

momentum
group

Momentum Corporate


Impact strategy progress

Dumo Mbethe



 **Impact strategy recap**

 **Strategy progress update**

 **Closing**



LONG-TERM

WINNING ASPIRATION

To become the *leading, digitally-led employee benefits* business in SA in terms of *sustainable profit growth*; and to make employee benefits *accessible to all employed in South Africa*.



IMPACT STRATEGY

AMBITION

To become a *digitally-led* business that thinks *“Human First”*, and grows our market share profitably and sustainably through *superior* distribution capabilities, *innovative* product offerings, and operational and service *excellence*, while positioning ourselves as the brand of choice for clients, members and advisers alike.



FundsAtWork Umbrella Funds

Group Insurance

Structured Investments and Annuities

Consulting and Actuarial solutions

Stand-Alone Retirement Fund Administration

Member Solutions

Our Planning Units

FAW umbrella funds (FAW)

Our FundsAtWork umbrella fund is significant and well established in the market, supported by market-leading digital solutions

Group Insurance (GI)

Our Group Insurance solutions cover a wide range of risks, including death, disability and critical illness

Structured Investments and Annuities (SIA)

Our scope of investment and income solutions is vast, and provides significant choice for both employers and members

Direct Client Engagement (DCE)

Our DCE arm houses our direct distribution capability and provides asset, healthcare, employee benefits, member advisory, actuarial and legal consulting

Momentum Retirement Administrators (MRA)

Our MRA business is a specialist administrator for stand-alone retirement funds

Member Solutions

Our Member Solutions business educates and supports members through our benefit counselling capability whilst delivering on retailisation objectives

Impact strategy

What this means for us

F2027 measures of success



- Execution of omni-channel distribution strategy
- To embed ESG into our strategic ambition and business outcomes



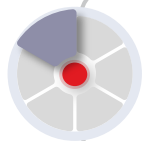
- Internal collaboration for greater market access and proposition strengthening



- Achieve operational and service excellence through digital transformation & LEAN baked-in methodologies



- Profitably grow SME market share through Momentum Grow
- Selective partnerships to accelerate organic growth



- Product differentiation that enables revenue growth and diversification

Earnings

R800m – R1bn

VNB margin

0.5%

Cost-to-income ratio

65%

NPS

>65



Unlock full potential of our businesses



Harness synergies of collaboration



Optimise our cost base



Invest aggressively in advice



Selectively expand our addressable market



Design simplified and impactful client experiences

Impact strategy

What this means for us

F2027 measures of success



• Remain a top 4 player in terms of assets in the umbrella fund market



• Drive value for the Momentum Group through internal partnerships and collaboration



• Drive operational and service excellence through LEAN methodologies and digitalisation



• Become a significant player in the SME market



• Provide clients with holistic value propositions

FAW AUM

>R110bn

No. of SME employers

+250 employers per annum

Integrated value proposition

Completion of our integrated Health and Employee Benefits value proposition



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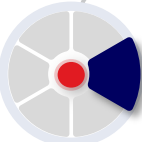
Impact strategy

What this means for us

F2027 measures of success



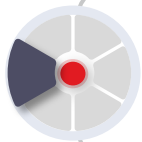
- Remain one of the top 3 group insurance providers in SA
- Improve disability outcomes
- Continue to leverage data analytics and insights for pricing and benefit design



- Drive value for the Momentum Group through internal partnerships and collaboration



- Drive operational and service excellence through LEAN methodologies and digitalisation



- Decommoditise product offering to increase sales and retention



- Enhance our market-leading disability management capability

Margin

Maintain margin within the 5% – 7% net of tax long-term average margin

Integrated value proposition

Completion of our integrated Health and EB value proposition



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Design simplified and impactful client experiences

Structured Investments and Annuities

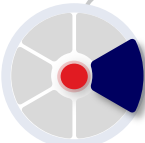
Impact strategy

What this means for us

F2027 measures of success



- Help to build the low carbon economy through investments in green assets
- Drive product awareness through marketing, PR and Thought Leadership and leveraging the Group's purpose



- Cement internal and external strategic partnerships to increase market access including the use of white-labelling capability and product upsell



- Drive operational and service excellence through LEAN methodologies and digitalisation



- Grow deal-making and structuring capability
- Launch new client-appropriate solutions into existing and new segments



- Drive product rationalisation to simplify and consolidate SIA products

SIA AUM	>R65bn
NHE contribution	Contribute 25% to Momentum Corporate NHE

Direct Client Engagement, Momentum Retirement Administrators and Member Solutions

Impact strategy

What this means for us

F2027 measures of success

- 
 - Improve market access, grow new business and drive client retention
 - Build a distinctive member and client value proposition
 - Build a trademark retirement consulting and advisory capability through Momentum Consultants and Actuaries and Member Solutions
- 
 - Foster key client relationships through strategic collaboration
 - Drive value creation for the group
- 
 - Drive operational and service excellence in MRA through LEAN methodologies and digitalisation
- 
 - Unlock new streams of revenue and access to new members
- 
 - Transform and enhance client experience through digital and human interaction

Direct new business	Grow new business from direct business development to 35% of total sales
MRA membership	500 000
Market share	Increase market share of annuities and preservation outflows to 45%



Impact strategy recap



Strategy progress update



Closing

Impact strategy

What this means for us

Progress towards F2027 objectives



- Execution of omni-channel distribution strategy
- To embed ESG into our strategic ambition and business outcomes

- Fully confident
- Highly confident



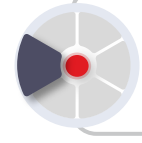
- Internal collaboration for greater market access and proposition strengthening

- Highly confident



- Achieve operational and service excellence through digital transformation & LEAN baked-in methodologies

- Highly confident



- Profitably grow SME market share through Momentum Grow
- Selective partnerships to accelerate organic growth

- Fully confident
- Fully confident



- Product differentiation that enables revenue growth and diversification

- Highly confident



Unlock full potential of our businesses



Harness synergies of collaboration



Optimise our cost base



Invest aggressively in advice



Selectively expand our addressable market



Design simplified and impactful client experiences



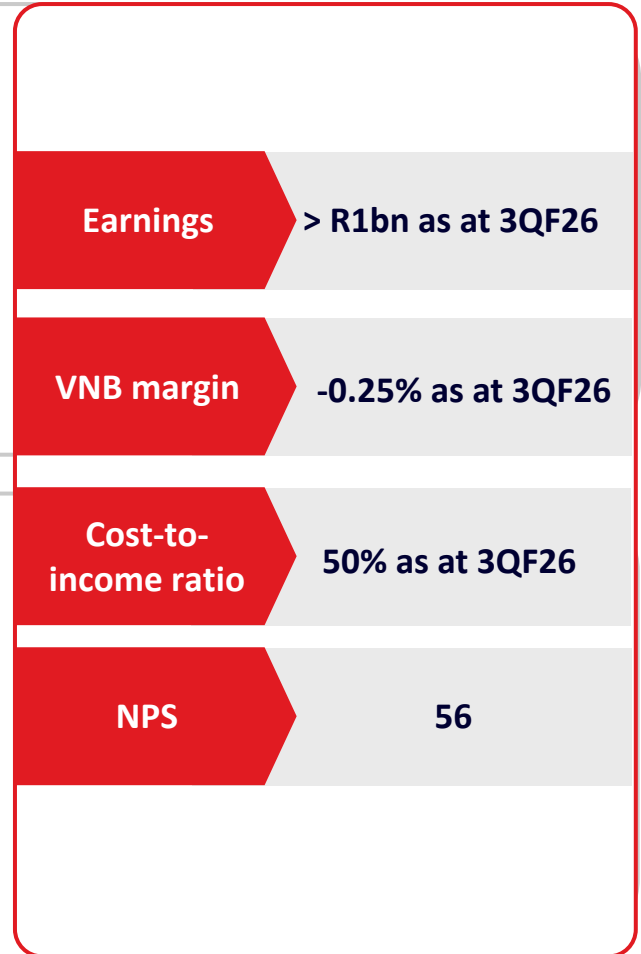
What we achieved over the last year

- Top 3 market positions sustained across key product lines
- Positive new business momentum with continued profitable growth
- Strong client retention for sustained growth and long-term value creation
- Ongoing internal collaboration to enhance our offering



Where we are experiencing challenges

- Margin pressure and VNB remain challenging
- Competitive pricing and fee compression weighing on profitability in selected lines
- Increased compliance requirements, require ongoing investment and management focus



Impact strategy

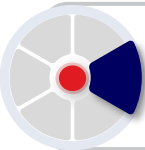
What this means for us

Progress towards F2027 objectives



• Remain a top 4 player in terms of assets in the umbrella fund market

● Fully confident



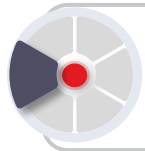
• Drive value for the Momentum Group through internal partnerships and collaboration

● Highly confident



• Drive operational and service excellence through LEAN methodologies and digitalisation

● Highly confident



• Become a significant player in the SME market

● Highly confident



• Provide clients with holistic value propositions

● Highly confident





What we achieved over the last year

- Positive new business momentum and strong client retention
- 31% yoy increase in self-service usage and ~4 million digital engagements
- Two-Pot reform successfully delivered
- FAW offering relaunched including Smart Quote for FAW
- Expanded product suite and market reach through roll out of Momentum Grow, Health4Me and Metropolitan Funeral on the Dragonfly product shop



Where we are experiencing challenges

- Despite improvement in sales volumes, growth remains challenging
- Increased pricing and fee sensitivity reflecting a more competitive environment

FAW AUM

>R109bn as at 3QF26

No. of SME employers

239 employers as at 3QF26

Integrated value proposition

Integrated Health and Employee Benefits value proposition successfully completed and launched

Impact strategy

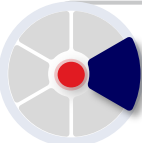
What this means for us

Progress towards F2027 objectives



- Remain one of the top 3 group insurance providers in SA
- Improve disability outcomes
- Continue to leverage data analytics and insights for pricing and benefit design

- Fully confident
- Highly confident
- Fully confident



- Drive value for the Momentum Group through internal partnerships and collaboration

- Highly confident



- Drive operational and service excellence through LEAN methodologies and digitalisation

- Highly confident



- Decommoditise product offering to increase sales and retention

- Highly confident



- Enhance our market-leading disability management capability

- Highly confident



Unlock full potential of our businesses



Harness synergies of collaboration



Optimise our cost base



Invest aggressively in advice



Selectively expand our addressable market



Design simplified and impactful client experiences



What we achieved over the last year

- Positive underwriting results and strong client retention
- Enhanced use of data analytics and insights in pricing, benefit design, and client experience
- Strengthening early intervention capabilities to manage claims risk proactively
- Decommoditisation (differentiating our offering through added value) is progressing well



Where we are experiencing challenges

- Market-driven pricing pressure
- Lower sales volumes weighing on VNB

Margin

Margin above target of 5 – 7 % net of tax long-term average margin

Integrated value proposition

Integrated Health and Employee Benefits value proposition successfully completed and launched

Structured Investments and Annuities

Impact strategy

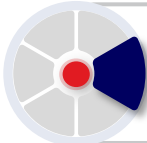
What this means for us

Progress towards F2027 objectives



- Help to build the low carbon economy through investments in green assets
- Drive product awareness through marketing, PR and Thought Leadership and leveraging the Group's purpose

- Reasonably confident
- Fully confident



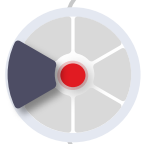
- Cement internal and external strategic partnerships to increase market access including the use of white-labelling capability and product upsell

- Highly confident



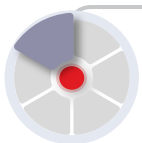
- Drive operational and service excellence through LEAN methodologies and digitalisation

- Highly confident



- Grow deal-making and structuring capability
- Launch new client-appropriate solutions into existing and new segments

- Highly confident
- Highly confident



- Drive product rationalisation to simplify and consolidate SIA products

- Fully confident



Structured Investments and Annuities



What we achieved over the last year

- Continued strong flows into smoothed bonus products and Index Guaranteed Solutions, with record volumes in Golden Living Annuity solutions
- With-profit annuity online quoting tool launched on AdviserConnect to expand IFA market access
- Partnerships contributing 90% of PVP
- Deal-making and structuring team nearing full capacity



Where we are experiencing challenges

- Market remains highly competitive, with continued pressure on pricing
- Increase of green asset exposure limited by low asset availability (<1% exposure) which will be revisited as market availability improves

SIA AUM

>R70bn as at 3QF26

NHE contribution

Contribute 20.4% to Momentum Corporate NHE as at 3QF26

Direct Client Engagement, Momentum Retirement Administrators and Member Solutions

Impact strategy

What this means for us

Progress towards F2027 objectives

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 - Improve market access, grow new business and drive client retention
 - Build a distinctive member and client value proposition
 - Build a trademark retirement consulting and advisory capability through Momentum Consultants and Actuaries and Member Solutions
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 - Transform and enhance client experience through digital and human interaction

- Highly confident
- Highly confident
- Fully confident

- Fully confident
- Fully confident

- Highly confident

- Fully confident

- Highly confident

Direct Client Engagement, Momentum Retirement Administrators and Member Solutions



What we achieved over the last year

- Momentum Consultants and Actuaries continues profitable growth and group value-add
- MRA strong earnings growth with 100% client retention; and group contribution
- Targeted retirement benefit counselling and structured member education supported strong FAW asset retention
- Retirement Benefit Counselling as-a-service gaining traction
- Retirement Income Solutions channel in collaboration with MFP showed strong progress, outperforming sales targets



Where we are experiencing challenges

- Momentum Consultants and Actuaries: Strong business pipeline however delays driven by client decision timelines

Direct new business	Growth in new business from direct business development at 13% (3QF26)
MRA membership	>398 000 as at 3QF26
Market share	Annuities at 42% and Preservation outflows at 58% (3QF26)

	Digital self-service and automation	Digital distribution and adviser enablement	Flexible benefits and member value platform	AI-enabled productivity and client experience
Solving for	High service volumes and cost-to-serve from manual processes	Manual quoting slows turnaround and sales; high re-quote effort	Growing demand for flexible, personalised benefits	Capacity constraints, key-person dependency, manual effort
What it enables	WhatsApp self-service (incl. Two-Pot) + member portals	Smart Quotes + integrated online annuity quotes (Adviser Connect)	DragonFly platform for flexible benefits (e.g. savings, funeral cover)	AI assisted product design, automation, developer productivity, insights, administrative support and client engagement
Impact/value	Faster turnaround, lower call volumes, increased automation Almost 100% Two-Pot claims processed digitally saving 40k+ hrs in manual processing 66% of all service transactions processed via self-service, unlocking capacity equivalent to ~136 FTE	Faster turnaround, better adviser experience, improved conversion 33% of all new quotes and 51% of re-quotes now digital, saving over 7k hours of manual effort	Increased engagement, value-add at point of need, and improved benefit relevance +32% yoy DragonFly sales +62% API growth yoy	Faster delivery, improved consistency and quality, reduced effort, scalable capacity Reduced time from: 2 days to 25 mins (tender prep) 30 mins to 5 mins (query time) 1 month to 1 week (dev tasks) 2-4k hours/month saved (email)
Next 6-12 months	Expand self-service offering and increase automation rates	Broaden quote coverage and deepen platform integration	Expand benefit options and partner offerings	Scale developer capabilities, back-end processes, tender automation, and broader business adoption

Why this matters

- Operating at scale in an increasingly complex regulatory, service-intensive and price-sensitive market
- Legacy systems constrain speed, automation, scalability and cost-to-serve, directly impacting service outcomes, growth and margin sustainability

Implication for the business

- Without modernisation, service resilience, digital enablement, AI adoption, and scalable growth would remain constrained, increasing operational risk and limiting margin and conversion upside as volumes grow
- Ecosystem modernisation is therefore a material enabler of Impact Strategy execution rather than a discretionary IT initiative

Impact on strategy execution

- **Tailwind over the medium term:** A modern, simplified core enables digital self-service, adviser enablement, AI-driven productivity and faster product innovation
- **Near-term execution discipline required:** Benefits are unlocked progressively, requiring careful prioritisation while stabilising service and managing change



Ecosystem modernisation is a critical catalyst for Momentum Corporate's digital leadership, operational efficiency, and sustainable growth ambition, with value realised through improved service, lower cost-to-serve and scalable innovation



Impact strategy recap



Strategy progress update



Closing

Accelerate scalable, high-quality growth

1

- Execute **targeted actions to address VNB pressures, while scaling inclusive growth** through omni-channel distribution and partnerships
- **Expanding access**, growing sales and broadening the addressable market **by combining adviser, digital and ecosystem-led distribution**
- Expand partnerships and ecosystems to **reach new markets and make financial services more accessible and inclusive**

Embed operational efficiency through lean, digital and AI

2

- **Scale human-centred digital and AI-enabled experiences to enhance customer experience**, personalise offerings and support smarter, faster decision-making
- **Enable advisers through best-in-class digital tools** that improve quoting, conversion and client engagement
- **Continue applying LEAN methodologies** to simplify processes, stabilise service and release operational capacity

Deliver product excellence through simplicity and inclusion

3

- Continue to **simplify and modernise product design** to improve client understanding, ease of use and scalability
- Enhance differentiated, integrated **value propositions that meet evolving employer and member needs**
- **Extend financial inclusion** by designing accessible solutions **for underserved and emerging segments**



Our
RIGHT
to win

We are a business with scale, strong market position, and a significant contributor to the Group

We will continue to build and leverage digital capabilities and solutions to deliver on growth, operational efficiencies and client experience

We have a strong track record of profitable growth and have consistently delivered on strategic objectives

We will further drive effective and efficient distribution through our omni-channel distribution ecosystem and strategic partnerships

Thank you

The information in this presentation, including the financial information on which the outlook is based and any non-IFRS financial measures (which are presented for additional information purposes only), is the responsibility of the directors of Momentum Group and has not been reviewed and reported on by Momentum Group's external auditors.

