momentum group

REMUNERATION REPORT

2024

momentum METROPOLITAN GUARDRISK

REMUNERATION REPORT AND SHAREHOLDER INFORMATION

PART 1: BACKGROUND STATEMENT FROM THE CHAIR OF THE REMUNERATION COMMITTEE

Our remuneration philosophy prioritises attracting, motivating and retaining high-performing employees while ensuring our remuneration aligns with shareholder interests.

REINVENT AND GROW STRATEGY

When the Group announced its ***Reinvent and Grow strategy*** in 2021, the focus was on mastering digitalisation, creating alternative distribution opportunities, growing our existing distribution channels, achieving above-average growth in our Non-life businesses and ensuring that the strategic objectives deliver revenue and efficiency improvements to achieve NHE (on an IFRS 17 basis) of R4.4 billion to R4.8 billion and ROE of 16% to 18% in F2024.

Key highlights of how the Group performed against the objectives of the Reinvent and Grow strategy:

- Firmly positioned the Group's dominance in the IFA market.
- Accelerated digital in various business areas and, most notably, successfully delivered on the Myriad digital risk selection and processing model and improved onboarding experience.
- Improved underlying profitability in Momentum Corporate through a focus on profitable growth, sustainable pricing and disciplined expense management.
- Turnaround strategies for Momentum Insure (where we have made significant strides) and for Metropolitan are underway.
- While VNB remains a concern, there are solid plans in place for each business to address this.
- NHE of R4.4 billion was achieved in F2024, the lower end of the IFRS 17 adjusted NHE target range of R4.4 billion to R4.8 billion.
- The Group achieved a Non-life insurance contribution to NHE of 19%, marginally below the target of 20%.
- ROE of 15.5% was achieved within our target range of 14%- 16%.
- The Group made a deliberate decision to increase its investment in various critical projects. This resulted in cost efficiencies of R500 million not being achieved.
- Market shares increased across the Group as we built on the foundation set in F2021.

The Remuneration Committee is confident that the reward outcomes during the Reinvent and Grow strategy period were well-aligned with the Momentum Group's performance against our strategic objectives. Details on how the short-term incentive pool aligns with NHE performance during this period can be found in the section of the implementation report that addresses short-term incentive outcomes.

KEY FEATURES OF OUR FINANCIAL RESULTS FOR F2024

South Africa's political and economic uncertainty remains high and is marked by elevated unemployment, high interest rates and slower-than-expected inflation moderation. The 2024 elections, despite being largely successful, resulted in no clear parliamentary majority, which increases political, economic and social uncertainty. Additionally, sustained global geopolitical tensions, such as the Russia-Ukraine and Israel-Palestine conflicts, have disrupted food security and supply chains, delaying inflation moderation to expected lower levels and affecting citizens' ability to meet their needs.

Despite the challenging economic and operating environment, we maintained our strategic focus on meeting our Reinvent and Grow targets. The Group delivered NHE of R4 438 million, up 27% on the prior year. This growth in earnings includes strong positive contributions from most business units and demonstrates that, despite the adverse impact of the continued challenging economic backdrop, the Group remains resilient.

The committee is of the view that these outcomes are fair, given the shareholder total return generated over the performance period and the overall improvement in business performance over the Reinvent and Grow strategy period ending in F2024.

NHE
R4 438 million
(F2023: R3 491 million)

Operating profit
R3 608 million
(F2023: R2 755 billion)

PVNBP
R82.1 billion
(F2023: R68.9 billion)

Group annualised ROE
15.5%
(F2023: 12.7%)

Target range **14%** to **16%**

Momentum Metropolitan Life solvency capital requirement (SCR)
2.10 times
(F2023: 2.07 times)

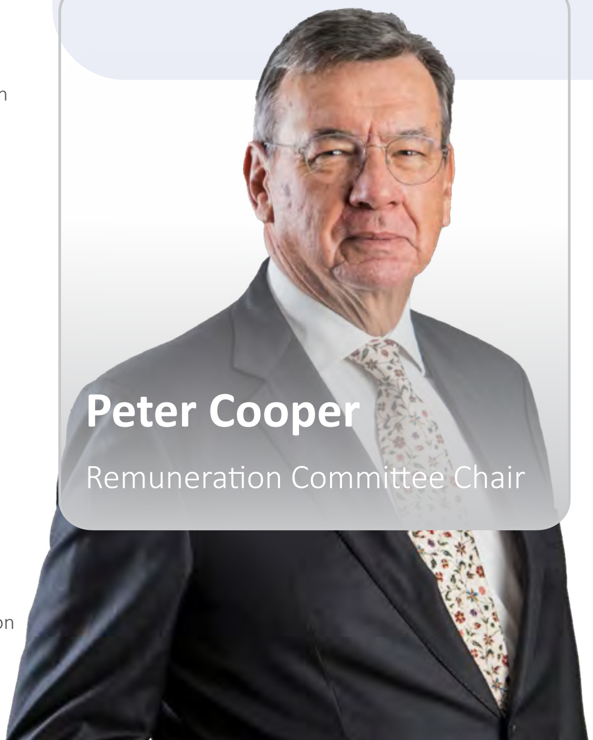
Group VNB
R589 million
(F2023: R600 million)

Recognising the financial results and current economic conditions, the Remuneration Committee took the following decisions:

An average annual increase of **5.5%** will be granted in October 2024 (F2023: 6%).

The management short-term incentive (STI) pool decreased to **106%** (F2023: 125%) of target, in line with our NHE performance.

Strong total shareholder returns positively impacted the Group's performance against the F2024 targets set for the 2021 long-term incentive plan (LTIP) award, achieving 100% of the performance target at Group level.



Peter Cooper

Remuneration Committee Chair

OTHER ACTIONS BY THE REMUNERATION COMMITTEE IN F2024

- We have made progress in reviewing our ***fair and responsible pay*** principles, in light of the Companies Act, 71 of 2008 (as amended) (Companies Act). We will continue assessing our remuneration policy amendments and disclosures. The enhanced fair and responsible pay principles are detailed in the policy section. We will continue to monitor emerging regulatory requirements and guidance on remuneration disclosure and policy benchmarks.
- We engaged with shareholders to address concerns about the Group's remuneration policy and its implementation ahead of the AGM on 21 November 2023. The Remuneration Committee took specific actions to respond to the ***feedback*** provided by shareholders.
- We reviewed the competitiveness of our reward plans by assessing market benchmarks and comparing total rewards for senior executives against peers in the financial services sector. This ensures that our total reward plans maintain appropriate market relativity.
- We approved the performance criteria for the ***October 2024 LTIP allocation***.
- We approved the F2024 STI and LTIP allocations based on performance against approved targets. This included individual executive director and Group Exco total reward recommendations.

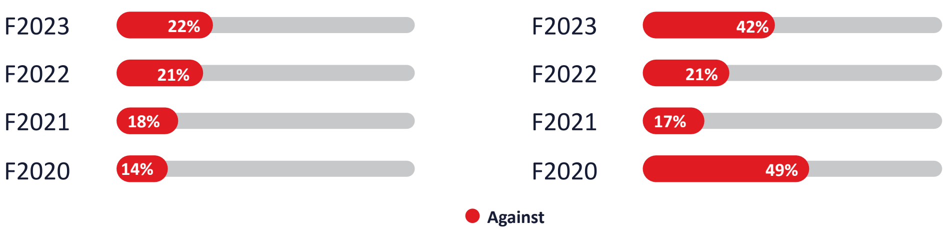
There was no discretion exercised by the committee for F2024.

SHAREHOLDER ENGAGEMENT AND VOTING OUTCOME

The following table represents a summary of the results of voting on non-binding remuneration-related shareholder resolutions for the past four years:

Overview of the remuneration policy

Implementation report



The Group is committed to proactive shareholder engagement through one-on-one engagements before the AGM. The Remuneration Committee's commitment to regular stakeholder engagement encourages ongoing communication to ensure that our remuneration policies and implementation strategies align with stakeholder needs. This demonstrates our commitment to accountability, transparency and open dialogue, which we consider crucial for maintaining trust and fostering a strong relationship between the Group and our shareholders.

The F2023 AGM "vote against" for the Implementation Report was below the prescribed 25%. We invited all shareholders to provide written feedback and offered one-on-one meetings to dissenting shareholders to discuss their concerns. This allowed us to engage constructively, understand their perspectives and ensure that our remuneration practices balance their expectations with the business' strategy and performance.

The primary concerns raised by shareholders related to the following matters:

- The non-disclosure of STI metrics for executive directors.
- The significance of the Board's discretion in determining retention payments, sign-on awards, termination arrangements and restraint of trade payments.
- The non-disclosure of maximum award opportunities available under the incentive schemes.

The Remuneration Committee has addressed shareholder concerns by enhancing disclosures in the Remuneration Report. This includes additional information on the ***STI pool determinations***, key performance metrics, weightings for executive directors and disclosing STI limits. The committee also provides context on remuneration discretion in response to shareholder queries.

For F2024, the remuneration policy and Implementation Report will undergo separate annual non-binding advisory votes at the AGM. If either document receives 25% or more votes against it, the Group will issue a SENS announcement inviting dissenting shareholders to engage in one-on-one discussions with relevant Group representatives. Details of these engagements will be disclosed in the F2025 Remuneration Report.

EXECUTIVE DIRECTOR CHANGES

The executive director changes that took place during F2024 are set out in the table below.

	Appointment	Retirement/resignation	Remuneration period disclosed
Hillie Meyer*	–	30 September	F2024 (12 months), F2023 (12 months)
Jeanette Marais (Cilliers)	01 August 2023	–	F2024 (12 months), F2023 (12 months)
Dumo Mbethe**	11 November 2023	–	F2024 (12 months), F2023 (0 months)

**Hillie was Group CEO until 30 July 2023 and remained as executive director until 30 September 2023. His remuneration disclosures are for the full F2024 and F2023 periods.*
*** Dumo's remuneration disclosures are for the full F2024 period.*

All executive director contracts are in line with the Group remuneration policy.

IMPACT OF IFRS 17 ON SETTING PERFORMANCE TARGETS

When setting performance targets for the F2023 LTIP award and the F2024 on-target performance for STI pools, the forecasted impact of IFRS 17 was considered. The Group has assessed the impact of IFRS 17 adoption on underlying results and the committee is satisfied that the impact aligns with the forecasts, making the F2023 LTIP performance targets and F2024 STI target earnings appropriate.

IMPACT STRATEGY

The F2025-F2027 Impact strategy is an evolution of our last two strategies. It focuses on leveraging the Group's diversified portfolio and unique federated operating model. This strategy includes plans to:

- Unlock the full potential of our businesses
- Harness the synergies of collaboration in our federated model
- Optimise our cost base to grow earnings
- Invest aggressively in advice to drive growth
- Selectively expand our addressable market where we have a right to win
- Design simplified and impactful client experiences as a foundation for growth

Impact strategy financial ambition

NHE	R7 billion by F2027
ROE	20%
VNB	R1.0 – 1.2 billion
VNB margin	1% – 2%

The Group's short- and long-term incentive plan targets will be set with the Impact strategy ambition as a base.

F2025 FOCUS AREAS

During F2025, the Remuneration Committee will focus on the following areas:

- Continued alignment of the Group scorecard to the new strategic objectives, including critical measures of profitability, shareholder value and sustainability.
- Refine ESG metrics that align with the Group's overall sustainability targets for the STI and LTIP targets.
- Enhance and expand fair and responsible pay principles, including developing key metrics to track progress. This will involve monitoring and processing the amendments to the Companies Act and anticipated supplementary regulations relating to the fair and responsible pay publication requirements, and benchmarking our implementation and disclosures against industry best practices.
- Assessing remuneration policy objectives by measuring them against market benchmarks to ensure competitiveness. This will include maintaining competitive STI and LTIPs aimed at attracting and retaining critical and scarce skills.
- Continued engagement with shareholders regarding concerns related to the Group's remuneration policy and its implementation.

INDEPENDENT ADVICE

The committee received external independent advice and market information from Deloitte, REM channel, Willis Towers Watson and 21st Century Pay Solutions and is satisfied that the input from these sources is reliable, accurate, independent and objective.

TERMS OF REFERENCE

The Remuneration Committee operates under terms of reference that govern its responsibilities and activities. These are reviewed annually and are subject to approval by the Board. In adherence to the recommendations outlined in King IV™, all members of the Remuneration Committee are independent non-executive directors. This ensures that remuneration-related decisions are made with impartiality and objectivity, promoting transparency and accountability relating to remuneration matters.

Achievement of the stated objectives of the remuneration policy

In alignment with the Group's purpose, we strive to empower our people to build and protect their financial dreams. To accomplish this, we recognise that offering employees fair and market-competitive remuneration plays a pivotal role in attracting and retaining scarce talent and people who are passionate about our purpose.

The Remuneration Committee's objective is to use our remuneration philosophy to drive the execution of the Group's ***strategic objectives***, which serve as core principles that guide employees in achieving approved performance targets.

The Remuneration Committee oversees the Group's remuneration policy to ensure that the remuneration structures are fair, responsible and aligned with shareholder and employee interests. This commitment enables a balanced and sustainable approach to remuneration, exercising oversight on the appropriateness of employee reward outcomes while considering the interests of shareholders to promote long-term success.

APPROVAL

The Remuneration Committee is confident that its decision-making process is fair, responsible and objective. In reaching its decisions, the committee carefully considered feedback from various stakeholders and ensured that their perspectives were considered. Committee members have approached their duties with practicality and reasonableness, demonstrating a thoughtful and thorough evaluation of remuneration-related matters. They have diligently applied their expertise and judgement to make recommendations to the Board that align with the organisation's overall objectives and stakeholder expectations. By doing so, the committee strives to ensure that remuneration-related decisions are made in the best interests of all stakeholders and contribute to the sustainable success of the organisation.

This Remuneration Report was approved by the Remuneration Committee on 25 September 2024.

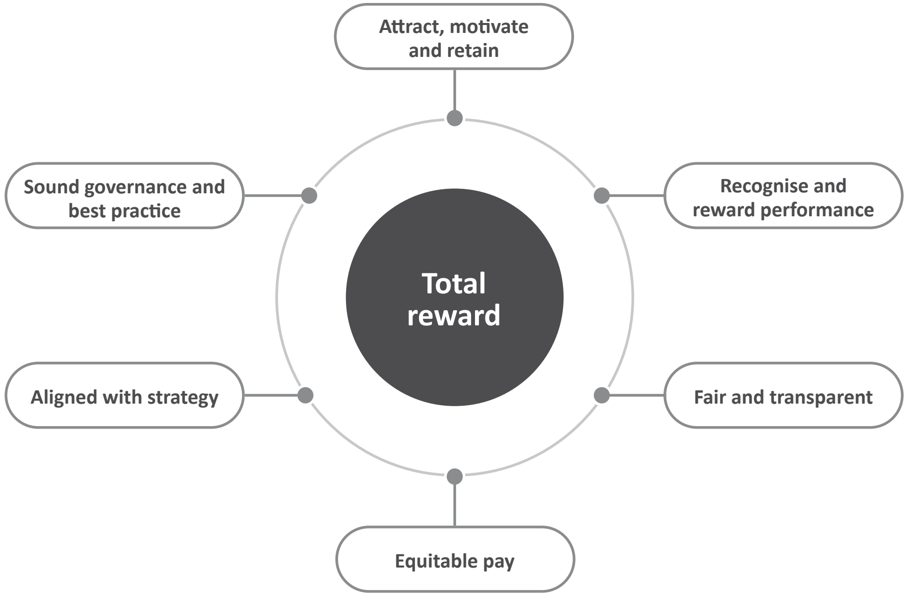
Peter Cooper
Remuneration Committee Chair

PART 2: OVERVIEW OF THE GROUP'S REMUNERATION POLICY

THE GROUP'S REMUNERATION PHILOSOPHY

The Group aims to create an environment where our employees are motivated, engaged and rewarded for their performance. This approach not only helps to attract and retain high-calibre individuals but also fosters a culture of excellence and success.

Our working environment promotes high performance and encourages entrepreneurial thinking. We use our remuneration philosophy to incentivise employees to not only meet but exceed their key performance targets, thereby driving mutual value creation for the Group and its stakeholders. Underpinning this philosophy is a robust performance management system that sets competitive total remuneration packages and provides incentives geared to agreed performance outcomes where appropriate.



Our total reward approach and remuneration policy are based on the fundamental set out below:

Governance	Our approach to governance ensures that appropriate remuneration governance structures, policies and frameworks are in place to support fair and consistent implementation. These practices are designed to ensure adherence to the principles of good corporate governance as set out in best practice and regulatory frameworks such as King IV™ and the Solvency Assessment and Management regulatory framework. Applicable to all Group companies, our remuneration policy establishes minimum standards, guidelines and delegation of authority. It confirms that the Remuneration Committee approves the remuneration approach and principles for heads of control functions.
Alignment with the Group strategy	Our remuneration policy is aligned to our Impact Strategy objectives and Group values to employee performance without being detrimental to our stakeholder interests while discouraging inappropriate risk-taking.
Flexibility	The remuneration policy offers flexibility for customising remuneration and benefits to cater for a better work-life balance and specific business needs.
Pay for performance	We structure our remuneration around incentivising a performance culture with differentiation based on the performance taking place between guaranteed and variable remuneration. All employees are evaluated in terms of their performance against individual KPIs. Performance reviews are conducted in terms of accepted norms to ensure fairness and consistency.
Consistent and fair practices	Our Group's remuneration practices prioritise fairness and equity while allowing for differentiation where justified, considering factors such as scarce skills, experience levels and performance. We are committed to providing our people with fair opportunities for career growth and advancement through skills development. We ensure that our remuneration aligns with changes in work intensity and evolving skills.
Risk-taking versus fiduciary roles	Distinction is drawn between employees who operate in a risk-taking capacity and those who fulfil fiduciary roles (such as heads of control functions) when variable incentive payments are awarded. To ensure that the independence of employees who act in a fiduciary capacity is not unduly compromised and conflicts of interest are minimised, variable incentives for employees in fiduciary roles are determined primarily with reference to the performance of the individual.
Talent retention	Remuneration and benefits are considered a key lever in ensuring that top talent is attracted, motivated and retained to ensure the achievement of the Group's strategic objectives.
Benchmarking and competitiveness	Roles are benchmarked based on a job grading process and compared with market benchmarks in the financial services sector.

REMUNERATION STRUCTURE AND DESIGN

To foster a culture of excellence, our remuneration structure comprises three key components, namely total guaranteed pay (TGP), STIs for management and general staff employee levels, and LTIs. These elements collectively support the Group's need to offer employees an appropriate mix of fixed and variable remuneration, depending on their employment level and the complexity of a specific role. They are intended to incentivise and reward exceptional performance among our employees.

Remuneration element	Purpose and link to strategy	Eligibility	Policy	Performance conditions
1 TGP – Cash salary plus benefits	To attract and retain talent by providing the core guaranteed element of remuneration for the role	All employees employed by the Group	TGPs are benchmarked against the financial services market, targeting the 50th percentile.	Meet the requirements of the role
2 STIs for general staff-level employees	To reward individual performance at a general staff level	All permanent staff who are not management STI pool participants	STIs are discretionary and are awarded as a percentage of TGP, which varies according to the level and complexity of the role. The actual award is based on individual performance relative to objectives.	Individual performance that at least meets the agreed objectives set for the period
3 STIs for management-level employees	To support a high-performance culture within the organisation through reward for performance, and to aid retention through the deferral of STIs above a threshold	Executives, senior managers and upper-middle managers	STIs are discretionary and are awarded as a percentage of TGP, which varies according to the level and complexity of the role. The actual award is based on a weighted mix of the level of performance achieved by the Group, the division and the individual that is weighted towards financial outcomes. Above a certain value threshold, management STIs are deferred to enhance retention and improve alignment with shareholders.	The Group performance relative to targets determines the size of the management STI pool
4 LTIs	To incentivise executive and senior management to achieve performance targets that align with shareholder interests	Executives and senior managers	LTI awards are discretionary and are awarded based on a percentage of TGP required to meet a targeted portfolio size. LTIs are subject to performance criteria that are approved by the Remuneration Committee.	Performance units issued out of either the LTIP or SAR schemes are subject to the performance conditions set out in Part 3 of the ***Implementation Report***

Total Guaranteed Pay (TGP)

We ensure that our TGP remains competitive by benchmarking it regularly against peers in the financial services sector. Typically, TGP aligns with the market median (50th percentile) for employees who meet role requirements. However, exceptions are made for key positions requiring scarce or specialised skills, exceptional performance or critical skills retention, where TGP may be set at or above the upper quartile (75th percentile).

The Group employs a recognised job grading system and conducts job evaluations and grading whenever there are organisational changes. This practice ensures that positions are appropriately remunerated based on their roles and responsibilities.

TGP increases are awarded annually from 1 October each year.

Variable incentives (STI and LTI)

The STI pool is determined as a percentage of the pre-tax pre-incentive NHE for the relevant year. The LTI pool is determined using a benchmark of targeted LTI portfolio data specific to the participants in this pool.

Short-term incentives

Our STIs operate as a discretionary profit-sharing pool that involves participation from management. The size of this pool is determined by the achievement of the targeted pre-tax pre-incentive NHE.

Employees outside the management layers mentioned participate in a general employee STI pool where rewards are based on individual performance.

Eligibility for the management STI pool extends to executive, senior and middle management employees who are not already on pay-for-performance contracts. Participation in the STI programme hinges on their individual performance and contributions to their business unit, Group function and the overall performance of the Group. The discretionary nature of the STI provides flexibility in acknowledging exceptional performance and serves as an incentive for employees to work towards achieving targeted performance outcomes.

The determination of the STI pool is based on the following approach:

1. The overall on-target STI pool is calculated on a bottom-up basis, by adding the benchmark on-target STIs for all participants, based on the industry where the business operates.
2. This bottom-up STI pool is then tested for affordability using a top-down calculation, being a percentage of the Group on-target pre-tax pre-incentive NHE as approved by the Remuneration Committee. The overall on-target STI pool is therefore the level of STIs that can be funded by achieving the targeted NHE.
3. The top-down calculation is then applied to the actual NHE for the year, subject to the approval of the calculated STI pool by the Remuneration Committee.
4. The allocation of the Remuneration Committee-approved STI pool to business units takes place as follows:
   - The on-target STI pool per business unit is subject to financial and non-financial performance modifiers.
   - The financial performance modifier is primarily the business unit NHE versus target, supplemented by sales targets for distribution teams.
   - The non-financial performance modifier relates to meeting employment equity targets.
   - The business unit performance-modified on-target STI pools are then calibrated to the actual Group incentive pool as approved for the year by the Remuneration Committee.
5. Individual STIs are then calculated based on the individual's performance-adjusted on-target incentive as a proportion of the business unit pool. Management discretion may be applied where appropriate to make adjustments for factors not taken into account in the calculation, such as talent retention.

Group targets undergo review and approval by the Board, while business unit targets are approved by the Exco. Individual objectives are agreed upon with the employee's line manager or team leader. For Exco members, objectives are set in consultation with the Group CEO.

The determination of STI awards for executive directors

For all executive directors, the performance targets comprise financial and non-financial targets. The non-financial targets are further broken down into strategic enablers and ESG positive impact targets. The targerts are reviewed and approved annually by Group Remco to align with the strategic focus areas in a particular period.

Performance metric

Financial aspiration

NHE ambition (pre-tax, minorities and incentives)

Non-financial aspirations

Strategic enablers

ESG positive impact

ASSESSED PERFORMANCE (% OF ON-TARGET)

Other considerations – Group CEO and Remuneration Committee discretion

The Remuneration Committee considers the following in approving the final STI allocations for executive directors:

- Alignment to shareholders' returns
- Sustainability of and quality of underlying financial performance
- Absolute quantum of the award relative to industry peer benchmarks
- Total reward mix against targeted mix for on-target and stretched performance target scenarios
- Fair and responsible pay principles
- Maximum STI awards

ALLOCATED STI (% OF ON-TARGET)

For executive director F2024 performance targets, please refer to the ***variable pay*** section on pages 132 and 133.

The maximum STI award opportunity for executive directors

The maximum STI opportunity at award date for executive directors is as follows:

- CEO: 250% of the TGP relating to the year of award.
- Executive directors: 200% of the TGP relating to the year of award.

Details regarding the actual management STI pool for F2024 is set out in ***Part 3 of the Implementation Report.***

Deferral of STI

The management STI pool has a compulsory deferral component, which provides for 50% of all STIs above a minimum threshold to be paid in cash with the remaining 50% of the STI being deferred. The following STI deferral policy applies:

Quantum of STI	Deferral terms
Below R300 000	No deferral and STI is paid in cash
Above R300 000	The first R300 000, plus 50% of the amount above R300 000, is paid in cash with the remainder being deferred, vesting in three equal tranches at the end of years one, two and three

The Remuneration Committee has the discretion to increase the deferred portion of the STI where the deferred units are linked to share price.

The deferred portion of the STIs is converted to phantom share units that are linked to the Momentum Group share price for the duration of the deferral period. The deferred units are also eligible for dividend allocation, if and when the dividends are declared to ordinary shareholders.

The deferral component of the STI serves as a retention mechanism to retain key talent within the Group while giving the Remuneration Committee the right to invoke the pre-vesting forfeiture of STIs should the performance of the Group, division or individual deteriorate significantly, due to circumstances set out in the malus and clawback section. For further details regarding circumstances where pre-vesting forfeiture and clawback can be invoked, please see the ***malus and clawback*** section.

Long-term incentive plan (LTIP)

Objective

The Group's LTIP is primarily designed for executives and senior management who significantly contribute to long-term value creation. However, exceptionally high-performing upper and middle management employees with unique and essential skills may also participate. The size of these individual LTIP awards is determined using benchmarks from the financial services market.

Performance targets determination

The performance targets are initially aligned with the Impact Strategy financial and non-financial goals, adjusted for significant market, regulatory and organisational changes for the financial years beyond the three-year strategy period.

The LTI plan performance targets comprise financial and non-financial targets, with weightings of 80% and 20% respectively. The non-financial targets are broken down into strategic enabler(s) and ESG impact targets. While the overall weightings of the financial and non-financial targets are set at 80% and 20% respectively, the specific performance metrics, targets and allocation of the sub-weights within the financial and non-financial targets are reviewed and approved by Group Remco annually to align with the strategic focus areas in a particular period.

The framework for setting performance objectives is as follows:

Performance metrics

Performance metric	Threshold	Year 1 R'm	Year 2 R'm	Year 3 R'm/%/Other	Total weighting	Annual weighting
NHE	Lower	target	target	target	25%	8.3%,8.3%,8.4%
	Upper	**target**	**target**	**target**		
VNB	Lower	target	target	target	25%	8.3%,8.3%,8.4%
	Upper	**target**	**target**	**target**		
ROE	Lower			target	15%	n/a
	Upper			**target**		
Momentum Group – TSR				Exceed peers	15%	n/a
Financial aspirations					80%	
Strategic enablers	–			target(s)		n/a
ESG positive impact				**target(s)**		**n/a**
Strategic enablers and ESG impact*					20%	–
Momentum Group total	–			target(s)	100%	–

**Internal targets as approved by Group Remco and aligned to the overall business strategy.*

Structural design

The LTIP is structured as a cash-settled phantom share plan featuring a three-year vesting period followed by a two-year holding period. If dividends are paid on ordinary shares, participants receive equivalent amounts credited as additional units, should the units meet the vesting conditions. These additional units vest alongside the LTIP units, contingent on meeting performance conditions.

LTIP scheme performance conditions | 2021, 2022 and 2023 in-flight awards

The LTIP is a cash-settled scheme consisting of retention and performance units which are tied to the Momentum Group share price. Since 2018, all LTIP allocations are performance units that vest after three years, contingent on meeting performance conditions set at the time of the award. These units are then subject to an additional two-year holding period.

Details of the LTIP performance vesting outcomes for the tranche vesting in October 2024 are provided in Part 3: Implementation Report.

F2021 LTIP

The performance conditions for the October 2021 award, which will be measured based on the June 2024 results, are outlined below:

Performance measure	% weighting	Target
Total shareholder return (TSR) vs equal-weighted peer index	100%	Exceed peer group TSR

The above performance condition is binary: the vesting outcome is zero if the performance condition is not met or 100% if it is met. This condition is established at the Momentum Group level and applies equally to all participants, including the Momentum Group executive directors, business unit and Group-wide services executives and senior managers.

F2022 LTIP

The performance condition related to the October 2022 award, which will be measured based on the June 2025 results, is outlined below:

Performance measure	% weighting	Target
TSR vs equal-weighted peer index	100%	Exceed peer group TSR

F2023 LTIP

The performance conditions related to the October 2023 award, to be measured on the June 2026 results, is set out below:

Performance targets

Performance metric	Threshold	F2024 R'm	F2025 R'm	F2026 R'm	Total weighting	Annual weighting
NHE*	Lower	R4 000	R4 250	R4 500	30.0%	10%,10%,10%
	Upper	**R4 500**	**R4 750**	**R5 000**		
VNB*	Lower	R600	R700	R800	30.0%	10%,10%,10%
	Upper	**R800**	**R900**	**R1 000**		
ROE**	Lower			16.00%	20.0%	n/a
	Upper			**18.00%**		
Momentum Group – TSR***					20.0%	n/a
Total		**Exceed peers**			**100.0%**	

For this LTIP tranche to vest in full, or partially in October 2026, the Momentum Group performance must meet the performance conditions as set out above and elaborated further below:
** NHE and VNB targets set for each of the financial years 2024 to 2026. Each year's target contributes 33.33% to the total three-year allocated weightings of 30%.*
*** ROE target to be set and measured for the end of the three-year measurement period (June 2026).*
**** TSR target to be set and measured against the peer group (Discovery, OM and Sanlam) over the three-year performance measurement period.*
*****The proposal includes lower and upper thresholds. Linear vesting will occur, with 50% of the vesting at lower thresholds, proportionately progressing to 100% at the upper threshold.*

The Momentum iSabelo Trust (iSabelo)

The iSabelo Trust is a broad-based, equity-settled Employee Share Ownership Trust, approved at a general meeting of shareholders on 26 November 2020. The initial allocation of units in this equity-settled scheme occurred on 22 April 2021, with allocations to new employees continuing until the scheme's fifth anniversary.

iSabelo

Our long-term empowerment strategy is anchored by the iSabelo Trust, a broad-based, equity-settled Employee Share Ownership Trust designed to support the Momentum Group's transformation objectives and meet South African B-BBEE requirements.

The trust allocates units to all permanent South African employees, prioritising black employees, with at least 85% of benefits directed to them, including 55% for black women.

Initial share allocations began on 22 April 2021 and will continue until the scheme's fifth anniversary. Eligible employees receive units that vest over seven years, with unrestricted units converting into Momentum shares after 10 years, distributed according to the trust's net asset value.

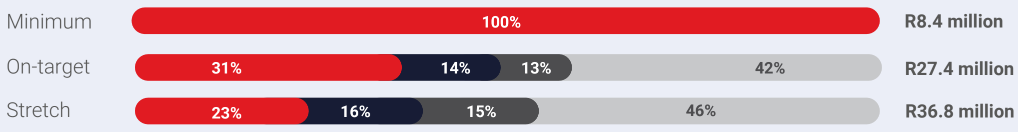
During the restricted period, any ordinary dividends declared by the Group will be used as follows: at least 80% will settle the debt raised by the trust to acquire the shares and up to 20% will be paid to participants. There are no performance conditions attached to the allocated shares.

EXECUTIVE DIRECTOR PAY MIX

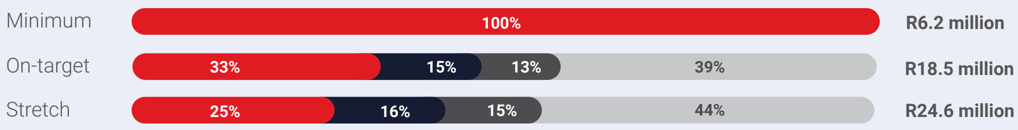
At executive management level, the following graphs illustrate the pay mix for the Group CEO and executive directors across different performance levels – minimum, on-target and stretch. Emphasising variable pay tied to specific financial and strategic performance targets, the executive pay structure reflects a higher degree of "at-risk" compensation. The objective is to establish a balanced pay framework that aligns with each executive's job responsibilities and individual performance.

The graphs below illustrate the different possible remuneration mix scenarios for executive directors under the different performance outcomes.

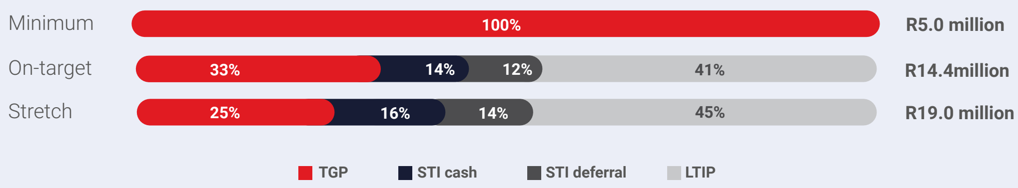
Group CEO – Jeanette Marais (Cilliers)



FD – Risto Ketola



CEO, Momentum Corporate – Dumo Mbethe



The TGP is based on the amount approved effective 1 October 2024

The STI deferral and the LTIP amounts above will vest and be settled as follows:

- STI deferral – payment in equal tranches after one, two and three years.
- LTIP – vesting after a performance period of three years, with settlement taking place in three equal tranches after three, four and five years.

As can be seen from the graphs above, a significant proportion of the total executive remuneration represents variable performance-based remuneration that is deferred to between three and five years from the award date.

Minimum

In cases where the Group does not meet the threshold performance level for the year, the Remuneration Committee refrains from awarding any discretionary STI or LTIs. However, the TGP remains guaranteed.

On-target

The compensation structure is anchored on an on-target rating. For the Group CEO, the STI constitutes 90% of the TGP, while for executive directors, it ranges between 80% and 85% of TGP. Regarding the LTI, it assumes achievement of the equivalent of two-thirds of the approved performance targets (67% vesting). The LTI allocation is set at 150% of TGP for the Group CEO and 135% of TGP for the executive directors, with no consideration for share price growth.

Stretch

The compensation structure is contingent on achieving stretch targets. For the Group CEO, the STI amounts to 135% of TGP. For executive directors, the STI ranges from 121% to 128% of TGP. The LTI assumes full achievement of all performance criteria (100% vesting). It involves an LTIP allocation set at 150% of TGP for the Group CEO and between 120% to 135% of TGP for the executive directors, without considering share price growth.

ENSURING FAIR, EQUITABLE AND RESPONSIBLE REMUNERATION

Role levels

Every role undergoes a job evaluation process to determine its specific grade, which facilitates effective benchmarking against market standards. This evaluation entails assessing factors such as the level of responsibility, required skills and qualifications, and the complexity of the role.

Internal pay equity

Jobs within the Group are centrally benchmarked to ensure consistent assessment of their level compared to similar roles and relative to market standards. Salary benchmark surveys tailored to our operating markets are utilised across the Group to ensure comparability with peers and consistent benchmarking outcomes for jobs of equivalent value.

Pay comparisons are performed across areas where the potential exists for unfair pay discrimination. For example, pay equity is assessed by comparing the total remuneration relative to the job benchmark, across gender and race, to identify and address areas at risk of unfair discrimination.

Fair and responsible remuneration

Our primary focus is to foster a fair and inclusive working environment where every individual has an equal opportunity to excel and contribute their best. We recognise the importance of striving for equal pay, fairness and equality in our remuneration practices as a means to retain, attract and motivate top talent.

Reviewing and addressing race, gender and role-based pay differentials across job levels, role families and specific roles remains a crucial focus in our remuneration processes. When disparities in pay differentials are identified, we establish specific targets and agree on action items to gradually mitigate these gaps over time. This proactive approach ensures that our remuneration practices promote fairness and equity across the organisation.

The objective of fair remuneration principles is to achieve remuneration outcomes that are impartial and free from discrimination, prejudice and favouritism. The organisation is purposeful in addressing unfair and/or unjustifiable remuneration gaps.

Our responsible remuneration principles aim to establish governance frameworks which ensure that remuneration decisions are made within appropriate authority levels, with sufficient independent oversight, and are linked to performance and sustainable strategic outcomes.

As envisaged by the principles of fair and responsible remuneration, the Remuneration Committee considered the following:

- Applying the principle of "equal pay for work of equal value" (as set out under "internal pay equity") to identify possible areas of pay discrimination or bias.
- Identifying and addressing any unjustifiable remuneration disparities.
- Reviewing the minimum guaranteed package of employees at the basic skills level to ensure this is set at a level that offers employees a decent standard of living. The minimum guaranteed package effective from 1 October 2024 is R165 000 per annum, an increase of 6.5% from the previous minimum guaranteed package of R155 000.
- When considering increases, we consider factors including but not limited to inflation, affordability, market trends, competitor remuneration and scarcity of skills.
- Reviewing the level of variable remuneration paid, which is based on performance outcomes against targets and benchmarked against the financial services market.

To improve the analysis, review and tracking of wage pay gaps, a new reporting dashboard was implemented in F2024. This dashboard enables a more in-depth and analytical analysis of various pay ratios across the organisation. It facilitates the identification and monitoring of progress in addressing unfair pay differentials over time.

In light of the evolving regulatory environment, we enhanced our fair and responsible pay principles to include the following:

- Implementation of processes that enable continuous monitoring, tracking and reporting of the fair and responsible pay ratios.
- The fair pay ratios that are monitored include the highest- and lowest-paid employee, the ratio between the highest-paid 5% of employees and the lowest-paid 5%, and the average and median total remuneration.
- Where considered appropriate, the above ratios will be supplemented with additional ratios (e.g. the Palma) that provide additional context and relevant insights on the pay ratio differentials.

Our pay ratios analysis is based on South African-based employees who are on permanent full-time equivalent employment arrangements. This approach aims to remove distortions that could arise from variations in market conditions, remuneration rates and the effects of exchange rates across all jurisdictions where we operate. This ensures a more accurate assessment of pay differentials within the organisation.

MALUS AND CLAWBACK

We have a malus and clawback policy to address potential risks and ensure accountability in relation to deferred STI, LTIP and SAR amounts. This policy applies to executive directors, senior managers, heads of control functions and other material risk-takers within the Group.

Under the malus provision, unvested or deferred STI, LTIP and SAR amounts can be subject to forfeiture before their scheduled vesting. This means that if actual risk events occur, the Remuneration Committee has the authority to reduce or forfeit these unvested incentives in whole or in part. Through this policy, the Group promotes responsible behaviour and ensures that individuals are held accountable for their actions.

On the other hand, the clawback provision allows for the recovery of already vested deferred STI, LTIP and SAR amounts. In case of actual risk events, the Remuneration Committee can initiate the post-vesting recovery of these vested incentives, ensuring that appropriate consequences are applied. In terms of this policy, the Remuneration Committee may pursue the recovery of previously vested and paid STI or LTI amounts where:

- There is reasonable evidence of material error or employee misbehaviour.
- The Group suffers a material risk event that can be reasonably attributed to the actions of a specific individual or group of individuals.

EXECUTIVE AND SENIOR MANAGEMENT – SERVICE AGREEMENTS

Executive and senior management governance

The Remuneration Committee reviews the remuneration policy on an annual basis and considers its alignment to the Group's strategy, regulatory requirements and stakeholder expectations. We are confident that our remuneration policy is founded on well-defined principles and provides a solid basis for making fair and responsible remuneration decisions that establish a strong correlation between pay and performance. In rare instances where discretion is exercised, the Remuneration Committee relies on the articulated principles of the remuneration policy to guide its judgement.

The Board-approved delegations of authority provide for the following remuneration decision matrix:

- The Chair of the Remuneration Committee recommends the total remuneration proposal for the Group CEO to the Board for approval.
- The Group CEO recommends the total remuneration proposals for executive directors and Group Exco members to the Remuneration Committee for approval.
- During the annual review, business unit executives present total remuneration proposals for executives and senior management employees (typically the top 200 to 300 earners) through a Group Exco moderation process.
- Total remuneration proposals for executives heading control functions, including risk management, compliance, internal audit and governance functions, are presented by the Group Chief Risk Officer and approved by the Group Exco.
- Executive and senior management appointments, as well as termination pay-outs, are subject to governance approvals. The approval delegations are predetermined based on the level of estimated total reward including guaranteed pay, sign-on awards and on-target incentives estimates.

Sign-on awards

In exceptional cases where the Group considers certain appointments critical to its business strategic and/or key operational requirements, sign-on awards (ordinarily in the form of LTIP, and on occasion, deferred cash awards) may be offered to secure executive management and other key appointments.

These awards are made on an exceptional basis to compensate for the loss of incentive awards from a previous employer that were forfeited or revoked due to their appointment to the Momentum Group, with the primary objective being to replace the estimated and verifiable value of forfeited prior employer awards.

Sign-on LTIP awards are awarded with the compulsory vesting period applicable to the respective Group incentive plans. The LTIP award is subject to forfeiture should the employee resign or be dismissed by the Group during the vesting period in accordance with the rules of the scheme. Any cash-based sign-on awards are subject to clawback, and employees will have to repay these awards should they resign from the Group within a specified period as regulated by their employment contracts.

No sign-on awards were made at the management level of the Group Exco in the current year.

Restraints of trade

The Remuneration Committee has the authority to enter into restraint of trade agreements with members of executive management when deemed necessary. Restraint of trade agreements take the form of contractual arrangements, with an appropriate payment attached to the period of restraint. Payments relating to restraint of trade agreements are limited to a contractual monthly guaranteed remuneration for the duration of the restraint period.

No restraint of trade payments were made during the F2025 financial period.

Payments on termination of employment

The employment contracts for executive management do not oblige the Remuneration Committee to make any specific payments in the event of employment termination due to failures on the part of the executive. Instead, any payments made upon termination will be in accordance with relevant legislation and regulations.

The consequences of unvested STIs, SARs and LTIPs are governed by the rules and provisions outlined in the respective incentive plans and the circumstances surrounding the termination of employment. The Remuneration Committee holds discretionary power in determining the terms and conditions of such agreements, with decisions made on a case-by-case basis. It is emphasised that no payments will be made due to termination solely based on a lack of performance and/or misconduct.

In the event of resignation or dismissal for just cause, all unvested incentives in the form of deferred STIs, LTIPs and SARs will be forfeited as per the relevant rules outlined in the incentive plans.

In the event of death, disability, retrenchment, retirement or early retirement, unvested incentives will vest pro rata based on the period of employment from the award date to the termination of service date and, if applicable, the extent to which performance conditions were met as at that date.

In the event of a no fault separation that is mutually negotiated and agreed between the executive and the Momentum Group, Momentum Group is not obliged to make any specific payments upon termination. Any payments made relating to a mutual separation event are negotiated on a case-by-case basis, based on the specific merits of the case under consideration. The specific case is considered in accordance with the relevant legislation, regulations and best practice applicable to such arrangements.

Reasons for termination

The following table sets out how payments under each element of remuneration are dealt with for the various reasons for termination:

	Voluntary resignation	Dismissal/ termination for just cause	Normal and early retirement, retrenchment and death	Mutual separation
TGP	Paid over the notice period or as a lump sum	No payment	No payment other than severance packages governed by labour laws	Paid over the agreed notice period or as a lump sum
STI – cash	Forfeited if not in the employ of the Group at the payment date of the STI	No payment	No payment	No payment
STI – deferral	Automatic forfeiture of unvested deferred STI amounts	Automatic forfeiture of unvested deferred STI amounts	All unvested deferred STI amounts vest on the date of termination (as these have already been subject to past performance criteria and are therefore earned)	Automatic forfeiture of unvested deferred STI amounts
LTI	All unvested awards shall be forfeited in their entirety and will lapse immediately upon the date of termination	All unvested awards shall be forfeited in their entirety and will lapse immediately upon the date of termination	In respect of LTIP units, the pro rata portion shall vest subject to the measurement of performance at the original vesting date, except on death or disability, in which case the Remuneration Committee will apply its discretion as near as is practical to the date of death or disability	All unvested awards shall be forfeited in their entirety and will lapse immediately upon the date of termination

Retention payments

The Remuneration Committee has the discretion to make retention payments to executives and key employees in exceptional circumstances. Such retention payments are subject to an appropriate clawback period and may be subject to certain minimum performance hurdles. Save for the retention element inherent in the deferral of STIs, no retention payments were made at executive level during the current year.

Minimum shareholding requirements

The minimum shareholding requirements introduced in 2015 are in line with global best practice. These requirements encourage executives to use their vesting STI and LTI benefits to buy Momentum Group shares and to be personally invested in the company, thus increasing executive ownership and alignment between executive and stakeholder interests. Executives are required to invest an agreed portion of their annual STI and LTI payouts in Momentum shares towards achieving the required level of exposure.

The Group CEO's required level of investment (expressed as a percentage of TGP) is 200% and for other executives 100%, to be achieved within a reasonable period of the introduction of the requirements of the individual being appointed to the Group Exco position.

The Remuneration Committee will, from time to time, set requirements for executives, such as the minimum required shareholding and the period over which it should be achieved, and monitor compliance with these requirements. The progress to date regarding the executive directors' achievement of these requirements is set out under ***Part 3 of the Implementation Report***.

NON-EXECUTIVE DIRECTOR FEES

The strategic purpose of the non-executive directors' fees is to attract and retain suitable expertise to constructively challenge the executives to deliver on strategy.

Non-executive directors in the Group receive an annual retainer fee for their services, without any additional fees per meeting attended. They do not receive performance incentive payments, share appreciation rights, pension fund benefits, loans on preferential terms, expense allowances, or any other form of financial assistance. The Group covers all travel and accommodation costs associated with the attendance of non-executive directors at Board meetings.

The fees for non-executive directors are reviewed annually and are presented to the Remuneration Committee for consideration. These fees are then submitted for approval at the AGM. In considering the non-executive directors' fees, various factors are taken into account, including a review of the market analysis related to non-executive directors' fees. Market benchmarking considers the size of the Group as well as the complexity of the work performed. The comparator group of companies included in the benchmarking exercise are Alexander Forbes, Discovery, Old Mutual, Sanlam, Santam and PSG, with OUTsurance included in F2024.

Non-executive directors may receive ad hoc supplementary fees if they undertake significant additional work during the financial year. These fees are calculated on an hourly basis and are not guaranteed. The payment of such fees is limited to ad hoc committee work requested from non-executive directors.

The details regarding the proposed non-executive director fees for F2024 are set out in the ***Notice of Annual General Meeting***.

VOTING STATEMENT (NON-BINDING ADVISORY VOTE ON THE REMUNERATION POLICY)

This remuneration policy is subject to an advisory vote by shareholders at the November 2024 AGM. Shareholders are requested to cast a non-binding advisory vote on Part 2 of this Remuneration Report as it appears above.

EXECUTIVE DIRECTORS – SINGLE-FIGURE DISCLOSURE

The South African Companies Act, 71 of 2008 (Companies Act) has defined the term "prescribed officer". The duties, responsibilities and reporting obligations of directors under the Companies Act also apply to "prescribed officers". The Remuneration Committee has considered the definition of "prescribed officer" and resolved that the executive directors are the prescribed officers of the Group.

Remuneration earned by the executive directors in accordance with the single-figure remuneration disclosure guidance set out in King IV™ is set out below:

Single-figure remuneration: executive directors

	Hillie Meyer		Jeanette Marais (Cilliers)		Risto Ketola		Dumo Mbethe		Total	
R'000	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Guaranteed remuneration[1]	2 105	8 171[4]	7 875	5 523	5 771	5 337	4 565	–	20 316	19 031
Salary and allowances	2 105	8 171	7 399	5 177	5 432	4 996	4 196	–	19 132	18 344
Retirement contributions	–	–	405	283	268	278	326	–	999	560
Medical aid contributions	–	–	71	63	71	63	43	–	185	127
STIs[2]	–	13 000	9 500	8 000	7 400	7 000	7 200	–	24 100	28 000
Cash	–	6 650	4 900	4 150	3 850	3 650	3 750	–	12 500	14 450
Deferred	–	6 350	4 600	3 850	3 550	3 350	3 450	–	11 600	13 550
LTIs[3]	22 087	11 626	13 803	9 030	12 424	6 516	8 277	–	56 591	27 172
Total remuneration	**24 192**	**32 797**	**31 178**	**22 553**	**25 595**	**18 853**	**20 042**	–	**101 007**	**74 203**

[1] The total guaranteed package in the table above represents cash payments made during the financial years ending 30 June, whereas the remuneration set out in the TGP table on page 124 represents amounts granted as part of the annual remuneration review on 1 October annually. As a result, these amounts will not agree.
[2] The short-term incentive represents the approved performance bonus in the year to which it relates, split between the cash and deferred portions.
[3] The calculation basis for long-term incentives is:

2023:
- *For SAR units, the value is based on the number of October 2018 units that vested (67% of the performance conditions met) in vesting in October 2022, on the basis of performance conditions measured on 30 June 2022, multiplied by the option value on 30 June 2022, of R0.82. The units were converted to long-term incentive (LTIP) units. The final tranche (% of these units) will be settled in October 2024, using the value weighted average share price prior to the effective date of 01 October 2024.*
- *For LTIP performance units, the value is based on the value of the number of October 2020 performance units vesting in October 2023, on the basis of performance conditions measured on 30 June 2023, multiplied by the share price on 30 June 2023. In terms of these LTIP performance conditions, 70% of these units will vest in October 2023 for Hillie Meyer and Risto Ketola, and 85% for Jeanette Marais (Cilliers), due to her business unit performance vesting conditions being 100% achieved.*
- *No LTIP retention units were issued to executive directors in 2023, other than the deferred bonus units, which are included in the short-term incentive amounts above.*

[4] After the deduction of unpaid leave totalling R129 000.

2024:
- *For LTIP performance units, the value is based on the value of the number of October 2021 performance units vesting in October 2024, on the basis of performance conditions measured on 30 June 2024, multiplied by the share price on 30 June 2024. In terms of these LTIP performance conditions, 100% of these units will vest in October 2024 for all executive directors as the performance targets were set at a Group level.*
- *No LTIP retention units were issued to executive directors in 2024 other than the deferred bonus units, which are included in the short-term incentive amounts above.*

COMPANIES ACT DISCLOSURE – EXECUTIVE DIRECTORS

	Hillie Meyer		Jeanette Marais (Cilliers)		Risto Ketola		Dumo Mbethe		Total	
R'000	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Guaranteed remuneration	2 105	8 171	7 875	5 523	5 700	5 338	4 565	–	20 245	19 031
Salary and allowances	–	–	7 399	5 177	5 361	4 996	4 196	–	19 061	18 344
Retirement contributions	–	–	405	283	268	278	326	–	999	560
Medical aid contributions	–	–	71	63	71	63	43	–	185	127
STIs	6 650	4 475	4 150	3 175	3 650	3 050	3 600	–	18 050	10 700
LTIs	13 668	7 058	10 189	5 137	8 051	4 238	4 827	–	36 735	16 433
Total remuneration	**22 423**	**19 704**	**22 214**	**13 835**	**17 401**	**12 625**	**12 992**	–	**75 030**	**46 164**

The STI represents the cash bonus payment made in October, while the LTI represents the settlement of LTIs that vested during the year, including deferred bonus units.

- In both 2023 and 2024 the LTI payments represented the vested deferred bonus units and the LTIP performance units that vested during this period.

The table above sets out the remuneration of the executive directors in terms of the requirements of section 30(4)(4)(6) of the Companies Act, 2008 and includes all remuneration paid to executive directors during the year, whereas the single-figure remuneration disclosure is based on the King IV™ definition of executive remuneration.

GUARANTEED REMUNERATION ADJUSTMENTS

As set out in Part 1 above, for salaries to remain competitive, an annual salary increase is awarded. An average increase of 5.5% will be granted in October 2024.

VARIABLE REMUNERATION

The performance outcomes for the STI and LTI benefits for the current year are set out below:

Short-term incentives

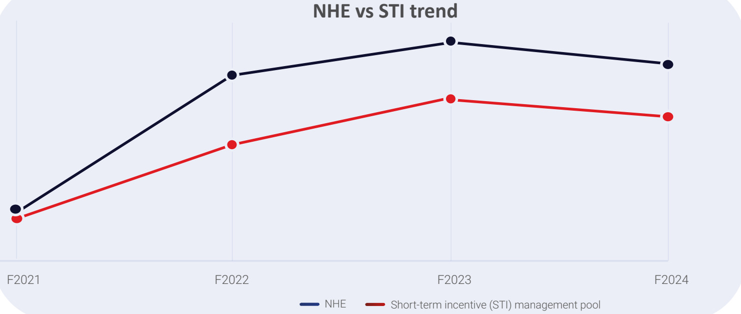
The Group's performance in terms of the key financial metrics was as follows:

- NHE of R4 438 million, which is higher than the restated F2024 NHE.
- New business volumes (on a PVNB basis) increased by 19% to R82 141 million.
- The ROE for the year was 15.5%, an increase from 12.7% in the prior year.

Taking into account the above metrics, and the fact that the NHE for F2024 of R4 438 billion slightly exceeded the IFRS 17 adjusted targeted NHE of R4.3 billion for the year, the Remuneration Committee approved a management STI pool for F2024 which is 106% of the on-target pool, in line with the earnings performance.

The graph below illustrates the change in the annual management STI pool since F2020, together with the NHE trend over the same period:

NHE vs STI trend



The prior years' figures used for the NHE vs STI graph have not been restated for IFRS17. For the Reinvent and Grow strategy period, the level of the STI pool has closely tracked our normalised headline earnings trend.

Total reward awarded to executive directors for F2024 | effective October 2024.

Based on the performance achieved against F2024 financial and non-financial targets, the TGP, STI and LTIP awards were determined as set out below

Group CEO: Jeanette Marais (Cilliers)

Financial performance

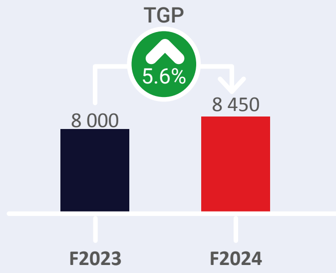
- The Group achieved the F2024 NHE target, which increased 27% to R4 438 million.
- Achieved ROE of 15.5%, at the upper end of the 14% to 16% target range
- Managed a strong capital solvency requirement position, which improved to 2.10 times from 2.07 times in 2023.

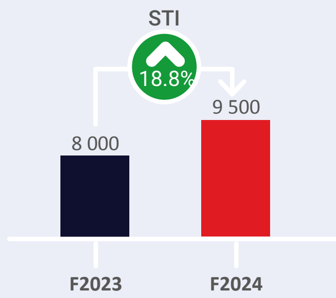
Strategic enablers

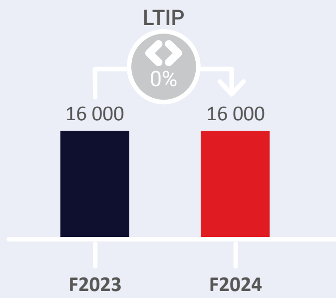
- Successful implementation of business turnaround strategies for Momentum Insure and Metropolitan Life, with both business achieving significant performance improvements in F2024.
- Achieved overwhelming stakeholder support and approval for the implementation of the Momentum Group brand change
- Completed the India and Africa business strategic review and formulation of the long-term implementation plans
- Completion and stakeholder approval of the Group's Impact Strategy plan.

ESG positive impact

- Formulation and implementation of the Momentum Group Purpose and Culture initiatives.





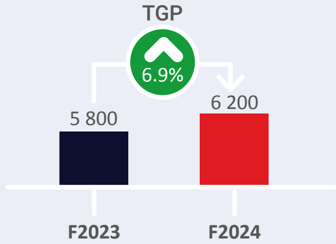


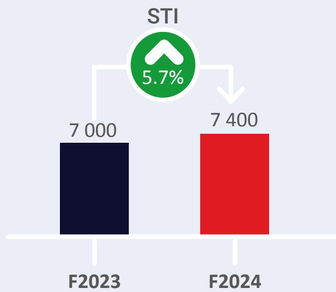
Group FD: Risto Ketola*

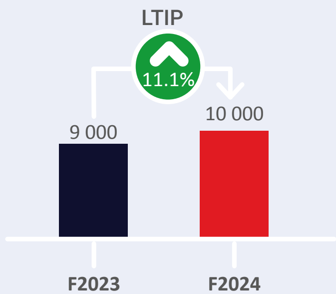
Financial performance
- The Group achieved the F2024 NHE target, which increased 27% to R4 438 million.
- Achieved ROE of 15.5%, at the upper end of the 14% to 16% target range.
- Managed a strong capital solvency requirement position, which improved to 2.10 times from 2.07 times in F2023.

Strategic enablers
- Successful implementation of the IFRS17 project.
- Quality of financial reporting and stakeholder engagement on the Group financial performance.
- Strong capital management, including the share repurchase programme and investment activities across the Group.
- Group-wide partnership and key internal and external stakeholder engagement on the Group's Impact strategy plan key performance targets.

ESG positive impact
- High levels of compliance with tax, statutory reporting requirements and solvency regimes across Group operations.



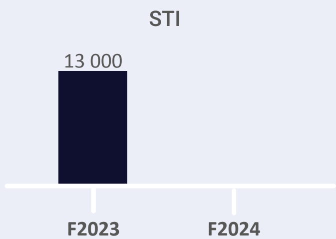




** The approved increase aligns the TGP to the respective role market benchmark*

Hillie Meyer*

No incentives were awarded to Hillie in F2024 due to his retirement on 30 September 2023.



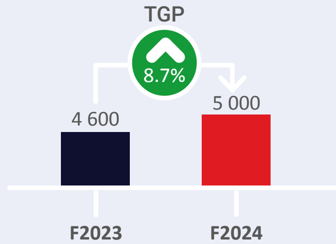
**Retired on 30 September 2023.*

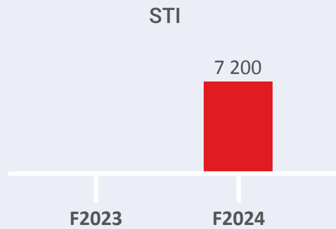
Executive Director and Momentum Corporate CEO: Dumo Mbethe* **

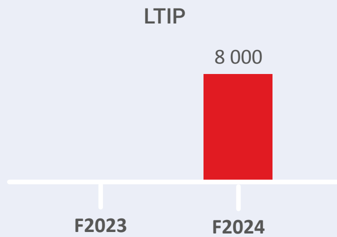
Financial performance
- Momentum Corporate achieved the F2024 NHE target, which increased 4% to R 1 182 million.
- Achieved ROE of 30.0%, at the upper end of the 20% to 25% target range.

Strategic enablers
- Achieved targeted client engagement through self-service digital platforms with over 2 million digital engagements.
- Delivery of the Momentum Grow digital end-to-end EB product.
- Successful progress towards two-pot system operational readiness.
- Continued improvement in brand spontaneous awareness levels.

ESG positive impact
- Achieved transformation objectives per the Mom Corporate employment equity plan.
- Progress on embedding the Culture initiatives.
- Successfully maintained an internal control environment rating in line with the approved risk and control appetite.







** The approved increase aligns the TGP to the respective role market benchmark.*
*** Appointed as executive director in November 2023.*

The short-term incentives awarded to executive directors in F2024 (payable in F2025 and subject to the short-term incentive deferral rules as referred to in ***Part 2 of the Remuneration Report***) are set out below:

Executive director scorecards	Cash – October 2024 R'000	Deferred into LTIP R'000	Cash – October 2023 R'000
Hillie Meyer	–	–	6 650
Jeanette Marais (Cilliers)	4 900	3 550	4 150
Risto Ketola	3 850	3 550	3 650
Dumo Mbethe	3 750	3 450	–

The performance ratings for the executive directors are determined based on a mix between their achievement of individual objectives and the overall Group performance.

Long-term incentive vesting – LTIP scheme

For the October 2024 LTIP awards, the Remuneration Committee decided to apply performance conditions as set out in the table below:

F2024 LTIP performance targets

Performance metric	Threshold	Year 1 R'm	Year 2 R'm	Year 3 R'm/%/ Other	Total weighting	Annual weighting
NHE*	Lower	4 500	5 250	6 000	25%	8.3%,8.3%,8.4%
	Upper	**5 000**	**6 000**	**7 000**		
VNB*	Lower	600	800	1 000	25%	8.3%,8.3%,8.4%
	Upper	**800**	**1 000**	**1 200**		
ROE**	Lower			18%	15%	n/a
	Upper			**20%**		
Momentum Group – TSR***		**Exceed peers**			15%	n/a
Financial aspirations						
Strategic enablers					15%	n/a
		–		Growth and distribution	5.0%	-
				Client satisfaction	5.0%	
				People engagement	5.0%	
ESG positive impact					5%	n/a
				GHG own emissions	2.5%	
				MSCI ESG index	2.5%	
Strategic enablers and ESG impact*					20%	–
Momentum Group total		–			100%	–

Internal targets as approved by Group Remco and aligned to the overall business strategy.

For this LTIP tranche to vest in full, or partially in October 2027, the Momentum Group performance must meet the performance conditions as set out above, and elaborated further below:

- NHE and VNB targets set for each of the financial years F2025 to F2027. Each year's target contributes 33.33% to the total three-year allocated weightings of 25%. The proposal includes lower and upper thresholds. Linear vesting will occur, with 50% of the vesting at lower thresholds, proportionately progressing to 100% at the upper threshold.
- ROE target to be set and measured for the end of the three-year measurement period (June 2027).
- TSR target to be set and measured against the peer group (Discovery, Old Mutual and Sanlam) as an average over the three-year performance measurement period.
- The proposal includes lower and upper thresholds. Linear vesting will occur, with 50% of the vesting at lower thresholds, proportionately progressing to 100% at the upper threshold.

The performance conditions for the October 2021 award, along with the actual performance measured at the performance vesting date of 30 June 2024, are set out below:

Performance measure	% weighting	Target	Actual
TSR vs equal-weighted peer index	100%	Exceed peer group TSR	11.5% ahead of the benchmark

The TSR performance outcome for Momentum Group is compared to the equal-weighted peer group index, which includes Discovery, Old Mutual and Sanlam. The measure of TSR metric ensures alignment of the long-term incentive plan performance with shareholder outcomes. For the period 1 July 2021 to 30 June 2024, the Momentum Group achieved a TSR of 137.08, versus the peer group equal weighted TSR of 125.61 for the same period.

The performance target (with the TSR being a sole metric) is set at Group level only with no Group vs business units weightings applied. The same performance target applies to all executives at the Group and business unit level.

As a result of the TSR performance conditions being met, 100% of the LTIP units will vest. These vested units will be settled in three equal tranches on 1 October 2024, 2025 and 2026, based on the Momentum Group 20-day volume-weighted average share price up to 1 October each year, including dividends declared and paid by the Momentum Group during the settlement period, in the form of additional dividend units.

Long-term incentive table of unvested awards – executive directors

The table below provides an overview of the LTIs awarded and forfeited during the year, and the indicative value of LTIs not yet vested (outstanding LTI) for the executive directors. It further illustrates the cash value of LTI delivered during the year.

Executive director	Opening number on 1 July 2022	Granted during 2023	Forfeited during 2023	Vested during 2023	Closing number on 30 June 2023[1]	Cash flow on settlements 2023[3]	Estimated fair value on 30 June 2023[4]	Granted during 2024[2]	Forfeited /Cancelled during 2024	Vested during 2024	Closing number on 30 June 2024	Cash flow on settlements 2024[3]	Estimated fair value on 30 June 2024
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
Hillie Meyer	**5 284**	**1 662**	**(2 662)**	**(413)**	**3 872**	**7 058**	**47 976**	**530**	**(276)**	**(688)**	**3 438**	**13 669**	**72 318**
LTIP – performance units													
Award date – 9 April 2018[1]	–	–	–	–	–	–	–	–	–	–	–	–	–
Award date – 1 October 2019	989	32	(330)	(220)	471	3 755	8 512	15	–	(236)	251	4 691	5 758
Award date – 1 October 2020	858	62	–	–	920	–	8 969	28	(276)	(215)	457	4 265	10 470
Award date – 1 October 2021	844	61	–	–	905	–	6 048	59	–	–	964	–	22 087
Award date – 1 October 2022	–	1 056	–	–	1 056	–	15 061	69	–	–	1 125	–	19 323
Award date – 1 October 2023	–	–	–	–	–	–	–	–	–	–	–	–	–
LTIP — deferred bonus units													
Grant date – 1 October 2018	–	–	–		–	–	–	–	–	–	–	–	0
Grant date – 1 October 2019	58	3	–	(58)	–	989	–	–	–	–	–	–	–
Grant date – 1 October 2020	87	6	–	(43)	47	741	843	–	–	(46)	–	920	–
Grant date – 1 October 2021	116	274	–	(39)	83	660	1 498	3	–	(42)	44	827	1 012
Grant date – 1 October 2022	–	–	–	–	275	–	4 965	12	–	(92)	195	1 826	4 474
Grant date – 1 October 2023	–	–	–	–	–	–	–	340	–	–	340	–	7 794
SAR — performance units													
Award date – 1 October 2018	2 332	–	(2 332)	–	–	–	–	–	–	–	–	–	–
Converted to deferred retention units	–	168	–	(53)	115	913	2 080	4	–	(57)	62	1 140	1 400
Jeanette Marais (Cilliers)	**3 277**	**968**	**(1 488)**	**(301)**	**2 456**	**5 137**	**31 758**	**1 183**	**(88)**	**(512)**	**3 039**	**10 190**	**57 731**
LTIP – performance units													
Award date – 1 October 2019	535	21	(89)	(149)	319	2 535	5 756	10	–	(159)	170	3 167	3 895
Award date – 1 October 2020	549	40	–	–	588	–	6 906	22	(88)	(167)	355	3 315	8 133
Award date – 1 October 2021	528	38	–	–	566	–	3 781	37	–	–	603	–	13 803
Award date – 1 October 2022	–	566	–	–	566	–	8 073	37	–	–	603	–	10 351
Award date – 1 October 2023	–	–	–	–	–	–	–	858	–	–	858	–	11 586
LTIP – deferred bonus units													
Grant date – 1 October 2018	–	–	–	–	–	–	–	–	–	–	–	–	–
Grant date – 1 October 2019	38	–	–	(38)	–	659	–	–	–	–	–	–	–
Grant date – 1 October 2020	69	2	–	(34)	37	585	666	–	–	(37)	–	727	–
Grant date – 1 October 2021	142	7	–	(48)	102	810	1 839	3	–	(51)	54	1 013	1 243
Grant date – 1 October 2022	–	193	–	–	193	–	3 490	8	–	(64)	137	1 284	3 143
Grant date – 1 October 2023	–	–	–	–	–	–	–	206	–	–	206	–	4 726
SAR – performance units													
Award date – 1 October 2018	1 399	–	(1399)	–	–	–	–	–	–	–	–	–	–
Converted to deferred retention units	–	101	–	(32)	68	548	1 236	2	–	(34)	36	684	840
iSabelo B-BBEE Trust[5]	17	–	–	–	17	–	11	–	–	–	17	–	11

Long-term incentive table of unvested awards – executive directors continued

Executive director	Opening number on 1 July 2022	Granted during 2023	Forfeited during 2023	Vested during 2023	Closing number on 30 June 2023[1]	Cash flow on settlements 2023[3]	Estimated fair value on 30 June 2023[4]	Granted during 2024[2]	Forfeited /Cancelled during 2024	Vested during 2024	Closing number on 30 June 2024	Cash flow on settlements 2024[3]	Estimated fair value on 30 June 2024
Risto Ketola	**3 089**	**944**	**(1 577)**	**(249)**	**2 205**	**4 238**	**27 333**	**768**	**(154)**	**(405)**	**2 416**	**8 050**	**46 962**
LTIP – performance units													
Award date – 1 October 2019	534	17	(178)	(119)	255	2 029	4 598	8	–	(128)	135	2 535	3 101
Award date – 1 October 2020	481	35	–	–	515	–	5 026	16	(154)	(120)	257	2 388	5 878
Award date – 1 October 2021	475	34	–	–	509	–	3 402	33	–	–	543	–	12 424
Award date – 1 October 2022	–	566	–	–	566	–	8 070	37	–	–	603	–	10 351
Award date – 1 October 2023	–	–	–	–	–	–	–	482	–	–	482	–	6 518
LTIP – deferred bonus units													
Grant date – 1 October 2018	–	–	–	–	–	–	–	–	–	–	–	–	–
Grant date – 1 October 2019	41	–	–	(41)	–	689	–	–	–	–	–	–	–
Grant date – 1 October 2020	60	2	–	(30)	32	507	579	–	–	(32)	–	630	–
Grant date – 1 October 2021	82	4	–	(27)	58	465	1 063	2	–	(29)	31	582	713
Grant date – 1 October 2022	–	185	–	–	185	–	3 348	8	–	(62)	132	1 231	3 016
Grant date – 1 October 2023	–	–	–	–	–	–	–	180	–	–	180	–	4 111
SAR – performance units													
Award date – 1 October 2018	1 399	–	(1 399)	–	–	–	–	–	–	–	–	–	–
Converted to deferred retention units	–	101	–	(32)	68	548	1 236	2	–	(34)	36	684	839
Isabelo B-BBEE trust[5]	17	–	–	-	17	–	11	–	–	–	17	–	11
Dumo Mbethe	–	–	–	–	**1 527**	–	**17 994**	**622**	**(88)**	**(243)**	**1 798**	**4 826**	**32 694**
LTIP – performance units													
Award date – 1 October 2019					127		2 302	4	–	(64)	68	1 267	1 550
Award date – 1 October 2020					294		3 454	9	(88)	(69)	147	1 365	3 358
Award date – 1 October 2021					339		2 268	22	–	–	361	–	8 277
Award date – 1 October 2022					377		5 380	25	–	–	402	–	6 904
Award date – 1 October 2023					–		–	375	–	–	375	–	5 068
LTIP – deferred bonus units													
Grant date – 1 October 2019					22		–	-	–	–	–	–	–
Grant date – 1 October 2020					22		395	-	–	(22)	–	437	–
Grant date – 1 October 2021					40		721	1	–	(20)	21	395	469
Grant date – 1 October 2022					154		2 778	7	–	(51)	110	1 020	2 512
Grant date – 1 October 2023					–		–	178	–	–	178	–	4 064
SAR – performance units													
Award date – 1 October 2018					–		–	-	–	–	–	–	–
Converted to deferred retention units					34		621	1	–	(17)	18	342	417
Isabelo B-BBEE trust[5]					118		75	-	–	–	118	–	75

[1] The CEO's initial LTIP award on 9 April 2018 has a vesting date of 31 October 2021, with a performance period from 1 July 2018 to 30 June 2021.
[2] Comprises new awards and grants during the year, dividend units on existing awards and grants, and deferred bonus units granted in terms of the STI deferral policy.
[3] Represents the cash settled on vesting date, including vested dividend units.
[4] Calculated as:
- LTIP retention units and deferred bonus units – the number of unvested units multiplied by the share price at the reporting date.
- LTIP performance units – the number of unvested units multiplied by the latest probability of future vesting at the reporting date, multiplied by the share price at the reporting date.
- SAR performance units – the number of unvested units multiplied by the latest probability of vesting at the reporting date, multiplied by the option valuation per unit as at the reporting date.

[5] Each unit granted by the iSabelo Trust represents 0.1 Momentum Group shares and is therefore not included in the total for each director in the table above.

MINIMUM SHAREHOLDING REQUIREMENT MEASUREMENT

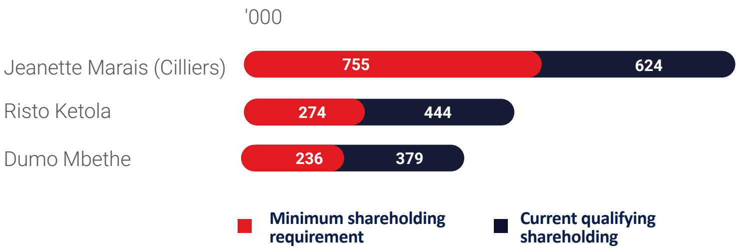
The following table reflects the current shareholding by executive directors in Momentum Metropolitan shares relative to the minimum shareholding requirement (MSR) as set out in the Group's remuneration policy.

The directors' shareholding comprises the shareholding in the table above together with the balance of deferred STI units in the LTIP, as this remains a relatively constant exposure through the replacement of vested tranches with new tranches.

Executive directors are expected to comply with all relevant policies and the minimum shareholding requirements within a reasonable period after appointment to the relevant role. This can be a period of up to five years from appointment provided there are specific arrangements in place with the executive directors that will ensure achievement of the policy requirements within the stipulated time frame.

Progress on minimum shareholding requirements as at 30 June 2024

The table below sets out the current status of executive directors shareholding versus the minimum shareholding requirements applicable to their respective roles.



The Remuneration Committee is satisfied that the executive directors and Group Exco members have either met the MSR requirements or are within the five year time frame from their date of appointment.

VOTING STATEMENT (NON-BINDING ADVISORY VOTE ON THE IMPLEMENTATION REPORT)

This report is subject to a non-binding vote by shareholders at the AGM on 23 November 2024.

Shareholders are requested to cast a non-binding advisory vote on the remuneration implementation report as contained in Part 3 of this report.

NON-EXECUTIVE DIRECTORS' FEES

The following table reflects the fees paid to non-executive directors during the year.

	Months service		Fees	
R'000	F2024	F2023	F2024	F2023
PB Baloyi	12	12	2 806	2 813
P Cooper	12	12	1 560	1 438
LM Chiume[1]	–	11	–	1 729
L de Beer[2]	12	12	1 986	1 876
NJ Dunkley[3]	12	12	3 120	3 002
T Gobalsamy	12	12	1 209	1 159
SC Jurisich	12	12	2 192	2 081
F Leautier	12	1	1 206	43
PJ Makosholo[7]	12	12	1 214	1 056
P Matlakala[4, 5]	12	1	2 018	1 516
SL McPherson[6]	–	6	–	655
HP Meyer[7]	3	–	277	–
V Nkonyeni[8]	–	5	–	821
DJ Park	12	12	1 752	1 794
S Rapeti[9]	1	–	92	–
DT Soondarjee[4]	12	1	1146	87
			20 578	**20 070**

[1] Resigned 31 May 2023.
[2] Resigned 24 November 2022.
[3] Includes fees from directorships in the UK (MGIM, CAIMS), Guernsey (MWI, MIIP) and Gibraltor (Euroguard).
[4] Appointed 1 June 2023.
[5] Includes fees from directorships for serving in the Kenya subsidiary companies.
[6] Resigned 31 December 2022.
[7] Appointed 1 April 2024.
[8] Resigned 24 November 2022.
[9] Appointed 1 June 2024.

INTEREST OF DIRECTORS IN SHARE CAPITAL

Directors' Momentum shareholding at 30 June 2024 – number of ordinary shares:

'000	Direct beneficial	Indirect beneficial	F2024	F2023
Jeanette Marais (Cilliers)	189	–	189	189
Risto Ketola	65	–	65	65
Dumo Mbethe	53	–	53	53
Peter Cooper	500	952	1 452	1 452
Nigel Dunkley	73	–	73	73
Stephen Jurisich*	–	–	–	–
Hillie Meyer	255	514	768	768
Total ordinary shares at 30 June	**1 135**	**1 466**	**2 600**	**2 600**

SHAREHOLDER PROFILE

Shareholder	Number of shareholders	% of issued share capital	Shares held (million)
Non-public			
Directors	7	0.2	3
Kagiso Tiso Holdings Proprietary Limited	1	8.1	114
Government Employees Pension Fund	1	14.4	203
Public			
Private investors	25 549	5.5	77
Pension funds	425	7.9	111
Collective investment schemes and mutual funds	1 793	55.2	774
Banks and insurance companies	38	8.7	123
Total	**27 814**	**100.0**	**1 405**

An estimated 362 million shares (2023: 328 million shares) representing 25.7% (2023: 22.6%) of total shares are held by foreign investors.

Size of shareholding	Number of shareholders	% of total shareholders	Shares held (million)	% of issued share capital
1 - 5 000	24 927	89.6	14	1.0
5 001 - 10 000	951	3.4	7	0.5
10 001 - 50 000	1 051	3.8	24	1.7
50 001 - 100 000	239	0.9	17	1.2
100 001 - 1 000 000	479	1.7	163	11.6
1 000 001 and more	167	0.6	1 180	84.0
Total	**27 814**	**100.0**	**1 405**	**100.0**

Beneficial owners	Shares held (million)	% of issued share capital
Government Employees Pension Fund	203	14.4
Kagiso Tiso Holdings Proprietary Limited	114	8.1
Total	**317**	**22.5**

Pursuant to the provisions of section 56(7)(b) of the South African Companies Act, 71 of 2008, as amended, beneficial shareholdings exceeding 5% in aggregate as at 30 June 2024 are disclosed.

CORPORATE INFORMATION

SHAREHOLDERS' DIARY

Financial year end: 30 June each year
Interim period end: 31 December each year

COMPANY REGISTERED OFFICE

Momentum Group Limited
Incorporated in the Republic of South Africa
Registration number: 2000/031756/06
268 West Avenue
Centurion
0157

JSE share code: MTM
A2X share code: MTM
NSX share code: MMT
ISIN code: ZAE000269890
(Momentum Group or the Group)
Momentum Metropolitan Life Limited
Incorporated in the Republic of South Africa
Registration number: 1904/002186/06
Company code: MMIG

COMPANY SECRETARY

Gcobisa Tyusha
Email: Gcobisa.Tyusha@mmltd.co.za
Telephone: 012 673 1931

INVESTOR RELATIONS

Email: investorrelations@mmltd.co.za

AUDITORS

Ernst & Young Inc.
102 Rivonia Road
Sandton
2194

TRANSFER SECRETARIES

South Africa

JSE Investor Services Proprietary Limited
One Exchange Square
2 Gwen Lane
Sandown
2196

Namibia

Transfer Secretaries Proprietary Limited
4 Robert Mugabe Avenue
Burg Street Entrance
Windhoek
Namibia

EQUITY SPONSOR

Merrill Lynch South Africa Proprietary Limited t/a BofA Securities
1 Sandton Drive
Sandhurst
2196

DEBT SPONSOR (MML)

Rand Merchant Bank (A division of FirstRand Bank Limited)
1 Merchant Place
Rivonia Road
Sandton
2196

NAMIBIA SPONSOR

Simonis Storm Securities Proprietary Limited
4 Koch Street
Klein Windhoek
Namibia