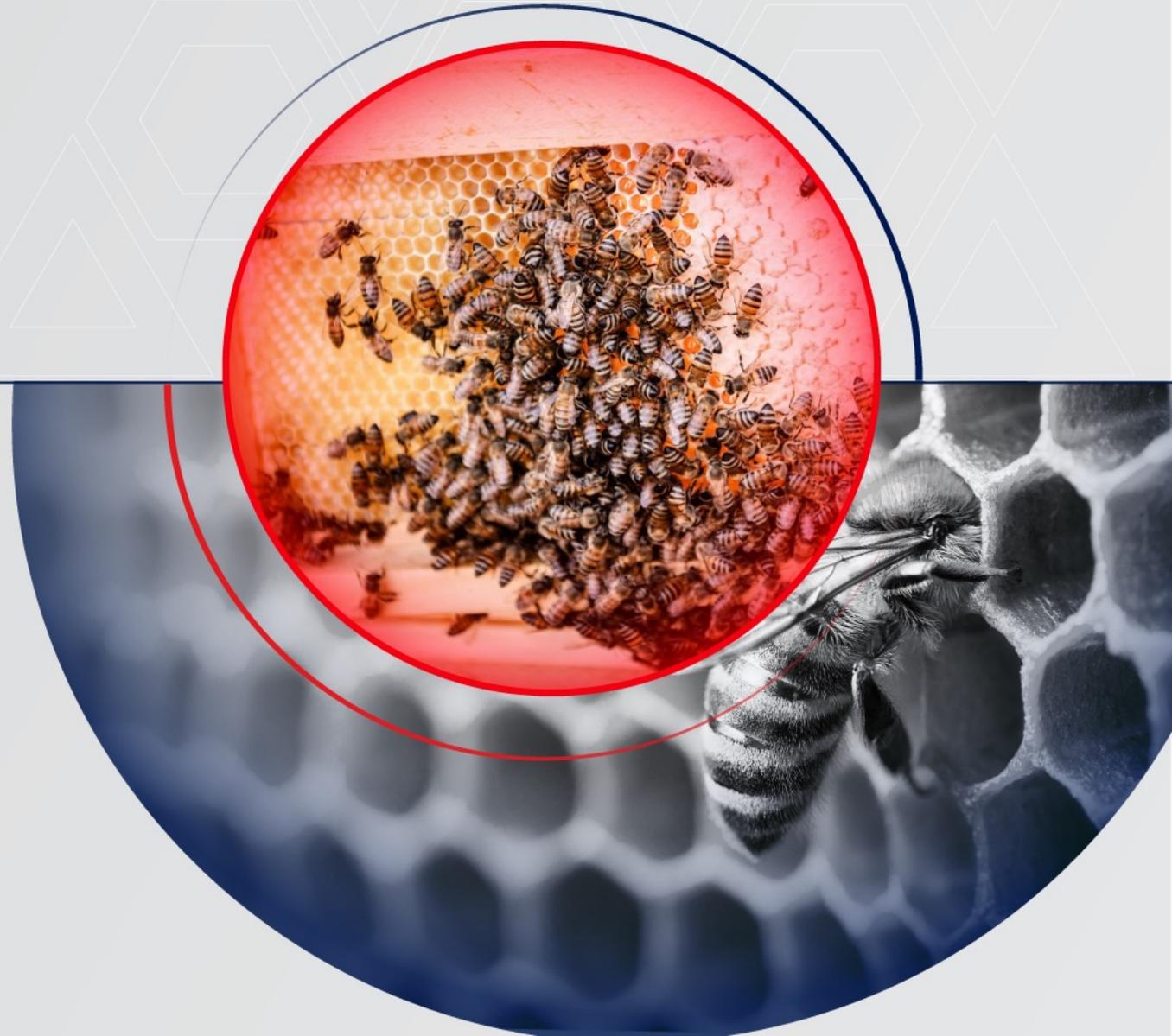




Guardrisk

Impact strategy

Lourens Botha



Agenda

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



Guardrisk today



Track record of delivery and dominance

Annual GWP

(17% Annualised growth)

Valuation

(2.8x increase)

Revenue mix

Contribution to Group earnings

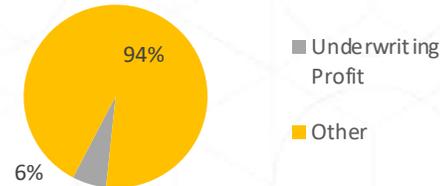
Capital efficiency

(SCR as % of Premium)

2014

Group > **R9 billion**

R 1.6 billion



4%

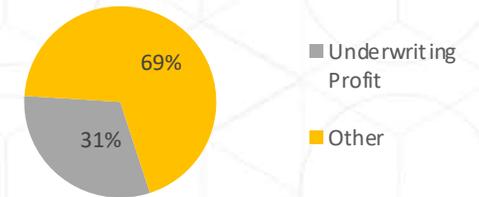
85%

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



Traffic Growth	User Price	Revenue	Sales Volume	Rev. Increase	HETT201	Sales Rev.
8.0%	\$ 2,178	890	\$ 120,020.00	9%	1,23E+00	12
8%	\$ 1,000.00	654	\$ 44,545.00	34%	5.6E+01	343
8%	\$ 5,940.00	454	\$ 4,304.00	4%	4.5E+01	3,434
100%	\$ 34,344.00	454	\$ 65,464.00	3%	1.2E+01	12
24%	\$ 43,232.00	34	\$ 43,444.00	34%	3.43E+00	3,434
87%	\$ 657,465.00	878	\$ 4,545.00	50%	1.23E+00	12
6.91%	\$ 2,178	890	\$ 120,020.00	9%	1,23E+00	12
8%	\$ 1,000.00	654	\$ 44,545.00	34%	5.6E+01	343

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 General Insurance reached scale where capabilities needs to be enhanced

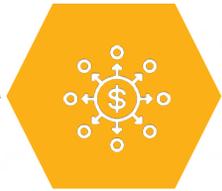
Brokers remain highly influential in general insurance, and we intend to invest in the strengthening and expansion of our network

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

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
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
Value beyond cell captives	<ul style="list-style-type: none"> Drive organic growth and increase share of premium Optimise value chain through vertical integration
Capital efficiencies and alternative capital structure	<ul style="list-style-type: none"> Alternative capital solutions Optimise own ROE Cell capital efficiencies Reinsurance optimisation
Digital transformation	<ul style="list-style-type: none"> Enhance client and channel interaction and scalability through modernisation, digitisation and automation Data enablement and insights
People, purpose and culture	<ul style="list-style-type: none"> Foster a purpose-led culture and build an EVP to attract and retain talent
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

MEASURES OF SUCCESS

Earnings F2027:
R850m – R1bn
12% – 15% y-o-y growth

Revenue growth
10% – 13%

Underwriting margin
9% – 11%

ROE F2027:
20% – 25%

Value
+25%

B-BBEE
Standalone Level 3

Geographical
India

Objectives and measures of success



Guardrisk Summary

Sustainable, diversified revenue growth					Value beyond cell captive					Capital efficiencies and alternative capital structure				
	GRI	GGI	GRL	GRM		GRI	GGI	GRL	GRM		GRI	GGI	GRL	GRM
• Broker enablement to drive growth	🟡	⬛	⬜		• Advanced analytics	🟡	⬛	⬜	⬛	• Cell capital efficiencies	🟡	⬛	⬜	⬛
• Targeted underwriting (profits)		⬛			• Embedded insurance	🟡	⬛	⬜		• Improve own ROE	GROUP WIDE INITIATIVE			
• Expand existing/Introduce alternative partnership models	🟡	⬛	⬜	⬛	• Organic growth	🟡		⬜	⬛	• Reinsurance optimisation	🟡	⬛	⬜	
• Acquisitions and geographical opportunities	GROUP WIDE INITIATIVE				• Vertical Integration	🟡	⬛	⬜		• Alternative capital solutions	🟡		⬜	⬛
• Guardrisk Re insurance opportunities	🟡	⬛												
Digital transformation					People, purpose and culture					Sustainability (includes transformation, brand awareness, ESG)				
	GRI	GGI	GRL	GRM		GRI	GGI	GRL	GRM		GRI	GGI	GRL	GRM
• Modernisation and automation	🟡	⬛	⬜	⬛	• Foster a purpose lead culture	🟡	⬛	⬜	⬛	• Earnings/value growth	🟡	⬛	⬜	⬛
• Launchpad	🟡	⬛	⬜	⬛	• Build an EVP to attract and retail talent	🟡	⬛	⬜	⬛	• Transformation	GROUP WIDE INITIATIVE			
• Data enrichment and enablement	🟡	⬛	⬜	⬛						• ESG (incl. climate change)	GROUP WIDE INITIATIVE			
										• Brand awareness		⬛		
										• Talent/skills management	🟡	⬛	⬜	

Why we will win



Why we will win



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