OUTsurance Group Limited

https://group.outsurance.co.za/results-and-reports/

Annual General Meeting

25 November 2025

Financial Year End: 30 June 2025

Proxies voted	No of shares
Sanlam: Ditikeni Trust	29 000
Vunani: Ditikeni Trust	15 000
Vunani: Social Action Change Trust	18 375

OUTsurance Group Limited (OGL)'s strategy during the Financial Year 2025 (FY2025) was "to profitably scale our simplified set of insurance products, distribution channels, and new market, to enable growth and resilience". This entailed focusing on extracting growth and efficiency from core operations, supported by strategic levers such as disciplined capital allocation (S1), sophisticated pricing and cost discipline (S2), core systems modernisation (S5), and successfully scaling OUTsurance Ireland (S6).

The Group reported a year of strong operational execution and robust financial performance, demonstrating resilient profitability against its simplified strategy.

OGL's normalised earnings increased by 33.7% to R4,728 million. The OHL Group's normalised operating profit grew by 25.7% to R6.05 billion. The Normalised ROE improved from 30.7% (2024) to 36.4% (2025), exceeding the Group's targeted range of 30% to 35%. This improvement was linked to improved earnings and various capital optimisation projects, including the sale of non-core assets. P&C Gross Written Premium (GWP) increased by 16.8% to R38.78 billion. Excluding the discontinued Blue Zebra Insurance (BZI) channel, GWP growth was 19.8%. Annualised new business premiums written increased by 17.1% (28.6% excluding BZI). The claims ratio decreased from 56.8% (2024) to 53.6% (2025). The Combined Ratio improved from 87.0% (2024) to 85.6% (2025). OUTsurance Life reported excellent operating and financial results, with operating profit growth of 65.9% (R438 million).

Structural simplifications were delivered through the disposal of non-core interests (BZI, CloudBadger Technologies, Merchant Capital) and capital simplification in South Africa, leading to a more efficient balance sheet and accelerated settlement of the Group's debt facility. OUTsurance Ireland, launched in May 2024, delivered a successful maiden full-year performance, gaining traction and generating R269 million in GWP, in line with expectations. Core systems modernization continued, with OUTsurance SA migrating all sales functionality to Stratos.

Several conditions adversely impacted the Group, particularly concerning costs and new ventures. The South African Employee Share Option Scheme (ESOP) linked share-based payment expense was significantly elevated, amounting to R1 300 300 000, which was R655 500 000 higher than the prior year. This expense, tied to the 68.7% rise in the OGL share price, weakened the Group's Group cost-to-income ratio to 31.9%. The operating losses for OUTsurance Ireland increased to R448 million (2024: R218 million). This loss was skewed by the requirement under IFRS 17 to account for an onerous loss allowance due to the sub-scale nature of the business.

The claims ratio benefited from favourable weather and lower natural perils losses, but the Group faced a stronger Rand impacting foreign premium income, moderation in premium inflation, and persistent high costs of living, which led to customers lapsing or cancelling cover.

Strategic execution is aligned to seize several anticipated opportunities. A significant reduction in the net cost of share-based payment expenses is expected in FY2026 as the ESOP expires (September 2025) and is replaced by the Conditional Share Plan (CSP), which is less tied to share price performance, resulting in a more stable and predictable expense. The weakening reinsurance market conditions and unchanged catastrophe attachment levels from the June 2025 renewal cycle are expected to positively influence the financial foundation for FY2026. The Group plans to accelerate growth in the Youi Direct channel, identified as the primary growth driver, and profitably expand the OUTsurance Brokers channel headcount due to its potential for small market share. Concerning Ireland, the goal is to continue writing targeted new business to achieve scale, with expectations for the company to reach monthly break-even within the next four years.

The summary of our current Beta version of our ESG index is shown on the next page with a brief explanatory note. Active Shareholder regards this company's ethical performance as satisfactory, but hopes for better.

OUTsurance Group Limited

Active Shareholder

30/06/2025

Number	Theme	Score	Total	%	Weighting
1	Governance	6.88	14	49%	25.45%
2	Remuneration	8.00	11	73%	20.00%
3	Employment & Labour	6.08	9	68%	16.36%
4	CSI	1.05	7	15%	12.73%
5	Environment	10.00	14	71%	25.45%
	Total	32.01	55	58%	100.00%

Active ESG Index 58%

Active Shareholder ESG Index

Beta2.02 (2025) Created by LRS in conjunction with Active Shareholder

Score		*Consequence*
below 50	=	*Vote against Chair of Board*
between 50 and 60	=	*Vote against Committee Chair*
between 60 and 80	=	*Active commendedation*
above 80	=	*Active endorsement*

NOTE ON THE ESG INDEX

Active Shareholder is developing a mechanism by which to score a company's ESG.

The summary alongside is from a beta version currently being tested.

The metrics used to assess the 5 different aspects of ESG are available on request.

Not all of these are regulated, and some are aspirational, but all represent Active Shareholder's goals for ethical, sustainable and equitable governance

Item	Resolution	Rationale	Vote	Outcome of AGM
	Presentation of audited Annual Financial Statements (AFSs) and reports	A vote on the Annual Financial Statements (AFS) is highly desirable and considered "best practice" by institutional guidelines. While a "large majority" of comparable companies put the AFS to a vote, OUTsurance currently omits this step. The primary reason OUTsurance does not offer a vote is that shareholder acceptance of the AFS is "not a legal requirement in South Africa". The company fulfils its legal and listing obligations by presenting the statements and seeking mandatory approval for items such as the external auditor's reappointment and the non-binding advisory votes on remuneration. This allows the company to satisfy compliance requirements while bypassing the voluntary governance measure. For this reason, we will vote against the ARC Chair. We recommend that the AFSs be made available for adoption in the future.		
	To present the report of the Social and Ethics Committee	Voting on the Social and Ethics Committee (SEC) report is highly desirable and considered "best practice" by governance advocates like Active Shareholder. This practice aligns with investor demands for greater transparency on environmental and social matters. OUTsurance currently presents the SEC report at the AGM, and shareholders vote on the appointment of the SEC members. However, a specific vote on the report itself is not a legal requirement in South Africa. We believe that it should nevertheless be		

Item	Resolution	Rationale	Vote	Outcome of AGM
		presented for voting. This omission leads us to vote against the SEC Chair. We urge that this report be offered for adoption in the future.		
Non-binding advisory votes				
	Advisory endorsement of remuneration policy	The policy utilizes a high proportion of variable pay (up to 67% of maximum remuneration) for Executive Directors, ensuring strong alignment with company performance, a feature that Active Shareholder endorses. However, the policy contains critical elements that deviate from specific best practice guidelines advocated by active shareholders: **Long-Term Incentive (LTI) Vesting Period:** The new Conditional Share Plan (CSP), applicable to executives, utilizes a three-year performance and vesting period. This critically deviates from the active shareholder recommendation that LTI vesting should be longer than 4 years to enforce long-term decision-making and mitigate short-term risks. **Benchmarking Targets:** While the LTI utilizes multiple financial metrics (Normalised Return on Equity and Normalised Earnings Growth) and incorporates an external economic benchmark (Real GDP + X%), the remuneration targets do not include a comparative measure against the relevant market peer group. On positive alignment, the policy is strong on governance features: **ESG Integration:** Both Short-Term Incentives (STI) and LTI schemes formally incorporate ESG metrics, accounting for 40% of the STI score and linking 20% of the CSP vesting factor to ESG performance, supporting the King IV principle of rewarding positive outcomes across the triple context. **Dividend Rights:** Shares issued under the CSP explicitly carry no dividend or voting rights until vested, adhering to best practice guidance aimed at minimizing awards on unearned value. **Social Responsibility:** The policy is committed to addressing remuneration fairness in the context of overall employee pay, disclosing ratios to address the internal wage gap, which is mandated by pending Companies Act amendments (s30B) and social stability demands.	AGAINST	FOR 98.35% AGAINST 1.65%
	Advisory endorsement of remuneration implementation report	The OUTsurance Group Limited (OGL) Remuneration Implementation Report for the 2025 financial year provides a high level of transparency regarding the compensation outcomes, strongly aligning with disclosure requirements. The total single figure remuneration for the Group CEO, Mr MC Visser, was clearly detailed at R52 922 000, split across Guaranteed Pay (R7 859 309), Short-Term Incentive (STI) (R8 111 868), and Long-Term Incentives (LTI) (R36 950 823).	AGAINST	FOR 99.87% AGAINST 1.13%

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<tr><th>Item</th><th>Resolution</th><th>Rationale</th><th>Vote</th><th>Outcome of AGM</th></tr>
<tr><td></td><td></td><td>The implementation critically adhered to active shareholder expectations regarding pay gap transparency. The report disclosed detailed internal pay ratios for the South African operations. The actual ratio of the CEO’s remuneration to the median employee pay (including sales/interns) was notably high at 181.07:1. However, the report provided essential context by explaining that this ratio was significantly distorted upward due to the vesting of high-value awards from the legacy Employee Share Option Scheme (ESOP) during the period. Crucially, the company provided "expected for on-target performance" ratios (e.g., 22.15:1 for CEO to the highest 5% of earners, mitigating the negative perception of the inflated actual payout.
<table>
<tr><th>Employee Group (SA Operations)</th><th>On-Target Rem (Rand)</th><th>Ratio (CEO: Employee)</th></tr>
<tr><td>Highest 5% Earners (Average)</td><td>2 389 529</td><td>22:1</td></tr>
<tr><td>All Employees (Median)</td><td>293 291</td><td>180:1</td></tr>
<tr><td>Lowest 5% Earners (Median)</td><td>63 462</td><td>834:1</td></tr>
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Despite these strong disclosures, the implementation critically lacks transparency in specific areas requested by robust remuneration guidelines. The report does not disclose quantified pay differentials by gender or race (pay ratio for women vs. men, or differential by race). While the Group outlines its commitment to fair remuneration and B-BBEE status, the absence of this crucial data prevents external stakeholders from fully assessing implementation fairness across the workforce, which is a key measure sought by activist shareholders.
On incentives, the implementation was successful in linking outcomes to non-financial metrics: the STI achieved was based on balanced scorecards that allocated 40% weighting to ESG metrics, demonstrating that the policy’s stated objective of rewarding responsible corporate citizenship was executed.
In response to the excessively high ratio of the CEO's remuneration to both the lowest paid 5% of employees (834:1) and to the South African minimum wage (884:1), Active Shareholder does not support the resolution.</td><td></td><td></td></tr>
<tr><td colspan="5">Ordinary Resolutions 1.1 to 1.4: Re-election of directors</td></tr>
<tr><td>1.1</td><td>Jannie Durand</td><td>Appropriate institutional knowledge; however, his executive role at Remgro and long tenure (14.5 years) compromise independence and raise time/conflict concerns for Active Shareholder.</td><td>AGAINST</td><td>FOR 88.85%
AGAINST 11.15%</td></tr>
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Item	Resolution	Rationale	Vote	Outcome of AGM
1.2	Tlaleng Moabi	Highly appropriate INED (2.6 years). She enhances board diversity, maintains independence, and holds only one other listed directorship, satisfying governance constraints on excessive external roles.	FOR	FOR 99.94% AGAINST 0.06%
1.3	Venessa Naidoo	Appropriate INED (2.6 years). She brings strong financial competence (CA(SA)) and diversity. Her three listed directorships are within the maximum limit of four specified by Active Shareholder.	FOR	FOR 99.34% AGAINST 0.66%
1.4	Kubandiran Pillay	Highly appropriate INED (2.6 years). He is the Lead Independent Director and RemCo Chair. His two other listed roles are well below the maximum four listed directorships guideline.	FOR	FOR 97.99% AGAINST 2.01%
2	General authority to issue ordinary shares for cash	Active Shareholder opposes vague general authority to issue shares for cash because it dilutes existing shareholders. Active requires the resolution to specify the number of shares, share price, reason, and expiration date.	AGAINST	FOR 96.86% AGAINST 3.14%
3	Approval of re-appointment of the auditor	Active Shareholder takes a supportive stance on the re-appointment of the external auditor as specific governance and rotation guidelines are strictly met.	FOR	FOR 99.61% AGAINST 0.39%
Ordinary resolution numbers 4.1 to 4.4: Election of the Company's audit committee members:				
4.1	Tlaleng Moabi (subject to the passing of ordinary resolution 1.2)	As an INED (2.6 years) and non-executive member, she meets the primary requirement for AC membership and enhances diversity. Her single listed directorship is well within limits.	FOR	FOR 99.14% AGAINST 0.86%
4.2	Venessa Naidoo (subject to the passing of ordinary resolution 1.3)	As an INED (2.6 years) with explicit financial expertise (CA(SA)), she is highly suitable. Her three listed directorships comply with the maximum limit of four. However, her failure to ensure that the AFS is presented for a vote leads us to vote against her.	AGAINST	FOR 99.76% AGAINST 0.24%
4.3	James Teeger	As an INED with requisite financial skills (CA(SA), HDip Tax) and zero other listed directorships, he fully adheres to strict independence and commitment criteria.	FOR	FOR 99.45% AGAINST 0.55%
4.4	Hantie van Heerden	As an INED with strong financial/actuarial expertise (FIA, FASSA), she fulfils the technical knowledge requirement for the committee. She holds no other listed directorships.	FOR	FOR 99.59% AGAINST 0.41%
Ordinary resolution numbers 5.1 to 5.3: Election of the Company's social and ethics committee members:				
5.1	Herman Bosman	He is the Board Chairperson and a Non-Executive Director (NED). Active policy prefers SECom members to be non-executive, with a majority being independent. Furthermore, as the presumed Chair of the social and ethics committee, his failure to present the committee's report for a vote causes us to disapprove of his election.	AGAINST	FOR 94.16% AGAINST 5.84%
5.2	Mamongae Mahlare	She is an Independent Non-Executive Director (INED). Her independence and non-executive status align with King IV principles for INED majority SECom composition	FOR	FOR 99.90% AGAINST 0.10%
5.3	Tlaleng Moabi (subject to the passing of ordinary resolution 1.2)	She is an INED. Her independence and non-executive status align with Active's preference for objective oversight of social and ethical matters.	FOR	FOR 99.55% AGAINST 0.45%

Item	Resolution	Rationale	Vote	Outcome of AGM
6	Signing authority	This is an administrative matter, and Active Shareholder supports the resolution to facilitate the implementation of decisions.	FOR	FOR 99.58% AGAINST 0.42%
Special Resolutions				
1	Approval of non-executive directors' remuneration with effect from 1 December 2025	NED Fee Structure: Non-Executive Directors' fees are determined and implemented through a fixed annual fee. This structure deviates from governance standards that advocate for attendance fees to form a meaningful component of NED remuneration, ensuring payment aligns directly with commitment and meeting attendance.	AGAINST	FOR 90.43% AGAINST 9.57%
2	General authority to repurchase Company shares	Active Shareholder is opposed to a general authority for market share repurchases. We view such actions as treating shareholders unequally. Active prefers alternatives like paying dividends or mounting a general pro-rata repurchase offer to all shareholders.	AGAINST	FOR 97.72% AGAINST 2.28%
3	Issue of shares, convertible securities and/or options to persons listed in section 41(1) of the Companies Act for the purposes of their participation in a reinvestment option	Active generally supports proportional participation rights. Since this special resolution grants authority to issue shares/options to insiders (section 41(1) persons) for a reinvestment option, Active requires assurance that the terms are strictly pro-rata and identical to those offered to all other shareholders to prevent preferential treatment. In the absence of such reassurance, we are disinclined to support the resolution.	AGAINST	FOR 98.85% AGAINST 1.15%
4	Issue of shares, convertible securities and/or options to persons listed in section 41(1) of the Companies Act in connection with the group's share or employee incentive schemes	Active Shareholder's guidelines are strict regarding issuing shares to insiders. Active generally opposes resolutions allowing insider participation (Section 41(1) persons) in incentive schemes, unless the underlying scheme fully complies with governance best practices and discloses adequate, challenging performance conditions. In this case, we believe the performance conditions are sufficient to permit us to support the resolution.	FOR	FOR 98.88% AGAINST 1.12%
5	Financial assistance to directors, prescribed officers and employee share scheme beneficiaries	Active Shareholder generally opposes financial assistance resolutions if they are not strictly limited to participation in compliant employee incentive schemes. SR5 is opposed as it facilitates schemes raising governance concerns or grants financial assistance to directors/officers outside of compliant schemes.	AGAINST	FOR 99.16% AGAINST 0.84%
6	Financial assistance to related or inter-related entities	Active Shareholder permits general authority for financial assistance to related or inter-related entities (group companies). Support is strictly conditional on the company providing sufficient detail and motivation for the resolution to justify the funding, which typically involves inter-company loans or guarantees. We support SR6 in this case.	FOR	FOR 100.00% AGAINST 0.00%

AGM OUTCOME

Number of shares voted	1 274 938 446
Total issued share capital	1 547 231 505

OGL have stated that due to the anticipated new regulatory limit of nine years for independent director tenure, there will be an orderly process of non-executive directors stepping down and being replaced with new appointments over the next 24 months. This process is considered necessary to maintain a majority of independent, non-executive directors on the OGL board. As part of this process, it is envisaged that the OGL chairman, Mr Herman Bosman, and the lead independent director, Mr Kubandiran Pillay, will step down at the company's 2026 AGM. No reset of tenure occurred during the listing transition from the old Rand Merchant Investment Holdings Limited (RMI) to OGL in December 2022, and the directors' service on both the RMI (OGL since December 2022) and OHL boards are considered together for purposes of assessing OGL tenure and corresponding independence. Shareholders will be kept informed as appropriate and to the extent required in terms of the JSE Limited Listings Requirements.