability outcomes
Operational and service efficiency	<ul style="list-style-type: none">Drive operational and service excellence through LEAN methodologies and digitalisationEnhance our market-leading disability management capability
Product excellence	<ul style="list-style-type: none">Decommoditise product offering to increase sales and retentionContinue to leverage data analytics and insights for pricing and benefit design
Collaboration and partnerships	<ul style="list-style-type: none">Drive value for the Momentum Group through internal partnerships and collaboration

MEASURES OF SUCCESS

Maintain margin within the
5% – 7% net of tax long term average margin

Completion of our integrated Health and EB value proposition





Structured Investments and Annuities

Objectives and measures of success

FOCUS AREA	OBJECTIVES
Growth and distribution	<ul style="list-style-type: none">Grow deal-making and structuring capabilityLaunch new client-appropriate solutions into existing and new segments
Operational and service efficiency	<ul style="list-style-type: none">Drive operational and service excellence through LEAN methodologies and digitalisationHelp to build the low carbon economy through investments in green assets
Product excellence	<ul style="list-style-type: none">Drive product awareness through marketing, PR and Thought Leadership and leveraging the Group's purposeDrive product rationalisation to simplify and consolidate SIA products
Collaboration and partnerships	<ul style="list-style-type: none">Cement internal and external strategic partnerships to increase market access including the use of white-labelling capability and product upsell

MEASURES OF SUCCESS

Grow SIA AUM to **>R65bn** by F2027

Contribute **25%** to Momentum Corporate NHE by F2027



Direct Client Engagement Cluster, Momentum Retirement Administrators and Member Solutions



FOCUS AREA	OBJECTIVES	MEASURES OF SUCCESS
Growth and distribution	<ul style="list-style-type: none">Improve market access, grow new business and drive client retentionUnlock new streams of revenue and access to new members	<p>Grow new business from direct business</p> <p>Development to 35% of total sales by F2027</p>
Operational and service efficiency	<ul style="list-style-type: none">Drive operational and service excellence in MRA through LEAN methodologies and digitalisationTransform and enhance client experience through digital and human interaction	<p>Increase MRA membership to 500 000 by F2027</p>
Product excellence	<ul style="list-style-type: none">Build a distinctive member and client value propositionBuild a trademark retirement consulting and advisory capability through MCA and Member Solutions	<p>Increase market share of annuities and preservation outflows to 45%</p>
Collaboration and partnerships	<ul style="list-style-type: none">Foster key client relationships through strategic collaborationDrive value creation for the group	



Unlock full potential of our businesses



Harness synergies of collaboration



Optimise our cost base



Invest aggressively in advice



Selectively expand our addressable market

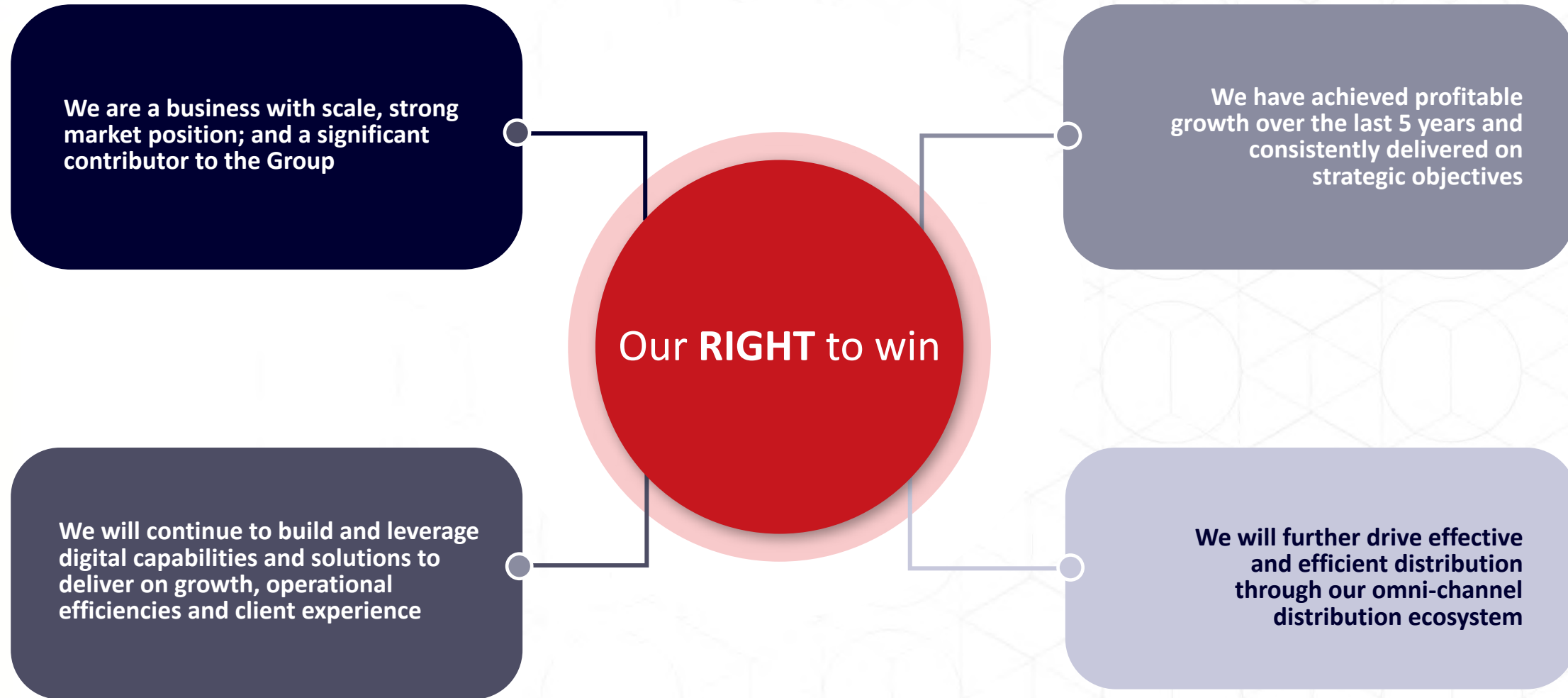


Design simplified and impactful client experiences

Why we will win



Why we will win



Through this we aim to deliver \pm R800m – R1bn earnings by 30 June 2027

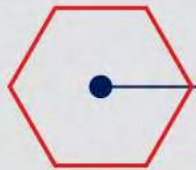


Thank you



Agenda

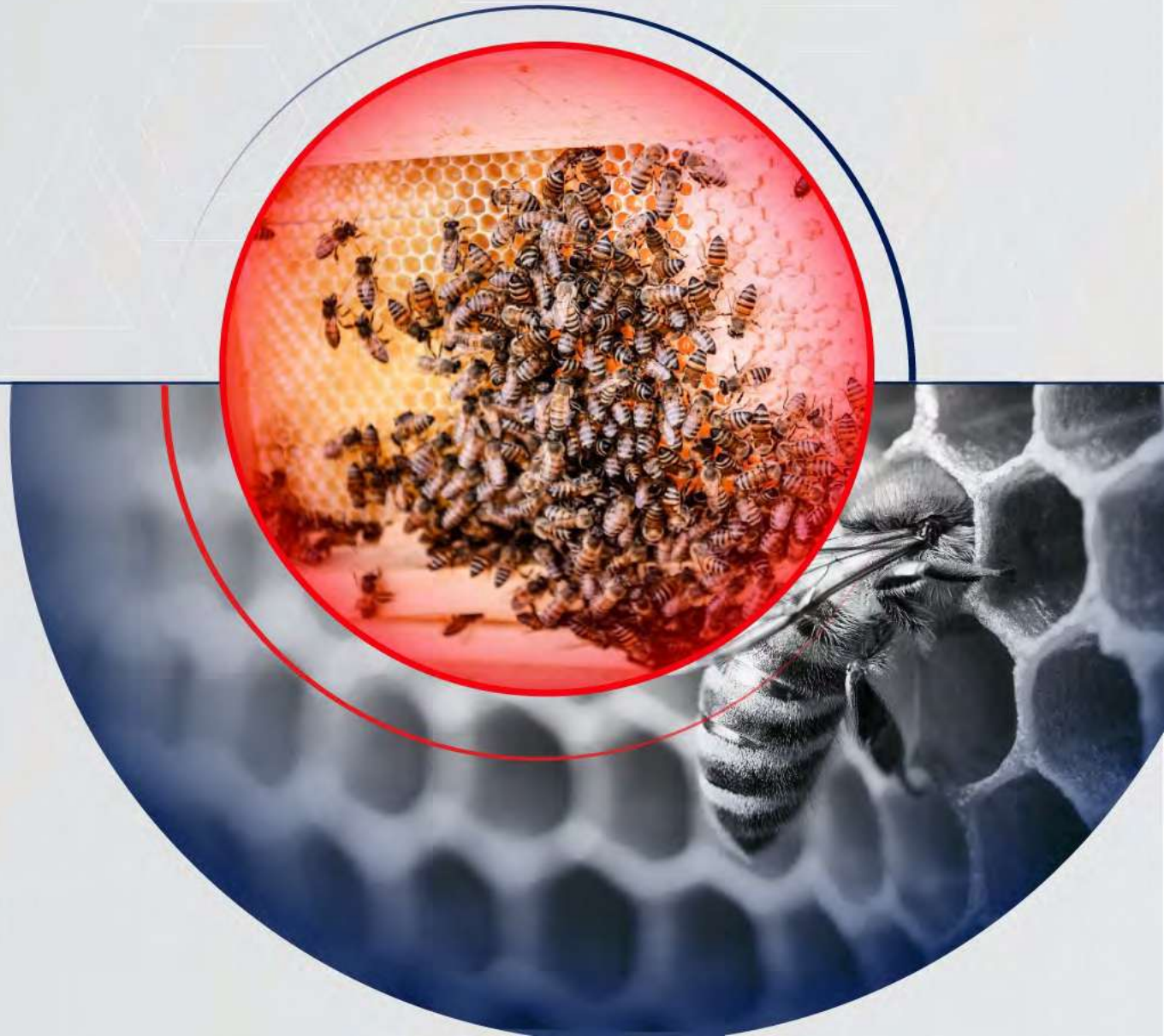
Time	Duration	Session	Presenter
09:00 - 09:05	5 min	Welcome and introduction	
09:05 - 09:45	40 min	Impact strategy and Group level strategic choices	Jeanette Marais
09:45 - 10:15	30 min	Impact strategy targets and capital management principles	Risto Ketola
10:15 - 10:35	20 min	Q & A	
10:35 - 10:50	15 min	Break	
10:50 - 11:25	35 min	Momentum Retail (including distribution and advice)	Johann Le Roux
11:30 - 11:55	25 min	Momentum Investments	Ferdi van Heerden
12:00 - 12:25	25 min	Momentum Corporate	Dumo Mbethe
12:30 - 12:55	25 min	Q & A	
12:55 - 13:35	40 min	Lunch	
13:35 - 14:00	25 min	Guardrisk	Lourens Botha
14:05 - 14:30	25 min	Momentum Insure	Brand Pretorius
14:35 - 15:00	25 min	Health	Hannes Viljoen
15:05 - 15:20	15 min	Break	
15:20 - 15:40	20 min	Metropolitan	Peter Tshiguvho
15:45 - 16:05	20 min	Africa	Lulama Booï
16:10 - 16:40	30 min	Q & A	
16:40 - 16:45	30 min	Closing	
16:45		Drinks and light snacks	



Guardrisk

Impact strategy

Lourens Botha



Agenda

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Guardrisk today



Track record of delivery and dominance

Annual GWP

(17% Annualised growth)

Valuation

(2.8x increase)

Revenue mix

Contribution to Group earnings

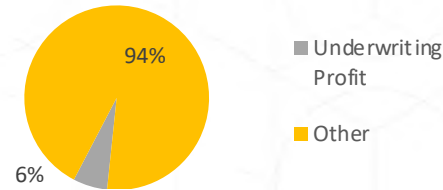
Capital efficiency

(SCR as % of Premium)

2014

Group > R9 billion

R 1.6 billion



4%

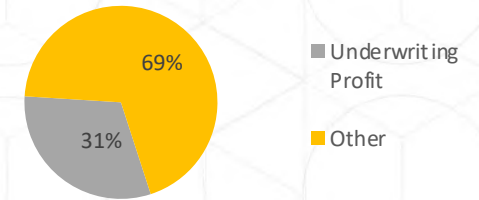
85%

2023

R38 billion > **4x Increase**

R 4.6 billion

(Accumulated dividends paid R1.53bn)



10%

17%

Operating structure

Core planning units

Guardrisk Insurance

**GUARDRISK NON-
LIFE CELL CAPTIVE**

Non-life cell captive and
alternative risk transfer
(ART) solutions (CRS,
Mining Rehab and
VUMA)

**GUARDRISK
GENERAL
INSURANCE**

General Non-life insurance
products focusing on
corporate and
commercial incubator for
Guardrisk Reinsurance

GUARDRISK LIFE

Life cell captive and
ART solutions (CRS
and VUMA)

**GUARDRISK
MICROINSURANCE**

Composite Life and
Non-life for entry level
products

SUPPORT: Finance | Actuarial | Legal | Compliance | Risk Management | Human Capital | B&TS

Market dynamics and key considerations



Key market trends



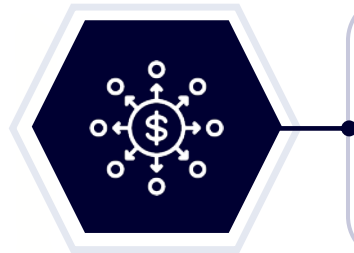
Digital and technology

- Adoption of AI, big data, and automation is transforming insurance operations, enhancing customer experiences, and enabling data-driven solutions.



Vertical integration

- Streamlining the value chain through vertical integration improves efficiency and reduces costs.



New business and product models

- Innovative models like embedded insurance and platforms or ecosystems create new revenue streams that can create competitive advantages.



Changing distribution landscape

- The evolving role of brokers and new distribution models require adaptation in distribution strategies.



Changing capital needs

- Demand for more efficient and affordable capital models require new solutions.

Ambition and strategic focus areas



LONG-TERM

**WINNING
ASPIRATION**

To remain the *leading cell captive* and alternative risk transfer (ART) provider and to have a *well-established corporate and commercial general insurance* business leading and setting the tone as the best in the market.

“

To position Guardrisk as a strategic partner creating ***value beyond traditional cell captive insurance.***

Strong growth in the ***establishment of a general insurance business*** focusing on corporate and commercial insurance.

*Impact strategy***Ambition**

”

Strategic focus areas

What we will focus on in the next 3 years (F2025-F2027)

Build on a solid foundation and base rooted in the cell captive model

Alternative funding models to counter competitor innovation with different capital models

Guardrisk value propositions remain leading, but we need to invest in holistic client value propositions, reaching beyond the boundaries of traditional cell captive insurance

Guardrisk General Insurance reached scale where capabilities needs to be enhanced

Brokers remain highly influential in general insurance, and we intend to invest in the strengthening and expansion of our network

Develop capabilities to scale leveraging its agility and specialist underwriting innovation

Strategic focus areas

What we will focus on in the next 3 years (F2025-F2027)



Sustainable, diversified revenue growth

- Broker enablement
- Targeted underwriting
- Expand existing / introduce alternative partnership models
- Acquisitions and geographical expansion opportunities
- Guardrisk reinsurance opportunities



Value beyond cell captives

- Advanced analytics
- Embedded insurance
- Organic growth
- Vertical integration



Capital efficiencies and alternative capital structure

- Cell capital efficiencies
- Improve own ROE
- Reinsurance optimisation
- Alternative capital solutions



Digital transformation

- Modernisation and automation
- Launchpad
- Data enrichment and enablement



People, purpose and culture

- Foster a purpose-led culture
- Build an EVP to attract and retain talent



Sustainability

- Transformation
- ESG (incl. climate change)
- Brand awareness

Objectives and measures of success



Objectives and measures of success

FOCUS AREA	OBJECTIVES	MEASURES OF SUCCESS
Sustainable, diversified revenue growth	<ul style="list-style-type: none"> Diversify revenue for growth through alternative solutions (embedded insurance) Counter volatility in earnings through revenue diversification Growth and revenue diversification through targeted Acquisitions Increase contribution to Momentum Group earnings 	Earnings F2027: R850m – R1bn 12% – 15% y-o-y growth
Value beyond cell captives	<ul style="list-style-type: none"> Drive organic growth and increase share of premium Optimise value chain through vertical integration 	Revenue growth 10% – 13%
Capital efficiencies and alternative capital structure	<ul style="list-style-type: none"> Alternative capital solutions Optimise own ROE Cell capital efficiencies Reinsurance optimisation 	Underwriting margin 9% – 11% ROE F2027: 20% – 25%
Digital transformation	<ul style="list-style-type: none"> Enhance client and channel interaction and scalability through modernisation, digitisation and automation Data enablement and insights 	Value +25%
People, purpose and culture	<ul style="list-style-type: none"> Foster a purpose-led culture and build an EVP to attract and retain talent 	B-BBEE Standalone Level 3
Sustainability (transformation, brand awareness and ESG)	<ul style="list-style-type: none"> Drive sustainable business practices in line with our commitments Recognised and well-established insurance brand 	Geographical India





Objectives and measures of success

Guardrisk Summary

Sustainable, diversified revenue growth

	GRI	GGI	GRL	GRM
• Broker enablement to drive growth	●	●	○	
• Targeted underwriting (profits)		●		
• Expand existing/Introduce alternative partnership models	●	●	○	●
• Acquisitions and geographical opportunities	GROUP WIDE INITIATIVE			
• Guardrisk Re insurance opportunities	●	●		

Value beyond cell captive

	GRI	GGI	GRL	GRM
• Advanced analytics	●	●	○	●
• Embedded insurance	●	●	○	
• Organic growth	●		○	●
• Vertical Integration	●	●	○	

Capital efficiencies and alternative capital structure

	GRI	GGI	GRL	GRM
• Cell capital efficiencies	●	●	○	●
• Improve own ROE	GROUP WIDE INITIATIVE			
• Reinsurance optimisation	●	●	○	
• Alternative capital solutions	●		○	●

Digital transformation

	GRI	GGI	GRL	GRM
• Modernisation and automation	●	●	○	●
• Launchpad	●	●	○	●
• Data enrichment and enablement	●	●	○	●

People, purpose and culture

	GRI	GGI	GRL	GRM
• Foster a purpose lead culture	●	●	○	●
• Build an EVP to attract and retail talent	●	●	○	●

Sustainability (includes transformation, brand awareness, ESG)

	GRI	GGI	GRL	GRM
• Earnings/value growth	●	●	○	●
• Transformation	GROUP WIDE INITIATIVE			
• ESG (incl. climate change)	GROUP WIDE INITIATIVE			
• Brand awareness		●		
• Talent/skills management	●	●	○	

Why we will win



Why we will win

Enhanced cell captive value proposition

Bolt-on transactions and potential international expansion

End-to-end solution with vertical integration

Selected risk participation and risk taking

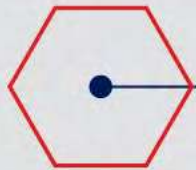
Alternative capital solution

Reinsurance partnerships

Extended product offerings and embedded insurance

Deliberate focus on AI, data, and digitalisation

Our **RIGHT** to win



Thank you



Momentum Insure

Impact strategy

Brand Pretorius



Agenda

- 1 Momentum Insure today
- 2 Market dynamics and key considerations
- 3 Ambition and focus areas
- 4 Objectives and measures of success
- 5 Why we will win



Momentum Insure today

Returning to profitability



Strategic context

F2020

- Covid-19
- AFI acquisition



- Significant scale improvement
- Strengthened distribution and sales capability
- Improved profitability

F2021 – F2023

The perfect storm

- Complex AFI integration
- Extremely challenging external environment
Covid-19, riots, extreme weather, inflation, loadshedding, supply chain challenges, hardening reinsurance markets



- Earnings volatility
- Additional capital required
- Inconsistent service outcomes

F2024

- Continuation of extreme weather events
- Focused, decisive and comprehensive turnaround plan



- Material improvement in core profitability metrics
 - New business pricing
 - Renewal increases
 - Selective unprofitable portfolio cancellation
 - Other underwriting actions
- No capital required

Momentum Insure today

1HF2024*

Return on equity

0% – 5%

GWP growth

>7%

Claims ratio

>70%

Combined ratio

>105%

New business
product mix

Personal (80%)

- HNW offering
- 2x standard products
- 2x segment variations

Commercial (20%)

- SMME focused
- No specialist / niche covers

Distribution
channels

- Financial advisers (45%)
IFA
Momentum Advice
Strategic partners
- Direct (35%)
- BDC (MI tied agents) (20%)

Strong capabilities

- Claims and procurement
- Direct sales
- Client and adviser service

Challenges to address

- Claims ratio not yet within targeted range
- Certain distribution channels have a combined ratio >100%, driven by high cost to serve and/or acquisition cost
- Lack of premium diversification
- Distribution channel and proposition (product) not optimally organised for profitable growth per targeted market segment

Market dynamics and key considerations



Market trends



Global & local economic headwinds

- Depressed new business volumes and GWP growth
- M&A and partnerships for scale, premium diversification and inorganic growth



Changing client needs

- Personal-lines direct & digital distribution expected to grow relative to other channels



Underwriting margin pressure

- Back-office automation and digital acceleration to reduce costs and enhance CX
- Ongoing repricing to improve margins



Climate Change

- Better use of data and analytics to improve risk selection, pricing and underwriting



Challenging industry environment

- Negatively impacting claims experience

Ambition and strategic focus areas



LONG-TERM

WINNING ASPIRATION

“ A leading South African insurer,
helping our clients *feel safe*, by
protecting what matters most to
them, *beyond insurance*. ”

“

IMPACT STRATEGY

AMBITION

Becoming a ***sustainably profitable*** insurer, consistently delivering predictable returns for Momentum Group through a ***focused core business***, optimised to attract clients effectively and ensure ***sustainable long-term growth***.

”



Strategic focus areas

What we will focus on in the next 3 years (F25-F27)



Profitability

- Develop a top-tier pricing and underwriting capability
- Scale our direct-to-client capabilities
- Reduce cost to serve in the IFA channel
- Accelerate digitalisation to drive efficiencies and reduce costs



Operating model

- Better align products and distribution channels with targeted market segments
- Reposition the BDC (tied) distribution channel



Differentiation

- Focus our Safety client value proposition on improving client attraction
- Leading client experience



Growth

- Selectively grow commercial-lines (SMME) new business
- Drive growth and collaboration in Momentum Group channels
- Explore digital-only direct personal-lines offering
- Improve premium diversification

Objectives and measures of success

Building a profitable and
focused core business





Objectives and measures of success

FOCUS AREA	OBJECTIVES
Profitability	<ul style="list-style-type: none">Deliver predictable and acceptable earnings and ROE, in line with Momentum Group's expectationsAccelerate digitalisation to drive efficiencies and reduce costsIncrease direct sales to become our largest personal-lines distribution channel
Operating model	<ul style="list-style-type: none">Ensure all distribution channels achieve targeted profitability
Differentiation	<ul style="list-style-type: none">Focus our Safety client value proposition on improving client attractionEnhance client experience to build loyalty
Growth	<ul style="list-style-type: none">Increase the share of commercial sales relative to total salesDiversify our premium income

MEASURES OF SUCCESS

Combined ratio between
92% – 96% by F2027

ROE between **15% – 20%**
by F2027

Personal direct **>40%** of total
new business premium

Safety CVP adoption of **50%** by
F2027

NPS of **>55** by F2027

Non-motor portion of NEP up by
3-6 percentage points
by F2027

Why we will win

Ensuring a sustainably profitable
business, with a compelling right to win



Why we will win





Thank you





Health

Impact strategy

Hannes Viljoen

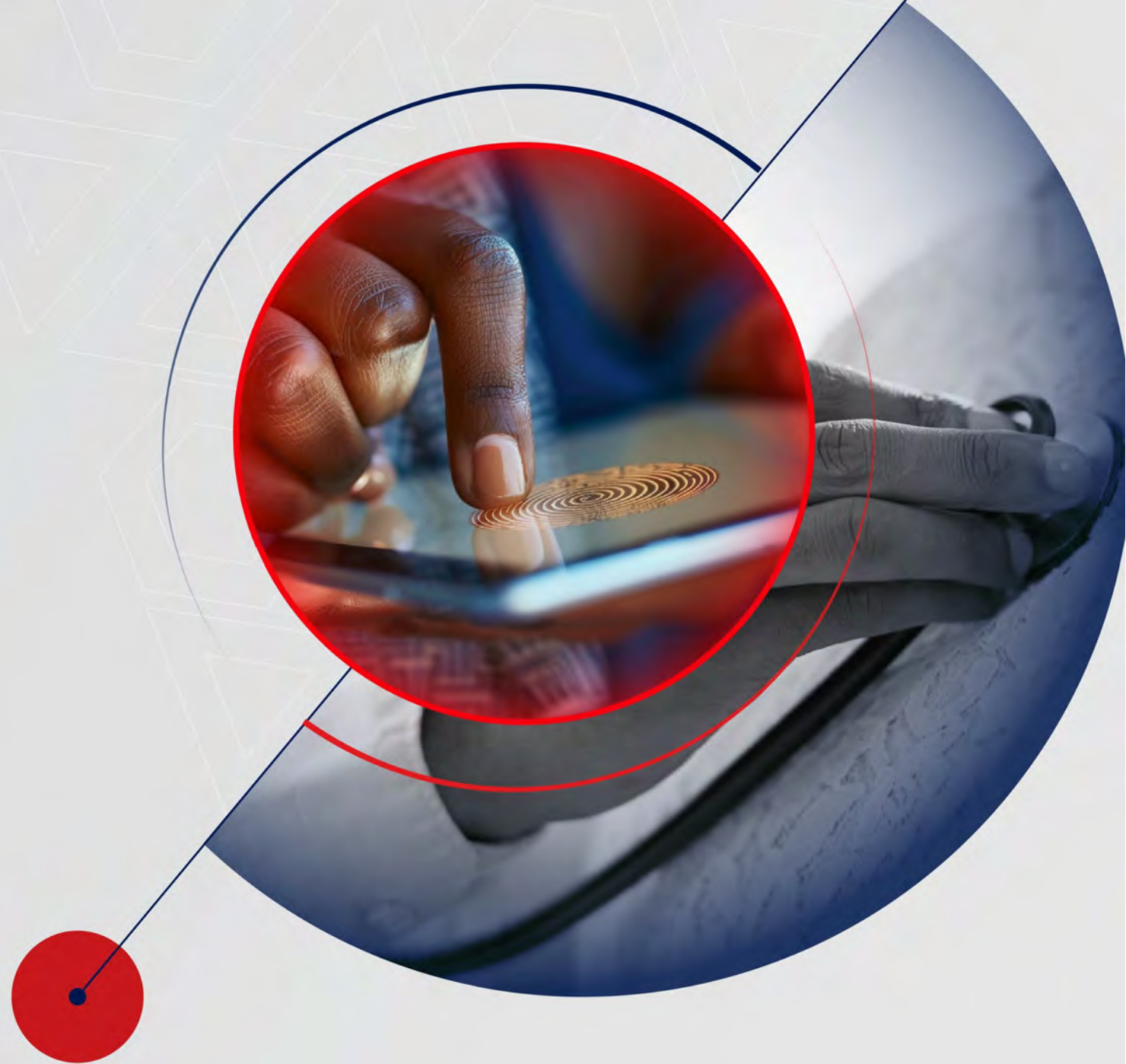


Agenda

- 1 Health today
- 2 Market dynamics and key considerations
- 3 Ambition and focus areas
- 4 Objectives and measures of success
- 5 Why we will win

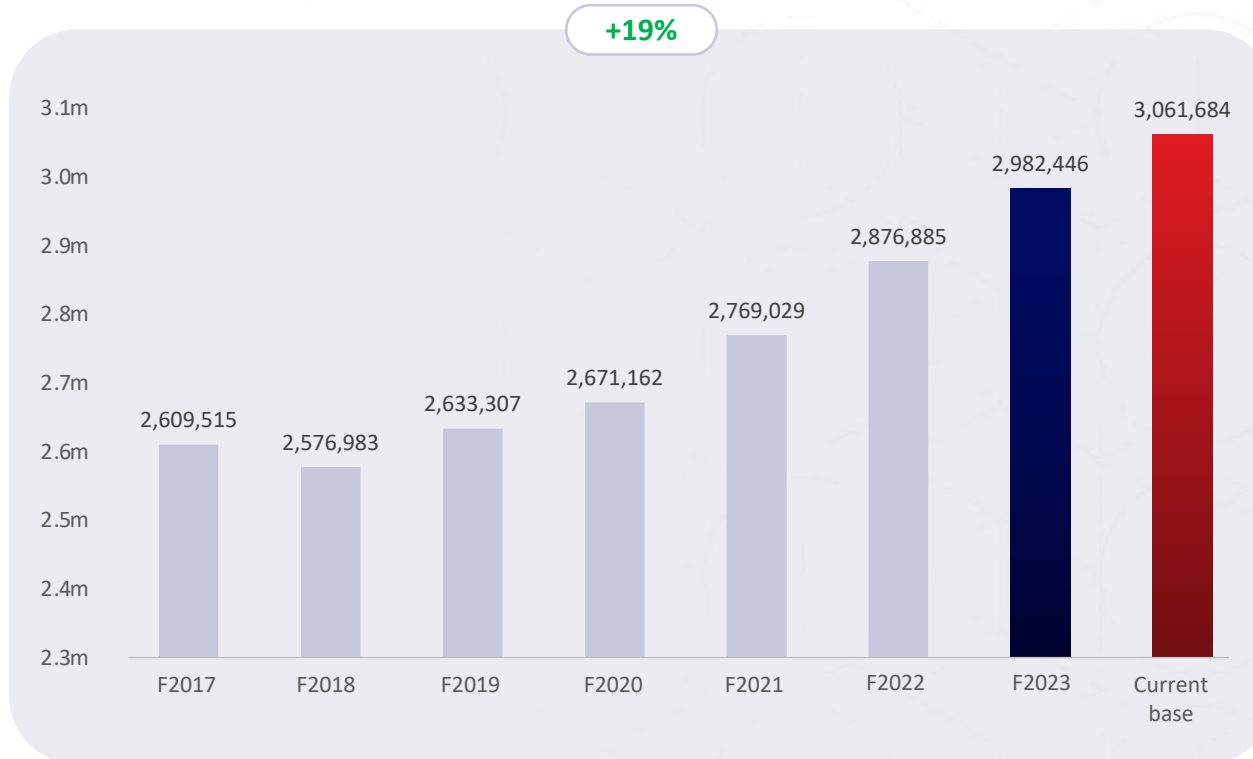


Health today



Touching lives of families in South Africa and beyond

Beneficiaries at financial year end



- **> 30 million beneficiaries** in Africa and India

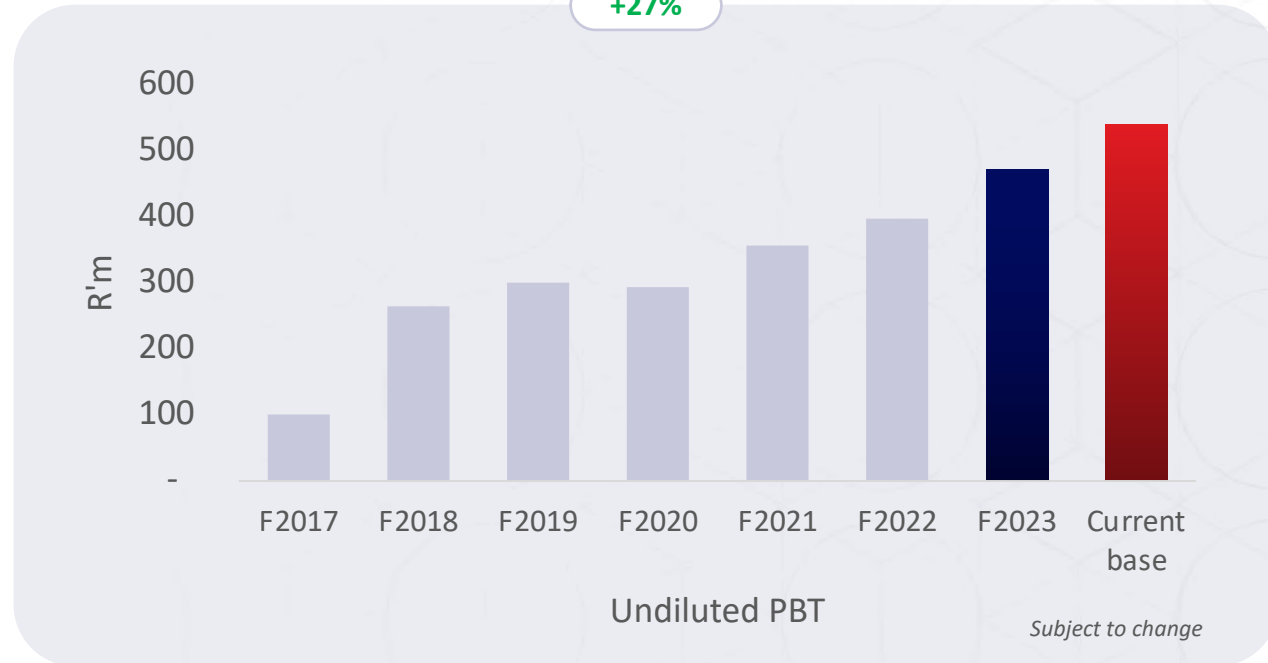
Where we have come from

Era	Client	Value Proposition
Pre 2017	<ul style="list-style-type: none">• Scheme	<ul style="list-style-type: none">• Admin and managed care
2017 to 2024	<ul style="list-style-type: none">• Employers and scheme members	<ul style="list-style-type: none">• Sustainable health benefits and improved health outcomes• More Health for More People for Less “MH4MP4L”• Offering value to members in a regulatory environment that does not allow for risk rating• Repositioned Multiply (Incentivised Wellness) as part of the Health value proposition
2025 to 2027	<ul style="list-style-type: none">• Employers and scheme members	<ul style="list-style-type: none">• “More Health 4 More People 4 Less (MH4MP4L)” enables “We build and protect our clients’ financial dreams”• Improving people’s health through optimal design and relevant consumption management supported by incentives

Where we have come from

Profit growth

+27%

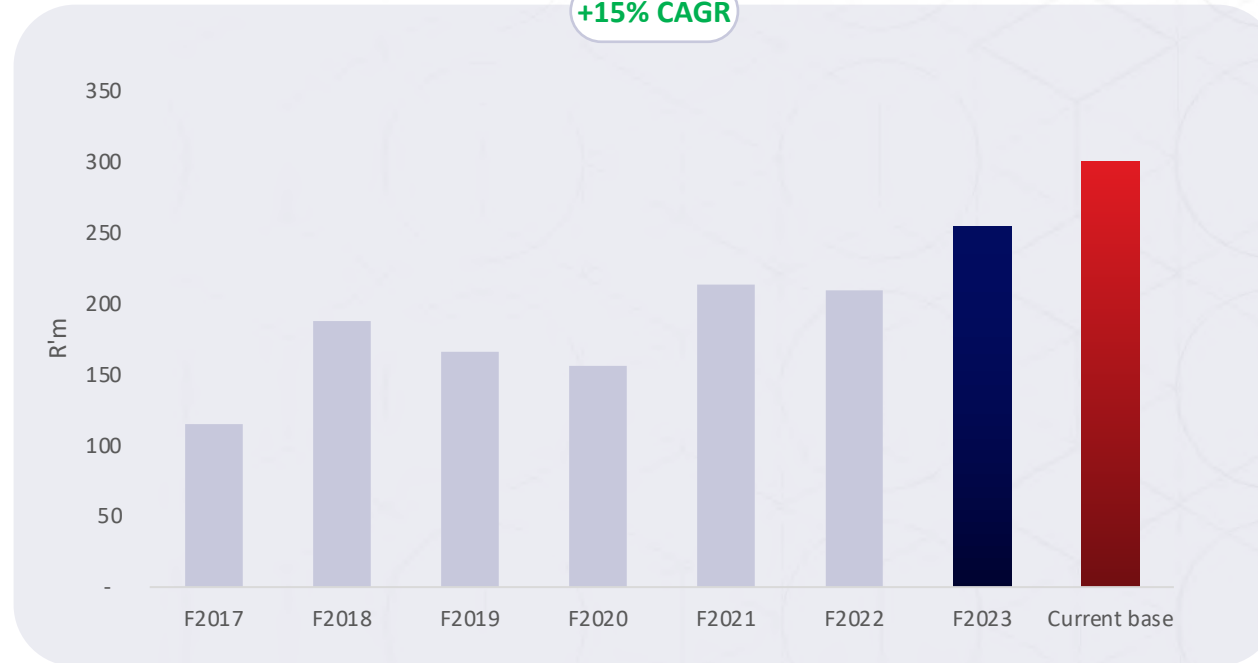




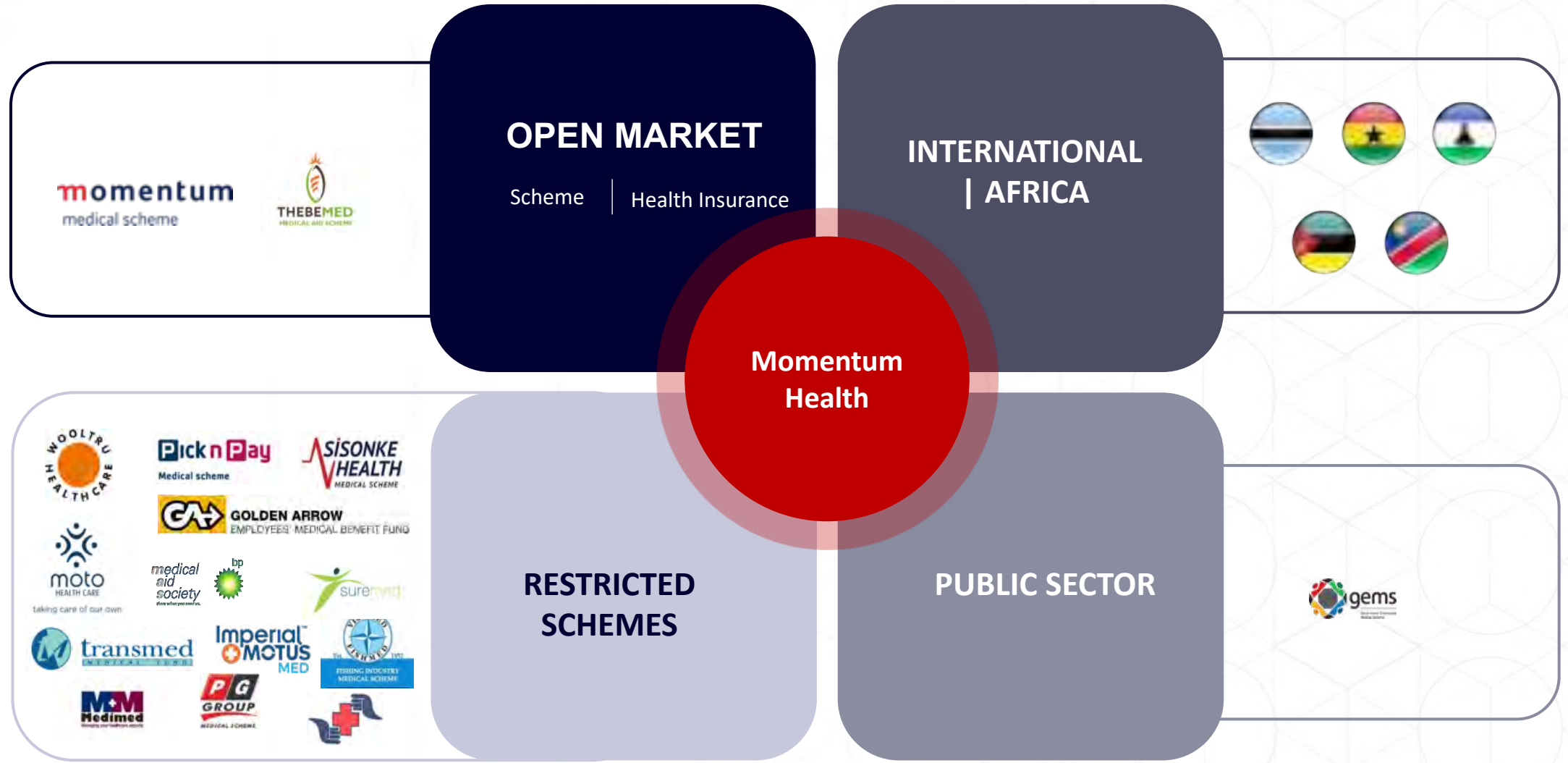
Where we have come from

NHE growth

+15% CAGR



Diverse business with wide spread of clients



Designing for health and incentivised wellness

Managed care

Administration

Market dynamics and key considerations



Market trends and impact



NHI implementation uncertainty

- Signing of NHI Act into law creates uncertainty for all stakeholders.



Distribution

- Creating a Health focus in distribution.



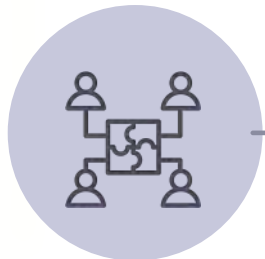
Market need for affordable solutions

- Need CMS to support industry with regulatory framework for sustainable affordable solutions.



Labour bargaining influence

- Work with unions to find suitable solutions.



Corporate collaboration

- EB to collaborate with Health to grow the employed but uninsured market.



Entry of non-traditional players

- Increased competition in the low-income market.

Ambition and strategic focus areas



LONG-TERM

WINNING ASPIRATION

“
**More health for more people for
less** will be our way to *build and
protect our clients’ financial dreams.*
”

IMPACT STRATEGY

AMBITION

To grow a **streamlined Momentum branded value proposition** in selected markets, locally and outside our borders, while leveraging existing capabilities to achieve PPPs with different government entities at scale.

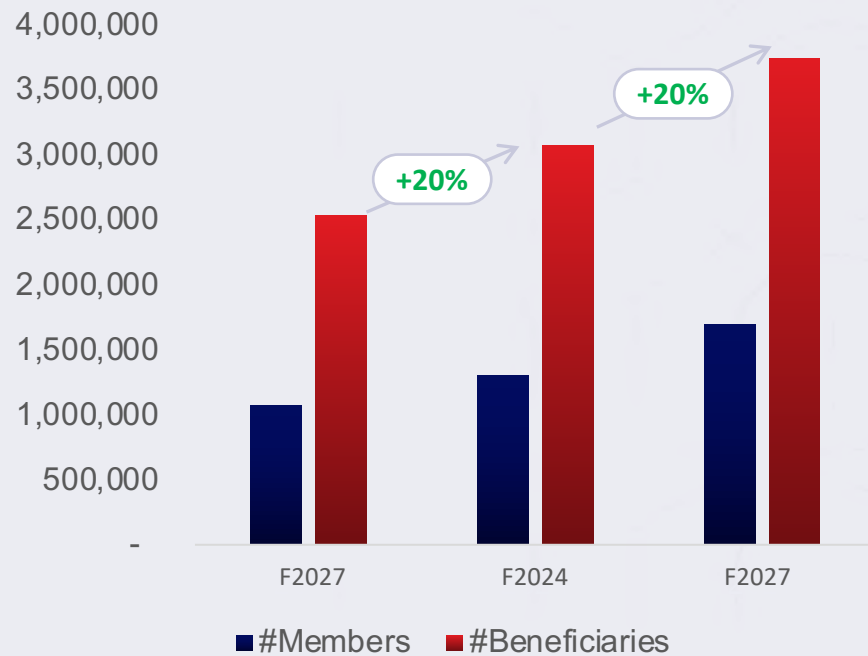


Ambition in numbers

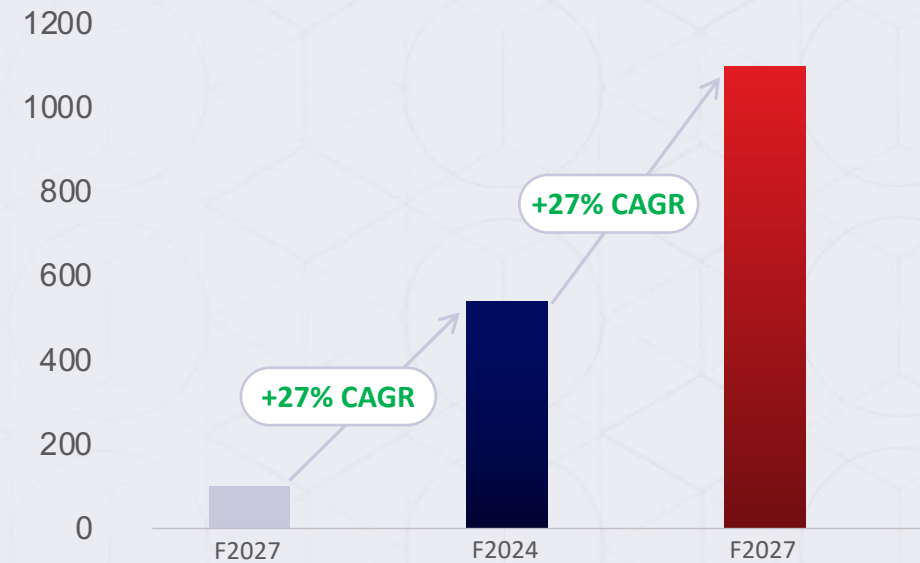
2017 > 2024 > 2027

MH4MP4L as part of building and protecting our clients' financial dreams

Client growth



Profit growth

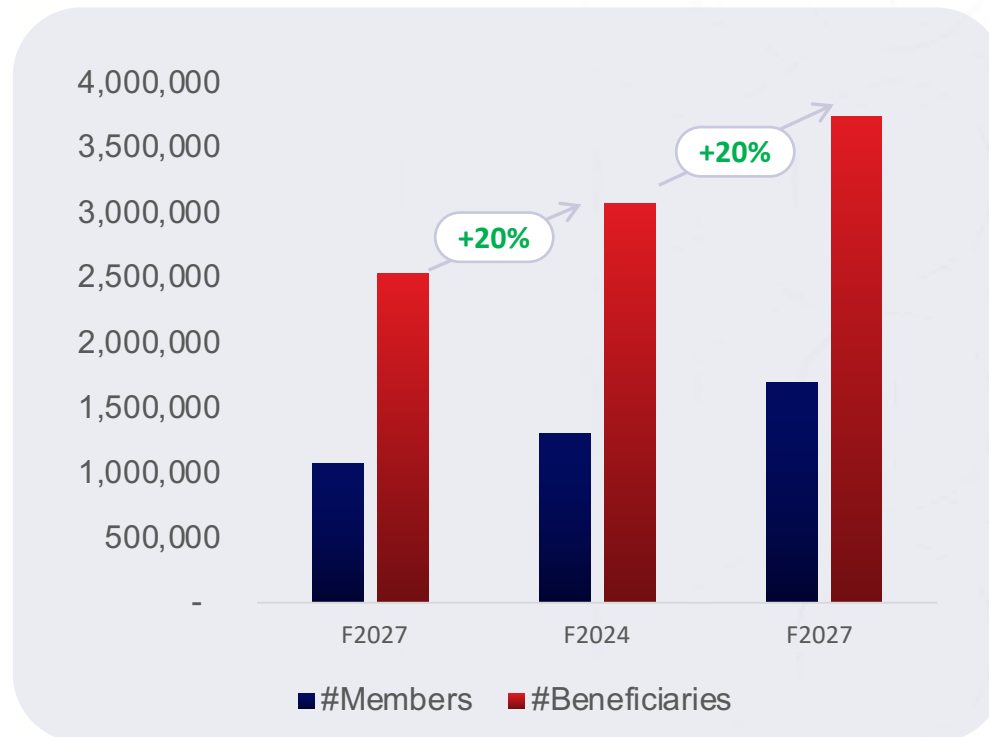


Ambition

2017 > 2024 > 2027

MH4MP4L as part of building and protecting our clients' financial dreams

Client growth



NHE growth



Strategic focus areas

What we will focus on in the next 3 years (F2025-F2027)

1

OneHealth

Position Health as a single business operating at scale

2

Open market growth

Focus on gaining market share for higher margin Momentum branded solutions

3

Public sector sustainability

Secure our future with diversified public sector clients

4

Alternative growth

Leverage current capabilities to win in adjacent business models and in new markets

5

Universal Health Coverage

Find sustainable solutions for more health for more people for less – a sustainable solution to NHI

Digital transformation using data and insights

- Improve architecture of our **digital solutions** to enable **standardising client solutions**
- Invest in AI supported data and insights to **manage clinical risk**
- Triage primary healthcare through **Hello Doctor** to create appropriate access to care and cost-effective clinical pathways
- Improve the Mobile and Chat experiences for all stakeholders using new BOT and AI capabilities and further **enhance omnichannel self service**
- Align the broker experience for Health on VIA to other product houses to **improve broker efficiencies for sales, distribution and service**

Objectives and measures of success





Objectives and measures of success

FOCUS AREA	OBJECTIVES	MEASURES OF SUCCESS
OneHealth	<ul style="list-style-type: none">Single, labour-aligned business on one platform, single brand, and aligned client value propositionOptimisation of corporate portfolio	R230m savings by F2027
Open market growth	<ul style="list-style-type: none">Optimise existing and alternative channels with appropriate resources and technology to achieve growthGroup collaboration in the employer market	350 000 new families by F2027 37.5% Multiply attachment by F27
Public sector sustainability	<ul style="list-style-type: none">Sustainable public sector partnership modelGrowth into other public sector markets	New municipal and other public sector markets
Alternative growth	<ul style="list-style-type: none">Growth through vertical integration in provision of healthcare at scaleParticipation in healthcare outside South Africa in collaboration with Group's Africa segment	National reach of pharmacies Growth beyond SA



Why we will win



Why we will win



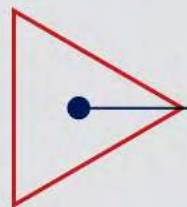
Relationships with employers, channel and labour are the bedrock of our success

Focus on digitising all aspects of our business



Thank you





Metropolitan

Impact strategy

Peter Tshiguvho



Agenda

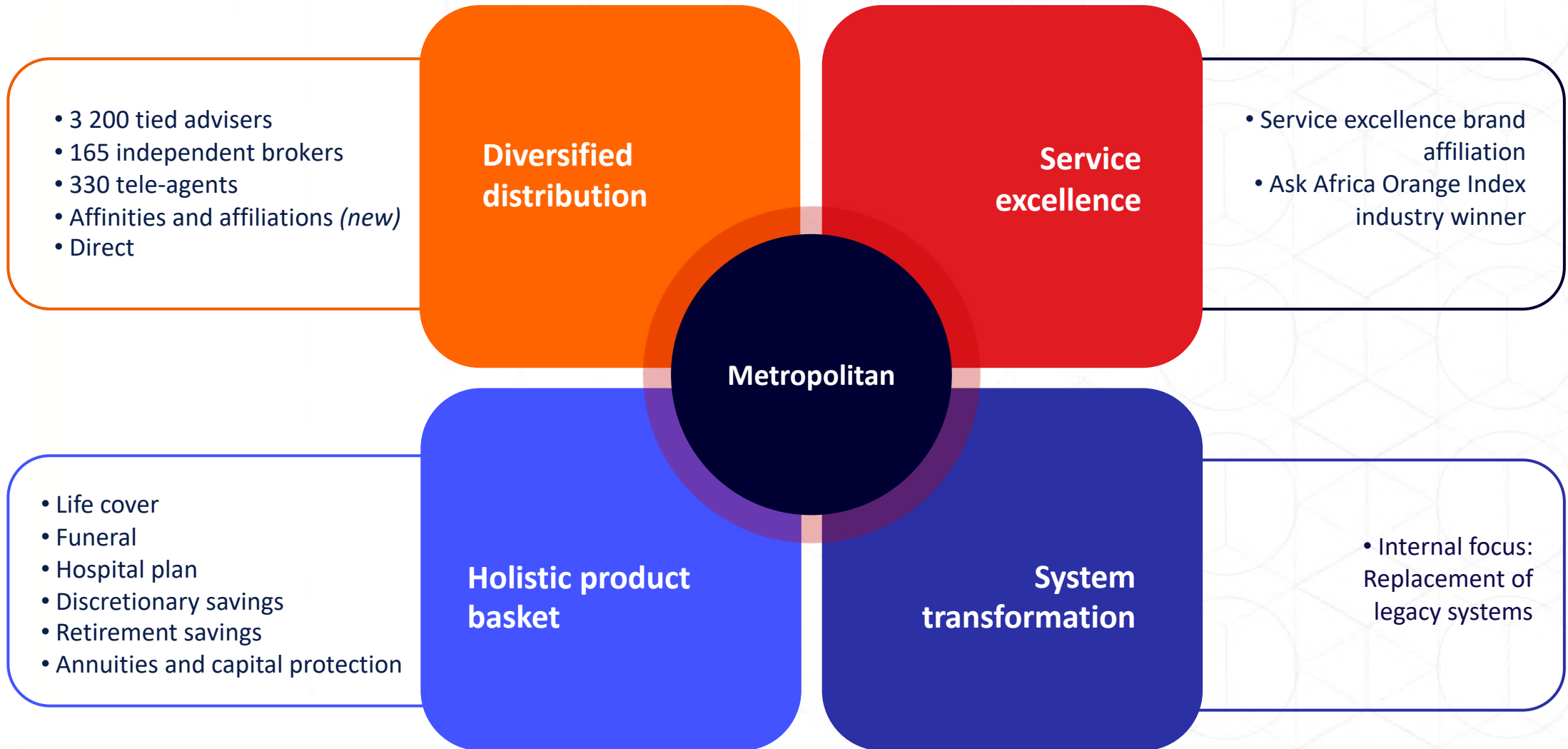
- 1 Metropolitan today
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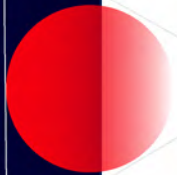


Metropolitan today



Metropolitan today

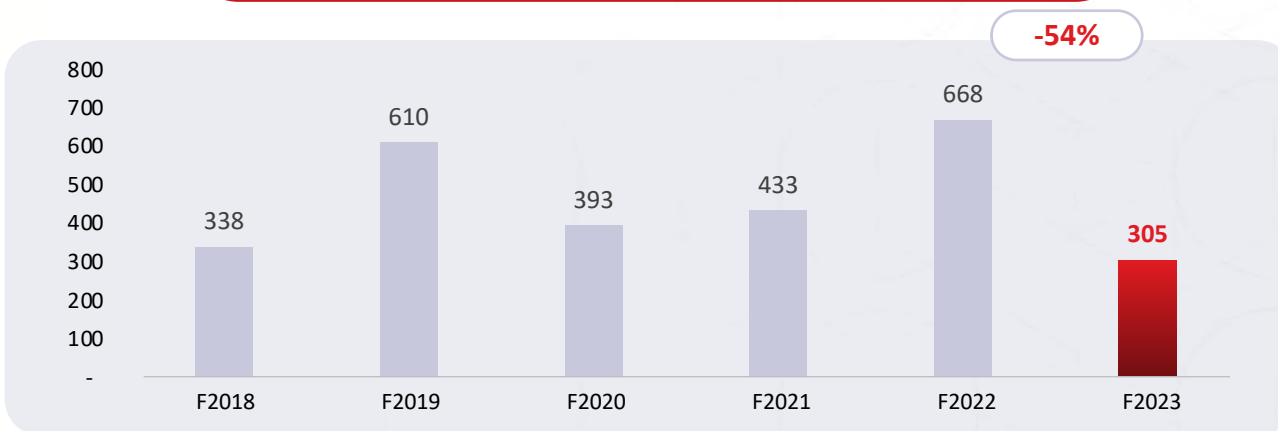




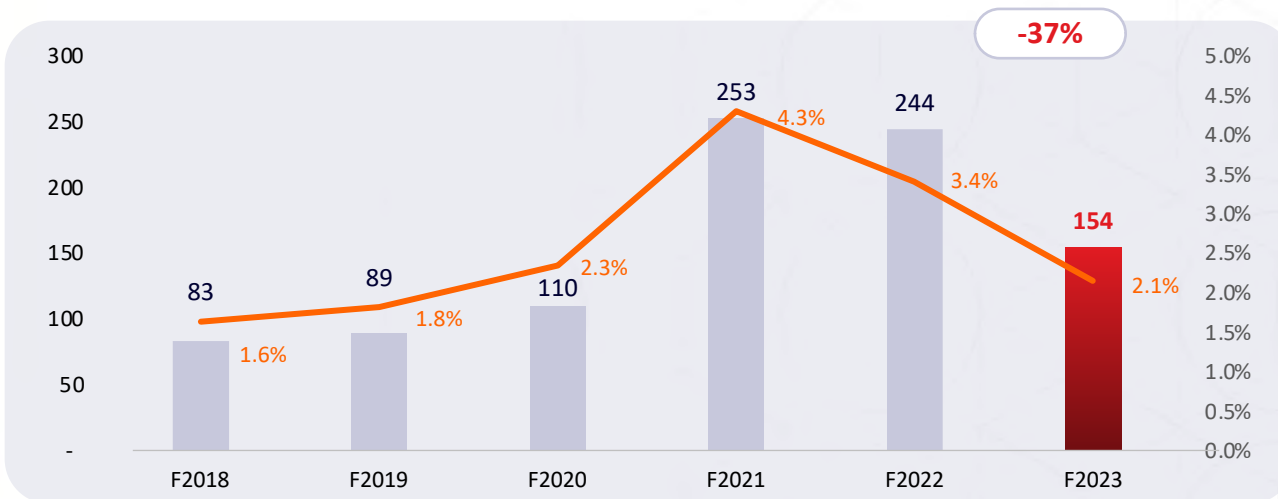
Strategic context

R'million

Normalised headline earnings



VNB and VNB margin



- **Unrecovered distribution costs** following **deterioration in quality** of new business
- **Expenses** outgrew **revenue**
- **Persistency** experience deteriorated
- Strengthened persistency basis
- **Covid** claims impact in F2020 and F2021 normalised in F2023
- Migration data cleanups impacting earnings negatively

5-point plan

1. Product commerciality
2. Sales: workforce management
3. Improve business quality
4. Align cost base to revenue
5. Migration and automation



5% PVP margin

R600 million NHE

5-point plan progress

Product commerciality

- Funeral reprice
- Commission on first premium
- Benefit restructuring
- Market access fees

Align cost-base to revenue

- Savings realisation on track to meet targeted outcome
- 6-month delay of migration to impact expected

Migration and automation

- Tax free savings solution migrated to new OIPA
- New products on OIPA
- Service transactions via our WhatsApp and digital channels

Improve business quality

- Improvement in NTU rate
- Premium collection rate improvement

Sales workforce management

- The 3 core focus areas for workforce management are interrelated aiming to create a distribution rhythm:
 1. Manpower
 2. Worksite management
 3. Activity management

Market dynamics and key considerations



Market trends



Political climate

- **Muted public sector growth**
- Potential **coalition government complexities** and **inefficiencies in public sector decision-making** and implementation



Social

- **Economic stress and downturns** felt immediately at emerging market level putting **pressure on disposable income**. Insurance competes with necessities as share of wallet shrinks.
- Negative impact to **client acquisition and retention**.
- Potential decline in persistency and AUM as **disposable income pressures compound**.



High unemployment

- **Slower than expected youth market penetration** on current business model outcomes compounded by an aging client book and **unemployment rates**.
- Business to consider developmental **opportunities for employment and talent retention**.
- Higher focus and understanding on **generational transitioning** and ability to **innovate new approaches and products**.



Regulatory intensification

- **Retirement industry reforms**: 2 pot-system to bring outflows and liquidity risks for fund administrators, including system development complexities.
- **Employment Equity Amendment Bill**: tightening of Financial Sector targets and compliance.
- **Conduct of Financial Institutions (COFI)**- impact to advice practice.



Data investment and Payment Proliferation

- **Reducing reliance on disconnected services and processes** over time – digitalisation.
- **Cost of data** expected to decline over time through competition and regulation.
- Changing **consumer digital interaction** expectations.



Impact of load-shedding

- Impact to **national points-of-presence** and business operations.
- Metropolitan to consider **renewable and sustainable energy sources** to secure business continuity.

Ambition and strategic focus areas



IMPACT STRATEGY

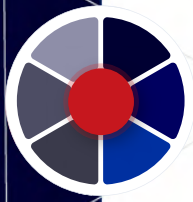
Ambition

To achieve a consistent and sustainable **5% new business profit margin**



Objectives and measures of success





Objectives and measures of success

FOCUS AREA	OBJECTIVES
Optimised value	<ul style="list-style-type: none">Optimise the cost baseTo have a stable and scalable PAS with supporting environments
Client-led solutions	<ul style="list-style-type: none">Optimise and simplify solutions to meet changing client needs and ensuring value for all stakeholders
Client experience	<ul style="list-style-type: none">Successfully execute on the crafted Metropolitan Value Proposition
Business development	<ul style="list-style-type: none">Optimise existing market accessGroup collaborationCommercial partnerships
Diversified distribution	<ul style="list-style-type: none">Enhance and scale alternative channels (brokers / tele / A&A / direct)Optimise and grow tied agency with emphasis on workforce management

MEASURES OF SUCCESS

Reduce the Metropolitan
cost base by R150m by
F2027

Increase client value whilst
sustaining **VNB margin at 5%**
in F2027.

Improve current CSat of 79%
to 84%+ by F2027.

Increase public and private sector
penetration to over 20%.

Increase alternative channels APE
contribution to 25% by F2027

Direct contribution at 5%
Improved adviser retention and
productivity



Why we will win



Why we will win

Leverage

Leverage existing Group-wide relationships and technology

Grow

Business development as a key competitive driver

Optimising our existing channels and scaling our new channels

Efficient

System transformation underpinned by a digitalised chassis

Consistent management of our cost to revenue ratio

Our **RIGHT** to win

Enduring Success

Distribution cadence

Stable profitability

Optimising our competitiveness as a future-forward brand

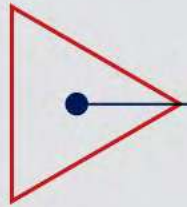
High-performance culture

Client

Client-led value proposition and a suite of innovative products

Continue as an Industry leader in service excellence and client experience

Disciplined execution



Thank you





Momentum Africa

Impact Strategy

Lulama Boo



Agenda

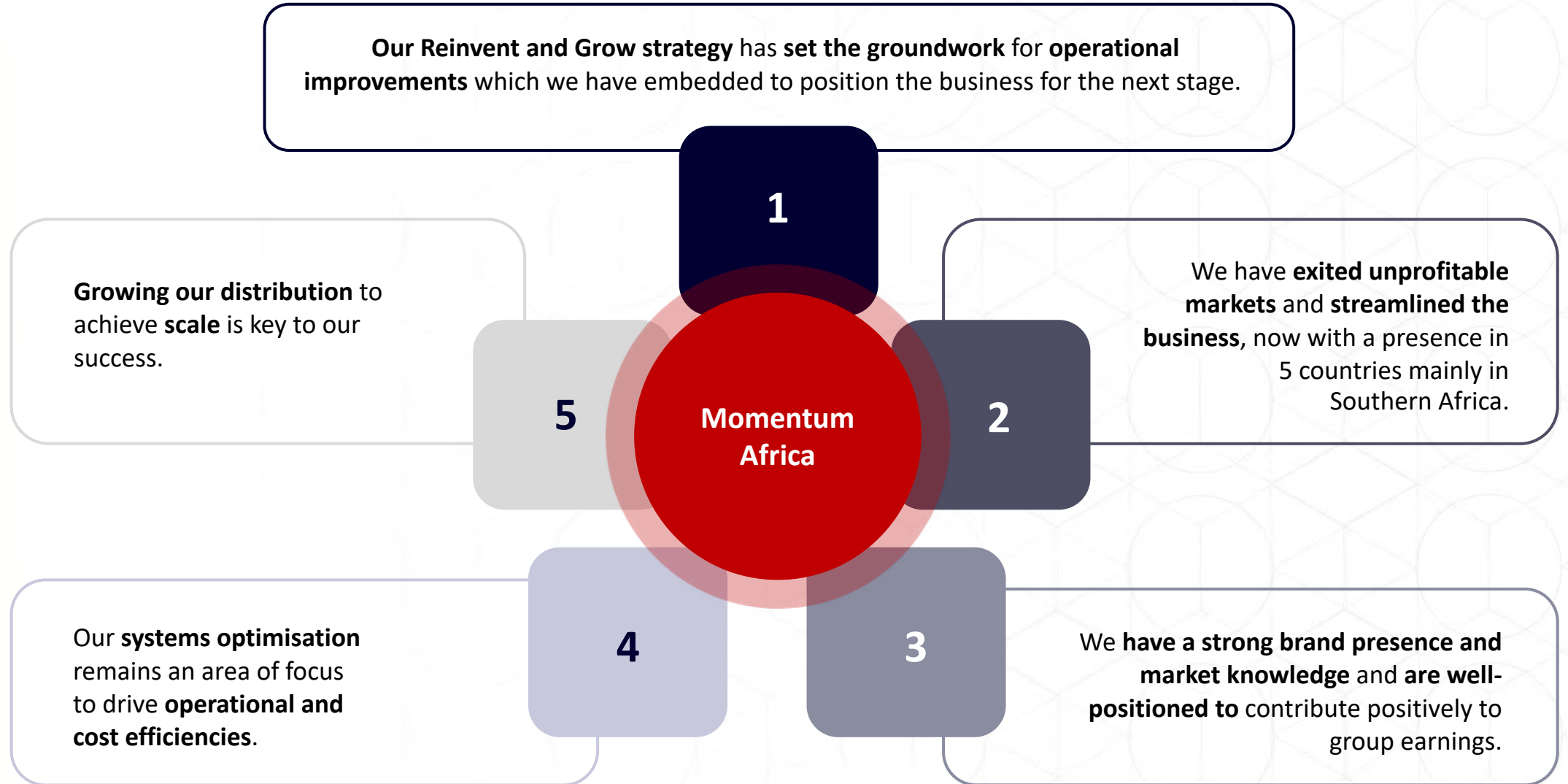
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- 5 Why we will win



Momentum Africa today



Africa journey to date



Momentum Africa country business overview



Ghana

- Pop 30m
- GDP \$74bn; 2.2k per capita
- 1% insurance penetration

Metropolitan Ghana

- # of Lives – 100k
- GWP – R123m
- Market Share (Life #10/17) - 7%



Namibia

- Pop 3m
- GDP \$15bn; 5.2k per capita
- 6% Insurance penetration

Momentum Group Namibia

- # of Lives – 259k
- GWP – R1,9bn
- Market Share (Life #3/14) - 30%



Botswana

- Pop 2.7m
- GDP \$20bn; 7.7k per capita
- 3% insurance penetration

Metropolitan Botswana

- # of Clients / Lives – 80k
- GWP – R991m
- Market Share (Life #2/6) - 15%



Mozambique

- Pop 35m
- GDP \$18bn; 0.5k per capita
- 2% insurance penetration

Momentum Mozambique

- # of Clients / Lives – 18k
- GWP – R188m
- Market Share – 19%



Lesotho

- Pop 2.3m
- GDP \$3bn; 1.4k per capita
- 4% insurance penetration

Metropolitan Lesotho

- # of Lives – 112k
- GWP – R1.1bn
- Market Share (Life #1/4) – 69%



Market dynamics and key considerations



Market trends



Economic

- Africa's economic growth **outpacing global growth**
- **Large informal sector**
- **Growth driven** mainly by mining, infrastructure, agriculture, oil & gas, financial services, tourism



Technology and digital

- **Digital transformation** is a significant trend for growing mobile users
- **Emerging non-traditional players** e.g. banks, fintech, MNO
- Increasing mobile penetration



Social

- **Poverty and unemployment** remain high
- Rural population is high with increasing urbanisation
- **Young population**
- **Need for simple, accessible, affordable solutions**



Regulation

- Increasingly comprehensive **regulatory frameworks** focused on **consumer protection, market conduct and stability**
- Anti Money Laundering (**AML**) and Combating the Financing of Terrorism (**CFT**)
- **Legislation focussed localisation of financial / business activity**

Ambition and strategic focus areas





LONG-TERM

WINNING ASPIRATION

“ To be a *preferred financial services partner* within our chosen markets, providing relevant solutions to enable the wellbeing of our clients through *exceptional client experience*. ”

We are aligned to Group purpose of *building and protecting our clients' financial dreams*.

IMPACT STRATEGY

AMBITION

To be a life-long partner with *significant market share* in our business lines, supporting financial security to all through *effective solutions* and *exceptional client experience*.



Strategic focus areas

What we will focus on in the next 3 years (F25-F27)



Distribution effectiveness

- Strengthen foundational distribution capabilities
- Enhance and continue to invest in alternative channels
- Progress strategic partnerships



Enhanced client experience

- Diversify client service channels and invest in self-service digital capabilities
- Develop product features that reward clients for loyalty



Operational efficiencies

- Deliver effective systems and IT infrastructure
- Accelerate digital enablement to enhance operational efficiency



Growth: New markets & channels

- Develop solutions and a servicing model tailored to underserved client segments and markets
- Identify opportunities to introduce new business lines
- Expand service offering to include wellness-oriented solutions



Product development & competitiveness

- Complete the implementation of standardised product suite with appropriate country customisation

High performance culture

Objectives and measures of success





Objectives and measures of success

FOCUS AREA	OBJECTIVES
Distribution effectiveness	<ul style="list-style-type: none">Enhance and optimise distribution channels to ensure peak performance and effectivenessGrow and strengthen partnerships to enhance distribution and reach more clients
Enhanced client experience	<ul style="list-style-type: none">Achieve consistent excellence in client service
Operational and process efficiencies	<ul style="list-style-type: none">Optimise operational efficiencies to improve employee and customer experience
Growth: New markets and new channels	<ul style="list-style-type: none">Diversify into new markets (youth, informal, SME) and channels to unlock growth
Product development and competitiveness	<ul style="list-style-type: none">Improve product competitiveness to meet and exceed market demands and customer expectations

MEASURES OF SUCCESS

Improve productivity **to 1.2** policies per adviser per week

New business risk-to-savings ratio of **50%**

Achieve NPS **>65** by F2027

100% completion of pending system implementation projects

R450m NHE by F2027

Why we will win



Why we will win

We have an opportunity to play an **impactful** role in the **communities we serve**, to make **financial services accessible** to clients as they pursue their goals.

Achieving **operational** and **cost efficiencies** through **system optimisation and automation** to drive financial outcomes.

Our **RIGHT** to win

We selectively **export unique group capabilities** into different geographies. Combining local market expertise with strong group brand, technical and product knowledge.

We will have a lean and streamlined operation that is focused on elevating our employee and client experience.



Thank you



Disclaimer

In this presentation, Momentum Group (“M Group” “the Group”), its subsidiaries and, where applicable, its joint ventures and associates are referred to as “we”, “us”, “our” and the “Company”.

Forward-looking statements

The information provided during this Investor Conference is for informational purposes. The presentations and discussions may include forward-looking statements, which, unless indicated otherwise, reflect the Group’s expectations as at 23 July 2024.

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