

# INTEGRATED REPORT 2024/25



STABILITY TO **STRENGTH**



## COMPANY INFORMATION

**Registration Number:**

1979/000287/30

**Authorised Financial Services Provider:**

FSP No 39117

**Company Secretary:**

Mziwoxolo Mavuso | +27 87 358 7619

**Banker:**

Nedbank Limited, 81 Main Street, Johannesburg 2001

**External Auditors:**

Forvis Mazars, Rialto Road, Grand Moorings Precinct, Century City, 7441

**Registered Office:**

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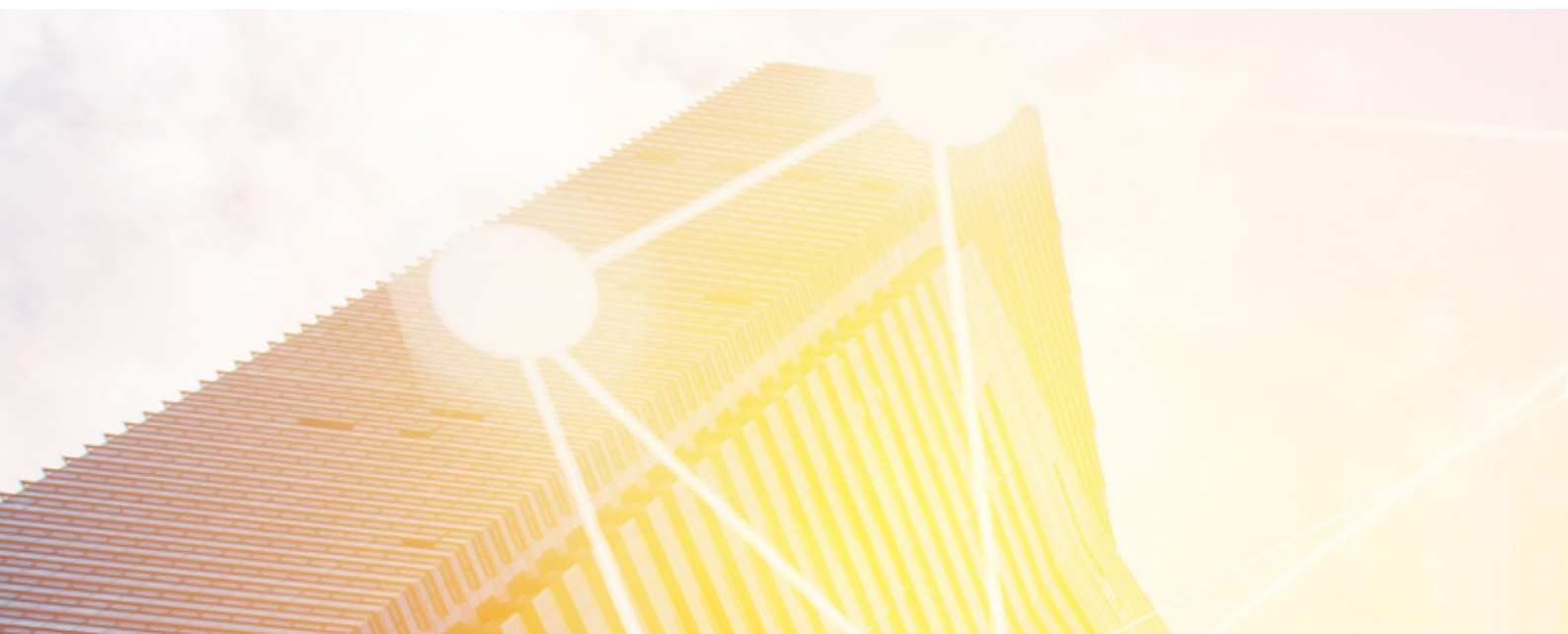
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# Acronyms & Abbreviations

<b>AGOA</b>	African Growth and Opportunity Act
<b>AI</b>	Artificial Intelligence
<b>AMSA</b>	ArcelorMittal South Africa
<b>APP</b>	Annual Performance Plan
<b>BBA</b>	Bachelor of Business Administration
<b>B-BBEE</b>	Broad-Based Black Economic Empowerment
<b>BCT</b>	Business Change and Technology
<b>BProc</b>	Bachelor of Procuratorship
<b>CA (SA)</b>	Chartered Accountant (South Africa)
<b>CAO</b>	Chief Actuarial Officer
<b>CAT (bond)</b>	Catastrophe Bond
<b>CBR</b>	Conduct of Business Returns
<b>CEO</b>	Chief Executive Officer
<b>CERA</b>	Chartered Enterprise Risk Actuary
<b>CFO</b>	Chief Financial Officer
<b>CGCSA</b>	Consumer Goods Council of South Africa
<b>(COFI) Bill</b>	Conduct of Financial Institutions Bill
<b>CPI</b>	Consumer Price Index
<b>CRISA 2</b>	Second Code for Responsible Investing in South Africa
<b>CSI</b>	Corporate Social Investment
<b>CSIR</b>	Council for Scientific and Industrial Research
<b>CTA</b>	Certificate in the Theory of Accounting
<b>EAR</b>	Earnings at Risk
<b>ERM</b>	Enterprise Risk Management
<b>EWIs</b>	Early Warning Indicators
<b>ESG</b>	Environmental, Social and Governance
<b>Exco</b>	Executive Committee
<b>FASSA</b>	Fellow of the Actuarial Society of South Africa
<b>FIA</b>	Fellow of the Institute and Faculty of Actuaries
<b>FICA</b>	Financial Intelligence Centre Act
<b>FIISA</b>	Financial Intelligence and Investigation Services Agency
<b>FSC</b>	Financial Sector Code



# Acronyms & Abbreviations

<b>FSCA</b>	Financial Sector Conduct Authority
<b>GNU</b>	Government of National Unity
<b>GRI</b>	Global Reporting Initiative
<b>GWP</b>	Gross Written Premium
<b>HR</b>	Human Resources
<b>ICT</b>	Information and Communication Technology
<b>IFRS</b>	International Financial Reporting Standards
<b>IIRC</b>	Integrated Reporting Framework
<b>IoDSA</b>	Institute of Directors in South Africa
<b>KPI</b>	Key Performance Indicator
<b>LLB</b>	Bachelor of Laws
<b>LTI</b>	Long-Term Incentive
<b>MBA</b>	Master's in Business Administration
<b>NDP</b>	National Development Plan
<b>NED</b>	Non-Executive Director
<b>NGO</b>	Non-Governmental Organisation
<b>NPS</b>	Net Promotor Score
<b>NSFAS</b>	National Student Financial Aid Scheme
<b>ORSA</b>	Own Risk and Solvency Assessment
<b>PGP Dip</b>	Postgraduate Programme Diploma
<b>PMFA</b>	Public Finance Management Act
<b>PPP</b>	Public-Private Partnership
<b>PRI</b>	Principles for Responsible Investment
<b>PVT</b>	Political Violence and Terrorism
<b>Sasria</b>	South African Special Risks Insurance Association
<b>SED</b>	Socio-Economic Development
<b>SME</b>	Small and Medium Enterprise
<b>SMMEs</b>	Small, Medium and Micro Enterprises
<b>SOC</b>	State Owned Company
<b>STEM</b>	Science, Technology, Engineering and Mathematics
<b>STI</b>	Short-Term Incentive
<b>TAT</b>	Turnaround Time
<b>VAT</b>	Value-Added Tax





# SECTION 01

## STRATEGIC LEADERSHIP & REPORT OVERVIEW

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**MR ENOCH GODONGWANA**  
Minister of Finance

## FOREWORD BY **THE MINISTER**

It is a privilege to present the 2024/25 Annual Integrated Report of Sasria SOC Ltd. As South Africa's sole provider of special risk insurance, Sasria continues to play a critical role in protecting the nation's economy from the consequences of extraordinary and systemic risks such as civil commotion, public disorder, strikes, riots and terrorism.

Over the past financial year, Sasria has made significant strides in strengthening its financial position and operational resilience. Following the challenges posed by the July 2021 unrest and the extensive magnitude of claims that followed, Sasria has not only recovered but is now demonstrating commendable financial stability and a strong solvency position. This turnaround is the result of sound leadership, prudent financial management and a clear strategic vision aligned with national priorities.

# This report presents evidence of an organisation that is firmly on the path to transformation – one that secures assets and contributes meaningfully to socio-economic development and industry reform.

In line with the Government's commitment to building a more resilient and inclusive economy, Sasria has also begun exploring ways to expand its mandate to encompass climate-related risks, with engagements also taking place with key stakeholders. As South Africa contends with the increasing frequency and severity of climate events, such as floods, droughts and other natural disasters, there is a clear and urgent need for innovative financial instruments to manage these risks. I welcome Sasria's proactive engagement with the Government, regulators and stakeholders in this regard, and I am confident that these efforts will lead to new and/or improved mechanisms to assist in protecting public and private assets in the face of environmental volatility.

Sasria's Annual Integrated Report for 2024/25 presents evidence of an organisation that is firmly on the path to transformation, one that secures assets and contributes meaningfully to socio-economic development and industry reform. By investing in data intelligence, forming strategic partnerships, and providing targeted support for underserved markets, Sasria is positioning itself as a resilient and adaptive institution that is sustainably aligned with emerging needs and dedicated to public value.

As we navigate the complexities of a shifting risk landscape, it is reassuring to know that Sasria remains committed to its mandate and continues to evolve in ways that protect the interests of policyholders and the broader economy. I wish to express my appreciation to the Sasria Board, led by Chairperson Dr Nolwandle Mgoqi, and to the Executive Team under the leadership of Chief Executive Officer Mpumi Tyikwe, for their stewardship and ongoing efforts to reinforce Sasria's role in our financial ecosystem.

**Enoch Godongwana, MP**  
*Minister of Finance*





**DR. NOLWANDLE CODELIA MGOQI**  
Chairperson of the Board

## CHAIRPERSON'S **REPORT**

**A**s Chairperson of the Board, I am pleased to present Sasria's Annual Integrated Report for the 2024/25 financial year. This Report reflects the organisation's ongoing efforts to strengthen its position as South Africa's leading provider of special risk insurance and a stabilising force in a rapidly changing risk landscape.

This reporting period marked a deliberate shift into a new strategic cycle, supported by the Board's commitment to building a stronger more impactful organisation. During the year under review, the Board successfully oversaw the launch of Sasria's 2024–2029 Strategic Plan, which emphasises innovation, stakeholder engagement, and the use of advanced data analytics to improve forecasting and responsiveness. Sasria continued to consolidate its achievements over the past five years, including recovering its financial position and establishing robust governance practices.

As the Board, we also supported and monitored Sasria's progress towards an expanded mandate that covers systemic risks, such as climate-related events and cyber threats. These efforts underscore our emphasis on diversification and the delivery of more comprehensive risk coverage for South Africa. Work continued on feasibility assessments in consultation with government and industry stakeholders to better understand these opportunities and their impact on our organisation.

## Sasria continued to consolidate its achievements over the past five years, including recovering its financial position and establishing robust governance practices.

Operationally, the business maintained impressive performance, with insurance results exceeding expectations and notable improvements in claims turnaround times. Management's focus on efficiency, cost control, and better client service has supported Sasria's ongoing financial stability, as shown by its solvency and liquidity metrics.

From a transformation standpoint, the Board takes pride in Sasria's dedication to enhancing its contribution to national development. This includes significant progress in supply chain transformation, investment in education through bursaries and partnerships, and the ongoing implementation of Sasria's ESG and sustainability framework.

We were saddened by the passing of our esteemed Board Member, Mr Enos Ngutshane, on 24 November 2024. Also leaving the Board was Ms Refilwe Moletsane, who resigned from the Board effective 31 January 2025. Their dedication and contributions to the organisation will be remembered with respect and appreciation. The Board remained well-capacitated despite these departures and will seek to fill these roles in due course.

As Sasria progresses into its next strategic phase, our emphasis will continue to be on good governance, delivering value to policyholders, and fostering strategic innovation. We are especially encouraged by Sasria's efforts to improve client experience, increase product accessibility, and expand its positive impact on the South African economy.

I would like to sincerely thank my fellow Board members for their commitment and advice throughout the year, and our shareholder, the National Treasury, for its continuous guidance and support. I also wish to recognise the Executive Team, led by our CEO, Mr Mpumi Tyikwe, for its forward-thinking leadership and operational discipline.

We look forward with purpose, confident in Sasria's ability to address emerging risks through innovation, discipline, and integrity, while continuing to make a lasting impact by protecting assets, supporting communities, and contributing to a more resilient financial sector for everyone.

**Dr. Nolwandle Codelia Mgoqi**  
*Chairperson of the Board*





**MPUMI TYIKWE**  
Chief Executive Officer

## CEO's **REPORT**

**A**s we reflect on the past year, I am reminded of the vital role Sasria continues to play in safeguarding South Africa's people, assets, and businesses during periods of unrest and uncertainty. In the 2024/25 financial year, we increased our own funds to R18.6 billion, steadily progressing towards our target of R30 billion in capital reserves. This achievement was supported by strong growth in insurance service results and investment income.

We anticipate achieving our R30 billion target within this strategic period (2025-2029), which will leave us well positioned to withstand future shocks – including large-scale events such as the surge in claims following the July 2021 unrest. That event exposed our organisation's vulnerabilities and reinforced the critical importance of special risk insurance in protecting national stability.

Sasria's role in South Africa's risk ecosystem is unique, and thus we must be strategic in how we position ourselves. This year we embarked on a new strategic cycle, towards our Vision for 2029. In addition to maximising our capital reserves, this vision emphasises the need to introduce new, profitable products, and to expand our mandate to address the increase in climate related catastrophes and other emerging risks. In 2024/25 we continued to engage the state on these and other critical matters.

The past financial year was also marked by the continued optimisation of internal systems and capabilities. Through ongoing training, our team is now better equipped to handle unusual claims activity, ensuring that customers receive the support they need in trying times.

The past financial year was also marked by the continued optimisation of internal systems and capabilities. Through ongoing training, our team is now better equipped to handle unusual claims activity - ensuring that customers receive the support they need in trying times. We also continued to implement our Data and Intelligence Programme, leveraging data from agent companies and other stakeholders to support risk mitigation and predictive analytics, enabling a proactive response to special risk.

This year we also solidified our executive team, confirming the appointment of Ms Hayley Clarke as Chief Actuarial Officer in April 2024, and Mr Dirk Kunz as Chief Financial Officer in May 2024. I am grateful to Hayley, Dirk and all members of our Executive team for their commitment to strengthening our organisation and expanding our coverage, towards a more resilient South Africa.

I also wish to thank the Board of Directors for their continued guidance and their support in engaging government officials towards a strengthened Sasria mandate. On behalf of the Executive team, I extend my condolences to the family of former Board Member Mr Enos Ngutshane, who passed away in November 2024. His contribution to South Africa will be remembered with deep respect.

Finally, I would like to express our sincere appreciation to the team at National Treasury for their ongoing support, and to the Honourable Minister of Finance, Mr. Enoch Godongwana MP - for his wise counsel throughout the year.

**Mpumi Tyikwe**  
Chief Executive Officer



## About the Integrated Annual Report

This Integrated Annual Report provides a thorough and balanced overview of Sasria SOC Ltd's performance for the financial year from 1 April 2024 to 31 March 2025. It highlights our strategic priorities, operational activities, governance oversight, financial results, and efforts towards value creation over the short, medium and long-term, during a year that marked the commencement of our new five-year strategic plan.

The report aims to inform stakeholders about how we create value in a changing risk environment, while fulfilling our dual mandate as both a commercial insurer and a state-owned developmental entity. It demonstrates how we navigate challenges, respond to emerging risks and remain adaptive in the face of systemic uncertainty, all while delivering on our commitment to South Africa's social and economic resilience.

We adopt an integrated thinking approach and apply the principle of double materiality, assessing how issues impact Sasria's financial sustainability as well as their broader effects on people, the economy and the environment. Our material matters are identified through regular reviews by Executive Management and the Board and are disclosed throughout the report.

This report also highlights Sasria's alignment with key developments during the reporting period, such as advances in stakeholder engagement, actuarial and risk modelling, digital enablement, claims efficiency, and potential expansion of its mandate. Relevant content from quarterly performance reports has been included to provide a transparent and precise overview of performance.

### Scope and Boundary

The scope and boundary of the Integrated Annual Report remained as they were in the previous financial year and no restatements were made, unless otherwise indicated in the report.

### Materiality Determination

This Report covers the social, economic and governance issues that are material to our ability to create value for stakeholders. A matter is material if it can substantively affect an organisation's ability to create value. Determining materiality requires an assessment of the entity, its industry and the perspectives of its stakeholders.

We look at issues that have a material impact on our six capitals and our ability to remain sustainable. Sasria's Executive Committee (Exco) annually revisits the material issues identified previously to establish changes in their importance and influence, their relevance to value creation, protection and erosion, and their effect on the ability to pay claims and the company's reputation.

## Regulatory and Governance Framework

The content in the Integrated Annual Report is informed by the legislative environment in which Sasria operates, particularly the following:

- Constitution of the Republic of South Africa
- Companies Act 71 of 2008
- Conversion of Sasria Act 134 of 1998
- Department of Trade and Industry's Code of Good Practice for B-BBEE
- Financial Sector Charter (FSC)
- Financial Sector Regulation Act 9 of 2017
- Income Tax Act 58 of 1962
- Insurance Act 18 of 2017
- Protection of Personal Information Act 4 of 2013
- Public Finance Management Act 1 of 1999 (PFMA)
- Short-Term Insurance Act 53 of 1998
- Treasury Regulations of the PFMA
- The Reinsurance of Material Damage and Losses Act 56 of 1989

## Reporting Standards and Frameworks

This Integrated Annual Report is guided by the following governance and reporting frameworks:

- King IV™ Report on Corporate Governance for South Africa, 2016
- International Financial Reporting Standards (IFRS™)
- Integrated Reporting Framework (IIRC)
- Global Reporting Initiative (GRI) principles, where applicable

## Foreword Looking Statements

Certain forecasts of future results have been disclosed, including gross written insurance premium growth levels, underwriting margins and investment returns. Since these are not yet determinable, they involve inherent risks and uncertainties. Actual results may differ considerably. Forward-looking statements apply only to the date this report was signed off by the Board.

## Approval and Assurance

The information in this report was collected and prepared using similar methods and timeframes as in the previous year, unless stated otherwise.

The financial information on this report is extracted from the annual financial statements which were prepared in line with IFRS and audited by our external auditors, Forvis Mazars. The Key Performance Indicators were also audited by the external auditors.

The combined assurance approach was applied to this report:

- The Executive Committee contributed and contracted the relevant skills and experience to undertake the reporting process in a transparent and complete manner.
- Internal audit performed agreed procedures to review the content and information included in the report.
- Our external auditor reviewed the integrated report to ensure consistency with the audited annual financial statements, without issuing an opinion thereon.
- The Executive Committee recommended the report.
- The Audit Committee reviewed and the Board approved the report.

**Board Responsibility and Approval Statement**

The Board acknowledges its ultimate responsibility for the integrity and completeness of this report. With the assistance of the Board committees, it has considered the preparation and presentation of the 2024/25 integrated report. It believes that this report addresses all material issues and fairly presents the company's integrated performance, outlook, strategy and perspective on future value creation in accordance with the Integrated Reporting Framework.

**Annual Financial Statements**

The Annual Financial Statements (AFS) of Sasria SOC Ltd have been independently audited in accordance with applicable auditing standards. The audited AFS are published separately from this Annual Report and are available to stakeholders on Sasria's website at [www.sasria.co.za](http://www.sasria.co.za).

**THE 6 CAPITALS FRAMEWORK**

Sasria's integrated thinking is rooted in the six capitals model of the <IR> Framework, which guides how value is created, preserved and delivered over time. Sasria actively considers and integrates all six capitals into its strategic planning, operational activities, and performance measurement. This ensures holistic value creation for stakeholders and long-term sustainability of the business.

This Integrated Annual Report uses the following colour-coded icons to highlight our performance and value creation across each of the six capitals.

 <p><b>FINANCIAL CAPITAL</b> Refers to the pool of funds available from operations, investments, and financing. Sasria maintains substantial financial capital through disciplined underwriting, prudent investment strategies, and sound financial governance.</p>	 <p><b>MANUFACTURED CAPITAL</b> Encompasses Sasria's tangible and digital infrastructure, including office facilities, ICT systems, and digital platforms. These assets enable efficient service delivery, operational resilience, and innovation.</p>	 <p><b>HUMAN CAPITAL</b> Represents the knowledge, experience, competencies, and well-being of Sasria's employees. A skilled and engaged workforce is central to achieving the organisation's strategic objectives and fulfilling its public mandate.</p>
 <p><b>SOCIAL AND RELATIONSHIP CAPITAL</b> Comprises the quality of relationships with stakeholders, including government, partners, policyholders, and broader society. Sasria's legitimacy and effectiveness are underpinned by trust, transparency, and meaningful engagement.</p>	 <p><b>INTELLECTUAL CAPITAL</b> Includes Sasria's institutional knowledge, data systems, policies, processes, brand, and culture of innovation. It is reinforced through continuous improvement, digital transformation, and strategic partnerships.</p>	 <p><b>NATURAL CAPITAL</b> Relates to the environmental resources Sasria depends on or impacts. While Sasria's direct environmental footprint is limited, the organisation acknowledges its broader role in supporting sustainable development and climate resilience through responsible investment and governance practices.</p>



# SECTION 02

## STRATEGIC CONTEXT & VALUE CREATION

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## 2.1. The Role We Play

Sasria SOC Ltd is a state-owned entity listed under Schedule 3B of the Public Finance Management Act (PFMA) and reports to the Minister of Finance via the National Treasury. Established in response to the 1976 Soweto uprising, Sasria continues to offer relevant, responsive, and reliable protection against risks that are otherwise excluded from conventional insurance policies.

In 2024/25 Sasria continued to play unique and vital role within South Africa’s financial and socio-economic landscape. As the country’s sole non-life insurer offering cover against special risks – including civil commotion, public disorder, strikes, riots, and terrorism – we support resilience and recovery amid systemic disruption.

Our clients include government institutions, businesses, and individuals across South Africa. Through our specialised coverage, we ensure that vital economic activities can recover quickly after social unrest or politically motivated events. This helps protect livelihoods, attract investment, and sustain broader financial stability.

Our products are distributed through a network of authorised non-life insurers, agents, and intermediaries as standalone policies. We operate within a regulated framework under the supervision of the Financial Sector Conduct Authority (FSCA), ensuring proper governance, financial discipline, and compliance with market standards.

Aside from our commercial mandate, Sasria also functions as a developmental insurer dedicated to promoting South Africa’s transformation agenda. Our efforts help to advance the goals of the National Development Plan (NDP) by mitigating against business and investment risk, and through initiatives in employment equity and education. Additionally, we contribute to socio-economic upliftment in the communities we serve, helping to foster a more inclusive and resilient society.

### Vision 2029

Secure capital to run the business	Provide desired solutions for customers	Create capabilities to optimise performance	Deliver sustainable growth	Transform the financial service industry
<ul style="list-style-type: none"> <li>Establish protocols for equity calls</li> <li>Introduce reinsurance solution for wrap cover</li> <li>Revise and maximise reinsurance capital</li> <li>Consider the introduction of CAT bonds</li> <li>Maximise building of reserves</li> </ul>	<ul style="list-style-type: none"> <li>Reintroduce wrap cover</li> <li>Enhance ministerial powers to amend / clarify Sasria mandate</li> <li>Introduce Sasria cover outside an agent policy</li> <li>Introduce agri/ climate change cover</li> <li>Enhance SMME cover</li> <li>Monitor agent company compliance</li> <li>Implement post-event interventions e.g. trauma counseling, security</li> </ul>	<ul style="list-style-type: none"> <li>Optimise policyholder data sharing</li> <li>Implement and improve data management</li> <li>Implement risk intelligence</li> <li>Implement and improve underwriting</li> </ul>	<ul style="list-style-type: none"> <li>Outperform industry premium growth</li> <li>Maintain efficiency in administration</li> <li>Maintain loss ratios at less than historical levels</li> <li>Achieve benchmark investment returns</li> </ul>	<ul style="list-style-type: none"> <li>Enhance skills development programmes (internal &amp; external)</li> <li>Deliver impactful CSI</li> <li>Implement youth unemployment interventions</li> <li>Fulfil special risk advisory role</li> </ul>

This vision serves as the foundation of Sasria’s performance planning, investment decisions and stakeholder engagements over the medium to long term.

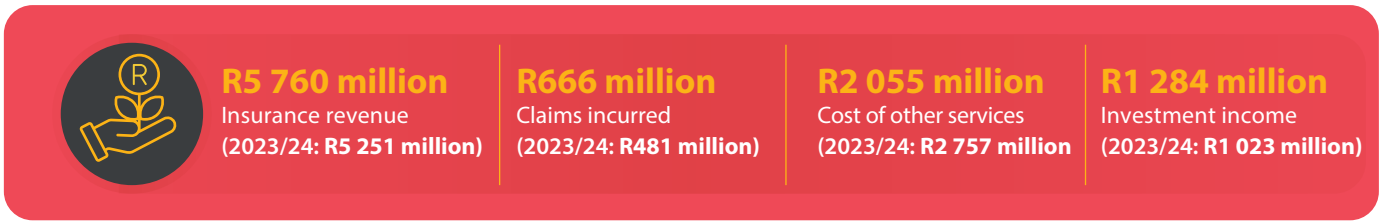
## 2.2. Our Vision – 2029

Sasria’s Vision 2029 outlines a strategic plan for 2025 to 2029, emphasising our goal to strengthen organisational resilience, deliver significant public impact and transform the financial services industry. The strategy is built around five key pillars that guide our value creation efforts over the short, medium and long term.

We aim to:

- **Secure capital to run the business** by maximising reserves, revising our reinsurance capital model and enhancing the feasibility of catastrophe (CAT) bonds and equity call structures.
- **Provide desired solutions for customers** through the reintroduction and expansion of wrap cover, enhanced clarity on Sasria’s mandate, improved SME cover and the implementation of post-event interventions such as trauma counselling and security.
- **Create capabilities to optimise performance** by improving policyholder data sharing, modernising data and underwriting systems, and enhancing internal risk intelligence and operational efficiency.
- **Deliver sustainable growth** by outperforming industry benchmarks, improving premium growth and maintaining strong investment returns.
- **Transform the financial services industry** by driving impactful socio-economic interventions, fulfilling our transformation mandate and delivering skills development both internally and externally.

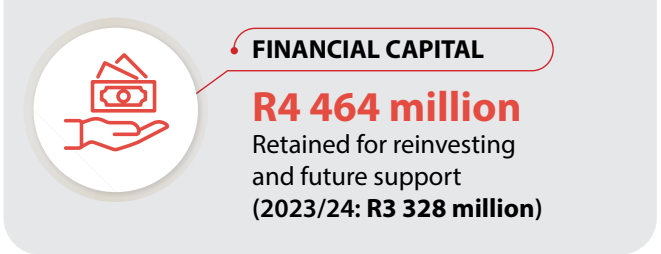
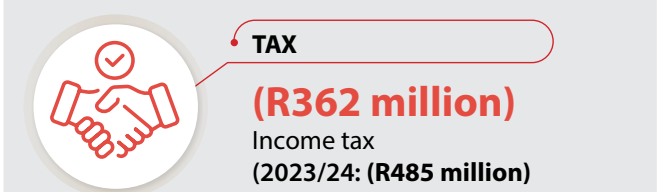
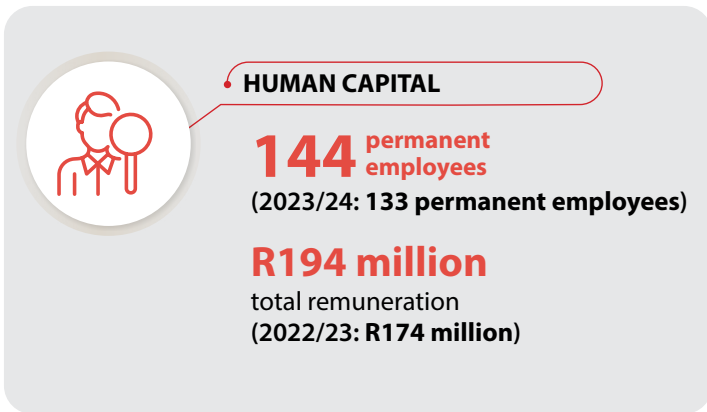
### 2.3. Value Creation Highlights 2024/25



**R4 322 million**

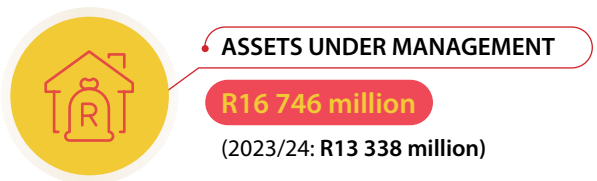
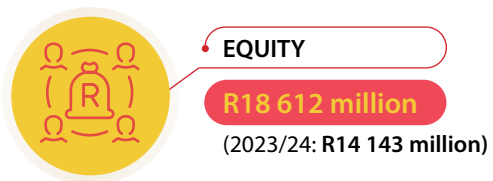
Total value added  
(2023/24: R3 036 million)

### THE VALUE WE ADDED



**R4 322 million**  
Total value distributed  
(2023/24: R3 036 million)

### OUR PERFORMANCE



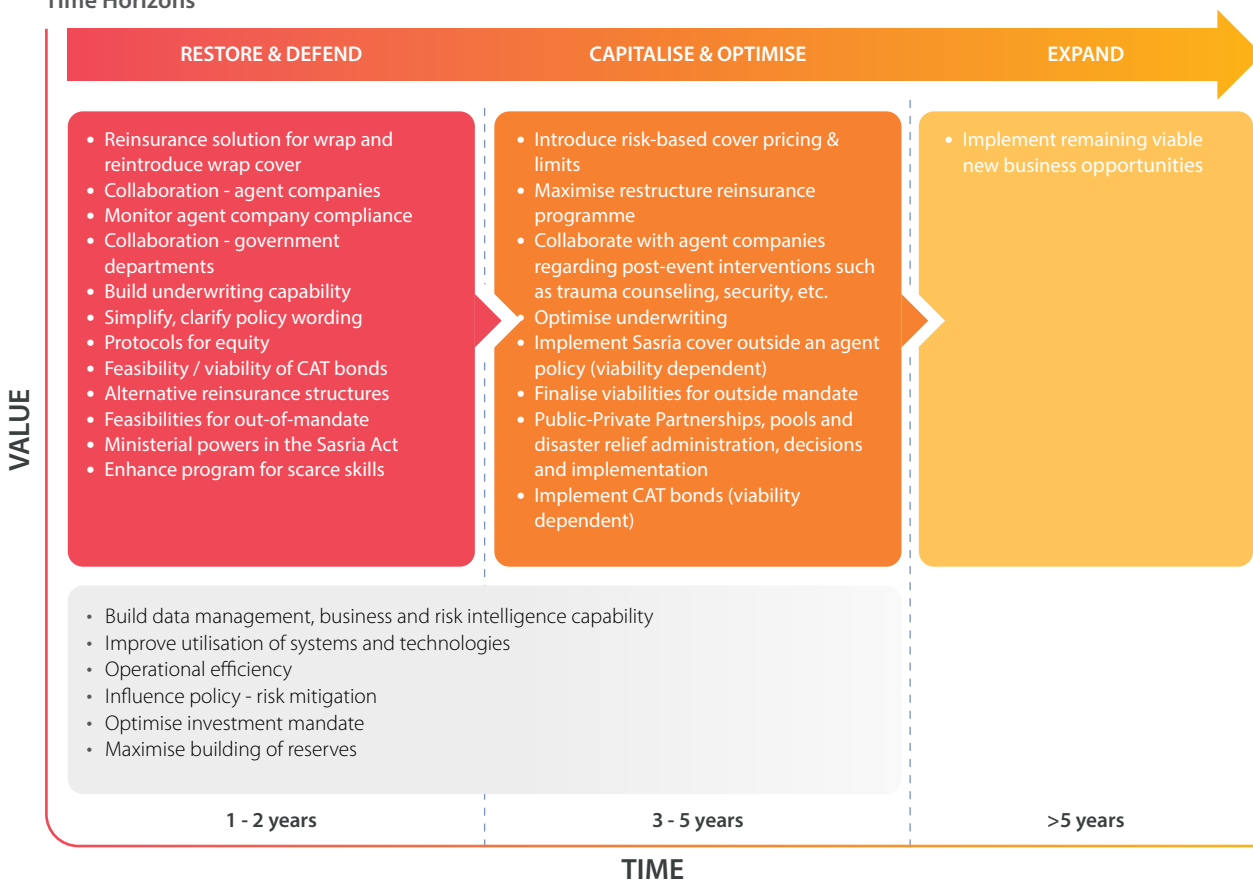
## 2.4. Strategic Roadmap

The Sasria Roadmap outlines the organisation’s key priorities over the five-year strategic period. This Roadmap translates Sasria’s strategic pillars into action across three defined time horizons:

- **Restore and Defend (1–2 years):** Laying the groundwork for financial and operational resilience through risk intelligence, reinsurance reform, underwriting clarity and policy influence.
- **Capitalise and Optimise (3–5 years):** Advancing Sasria’s product suite, strategic partnerships, and technology capacity to unlock greater value for stakeholders.
- **Expand (>5 years):** Implementing viable new business opportunities that extend Sasria’s mandate and developmental contribution.

In 2024/25, Sasria fulfilled year one of the ‘Restore and Defend’ phase of the organisation’s Strategic Plan and will move into the second year of the same in the next financial year.

### Time Horizons



## 2.5. Core Values

Sasria's core values guide our behaviour, shape our culture and define the principles by which we operate and serve all stakeholders.



### FAIRNESS

Treating all stakeholders impartially and with respect, recognising our accountability to them.



### ETHICS

Conducting ourselves in a manner that is transparent and ethical, courageously doing what is right, honouring our commitments and communicating honestly.



### SERVICE EXCELLENCE

Consistently applying our knowledge, experience and best efforts to deliver a relevant and professional service of an exceptional standard.



### COLLABORATION

Engaging with our stakeholders, assuming positive intent, respecting diversity and working together to create uniformly positive outcomes



### INNOVATION

Applying thought and creativity to the application of fresh solutions.

## 2.6. Our Business Model

Sasria operates a Business-to-Business-to-Client (B2B2C) model. All its business is conducted indirectly through agent companies and intermediaries – there is no direct engagement. These partners play a vital role in distributing Sasria's products, administering policies, collecting premiums, and supporting client interactions on Sasria's behalf.

At the core of this structure are agent companies, which include all traditional non-life insurers in South Africa. Sasria enters into two types of agreements with these agents: outsourcing agreements and intermediary agreements. These formal arrangements govern delegated responsibilities and define the operational interface between Sasria and its agent network.

### a) Outsource Agreements

Under the outsourcing agreements, Sasria delegates various administrative and incidental claims-related functions to its agent companies. These include:

- **Policy Administration:** Agents handle new business, policy endorsements, and renewals. In some cases, they may sub-delegate this function to Underwriting Management Agents (UMAs) or administrators with binder agreements. This sub-delegation introduces added complexity and increases the distance between Sasria and the end client, often resulting in challenges with rate changes, policy updates, and system alignment across multiple platforms.
- **Regulatory Compliance:** Agents are responsible for ensuring that all relevant parties within their value chain – including brokers, UMAs and administrators – adhere to

Sasria's compliance requirements, as well as those issued by the Prudential Authority and FSCA. However, due to the power dynamics within the intermediary network, Sasria-specific requirements are not always prioritised.

- **Technical Support:** While agents are expected to provide product training and technical support to those administering Sasria policies, this responsibility has increasingly shifted to Sasria itself to ensure consistent and accurate dissemination of information.

### b) Intermediary Agreements

Through intermediary agreements, agent companies are also authorised to provide financial advice and render intermediary services on Sasria's behalf. This includes:

- **Rendering Intermediary Services:** Agents and their brokers perform a range of intermediary activities, such as quoting, selling, administering, and varying Sasria products, as well as assisting in the submission and processing of claims.
- **Premium Collection:** Agents collect premiums on Sasria's behalf and are required to remit these within defined timeframes. When premium collection is sub-delegated to third parties, there is an added risk that calculations or remittances may be delayed or inaccurate due to system misalignment.
- **Consumer Advice:** Agents provide advice to clients in accordance with the terms and conditions of Sasria's special risk cover. In some cases, brokers use Sasria's published rating guides to calculate premiums. Advice may be delivered through tied agents, call centres, or digital platforms, depending on the distribution channel.

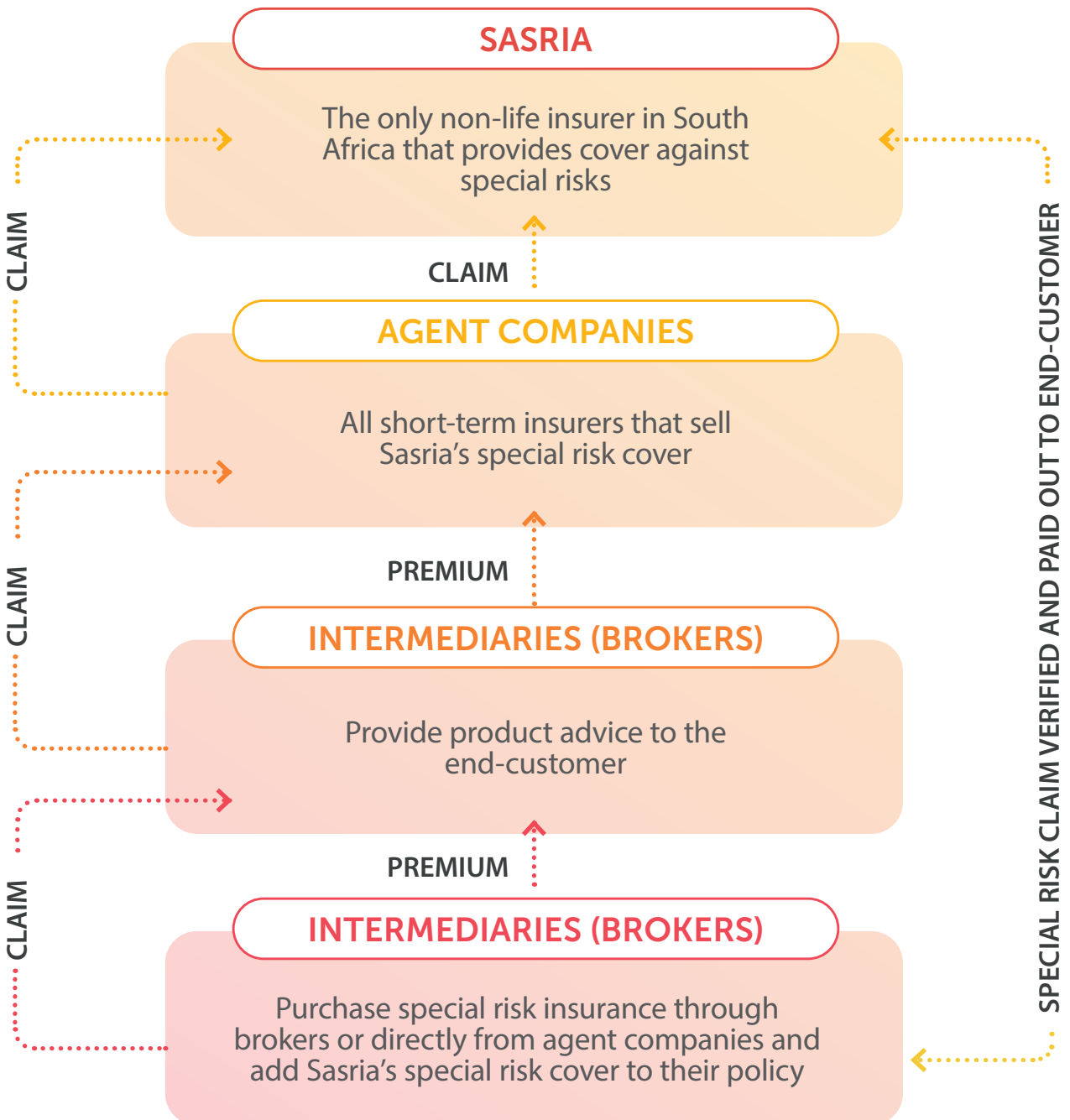
**c) Rationale Behind the Model**

Sasria’s B2B2C model is defined by its distinct market position. As a monopoly provider of special risk insurance in South Africa, Sasria operates within a highly specialised, regulated sector with no direct competitors. In contrast, its agent companies operate in a perfectly competitive environment, where responsiveness and market share are crucial.

Instead of competing, Sasria collaborates with these companies, integrating its cover as a standalone product within their broader offerings. Sasria perils – including civil disturbance, strikes, riots, and terrorism – are explicitly excluded from standard insurance policy wordings. Consequently, Sasria’s embedded coverage provides clients with essential protection that complements traditional policies.

This strategic integration enables Sasria to access a broad market while utilising the infrastructure, systems, and client relationships of established insurers. However, it also necessitates strong oversight to manage the operational, compliance, and reputational risks inherent in this delegated model.

**Sasria’s Business Model**



## KEY STAKEHOLDER INTERACTIONS IN THE B2B2C MODEL

Sasria's operations involve multiple transactional flows between the organisation and its stakeholders:

**Special Risk Cover Provision:** Agents distribute Sasria's standalone policy to clients.

**Fees and Commissions:** Agents and brokers receive fees or commissions for administering policies.

**Claims:** Intermediaries notify Sasria of potential claims, which are validated and paid by Sasria directly to clients.

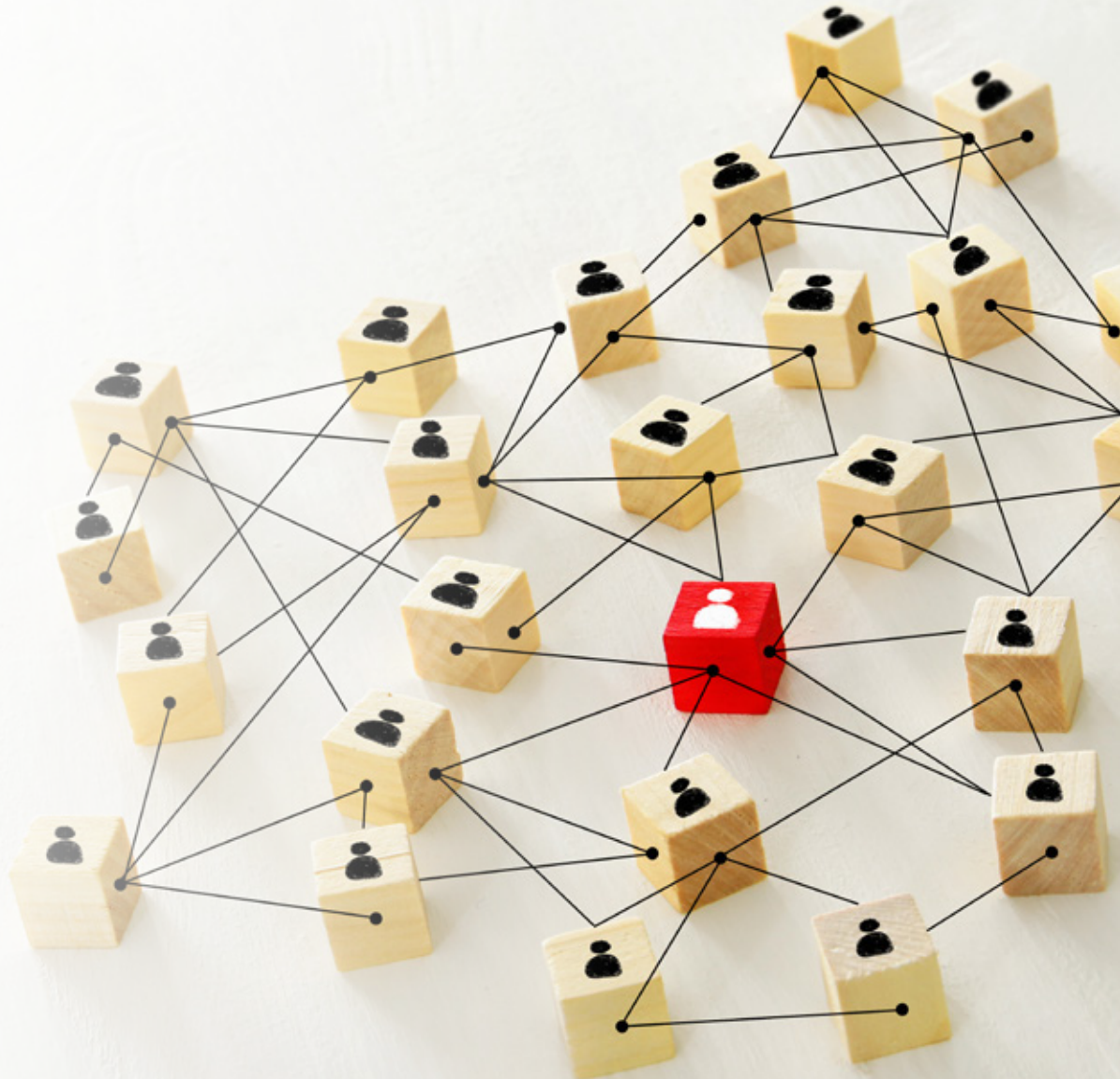
**Premium Collection:** Agents collect and remit premiums to Sasria.

**Reinsurance:** Sasria cedes risk to reinsurers and receives recoveries as applicable.

**Expenditure:** Operating expenses include salaries, suppliers and CSI beneficiaries.

**Statutory Payments:** All regulatory fees, taxes and levies are paid in full.

**Investments and Dividends:** Surplus funds are invested; dividends are paid to the shareholder (National Treasury).



## 2.7. Operating Environment

Sasria's operating environment is defined by a range of interdependent internal and external factors that directly influence our performance, risk exposure, and strategic decision-making. These include the macroeconomic climate, socio-political context, structural shifts within the insurance industry, and broader environmental and technological trends. Understanding these dynamics and anticipating change remains central to our ability to fulfil our mandate and deliver long-term value.

### Macroeconomic and Socio-Political Environment

During the reporting period, South Africa's economic environment was characterised by modest growth and easing inflation. While the country avoided a technical recession, growth remained subdued due to continued energy supply constraints, infrastructure bottlenecks, and a lack of investor confidence.

In 2024, South Africa's GDP grew by only 0.5%, led by the finance, real estate, and business services sectors. However, the outlook for 2025 is more optimistic, with consensus forecasts anticipating GDP growth of 1.0%. This expected improvement is supported by a more stable national energy supply, private sector involvement in the ports, ongoing interest rate reductions, and an anticipated boost in consumer spending driven by over R40 billion in withdrawals from the newly introduced two-pot retirement savings system.

On the socio-political front, unrest continues to pose a significant risk. While mass protests were less frequent in 2024/25, incidents such as the Eastern Cape taxi protests in May 2024 and the National Student Financial Aid Scheme (NSFAS) protests at post-secondary institutions across South Africa, resulted in significant damage to university and college infrastructure leading to property damage and insurance claims. However, the peaceful national elections in May 2024 and the subsequent formation of a Government of National Unity (GNU) bolstered investor confidence and opened new avenues for policy reform.

### Industry Trends

From technological changes to talent shortages and shifting risk models, the insurance industry is experiencing rapid transformation. The following trends continued to impact Sasria's strategy and operating model during the reporting period.

#### *Digitalisation*

Digital transformation is a key pillar of Sasria's strategy. Significant investments have been made in data and intelligence systems to improve underwriting, claims efficiency, and fraud detection. Artificial Intelligence (AI) is increasingly integrated across functions, supporting automation and advanced analytics.

#### *Talent Shifts*

The broader insurance industry is facing intense competition for talent, particularly in digital, actuarial and data-related fields. Sasria continues to compete with private sector companies while also managing the long-term effects of remote work preferences and flexible workplace expectations established in response to the COVID-19 pandemic.

#### *Reinsurance Market Hardening*

Global reinsurance markets remain in a challenging phase, marked by high premiums, reduced appetite for risk and constrained capital availability. For Sasria, this has driven up costs in the Political Violence and Terrorism (PVT) class of business and could require a review of our risk transfer models to safeguard financial sustainability.

#### *Climate Change*

Climate-related risks are gaining prominence, with extreme weather events, water insecurity, and vulnerabilities in the food system contributing to underwriting complexity. Sasria is investigating opportunities to expand its product offering to better support clients in managing climate-related risks.

### Scenario Outlook and Strategic Implications

Sasria's 2029 strategy is informed by scenario modelling and risk forecasting across plausible future environments. In 2024/25 Sasria's operating context was characterised internally as *'It's Complicated'* - a scenario in which modest GDP growth and a constrained fiscal environment coexist with high social risk and limited access to funding. As such, our operational focus includes building capital resilience, refining risk pricing, and optimising underwriting.

## 2.8. Stakeholder Engagement

Stakeholder engagement is crucial for fulfilling our mandate and proactively addressing South Africa’s evolving risk landscape. In 2024/25, we strengthened our focus on creating inclusive partnerships, increasing education and awareness, and using data to guide our engagement activities.



Our stakeholder model is guided by a thorough understanding of the interests and expectations of our diverse stakeholders. We aim to consistently address these needs in a manner that fosters trust, enhances the Sasria brand and ensures the long-term sustainability of our organisation.

### Our Stakeholder Engagement Objectives

In 2024/25, we refined and expanded our engagement objectives to reflect the complexity of our operating environment.

Objective	Strategic Focus
<b>Community Engagement</b> 	Build resilient and informed communities through meaningful partnerships with community leaders, local government, and civil society to strengthen trust and promote proactive risk mitigation efforts.
<b>Brand Building</b> 	Maintain strong brand visibility through targeted campaigns that reinforce Sasria’s unique value proposition, while educating clients and stakeholders on our mandate, products, and claims processes.
<b>Consumer Education</b> 	Deliver proactive above- and below-the-line education campaigns to inform consumers and the broader public about the role of special risk insurance, the consequences of destructive unrest, and the importance of responsible civic action.
<b>Intelligence Gathering and Risk Mitigation</b> 	Collaborate with communities, clients, security agencies, and public institutions to gather actionable intelligence that enables early risk identification and effective loss prevention measures.
<b>Reducing Claims Severity</b> 	Use data-driven and engagement-based insights to identify high-risk scenarios and develop targeted response strategies that minimise loss exposure and improve claims efficiency.
<b>Fostering Innovation and Collaboration</b> 	Champion a culture of innovation and collaboration by exploring cross-sector partnerships, leveraging emerging technologies, and co-creating solutions that expand Sasria’s relevance and resilience in a rapidly evolving risk landscape.
<b>Enhancing Reputation and Social Responsibility</b> 	Demonstrate Sasria’s commitment to ethical leadership, transparency, and social accountability by actively contributing to national development priorities and supporting inclusive socio-economic progress.
<b>Enhancing Industry and Value Chain Harmony</b> 	Promote alignment, cooperation, and shared value across the insurance industry value chain—including agent companies, brokers, reinsurers, and government—through inclusive engagements and capacity-building initiatives.

## Key Engagements and Initiatives in 2024/25

### Strengthening Collaboration with Agents and Intermediaries

We enhanced strategic partnerships with agent companies and intermediaries through renewed training programmes, contract reviews aligned with regulations, and digital transformation initiatives. Technical roundtables and broker forums were established to foster dialogue and promote operational excellence.



### Enhancing Stakeholder Data Integration

A key focus was the improvement of data standards, including alignment with Conduct of Business Returns (CBR), to enable greater transparency and compliance. Engagements with stakeholders also furthered Sasria’s digitalisation roadmap through collaborative system integration pilots.



### Government and Regulator Engagement

Our collaboration with the National Treasury, the Minister of Finance, and the broader Security Cluster continued, supporting strategic transitions such as the potential expansion of Sasria’s mandate. Engagements with local governments further contributed to proactive community risk identification and intelligence gathering.



### Advancing Strategic Partnerships

Collaboration with the Consumer Goods Council of South Africa (CGCSA) was advanced throughout the reporting period, with emphasis on data sharing and spatial risk mapping to enhance resilience in the retail sector. Meanwhile, Sasria’s partnership with the Council for Scientific and Industrial Research (CSIR) achieved a key milestone in innovation by piloting a predictive civil unrest risk platform with multiple layers of public safety.



### Spotlight: 2024 Consumer Education Campaign

The 2024 Consumer Education Campaign was a flagship initiative designed to shift behaviour, inform communities, and reduce the severity of risk. The campaign combined television and radio initiatives, taxi rank media, murals and digital activations to bring Sasria’s message directly to communities most affected by unrest.

This year’s campaign was characterised by:

- **TV and radio storytelling** highlighting the human cost of violent protest
- **Murals and taxi rank visibility** that promoted responsible protest culture
- **WiFi access incentives** requiring short video viewing before log-in
- **On-the-ground activations** including workshops and dialogues in Gauteng and KwaZulu-Natal

The Consumer Education Campaign significantly expanded public understanding of Sasria’s role and strengthened our brand as a socially engaged insurer. The campaign also seeks to have a positive impact on protest behaviour by delivering engaging narratives about the impact destructive protests have on local communities.



## 2.9. Material Matters

To fulfil our mandate and achieve strategic goals, we manage certain material matters arising from our operating environment and the expectations of stakeholders.

The following table outlines the material matters identified by Sasria, along with the enhanced context and strategic implications of each:

	Material Matter	Enhanced Context
	<b>Tolerable levels of unrest risk</b>	Sasria must enhance understanding of the underlying socio-political and economic drivers of unrest to anticipate future events. Drivers include youth unemployment, increasing cost of living, inequality, service-delivery/infrastructure failures (including water and electricity), xenophobic attacks, and political clashes and uncertainty.
	<b>Financial position and performance</b>	Sasria's operational capability and capital position were affected significantly by the July 2021 unrest. The event also depleted Sasria's reserves and catastrophe reinsurance lines, widening the cover gap. Rising global inflation, a weakening rand and elevated interest rates have placed further pressure on performance. Profitability has improved over the past three years due to a decrease in claims; however, sustainable growth requires the introduction of new, profitable products and potential expansion of existing mandates. Support from the state, including a capital guarantee, remains vital.
	<b>Socio-political, economic and geopolitical impacts, including infrastructure and service delivery failure</b>	Making an impact on society and the economy means Sasria must lead innovation and solutions in its core business of special risk management, while anticipating trends. Sasria provides essential business continuity cover for unrest-related disruptions. Socio-economic investments focus on education, skills development, community upliftment, and volunteerism. Service delivery failures and shifting geopolitical alliances also influence the risk of unrest.
	<b>Customer-centricity, establishing trust, capabilities, agility and presence</b>	Sasria continues to focus on enhancing customer experience and anticipating market needs. Clarity on product offerings and cover validity is critical. Agility in responding to new risks and stakeholder needs, including those related to climate change, is essential. Trust, governance and risk management capabilities remain a cornerstone of Sasria's reputation.
	<b>Data analytics, technology and digitisation, and data security and cybersecurity</b>	Digitalisation improves user experience and operational efficiency. Sasria continues to invest in emerging technologies and cybersecurity, acknowledging the threat posed by cybercrime in the insurance industry. Tools must be optimised to support decision-making and manage risks.
	<b>Sustainable growth, relevance, operational efficiency and effectiveness</b>	Sasria's success depends on its ability to grow sustainably, remain relevant, and adapt its business model and product offerings to a rapidly evolving environment. This includes expanding the client base, building brand awareness and maintaining strong strategy execution.
	<b>Evolving special risk diversification and diversity, and inclusion in the insurance market</b>	There is an opportunity to broaden Sasria's mandate to include emerging risks such as climate change and cyber threats. This would allow Sasria to close insurance gaps in informal and small business markets. Partnerships and public-private cooperation are key to expanding special risk coverage.
	<b>Talent, transformation, equality, employee wellness, health and safety</b>	Talent is essential to strategy delivery. Sasria must attract and retain scarce insurance and ICT skills while supporting leadership development, transformation, and inclusion. Employee wellness and a positive culture remain core priorities.
	<b>Climate change and environmental impact</b>	The physical risks associated with climate change (e.g. floods, droughts, fires) pose direct challenges to infrastructure, communities and service delivery. These may lead to social instability. Sasria is exploring special risk products for climate-related risks, while also working to reduce its own environmental footprint.



# SECTION 03

## GOVERNANCE & HUMAN CAPITAL

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### 3.1. Board of Directors

#### Corporate Governance

Sasria continued to apply sound governance structures, procedures and processes during the period under review. The Board, as the accounting authority, is committed to the King IV principles of openness, transparency, integrity and accountability, which are formalised in company charters, policies and procedures. Sasria has five Board Committees, which maintain sound corporate governance and ensure that the Board is engaged in strategic and operational processes.

#### Board of Directors

The Board comprises nine members, five of whom are male and four of whom are female. Sadly, Mr Enos Ngutshane passed away on 24 November 2024, and Ms Refilwe Moletsane resigned from the Board, effective 31 January 2025. Both these individuals made significant contributions to Sasria, and we extend our sincere gratitude for their service.

#### Board Members



**Dr Nolwandle Mgoqi**

*Chairperson of the Board*

- **Appointed as Chairperson:** 01 January 2024
- **Appointed as Non-Executive Director:** 24 June 2020
- **Qualifications:** BA, MSc, PhD
- **Expertise:** Short Term, Life, Employee Benefits and Asset Management, Strategy Development, Execution and Management



**Refilwe Moletsane**

*Non-Executive Director*

- **Appointed:** 24 June 2020
- **Qualifications:** B Juris Management Advancement Programme, B Hons (Insurance and Risk Management)
- **Expertise:** Governance, Compliance and Regulatory Affairs

*Ms Moletsane resigned from the Board, effective 31 January 2025.*



**Desmond Marumo**

*Non-Executive Director*

- **Appointed:** 24 June 2020
- **Qualifications:** Masters in Mercantile Law, Bachelor in Law(s) LLB, B Juris, Advanced Diploma in Labour Law, Advanced Diploma in Intellectual Property Law
- **Expertise:** Law



**Enos Ngutshane**

*Non-Executive Director*

- **Appointed:** 24 June 2020
- **Qualifications:** M Public Administration (Liverpool), Postgraduate Diploma in Administrative Studies
- **Expertise:** Risk, Human Resources, Safety, Investment

*Mr Ngutshane sadly passed away during the reporting period. Sasria honours his invaluable contribution.*



**Japhtaline Maisela**

*Non-Executive Director*

- **Appointed:** 24 June 2020
- **Qualifications:** Master's in management, Postgraduate Diploma in Production Management (Japan), Executive Development Programme (Wharton Business School), Fellow of the Institute of Directors
- **Expertise:** Human Capital Management, Investment, Remuneration Structuring



**Margaret Phiri**

*Non-Executive Director*

- **Appointed:** 24 June 2020
- **Qualifications:** CA (SA)
- **Expertise:** Audit, Tax, Finance, Risk Management, Corporate Governance, Human Resources and Investigations



**Reginald Haman**

*Non-Executive Director*

- **Appointed:** 24 June 2020
- **Qualifications:** Master's in Business Administration, Diploma in Company Direction, Post Graduate Diploma: Business Administration, Leadership Development Programme, National Higher Diploma
- **Expertise:** Risk Management, Business Strategy, Risk Financing / Insurance, Corporate Governance, Internal and Forensic Audit, Information Technology, HR / Remuneration



**Sathie Gouden**

*Non-Executive Director*

- **Appointed:** 24 June 2020
- **Qualifications:** BCompt CTA, CA (SA), Harvard Business School Executive Leadership Development Programme
- **Expertise:** Audit, Finance, Risk and Governance, Fraud and Prevention



**Deshni Subbiah**

*Non-Executive Director*

- **Appointed:** 01 October 2023
- **Qualifications:** BSc (Actuarial Science) Cum Laude, CERA (Chartered Enterprise Risk Actuary), Fellow of the Actuarial Society of South Africa (FASSA), Certified Director® (IoDSA), Master's in Business Administration (MBA), Post-Graduate Diploma in General Management – PGP(Dip) (Distinction), ESG Specialisation (Corporate Finance Institute), Certificate in Investments (Institute of Actuaries, UK)
- **Expertise:** Strategy and Innovation, ESG, Ethics, Governance and King IV, Actuarial, Investments and Risk Management, Finance, Audit, Combined Assurance, Legal and Compliance



**Johannes Venter**

*Non-Executive Director*

- **Appointed:** 01 October 2023
- **Qualifications:** Bachelor of Science Hons (Mathematical Statistics), Bachelor of Science (Mathematics), Fellow – Faculty of Actuaries, Scotland, Advanced Management Programme Fellow
- **Expertise:** Risk, Actuarial, Investment, Finance and Auditing, Short Term Insurance, Social and Ethics, Human Capital, Life Insurance



**Mpumi Tylkwe**

*Executive Director (CEO)*

- **Appointed:** 19 May 2022
- **Qualifications:** FIISA Post Graduate Diploma in Management
- **Expertise:** Insurance, Business Growth and Turnaround Strategies, Talent Management, Corporate Governance, Stakeholder Management





**Board Meeting Attendance**

There were nine Board Meetings held in the 2024/25 financial year. The following table shows the type of meetings held and attendance by each Board Member.

Board member	Prudential Authority/Sasria Board Meeting	Ordinary meeting	Ordinary meeting	Ordinary meeting	Board Strategy Session	Board Strategy Session	Board Strategy Session	Special meeting	AGM	Ordinary meeting	Ordinary meeting	Total meetings	Total Attended	Percentage attended
	24-Jul-24	20-Jun-24	29-Aug-24	15-Oct-24	16-Oct-24	16-Oct-24	28-Nov-24	28-Nov-24	27-Mar-25	28-Nov-24	27-Mar-25	9	9	100%
Dr Noliwandle Mgoqi (Chairperson)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	100%
Japhthaline Mantuka Maisela	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	100%
Reginald Haman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	100%
*Refilwe Moletsane	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0	9	8	89%
*Enos Ngutshane	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0	9	6	67%
Deshni Subbiah	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	100%
Sathie Gounden	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	100%
Margaret Mosibudi Phiri	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	100%
Desmond Marumo	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	100%
Jannie Venter	0	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	8	89%
Impumi Tyikwe (Chief Executive Officer)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	100%
<b>Percentage attained (average)</b>												<b>99</b>	<b>94</b>	<b>95%</b>

**NOTES:**

- #Mr Enos Ngutshane sadly passed away on 24 November 2024.
- \*Ms Refilwe Moletsane resigned as Sasria NED with effect from 31 January 2025.



### 3.2. Board Committees

Sasria maintains five Board Committees that support the implementation of sound corporate governance and ensure effective oversight across strategic and operational processes. Each Committee confirms that it has fulfilled its responsibilities in accordance with its terms of reference during the reporting period.

#### Investment Committee

The Investment Committee assists the Board in overseeing Sasria’s asset management responsibilities. It does so by monitoring, evaluating and reviewing the company’s investments, ensuring that appointed asset managers deliver adequate performance and maintain strong returns on Sasria’s investment portfolio. Through its work, the Committee strengthens overall oversight and contributes to long-term financial sustainability.

*Investment Committee Meeting Attendance: 1 April 2024 – 31 March 2025*

	Ordinary meeting	Ordinary meeting	Ordinary meeting	Ordinary meeting	Total meetings	Total attended	Percentage attended
Committee member	04-Jun-24	14-Aug-24	18-Nov-24	25-Feb-25	4		
Jannie Venter (Chairperson)	√	√	√	√	4	4	100%
Dr Nolwandle Mgoqi-Mbalo	√	√	√	√	4	4	100%
Sathie Gounden	√	√	0	√	4	3	75%
Desmond Marumo	√	√	√	√	4	4	100%
<b>Percentage attained (average)</b>					<b>16</b>	<b>15</b>	<b>94%</b>

#### Audit Committee

The Audit Committee is tasked with supporting the Board in the effective discharge of its responsibilities relating to financial management, internal controls and governance. It reviews financial statements, reports from internal and external auditors, and the organisation’s internal control and risk management status. By doing so, it ensures meaningful oversight and provides advice on Sasria’s financial sustainability and accountability to both the Board and the Shareholders.

*Audit Committee Meeting Attendance: 1 April 2024 – 31 March 2025*

	Special meeting	Ordinary meeting	Ordinary meeting	Special meeting	Special meeting	Ordinary meeting	Special meeting	Special meeting	Ordinary meeting	Total meetings	Total attended	Percentage attended
Committee member	10-Apr-24	28-May-24	20-Aug-24	27-Aug-24	12-Nov-24	20-Nov-24	12-Dec-24	21-Jan-25	27-Feb-25	9		
Margaret Mosibudi Phiri (Chairperson)	√	√	√	√	√	√	√	√	√	9	9	100%
Sathie Gounden (Deputy Chairperson)	√	√	√	√	√	√	√	√	√	9	9	100%
Reginald Haman	√	√	√	√	√	√	√	√	√	9	9	100%
Deshni Subbiah	√	√	√	√	√	√	√	√	√	9	9	100%
Japhtaline Mantuka Maisela	√	√	√	√	√	√	√	√	0	9	8	89%
<b>Percentage attained (average)</b>										<b>45</b>	<b>44</b>	<b>98%</b>



### Remuneration and Nomination Committee

The Remuneration and Nomination Committee oversees Sasria’s human capital strategies and requirements in alignment with strategic objectives. It advises the Board on remuneration policies, human resource development, succession planning and trends in significant HR indicators. Its role is to ensure that the organisation remains equipped with the skills and leadership required to meet future challenges, while supporting transformation and fairness.

Remuneration and Nomination Committee Meeting Attendance: 1 April 2024 – 31 March 2025

	Ordinary meeting	Special meeting	Special meeting	Special meeting	Special meeting	Ordinary meeting	Ordinary meeting	Special meeting	Total meetings	Total attended	Percentage attended
Committee member	06-Aug-24	15-Aug-24	28-Aug-24	27-Sept-24	11-Oct-24	05-Nov-24	12-Feb-25	11-Mar-25	8		
Japhtaline Mantuka Maisela (Chairperson)	√	√	√	√	√	√	√	√	8	8	100%
*Enos Ngutshane (Deputy Chairperson)	√	√	√	√	√	√	0	0	8	6	75%
Dr Nolwandle Mgoqi	√	√	√	√	√	√	√	√	8	8	100%
Margaret Mosibudi Phiri	√	√	√	√	√	√	√	√	8	8	100%
<b>Percentage attained (average)</b>									<b>32</b>	<b>30</b>	<b>94%</b>

**NOTES:**

1. \*Mr Enos Ngutshane (Deputy Chairperson) sadly passed away on 24 November 2024.

### Risk Committee

The Risk Committee plays a vital role in providing robust oversight of Sasria’s governance, internal control and risk management processes. It ensures that risk and opportunity disclosures are comprehensive, relevant and timely – thereby enhancing the assurance offered to stakeholders. Additionally, the Committee considers technical insurance and reinsurance matters, providing informed recommendations to the Board. It also takes care to protect sensitive information while simultaneously ensuring transparency.

Risk Committee Meeting Attendance: 1 April 2024 – 31 March 2025

	Ordinary meeting	Special meeting	Ordinary meeting	Special meeting	Ordinary meeting	Ordinary meeting	Total meetings	Total attended	Percentage attended
Committee member	23-May-24	27-May-24	19-Aug-24	28-Aug-24	13-Nov-24	26-Feb-25	6		
Reginald Haman (Chairperson)	0	√	√	√	√	√	6	5	83%
*Refilwe Moletsane	√	0	√	√	√	0	6	4	67%
Johannes Venter	√	√	√	√	√	√	6	6	100%
Deshni Subbiah	√	√	√	0	√	√	6	5	83%
Mpumi Tyikwe	0	√	√	√	√	√	6	5	83%
<b>Percentage attained (average)</b>							<b>30</b>	<b>25</b>	<b>83%</b>

**NOTES:**

1. \*Ms Refilwe Moletsane resigned as an NED of SASRIA SOC Ltd Board effective from 31 January 2025.



### Social and Ethics Committee

The Social and Ethics Committee ensures that Sasria acts responsibly in all matters relating to social and ethical conduct. It monitors the company's adherence to environmental, social, and governance (ESG) obligations, prevailing legislation, and codes of best practice. The Committee plays a key role in reinforcing Sasria's status as a responsible corporate citizen and advancing transformation.

Social and Ethics Committee Meeting Attendance: 1 April 2024 – 31 March 2025

	Ordinary meetings	Ordinary meetings	Ordinary meetings	Total meetings	Total attended	Percentage attended
Committee member	16-May-24	08-Aug-24	07-Nov-24	3		
*Refilwe Moletsane (Chairperson)	√	√	√	3	3	100%
Desmond Marumo (Deputy Chairperson)	√	√	√	3	3	100%
#Enos Ngutshane	√	√	√	3	3	100%
Dirk Kunz	√	√	√	3	3	100%
Percentage attained (average)				12	12	100%

**NOTES:**

- #Mr Enos Ngutshane sadly passed away on 24 November 2024.
- \*Ms Refilwe Moletsane resigned as Sasria NED with effect from 31 January 2025.

### 3.3. Executive Leadership

The Executive Committee consists of nine members responsible for executing Sasria's strategic mandate. Chaired by the Chief Executive Officer, the Exco includes executives leading all core and support functions. During the year under review, Mr Dirk Kunz was appointed as Chief Financial Officer in May 2024, having acted in the role since October 2023. Ms Hayley Clarke was appointed as Chief Actuarial Officer in April 2024. Both executives assumed their responsibilities during the reporting period.

Sasria's executive team demonstrates strong governance, professional excellence, and collective leadership across their respective portfolios. Their combined expertise spans the domains of insurance, finance, actuarial science, risk, strategy, ICT, people management, stakeholder relations, and corporate legal compliance. The team is dedicated to driving Sasria's transformation journey, achieving strategic objectives and fulfilling our legislative mandate.

#### The Executive Committee (Exco)



**Mpumi Tyikwe**

*Chief Executive Officer*

**Qualifications:**

- FISA Post Graduate Diploma in Management

**Appointed:**

- 19 May 2022



**Dirk Kunz**

*Chief Financial Officer*

**Qualifications:**

- BCom Accounting Honours
- Executive Development Programme
- CA (SA)

**Appointed:**

- 01 May 2024



**Hayley Clarke**

*Chief Actuarial Officer*

**Qualifications:**

- BSc Honours in Actuarial Science
- MSc in Climate Change and Development
- Fellow of the Institute and Faculty of Actuaries (FIA)
- Fellow of the Actuarial Society of South Africa (FASSA)
- Chartered Enterprise Risk Actuary (CERA)

**Appointed:**

- 01 April 2024



**Fiona Oakley-Smith**

*Chief Information Officer*

**Qualifications:**

- Bachelor of Commerce in Business Finance and Information Systems
- Certificate in Advanced Business Analysis

**Appointed:**

- 08 January 2024



**Tshepiso Chocho**

*Executive Manager: People Management*

**Qualifications:**

- Bachelor of Arts (Honours) in Industrial and Organisational Psychology
- Senior Level Executive Leadership Programme

**Appointed:**

- 01 February 2019 (Resigned on 31 July 2025)



**Muzi Dladla**

*Executive Manager: Stakeholder Management*

**Qualifications:**

- Diploma in Business Management
- Management Advancement Programme
- Master's in Development Practice
- Master's in Business Administration

**Appointed:**

- 01 June 2021



**Ntakeko Mayimele**

*Executive Manager: Claims*

**Qualifications:**

- BCom Honours
- CA (SA)
- Senior Management Programme
- Advanced Management Programme for Senior Executives

**Appointed:**

- 01 September 2022



**Themba Sibiyi**

*Executive Manager: Strategy and Underwriting*

**Qualifications:**

- Advanced Diploma in Business Management
- Programme for Management Development
- Higher Certificate in Short-Term Insurance
- Senior Management Development Programme

**Appointed:**

- 01 September 2022



**Mziwoxolo Mavuso**

*Legal, Compliance and Company Secretary*

**Qualifications:**

- BProc
- LLB
- General Management Programme
- Global Executive Development Programme
- Advocate of the High Court of South Africa

**Appointed:**

- 01 July 2011



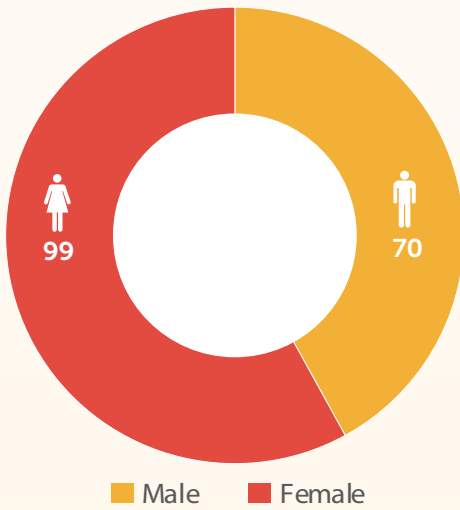
### 3.4. Our People

Sasria's human capital is fundamental to achieving our strategic goals and operational performance. In 2024/25, we remained committed to building a skilled, agile and diverse workforce, with a strong focus on transformation, inclusion and targeted recruitment. Through ongoing development and talent management efforts, we aim to nurture leadership, close capability gaps, and foster a high-performance culture.

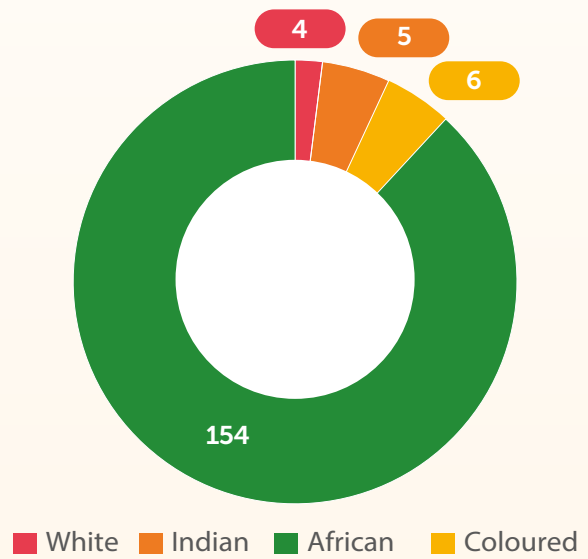
#### Employee Profile (as of 31 March 2025)

**TOTAL EMPLOYEES: 169**  
(144 permanent, 25 temporary)

GENDER PROFILE



RACIAL PROFILE



#### Total Remuneration

Sasria's total employee remuneration for the reporting period amounted to R194 million, compared to R174 million in the previous year. The increase is attributed to an expanded headcount and annual salary adjustments.



### Retention and Recruitment

During the reporting period, ten people left the organisation, a significant reduction from the 21 recorded in the previous year. This positive trend reflects the impact of Sasria's retention strategy, which prioritises employee engagement, career progression, and a positive work environment.

By strengthening our value proposition as an employer of choice and implementing initiatives that address employee needs, Sasria continues to reduce turnover, ensuring that institutional knowledge and critical skills are retained within the organisation.

### New Appointments

In 2024/25, **24 new employees** were appointed. Of these, **53%** came from the short-term insurance sector.

Key roles included:

- Chief Financial Officer
- Chief Actuarial Officer
- Head of Business Intelligence
- Legal Advisor
- Complex Claims Manager
- Investment Analysts
- Executive Assistants across multiple departments

### Vacancy Rate

As of 31 March 2025: **2.8%**

### Transformation and Inclusion

Sasria continues to align its workforce profile with the objectives of the Financial Sector Code (FSC). The following summarises our 2024/25 performance against employment equity targets:

- Total Employment Equity Score: **16.79/18**
- **Most targets were exceeded** across all management levels
- **Missed target:** Black disabled employees (due to resignation of a female employee with a disability)

### Skills Development and Training

In support of employment equity and transformation objectives, Sasria also made a key executive appointment during the reporting period. A Coloured female executive was appointed as Chief Information Officer, effective 8 January 2024.

Employee engagement remains a strategic priority. Based on the most recent climate survey, Sasria retained its Top Employer classification, with the overall engagement score improving from 78.9 in 2020 to 86.5 in 2024/25. This positive trajectory reflects ongoing investment in staff morale, organisational culture and employee wellness.

Performance management practices largely remained consistent during the year under review. However, measures are being introduced in the current financial year to enhance implementation and support improved performance outcomes.

In 2024/25, targeted training programmes were rolled out to women, youth, persons with disabilities and other designated groups. Notable interventions included:

- Short Term Insurance Capacity Building
- Underwriting Skills Development
- Management Development Initiatives

Highlights for the 2024/25 period include:

- **Learnerships and Internships:** Sasria enrolled 30 learners and interns, contributing to the national pipeline of future professionals.
- **Employee Training Spend:** A total of R11.1 million was invested in employee training and upskilling, with 86% of beneficiaries being black employees, and 51% being black women. This figure pertains to the demographic breakdown of training beneficiaries, whereas Sasria's B-BBEE Skills Development score is based on the total spend as a percentage of payroll.
- **Leadership Development:** Selected executives and middle managers participated in accredited development programmes focused on governance, risk, insurance and transformation leadership.

These initiatives are aligned with Sasria's Employment Equity Plan and skills strategy, helping to secure a more inclusive, empowered talent base.



# SECTION 04

## RISK, COMPLIANCE & IMPACT

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### 4.1. Our Approach to Risk

Sasria’s approach to risk management is based on a proactive, integrated Enterprise Risk Management (ERM) framework that supports informed decision-making, long-term sustainability and resilience across all operational areas. In 2024/25, Sasria improved its Risk and Capital Management Framework to better align risk appetite, capital planning and strategic goals. This includes enhanced scenario testing and more frequent reviews of internal and external risk signals.

We continue to prioritise the effective identification, assessment, mitigation and monitoring of key risk exposures, particularly in the context of South Africa’s ongoing socio-political volatility. Sasria’s governance processes ensure that risk decisions are guided by the Board-approved Risk Appetite Statement and executed through risk-adjusted performance management and combined assurance.

Our ERM framework continues to evolve, with a focus on dynamic risk reporting, updated taxonomy of risk types, improved early warning indicators (EWIs), and embedded risk ownership across the organisation. Key risk categories remain:

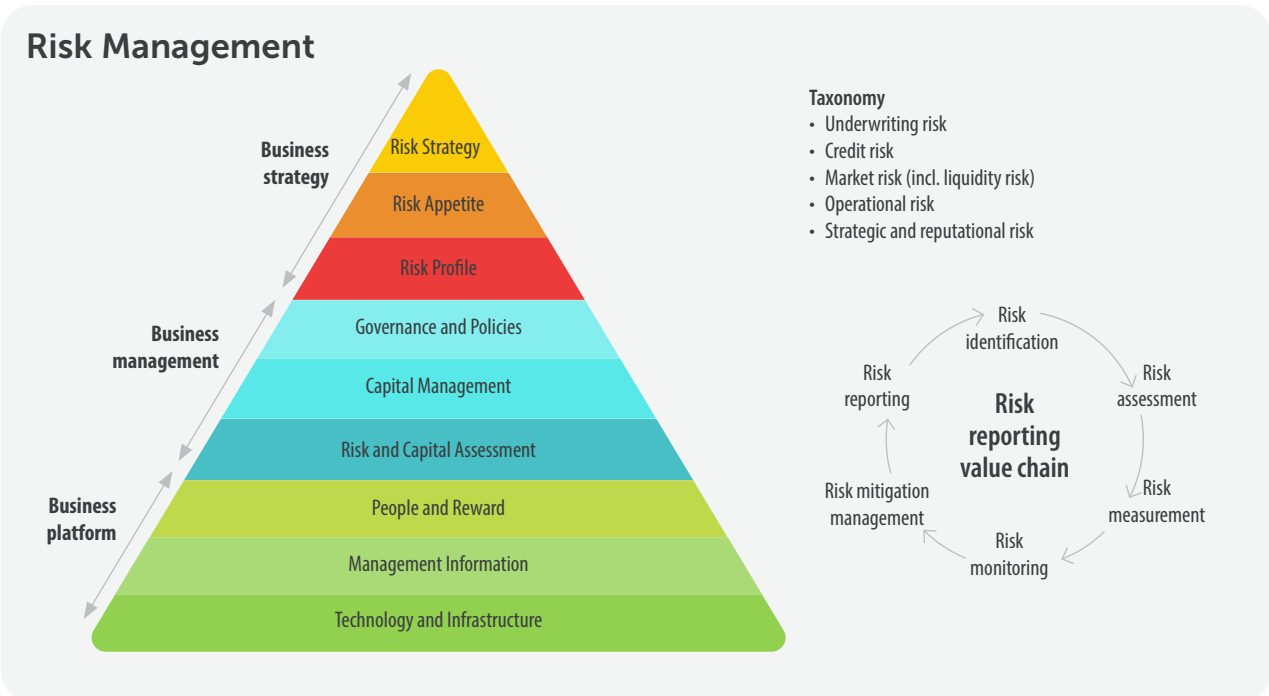
- Underwriting Risk
- Market and Credit Risk
- Operational Risk
- Strategic and Reputational Risk

### Risk Governance Framework

Sasria’s four lines of assurance model ensure accountability and coordinated risk oversight. The Combined Assurance Committee continues to embed robust assurance planning across business operations.

The following diagram illustrates Sasria’s Risk Management model for 2024/25. This model - with business platforms at the base, followed by business management and, at the top, business strategy – illustrates the integration of risk management across all levels of the organisation. The model is supported by a risk reporting value chain, which outlines the key stages in Sasria’s risk management process: risk identification, risk assessment, risk measurement, risk monitoring, risk mitigation, and risk reporting.

Together, the pyramid model and value chain reflect Sasria’s commitment to embedding risk management throughout the organisation, with emphasis on strategic alignment and resiliency.



**Key 2024/25 Enhancements:**

- Updated ERM Framework and Risk Appetite Statement
- Risk Capital Forecasting integrated into strategic reviews
- Enhanced stress testing linked to capital management process
- Revised risk appetite thresholds for financial risk categories
- Flagged Capital(s): Intellectual Capital; Financial Capital; Social & Relationship Capital

**4.2. Top Material and Emerging Risks**

Sasria’s Enterprise Risk Management (ERM) framework facilitates a proactive and systematic approach to recognising, evaluating, and mitigating both current and emerging risks that could affect the achievement of strategic objectives. Our process combines qualitative and quantitative tools, supported by structured monitoring, reporting, and control environments to ensure effective oversight across the risk landscape.

Our approach to risk identification and assessment is thorough and iterative, ensuring a comprehensive understanding of the risks. Each division is responsible for pinpointing risks relevant to its operations, which are then analysed in terms of likelihood, potential impact, root causes (risk drivers) and existing or necessary controls. The following steps are key to this process:

- **Risk Identification:** Focused on all material activities, incorporating internal and external risk factors.
- **Risk Assessment:** Evaluating the probability and impact of risks on operations and strategy.
- **Identification of Risk Drivers:** Analysing the underlying

causes of identified risks.

- **Identification and Assessment of Controls:** Evaluating existing preventative or detective measures.
- **Monitoring and Reporting:** Conducted quarterly reviews and submitted reports to the Executive Committee, Risk Committee, and Board.

This cyclical process ensures that Sasria remains responsive to changes in the external environment and maintains a well-informed, up-to-date view of its evolving risk profile.

**Enterprise Risk Management (ERM) Framework**

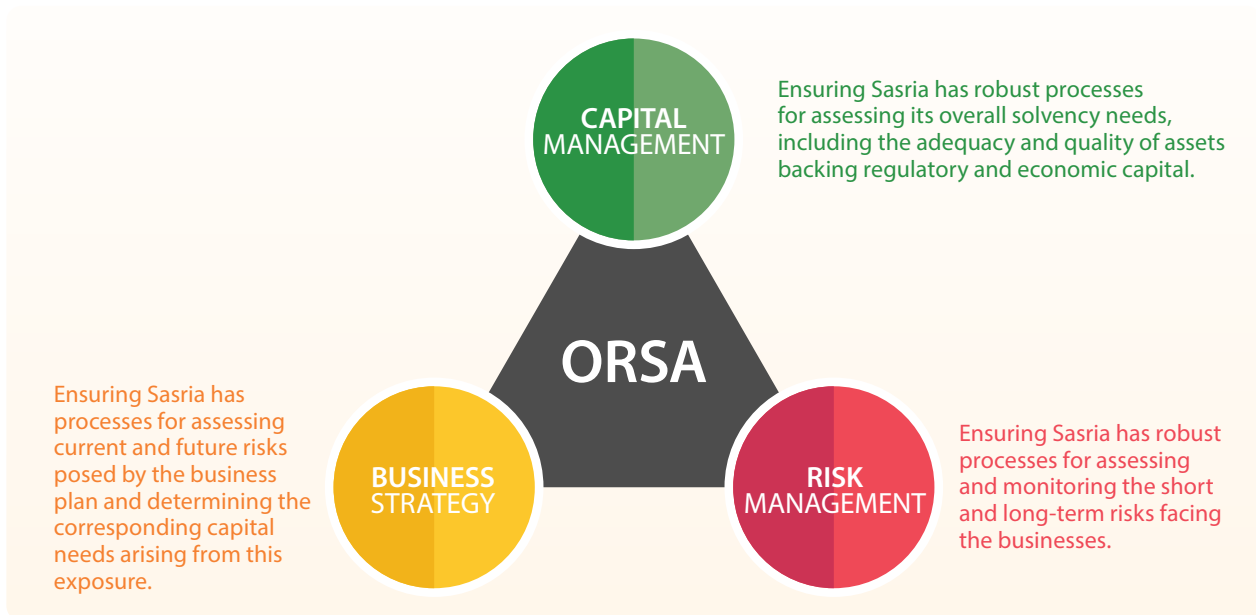
Sasria’s ERM framework remains structured around nine key elements aligned to our business strategy and capital planning approach. These include:

1. Risk Appetite
2. Risk Strategy
3. Risk Identification
4. Risk Assessment
5. Stress Testing
6. Capital Assessment and Solvency Projections
7. Compliance Monitoring
8. Governance
9. Own Risk and Solvency Assessment (ORSA) embedded in the business

These elements are reinforced by a strong focus on scenario testing, capital adequacy, and integration with strategic planning.



Additionally, Sasria has strengthened its **Risk and Capital Management** approach, underpinned by the ORSA process, to assess the adequacy and quality of capital backing, regulatory compliance, and long-term risk resilience.



### Risk Appetite Measures

Sasria continues to apply three risk appetite measures, with clearly defined thresholds and limits to guide decision-making and maintain solvency integrity. These measures are:

- Capital at Risk:** Minimum capital requirements are maintained to support solvency and ensure business continuity under stress conditions.
- Earnings at Risk (EaR):** Indicates the probability of financial loss and sets targets and tolerance levels for projected underwriting profits.
- Operational Risk:** Reflects Sasria’s low tolerance for losses caused by internal control failures or process inefficiencies.

The following diagram illustrates these three risk measures, the rationale for their application, and the metrics used to assess Sasria’s appetite for risk.

Measure	Objective / Rationale	Metrics		
<b>Measure 1: Capital at Risk</b>	Sasria will at all times hold sufficient eligible financial resources to ensure it meets the relevant statutory solvency capital requirement, as well as its internal (economic) assessment of the capital required to deliver on its business plans, reasonable policyholder expectations, and claim payments as they fall due.	<b>Appetite</b>	<b>SCR %</b>	<b>ECR %</b>
		Target	230%	230%
		Threshold	200%	150%
		Limit	140%	120%
<b>Measure 2: Earnings at Risk</b>	The Earnings at Risk (EaR) measure used is the probability of loss. This will be measured for the company’s projected underwriting profit in the next year.	<b>Appetite</b>	<b>Probability of Loss</b>	<b>In Year Terms</b>
		Target	10%	1 in 10 years
		Threshold	15%	1 in 6.7 years
		Limit	25%	1 in 4 years
<b>Measure 3: Operational Risk</b>	Sasria has a low tolerance for operational risk however recognises that it represents a cost of doing business. Sasria will wish to avoid losses arising from operational loss events by establishing business processes and controls and putting in place risk transfer where appropriate.	<b>Appetite</b>	<b>R’000</b>	
		Target	0	
		Threshold	700	
		Limit	1000	

Each measure is continually monitored, and risk appetite settings are reviewed as part of Sasria’s quarterly risk assessments and ORSA cycles.

**Top Material Risks – May 2025**

In May 2025, Sasria held a Materiality Workshop with both internal and external stakeholders to validate and prioritise key risks and strategic issues. The results of this session confirmed alignment with the organisation’s internal risk register and guided the final prioritisation of Sasria’s most material matters. This process demonstrates Sasria’s ongoing dedication to inclusive governance and responsiveness to stakeholder expectations.

The top material risks, as finalised through this process, reflect ongoing exposure to external shocks, strategic and operational challenges. The table below summarises these risks by classification, cost of risk, and ratings. There were three risks removed from the 2024/5 reporting year. New risks added, namely risks 5, 6 and 8.

**KEY HIGHLIGHTS:**

- **Underwriting Risk** remains high due to the potential for volatile claims linked to protests, terrorism, and catastrophic (CAT) events.
- **Operational Risks** associated with Sasria’s indirect distribution model - particularly the delegation of critical functions to agent companies, brokers and administrators – remain a concern. These include risks related to system incompatibilities, delayed implementation of updates and inconsistent compliance with regulatory requirements across third-party platforms.
- **Strategic Risks**, such as capital erosion, cybersecurity, and relationship channel management, remain persistent threats.

Movement	Risk Description					
Movements	#	Risk Name	Risk Classification	Inherent Risk	Control Rating	Residual Risk
Risks 5, 6 and 8 are new risks.	1	Increased insurance risk as a result of volatile strikes, protests and other special risks (i.e., SRCC, PVT and Terrorism), including CAT events	Underwriting Risk	High	Fair	High
	2	Inadequate capital reserves/capacity for future CAT events	Strategic Risk	High	Fair	Medium
	3	Weakness in handling relationships with the distribution channel	Operational Risk/ Underwriting Risk	High	Fair	Medium
	4	Failure to enhance data management and risk intelligence capability, including security on the policyholder data	Strategic Risk	High	Fair	Medium
	5	Inappropriate Investment Strategy to protect Sasria from capital erosion	Strategic Risk	High	Fair	Medium
	6	Inability to provide desired solutions and service to our customers	Strategic Risk	High	Fair	Medium
	7	Increase in claims/litigation as a result of wide or poorly written Sasria policy wording	Underwriting Risk	High	Fair	Medium
	8	Inappropriate CSI Strategy to ensure impactful socio-economic development	Strategic Risk	Medium	Fair	Medium
	9	Failure to comply with regulatory requirements and governance codes	Operational	Medium	Fair	Medium
	10	Failure to attract and retain the skills required to deliver the strategy of the company	Operational	Medium	Good	Low

## Material Emerging Risks – May 2025

Sasria actively monitors and assesses emerging risks with the potential to disrupt business models, capital planning, or strategic outlooks. As of May 2025, nine key emerging risks have been identified, each with high impact and rapid onset velocity (0–1 year horizon).

In 2024/25, on change was recorded: Risk 9 - Economic Stagnation, was re-rated and added to the official emerging risk register, reflecting concerns about recessionary pressures and prolonged high interest rates.

Movement	Risk Description			
Movements  Risk 9: Economic Stagnation	#	Material emerging risk	Impact	Velocity
	1	<b>Systemic Failure of Public Infrastructure</b> Water crises, transport and logistics failures, increasing load reduction/load shedding	High	0-1 year
	2	<b>Geopolitical Instability</b> South Africa-US relations, tariff/trade policy uncertainty, global trade protectionism	High	0-1 year
	3	<b>Government of National/Provincial Unity Instability</b> VAT increase uncertainty/conflict, potential GNU reconfiguration	High	0-1 year
	4	<b>Labour Unrest Strike</b> Impact of AGOA/tariffs on motor and farming industries and jobs, AMSA's potential closure	High	0-1 year
	5	<b>Extremely High Youth Unemployment</b> Slow economic growth, poverty, protests/unrest	High	0-1 year
	6	<b>Increase in the Number of Non-Connected Events</b> Food poisoning at Spaza Shops, illegal mining, taxi violence/riots	High	0-1 year
	7	<b>Increase in the frequency and severity of extreme weather events</b> (Impacting reinsurance and underwriting risk)	High	0-1 year
	8	<b>NSFAS Crisis</b> Poor management of NSFAS fund, student debt	High	0-1 year
9	<b>Economic Stagnation (Re-rated in 2024/25)</b> Low economic growth, recession risk, high interest rates, inflation	High	0-1 year	

### 4.3. Legislative Compliance

Sasria is committed to maintaining full compliance with all applicable legislation, regulations, and governance frameworks. This commitment forms the foundation of ethical and transparent business conduct and underpins Sasria's mandate as a public entity. The 2024/25 Integrated Report is informed by the legislative environment in which Sasria operates, including:

- Constitution of the Republic of South Africa
- Companies Act 71 of 2008
- Conversion of Sasria Act 134 of 1998
- Department of Trade and Industry's Code of Good Practice for B-BBEE
- Financial Sector Code (FSC)
- Financial Sector Regulation Act 9 of 2017
- Income Tax Act 58 of 1962
- Insurance Act 18 of 2017
- Protection of Personal Information Act 4 of 2013
- Public Finance Management Act 1 of 1999 (PFMA)
- Short-Term Insurance Act 53 of 1998
- Treasury Regulations of the PFMA
- The Reinsurance of Material Damage and Losses Act 56 of 1989

In addition, Sasria aligns with international reporting frameworks, including:

- International Financial Reporting Standards (IFRS™)
- King IV™ Report on Corporate Governance for South Africa, 2016

### Legislative Developments

During the reporting period, no material legislative changes impacting Sasria's operations came into effect. However, the organisation continues to monitor proposed and pending amendments, including developments around the Conduct of Financial Institutions (COFI) Bill. This Bill seeks to establish a comprehensive regulatory framework for financial institutions, with anticipated implications for regulatory reporting, market conduct, and customer protection, aligning with the Treating Customers Fairly (TCF) principles.

### Compliance and Governance Oversight

The Board and its committees continued to monitor the implementation of Sasria's compliance policy and legal compliance processes throughout the reporting period. The Board is satisfied that compliance remained effective and satisfactory, with no material breaches reported. Any exceptions are disclosed in the detailed governance section of this report. The compliance function reports quarterly to the Risk Committee and the Audit Committee.

### Compliance with King IV™

Sasria continues to fully comply with the 17 principles of the King IV Report. The table below outlines how each principle has been applied throughout the reporting year and in compiling the 2024/25 Integrated Report.

**King IV™ Principles Applied**

Outcome	Principle	Applied	Application Summary
<b>Ethical Culture</b>	1. The Board leads ethically and effectively	Yes	The Board embraces ethical leadership, guided by the principles of openness, transparency, integrity and accountability. Ethics statements are signed annually and conflicts of interest declared. The Social and Ethics Committee oversees ethical conduct and reports to the shareholders.
	2. The Board governs ethics to support an ethical culture	Yes	An Ethics Management Policy and Strategy are in place and implemented across the organisation. Ethics risks are identified and monitored on an ongoing basis.
	3. The Board ensures responsible corporate citizenship	Yes	The Social and Ethics Committee monitors Sasria's ESG and transformation activities, reinforcing the company's status as a responsible corporate citizen.
<b>Performance and Value Creation</b>	4. The Board appreciates the interconnectedness of strategy, risk, performance, and sustainability	Yes	The Board ensures Sasria's business model, risk framework, performance, and sustainability goals are fully aligned to deliver long-term value and support the public mandate.
	5. The Board ensures stakeholder reports enable informed assessments	Yes	This Integrated Report provides a clear and transparent account of Sasria's performance, governance and strategy within the broader socio-economic context.
<b>Adequate and Effective Control</b>	6. The Board is the focal point and custodian of corporate governance	Yes	The Board meets quarterly and adheres to a formalised Board Charter. Governance practices are supported by five committees with defined terms of reference.
	7. The Board has the appropriate balance of skills, experience, diversity, and independence	Yes	As of 31 March 2025, the Board comprised nine members (five male, four female), with strong representation in actuarial science, law, governance, finance, HR, and ESG.
	8. The Board structures promote independent judgment and balance of power	Yes	Sasria has five committees – Investment, Audit, Risk, Remuneration and Nomination, and Social and Ethics – which provide focused oversight and support the Board in fulfilling its governance responsibilities.

Outcome	Principle	Applied	Application Summary
	9. Performance evaluations of the Board, committees, and members support improvement	Yes	A full Board evaluation was conducted during the 2024/25 financial year.
	10. The Board ensures effective delegation to management	Yes	A robust delegation of authority exists. The Executive Committee, comprising nine members, drives strategy implementation. Two executives, the CFO and CAO, assumed office during the reporting period.
	11. Risk governance supports strategic objectives	Yes	Sasria maintains an Enterprise Risk Management Framework, supported by the Risk Committee. Material risks and mitigation strategies are discussed in Section 4.2 of this report.
	12. IT governance supports strategic objectives	Yes	The Audit Committee oversees ICT governance. Sasria continues to implement its Data and Intelligence Programme to strengthen digital oversight and resilience.
	13. Compliance governance supports ethical and lawful conduct	Yes	The compliance function reports quarterly to both the Risk and Audit Committees. No material breaches were recorded. Sasria remains compliant with key legislation, including PFMA, Insurance Act, and IFRS 17. See Section 4.3.
	14. Fair, responsible, and transparent remuneration is ensured	Yes	The Remuneration and Nomination Committee oversees pay and HR strategies. Sasria aligns with SOE Remuneration Guidelines and the FSC, with ministerial approval of remuneration policies.
	15. Assurance supports a sound control environment and integrity of information	Yes	Sasria applies a Combined Assurance Model to reinforce the integrity of information and the effectiveness of controls. Internal and external audits are independently conducted.
<b>Trust, Good Reputation and Legitimacy</b>	16. Stakeholder-inclusive approach guides governance	Yes	A stakeholder engagement framework balances the interests of government, partners, and customers. Engagement outcomes are monitored and integrated into the planning process to ensure effective implementation and execution.
	17. Responsible investment practices are promoted	Yes	Sasria is a signatory to and aligns with the Principles for Responsible Investment (PRI) and endorses the Second Code for Responsible Banking in South Africa (CRISA 2). All asset managers confirm ESG alignment. Sasria implements all six PRI principles, with oversight from its Investment Committee and consultants. See Section 4.4.

## 4.4. Impact and Transformation

### Socio-Economic Development

Sasria promotes stability, social transformation and growth, in both our industry and across South Africa. This is achieved through the delivery of our core business objectives, as well as through the implementation of socio-economic development initiatives, most importantly through our CSI programme.

Our efforts align with national and global priorities, including those set out in South Africa’s National Development Plan (NDP) and the United Nations (UN) Sustainable Development

Goals (SDGs). These activities are enabled through collaboration with our stakeholders – including government, community organisations, educators, and development partners, and are designed to address the root causes of protest and unrest.

In 2024/25 we continued to advance these efforts, with emphasis on strengthening our stakeholder engagement, delivering consumer education campaigns, investing in our communities, and supporting education, training, and humanitarian relief.

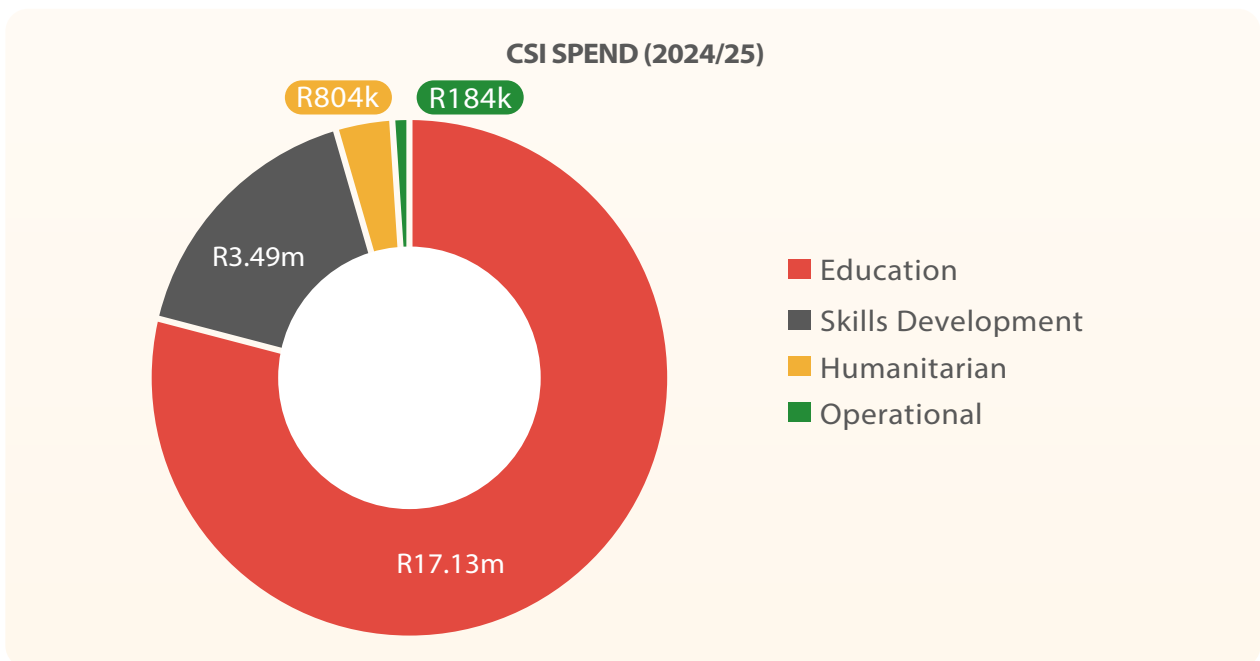
### Corporate Social Investment (CSI)

Sasria’s CSI programme supports initiatives across four focus areas:

 <b>EDUCATION</b>	 <b>SKILLS DEVELOPMENT</b>	 <b>MUNICIPAL ASSISTANCE</b>	 <b>HUMANITARIAN EFFORT</b>
Support for primary, secondary, tertiary and consumer education.	Developing insurance skills, including non-life insurance training for youth.	Aiding municipalities where Sasria is most impacted.	Providing relief in disaster-stricken areas.





In 2024/25 Sasria invested R21.6 million through its CSI programme across three of the four focus areas – Education, Skills Development and Humanitarian efforts – with less than 1% of the budget allocated to operational costs. This marks a 33% increase in CSI spend over the previous reporting period (2023/24: R14.4 million).

Measurable CSI outcomes were tracked through quarterly impact reporting and form part of the organisations Socio-Economic Development (SED) score.



Contribution to the NDP & SDGs

Sasria actively contributes to South Africa’s socio-economic transformation in alignment with the goals of the National Development Plan (NDP) and the United Nations Sustainable Development Goals (SDGs). The following table illustrates how the company’s business activities, culture, and investments in SED support South Africa’s NDP and SDG objectives.

PRIORITY AREA	SDG	NDP OBJECTIVES	SASRIA'S CONTRIBUTIONS
<b>ECONOMIC GROWTH, EDUCATION &amp; EMPLOYMENT</b>	<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>  <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	<ul style="list-style-type: none"> <li>Quality basic education</li> <li>A skilled and capable workforce</li> <li>Job creation</li> </ul>	<ul style="list-style-type: none"> <li>Skills development &amp; workforce transformation                             <ul style="list-style-type: none"> <li>Learnerships, Internships &amp; Bursaries</li> <li>Sasria's Youth Month Campaign</li> <li>Develop financial sector skills</li> </ul> </li> <li>CSI initiatives in education and skills development                             <ul style="list-style-type: none"> <li>Adopt-a-School Foundation, supporting professional growth for educators at Lot Phalatse Primary School</li> <li>Primestars Maths &amp; Science Revision Programme</li> <li>Bursaries for the Thuthuka Programme, supporting student studying towards an accounting qualification</li> <li>Support for the South African Actuaries Development Programme</li> <li>Insurance Institute of Gauteng's (IIG) MiDesk Project</li> <li>Participated in the Heritage Day Mega Career Fair</li> </ul> </li> <li>Job creation and talent development                             <ul style="list-style-type: none"> <li>Provide meaningful employment</li> <li>Support job continuity in communities</li> <li>Build and transforming Sasria's talent pool</li> </ul> </li> </ul>
<b>SOCIO-ECONOMIC TRANSFORMATION</b>	<p><b>11</b> SUSTAINABLE CITIES AND COMMUNITIES</p>  <p>Make cities and human settlements inclusive, safe, resilient and sustainable</p>	<ul style="list-style-type: none"> <li>Eradicate extreme poverty</li> <li>Develop sustainable human settlements</li> <li>Build active, safe and cohesive communities</li> </ul>	<ul style="list-style-type: none"> <li>Support investment and local economic development                             <ul style="list-style-type: none"> <li>Instil investor confidence</li> <li>Support local economies through special risk coverage</li> </ul> </li> <li>Support livelihoods                             <ul style="list-style-type: none"> <li>Protect small business owners and restoring liquidity</li> <li>Pay Sasria claims</li> </ul> </li> <li>CSI (Community Upliftment)                             <ul style="list-style-type: none"> <li>Aided in the construction of three houses in Delmas</li> <li>Visited and made donations to an orphanage on Mandela Day</li> </ul> </li> </ul>
<b>RESILIENT INFRASTRUCTURE &amp; ECONOMY</b>	<p><b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>  <p>Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation</p>	<ul style="list-style-type: none"> <li>Expand economic infrastructure</li> <li>Build climate-resilient communities</li> <li>Improve disaster risk management</li> <li>Enhance economic resilience</li> <li>Protect livelihoods</li> </ul>	<ul style="list-style-type: none"> <li>Affordable special risk insurance                             <ul style="list-style-type: none"> <li>Support sustainable SMMEs</li> <li>Fund infrastructure repairs following insured events</li> </ul> </li> <li>Sustainability and capital management                             <ul style="list-style-type: none"> <li>Invest profits responsibly</li> <li>Invest in data technology to predict and limit the impact of special risks</li> <li>Build capital reserves</li> </ul> </li> </ul>
<b>REDUCE INEQUALITY</b>	<p><b>10</b> REDUCED INEQUALITIES</p>  <p>Reduce inequality within and among countries</p>	<ul style="list-style-type: none"> <li>Reduce inequality</li> <li>Narrow the income gap</li> <li>Expand access to economic opportunity</li> </ul>	<ul style="list-style-type: none"> <li>Contribute to transformation                             <ul style="list-style-type: none"> <li>Training and employment of HDIs</li> <li>Emphasis on improving B-BBEE outcomes</li> </ul> </li> <li>Support for SMMEs                             <ul style="list-style-type: none"> <li>Affordable special risk insurance for SMMEs</li> <li>Enterprise and supplier development</li> <li>Contribute to SMME development through CSI</li> </ul> </li> </ul>

PRIORITY AREA	SDG	NDP OBJECTIVES	SASRIA'S CONTRIBUTIONS
<b>BUILD A BETTER SOUTH AFRICA</b>	 <p>Promote peaceful and inclusive societies, provide access to justice for all, and build effective, accountable institutions</p>	<ul style="list-style-type: none"> <li>• Build safer communities</li> <li>• Build a capable and developmental state</li> <li>• Combat corruption and promote accountability</li> <li>• Promote social cohesion and nation-building</li> </ul>	<ul style="list-style-type: none"> <li>➢ Special risk awareness and mitigation                             <ul style="list-style-type: none"> <li>• Data and intelligence capabilities</li> <li>• Sasria Consumer Education Campaign</li> <li>• Stakeholder and community engagement and collaboration</li> </ul> </li> <li>➢ Ethical and integrity-driven organisation                             <ul style="list-style-type: none"> <li>• Disciplined SOE with a strong governance culture</li> <li>• Commitment to transparency and ethics</li> </ul> </li> <li>➢ Support good governance and a developmental state                             <ul style="list-style-type: none"> <li>• Deliver on mandates profitably</li> <li>• Contribute to the fiscus</li> <li>• Support business continuity and tax revenue</li> </ul> </li> </ul>
<b>ADDRESS CLIMATE CHANGE</b>	 <p>Take urgent action to combat climate change and its impacts</p>	<ul style="list-style-type: none"> <li>• Build climate resilience</li> <li>• Disaster risk management</li> </ul>	<ul style="list-style-type: none"> <li>➢ Exploring opportunities to provide coverage for drought and other climate risks                             <ul style="list-style-type: none"> <li>• Research and data gathering</li> <li>• Engagement with National Treasury and other relevant stakeholders</li> </ul> </li> </ul>

### Organisational Culture and Internal Transformation

Sasria conducted a comprehensive Organisational Climate Survey during the year, with a strong participation rate across departments. The survey assessed perceptions of workplace culture, employee wellbeing, inclusivity and leadership.

Key insights included:

- High levels of alignment to organisational values and commitment to Sasria's mandate.
- Identified areas for improvement included communication clarity and work-life balance.
- Launch of tailored interventions to address feedback, with progress monitored quarterly by Human Capital.

Sasria continues to cultivate a workplace that reflects its transformation values, focusing on diversity, equity, inclusion and psychological safety.

### Broad-Based Black Economic Empowerment

Over the reporting period, Sasria made significant progress in enhancing its B-BBEE compliance. On 21 February 2025, Sasria received an updated B-BBEE Certificate – with a verified overall B-BBEE Status of Level 8. The following is a comparison of Sasria's current B-BBEE scorecard, compared to the previous scorecard issued on 5 March 2024. It shows progress against three of the four key indicators.

SCORECARD ELEMENT	ENTITY SCORE 2024/25	ENTITY SCORE 2023/24	WEIGHTING POINTS
MANAGEMENT CONTROL	18.90	15.00	20.00
SKILLS DEVELOPMENT	18.36	14.31	25.00
ENTERPRISE AND SUPPLIER DEVELOPMENT	15.52	0.00	50.00
SOCIO-ECONOMIC DEVELOPMENT	1.71	4.00	5.00
<b>TOTAL</b>	<b>54.49</b>	<b>33.31</b>	<b>100.00</b>

### Responsible Investment Practices

In keeping with our commitment to ethical governance and long-term value creation, we maintain a strong focus on responsible investing. Sasria supports and aligns with both the **Second Code for Responsible Investing in South Africa (CRISA 2)** and the globally recognised **Principles for Responsible Investment (PRI)**, of which we are a signatory.

We recognise that the generation of sustainable returns depends on stable, well-functioning and well-governed social, environmental and economic systems. Accordingly, Sasria actively incorporates environmental, social and governance (ESG) considerations into our investment oversight activities. Our approach includes:

- Supporting and encouraging the integration of ESG factors into investment decisions and asset manager processes;
- Promoting ESG-aligned stewardship and engagement with companies via our appointed asset managers;
- Considering the broader spectrum of risks and opportunities when allocating our multimanager investment portfolio;
- Evaluating the effectiveness of ESG analysis as a fundamental element in assessing the performance and value of investments.

During the review period, Sasria engaged with all appointed asset managers to ensure continued alignment with CRISA 2 and PRI. All our managers have confirmed adherence to these frameworks and demonstrated progress in their ESG integration and stewardship activities. Ongoing consultation and monitoring efforts are supported by our investment consultants to maintain accountability and elevate ESG practices across the portfolio.

### Implementation of the Six Principles for Responsible Investment

Sasria engages in responsible investment to support the generation of long-term sustainable returns. At the same time, Sasria recognises that its investment decisions have broader implications beyond financial performance. Responsible investment enables Sasria to manage ESG risks more effectively, while also contributing to the resilience and sustainability of the South African economy.

The following is an overview of Sasria's progress against the Six Principles of Responsible Investment over the reporting period. These principles are endorsed by the UN and offer guidelines for incorporating ESG into investment practices.

#### Principle 1: Incorporate ESG issues into investment analysis and decision-making

Sasria strongly encourages its asset managers to either be signatories of PRI or to endorse CRISA. Sasria also tailored asset manager agreements to include ESG-specific provisions, ensuring responsible investment principles are embedded in mandates and performance expectations.

#### Principle 2: Be active owners and incorporate ESG issues into ownership practices

Our appointed asset managers act in a fiduciary capacity and are required to reflect ESG issues in all relevant policies and practices. Sasria's investment policy is explicitly geared toward responsible investing, and all mandates are aligned accordingly.

#### Principle 3: Seek appropriate ESG disclosure from investees

For equity portfolios, asset managers are expected to disclose and explain proxy voting results at each quarter-end. They also provide either annual or ad hoc reports on ESG matters, and Sasria collects additional disclosures through a biannual operational due diligence exercise.

#### Principle 4: Promote acceptance and implementation of the principles

ESG factors were systematically integrated into due diligence, manager selection, appointment, and reporting processes. Sasria required evidence of ESG integration during the appointment of incubation managers, ensuring alignment with both UNPRI and CRISA principles.

#### Principle 5: Work together to enhance implementation effectiveness

Sasria actively participates in the responsible investing community through its membership in the PRI and engagement with both local and international forums.

#### Principle 6: Report on activities and progress

Sasria prepares and submits a detailed annual PRI report as required by the relevant authorities.



# SECTION 05

## STRATEGY, PERFORMANCE & OUTLOOK

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## 5.1. Strategic Objectives and Priorities

The 2024/25 financial year marked the first year of implementation of Sasria's new five-year strategy, Vision 2029, which was developed to ensure the organisation's long-term sustainability, resilience and relevance in a changing risk and insurance landscape. This section outlines Sasria's strategic direction, early implementation progress, and initiatives undertaken to strengthen data and intelligence capabilities.

### Vision 2029: Building a Resilient Future

Sasria's Vision 2029 outlines the organisation's ambition to build its own funds of R30 billion by 2029, supported by a strategic focus on long-term value creation for the country, the financial services industry and policyholders.

The strategy is structured around five interrelated strategic pillars:

1. **Secure capital to run the business** – Ensure Sasria is sufficiently capitalised to respond to systemic risk events while meeting regulatory solvency requirements.
2. **Provide desired solutions for customers** – Expand and refine the value proposition to better meet client needs in a rapidly evolving environment.
3. **Transform the financial services industry** – Serve as a public-sector leader in transforming the industry through inclusion, innovation and empowerment.
4. **Deliver sustainable growth** – Ensure sound investment returns, efficient operations, and controlled growth in gross written premiums.
5. **Create capabilities to optimise performance** – Strengthen internal systems, governance, and capacity to enable execution of Sasria's mandate.

These pillars are underpinned by a set of enablers, including customer centricity, digital transformation, strategic partnerships, risk agility, and impact measurement.

### Progress in the First Year (2024/25)

In its first year of implementation, Vision 2029 has already begun to yield encouraging outcomes. Sasria recorded a **profit before tax of R4.1 billion**, more than double the budgeted amount (2.5 times). This was driven by several key factors:

- **Underwriting performance:** A favourable net insurance result, which is 2.1 times more than the target, mainly due to a favourable claims experience.
- **Investment management:** Investment returns exceeded expectations by 61.7%, reinforcing financial resilience.

The weighted average performance score for the organisation is expected to reach approximately 80% by year-end, suggesting strong alignment and execution across the strategic pillars.

These achievements position Sasria well to meet the Vision 2029 targets over the next four years, while reinforcing confidence in the strategy's relevance and applicability.

### Building Data and Intelligence Capabilities

Supporting Pillar 5 – *Create capabilities to optimise performance* – Sasria continued to implement its multi-phase **Data and Intelligence Programme** during the 2024/25 year, with oversight provided by the BCT (Business Change and Technology) Steering Committee and the Board.

The programme is now in **Phase 2: Data Enrichment**, which focuses on the enhancement of data quality, structure, and integration to support deeper business insights and evidence-based decision-making. Key achievements during the year include:

- Completion of foundational work in policyholder data validation and systems readiness (Phase 1).
- Initiation of enterprise-wide data enrichment processes, aligned to regulatory and operational priorities.
- Strengthening of data governance frameworks to improve data accuracy, privacy and reliability.
- Progress in ICT integration and enhanced reporting capabilities to support Sasria's digital transformation objectives.

Sasria also made strategic progress on its broader **Information and Technology agenda**, including:

- Consolidation of ICT governance structures.
- Optimisation of platforms used across finance, HR, risk and claims environments.
- Enhancement of technology risk controls.
- Ongoing implementation of the Data and Intelligence Strategy to drive cross-functional value delivery.

Together, these achievements reflect Sasria's commitment to modernising internal capabilities and creating a technology-enabled organisation that is agile, data-informed, and strategically aligned.

## 5.2. Performance Against Strategy

The 2024/25 financial year marked the beginning of Sasria's new five-year strategic cycle, aimed at positioning the organisation for ongoing impact and resilience in a rapidly changing environment. As outlined in the approved Strategic Plan, Sasria is pursuing three strategic objectives that form the basis for performance measurement and stakeholder value creation.

This section shows Sasria's consolidated performance against the approved Key Performance Indicators (KPIs) outlined in its Annual Performance Plan (APP). The indicators were carefully chosen to measure progress across core business functions, strategic initiatives, and service delivery expectations.

PERFORMANCE AGAINST KEY INDICATORS AND TARGETS

PERFORMANCE INFORMATION FOR THE PERIOD ENDED 31 MARCH 2025						
STRATEGIC OBJECTIVE/PILLAR	WEIGHTING	KEY PERFORMANCE INDICATOR	PERFORMANCE TARGET	BUDGET PERIOD ENDED 31 MARCH 2025	ACTUAL PERFORMANCE	VARIANCES FOR THE PERIOD AND ACTION PLANS
1. Deliver sustainable growth / Sustainable growth	15%	<b>Premium growth (GWP)</b> - Percentage growth of gross written premium income compared to the 2023/2024 financial year.	10%	Budgeted GWP: R5.71 billion.	KPI not achieved.	Variance: Lower premium growth in the industry due to lower GDP and CPI. Sasria still managed to grow above the industry average of 6% as per our strategic view.
				Actual GWP current year: R5.87 billion	Actual GWP prior year: R5.38 billion	GWP is 9.2% above prior year.
2. Deliver sustainable growth / Optimise investment returns	10%	<b>Investment returns</b> - Percentage of net investment income for the year divided by average assets under management for the year.	CPI + 2%	Budgeted net investment income: R784 million.	KPI achieved.	Variations: None
					The portfolio has exhibited a net return of 9.0% compared to the CPI of 5.2% on a 1-year basis.	Actual of CPI +3.8%
3. Provide desired solutions to customers / Increase policyholder satisfaction	10%	<b>Claims overturned by the ombudsman</b> – Claims overturned by the National Financial Ombud Scheme (NFO), as a percentage of the total claims received.	≤0.5%	Included in the budget.	KPI achieved.	Variations: None
					Six complaints were received from NFO against the total number of 908 claims received during the period.	Net Investment income for the period amounted to R1.27 billion.
4. Provide desired solutions to customers / Increase agent company / broker satisfaction	10%	<b>Net promotor score</b> - Net promotor score as per annual surveys.	50	Included in the budget.	KPI achieved.	Variance: None
					One claim was overturned by NFO. Therefore, the overturn rate is 0.1%	Based on the latest annual Sasria brand, product and customer survey, Sasria achieved a net promoter score of 75.

PERFORMANCE INFORMATION FOR THE PERIOD ENDED 31 MARCH 2025						
STRATEGIC OBJECTIVE/PILLAR	WEIGHTING	KEY PERFORMANCE INDICATOR	PERFORMANCE TARGET	BUDGET PERIOD ENDED 31 MARCH 2025	ACTUAL PERFORMANCE	VARIANCES FOR THE PERIOD AND ACTION PLANS
5. Create capabilities to optimise performance / Improve cost control; efficiency of the claims process	10%	<b>Fast-track claims effectiveness &amp; efficiency -</b> Fast-track claims turnaround time.	90% of fast-track claims settled within 25 working days (where all relevant information is available) <sup>1</sup>	Included in the budget.	KPI achieved.  97% of fast-track claims received, were settled within 25 days.	Variance:  KPI achieved for claims that have reached TAT.
6. Create capabilities to optimise performance / Improve cost control; efficiency of the claims process	10%	<b>Large loss claims effectiveness &amp; efficiency -</b> Large loss claims turnaround time.	70% of large losses finalised within 50 working days (where all relevant information is available)	Included in the budget.	KPI achieved.  91.3% of large loss claims received, were settled within 50 days.	Variance:  KPI achieved for claims that have reached TAT.
7. Create capabilities to optimise performance / Employee Retention	10%	<b>Retain Key and Critical skills -</b> Turnover rate of key and critical employees.	Not greater than 10%	Included in the budget.	KPI achieved.  The total number of key and critical skill employees for the financial year was 21, one resignation was reported which resulted in a turnover rate of 4.8%	Variance:  None
8. Deliver sustainable growth / Sustainable growth	5%	<b>Operational efficiency -</b> Expenses for administration and marketing (less depreciation, STI and LTI) as a percentage of GWP.	6% - 7%	Included in the budget.	KPI achieved.  Actual performance: 4.8%	Variance:  None

<sup>1</sup> Claims below an estimated value of R250,000.

PERFORMANCE INFORMATION FOR THE PERIOD ENDED 31 MARCH 2025						
STRATEGIC OBJECTIVE/PILLAR	WEIGHTING	KEY PERFORMANCE INDICATOR	PERFORMANCE TARGET	BUDGET PERIOD ENDED 31 MARCH 2025	ACTUAL PERFORMANCE	VARIANCES FOR THE PERIOD AND ACTION PLANS
9. 'Business as usual' // Improve governance, risk & compliance	5%	<b>Irregular, fruitless, and wasteful expenditure</b> - Reported in the annual financial statements.	Nil	Included in the budget.	KPI not achieved.  Budgeted Fruitless and wasteful expenditure: R0  Actual Fruitless and wasteful expenditure YTD: R24,314,00  Budgeted irregular expenditure: R0  Actual irregular expenditure YTD: R588,299,00	Variations:  The fruitless and wasteful expenditure relates to an overpayment of a claim and a conference cancellation fee.  The irregular expenditure relates to asset management fees paid in respect of expired contracts and investment cost incurred beyond the approved mandate.
10. 'Business as usual' // Improve governance, risk & compliance	5%	<b>Unethical behavior</b> - Reported incidents of unethical behavior investigated.	100%	Included in the budget.	KPI achieved.  Five matters were reported and investigated during the financial year.  Two are completed and three draft reports have been issued.	Variance:  None
11. 'Business as usual' // Improve governance, risk & compliance	5%	<b>PFMA compliance</b> - PFMA submissions within the stipulated deadlines.	100%	Included in the budget.	KPI achieved.  All PFMA submissions for the period were made timeously.	Variance  None
12. 'Business as usual' // Improve governance, risk & compliance	5%	<b>External Audit Opinion</b> - Audit opinion for the financial year ending March 2025.	Unqualified opinion	Included in the budget.	KPI achieved.  Sasria achieved an unqualified audit opinion for the financial year ended 31 March 2025.	Variance: None.

## Performance Analysis

The 2024/25 performance cycle reflects Sasria's commitment to strategic delivery, operational resilience, and sound governance in the first year of its new five-year strategy. Of the 12 key performance indicators tracked during the year, ten were achieved, two were not achieved.

Sasria **outperformed on key operational and financial metrics**, including investment returns (CPI +3.8%), claims efficiency, and cost control. Fast-track and large loss claims were finalised well within target turnaround times, reinforcing operational agility and process optimisation. The operational expense ratio came in at 4.8%, well below the target range of 6–7%, demonstrating strong cost discipline.

The **Gross Written Premium (GWP) grew by 9.2%, against the target of 10%**, reaching R5.87 billion, outperforming the industry average growth of 6%, signalling Sasria's resilience in a sluggish macroeconomic environment.

Transformation and employee-related targets were also met. Sasria retained critical talent, with only one resignation among key roles, and met the 100% target for investigating reported unethical conduct. PFMA compliance remained flawless, with all submissions made on time.

Notably, Sasria continued to experience strong customer responsiveness, maintaining a low claims overturn rate of 0.1% in relation to the 908 claims received. Based on the latest annual Sasria brand, product and customer survey, the organisation achieved a Net Promoter Score (NPS) of 75. Sasria also achieved an unqualified audit opinion for the financial year ended 31 March 2025.

**Two exceptions were recorded** under compliance:

- **R24,314.00** in fruitless and wasteful expenditure related to an overpaid claim and a cancellation fee
- **R588,299.00** in irregular expenditure due to asset management fees paid under expired contracts and investment costs beyond the approved mandate

These incidents were disclosed in accordance with public sector reporting requirements, and appropriate internal controls have since been reinforced.

Overall, Sasria delivered a strong performance in 2024/25, establishing a firm foundation for ongoing strategic execution and stakeholder value creation.

## 5.3. Strategic Opportunities

Sasria begins the 2025/26 financial year with renewed strategic momentum after completing the first year of its five-year strategic plan – Vision 2029, which targets increasing the company's own funds to R30 billion by 2029. Based on internal and external assessments, scenario planning, and performance trends, several key strategic opportunities have been identified to help Sasria realise this vision despite the challenging risk environment.

### Building on Financial Performance

Sasria continued to build financial resilience in 2024/25, reporting profit before tax of R4.1 billion. Opportunities exist to strengthen reserves, diversify investment strategies, and leverage the increased equity base (which grew to R18.6 billion) to support strategic initiatives.

### Deepening Risk-Based and Inclusive Solutions

There is an opportunity to refine Sasria's underwriting philosophy and expand its product range through risk-based pricing, loss limits, and policy wording improvements. This will enable better alignment of products with the underlying risk environment and customer needs. Sasria has also identified opportunities to offer cover beyond the agent mandate, subject to viability assessments, and to consider alternative structures such as Public-Private Partnerships (PPPs) and catastrophe (CAT) bonds.

### Data-Driven Risk Intelligence

Ongoing investment in data and intelligence acts as a strategic tool to improve underwriting and risk management. The 2024/25 period indicated significant progress in Sasria's Data Intelligence Programme, and the coming year offers a chance to embed this capability more thoroughly throughout the organisation. Developing strong risk and business intelligence platforms can further support proactive responses to emerging risks and claims patterns.

### Reinsurance Strategy and Shareholder Collaboration

Sasria has begun exploring new reinsurance structures, including wrap-around solutions and the potential of CAT bonds. Shareholder support and cooperation with government departments remain vital elements of Sasria's capital strategy. Enhancing reinsurance capacity while reducing costs presents a long-term chance to maintain solvency during extreme event scenarios.

### Enhancing Operational Efficiency and Talent Retention

Sasria has identified internal optimisation, particularly through digital systems, process automation, and enhanced cross-functional collaboration, as a key opportunity. Furthermore, attracting and retaining scarce skills and critical talent remains a priority, especially in the actuarial, technology, and underwriting sectors. Strategic human capital investments can boost performance across functions and support the preservation of institutional knowledge.

### Impactful CSI and ESG Integration

As part of its wider transformation journey, Sasria is exploring opportunities to enhance the impact of its Corporate Social Investment (CSI), especially in addressing youth unemployment, education, and community resilience. Aligning with ESG imperatives and responsible investment principles further allows Sasria to take on a catalytic role within the financial services ecosystem while supporting the national development agenda.

### Strategic Foresight and Scenario Responsiveness

Finally, Sasria continues to utilise scenario planning frameworks, to identify and respond to potential future states of the South African risk environment. This approach enables the company to gain strategic foresight, adjust its direction, allocate resources effectively, and advocate for systemic reforms in areas such as risk mitigation and infrastructure resilience.





**DIRK KUNZ**  
Chief Financial Officer

# CFO's REPORT



## Financial performance highlights

**R5.8 billion**

Insurance Revenue  
2024: R5.3 billion

**R666.3 million**

Gross Claims Incurred  
2024: R481.4 million

**R592.2 million**

Net Reinsurance Expense  
2024: R1.3 billion

**R2.9 billion**

Net Insurance Result  
2024: R2.0 billion

**R1.3 billion**

Net Investment Income  
2024: R1.0 billion

**R4.5 billion**

Profit for the year  
2024: R3.3 billion



## Financial position highlights

**R16.7 billion**

Assets Under Management  
2024: R13.3 billion

**R18.6 billion**

Equity  
2024: R14.1 billion

**R1.6 billion**

Reinsurance Contracts  
2024: R1.1 billion

**R2.1 billion**

Insurances Contracts Liabilities  
2024: R2.0 billion

## Own funds increased by R4.5 billion to R18.6 billion, taking the business a major step forward to its target of R30 billion.

The financial outcomes of the 2024/25 financial year have assisted significantly in establishing the appropriate capital base for Sasria to withstand probable future catastrophic events like the ones experienced in July 2021. Own funds increased by R4.5 billion to R18.6 billion, taking the business a major step forward to its target of R30 billion.

Insurance revenue grew by a healthy 9,7% within a low growth and low inflationary economic environment. Combined with low levels of claims of R666 million, insurance results showed an improvement of 7% on 2023/24 to R3.5 billion.

The net reinsurance expense was significantly lower than the previous year due to a new quota share reinsurance arrangement with a ceding rate of 20% of written premiums (2023/24: 42,4%). As a result, the net insurance result was R2.9 billion, a 48,9% increase compared to 2023/24.

The reinsurance asset balance remains high as the profit commission for the previous year's quota share of R1,1 billion is still receivable as at 31 March 2025.

Investment income contributed R1,3 billion as the company took advantage of the high cash rates prevalent during the year. Assets under management amounted to R16,7 billion by 31 March 2025.

The company has recognised a further R590 million as a deferred tax asset during the year whilst applying 80% thereof against taxable income resulting in the low tax expense of R362 million.

### Investments

The Board approved a revised investment strategy during the year that considers a broader range of asset classes within the context of asset-liability matching and increasing assets under

management. The objectives of the investment strategy are to ensure capital preservation, improve investment returns, contribute to transformation and enhance responsible investing.

### Procurement

Sasria continues to maintain specific objectives for tenders as part of its procurement policy. These objectives target preference for black owned (more than 50%), black women owned (more than 30%), qualifying small enterprises (QSE's) and exempt micro enterprises (EME's).

The company's supplier development incubation programme remains a cornerstone of the company's transformation drive. More than R2.0 billion of assets under management were allocated to the incubation asset managers by 31 March 2025. The revised investment strategy further targets more than 80% of all assets under management to be allocated to black-owned asset managers over the medium term.

### Outlook

The accumulation of sufficient own funds or reserves for claims from a future catastrophic event remains at the core of the company's strategy. Minimising controllable spend, transforming the financial sector and maintaining good investment governance, will remain the focus during the next year.

The company anticipates that it will allocate assets under management to a broader range of asset classes and asset managers, including incubation asset managers, in the coming year. This will include longer dated money market maturities and protected equity, to be expanded to limited hedge funds and infrastructure funds over time.

**Dirk Kunz**  
*Chief Financial Officer*

## ANNUAL FINANCIAL STATEMENTS EXTRACT

## Statement of comprehensive income

For the year ended 31 March 2025

	Note	MOVEMENT		MOVEMENT		2022/23 R'000
		2024/25	2024/25	2023/24	2023/24	
		R'000	%	R'000	%	
Insurance Revenue	1	5 759 562	9,7%	5 251 296	17,6%	4 464 017
Insurance service expenses	2	(2 218 074)	(14,2%)	(1 941 574)	(2526,8%)	80 007
Claims		666 281	(38,4%)	481 411	(131,7%)	(1 519 009)
Expenses		853 067	(8,3%)	787 573	(0,9%)	780 214
Amortisation of insurance acquisition cash flows		698 726	(3,9%)	672 590	(2,1%)	658 788
<b>Insurance service result</b>		<b>3 541 488</b>	<b>7,0%</b>	<b>3 309 722</b>	<b>(27,2%)</b>	<b>4 544 024</b>
Insurance expenses for reinsurance contracts held		(812 534)	33,3%	(1 217 520)	7,0%	(1 309 132)
Insurance service income for reinsurance contracts held		220 305	297,6%	(111 477)	(151,4%)	216 992
<b>Net reinsurance expense</b>	<b>3</b>	<b>(592 229)</b>	<b>55,4%</b>	<b>(1 328 997)</b>	<b>(21,7%)</b>	<b>(1 092 140)</b>
<b>Net insurance service result</b>		<b>2 949 259</b>	<b>48,9%</b>	<b>1 980 725</b>	<b>(42,6%)</b>	<b>3 451 884</b>
Investment Income		1 283 758	25,5%	1 023 240	47,5%	693 516
Expenses for investment-related activities		(16 443)	6,5%	(17 577)	(136,6%)	(7 428)
<b>Net investment income</b>	<b>4</b>	<b>1 267 315</b>	<b>26,0%</b>	<b>1 005 663</b>	<b>46,6%</b>	<b>686 088</b>
Finance income/(expenses) from insurance contracts		(75 380)	33,4%	(113 129)	69,3%	(368 158)
Finance income/(expenses) from reinsurance contracts		13 956	22,7%	18 044	(80,9%)	94 403
<b>Net insurance finance income/(expenses)</b>		<b>(61 424)</b>	<b>35,4%</b>	<b>(95 085)</b>	<b>65,3%</b>	<b>(273 755)</b>
<b>Net insurance and investment result</b>		<b>4 155 150</b>	<b>43,7%</b>	<b>2 891 303</b>	<b>(25,2%)</b>	<b>3 864 217</b>
Other income		1 092	44,8%	754	(90,2%)	7 690
Other operating expenses		(49 577)	(12,6%)	(44 012)	(28,7%)	(34 187)
<b>Income/expenses from non-attributable operations</b>		<b>(48 485)</b>	<b>(12,1%)</b>	<b>(43 258)</b>	<b>(63,3%)</b>	<b>(26 497)</b>
<b>Profit before other finance cost and tax</b>		<b>4 106 665</b>	<b>44,2%</b>	<b>2 848 045</b>	<b>(25,8%)</b>	<b>3 837 720</b>
Other Finance costs		(119)	39,3%	(196)	(460,0%)	(35)
<b>Profit before tax</b>		<b>4 106 546</b>	<b>44,2%</b>	<b>2 847 849</b>	<b>(25,8%)</b>	<b>3 837 685</b>
Taxation		362 437	(25,2%)	484 831	629,0%	(91 655)
<b>Profit for the year</b>		<b>4 468 983</b>	<b>34,1%</b>	<b>3 332 680</b>	<b>(11,0%)</b>	<b>3 746 030</b>
Other comprehensive income		-		-		-
<b>Total comprehensive income for the year</b>		<b>4 468 983</b>	<b>34,1%</b>	<b>3 332 680</b>	<b>(11,0%)</b>	<b>3 746 030</b>

## ANNUAL FINANCIAL STATEMENTS EXTRACT

Note	MOVEMENT		MOVEMENT		2022/23 R'000
	2024/25	2024/25	2023/24	2023/24	
	R'000	%	R'000	%	
Claims ratio	11,6%		9,2%		(34,0%)
Management expenses ratio	15,7%		15,8%		18,2%
Acquisition cash flows ratio	12,1%		12,8%		14,8%
Net insurance service margin	51,2%		37,7%		77,3%
Insurance Revenue per employee	34 080		33 879		30 367
Effective tax rate	(8,8%)		(17,0%)		2,4%
Reinsurance premiums as a % of Insurance Revenue	14,1%		23,2%		29,3%

1. Insurance revenue grew by 9.7% (2024 : 17.6%) within a low growth and low inflationary economic environment, the growth for 2024 was as a results of premium price increase effected in February 2022.
2. The Insurance service expenses increased by 14.2% (2024: 2526.8%) and this was attributable the reversal of July 2021 claims in both the financial years.
3. The net reinsurance expense decreased by 55.4% (2024: Increase of 21.7%), the current year decrease is mainly attributable to reduced quota share ceding rate and the prior year increase is mailny attributable to the impact of reversal of July 2021 claims.
4. The net investment income increased by 26.0% (2024: 46.6%) and this was as a results of the favourable interest returns earned on an increased assets under management. The significant increase in prior year was due to reimplemention of the investment strategy following the July 2021 unrest.

## ANNUAL FINANCIAL STATEMENTS EXTRACT

## Statement of financial position

As at 31 March 2025

Note	MOVEMENT		MOVEMENT		2022/23 R'000
	2024/25	2024/25	2023/24	2023/24	
	R'000	%	R'000	%	
<b>Assets</b>					
	46 950	(14,8%)	55 082	(8,4%)	60 138
	17 743	(14,3%)	20 693	172,5%	7 593
1	2 050 210	40,4%	1 460 284	78,6%	817 487
	Financial assets				
2	10 681 981	39,9%	7 637 377	16,7%	6 546 617
	Financial assets at fair value through profit and loss				
	640 722	11,5%	574 690	26,9%	452 908
	Financial assets at amortised cost				
3	1 583 166	38,0%	1 147 222	(35,6%)	1 780 856
	Reinsurance contracts assets				
	17 134	(32,5%)	25 392	(87,1%)	196 420
	Prepayments				
	-	0,0%	-	(100,0%)	82 101
	Other receivables				
4	5 875 721	6,2%	5 532 129	34,0%	4 127 328
	Cash and cash equivalents				
	<b>20 913 627</b>	<b>27,1%</b>	<b>16 452 869</b>	<b>16,9%</b>	<b>14 071 448</b>
	<b>Total assets</b>				
<b>Equity</b>					
	22 000 000	0,0%	22 000 000	0,0%	22 000 000
	Share capital				
5	(3 388 476)	56,9%	(7 857 459)	29,8%	(11 190 139)
	Accumulated loss				
	<b>18 611 524</b>	<b>31,6%</b>	<b>14 142 541</b>	<b>30,8%</b>	<b>10 809 861</b>
	<b>Total equity</b>				
<b>Liabilities</b>					
	13 728	18,4%	16 820	(100,0%)	-
	Lease liability				
6	2 061 759	(4,1%)	1 980 979	35,5%	3 071 123
	Insurance contracts issued that are liabilities:				
	32 775	60,1%	82 071	(25,2%)	65 526
	Reinsurance contracts liabilities				
	46 761	(20,3%)	38 865	(1,9%)	38 124
	Employee benefit liability				
	19 233	31,9%	28 249	(43,3%)	19 710
	Current tax payable				
	127 847	21,7%	163 344	(143,4%)	67 104
	Payables				
	<b>2 302 103</b>	<b>0,4%</b>	<b>2 310 328</b>	<b>29,2%</b>	<b>3 261 587</b>
	<b>Total liabilities</b>				
	<b>20 913 627</b>	<b>27,1%</b>	<b>16 452 869</b>	<b>16,9%</b>	<b>14 071 448</b>
	<b>Total equity and liabilities</b>				
	12,4%		16,3%		30,2%
	Debt equity ratio				
	908,5%		712,1%		431,4%
	Total assets to liabilities				
	29,0%		26,3%		55,6%
	Return on equity				

## Notes

- Deferred tax asset increase by 40.4% (2024: 78.6%) was attributable to an increase in deferred tax relating to the assessed loss as a result of an increase in forecasted profits.
- Financial assets at fair value through profit and loss increased by 39.9% (2024: 16.7%) and this was mainly attributable to the implementation of an investment strategy that resulted in an allocation of funds from cash and cash equivalents to financial assets at fair value through profit or loss.
- Reinsurance contracts assets increased by 38.0% (2024: decrease by 35.6%), the increase in the current financial year is mainly attributable to decrease in ceding rate as well as contingent profit commission balance. The decrease in financial year 2024 is due to higher ceding rate.
- Cash and cash equivalents increased by 6.2% (2024: 34.0%) and this was mainly attributable to premium (net of expenses) received in the current financial year reduced by the allocation to financial assets measured at fair value through profit or loss.
- Accumulated loss decreased by 56.9% (2024: 29.8%) and this was attributable to profit reported in the current year
- Insurance contracts issued that are liabilities Increased by 4.1% (2024: Decreased by 35.5%), the increase in the current financial year is mainly attributable to increase in unearned premium reserves and the decrease in the last financial year is mainly attributable to reversal of July 2021 claims.

# ANNUAL FINANCIAL STATEMENTS EXTRACT

## Statement of cash flows For the year ended 31 March 2025

Note	MOVEMENT		MOVEMENT		2022/23 R'000
	2024/25	2024/25	2023/24	2023/24	
	R'000	%	R'000	%	
<b>Cash flows from operating activities</b>					
Cash used in operations	2 369 607	31,6%	1 801 198	141,1%	(4 383 559)
Dividends received	2 930	(73,6%)	11 105	100,0%	0
Interest received	1 177 063	48,2%	794 141	36,6%	581 472
Interest paid	(1 542)	15,6%	(1 828)	(352,5%)	(404)
Income tax paid	(236 505)	(58,3%)	(149 427)	14,9%	(175 554)
<b>Net cash used in operating activities</b>	<b>3 311 553</b>	<b>34,9%</b>	<b>2 455 189</b>	<b>(161,7%)</b>	<b>(3 978 045)</b>
<b>Cash flows from investing activities</b>					
Purchase of property and equipment	(4 699)	(113,2%)	(2 204)	41,6%	(3 774)
Proceeds on disposal of property and equipment	464	262,5%	128	52,4%	84
Purchases relating to intangible assets	(439)	81,8%	(2 412)	44,8%	(4 368)
Net (purchase) / sale of financial assets	(2 960 195)	(183,7%)	(1 043 397)	83,8%	(6 456 740)
<b>Net cash (used in) / from in investing activities</b>	<b>(2 964 869)</b>	<b>(182,9%)</b>	<b>(1 047 885)</b>	<b>83,8%</b>	<b>(6 464 798)</b>
<b>Cash flows from financing activities</b>					
Cash payment relating to principal lease liability	(3 092)	(23,5%)	(2 503)	70,9%	(8 610)
<b>Net cash flow (used in) / from financing activities</b>	<b>(3 092)</b>	<b>(23,5%)</b>	<b>(2 503)</b>	<b>70,9%</b>	<b>(8 610)</b>
<b>Net increase in cash and cash equivalents</b>	<b>343 592</b>	<b>(75,5%)</b>	<b>1 404 801</b>	<b>113,4%</b>	<b>(10 451 453)</b>
Cash and cash equivalents at the beginning of the year	5 532 129	34,0%	4 127 328	(71,7%)	14 578 781
<b>Cash and cash equivalents at the end of the year</b>	<b>5 875 721</b>	<b>6,2%</b>	<b>5 532 129</b>	<b>34,0%</b>	<b>4 127 328</b>

# NATIONAL TREASURY COMPLIANCE REPORTING

## Irregular expenditure

### Reconciliation of irregular expenditure

Opening balance

Add: Irregular expenditure confirmed

**Closing balance**

2025	2024
R'000	R'000
20 620	3 790
588	16 830
<b>21 208</b>	<b>20 620</b>

### Reconciling notes to the annual financial statement disclosure

Irregular expenditure that relates to prior years and identified in 2023/24

Irregular expenditure for the current year

**Total**

2025	2024
R'000	R'000
-	4 784
588	12 046
<b>588</b>	<b>16 830</b>

## Fruitless and wasteful expenditure

### Reconciliation of Fruitless and wasteful expenditure

Opening balance

Add: Fruitless and wasteful expenditure confirmed

Less: Fruitless and wasteful expenditure recovered

**Closing balance**

2025	2024
R'000	R'000
59 259	29 865
24	22 265
(641)	(79)
<b>58 642</b>	<b>52 052</b>

### Reconciling notes to the annual financial statement disclosure

Fruitless and wasteful expenditure that was under assessment in 2023/24

Fruitless and wasteful expenditure that relates to 2022/23 and identified in 2023/24

Fruitless and wasteful expenditure for the current year

**Total**

2025	2024
R'000	R'000
-	18 000
-	75
24	4 190
<b>24</b>	<b>22 265</b>

### Details of current and previous year fruitless and wasteful expenditure

Fruitless and wasteful expenditure under assessment

2025	2024
R'000	R'000
-	18 000

### Details of current and previous year fruitless and wasteful expenditure recovered

Fruitless and wasteful expenditure recovered

2025	2024
R'000	R'000
-	(79)

## Procurement by other means

Project description	Service Provider	Type	Value R'000
Legal services	Norton Rose Fulbright Inc	Deviation	Included in the claims cost budget
Legal services	Clyde & Co.	Deviation	1 000
Technology advisory services	Gartner South Africa (Pty) Ltd	Close Tender	7 487
Forensic investigation services	Duja Consulting, Blitz Forensic and UBAC	Deviation	400
Municipal IQ's Hotspots Monitor subscription services	Municipal IQ	Sole source	645
Internet services	Vox Telecommunications	Single Source	222
Digital signature services	Altron Security, A division of Altron TMT	Single Source	106
Payroll management services	Deel Software Solutions (Pty) Ltd	Single Source	326





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