



2024 Annual Life Insurance Industry Experience

Date: 19 November 2025

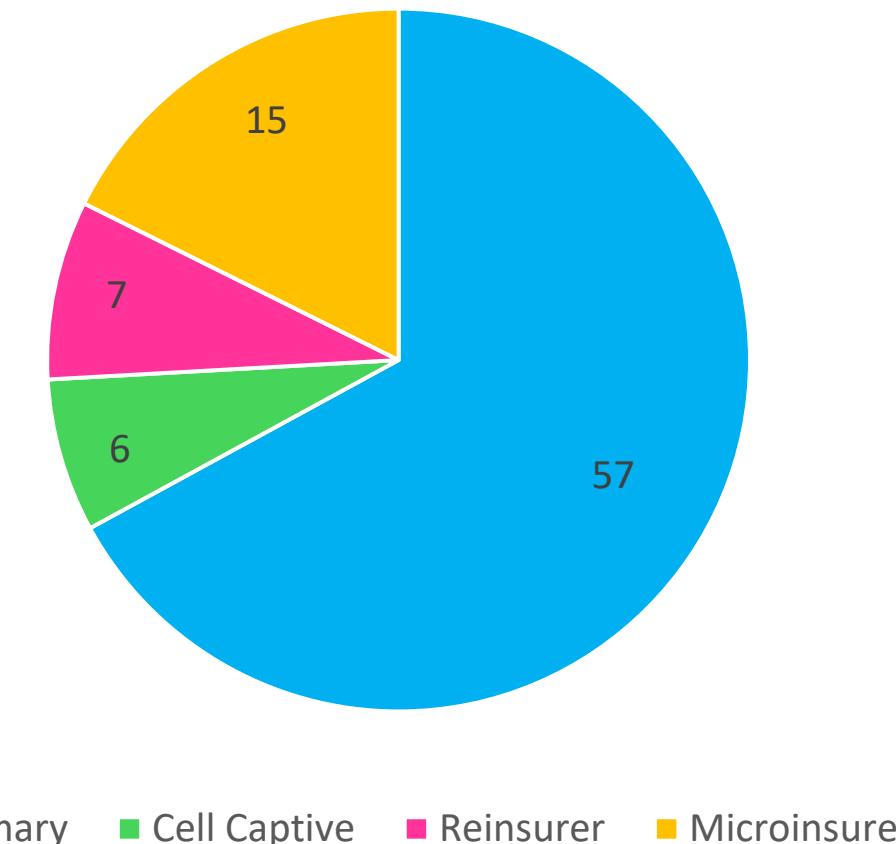


SOUTH AFRICAN RESERVE BANK
Prudential Authority

Presentation Scope and Data

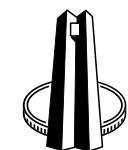
The presentation is based on the 2020 – 2024 Annual QRTs submitted to the PA

Total Number of Insurers Included

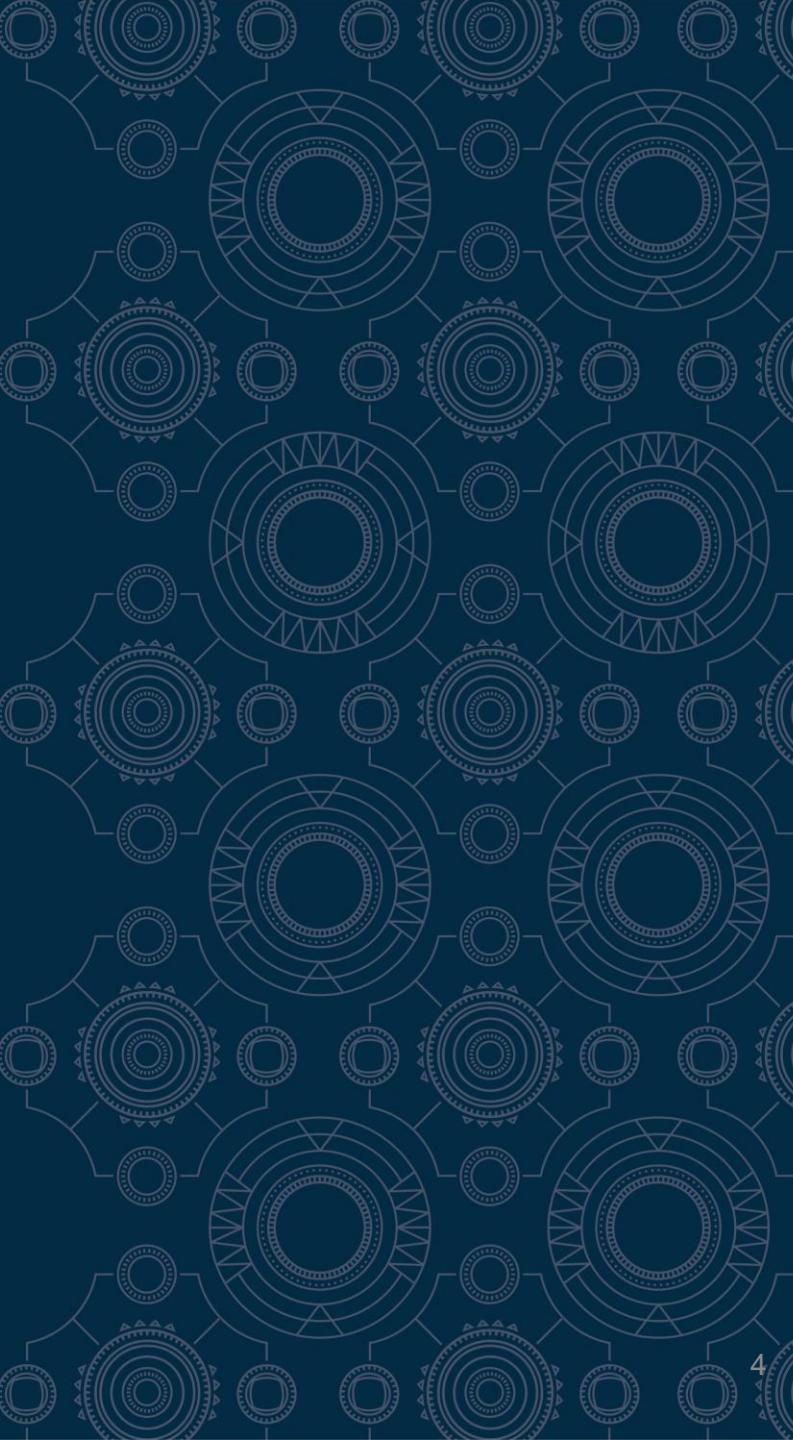


Agenda

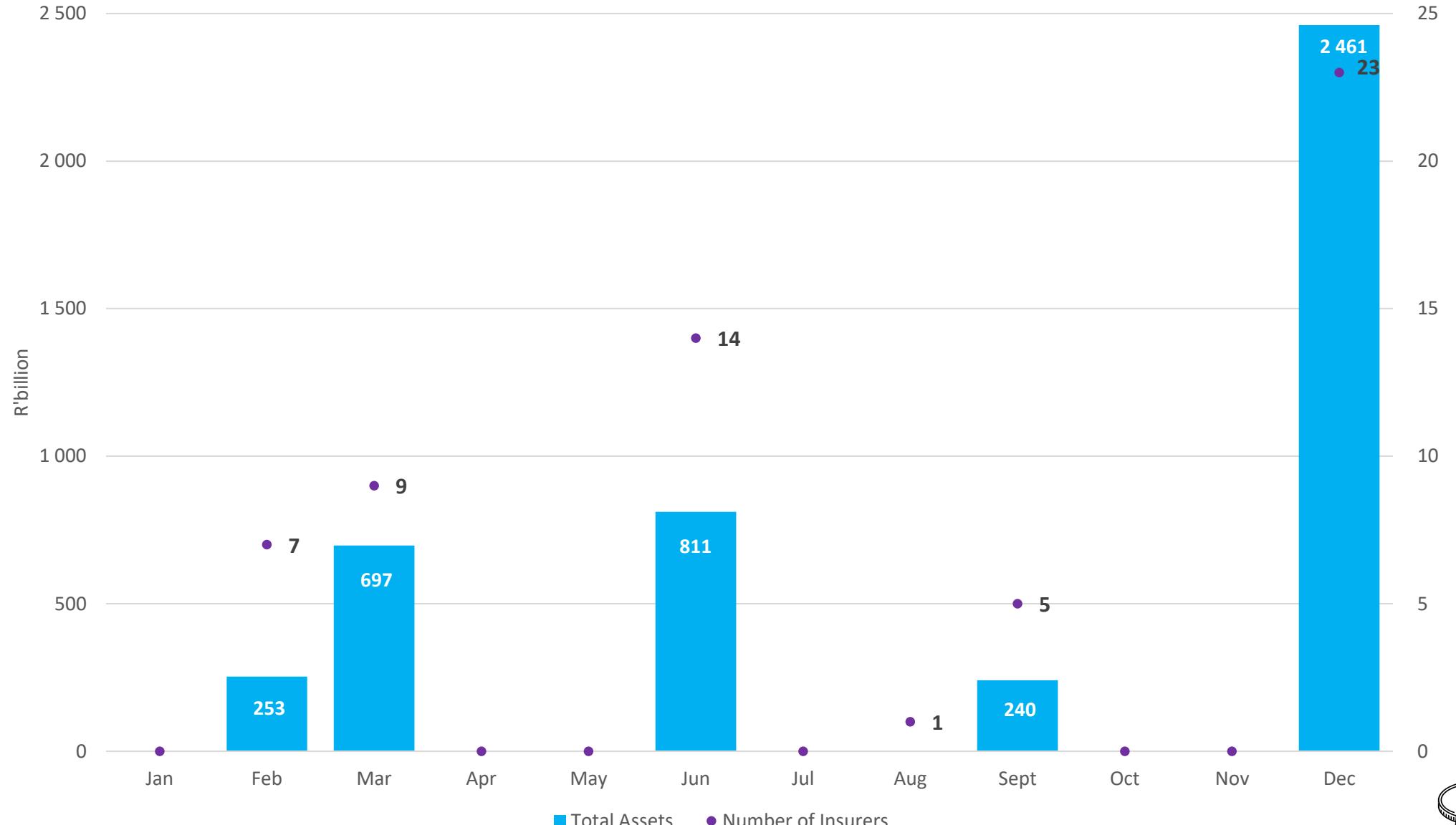
- General Overview
- Profitability
- Premiums and Benefits
- Expenses
- Basic Own Funds
- Assets
- Liabilities
- Solvency Capital Requirement
- Microinsurance



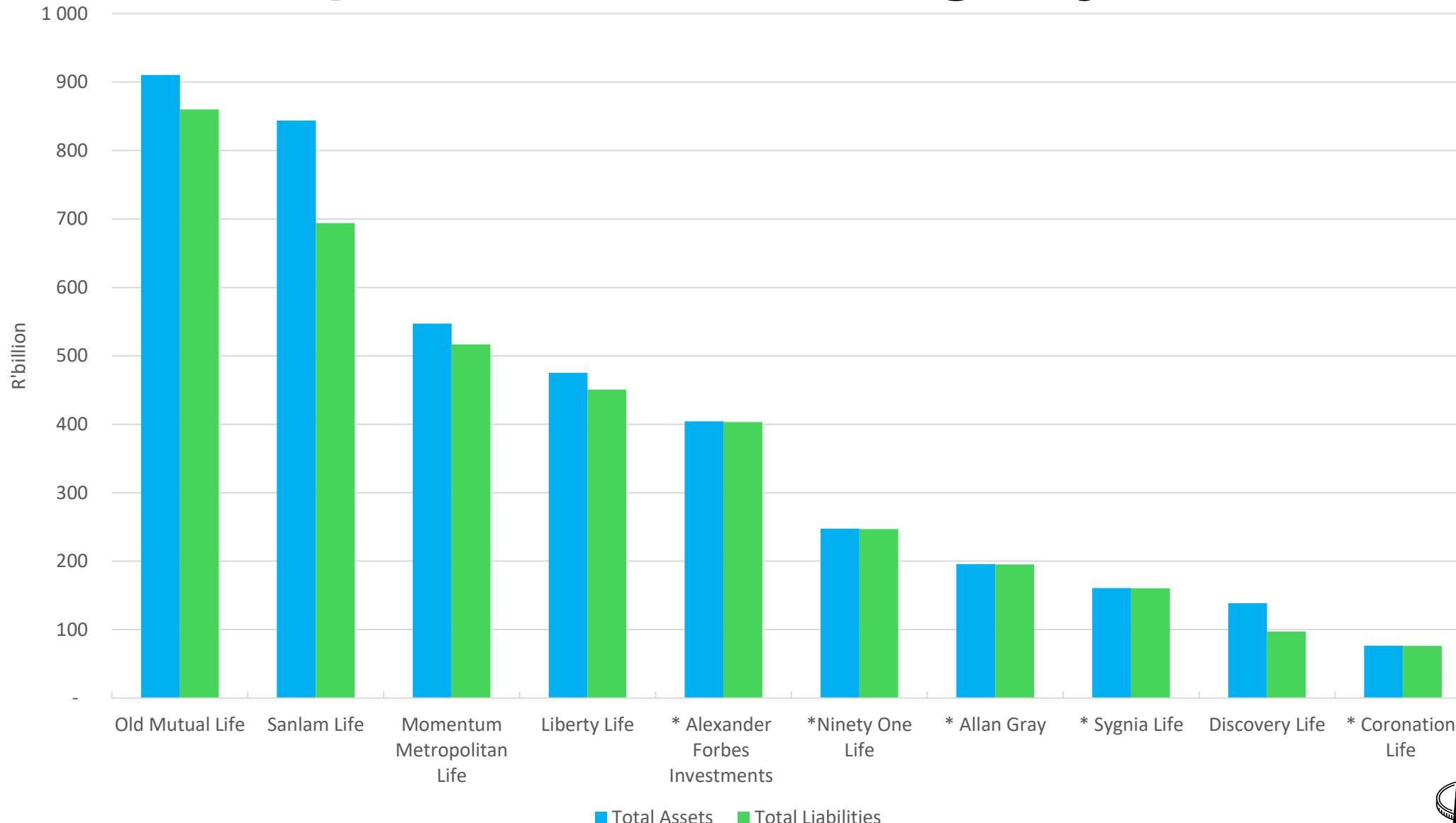
General Overview



Number of active insurers per year-end

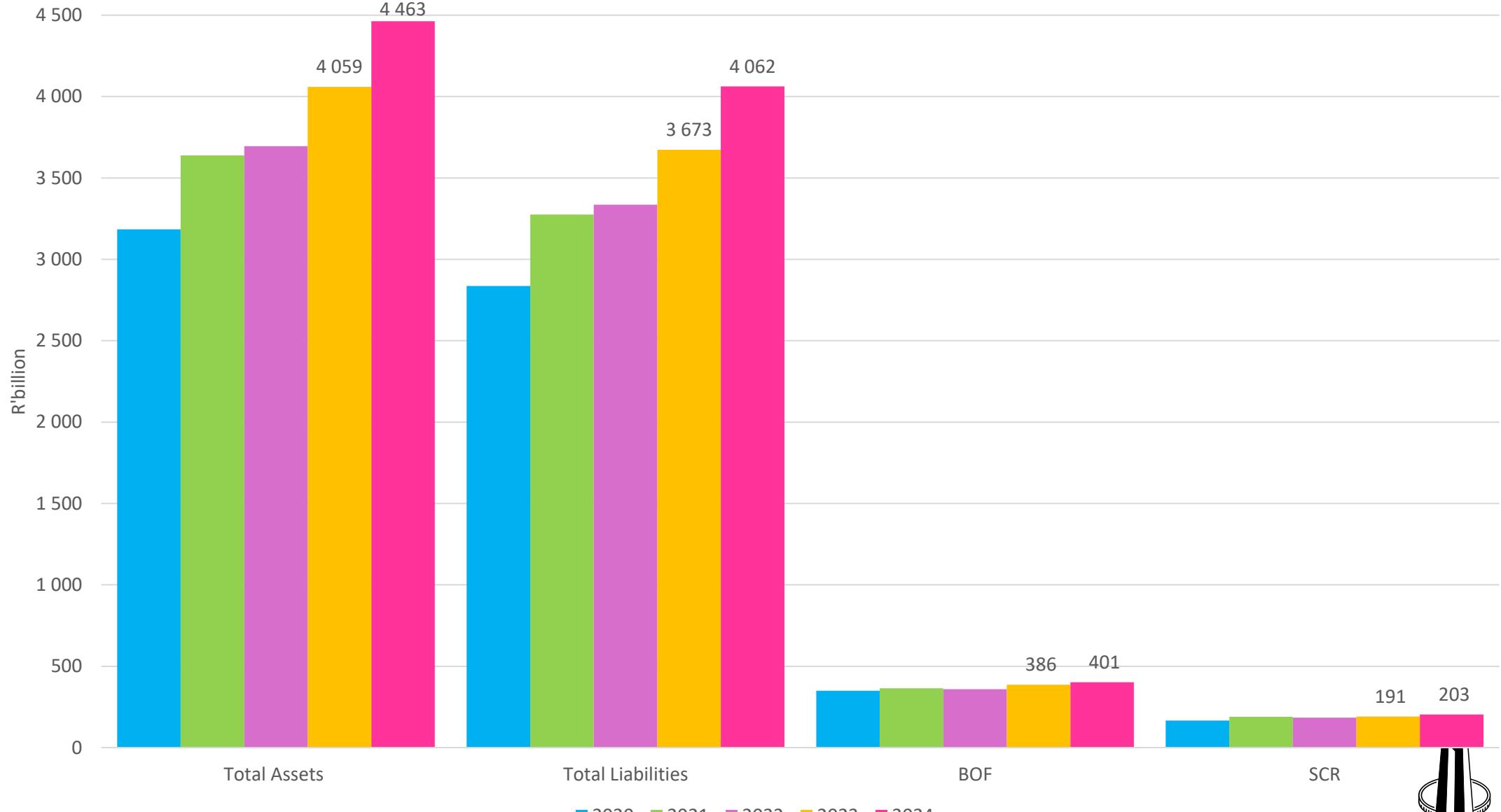


Top 10 insurer rankings by assets



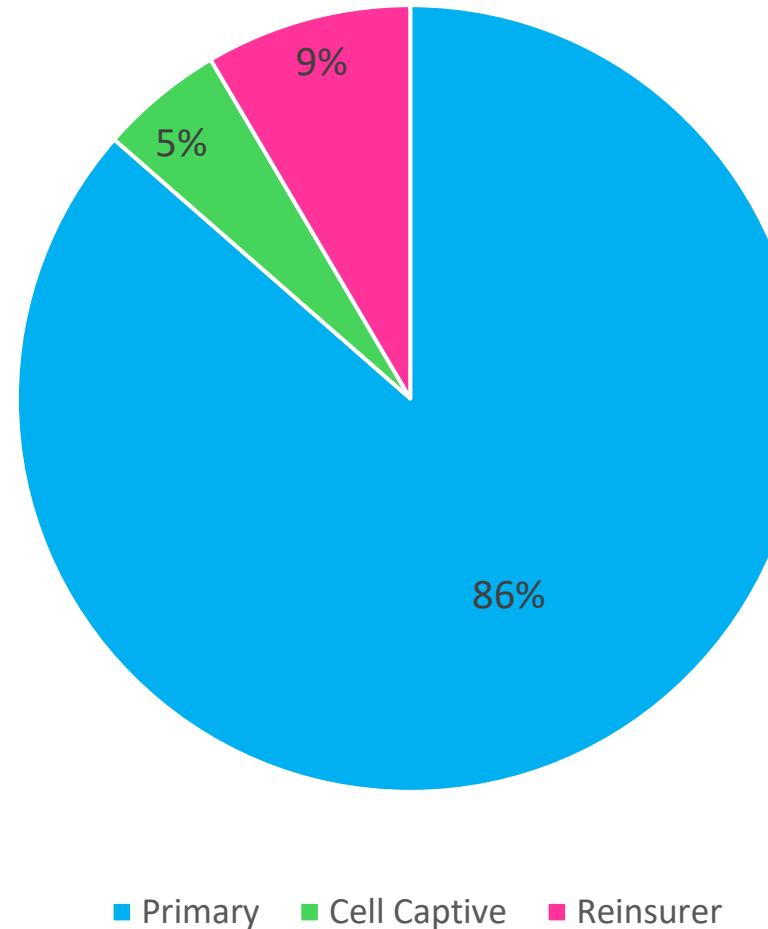
* Linked Insurer

Overview

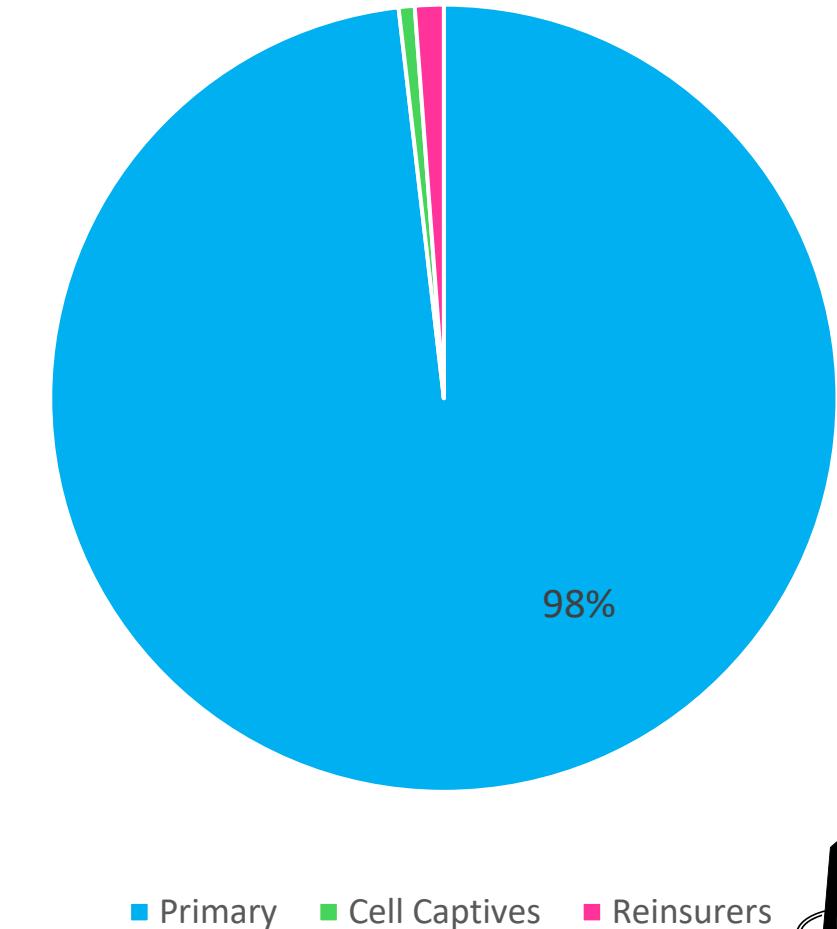


Proportion by insurer type

Proportion by Count



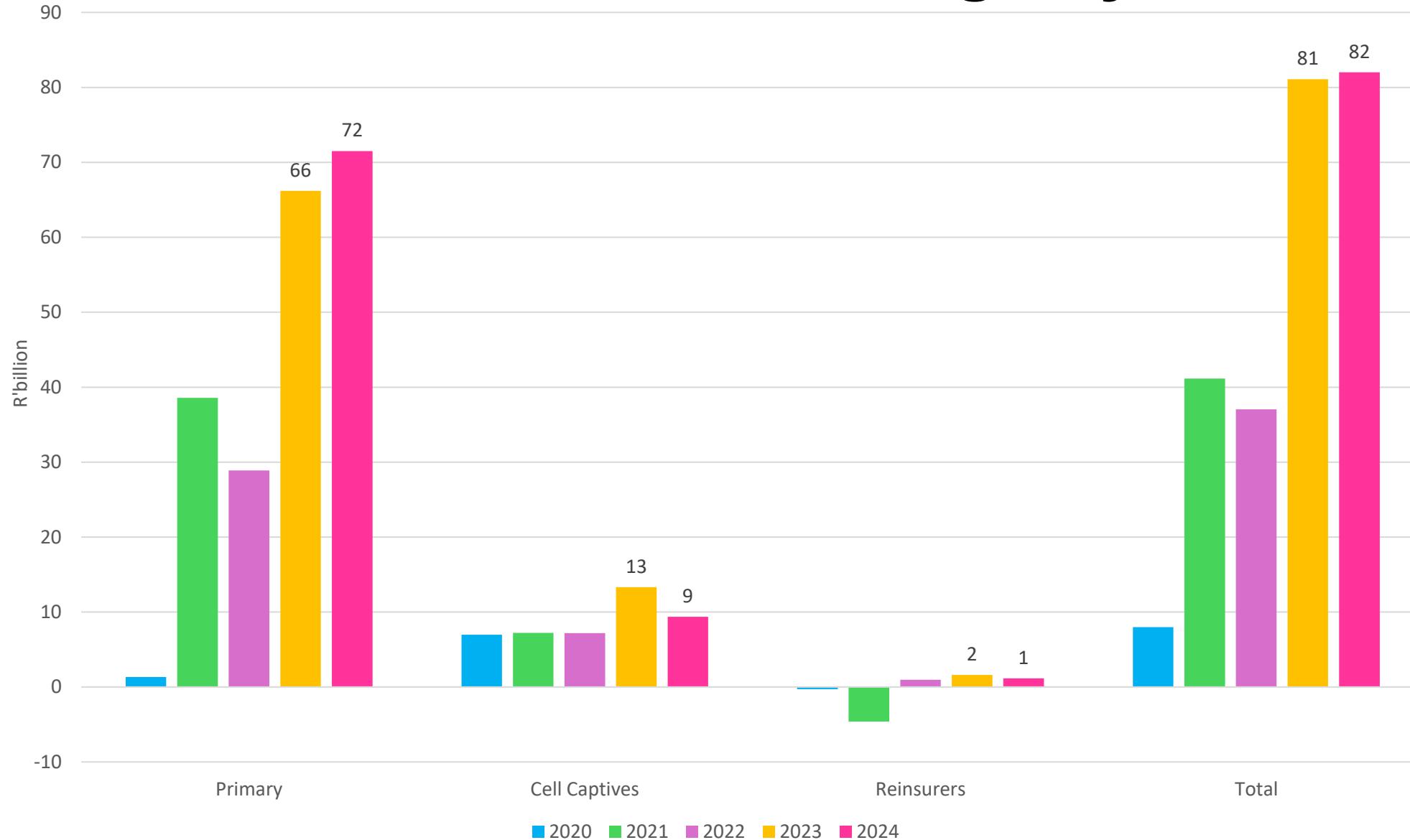
Proportion by Asset Size



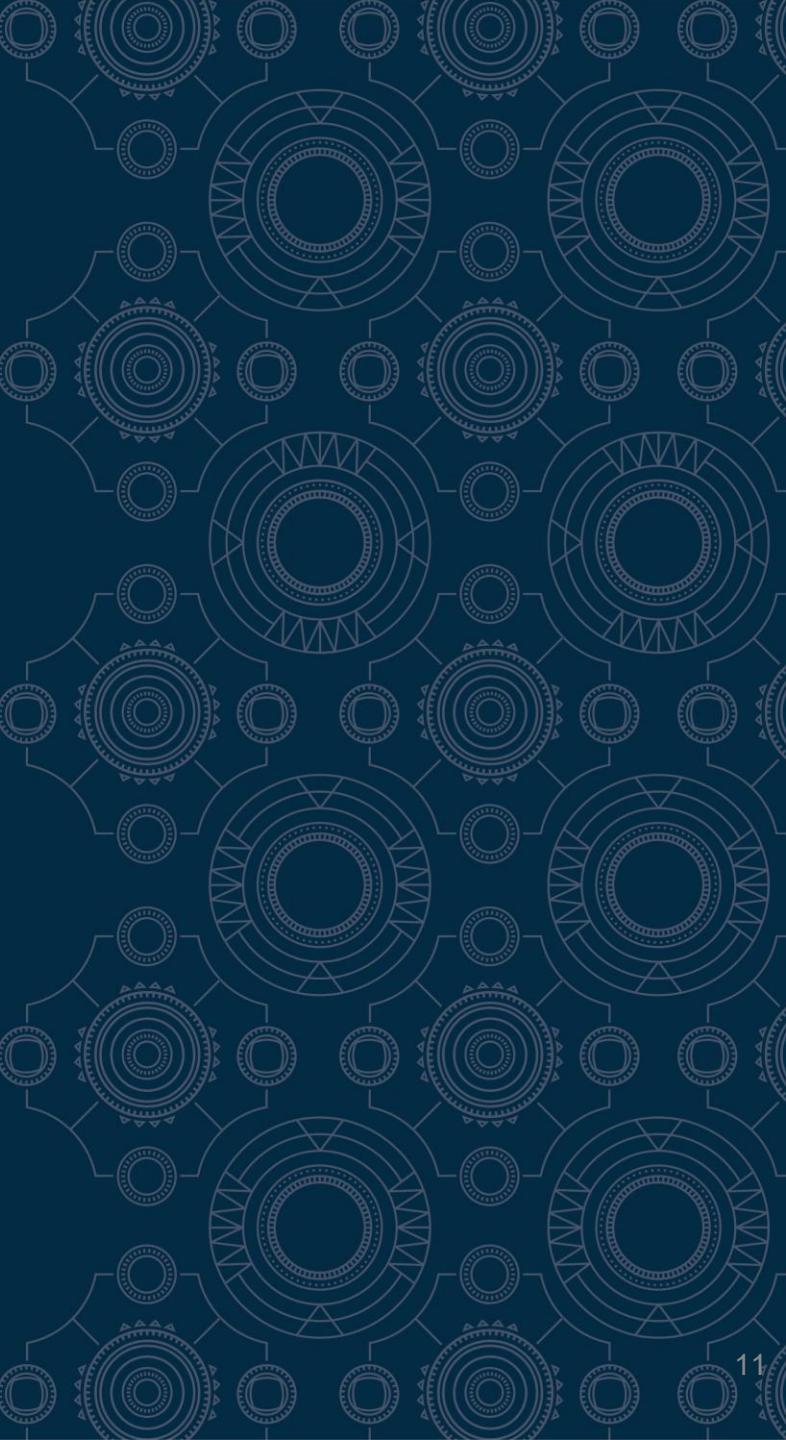
Profitability



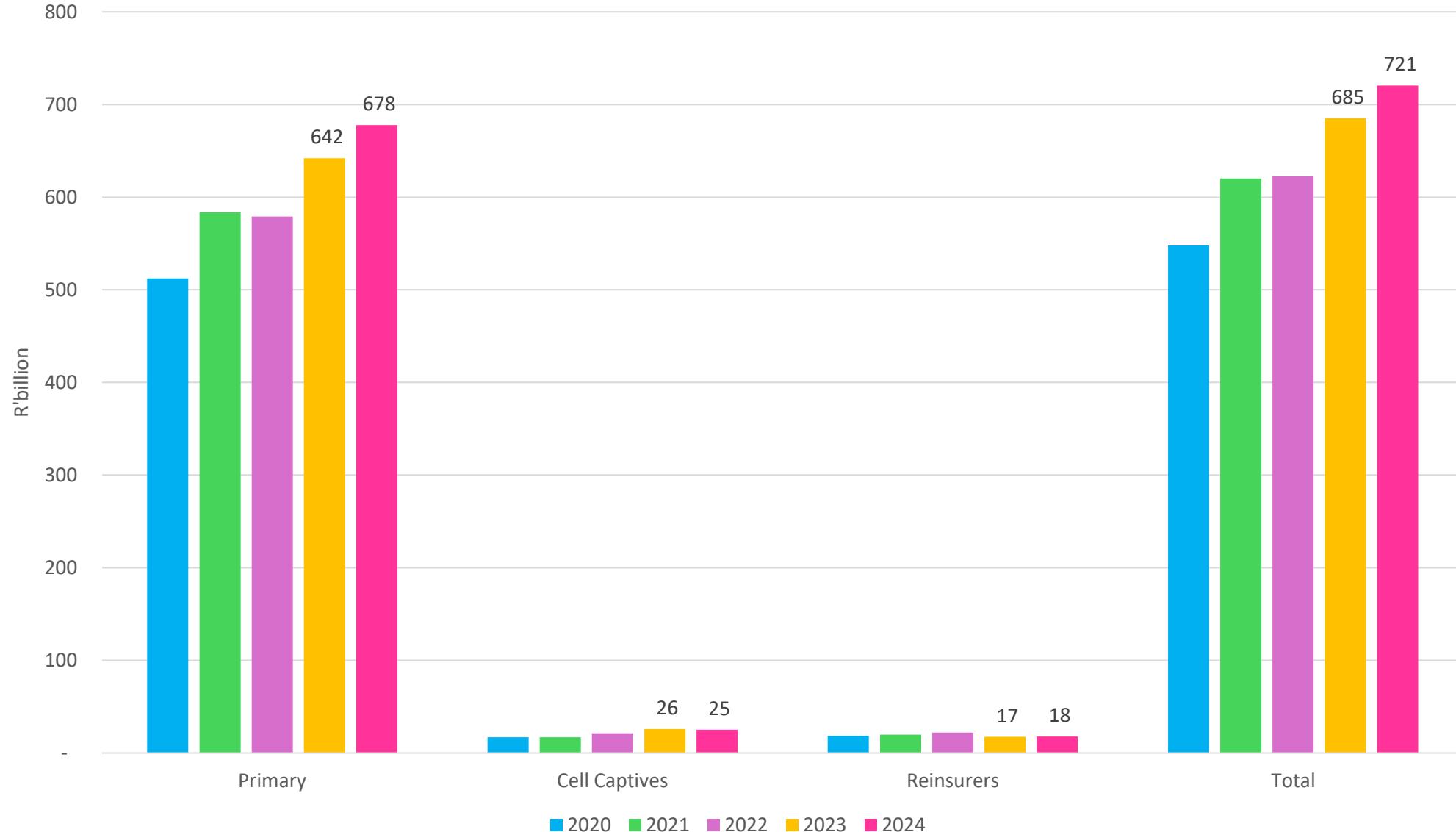
Excess of Income Over Outgo by insurer type



Premiums and Benefits



Gross Premiums

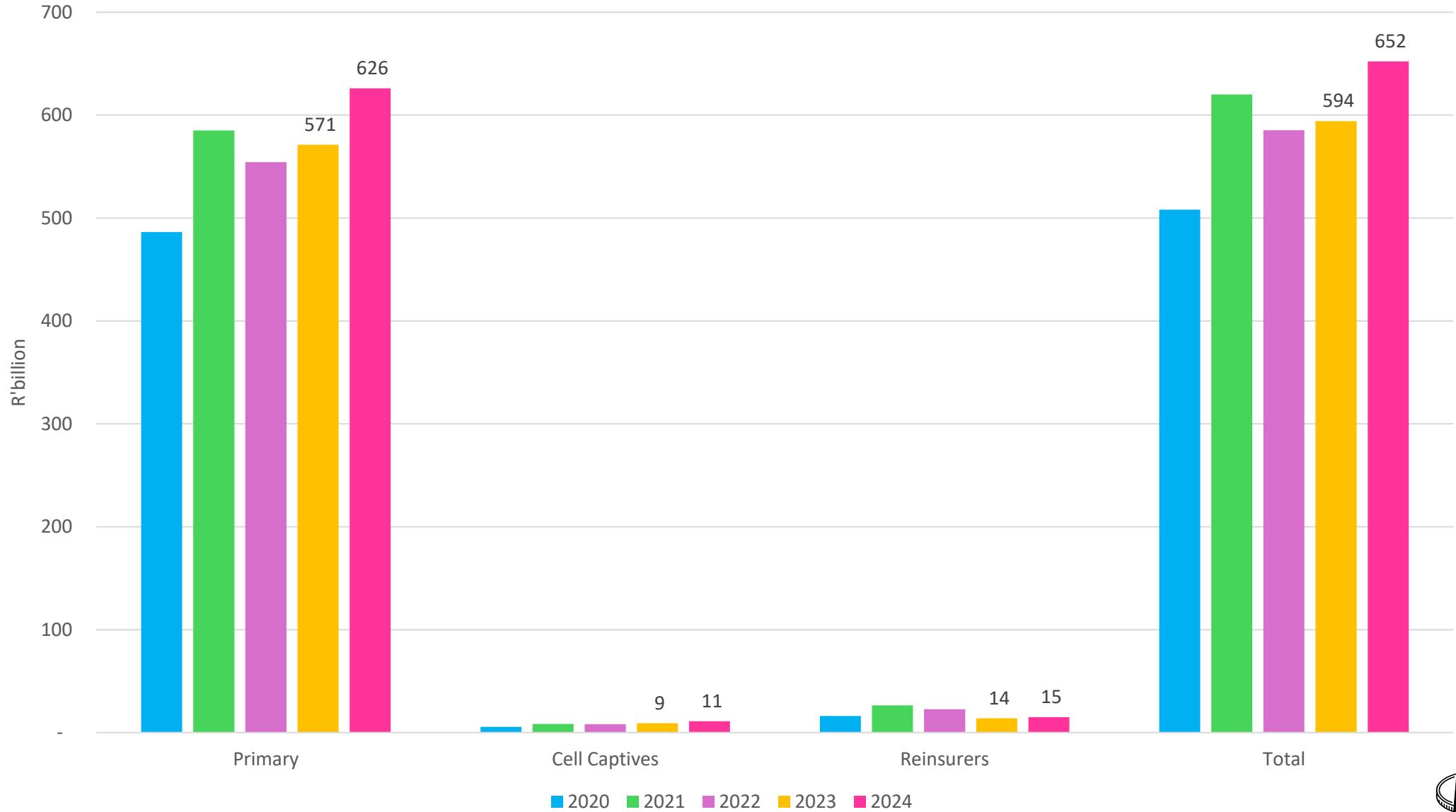


Gross Premiums = gross earned premiums during the reporting period

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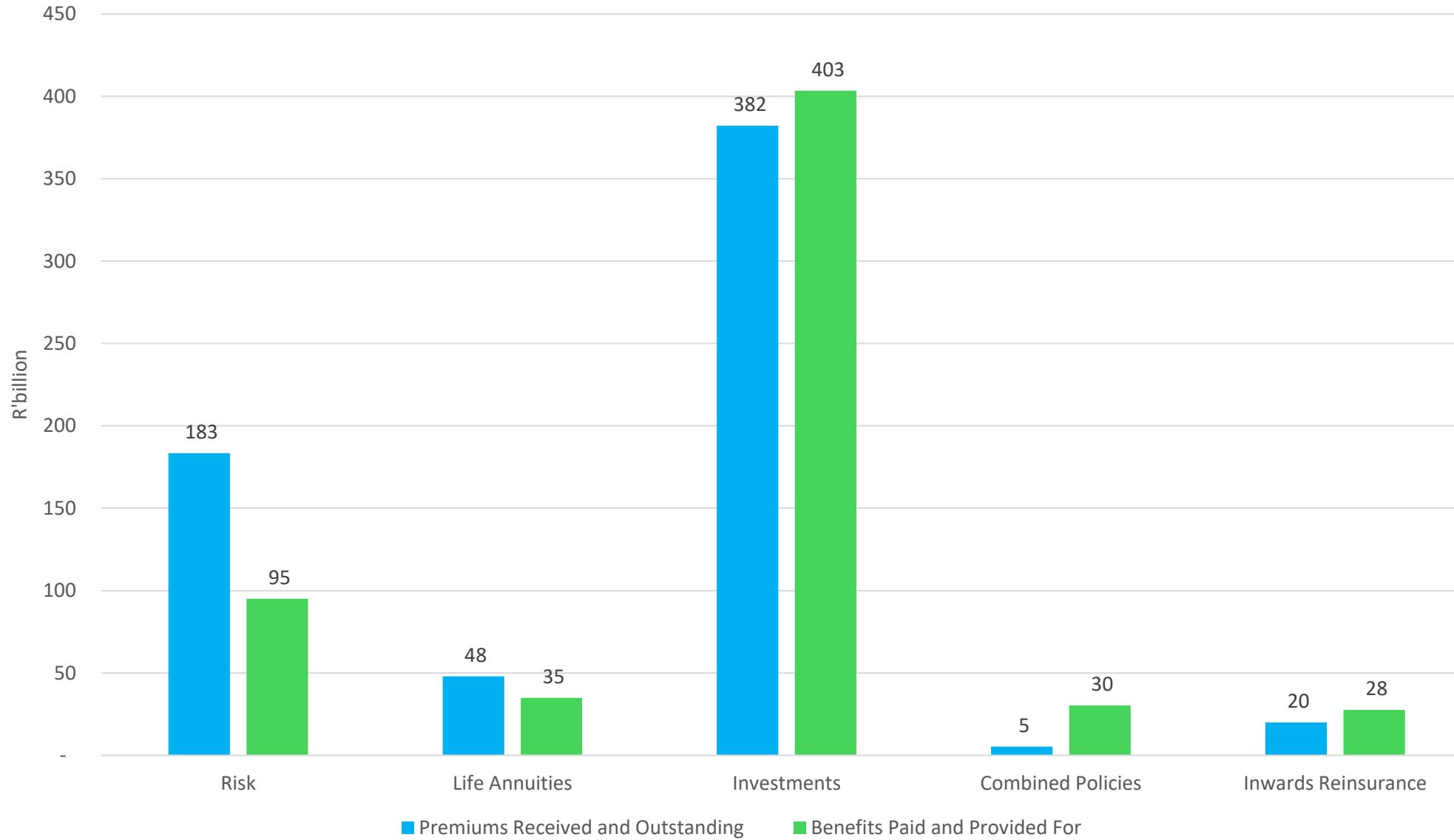
Gross Claims



Gross Claims and Policyholder Benefits = Gross Claims Incurred during the reporting period



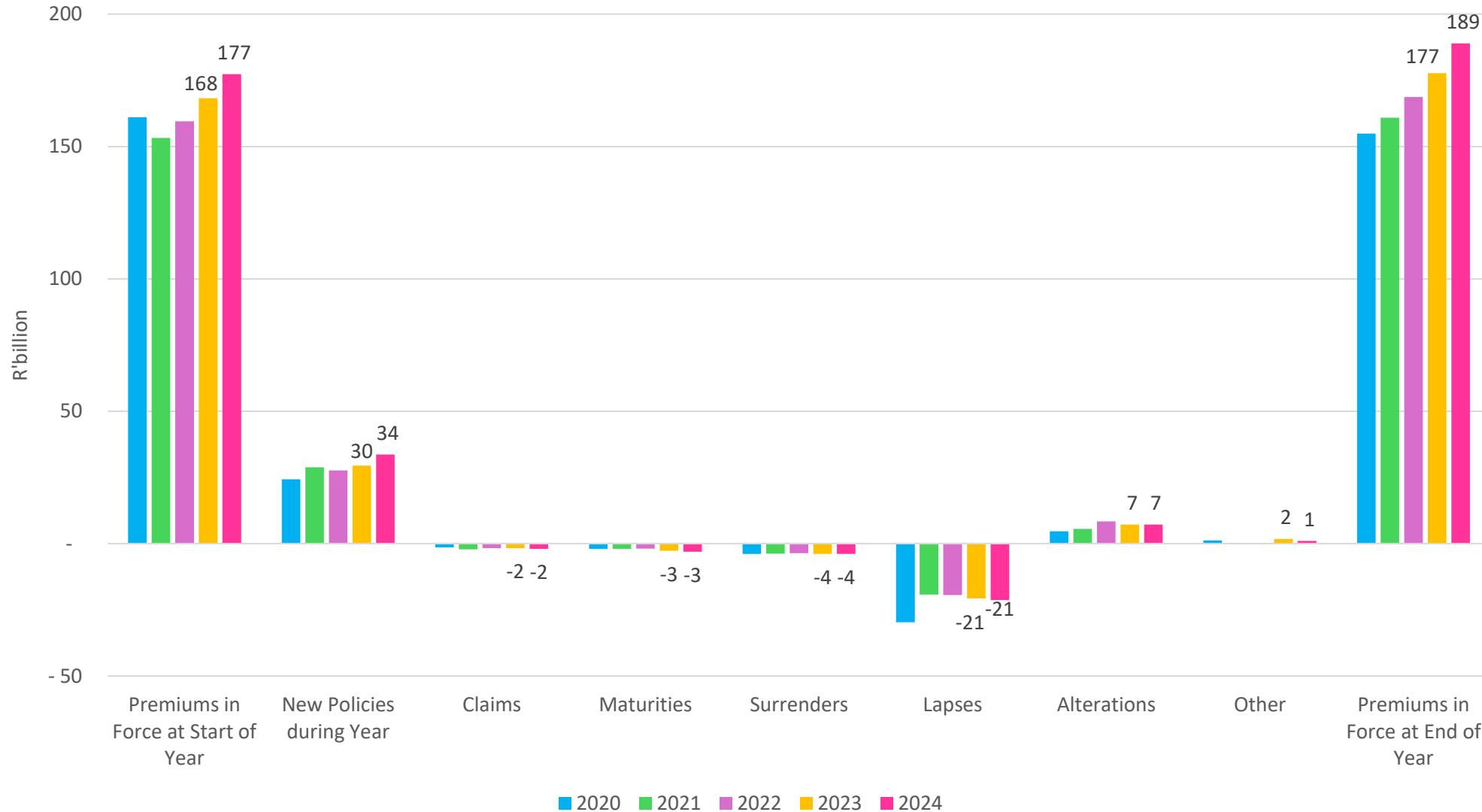
Gross Premiums and Benefits per class of business



Gross Premiums = Premiums Received and Outstanding

Gross Benefits = Gross claims paid during reporting period + IBNR claims + RBNS claims

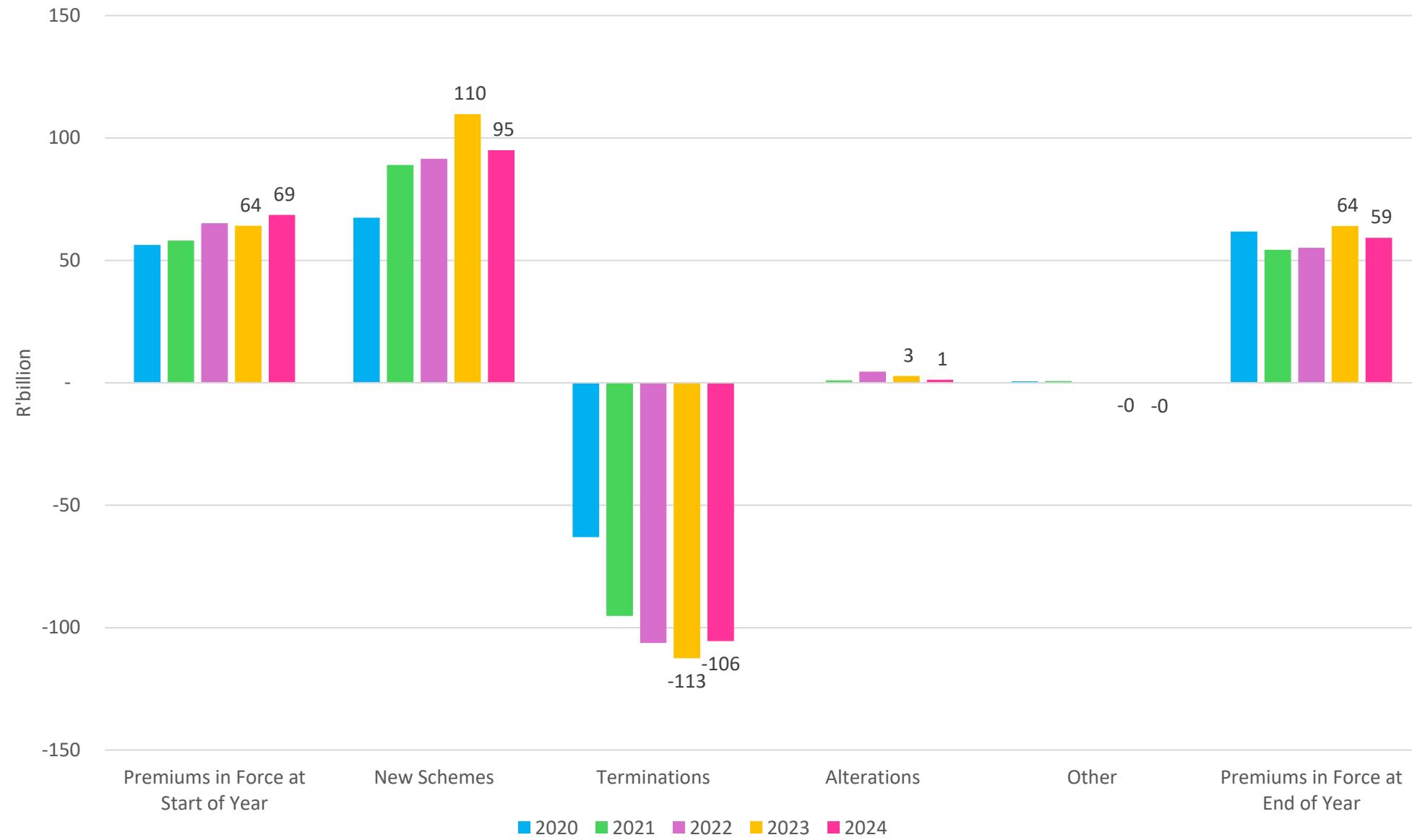
Primary - Individual business movements



*Claims include death claims, health terminations and disability terminations

*Other includes expired policies, paid-up and premium increases/decreases, and transfers in terms of the Act

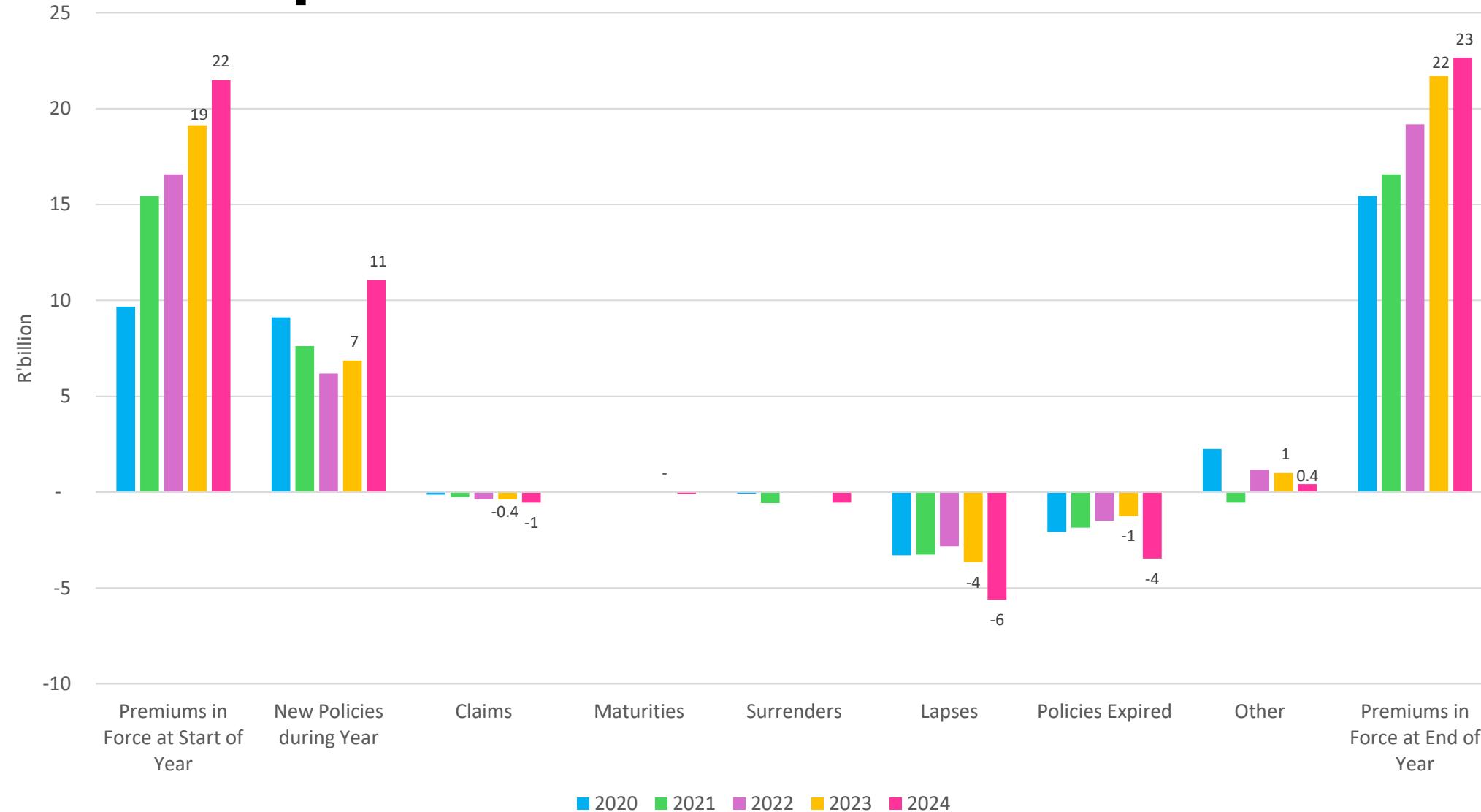
Primary - Group business movements



*Other includes transfers in terms of the Act or premium increases/decreases



Cell Captives - Individual business movements

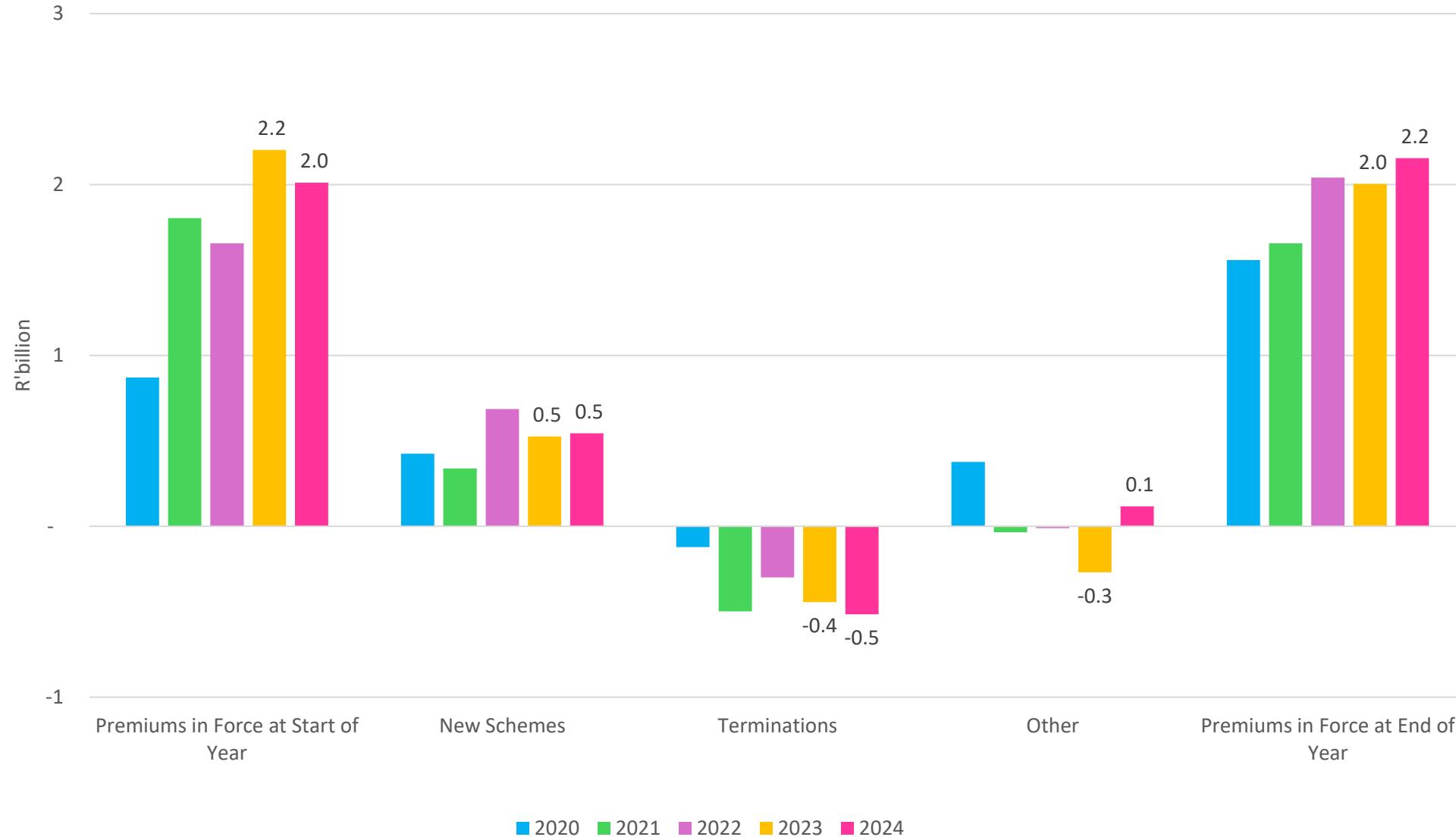


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Cell Captives – Group business movements



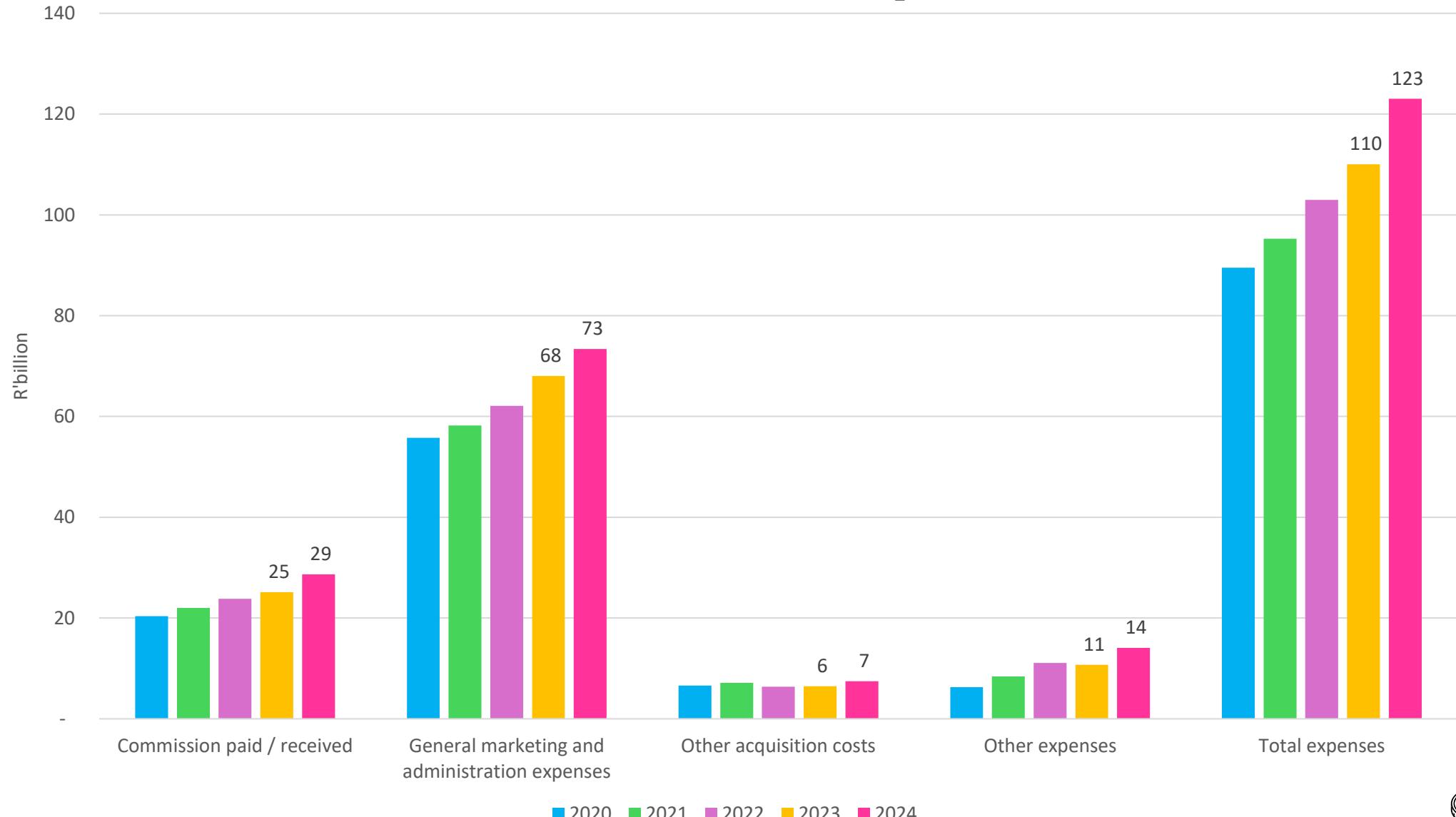
*Other includes transfers in terms of the Act or premium increases/decreases



Expenses



Trends in Expenses

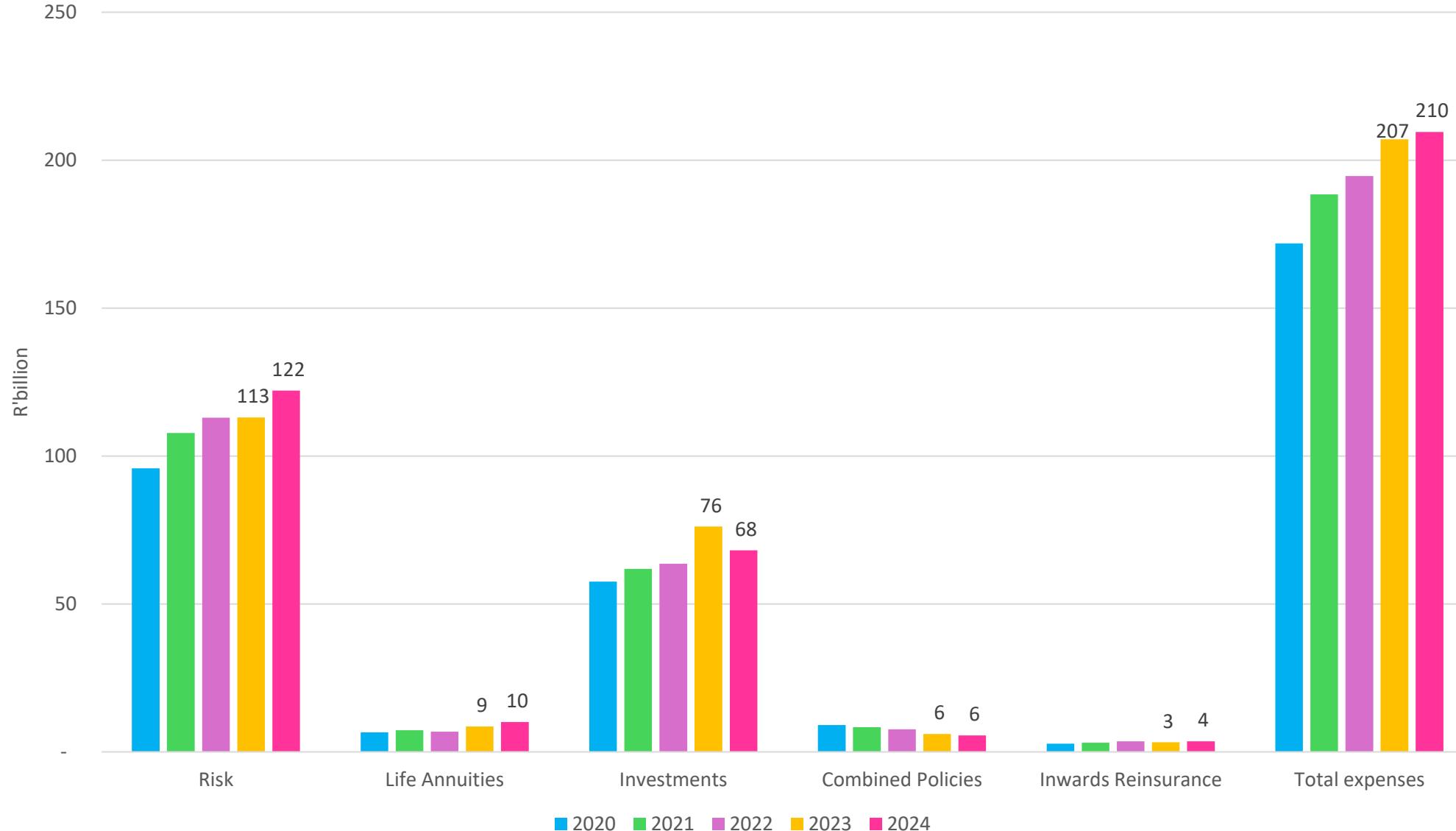


Expenses relates to actual outgo during the reporting period

20



Total expenses by class of business



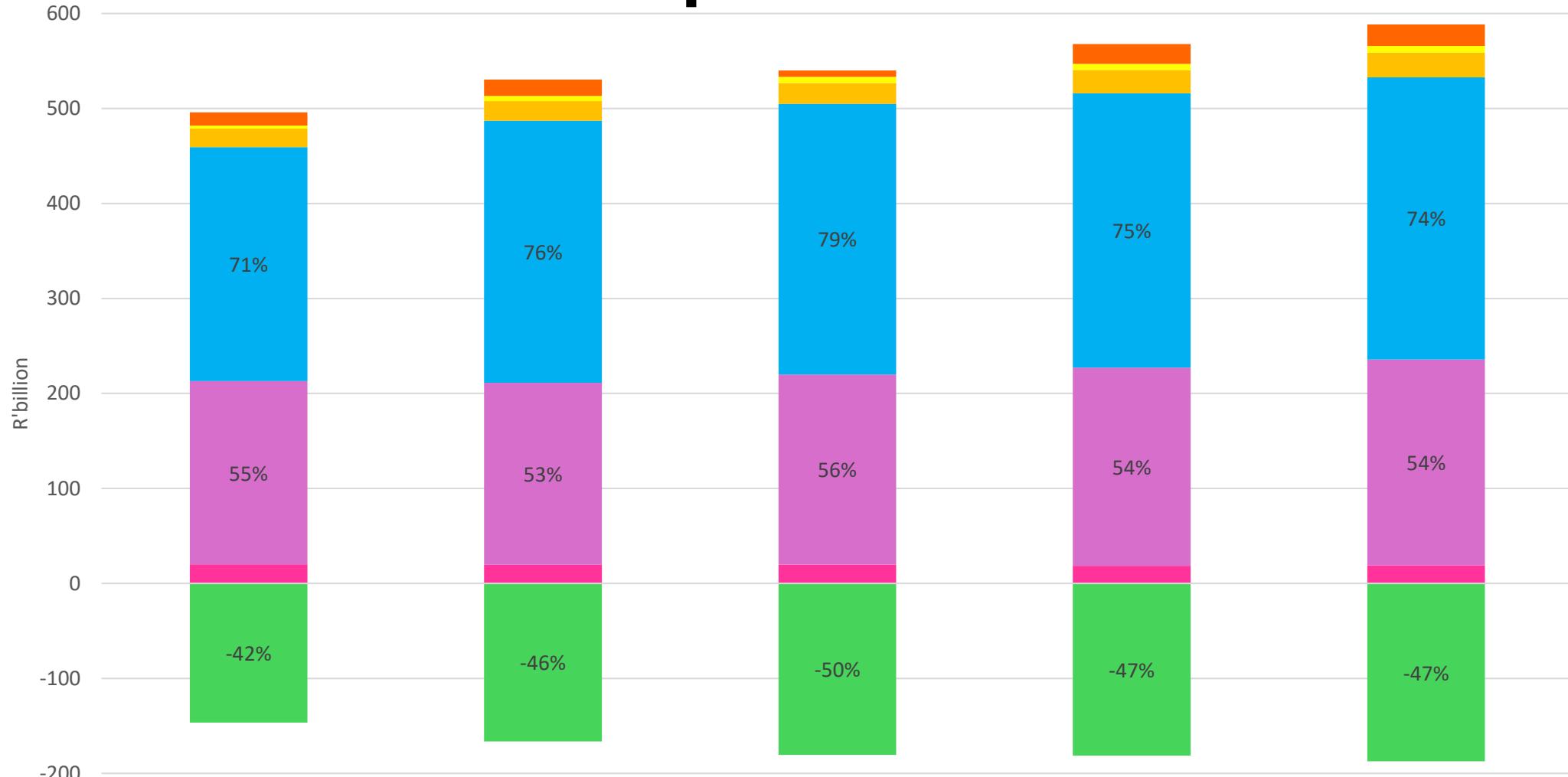
Total expenses represent the present value of all expense cashflows used in the calculation of the BEL



Basic Own Funds



Composition of BOF



■ Share premium account

■ Retained earnings

■ Surrender value gap (SVG excl. risk margin)

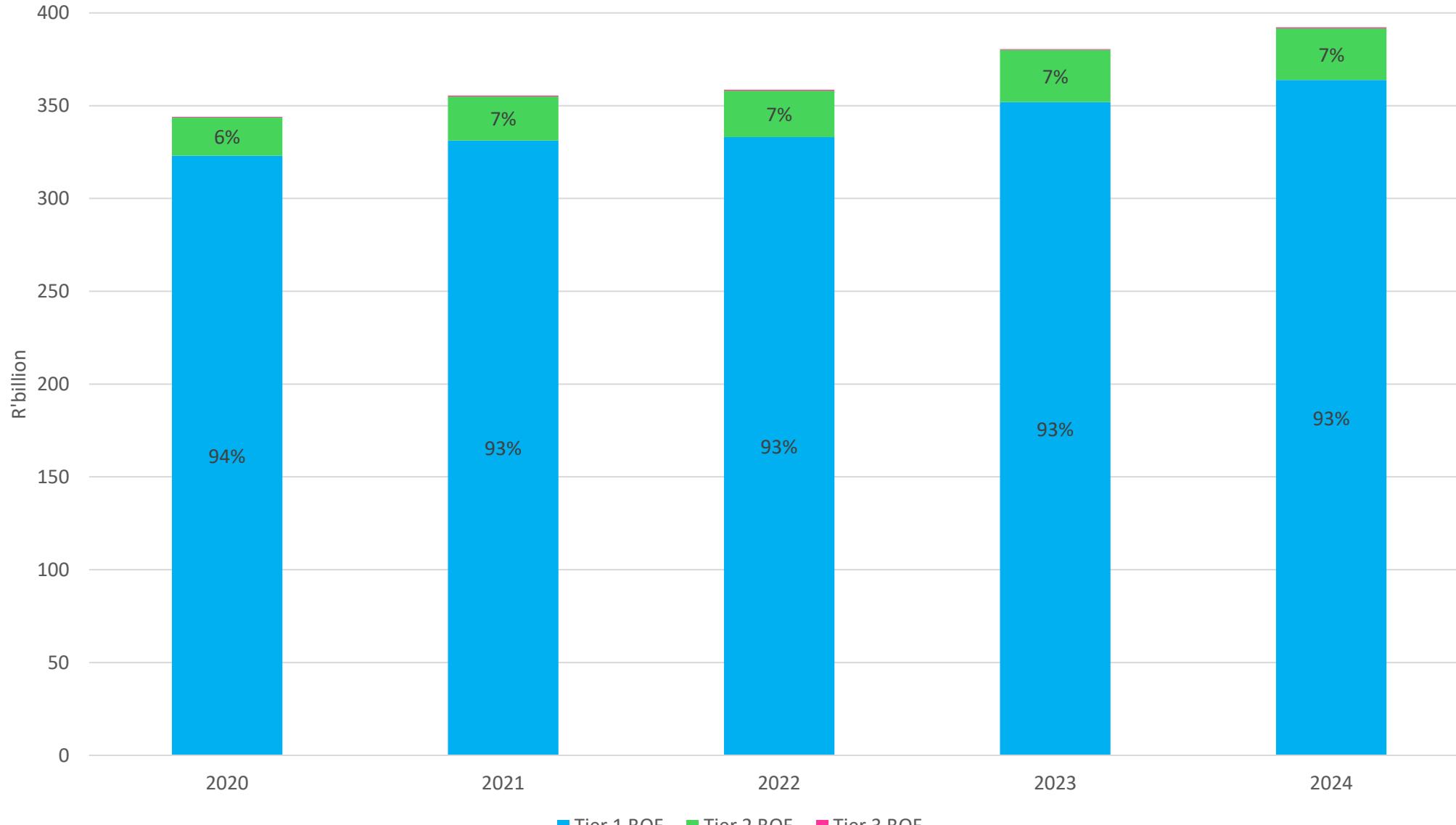
■ Reconciliation reserve

■ Ordinary share capital (net of own shares)

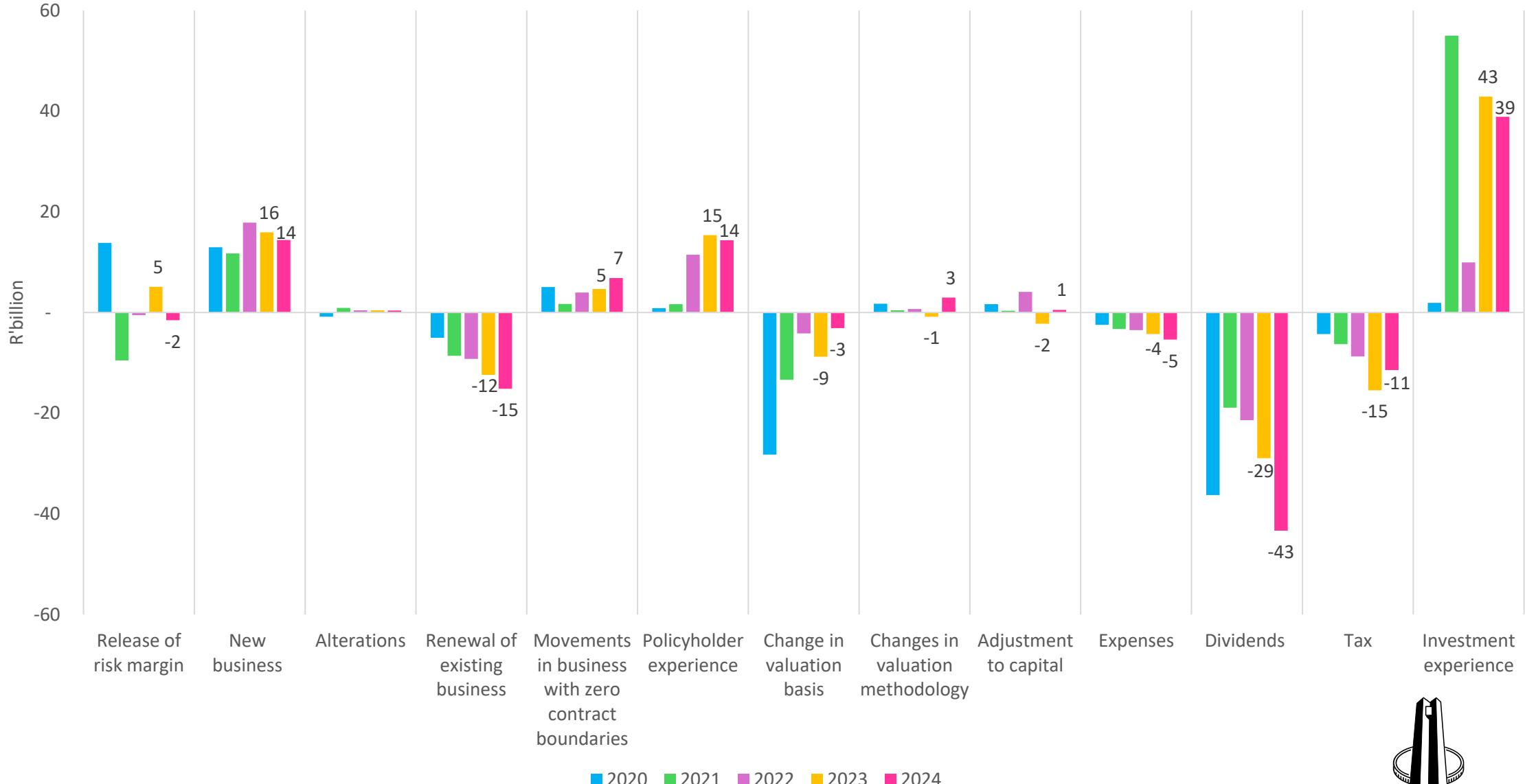
■ Other



Tiering of BOF



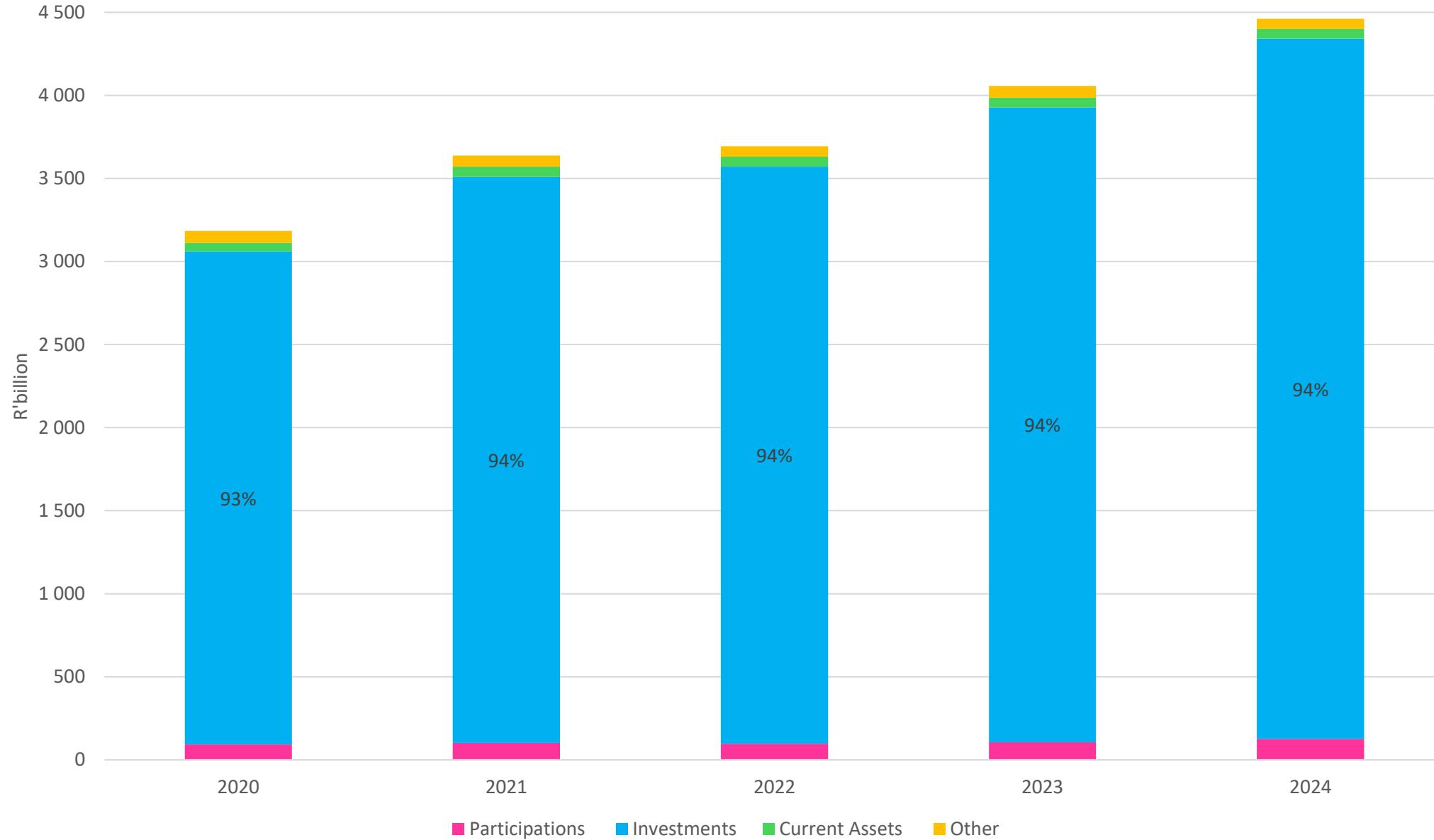
Analysis of Movements in BOF



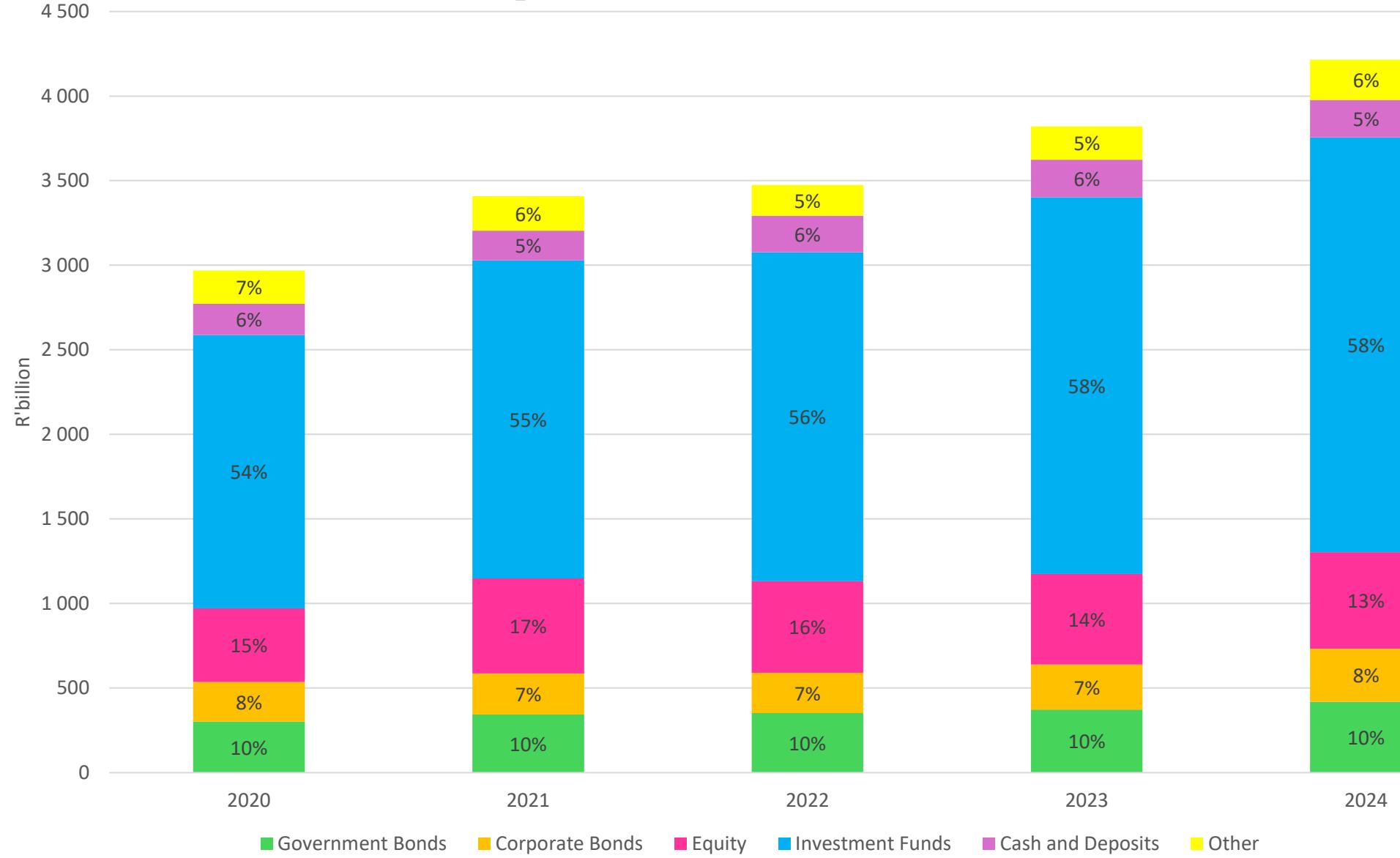
Assets



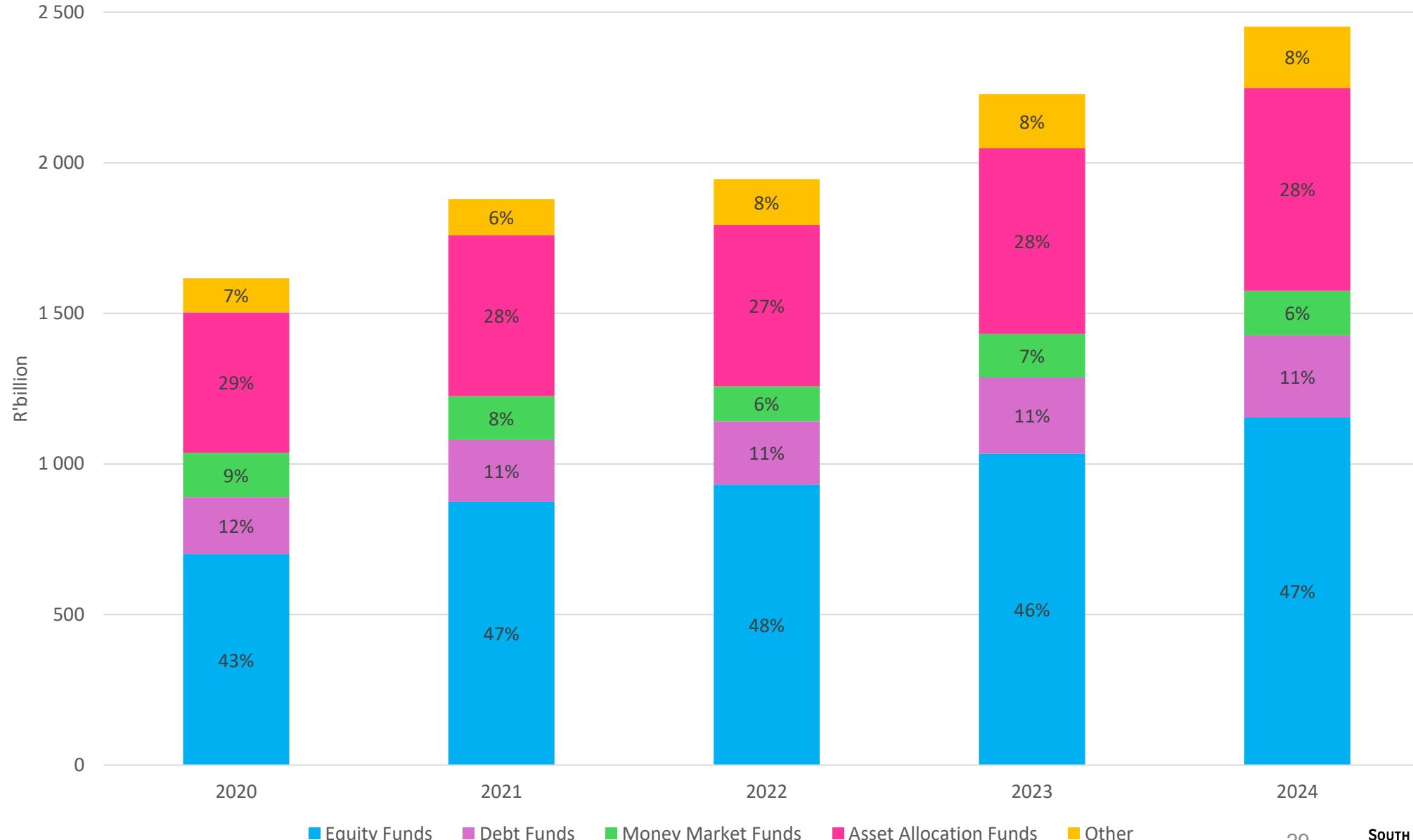
Composition of Assets



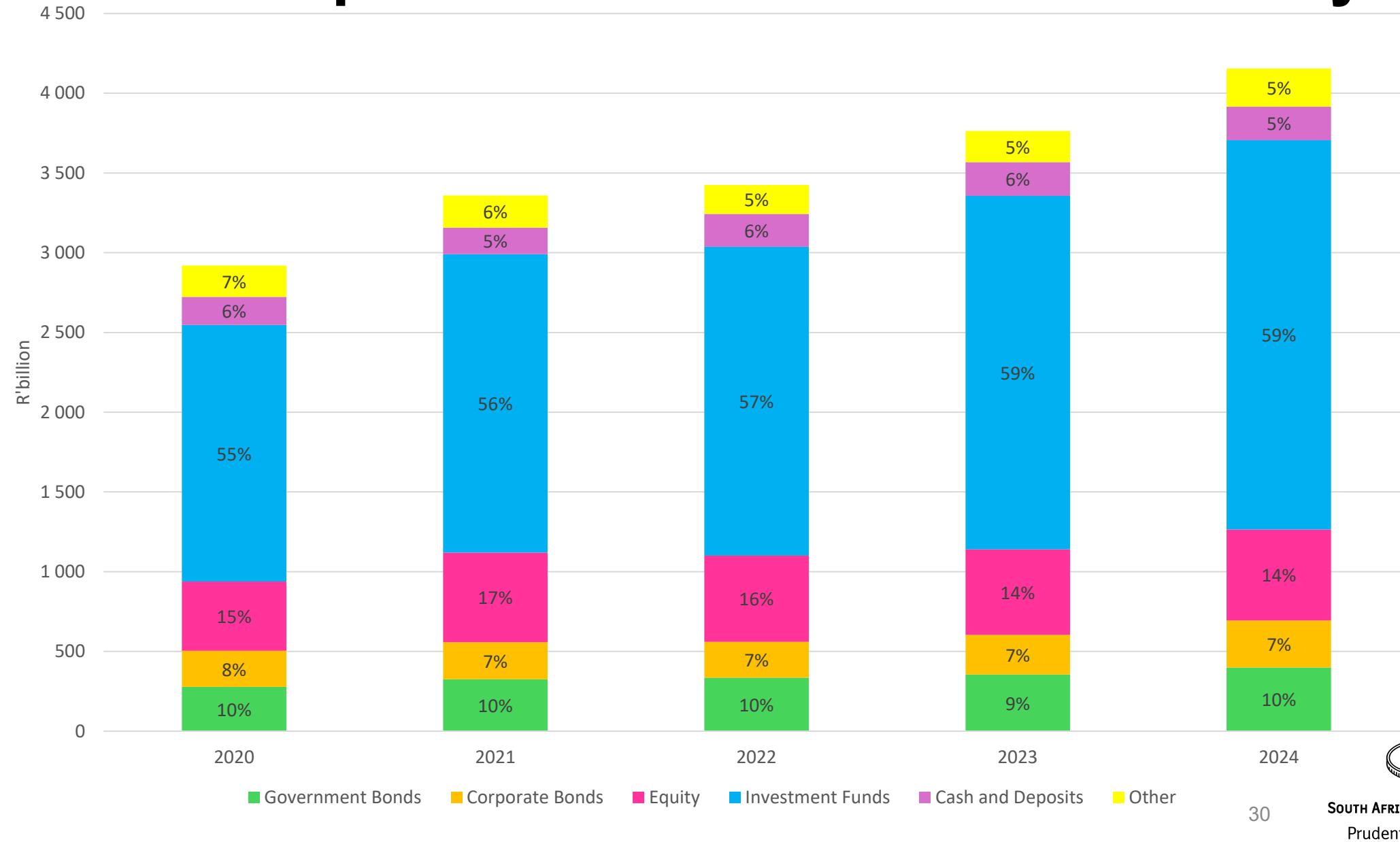
Composition of Investments



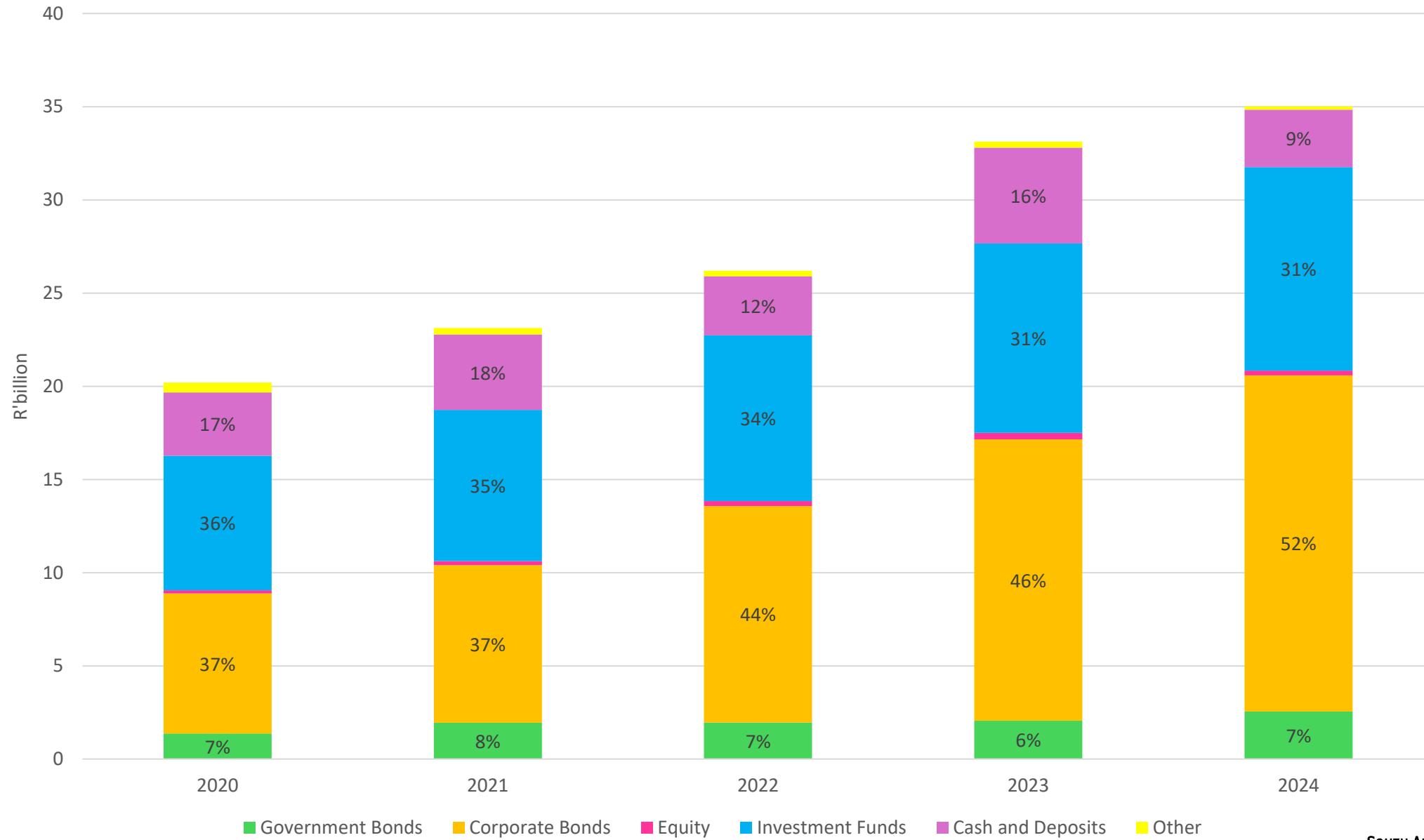
Composition of Investment Funds



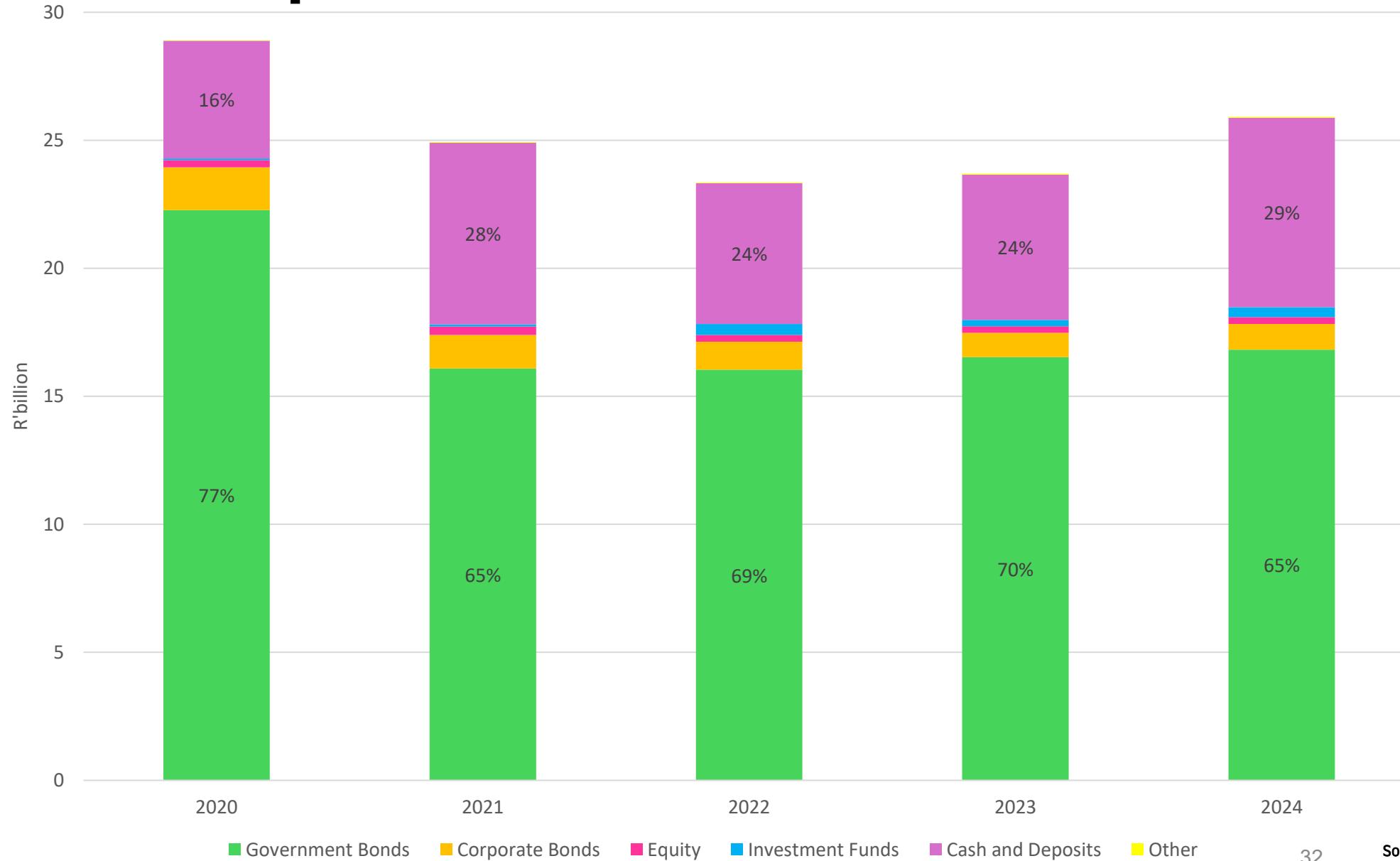
Composition of Investments - Primary



Composition of Investments – Cell Captives



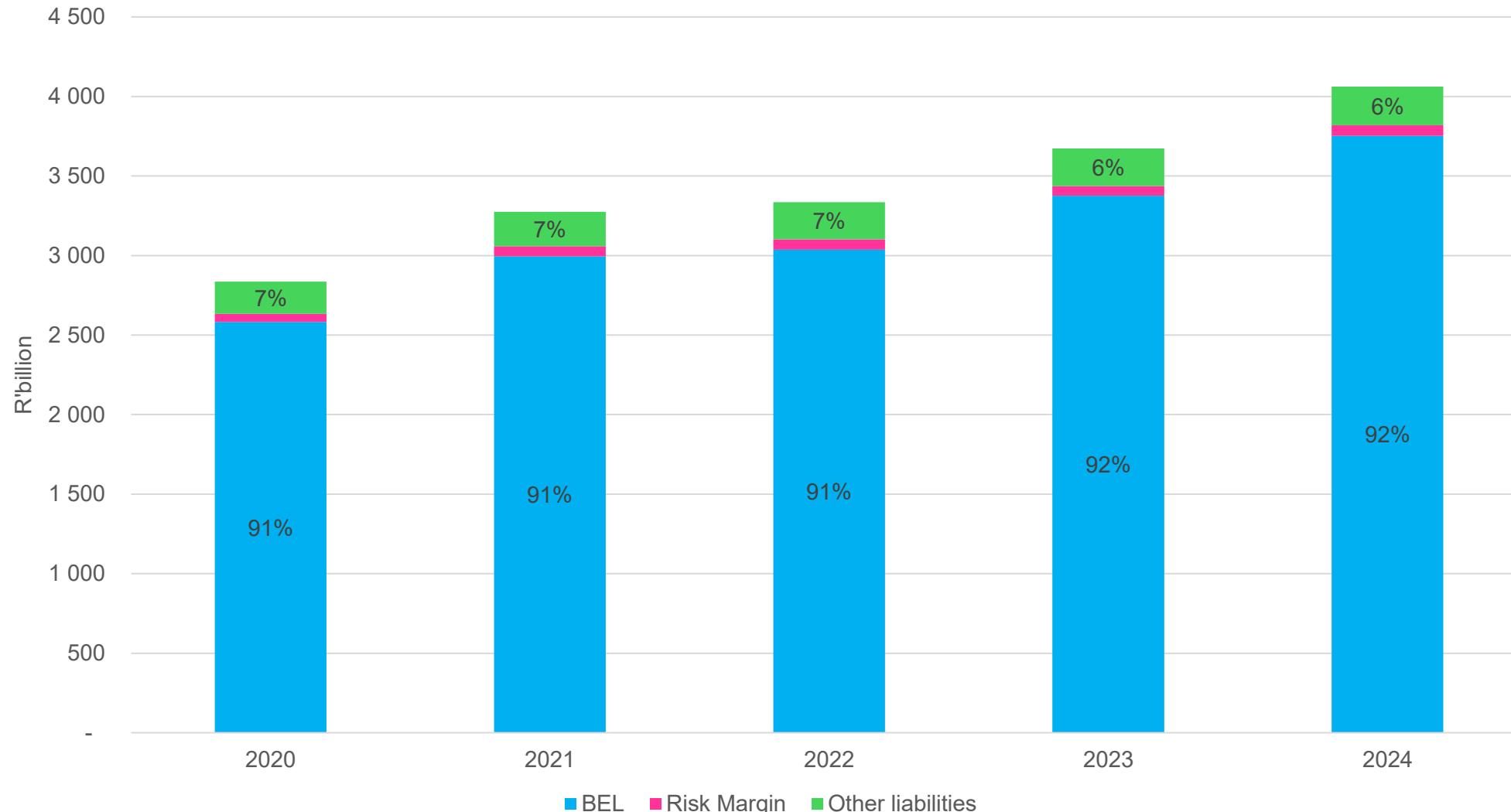
Composition of Investments - Reinsurers



Liabilities



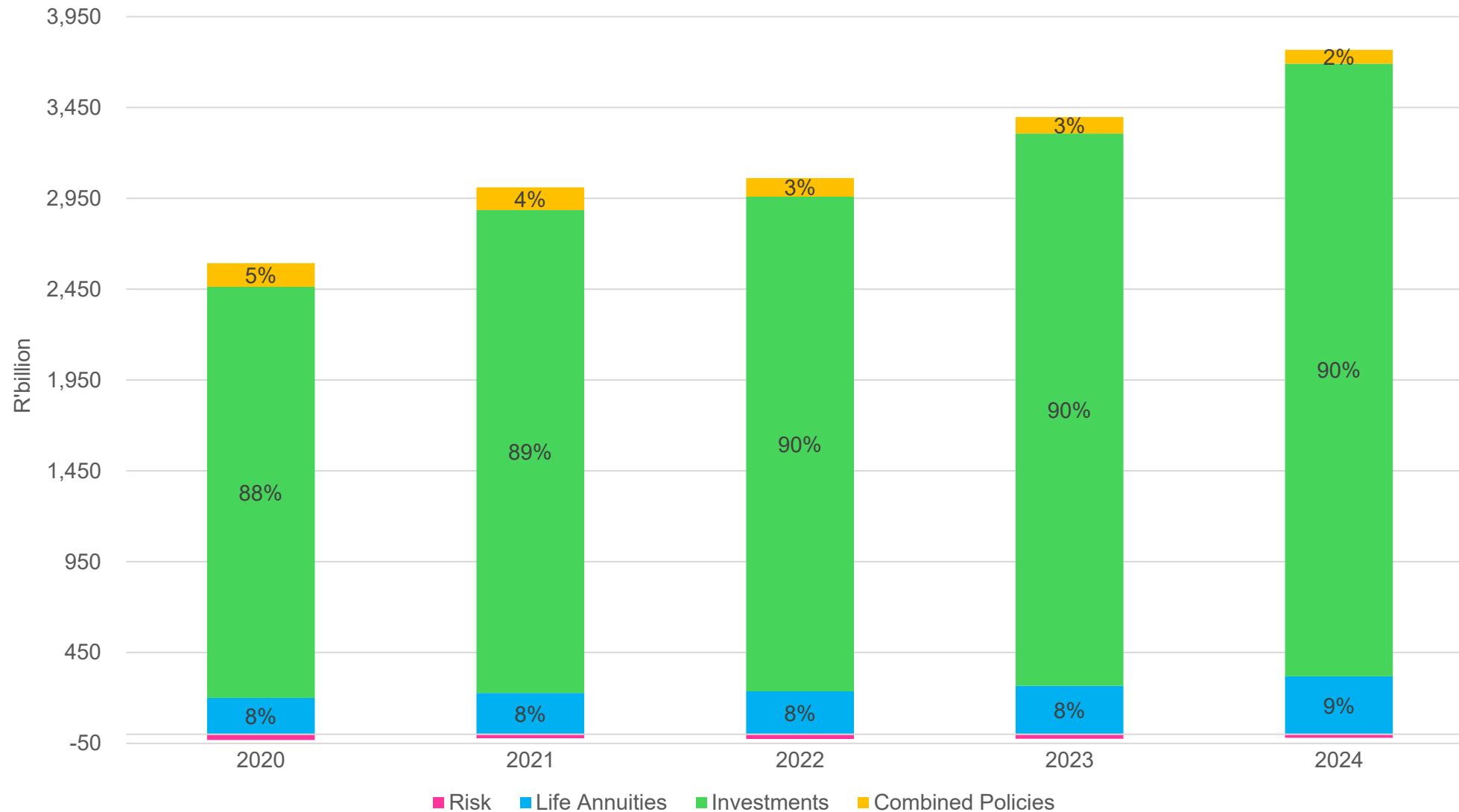
Total Liabilities



Best Estimate Liabilities are gross of reinsurance



Technical Provisions by class of business



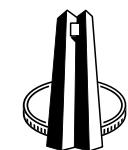
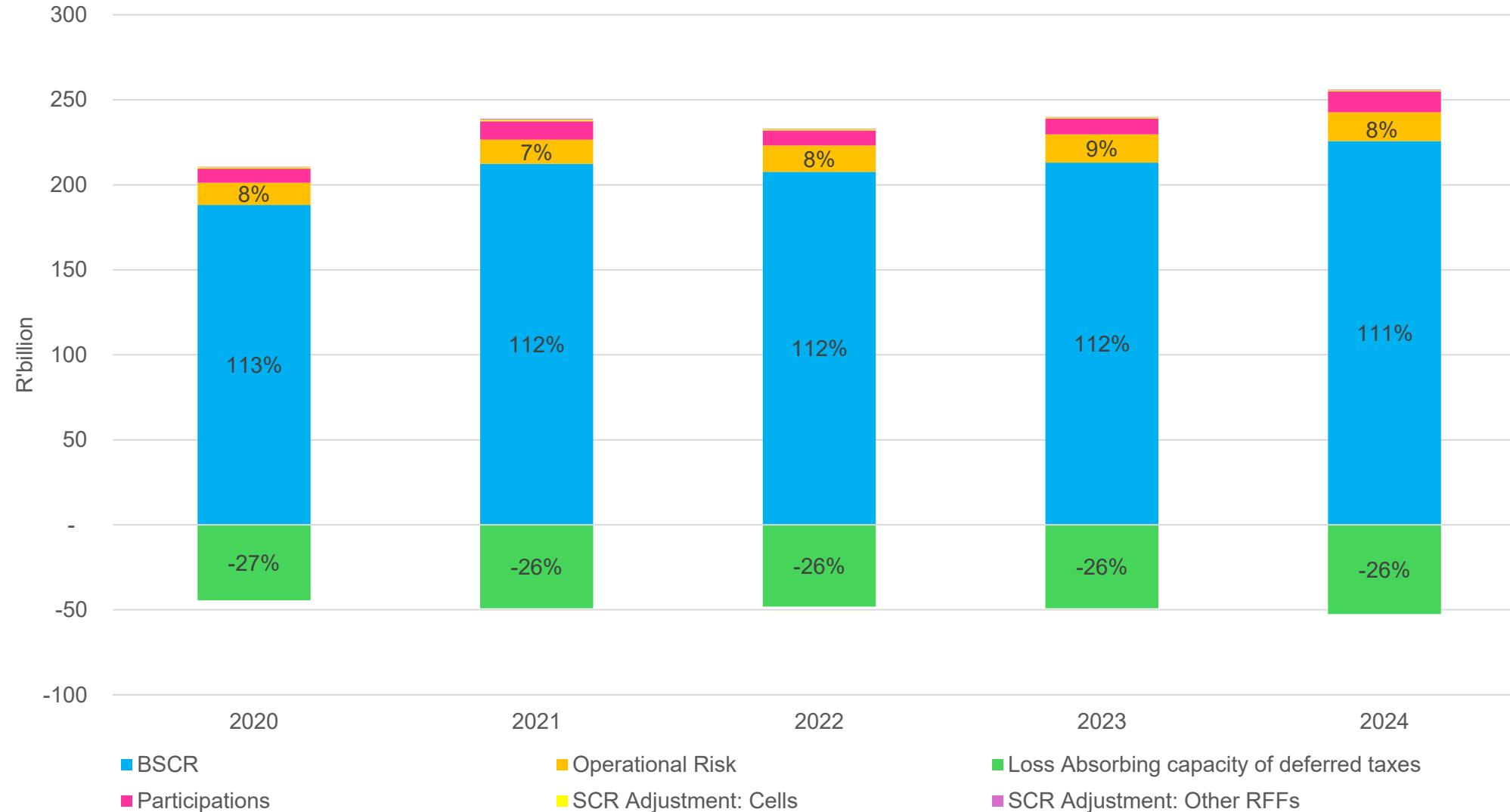
Technical provisions are net of reinsurance



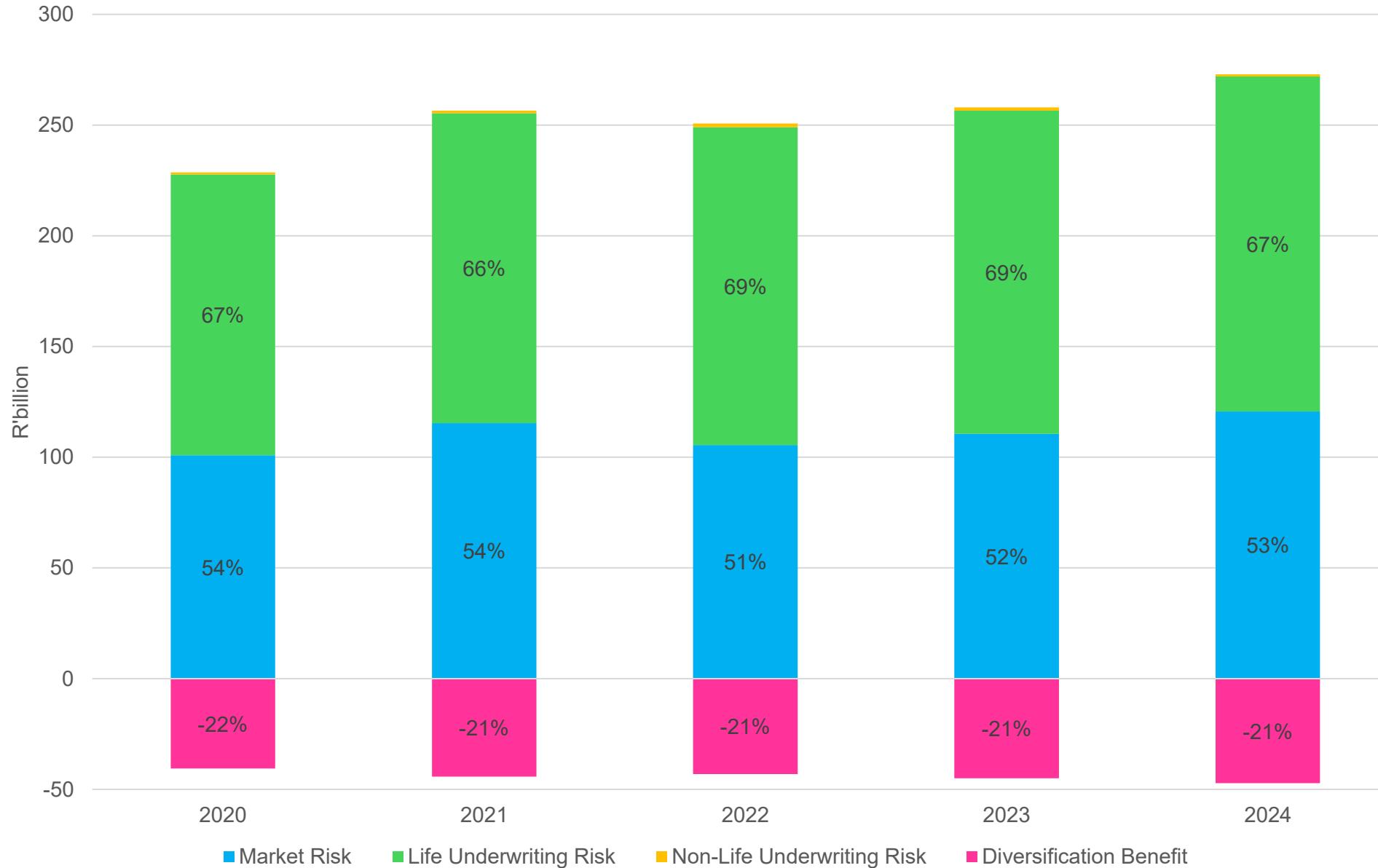
Solvency Capital Requirement



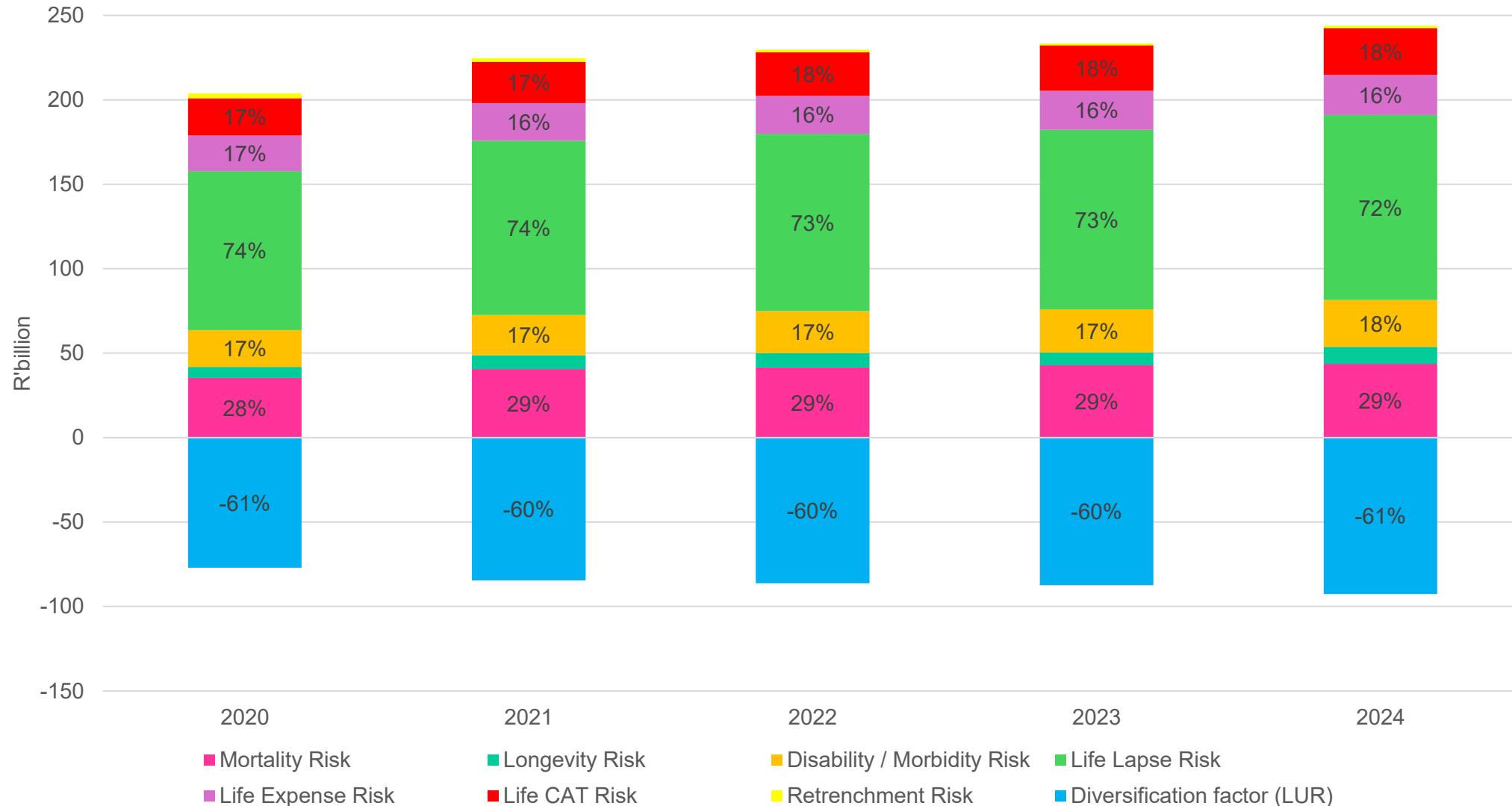
SCR Components



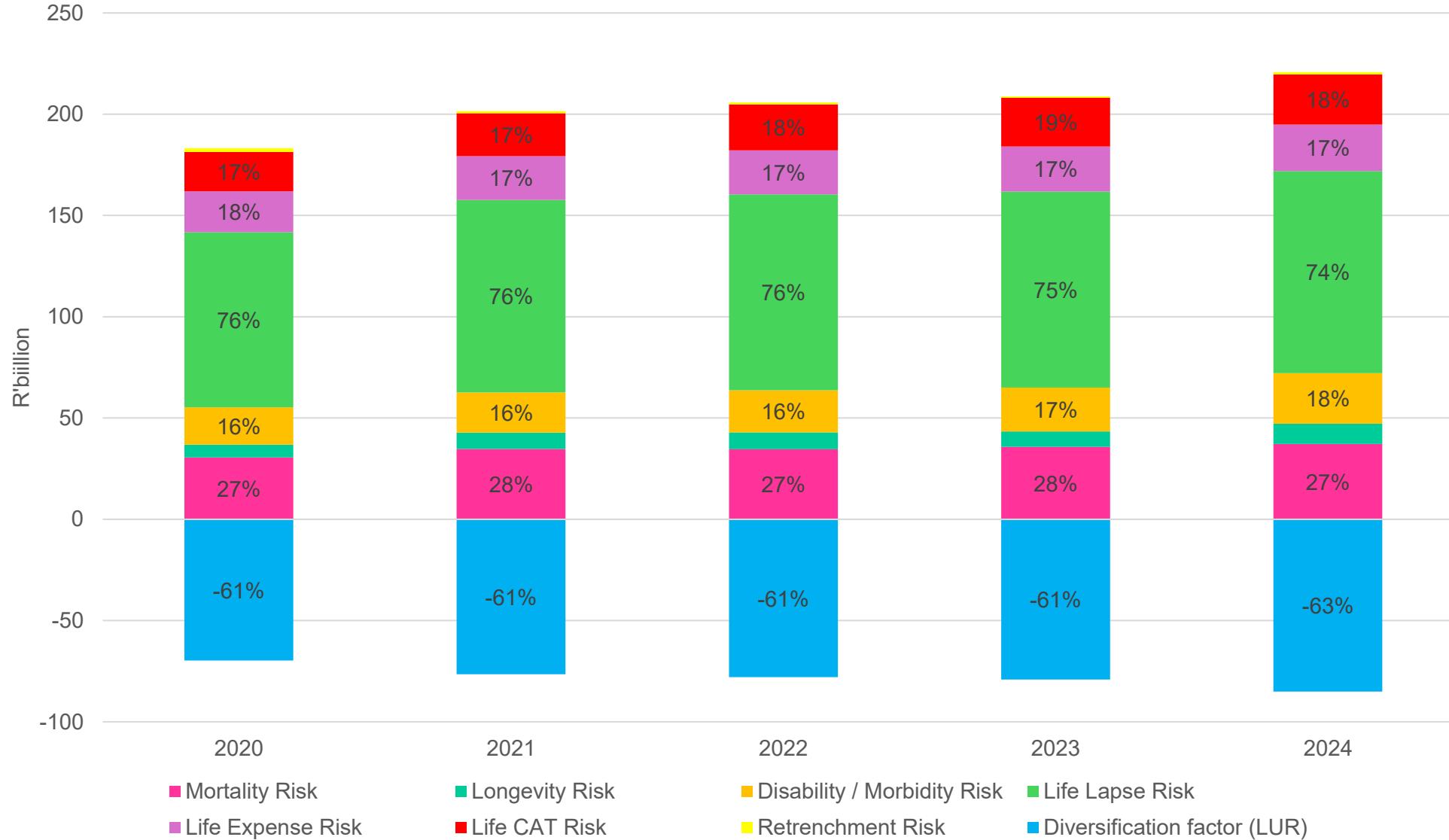
BSCR Components



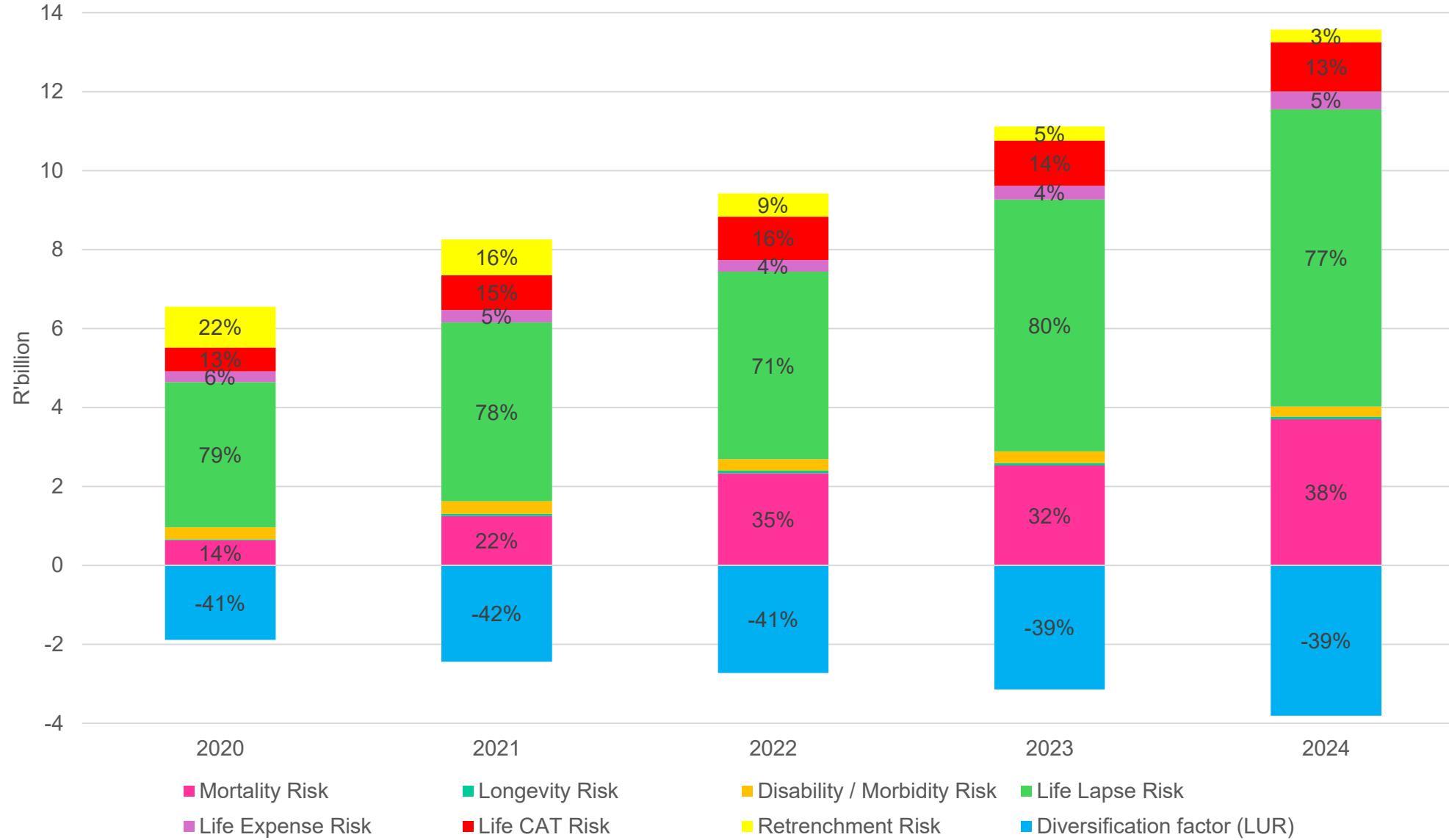
Life Underwriting Risk



Life Underwriting Risk - Primary



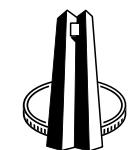
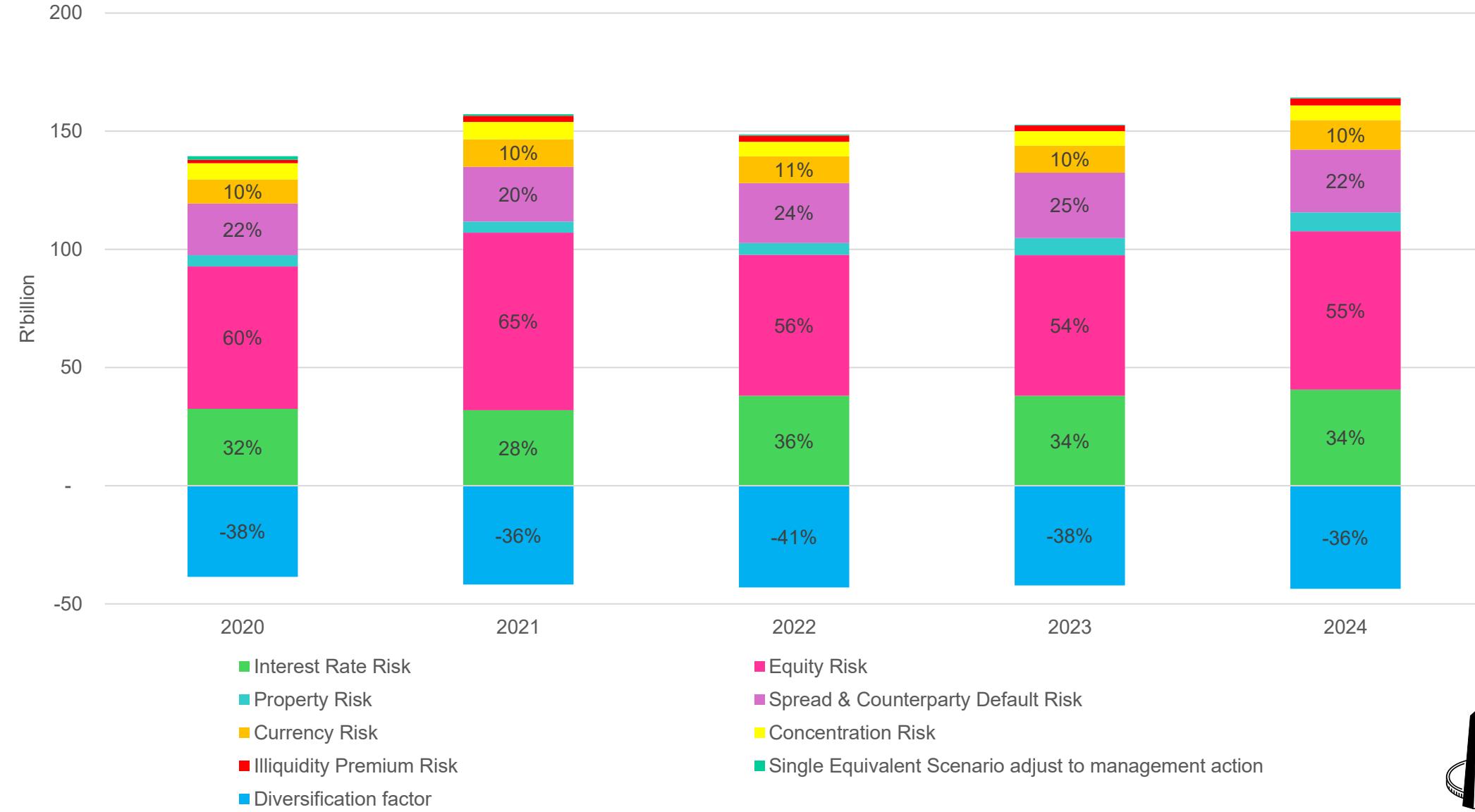
Life Underwriting Risk – Cell Captive



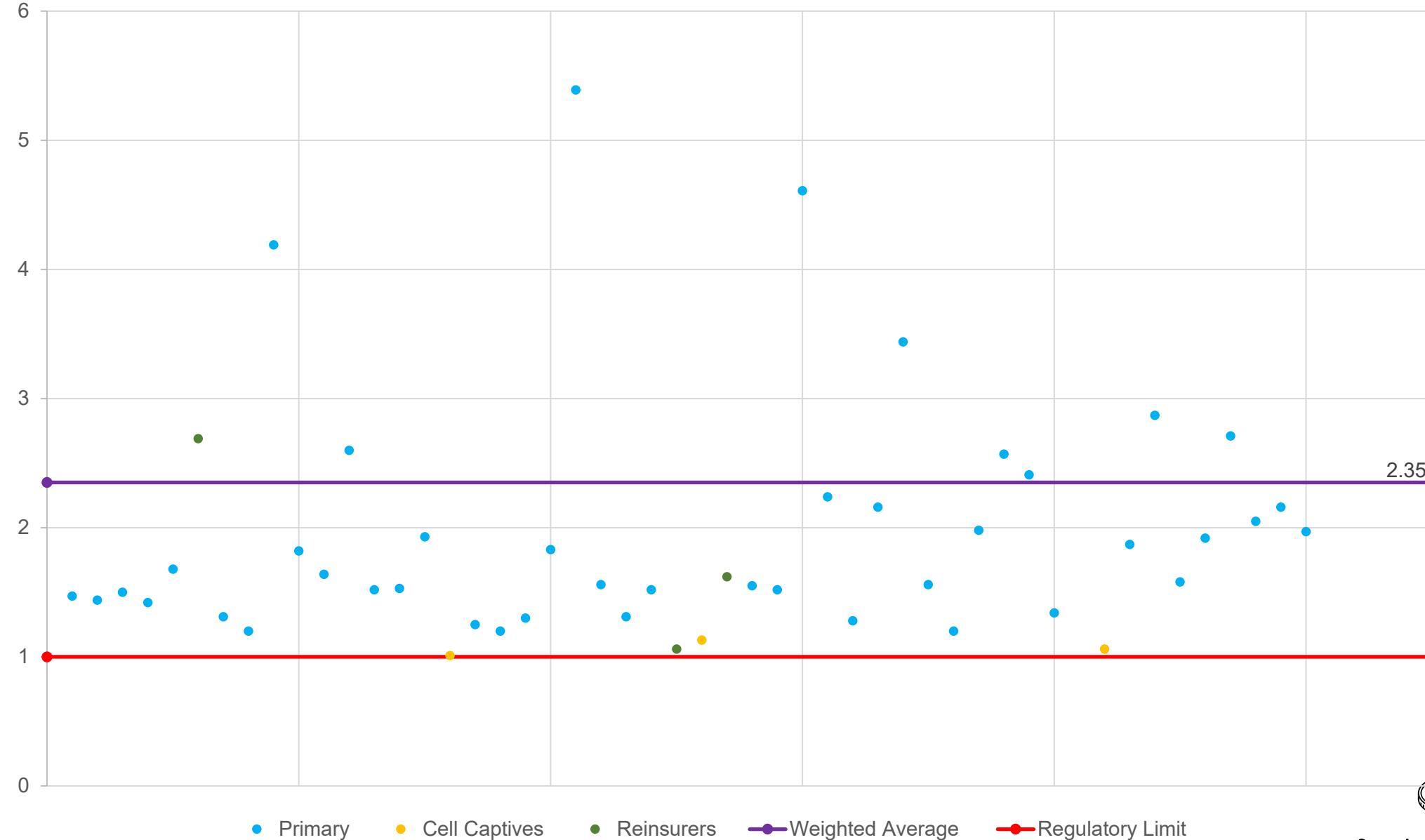
Life Underwriting Risk - Reinsurers



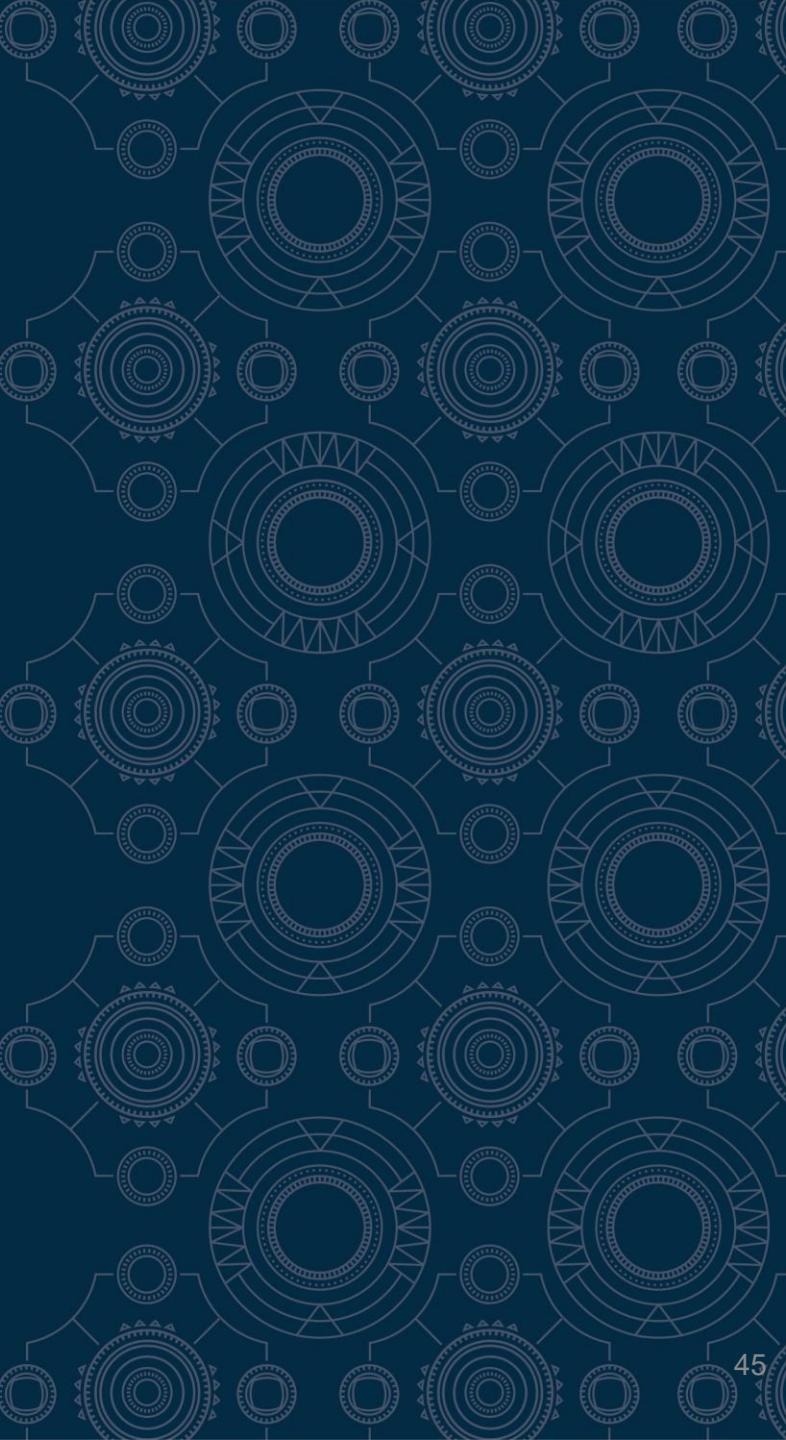
Market Risk Components



SCR Cover Ratio Distribution



Microinsurance



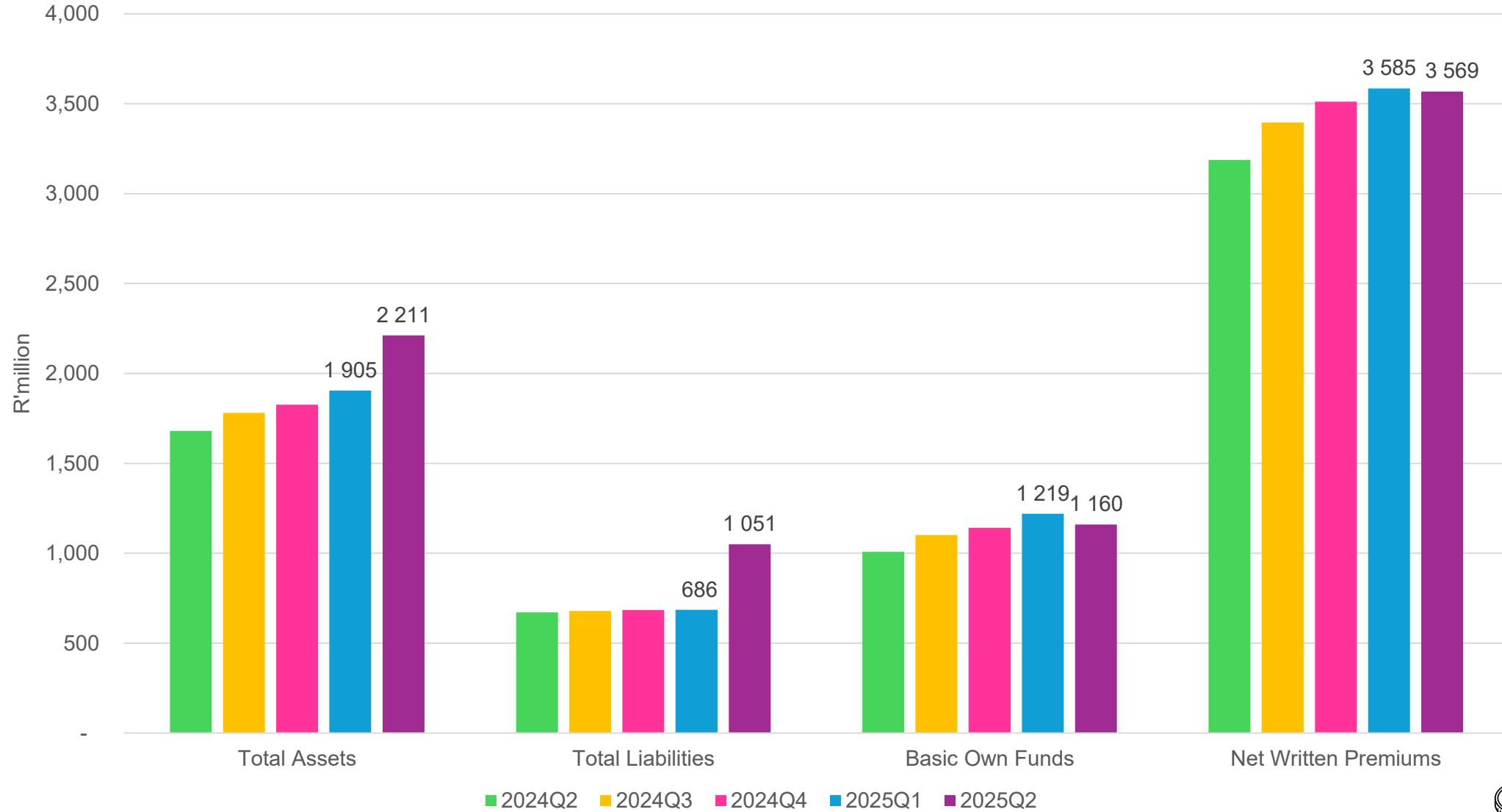


Data Limitations for Microinsurers

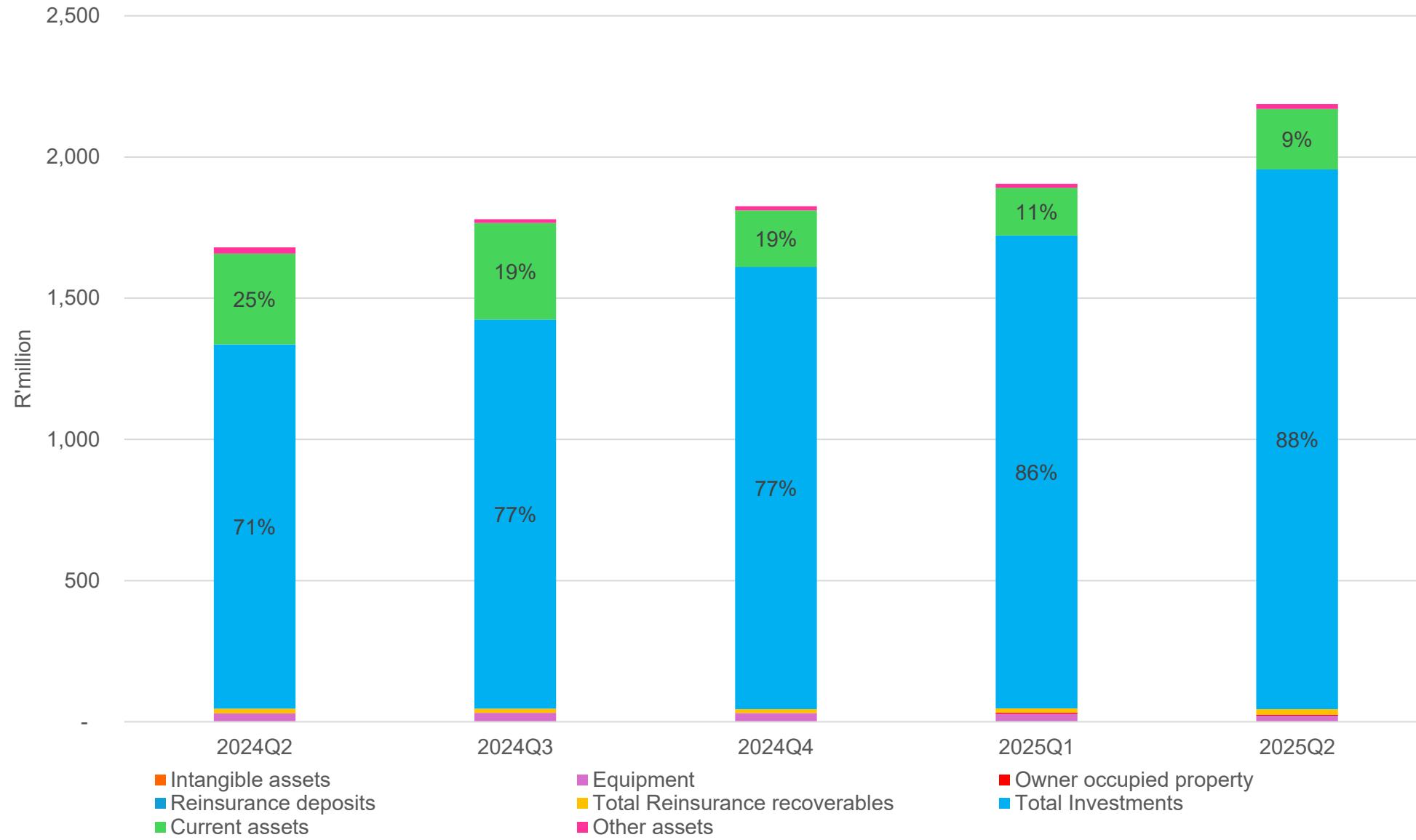
- Lag between microinsurer licensing and reporting.
- Quality of submissions.



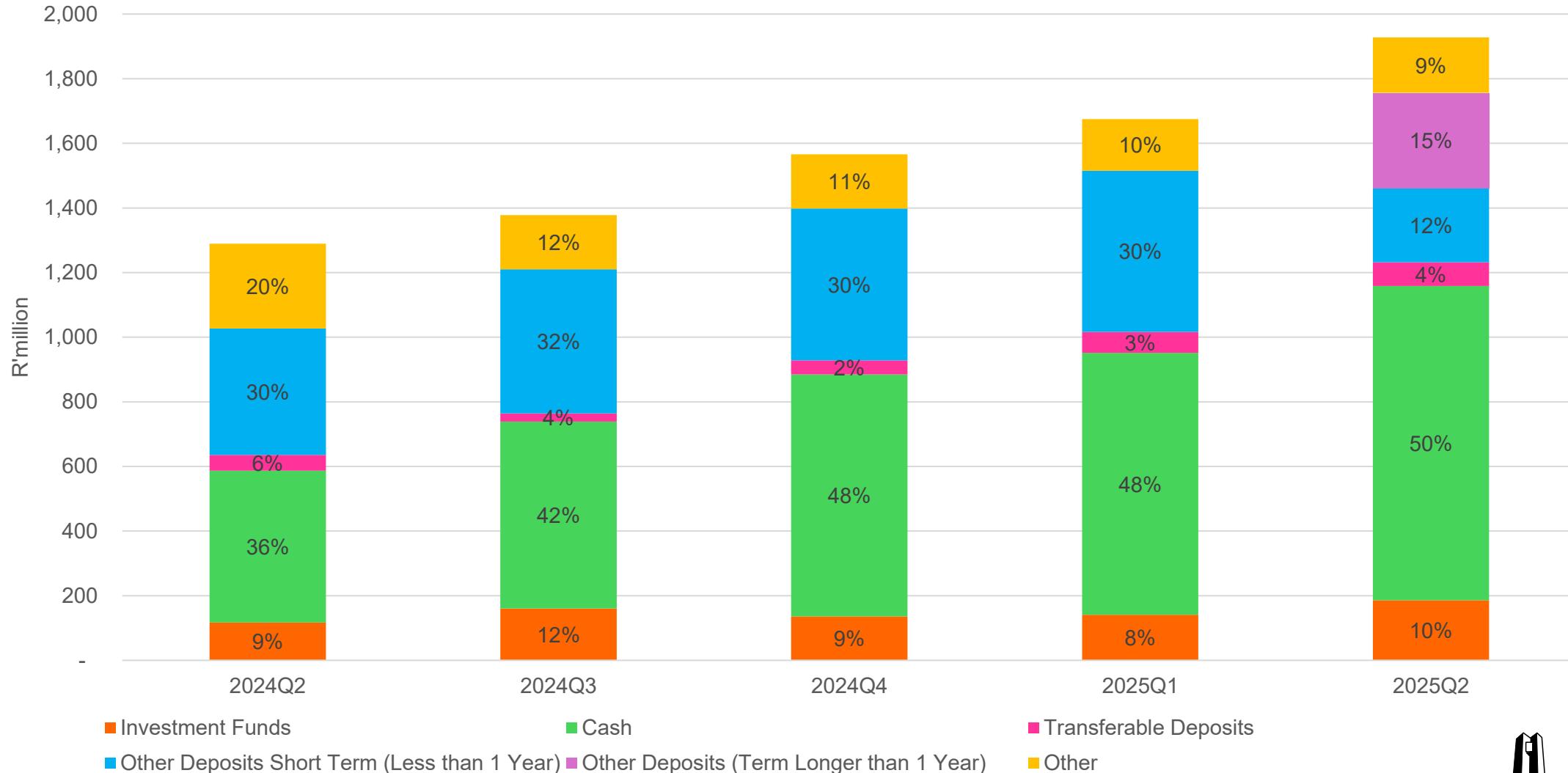
Overview



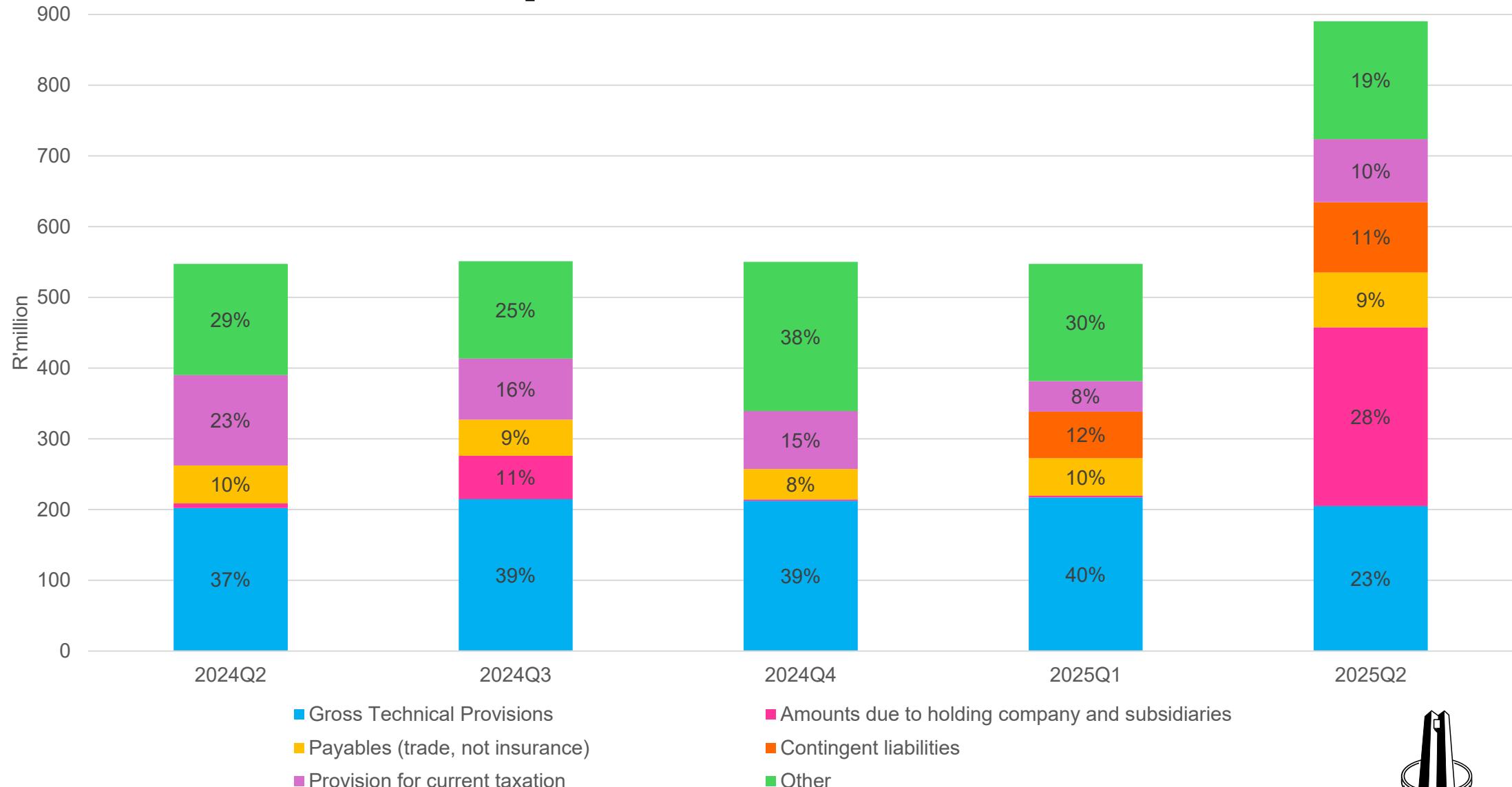
Composition of Assets



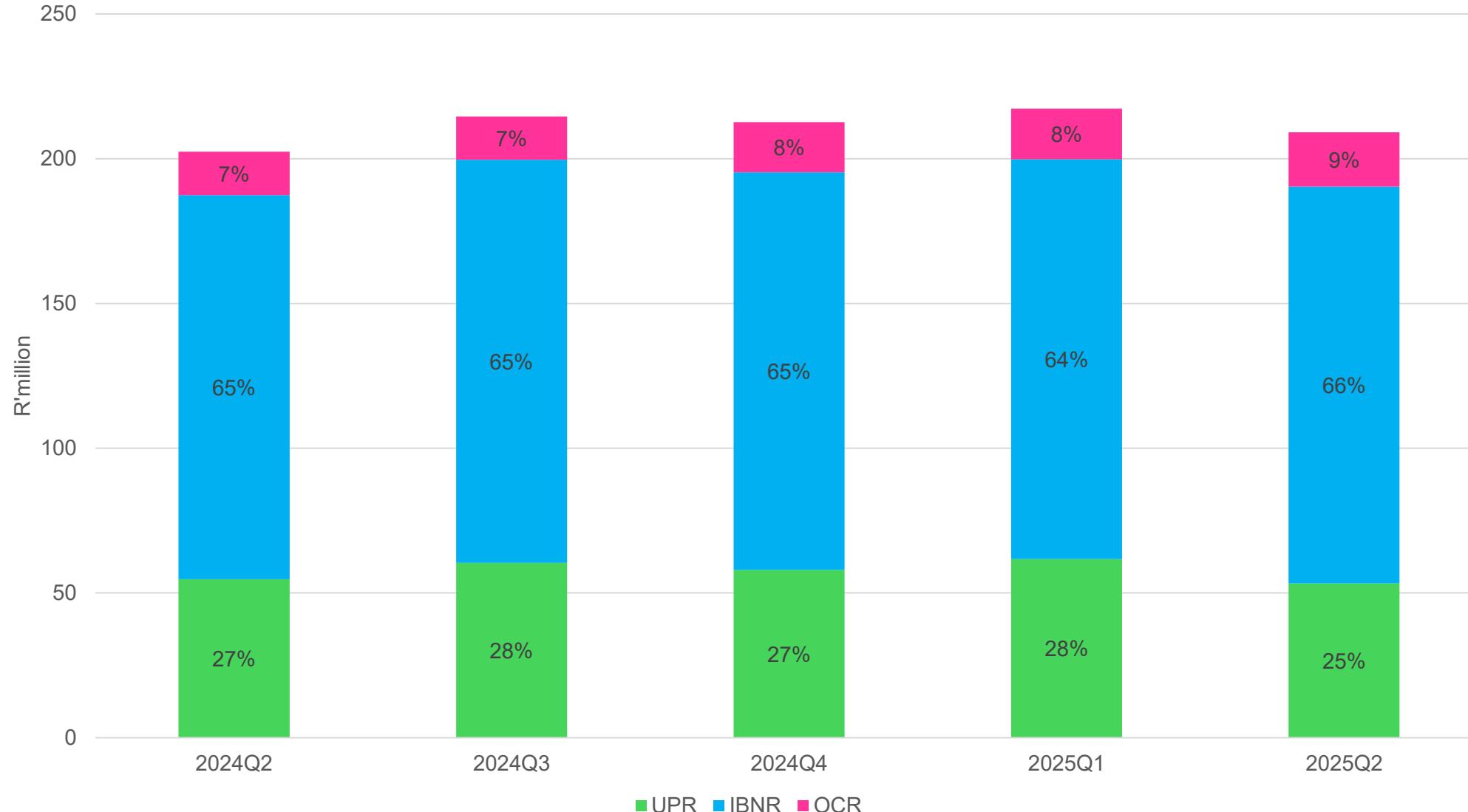
Composition of Investments



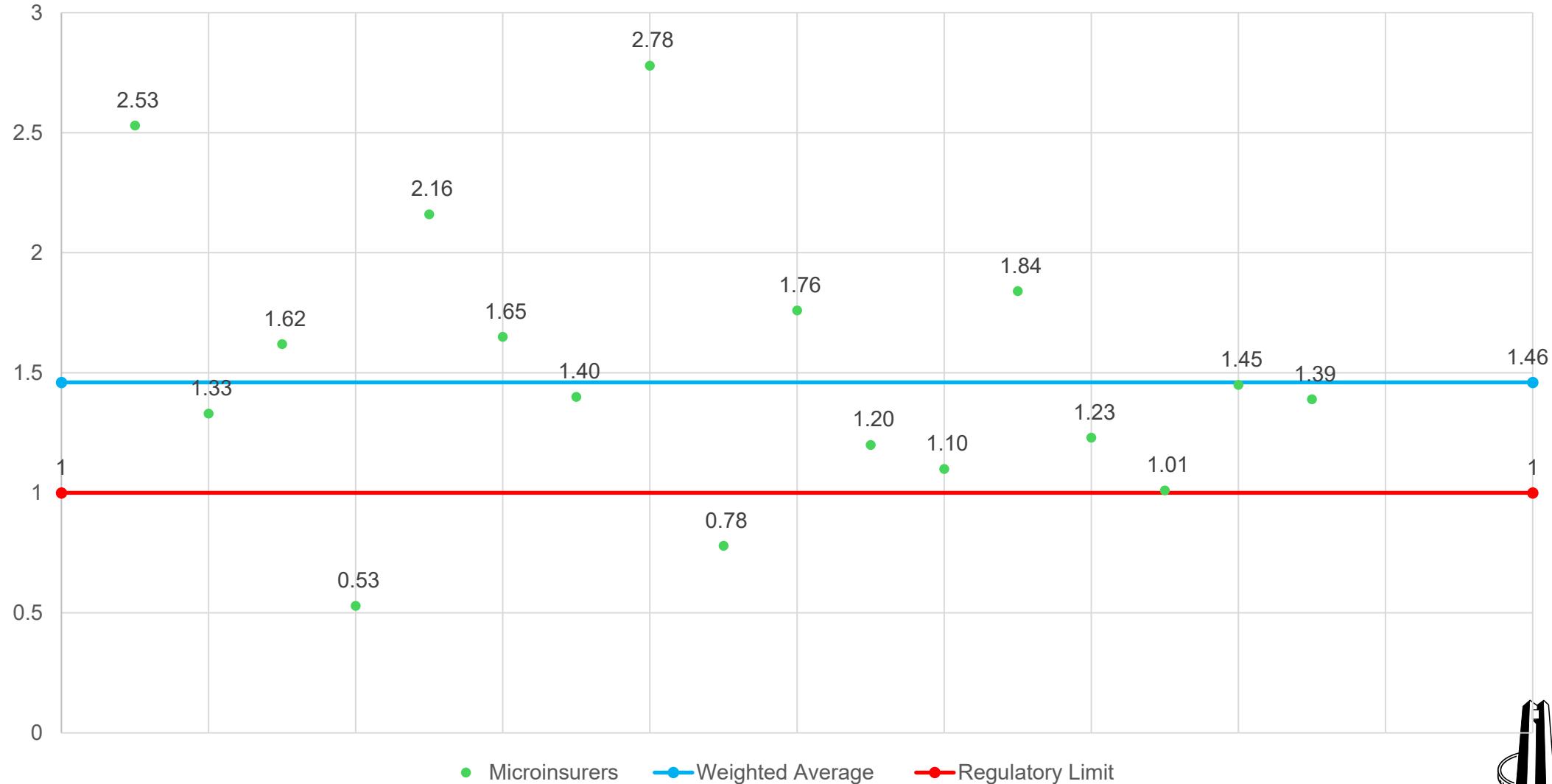
Composition of Liabilities



Composition of Technical Provisions



MCR Cover Ratio Distribution





Thank you

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Prudential Authority