INTEGRATED REPORT 2026

sasria SOC LTD



BUILDING RESILIENCE
BEYOND THE CLAIM



PROTECTING POSSIBILITY

BUILDING RESILIENCE BEYOND THE CLAIM

sasria SOC LTD

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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; and Growthstone Assurance Inc.
Registered Office	36 Fricker Road, Illovo, Sandton, 2196
Postal Address	PO Box 653367, Benmore, 2010
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Acronyms **& Abbreviations**

APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment
BProc	Bachelor of Procurationis
CA (SA)	Chartered Accountant (South Africa)
CEO	Chief Executive Officer
CERA	Chartered Enterprise Risk Actuary
CFO	Chief Financial Officer
COFI Bill	Conduct of Financial Institutions Bill
CPI	Consumer Price Index
CRISA 2	Second Code for Responsible Investing in South Africa
CSI	Corporate Social Investment
CTA	Certificate in the Theory of Accounting
EaR	Earnings at Risk
ERM	Enterprise Risk Management
ESG	Environmental, Social and Governance
FASSA	Fellow of the Actuarial Society of South Africa
FIISA	Fellow of the Insurance Institute of South Africa
FSC	Financial Sector Code
FSCA	Financial Sector Conduct Authority
GRI	Global Reporting Initiative
GWP	Gross Written Premium
HR	Human Resources
ICT	Information and Communication Technology
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
IoDSA	Institute of Directors in South Africa
KPI	Key Performance Indicator
LLB	Bachelor of Laws
MBA	Master's in Business Administration
NDP	National Development Plan
NSFAS	National Student Financial Aid Scheme
ORSA	Own Risk and Solvency Assessment
PGP Dip	Postgraduate Programme Diploma
PFMA	Public Finance Management Act
PRI	Principles for Responsible Investment
Sasria	South African Special Risks Insurance Association
SED	Socio-Economic Development
SME	Small and Medium Enterprise
SMMEs	Small, Medium and Micro Enterprises
SOC	State-Owned Company





SECTION 01

STRATEGIC LEADERSHIP & REPORT OVERVIEW

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sasria SOC LTD



Foreword by the **Minister of Finance**

South Africa's economic resilience depends on our capacity to absorb shocks. Sasria SOC Ltd holds a unique position in this regard. It is the only non-life insurer in the country, and one of very few in the world, that provides affordable cover against damage arising from riots, strikes, terrorism, civil commotion and public disorder.

In doing so it protects households, businesses and public institutions against risks that conventional insurance markets cannot carry alone, and it does so without drawing on the fiscus in the ordinary course of business.

The 2025/26 financial year once again demonstrated the value of Sasria's mandate. Sasria recorded a profit of R5.2 billion and ended the year with reserves of R23.8 billion, marking continued progress in rebuilding its capital base following the events of July 2021.

This strengthening position matters: it protects the economy against the lasting damage of systemic unrest, and it restores Sasria's capacity to respond to future catastrophe events.

Government's engagement with Sasria during the year focused on two related matters: Sasria's capital strength and the scope of its mandate. In respect of capital strength, National Treasury commends Sasria's strategic objective of reaching R30 billion in own funds. Retaining earnings to rebuild this buffer is important because it strengthens Sasria's resilience and ultimately protects the fiscus.

On the second, there is a serious case for examining whether the risks Sasria carries should extend beyond politically motivated unrest to climate-related and agricultural perils, which are increasingly systemic and from which conventional insurance markets are already retreating. Sasria has assessed the pricing, reinsurance and operational implications at a preliminary level, and that work is under consideration. A broader mandate must be matched by capital, reinsurance capacity and the actuarial discipline to price risks that are still poorly understood.

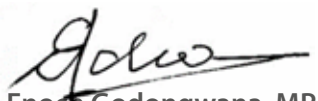
Sasria has effectively closed the chapter on the July 2021 unrest, with only R77 million in claims remaining open from total losses of R31.3 billion. This represents substantial closure of a difficult period, achieved alongside the rebuilding of the balance sheet. It should not, however, be mistaken for the end of the risk.

The pressures that shape Sasria's operating environment remain firmly in place: strained municipal service delivery, failing water infrastructure, labour unrest, youth unemployment and protests against undocumented immigrants, at levels no economy can absorb indefinitely.

The local government elections of November 2026 fall within the year ahead. Government's expectation is that Sasria continues to strengthen its risk intelligence, extend affordable cover to the small and medium enterprises least able to absorb a loss, and price its products so that this cover remains within reach.

A state-supported special risk insurer is not a South African peculiarity; comparable institutions operate in Spain, the United Kingdom, the United States and Australia, precisely because private markets alone cannot carry risks of this kind. The state's role is to make certainty possible where the market cannot, and Sasria's task is to need that support as rarely as possible.

I thank the Chairperson, Dr Nolwandle Mgoqi, the Board, and the Chief Executive Officer, Mr Mpumi Tyikwe, the Executive Committee and staff for their stewardship of this national asset during the year under review.



Enoch Godongwana, MP
Minister of Finance
18 August 2026



Chairperson's **Report**

The 2025/26 financial year marked the second year of implementing Vision 2029. The Board is pleased to report that Sasria continued to make meaningful progress in strengthening its financial resilience, operational capability and ability to fulfil its important public mandate.

Sasria delivered a profit of R5.2 billion, increased gross written premium by 9.2% to R6.4 billion and closed the year with equity of R23.8 billion — well ahead of the Board-approved target of R20.3 billion. Significantly, the accumulated loss that had weighed on the balance sheet since the events of July 2021 was fully reversed. The company now carries positive retained earnings of R1.8 billion. This represents an important milestone in Sasria's recovery and reflects the disciplined execution of the strategy, prudent financial management and sustained commitment of the organisation's people.

The Board's oversight during the year focused on the effective and disciplined implementation of the strategic plan. Nine of the eleven key performance indicators approved for the year were achieved. The Board acknowledges, however, that targets relating to the socio-economic development element of the B-BBEE scorecard and the incidence of irregular expenditure and fruitless and wasteful expenditure were not achieved. Management has instituted remedial actions, and the Board, through its committees, will continue to monitor their implementation closely. Maintaining the highest standards of governance, accountability and ethical conduct remains non-negotiable.

Sasria continues to operate in a demanding and increasingly complex environment. Subdued economic growth, pressure on public infrastructure, elevated unemployment, social instability and a hardened reinsurance market all shape the risk landscape in which the company operates. Against this backdrop, the Board paid particular attention to the sustainability of the reinsurance programme, including the increased quota-share ceding rate; the adequacy and resilience of Sasria's capital position; and the continued enhancement of the data and risk-intelligence capabilities required to understand, anticipate and appropriately price the special risks that Sasria exists to cover.

The Board also devoted significant attention to the future scope of Sasria's mandate. Feasibility work relating to agricultural and climate-related cover continued during the year. This work remains exploratory, and the perils, target market and product design have yet to be defined. The Board position remains that any extension of Sasria's mandate must follow — and not precede — the necessary legislative authority. This authority rests with National Treasury and Parliament.

In parallel, work continued on the reintroduction of wrap cover, which became effective on 1 April 2026. The arrangement has been structured so that Sasria retains 20% of the risk, with the balance ceded to reinsurers. Work also continued on the proposed enhancement of ministerial powers to provide greater clarity regarding Sasria's mandate. In May 2026, the Board reported to the Select Committee on Finance on these matters, as well as on Sasria's capital and governance position.

Transformation remains integral to Sasria's purpose and long-term sustainability. During the year, the company invested R43.7 million in corporate social investment, with education and skills development remaining its primary pillars. Sasria also continued to apply responsible-investment principles across its investment portfolio through its appointed asset managers. The Board remains committed to ensuring that Sasria's broader social contribution is measurable, sustainable and aligned with the needs of South Africa.

The composition of the Board changed materially during the year. The terms of Ms Japhtaline Maisela, Mr Sathie Gounden and Mr Desmond Marumo as members of the Board ended on 4 March 2026. On behalf of the Board and Sasria, I thank each of them for their years of committed service and valuable contribution.

We welcomed five new non-executive directors with effect from 4 March 2026: Ms Mmathabo Sukati, Ms Nomusa Mufamadi, Ms Afika Macingwane, Ms Vuyelwa Matsiliza and Mr Nkhumeleni Musekwa. Their collective expertise across audit, reinsurance, actuarial science, finance and governance broadens and strengthens the Board's skills base.

The Chief Financial Officer, Mr Dirk Kunz, was appointed to the Board as an executive director on 17 April 2026. Ms Noxolo Abraham was appointed as a non-executive director after the end of the 2025/26 financial year, with effect from 20 May 2026. These appointments support the renewal of the Board and reinforce the range of skills required to guide Sasria through its next phase of development.

In the year ahead, the Board's priorities will include the continued strengthening of Sasria's capital resilience; rigorous oversight of the data and risk-intelligence programme; further development of the corporate social investment operating model; and focused succession and skills planning following the renewal of the Board. The Board will also continue to oversee the execution of Vision 2029 and ensure that Sasria remains financially sustainable, operationally prepared and responsive to the evolving needs of the country.

On behalf of the Board, I thank our shareholder, represented by National Treasury, for its continued support and constructive engagement. I also extend our appreciation to the Chief Executive Officer, Mr Mpumi Tyikwe, the executive leadership team and all the people of Sasria for their commitment and hard work throughout the year. The results presented in this report are a testament to their collective contribution.

As Chairperson, I remain confident in Sasria's resilience, strategic direction and capacity to fulfil its distinctive national mandate. The Board will continue to provide the leadership and oversight necessary to safeguard this important institution and ensure that it remains ready to serve South Africa when it is needed most.



Dr Nolwandle Mgoqi
Chairperson of the Board



CEO's **Report**

The 2025/26 financial year was a year of consolidation by strengthening our capital position, deepening the skills set within the organisation, enhancing our operational efficiency and building our predictive analytics capability. Sasria is a unique specialist insurer in the South African non-life insurance market as it covers damages to property due to the following perils, Terrorism, Labour Unrest, Civil Commotion & Public Disorder. These perils are caused by human behaviour which makes them difficult to predict. I am pleased that in a tough operating environment of subdued economic growth, strained public infrastructure and a hardening reinsurance market, the company grew gross written premium by 9.2% to R6.4 billion, achieved nine of its eleven key performance indicators, and recorded a profit of R5.2 billion, taking equity to R23.8 billion at year-end. The growth in equity is critical to build reserves to withstand future catastrophic events like the one experienced in July 2021 which caused claims of R31.3 billion over ten days.

The year was the second of Vision 2029, our strategy to build a resilient, relevant and sustainable special risk insurer with reserves of R30 billion by 2029. At R23.8 billion of equity, we are firmly on that path. Each of the five strategic pillars saw tangible progress: capital was strengthened through earnings and a fully subscribed reinsurance programme for the first time in three years; customer solutions advanced through preparatory work on wrap cover and the web-based rates calculator; predictive capability is being built through the data and intelligence programme; growth outpaced the market with premium up 9.2% exceeding a budget of R6.2 billion; and our transformation mandate was carried through R43.7 million of CSI investment focused on education and skills development.

Underwriting performance was strong due to a favourable claims experience and reversals of prior estimates that saw insurance expenses decrease by 20%, and the combined ratio of 40.0% was well within the 80% target. The claims function settled 93% of claims within the targeted turnaround time against a target of 85%, and no claims were overturned by the ombudsman during the year. The investment portfolio returned 7.51% gross against a benchmark of 5.47%, generating net investment income of R1.3 billion.

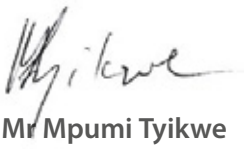
The net reinsurance expense increased by 91% to R1.1 billion, reflecting the increased quota share ceding rate. This is a deliberate and a strategic cost: it secures the reinsurance capacity that protects our balance sheet in a severe catastrophe year. The quota share reinsurance was put in place to bolster capital immediately after the July 2021 CAT event and to close the gap in our catastrophe reinsurance programme as reinsurers were reluctant to give us adequate cover as they were concerned that South Africa will experience further turmoil. The favourable claims experience over the last four years, the work that was done by the security cluster to manage the National and Provincial Elections in May 2024, the establishment of the Government of National Unity and the softening of the global reinsurance markets have assisted us in closing the gaps in reinsurance coverage.

Organisationally, headcount closed the year at 173, of whom 151 are permanent employees, with staff turnover of 9.96%. It is exciting that Ms Shyless Shai joined the executive team as Executive Manager: People Management with effect from 1 January 2026 with a specific objective of ensuring that we have the right people with the right skills at the right time to execute our strategy with passion and dedication. Our annual stakeholder survey recorded strong scores for trust, expertise and value, and our net promoter score of 68 exceeded the target of 55, though the survey also tells us plainly where to improve: responsiveness and operational efficiency remain our stakeholders' most material pain points, and they have our attention.

Two targets were not met. The socio-economic development element of the B-BBEE scorecard scored 2.5 points against a target of 4, and instances of fruitless and wasteful expenditure of R30.6 million and irregular expenditure of R2.7 million were reported. Neither result is acceptable to us; remedial actions are in place to ensure that we improve our B-BBEE score and significantly reduce fruitless and wasteful expenditure by enhancing our financial controls.

In the year ahead we will continue to invest in data and risk intelligence, take wrap cover and the rates calculator to market, deepen our engagement with brokers through the national roadshow, and strengthen the CSI/Transformation operating model following the independent diagnostic review completed during the year.

I would like to thank the Chairperson, Dr Nolwandle Mgoqi, and the Board for their guidance, our shareholder for its support, our agent companies and brokers for their partnership, and the people of Sasria for their commitment during the year. Our heartfelt thanks go to the Minister of Finance for his guidance and unwavering support, and to Treasury officials for their ongoing engagement to ensure that Sasria meets its mandate. We are forever indebted to the security cluster who are working hard that the mistakes of July 2021 do not repeat themselves.



Mr Mpumi Tyikwe
Chief Executive Officer



About the Integrated Annual Report

This Integrated Annual Report sets out a thorough, balanced account of Sasria SOC Ltd's performance for the financial year from 1 April 2025 to 31 March 2026.

It covers the company's strategic priorities, operational activities, governance oversight, financial results and value-creation efforts across the short, medium and long term.

The 2025/26 financial year marked the second year of implementation of Vision 2029. It was a period of continued financial strengthening, with the company recording a profit of R5.2 billion for the year and closing with equity of R23.8 billion, ahead of its capital target.

This report sets out to show stakeholders how Sasria creates value within an evolving risk landscape, balancing its position as a commercial insurer with its developmental role as a state-owned entity. It illustrates the company's approach to managing challenges, responding to new and emerging risks, and adapting to systemic uncertainty, all in service of South Africa's broader social and economic resilience.

Key developments during the period included further progress on the Data and Intelligence Programme, changes to the reinsurance programme, including an increased quota share ceding rate, a premium rate increase effective October 2025, and deepened stakeholder engagement through the annual stakeholder survey and the consumer education campaign.

Regulatory and Governance Framework

This Integrated Annual Report is shaped by the legislative environment in which Sasria operates, including the following:

- Basic Conditions of Employment Act 75 of 1997
- Companies Act 71 of 2008
- Constitution of the Republic of South Africa, 1996
- Conversion of Sasria Act 134 of 1998
- Employment Equity Act 55 of 1998
- Financial Advisory and Intermediary Services Act 37 of 2002
- Financial Intelligence Centre Act 38 of 2001
- Financial Sector Charter (FSC), issued in terms of the B-BBEE Codes of Good Practice under the B-BBEE Act 53 of 2003
- Financial Sector Regulation Act 9 of 2017
- Income Tax Act 58 of 1962
- Insurance Act 18 of 2017, including the Policyholder Protection Rules, 2017
- Labour Relations Act 66 of 1995
- Occupational Health and Safety Act 85 of 1993
- Promotion of Access to Information Act 2 of 2000
- Protection of Personal Information Act 4 of 2013
- Public Finance Management Act 1 of 1999 (PFMA), including the Treasury Regulations issued thereunder
- Short-Term Insurance Act 53 of 1998
- The Reinsurance of Material Damage and Losses Act 56 of 1989
- Value-Added Tax Act 89 of 1991

In addition to the legislation above, Sasria complies with all applicable subordinate legislation, directives, prudential standards, joint standards, conduct standards and guidance issued by the Prudential Authority (PA) and the Financial Sector Conduct Authority (FSCA).

Reporting Standards and Frameworks

This 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™)
- International Integrated Reporting Council
- Global Reporting Initiative (GRI) principles, where applicable

Forward-Looking Statements

This report includes forward-looking statements on matters such as anticipated gross written premium growth, underwriting margins and investment returns. These figures are inherently uncertain, and actual outcomes may differ materially. Forward-looking statements speak only as of the date the Board approved this report.

Approval and Assurance

Unless noted otherwise, this report was compiled using the same methodology and reporting timetable applied in prior years.

Financial information presented in this report is drawn from the annual financial statements, prepared in accordance with IFRS and audited by Sasria's external auditors, Forvis Mazars and Growthstone Assurance Inc. Key Performance Indicators are also subject to external audit.

Scope and Boundary

Unless otherwise indicated in this report, the scope and boundary of the Integrated Annual Report remain unchanged from the prior reporting period and no restatements have been made.

Materiality Determination

This report addresses the social, economic and governance matters that materially affect Sasria's capacity to create value for its stakeholders. A matter is treated as material where it could substantively influence the organisation's ability to create value. This assessment takes into account the entity itself, the industry in which it operates, and the views of its stakeholders.

Sasria considers issues through the lens of their impact on its six capitals and on the sustainability of the business. Each year, the Executive Committee revisits previously identified material matters to assess whether their significance has shifted, how they bear on value creation, protection or erosion, and what effect they may have on claims-paying ability and reputation.

Materiality is determined through the principle of double materiality: matters are assessed both for their effect on Sasria's ability to create value (financial materiality) and for Sasria's effect on the economy, society and the environment (impact materiality). The determination draws on the enterprise risk management process, on engagement with stakeholders through the annual survey and divisional engagement programmes, and on the strategic objectives of Vision 2029. The outcome is the set of material matters presented in Section 2.9, which was reviewed against the current environment for this report.

Combined Assurance

A combined assurance model underpins this report:

- The Executive Committee drew on the appropriate skills and experience to oversee a transparent, complete reporting process.
- Internal Audit performed a limited-scope review of selected disclosures and report-wide consistency procedures over the report's content.
- The external auditor reviewed the report for consistency with the audited annual financial statements, though without expressing a formal opinion on it.
- The Executive Committee recommended the report for approval.
- The Audit Committee reviewed, and the Board approved, the final report.

Board Responsibility and Approval Statement

The Board takes ultimate responsibility for the integrity and completeness of this report. Supported by its committees, the Board has reviewed the preparation and presentation of the 2025/26 Integrated Report and is satisfied that it addresses all material issues and presents a fair account of the company's integrated performance, outlook, strategy and perspective on future value creation, in line with the Integrated Reporting Framework.

Annual Financial Statements

Sasria SOC Ltd's Annual Financial Statements are independently audited in accordance with applicable auditing standards. They are published as a separate document from this Integrated Report and can be accessed by stakeholders via Sasria's website.

The 6 Capitals Framework

Sasria's integrated thinking is grounded in the six-capitals model of the <IR> Framework, which describes how value is created, preserved and delivered over time. Sasria weighs all six capitals in its strategic planning, operations and performance measurement, supporting a holistic view of value creation for stakeholders and the long-term sustainability of the business.

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

FINANCIAL CAPITAL	MANUFACTURED CAPITAL	HUMAN CAPITAL
The funding base built up through underwriting activity, investment returns and financing arrangements. Sasria safeguards this capital through disciplined risk-taking, careful investment management and robust financial oversight.	The physical and digital infrastructure that supports Sasria's operations, from office premises to ICT systems and online platforms. This capital underlies the company's service delivery, operational stability and capacity to innovate.	The skills, experience and wellbeing that Sasria's people bring to the organisation. A capable, motivated workforce underpins the company's ability to meet its strategic goals and deliver on its public-interest mandate.
SOCIAL AND RELATIONSHIP CAPITAL	**INTELLECTUAL CAPITAL**	**NATURAL CAPITAL**
The strength of Sasria's relationships with the people and institutions it depends on: government, business partners, policyholders and the wider public. The organisation's standing and impact rest on the trust, openness and engagement it builds with these stakeholders.	Sasria's accumulated institutional know-how: its data and systems, policies and procedures, brand reputation and innovative culture. This capital grows through ongoing improvement, digital investment and collaborative partnerships.	The environmental resources that Sasria's operations draw on or influence. Although the company's own environmental footprint is modest, it recognises a wider responsibility to support sustainable development and resilience to climate change through how it invests and governs.


10.531
57.056
74.849
64.963
14.411
89.204
40.404
78.680
48.397
46.050
98.037
92.369



SECTION 02

STRATEGIC CONTEXT & VALUE CREATION

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sasria SOC LTD

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), reporting to the Minister of Finance through the National Treasury. The company was established in response to the 1976 Soweto uprising and continues to provide relevant, responsive and reliable cover against risks that fall outside conventional insurance policies.

During the reporting period Sasria continued to fulfil its mandate as the country's sole non-life insurer of special risks, providing cover for damage caused by riots, strikes, terrorism, civil commotion and public disorder in terms of the Reinsurance of Material Damage and Losses Act 56 of 1989. Alongside this legislative mandate, Sasria pursued its broader strategic mandate of contributing positively to transformation within the insurance industry and in South Africa, and continued to research and investigate cover for special risks considered to be of national interest.

Sasria's clients include government institutions, businesses and individuals across South Africa. Through its specialised coverage, the company helps ensure that vital economic activity can recover quickly after social unrest or politically motivated events, protecting livelihoods, supporting investment and sustaining broader financial stability.

Sasria's products are distributed through a network of authorised non-life insurers, agents and intermediaries, sold as standalone policies. The company operates within a regulated framework under the supervision of the Financial Sector Conduct Authority (FSCA), which ensures sound governance, financial discipline and compliance with market standards.

Beyond its commercial mandate, Sasria also acts as a developmental insurer supporting South Africa's transformation agenda. Its work advances the goals of the National Development Plan (NDP) by mitigating business and investment risk and through initiatives in employment equity and education, while also contributing to socio-economic upliftment in the communities it serves.

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 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 acquisition, 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.

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

Secure capital to run the business

- Establish protocols for equity calls
- Introduce reinsurance solution for wrap cover
- Revise and maximise reinsurance capital
- Maximise building of reserves

Provide desired solutions for customers

- Reintroduce wrap cover
- Enhance ministerial powers to amend/clarify Sasria mandate
- Introduce Sasria cover outside an agent policy
- Introduce agri/climate change cover
- Enhance SMME cover
- Monitor agent company compliance
- Implement post-event interventions e.g. trauma counselling, security

Create capabilities to optimise performance

- Optimise policyholder data acquisition
- Implement and improve data management
- Implement risk intelligence
- Implement and improve underwriting

Deliver sustainable growth

- Outperform industry premium growth
- Maintain efficiency in administration
- Maintain loss ratios at less than historical levels
- Achieve benchmark investment returns

Transform the financial services industry

- Enhance skills development programmes (internal & external)
- Deliver impactful CSI
- Implement youth unemployment interventions
- Fulfil special risk advisory role

2.3 Value Creation Highlights

R6 255 million
Insurance revenue
(2025: R5 760 million)

R57 million
Claims incurred
(2025: R666 million)

R2 732 million
Cost of other services
(2025: R2 055 million)

R1 360 million
Investment income
(2025: R1 284 million)

R4 826 million
Total value added
(2025: R4 322 million)

THE VALUE WE ADDED

FINANCIAL CAPITAL

R5 185 million
Retained for reinvesting and future support
(2025: R4 464 million)

MANUFACTURED CAPITAL

R3 million
Capital spend on infrastructure
(2025: R5 million)

R13 million
Property and equipment
(2025: R18 million)

HUMAN CAPITAL

151 permanent employees
(2025: 144 permanent employees)

R211 million
Total remuneration
(2025: R194 million)

R9 million
Employee training spend
(2025: R11 million)

NATURAL CAPITAL

R2.3 million
Paper, water and electricity consumption
(2025: R2.1 million)

INTELLECTUAL CAPITAL

R36 million
Intangible assets
(2025: R47 million)

SOCIAL AND RELATIONSHIP CAPITAL

R44 million
Socio-economic development (CSI)
(2025: R22 million)

(R617 million)
Income tax
(2025: (R362 million))

R4 826 million
Total value distributed
(2025: R4 322 million)

OVERALL VALUE AND PERFORMANCE

EQUITY

R23 799 million
(2025: **R18 612 million**)

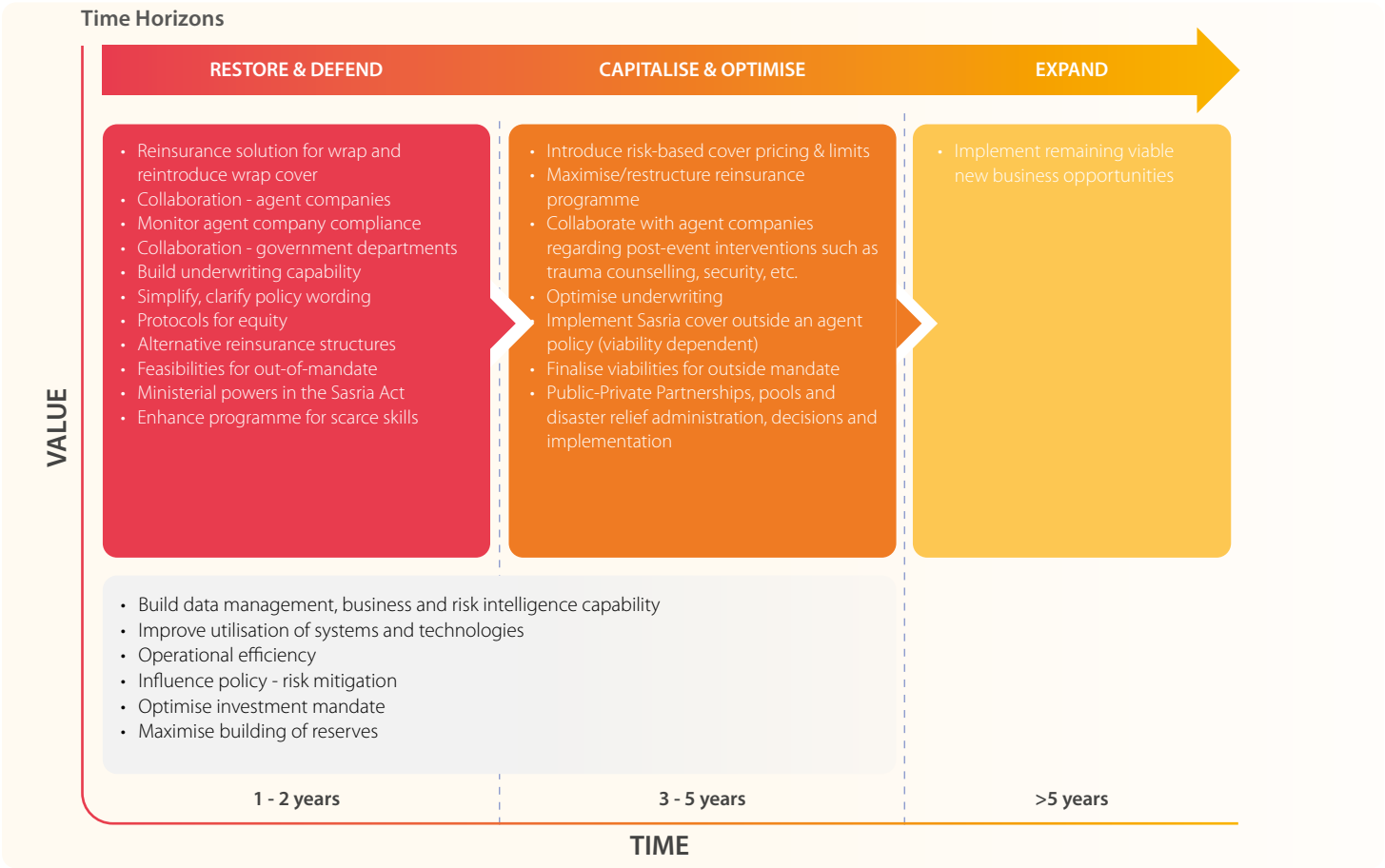
ASSETS UNDER MANAGEMENT

R20 572 million
(2025: **R16 746 million**)

2.4 Strategic Roadmap

The Sasria Roadmap sets out the organisation's priorities across its five-year strategic period, translating the strategic pillars into action over three time horizons.

During 2025/26, the second year of the strategic period, Sasria consolidated the foundations laid in the first year of Vision 2029. Progress included the premium rate increase implemented in October 2025, changes to the reinsurance programme to protect capital, continued build-out of data and risk intelligence capabilities, and preparatory work on wrap cover and the launch of the web-based rates calculator, which went to market in February 2026.



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 business is conducted indirectly, through agent companies and intermediaries, with no direct engagement between Sasria and end clients. These partners distribute Sasria's products, administer policies, collect premiums and manage client interactions on Sasria's behalf.

Agent companies, which include all of South Africa's traditional non-life insurers, sit at the centre of this structure. Sasria enters into two types of agreements with these agents, outsourcing agreements and intermediary agreements, which together define the operational interface between Sasria and its agent network.

Outsourcing Agreements

Under outsourcing agreements, Sasria delegates a range of administrative and claims-related functions to its agent companies, including:

- **Policy administration:** agents manage new business, endorsements and renewals, sometimes sub-delegating this function to Underwriting Management Agents (UMAs) or administrators under binder agreements. This sub-delegation adds complexity and distance between Sasria and the end client, and can complicate rate changes, policy updates and system alignment across platforms.
- **Regulatory compliance:** agents are responsible for ensuring that all parties in their value chain, including brokers, UMAs and administrators, meet Sasria's compliance requirements as well as those of the Prudential Authority and FSCA, although power dynamics within the intermediary network mean Sasria-specific requirements are not always prioritised.
- **Technical support:** agents are expected to provide product training and technical support to those administering Sasria policies, though this responsibility has increasingly shifted back to Sasria itself to keep information consistent and accurate.

Intermediary Agreements

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

- **Rendering intermediary services:** agents and their brokers quote, sell, administer and vary Sasria products, and assist with submitting and processing claims.
- **Premium collection:** agents collect premiums on Sasria's behalf and must remit these within set timeframes. Where premium collection is sub-delegated further, there is added risk of delayed or inaccurate remittances due to system misalignment.
- **Consumer advice:** agents advise clients in line with the terms of Sasria's special risk cover, sometimes using Sasria's published rating guides to calculate premiums. Advice may be delivered through tied agents, call centres or digital platforms, depending on the channel.

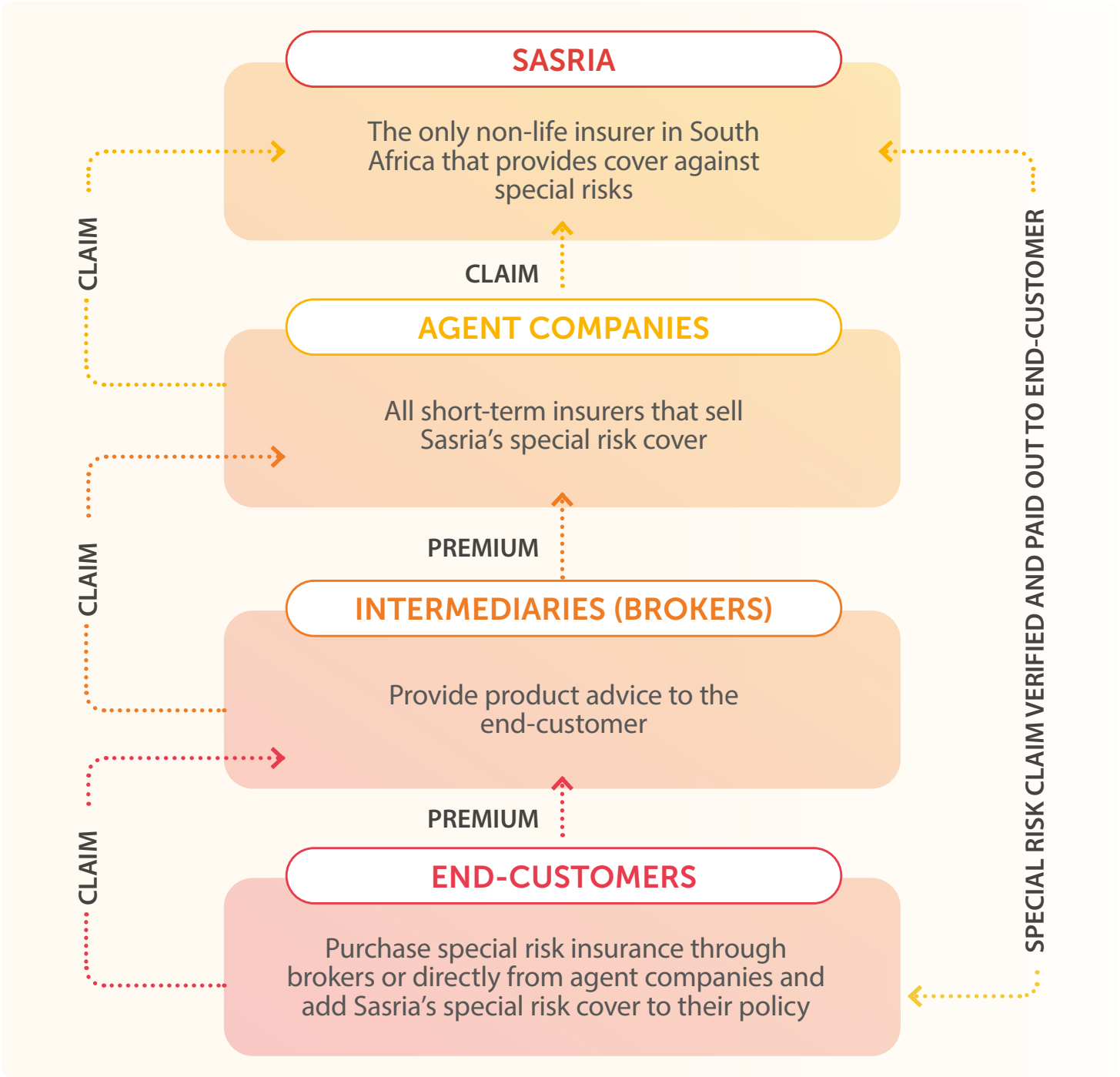
Rationale Behind the Model

Sasria's B2B2C model reflects its distinct market position. As the only provider of special risk insurance in South Africa, Sasria operates in a highly specialised, regulated segment with no direct competitors, while its agent companies compete against one another in an open market where responsiveness and market share matter.

Rather than compete with these companies, Sasria works alongside them, embedding its cover as a standalone product within their broader offerings. Because Sasria perils, such as civil disturbance, strikes, riots and terrorism, are explicitly excluded from standard insurance wordings, Sasria's cover gives clients essential protection that complements their existing policies.

This structure allows Sasria to reach a wide market by using the infrastructure, systems and client relationships of established insurers, but it also requires strong oversight to manage the operational, compliance and reputational risks that come with a delegated model.





Key Stakeholder Interactions in the B2B2C Model

Sasria's operations involve several 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 earn fees or commissions for administering policies.
- Claims: intermediaries notify Sasria of potential claims, which Sasria validates and pays directly to clients.
- Premium collection: agents collect and remit premiums to Sasria.
- Reinsurance: Sasria cedes risk to reinsurers and receives recoveries where applicable.
- Expenditure: operating costs 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, and dividends are paid to the shareholder, National Treasury.

2.7 Operating Environment

Sasria's operating environment is shaped by a range of interdependent internal and external factors that influence its performance, risk exposure and strategic decision-making, including the macroeconomic climate, the socio-political context, structural shifts within the insurance industry, and broader environmental and technological trends.

Sasria remained in a difficult operating environment throughout 2025/26. Conditions remained ripe for social unrest, including weak economic growth, elevated unemployment, pressure on household income, infrastructure strain, and dissatisfaction on many university campuses. These conditions continue to shape Sasria's risk exposure and the relevance of its mandate.

Globally, geopolitical tensions, trade policy uncertainty and a hardened reinsurance market continued to influence pricing and capacity. The higher cost and reduced availability of reinsurance remains a structural consideration in Sasria's capital and underwriting strategy, and informed the increased quota share ceding rate implemented during the period.

Against this backdrop, the frequency and severity of student protests, labour unrest and non-connected events such as service delivery protests and illegal mining activity were monitored closely through the company's risk intelligence and scenario planning processes.

2.8 Stakeholder Engagement

Stakeholder engagement is central to fulfilling Sasria's mandate and responding proactively to South Africa's evolving risk landscape. Sasria's stakeholder model is built on a clear understanding of the interests and expectations of its diverse stakeholders, addressed consistently in ways that build trust, strengthen the Sasria brand and support the long-term sustainability of the organisation.

During the period the engagement objectives were sharpened around thought leadership, consumer education and the protection of Sasria's public image and reputation, supported by daily media monitoring across online platforms.

Stakeholder Engagement Objectives

Objective	Strategic focus
Community Engagement	Build resilient, well-informed communities through meaningful partnerships with community leaders, local government and civil society, strengthening trust and supporting proactive risk mitigation.
Brand Building	Maintain strong brand visibility through targeted campaigns that reinforce Sasria's value proposition, while educating clients and stakeholders about its mandate, products and claims process.
Consumer Education	Deliver proactive education campaigns, above and below the line, to inform the public about the role of special risk insurance, the consequences of destructive unrest, and the value of responsible civic action.
Intelligence Gathering and Risk Mitigation	Work with communities, clients, security agencies and public institutions to gather actionable intelligence that supports early risk identification and effective loss prevention.
Reducing Claims Severity	Use data and engagement insights to identify high-risk scenarios and develop targeted responses that reduce loss exposure and improve claims efficiency.
Fostering Innovation and Collaboration	Champion innovation and collaboration through cross-sector partnerships, emerging technologies and co-created solutions that extend Sasria's relevance and resilience.
Enhancing Reputation and Social Responsibility	Demonstrate ethical leadership, transparency and social accountability by contributing to national development priorities and inclusive socio-economic progress.
Enhancing Industry and Value Chain Harmony	Promote alignment, cooperation and shared value across the insurance value chain, including agent companies, brokers, reinsurers and government, through inclusive engagement and capacity building.

Key Engagements and Initiatives

Annual stakeholder survey: Sasria continued to perform strongly on trust, expertise and value. Average satisfaction moved from 8.2 to 7.9 and the net promoter score from 75 to 68, driven mainly by an increase in passive respondents rather than dissatisfaction. Claims clarity and transparency improved year on year, while responsiveness and operational efficiency remain the lowest-rated service elements and a clear area of focus.

National broker roadshow: a national roadshow is being implemented to strengthen engagement with the intermediary market, report back on matters raised during the 2024 roadshow, and share updates including the launch of the wrap cover solution, the web-based rates calculator, underwriting refinements and the reinsurance and capital position.

Consumer education campaign: the national campaign aimed at reducing the impact of violent protest ran from January to March 2026, combining high-reach television, radio and digital platforms with community-level engagement in high-risk provinces, notably KwaZulu-Natal and Gauteng, tactical township media and public relations initiatives.

The Insurance Apprentice: as part of the broader consumer education strategy, Sasria is participating in the nationally televised series on e.tv, extending beyond year-end, to educate a broad audience, particularly youth and emerging professionals, on the value of insurance and the consequences of unrest.

2.9 Material Matters

To fulfil its mandate and achieve its strategic goals, Sasria manages a set of material matters arising from its operating environment and the expectations of its stakeholders. The set below reflects the outcome of the materiality assessment workshop held in May 2026, at which each matter was reviewed and scored for both financial materiality and impact materiality in line with the principle of double materiality.

Material Matter	Context
Tolerable levels of unrest risk	Sasria works to build a deeper understanding of the socio-political and economic drivers of unrest, in order to anticipate future events. These drivers include youth unemployment, the rising cost of living, inequality, service-delivery and infrastructure failures (including water and electricity), xenophobic attacks, and political tension and uncertainty. Unrest events bear directly on Sasria's capital position and financial resilience, including the depletion of reserves and reinsurance lines.
Financial position and performance	Sasria's capital position and operational capability remain shaped by the legacy of the July 2021 unrest, which depleted reserves and catastrophe reinsurance cover. During 2025/26 the recovery continued, with a profit of R5.2 billion, equity of R23.8 billion and the reversal of the prior accumulated loss to retained earnings of R1.8 billion. Inflation, currency fluctuations and elevated interest rates continue to place pressure on performance, and sustainable growth depends on continued product innovation and improvement. State support, robust reinsurance strategies and strategic partnerships remain vital.
Socio-economic resilience and societal impact	Sasria creates positive impact on society and the economy by enabling business continuity, protecting livelihoods and supporting economic resilience in the face of civil unrest and related disruption. Through its specialised risk cover the company helps businesses recover, sustain operations and continue contributing to their communities and the broader economy. Its contribution extends beyond insurance through investment in education, skills development, community upliftment and volunteerism, advancing impactful ESG integration, while responding to the evolving socio-political and geopolitical trends that shape societal and economic stability.
Customer-centricity, establishing trust, capabilities, responsiveness and presence	Sasria continues to focus on improving customer experience and anticipating market needs, with clarity on product offerings and cover validity remaining essential. Responsiveness and claims efficiency continue to improve, particularly through strengthened communication pathways for brokers and regular, practical training for intermediaries. The company's ability to respond to new risks and stakeholder needs is essential, and trust, governance and risk management capability remain a cornerstone of its reputation.

Material Matter	Context
Data analytics, technology and digitalisation, and data security and cybersecurity	Data analytics, decision-making and digitalisation are central to Sasria's operations. Digitalisation supports a better user experience and greater operational efficiency, through tools that must be optimised to support sound decision-making and risk management. The ability to model and predict future risk events is essential to anticipating, preparing for and responding to disruption. Sasria continues to invest in emerging technology and cybersecurity, recognising the threat cybercrime poses to the insurance industry, and monitors the regulatory risks emerging around artificial intelligence and digitalisation as part of its technology and data strategy.
Climate change and environmental impact	The physical and transition risks associated with climate change, including floods, droughts and fires, pose direct challenges to infrastructure, communities and service delivery. Alongside these, wider environmental issues such as pollution also affect society. Collectively these risks may contribute to social instability. Sasria continues to explore special risk products for climate-related risks while working to reduce its own environmental footprint and build resilience.
Sustainable business, relevance, operational efficiency and effectiveness	Sasria's success depends on its ability to fulfil its mandate, maintain financial resilience and respond effectively to a fast-changing environment. This includes expanding its client base, building brand awareness and maintaining strong strategy execution, while resolving operational inefficiencies and inconsistency of service, in order to sustain stakeholder engagement and support future growth.
Talent, transformation, equity and employee wellbeing	Talent is essential to delivering Sasria's strategy. The company must attract and retain scarce insurance and ICT skills while supporting leadership development, transformation and inclusion. Employee wellbeing, health and safety compliance, and a positive culture remain core priorities.
Evolving special risk diversification and diversity, and inclusion in the insurance market	There is scope to broaden Sasria's mandate to include emerging risks such as climate change and cyber threats, allowing the company to close insurance gaps across informal and small business markets. Expanding special risk coverage will require effective partnerships and public-private collaboration, together with clearer product information, a review of existing product offerings, guidance on new and emerging risks, and ongoing educational content for clients and intermediaries to support the uptake and understanding of diversified special risk products.





SECTION 03

GOVERNANCE & HUMAN CAPITAL

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3.1 Board of Directors

Corporate Governance

Sasria maintains sound governance structures, procedures and processes across the organisation. As the accounting authority, the Board is committed to the King IV principles of openness, transparency, integrity and accountability, formalised through company charters, policies and procedures. Five Board Committees support sound corporate governance and keep the Board engaged in both strategic and operational matters.

As at 31 March 2026 the Board comprised eleven directors: ten independent non-executive directors and one executive director, being the Chief Executive Officer. Seven of the ten non-executive directors are women. Three non-executive directors, Ms Japhtaline Maisela, Mr Sathie Gounden and Mr Desmond Marumo, reached the end of their term on 4 March 2026, and five new non-executive directors, Ms Mmathabo Sukati, Ms Nomusa Mufamadi, Ms Afika Macingwane, Ms Vuyelwa Matsiliza and Mr Nkhumeleni Musekwa, were appointed with effect from 4 March 2026. Mr Johannes Venter was appointed as a member of the Audit Committee on 2 December 2025, and Ms Deshni Subbiah was appointed chairperson of the Social and Ethics Committee on 2 December 2025.

Board Members



Dr Nolwandle Mgoqi

Chairperson of the Board

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



Desmond Marumo
(Term ended 4 March 2026)

Non-Executive Director

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



Japhtaline Maisela
(Term ended 4 March 2026)

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 Gounden
(Term ended 4 March 2026)

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), Chartered Director (IoDSA), Master's in Business Administration (MBA), Postgraduate Diploma in General Management, 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, Chartered Director
- **Expertise:** Risk, Actuarial, Investment, Finance and Auditing, Short Term Insurance, Social and Ethics, Human Capital, Life Insurance



Mpumi Tyikwe

Executive Director
(Chief Executive Officer)

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



Mmathabo Sukati

Non-Executive Director

- **Appointed:** 4 March 2026
- **Qualifications:** CA (SA), MBA (GIBS), BCom Honours in Accounting, Postgraduate Diploma in Accounting, BCom Accounting and Information Systems, Program for Leadership Development (Harvard Business School)
- **Expertise:** Governance, Risk Management, Ethics, Audit, Compliance, Accounting, Crisis Management, Business Continuity, Process Improvement, Strategic Planning & Execution



Nomusa Mufamadi

Non-Executive Director

- **Appointed:** 4 March 2026
- **Qualifications:** Bachelor of Accounting Sciences (BCompt), Postgraduate Diploma in Financial Accounting, Diploma in Industrial Relations; currently studying towards a Postgraduate Diploma in Climate Change and Development (SOAS University of London)
- **Expertise:** Governance, Audit, Risk Management, Financial Management, State-Owned Entity Boards



Afika Macingwane

Non-Executive Director

- **Appointed:** 4 March 2026
- **Qualifications:** BSc, BSc Honours (Actuarial Science), Diploma in Actuarial Techniques, Diploma in Actuarial Risk Management (Institute and Faculty of Actuaries)
- **Expertise:** Reinsurance Strategy, Capital Optimisation, Enterprise Risk Management, Governance, Business Transformation



Vuyelwa Matsiliza

Non-Executive Director

- **Appointed:** 4 March 2026
- **Qualifications:** Secondary Teachers Diploma, BA, BA Honours (Cum Laude), MBL, Certified Director and Chartered Director (IoDSA)
- **Expertise:** Governance, MSME Finance, Corporate and Project Finance, Investment and Treasury Management, Credit and Investment Insurance



Nkhumeleni Musekwa

Non-Executive Director

- **Appointed:** 4 March 2026
- **Qualifications:** CA (SA), Bachelor of Accounting Sciences, Bachelor of Accounting Sciences Honours (CTA), Postgraduate Diploma in Business Management (GIBS)
- **Expertise:** Financial Management, Audit and Assurance, Enterprise Risk Management, Taxation, Corporate Governance

Board Meeting Attendance

Director	Total Meetings	Total Attended	% Attended
Dr Nolwandle Mgoqi (Chairperson)	8	8	100%
Japhtaline Maisela	8	7	87.5%
Reginald Haman	8	7	87.5%
Deshni Subbiah	8	8	100%
Sathie Gounden	8	7	87.5%
Margaret Phiri	8	8	100%
Desmond Marumo	8	7	87.5%
Johannes Venter	8	8	100%
Mpumi Tyikwe (Chief Executive Officer)	8	8	100%
Mmathabo Sukati	1	1	100%
Nomusa Mufamadi	1	1	100%
Afika Macingwane	1	1	100%
Vuyelwa Matsiliza	1	1	100%
Nkhumeleni Musekwa	1	1	100%

The terms of Ms Japhtaline Maisela, Mr Sathie Gounden and Mr Desmond Marumo as members of the Board ended on 4 March 2026. Ms Mmathabo Sukati, Ms Nomusa Mufamadi, Ms Afika Macingwane, Ms Vuyelwa Matsiliza and Mr Nkhumeleni Musekwa were appointed with effect from 4 March 2026 and attended the meeting held on 26 March 2026.

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.

Investment Committee

The Investment Committee supports the Board in overseeing Sasria's asset management responsibilities, monitoring, evaluating and reviewing the company's investments to ensure that appointed asset managers deliver sound performance and maintain strong returns on Sasria's portfolio. Its work strengthens overall investment oversight and supports the company's long-term financial sustainability.

Committee Member	Total Meetings	Total Attended	% Attended
Johannes Venter (Chairperson)	4	4	100%
Dr Nolwandle Mgoqi	4	3	75%
Sathie Gounden (term ended 4 March 2026)	4	4	100%
Desmond Marumo (term ended 4 March 2026)	4	4	100%

Audit Committee

The Audit Committee supports the Board in discharging its responsibilities for financial management, internal control and governance. It reviews financial statements, reports from internal and external auditors, and the state of the organisation's internal controls and risk management, providing meaningful oversight and advice on Sasria's financial sustainability and accountability to the Board and the shareholder.

Committee Member	Total Meetings	Total Attended	% Attended
Margaret Phiri (Chairperson)	7	7	100%
Sathie Gounden (Deputy Chairperson; term ended 4 March 2026)	7	7	100%
Reginald Haman	7	5	71%
Deshni Subbiah	7	7	100%
Japhtaline Maisela (term ended 4 March 2026)	7	7	100%
Johannes Venter (appointed 2 December 2025)	1	1	100%

Remuneration and Nomination Committee

The Remuneration and Nomination Committee oversees Sasria's human capital strategy in support of the organisation's broader objectives, advising the Board on remuneration policy, human resource development, succession planning and trends in key HR indicators. Its role is to ensure Sasria has the skills and leadership needed to meet future challenges, while supporting transformation and fairness.

Committee Member	Total Meetings	Total Attended	% Attended
Japhtaline Maisela (Chairperson; term ended 4 March 2026)	4	4	100%
Dr Nolwandle Mgoqi	4	4	100%
Margaret Phiri	4	4	100%

Risk Committee

The Risk Committee provides robust oversight of Sasria's governance, internal control and risk management processes, ensuring that risk and opportunity disclosures are comprehensive, relevant and timely, and so strengthening the assurance offered to stakeholders. The Committee also considers technical insurance and reinsurance matters and makes informed recommendations to the Board, balancing the protection of sensitive information with the need for transparency.

Committee Member	Total Meetings	Total Attended	% Attended
Reginald Haman (Chairperson)	5	5	100%
Johannes Venter	5	4	80%
Deshni Subbiah	5	4	80%
Mpumi Tyikwe	5	5	100%

Social and Ethics Committee

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

Committee Member	Total Meetings	Total Attended	% Attended
Desmond Marumo (Chairperson to 4 March 2026)	5	5	100%
Sathie Gounden (term ended 4 March 2026)	5	5	100%
Dr Nolwandle Mgoqi (appointed 2 December 2025)	1	1	100%
Deshni Subbiah (Chairperson from 2 December 2025)	1	1	100%

3.3 Executive Leadership

The Executive Committee is responsible for executing Sasria's strategic mandate, chaired by the Chief Executive Officer and comprising executives leading all core and support functions. The team's combined expertise spans insurance, finance, actuarial science, risk, strategy, ICT, people management, stakeholder relations and corporate legal compliance, and it is dedicated to driving Sasria's transformation journey, achieving its strategic objectives and fulfilling its legislative mandate.

Ms Tshepiso Chocho, Executive Manager: People Management, resigned with effect from 31 July 2025. Following the completion of the recruitment process, Ms Shyless Shai was appointed as Executive Manager: People Management with effect from 1 January 2026.

The Executive Committee



Mpumi Tyikwe

Chief Executive Officer

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



Dirk Kunz

Chief Financial Officer

- **Appointed:** 01 May 2024
- **Qualifications:** BCom Accounting Honours, Executive Development Programme, CA (SA)
- **Expertise:** Financial Strategy, Financial Planning & Analysis, Financial Management, Supply Chain & Procurement Governance, Treasury & Investment Management, Governance, Risk and Compliance, Decision Support



Hayley Clarke

Chief Actuarial Officer

- **Appointed:** 01 April 2024
- **Qualifications:** BSc Honours in Actuarial Science, MSc in Climate Change and Development, Chartered Actuary (Fellow) FFA C.Act, Fellow of the Actuarial Society of South Africa (FASSA), Chartered Enterprise Risk Actuary (CERA)
- **Expertise:** Actuarial Science, Climate Risk, Enterprise Risk Management



Nkateko Mayimele

Executive Manager: Claims

- **Appointed:** 01 September 2022
- **Qualifications:** BCom Honours, CA (SA), Senior Management Programme, Advanced Management Programme for Senior Executives
- **Expertise:** Risk and Assurance, Finance, Customer Experience and Claims Management



Themba Sibiya

Executive Manager: Strategy and Underwriting

- **Appointed:** 01 September 2022
- **Qualifications:** Advanced Diploma in Business Management, Programme for Management Development, Higher Certificate in Short-Term Insurance, Senior Management Development Programme
- **Expertise:** Strategy, Underwriting, Short-Term Insurance



Mziwoxolo Mavuso

Executive Manager: Governance and Company Secretary

- **Appointed:** 01 July 2011
- **Qualifications:** BProc, LLB, General Management Programme, Global Executive Development Programme, Advocate of the High Court of South Africa
- **Expertise:** Legal, Compliance, Company Secretarial, Corporate Governance, Leadership, Stakeholder Management, Fraud Prevention and Ethics Management



Fiona Oakley-Smith

Chief Information Officer

- **Appointed:** 08 January 2024
- **Qualifications:** Bachelor of Commerce in Business Finance and Information Systems, Certificate in Advanced Business Analysis
- **Expertise:** ICT Strategy, Business Analysis



Muzi Dladla

Executive Manager: Stakeholder Management

- **Appointed:** 01 June 2021
- **Qualifications:** Diploma in Business Management, Management Advancement Programme, Management Development Programme, Master's in Business Administration
- **Expertise:** Corporate Strategy, Underwriting, Reinsurance, Catastrophe Risk Governance, Stakeholder Management, Public-Private Collaboration, Insurance Leadership



Shyless Shai

Executive Manager: People Management

- **Appointed:** 01 January 2026
- **Qualifications:** Honours in Psychology, Master's in Business Administration
- **Expertise:** Talent & Succession, Leadership Development, Organisation Effectiveness



3.4 Human Capital

Human Capital remains a key enabler of Sasria's ability to deliver on its mandate through a capable, engaged and diverse workforce. During FY2025/26, the focus remained on workforce stability, capability building, talent retention, employee wellbeing, transformation and the strengthening of performance management practices.

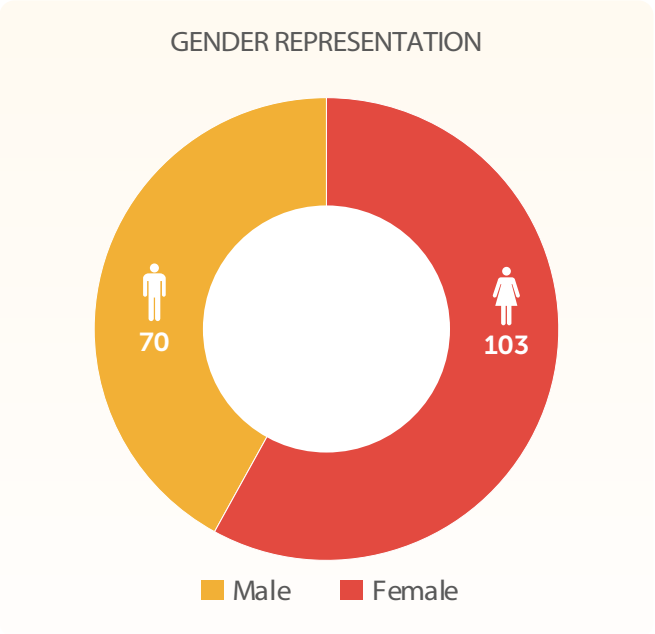
173	WOMEN	AFRICAN EMPLOYEES	2.6%	9.96%
TOTAL EMPLOYEES	60%	90%	VACANCY RATE	EMPLOYEE TURNOVER
FY2025/26	of workforce	of workforce	low & stable	within threshold

Workforce Profile and Stability

Sasria closed the financial year with a workforce of 173 employees. The table below sets out the composition of the workforce by employment type:

Employment Category	Number	% of Total
Permanent Employees	151	87.3%
Interns	17	9.8%
Learners	4	2.3%
Fixed-Term Contractor	1	0.6%
Total	**173**	**100%**

Workforce Demographics



Workforce demographics remained aligned to the organisation's transformation objectives, with women representing 60% of the workforce and African employees accounting for 90%. The vacancy rate remained low at 2.6%, reflecting continued focus on filling critical positions and maintaining organisational capability.

Employee turnover closed at 9.96%, remaining within the approved threshold. Exit trends indicated that employees primarily left to pursue career growth opportunities, broader exposure and enhanced remuneration. These insights continue to inform retention, career development and employee value proposition initiatives.

Talent Development and Capability Building

Sasria continued to strengthen its talent pipeline and build critical organisational capabilities during FY2025/26. The following initiatives were implemented:

- Ten interns and four learners were recruited during the year.
- Eight interns were successfully absorbed into permanent roles across specialist and technical functions.
- Dual career pathing was developed to support specialist career development.

These interventions support the organisation's commitment to developing internal talent and building scarce skills capacity. Particular focus remained on addressing scarce and critical skills requirements across actuarial, underwriting, cyber security, data and finance disciplines.

Performance, Culture and Employee Experience

Performance management remained a strategic priority during FY2025/26. Efforts focused on strengthening alignment between individual performance and organisational objectives, supported by the following initiatives:

- Balanced Scorecard capability-building workshops were conducted across the organisation, advancing Sasria's performance management journey and laying the foundation for improved strategic execution, performance measurement disciplines and alignment between organisational and individual performance outcomes.
- Progression of a Performance Management Enhancement initiative to improve consistency, transparency and accountability.

Employee wellbeing remained central to Sasria's employee experience agenda. A range of wellbeing interventions were implemented to support employees' physical, mental, social and financial wellbeing, contributing to a positive workplace culture and employee experience.

Throughout FY2025/26, Human Capital initiatives were anchored in Sasria's values, recognising that organisational performance is enabled by culture. Through investments in wellness, capability development and performance management, the organisation continued its journey of embedding behaviours that support accountability, collaboration, care and sustained organisational excellence.



Transformation and Inclusion

Transformation remained a key focus area during FY2025/26, with workforce representation continuing to reflect strong progress against organisational transformation objectives. The organisation maintained its commitment to building a diverse, equitable and inclusive workplace.

GENDER REPRESENTATION	RACE REPRESENTATION
60% Women in the Workforce	90% African Employees

In addition, a targeted recruitment framework was developed to strengthen the inclusion of people with disabilities and support more diverse and equitable recruitment outcomes. This initiative forms part of Sasria's broader commitment to creating an inclusive workplace that reflects the demographics of the communities it serves.

Governance and Organisational Effectiveness

Human Capital continued to strengthen its governance environment through the review and implementation of key people policies and organisational effectiveness initiatives during FY2025/26. The following areas of progress were noted:

- Review and implementation of key people management policies to ensure alignment with legislative requirements and best practice.
- Progress in organisational design activities aimed at aligning capability requirements and workforce planning with business priorities.

These governance activities ensure that Sasria's human capital practices remain compliant, effective and aligned to the organisation's strategic direction. Organisational design efforts focused on creating fit-for-purpose capabilities that support operational efficiency and mandate delivery.

Summary

FY2025/26 reflected continued progress in maintaining workforce stability, advancing transformation, enhancing employee wellbeing and reinforcing a performance-oriented culture. These efforts contributed to building organisational capability and ensuring Sasria remains well positioned to deliver on its strategic mandate.





SECTION 04

RISK, COMPLIANCE & IMPACT

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IMPACT AND TRANSFORMATION 47

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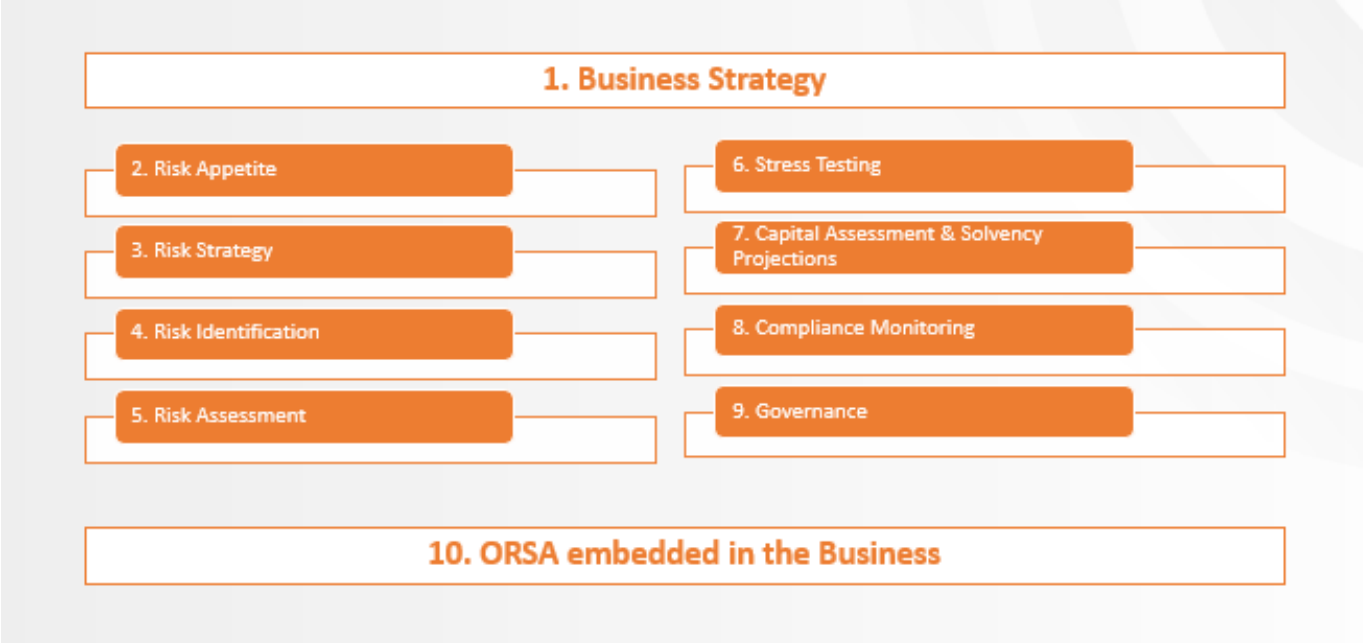
4.1 Our Approach to Risk

Enterprise Risk Management Framework

Sasria has adopted a strategic, consistent and structured approach to Enterprise Risk Management (ERM) in order to achieve an appropriate balance between realising opportunities for gains and minimising losses.

A proactive and integrated approach to managing our risks and opportunities is vital to the company's continued growth, success and long-term sustainability. We acknowledge that this can only be achieved if all three elements of risk — threat, uncertainty and opportunity — are managed in an integrated fashion.

The Board is ultimately responsible for the end-to-end process of risk management, as well as for assessing its effectiveness. Management is accountable to the Board for designing, implementing and monitoring the process and for integrating it into day-to-day activities. The Board discharges these responsibilities by means of frameworks and policies approved and adopted by the Board and its designated committees, which direct the implementation and maintenance of adequate processes for corporate governance, compliance and risk management.

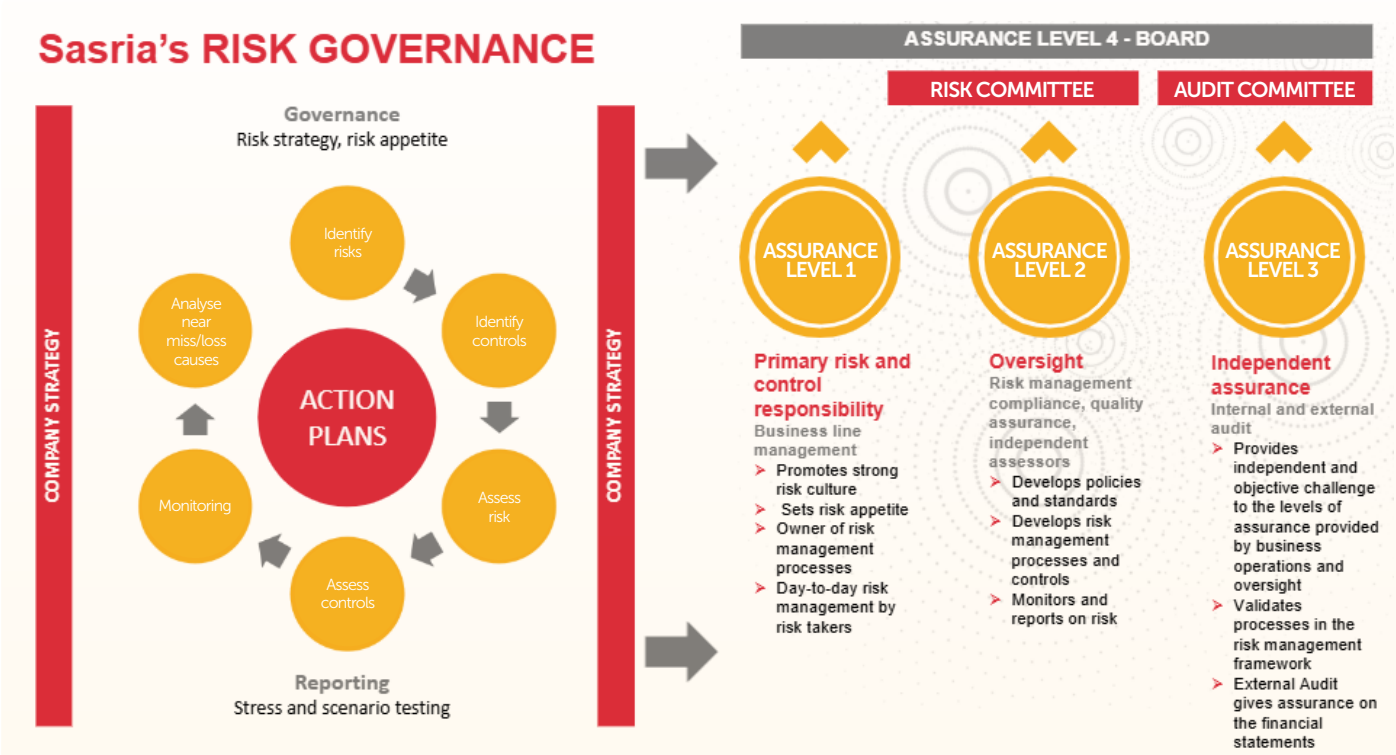


Risk Governance

The Combined Assurance Committee reports to the Audit Committee and ensures that a co-ordinated (combined) approach is applied in receiving assurance on whether key risks are managed appropriately, and that relevant assurance is provided in these areas. The combined assurance plan, the charter and the committee are embedded within Sasria as part of its activities to ensure a co-ordinated approach to managing Sasria's risks and controls.

Throughout the year, a combined level of assurance was provided for each of the key risks the company faces and recommended to the Audit Committee on a quarterly basis.

A new combined assurance plan for 2026/27 was discussed and approved by the Audit Committee in May 2026.



Risk Appetite

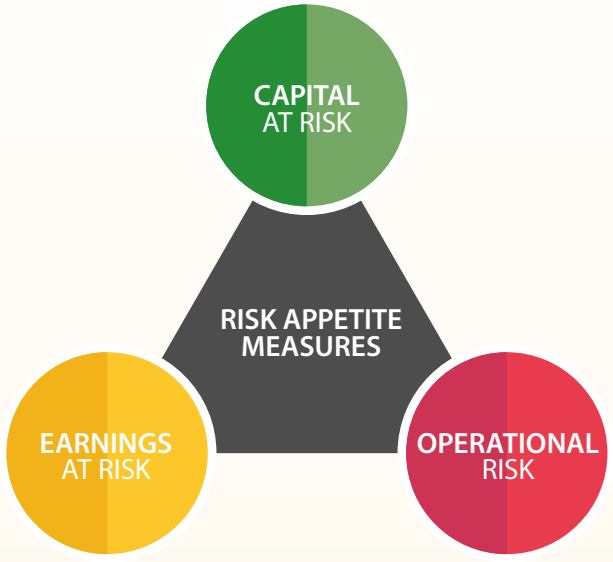
Sasria defines risk appetite as the amount of risk that Sasria is willing to accept in pursuit of shareholder value and the attainment of its strategic objectives, including the fair treatment of customers. It provides a mechanism by which the Board can set the boundaries within which the business should operate, and articulates the amount of risk the Board is willing to accept.

Sasria's risk appetite balances the expectations and interests of a variety of stakeholders. These include shareholders, policyholders and staff, as well as regulators and outsourced functions.

Sasria's risk appetite also drives reporting and therefore decision-making. By knowing what is outside or inside risk appetite, Sasria can prioritise where to deploy resources, what to control and what to improve. For everyone in the business this helps to deliver results in the most efficient way possible.

The Board has identified the following risk appetite measures to be adopted throughout Sasria. These measures are implemented, measured and monitored.

Measure	Objective/Rationale	Metrics
Measure 1: Capital at Risk	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.	**Appetite level** / **ECR** / **SCR** Target: 230% / 230% Threshold: 150% / 170% Limit: 120% / 130%
Measure 2: Earnings at Risk	The Earnings at Risk (EaR) measure used is the probability of loss. Sasria defines Earnings at Risk (EaR) as the 1 in 10 year Value at Risk (VaR), measured for underwriting profit in the following year. The Sasria risk appetite is for the 1 in 10 year VaR not to exceed R2bn.	**Appetite level** / **1-in-10-year VaR (R'm)** Target: 1 000 Threshold: 1 500 Limit: 2 000
Measure 3: Operational Risk	Sasria operates a very high standard with regards to the management, prevention and mitigation of losses caused by operational risk events. It 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.	**Appetite level** / **R'000** Target: 0 Threshold: 700 Limit: 1 000

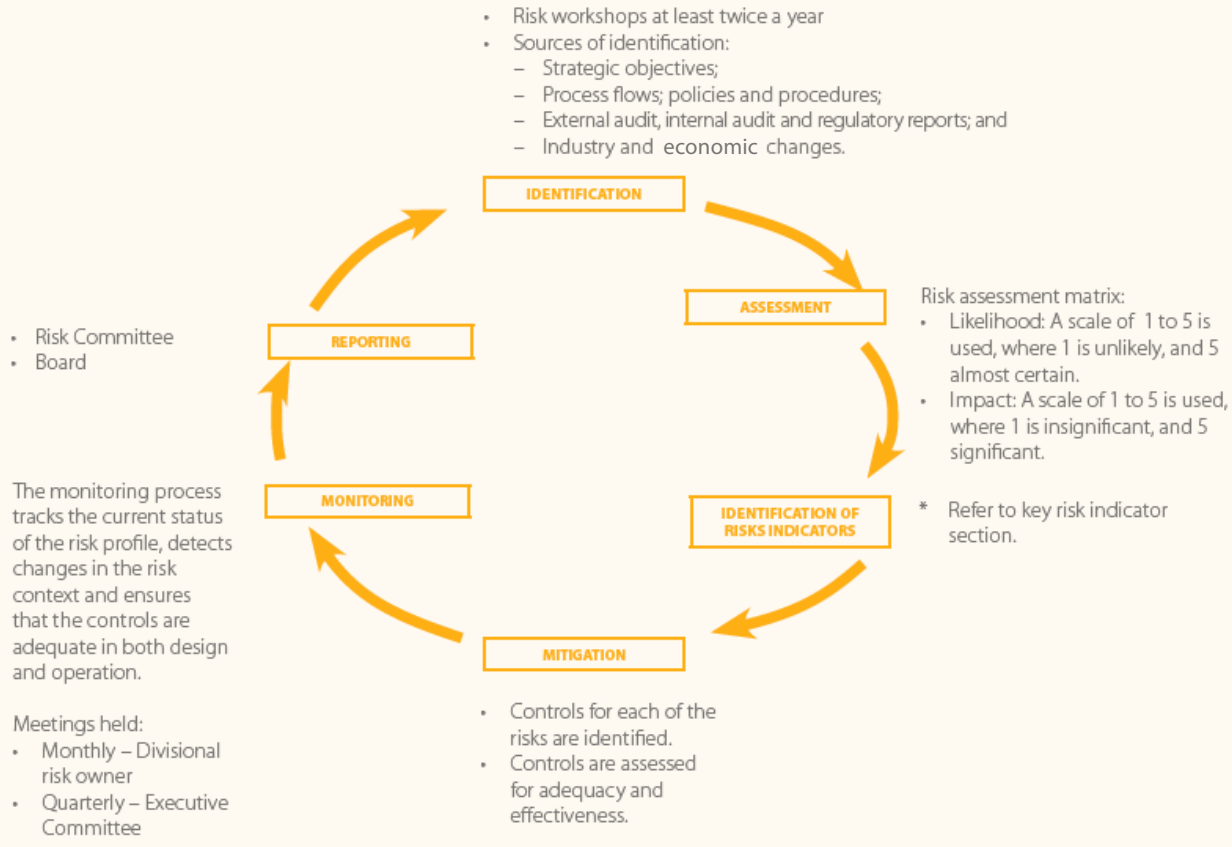


Risk Management Process

The execution of Sasria's strategic objectives exposes it to a number of risks. Some risks are retained in full, whereas other risk types are reduced by transferring them to third parties, for example non-life underwriting risk. Retained risk exposures are addressed by holding capital as a buffer against adverse experience, and by implementing controls to mitigate the effect of risk events or reduce the frequency of occurrence.

The business is also exposed to risks in addition to those above. These include, for example, strategic and liquidity risk (non-regulatory capital risks). Although there is no explicit requirement to hold regulatory capital in respect of these risks, Sasria ensures that it manages these risks, either by holding capital or implementing business controls.

Sasria, further, identifies all risks that have a current or prospective impact on Sasria's strategic objectives, reputation, earnings or capital, arising from an inability to implement appropriate business plans, proper market conduct processes, strategies and decisions, or from a lack of responsiveness to industry changes and other external factors.



4.2 Top Material and Emerging Risks

Top Material Risks

Sasria management has identified the top risks that pose a potential threat to the execution of the business and its strategy.

The table below details the top risks with a high inherent risk rating, control rating and the residual risk rating.

Risk	Classification	Inherent Risk	Control Rating	Residual Risk
Increased insurance risk as a result of political and socio-economic risks	Underwriting Risk	High	Fair	Medium
Failure by the security cluster to respond to future CAT events	Underwriting Risk	High	Fair	Medium
Inadequate capital reserves for future CAT events	Strategic Risk	High	Good	Low
Business model risk	Underwriting Risk / Operational Risk	High	Fair	Medium
Failure to predict and limit Sasria's risk exposure from future CAT events	Strategic Risk	High	Fair	Medium
Erosion of capital risk	Strategic Risk	High	Fair	Medium
Cyber security risk	Operational Risk	High	Fair	Medium
Inability to provide desired solutions and service to our customers	Strategic Risk	High	Good	Low
GWP growth risk	Strategic Risk	High	Fair	Medium
Failure to comply with regulatory requirements and governance codes	Operational Risk	High	Fair	Medium

Material Emerging Risks

Emerging risks are those where the significance may be uncertain and not well understood, which may be difficult to quantify due to a lack of data and volatility, where the consequences and implications can be ambiguous, and which may be systemic, outside organisational control and complex.

Emerging risks fall into three categories:

- new risks that have emerged in the external environment but are associated with the existing strategy of the organisation — new risks in a known context;
- existing risks already known to the organisation, but which have developed or where changed circumstances have triggered the risk — known risks in a new context; and
- risks not previously faced by the organisation, because they are associated with changed core processes or strategies — new risks in a new context.

The table below sets out Sasria's material emerging risks: those with a high impact and a velocity (speed of occurrence) of up to one year. These are monitored at a strategic level and escalated to the Risk Committee on a quarterly basis. Medium and low emerging risks, and those with a velocity of one to three years and three to five years, are monitored through the emerging risk watchlist and at divisional level.

Material emerging risk	Impact	Velocity
Systemic failure of public infrastructure (water crises, transport and logistics failures, increasing load reduction and load shedding)	**High**	0 to 1 year
Geopolitical instability (tariff and trade policy uncertainty, global trade protectionism, international conflict)	**High**	0 to 1 year
Government of National or Provincial Unity instability	**High**	0 to 1 year
Labour unrest and strike action (tariff impact on the motor and farming industries)	**High**	0 to 1 year
Extremely high youth unemployment	**High**	0 to 1 year
Increase in the number of non-connected events (illegal mining, taxi violence and riots, human settlement evictions, protest action)	**High**	0 to 1 year
Increase in the frequency and severity of extreme weather events (impacting reinsurance and underwriting risk)	**High**	0 to 1 year
NSFAS crisis (fund management, student unrest)	**High**	0 to 1 year
Economic stagnation (low economic growth)	**High**	0 to 1 year
Political instability risk	**High**	0 to 1 year
Cost of living crisis (high inflation and high interest rates) (new)	**High**	0 to 1 year



4.3 Legislative Compliance

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

- Basic Conditions of Employment Act 75 of 1997
- Companies Act 71 of 2008
- Constitution of the Republic of South Africa, 1996
- Conversion of Sasria Act 134 of 1998
- Employment Equity Act 55 of 1998
- Financial Advisory and Intermediary Services Act 37 of 2002
- Financial Intelligence Centre Act 38 of 2001
- Financial Sector Charter (FSC), issued in terms of the B-BBEE Codes of Good Practice under the B-BBEE Act 53 of 2003
- Financial Sector Regulation Act 9 of 2017
- Income Tax Act 58 of 1962
- Insurance Act 18 of 2017, including the Policyholder Protection Rules, 2017
- Labour Relations Act 66 of 1995
- Occupational Health and Safety Act 85 of 1993
- Promotion of Access to Information Act 2 of 2000
- Protection of Personal Information Act 4 of 2013
- Public Finance Management Act 1 of 1999 (PFMA), including the Treasury Regulations issued thereunder
- Short-Term Insurance Act 53 of 1998
- The Reinsurance of Material Damage and Losses Act 56 of 1989
- Value-Added Tax Act 89 of 1991

In addition to the legislation above, Sasria complies with all applicable subordinate legislation, directives, prudential standards, joint standards, conduct standards and guidance issued by the Prudential Authority (PA) and the Financial Sector Conduct Authority (FSCA).

In addition, Sasria aligns with the following reporting frameworks:

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

Legislative Developments

The following recent legislative and regulatory developments are relevant to Sasria's business and are being monitored:

Employment Equity. The Minister of Employment and Labour has published for public comment a draft Amended Code of Good Practice on the Preparation, Implementation and Monitoring of the Employment Equity Plan, issued under section 55(1) of the Employment Equity Act 55 of 1998. The draft Code is intended to replace the 2017 Code and provides updated guidance to designated employers.

Public Procurement. The phased implementation of the Public Procurement Act, 2024 continues, with draft regulations and National Treasury instructions being developed and issued. As a Schedule 3B public entity, Sasria continues to monitor these developments and to assess their application to its procurement and supply chain management.

Anti-Money Laundering and Counter-Terrorist Financing. Amendments and regulatory guidance continue to be issued to strengthen South Africa's AML/CFT framework. Sasria monitors these developments and assesses their application to ensure its governance, risk management and reporting obligations remain aligned to legislative requirements.

Conduct of Financial Institutions (COFI) Bill, 2026. The Bill was introduced to Parliament in April 2026 by the Minister of Finance and is one of the most significant legislative developments for Sasria. It seeks to establish a consolidated, principles-based conduct framework for financial institutions under South Africa's Twin Peaks model, promoting fair customer outcomes, market integrity and enhanced conduct supervision.

Compliance and Governance Oversight

The Board and its committees monitor the implementation of Sasria's compliance policy and legal compliance processes on an ongoing basis. The compliance function reported quarterly to the Risk and Audit Committees. No material compliance breaches were reported during FY2025/26. Compliance findings and improvement actions continued to be monitored through the relevant governance structures.

Sasria continues to align with the 17 principles of the King IV Report. The table on the next page sets out how each principle was applied during the reporting period.

The Board adopted the King V Report on 26 March 2026 for implementation during the course of the 2026/2027 financial year. The minimum reporting criteria for King V have been tabled with the Board for consideration in future reporting cycles.

King IV Principles Applied

Ethical Culture

Principle	Application
1. **The Board leads ethically and effectively**	The Board practises ethical leadership, guided by openness, transparency, integrity and accountability. Ethics statements are signed annually and conflicts of interest are declared. The Social and Ethics Committee oversees ethical conduct and reports to the shareholder.
2. **The Board governs ethics to support an ethical culture**	Sasria maintains an Ethics Management Policy and Strategy, implemented across the organisation, with ethics risks identified and monitored on an ongoing basis.
3. **The Board ensures responsible corporate citizenship**	The Social and Ethics Committee monitors Sasria's ESG and transformation activities, reinforcing the company's standing as a responsible corporate citizen.

Performance and Value Creation

Principle	Application
4. **The Board appreciates the interconnectedness of strategy, risk, performance and sustainability**	The Board ensures Sasria's business model, risk framework, performance and sustainability goals are aligned to deliver long-term value and support the public mandate.
5. **The Board ensures stakeholder reports enable informed assessments**	This Integrated Report sets out a clear, transparent account of Sasria's performance, governance and strategy within the broader socio-economic context.

Adequate and Effective Control

Principle	Application
6. **The Board is the focal point and custodian of corporate governance**	The Board meets quarterly and adheres to a formalised Board Charter, with governance practices supported by five committees with defined terms of reference.
7. **The Board has the appropriate balance of skills, experience, diversity and independence**	As at 31 March 2026 the Board comprised ten independent non-executive directors and one executive director, with seven of the ten non-executive directors being women. The skills represented span insurance and reinsurance, actuarial science, finance and audit, law, risk management, investment and governance. Five new non-executive directors were appointed in March 2026, broadening the Board's skills mix.
8. **The Board structures promote independent judgment and balance of power**	Sasria's five committees, Investment, Audit, Risk, Remuneration and Nomination, and Social and Ethics, provide focused oversight and support the Board in fulfilling its governance responsibilities.
9. **Performance evaluations of the Board, committees and members support improvement**	The Board did not implement effective Board Succession Planning during 2025/26 owing to the Board reaching full capacity towards the end of the financial year as the terms of some Board members expired and new members were approved. All new members were approved by the Prudential Authority on 4 March 2026. Sasria will implement Board Succession Planning in the 2026/27 financial year.
10. **The Board ensures effective delegation to management**	A robust delegation of authority exists, with the Executive Committee driving strategy implementation. Ms Shyless Shai was appointed Executive Manager: People Management with effect from 1 January 2026, following the resignation of Ms Tshepiso Chocho. See Section 3.3.
11. **Risk governance supports strategic objectives**	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**	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**	The compliance function reports quarterly to the Risk and Audit Committees. Compliance remained effective and satisfactory during the period, with no material breaches reported. See Section 4.3.
14. **Fair, responsible and transparent remuneration is ensured**	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**	Sasria applies a Combined Assurance Model to reinforce the integrity of information and the effectiveness of controls. Internal and external audits are conducted independently.

Trust, Good Reputation and Legitimacy

Principle	Application
16. Stakeholder-inclusive approach guides governance	A stakeholder engagement framework balances the interests of government, partners and customers. Engagement outcomes are monitored and integrated into the planning process.
17. Responsible investment practices are promoted	Sasria is a signatory to the Principles for Responsible Investment (PRI) and endorses the Second Code for Responsible Investing in South Africa (CRISA 2). All asset managers confirm ESG alignment. See Section 4.4.

4.4 Impact and Transformation

Sasria promotes stability, social transformation and growth, both in the insurance industry and across South Africa, through the delivery of its core business objectives and through socio-economic development initiatives, most importantly its Corporate Social Investment (CSI) programme. These efforts align with South Africa's National Development Plan (NDP) and the United Nations Sustainable Development Goals (SDGs), delivered in collaboration with government, community organisations, educators and development partners, and are designed to address the root causes of protest and unrest.

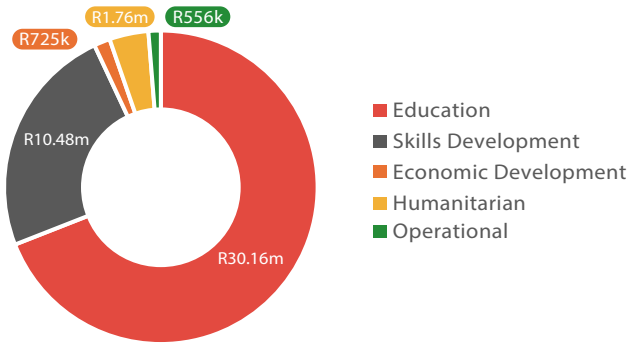
During the period the emphasis fell on strengthening the CSI operating model following an independent diagnostic review, with education and skills development remaining the primary investment pillars.

Corporate Social Investment

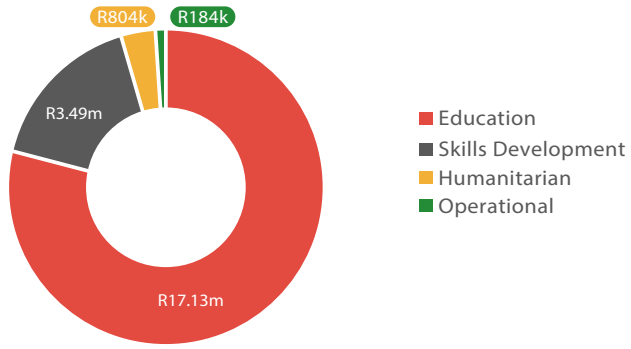
Sasria's CSI programme supports initiatives across four focus areas:

Focus Area	Description
Education	Support for primary, secondary, tertiary and consumer education.
Skills Development	Developing insurance skills, including non-life insurance training for youth.
Economic Development	Supporting local economic development in the communities where Sasria is most impacted.
Humanitarian Effort	Providing relief in disaster-stricken areas.

CSI SPEND (FY2025/26)



CSI SPEND (FY2024/25)



Contribution to the NDP and SDGs

Sasria's business activities, culture and socio-economic development investment support South Africa's National Development Plan and the UN Sustainable Development Goals across the following priority areas:

Priority Area (SDG)	NDP Objectives	Sasria's Contribution
Economic growth, education & employment (SDG 8)	Quality basic education; a skilled and capable workforce; job creation	Skills development and workforce transformation; CSI in education and skills development; job creation and talent development. In 2025/26 this included the Sasria bursary scheme (30 students), the SAICA Thuthuka bursary programme, the South African Actuarial Development Programme, the UCT Online High School matric cohort, the Pretoria Maths and Science programme (19 773 learners) and the graduate debt relief programme (214 graduates).

Priority Area (SDG)	NDP Objectives	Sasria's Contribution
Socio-economic transformation (SDG 11)	Eradicate extreme poverty; sustainable human settlements; active, safe and cohesive communities	Support for integral and local economic development; support for livelihoods; CSI community upliftment. In 2025/26 this included the back-to-school initiative and the municipal capacity building programme in Mpofana Municipality, and flood relief reaching approximately 600 households.
Resilient infrastructure & economy (SDG 9)	Expand economic infrastructure; climate-resilient communities; improved disaster risk management; enhanced economic resilience; protected livelihoods	Affordable special risk insurance; sustainability and capital management. In 2025/26 this included the national consumer education campaign on violent protest risk and the continued provision of affordable special risk cover.
Reduce inequality (SDG 10)	Reduce inequality; narrow the income gap; expand access to economic opportunity	Contribution to transformation; support for SMEs. In 2025/26 this included the black broker development programme (24 participants) and the loss adjuster development programme (20 participants).
Build a better South Africa (SDG 16)	Safer communities; a capable and developmental state; combat corruption; social cohesion and nation-building	Special risk awareness and mitigation; ethical, integrity-driven organisation; support for good governance. In 2025/26 this included community-level engagement in high-risk provinces to reduce the impact of unrest.
Address climate change (SDG 13)	Build climate resilience; disaster risk management	Exploring coverage for drought and other climate risks. Exploratory work on agriculture and climate-related cover continued under Vision 2029.

Organisational Culture and Internal Transformation

Internal transformation efforts during the period centred on the revamp of the performance management framework, continued employment equity progress and sustained investment in training and development of R9.3 million. Sasria's values of fairness, ethics, service excellence, collaboration and innovation continue to anchor the organisational culture.

Broad-Based Black Economic Empowerment

Sasria's B-BBEE performance improved during the period, with a total score of 57.57 points against 54.49 points in the prior year. Sasria was verified as a Level 8 contributor for the year.

Management Control

WEIGHTING POINTS **20.00**

18.33 (comparative) **2025: 18.90**

Skills Development

WEIGHTING POINTS **25.00**

17.87 (comparative) **2025: 18.36**

Enterprise and Supplier Development

WEIGHTING POINTS **50.00**

18.87 (comparative) **2025: 15.52**

Socio-Economic Development

WEIGHTING POINTS **5.00**

2.50 (comparative) **2025: 1.71**

TOTAL

WEIGHTING POINTS **100.00**

57.57 (comparative) **2025: 54.49**

*The FY2025/26 B-BBEE scorecard reflects the verification results for the period ended 31 March 2025, while the comparative FY2024/25 scorecard reflects the verification results for the period ended 31 March 2024.

**Sasria's historical lower performance in Enterprise and Supplier Development is largely structural as a result of the nature of its business and its business model.

Responsible Investment

Responsible investing is implemented through Sasria's Board-approved Investment Policy, which incorporates the principles of the Second Code for Responsible Investing in South Africa (CRISA 2) and Sasria's commitments as a signatory to the Principles for Responsible Investment (PRI). These frameworks support the integration of environmental, social and governance (ESG) considerations into investment decision-making and stewardship activities.

Accordingly, Sasria promotes:

- integration of ESG considerations into investment decision-making;
- active stewardship and engagement through appointed asset managers;
- identification and management of sustainability-related risks and opportunities;
- improved governance and transparency among investee companies; and
- enhanced accountability through reporting and ongoing monitoring.

Operational due diligence reviews, manager engagement meetings and ongoing oversight support the implementation of these practices across the portfolio.

Portfolio performance

For the 12 months ended 31 March 2026, the investment portfolio delivered a gross return of 7.51%, against a benchmark return of CPI + 2.5% (5.47%), an outperformance of 2.04 percentage points. Performance was supported by favourable money market yields, resilient domestic financial markets and disciplined implementation of the investment strategy across mandates.

The portfolio continued to meet its primary objectives of capital preservation, liquidity management and returns above inflation while keeping risk within acceptable parameters, and remained appropriately positioned to support Sasria's liabilities and regulatory capital requirements.

Investment policy

Sasria's investment programme is governed by a Board-approved investment policy that prioritises capital preservation, liquidity management, optimised risk-adjusted returns, transformation and responsible investing. The policy applies an asset-liability matching approach to ensure that sufficient assets are available to meet policyholder obligations and support regulatory capital requirements while generating sustainable long-term returns.

Transformation of the manager base

Transformation is embedded within Sasria's investment management framework. As at 31 March 2026, 92% of externally managed assets by market value were allocated to black-owned asset management firms. For transformation reporting purposes, black-owned managers are defined as firms with majority black ownership in accordance with the B-BBEE Codes of Good Practice. Of Sasria's twelve appointed external asset managers, eleven are black-owned firms, reflecting the organisation's commitment to transformation while maintaining strong governance, investment capability and performance standards. Sasria also continues to support the growth and participation of black women-owned asset managers through its manager appointment and incubation programmes.

Incubation programme

Barriers to entry remain significant for new and emerging asset management businesses, particularly black-owned firms seeking to establish themselves in the South African investment industry. Sasria launched its second Incubation Programme on 1 November 2022 to support black-owned emerging managers through developmental mandates that provide both capital allocation and the opportunity to build investment track records, operational capacity and institutional credibility.

Initial mandates focused on cautious domestic money market strategies designed to preserve capital while outperforming the STeFI Composite Index. During the period, Sasria expanded the programme through the appointment of four additional incubation managers running higher-duration money market portfolios with a 24-month investment horizon. These mandates were funded on 20 November 2025.

The programme has supported eight managers across three cohorts, representing three separate manager intake rounds since inception, through developmental mandates designed to build track records, operational capability and institutional sustainability. The programme forms part of Sasria's Enterprise and Supplier Development objectives, and Sasria continues to identify opportunities to strengthen governance, operational effectiveness, investment capability and business sustainability among participating managers.

Enterprise and supplier development

As part of its transformation objectives, Sasria promotes the participation and development of majority black-owned investment managers through its Asset Manager Incubation Programme and Enterprise and Supplier Development (ESD) initiatives. These programmes provide investment mandates and developmental support aimed at strengthening governance, enhancing research capabilities, facilitating mentorship, supporting continuous professional development and transferring technical, professional and managerial skills.

Through these initiatives, Sasria seeks to build sustainable black-owned investment businesses, support the advancement of black women-owned enterprises and SMMEs, promote economic inclusion and contribute meaningfully to the transformation and long-term development of South Africa's financial services sector.

Stewardship and proxy voting

Sasria delegates proxy-voting authority to appointed external asset managers while retaining oversight through quarterly reporting, engagement and performance monitoring. This forms part of Sasria's stewardship framework and supports responsible ownership practices aimed at protecting and enhancing long-term shareholder value.

Proxy voting for the period ended 31 March 2026

Annual general meetings attended	Votes in favour	Votes against	Abstentions
50	82.8%	17.2%	None

Votes cast against resolutions related primarily to governance concerns, including financial assistance proposals, director appointments that did not meet governance expectations, amendments to memoranda of incorporation and remuneration matters considered inconsistent with approved governance practice. No environmental or social shareholder resolutions were tabled during the reporting period.

Sasria continues to monitor stewardship outcomes through quarterly reporting and engagement with appointed managers. Governance matters remain a significant focus within South African capital markets and an important mechanism for promoting transparency, accountability and sustainable long-term value creation.

Implementation of the six Principles for Responsible Investment

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

Sasria strongly encourages its asset managers to be signatories to the PRI or to endorse CRISA 2. All managers must provide evidence of ESG integration within their investment philosophies and demonstrate how ESG issues influence decision-making.

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

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 towards 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 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 requirements and responsible investment criteria are incorporated into Sasria's asset manager selection, appointment and ongoing performance monitoring processes, including for incubation managers.

Principle 5: Work together to enhance implementation effectiveness

Sasria participates in the responsible investing community through its PRI signatory status and engagement with local and international forums.

Principle 6: Report on activities and progress

Sasria reports annually on its responsible investment activities through the PRI reporting framework.

Revised investment strategy

During the period, Sasria continued preparations for the implementation of its revised investment strategy, which includes allocations to fund of hedge funds and infrastructure funds. The objective is to improve portfolio diversification, enhance risk-adjusted returns and reduce dependence on traditional asset classes. While the strategy is expected to enhance diversification and portfolio resilience, it introduces additional liquidity, valuation, concentration, governance and manager-selection risks that are managed through robust governance processes, comprehensive due diligence and ongoing oversight.

Hedge fund allocations are expected to provide access to differentiated sources of return, improve portfolio resilience and offer downside protection during periods of market volatility. Infrastructure allocations are expected to provide long-term inflation-linked cash flows while supporting economic development through investment in critical infrastructure assets. Implementation continues to be supported by rigorous manager selection, governance oversight and ongoing monitoring, and full implementation is expected over the next 12 months.

Social and Ethics Committee Compliance

Sasria's Social and Ethics Committee (SEC) is constituted in accordance with section 72 of the Companies Act 71 of 2008, read with Regulation 43 of the Companies Regulations, 2011. The Committee is responsible for monitoring Sasria's activities in relation to social and economic development, good corporate citizenship, environmental, health and public safety matters, consumer relationships, and labour and employment, with due regard to applicable legislation, other legal requirements and prevailing codes of best practice.

During the 2025/26 financial year, the SEC met five times and maintained full attendance by its members. The Committee monitored matters within its mandate, including organisational ethics, ESG, transformation, employment equity, socio-economic development, stakeholder and consumer engagement, and Sasria's broader contribution to sustainable development. The Committee also provided oversight of initiatives supporting Sasria's transformation objectives and responsible corporate citizenship.

Key areas of activity during the year included Sasria's Corporate Social Investment programme, continued employment equity and workforce development, stakeholder and consumer engagement, and the integration of environmental and climate-related considerations into Sasria's strategic and risk considerations. Sasria's B-BBEE performance also improved during the period, with the company achieving a verified Level 8 contributor status. The Committee further monitored Sasria's ethical culture and governance arrangements through the reporting period.

Based on the work undertaken during the year, the SEC confirms that it discharged its responsibilities in accordance with its mandate and the applicable requirements of the Companies Act and Companies Regulations. The Committee is satisfied that the matters falling within its mandate have been appropriately monitored and reported, and that material matters requiring Board attention were addressed through Sasria's governance processes.

The Chairperson of the SEC will, as required, report to the shareholder at the Annual General Meeting on the matters falling within the Committee's mandate.





SECTION 05

STRATEGY, PERFORMANCE & OUTLOOK

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5.1 Strategic Objectives and Priorities

This reporting period represents the second year of implementation of Vision 2029.

Vision 2029 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, implementation progress, and initiatives undertaken to strengthen its 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 During the Period

Sasria achieved nine of its eleven key performance indicators for the year. Highlights included gross written premium of R6.4 billion, 9.2% above the prior year, a gross investment return of 7.51% against a benchmark of 5.47%, an equity balance of R23.8 billion against a target of R20.3 billion, a net promoter score of 68 against a target of 55, and an average claims turnaround of 93% against a target of 85%.

Building Data and Intelligence Capabilities

Supporting Pillar 5, create capabilities to optimise performance, Sasria continues to implement its multi-phase Data and Intelligence Programme, with oversight provided by the Steering Committee and the Board.

The Data and Intelligence Programme made significant progress during the period, with continued investment in data management and risk intelligence platforms to improve underwriting, claims insight and proactive responses to emerging risks and claims patterns.



5.2 Performance Against Strategy

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

Performance Against Key Indicators and Targets

KPI (Strategic Pillar)	Weight	Target	Actual	Variance
Premium growth (GWP): percentage growth of gross written premium income compared to the previous financial year (Deliver sustainable growth)	10%	8%	Achieved. GWP of R6.4 billion, 9.2% above the prior year (R5.9 billion)	None
Investment returns: net investment income for the year divided by average assets under management (Deliver sustainable growth)	10%	CPI + 2.5%	Achieved. Gross return of 7.51% against CPI + 2.5% of 5.47%; net investment income of R1.3 billion	None
Combined ratio: net insurance service result less CAT event claims (above R2 billion) plus the XoL premium less other operating expenses, divided by insurance revenue (Deliver sustainable growth)	10%	80%	Achieved. Actual percentage of 40.0%	None
Operational efficiency: administration and marketing expenses (less depreciation, amortisation and performance bonuses) as a percentage of GWP (Deliver sustainable growth)	10%	6% to 7%	Achieved. Operating efficiency ratio of 5.1%	None
Level of equity: equity line in the statement of financial position (Secure capital to run the business)	10%	R20 252 million	Achieved. Equity of R23.8 billion at 31 March 2026	None
Claims overturned by the ombudsman: claims overturned by the National Financial Ombudsman as a percentage of total claims received (Provide desired solutions to customers)	7.5%	≤ 0.5%	Achieved. No overturns (0%); three complaints received against 789 claims	None
Net promoter score: per annual surveys (Provide desired solutions to customers)	7.5%	55	Achieved. Net promoter score of 68	None
Claims effectiveness and efficiency: average claims turnaround time (Create capabilities to optimise performance)	10%	85%	Achieved. Average claims turnaround time of 93%	None
Employee turnover rate: turnover rate of all employees (Create capabilities to optimise performance)	10%	≤ 10%	Achieved. Turnover rate of 9.96%	None
B-BBEE scorecard element, socio-economic development: points scored per the Financial Sector Code (Transform the financial services industry)	10%	4	Not achieved. 2.5 points scored	2.45 points achieved on SED contributions and 0.5 on consumer education; no bonus points earned
Irregular, fruitless and wasteful expenditure: as reported in the annual financial statements (Business as usual)	5%	Nil	Not achieved. Fruitless and wasteful expenditure of R30.6 million; irregular expenditure of R2.7 million	Relates to a supplier overpayment, event non-attendance costs and interest paid to SARS; and to unapproved auto-renewed contracts and an unapproved sole source appointment

Sasria achieved nine of the eleven key performance indicators approved for the year. The two indicators not achieved related to the socio-economic development element of the B-BBEE scorecard, where 2.5 points were scored against a target of 4, and to irregular, fruitless and wasteful expenditure, where fruitless and wasteful expenditure of R30.6 million and irregular expenditure of R2.7 million were reported. The fruitless and wasteful expenditure relates mainly to a supplier overpayment, event non-attendance costs and interest paid to SARS, while the irregular expenditure relates to unapproved auto-renewed contracts and an unapproved sole source appointment. Remedial actions are in place and are monitored through the governance structures.

5.3 Strategic Opportunities

Based on internal and external assessments, scenario planning and performance trends, Sasria identifies strategic opportunities each period to help realise Vision 2029 despite a challenging risk environment.

Building on financial performance: Opportunities exist to strengthen reserves, diversify investment strategies and leverage the increased retained equity, which grew to R23.8 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, aligning products more closely with the underlying risk environment and customer needs, including cover beyond the agent mandate, subject to viability assessments.

Data-driven risk intelligence: Ongoing investment in data and intelligence acts as a strategic tool to improve underwriting and risk management. There has been significant progress in Sasria's Data and Intelligence Programme and 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. Shareholder support and cooperation with government departments remain vital elements of the capital strategy, and enhancing reinsurance capacity while reducing costs presents a long-term opportunity to maintain solvency during extreme event scenarios.

Enhancing operational efficiency and talent retention: Internal optimisation, particularly through digital systems, process automation and enhanced cross-functional collaboration, is a key opportunity. Attracting and retaining scarce skills and critical talent remains a priority, especially in the actuarial, technology and underwriting disciplines.

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, especially in addressing youth unemployment, education and community resilience, while aligning with ESG imperatives and responsible investment principles.

Strategic foresight and scenario responsiveness: Sasria utilises scenario planning frameworks to identify and respond to potential future states of the South African risk environment, enabling 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.





CFO's Report

Financial performance highlights

R6.3 billion
Insurance Revenue
2025: R5.8 billion

R56.6 million
Gross Claims Incurred
2025: R666.3 million

R3.4 billion
Net Insurance Result
2025: R2.9 billion

R1.3 billion
Net Investment Income
2025: R1.3 billion

R1.1 billion
Net Reinsurance Expense
2025: R592.2 million

R5.2 billion
Profit for the year
2025: R4.5 billion

Financial position highlights

R26.0 billion
Total assets
2025: R20.9 billion

R20.6 billion
Assets Under Management
2025: R16.7 billion

R23.8 billion
Equity
2025: R18.6 billion

R1.9 billion
Reinsurance Contracts
2025: R1.6 billion

R1.9 billion
Insurance Contracts Liabilities
2025: R2.1 billion

Insurance revenue grew by 9% to R6.3 billion (2025: 10%), driven by the premium rate increase effective October 2025. Insurance service expenses decreased by 20% (2025: an increase of 14%), reflecting a positive claims experience and estimate changes/revisions of prior estimates. The net reinsurance expense increased by 91% to R1.1 billion, mainly as a result of the increased quota share ceding rate, while net investment income increased by 5% to R1.3 billion on the back of favourable interest returns earned on a growing asset base.

The statement of financial position strengthened further, with total assets 24% higher at R26.0 billion. Financial assets at fair value through profit or loss increased by 50%, reflecting the allocation of cash generated from operations into the investment portfolio in line with the investment strategy, with cash and cash equivalents reducing by 25% as a result of the same allocation. Reinsurance contract assets increased by 18%, attributable to the higher ceding rate and the current year contingent profit commission. Equity closed at R23.8 billion, and the prior year accumulated loss of R3.4 billion reversed to retained earnings of R1.8 billion on the back of the R5.2 billion profit reported for the year. The deferred tax asset increased by 43%, largely on the higher deferred tax raised on the assessed loss as forecast taxable income increased. Insurance contracts liabilities decreased by 8%, mainly on a reduction in claims liabilities following estimate reversals and payments.

Cash generation remained strong. Net cash from operating activities increased by 11% to R3.7 billion, made up of R2.8 billion from operations and interest received of R1.2 billion, after income tax paid of R257.0 million. Investing activities absorbed R5.1 billion, almost all of it the net purchase of financial assets in terms of the investment strategy, and financing outflows were limited to R3.8 million of lease payments. Cash and cash equivalents therefore closed at R4.4 billion against R5.9 billion at the start of the year, with the reduction reflecting the deliberate allocation into the investment portfolio rather than any change in underlying cash generation.

The key ratios reflect the same trends. Return on equity was 24.6% (2025: 29.0%) on a substantially larger equity base. The net insurance service margin strengthened to 53.6% (2025: 51.2%), and reinsurance premiums represented 18.8% of insurance revenue (2025: 14.1%), in line with the higher ceding rate.



Dirk Kunz
Chief Financial Officer

ANNUAL FINANCIAL STATEMENTS EXTRACT

The annual financial statements of Sasria SOC Ltd for the year ended 31 March 2026, prepared under the supervision of the Chief Financial Officer, Dirk Kunz CA (SA), and audited by Forvis Mazars and Growthstone Assurance Inc., are set out in a separate document.

Statement of comprehensive income

For the year ended 31 March 2026

	Note	2026	MOVEMENT 2025/26	2025	MOVEMENT 2024/25	2024
		R'000	%	R'000	%	R'000
Insurance Revenue	1	6 255 131	8.6%	5 759 562	9.7%	5 251 296
Insurance service expenses	2	(1 766 170)	20.4%	(2 218 074)	14.2%	(1 941 574)
Claims		56 588	91.5%	666 281	38.4%	481 411
Expenses		946 016	(10.9%)	853 067	(8.3%)	787 573
Amortisation of insurance acquisition cash flows		763 566	(9.3%)	698 726	(3.9%)	672 590
Insurance service result		**4 488 961**	**26.8%**	**3 541 488**	**7.0%**	**3 309 722**
Insurance expenses for reinsurance contracts held		(1 175 925)	(44.7%)	(812 534)	33.3%	(1 217 520)
Insurance service income for reinsurance contracts held		42 281	80.8%	220 305	(297.6%)	(111 477)
Net reinsurance expense	**3**	**(1 133 644)**	**(91.4%)**	**(592 229)**	**55.4%**	**(1 328 997)**
Net insurance service result		**3 355 317**	**13.8%**	**2 949 259**	**48.9%**	**1 980 725**
Investment Income		1 359 633	5.9%	1 283 758	25.5%	1 023 240
Expenses for investment-related activities		(23 359)	(42.1%)	(16 443)	6.5%	(17 577)
Net investment income	**4**	**1 336 274**	**5.4%**	**1 267 315**	**26.0%**	**1 005 663**
Finance income/(expenses) from insurance contracts		(72 428)	3.9%	(75 380)	33.4%	(113 129)
Finance income/(expenses) from reinsurance contracts		26 066	(86.8%)	13 956	(22.7%)	18 044
Net insurance finance income/(expenses)		**(46 362)**	**24.5%**	**(61 424)**	**35.4%**	**(95 085)**
Net insurance and investment result		**4 645 229**	**11.8%**	**4 155 150**	**43.7%**	**2 891 303**
Other income		1 386	26.9%	1 092	44.8%	754
Other operating expenses		(73 020)	(47.3%)	(49 577)	(12.6%)	(44 012)
Income/expenses from non-attributable operations		**(71 634)**	**(47.7%)**	**(48 485)**	**(12.1%)**	**(43 258)**
Profit before other finance cost and tax		**4 573 595**	**11.4%**	**4 106 665**	**44.2%**	**2 848 045**
Other finance costs		(2 580)	(2068.1%)	(119)	39.3%	(196)
Profit before tax		**4 571 015**	**11.3%**	**4 106 546**	**44.2%**	**2 847 849**
Taxation		616 925	70.2%	362 437	25.2%	484 831
Profit for the year		**5 187 940**	**16.1%**	**4 468 983**	**34.1%**	**3 332 680**
Other comprehensive income		-		-		-
Total comprehensive income for the year		**5 187 940**	**16.1%**	**4 468 983**	**34.1%**	**3 332 680**

	Note	2026	2025	2024
		%	%	%
Claims ratio		1%	12%	9%
Management expenses ratio		16%	16%	16%
Acquisition cash flows ratio		12%	12%	13%
Net insurance service margin		54%	51%	38%
Insurance Revenue per employee (R'000)		36 157	34 080	33 879
Effective tax rate		(13%)	(9%)	(17%)
Reinsurance premiums as a % of Insurance Revenue		19%	14%	23%

1. Insurance revenue grew by 9% (2025: 10%) due to the rate increase effective in October 2025.
2. The Insurance service expenses decreased by 20% (2025: Increased 14%) and this was attributable to the positive claims experience and estimate reversals.
3. The net reinsurance expense increased by 91% (2025: decrease of 55%), the increase is mainly attributable to an increased quota share ceding rate.
4. The net investment income increased by 5% (2025: 26%) and this was as a result of the favourable interest returns earned on increased assets under management.

Statement of financial position

As at 31 March 2026

	Note	2026	MOVEMENT 2025/26	2025	MOVEMENT 2024/25	2024
		R'000	%	R'000	%	R'000
Assets						
Intangible assets		36 400	(22%)	46 950	(15%)	55 082
Property and equipment		13 279	(25%)	17 743	(14%)	20 693
Deferred tax	1	2 923 313	43%	2 050 210	40%	1 460 284
Financial assets						
Financial assets at fair value through profit and loss	2	16 031 512	50%	10 681 981	40%	7 637 377
Financial assets at amortised cost		710 232	11%	640 722	11%	574 690
Reinsurance contracts assets	3	1 866 412	18%	1 583 166	38%	1 147 222
Prepayments		18 107	6%	17 134	(33%)	25 392
Cash and cash equivalents	4	4 420 451	(25%)	5 875 721	6%	5 532 129
Total assets		**26 019 706**	**24%**	**20 913 627**	**27%**	**16 452 869**
Equity						
Share capital		22 000 000	0%	22 000 000	0%	22 000 000
Retained earnings/ (Accumulated losses)	5	1 799 464	153%	(3 388 476)	57%	(7 857 459)
Total equity		**23 799 464**	**28%**	**18 611 524**	**32%**	**14 142 541**
Liabilities						
Lease liability		9 960	27%	13 728	(100%)	16 820
Insurance contracts liabilities	6	1 905 045	8%	2 061 759	(4%)	1 980 979
Reinsurance contracts liabilities		55 595	(70%)	32 775	60%	82 071
Employee benefit liability		51 140	(9%)	46 761	(20%)	38 865
Current tax payable		18 451	4%	19 233	32%	28 249
Payables		180 051	(41%)	127 847	22%	163 344
Total liabilities		**2 220 242**	**4%**	**2 302 103**	**0%**	**2 310 328**
Total equity and liabilities		**26 019 706**	**24%**	**20 913 627**	**27%**	**16 452 869**

	Note	2026	2025	2024
		%	%	%
Debt equity ratio		9%	12%	16%
Total assets to liabilities		1172%	908%	712%
Return on equity		25%	29%	41%

Notes
1. Deferred tax asset increased by 43% (2025: 40%). This was attributable to an increase in deferred tax relating to the assessed loss as a result of an increase in forecasted taxable income.
2. Financial assets at fair value through profit and loss increased by 50% (2025: 40%). This was mainly attributable to the implementation of an investment strategy that resulted in an allocation of cash generated from operations from cash and cash equivalents to financial assets at fair value through profit or loss.
3. Reinsurance contract assets increased by 18% (2025: 38%). The increase from the prior financial year was mainly attributable to an increase in the ceding rate as well as the current year contingent profit commission.
4. Cash and cash equivalents decreased by 25% (2025: increased by 6%). This was mainly attributable to the allocation of cash generated from operations to financial assets measured at fair value through profit or loss.
5. Retained earnings improved by 153% from an accumulated loss (2025: decrease of accumulated loss by 57%), primarily as a result of the profit reported in the current year.
6. Insurance contracts liabilities decreased by 8% (2025: increased by 4%). The decrease in the current financial year was mainly attributable to a reduction in claims liabilities as a result of estimate revision / changes and payments.

Statement of cash flows

For the year ended 31 March 2026

	Note	2026	MOVEMENT 2025/26	2025	MOVEMENT 2024/25	2024
		R'000	%	R'000	%	R'000
Cash flows from operating activities						
Cash generated from operations	1	2 761 602	17%	2 369 607	(32%)	1 801 198
Dividends received		7 801	166%	2 930	100%	11 105
Interest received	2	1 205 764	2%	1 177 063	48%	794 141
Interest paid		(31 714)	(1957%)	(1 542)	16%	(1 828)
Income tax paid	3	(256 960)	(9%)	(236 505)	(58%)	(149 427)
Net cash flow from operations		**3 686 493**	**11%**	**3 311 553**	**35%**	**2 455 189**
Cash flows from investing activities						
Purchase of property and equipment		(3 189)	32%	(4 699)	(113%)	(2 204)
Proceeds on disposal of property and equipment		178	(62%)	464	263%	128
Purchases relating to intangible assets		-	100%	(439)	82%	(2 412)
Purchase of financial assets	4	(5 134 984)	(73%)	(2 960 195)	(184%)	(1 043 397)
Net cash flow used in investing activities		**(5 137 995)**	**(73%)**	**(2 964 869)**	**(183%)**	**(1 047 885)**
Cash flows from financing activities						
Cash payment relating to principal lease liability		(3 768)	(22%)	(3 092)	(24%)	(2 503)
Net cash flow used in financing activities		**(3 768)**	**(22%)**	**(3 092)**	**(24%)**	**(2 503)**
Net increase in cash and cash equivalents		**(1 455 270)**	**(524%)**	**343 592**	**76%**	**1 404 801**
Cash and cash equivalents at the beginning of the year		5 875 721	6%	5 532 129	34%	4 127 328
Cash and cash equivalents at the end of the year		**4 420 451**	**(25%)**	**5 875 721**	**6%**	**5 532 129**

National Treasury Compliance Reporting

Sasria SOC Ltd is a schedule 3B public entity in terms of the Public Finance Management Act, 1999 (PFMA), wholly owned by the government of the Republic of South Africa as represented by National Treasury. The company reports to the shareholder in terms of the PFMA and the Treasury Regulations, and its performance against the approved corporate plan is set out in Section 5.2.

Compliance was assessed as effective and satisfactory for the period, and no material compliance breaches were reported. Irregular expenditure of R2.7 million and fruitless and wasteful expenditure of R30.6 million were confirmed during the year and are disclosed in the annual financial statements, together with the remedial actions taken. The schedules below set out the reconciliation of each, together with the contracts awarded through procurement by other means.

Irregular Expenditure

Irregular expenditure of R2.7 million was confirmed during the year, arising from expenditure incurred on auto-renewed contracts (R1.0 million) and the use of an inappropriate procurement method (R1.7 million). No irregular expenditure relating to prior years was identified during the period.

Reconciliation of irregular expenditure

	2026	2025
	R'000	R'000
Opening balance	21 208	20 620
Add: irregular expenditure confirmed	2 736	588
Closing balance	**23 944**	**21 208**
Irregular expenditure relating to prior years and identified in the current year	0	0
Irregular expenditure for the current year	2 736	588
Details of current and previous year fruitless and wasteful expenditure recovered	(5)	(641)
Total	**2 736**	**588**

Fruitless and Wasteful Expenditure

Fruitless and wasteful expenditure of R30.6 million was confirmed during the year. Of this, R30.5 million relates to interest raised under the South African Revenue Service Voluntary Disclosure Programme in respect of the 2021/22 financial year and identified during 2025/26. Expenditure attributable to the current year amounted to R27 000, comprising a supplier overpayment of R5 100, which was recovered in full, and R22 100 of costs for an event that was not attended.

Reconciliation of fruitless and wasteful expenditure

	2026	2025
	R'000	R'000
Opening balance	58 642	59 259
Add: fruitless and wasteful expenditure confirmed	30 550	24
Less: fruitless and wasteful expenditure recovered	(5)	(641)
Closing balance	**89 187**	**58 642**
Expenditure relating to 2021/22 and identified in the current year	30 523	0
Expenditure for the current year	27	24
Total	**30 550**	**24**
Details of current and previous year fruitless and wasteful expenditure recovered		
Fruitless and wasteful expenditure recovered	(5)	(641)

Fruitless and wasteful expenditure of R48 523 was approved for write-off after the reporting date and is therefore not reflected in the year-end balance as at 31 March 2026.

Procurement by Other Means

The following contracts were awarded through sole source or single source procurement during the year, in each case approved by the delegated authority:

Project description	Service provider	Type	Value R'000
Protest monitoring and intelligence services	X (Twitter)	Sole source	1 903
Executive management alignment consulting services	YSA Consulting (Pty) Ltd	Single source	1 000
Cloud computing services	Microsoft Ireland Operations	Single source	7 475
The Economist subscription	The Economist	Single source	43
IFRS 17 reporting system support services	QED South Africa (Pty) Ltd	Single source	1 380
Subscription to RiskIntegrity	Moody's UK Analytics Limited	Sole source	7 701
POPIA compliance monitoring software licences	PrivIQ South Africa (Pty) Ltd	Sole source	750
Conflict and protest event data subscription services	ACLED Analytics Ltd	Single source	552
Total			**20 804**



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