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Remuneration Report

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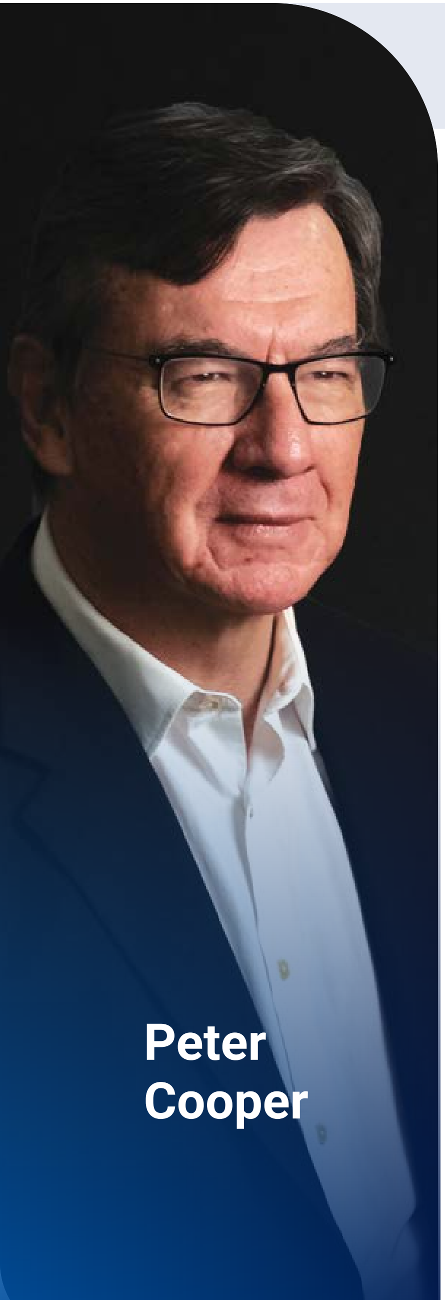
REMUNERATION REPORT AND SHAREHOLDER INFORMATION

PART 1: REPORT FROM THE CHAIR OF THE REMUNERATION COMMITTEE

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



Achievement of the stated objectives of the remuneration policy

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

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

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

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

The Remuneration Committee believes that the policy supports the delivery of Group strategy in a responsible and sustainable manner.

Key features of our financial results for F2023

South Africa continues to face political and economic uncertainty, unprecedented levels of unemployment and rising inflation. Global uncertainty, stemming mainly from the Russia Ukraine war and the ongoing impact of that war on food security and supply chains, has resulted in rapidly rising inflation, and struggling economies as citizens battle to make ends meet.

Despite the challenging economic and operating environment, we maintained our strategic focus on accomplishing our Reinvent and Grow targets. The Group delivered R5 079 million of normalised headline earnings, 16% higher than the prior year. This growth in earnings demonstrates that our diligence in implementing the Reinvent and Grow strategic direction, efforts and initiatives have driven value creation for our policyholders and shareholders.

We generated operating profit of R4.4 billion (F2022: R3.4 billion). This result was supported by the improved mortality experience in the life businesses, benefiting from the less severe impact of Covid-19 with mortality and morbidity experience having largely normalised and a favourable movement in investment variances as a result of advantageous shifts in yield curves.

New business volumes, as measured by the PVNBP, declined year on year by 5% to R69 billion (F2022: R73 billion). This was mainly due to lower new business volumes in Momentum Investments and Momentum Metropolitan Africa, offset to some extent by improved new business volumes in Momentum Life and Metropolitan Life. The Group's VNB declined by 4% to R600 million (F2022: R626 million), mainly a result of a decline in Metropolitan Life and Momentum Metropolitan Africa's VNB.

The regulatory solvency positions of all Group entities remain within their specific target solvency ranges. For Momentum Metropolitan Life, the Group's main life insurance entity, the solvency capital requirement (SCR) cover improved from 2.03 times cover at 30 June 2022 to 2.08 times SCR cover at 30 June 2023.

The Group achieved an annualised ROE of 22.3%, exceeding our target range of 18% to 20%.

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

- An average annual increase of 6.0% will be granted in October 2023 (F2022: 5.5%)
- The management short-term incentives (STI) pool for F2023 increased to 125% (from 117%) of target, in line with our NHE performance
- Solid earnings positively impacted the Group's performance against the June 2023 targets set for the 2020 long-term incentive tranche vesting in October 2023. The 2020 long-term incentive plan (LTIP) award achieved 69% of the performance targets at a Group level.

The committee is of the view that these outcomes are fair, given the improvement in business performance in F2023.

Other actions by the Remuneration Committee in 2023

- Engaging with shareholders where engagements were necessary to address areas of concern regarding the Group's remuneration policy and its implementation, ahead of the AGM which took place on 24 November 2022 (see below, the actions taken by the Remuneration Committee to address the concerns raised by shareholders)
- Approving the performance criteria applicable to the October 2023 LTIP allocation including the consideration of the likely impact of the adoption of the IFRS 17 standard on the future performance outlook. Further details are provided below in this regard
- Review of the design and benchmark appropriateness of the short term and long term incentive plans.

Impact of the International Financial Reporting Standard 17 (IFRS 17 Insurance Contracts) on setting performance targets

The Group has undertaken extensive work in preparation for the adoption of IFRS 17. The forecasted impact has been considered in setting the forward-looking on-target earnings for the short-term incentives, and the performance conditions for the long-term incentives. The Group will monitor the actual versus forecasted impact of IFRS 17 adoption on underlying results during F2024. The committee will then consider the appropriateness of reviewing the 2023 LTIP performance targets.

Shareholder engagement and voting outcome

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

Overview of the remuneration policy

F2022	21% against
F2021	18% against
F2020	14% against

Implementation report

F2022	21% against
F2021	17% against
F2020	49% against

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

Notwithstanding the last "vote against" being below the prescribed 25%, we engaged with dissenting shareholders regarding their concerns. This was an opportunity to engage constructively with our shareholders and to better understand their perspectives and ensure our remuneration practices balance their legitimate expectations with the business's strategy and performance. The primary concern raised by shareholders related to the total shareholder return (TSR) being the only performance condition for the F2021 and F2022 LTIP awards. In response, the Remuneration Committee has approved a diversified set of financial targets that are aligned to the Group's overall strategy as performance conditions. These will be applicable to the F2023 LTIP awards.

Our remuneration policy and the implementation report for F2023 will be presented for separate annual non-binding advisory votes at our AGM. If either the remuneration policy (as set out in part 2) or the implementation report (as set out in part 3) receive 25% or more votes against, we will release a SENS announcement inviting dissenting shareholders to engage one-on-one with the relevant Group representatives, and the details regarding any such engagements will be disclosed in the F2024 Remuneration Report.

Executive director changes

In May 2023, we announced Jeanette Marais (Cilliers) would succeed Hillie Meyer as Group CEO, effective 1 August 2023. After undergoing a rigorous, robust and thorough selection process, Jeanette emerged as the successful candidate. No sign-on or exit payments were made in relation to the Group CEO succession process. For Hillie, the overall mix of total reward approved takes his overall contribution to the Group's strategy during the term of his appointment into consideration, while the deferred portion maintains a healthy alignment with the Group's medium to long-term interest.

F2024 focus areas

During F2024, the Remuneration Committee will be focusing on the following areas:

- Aligning the Group scorecard to the new strategic objectives including critical measures of profitability, shareholder value and sustainability
- Remuneration policy changes stemming from the impact of IFRS 17 implementation on key financial metrics and targets
- Considering appropriate ESG metrics that align with the Group's overall sustainability targets for the STI and LTI performance targets
- Enhancing and expanding on the fair and responsible pay principles and developing metrics to track progress in this regard. This includes monitoring developments on the proposed amendments to the Companies Act regarding the publication of a Wage Ratio Report
- Assessing remuneration policy objectives and measuring them against market benchmarks, ensuring the short-term and long-term incentive plans remain competitive and continue to attract and retain critical and scarce skills
- Continued engagement with shareholders regarding concerns related to the Group's remuneration policy.

Independent advice

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

Approval

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

This Remuneration Report was approved by the Remuneration Committee of Momentum Metropolitan Holdings on 18 September 2023.

Peter Cooper

PART 2: OVERVIEW OF THE GROUP'S REMUNERATION POLICY

THE GROUP'S REMUNERATION PHILOSOPHY

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

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

Our remuneration policy is based on the following fundamental principles:

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

REMUNERATION STRUCTURE AND DESIGN

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

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

Total Guaranteed Pay

We ensure that our TGP remains competitive, which we regularly benchmark against peers in the financial services sector. Generally, TGP is aligned with the market median (50th percentile) for employees who meet the role requirements. However, we do make exceptions for certain key positions where premiums are necessary due to scarce or specialised skills, outstanding performance, or to retain critical skills in such cases, TGP may be set at or above the upper quartile (75th percentile).

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

TGP increases are awarded annually from 1 October each year.

Variable incentives (STI and LTI)

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

Short-term incentives (STI)

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

Eligibility to participate in the management STI pool is open to executive, senior and middle management employees who are not already on pay-for-performance contracts. These employees have the opportunity to benefit from the STI programme based on their performance and contribution to the Group's financial success. The discretionary nature of the STI allows for flexibility in recognising exceptional performance and provides an incentive to strive towards achieving the targeted financial outcomes.

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

The overall on-target STI pool is calculated on a bottom-up basis, by adding the benchmark on-target STIs for all participants, based on the industry where the business operates.

This bottom-up STI pool is then tested for affordability using a top-down calculation, being a percentage of the Group on-target pre-tax pre-incentive NHE as approved by the Remuneration Committee. The overall on-target STI pool is therefore the level of STIs that can be funded by achieving the targeted NHE.

The top-down calculation is then applied to the actual NHE for the year, subject to the approval of the calculated STI pool by the Remuneration Committee.

The allocation of the Remuneration Committee-approved STI pool to business units takes place as follows:

- The on-target STI pool per business unit is subject to financial and non-financial performance modifiers
- The financial performance modifier is primarily the business unit NHE versus target, supplemented by sales targets for distribution teams
- The non-financial performance modifier relates to meeting employment equity targets
- The business unit performance-modified on-target STI pools are then adjusted back to the actual Group incentive pool as approved for the year by the Remuneration Committee

Individual STIs are then calculated based on the individual's performance-adjusted on-target incentive as a proportion of the business unit pool. Management discretion may be applied where appropriate, to make adjustments for factors not taken into account in the calculation, such as talent retention.

Employees outside these management layers participate in a general employee STI pool based on individual performance.

Group targets are reviewed and approved by the Board. Business unit targets are approved by the Executive Committee. Individual objectives must be agreed with the employee's line manager or team leader. For Executive Committee members, objectives are agreed with the Group Chief Executive Officer (Group CEO).

Details regarding the actual management STI pool for F2023 is set out in **Part 3: Implementation report.**

Deferral of STI

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

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

The Remuneration Committee has the discretion to increase the deferred portion of the STI, where appropriate.

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

LTI awards

The Group's LTI schemes currently include:

The Long-term Incentive Plan (LTIP)

The Group's LTIP is primarily available to executives and senior management who directly contribute to long-term value creation. By exception, participation is also extended to high-performing upper and middle management employees who possess scarce and critical skills. The quantum of these individual LTIP awards is determined based on benchmarks derived from the financial services market.

The LTIP is structured as a cash-settled phantom share plan. It has a vesting period of three years, followed by an additional two-year holding period. In the case where dividends are paid on ordinary shares, LTIP participants receive dividend equivalent amounts credited as additional units that vest alongside the LTIP units, subject to performance conditions being met.

The Share Appreciation Rights Scheme (SAR)

Previously, the Group also operated a SAR scheme, with the last issuance having vested in October 2022, subject to the two-year holding period. The SAR scheme is also a cash-settled phantom scheme, where participants are credited with the value of dividends paid on ordinary shares during the vesting and settlement periods (dividend equivalents).

The Momentum Metropolitan iSabelo Trust (iSabelo)

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

LTIP scheme performance conditions

The LTIP is a cash-settled scheme comprising both retention and performance units that reference their value to the Momentum Metropolitan share price. Post-2018, all allocations from the LTIP represent performance units which vest after three years, subject to the achievement of performance conditions set at the award date, with an additional two-year holding period.

Details of the LTIP performance vesting outcomes for the tranche vesting in October 2023 are set out in **Part 3: Implementation report**. The performance conditions for the October 2020 award, to be measured on the June 2023 results, are set out below:

Performance measure	% weighting	Target
NHE (lower bound)	20%	R3.7 billion in F2023
NHE (upper bound)	20%	R4.2 billion in F2023
ROE	30%	15% in F2023
Total shareholder return (TSR) vs equal-weighted peer index	30%	Exceed peer group TSR

The above performance conditions are binary, and measured independently, with a maximum vesting percentage of 100% in total. These performance conditions apply to the Group CEO, Group FD and all Group-wide service employees. For business unit executives and senior managers, 50% of the performance conditions relate to the above and the other 50% to equivalent, but business unit-specific, financial targets.

The performance condition related to the October 2021 award, to be measured on the June 2024 results, is set out below:

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

The performance condition related to the October 2022 award, to be measured on the June 2025 results, is set out below:

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

iSabelo

The iSabelo Employee Share Ownership Trust is an equity-settled share ownership scheme that provides eligible employees with an opportunity to own units in the Trust, which vest over a period of seven years. Once the units become unrestricted, which occurs after a period of 10 years, the net asset value of the Trust will be distributed to the beneficiaries. The distribution will be made in the form of Momentum Metropolitan shares, and the allocation will be proportionate to the individual unit holdings of the beneficiaries.

Any ordinary dividends declared by the Group during the restricted period will be applied at least 80% to the settlement of the debt raised by the Trust to acquire the shares, and up to 20% will be paid to participants. Eligibility includes all South Africa-based permanent employees, with a minimum economic participation of 55% black women and 85% black employees. There are no performance conditions attached to the allocated units.

EXECUTIVE DIRECTOR PAY MIX

At the executive management level, the following graphs illustrate the pay mix for the outgoing Group CEO, incoming Group CEO and Group FD across different performance levels: minimum, on-target, and stretch. The pay mix for executives is designed to emphasise variable pay that is contingent upon meeting specific financial and strategic performance targets, thus reflecting a higher level of "at-risk" compensation. The goal is to establish a well-balanced pay structure that aligns with the job requirements and individual performance of each executive.

The basis for determining the amounts under the minimum, on-target and stretch performance levels is as follows:

Outgoing Group CEO Hillie Meyer

	TGP	STI cash	STI deferral	LTIP	
Minimum	100%				R8.4 million
On target	31%	14%	13%	41%	R27.2 million
Stretch	23%	16%	15%	46%	R36.5 million

Incoming Group CEO Jeanette Marais (Cilliers)

	TGP	STI cash	STI deferral	LTIP	
Minimum	100%				R8 million
On target	31%	14%	13%	41%	R25.9 million
Stretch	23%	16%	15%	46%	R34.8 million

FD – Risto Ketola

	TGP	STI cash	STI deferral	LTIP	
Minimum	100%				R5.8 million
On target	33%	15%	13%	39%	R17.7 million
Stretch	25%	16%	15%	44%	R23.6 million

TGP STI cash STI deferral LTIP

Minimum

This is where the Group does not meet the threshold performance level for the given year, and the Remuneration Committee does not award any discretionary STI or LTI. Only the TGP is guaranteed.

On target

Is based on an on-target rating, where the STI represents 90% of TGP for the Group CEO and 85% of TGP for the Group FD. The LTI is assumed to meet two of the three performance criteria (i.e. 67% vesting) and is based on an LTIP allocation of 150% of TGP for the Group CEO and 135% of TGP for the Group FD, and no share price growth.

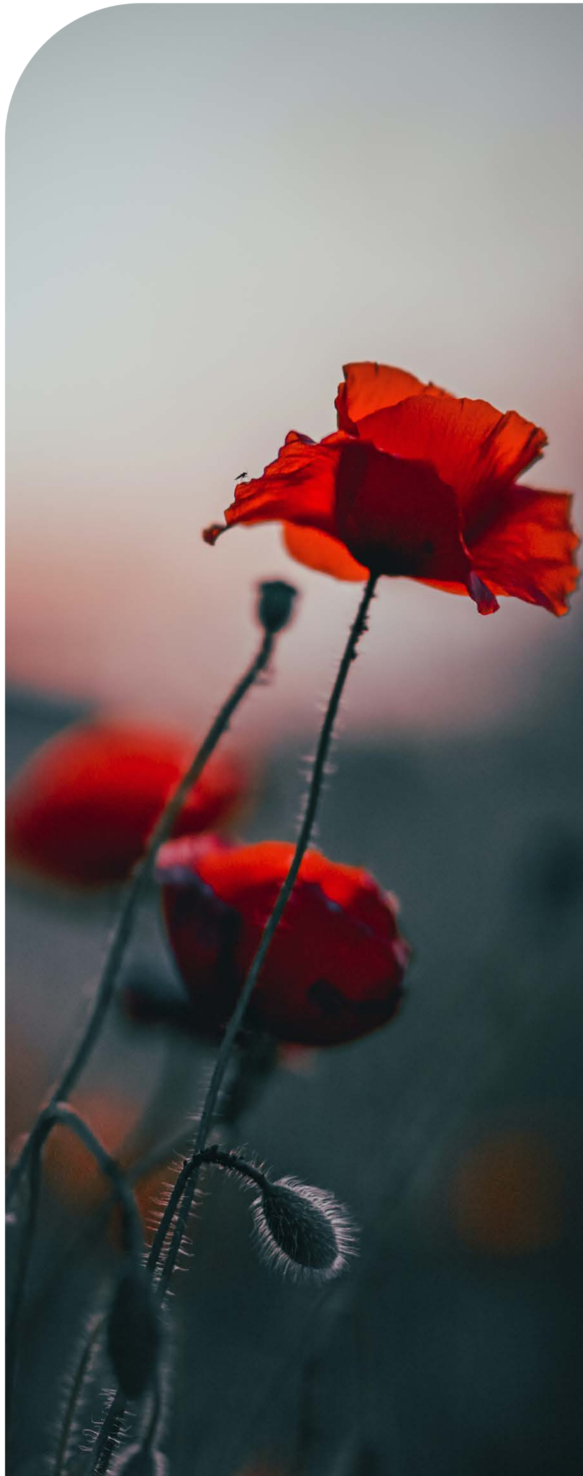
Stretch

Is based on meeting the stretch targets, where the STI represents 135% of TGP for the Group CEO, and 128% of TGP for the Group FD. The LTI is assumed to meet all performance criteria (i.e. 100% vesting) and is based on an LTIP allocation of 150% of TGP for the Group CEO and 135% of TGP for the Group FD, and no share price growth.

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

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

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



ENSURING FAIR, EQUITABLE AND RESPONSIBLE REMUNERATION

Role levels

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

Internal pay equity

Jobs are benchmarked centrally in the Group to ensure a consistent assessment of the level of the role relative to other similar roles in the Group, and relative to the market. Salary benchmark surveys that are appropriate to the markets in which we operate are used across the Group to ensure comparability with peers and to ensure a consistent benchmark outcome for jobs of equal value.

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

Fair and responsible remuneration

Our primary focus is to foster a fair and inclusive working environment where all our people have an equal opportunity to thrive and make their best contributions. We, thus recognise the importance of striving for equal pay, fairness and equality in our remuneration practices as a means to retain, attract and motivate top talent.

We are cognisant of our internal wage gap. As envisaged by the principles of fair and responsible remuneration, the Remuneration Committee considered the following:

- Applying the principle of "equal pay for work of equal value" (as set out under "Internal pay equity") to identify possible areas of pay discrimination or bias
- Identifying and addressing any unjustifiable remuneration disparities
- Reviewing the minimum guaranteed package of employees at the basic skills level to ensure this is set at a level that offers employees a decent standard of living. The current minimum guaranteed package is R155 000 per annum
- When considering increases, we consider factors including but not limited to: inflation, affordability, market trends, competitor remuneration and scarcity of skills
- When awarding annual salary increases, the increase percentages granted to general employees are generally higher than those granted to senior and executive management, thereby narrowing the pay gap that exists between the highest and lowest paid employees
- Reviewing the level of variable remuneration paid which is based on performance outcomes against targets, and benchmarked against the financial services market.

MALUS AND CLAWBACK

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

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

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

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

EXECUTIVE AND SENIOR MANAGEMENT – SERVICE AGREEMENTS

Sign-on awards

For appointments which are deemed critical to the business, the Group may offer sign-on awards (whether in the form of cash or LTIP awards) to new members of executive management and key employees.

In cases where the Group considers certain appointments crucial to its business, sign-on awards (whether in the form of cash or LTIP awards) may be offered to new members of executive management and key employees. Sign-on LTIP awards are ordinarily subject to a three-year vesting period, with a two-year compulsory holding period thereafter. The LTIP award is subject to forfeiture should the employee resign or be dismissed by the Group during the vesting period, in accordance with the rules of the scheme. Any cash-based sign-on awards are subject to clawback, and employees will have to repay these awards should they resign from the Group within a specified period as regulated by their employment contracts. The Group CEO has the discretion to determine sign-on awards.

No sign-on awards were made at the Group Executive Committee management level in the current year. Sign-on awards are made in exceptional circumstances where merited for appointment of key scarce and critical skills to compensate for loss of incentive awards granted by a previous employer, that were forfeited or revoked as a result of appointment to the Momentum Metropolitan Group.

Restraints of trade

The Remuneration Committee has the authority to enter into restraint of trade agreements with members of executive management when deemed necessary. Restraint of trade agreements may take the form of contractual arrangements, either unpaid or with an appropriate payment attached. The specific terms and conditions of these agreements are determined based on the individual circumstances and requirements of the executives involved. One such restraint of trade agreement was concluded during the current year.

Payments on termination of employment

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

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

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

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

Reasons for termination

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

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

Retention payments

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

Minimum shareholding requirements

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

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

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

NON-EXECUTIVE DIRECTOR FEES

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

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

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

Non-executive directors may receive ad hoc supplementary fees if they undertake significant additional work during the financial year. These fees are calculated on an hourly basis and are not guaranteed. The payment of such fees is limited to ad hoc committee work requested from non-executive directors. During F2023, the Nominations Committee undertook significant additional work relating to the Group Chief Executive appointment process. The payment of such additional work was disclosed separately.

The details regarding the proposed non-executive director fees for F2024 are set out in the **Notice of Annual General Meeting**, Special Resolution Number 3.

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

This remuneration policy is subject to an advisory vote by shareholders at the November 2023 AGM. Shareholders are requested to cast a non-binding advisory vote on Part 2 of this Remuneration Report, as it appears above.

EXECUTIVE DIRECTORS – SINGLE-FIGURE DISCLOSURE

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

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

Single-figure remuneration: executive directors

	Hillie Meyer		Jeanette Marais (Cilliers)		Risto Ketola		Total	
R'000	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Guaranteed remuneration[1]	8 171	7 121	5 523	5 204	5 337	5 022	19 031	17 347
Salary and allowances	8 171[4]	7 121[4]	5 177	4 882	4 996	4 670	18 344	16 672
Retirement contributions	–	–	283	263	277	257	560	520
Medical aid contributions	–	–	63	59	63	95	127	154
Short-term incentives[2]	13 000	8 850	8 000	6 250	7 000	6 000	28 000	21 100
Cash	6 650	4 475	4 150	3 175	3 650	3 050	14 450	10 700
Deferred	6 350	4 375	3 850	3 075	3 350	2 950	13 550	10 400
Long-term incentives[3]	11 626	10 730	9 030	7 101	6 516	5 871	27 172	23 702
Total remuneration	**32 797**	**26 701**	**22 553**	**18 555**	**18 853**	**16 893**	**74 203**	**62 149**

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

***2022**:*
- *For SAR units, the value is based on the number of October 2018 units vesting in October 2022, on the basis of performance conditions measured on 30 June 2022, multiplied by the option value on 30 June. In terms of these SAR performance conditions, 67% of these units will vest, at a current value of R0.82 per unit*
- *For LTIP performance units, the value is based on the value of the number of October 2019 performance units vesting in October 2022, on the basis of performance conditions measured on 30 June 2022, multiplied by the share price on 30 June. In terms of these LTIP performance conditions, 67% of these units will vest in October 2022 for Hillie Meyer and Risto Ketola, and 85% for Jeanette Marais (Cilliers), due to her business unit performance vesting conditions being 100% achieved*
- *No LTIP retention units were issued to executive directors in 2022, other than the deferred bonus units, which are included in the short-term incentive amounts above.*

[4] After the deduction of unpaid leave totalling R821 000

2023:
- *For LTIP performance units, the value is based on the value of the number of October 2020 performance units vesting in October 2023, on the basis of performance conditions measured on 30 June 2023, multiplied by the share price on 30 June 2023. In terms of these LTIP performance conditions, **70%** of these units will vest in October 2023 for Hillie Meyer and Risto Ketola, and **85%** for Jeanette Marais (Cilliers), due to her business unit performance vesting conditions being **100%** achieved*
- *No LTIP retention units were issued to executive directors in 2023, other than the deferred bonus units, which are included in the short-term incentive amounts above.*

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

COMPANIES ACT DISCLOSURE – EXECUTIVE DIRECTORS

R'000	Hillie Meyer 2023	Hillie Meyer 2022	Jeanette Marais (Cilliers) 2023	Jeanette Marais (Cilliers) 2022	Risto Ketola 2023	Risto Ketola 2022	Total 2023	Total 2022
Guaranteed remuneration	8 171	7 121	5 523	5 204	5 338	5 022	19 031	17 347
Salary and allowances	8 171	7 121	5 177	4 882	4 996	4 670	18 344	16 672
Retirement contributions	–	–	283	263	278	257	560	520
Medical aid contributions	–	–	63	59	63	95	127	154
Short-term incentives	4 475	1 300	3 175	1 300	3 050	1 150	10 700	3 750
Long-term incentives	7 058	2 311	5 137	1 618	4 238	2 076	16 433	6 005
Total remuneration	**19 703**	**10 732**	**13 835**	**8 122**	**12 626**	**8 248**	**46 164**	**27 102**

The STI represents the cash bonus payment made in October, while the LTI represents the settlement of LTIs that vested during the year, including deferred bonus units.
- *In 2022, the LTI payments represented only vested deferred bonus units, as no LTIP performance units were vested in this period.*
- *In 2023, the LTI payments represented the vested deferred bonus units and the LTIP performance units that vested during this period.*

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

GUARANTEED REMUNERATION ADJUSTMENTS

As set out in Part 1 above, for salaries to remain competitive, an annual salary increase is awarded. An average increase of 6.0% will be granted in October 2023.

The TGP of the executive directors and their respective increases, effective 1 October 2022, are set out in the table below.

Total Guaranteed Package

	1 August 2023 R'000	1 October 2023 R'000	1 October 2022 R'000	% annual increase
Hillie Meyer*			8 400	
Jeanette Marais (Cilliers)**	8 000		5 500	
Risto Ketola		5 800	5 400	7.4%

** Fixed-term contract as Group CEO ended on 30 September 2023.*
*** Appointed as Group CEO effective from 1 August 2023. A fixed remuneration adjustment was granted upon appointment as CEO on 1 August 2023. No annual increase was granted in October 2023.*

VARIABLE REMUNERATION

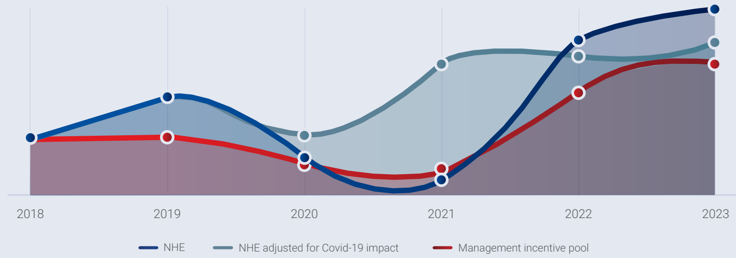
The performance outcomes for both the STI and LTI benefits for the current year, are set out below:

Short-term incentives (STI)

The Group's performance in terms of the key financial metrics was as follows:
- NHE of R5 079 million, which is higher than the F2022 NHE due to the less severe impact of Covid-19 on earnings, with mortality experience having normalised to levels last seen in 2019. Earnings were further supported by a strong improvement in investment variances because of advantageous shifts in yield curves
- New business volumes (on a PVNB basis) decreased by 5% to R68 873 million
- The ROE for the year was 22.3%, a slight decrease from 22.7% in the prior year.

Taking into account the above metrics, and the fact that the NHE for F2023 of R5 billion exceeded the targeted NHE for the year, the Remuneration Committee approved a management STI pool for F2023 which is 125% of the on-target pool, in line with the earnings performance.

The graph below illustrates the change in the annual management STI pool since F2019, together with the NHE trend over the same period:



Since F2018, NHE has increased by 153.6%, while the management STI pool has increased by 84.6%. Overall, the level of the STI pool has tracked the NHE trend closely, including the F2020 and F2021 years that were impacted by the Covid-19 pandemic.

Short-term incentives awarded in cash and deferred – executive directors

The short-term incentives awarded to executive directors in F2023 (payable in F2024 and subject to the short-term incentive deferral rules as referred to in **Part 2 of the Remuneration Report**) are set out below:

	Approved STI 2023 R'000	% of TGP 2023 %	Approved STI 2022 R'000	% of TGP 2022 %
Hillie Meyer	13 000	155%	8 850	105%
Jeanette Marais (Cilliers)	8 000	100%	6 250	114%
Risto Ketola	7 000	121%	6 000	111%

Long-term incentive vesting – LTIP scheme

The performance conditions for the October 2020 award, along with the actual performance measured at the performance vesting date of 30 June 2023, are set out below:

Performance measure	% weighting	Target	Actual
Normalised headline earnings (lower target)	20%	R3.7 billion	R5.1 billion
Normalised headline earnings (upper target)	20%	R4.2 billion	R5.1 billion
Return on equity (ROE)	30%	15% Group ROE in 2023	22.3%
Total Shareholder Return (TSR) vs equal-weighted peer index	30%	Exceed peer Group TSR	9.5% behind benchmark

The four performance conditions are measured independently, i.e. achieving one of the conditions will result in proportionate vesting equivalent to the weighting allocated to the specific target, and achieving all four will result in 100% vesting. The above performance targets apply to all executives at Group level, while business unit executives have a 50% weighting to these targets and 50% weighted towards business unit-specific targets.

As a result of three of the four performance conditions being met, 70% of the LTIP units will vest at Group level, while the achievement of business unit performance measures ranges between 35% and 85%, resulting in an overall Group average vesting of 69%. These vested units will be settled in three equal tranches on 1 October 2023, 2024 and 2025, based on the 20-day volume-weighted average share price of Momentum Metropolitan up to 1 October each year, including dividends declared and paid by Momentum Metropolitan during the settlement period, in the form of additional dividend units.

The approved STIs for the 2023 financial year are settled as follows:

	Cash – October 2023 R'000	Deferred into LTIP R'000	Cash – October 2022 R'000
Hillie Meyer	6 650	6 350	4 475
Jeanette Marais (Cilliers)	4 150	3 850	3 175
Risto Ketola	3 650	3 350	3 050

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

Long-term incentives to be awarded in October 2023 – executive directors

The following table sets out the approved LTIP performance unit awards to the executive directors, effective 1 October 2023:

	Approved LTIP face value 2023 R'000	% of TGP 2023 %	Approved LTIP face value 2022 R'000	% of TGP 2022 %
Hillie Meyer	–	–	16 800	200%
Jeanette Marais (Cilliers)	16 000	200%	9 000	164%
Risto Ketola	9 000	155%	9 000	167%

For the October 2023 LTIP awards, the Remuneration Committee has decided to apply performance conditions, as set out in the table below:

		Performance targets				
Performance metric	Threshold	2024 R'm	2025 R'm	2026 R'm	Total weighting	Annual weighting
Normalised headline earnings (NHE)*	Lower	R4 000	R4 250	R4 500	30.0%	10%,10%,10%
	Upper	R4 500	R4 750	R5 000		
Value of new business (VNB)*	Lower	R600	R700	R800	30.0%	10%,10%,10%
	Upper	R800	R900	R1 000		
Return on equity (ROE)**	Lower			16.00%	20.0%	n/a
	Upper			18.00%		
MMH – TSR***		Exceed Peers			20.0%	n/a
Total for MMH					**100.0%**	

For this LTIP tranche to vest in full, or partially in October 2026, the Momentum Metropolitan Group performance must meet the performance conditions as set out above, and elaborated further below:

** NHE and VNB targets set for each of the financial years 2024 to 2026. Each year's target contributes 33.33% to the total three-year allocated weightings of 30%*

*** ROE target to set and measured for the end of the three-year measurement period (June 2026)*

**** TSR target to be set and measured against the peer group (Discovery, OM and Sanlam) as an average over the three-year performance measurement period*

*****The proposal includes lower and upper thresholds. Linear vesting will occur, with 50% of the vesting at lower thresholds, proportionately progressing to 100% at the upper threshold.*

Long-term incentive table of unvested awards – executive directors

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

Executive director	Opening number on 1 July 2021	Granted during 2022	Forfeited during 2022	Vested during 2022	Closing number on 30 June 2022[1]	Cash flow on settlements 2022[3]	Estimated fair value on 30 June 2022[4]	Granted during 2023[2]	Forfeited /Cancelled during 2023	Vested during 2023	Closing number on 30 June 2023	Cash flow on settlements 2023[3]	Estimated fair value on 30 June 2023
	'000	'000	'000	'000	'000	R'000	R'000	'000	'000	'000	'000	R'000	R'000
Hillie Meyer	**5 737**	**1 023**	**(1 357)**	**(118)**	**4 450**	**2 311**	**20 829**	**1 662**	**(2 662)**	**(413)**	**3 871**	**7 058**	**47 977**
LTIP – performance units													
Award date – 9 April 2018[1]	1 347	10	(1 357)	–	–	–	–	–	–	–	–	–	–
Award date – 1 October 2019	963	26	–	–	989	–	9 449	32	(330)	(220)	471	3 755	8 512
Award date – 1 October 2020	835	23	–	–	858	–	115	62	–	–	920	–	8 969
Award date – 1 October 2021	–	844	–	–	844	–	2 080	61	–	–	905	–	6 048
Award date – 1 October 2022	–	–	–	–	–	–	–	1 056			1 056		15 062
LTIP — deferred bonus units													
Grant date – 1 October 2018	20	–	–	(20)	–	389	–	–	–	–	–	–	–
Grant date – 1 October 2019	113	2	–	(56)	59	1 098	841	–	–	(58)	–	989	–
Grant date – 1 October 2020	127	2	–	(42)	87	824	1 241	3		(43)	47	741	843
Grant date – 1 October 2021	–	116	–	–	116	–	1 654	6	–	(39)	83	660	1 498
Grant date – 1 October 2022	–	–	–	–	–	–	–	274			275		4 965
SAR — performance units													
Award date – 1 October 2018	2 332	–	–	–	2 332	–	1 281	–	(2 332)		–	–	–
Converted to deferred retention units	–	–	–	–	–	–	–	168		(53)	115	913	2 080
Jeanette Marais (Cilliers)	**2 641**	**702**	**–**	**(83)**	**3 260**	**1 618**	**16 729**	**968**	**(1 488)**	**(301)**	**2 439**	**5 137**	**31 747**
LTIP – performance units													
Award date – 1 October 2019	521	14	–	–	535	–	6 332	21	(89)	(149)	319	2 535	5 756
Award date – 1 October 2020	534	15	–	–	549	–	4 776	40	–	–	588	–	6 906
Award date – 1 October 2021		528	–	–	528	–	1 302	38	–	–	566	–	3 781
Award date – 1 October 2022								**566**			**566**		**8 073**
LTIP – deferred bonus units													
Grant date – 1 October 2018	12	–	–	(12)	-	235	–	–	–	–	–	–	–
Grant date – 1 October 2019	75	1	–	(38)	38	733	542	–	–	(38)	-	659	–
Grant date – 1 October 2020	100	2	–	(33)	69	650	984	2	–	(34)	37	585	666
Grant date – 1 October 2021	–	142	–	–	142	–	2 025	7	–	(48)	102	810	1 839
Grant date – 1 October 2022	–	-	–	–	–	–	–	**193**	–		**193**	–	**3 490**
SAR – performance units				**–**									
Award date – 1 October 2018	1 399	–	–	–	1 399	–	769	–	(1 399)	–	–	–	–
Converted to deferred retention units								**101**		**(32)**	**68**	**548**	**1 236**
iSabelo B-BBEE Trust[5]	17	–	–	–	17	–	11	–	–	–	17	–	11

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

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

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

Executive director	Opening number on 1 July 2021	Granted during 2022	Forfeited during 2022	Vested during 2022	Closing number on 30 June 2022[1]	Cash flow on settlements 2022[3]	Estimated fair value on 30 June 2022[4]	Granted during 2023[2]	Forfeited /Cancelled during 2023	Vested during 2023	Closing number on 30 June 2023	Cash flow on settlements 2023[3]	Estimated fair value on 30 June 2023
Risto Ketola	**2 591**	**587**	**–**	**(106)**	**3 072**	**2 076**	**12 052**	**944**	**(1 577)**	**(249)**	**2 189**	**4 238**	**27 322**
LTIP – performance units													
Award date – 1 October 2019	520	14	–	–	534	–	5 102	17	(178)	(119)	255	2 029	4 598
Award date – 1 October 2020	468	13	–	–	481	–	2 401	35	–	–	515	–	5 026
Award date – 1 October 2021	–	475	–	–	475	–	1 171	34	–	–	510	–	3 402
Award date – 1 October 2022	–	–	–	–	–	–	–	566	–	–	566	–	8 070
LTIP – deferred bonus units													
Grant date – 1 October 2018	38	–	–	(38)	–	747	–	–	–	–	–	–	–
Grant date – 1 October 2019	79	1	–	(39)	41	765	585	–	–	(41)	–	689	–
Grant date – 1 October 2020	87	2	–	(29)	60	564	856	2	–	(30)	32	507	579
Grant date – 1 October 2021	–	82	–	–	82	–	1 169	4	–	(27)	58	465	1 063
Grant date – 1 October 2022								185	–	–	185	–	3 348
SAR – performance units													
Award date – 1 October 2018	1 399	–	–	–	1 399	–	769		(1 399)	–	–	–	–
Converted to deferred retention units	–	–	–	–	–	–		101	–	(32)	68	548	1 236
Isabelo B-BBEE trust[5]	17	–	–	–	17	–	11	–	–	–	17	–	11

[1] *The CEO's initial LTIP award on 9 April 2018 has a vesting date of 31 October 2021, with a performance period from 1 July 2018 to 30 June 2021.*
[2] *Comprises new awards and grants during the year, dividend units on existing awards and grants, and deferred bonus units granted in terms of the STI deferral policy.*
[3] *Represents the cash settled on vesting date, including vested dividend units.*
[4] *Calculated as:*

- LTIP retention units and deferred bonus units – the number of unvested units multiplied by the share price at the reporting date
- LTIP performance units – the number of unvested units multiplied by the latest probability of future vesting at the reporting date, multiplied by the share price at the reporting date
- SAR performance units – – Before the 01 October 2022 vesting the number of unvested units were multiplied by the latest probability of vesting at the reporting date, multiplied by the option valuation per unit as at the reporting date. After the 01 October vesting the SAR vested units were converted to deferred retention units to be cash settled in October 2022, October 2023 and October 2024 respectively.

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

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

This report is subject to a non-binding advisory vote by shareholders at the AGM on 23 November 2023.

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

NON-EXECUTIVE DIRECTORS' FEES

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

	Months service		Fees	
R'000	**2023**	**2022**	**2023**	**2022**
PB Baloyi[5]	12	3	2 813	185
P Cooper[5]	12	12	1 438	2 280
LM Chiume[5]	11	12	1 729	1 661
F Jakoet	–	5	–	528
L de Beer[5]	12	12	1 876	1 696
NJ Dunkley[2]	12	12	3 002	2 528
T Gobalsamy[5]	12	12	1 159	902
SC Jurisich	12	12	2 081	1 924
F Leautier[3]	1	–	43	–
PJ Makosholo	12	12	1 056	944
P Matlakala[3]	1	–	1 516	–
SL McPherson[4]	6	12	655	1 279
MS Moloko	–	5	–	1 167
V Nkonyeni	5	12	821	1 225
DJ Park	12	12	1 794	1 305
FCJ Truter	–	–	–	1 667
DT Soondarjee[3]	1	-	87	–
			20 070	**19 291**

INTEREST OF DIRECTORS IN SHARE CAPITAL

Directors' Momentum Metropolitan shareholding at 30 June 2023 – number of ordinary shares:

'000	Direct beneficial	Indirect beneficial	2023	2022
Hillie Meyer	254	518	773	649
Jeanette Marais (Cilliers)	189	–	189	189
Risto Ketola	65	–	65	25
Peter Cooper	500	952	1452	1 452
Nigel Dunkley	73	–	73	73
Stephen Jurisich*	–	–	–	–
Total ordinary shares at 30 June	**1 083**	**1 470**	**2552**	**2 389**

* A total of 988 shares held in Momentum Metropolitan in the current year and prior year.

MINIMUM SHAREHOLDING REQUIREMENT MEASUREMENT

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

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

Number of Momentum Metropolitan ordinary shares at 30 June 2023

'000	Minimum shareholding requirement	Current qualifying shareholding
Hillie Meyer	966	1 177
Jeanette Marais (Cilliers)**	921	521
Risto Ketola	311	341

***Appointed as Group CEO, effective 1 August 2023. The MSR requirement is based on the GCE package, effective 1 August 2023.*

With the exception of the incoming Group CEO, the minimum shareholding requirement in the above table is calculated based on the Total Guaranteed Package at 30 June 2023, and an average share price for the financial year of R17.38 per share.

[1] *Resigned May 2023.*
[2] *Includes fees from directorships in the United Kingdom (MGIM and Euroguard Boards).*
[3] *Appointed June 2023. Include fees from directorships for serving in MMH's Kenya subsidiary. companies and an ad hoc fee for additional work related to the disposal of the Kenya subsidiaries. The ad hoc fee was based on the approved hourly rate.*
[4] *Resigned December 2022.*
[5] *Includes ad hoc fees for additional Nominations Committee work relating to the Group Chief Executive succession process. The ad hoc fee was based on the approved hourly rate.*

SHAREHOLDER PROFILE

Shareholder	Number of shareholders	% of issued share capital	Shares held (million)
Non-public			
Directors	6	0.2	3
Kagiso Tiso Holdings Proprietary Limited	1	7.9	114
Government Employees Pension Fund	11	14.9	217
Public			
Private investors	27 085	9.9	144
Pension funds	400	3.6	52
Collective investment schemes and mutual funds	1 814	59.0	857
Banks and insurance companies	74	4.5	66
Total	**29 391**	**100.0**	**1 453**

An estimated 328 million shares (2022: 249 million shares) representing 22.6% (2022: 16.3%) of total shares are held by foreign investors.

Size of shareholding	Number of shareholders	% of total shareholders	Shares held (million)	% of issued share capital
1 - 5 000	26 481	90.1	16	1.1
5 001 - 10 000	998	3.4	7	0.5
10 001 - 50 000	1 057	3.6	24	1.7
50 001 - 100 000	260	0.9	18	1.2
100 001 - 1 000 000	451	1.5	147	10.1
1 000 001 and more	144	0.5	1 241	85.4
Total	**29 391**	**100.0**	**1 453**	**100.0**

Beneficial owners	Shares held (million)	% of issued share capital
Government Employees Pension Fund	217	14.9
Remgro Limited	123	8.5
Kagiso Tiso Holdings Proprietary Limited	114	7.9
Total	**454**	**31.3**

Pursuant to the provisions of section 56(7)(b) of the South African Companies Act 71 of 2008, as amended, beneficial shareholdings exceeding 5% in aggregate, as at 30 June 2023, are disclosed.

CORPORATE INFORMATION

SHAREHOLDERS' DIARY

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

COMPANY REGISTERED OFFICE

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

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

COMPANY SECRETARY

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

INVESTOR RELATIONS

investorrelations@mmltd.co.za

AUDITORS

Ernst & Young Inc.
102 Rivonia Road
Sandton
2194

TRANSFER SECRETARIES

South Africa

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

Namibia

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

EQUITY SPONSOR

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

DEBT SPONSOR

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

NAMIBIA SPONSOR

Simonis Storm Securities Proprietary Limited
4 Koch Street
Klein Windhoek
Namibia