SAIA

SOUTH AFRICAN INSURANCE ASSOCIATION

A NEW RISK REALITY – INSURANCE IN A CHANGED WORLD

2026 ANNUAL REVIEW

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01

SAIA VISION AND MISSION

Vision

To promote and represent the interests of the non-life insurance industry, while leading and enhancing the efforts of the industry to become recognised and trusted as an important contributor to the South African economy and society.

Mission

- Encouraging fair and ethical treatment of consumers of non-life insurance products;
- Representing the non-life insurance industry with all stakeholders and at all levels in such a way that these stakeholders have trust and confidence in the industry;
- Creating an environment in which the Members of our industry can share information, debate important and relevant issues, and create a common vision for the non-life insurance industry;
- Creating opportunities for the industry to continue with, and embark on, initiatives that will enhance its image and reputation among all stakeholders;
- Promoting understanding of non-life insurance to all stakeholders;
- Promoting awareness of the industry and its contributions to society and the South African economy.

02

SAIA ANNUAL REVIEW THEME AND RATIONALE

A New Risk Reality – Insurance in a Changed World

The global and domestic environment in which the non-life insurance sector operates has changed fundamentally. Climate volatility is intensifying, geopolitical tensions are reshaping trade, capital flows, and supply chains, and economic fragmentation, inflationary pressures, and currency fluctuations are affecting insurance and reinsurance markets and the cost of risk. Infrastructure strain, crime trends, and service delivery challenges continue to heighten local exposure. These forces are interconnected and compounding. Risk is no longer isolated or predictable; it is systemic, complex, and increasingly global in origin. This is not a temporary cycle of disruption. It is a new risk reality.

In an era of rapid change, traditional assumptions are being challenged. Historical loss data no longer suffice to predict emerging patterns with confidence. Climate-related disasters are becoming more frequent and severe. Weak infrastructure amplifies the impact of extreme weather events. Global supply chain realignments and geopolitical instability affect repair costs, claims severity, and capital availability. Technological advances introduce new cross-border risks, particularly cyber risk.

In the non-life insurance sector, sustainability now depends on anticipating change rather than responding to it.

Data and analytics are essential to long-term sustainability. Advanced modelling, scenario planning, and predictive capabilities are vital for understanding emerging risks and ensuring responsible pricing. Effective data use improves underwriting discipline, capital management, and market stability. At the same time, data-driven insights are crucial to shaping public policy debates on disaster risk financing, infrastructure resilience, and climate adaptation.

A changing world also demands innovation. Product design, distribution models, and coverage structures must evolve to reflect shifting risk patterns and affordability pressures. Innovation is not limited to adopting technology; it also involves rethinking how risk is shared, mitigated, and transferred across society.

For the South African Insurance Association (SAIA), this theme reflects a commitment to shaping the response to systemic change. Sustaining a viable and inclusive non-life insurance market requires constructive engagement with policymakers, Regulators, and industry stakeholders to address the structural drivers of rising risk. Strengthening infrastructure resilience, promoting regulatory certainty, and advancing coordinated disaster risk strategies are essential to preserving long-term insurability.

The emergence of a new risk reality reinforces the fundamental value of insurance. In a changed world, effective risk transfer underpins economic confidence, supports recovery, and enables investment. With volatility now embedded in the global and local landscape, the non-life insurance sector remains a critical partner in sustaining South Africa's economic stability and development.

Recognising that the world has changed is the first step. Responding with agility, innovation, and collaboration is the responsibility that follows.

In the non-life insurance sector, sustainability now depends on anticipating change rather than responding to it.

03

SAIA CHAIRPERSON'S REPORT

The world that greeted the insurance industry in 2025 was not the one we had planned for. Risks once manageable in isolation had become more interconnected, compounding, and harder to price. Yet the non-life insurance sector held its ground.

This was a year that asked the industry to be more than a risk-transfer mechanism. It asked us to be a stabilising force in an unstable world. From the aftermath of severe weather events to the volatility of global trade, from the accelerating pace of technological change to the persistent pressures of economic fragmentation, the demands on our sector were real and unrelenting.

The Chairperson's report reflects on how the South African Insurance Association (SAIA) and its Members navigated this new risk reality, the decisions made, the ground gained, and the work that lies ahead.

At the start of 2025, both global and local risk assessments pointed to an increasingly interconnected and rapidly changing world. The year was characterised by economic uncertainty, geopolitical tensions, technological advancement, and rising climate-related risks. Collectively, these forces were reshaping how risk is understood, managed, and transferred, with significant implications for the non-life insurance industry.

In this environment, the industry's role in supporting economic resilience and stability has become even more critical. At the same time, insurers must navigate a careful balance between responding to heightened risk exposures and maintaining affordability and accessibility for policyholders.

The insurance market has shifted away from the hard conditions experienced in recent years, driven by severe weather events and other challenges. With more capacity available and increased competition among insurers, customers are benefiting from more favourable pricing and broader cover.

The industry demonstrated resilience in 2025. The South African Reserve Bank (SARB) reported that primary non-life insurers delivered steady top-line growth, with gross written premiums rising by 4.1% and net written premiums by 5.0%, supported by solid underlying demand and slightly improved retention after reinsurance. Net earned premiums increased by a stronger 8.1%, reflecting improved revenue recognition over the period.

Climate change remains among the most significant risks shaping this environment. The increasing frequency and severity of extreme weather events are not only driving higher losses but also testing the long-term insurability of certain risks. The impact extends beyond insurers, affecting broader economic stability, infrastructure, supply chains, and communities. As a signatory to the Nairobi Declaration on Sustainable Insurance (NDSI), the South African Insurance Association (SAIA) remains committed to advancing climate resilience, promoting inclusive insurance solutions, and supporting sustainable practices across the industry.

Global geopolitical developments remain a key driver of uncertainty in this evolving landscape. Ongoing conflicts, including the Russia–Ukraine war and instability in the Middle East, have contributed to market volatility and economic pressure. According to the International Association of Insurance Supervisors (IAIS), these dynamics affect investment performance and liquidity, while also heightening exposure to cyber threats and operational disruptions. The resulting inflationary pressures are driving higher claims across the non-life segment, requiring adjustments to underwriting and pricing. For consumers, these pressures are affecting affordability and dampening demand for insurance products.

Trade tensions between the US, China, and other economies disrupted supply chains and global trade flows during the reporting period, creating uncertainty and prompting businesses to consider alternative sourcing strategies. For the non-life insurance industry, these disruptions translated into increased claims complexity, higher replacement costs, and growing demand for trade and supply chain insurance solutions.

Cyber risk remains a key focus for the non-life insurance industry as digital transformation accelerates. The increasing scale and sophistication of cyber threats – including data breaches, ransomware, and business interruption incidents – pose growing risks to insurers' own operations and are driving rising claims and evolving underwriting exposures. As an association representing insurers, SAIA is committed to supporting Members through advocacy, collaboration, and the sharing of best practices to strengthen cyber resilience across the industry.

At the same time, technological development is reshaping how risk is understood and managed. Investments in automation, data analytics, and artificial intelligence are enhancing underwriting precision, operational efficiency, and customer engagement. However, these capabilities also introduce new vulnerabilities. Regulatory expectations around data protection, particularly under the Protection of Personal Information Act (POPIA), require heightened vigilance.

The ethical implications of artificial intelligence, including concerns around bias and fairness, further reinforce the need for strong governance and oversight. A balanced approach to innovation will be critical to ensuring that technology serves as an enabler of resilience rather than a source of new systemic risk. As artificial intelligence (AI) becomes increasingly embedded across the insurance industry, the question has shifted from whether to adopt it to how best to govern its use responsibly.

From improving risk modelling and pricing accuracy to enhancing fraud detection and streamlining claims processes, AI presents significant opportunities for efficiency and better decision-making. However, these benefits come with risks, including model bias, data privacy concerns, cyber vulnerabilities, and over-reliance on automated systems. Managing these risks responsibly requires strong governance, transparency, and human oversight to ensure AI is deployed in a way that is both ethical and sustainable.

Alongside these shifts, evolving customer expectations are reshaping the market. Policyholders increasingly seek personalised, accessible, and transparent insurance solutions that align with their needs and financial realities. In South Africa, a significant insurance protection gap persists, especially among low- and middle-income households and small businesses. The gap is real, but so is the opportunity. Innovations such as usage-based, parametric, and embedded insurance products are helping to broaden access and relevance, while also contributing to greater economic and societal resilience.

The regulatory environment continues to evolve in response to these dynamics. Under the Twin Peaks framework, Regulators are placing increased emphasis on both financial soundness and market conduct, requiring insurers to deliver fair outcomes for customers while maintaining robust capital positions. There is also a growing focus on emerging risks, including climate change, cybersecurity, and data protection. In this context, governance and risk management are no longer viewed solely as compliance functions, but as central to building trust, enhancing resilience, and supporting sustainable growth.

The non-life insurance industry has demonstrated adaptability; however, its ability to respond to an increasingly complex and interconnected risk environment will depend on continued collaboration, innovation, and a firm commitment to sound risk practices. Central to this is embedding Environmental, Social, and Governance (ESG) principles across all aspects of the industry's operations. The SAIA Board remains confident that the sector is well-positioned to navigate ongoing uncertainty while delivering long-term value to policyholders, stakeholders, and the broader economy. The Board is committed to providing clear strategic direction and effective oversight as the industry continues to navigate this new risk reality with confidence and purpose.

As we reflect on the year, the Board also wishes to extend its sincere appreciation to the Chief Executive Officer, Viviene Pearson, who will be retiring at the end of the year. We thank Viviene for her leadership, dedication, and significant contribution to SAIA and the broader insurance industry. Her stewardship has played a pivotal role in strengthening the Association's strategic direction and positioning it to navigate an increasingly complex environment. We wish her every success in the next chapter.

Thusang Mahlangu
SAIA Board Chairperson

04 SAIA CHIEF EXECUTIVE OFFICER'S (CEO'S) REPORT

Insurance has always been about the future. About anticipating what could go wrong before it does. About building systems that hold when everything else shifts.

In 2025, that forward-looking purpose was tested in ways the industry had not fully anticipated. The CEO's report meets this complexity head-on, identifying the forces reshaping the operating environment, examining their implications for the non-life insurance sector, and setting out the thinking that will guide the South African Insurance Association's (SAIA's) response in the years ahead.

It is also a moment of reflection. After a decade of leadership, Viviene Pearson steps down at the end of 2026. Her tenure is marked by a sustained commitment to something larger than any single achievement: positioning the non-life insurance industry as a genuine partner in South Africa's economic resilience, not merely a product provider.

The road she leaves behind is worth reading carefully. So is the one ahead.

The environment in which the non-life insurance industry operates has undergone a fundamental change. What was once regarded as cyclical volatility has now evolved into a more structural and enduring shift in the global and domestic risk landscape. As insurers, Regulators, and policymakers, we are now facing a world where uncertainty is more complex, interconnected, and persistent than ever before.

Global developments continue to reshape the operational landscape. Rising geopolitical tensions and economic fragmentation are affecting trade flows, impacting capital markets, and altering reinsurance dynamics. Meanwhile, currency volatility, inflationary pressures, and supply chain disruptions are increasing claims costs. Domestically, infrastructure limitations and service delivery challenges further heighten risk exposure and vulnerability. Climate-related events are becoming more frequent and severe, testing the resilience of communities and critical infrastructure.

Together, these forces define a new risk reality.

For the non-life insurance industry, the implications are significant. Traditional assumptions based on historical trends are being challenged in an environment where risks are evolving rapidly and interacting across sectors. Maintaining market stability in this environment requires disciplined underwriting, cautious capital management, and increasingly sophisticated use of data and analytics.

Simultaneously, the industry is undergoing a significant technological shift. The integration of artificial intelligence and data-driven tools offers valuable opportunities to enhance underwriting accuracy, improve claims efficiency, and deliver more personalised customer experiences. Nonetheless, these innovations also pose new challenges, including data privacy concerns, cybersecurity threats, and the need for strong governance frameworks to promote responsible and ethical use.

In this environment, investing in predictive modelling, scenario analysis, and risk intelligence is no longer optional, but essential. The ability to anticipate emerging exposures, rather than simply reacting to loss events, strengthens our collective capacity to price risk accurately, manage capital effectively, and sustain long-term market confidence.

At the same time, this changing landscape demands continuous innovation. As exposure patterns evolve and affordability pressures mount, insurers must adapt product design, utilise technology, and seek new ways to share risk. Innovation goes beyond digital transformation; it also involves how we structure cover, incentivise risk reduction, and work together across sectors to tackle systemic vulnerabilities.

The sustainability of the insurance market cannot rest solely on the industry. Many fundamental risk drivers – infrastructure resilience, disaster preparedness, regulatory certainty, and broader economic stability – require coordinated action. Therefore, the South African Insurance Association (SAIA) remains committed to engaging constructively with the Government, Regulators, and industry stakeholders to address the structural challenges that support long-term insurability.

Enhancing infrastructure resilience, strengthening disaster risk financing mechanisms, and establishing transparent, predictable regulatory frameworks are essential for maintaining insurance that is both accessible and sustainable. In this context, Public-Private Partnerships (PPPs) will become increasingly vital in managing shared risks within an interconnected environment.

Despite these changes, the core value of non-life insurance remains unchanged. Each claim paid helps restore lives and keeps the economy moving. Every policy issued demonstrates confidence in South Africa's ability to recover and develop despite challenges. In uncertain times, effective risk transfer remains a vital part of economic resilience.

As an industry, we must continue to evolve with discipline and foresight. This includes integrating data-driven decision-making, enhancing technical capabilities, maintaining the highest standards of governance, and ensuring transparency in our dealings with policyholders and stakeholders.

The challenges presented by this new risk landscape are significant. However, they also provide an opportunity for leadership, allowing for shaping policy debate, improving market sustainability, and ensuring the non-life insurance industry remains financially resilient, inclusive, and adaptable.

The world has changed. As the collective insurance industry, we have a responsibility to adapt thoughtfully, collaborate closely, and ensure that insurance remains a cornerstone of economic confidence in an increasingly uncertain environment.

Closing Reflections

As I approach the end of my tenure as CEO of SAIA on 31 December 2026, I do so at a time when the industry is undergoing significant and lasting change. The shifting risk landscape we face today will continue to shape the role of insurance in supporting economic resilience and stability in the years ahead.

It has been a privilege to serve this industry and to contribute to strengthening its relevance, credibility, and collective voice. During my tenure, we have strived to position non-life insurance not only as a means of risk transfer but also as an essential partner in addressing systemic challenges and promoting sustainable economic growth.

I would like to express my sincere gratitude to our Members for their ongoing commitment, professionalism, and valuable engagement. Your willingness to adapt, collaborate, and maintain high standards has been vital to the progress we have achieved as an industry.

I would also like to extend my heartfelt appreciation to the SAIA team. Their dedication, professionalism and commitment to serving our Members and advancing the interests of the industry have been instrumental to the Association's achievements over the years. It has been a privilege to work alongside colleagues whose expertise, integrity and passion have contributed significantly to strengthening SAIA's role and impact.

I also wish to thank our stakeholders, partners, and Regulators for their continuing collaboration and shared commitment to enhancing the resilience of South Africa's risk environment. The advancement of our sector depends on these partnerships, and I am motivated by what we have achieved together.

As I step down, I do so with confidence in the strength of our industry and SAIA's ongoing role as a trusted voice and partner in promoting resilience and sustainability. While the challenges ahead are significant, they present opportunities for continued leadership, innovation, and collaboration. I am grateful for the opportunity to have served this industry and remain optimistic about its future.

Thank you for the opportunity to serve.

Viviene Pearson
SAIA Chief Executive Officer

SAIA FINANCIAL EXTRACTS

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The South African Insurance Association NPC | (Registration number 1998/025543/08)
Annual Financial Statements for the year ended 31 December 2025

The Extracts on these pages are from The South African Insurance Association (SAIA) NPC's audited annual financial statements, prepared in accordance with International Financial Reporting Standards for Small and Medium Enterprises, a full copy of which is obtainable from the offices of the Association at Ground Floor, Willowbrook House, Lake Drive, Constantia Office Park, c/o 14th Avenue & Hendrik Potgieter Road, Weltevreden Park, 1709 or email: info@saia.co.za.

The annual financial statements were audited by SNG Grant Thornton, who expressed an unmodified opinion thereon.

Statement of Financial Position as at 31 December 2025

Figures in Rand	2025	2024
Assets		
Non-Current Assets	1 175 083	1 473 980
Property, plant and equipment	21 662	74 575
Intangible assets	**1 196 745**	**1 548 555**
Current Assets		
Trade and other receivables	314 171	221 297
Cash and cash equivalents	25 906 040	21 286 953
Funds held for SAIA Consumer Education Fund	12 065 738	8 579 412
SAIA IGF Trustee Account	460 246	-
	38 746 195	**30 087 662**
Total Assets	**39 942 940**	**31 636 217**
Equity and Liabilities		
Equity		
Accumulated actuarial losses	(1 003 791)	(963 791)
Retained income	21 359 203	18 039 566
	20 355 412	**17 075 775**
Liabilities		
Non-Current Liabilities		
Provisions	237 291	194 151
Current Liabilities		
Trade and other payables	547 694	896 913
Project liabilities	1 390 512	1 441 996
Retirement benefit obligation	953 000	983 000
Provisions	2 204 842	2 856 888
Funds held for SAIA Consumer Education Fund	13 793 943	8 187 494
SAIA IGF Trustee Account	460 246	-
	19 350 237	**14 366 291**
Total Liabilities	**19 587 528**	**14 560 442**
Total Equity and Liabilities	**39 942 940**	**31 636 217**

Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	2025	2024
Revenue	37 671 195	35 009 261
Other income	894 373	1 203 197
Operating expenses	(36 895 608)	(35 047 051)
Operating profit	**1 669 960**	**1 165 407**
Interest Income	1 649 677	1 491 571
Profit for the year	**3 319 637**	**2 656 978**
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Remeasurement of retirement benefit obligation	(40 000)	(216 000)
Other comprehensive loss for the year net of taxation	**(40 000)**	**(216 000)**
Total comprehensive income for the year	**3 279 637**	**2 440 978**

Statement of Changes in Equity

Figures in Rand	Accumulated Actuarial Losses	Retained Income	Total Equity
Balance at 01 January 2024	**(747 791)**	**15 382 588**	**14 634 797**
Profit for the year	-	2 656 978	2 656 978
Other comprehensive income	(216 000)	-	(216 000)
Total comprehensive income for the year	**(216 000)**	**2 656 978**	**2 440 978**
Balance at 01 January 2025	**(963 791)**	**18 039 566**	**17 075 775**
Profit for the year	-	3 319 637	3 319 637
Other comprehensive income	(40 000)	-	(40 000)
Total comprehensive income for the year	**(40 000)**	**3 319 637**	**3 279 637**
Balance at 31 December 2025	**(1 003 791)**	**21 359 203**	**20 355 412**

Statement of Cash Flows

Figures in Rand	2025	2024
Cash flows from operating activities		
Cash generated from operations	3 119 510	1 428 243
Interest income	1 649 677	1 491 571
Net cash from operating activities	**4 769 187**	**2 919 814**
Cash flows from investing activities		
Purchase of property, plant and equipment	(150 100)	(238 638)
Sale of property, plant and equipment	-	13 052
Net cash from investing activities	**(150 100)**	**(225 586)**
Total cash movement for the year	**4 619 087**	**2 694 228**
Cash at the beginning of the year	21 286 953	18 592 725
Total cash at end of the year	**25 906 040**	**21 286 953**

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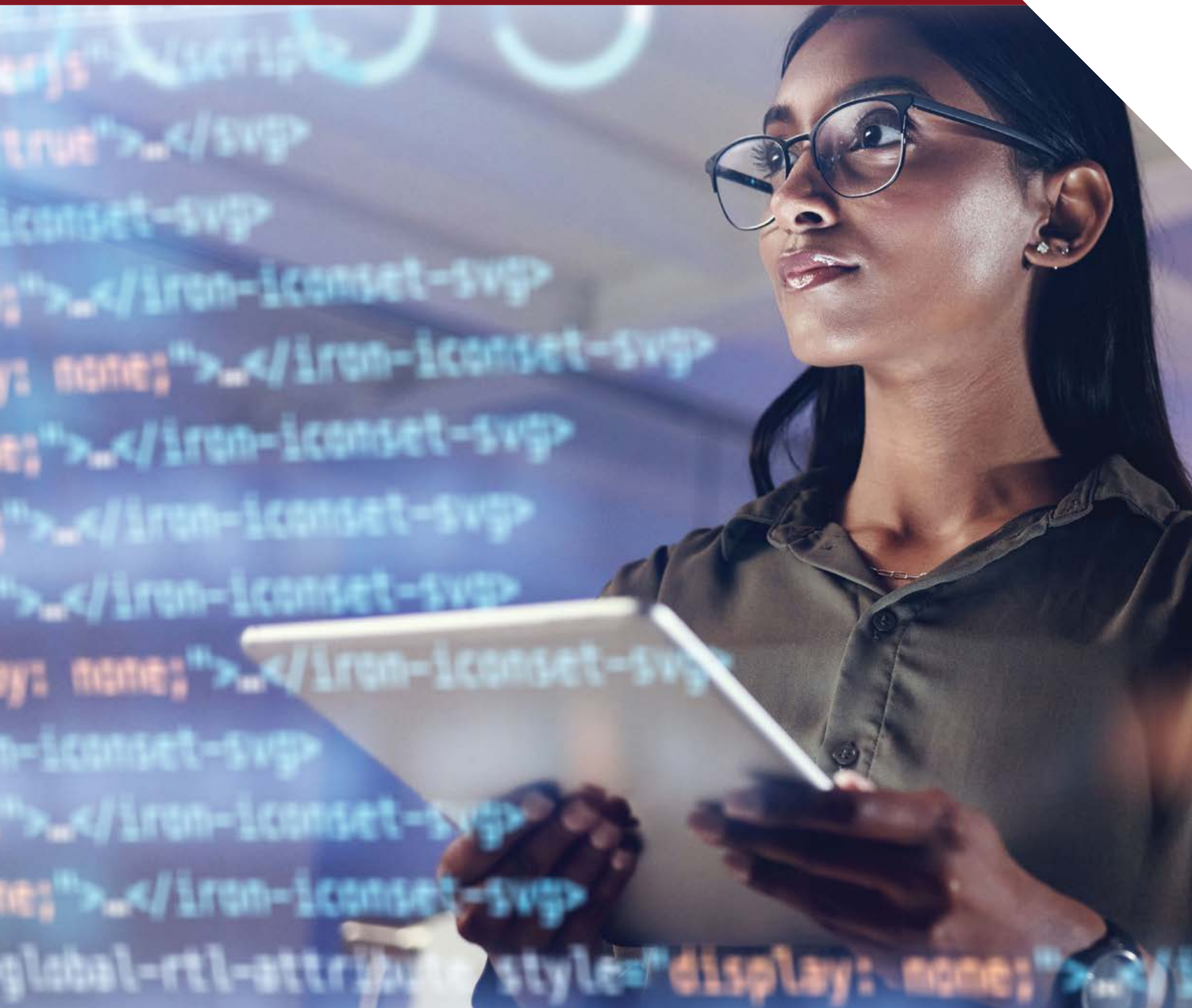
HUMAN RESOURCES AND OPERATIONS



A new risk reality places new demands on every part of an organisation. In 2025, the South African Insurance Association (SAIA) responded by turning that pressure inward, strengthening the governance structures, operational systems, and people capacity that allow the Association to lead with credibility in an increasingly complex environment.

From risk register reviews and cybersecurity upgrades to succession planning and staff wellbeing, the work of this section is foundational. An industry navigating fundamental change needs an association that is internally sound. Strong governance, capable people, and resilient systems are not the visible part of SAIA's work, but they are what make the rest of it possible.

The year 2025 was marked by steady progress, organisational strengthening, and strategic focus. Despite a changing operating environment, SAIA remained committed to advancing the interests of the non-life insurance industry, maintaining sound governance, and enhancing its operational resilience.

A key focus during the year was strengthening SAIA's internal governance and risk management frameworks. Management undertook a review of the Association's risk register, with renewed emphasis on identifying emerging risks, improving the quality of risk reporting, and enhancing visibility of mitigating controls and residual risks. This work was carried out under the continued oversight of the Audit and Risk Board Committee and supports SAIA's broader objective of embedding a more mature and structured risk management framework across the Association.

The Association also prioritised key operational and technological upgrades, investing in critical infrastructure upgrades to strengthen business continuity, improve cybersecurity, and enable more modern, efficient ways of working. These included server environment upgrades, cloud-based backup and archiving solutions, VPN and security hardening measures, and strengthened on-site IT support. SAIA also continued its transition towards more integrated digital communication tools to enhance efficiency, collaboration, and service continuity.

SAIA maintained financial stability throughout the year while exercising prudent oversight of its resources. Positive income performance, supported by interest earned, complemented disciplined cost management. Targeted increases in expenditure were made to meet infrastructure and legal requirements, reflecting the Association's responsiveness to operational priorities and strategic risks. The Association also continued to plan responsibly for long-term sustainability, making provision for ongoing strategic industry projects and operational commitments.

SAIA advanced key governance and leadership matters during the year, including preparations for executive succession planning and recruitment. These processes were approached with due regard for independence, transparency, and integrity, recognising the importance of leadership continuity to SAIA's long-term stability and strategic direction.

SAIA also benefited from staff wellness programmes, which supported employee wellbeing, engagement, and personal growth. The sessions equipped staff with practical techniques and insights to strengthen mental wellbeing, workplace resilience, and day-to-day effectiveness.

In addition to its operational and governance priorities, SAIA upheld its commitment to social responsibility and community support. As part of its 2025 Mandela Day initiative, SAIA donated hygiene packs and blankets to Oliver's House in Benoni, supporting the residents and the organisation's work. The contribution reflected SAIA's broader commitment to making a tangible difference in the lives of vulnerable communities.

2025 was a year of consolidation and progress for SAIA. The Association reinforced its governance foundations, invested in operational resilience, and supported community impact initiatives, laying the groundwork for continued relevance and sustainability in 2026 and beyond. The work undertaken strengthens SAIA's internal capabilities while keeping the Association firmly focused on serving its Members and the broader non-life insurance industry.

Nicol Champaud
Head of Department: Human Resources and Operations

Tshepiso Moloto
Personal Assistant: Human Resources and Operations

Tiyani Baloyi
Office Administrator: Human Resources and Operations

INSURANCE RISKS
General Manager
Pamela Ramagaga

- **INSURANCE RISKS**
  Personal Assistant
  Rachel Mathosa
- **INSURANCE RISKS**
  Technical Manager
  Kabelo Paile
- **INSURANCE RISKS**
  Manager
  Mzayiya (Zakes) Sondiyazi
- **INSURANCE RISKS**
  Manager
  Lebohang Tsotetsi
- **INSURANCE RISKS**
  Projects Coordinator
  Hlayisani Mabasa

CORPORATE AFFAIRS
Manager
Nombulelo (Lelo) Ntshalintshali

- **CORPORATE AFFAIRS**
  Data Intelligence Specialist
  Donald Mphahlele
- **CORPORATE AFFAIRS**
  Administrator
  Livhuwani Mutheiwana

GOVERNANCE & TRANSFORMATION
General Manager
Themba Palagangwe

- **CEO** — Viviene Pearson
  - **EXECUTIVE PA** — Kelebogile Modikoe
  - **GOVERNANCE & TRANSFORMATION** Personal Assistant — Zoleka Hlomuka
  - **LEGAL SPECIALIST** — Puseletso Radebe
  - **TRANSFORMATION** Manager — Zanele Gigaba
  - **TRANSFORMATION** Projects Coordinator — Nothando Mashaba
  - **SENIOR LEGAL** Specialist — Shodine Schalkwyk
  - **HR & OPERATIONS** Head of Department — Nicol Champaud
    - **HR & OPERATIONS** Personal Assistant — Tshepiso Moloto
    - **HR & OPERATIONS** Office Administrator — Tiyani Baloyi
  - **FINANCE DEPARTMENT** Finance Manager — Afika Matanda
    - **FINANCE DEPARTMENT** Accountant — Thembi Mokoena
    - **FINANCE DEPARTMENT** Accounts Administrator — Naomi du Toit
    - **FINANCE DEPARTMENT** Sanpa Accounts Contractor — T. Welgemoed

07

STRATEGIC AREAS

7.1 Transformation | 7.2 Governance | 7.3 Insurance Risks | 7.4 Corporate Affairs

7.1. TRANSFORMATION

The new risk reality is not solely external. South Africa's persistent inequalities constitute a structural risk in their own right, one that the non-life insurance industry has both a responsibility and an opportunity to address.

In 2025, the South African Insurance Association's (SAIA's) transformation agenda remained active across data collation, supply chain development, skills transfer, and consumer education. Progress was made. Gaps were acknowledged. The resolve to close them remained firm.

A changed world demands a more inclusive industry. Transformation is how the non-life insurance sector earns its place in that future.

In 2025, SAIA maintained its strategic focus areas for transformation, which included:

- Collation of industry data on key transformation indicators.
- Industry participation in the Financial Sector Transformation Council (FSTC), including the review of the Financial Sector Code (FSC).
- Addressing the Industry Skills Gap and promoting the participation of black people in managerial roles in the insurance industry.

Other SAIA industry initiatives include managing the SAIA Consumer Education Fund and identifying opportunities to promote supply chain transformation through stakeholder engagements.

Industry Data Collation

- **Preferential Procurement (PP)**

SAIA succeeded in overcoming the challenges encountered in 2024 in collecting industry procurement data for 2023, although delays in collating Employment Equity (EE) data persisted. SAIA successfully collated and analysed procurement data from 15 Members that underwrite mainly Personal Lines products and participated in the 2024 industry procurement data exercise, representing 67% of the industry's net income after tax and 93% of Personal Lines insurers.

Results from the survey show encouraging progress in the industry's efforts to allocate repair spend to black-owned and black woman-owned entities, as well as to Small, Medium, and Micro Enterprises (SMMEs). SAIA has been reviewing data collation processes to streamline them for the industry's benefit. SAIA thanks Members who have continued to support this important industry transformation tracker.

- **Management Control/Employment Equity Industry Data**

With revised sectoral targets now in effect, tracking industry progress against the Department of Employment and Labour's (DoEL) EE targets has become a strategic priority. Historically, low submission rates from Members have limited SAIA's ability to present a meaningful industry-wide picture. To address this, SAIA has restructured its EE data collation process to reduce the burden on Members and improve participation rates. The 2025 EE data will be collected in 2026.

The Financial Sector Transformation Council (FSTC)

SAIA continued to participate in the FSC review during 2025. The review process received renewed focus, with the publication of a project plan and the facilitation of the Trust Deficit and Strategic Planning Workshop to improve internal relations amongst constituents. Two significant developments marked the period: the appointment of the new Chief Executive Officer (CEO), Ms Nobambo Mlandu, on 1 September 2025, and the resignation of the interim CEO and former director, Ms Busisiwe Dlamini, on 28 February 2026.

Industry Preferential Procurement and Enterprise and Supplier Development

Towards the end of 2025, SAIA conducted a roadshow with associations representing service providers across the industry supply chain, including those in the motor and construction sectors. At each engagement, SAIA presented the most recent procurement data and invited open feedback on whether it reflected conditions on the ground - a format not used since the inaugural data project in 2017. It gave associations a meaningful platform to raise concerns and share perspectives independently and freely.

The non-life insurance industry continues to play a critical role in promoting financial inclusion and contributing towards the financial resilience of consumers and businesses alike.

The process also surfaced broader challenges facing the non-life insurance industry's supply chain. The findings have been consolidated and referred to the SAIA Board for further direction.

Financial Inclusion and SAIA Consumer Education Projects

The non-life insurance industry continues to play a critical role in promoting financial inclusion and contributing towards the financial resilience of consumers and businesses alike. SAIA continues to participate in the FinMark Trust's FinScope South Africa surveys for both consumers and Micro, Small and Medium Enterprises (MSMEs). The survey measures levels of financial inclusion across all financial indicators, including sentiments about the financial sector and its products. Results from the survey indicate positive gains for the industry in consumer products, but penetration remains very low.

The SAIA Consumer Education Fund initiative recently celebrated 20 years of delivering consumer financial education projects to South African consumers. The 2025 projects reached 4.5 million consumers, including scholars, working adults, pensioners, and MSMEs. The SAIA Consumer Education Programmes focus mainly on Insurance Literacy with the following objectives:

- Create awareness of the non-life insurance industry, its products and services.
- Educate consumers on risk management strategies to increase the likelihood that insurers will entertain claims.
- Assist consumers in building the confidence to engage with the non-life insurance industry.

- **The Know Your Insurance Radio Programme**

The Know Your Insurance Radio Programme was delivered on two regional radio stations in the KwaZulu-Natal and North-West provinces. The KwaZulu-Natal programme targeted MSMEs, whilst the North-West programme targeted retail consumers. Both were delivered in IsiZulu and Setswana, respectively. The programme reached 4.4 million consumers across six provinces, 50% of whom were in rural areas of South Africa. The programme covered various insurance-related topics, including identifying and reducing risks, using insurance as a risk-transfer mechanism, policy sections, claims management, and policyholder protection.

Feedback from SAIA's independent monitoring and evaluation specialist indicated that the programmes were well received by consumers, who reported a better understanding of the non-life insurance industry and greater confidence in their own insurance products.

- **The Building Resilient Businesses (BRB) Programme**

The Building Resilient Businesses (BRB) Programme, targeted at start-ups and MSMEs, reached 770 beneficiaries, 25% of whom were in rural areas and 98% of whom were black Africans. This face-to-face programme, part of SAIA's educational content since 2019, covers risk management strategies for MSMEs and financial literacy for small businesses.

SAIA reached MSMEs across various sectors, including agriculture, manufacturing, construction, tourism, retail, community services, and commerce. A total of 31 workshops were held across six provinces.

- **The Adopt-a-School MoneyTime Financial Literacy Programme**

In 2025, SAIA supported 243 Grade 7 learners from Olifantsfontein Primary School in Clayville and 130 from Diodi Primary School in Soweto through the online MoneyTime Financial Literacy Programme. While the initiative falls outside SAIA's core insurance literacy strategy, it reflects the broader understanding that financial literacy at a young age builds the foundation for informed, financially resilient citizens. SAIA remains committed to supporting initiatives that serve this longer-term goal.

The programme covered 31 modules, including saving, budgeting, financial decision-making, and entrepreneurship, among others.

- **Money Smart Week**

  SAIA participated in the sixth edition of Money Smart Week SA, publishing an infographic in the Sowetan newspaper that reached nearly 18 000 readers. The infographic offered consumers a practical overview of common personal non-life insurance products.

  As part of the same initiative, SAIA hosted a webinar for colleagues across the financial sector on Consumer Risk Management and Recourse. The session addressed a question many consumers face: who bears responsibility for losses when an insured asset is in the care of a service provider, such as a panel beater or an electrician working on a home?

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7.2. GOVERNANCE

In a regulatory environment defined by change, governance is not a background function. It is the work of staying relevant, responsible, and ready.

In 2025, the South African Insurance Association (SAIA) maintained its engagement with Regulators across a range of developments: from the ongoing evolution of the COFI Bill to the OMNI-Risk Return and shifting expectations under the Twin Peaks framework. Not all progress was linear, but the commitment to constructive, informed dialogue never wavered.

In a world where risks are more interconnected and less predictable than ever, sound governance is what keeps trust intact.

As the representative body for the non-life insurance industry, SAIA's governance function plays a critical role in safeguarding the industry's integrity, resilience, and sustainability amid an increasingly complex and evolving risk landscape.

The governance function enables the industry to respond proactively to systemic, regulatory, and emerging risks. In this environment, where risks are more interconnected, less predictable, and increasingly global in origin, governance is no longer confined to compliance; it is central to maintaining trust, ensuring insurability, and supporting long-term market stability.

SAIA continues to play a key role in shaping a regulatory environment that balances financial soundness, consumer protection, and innovation, while supporting a sustainable and inclusive non-life insurance sector.

The department's primary mandate is to provide strategic direction and to convey the industry's position on regulatory reforms that promote a conducive regulatory environment, while ensuring the industry's financial soundness and sustainability. Below is a summary of SAIA's interactions with Regulators and an update on the key regulatory matters that impact our industry:

Regulatory Engagement in a Changing Risk Environment

The evolving risk landscape has underscored the importance of constructive, forward-looking regulatory engagement. As risks grow more complex, driven by climate change, technological advances, geopolitical shifts, and economic pressures, regulatory frameworks are likewise evolving to address these dynamics.

SAIA's ongoing engagement with Regulators reflects a shared recognition that:

- Regulation must be both adaptive and proportionate.
- Supervisory approaches must increasingly rely on data, outcomes, and forward-looking risk assessment.
- Industry and Regulators must collaborate to address systemic and cross-sector risks.

Developments from the Financial Sector Conduct Authority (FSCA)

- **Conduct of Financial Institutions (COFI) Bill**

  The Conduct of Financial Institutions (COFI) Bill remains a central development in the regulatory landscape and reflects a broader shift in regulatory philosophy.

The COFI Bill represents:

- A transition towards a harmonised, cross-sector conduct framework.
- A move from rule-based compliance to outcomes-based regulation.
- A focus on fair customer outcomes, transparency, and accountability across the value chain.
- Importantly, the COFI Bill is not simply a legislative change, but a strategic reset in how financial institutions are expected to operate.

This shift introduces:

- Greater accountability at the Board and Senior Management levels.
- Increased emphasis on governance, culture, and conduct.
- A requirement for institutions to demonstrate that their products and services deliver meaningful outcomes for customers.

The Financial Sector Conduct Authority (FSCA) has indicated that implementation will be phased, providing institutions with time to prepare. However, firms are expected to be aligning their frameworks with this emerging regulatory model.

- **OMNI-Risk Return**

  The FSCA is advancing phase two of the OMNI-Risk Return, introducing a more automated and integrated supervisory reporting framework. The shift towards data-driven supervision and enhanced risk monitoring was a key focus at the FSCA Industry Conference 2026.

  The OMNI-Risk Return strengthens the FSCA's ability to assess emerging and systemic risks across an increasingly complex financial environment. For insurers, it reinforces the need for sound data governance, accurate reporting, and robust internal risk monitoring frameworks that keep pace with evolving regulatory expectations.

- **The Financial Sector Conduct Authority (FSCA) Conference**

  The FSCA Industry Conference 2026 offered important insights into the future direction of regulation and the broader financial sector.

  A key message from the conference was that the financial sector is undergoing structural transformation, shaped by:

  1. Global geopolitical and economic uncertainty.
  2. Rapid technological advancement.
  3. Changing customer expectations.
  4. Increasingly interconnected and systemic risks.

  These developments reinforce the concept of a "new risk reality," in which traditional approaches to risk management and regulation are no longer sufficient.

  The FSCA emphasised that today's financial environment amplifies and transmits risk faster and further than before.

Developments for the Prudential Authority (PA)

- **Prudential Authority Industry Engagement - Insurance Industry**

  SAIA attended the Prudential Authority Industry Engagement on 12 March 2026. The session covered the macroeconomic outlook, artificial intelligence governance and risk management, the 2026 regulatory landscape with a focus on anti-money laundering and counter-terrorist financing, and third-party risks as the flavour-of-the-year topic.

  A valuable takeaway from the speakers was to consider the inevitable impact of climate change and the rapid pace of artificial intelligence adoption in the insurance industry. The engagement provided a valuable platform for industry stakeholders to interact with the Prudential Authority (PA) on regulatory, economic, and risk-related challenges shaping the insurance sector and to further anticipate involvement with respect to artificial intelligence tools the industry may require.

SAIA's engagement with the Prudential Authority (PA)

A strong working relationship with the PA remains a strategic priority for SAIA. Engagements continue to cover regulatory developments, operational challenges faced by Members, and opportunities to improve regulatory processes.

Recent discussions have focused on accessibility, responsiveness, and turnaround times. The PA has shown a genuine willingness to engage on these concerns, and the dialogue remains constructive.

Other Developments

- **The Financial Advisory and Intermediary Services (FAIS) Regulatory Examinations**

  Following Member feedback on challenges with the Financial Advisory and Intermediary Services (FAIS) Regulatory, SAIA conducted an industry survey to assess whether the issues raised were isolated or indicative of broader systemic concerns.

  The findings suggest that the challenges may be more widespread, highlighting operational and administrative constraints within the current examination framework. SAIA is consolidating these insights into a structured industry position and engaging with the FSCA and the Insurance Sector Education and Training Authority (INSETA) to address the identified concerns.

  Importantly, these challenges arise within the broader context of the evolving conduct regulatory landscape. The FAIS framework has, over time, played a foundational role in establishing market conduct standards, professionalising the intermediary environment, and embedding principles of fairness and accountability in financial services.

However, as the regulatory framework transitions towards an outcomes-based model under the COFI Bill, there is an opportunity to reassess whether existing competency and regulatory requirements remain fit for purpose in a more complex, technology-driven, and rapidly changing environment.

In this regard, it is important to ensure that regulatory examinations and competency frameworks:

- Remain relevant to evolving roles and risk profiles.
- Support practical application within modern business environments.
- Align with the broader shift towards outcomes-based regulation and customer-centricity.

SAIA will continue to engage constructively with Regulators and stakeholders to support a framework that maintains high professional standards while remaining responsive to the changing nature of the industry.

- **The National Financial Ombud Scheme (NFO)**

SAIA conducted a Member survey assessing the effectiveness of the National Financial Ombud Scheme (NFO) Liaison Committee.

Feedback indicates that the Committee remains a valuable platform for:

- Monitoring complaint trends.
- Enhancing transparency and accountability.
- Facilitating engagement between industry and the Ombud.

In an environment of increasing complexity, effective dispute resolution mechanisms remain essential to maintaining consumer confidence.

- **Draft legislative amendments on Islamic Finance**

SAIA continues to engage with the Banking Association South Africa (BASA) to develop a regulatory framework for Islamic finance. This initiative reflects the need for a more inclusive and adaptable financial system that accommodates diverse models while maintaining regulatory integrity.

The financial sector operates in a fundamentally changed environment, where risks are more complex, interconnected, and dynamic than ever before.

In this new risk landscape, governance plays a central role in:

- Ensuring financial stability.
- Maintaining trust and confidence.
- Supporting sustainable and inclusive growth.

SAIA remains committed to working collaboratively with Regulators and stakeholders to navigate these changes and to ensure that the non-life insurance sector remains resilient, responsive, and fit for the future.

SAIA sincerely thanks its Members for their continued support and active participation in shaping the regulatory landscape. Their contributions ensure the industry remains well-placed to meet the challenges and seize the opportunities of a rapidly changing world.

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7.3. INSURANCE RISKS

Risk is neither static nor one-dimensional. In 2025, the insurance risks facing the non-life sector evolved in scale, complexity, and pace. Fire, flooding, cyber threats, motor crime, nuclear energy, and road safety each required attention, expertise, and a willingness to work across boundaries.

The South African Insurance Association's (SAIA's) Insurance Risks function met that challenge through collaboration with industry bodies, Regulators, government departments, and international partners. The work was technical, often unglamorous, and entirely necessary.

This section documents what was done, what was learned, and what the industry is building towards, knowing that managing risk is never finished work. It only moves to whatever comes next.

The Motor Body Repairer (MBR) Minimum Standard Guideline Checklist

The Motor Repairer (MBR) Minimum Standard Guideline Checklist continues to provide a consistent framework for assessing the capabilities of Motor Body Repairers (MBRs) and for supporting fair, transparent onboarding practices across the industry. The checklist aligns with the Competition Commission's Automotive Aftermarket Guidelines, particularly in promoting transparency and broader participation by service providers on insurer panels.

While the standard was adopted by Members in prior years, implementation progress remained slow during the 2025/26 reporting period. The focus has now shifted to developing a centralised database of compliant MBRs to improve data standardisation, enhance governance, and support a more consistent application of insurer requirements.

In early 2026, a proposal to initiate Phase 1 of the database development was presented to the relevant Motor Committee. The approach adopts a pilot-first model, engaging a single insurer to define a practical industry template by identifying mandatory and optional data fields and leveraging existing insurer data to establish a standardised baseline. Subsequent phases will focus on broader industry alignment and the development of an appropriate governance and operating framework.

SAIA sponsored and participated in the International Association of Auto Theft Investigators (IAATI) Southern African Branch (SAB) 16th Annual Training Seminar and AGM, held in October 2025. The event brought together insurers, law enforcement, and vehicle crime specialists to enhance collaboration in combating vehicle-related crime and insurance fraud. SAIA's involvement reinforced the importance of cross-sector engagement, and the Association remains committed to continued participation in 2026 to support these critical initiatives.

Emerging Motor Risks

End-of-Life Vehicle (ELV) and New Energy Vehicle (NEV) Developments

During the 2025/26 reporting period, the Committee initiated focused work on emerging motor risks by establishing an End-of-Life Vehicle (ELV) and New Energy Vehicle (NEV) Task Team under the SAIA Motor Steering Committee. This was in response to evolving regulatory developments and the increasing adoption of NEVs within the South African market.

Initial engagements identified several key risk areas for motor insurers, including battery-related fire risks, specialised salvage and disposal requirements, environmental considerations, and limited technical repair capabilities across the industry. These developments highlight the need for greater industry preparedness and coordinated risk management.

A draft industry position paper has been developed to begin addressing these challenges; however, further work is required to refine the industry's approach. The Task Team will continue its work into 2026, with a focus on deepening risk assessment and supporting structured engagement with regulators and key stakeholders.

Stakeholder engagements undertaken to date include active participation in the National Technical Committee for Road Incident Management Systems (NTC-RIMS).

This multi-stakeholder platform brings together key public- and private-sector participants across the transport ecosystem and has facilitated the establishment of a dedicated forum or commission focused on emerging risks associated with New Energy Vehicles (NEVs).

The Forum is mandated to:

- Assess and monitor emerging risk exposures linked to NEVs, particularly in the context of road incidents.
- Inform and influence the development of appropriate regulatory frameworks.
- Support the design of coordinated incident management protocols tailored to NEV-specific risks (e.g. battery fires, high-voltage systems, and recovery procedures).
- Promote alignment between industry, Regulators, and emergency response stakeholders to enhance overall road safety outcomes.

Through its participation, SAIA contributes industry insights by aggregating claims and risk trend data, building the evidence base needed for sound regulatory reform and effective safety interventions for NEV-related road incidents.

Motor Road Safety

SAIA, representing the non-life insurance industry, continues to play a pivotal role in advancing road safety in South Africa. Recognising the significant human and economic costs of road accidents, SAIA's efforts position the association as a key advocate for stronger road safety management, data-driven interventions, and enhanced multi-stakeholder collaboration.

During the 2025/26 period, SAIA's strategic focus has been on improving road safety through targeted advocacy, enhanced data utilisation, and initiatives addressing both traditional and emerging risks.

Advocacy for Improved Road Safety Management and Transport System Solutions

SAIA actively engages with public sector stakeholders to advocate for a more coordinated and effective national road safety framework. Key focus areas include:

- Strengthening institutional capacity and governance within road safety authorities.
- Promoting integrated, evidence-based policy development.
- Supporting the implementation of measurable road safety targets aligned with global best practices.
- Advocating for the adoption of compulsory third-party insurance to reduce the financial burden on motorists and alleviate fiscal pressure on the state.
- Addressing evolving risks impacting road safety, including:
  - Increased frequency of extreme weather events that affect road conditions.
  - The rise of new mobility solutions and vehicle technologies.
  - Growth in e-commerce and associated delivery traffic pressures.
  - Cross-border transport risks, particularly those relating to uninsured or underinsured vehicles and the transportation of dangerous goods.

Through structured engagements with stakeholders across the transport sector, SAIA contributes industry insights to inform policy reform and improve accountability within the road safety ecosystem.

In support of national policy development, SAIA has actively participated in engagements led by the Road Traffic Management Corporation (RTMC) and the National Department of Transport (NDoT) during the review of the National Road Safety Strategy (NRSS), providing input to strengthen strategic direction and implementation.

Creating a Safer Road Environment for Improved Road Safety Outcomes

In 2025, SAIA advanced efforts to improve road environments by using industry-wide claims data to identify accident and crime hotspots. This analysis informed the development of a risk matrix and a baseline for a proposed "Adopt-a-District" programme.

Gauteng, one of the provinces with the highest claim volumes, has been chosen as a pilot site. SAIA is working with key stakeholders, including the Council for Scientific and Industrial Research (CSIR), the Gauteng Department of Roads and Transport (GDRT), and Jozi My Jozi, to address critical risk factors in high-risk areas.

Key focus areas include:

- Improved road maintenance, hazard management, and enhanced road signage and visibility.
- Addressing localised flooding caused by inadequate or poorly maintained stormwater drainage systems.
- Safer design of high-risk intersections and transport corridors, supported by targeted law enforcement.
- Adopting innovative technology solutions to reduce crime and optimise road safety.

Data-Driven Driver Behaviour and Safer Road Users Interventions

During the 2025/26 period, SAIA has prioritised the use of motor accident claims data and behavioural insights to inform targeted road safety interventions. Analysis of claims and claims rejection trends has identified key high-risk behaviours, including:

- Speeding and reckless driving.
- Driving under the influence.
- Fatigue-related incidents.
- Non-compliance with traffic regulations.

These insights have informed:

- Public awareness campaigns aimed at behavioural change.
- Targeted, multi-stakeholder driver education initiatives, particularly within high-risk segments such as commercial transport.

SAIA, in collaboration with MasterDrive, remains committed to promoting driver training initiatives that enhance fleet safety. For 2026, SAIA is developing a proposal for structured fleet driver training programmes designed to foster ongoing driver development, improve risk management, and establish measurable benchmarks to track reductions in accidents and claims.

As a key stakeholder in the Road Safety Partnership South Africa (RSPSA), SAIA also supports initiatives focused on safer road user behaviour around schools and the implementation of safer school transport systems nationwide.

Targeted Law Enforcement Support

SAIA promotes a more targeted, intelligence-driven approach to traffic law enforcement through strategic collaborations and data-sharing initiatives. This involves supporting intelligence-sharing platforms through Public-Private Partnerships (PPPs), such as those facilitated by Business Against Crime South Africa (BACSA), to combat road-related crime.

By participating in the National Technical Committee – Road Incident Management System and maintaining bilateral engagements, SAIA aims to facilitate the sharing of aggregated industry risk data and trends through established platforms. This effort is designed to assist authorities in:

- Prioritising enforcement resources more effectively.
- Enhancing compliance monitoring in high-risk areas, including overloaded vehicles and the transportation of dangerous goods.

This approach strengthens deterrence and improves the overall effectiveness of enforcement interventions.

Vehicle Safety Standards and Compliance

SAIA advocates for stricter vehicle safety standards and improved compliance mechanisms, recognising the direct link between vehicle condition and accident severity. Key initiatives include:

- Promoting regular vehicle roadworthiness testing and the implementation of periodic testing.
- Supporting the adoption of advanced vehicle safety technologies.
- Advocating for regulatory reforms and addressing emerging risks of new energy vehicles.

SAIA's ongoing efforts reflect the insurance industry's critical role in shaping a safer road environment and sustaining a viable insurance market. Through data, advocacy, and collaboration, SAIA continues to contribute to a more resilient and responsive road safety system.

Sustained progress will require continued partnerships between the Government, industry, and civil society, grounded in a shared commitment to reducing road accidents and their broader socio-economic impact.

Crime Combating

Insurance Data System (IDS)

The Insurance Data System (IDS) remains a critical industry asset, enabling near-real-time fraud-prevention analytics and optimising underwriting and claims validation processes across the non-life insurance sector. As data becomes increasingly central to risk management and operational efficiency, IDS remains a cornerstone capability that supports informed decision-making and industry resilience.

IDS Version 3 Implementation and Data Quality Enhancements

In 2025, SAIA prioritised implementing IDS Version 3 (V3) to address key limitations identified in Version 2 (V2). The enhancements focused on:

- Resolving data quality challenges impacting reliability and usability.
- Expanding and refining critical data fields previously excluded.
- Improving overall system performance and data integrity.

A key outcome of the V3 implementation has been a significant improvement in data submission quality. The rejection threshold was reduced from 7% to 2%, and the results indicate strong industry alignment. Most Members are now performing well below the defined threshold, with rejection rates approaching negligible levels.

SAIA continues to engage directly with the limited number of Members to address rejection rates that exceed the threshold, ensuring alignment with data standards and supporting continuous improvement.

IDS Governance, Compliance and Market Conduct Considerations

In response to the evolving data landscape and increasing regulatory scrutiny in the financial sector, IDS governance structures have been subject to ongoing review to ensure alignment with compliance requirements and fair market practices.

The IDS Steering Committee and SAIA Data Executive Committee (Data EXCO) have played a central role in:

- Reviewing governance frameworks to strengthen oversight and accountability.
- Addressing competition considerations and ensuring adherence to fair market conduct principles.
- Assessing the role of IDS within a broader, increasingly data-driven and inclusive financial ecosystem.

These efforts have included market analysis reviews and investigations into models that weigh the industry's operational needs against broader inclusivity considerations.

The reviews are ongoing, but SAIA's position is clear: the IDS should continue to operate as an exclusive industry database supporting core insurance functions, including fraud detection, underwriting, and claims validation.

Recognising the significant human and economic costs of road accidents, SAIA's efforts position the association as a key advocate for stronger road safety management, data-driven interventions, and enhanced multi-stakeholder collaboration.

Market Engagement and Future Positioning of Insurance Data Systems (IDS)

Recognising the rapid evolution of the global data landscape, SAIA is preparing to bring the IDS to market, ensuring the platform continues to evolve alongside industry and technological advances.

This includes:

- Initiating a Request for Information (RFI) and/or Request for Proposal (RFP) process.
- Evaluating leading service providers capable of enhancing the IDS capabilities.
- Exploring innovative data solutions and external expertise to future-proof the platform.

This approach is intended to position the IDS for the next phase of growth, ensuring scalability, enhanced analytical capabilities, and continued relevance in a dynamic data environment.

SAIA Data Strategy and Advocacy Enablement

In parallel, SAIA has embarked on a broader data strategy to strengthen its advocacy mandate by leveraging aggregated industry data. This initiative focuses on:

- Collating anonymised, industry-wide data to support SAIA's advocacy efforts.
- Developing data-driven position papers on emerging and systemic risks.
- Informing evidence-based policy interventions and stakeholder engagement.
- Shaping the industry narrative on key topical issues.
- Publishing industry insights to reinforce the role of SAIA and the non-life insurance sector.

This strategic shift underscores the importance of data not only as an operational tool but also as a critical enabler of industry representation and policy influence.

The IDS remains a strategic asset for the non-life insurance industry, delivering measurable value through enhanced fraud prevention, improved underwriting, and more efficient claims validation processes.

Through the successful implementation of V3, strengthened governance frameworks, and a forward-looking market engagement strategy, SAIA continues to ensure that the IDS evolves in line with industry needs and regulatory expectations.

Looking ahead, integrating the IDS into a broader data-driven advocacy framework will strengthen SAIA's ability to address industry risks, inform policy, and contribute meaningfully to a sustainable insurance sector.

Vehicle Salvage Database (VSD)

The Vehicle Salvage Database (VSD) continued to demonstrate strong resilience and value during the 2025/26 reporting period, reinforcing its role as a critical industry risk management tool since its inception. The system is now firmly embedded in insurers' claims and underwriting processes, supporting improved decision-making and fraud prevention.

Performance over the year was commendable, with increased utilisation and industry participation. The VSD currently records over 1.12 million vehicles, has more than 3 000 registered users, and has facilitated over 1.38 million enquiries.

These figures reflect broader Member participation and a stronger culture of data-sharing across the industry.

The system continues to deliver tangible benefits by enhancing claims integrity, improving underwriting accuracy, and reducing exposure to motor-related crime, including vehicle cloning and duplicate claims. Encouragingly, usage trends show consistent activity and stronger alignment across claims, underwriting, and fraud functions, indicating that the VSD is being utilised effectively.

In addition, the inclusion of unsold salvage records was identified as a critical enhancement to further strengthen the effectiveness of the VSD. These vehicles, often held as "stock in bond" due to outstanding administrative or claims-related issues, present a risk if not properly recorded, as they may be exploited by fraud syndicates.

Discussions on this matter commenced in the prior reporting period and culminated in industry approval in March 2026 to formally include such records on the VSD. This enhancement will improve transparency, ensure a more complete audit trail of salvage vehicles, and further strengthen the industry's ability to combat fraud and manage risk effectively.

Looking ahead, the VSD remains a key enabler of salvage transparency, fraud mitigation, and shared industry intelligence, with continued adoption expected to further strengthen trust in the motor insurance ecosystem.

VSD Stakeholder Collaboration Survey – Purpose and Key Outcomes

The stakeholder collaboration survey was conducted to assess Member sentiment on potential collaboration initiatives related to the VSD, with a focus on data sharing, governance, and value creation across the industry.

The results indicated that, while there is broad support for exploring collaboration, Members remain cautious and risk-aware, particularly regarding data ownership, control, and commercial value. Key sensitivities included access to Code 2 vehicle data, willingness to share insurer-owned data, and concerns about disproportionate benefits to external parties.

Overall, the survey confirmed that collaboration should be approached in a phased, controlled, and principle-based manner, with strong emphasis on protecting insurer value, ensuring fair benefit, and maintaining appropriate governance.

SAIA Code of Motor Salvage

The SAIA Code of Motor Salvage continued to play a critical role in promoting a consistent industry approach to salvage management throughout the 2025/26 reporting period. The Code is designed to combat motor vehicle crime—particularly vehicle cloning—while enhancing road safety and ensuring fair customer outcomes throughout the claims process.

It further supports the sustainability and affordability of motor insurance by strengthening governance of salvage processes, reducing fraud, and limiting financial leakage. In doing so, the Code reinforces insurers' responsibility to prevent unsafe or unroadworthy vehicles from re-entering the market and to uphold fair treatment of customers.

During the year under review, a ruling by the National Financial Ombud Scheme (NFO) prompted consideration of potential amendments to the Code. Following a review by the relevant governance structures, it was concluded that no amendments were required, as the existing Code remains fit for purpose and continues to balance customer fairness with effective industry risk management.

In addition, work was undertaken to assess the potential redefinition of Code 2 motor salvage records. Following industry engagement and a detailed review, it was agreed that the current definition remains appropriate and fit for purpose, and that no changes would be made. Any required refinements will, instead, be addressed through enhanced guidance, improved consistency in application, and ongoing industry education.

Progress was also made in evaluating the proposed audit framework for the Code of Motor Salvage. Following consideration by the SAIA Board, it was concluded that introducing a formal audit framework was unnecessary, given the existing regulatory oversight and Member-level governance structures.

The focus has instead shifted towards enhancing awareness, education, and guidance on the Code, with increased emphasis in the coming period on industry-wide awareness initiatives. These will include training sessions, masterclasses, and stakeholder engagement platforms.

Crime Prevention Through Strategic Partnership with the Business Against Crime South Africa (BACSA)

SAIA actively supports national crime prevention efforts through strategic partnerships with key industry and law enforcement stakeholders. A central component of this commitment is the insurance industry's ongoing sponsorship of BACSA, reflecting a shared interest in reducing crime-related losses and enhancing public safety.

Over the years, SAIA has contributed more than R1 million annually to BACSA initiatives. For the 2025/26 period, SAIA's motor and non-motor Members have significantly increased

this contribution, with a combined sponsorship of R3.5 million, thereby reinforcing the industry's commitment to data-driven crime prevention.

The BACSA Monitoring Centre, a focal point of SAIA's sponsorship, functions as the main hub for gathering, analysing, and sharing intelligence. It, crucially, supports law enforcement, national security, and industry investigations. This centre is essential to BACSA's Eyes and Ears (E2) initiative, a comprehensive national system that ensures real-time operational communication among law enforcement and various crime-fighting organisations.

Thanks to SAIA's ongoing support, the Monitoring Centre has improved its capabilities, fostering better coordination, intelligence exchange, and response to criminal activities nationwide.

Expansion of the Eyes and Ears (E2) Initiative

During the 2025/26 period, the E2 initiative has continued to expand in both scale and operational effectiveness. Key developments include:

- Deployment of Automated Number Plate Recognition (ANPR) technology across 719 police vehicles.
- Processing of more than 14 million vehicle reads over a 12-month period.
- Expansion of participating organisations to approximately 500, including vetted neighbourhood watches, farm watches, and community policing forums.

Under the Business–SAPS (South African Police Service) partnership and the Minister of Police's initiatives, E2 operations are now permanently embedded at the Alexandra and Johannesburg Central police stations. The presence of dedicated E2 controllers has proven effective in managing localised intelligence, with ANPR alerts integrated directly into station-level operations.

The E2 initiative is increasingly recognised as a national platform for coordinated operational communication across law enforcement and private-sector crime prevention stakeholders.

Incident Volumes and Operational Impact

For the year 2025, the E2 platform has delivered significant operational outcomes, including:

- Approximately 475 000 incidents managed.
- Around 60 000 incidents reported through human intelligence sources, including:
  - 10 000 stolen or crime-linked vehicles.

As crime patterns evolve and technology continues to advance, SAIA remains committed to supporting scalable, data-driven solutions and interventions that enhance public safety, strengthen law enforcement capabilities, and contribute to a more secure operating environment for the insurance industry and society at large.

- 2 300 public unrest incidents.
- 1 900 robberies.
- 1 200 burglaries.

Operational successes include:

- Recovery of over 3 100 vehicles within a rolling 12-month period.
- Handover of approximately 2 700 suspects to law enforcement authorities.
- Recovery of 450 firearms.

The platform has also improved the quality and integrity of crime data, supporting the refinement of law enforcement information systems through impartial data capture and validation.

Mobile Automated Number Plate Recognition (ANPR) Deployment and Technology Enablement

Through BACSA, SAIA has supported the deployment of Mobile Automated Number Plate Recognition (ANPR) technology within SAPS:

- ANPR applications deployed in 180 SAPS vehicles.
- 280 vehicles recovered and 82 suspects arrested in underserved areas in the year to September 2025.
- Since its inception in July 2023, a total of 660 vehicles has been recovered and 210 suspects apprehended through mobile deployments.

In addition to recoveries, the system has also proven effective in identifying vehicles already in SAPS custody but not yet recorded in official systems, enabling insurance investigators to access verified sighting information in support of claims investigations and recoveries.

As crime patterns evolve and technology continues to advance, SAIA remains committed to supporting scalable, data-driven solutions and interventions that enhance public safety, strengthen law enforcement capabilities, and contribute to a more secure operating environment for the insurance industry and society at large.

Industry Engagement and Knowledge-Sharing Sessions

The respective forums facilitated industry engagement through a series of knowledge-sharing sessions, held virtually and in person throughout the reporting period. SAIA extends its appreciation to Executive Committee (EXCO) Members for hosting and supporting these sessions and looks forward to carrying this momentum into 2026.

Forums

The Association of Marine Underwriters in South Africa (AMUSA) Session Highlights

- A session on Bills of Lading and cargo recovery claims was delivered by Dr Jennifer Laville (Clyde & Co), providing insights into the legal complexities affecting marine claims.
- Andrew Robinson (Norton Rose Fulbright South Africa Inc) presented on the importance of contracts of carriage in relation to Goods in Transit (GIT), bailee, and carriers' liability insurance, highlighting key risk considerations for insurers.
- Andrew Clark (Cox Yeats) led a session revisiting GIT and carriers' liability insurance, focusing on evolving risk exposures and claims trends.
- Industry challenges impacting the logistics chain, including unrest in Zimbabwe and Mozambique, were discussed by Gavin Kelly (Road Freight Association).
- A session on recent developments in the Merchant Shipping Act (MSA) explored regulatory changes and their implications for marine insurers.
- Norton Rose Fulbright presented on contractual versus delictual liability, clarifying insurer obligations and recovery from third parties.
- Dave Miller (Dave Miller and Associates) shared insights into the latest trends in GIT, focusing on emerging risks and claims patterns.

The South African Association of Engineering Insurers (SAAEI) Session Highlights

- Christopher Webster (Tiefenthaler Legal) presented on public infrastructure projects and the unique risks they present to insurers, highlighting key considerations for engineering underwriting and risk management.

Additional engagement sessions included the South African Association of Engineering Insurers (SAAEI) Lunchtime Talk in Cape Town and the 7th SAAEI Conference 2025, both of which continued to support industry collaboration, knowledge-sharing, and professional development within the engineering insurance sector.

Stakeholder Engagements

Fire Protection Association of Southern Africa (FPASA)

SAIA and the Fire Protection Association of Southern Africa (FPASA) share a longstanding collaborative relationship.

Fire risk is a strategic pillar within SAIA's Insurance Risks department, and the two organisations have worked together on a fire services grading project to assess the condition of fire services and stations across the country and determine the support they require to meet the minimum standards set by SANS 10090.

The project generated the data needed to engage the Government on targeted support for fire services. Beyond this, SAIA Members benefit from FPASA's technical expertise, training initiatives, and input from the technical working groups on which FPASA serves. FPASA remains a strategic partner, continuing to support SAIA's objectives in fire risk and localised flooding.

Fire risks remain top of the agenda for SAIA property Members. The National Fire Services 2030 Roadmap outlined strategic priorities to modernise infrastructure, enhance skills development, strengthen financial sustainability, and ensure better regulatory frameworks governing fire services.

The Fire Services 2030 Roadmap's five (5) strategic pillars are:

1. Developing fully capacitated fire services on all three spheres of Government.
2. Ensuring all-hazard preparedness.
3. Strengthening fire safety, prevention, and community preparedness.
4. Implementing modernised fire services legislation.
5. Professionalising fire services.

The Fire Services White Paper, published on 25 September 2020 in response to the need to reform the current Fire Brigade Services Act (FBSA), 1987 (Act No.99 of 1987), which governs the establishment, maintenance, employment, co-ordination, and standardisation of fire brigade services, was also a key focus area for the SAIA property Members.

The primary objectives of the Fire Services White Paper are:

- **Institutional reforms:** There must be multi-sphere, institutionally coordinated bodies in place to ensure the efficient delivery of fire services across the country.
- **Expanded mandate:** The expansion in responsibilities beyond fire suppression, such as hazardous materials response and urban search and rescue, makes them more central to overall disaster response efforts.
- **Legislative and regulatory updates:** The revision of related and relevant laws, policies and regulations governing fire services to ensure they reflect (are aligned) with current best practices.
- **Funding and resources:** To ensure that the fire services are adequately funded and resourced by revisiting how financial and logistical support is structured across different levels of government. This is well reflected in the Fire Services 2030 Roadmap.

SAIA also supports Supporting Fire Services South Africa (SFS-SA), a special-purpose vehicle established by SAIA Members to address fire-related risks through collaboration with relevant stakeholders at both strategic and operational levels. Together, these efforts position SAIA to respond to fire risk in a coordinated and effective manner.

The Professionalisation of Photovoltaic (PV) Industry Steering Committee

SAIA is part of the Professionalisation of (Solar) PV Industry Steering Committee, which includes other stakeholders such as the South African Photovoltaic Industry Association (SAPVIA), focuses on solar fire-related risks. Solar photovoltaic (PV), specifically the lithium-ion battery was identified as an emerging fire risk and continues to grow as a concern for the non-life insurance industry. The main hazards identified were:

- **Fire:** Batteries are ignitable, and these fires are difficult to extinguish with traditional measures such as water.
- **Explosion:** Exploding batteries release toxic, flammable gas.
- **Thermal runaway:** Rapid self-heating can cause runaway fires and reignition of these fires.

Potential Future Focus Areas Agreed To:

- Compliance (continued) of installers, including the electricians and roof contractors that form of the Solar PV installation
- Post-Installation Inspection and Monitoring (M&E)
- Battery Management and Safety (lithium-ion batteries)
- Equipment Standards (including invertors)
- Demand Side Management (Grid)

SAIA has engaged its Members on safety protocols to mitigate fire and explosion risks and supported educational campaigns and webinars covering solar installation inspections, maintenance, and relevant legislation.

Key Industry Initiatives

Municipal Infrastructure Insurance Guideline

On 18 April 2025, SAIA convened a workshop with the World Bank, the Financial Sector Conduct Authority (FSCA), the

Prudential Authority (PA), the South African Special Risks Insurance Association (Sasria), and reinsurers underwriting local Government infrastructure. The workshop was built on the findings of the World Bank's Disaster Risk Finance Diagnostic Report (2022), compiled by the Centre for Financial Regulation and Inclusion (Cenfri), which identified the significant challenges municipalities face in insuring assets and processing claims.

The report and the meeting participants highlighted the following key issues experienced when insuring municipal infrastructure:

- **Risk appetite:** Local re/insurers indicated a willingness and capacity to underwrite municipal risks, subject to individual underwriting criteria.
- **Data quality:** Reliable, up-to-date asset registers were not always available at the claims stage, resulting in delays.
- **Government support:** Active Government involvement is essential for maintaining infrastructure and managing risk effectively.
- **Structural review:** A white paper addressing local government autonomy is under review, underscoring the need for streamlined disaster risk financing approaches.

A follow-up workshop was held on 16 May 2025 in Stellenbosch, focusing on the Local Government Structure Review Bill and relevant monitoring frameworks. SAIA participated in both sessions to ensure the industry's voice was included in policy development. The aim of these engagements was:

- Improved municipal insurance to reduce fiscal strain on the Government during disasters and to unlock further private sector participation.
- Stronger collaboration between insurers and municipalities to enhance resilience and ensure sufficient risk management.

SAIA, Cenfri, and other industry stakeholders finalised a municipal infrastructure insurance guideline document for use by municipalities.

Skills Development

In 2025, SAIA finalised the second Retiree Repurposing Programme (RRP), funded by the Insurance Sector Education and Training Authority (INSETA). The second intake ran from 1 April 2024 to 31 March 2025, with the third cycle running from 2 March 2026 to 28 February 2027. This flagship programme was nominated for the INSETA Excellence Recognition Award. It runs for 12 months and focuses on primarily technical specialists' skills including leadership, management and soft skills transfer.

The non-life insurance industry risks losing critical skills as experienced professionals retire. The RRP aims to match junior and middle managers with recently retired skilled individuals to provide technical skills mentorship. SAIA advocates and lobbies for the sustainability and growth within the industry. This strategically important programme addresses both the sustainability and growth of the industry, whilst supporting the industry's transformation agenda and that includes enhancing collaboration among SAIA, INSETA, the Insurance Institute of South Africa (IISA), the Financial Intermediaries Association (FIA), and the South African Underwriting Managers Association (SAUMA). This programme will enhance the pipeline of skilled professionals, addressing talent shortages within the industry.

The RRP has a structured setup with a programme manager who oversees the progress and compatibility of both mentors and mentees. This manager helps mentors take responsibility for the mentorship goals, which are tailored to the mentee's development areas and monitored against clear objectives throughout the 12-month programme.

The RRP is open to anyone employed in the non-life insurance industry who is seeking to advance their career. The programme offers technical skills transfer, leadership and management courses, as well as access to a soft skills training provider, to ensure a holistic approach to career development. The success and career growth of past mentees are a testament to the benefits of this curated programme.

Reinsurance

The Omni-Risk Return is a standardised, cross-sector reporting framework by the FSCA designed to collect, assess, and compare risk-related data from all financial institutions in South Africa.

On 30 September 2025, the FSCA published Communication 19 of 2025, opening a formal consultation on the new OMNI-Risk Return (ORR), a streamlined, cross-sectoral reporting framework that will transform how the FSCA supervises financial institutions.

In addition, the FSCA has held workshops to help the industry understand the rationale behind the ORR. The core problem the framework addresses is fragmentation: licence-by-licence risk assessments have created inefficiencies, inconsistent risk ratings, and duplicated reporting. The ORR resolves this by producing a single consolidated risk profile for each institution. For compliance teams, this means that internal reporting lines, record-keeping systems, and board oversight processes may need to be reviewed ahead of the planned go-live in September 2026.

The South African Nuclear Pool Administrators (SANPA)

The South African Nuclear Pool Administrators (SANPA) was established on 1 January 2010 to administer the local and international pool activities of the South African Pool for the Insurance of Nuclear Risks (SANP). SANP is an unincorporated association whose Members — comprising local registered re/insurers — collectively provide underwriting capacity for South Africa's nuclear installations.

Stakeholder Engagements

SANPA hosted the General Purposes Committee (GPC) of nuclear pools in Cape Town at the end of March 2025. The meeting was attended in person by eight foreign pools participating in the Koeberg risk, representing both co-insurers and reinsurers. The programme included a site visit to Koeberg, providing delegates with an overview of the risk and an opportunity to observe the risk management measures implemented by Koeberg management first-hand. Koeberg's commitment to risk management is reflected in its successful approval of the Lifetime Extension by the National Nuclear Regulator (NNR) and its ongoing response to SANPA survey recommendations.

KPMG Update

KPMG continues to provide advisory services to SANPA, supporting sound governance practices. Following the review, a number of governance measures were implemented, including a comprehensive review and update of contracts and policy documents. On 5 May 2025, SANPA and KPMG met with the PA and the FSCA to discuss the resulting recommendations and regulatory changes.

Feedback from the Nuclear Pools Conference

Environmental, Social, and Governance (ESG) matters were high on the global agenda. ESG disclosures aim to provide greater transparency for stakeholders and enhance financial reporting. ESG was a relevant topic at the Nuclear Pools Conference in Dubrovnik in June 2025. A presentation on European ESG updates was delivered. The European Corporate Sustainability Reporting Directive (CSRD) was discussed, and an important point was that companies will have to disclose their exposure to financing for nuclear-related activities.

In South Africa, large companies voluntarily adopt the Task Force on Climate-related Financial Disclosures (TCFD) framework to disclose climate-related financial risks and opportunities. The FSCA's Sustainable Finance Initiative is developing minimum disclosure requirements for the financial sector, to broaden adoption, build capacity, and align the South African financial sector with global best practices for climate risk integration. ESG will remain a standing agenda item to ensure SANPA, SANP, and their Members stay current with evolving reporting requirements.

Nuclear power remains a growing and viable electricity source for South Africa. In 2024, the Minister of Electricity and Energy advised that the Government intends to set aside R60 billion for the local nuclear build programme, with funding earmarked for a new multipurpose reactor at Pelindaba. SAIA remains committed to supporting both SANPA and SANP as the sector grows.

Pamela Ramagaga
General Manager: Insurance Risks

Mzayiza (Zakes) Sondiyazi
Motor Manager: Insurance Risks

Lebohang Tsotetsi
Manager: Insurance Risks

Kabelo Paile
Technical Manager: Insurance Risks

Rachel Mathosa
Personal Assistant to GM

7.4. CORPORATE AFFAIRS

Reputation is built slowly and lost quickly. In 2025, the South African Insurance Association's (SAIA's) Corporate Affairs function worked to ensure the non-life insurance industry's story was communicated clearly and accurately to the right audiences.

Through media engagement, consumer education, data intelligence, road safety campaigns, and continental representation, the function connected the industry's work to the public interest it serves. Good insurance is invisible when it works and vital when it fails. Corporate Affairs helps make that case consistently and without pause.

In a rapidly changing world where emerging and interconnected risks increasingly define the operating environment of the non-life insurance industry, effective communication and stakeholder engagement have become strategic imperatives. Reflecting the theme of "New Risk Reality: Insurance in a Changed World," the Corporate Affairs function played a central role in strengthening SAIA's presence and reputation through proactive stakeholder engagement, public relations, and industry awareness initiatives. By staying attuned to emerging risks and communicating their implications clearly and consistently, Corporate Affairs helped position SAIA as a credible and trusted voice for the industry.

Communication and Public Relations

SAIA maintained a proactive communication programme throughout the reporting period, strengthening industry visibility and promoting informed dialogue on issues affecting the non-life insurance sector. This included media statements, industry commentary, newsletters, social media content, and Member communications covering key regulatory matters, consumer issues, and sector initiatives.

Engagement with national, regional, and trade media platforms reinforced SAIA's position as the representative body of the non-life insurance industry, ensuring the sector's voice remained present in public discourse.

A significant milestone was reached in May 2025 with the successful launch of SAIA's revamped website, followed by the reintroduction of the SAIA Bulletin. Both platforms mark meaningful steps forward in stakeholder engagement and communication.

Corporate Affairs also supported the coordination and promotion of SAIA events, industry engagements, campaigns, and publications to ensure consistent messaging, branding and stakeholder positioning.

Road Safety Awareness

Road safety remained a key focus area of public interest during the reporting period. SAIA continued to amplify awareness initiatives encouraging safer road user behaviour, particularly during high-traffic periods and national road safety campaigns.

Communication efforts focused on educating motorists on responsible driving practices, vehicle maintenance, road regulation compliance, and risk awareness. Through media engagements, digital communication platforms, and stakeholder collaboration, SAIA reinforced the importance of collective action in reducing road accidents and saving lives on South Africa's roads.

Skills Development

SAIA remained committed to supporting transformation and sustainability in the insurance sector through skills development and knowledge-sharing initiatives. Corporate Affairs played an active role in communicating industry programmes and initiatives to promote professional development, industry awareness, and capacity building.

The Association also continued to support platforms that encourage learning, collaboration, and the development of future industry talent, particularly among young professionals entering the insurance sector.

Consumer Education

Consumer education remained an important pillar of SAIA's communication strategy during the reporting period. SAIA continued to educate consumers on non-life insurance matters through accessible, informative and consumer-focused content distributed across various communication channels.

In a rapidly changing world where emerging and interconnected risks increasingly define the operating environment of the non-life insurance industry, effective communication and stakeholder engagement have become strategic imperatives.

Topics covered included understanding insurance products, the importance of adequate cover, risk mitigation, claims processes, weather-related risks, and fraud prevention. These public education efforts sought to empower consumers to make informed decisions and deepen their understanding of the value and role of non-life insurance in protecting individuals, households, and businesses.

Engagement beyond South Africa

SAIA continued to strengthen its continental engagement through participation in the 51st African Insurance Organisation (AIO) Conference and Annual General Assembly, held in Addis Ababa, Ethiopia. The conference provided a valuable platform for collaboration, networking, and engagement with insurance industry leaders from across the continent.

SAIA also participated in the 47th Organisation of Eastern and Southern African Insurers (OESAI) Conference in Kampala, Uganda, thereby reinforcing its commitment to regional collaboration within the broader Eastern and Southern African insurance industry.

Alongside both events, SAIA attended the Africa Network of Insurers Associations (ANIA) meetings. As a founding member, SAIA was entrusted with supporting ANIA's communications and brand-positioning initiatives. Significant progress was made during the reporting period in defining ANIA's strategic direction and broadening its membership base, strengthening continental representation and influence across the sector.

Data Management and Insights

The SAIA Data Strategy continued to make steady progress during the reporting period. Data from the Insurance Data System (IDS) was leveraged to generate insights into localised flooding, wildfires, motor claims volumes and payouts, claims trends, and accident hotspots. These insights strengthened SAIA's narrative on the value of non-life insurance and supported evidence-based communication and industry engagement.

Appreciation

The Corporate Affairs function expresses sincere appreciation to the industry, media partners, and international stakeholders for their continued collaboration, engagement, and support throughout the reporting period.

We extend our particular thanks to SAIA Member companies and industry stakeholders for their ongoing commitment to constructive dialogue and collective efforts to advance the non-life insurance sector.

We also acknowledge the media for their role in supporting informed public discourse and elevating key industry messages, and our continental partners for their continued engagement and contribution to strengthening cooperation across the insurance industry.

Lelo Ntshalintshali
Manager: Corporate Affairs

Donald Mphahlele
Data Intelligence Specialist

Livhuwani Mutheiwana
Administrator: Corporate Affairs

ASSOCIATED DIVISIONS

08

8.1 The Association of Marine Underwriters in South Africa (AMUSA)
8.2 The South African Association of Engineering Insurers (SAAEI)

The evolving risk landscape reaches into every corner of the insurance market, including its most specialised segments. Marine cargo navigating disrupted global shipping routes and engineering cover for infrastructure projects under pressure are not peripheral concerns. They sit at the intersection of global risk and local consequence, and they demand the kind of deep, sustained expertise that only dedicated focus can build.

The South African Insurance Association (SAIA) and its two associated divisions, the Association of Marine Underwriters in South Africa (AMUSA) and the South African Association of Engineering Insurers (SAAEI), are where that specialist expertise resides. In 2025, both divisions remained active, engaged, and forward-looking, shaping the frameworks and conversations that keep their respective markets functional, relevant, and ready for what comes next.

8.1. The Association of Marine Underwriters in South Africa (AMUSA)

The sea does not offer certainty. Neither does the global risk environment that shapes marine insurance. In 2025, the Association of Marine Underwriters in South Africa (AMUSA) navigated both, tracking the implications of geopolitical disruption, port congestion, cargo crime, shifting trade routes, and the growing influence of emerging technologies on marine risk.

Through its Executive Committee, coastal correspondents, education programmes, and international engagement, AMUSA kept South Africa's marine insurance market connected to global developments and grounded in local realities.

During the period from 1 March 2025 to 28 February 2026, the Association of Marine Underwriters in South Africa (AMUSA) maintained strong engagement among the Executive Committee Members through robust monthly committee meetings.

The Executive Committee

Chairperson

- Mervyn Naidoo (Santam)

Vice Chairperson

- Kennedy Ntenjwa (Santam)

Members

- Cynthia Nanthalall (Hollard)
- Dominique Potgieter (Navigate)
- Granville La Vita (Savannah Marine)
- Hilton Adams (Munich Re)
- Ian Parkerson (Santam)
- Jeffry Butt (Sapphire)
- Mike Brews (Horizon Marine)
- Paul March (Horizon Marine)

SAIA Representatives

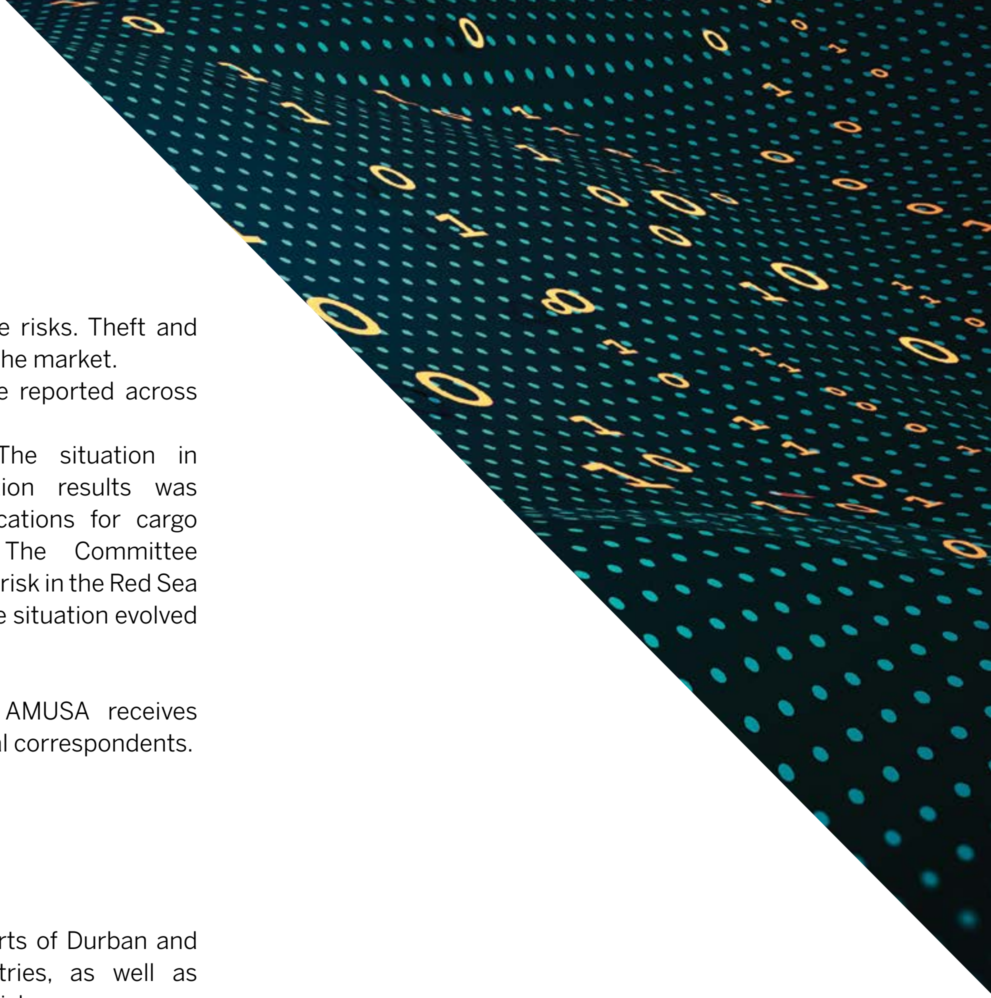
- Hlayisani Mabasa
- Puseletso Radebe
- Mzayiza (Zakes) Sondiyazi
- Shodine Schalkwyk

Co-opted Members during the year were Colin Moodley (Terra Marine), JP Liebenberg (Nautical Underwriting Managers), and Mark Govender (AIG) to enhance representation and engagement by SAIA Member Companies.

Miguel Fernandes resigned as he moved on to the Mauritian Insurance Market.

Topics discussed were as follows:

- **Conditions at South African ports, container depots, South African airports, and in other countries (liaison meetings with surveyors):** The risks at these logistics points are reviewed to identify risk trends, particularly those related to imported/exported and GIT cargo.
- **Facts and figures:** Premium and claims statistics are collated for the International Union of Marine Insurance (IUMI) annual Stats Report, which provides a comprehensive overview of global marine insurance premium and claims trends.
- **Education:** AMUSA hosted several Lunchtime Talks during the period, with a key session addressing the basis for providing cover to transporters. Cox Yeats presented this topic to brokers, insurers, attorneys, and surveyors, clarifying the requirements of the Short-term Insurance Act for this product. Two education days are held annually, covering marine insurance training across all levels, equipping new entrants and developing the experienced professionals needed to sustain the industry.
- **Claims:** Significant losses or trends in losses leading to claims are identified for the Committee's comment to determine the impact on the assured, brokers, and insurers.
- **Commercial Hull Market:** There was a delay in the issuance of the Vessel Certificate of Fitness by the South African Maritime Safety Authority (SAMSA), and a circular was issued to inform brokers and clients that they need to ensure compliance.
- **Cargo Market:** Concerns were raised about US tariffs on South African imports. Lithium-ion batteries for solar installations and electric vehicles (EVs) have been discussed at committee and coastal committee



meetings due to the associated fire risks. Theft and hijacking remain significant risks to the market.
- **Piracy:** No incidents of piracy were reported across Africa during the period.
- **War, Strikes and Sanctions:** The situation in Mozambique following the election results was monitored closely, given its implications for cargo moving through the country. The Committee maintained ongoing oversight of war risk in the Red Sea region, tracking developments as the situation evolved throughout the year.

Alongside the Executive Committee, AMUSA receives quarterly regional reports from its coastal correspondents.

The Coastal Committees

Durban Committee

- Topics of discussion include the ports of Durban and Richards Bay, neighbouring countries, as well as airports, cargo, GIT, and small-craft risks.

Cape Town Committee

- Topics of discussion include the Port of Cape Town and the harbours around the Western Cape that serve the South African fishing industry.
- Export logistics related to the fruit industry, neighbouring countries, the airport, cargo, and GIT risks are also reviewed.

Gqeberha Committee

- Topics of discussion include the ports of Port Elizabeth, Ngqura, and East London.

The International Union of Marine Insurance (IUMI)

The International Union of Marine Insurance (IUMI) Annual Conference took place from 7 to 10 September 2025, hosted by the General Insurance Association of Singapore (GIA), the trade association for general insurers in Singapore. Several AMUSA committee members attended, joining what was recorded as the highest-attended conference in IUMI's history. The Port of Singapore, the world's busiest container transhipment port, provided a fitting backdrop for presentations covering global trends in cargo, hull, and liability risks facing the marine insurance market.

Mervyn Naidoo
Chairperson: AMUSA Executive Committee

The sea does not offer certainty. Neither does the global risk environment that shapes marine insurance.

8.2. The South African Association of Engineering Insurers (SAAEI)

After years of economic stagnation, the construction and engineering sector began to show clear signs of recovery in 2025. For the South African Association of Engineering Insurers (SAAEI), that meant one thing: the market SAAEI serves was finally moving again.

SAAEI met that moment with education, collaboration, and the kind of specialist knowledge that only comes from years of dedicated industry engagement. From Lunchtime Talks to the 7th Annual Conference, from international benchmarking to the ongoing challenge posed by the construction mafia, the work was wide-ranging, and the commitment was evident.

The South African Association of Engineering Insurers (SAAEI) is an association formed under and in collaboration with SAIA. The association's purpose is to represent, promote and ensure the sustainability of the engineering insurance market through collaboration and a commitment to specialist skills on behalf of its affiliated stakeholders.

2025 was a notable year for the primary engineering and construction market, marking the beginning of the first sustained economic improvement. Infrastructure development spending gained momentum, albeit sporadically, and the economy began to benefit from structural reforms and a more reliable electricity supply. The engineering insurance market responded well, providing adequate capacity and purpose-built products to protect progress in the sector. This served as a timely reminder of the work SAAEI has done to ensure the engineering insurance market remains equipped and ready to respond to changes in the underlying market it serves.

SAAEI's initiatives are primarily driven by the Executive Committee (EXCO), comprising volunteers from across the engineering insurance market who contribute their time and expertise to advance awareness and the development of the sector. EXCO meets monthly to discuss market developments and trends, collate anonymised data for sharing with the global market, organise educational events and the annual conference, and maintain momentum across SAAEI's broader body of work.

The Executive Committee for the 2025/26 period was as follows:

- Chris Charlton (Chairman) – Consort
- Sanet Olivier (Deputy Chairperson) – Santam Specialist
- Hlayisani Mabasa – SAIA
- Katlego Mdhluli – Bryte Insurance Company
- Keith Barlow Jones – Guardrisk Insurance Company
- Mzayiya Sondiyazi – SAIA
- Nomxolisi Solo – Munich Re
- Preashini Naidoo – Hollard Insurance Company
- Shelly-Ann Whittaker – Firedart Underwriting Managers
- Shodine Schalkwyk – SAIA
- Susan de Wet – Old Mutual Insurance Company

SAIA Representatives

- Hlayisani Mabasa
- Puseletso Radebe
- Mzayiza (Zakes) Sondiyazi
- Shodine Schalkwyk

The 2025 educational events opened with a Lunchtime Talk, hosted by Santam Insurance Company on 12 March 2025. Christopher Webster of Tiefenthaler Legal presented on Public Infrastructure Projects and the Unique Risks presented to Insurers. The session was well attended and generated strong engagement from those present.

The second Lunchtime Talk was held, for the first time, in the Western Cape on 8 September 2025. The talk was hosted by Guardrisk and presented by David Vclek on the pertinent topic of Building Collapses. The session was well attended and well received, particularly given the recent George building collapse. Following the success of the first regional Lunchtime Talk, the SAAEI EXCO has decided to include KwaZulu-Natal, along with Western Cape and Gauteng, for the 2026 events.

Through SAIA, the SAAEI is a Member of the International Machinery Insurers Association (IMIA), the global body responsible for developing the international engineering insurance market. The IMIA hosts an annual conference that

2025 was a notable year for the primary engineering and construction market, marking the beginning of the first sustained economic improvement.

addresses innovation, trends, challenges, and changes in the global engineering underwriting landscape. In 2025, this conference was held at Worcester College, Oxford, United Kingdom, from 14 to 17 September, with four delegates representing the South African market. Attendance at the international conference ensures the South African market remains aligned with and relevant to global developments.

The 2026 conference is set to take place in September in Singapore.

The 7th Annual SAAEI Conference was held from 6 to 7 November 2025 at the Irene Country Hotel in Pretoria, Gauteng. The conference attracted more than 80 delegates and, for the first time, was extended to include reinsurers alongside insurers in the engineering insurance sector. Thokozile Mahlangu, CEO of the Insurance Institute of South Africa (IISA), delivered the opening keynote, titled "Shaping the Future Together", a fitting point of departure for two days of expert presentations covering a range of relevant topics. Standout sessions included:

1. Construction Sector Outlook – Dr Hubert Joynt
2. Unlawful Construction and Consequences – David Vclek
3. A Broker's Perspective on Beyond the Premium – Paul Hughes
4. Navigating Innovation While Ensuring Protection – Christopher Webster
5. Impact of Technology on Underwriting – Evashen Mooninathan
6. Underwriting in the Age of AI – Tristan Margot

The 7th Annual SAAEI Conference was once again a resounding success, with delegates leaving with knowledge, insights, and Continuing Professional Development (CPD) points relevant to their areas of operation in the non-life insurance sector. SAIA extends its sincere thanks to the venue and to the organising committee, led by Sanet Olivier, for delivering a conference of this calibre. To ensure EXCO can continue to meet the standard the market has come to expect, while also attending to SAAEI's broader mandate, it has been decided to host the next SAAEI Conference in 2027.

I would like to thank the SAAEI EXCO and SAIA for their collaboration and partnership over the reporting period. Together, we have ensured that our niche market continues to develop and remains globally relevant, and that it is well positioned to contribute to the sustainability of the construction industry. We look forward to the 2026/27 period as we continue to build on the foundation laid.

C. N. Charlton
SAAEI Chairperson

09

MEMBERSHIP

Thusang Mahlangu
SAIA Board Chairperson

Allianz Global Corporate & Specialty South Africa Ltd

Viviene Pearson
SAIA Chief Executive Officer

SAIA

Danie Matthee
SAIA Board Deputy Chairperson

OUTsurance Insurance Company Limited

Adriana Weilbach

Telesure Insurance Holdings (TIH)

Carli Jacobs

Swiss Re Africa Limited

Charles Nortje

Old Mutual Insure

Risk is no longer isolated or predictable; it is systemic, complex, and increasingly global in origin. This is not a temporary cycle of disruption. It is a new risk reality.

Easvarie Naidoo

Lloyd's Underwriters (SA) Limited

Gideon Bochedi

Credit Guarantee Insurance Corporation

JP Blignaut

Bryte Insurance

Lourens Botha

Guardrisk Group

Mohamed Motala

SCOR Africa Limited

Mpumi Tyikwe

SASRIA

Pascal Siphugu

Land Bank Insurance Company Limited

Phillip Donnelly

Bidvest Insurance Company Limited

Robert Attwell

Discovery Insure Limited

Shadrack Sivhugwana

Escap

Sharon Paterson

Infiniti Insurance

Tavaziva Madzinga

Santam Limited

Terashni Pillay

Swiss Re Corporate Solutions Africa Limited

Walter Marte

Nedgroup Insurance Company Limited

Willie Lategan

Hollard Insurance Company Limited

10

COMMITTEES

SAIA COMMITTEES WITH ELECTED BOARD MEMBERS
SAIA Audit and Risk Committee
SAIA Board Committee: Governance Risks
SAIA Board Committee: Insurance Risks
SAIA Board Committee: Reinsurers
SAIA Board Committee: Remuneration and
Nominations Committee
SAIA Board Committee: Transformation
SAIA Board of Directors
SANPA Audit Committee
South African Nuclear Pool Administrators (Pty) Ltd (SANPA) Board of Directors
The South African Pool for the Insurance of Nuclear Risks (SANP) Management Committee

SAIA FORUMS
SAIA Agricultural Risk and Crop Insurance Forum
AMUSA Executive Committee
SAAEI Executive Committee
SAIA Climate Change Forum
SAIA Fire Property Protection Liaison Forum
SAIA Health Insurance Forum
SAIA Motor Transformation and Sustainability Forum
SAIA Premium Collections Forum
SAIA Property Transformation and Sustainability Forum
SAIA Skills Development Working Group Forum

SAIA COMMITTEES	MEMBERS
Governance Risks	Abacus Insurance Limited
SAIA Conduct of Business Committee	Absa Insurance Company Limited
SAIA Prudential Committee	African Reinsurance Corporation (South Africa) Limited
Insurance Risks	AIG South Africa Limited
Insurance Data System Steering Committee	Allianz Global Corporate & Specialty South Africa Limited
SAIA Data Executive Committee	Auto & General Insurance Company Limited
SAIA Motor Insurance Steering Committee	Bidvest Insurance Company Limited
SAIA Property Protection Steering Committee	Bryte Insurance Company Limited
SAIA Property Technical Committee	Budget Insurance Company Limited
SAIA Road Safety and Crime Prevention Committee	Centriq Insurance Company Limited
SAIA Motor Salvage Database Governance Committee	Chubb Insurance South Africa Limited
Operations	Coface South Africa Insurance Company Limited
SAIA Code of Conduct Task Team	Compass Insurance Company Limited
SAIA Taxation Committee	Credit Guarantee Insurance Corporation of Africa Limited
SAIA VAT Task Team	Dial Direct Insurance Limited
Transformation	Discovery Insure Limited
SAIA Financial Inclusion Committee	Dotsure Limited
SAIA Preferential Procurement and ESD Committee	Escap (SOC) Limited
SAIA Transformation Steering Committee	Export Credit Insurance Corporation of South Africa SOC Limited (ECIC)

First for Women Insurance Company (RF) Limited	Mutual and Federal Risk Financing Limited
FirstRand Short-Term Insurance Limited	Nedgroup Insurance Company Limited
GenRe Company Limited (General Reinsurance Africa)	New National Assurance Company Limited
GIC Re South Africa Limited	Old Mutual Insure Limited
Guardrisk Insurance Company Limited	OUTsurance Insurance Company Limited
Hannover Reinsurance Africa Limited	Professional Provident Society (PPS) Short-term Insurance Company Limited
HDI Global South Africa Limited	Renasa Insurance Company Limited
Hollard Insurance Company Limited	SAFIRE Insurance Company Limited
Infiniti Insurance Limited	Santam Limited
King Price Insurance Company Limited	Santam Structured Insurance Limited
Land Bank (SOC) Insurance Company	Sasria (SOC) Limited
Legal Expenses Insurance Southern Africa Limited (Legalwise)	SCOR Africa Limited
Lloyd's Underwriters (Represented by Lloyd's South Africa (Pty) Limited)	Standard Insurance Limited
Lombard Insurance Company Limited	Swiss Re Africa Limited
MiWay Insurance Limited	Swiss Re Corporate Solutions Africa Limited
Momentum Short-term Insurance Company Limited	Western National Insurance Company Limited
Monarch Insurance Company Limited	Workerslife Insurance Limited
Munich Reinsurance Company of Africa Limited	Yard Insurance Limited

11

SAIA STAFF

Viviene Pearson

Chief Executive Officer

Kelebogile Modikoe

Executive Personal
Assistant to CEO

Afika Matanda

Finance Manager
Finance Department

Donald Mphahlele

Data Intelligence Specialist
Corporate Affairs

Hlayisani Mabasa

Projects Coordinator
Insurance Risks

Kabelo Paile

Technical Manager
Insurance Risks

Lebohang Tsotetsi

Manager
Insurance Risks

Livhuwani Mutheiwana

Administrator
Corporate Affairs

Mzayiya (Zakes) Sondiyazi

Manager
Insurance Risks

Naomi du Toit

Accounts Administrator
Finance Department

Nicol Champaud

Head of Department
HR & Operations

Nombulelo (Lelo) Ntshalintshali

Manager
Corporate Affairs

Nothando Mashaba

Projects Coordinator
Transformation

Pamela Ramagaga

General Manager
Insurance Risks

Puseletso Radebe

Legal Specialist
Governance & Transformation

Rachel Mathosa

Personal Assistant to GM
Insurance Risks

Shodine Schalkwyk

Senior Legal Specialist
Governance & Transformation

Themba Palagangwe

General Manager
Governance & Transformation

Thembi Mokoena

Accountant
Finance Department

Tiyani Baloyi

Office Administrator
HR & Operations

Tshepiso Moloto

Personal Assistant to HOD
HR & Operations

Zanele Gigaba

Manager
Transformation

Zoleka Hlomuka

Personal Assistant to GM
Governance & Transformation

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