

Britam Holdings PLC 2025 Integrated Report & Audited Financial Statements

Rising higher together



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Motor Claims. Settled in Hours, Not Days.

Introducing Britam AI Express Motor Claims ; a smarter way to process motor claims using AI technology supported by expert review.

This technology is designed to make your claims experience become faster, simpler, and more efficient, so you can get back on the road sooner.

Here's how it works:

15-Minute Assessment: Your vehicle damage assessment is completed quickly.

30-Minute Repair Authority: Receive a repair authority or discharge voucher in minutes.

2-Hour Claim Settlement: Approved claims are settled within hours for minor damage, not days.

24/7 Customer Support: Our contact center is always available to assist you.

What you need to submit your claim:

- ✔ Driver's licence
- ✔ Police abstract
- ✔ Photos showing vehicle damage

Our Commitment

- ✔ Faster and fairer claims
- ✔ AI supported by expert review
- ✔ Dedicated and flexible customer service

To get comprehensive car insurance:

📱 SMS "Motor" to 21778 ✉ customerservice@britam.com ☎ 0705 100 100

ABOUT THIS REPORT

We integrate the principles of integrated thinking into our business and our performance reporting. The goal is to enable our key stakeholders understand how we define, measure, and report on value creation.

Our 2025 Integrated Report

This integrated report is a demonstration of our continuous commitment to and strategy for creating and reporting value for our stakeholders.

The report contains information on the Group's financial and non-financial performance for the financial year 2025. This is a primary report to the providers of financial capital, and contains information relating to our external operating environment, value creation business model, our key stakeholders, key risks and opportunities, our material topics, and strategy.

We remain committed to the principles of Integrated Reporting as they align with sustainable and long term value creation and with our mission to offer our customers financial security EVERY STEP OF THE WAY.



Target Audience

This Integrated Report is our primary report to our investors. However, it also contains information relevant to all other key stakeholders, including employees, customers, regulators and the wider society.



Feedback

At Britam Holdings Plc, we value your feedback as we endeavor to provide accurate, transparent and balanced information to our stakeholders. We invite you to contact the Investor Relations Department on +254 705 100 100 or Investorrelations@britam.com should you have any questions.



Frameworks and Compliance

This report has been prepared in line with the International Integrated Reporting Framework and reflects the Group's commitment to a holistic value-creation and reporting approach, supported by continuous improvement through integrated thinking across strategy, operations, stakeholder engagement, and reporting.

It is aligned with the requirements of the Kenya Companies Act, 2015, and the Capital Markets Authority guidelines. The Group's Annual Financial Statements were prepared in accordance with International Financial Reporting Standards (IFRS). Together, the report demonstrates the Group's commitment to transparency and accountability to its stakeholders.



Process and Assurance

Our integrated report and financial statements are the outcome of a Group-wide process involving input from teams across all business units, under the oversight of the Executive Committee and the Group Board. The Group Board is responsible for ensuring the integrity of this report through the integrated reporting process.

The accuracy of the disclosures is supported by internal review processes, with the Investments and Strategy Committee providing internal assurance to the Board on the execution of the Group's strategic priorities.

The Group's financial, operational, compliance, and risk management controls are assessed by the internal audit function under the oversight of the Board Audit, Risk and Compliance Committee. The accompanying financial statements of Britam Holdings PLC (the Company) and its subsidiaries (together, the Group) were audited by PricewaterhouseCoopers LLP and issued with an unqualified audit opinion. The independent auditor's report is set out on pages 100 to 105 of this report



Forward-looking Statement

This report contains forward-looking statements about the Group's financial position, performance, strategy, operations, and business activities. Such statements involve risks and uncertainties related to future events and conditions beyond the Group's control, which may cause actual results to differ materially. Accordingly, forward-looking statements should not be relied upon as guarantees of future financial or operational performance.

Our Value Creation Model

Our business model drives our value creation process, leveraging the six capitals to direct our inputs and activities towards sustainable positive outcomes for our stakeholders.

Inputs



Intellectual Capital

This capital includes our intellectual assets such as institutional knowledge, product development capability, systems, procedures and protocols.

- Investment in information technology
- Investment in transformation and training of our proprietary distribution channels
- Strategic bancassurance partnerships
- Enterprise risk management practices
- Strong Britam brand across the region
- Specialised skills and expertise of employees and our Board



Human Capital

Our human capital consists of the competencies, capabilities and experience of our employees and how they innovate, collaborate and align with Britam's objective.

- 1331 dedicated workforce
- 2500+ financial advisors
- Experienced leadership team
- Corporate culture based on clear ethics and values



Financial Capital

The pool of funds supporting business operations including revenue from products and services offered to clients and investment returns earned on shareholder funds.

- Shs243.8 billion total assets
- Shareholders funds at Shs 35.1 billion



Natural Capital

Renewable and non-renewable resources used by Britam.

Our natural capital includes:

- Land
- Electricity
- Water
- 390,000 kWh generated from solar energy



Social Capital

These are the strong relationships we build with stakeholders to sustain our social license to operate.

- Collaboration with partners and service providers within Service Level Agreements (SLAs)
- Stakeholder relationships
- Impactful Britam Foundation Initiatives



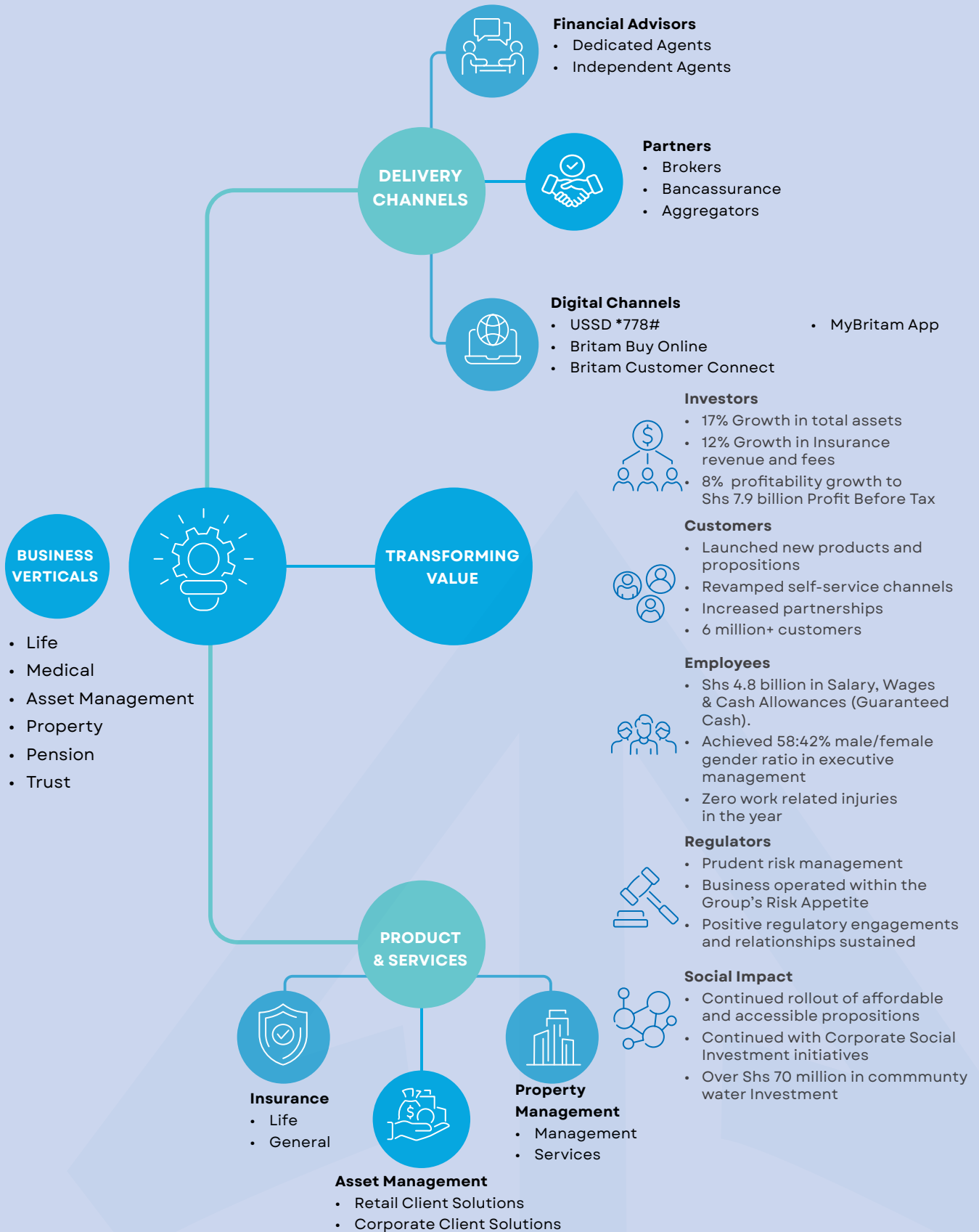
Manufactured Capital

The resources owned, leased or controlled by Britam that contribute to product or service provision.

- Branches
- Digital assets (online portals, My Britam App, USSD and other core applications)
- Call centres, data centres and premises for support functions






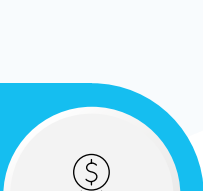
Our Value Creation Model(Continued)

Outputs



Stakeholder Engagement Framework

To ensure transparency and accountability, Britam actively engages various stakeholders. The table below outlines the key stakeholders, reasons for engagement and desired outcomes.

Stakeholders	Why we engage	How we engage	Stakeholder interest	Desired Outcome
 <p>Customers</p>	Understand needs, improve service, build loyalty	Surveys, events, online portals, direct engagement	Affordable, accessible insurance, personalized experience	Increased retention, financial protection
 <p>Employees</p>	Attract and retain talent, foster collaboration, enhance job satisfaction	Engagement surveys, training, direct communication	Career growth, competitive compensation, well-being	Enhanced productivity, innovation
 <p>Wider Community</p>	Create social value, raise awareness of Britam's services	Industry forums, workshops, sponsorships, donations	Community development, financial literacy	Increased retention, financial protection
 <p>Suppliers and Partners</p>	Ensure alignment with ESG principles, foster innovation	Supplier Code of Conduct, meetings, performance feedback	Ethical practices, transparency, collaboration	Strong supplier relationships, ESG-aligned procurement
 <p>Government and Regulators</p>	Compliance, policy advocacy, maintain corporate reputation	Direct engagement, sustainability reports	Regulatory compliance, ethical business conduct	Policy alignment, positive corporate reputation
 <p>Investors and shareholders</p>	Ensure transparency, drive investor confidence	Annual reports, AGMs, investor calls	Strong governance, high returns, ESG transparency	Sustainable financial performance, investor trust

About the Company

Britam Holdings Plc is a leading diversified financial services Group listed on the Nairobi Securities Exchange. The Group has a presence in seven countries in Africa namely: Kenya, Uganda, Tanzania, Rwanda, South Sudan, Mozambique and Malawi.

The Group offers a wide range of financial solutions in Life Assurance, General Insurance, Micro Insurance, Health Insurance, Retirement Planning, Property & Asset Management, Trust Services, and Banking.

These solutions enable our customers to protect and grow their wealth and achieve their financial goals

1,331

Employees across Africa

2,500+

Financial Advisors

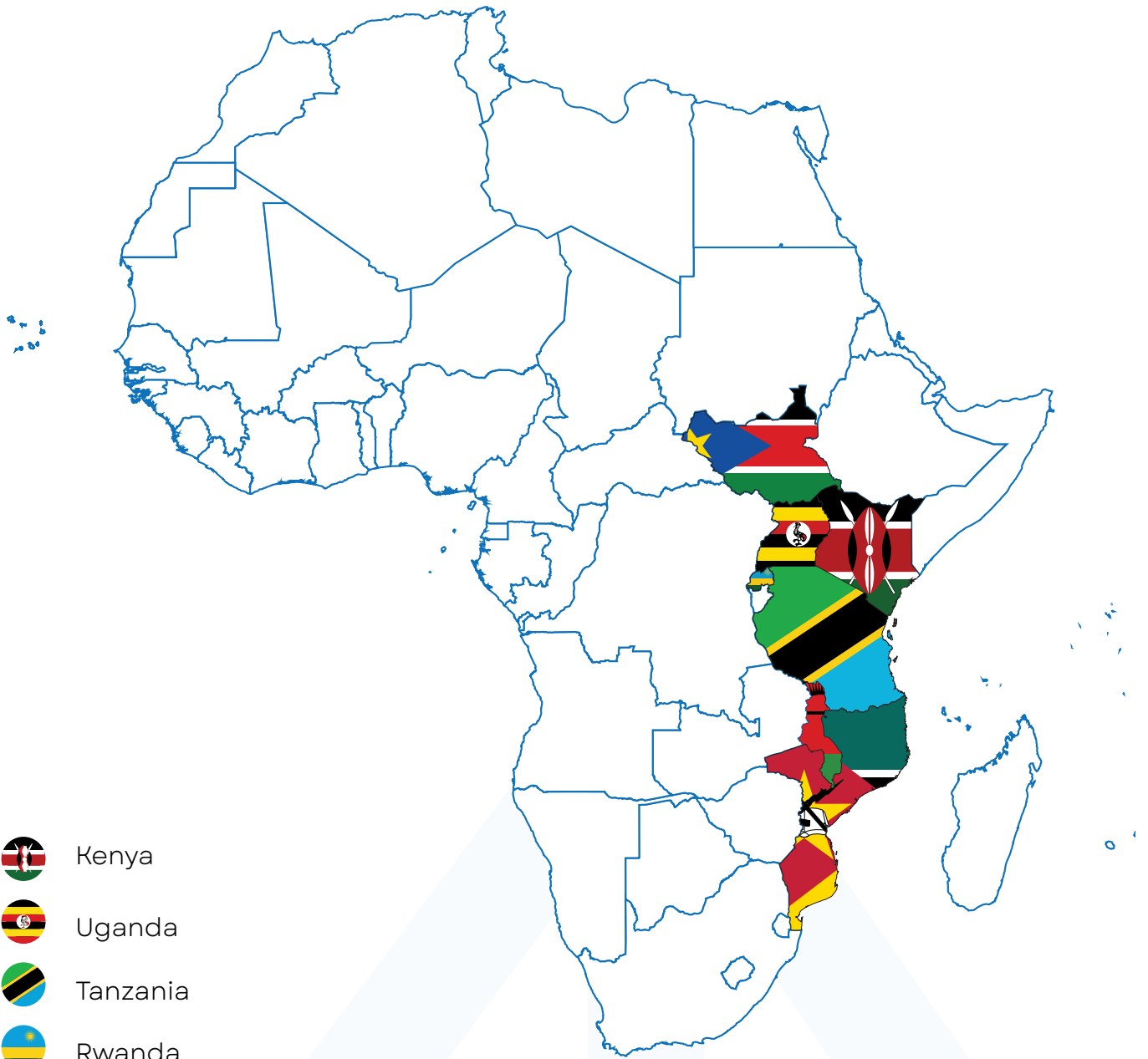
Shs 22.9Bn








Market Capitalisation on the NSE

Shs 243.8Bn

Total Assets

Our Footprint



-  Kenya
-  Uganda
-  Tanzania
-  Rwanda
-  South Sudan
-  Malawi
-  Mozambique



Our Purpose, Vision and Mission



Our Purpose, Vision, Mission and Values



Our Purpose

1 Safeguarding dreams and aspirations



Our Vision

2 To be the leading diversified financial services company in our chosen markets across Africa



Our Mission

3 Providing you with financial security every step of the way



Our Values


4 Accountability, Trust, Agility and Customer Centricity



Our Structure







School fees
keep rising.
Are you planning
ahead?

Britam Education Plans help you save steadily and build a secure education fund:

- ✔ Choose the level of education you'd like to save up for primary, secondary or university.
- ✔ Earn attractive interest on your savings.
- ✔ Access funds when they're needed.

SMS 'SOMA' to 21778

to get started

GROUP FINANCIAL REVIEW

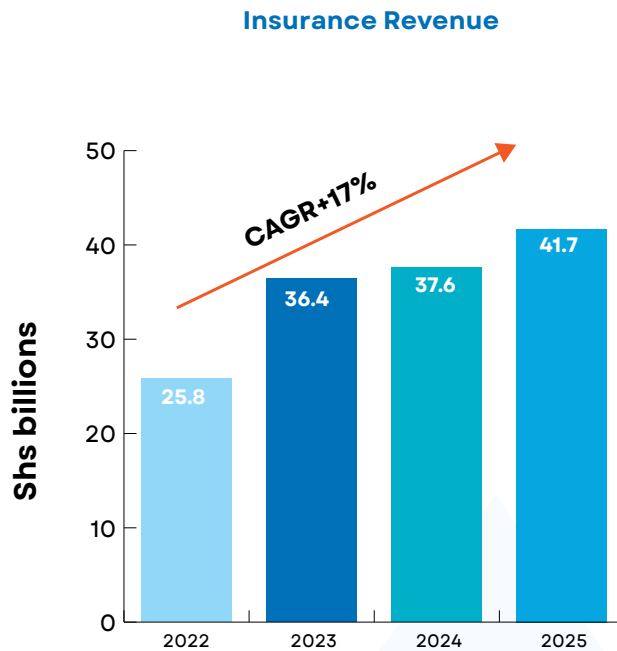


GROUP FINANCIAL PERFORMANCE REVIEW

The Group has continued to perform very well despite the macroeconomics factors, exhibited in both Kenya and its international businesses, and managed to sustain the growth momentum in line with the 2021 to 2025 Strategy.

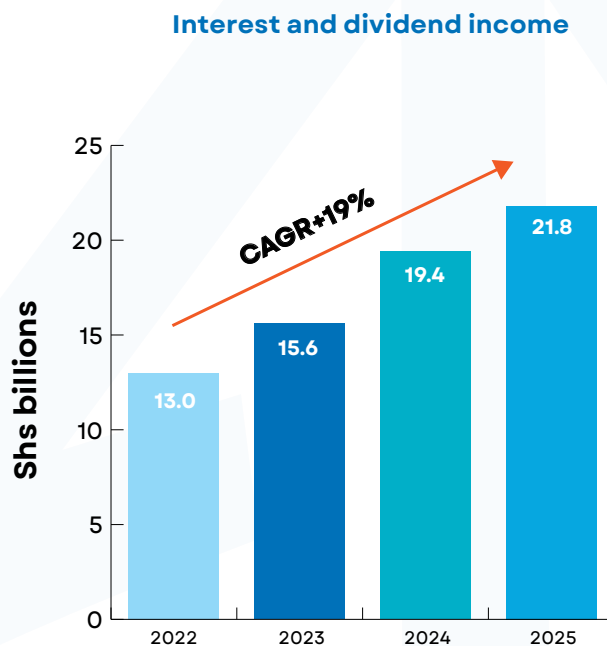
Insurance Revenue

The insurance businesses recorded 11% growth in insurance revenue from prior year, with the Kenya insurance business registering 10% growth. The regional businesses registered a 13% growth contributing Shs 11.6 billion (2024: Shs 10.3 billion), to the total insurance revenue. This accounts for 28% (2024: 27%) of the total insurance revenue.



Investment income

Dividend and interest income increased by 12% from Shs 19.4 billion in 2024 to Shs 21.8 billion



GROUP FINANCIAL PERFORMANCE REVIEW(Continued)

Net income from investment

The Group’s investment in equities and government securities returned unrealised fair value gains amounting to Shs 8.6 billion in the current year compared to gains of Shs 9.7 billion in the year ended 31 December 2024.

The Group’s rental income and fair value movements on investment properties recorded a net income of Shs 882 million during the year (2024: Shs 801 million) on the background of growth in occupancy levels and sustained property market.

During the year, Britam Life Assurance Company (Kenya) Limited, a fully owned subsidiary acquired an additional stake in HF Group Plc valued at Shs 355,425,000 (2024: Shs 2,890,883,000) as disclosed in Note 25.

The share of profit of the associates accounted for Shs 860 million (2024: Shs 421 million) the Group profit before tax, mainly arising from the profit of Shs 74 million (2024: Shs 56 million) recorded by Kilimani Hotel Suites Limited associate, an associate fully owned by Britam Life Assurance Company (Kenya) Limited. HF Group Plc- associate contributed a profit of Shs 693 million (2024: Shs 244 million). Continental Re insurance (Kenya) Company – associate contributed Shs 93 million (2024: Shs 121 million). In 2024 Britam Life Assurance Company (Kenya) Limited acquired BAAM Investments Partners One LLP and BAAM Investments Partners Two LLP as disclosed under Note 25. Each of the LLPs holds a 15% stake in Continental Reinsurance Company (Kenya) Limited and therefore after the acquisition, the Company effectively owns 30% shareholding in Continental Reinsurance Company (Kenya) Limited through the 2 LLPs, qualifying the investment as an associate.

Insurance Service Expenses

The insurance service expenses increased by 13% to Shs 30.9 billion from Shs 27.3 billion in 2024, in line with business growth and higher claims experience.

Profitability

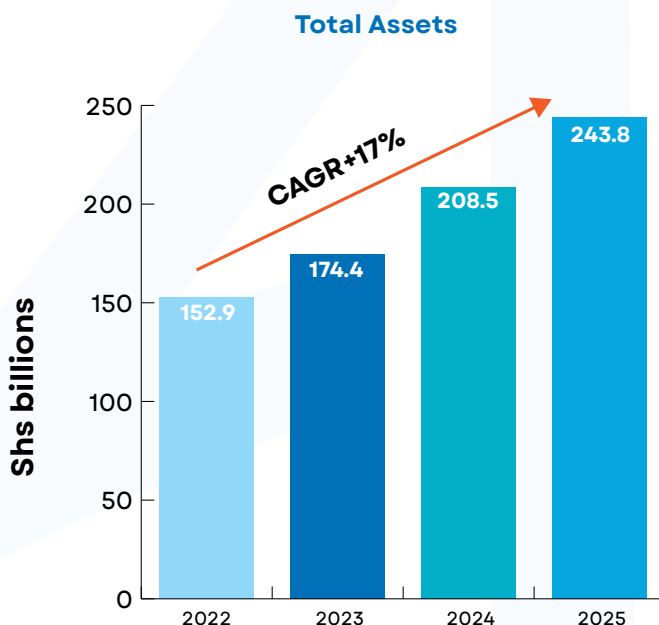
The Group delivered a solid performance, achieving a profit before tax of Shs 7.9 billion during the year, an improvement from Shs 7.3 billion in the year ended 31 December 2024. This outcome reflects disciplined execution, strengthened balance sheets and continued delivery of key strategic initiatives during the final year of the 2021–2025 strategy cycle.

Capital Adequacy and Solvency Margins

The Group ensures that its available resources are allocated in a way that is capital efficient, meets the Group’s risk appetite and ensures that optimal returns are made while ensuring compliance with various regulations that govern most of its businesses; out of its 15 entities, 12 are regulated. Details of these are disclosed in Note 46 (e).

Consolidated Statement of Financial Position

The Group reported a 17% growth in total assets during the year.



GROUP FINANCIAL PERFORMANCE REVIEW(Continued)

Balance Sheet Strength

The Group's balance sheet remains robust, with total equity increasing to Shs 35.1 billion from Shs 29.5 billion in the previous year. This improvement in equity position highlights the Group's strengthened financial position and underscores its ability to weather economic uncertainties.

Strategic Initiatives and Outlook

2025 also marked significant progress in consolidating digital platforms, data capabilities and customer-facing systems, strengthening operational efficiency and enhancing service delivery. These advancements provide a strong foundation for the **2026–2030 ASCEND** Strategy, which will focus on disciplined execution, customer relevance, digital innovation and sustainable value creation.



INTERIM CHAIR'S STATEMENT



Celestine Munda

Interim Group Chairperson

"Britam remained anchored to its purpose of Safeguarding Dreams and Aspirations, while deliberately strengthening the fundamentals of our business for long-term value creation."

On behalf of the Board of Directors, management, staff, financial advisors, customers and all stakeholders of Britam, I would like to begin by bidding farewell to our Chairman, Mr. Kuria Muchiru, who passed away on 19 March 2026. Mr. Muchiru was a distinguished professional and business leader who steered our organization with purpose and integrity. We are uniquely honoured to have had him as the Chairman for slightly over four years and to have witnessed and experienced his steadfast dedication as he oversaw the transformation of Britam into a resilient and sustainable integrated financial services brand with a footprint across seven African markets. He has left an indelible legacy and a strong foundation that we now stand on as we build the next phase of Britam's future.

Maintaining Stability

The 2025 financial year was characterized by stable leadership and disciplined governance under the Chairmanship of the late Mr. Kuria Muchiru, who served the Group throughout the full reporting period. Under his stewardship, the Board provided effective oversight and strategic guidance, supporting management in navigating the operating environment and advancing the Group's long-term objectives.

Following this transition, I was called upon to serve as Acting Chair. I do so with a strong sense of responsibility, conscious of the trust placed in the Board to provide continuity, stability, and clear oversight. I am encouraged by the resilience of the organization, the strength of its governance structures, and the depth of leadership across the Group.

Strategic Review and Outlook

From Consolidation to Ascendancy: Positioning Britam for the Next Chapter of Growth

I am pleased to reflect on the successful conclusion of our 2021–2025 Group Strategy and to share our conviction in the 2026–2030 ASCEND Strategy, which will guide Britam into its next phase of sustainable, inclusive and resilient growth.

The past five years have tested businesses globally and across Africa in unprecedented ways. Macroeconomic volatility, regulatory evolution, climate risk, technological disruption and shifting customer expectations have required resilience, agility and clarity of purpose. Through this period, Britam remained anchored to its purpose of Safeguarding Dreams and Aspirations, while deliberately strengthening the fundamentals of our business for long-term value creation.

Review of the 2021–2025 Strategy: Building EPIC² #OneBritam

The **2021–2025 Strategy**, branded **EPIC² #OneBritam**, was deliberately designed as a transformation and consolidation phase. Its central ambition was to reposition Britam as a truly customercentric, integrated and digitally enabled financial services Group, capable of delivering consistent experiences across markets and product lines. The strategy was anchored on a single unifying idea: "**Delighting the Customer.**" This translated into three deliberate priorities:

- Embedding customer centricity at the heart of decision making
- Modernizing our core systems and digital capabilities
- Strengthening our people, culture and governance foundations

What We Achieved

This strategic direction was not designed to maximise short-term outcomes, but rather to build institutional capability and consistency across the Group. Over the five year period, the Group achieved meaningful progress in several critical areas:

1. Customer and Operating Model Integration

We transitioned from siloed business units to a more integrated One Britam operating model, enabling clearer customer ownership, improved service consistency and more efficient capital deployment across the Group.

2. Digital and Technology Enablement

Significant investments were made in core system modernization, digital channels and analytics. These initiatives reduced friction in customer journeys, improved turnaround times—particularly in claims—and enhanced datadriven decisionmaking across the value chain.

3. Financial and Balance Sheet Resilience

Despite a challenging macroeconomic environment, Britam preserved balance sheet strength, improved capital adequacy and returned the Group to a stronger profitability trajectory—with a 2025 profit before tax (PBT) of Shs 7.9 billion underscoring the effectiveness of disciplined execution and prudent risk management. Over the five-year strategic period, our profit before tax (PBT) grew at a compound annual growth rate (CAGR) of 39%, reflecting the strength of our strategy and disciplined execution.

4. People, Culture and Governance

The period saw sustained investment in leadership, culture and governance, reinforcing accountability, ethical conduct and Board effectiveness across the Group. These foundations proved critical in navigating uncertainty and executing transformation at scale.

Lessons Learnt

The Board recognizes three key lessons from the 2021–2025 period:

- **Customer centricity** must be embedded structurally and culturally
- **Scale, relevance and digital capability** are essential in a low penetration but highly competitive African financial services landscape
- **Culture, talent and governance** are strategic assets, not enablers

These insights directly shaped the design of our next strategic horizon.

The 2026–2030 ASCEND Strategy: Africa's Friend for Years to Come

Following extensive stakeholder engagement, management review and Board deliberation, the Group approved the 2026–2030 Strategy, branded ASCEND—a strategy that moves Britam from consolidation to accelerated, purpose-led growth across Africa.

Strategic Ambition

The **ASCEND** Strategy positions Britam to:

- Achieve sustainable and profitable growth at scale
- Deepen relevance in existing markets while expanding into new ones
- Build a future-fit, digitally enabled and agile organization
- Strengthen Britam's role as a trusted partner in Africa's financial and social resilience

Strategic Pillars

The strategy is anchored on a small number of clear, mutually reinforcing pillars:

- **African Aspiration** - Expanding our Pan-African footprint and influence to unlock growth across the continent.
- **Sustainability & Governance** - Embedding sustainability & strong governance to secure enduring impact and trust.
- **Customer Obsession** - Relentlessly focusing on customers, anticipating needs, and creating extraordinary experiences.
- **Execution Excellence** - Delivering with speed, discipline, and precision – turning strategy into results.
- **Nurturing People and Partnerships** - Growing talent, empowering our people, and building strong, value-driven collaborations.
- **Digitalization & Innovation** - Accelerating digital transformation and industry-shaping innovation.

ASCEND marks our next bold chapter, accelerating growth, strengthening resilience, and positioning Britam as a leading pan-African financial services powerhouse.

The Board's Commitment

The Board is fully committed to its stewardship role in the execution of the **ASCEND** Strategy. Oversight will remain focused on:

- Strategy execution discipline and performance tracking
- Capital efficiency and risk management
- Leadership succession and talent sustainability
- Ethical conduct, governance excellence and stakeholder trust

We are confident that Britam enters this next phase from a position of strength—clear in purpose, sound in governance, resilient in capital, and ambitious in outlook.

Looking Ahead

As we look to the future, Britam enters the 2026–2030 period with renewed ambition and clarity of purpose under the **ASCEND Strategy**—a strategy designed to move the Group from consolidation to accelerated, sustainable growth across Africa. ASCEND positions Britam to deepen relevance in our core markets, selectively expand our footprint, and scale platforms that place the customer at the center of everything we do.

With stronger foundations, sharper priorities, and a future fit organization, the Board is confident that Britam is well positioned to deliver resilient returns, enduring trust, and long-term value for shareholders in the years ahead.

I thank my fellow Directors for their commitment and constructive engagement, management, staff and our financial advisors for their professionalism and dedication. I also extend my appreciation to our shareholders, our clients, regulators, and partners for their continued confidence in Britam.

With the foundations laid under EPIC2 #OneBritam and the ambition articulated through **ASCEND**, Britam is well positioned to remain Africa's friend for years to come—creating enduring value for all stakeholders.



Celestine Munda

Interim Group Chairperson

Britam Holdings Plc

TAARIFA YA KAIMU MWENYEKITI



Celestine Munda

Kaimu Mwenyekiti wa Shirika

"Ninatiwa moyo na uwezo mkubwa wa shirika kujirekebisha na kukabiliana na hali iliyopo, uthabiti wa mifumo yake ya usimamizi na misingi ya kina ya uongozi kote katika shirika."

Kwa niaba ya bodi ya wakurugenzi, wasimamizi, wafanya kazi, washauri wa masuala ya kifedha, wateja na wadau wa Britam, ningependa kuanza kwa kumuaga mwenyekiti wetu, Bw Kuria Muchiru, ambaye aliaga dunia Machi 19, 2026. Bw Muchiru alikuwa mtaalamu aliyeheshimika, na kiongozi wa shughuli za biashara aliyeeongoza shirika letu kwa azma na uadilifu. Ilikuwa ni heshima ya kipekee kwetu kuwa naye akiwa mwenyekiti kwa zaidi ya miaka minne. Tumeshuhudia na kuupata uzoefu wa kujitolea kwake kikamilifu kusimamia mageuzi ambayo yameifanya Britam kuwa shirika jepesi kujirekebisha kila mara mabadiliko yakitokea, na kutoa huduma mbali mbali na endelevu za kifedha katika masoko saba ya Afrika. Ametuachia urithi usiofutika, na msingi tunaotumia sasa kujenga awamu ijayo ya Britam.

Kudumisha uthabiti

Shirika lilishuhudia mwaka wa kifedha wa 2025 uliokuwa na uongozi thabiti na usimamizi wa nidhamu ya hali ya juu wa Bw Muchiru aliyehudumu katika kipindi chote tunachokiingazia. Chini ya uongozi wake, bodi ilitoa usimamizi thabiti na uongozi wa kimkakati uliowawezesha mameneja kusimamia shughuli za biashara za shirika wakizingatia malengo ya muda mrefu ya Britam.

Ninapohudumu nikiwa kaimu mwenyekiti, ninatambua kikamilifu umuhimu wa kuwajibika, nikifahamu vilivyo imani ya bodi kwangu kuendeleza utekelezaji wa miradi iliyopo, uthabiti na uwazi wa kimkakati. Ninatiwa moyo na uwezo mkubwa wa shirika kujirekebisha na kukabiliana na hali iliyopo, uthabiti wa mifumo yake ya usimamizi na misingi ya uongozi yenye mizizi imara kote katika shirika.

Tafakari ya kimkakati na matarajio

Kutoka kwa uunganishaji kuelekea upaaji: Kuitayarisha Britam kwa awamu nyingine ya ukuaji

Nina furaha kutafakari kuhusu kukamilishwa kwa mafanikio ya mkakati wa shirika wa 2021-2025, na kutangaza imani yetu kwa mkakati wa **ASCEND 2026-2030**, ambao utaiongoza Britam katika awamu nyingine ya uendeleu, ushirikishwaji na ukuaji utakaoliwezesha shirika kujibadilisha kibiashara kila panapo haja.

Miaka mitano iliyoyopita imekuwa na changamoto zake kwa biashara ulimwenguni na kote katika Afrika kwa njia za kipekee. Pamekuwa na mabadiliko makubwa katika shughuli kuu za kiuchumi, mageuzi ya kisheria, athari za tabianchi, uvumbuzi na ubunifu wa kiteknolojia, na kubadilika kwa matarajio ya wateja. Yote hayo yalihatiji uwezo mkubwa na wepesi wa shirika kuwa tayari kujibadilisha kila panapo haja, na azma ya wazi. Katika msimu huo wote, Britam ilibaki imara katika kuendeleza lengo lake la kulinda ndoto na matarajio, huku ikizidi kudhamiria kuimarisha misingi ya biashara yetu kwa lengo la kujenga thamani ya muda mrefu.

Tathmini ya mkakati 2021–2025: Kujenga EPIC2 #OneBritam

Mkakati wa 2021–2025, chapa *EPIC2 #OneBritam*, ulitayarishwa makusudi kuwa awamu ya mageuzi na uunganishaji. Azma yake kuu ilikuwa ni kuhakikisha Britam inawapatia kipaumbele wateja, kuunganisha na kutoa huduma za kifedha za shirika kidijitali kwa njia thabiti kote katika masoko na mifumo ya huduma na bidhaa. Nguzo kuu ya mkakati huo ilikuwa ni kumridhisha mteja. Kutekeleza lengo hilo, mambo matatu yalipewa kipaumbele makusudi:

- Kutia ndani ya kila uamuzi umuhimu wa kuwapatia wateja kipaumbele.
- Kuifanya mifumo yetu ya msingi ya teknolojia kuwa ya kisasa na kujiimarisha kidijitali.
- Kuimarisha misingi yetu ya kukuza wafanya kazi wetu, uzoefu wa utendaji kazi na usimamizi.

Mafanikio yetu

Lengo la mwelekeo huu wa kimkakati halikuwa kujifaidi kikamilifu na matokeo ya muda mfupi, ila shabaha ilikuwa ni kujenga uwezo wa shirika na uthabiti kote katika shughuli zake. Kwa miaka hiyo mitano, shirika lilipata mafanikio muhimu katika nyanja kadhaa muhimu:

1. Uunganishaji wa miundo ya huduma kwa wateja na shughuli za biashara

Tulifanya mabadiliko na kuunganisha idara, mifumo na timu za wafanya kazi, na kujenga mfumo mmoja wa biashara ya Britam, kuimarisha utoaji thabiti wa huduma na ustadi wa kutumia fedha kote katika shirika.

2. Uwezeshaji kidijitali na kiteknolojia

Rasilmali nyingi zilitengewa kupata mfumo mpya wa kutendea kazi, milango ya kisasa ya kidijitali na taaluma ya uchanganuzi. Juhudi hizo ziliimarisha huduma kwa wateja, hasa uandalizi wa malipo ya bima na kuinua kiwango cha utoaji maamuzi kwa kutumia data kote katika shughuli za biashara za shirika.

3. Uthabiti wa kifedha, mapato na matumizi

Ingawa mazingira ya shughuli muhimu za kiuchumi yalikalibiwa na changamoto tele, Britam ilithibiti mapato na matumizi, ikaimarisha hali yake ya kifedha na kulipatia shirika faida nzuri ya Shs 7.9 bilioni mwaka wa 2025 kabla ya kutozwa kodi. Matokeo hayo yalihariri umuhimu wa nidhamu na uthubutu katika utekelezaji wa shughuli za biashara. Katika miaka mitano ya mkakati uliomaliza kutekelezwa 2025, faida kabla ya kodi iliongezeka kwa jumla ya asilimia 39, thibitisho la uthabiti wa mkakati wetu na nidhamu ya utendaji kazi.

4. Wafanya kazi, mazoea ya utendaji kazi na uongozi

Kipindi hicho kilishuhudia juhudi imara za kuimarisha uongozi, mazoea ya utendaji kazi na uongozi wa shirika, kuimarisha uwajibikaji, uadilifu na uthabiti wa bodi. Umuhimu wa misingi hii ulibainika katika shughuli za shirika kukabiliana na mashaka ya kibiashara na kutekeleza mageuzi.

Mafunzo

Bodi inatambua mafunzo matatu makuu iliyoyapata katika kipindi cha 2021–2025:

- **Ni lazima azma ya kuwapatia wateja kipaumbele iingizwe katika mifumo, mila na mazoea ya utendaji kazi ya shirika.**
- **Vipimo, umuhimu na uwezo wa kidijitali** ni muhimu katika maeneo ya Afrika ambapo walioandikisha bima ni wachache, ilhali pana ushindani mkubwa wa huduma za kifedha.
- **Utamaduni, vipaji na usimamizi** ni rasilmali za kimkakati, wala sio viwezeshi.

Mafunzo hayo yalikuwa muhimu katika uandalizi wa mpango wetu wa sasa wa mkakati.

Mkakati wa ASCEND wa 2026–2030: Rafiki wa Afrika katika miaka mingi ijayo

Kufuatia mashauriano makubwa na wadau, utathmini wa uongozi na mashauriano ya bodi, shirika liliidhinisha mkakati wa ASCEND 2026–2030 ambao utaisogeza Britam kutoka kwa uunganishaji hadi ukuaji wa kasi katika Afrika.

Lengo la kimkakati

Mkakati wa ASCEND utaiwezesha Britam:

- Kupata ukuaji endelevu wa faida.
- Kuimarisha mahusiano katika masoko tuliyo nayo, huku tukipanua shughuli zetu katika masoko mapya.
- Kujenga shirika litakaloendele kujimudu siku za usoni, lililowezesha kidijitali, na jepesi kufanya mabadiliko hitajika.
- Kuimarisha jukumu la Britam kuwa mshirika wa kuaminika katika huduma za kifedha barani Afrika na anayejali uthabiti wa jamii.

Nguzo za kimkakati

Mkakati wa **ASCEND 2026-2030** umeegemezwa kwa nguzo bayana zinazotegemeana zifuatazo:

- **Ndoto ya Afrika** – Kupanua biashara yetu na ushawishi katika Afrika na hivyo kufungua nafasi za kukua katika bara.
- **Uendeleu na utawala** – Kuthibiti uendeleu na utawala imara ili kupata matokeo ya kudumu na kukuza imani.
- **Haja isiyotulizika ya kuwapatia wateja kipaumbele** - Kuangazia wateja bila kuyumba, kubashiri mahitaji yao na kujenga uzoefu wa kipekee.
- **Ubora wa utendaji kazi** – Utekelezaji wa haraka, kuzingatia nidhamu na usahihi kwa lengo la kuhakikisha mkakati unaleta matokeo.
- **Kukuza watu na ushirika** – Kukuza vipaji, kuwawezesha watu wetu na kujenga ushirikiano wenye mafao.
- **Kuimarisha mifumo ya kidijitali na uvumbuzi** – Kuharakisha maguzi ya kidijitali na uvumbuzi wa kuigwa katika shughuli za bima.

ASCEND ni mwanzo wa awamu nyingine muhimu, kuharakisha ukuaji, kuimarisha wepesi wa kujibadilisha panapo haja, na kuiinua Britam kuwa mtoaji huduma za kifedha mwenye nguvu zaidi katika Afrika.

Msimamo wa Bodi

Bodi imejitolea kwa dhati kutimiza jukumu lake la uongozi kutekeleza mkakati wa **ASCEND**. Usimamizi wetu utaangazia:

- Nidhamu katika utekelezaji wa mkakati na kufuatilia utendaji kazi kwa makini.
- Utumiaji thabiti wa fedha na uthibiti wa mashaka na hatari za kibiashara.
- Urithi wa uongozi na uendeleu wa vipaji.
- Tabia adilifu, uongozi bora na imani ya wadau.

Tuna imani kuwa Britam inaingia katika sehemu nyingine ya mkakati kwa uthabiti–uwazi wa azma, uongozi bora, uthabiti kifedha na hamu kubwa ya makuu ya siku zijazo.

Matarajio

Tukiitarajia hali ya baadaye, Britam inaingia kipindi cha 2026–2030 ikiwa na shabaha mpya na uwazi wa azma ikizingatia mkakati wa **ASCEND**–mkakati uliotayarishwa kulisogeza shirika kutoka kwa uunganishaji na kuharakisha ukuaji endeleu kote katika Afrika. **ASCEND** inaiweka Britam katika nafasi bora ya kuimarisha umuhimu wake katika masoko yake ya msingi, ipanue biashara yake kwa makini na kuweka majukwaa ambayo itawaweka wateja katika kiini cha yote tunayoyafanya.

Tukiwa na misingi thabiti, vipaumbele bayana na shirika imara lililo tayari kukabili kikamilifu hali ya baadaye, Bodi ina imani kuwa Britam ipo katika nafasi bora ya kuendelea kuleta matokeo ya kufaa, kudumisha imani na kuleta thamani ya muda mrefu kwa wenye hisa katika miaka ijayo.

Ninawashukuru wakurugenzi wenzangu kwa msimamo wao na mashauriano yanayojenga shirika, wafanya kazi na washauri wetu wa masuala ya kifedha kwa utaalamu wao na kujitolea. Ninawashukuru pia wenyehisa wetu, wateja, watekelezaji wa taratibu na kanuni za sheria, na washirika wetu kwa kuendelea kuwa na imani na Britam.

Kwa misingi iliyowekwa chini ya **EPIC2 #OneBritam** na malengo yaliyowekwa na mkakati wa **ASCEND**, Britam ipo katika nafasi nzuri ya kuendelea kuwa rafiki wa Afrika kwa miaka mingi ijayo na hivyo kuwapatia wadau wetu wote thamani ya kudumu.



Celestine Munda

Kaimu Mwenyekiti wa Shirika

Britam Holdings Plc

GROUP MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER'S STATEMENT



Tom Gitogo,
*Group Managing Director &
Chief Executive Officer*

"Our people remained central to execution throughout the year. Continued investment in leadership capability, employee engagement and culture supported operational stability during a demanding period."

Operating in a Demanding Environment, Delivering with Discipline

Delivering with Discipline in a Demanding Environment

The year **2025** marked the final year of our **2021–2025 strategic cycle** and was one of the most demanding operating environments the Group has navigated in recent years. The year started with a high-interest rate environment that eased as the year progressed, pressure on household disposable income, subdued private sector credit growth and heightened regulatory and risk expectations shaped the context within which we operated across our markets.

Against this backdrop, management remained focused on disciplined execution, balance sheet resilience and delivering the key transformation initiatives required to position Britam for sustainable long-term growth.

The year 2025 marked the final year of our 2021–2025 strategic cycle, coinciding with an important milestone in our history as we celebrated 60 years of safeguarding the dreams and aspirations of our customers.

This milestone provided an opportunity to reflect on the progress made over the past five years, during which we advanced key transformation initiatives and strengthened the resilience of our business in a demanding operating environment.

The Operating Environment in 2025

Economic growth across our core markets remained modest in 2025. In Kenya, elevated borrowing costs and cautious consumer sentiment constrained private sector activity. Similar dynamics were evident across several regional markets, where inflationary pressures, currency volatility and a high cost of capital continued to influence demand for financial services.

For the insurance industry, these conditions translated into:

- Increased price sensitivity among customers
- Greater emphasis on affordability and flexible product design
- Heightened claims management discipline
- Stronger regulatory focus on capital adequacy, governance and consumer protection

In this environment, scale, diversification and prudent risk management became increasingly important differentiators—areas where Britam continued to invest deliberately.

Strategic Execution and Key Deliveries

As management, our priority in 2025 was execution—completing the critical initiatives under the 2021–2025 strategy while safeguarding financial stability.

Completion of Core Transformation Initiatives

During the year, we made significant progress in concluding several Groupwide transformation projects that now form the backbone of our future operating model:

- **Core systems and digital platforms** were further stabilized and scaled, improving operational efficiency and customer turnaround times across Life, General Insurance and Asset Management.
- **Omnichannel customer engagement capabilities** were strengthened, enabling more consistent service across digital, agent and branch channels.
- **Data and analytics capabilities** were enhanced, supporting better underwriting discipline, pricing decisions and portfolio management.

These investments were not pursued for short-term gain, but to build a scalable, resilient and customer-focused platform for the next phase of growth.

Performance and Financial Resilience

Despite the operating headwinds, the Group delivered a solid financial performance in 2025. Insurance revenue increased to **Shs 41.7 billion**, representing 11% growth from **Shs 37.6 billion** in the prior period; profitability improved to **Shs 7.9 billion**. Capital buffers remained strong, reflecting disciplined underwriting, improved investment income management and cost control.

People, Culture and Sustainability

Our people remained central to execution throughout the year. Continued investment in leadership capability, employee engagement and culture supported operational stability during a demanding period. Recognition as a Top Employer across multiple markets reinforced our belief that a strong performance culture is essential for sustained execution.

We also continued to embed environmental, social and governance (ESG) considerations more deeply into business operations. Key initiatives included:

- Expansion of financial inclusion through digital and partnership-led distribution
- Measurable progress on environmental efficiency, including renewable energy investments
- Continued impact through the Britam Foundation in health, education and community resilience

Transitioning to the 2026–2030 Strategy

While 2025 marked the close of one strategic cycle, it also represented a year of preparation for the next. Significant effort was devoted to shaping, validating and operationalizing the 2026–2030 ASCEND Strategy.

The **ASCEND Strategy (2026–2030)** will guide the next phase of Britam’s growth and is anchored on six interdependent priorities:

- A – African Aspiration**
- S – Sustainability and Governance**
- C – Customer Obsession**
- E – Execution Excellence**
- N – Nurturing People and Partnerships**
- D – Digitalization and Innovation**

From a management perspective, **ASCEND** is not a departure from the past, but a progression:

- From integration to scaled growth
- From enablement to platform-led execution
- From transformation to consistent performance delivery

We enter the new strategic period with clearer priorities, stronger systems and as a more agile organization.

Looking Ahead

The year ahead will continue to present uncertainty across our markets. However, Britam enters this next phase from a position of improved resilience, stronger foundations and renewed strategic clarity.

On behalf of management, I extend my sincere appreciation to our customers for their trust, our employees and financial advisors for their dedication, our partners for their collaboration and our shareholders for their continued confidence.

We remain committed to disciplined execution, prudent growth and delivering sustainable longterm value as we implement the next chapter of Britam’s journey.



Tom Gitogo,
Group Managing Director & Chief Executive Officer
Britam Holdings Plc

Taarifa ya Meneja Mkurugenzi na Afisa Mkuu Mtendaji



Tom Gitogo,

Meneja Mkurugenzi wa Shirika na Afisa Mkuu Mtendaji

"Watu walibaki kuwa nguzo kuu katika utendaji kazi wetu mwaka huo wote."

Kufanyia biashara katika mazingira yanayohitaji uangalifu mkubwa, kuzingatia nidhamu kuleta matokeo 2025 ndio ulikuwa mwaka wetu wa mwisho wa kuutekeleza mpango wa mkakati wa **2021-2024 na kipindi cha karibuni** ambapo tulikabiliana na mazingira yaliyohitaji uangalifu mkubwa na bidii nyingi katika kuendesha biashara. Kote katika masoko ambapo tunafanyia biashara, mwaka ulianza huku viwango vya kodi vikiwa juu lakini vikaendelea kulegea kadiri siku zilivyosonga. Wakati huo huo, familia nyingi zilijipata kwa shinikizo za mapato ya chini yakilinganishwa na mahitaji ya pesa, kasi ya ukuaji wa mikopo kwa sekta ya binafsi ikapungua, uthibiti na uzingatiaji wa kanuni na sheria ukaimarishwa, na tukazingatia uthubutu kwa makini zaidi.

Ni katika hali hiyo ambapo wasimamizi wa shirika waliangazia zaidi nidhamu katika kuendesha shughuli za biashara, kuthibiti matumizi kila palipohitajika ili kuhakikisha shirika linaendelea kuwa na mapato, na kutekeleza mabadiliko muhimu yaliyohitajika ili kuiwezesha Britam kuendelea kupata ustawi endelevu na kwa muda mrefu.

Ukiwa mwaka wa mwisho wa kipindi cha mpango wa mkakati wa 2021-2025, mwaka wa 2025 ulilingana na tukio muhimu katika historia yetu tukisherehekea miaka 60 ya kulinda ndoto na matarajio ya wateja wetu. Tukio hilo muhimu la kihistoria lilitupatia nafasi ya kutafakari kuhusu maendeleo tuliyoyapata katika miaka mitano iliyopita, wakati ambapo tulitekeleza mabadiliko muhimu na kuimarisha uwezo wa shirika kukabiliana na mabadiliko kila yanapotokea katika mazingira ya biashara yanayohitaji uangalifu mkubwa na nidhamu ya hali ya juu.

Mazingira ya biashara mnamo 2025

Ustawi wa kiuchumi kote katika maeneo tunapofanyia biashara ulibakia katika kiwango cha wastani mnamo 2025. Nchini Kenya, gharama ya juu ya mikopo na uangalifu na tahadhari ya matumizi miongoni mwa watumiaji na wanunuzi wa huduma na bidhaa zilibana kwa kiwango fulani shughuli za sekta ya binafsi. Hali hiyo hiyo ilibainika kote katika masoko kadhaa barani tunapofanyia biashara, ambapo shinikizo za gharama ya juu ya huduma na bidhaa, kuyumba kwa thamani ya sarafu za nchi hizo na gharama ya juu ya mtaji ziliendelea kuathiri mahitaji ya huduma za kifedha. Katika shughuli za bima, matokeo ya hali hizo yalikuwa:

- Wepesi wa wateja kuhisi athari za bei za bidhaa na huduma;
- Utoaji wa huduma na bidhaa nafuu na zinazoweza kubadilishwa kasi na kwa urahisi kulingana na mazingira mapya;
- Kuimarisha nidhamu katika usimamizi wa malipo ya bima; na
- Kuangazia uzingatiaji wa sheria kuhusu utoshelevu wa mtaji, uongozi wa shirika na kuwakinga watumiaji wa huduma na bidhaa zetu;

Katika mazingira haya, uimarishaji wa kiwango, upanujaji wa huduma na bidhaa na uthibiti wa hatari na mashaka yawezayo kudhuru biashara ni masuala ambayo Britam inatilia mkazo na kupatia umuhimu, na hivyo kulitofautisha Shirika na ndiposa linaendelea kuwekeza kwayo makusudi.

Utekelezaji wa kimkakati na matokeo yanayotarajiwa

Lengo kuu la wasimamizi wa shirika mnamo 2025 lilikuwa ni utekelezaji, hasa kukamilisha miradi muhimu chini ya mpango wa mkakati wa 2021-2025, huku tukitunza uthabiti wa kifedha.

Kukamilika kwa mabadiliko muhimu

Mnamo 2025, tulipiga hatua muhimu za kukamilisha miradi ya kuleta mabadiliko makubwa kote katika shirika na ambayo yamekuwa uti wa mgongo wa muundo ufaao kuzingatwa katika shughuli zetu za siku zijazo:

- **Mifumo muhimu na majukwaa ya kidijitali** ilithibitiwa zaidi na kuimarishwa, na hivyo kuinua kiwango cha huduma kwa wateja katika shughuli za bima za maisha na za kawaida, na usimamizi wa rasilimali.
- **Mbinu nyingi za kutuwezesha kuwafikia wateja** ziliimarishwa na hivyo kutuwezesha kutoa huduma thabiti zaidi kwa milango yote ya kidijitali, maajenti na matawi.
- **Data na taaluma ya uchanganuzi** ziliimarishwa na hivyo kuinua kiwango cha nidhamu katika shughuli za uandikishaji wa bima, maamuzi ya bei na usimamizi wa mkoba wa fedha kutoka kwa faida kwa awamu yetu ijayo ya ukuaji.

Uwekezaji huo haukukusudiwa kuwa wa muda mfupi, kwani lengo lilikuwa ni kuweka msingi thabiti wa kutuwezesha kuinua shughuli zetu za biashara, kuimarisha wepesi wa kujirekebisha kulingana na mazingira ya biashara na kuwapatia wateja kipaumbele katika awamu ijayo ya ukuaji.

Matokeo ya shughuli za biashara na wepesi wa kujirekebisha kifedha

Ingawa mazingira ya kufanyia biashara yalikuwa na changamoto zisizo za kawaida, shirika lilipata matokeo thabiti ya kifedha mnamo 2025. Mapato ya bima yaliongezeka hadi **Shs 41.7 bilioni**, sawa na ongezeko la asilimia 11% kutoka **Shs 37.6 bilioni** katika mwaka uliotangulia. Faida iliimarika hadi **Shs 7.9 bilioni**, na huku juhudi za kuikinga mtaji zikiendelea kuwa thabiti, ishara muhimu ya kiwango cha juu cha nidhamu katika uandikishaji wa bima, kuimarishwa kwa usimamizi wa mapato ya uwekezaji na uthibiti wa matumizi.

Watu, uzoefu wa kutenda kazi na uendelevu

Watu walibaki kuwa nguzo kuu katika utendaji kazi wetu mwaka huo wote. Uendeshaji wa shughuli zetu za biashara uliegemea uwekezaji kwa uongozi thabiti, ushirikishwaji kamili wa wafanya kazi na uzoefu wa kutenda kazi katika kipindi hicho kilichohitaji bidii na nidhamu zaidi. Kuteuliwa kwa Britam kuwa mwajiri bora zaidi katika masoko tofauti kuliimarisha imani yetu kwamba uzoefu wa kiwango cha juu cha kutenda kazi ni muhimu kwa utekelezaji endelevu wa miradi muhimu ya kukuza biashara.

Tuliendelea pia kushirikisha kwa dhati masuala ya mazingira, jamii na uongozi katika shughuli zetu za biashara. Miradi muhimu ilikuwa ni pamoja na:

- Upanuzi wa shughuli zetu za kifedha kupitia kwa mitambo ya kidijitali na ushirikiano katika usambazaji wa huduma.
- Maendeleo yawezayo kupimika ya ustadi wa uhifadhi wa mazingira, ikiwa ni pamoja na uwekezaji katika nishati rejeshi.

- Kuendelea kutoa huduma za afya, elimu na kuimarisha uthabiti wa jamii kupitia kwa Wakfu wa Britam.

Kuvuka na kuingia katika kipindi cha mkakati cha 2026–2030

Ingawa 2025 ilikuwa mwisho wa kipindi kimoja cha mkakati, ulikuwa pia mwanzo wa kujiandaa kwa msimu mwingine kimkakati. Juhudi muhimu zilielekezwa kwa maandalizi na kuanza kuuetekeleza mpango wa mkakati wa **ASCEND wa 2026–2030**.

Mkakati wa **ASCEND (2026–2030)** utaoongoza awamu ijayo ya ukuaji wa Britam na una nguzo sita huru:

A – Ndoto yetu kwa Afrika.

S – Uendelevu na usimamizi.

C – Hamu isiyotulizika ya kuridhisha wateja.

E – Kiwango cha juu cha huduma na utendaji kazi.

N – Kukuza watu na ushirikiano wa kibiashara.

D – Kuimarisha utumiaji wa mitambo ya kidijitali na uvumbuzi.

Wasimamizi wa shirika wanakariri kuwa mkakati wa **ASCEND** unaendelea katika mkondo sawa na mikakati ya awali kwa kuzingatia:

- Kutoka kwa unganishaji na kushughulikia zaidi kukwea ngazi ya ustawi.
- Kutoka kwa uwezesaji na kutilia mkazo majukwaa ya utekelezaji.
- Kutoka kwa mageuzi na kuangazia uthabiti wa matokeo ya utendaji kazi.

Tunaingia katika kipindi kipya cha mkakati tukiwa na malengo bayana, mifumo thabiti na shirika jepesi kujirekebisha kukabiliana na hali tofauti kila inapohitajika.

Matarajio

Mwaka ulio mbele yetu utaendelea kusababisha mashaka kote katika masoko yetu. Hata hivyo, Britam inaingia katika awamu nyingine ikiwa imejiimarisha kukabiliana na mabadiliko, misingi imara na nguvu mpya za uwazi wa kimkakati.

Kwa niaba ya wasimamizi wa shirika, nawashukuru kwa dhati wateja wetu wote kwa imani yao kwetu, wafanya kazi na washauri wa masuala ya kifedha kwa kujitolea, washirika wetu kwa ushirikiano na wenye hisa kwa kuendelea kuwa na imani nasi.

Tutaendelea kutenda kazi kwa nidhamu, busara katika kuikua biashara na kuwahakikishia thamani ya muda mrefu na endelevu tunapoingia katika awamu nyingine ya safari ya Britam.



Tom Gitogo,

Meneja Mkurugenzi wa Shirika na Afisa Mkuu Mtendaji

Britam Holdings Plc

In Loving Memory of Kuria Muchiru

Britam Holdings PLC honours the life and service of its Group Board Chairman, Mr. Kuria Muchiru, who passed away on 19 March 2026.

Mr. Muchiru joined the Board as a Non-Executive Director in August 2021 and was appointed Chairman in December 2021. He assumed leadership at a defining moment in the Group's history, providing steady and principled guidance through a pivotal time, strengthening governance, restoring confidence, and shaping a clear path to recovery and long-term growth.

In the story of Britam's growth and transformation, his chairmanship will be remembered as a period of renewal—when the organisation regained its footing and set a more deliberate course for the future.

He will be remembered for his clarity of thought, sound judgement, and unwavering integrity. He led with quiet authority; engaging candidly, listening carefully, and offering measured, decisive counsel. He believed in institutions built on trust, where commitments are honoured and difficult conversations are embraced.

His legacy lives on not only in the strength of our business, but also in the leaders he mentored and the values he championed across Kenya and the region.



May his legacy live on

Strategy Report



EPIC² ...#OneBritam Strategy Highlights

Operating in a Challenging Environment, Delivering with Discipline

2025 marked the final year of the EPIC² (2021–2025) Strategy. A defining strength of Britam is disciplined strategy execution, consistently translating strategic intent into measurable outcomes through focused implementation and clear accountability. This discipline underpinned the successful delivery of EPIC², anchored on the ambition of "Delighting the Customer."

EPIC² was underpinned by three core commitments:

- Embedding customer needs at the Centre of everything we do
- Delivering a seamless "One Britam" experience powered by data and insights
- Leveraging our people, technology, culture, and partnerships to create meaningful customer interactions

Over the five-year period, the Group achieved significant milestones that strengthened our market position, enhanced customer value, and reinforced long-term sustainability. The following are the key strategic achievements of EPIC² strategy:



1. Customer-Centric Growth at Scale

We deepened customer engagement through targeted profiling, improved segmentation, and tailored value propositions, growing our customer base to over 6 million. Strategic partnerships and microinsurance platforms significantly expanded access, while customer satisfaction strengthened markedly, with Net Promoter Score (NPS) improving from 21 to 49 during the period.



2. Revenue Diversification and Regional Expansion

Revenue streams were broadened across Life, General, Health, and Investment businesses, strengthening cross-selling under the "One Britam" model. Life operations were launched in Uganda, DRC entry progressed to advanced stages, and microinsurance expanded regionally. PBT increased from KES 1 billion in 2021 to KES 7.9 billion in 2025, reflecting improved earnings resilience and business mix.



3. Strengthened Investment and Capital Position

Capital deployment was optimised through disciplined balance sheet management and a more efficient capital structure. This enhanced financial flexibility, reduced earnings volatility, and positioned the Group for sustainable, capital-efficient growth.



4. Distribution Excellence and Talent Transformation

We strengthened our distribution capabilities by expanding the Financial Advisor network to over 2,500 Financial advisors and investing in capability building through the Britam Learning & Leadership Academy. A refined organisational structure and strengthened performance culture enhanced productivity, accountability, and execution discipline across the Group.



5. Technology-Led Operational Efficiency

Core operations were migrated to the cloud, systems upgraded across businesses, and cybersecurity strengthened. These investments improved agility, enhanced customer experience, and are expected to sustainably lower the cost-to-income ratio while enabling scalable digital growth. Innovation was further embedded through BetaLab, our in-house hub supporting entrepreneurs with funding, mentorship, and scale opportunities.



6. Expanding Financial Inclusion Through Microinsurance

Insurance access for underserved segments accelerated through regional expansion and the launch of Britam Connect, following IRA licensing. Serving over 5 million customers, digital innovation and partnerships helped bridge the protection gap and advance inclusive growth.



7. ESG Leadership and Sustainable Impact

Sustainability was embedded across operations, supported by enhanced ESG governance and publication of Sustainability Reports (2023 and 2024). Key milestones included solar installations at Britam Centre and Britam Towers, reducing energy costs and avoiding significant CO₂ emissions, EDGE certification for Britam Tower, and Uganda Office building at finishing stages. These initiatives reinforce operational efficiency, environmental stewardship, and long-term value creation.

Key Lessons from EPIC²

The EPIC2 journey reinforced several strategic lessons:



Our New Strategy



Transition from EPIC² to ASCEND

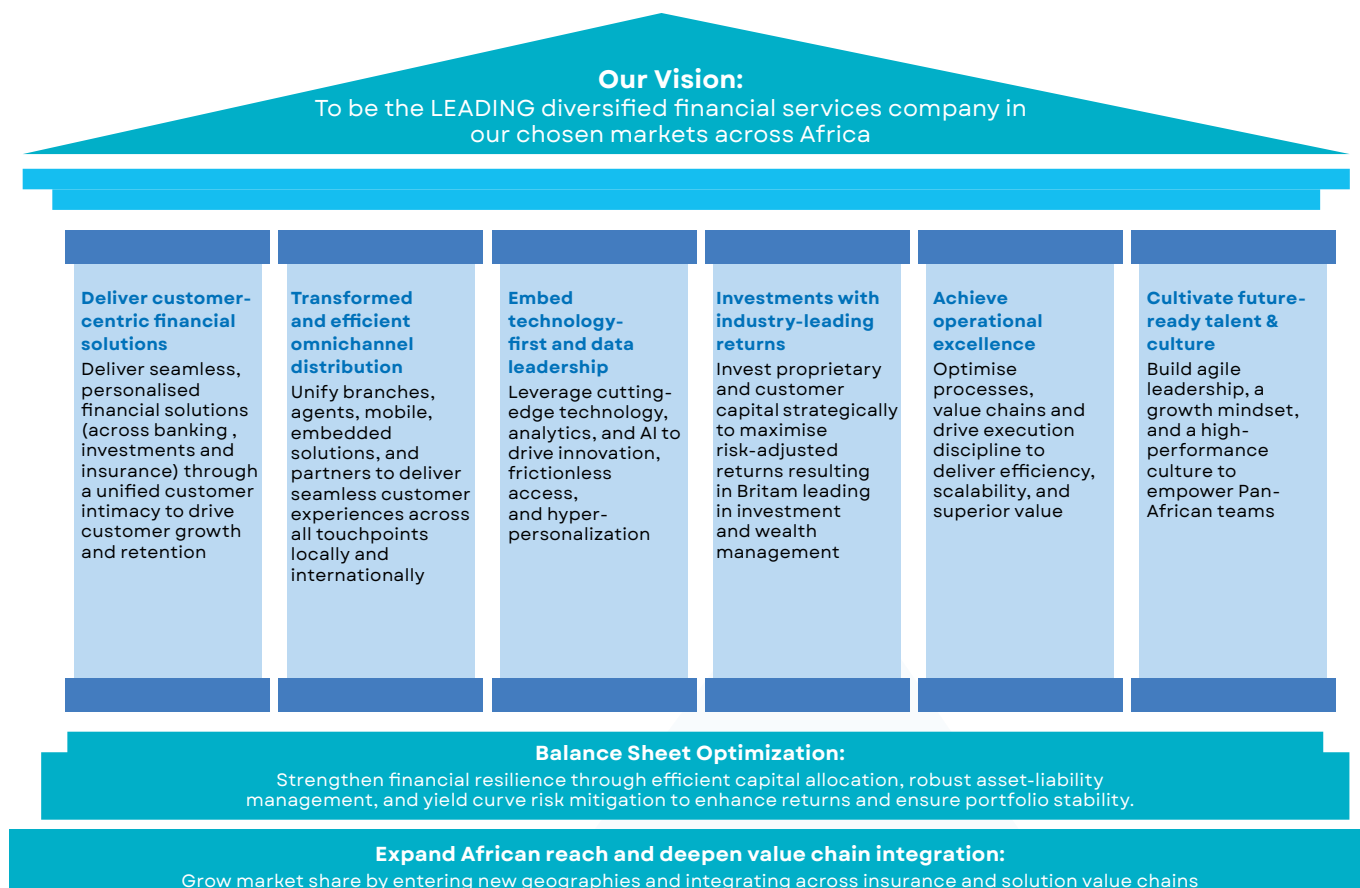
Why ASCEND?

ASCEND is our shared call to rise higher by expanding across Africa, empowering our people, making a positive impact in communities, serving our customers with excellence, sustaining performance through strong governance, sparking innovation, and embracing digitalization as our growth engine.



As we transition from EPIC² to the **ASCEND** Strategy, we build on the strengths, discipline, and lessons of our previous chapter. ASCEND marks our next bold chapter, accelerating growth, strengthening resilience, and positioning Britam as a leading pan-African financial services powerhouse.

These are our ASCEND Pillars





Our leadership

Our Group board of Directors



Mrs. Celestine Munda
64 years
**Interim Chairperson ,
Independent Non-Executive
Director**

Year of appointment: 2022

Ms. Celestine holds a Bachelor of Commerce degree in Accounting (Hons), is a Certified Public Accountant of Kenya, a member of the Institute of Directors (IOD) South Africa; and a member of the Institute of Internal Auditors (IIA) South Africa and Kenya. She has over thirty years' experience in assurance and advisory services.



Dr. Peter K. Munga, EGH
82 years
Non-Executive Director
Year of appointment: 1982

Year of appointment: 2021

Dr. Peter K. Munga, EGH is a Certified Public Secretary with vast experience in both public and private sector management. He holds two honorary doctorates, Doctor of Letters (Honoris Causa) from The University of Nairobi, and Entrepreneurship (Honoris Causa) from Kenya Methodist University. He has a diploma in Human Resources and Financial Management. He has received the highest presidential award to a civilian, the First-class Chief of the Order of the Burning Spear (CBS) and also the Second-Class Elder of the Golden Heart of Kenya (EGH) national decoration, for his outstanding contributions in economic development. Dr. Munga is the Chairman of Pioneer Group of Schools, Equatorial Nut Processors Ltd, Freshco Seeds Ltd and Murang'a Water and Sewerage Company (MWASCO). He is the current Chancellor of Pioneer International University.

He also holds the Yara Prize for Green Revolution in Africa Laureate 2009 award. He is a retired Deputy Secretary in the Government of Kenya. He is the founder and former Chairman of Equity Bank Limited and former Chairman of National Oil Corporation of Kenya (NOCK).



Ms. Judy Kyanda
53 years
**Independent Non-Executive
Director**

Year of appointment: 2024

Ms. Kyanda, the Managing Director at Knight Frank Uganda, boasts over 25 years of expertise in the real estate industry. A Chartered Valuation Surveyor with a BSc and MSc in Real Estate from the University of Reading, she excels in valuation, investment, development, and finance. Her professional scope covers corporate real estate services, including consultancy, advisory, property and facilities management, and brokerage.

Judy has played a key role in Knight Frank's expansion into Kigali, Rwanda, and has led strategic and legal reforms as Chair of the Knight Frank Africa Valuation Committee and the Surveyor's Registration Board in Uganda.



Jimnah M. Mbaru
79 years
Non-Executive Director

Year of appointment: 2024

Mr. Mbaru holds a Master of Business Administration Degree from IMD in Lausanne, Switzerland, a Bachelor of Commerce Degree and a Bachelor of Laws Degree both from the University of Nairobi. He is a fellow of the Kenya Institute of Management. Mr. Mbaru is the Chairman of Dyer and Blair Investment Bank Limited and a former chairman of the African Stock Exchanges and is a former member of the National Economic and Social Council.

Our Group board of Directors



Mr. George Odo
60 years
Non-Executive Director

Year of appointment: 2019

AfricInvest is registered in the Republic of Mauritius and is a consortium of AfricInvest Fund III LLC, Deutsche Investitions- und Entwicklungsgesellschaft mbH, (DEG), a German development finance corporation, The Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (FMO), a Netherlands-based bilateral development bank, and Societe de Promotion et de Participation pour la Cooperation Economique, (Proparco), a France registered development finance corporation.



Mr. Edouard Schmid
61 years
Non-Executive Director

Year of appointment: 2021

Mr. Schmid holds a Masters degree in Physics, Swiss Federal Institute of Technology. He is an Underwriting Advisor to Swiss Re's Group Executive Committee and the former Group Chief Underwriting Officer and member of the Group Executive Committee of Swiss Re Ltd until 31 August 2020, overseeing Swiss Re's underwriting activities across its Reinsurance, Commercial Insurance and Primary Life & Health businesses. He was a Member of the Board of Directors of New China Life Insurance Company Ltd until December 2022.

Other Directorships

He is a Member of the Board of Directors of Definity Financial Corporation, Canada.



Mr. Julius Mbaya
64 years
Independent Non-Executive Director

Year of appointment: 2022

Julius is a seasoned executive with over 30 years of leadership experience in banking and financial services across Africa, spanning both the public and private sectors. He brings deep expertise in information technology, core banking systems, digital transformation, innovation, partnerships, and large-scale change execution. His career includes leading mission-critical initiatives such as enterprise-wide digital transformation strategy, technology operations mergers involving systems, processes and people, IT centralization and hubbing across regions, disaster recovery implementation, and the establishment of digital transformation and innovation hubs.

Julius has served as a board member to national regulatory authorities, advising on information technology and governance matters, and has worked extensively across East, Southern and West Africa, giving him a strong understanding of regional regulatory environments, payments ecosystems, and levels of digital adoption. He has been exposed to global best practices through engagements in the UK, China, Singapore and the United States, and led the development of a digital transformation and innovation strategy for Stanbic Bank Kenya Limited, a member of the Standard Bank Group.

He holds a Practitioner Diploma in Executive Coaching from the Academy of Executive Coaching (UK), completed Digital Strategies for Business at Columbia Business School (USA), a Postgraduate Diploma in Computer Science from the University of Nairobi, and a Bachelor of Education (Science), Mathematics Degree, from Kenyatta University.



Ms. Susan Abisola
65 Years
Non-Executive Director

Year of appointment: 2023

Susan is a Senior Executive with over 30 years' experience in Insurance Marketing and Business Development for both public and private (Banking, Oil and Gas) institutional clients in Nigeria and Ghana. She has garnered extensive experience especially in the areas of strategic planning, product expansion and customer acquisition.

Susan possesses excellent stakeholder management skills with experience dealing with foreign underwriters and international investors. Susan has a Bachelor of Laws degree, LL. B from the University of Warwick, UK and a Master of Laws, LL.M from the University of Lagos. Over the course of her career she has attended several leadership and proficiency trainings including Downstream Energy Insurance Risk Management course at Jardine Lloyd Thompson (JLT); Leadership and Business Strategy for Success at the Wharton School (University of Pennsylvania); Women on Boards – Succeeding as a Corporate Director at the Harvard Business School; Leading with Impact at Harvard University and Emerging Leader Development Program at the Columbia University.

She is a certified member of the Nigerian Institute of Management, Chartered Insurance Institute of Nigeria and the Nigerian Institute of Marketing. She is also a member of the Nigeria Women Executives on Boards (WEOB).

Our Group board of Directors



Mr. Tom Gitogo
57 Years
Group MD and CEO

Year of appointment: 2022

Tom rejoined Britam on 1st September 2022 (he was the Finance Director at Britam until early 2007). He is an accomplished Financial Services Professional skilled in General Management, Commercial and Business Strategy, Sales, Finance Operations and Talent Management, having spent over 30 years in various roles in the financial services industry in Africa and Europe.

He sits on several boards including HF Group PLC. Previously, Tom was the Group CEO at CIC Insurance Group, a listed entity with operations in Kenya, Uganda, South Sudan, and Malawi. Before CIC, Tom was the CEO of Sanlam Kenya Plc.

Tom holds a Master of Business Administration (Strategic Management) from Moi University and a Bachelor of Science in Civil Engineering from the University of Nairobi. He is also a Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW), a Fellow of the Institute of Certified Public Accountants of Kenya (ICPAK), a Fellow of the Kenya Institute of Management, a member of the Institute of Certified Public Secretaries of Kenya (ICPSK) and a member of the Institute of Directors of Kenya (IOD).



Mr. Lotfi Baccouche
63 Years
Independent Non-Executive Director.

Year of appointment: 2023

Mr. Lotfi is a financial services executive with solid experience in both developed and emerging markets with over 35 years of experience in finance, insurance and risk management. He holds a Bachelor of Science (BSc) in Industrial and operations Engineering from University of Michigan and a Master of Science (MSc) in Operations Research and Industrial Engineering from Cornell University. Mr. Lotfi is currently the Vice President - Insurance practice lead in Capgemini Invent in the UK.

Other Directorships

He is a member of the Board of Directors of Royal Exchange General Insurance Company (Nigeria).



Ms. Hilda Njeru
43 Years
Company Secretary

Year of appointment: 2022

Hilda is a financial services executive with over 18 years' experience in banking, capital markets, legal and regulatory affairs, and corporate governance leadership.

Hilda holds a Master of Science degree in International Business Administration from the University of London, as well as a Master of Laws degree, LL.M, and a Bachelor of Laws degree, LL.B, both from the University of Nairobi. Hilda is also a Certified Public Accountant - CPA(K), a Certified Public Secretary - CPS(K), a Certified Governance Auditor and an Advocate of the High Court of Kenya.

The Executive Management team



Mr. Tom Gitogo
**Group Managing Director
and CEO**



Mr. Charles Njuguna
Director Finance & Strategy



Mr. Jackson Theuri
**Regional CEO General
Insurance**



Mr. Moses Kang'ethe
**Acting CEO & Principal
Officer Britam Life
Assurance**



Mr. Barack Obatsa
**CEO & Principal Officer
Britam Asset Managers (K)**



Mr. James Mbithi
**CEO & Principal Officer
General Insurance (K)**



Ms. Evah Kimani
**CEO Britam
Microinsurance**



Ms. Diane Korir
**Director Customer
Experience Brand &
Marketing**

The Executive Management team



Ms. Evelyne Munyoki
Director Human Resources



Mr. Eric Kisaka
Director Risk & Compliance



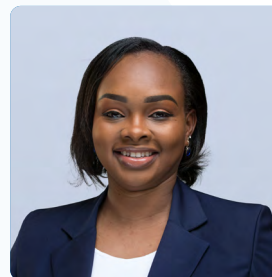
Ms. Catherine Karita
**Director Britam Foundation
& Investor Relations**



Ms. Hilda Njeru
**Director Legal & Company
Secretary**



Mr. Tom Juma
GM - ICT & Operations



Stella Kariuki
Director Internal Audit



Mr. Asaph Ngecha
Chief Actuary



Sustainability Impact & Achievements



1. Introduction

Britam Holdings PLC remains committed to integrating Environmental, Social, and Governance (ESG) principles across its operations, reinforcing sustainability as a core business imperative. In 2025, we achieved significant milestones in our sustainability journey, aligning with globally recognized frameworks, including the UN Sustainable Development Goals (SDGs), the UN Global Compact (UNGC) principles and the Global Reporting Initiative (GRI) Standards.

As an active member of the Nairobi Declaration on Sustainable Insurance (NDSI) and the Africa Natural Capital Alliance (ANCA), we continue to champion responsible business practices that drive long-term value creation. Guided by our theme, "Shaping a Sustainable Future" we remain dedicated to advancing resilience, driving innovation and advancing financial inclusion to create meaningful and lasting impact.

2. Effective Governance for Sustainability

Britam's Board of Directors champions sustainability by embedding principles ESG principles into corporate strategy through the Investments and Strategy Board Committee. This strategic governance approach reflects our unwavering commitment to responsible business practices and long-term value creation. Our sustainability framework is built on the following pillars:

1. Enhanced governance and oversight

A cross-functional Executive Management regularly ensures effective implementation and accountability across the organization.

2. Defined guiding principles

Clear policies on environmental stewardship, social responsibility and ethical business conduct have been developed to inform decision-making at all levels.

3. Operational embedment

Sustainability considerations are systematically integrated into core business functions, including investments, product development and supply chain management.

4. Transparent reporting and communication

We are committed to maintaining transparency through regular ESG reporting, aligned with globally recognized frameworks such as the GRI Standards.

Recognizing the material risks associated with unsustainable practices, we have implemented a comprehensive framework to manage sustainability risks effectively:

- **Sustainability risk management policies:** Defined methodologies for risk assessment, mitigation and reporting, approved by the Board.
- **ESG integration in decision-making:** Systematic incorporation of ESG factors into underwriting and investment processes, to ensure alignment with sustainable opportunities.
- **Business management systems:** Embed ESG considerations into our operational and administrative systems, to enhance responsible practices organization-wide.

This strategic approach enhances resilience, forward-thinking and alignment with the evolving expectations of our stakeholders and the global sustainability agenda.

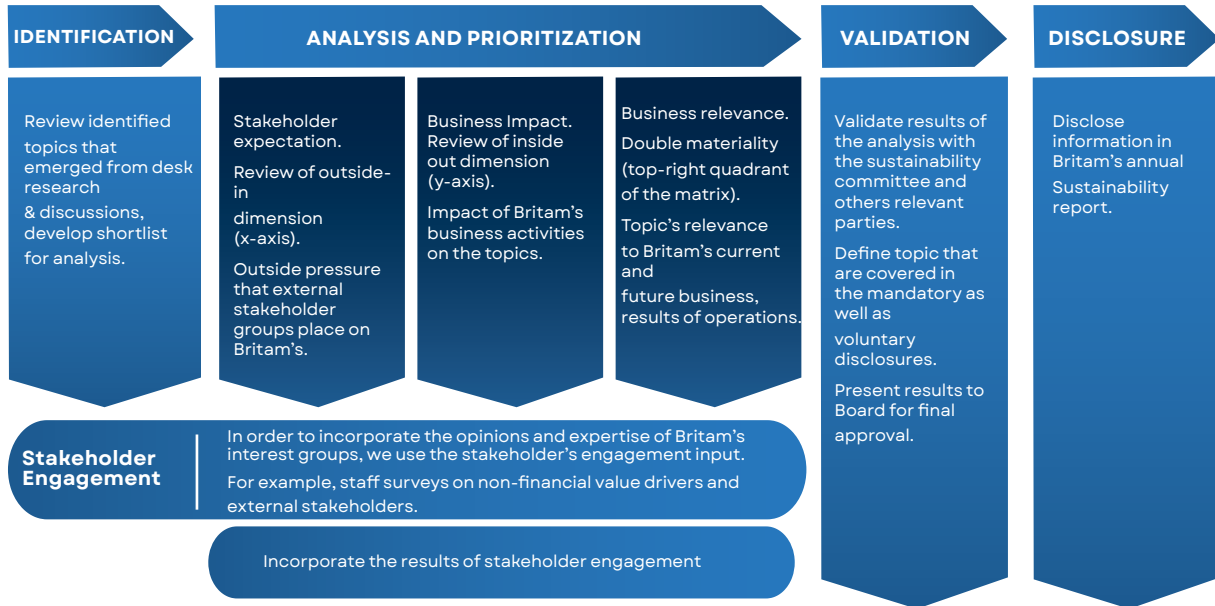
3. Materiality Assessment & Mapping

Britam's materiality assessment ensures that sustainability efforts focus on the most pressing ESG issues impacting both business success and stakeholders. The materiality mapping visualizes the most relevant topics based on stakeholder impact and business importance.

3.1. Materiality Process

Materiality process (detailed herein) to identify these priorities and shape our sustainability framework.

Guided by principles of transparency and collaborative engagement, we are committed to involving stakeholders at every step of our sustainability journey. This approach strengthens our relationships with stakeholders and enhances our environmental stewardship. By identifying material topics that reflect stakeholder concerns, we aim to direct our efforts where they can have the greatest impact



- 1. Identification:** Stakeholder engagement, industry benchmarking and sustainability trends review.
- 2. Analysis and prioritization:** Assessing business relevance and stakeholder impact.
- 3. Validation:** Review by sustainability committees and executive leadership.
- 4. Disclosure:** Transparent reporting aligned with global ESG frameworks.

3.2. Materiality Mapping

Through stakeholder engagement and benchmarking, we pinpointed critical sustainability issues and integrated them with our business strategies and commitments to the UN Global Compact (UNGC). This emphasis on responsible growth will help us build a more resilient and customer-focused organization. We conducted a thorough materiality assessment in 2023, incorporating the latest industry trends and extensive stakeholder engagement on ESG matters.

The materiality matrix below categorizes the most significant ESG topics for Britam based on importance to stakeholders and impact on business success. It demonstrates how ESG issues are interconnected with our business success and aligned with stakeholder priorities. We conducted a thorough materiality assessment in 2023, incorporating the latest industry trends and extensive stakeholder engagement on ESG matters.

By analyzing this comprehensive data set, we gained valuable insights into the factors most critical to our long-term sustainability. These insights guide our strategic decisions and shape our sustainability initiatives, ensuring we focus on the areas that matter most to our stakeholders and our enduring success.

Through stakeholder feedback, particularly from community outreach programs and engagements, the materiality assessment highlighted "Financial Inclusion" as a highly significant ESG issue. In response, Britam has intensified its focus on microinsurance products tailored to the needs of underserved communities. This not only addresses a pressing social concern but also opens up new market opportunities.

We are due to refresh this materiality assessment in 2026 to ensure that we remain aligned with local and global trends and other factors that directly impact priorities.

3.2. Materiality Mapping (continued)



Safeguarding our Environment

- 1. Climate Action
- 2. Water Stewardship
- 3. Waste Management

Healthier Lives and Well-being

- 4. Access to Sustainable Healthcare
- 5. Awareness and Education
- 6. Community Outreach

Positive Impact to Our People

Customer Experience:

- 7. Product & Service Awareness Creation
- 8. Customer Engagement & Retention
- 9. Service Quality & Assurance

Employee Experience:

- 10. Diversity, Equity & Inclusion (DEI)
- 11. Talent Acquisition and Development
- 12. Training & Development
- 13. Employee Benefits
- 14. Employee Health & Safety

Innovation, Collaboration, and Technology

- 15. Innovation & Creative Advancements
- 16. Technology Advancement & Digital Transformation
- 17. Strategic Partnerships

Responsible Business

- 18. Transparency, Risk Management & Compliance
- 19. Sustainable Supply Chain Management
- 20. Sustainable Underwriting
- 21. Sustainable Investments

Safeguarding our Environment

Healthier Lives and Well-being

Innovation, Collaboration, and Technology



Responsible Business

5. Britam's Material Sustainability Topics

Our material sustainability topics, define our approach to creating long-term value for our stakeholders while addressing pressing global challenges. Our sustainability efforts are directly linked to various indicators to the 9 UN SDGs, which provide a global framework for addressing economic, social, and environmental challenges. These are the five key pillars that shape our sustainability journey:

- **Safeguarding our environment** – Our commitment to climate action, responsible resource management and waste reduction aligns with global environmental goals.
- **Positive impact to our people** – We prioritize customer and employee experiences. By fostering a supportive workplace and enhancing service quality, we drive engagement and long-term value creation.
- **Healthier lives & well-being** – Through access to healthcare, education and community outreach, we contribute to better health outcomes and improved livelihoods, particularly for underserved communities.
- **Innovation, collaboration & technology** – We embrace technological advancements, digital transformation and strategic partnerships to drive sustainable business growth.
- **Responsible business** – Upholding integrity, transparency and ethical business practices ensures that we manage risks effectively and drive sustainable investment and governance.



Material Topic	Material sub themes	GRI Topic Standards	Related SDG(s)	UNGC Principles
Positive Impact to our People	The Customer Experience:	GRI 418-1	  	9
	Product & Services Awareness Creation			10
	Customer Engagement & Retention	GRI 416 & 417		7,8 & 9
	The Employee Experience:	GRI 405	    	1,2,3,4,5 & 6
	Diversity, Equity and Inclusion			1 & 6
	Talent Acquisition & Development	GRI 401		1,2,4 & 6
	Training & Development	GRI 404		1,2 & 6
Employee Benefits	GRI 401 & 403	1 & 2		
Employee Health & Safety	GRI 401, 403, 406 and 409			
Healthier lives and wellbeing	Access to Sustainable Healthcare	GRI 203-1	    	7,8 & 9
	Awareness & Education	GRI 203-2		1 & 10
	Community Outreach	GRI 413 & 203		2,6,7 & 8
Collaboration, Innovation and Technology	Innovative & Creative advancements	GRI 203	 	9
	Technology Advancement & Digital Transformation			
	Strategic Partnerships			
Safeguarding our Environment	Climate Action	GRI 302	 	7,8 & 9
	Water Stewardship	GRI 303		
	Waste Management	GRI 306		
	Biodiversity	GRI 101		
Responsible Business	Transparency, Risk Management & Compliance Management	GRI 205, 206 & 207	  	10
	Sustainable Supply Chain Management	GRI 204, 308 & 414		1,2 & 10
	Sustainable Investment	GRI 201 – 2:		1,2 & 10
	Sustainable Underwriting			7 & 8

6. Key Highlights of 2025

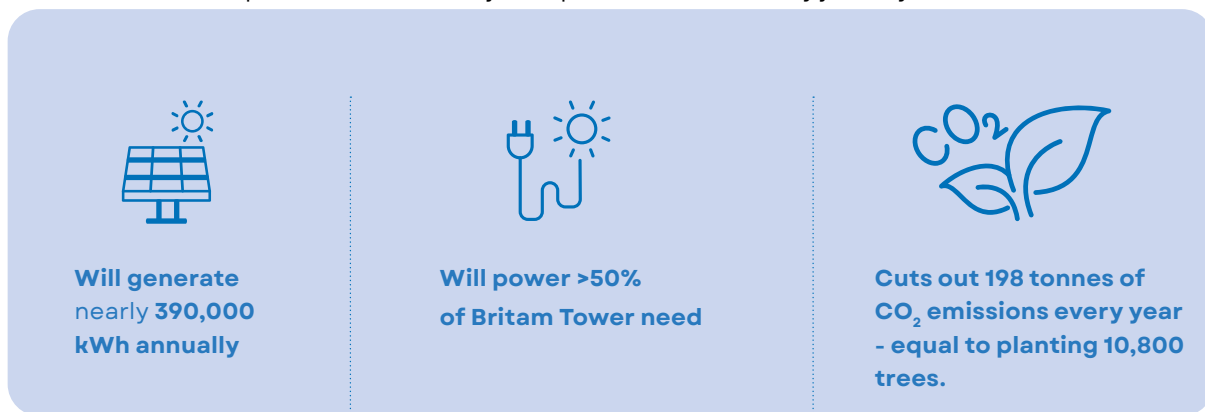
Britam has made significant strides in advancing its sustainability agenda and some highlights include:

i. Strengthening sustainability reporting & transparency

- Published Britam's second Sustainability Report, reinforcing transparency and accountability in ESG performance. This impact-driven report aligns with GRI reporting standards, showcasing our commitment to responsible business practices.
- Adopted the Taskforce on Nature-related Financial Disclosures (TNFD) framework to enhance our reporting on nature-related risks and opportunities, strengthening our approach to environmental stewardship.
- Committed to the Forward Faster initiative under the UN Global Compact, advancing Gender Equality and Climate Ambition as part of our broader sustainability agenda.
- Signed the Code of Ethics for Businesses in Kenya, an initiative led by Global Compact Network Kenya, Kenya Association of Manufacturers, and Kenya Private Sector Alliance, reinforcing our dedication to ethical business conduct. This commitment aligns with the UN Global Compact's Ten Principles on Human Rights, Labour Standards, Environment and Anti-Corruption.

ii. Advancing renewable energy & climate action

- Commissioned a Solar Project at the Britam Tower. From its installation in October 2025 to mid-December 2025, the solar installation generated 390,000 kWh, leading to KES. 566, 823.42 savings realized in 3 months.
- This new solar rooftop installation is a major leap in our sustainability journey:



- The Solar Carport at Britam Centre, which was installed in 2024, had output totaling to 207 Kwp
 - Power Generated: 390,000 kWh
 - 148 tons of CO₂ emissions avoided - Equivalent to planting 8,107 trees
 - Direct Savings: KES 4.5 million

iii. Lasting Climate Impact

- Launched the 60 Million Trees campaign, an initiative designed to strengthen Britam's long-term shareholder value by reducing climate risk exposure, opening growth opportunities and protecting our license to operate.
- This nature-based, high-credibility climate intervention directly supports our financed-emissions strategy and has potential to generate approximately USD 90Million worth of carbon asset value over the 20-year maturity period, assuming a trees' survival rate of 70%.

iv. Commitment to gender equality & inclusion

- Officially signed the UN Gender Equality and Women's Empowerment Principles (WEPs) reaffirming our commitment to fostering an inclusive, diverse, and equitable workplace that empowers women and promotes gender equality.

v. Industry recognitions & awards

- [2nd Runners Up – Best ESG of the Year Category](#) at the 5th Annual IHRM Awards.
- [Corporate Governance Excellence Award](#) at the 2nd Annual Kenya ESG Awards, recognizing our leadership in ethical governance and sustainability practices.

7. Strategic Outlook for 2026 and Beyond

Britam remains unwavering in its commitment to driving sustainable growth, advancing innovation and delivering long-term value for all stakeholders. Anchored in a purpose-driven approach, we continue to focus on the following strategic priorities to solidify our leadership in sustainability and inclusive insurance solutions:

- i. Impacting 100million lives across the Britam footprint through our interventions, presence, products and services.
- ii. Enhancing climate resilience and environmental stewardship
- iii. Expanding access to affordable and inclusive insurance solutions
- iv. Accelerating financial inclusion through digital transformation
- v. Strengthening sustainability governance, transparency and reporting
- vi. Sustaining a culture of sustainability through capacity building
- vii. Deepening stakeholder engagement and establishing impactful strategic partnership

By advancing these priorities, Britam seeks to build a more resilient, equitable and sustainable future. We are committed to leveraging innovation, technology and collaborative partnerships to create meaningful and lasting impact for our customers, employees, shareholders and the communities we serve.

We invite you to explore our sustainability journey and achievements by visiting our dedicated Sustainability Webpage: [Empowering a Sustainable Future | Britam Holdings Plc](#)

Your engagement and feedback are invaluable as we work together to drive meaningful impact and shape a more sustainable, inclusive and resilient future. For inquiries or to share your thoughts, please contact us at: sustainability@britam.com

OUR FOUNDATION





Introduction

Britam Foundation is the Corporate Social Investment arm of Britam Holdings PLC, a leading diversified financial services group operating across seven African countries. The Foundation was incorporated in 2015, and it builds on Britam’s purpose of safeguarding dreams and aspirations in Africa, transforming this into tangible community investments and impact.



OUR PURPOSE
Enriching Lives in Africa



OUR VISION
Empowering thriving communities through holistic health, quality education, sustainable environments, and boundless entrepreneurial opportunities.



OUR MISSION
To catalyze positive change in health, education, environment, and entrepreneurship, we aim to empower individuals, nurture communities, and inspire sustainable development for generations to come.



OUR PILLARS

1. Health & Wellbeing
2. Education
3. Environment
4. Entrepreneurship

Our Foundation Footprint in Africa



1. Kenya
2. Uganda
3. Tanzania
4. Rwanda

Counties in Kenya Where We Operate In

- | | | |
|-----------------|-------------|-----------------|
| 1. Kitui | 5. Nakuru | 9. Nairobi |
| 2. Machakos | 6. Kajiado | 10. Trans-Nzoia |
| 3. Taita Taveta | 7. Murang'a | |
| 4. Nyeri | 8. Homabay | |

Overall Impact in Action

The Britam Foundation achieved significant community-centered results through its four main pillars. It reached over 90,000 people by providing clean water access. It also improved health outcomes for 305 uninsured mothers, with 97% of deliveries being safe. The foundation contributed to environmental restoration by planting 95,235 trees and rehabilitating over 444 acres. These efforts improved education by giving 70 schools access to water, which reduced absenteeism and created better learning environments. Entrepreneurship programs offered training, mentorship, and support for businesses, expanding opportunities for youth and women. The initiatives across the four pillars contributed to a healthier, more resilient and empowered communities across Africa.



70

Schools Accessed Water.



305

Underserved women received maternal health care through the lea salama program



444+

Acres Reforestation on Mt. Elgon Water Tower.



95,235

trees were planted.



90,000+

Lives Impacted (Learners and Communities)



40,000+

Lives improved in the Kiptogot area through forest rehabilitation.

ACHIEVEMENTS IN EVERY PILLAR

A. Health and Wellbeing

Britam Foundation’s health and wellbeing programs aim to address persistent health inequalities by expanding access to maternal and newborn health services in underserved communities. The maternal and newborn health program recorded substantial progress enrolling 305 uninsured mothers into comprehensive care and facilitating an average of six antenatal visits for each beneficiary. The program recorded a 97% safe delivery rate, with 94% of participating households reporting lower pregnancy related expenses. Overall program coverage reached 93%. This exceeded both national and global standards, highlighting the Foundation’s effectiveness in improving maternal health and reducing barriers to quality care.

Maternal and newborn health program highlights:



Britam Water Projects Highlights

Britam Foundation's Water, Sanitation and Hygiene (WASH) interventions play a central role in strengthening community health and resilience by ensuring reliable access to clean and safely managed water systems. By rehabilitating boreholes, installing solar-powered water infrastructure, and integrating hygiene education in schools, the Foundation addresses critical WASH gaps that contribute to disease, absenteeism, and poor learning outcomes in underserved regions. The Water Project expanded its reach, operating in four countries and providing clean water to 70 schools, benefiting over 90,000 people. With an average daily borehole yield of 9,200 litres and an 88% reduction in operational water access costs, the initiative has strengthened public health outcomes. It has also enhanced learners' educational environments and improved the overall efficiency and sustainability of water supply systems.

WASH water project highlights:



B. Environmental Stewardship

Britam Foundation’s Environment pillar focuses on climate action, restoring ecosystems, and building long-term environmental resilience. The Foundation’s programs on Environmental Stewardship prioritized large-scale reforestation, rehabilitating ecosystems, and creating green economic opportunities for local communities. During the reporting period, these efforts had a significant impact, including restoring over 444 acres of degraded land, planting 5,700 trees in schools, and planting 86,000 trees within the Mt. Elgon Water Tower. The Foundation also created 1,368 green jobs that support community livelihoods. Additionally, 105 local businesses were strengthened through conservation-linked activities, highlighting the Foundation’s commitment to environmental care while supporting socio-economic resilience in vulnerable ecosystems.

Tree growing highlights:



C. Education

Britam Foundation’s education pillar is dedicated to reducing systemic barriers to quality learning and promoting equitable access to educational opportunities for children and youth across underserved communities. The Foundation prioritizes interventions that improve school environments, strengthen foundational learning, and prepare young people for future employment. Through investments in school infrastructure. The Foundation continues to expand pathways for learners to thrive academically and socio-economically. The Foundation sponsored three actuarial students to pursue actuarial training at the Actuarial Academy of East Africa (AAEA), helping to strengthen the future pipeline of actuaries for the insurance sector.

D. Entrepreneurship

Britam Foundation’s Entrepreneurship pillar is designed to address the rising youth unemployment and Not in Education, Employment, or Training (NEET) rates across the region by equipping young people and women with practical, market-relevant skills and opportunities for enterprise growth. Working closely with Beta Lab, the Foundation delivers a comprehensive suite of entrepreneurship interventions that include training, mentorship, incubation, and product development support tailored to community and market needs.

ALIGNMENT OF THE FOUNDATION INITIATIVES WITH THE SDGS

	<p>Good Health and Well-being</p>	<ul style="list-style-type: none"> • Lea Salama Maternal Health Program: Providing safe, affordable maternity services for uninsured women (telehealth, mental health, financial literacy). 300 households benefited. • Water Project: Improving child health by supplying clean water to schools and communities.
	<p>Quality Education</p>	<ul style="list-style-type: none"> • Scholarships and mentorship programs for bright, needy students. • Water Project: Reducing absenteeism by giving children more time in class.
	<p>Clean Water and Sanitation</p>	<ul style="list-style-type: none"> • Installation of solar-powered water systems in schools across Kenya and the region. • Hygiene education in schools, conservation and system maintenance. Impact: >60 water systems installed.
	<p>Affordable and Clean Energy</p>	<ul style="list-style-type: none"> • Solar-powered school water systems, reducing fossil fuel reliance. • Rehabilitation and solarization of more than 60 solar projects across the region.
	<p>Decent Work and Economic Growth</p>	<ul style="list-style-type: none"> • Financial literacy training for youth and women. • Entrepreneurship support for MSMEs through partnerships and mentorship.
	<p>Climate Action</p>	<ul style="list-style-type: none"> • Climate-smart solar water projects and community adaptation training. • Mt. Elgon Reforestation project. • Tree planting in schools to promote sustainability culture.
	<p>Partnerships for the Goals</p>	<ul style="list-style-type: none"> • Collaboration with like-minded stakeholders to scale programs. • Joint resource mobilization and monitoring for greater impact.

With you every step of the way

Our People

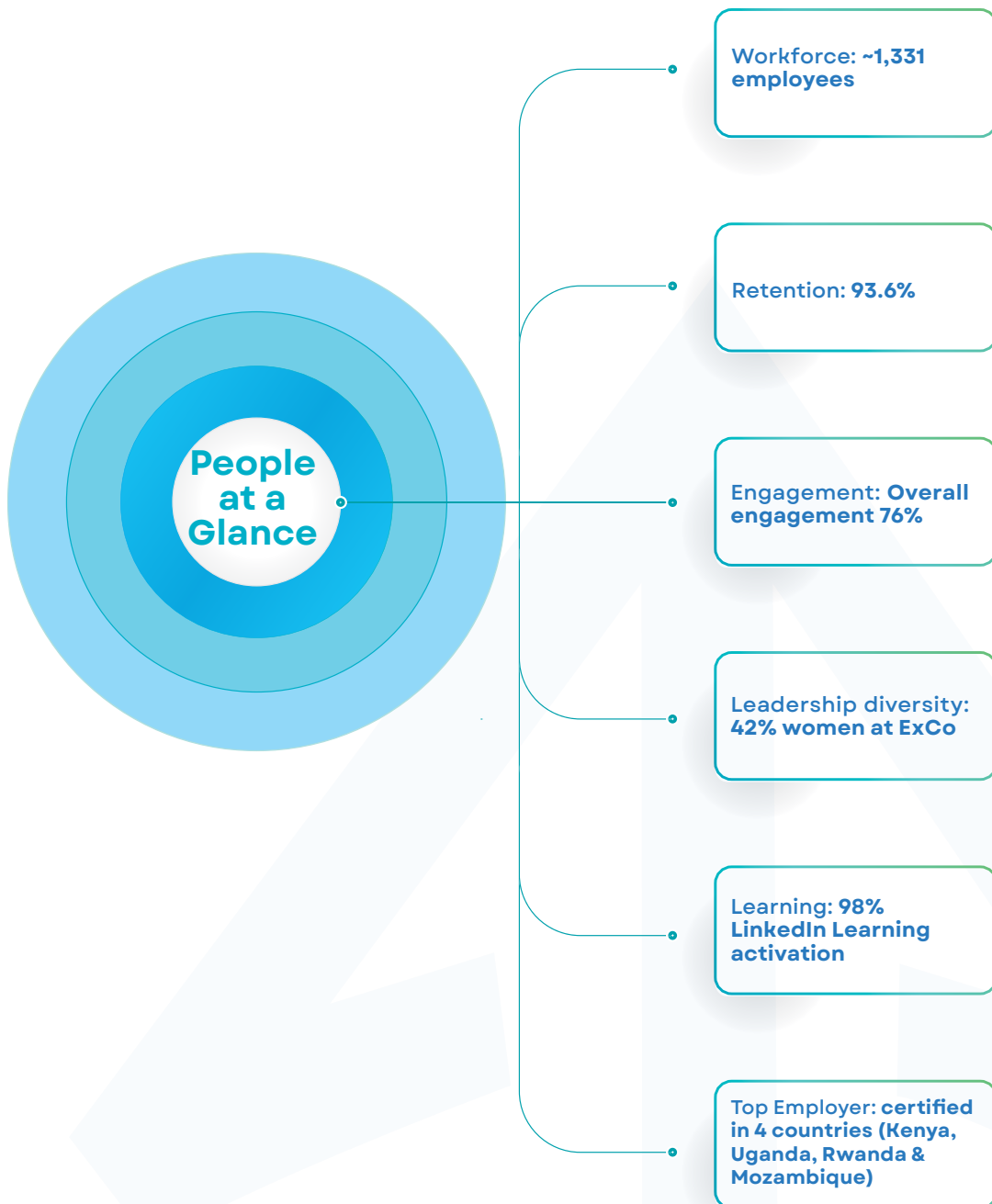


People and Culture: Our People, Our Power

At Britam, our people power performance. Across the seven markets we serve, the Blue Tribe brings energy, discipline and customer focus to the work that matters, delivering financial solutions that create confidence for individuals, families and businesses.

Our people agenda forms a core pillar of Britam’s sustainability framework, supporting employee wellbeing, inclusion, ethical conduct and long-term organizational resilience across markets. Guided by the EPIC2 Strategy (2021–2025), we strengthened the foundations of a workplace where employees feel valued, supported and challenged to grow. Our focus in 2025 remained clear: deepen employee experience, develop leadership capability, strengthen technical excellence and embed a culture that drives delivery.

As EPIC² concluded, we sharpened organisational readiness for our next strategic chapter, **ASCEND (2026–2030)**. In 2025, our people agenda focused on building the capability and systems required to deliver **ASCEND** with consistency across markets: execution excellence, customer obsession, digitalisation and innovation, sustainability and governance, and the nurturing of talent and partnerships.



Talent Demographics

In 2025, Britam’s total headcount was **1,331**, with **229 new joiners**. Gender and generational demographics remained balanced across key employee groups, supporting diversity of perspective and continuity of capability across the organisation.

Staff Breakdown Demographics

Category	Female	%	Male	%
Executive	5	1%	6	1%
Management	78	12%	102	14%
Other Staff	544	87%	596	85%
Grand Total	627		704	

Generational Demographics

Generation	Female	%	Male	%
Gen X	56	9%	85	12%
Gen Z	172	27%	204	29%
Millennial	399	64%	415	59%
Grand Total	627		704	

strong millennial base, growing Gen Z intake and balanced gender split.

Winning as One Blue Tribe Through Culture Transformation

In 2025, we consolidated gains through our culture transformation journey, Blue Fusion, in employee experience and branding, talent development and leadership capability. We reinforced a high-performance environment anchored in Accountability, Trust, Agility and Customer Centricity (ATAC). These behaviours shape how teams collaborate, make decisions and serve customers, and reinforce ethical conduct, accountability and risk-aware decision-making across the organization. Overall culture index remained strong at 76 percent with sustained progress across the eight-pillar Culture Blueprint.

Key Culture Milestones in 2025

Recognition that reinforces values

The GMD Wall of Fame continued to strengthen a recognition culture grounded in our Leadership Code. Colleagues nominated peers who demonstrated values in action, improving visibility of everyday excellence and strengthening inclusion in recognition. In 2025, we recognised 99 employees, including recipients of Pinnacle Awards presented at the End-of-Year celebration.



Culture champions for momentum

Through BT Warriors engagements, we sustained culture advocacy across teams and markets. BT Warriors supported values reinforcement, peer influence and local activation, strengthening consistency in how culture shows up day-to-day.

Culture made visible in our workspaces

We progressed design and readiness work for the Britam culture wall murals that were unveiled in 2026 at Britam Centre and Britam Tower. The murals were designed to strengthen everyday visibility of our culture and reinforce what it means to show up with ownership, energy and follow-through.

Britam: A Top Employer for 2024, 2025 & 2026

Britam was certified as a **Top Employer in Africa in 2025 and 2026**. Kenya has been certified for the 3 years in a row (2024, 2025 & 2026) and Uganda, Rwanda and Mozambique certified for 2 years in 2025 & 2026. This recognition affirms sustained investment in people practices that enable employees to thrive reward, learning, wellbeing, inclusion and progressive work policies.



Certification across multiple markets reflects the strength of our employee value proposition and the consistency of our people standards across the region. The Top Employer Institute's independent audit recognised our maturity in leadership alignment, employee experience design and organisational resilience, reinforcing our position as a high-trust, high-performance organization.

Developing Future-Ready Capability

People development remained central to performance and long-term sustainability in 2025. We strengthened leadership pipeline, technical capability, digital learning adoption and access to academic advancement opportunities.

Key development milestones in 2025

Britam Leadership Academy

We celebrated a landmark graduation of the Academy, The Leadership Academy which reached a major milestone with 395 leaders graduating across programmes. Leadership development translated directly into organizational outcomes, with 73 percent of promotions drawn from programme alumni. This strengthened management capability, accountability, leadership continuity across markets and building a structured platform for future-ready leaders.

Britam Technical Excellence Centre (BTEC)

We launched BTEC beginning with Underwriting and Reinsurance, strengthening technical depth and supporting execution excellence.

Britam-UNICAF scholarship partnership

We expanded access to higher education for employees and their dependents. To date, **32 employees** have enrolled in UK-based partner universities.

Blue Eagles School of Sales Excellence (Learning Management System)

We enhanced learning delivery through the acquisition of a Learning Management System, strengthening access to centralised learning resources and enabling data-driven learning insights.

Building a Talent Pipeline: Graduate Trainee Programme

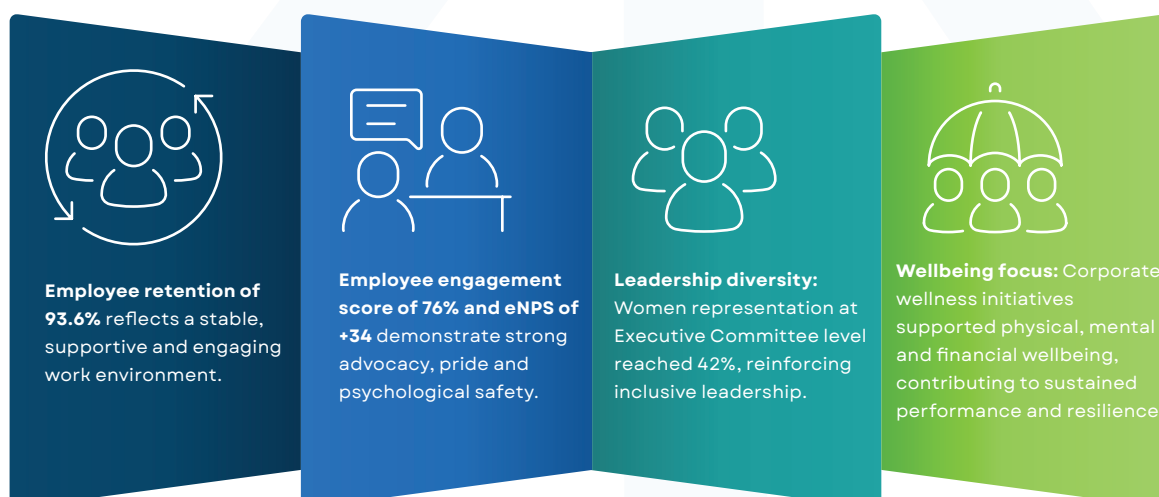
We continued to strengthen early-career talent through the Britam EDGE Graduate Trainee (GT) Programme, an accelerated pathway designed to build future leaders through structured learning, cross-functional exposure and guided development. The programme supports our long-term sustainability by strengthening capability early and building a reliable succession pipeline for critical roles.

In 2025, **34 graduate trainees** were recruited from more than 8,800 applicants across seven markets, reflecting strong employer attractiveness and demand. Feedback from managers and host teams reflected strong performance, adaptability and contribution. Programme quality remained high, with 97 percent trainee retention and full curriculum completion across participants. Structured rotations and leadership exposure supported readiness for future roles and contributed to a sustainable leadership pipeline

A structured mentorship framework is scheduled to launch in March 2026, pairing trainees with senior leaders for career guidance and leadership exposure. Targeted learning enhancements will continue to strengthen technical depth and professional capability as the programme matures.

Sustainability: Enabling Responsible Growth and Organisational Resilience

Sustainability remained a strategic priority in 2025, integrated into Britam's people, culture and performance agenda. Our approach focused on responsible business practices, employee wellbeing, inclusion, environmental stewardship and community impact, ensuring long-term value creation for employees, customers and society.



People & Social Sustainability (Human Capital Impact)

Our sustainability agenda is anchored in how we attract, develop, support and retain talent.

Leadership depth and succession

Leadership bench strength continued to deepen. A total of 515 successors were identified across critical roles, with 71 percent assessed as ready-now successors. Women represented 51 percent of the succession bench, reinforcing diversity and leadership sustainability across the organization.

Diversity, Equity, Inclusion & Belonging (DEIB)

In 2025, we strengthened inclusion and belonging through targeted programmes that support diverse talent and create pathways for growth. Leadership diversity remained a clear focus, with 42% women representation at ExCo level. Women represented 42 percent of executive leadership and 43 percent of manager and above roles. Female employee engagement reached 74 percent while male employee engagement remained strong at 77 percent, reflecting sustained inclusion outcomes across genders.

Men of Purpose

The Men of Purpose Initiative launched successfully across markets, with 80 participants selected from 194 applicants, a holistic programme supporting male employees across relationships, financial literacy, spiritual wellbeing and physical and mental health, delivered through workshops, mentoring circles, expert sessions and accountability groups. The programme strengthened development, wellbeing and engagement among male employees and reinforced balanced inclusion across the workforce.



Women in Leadership

We successfully relaunched our flagship Women in Leadership programme to prepare high-potential women for senior leadership. The programme focused on strategic thinking, executive presence, negotiation, resilience and inclusive leadership. Over **67 women graduated in 2025**, strengthening female leadership representation and readiness. In December we also kicked off our 3rd cohort of 40 enrolled in the program.

The School of Life mentorship programmes continued to expand belonging and development. SheThrives engaged 21 mentors and 99 mentees, while ManCave engaged 28 mentors and 85 mentees across countries, strengthening peer support and growth pathways.

We also co-sponsored three employees for the Female Future Programme (FKE), reinforcing our commitment to building capability and leadership confidence across the Blue Tribe. International Women's and Men's Day celebrations strengthened visibility of our inclusion agenda and reinforced belonging across teams.



Recognition, Connection and Moments That Matter

We strengthened community, wellness and connection through initiatives that celebrate performance and build shared identity.

Holistic Wellbeing and Connection

In 2025, Britam transitioned its wellbeing strategy from isolated events to a comprehensive "always-on" ecosystem integrated into our Employee Value Proposition

- **Building the Blue Tribe Community:** Our connection strategy is anchored in the Blue Tribe Community, comprising 27 interest-based groups (e.g., Hiking, Walking, Gym Sharks) that engage 43% of our workforce (521 members).
- **Family Resilience:** We conducted a 6-part Parenting Webinar series with over 500 total attendees.
- **Mental Health Support:** We reinforced our confidential Employee Assistance Program (EAP) and provided onsite counseling, supported by the 100% implementation of 12 Employee Experience (EX) journeys featuring video explainers.

Employee Engagement

During the year, the Group continued to invest in employee engagement initiatives that enhance collaboration, wellbeing, and performance across its markets. This included participation in the AKI Games after a six-year hiatus, where the Group achieved strong overall results, reinforcing teamwork, discipline, and resilience. Engagement was further strengthened through Annual Sports Day activities, TGIF sessions, and an end-of-year celebration, which promoted cross-functional connection, wellness, and recognition of collective achievements.

The Group also marked key employee life milestones, including parenthood, with 68 employees receiving gifts. Collectively, these initiatives strengthened morale, organisational cohesion, and talent retention, supporting a high-performance culture and long-term value creation



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and counting.

Awards and External Recognition

Britam and its people received external accolades in 2025 across people, culture, marketing, customer experience, governance and sustainability. These awards reflect capability, creativity and commitment across teams and markets, reinforcing our ambition to build a world-class organisation powered by people.

IHRM, HR Awards

- Best HR Transformation / Change Strategy of the Year 2025 – 1st Runners-Up (Britam Holdings Plc)
- Best People-Focused CEO/MD of the Year 2025 – Tom Gitogo - Winner
- Trend Setter of the Year 2025 – Gloria Chepkoech - 1st Runners Up



MSK Awards, Marketing Society of Kenya

- Best Sustainability / CSR Campaign – 1st Runners-Up (Lea Mama Initiative)
- Business-to-Business Marketing Strategy – Winner (Britam Biashara Club)

InstinctWave Group, Marketing World Awards

- Innovative Insurance Product of the year – Winner (Lea Mama)
- Innovative Insurance Brand – Winner (Britam Holdings)

ICX Kenya , The ICX Service Excellence Awards

- People’s Choice Award – Winner (Britam Life Assurance)
- People’s Choice Award – Winner (Auto Insurance)
- Best Customer Communication Strategy – 1st Runners Up
- Best Contact Centre – 1st Runners Up
- CX Warrior of the Year – 1st Runners Up (Wycliffe Owuonda)



KENCTAD, Kenya ESG Awards

- Corporate Governance Excellence – Winner (Britam Holdings, ESG)

Strategic Nest, Strategic Business & Leadership Awards

- Corporate of the year – Britam Holdings (Insurance and Risk Management)

LSK, Nairobi Legal Awards

- Private Sector In-House Legal Department of the Year – 1st Runners Up (Britam Holdings)

FiRe(Financial Reporting Awards)

- ESG Reporting, GRI category – 1st Runners Up (Britam Holdings)

KETIBA, Kenya Travel Industry Business Awards

- Best travel Insurance Provider – 2nd Runners Up (Britam Holdings)

Additional individual recognitions

included:

- **Evelyne Munyoki** – CHRO of the Year (EMEA) by HRO Today and Best Woman HR Leader (Women’s Tabloid)
- **Aidah Nkwanzi** – Emerging Woman CEO (Life Insurance) Womens Tabloid.
- **Caroline Nyambok** – Best Talent Leader of the Year; Talent Acquisition Team of the Year by HRO Today, Top 25 Change Makers in East Africa
- **Rina Wachira** – Top 25 Change Makers in East Africa.

Industry Recognition

Our leadership in the marketing industry in 2025 was recognised through several sector awards, reflecting excellence across customer experience, brand, people, and solutions:

• ICX Service Excellence Awards

- People’s Choice Awards: Life and Auto Insurance
- 1st Runners-Up: Best Communication Strategy; Best Contact Centre
- CX Warrior of the Year: Wycliffe Owuonda

• Marketing Society of Kenya Awards 2025

- Best Business-to-Business Marketing Strategy – Britam Biashara Network
- 1st Runners-Up: Best Sustainability/CSR Campaign – Lea Mama by Britam Connect

• Marketing World Awards 2025

- Marketing Leader of the Year – Diane Korir
- Innovative Insurance Brand of the Year – Britam
- Innovative Insurance Product of the Year – Lea Mama by Britam Connect



Customer Experience, Brand & Marketing



Customer Experience, Brand & Marketing

Customer Experience (CX)

We continued to strengthen how customers experience its services in 2025, delivering measurable gains in satisfaction, loyalty, and service reliability. The Group's Annual Net Promoter Score (NPS) increased to 49, up from 42 in the previous year, reflecting stronger customer advocacy and confidence in the brand. Customer satisfaction reached 96%, underscoring sustained improvements in service quality and consistency across the business.

Seamless Service Delivery Across All Touchpoints

To support a more intuitive and consistent customer journey, we advanced its branch uplift programme, redesigning 12 branches into modern, customercentric spaces. These refreshed environments improve accessibility, speed of service, and reinforce a unified brand experience.

Across digital channels, new and enhanced tools simplified onboarding, policy management, and claims tracking. These enhancements reduced turnaround times, increased transparency, and empowered customers with greater control over their financial journeys, reinforcing our commitment to convenience and reliability.

Brand Performance and Market Strength

The improvements in customer experience translated into stronger brand performance in 2025. According to the Brand Finance Kenya 2025 Report, Britam:



These outcomes reflect sustained trust in the Britam brand and reinforces our leadership position within a highly competitive insurance market.

Britam@60: Honouring the Past, Looking Ahead

Britam's 60year milestone marked more than a celebration—it represented a renewal of identity and ambition. Under the theme "Africa's Friend for 60 Years," the Group delivered a regional campaign that combined heritage storytelling, customer impact, and forwardlooking confidence. A flagship television commercial, a heritage documentary, and integrated activations traced Britam's evolution from a modest insurer founded in 1965 to a PanAfrican financial services group.

The anniversary also unified employees across seven countries, culminating in a symbolic flagplanting at Point Lenana on Mt. Kenya and a landmark fireworks celebration at Britam Tower. These moments served as powerful expressions of the organization's journey to date—and its continued ambition to scale greater heights.



Corporate Governance



Statement of Corporate Governance

The Board of Directors (the "Board") and the Executive Management (the "Exco") of Britam Holdings Plc is committed to the highest standards and practices of corporate governance and business ethics and recognizes that good corporate governance is key to the enhancement of business performance. The Company's corporate values and ethics are entrenched in the strategic and business objectives which are aimed towards achieving sustainable and profitable growth for the Company.

The Board and the Management of Britam Holdings Plc recognizes that it has responsibilities to its shareholders, customers, employees, business partners as well as to the communities in which the entities it controls operate. The Board and Management of the Group continue to comply with Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015 as issued by the Capital Markets Authority under the Kenyan Capital Markets Act, to govern its operations and those of its subsidiaries.

This statement details key corporate governance practices of Britam Holdings Plc and its subsidiary companies.

Statement of Compliance

As a limited liability company, Britam Holdings Plc duly adheres to the provisions of the Kenyan Companies Act 2015 and the Companies Regulations issued there under. In addition, the subsidiaries and associate companies adhere to the respective companies' act and regulations in the countries which they operate in.

Further as a listed public company, Britam Holdings Plc adheres to its continuing obligations, the Capital Markets Act, the Capital Markets (Public Offers, Listing and Disclosure) Regulations 2023, the Capital Markets

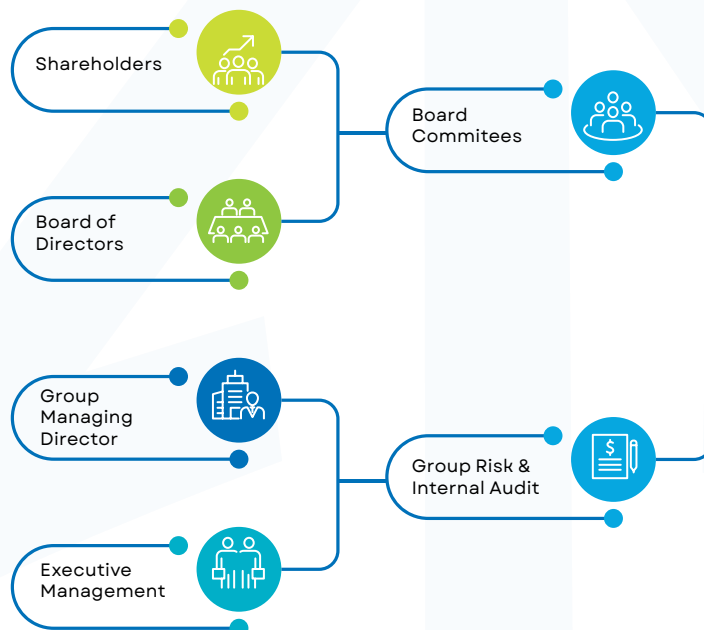
Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 (The CMA Code of Corporate Governance) and other applicable CMA regulations. The Company remains compliant with the Kenyan Insurance Regulatory Authority (IRA) Groupwide Supervision Regulations and the Corporate Governance Guidelines for Insurance and Reinsurance Companies. The Company also abides by the applicable laws in all the areas and jurisdictions where it operates, and to the ethical standards prescribed in the Company's Code of Conduct. The Company also complies with the provisions of its Articles of Association.

Our Board remains dedicated to continuously strengthening our corporate governance framework by keeping up to date with emerging regulations and best practices on corporate governance. This commitment is also supported through active engagement with regulators.

Governance Structure

This structure of Britam Holdings Plc comprises the Board, its specialized Committees, and Executive Management, each with well-defined roles designed to promote the objective and effective discharge of governance obligations. The Board is responsible for setting the strategy, risk appetite and oversight. To promote operational effectiveness, the Board has delegated the implementation and execution of day-to-day operations to the Exco, led by the Group Chief Executive Officer. The various business units and support functions operate under a clear delegation of authority framework, which defines the decision-making powers reserved for the Board versus those delegated to Management.

The fundamental relationship between the Shareholders, Board and Executive Management is illustrated below:



Board Operations

The Board assumes overall responsibility for setting and overseeing the ethical tone of the Group in accordance with the principles of corporate governance. The Board provides ethical and effective leadership, ensuring that organizational conduct reflects integrity, fairness, transparency, and accountability, by assuming responsibility for the business and actions of Britam Holdings Plc and the entire Britam Group.

The Board is guided by a Board Charter which is the foundational document that formalizes the Board's operations and ensures accountability for its leadership role. It outlines the role and responsibilities of the Board, the Group Managing Director, Chairperson as well as the Company Secretary. It also includes provisions regarding the composition and qualifications of the members of the board and outlines the ethical and professional benchmarks expected of individual members of the Board.

The roles and responsibilities of the Chairman and the Group Managing Director and CEO are separate and distinct with a clear separation of their responsibilities. The current Board Charter in respect of the Company was reviewed and approved by the Board and is available on the Company website. A summary of the provisions of the Board Charter are:

- The appointment of Directors shall be recommended by the Group Board Nominations, Governance and Remuneration Committee, approved by the Board and appointed by the shareholders;
- The number of Directors shall not be less than five (5), and not more than eleven (11);
- The Board's primary responsibilities include determining the Company's purpose and values, providing governance, and adopting strategic plans;
- At least one-third of the board shall be Independent. The Chairman shall be a Non-Executive Director and the roles of the Chairman, and the Group Managing Director and CEO shall be separate;
- The Board shall ensure that the Company complies with all relevant laws, regulations and codes of business practice, and that it communicates with its shareholders and relevant stakeholders (internal and external) openly and promptly;
- Meetings of the Board will be held as frequently as the Board considers appropriate, but not less than four times a year;
- Board Committees will assist the Board and its Directors in discharging the duties and responsibilities, however the Board remains accountable; and
- The Board, in carrying out its tasks under the charter, may obtain such outside or other independent professional advice as it considers necessary to carry out its duties.

The Company Secretary

The Company Secretary is appointed by the Board and is responsible for ensuring adherence to the proper governance of the Company, proper and effective functioning of the Board and integrity of the Board governance process. In addition to fulfilling statutory duties, the Company Secretary provides the Board collectively, and its members individually, with detailed guidance on the discharge of their responsibilities. This includes facilitating a comprehensive and timely induction for new members and overseeing a programme for ongoing professional development for the Board, which includes regular briefings on legal, regulatory, and corporate governance developments. The Company Secretary is responsible for the functional support of the Board and its Committees, ensuring the integrity of governance processes and facilitating the flow of information within these structures and between the Directors and Management. The Company Secretary is a member of the Institute of Certified Secretaries, in good standing.

The Board

The Board of Directors meets at least once every quarter and operates within a formal schedule based on the agreed Board Work Plan and Board Calendar. The Chairman is responsible for managing the Board and providing leadership to the Group, while the Group Managing Director and CEO is responsible to the Board for strategically overseeing and managing the business units of the Britam Group in accordance with the Board instructions.

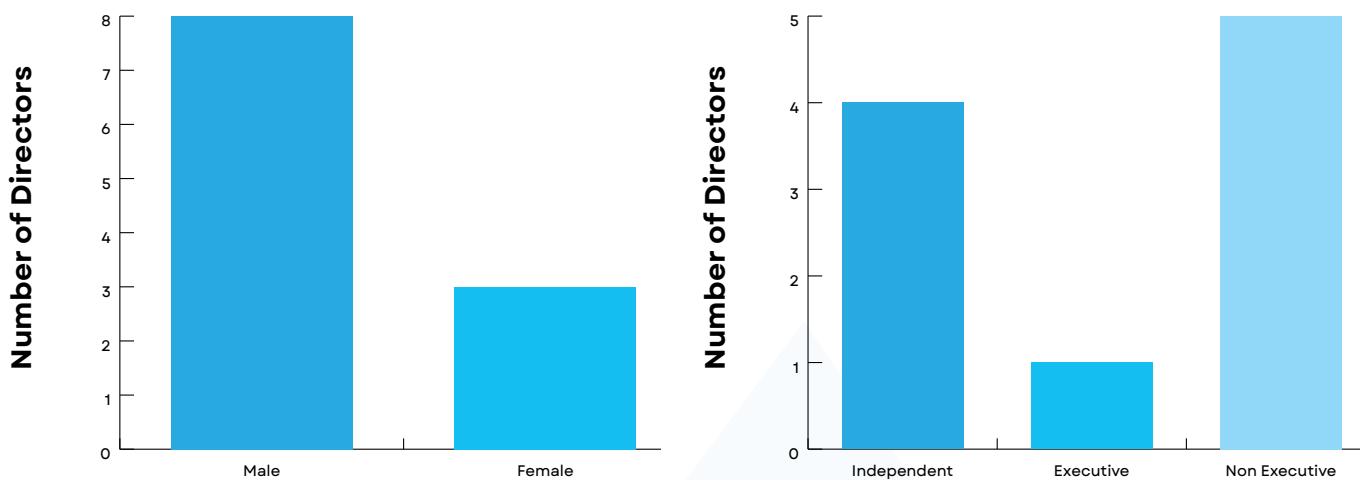
The Directors are given appropriate and timely information on key activities of the business, regularly, and on request. Information on agenda items is provided prior to meetings as well as through additional presentations to the Board. Board members have open access to management through the Chairman, Group Managing Director and CEO and Company Secretary. Directors may seek briefing from management on specific matters as well as seek independent professional advice.

Board Composition

As at the end of the reporting year, and as at the date of this Report, the Board of Directors comprises eleven (11) members. Five (5) of these Directors are independent, in accordance with the requirements of the CMA Corporate Governance Code. The Board's composition reflects a commitment to diversity, with three (3) female Directors serving during the year.

The Directors bring a wide spectrum of industry experience, professional expertise, and leadership backgrounds. This collective diversity equips the Board with the breadth of perspectives necessary to provide effective oversight, strategic direction, and robust governance in support of the Company's long-term value creation.

Board Composition



Separation of the Roles of the Board Chair and Group Managing Director

To promote a proper balance of power and authority, the positions of Chairperson and Group Managing Director are separate. The Board has an Independent Non-executive member as its chairperson to lead in the objective, ethical, and effective discharge of its governance role. This separation ensures a clear distinction between the Board's role in steering and setting strategic direction and Management's role in implementation and day-to-day execution of the strategy.

The CEO reports directly to the Board and serves as the primary link between Management and the Board. The CEO is responsible for leading the implementation and execution of the approved strategy, policies, and operational planning. The Chairperson and CEO meet periodically in between Board meetings to set Board agenda, to discuss current and future developments and any material issue impacting the Company.

The Non-Executive Directors contribute to the development of the Company's strategy by bringing an objective and independent view on matters, challenging management constructively using their expertise. The directors ensure that the Company has internal controls as well as a robust system of risk management in general, and that the information released to the market and shareholders is accurate. They are bound by statutory fiduciary duties and duties of care and skill.

The Company Secretary plays a critical role in facilitating good corporate governance practices and has the responsibilities which include ensuring conduct of the Board and general meetings in accordance with the Company's Articles of Association, the Board charter and relevant legislation, maintaining statutory registers, assisting directors with respect to their duties and responsibilities by ensuring good information flow between the Board and Management and ensuring compliance with all relevant statutory and regulatory requirements.

Board Induction and Development

Upon appointment to the Board, each new director is provided with a comprehensive and tailored induction covering the Group’s business and operations and their legal and regulatory obligations. The induction program provides a foundation of knowledge and understanding which aids Board members to effectively carry out their role. The new Independent Non-Executive Directors also receive a full induction program which consists of a series of meetings with senior executives and members of the Board to enable new directors familiarize themselves with the business. They also receive comprehensive guidance from the Company Secretary on Directors’ duties and responsibilities.

An induction pack which comprises Appointment Letters, Articles of Association, Board Charter, Committees Terms of reference (ToRs), Directors’ guide, organizational structure and information on the overview of the organization and its strategy is availed to the director.

Committees of the Board

The Board is responsible for the management of the Group. It has delegated the detailed roles and responsibilities to five committees, each of which meets at least four times annually.



Audit, Risk and Compliance Committee

Roles & Responsibilities	Membership
<ul style="list-style-type: none"> Ensures the integrity of the Group’s financial statements. Chairperson Reviews the Group’s internal control systems. Monitors and reviews the effectiveness of the internal audit function. Make recommendations to the Board on the appointment of the external auditor. Ensures the Group’s compliance with legal and regulatory requirements. Ensures the Group’s compliance with legal and regulatory requirements. 	<ul style="list-style-type: none"> Mrs. Celestine Munda-Chairperson Ms. Judy Rugasira Kyanda Ms. Susan Abisola
Focus Areas FY 2025	
<ul style="list-style-type: none"> Risk Assessment reports and Consolidated Risk Reports. Forensic update reports Schedule of Delegated Authorities Enterprise Risk Management (ERM) and Business Continuity Plan (BCP) reports. Management accounts and financial results. Internal Audit Reports 	<ul style="list-style-type: none"> Subsidiaries and Special Purpose Vehicles Audit Reports Internal and External Audit Plans Incident Reports Risk and Compliance Reports Policy Reviews

Investment and Strategy Committee

Roles & Responsibilities	Membership
<ul style="list-style-type: none"> Determines the Group’s investment strategy and policy Considers the proposed strategic investments and make recommendations to the Board Maintains interactive strategic planning, implementation and monitoring process with management. Monitors and reviews the performance, independence and objectivity of the external auditors. Make recommendations to the Board on the appointment of the external auditor. Ensures the Group’s compliance with legal and regulatory requirements. 	<ul style="list-style-type: none"> Mr. George Odo - Chairman Dr. Peter K. Munga Mr. Jimnah Mbaru Mr. Kuria Muchiru Mr. Lofti Baccouche Mr. Tom Gitogo <p>As at 31st December 2025 the Committee was comprised of five (5) Non-Executive Directors, the Group Managing Director and the Company Secretary. The Group Finance & Strategy Director is a standing invitee</p>
Focus Areas FY 2025	
<ul style="list-style-type: none"> Mergers, acquisitions and disposals Capital Raising Updates Strategy updates Performance Updates Properties / Assets Updates 	<ul style="list-style-type: none"> International Business Investment updates Capital Management Environmental, Social, Governance and Sustainability

Customer Experience, Brand and Marketing Committee

Roles & Responsibilities	Membership
<ul style="list-style-type: none"> Developing the client centric vision Overseeing key strategic client selected initiatives. Providing oversight and guidance on innovation projects and ideas aimed at delighting customers. 	<ul style="list-style-type: none"> Mr. Edouard Schmid - Chairman Ms. Barbra Chesire (Co-opted member) Mr. Julius Mbaya Ms. Susan Abisola Mr. Tom Gitogo <p>As at 31st December 2025 the Committee consisted of three (3) Non-executive Directors, one co-opted member who is also a non-executive director on the Board of Britam General Insurance, the Group Managing Director and CEO, and the Company Secretary. The Customer Experience Director is a standing invitee.</p>
Focus Areas FY 2025	
<ul style="list-style-type: none"> Customer Centric Vision implementation Customer experience report Policy development on customer experience People, skills and culture Customer Centricity strategic plans and initiatives 	

Nominations, Governance and Remuneration Committee

Roles & Responsibilities	Membership
<ul style="list-style-type: none"> Mandated with ensuring that principles of good governance are adhered to at all times, and these include transparency, accountability, efficiency, effectiveness, integrity and fairness, responsibility and accountability. Responsible for setting out appropriate formal and documented selection, interview and recruitment criteria for directors and senior management.. Responsible for ensuring succession planning at senior management as well as Board and committees' continuity. 	<ul style="list-style-type: none"> Mr. Kuria Muchiru - Chairman Dr. Peter K. Munga Mr. Jimnah M. Mbaru Mr. George Odo - Representing Africinvest III SPV 1 Mrs. Celestine Munda Mr. Tom Gitogo
Focus Areas FY 2025	
<ul style="list-style-type: none"> 2025 AGM preparations Recruitment of non-executive directors for the entire Group Senior management appointments and changes Human Resource Reports Human Resource and Board Governance Policies 2024 CMA Corporate Governance Assessment findings and recommendations 	<ul style="list-style-type: none"> 2024 Group Board Evaluation findings and recommendations. Monitor the implementation of the 2024 CMA Corporate Governance Assessment Recommendations Monitor the implementation of the 2024 Board Evaluation recommendations and action plan Monitor the implementation of the 2023 Governance Audit recommendations and action plan Review of the performance management framework and the staff bonus policy

* Please note our late Chairman served in the board for the full year 2025 full year

Innovation and Technology Committee

Roles & Responsibilities	Membership
The Committee is mandated to drive technological transformation, innovation, digital enablement, cyber security, and business growth for Britam group.	<ul style="list-style-type: none"> • Mr. Julius Mbaya- Chairman • Mr. Edouard Schmid • Mrs. Celestine Munda • Mr. Tom Gitogo
Focus Areas FY 2025	
<ul style="list-style-type: none"> • Information Technology updates • ICT projects updates • Strategic IT updates 	<ul style="list-style-type: none"> • Strategic IT updates • Development and evaluation of new initiatives

Board Members Attendance During the Year

A summary of Board Meetings and Committee Meetings attendance in the year under review is indicated below:

Name	Board	Audit Risk & Compliance Committee	Investment & Strategy Committee	Customer Experience, Branding & Marketing Committee	Nominations, Governance & Remuneration Committee	Innovation & Technology Committee	Total
Total Number of Meetings	6	4	7	4	10	4	35
Mr. Kuria Muchiru	(6/6)	(0/0)	(7/7)	(0/0)	(10/10)	(0/0)	(23/23)
Dr. Peter K. Munga	(4/6)	(0/0)	(4/7)	(0/0)	(5/10)	(0/0)	(13/23)
Mr. Jimnah M. Mbaru	(6/6)	(0/0)	(7/7)	(0/0)	(0/0)	(0/0)	(13/13)
Mr. George Odo	(6/6)	(0/0)	(7/7)	(0/0)	(10/10)	(0/0)	(23/23)
Mr. Edouard Schmid	(6/6)	(0/0)	(0/0)	(4/4)	(0/0)	(4/4)	(14/14)
Ms. Celestine Munda	(6/6)	(4/4)	(0/0)	(0/0)	(10/10)	(4/4)	(24/24)
Mr. Julius Mbaya	(6/6)	(0/0)	(0/0)	(4/4)	(0/0)	(4/4)	(14/14)
Mr. Lotfi Baccouche	(6/6)	(0/0)	(5/7)	(0/0)	(0/0)	(0/0)	(11/13)
Ms. Susan Abisola	(6/6)	(3/4)	(0/0)	(4/4)	(0/0)	(0/0)	(13/14)
Mr. Tom Gitogo	(6/6)	(4/4)	(7/7)	(4/4)	(10/10)	(4/4)	(35/35)
Ms. Judy Rugasira Kyanda	(6/6)	(4/4)	(0/0)	(0/0)	(0/0)	(0/0)	(10/10)

In addition to the above listed meetings, the entire Board and management of the Company, together with all the Directors and management of all subsidiaries, held a one-week retreat in June 2025 to formulate the Strategic Plan for the period 2026-2030. The new Strategic Plan was subsequently approved by the Board in October 2025 and rolled out across the entire organization, in January 2026.

Conflicts of Interest

Every Director of the Board must submit a comprehensive declaration of all personal financial, professional, and business interests at least annually, or whenever significant changes occur.

At the beginning of every meeting of the Board and its committees, members are required to declare any interests they (or a related party) have regarding specific items on the agenda. These declarations are proactively managed according to legal requirements. Any business transacted with Britam must be at arm's length and fully disclosed to the Board, which must consider and approve it. A director must recuse him/herself from discussing or voting on matters of real and with the potential conflict of interest. Directors are guided by a Board Conflict of Interest Policy which formally codifies the procedures adopted by the Board in respect of declaration and monitoring of interests.

The Board has developed the Insider Trading Policy Manual which defines the circumstances when members of the Board, management, staff and advisors can deal in the Company's shares through the NSE without being in contravention of any statutory requirements. The Board complied with all the policies herein.

Board Evaluation

The Board reviews its performance and that of the Board Committees, individual directors, the Group Managing Director and CEO and the Company secretary annually. The evaluation is conducted by an external consultant electronically and in a confidential manner. The 2025 Board Evaluation was conducted by an external consultant, Board Excellence.

The evaluation examined the balance of skills of the directors, the operation of the Board practice, including governance issues, and the content of the Board meetings.

Board Skills Matrix

The Nominations, Governance and Remuneration Committee has developed a Board matrix setting out the mix of skills and diversity of the Board. The matrix is used to evaluate whether the collective skills and experience of the Directors meet the Group's current and future requirements.

If the Board determines that new or additional skills are required based on analysis of existing skill gaps, appropriate training is conducted to empower the Board to meet its obligations. The Board, through the Nominations, Governance and Remuneration Committee, strives to ensure that the Company has the right mix of skills and experience for the Company to achieve its strategic aim of enabling people to achieve financial security.

Policy on Appointment of New Directors

The Group Nominations, Governance and Remuneration Committee (NGR) and the Group Board reviews and assesses Board composition and recommends the appointment of new Directors. Proposed candidates for the role of non-executive Director undergo a formal screening process conducted by the NGR Committee before they are formally appointed. In evaluating the suitability of a new Board member, the NGR considers the following criteria regarding qualifications, positive attributes and independence of a director:

1. Board appointments take into consideration a wide range of attributes, including a diverse mix of skills, experience as well as diversity in age and gender, for the Board to remain effective.
2. Ability of candidates to demonstrate the capacity to commit sufficient time and effort to prepare for and participate in meetings of the Board and its committees. This is a fundamental requirement of competence, which entails acting with due care, skill, and diligence and supports informed and balanced decision making.
3. Adherence to the Code of Conduct and highest level of Corporate Governance in letter and in spirit by the Directors. Directors must individually and collectively cultivate and demonstrate the characteristics of integrity, competence, responsibility, accountability, fairness, and transparency, which promotes ethical leadership.

Upon nomination and recommendation by the Group NGR and the Group Board, the Board through the Chairman interacts with the new member to obtain his/her consent for joining the Board. Upon receipt of the consent, the new Director is co-opted into the Board in accordance with the applicable provisions of the Companies Act 2015, the Capital Markets Code of Corporate Governance Practices for Issuers of Securities to the Public, the IRA Code of Corporate Governance as well as the company's Articles of Association and other governance documents. The Company ensures that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or in such other manner as may be permitted under the law.

Engagement with Stakeholders

Britam Holdings Plc is committed to giving its shareholders appropriate information and facilities to enable them to exercise their rights effectively. As a result, the Company seeks to provide shareholders with information that is timely, of high quality and relevant to their investment and listens and responds to shareholders' feedback. The Board recognizes the importance of maintaining transparency and accountability to its shareholders and works to ensure that all shareholders are treated equitably, and their rights are protected.

The Board has in place a Stakeholders Policy and Map that guides engagement with various categories of stakeholders.

Engagement with Stakeholders(Continued)

Communication with the shareholders is through the Annual report and investor briefings where the full year and half yearly financial results are announced. Material information is also posted on the Company's website www.britam.com and published through the local dailies. The shareholders are encouraged to visit the website for general information about the Company and to be able to view the Annual Report. The Company additionally releases material information to the Capital Markets Authority and the Nairobi Securities Exchange in line with all disclosure requirements in the Capital Markets Act as well as all other relevant regulations.

The Shareholders are facilitated and strongly encouraged to attend and participate in the Annual General Meeting. At the meeting, reasonable opportunity is provided for shareholders to ask questions or make comments on the management and performance of the Company.

All shareholders' queries, application for registration of transfer of shares of the company, immobilization of shares and dividend queries as well as the collection of share certificates and dividend cheques are handled by the company's appointed share Registrar, Image Registrars Limited.

The Registrar can be reached at their offices 5th Floor, Absa Plaza, Loita Street, P.O Box 9287- 00100 Nairobi or through their e-mail address info@image.co.ke and through their telephone numbers **0709170000, 0735565666**

Business Management

The Group's business is conducted guided by a carefully formulated strategy, annual business plans and budgets that set out clear objectives. Roles and responsibilities are clearly defined with approved authority delegated. Performance against the objectives is reviewed and discussed monthly and quarterly by the management teams in the Group.

The Board recognizes that employees form an integral part of the internal control system of the corporate structure. Each year every employee commits to adhere to the code of business conduct.

To carry out its responsibilities in an independent and objective manner, the Board seeks professional counsel from among others.

Actuaries

The Group engages independent and external actuaries to examine the financial soundness of the various entities in the Group. The actuary reports independently and directly to the Board. The following actuaries provided services to the Group in the year under review: -

Long term business – Ritin Chauhan of QED Actuaries and consultants

Short term business - Christine Van Heerden of QED Actuaries and Consultants

Britam Group employee Pension Scheme - Zamara Actuaries, Administrators and Consultants

Statutory Audits

1. Governance Audit

In compliance with the CMA Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015, which requires a Governance Audit to be undertaken every two (2) years, the Board appointed The Leadership Group to conduct the Company's Governance Audit for the period 2024-2025. The Governance Audit Report for the period was adopted by the Board of Directors on 30th March 2026. The Company was issued with an unqualified opinion. The next Governance Audit will be conducted for the Financial Year 2026-2027.

2. Legal Audit

In compliance with the CMA Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015, which requires a Legal Audit to be undertaken every two (2) years, the Board appointed Bowmans LLP to conduct the Company's Legal Audit for the financial years 2023-2024. The Legal Audit Report for the period 2023-2024 was adopted by the Board of Directors on 27th March 2025. The Company was issued with an unqualified opinion. Bowmans LLP is a member of Institute of Certified Company Secretaries of Kenya. The next Legal Audit will be conducted at the end of financial year 2026 for the period 2025-2026.

3. Financial Audit Appointment of Auditors

The Group's policy on appointment and rotation of statutory auditors provides for rotation of auditors in line with the applicable regulations for each subsidiary and the CMA Code of Corporate Governance. The appointment process follows the procurement process as approved by the Group Board with the final approval of auditors by the Company's shareholders at the AGM. At every AGM, the shareholders approve the re-appointment of auditors.

Independence of External Statutory Auditors

Britam has measures in place to ensure the auditors always maintain their independence. This is achieved through oversight by the Board Audit, Risk and Compliance Committee whose charter includes; Reviewing the independence, objectivity and effectiveness of the external auditor including their quality control procedures; Reviewing the scope and extent of both audit and non-audit services provided to the company by the external auditors and any associated fees and terms of engagement, including the assessment of the non-impairment of the auditor's judgement and independence; and ensuring that the external auditor submits a formal written statement delineating all relationships between themselves and the Company (confirming their independence).

Group Corporate Governance Framework

Britam Holdings Plc has a Group Corporate Governance Framework which lays down the fundamental corporate governance principles, values and standards that guide the Board, the Subsidiary Companies Boards and Management so as to deliver efficiency, effectiveness, prudent governance and alignment across the Group. The Framework establishes the policies, practices, and structures that guide decision-making and accountability across the Britam Group and is aimed at fostering effectiveness and accountability.

Policies

Britam Holdings Plc as part of implementation of best corporate governance practices and in compliance with the regulatory requirements, has in place policies and practices to promote a culture of compliance, honesty and ethical behavior. The policies stipulate the obligations of the organization to different stakeholders. The Policies apply to all employees, directors, contractors and consultants working for the Group.

The board in carrying out its mandate is also guided by the policies in place which include but are not limited to the following:

- Board Dispute Resolution Policy
- Board Diversity Policy
- Insider Trading Policy
- Board Succession Planning Policy
- Board Conflict of Interest Policy

Procurement Policy

The Group has put in place a procurement policy that encourages and promotes fair and transparent procurement processes. The focus is to build and support mutually beneficial relationships with our suppliers. A management tender committee oversees award of tenders and there is sufficient assurance for procurement processes.

Insider Trading Policy

The Company has a policy on insider trading. Directors and staff are made aware that they ought not to trade in the Company's shares while in possession of any material insider information that is not available to the public or during a closed period. To ensure compliance with the Companies Act, 2015 the Company communicates 'closed' periods for trading in its shares.

Code of Conduct

The Code of Conduct which is available on the Company's website covers areas of transparency, accountability, confidentiality, equitable and fair treatment, fairness, misuse of position and information and prevention of corruption. The Company has adopted a zero-tolerance approach to corruption, bribery and unethical business practices.

The code sets out clear behavioral requirements and where these are not met, there are consequences.

Whistle Blowing Policy

Britam Holdings Plc ("the Group") directors, employees and stakeholders are expected to carry out their duties as always required and conduct themselves in a professional manner and in ways that bring credit to themselves and the Company.

Employees are required to observe high standards of business and personal ethics, honesty and with integrity in fulfilling our responsibilities within all applicable laws and regulations. The Whistleblowing Policy, which is available in the Company's website, is intended to help all stakeholders who have major concerns over any wrongdoing within the Group and its subsidiaries relating to unlawful conduct, financial malpractice or dangers to the public or the environment.

The policy provides for confidential and anonymous communication channels to raise concerns. The confidential and anonymous communications channels are supported and monitored independently through the following channels;

Email: britam@whistleblowing.co.za

Website: www.whistleblowing.co.za

Fax: + 27 86 522 2816 **Postal Address:** P.O. Box 51006 Musgrave 4062

Related Party Policy

The purpose of this policy is to define dealings within the Britam Group between the related parties. The policy defines and identifies the related parties and related party transaction. It also provides for the necessary controls to ensure that related party transactions are purely at arms-length basis.

Stakeholder Engagement Policy

In its diverse business operations, Britam engages with stakeholders on important decisions, whether it is providing information on our financial and non-financial performance, its products, prospects, or even on regulatory compliance.

The Company purposes to be deliberate in practicing open, honest, two-way communication and recognizing the mutual benefits for both the business and our stakeholders that result from genuine engagement. The policy sets out Britam's approach to engaging with its stakeholders.

Britam appreciates that a sound stakeholder engagement is important for developing and maintaining strong relationships that enable the company to understand and effectively attend to stakeholders' needs, perceptions, and concerns.

Corporate Communication Policy

As a publicly owned company, Britam has an obligation to make available and disclose "material" information to its shareholders and other public stakeholders. The policy underlines the priority Britam sets on communication. It establishes the framework procedures that define all communication activities occurring at Britam. The policy defines the disclosures required and allocates areas of responsibility and requirements for material and non-material communication.

Directors' shareholding as at 31st December 2025

No.	Names	Roles	Shares
1	Mr. Kuria Muchiru	Chairman	-
2	Mr. Jimnah M. Mbaru	Director	130,000,000
3	Dr. Peter K. Munga	Director	69,621,000
4	Mr. Tom Gitogo	Group MD and CEO	1,200,000
5	Africinvest III SPV (Represented by Mr. George Odo)	Director	442,779,881
6	Mr. Edouard Schmid	Director	-
7	Ms. Susan Abisola	Director	-
8	Mrs. Celestine Munda	Director	-
9	Mr. Julius Mbaya	Director	-
10	Ms. Judy Rugasira Kyanda	Director	-
11	Mr. Lotfi Baccouche	Director	-

Directors' shareholding as at 31st December 2024

No.	Names	Roles	Shares
1	Mr. Kuria Muchiru	Chairman	-
2	Mr. Jimnah M. Mbaru	Director	130,000,000
3	Dr. Peter K. Munga	Director	69,621,000
4	Mr. Tom Gitogo	Group MD and CEO	200,000
5	Africinvest III SPV (Represented by Mr. George Odo)	Director	442,779,881
6	Mr. Edouard Schmid	Director	-
7	Ms. Susan Abisola	Director	-
8	Mrs. Celestine Munda	Director	-
9	Mr. Julius Mbaya	Director	-
10	Ms. Judy Rugasira Kyanda	Director	-
11	Mr. Lotfi Baccouche	Director	-

Share Capital

The total number of authorised shares is 3,000 million with par value of 10 cents). The number of shares issued is 2,523 million with par value of 10 cents per share as at 31st December 2025. All shares issued are fully paid and carry equal rights. The holders of ordinary shares are entitled to attend the Company's General Meetings in person or through proxies.

Shareholders Rights

The rights and restrictions attached to the shares are set out in the Articles of Association which can only be amended at the Company's General Meetings. All shareholders are entitled to receive the Annual Report and the Audited Financial Statements and such distributions from the Company as may lawfully be declared.

All shareholders are also entitled to attend, speak and vote at the General Meetings including the appointment of proxies. On a poll, shareholders are entitled to one vote for each share held. There are no shares carrying special rights.

SHAREHOLDING INFORMATION

Distribution of shareholding

The table below provides details of the number of shareholders and shares held within each of the bands/ranges stated in the register of members as at 31st December 2025.

Shareholder Volume analysis

No.	Shareholding	No. of Shareholders	No. of Shares held	%Shareholding
1.	1 to 500	5,829	1,135,318	0.05%
2.	501 to 5,000	14,756	34,121,100	1.35%
3.	5,001 to 10,000	2,052	16,071,317	0.64%
4.	10,001 to 100,000	1,744	44,454,192	1.76%
5.	100,001 to 1,000,000	152	39,232,134	1.55 %
6.	1,000,001 and above	40	2,388,472,755	94.65%
Grand Totals		24,573	2,523,486,816	100%

Top Ten Shareholders

No.	Names	Shares	Percentage
1.	AfricInvest III-SPV-1	442,779,881	17.55%
2.	Standard Chartered Kenya Nominees Ltd A/C KE003819	398,504,000	15.79%
3.	EH Venture Capital Kenya Limited	231,726,800	9.18%
4.	Standard Chartered Nominees Resd. A/C KE11396	230,564,205	9.14%
5.	Standard Chartered Nominees Non-Resd. A/C KE11752	224,187,697	8.88%
6.	EHL 2022 Limited	150,373,200	5.96%
7.	Mbaru, Jimnah Mwangi	130,000,000	5.15%
8.	Wairegi, Benson Irungu	101,685,400	4.03%
9.	Mwangi, James Njuguna	75,000,000	2.97%
10.	Investments & Mortgages Nominees LTD A/C 003044	74,800,000	2.96%
11.	Others	463,865,533	18.39%
Grand Totals		2,523,486,816	100%

Shareholders by Category

Investor Pool	Records	Shares	Percentage
Foreign Investors	91	1,075,770,578	42.63%
Local Institutions	672	916,660,949	36.33%
Local Individuals	23,810	531,055,289	20.94%
Grand Totals:	24,573	2,523,486,816	100%



Mrs. Celestine Munda
Interim Board Chairperson
30th March 2026

ANNUAL STATEMENT BY THE CHAIRPERSON OF THE BOARD NOMINATIONS, GOVERNANCE AND REMUNERATION COMMITTEE

Dear Shareholder

As the Interim Chairperson of the Board Nominations, Governance and Remuneration Committee (the Committee), I am pleased to present the Directors' remuneration report for the year ended 31 December 2025.

This Report complies with regulations contained in the tenth schedule of the Companies Act 2015 ("the Act") in relation to quoted companies Directors' Remuneration Report and the Capital Markets Code of Corporate Governance for Issuers of Securities ("The CMA Code").

This report contains:

- The background information on the Committee's members and role;
- A highlight of the current directors' remuneration policy; and
- The annual remuneration report, describing how the remuneration policy has been put in practice during the year ended 31 December 2025 and how it will be implemented in the year ending 31 December 20245.

Role of the Committee

The members of the Committee during the year were Mr. Kuria Muchiru (Chairman), Ms. Celestine Munda, Dr. Peter K. Munga and Mr. George Odo.

Details of attendance at meetings by Committee members are shown in the Corporate Governance section.

The Committee has specific Terms of Reference (ToRs) which are placed on the Group's website. It considers and recommends to the Board the Group's remuneration policy and agrees to the individual remuneration package of the Group Managing Director.

Our Remuneration Principles

During the reporting year, the Committee was guided by the Group's remuneration principles of ensuring fair, responsible, and transparent remuneration. Decision making was decision-making was centered on designing remuneration structures that promote sustainable value creation and support the achievement of our long-term strategy, making sure that we have the best people in place to deliver the strategy and ensuring that its executive pay is appropriate in the wider context in which the business operates.

Value creation and pay for performance is at the center of our remuneration policy and practices. The success of the Group depends upon the performance and commitment of talented employees. The Group's reward programs support and drive its business strategy and reinforce its values. The principles for setting executive remuneration are outlined below in more detail.

Target remuneration levels for the executive directors are set with reference to individual experience as well as the pay levels in the Group's competitors with business characteristics similar to the Group such as scope of operations, complexity and size.

The Group considers the remuneration policy in the context of all Group Directors and employees.

Executive Directors

Contracts of Service and Remuneration

Executive directors are paid as per negotiated employment contracts and are eligible for staff benefits. They also participate in the Company's performance schemes. They do not receive sitting allowances.

According to the Human Resource (HR) Policy, salary increments are based on the achievement of Key Performance Indicators agreed at the beginning of every year between the Company and the employee. Salary reviews are therefore performance based and are also adjusted for inflation. The Company also ensures that remuneration is aligned to the market and are competitive to attract and retain skilled staff.

There is also a performance-based bonus which is paid from the Company's profit. A percentage of the Company's profit is shared amongst employees according to their individual performance. The bonus pool is approved by the Board upon recommendation by the Board Nomination, Governance and Remuneration Committee. The Committee approved a new bonus structure during the year.

Executive Directors who had individual contracts in the year under review are detailed below:

Mr. Tom Gitogo – Group Managing Director and Chief Executive Officer

	2025	2024
Salary and allowances	86,916,418	79,114,645
Non-cash benefits	3,336,737	4,569,820
Gratuity	20,094,104	18,143,661
Total Pay	110,347,259	101,828,126

Service contracts and policy on payment for loss of office

Executives have rolling employment contracts. The contracts provide for payment of outstanding pay and bonus, or termination following changes in the Group.

Commentary on Significant Changes to Directors Remuneration

During the year, the Committee's work was centered on overseeing the implementation of the policy.

The Board undertakes a review of the adequacy of the policy each year to ensure that it supports the Company's Strategy. The Board's compensation scale was reviewed during the year.

The Board is satisfied that the current remuneration policy continues to be appropriate for the Company and will support the implementation of the Group's short-term and long-term objectives.

Statement of Voting on the Directors Remuneration Report at the previous Annual General Meeting.

During the Annual General Meeting held on 26th June 2025, the shareholders in attendance approved the Directors' Remuneration policy as was provided in the Audited Financial Statements for the year ended 31 December 2024.

The results on voting were as follows:

RESOLUTION	FOR	%	AGAINST	%	ABSTAINED	VERDICT
To receive, consider and, if deemed fit approve the Directors' Remuneration Policy as shown in the Audited Financial Statements for the year ended 31st December 2024.	2,038,981,525	99.9982%	27,400	0.0013%	9,200	0.0005%

During the Annual General Meeting held on 26th June 2025, the shareholders in attendance also approved the Directors' Remuneration Report for the year ended 31 December 2024.

The results on voting were as follows:

RESOLUTION	FOR	%	AGAINST	%	ABSTAINED	VERDICT
To receive, consider and, if deemed fit approve the Directors' Remuneration Report for the year ended 31st December 2024 and to authorize the Board to fix the remuneration of Directors.	2,038,978,525	99.9981%	20,500	0.0010%	19,100	0.0009%

At the Annual General Meeting to be held on 21st May 2026, the shareholders will also consider the Directors' Remuneration Report for the year ended 31 December 2025.

The Current Directors' Remuneration Policy and Strategy

Current Policy

The current Directors' Remuneration Policy was tabled and approved by the shareholders at the Company's Annual General Meeting held on 26th June 2025 and has remained unchanged.

The principles which underpin the remuneration of the Non-Executive Directors (NEDs) are as follows: -

- 1.) The Company should remunerate its directors fairly and responsibly.
- 2.) The remuneration should be sufficient to attract, motivate and retain directors to run the Company effectively.
- 3.) The remuneration should be consistent with the best recognized practice standards and is competitive in line with remuneration for other directors in competing sectors.
- 4.) The remuneration should reflect the Directors' responsibilities, expertise, and the complexity of the Company's activities.

Payments to past Directors

There was no payment of Directors' fees to past directors during the year.

Approval by shareholders

As per section 681 (4) of the Companies Act, 2015, the Directors Remuneration Report has been presented to the members for approval.

Directors Remuneration Report 2025

Board Member	Position	Annual Retainer	Sitting Allowance	Other Allowances	Salaries and Other Benefits	Total
Mr. Kuria Muchiru	Chairman	1,000,000	7,512,500	3,855,000	-	12,367,500
Dr. Peter Munga	NED	1,000,000	1,950,000	-	-	2,950,000
Mr. Jimnah M. Mbaru	NED	1,000,000	1,950,000	-	-	2,950,000
Ms. Judy Rugasira Kyanda	INED	1,000,000	1,412,500	-	-	2,412,500
AfricInvest III SPV 1 Represented by Mr. George Odo	NED	1,000,000	2,837,500	-	-	3,837,500
Mr. Edouard Schmid	NED	1,000,000	1,087,500	-	-	2,087,500
Mr. Julius Mbaya	INED	1,000,000	3,525,000	-	-	4,525,000
Mrs. Celestine Munda	INED	1,000,000	3,375,000	-	-	4,375,000
Mr. Tom Gitogo	ED	-	-	-	110,347,259	110,347,259
Mr. Lotfi Baccouche	INED	1,000,000	1,962,500	-	-	2,962,500
Ms. Susan Abisola	NED	1,000,000	1,862,500	-	-	2,862,500
Ms. Barbara Chesire (Co-opted CXI Committee Member)	NED	-	250,000	-	-	250,000
Total		10,000,000	27,725,000	3,855,000	110,347,259	151,927,259

NED - Non-executive director

INED - Independent Non-executive Director

ED - Executive Director

Directors Remuneration Report 2024

Board Member	Position	Annual Retainer	Sitting Allowance	Other Allowances	Salaries and Other Benefits	Total
Mr. Kuria Muchiru	Chairman	1,000,000	9,242,500	4,200,000	-	14,442,500
Dr. Peter Munga	NED	1,000,000	2,225,000	-	-	3,225,000
Mr. Jimnah M. Mbaru	NED	1,000,000	1,587,500	-	-	2,587,500
Ms. Judy Rugasira Kyanda	INED	1,000,000	1,125,000	-	-	2,125,000
AfricInvest III SPV 1 Represented by Mr. George Odo	NED	1,000,000	2,787,500	-	-	3,787,500
Mr. Edouard Schmid	NED	-	1,087,500	-	-	-
Mr. Julius Mbaya	INED	1,000,000	3,787,500	-	-	4,787,500
Mrs. Celestine Munda	INED	1,000,000	3,962,500	-	-	4,962,500
Mr. Tom Gitogo	ED	-	-	-	101,828,126	101,828,126
Mr. Lotfi Baccouche	INED	1,000,000	3,187,500	-	-	4,187,500
Ms. Susan Abisola	NED	1,000,000	3,562,500	-	-	4,562,500
Ms. Barbara Chesire (Co-opted CXI Committee Member)	NED	-	287,500	-	-	287,500
Total		9,000,000	31,755,000	4,200,000	101,828,126	146,783,126

The remuneration of all directors is subject to regular review to ensure that levels of remuneration and compensation are appropriate. Aggregated amounts of emoluments and fees paid to directors are disclosed in Note 45 (v) of the Audited Financial Statements.

The Annual Remuneration Report will be put forward for your consideration and approval by vote at the AGM to be held on or about 21st May 2026.

We highly value the engagement from our shareholders and look forward to welcoming you and receiving your support again at the AGM this year.



Mrs. Celestine Munda
Interim Chairperson
30th March 2026

REPORT OF THE BOARD EVALUATION AUDITOR TO THE DIRECTORS OF BRITAM HOLDINGS PLC

INTRODUCTION

We have performed the Board Evaluation for Britam Holdings PLC covering the period ended 31 December 2025.

OUR ASSESSMENT

Britam has been navigating a major turnaround, requiring intense focus on operational performance, risk, compliance and controls following earlier challenges. While the Board has successfully led this stabilization, the key issue has been the need to shift from a recover-focused, operationally heavy agenda to a more forward-looking, strategic orientation as the business enters a new phase shaped by geopolitical uncertainty, rapid technology disruption, evolving stakeholder expectations and market volatility.

Our overall assessment of the Britam Group Holding Board Plc Board is that it is an **Effective Strong Board** with the potential to become a **Strong High-performing** board over time. We set out below the summary of key findings under the Six Categories that we evaluated the Board:



Britam Holdings PLC Board Evaluation Categories

Excellent	Strong	Good	Improvement Needed	Significant Improvement Needed
Chair Leadership, Chair – GMD/CEO Relationship	Culture, Ethics & Values	Board Composition, Chair/NED Succession	Board Induction, Development & Evaluation	CEO/Executive Succession Planning, Performance Assessment
	Oversight of GMD/CEO & Executive Team	Board Committee Effectiveness	Board Focus Areas • Operational • Strategic	
		Board Dynamics, Challenge/Debate, Trust Equation	Board Decision-Making, Prioritisation	
		Risk Management, Internal Controls, Cyber-security	Board Packs, Agenda, Minutes & CoSec Support	
		Governance Code Compliance & Overall Governance	Shareholder Engagement	
		Employee Engagement	Stakeholder Engagement	
			ESG	
Zia Manji, Managing Director, Career Connections			Kieran Moynihan, Managing Partner, Board Excellence	

REPORT OF THE INDEPENDENT GOVERNANCE AUDITOR TO THE DIRECTORS OF BRITAM HOLDINGS PLC

INTRODUCTION

We have performed Governance Audit for Britam Holdings PLC covering the years ended 31 December 2024/2025 which comprised assessment of Governance Practices, Structures and Systems put in place by the Board.

BOARD RESPONSIBILITY

The Board is responsible for putting in place governance structures and systems that support the practice of good governance in the organization. The responsibility includes planning, designing, and maintaining governance structures through policy formulation necessary for efficient and effective management of the organization. The Board is responsible for ensuring its proper constitution and composition; ethical leadership and corporate citizenship; accountability, risk management and internal control; transparency and disclosure; members' rights and obligations; members' relationship; compliance with laws and regulations; and sustainability and performance management.

GOVERNANCE AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the existence and effectiveness of Governance instruments, policies, structures, systems and practices in the organization within the legal and regulatory framework and in accordance with best governance practices as envisaged under proper Board constitution and composition; ethical leadership and corporate citizenship; accountability, risk management and internal control; transparency and disclosure; members' rights and obligations; members' relationship; compliance with laws and regulations; and sustainability and performance management, based on our audits.

We conducted our audit in accordance with CMA circular No. CMA/MRT/004/2017 and ICPSK Governance Audit Standards and Guidelines which conform to global standards. These standards require that we plan and perform the governance audit to obtain reasonable assurance on the adequacy and effectiveness of the organizations' policies, systems, practices, and processes. We believe that our governance audits provide a reasonable basis for our opinion.

OPINION

In our opinion, the Board has put in place effective, appropriate, and adequate governance structures in the organization which are in compliance with the legal and regulatory framework and in line with good governance practices for the interest of stakeholders.

We therefore issue an unqualified opinion.



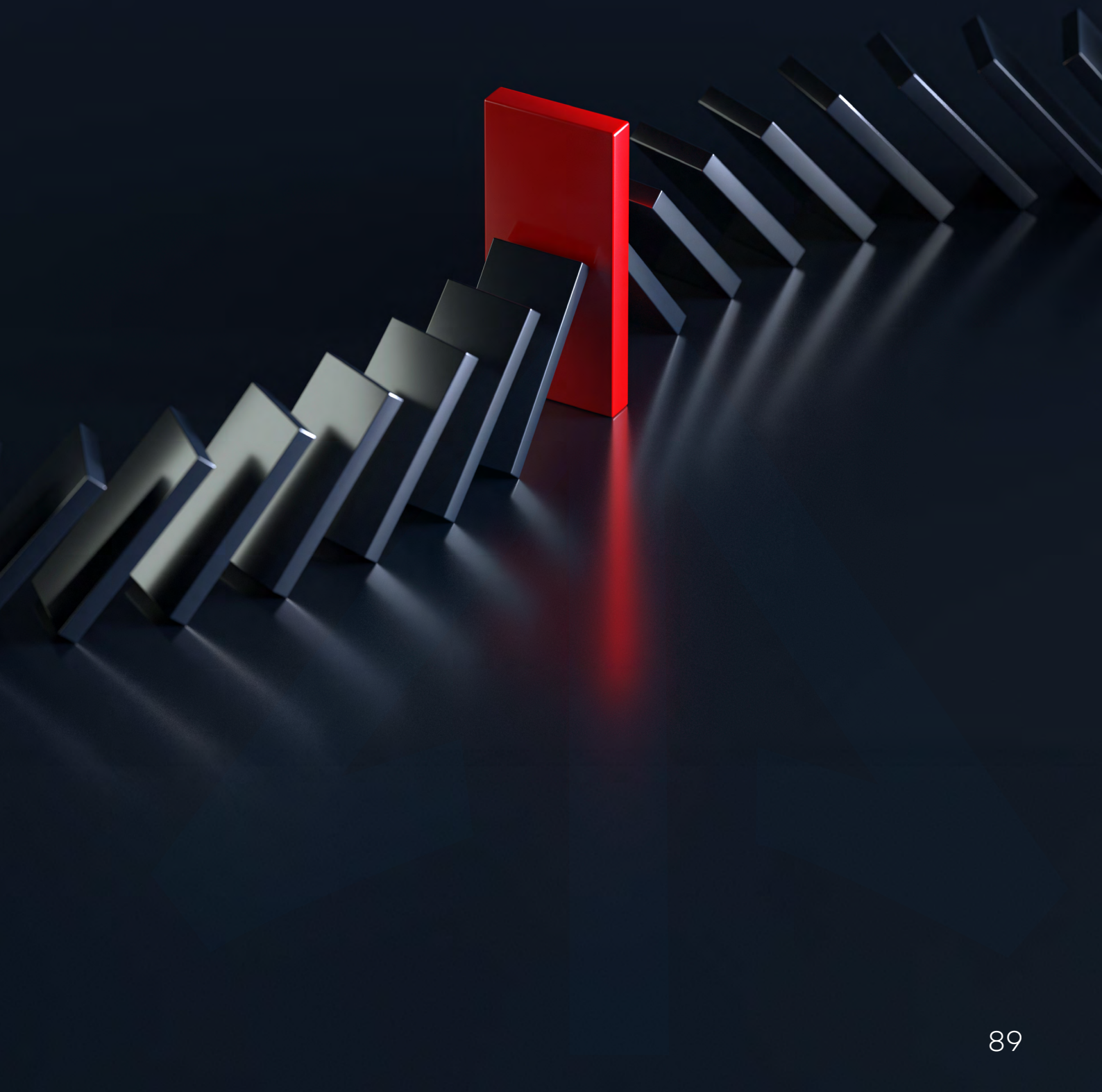
CS MADREN OLUOCH-OLUNYA, ICS GA NO.00192

FOR: THE LEADERSHIP GROUP LIMITED

P.O BOX 50649 – 00200, NAIROBI

15th of APRIL, 2026

Enterprise Risk Management Report



Enterprise Risk Management Report

INTRODUCTION

At Britam Holdings, effective risk management is integral to our business strategy and operations. Our comprehensive risk management framework is designed to identify, assess, and mitigate risks that could impact our ability to achieve our strategic objectives. By proactively managing risks, we aim to protect our stakeholders' interests, ensure regulatory compliance, and maintain financial stability. This section provides an overview of our risk management practices, governance structure, and key risk indicators, highlighting our commitment to maintaining a robust and resilient organization.

The primary objectives of Britam's risk management framework are to:



Our Enterprise Risk Management Framework

Britam Holdings' long-term resilience and stability are the goal of our risk management initiatives. We accept the risks that come with our primary insurance business. Even as we embrace these inherent risks, we strive to diversify them through our size, range of products and services offered, and sales channels.

We invest the premiums we receive from our customers to maximize risk-adjusted returns so that we can keep our promises to our consumers while also generating a profit for our shareholders.

Because of our responsibility to our customers and shareholders, we prefer to keep those risks that we believe we can manage to generate a return.

Our Risk Governance Structure.

Our risk governance structure enhances our ability to identify, assess, and mitigate risks proactively and promoting long-term sustainability. It also enhances a risk-aware culture, enabling informed strategic planning and compliance with regulatory requirements. The governance structure consists of the following:



Risk Management Policies

Our risk management policies are vital to systematically address the various risks that we face. We have implemented and adhere to these policies to create a robust risk management framework, ensuring compliance, protecting assets, and supporting the achievement of the set strategic objectives.

Below are the risk management policies that guide our operations.

- Enterprise Risk Management Framework
- Risk Appetite Framework
- Financial Risk Policy
- Insurance Risk Policy
- Credit Risk Policy
- Market Risk Policy
- Liquidity Risk Policy
- Operational Risk Policy
- Fraud Risk Management Policy
- Anti-Bribery and Anti-Corruption Policy
- Anti-Money Laundering (AML), Counter Financing of Terrorism (CFT) and Counter Proliferation Financing (CPF) Policy
- Environmental, Social and Governance (ESG) Policy
- Insider Trading Policy
- Whistleblowing Policy
- Code of Business Conduct Policy
- Cybersecurity Policy
- Model Risk Policy
- Business Continuity Management Policy
- Third Party Risk Policy
- Compliance Policy & Charter
- Data Protection Policy

Our Risk Preferences and Risk Appetite

At Britam Holdings, our risk preferences are guided by our commitment to protecting the interests of our policyholders and shareholders while achieving sustainable growth.

Our risk appetite is aligned with our growth targets while ensuring the long-term sustainability of our operations. We have zero tolerance to fraud and compliance, low tolerance to operational risks, and manageable exposure to credit and market risk as we pursue opportunities for business growth.

We regularly assess our risk exposures and review our risk appetite statement annually to ensure it remains aligned with our strategic objectives and changing market conditions. The Board of Directors and the Risk Management Committee oversee this framework fostering a culture of accountability and transparency.

KEY CATEGORIES OF INHERENT RISK

Outlined below are the primary risks relevant to our business:

Insurance Risk

Our core business focuses on underwriting and managing insurance risks, including expenses, catastrophes, and reserving. We take on insurance risks selectively, ensuring they align with our expertise in underwriting and pricing. We prioritize well-understood, well-managed risks with a broad spread within the same category. Our approach includes rigorous underwriting, adequate pricing, effective claims management, profit testing, and strategic reinsurance to mitigate financial impacts and manage earnings volatility. This disciplined risk management ensures sustainable profitability and long-term value creation.

Strategic Risk

The potential for loss or reputational damage arising from ineffective business strategies, improper implementation of business strategies, or a lack of responsiveness to changes in the business environment. It includes the risk that discretionary decisions are made that adversely affect future earnings and/or the sustainability of the business. We have put measures in place to mitigate these risks by regular strategy reviews, product diversification and investment in new technology to enhance customer experience.

KEY CATEGORIES OF INHERENT RISK (continued)

Credit Risk	The potential for loss due to client premium default or counterparty default. We have frameworks in place that ensure that credit risk is well mitigated. There is a careful selection of investment assets, we regularly monitor counterparties performance, and we also have a diversified panel of reinsurers.
Market Risk	The risk that the financial assets held reduce in value below what the current value is. This risk impacts equities, bonds, property, and any foreign currency, denominated exposures, including liabilities. We actively seek some market risks as part of our investment and product strategy. Our goal is to balance the pursuit of attractive returns with the preservation of capital, recognizing that a degree of market risk is inherent in achieving our objectives.
Liquidity Risk	The risk of having insufficient stable or diverse sources of funding to meet the company's financial obligations as they fall due, without raising funds at unfavourable rates or resorting to distressed sale of assets. We prioritize the ability to withstand unexpected market disruptions and funding stress scenarios with minimal impact on our operations. We maintain a conservative approach to liquidity risk management, ensuring that we hold sufficient liquid assets to meet our short-term and long-term financial obligations without relying on external sources of funds.
Operational Risk	The risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events including legal risks. Our commitment to operational resilience, safety, and the preservation of our brand is of paramount importance. We have implemented new systems to enhance automation and reduce human errors. We have embedded internal controls into our processes and ensure regular audits are undertaken to independently validate. Business continuity and disaster recovery programs are in place to ensure business resilience.
Fraud Risk	Potential for loss or reputational damage due to the intentional acts, misstatements, or omissions, including a misrepresentation that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation. We are committed to maintaining the highest standards of integrity and trust within our organization. We have a zero-tolerance policy for internal fraud, emphasizing the need to prevent and mitigate fraudulent activities by employees and insiders. We have implemented fraud analytics to flag suspicious activities and conduct trainings to raise fraud awareness.
Compliance and Regulatory Risk	The potential for penalties, loss of earnings, negative impact to business activities, adverse impact to customers and other stakeholders, or regulatory relationships through failure on our part to comply with laws or regulations. Our primary objective is to operate within the bounds of all laws, regulations, and internal policies that govern our operations. We have established a robust compliance framework and regularly train our staff on regulatory obligations and changes.
Conduct Risk	Risk of detriment to the company or its customers, investors, shareholders and other stakeholders from inappropriate actions or decisions taken by the organisation or its employees. Our primary objective is to ensure that our staff's behaviour consistently aligns with the highest ethical and professional standards. We place the highest importance on ethical behaviour, integrity, and the treatment of our customers, clients, and stakeholders with the utmost respect and fairness. We enforce ethical practices through training and enforcement of Code of Conduct & Conflict of Interest Policy.

KEY CATEGORIES OF INHERENT RISK (continued)

Reputational Risk	<p>The potential that negative perceptions on the part of customers, counterparties, investors, regulators and other stakeholder, whether justified or not, regarding the company’s business practices, actions, or inactions, will adversely affect our ability to maintain existing, or establish new business relationships and continued access to sources of funding leading to a decline in the institution’s value, brand, liquidity, or customer base. Our primary objective is to safeguard and enhance our reputation through ethical conduct and responsible business practices. We ensure there is transparent communication with our stakeholders and quick resolution of customer grievances.</p>
Sustainability Risk	<p>Sustainability risk refers to the potential adverse impacts on the company’s financial performance, reputation, or operations arising from environmental, social, or governance (ESG) factors. These risks are associated with the long-term viability and resilience of the business in the face of challenges related to sustainability. Our sustainability risk preference reflects our unwavering commitment to maintaining a low tolerance for sustainability-related risks, with the goal of ensuring our organization’s sustainability, positive societal contribution, and ethical responsibility. We have implemented the ESG Policy and aligned our business practices with ESG principles.</p>
Technology & Information Security Risk	<p>Technology risk refers to failure of the company’s technology to deliver the expected services due to inadequate or deficient systems/process developments and performance or inadequate resilience. Information security risks relate to the loss of confidentiality, integrity, or availability of information, data, or information (or control) systems and reflect the potential adverse impacts to organizational operations, assets, and individuals. Our primary objective is to protect sensitive information, maintain the integrity of our systems, and safeguard the trust of our stakeholders. We have put in place strong cybersecurity measures, including encryption and firewalls. We conduct regular penetration testing and vulnerability assessments and have disaster recovery plans for IT systems.</p>
Model Risk	<p>The potential for adverse consequences including financial loss, poor business and strategic decision-making, or damage to the company’s reputation arising from decisions based on incorrect or misused model outputs and reports. Our model risk preference reflects our commitment to maintaining a low tolerance for model-related risks, with the goal of ensuring that our models are reliable, accurate, and fit for their intended purposes. We conduct regular independent models’ validation and updating of assumptions.</p>

INTERNAL CONTROLS ENVIRONMENT

Our internal control environment is a critical component of our governance framework. It ensures the integrity of financial reporting, compliance with regulatory requirements, and effective risk management. Our internal control system is designed to provide reasonable assurance that operational, financial, and compliance objectives are achieved. Our leadership has set a strong tone at the top promoting a culture of integrity, transparency, and accountability. Control activities are embedded in our processes to mitigate identified risks. We maintain robust information systems to ensure the accuracy and timeliness of financial and operational data. We conduct comprehensive evaluation of the internal control environment through audits and periodic reviews by our risk management and compliance department.

RISK MONITORING AND REPORTING

Our risk monitoring framework and risk reporting process ensures that we have timely insights on the risk exposures and that accurate and relevant information is communicated to stakeholders at the appropriate levels of the organization. Monitoring entails frequent monitoring of key risk indicators, regular risk assessments and comprehensive scenario analysis and stress testing. Reporting is done to the Management Risk Committee, Executive Management and the Board of Directors. Our internal risk report focuses on risk exposures, trends, and mitigation activities. Externally, we submit compliance disclosures in line with regulatory requirements to IRA and other government bodies. We also provide disclosures in the annual financial report, including updates on material risks and the effectiveness of risk management practices to investors and stakeholders.

STRESS TESTING AND SCENARIO ANALYSIS

Stress testing and scenario analysis are key components of our risk management framework. These tools help evaluate our resilience to adverse events and identify potential vulnerabilities. We conduct stress tests and scenario analyses on capital adequacy, liquidity resilience and operational preparedness. The insights gained from these exercises inform strategic decision-making and enhance our preparedness for extreme conditions. The tests are designed to simulate worst-case scenarios, such as market risk shocks, macroeconomic scenarios, Industry-specific scenarios, catastrophic events and emerging risks. Mitigation controls are identified, implemented and monitored to ensure that we are ring-fenced against the impact from the shocks and scenarios.

REGULATORY COMPLIANCE

At Britam Holdings Plc, regulatory compliance underpins sustainable growth, financial resilience, and stakeholder trust. Operating across Kenya, Uganda, Tanzania, Rwanda, South Sudan, Mozambique, and Malawi, the Group is subject to diverse supervisory frameworks covering licensing, solvency, capital adequacy, AML/CFT, consumer protection, data privacy, anti-corruption, competition, taxation, and investment regulations.

Compliance risk is managed as a principal risk within the Group Risk Governance Framework, with structured Board oversight. Regulatory requirements influence profitability, capital allocation, operational flexibility, and product innovation, making compliance integral to strategic decision-making.

Compliance Risk Management

The Group maintains a harmonised yet locally responsive framework, with key elements including:

- Continuous monitoring of regulatory developments and horizon scanning of global trends.
- Periodic compliance risk assessments and control effectiveness reviews.
- Enterprise-wide AML/CFT controls aligned with FATF standards.
- Strengthened consumer protection frameworks and fair treatment practices.
- Enhanced data governance and cybersecurity safeguards.
- Structured training programmes reinforcing ethical conduct and compliance culture.
- Investment in RegTech, automation, and analytics for precision monitoring and reporting.

Regulatory Outlook

The regulatory environment across East and Southern Africa is evolving, with emphasis on:

- Financial crime prevention and sanctions compliance.
- Consumer protection and fair treatment standards.
- ESG and sustainability disclosures.
- Digital financial services regulation.
- Data privacy and cybersecurity.
- Prudential resilience and stress testing.

Britam remains committed to technology enabled monitoring, cross border compliance coordination, and embedding a culture of integrity and accountability. Compliance is integral to our strategy, reinforcing trust with regulators, customers, shareholders, and communities.

OVERALL OUTLOOK

Britam Holdings remains committed to continuously strengthening its risk management framework to address evolving risks, regulatory requirements, and stakeholder expectations. Our focus will be on enhancing risk analytics through advanced data analytics and artificial intelligence tools, as well as achieving full automation of risk management processes using our existing system.

We will prioritize strengthening Environmental, Social, and Governance (ESG) risk management to align with global reporting standards while also enhancing cybersecurity measures to mitigate emerging threats, including AI-related risks. Additionally, we will continue fostering a strong risk-aware culture through targeted training programs and leadership workshops, ensuring that risk management remains a core part of our business strategy.

Through these initiatives, we aim to enhance resilience, improve regulatory compliance, and drive sustainable growth in an increasingly complex risk environment.

Our Financial Statements



Report of the Directors

The Directors submit the annual report together with the audited financial statements of Britam Holdings Plc ("the Company") and its subsidiaries (together "the Group" or "Britam Group") for the year ended 31 December 2025.

INCORPORATION

The Company is a public limited liability company domiciled in Kenya operating under certificate of incorporation number C. 5/2012. Refer to Note 1 for details of incorporation.

PRINCIPAL ACTIVITIES

Britam Group is a diversified financial services group. Currently consisting of 15 entities as listed under Note 1 to the financial statements, the Group carries out activities in insurance, investment management, property businesses and private equity. The Company is an investment holding entity.

RESULTS AND DIVIDEND

Profit after tax of Shs 5,536,704,000 (2024: Shs 5,033,125,000) has been added to the retained earnings/ (accumulated losses).

The Directors do not recommend the payment of a dividend (2024: Nil).

ENHANCED BUSINESS REVIEW

Financial Performance

The Group has maintained its revenue growth with its insurance service revenue growing by 11% to Shs 41.7 billion. The Kenya Insurance entities recorded growth in insurance service revenue of 10 percent to Shs 30.0 billion from 27.3 billion and generated a profit before tax of Shs 7.1 billion. The regional units continue to increase their contribution to the Group's performance and profitability. The international general insurance business recorded a 13% growth in insurance service revenue to Shs 11.6 billion. This represents 28 percent of the Group's overall insurance service revenue. In terms of profitability, the international business generated a profit before tax of Shs 772 million compared to Shs 1.2 billion in the prior year.

Overall, the Group reported a profit before tax of Shs 7.9 billion compared to a profit before tax of Shs 7.3 billion 2024. The Group's total investment income grew by 4% to Shs 31.9 billion compared to Shs 30.6 billion in 2024 majorly attributable to interest income, unrealized fair value losses on equities and government securities.

Risk Management

The Group's activities expose it to a variety of risks including insurance risk, market risk, counterparty/ credit risk, liquidity risk and operational risk. Britam's approach to managing risk is outlined in the Enterprise Risk Management Framework (ERMF), which creates the context for setting policies and standards, and establishing the right practices throughout the Group. The ERMF defines the risk management process and sets out the activities, tools, techniques and organizational arrangements to ensure that material risks can be optimally identified and managed. The overall objective of the ERMF is minimizing the potential impact on the financial performance of the Company and the reputation of the enterprise through ensuring that appropriate responses are in place to protect the Group and prevent detriment to its stakeholders.

The Environment

Britam Group believes that activities that have negative environmental and social impacts affect the overall performance and long-term success of the business. Britam is therefore committed to using reasonable commercial endeavors to ensure that internationally accepted environmental and social principles are embedded in the way it conducts its business activities. To that end, all relevant employees are required to adopt the relevant environmental and social risk assessment tools for our investment and insurance activities. We ensure risks are properly addressed and that material breaches are reported. We are committed to ensuring compliance with the environmental and social criteria stipulated by our providers of capital.

Human Capital

The Group's greatest strength and the reason for its market leadership is its human capital, with the number of employees 1,331 in 2025 and 1,125 in 2024, and over 2,500 Financial Advisors.

The Group utilizes the balanced Scorecard performance management system to measure business and staff performance on the four perspectives which are financial, customer, internal business processes and learning and growth. To ensure that efforts and performance is appropriately measured, all employees' personal score cards have been aligned to the Group strategy's specific initiatives.

Corporate Social Investment (CSI)

We continue to enrich our communities through Corporate Social Investment (CSI), allocating resources towards volunteerism, engaging with diverse publics and stakeholders. The Britam Foundation serves as the conduit for the Group's Corporate Social Investment (CSI) endeavors. The Foundation's focus is on supporting Health, Education, Entrepreneurship, and Environment to empower individuals, nurture communities, and inspire sustainable development for generations to come.

Future Outlook

Our outlook revolves around three key strategies. First, we aim for customer growth and expansion by forming strategic partnerships and targeting emerging market consumers. Secondly, we will leverage technology to optimize our current IT platform, aligning with our evolving business operating model. Finally, embedding sustainability into our core operations is a priority, ensuring our business is both profitable and socially responsible for the long term.

DIRECTORS

The Directors who held office during the year and to the date of this report were:

Name	Position
Mr. Kuria Muchiru	Chairman & Independent Non-Executive Director (Deceased 19th March 2026)
Dr. Peter K. Munga	Non-Executive Director
Mr. Jimnah M. Mbaru	Non-Executive Director
Mr. George Odo/AfricInvest III SPV 1	Non-Executive Director
Mr. Edouard Schmid	Non-Executive Director
Mr. Julius Mbaya Mungai	Independent Non-Executive Director
Mrs. Celestine Munda	Independent Non-Executive Director
Ms. Susan Abisola / IFC	Non-Executive Director
Mr. Lotfi Baccouche	Independent Non-Executive Director
Ms. Judy Rugasira Kyanda	Independent Non-Executive Director
Mr. Tom Gitogo	Group Managing Director & CEO

DISCLOSURES TO AUDITOR

The directors confirm that with respect to each director at the time of approval of this report:

- there was, as far as each director is aware, no relevant audit information of which the Company's and Group's auditor is unaware; and
- Each director had taken all the steps that ought to have been taken as a director to be aware of any relevant audit information and to establish that the Company's and Group's auditor is aware of that information.

TERMS OF APPOINTMENT OF AUDITOR

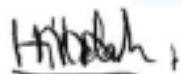
After completion of the audit for year ended 31 December 2025, PricewaterhouseCoopers LLP retires by rotation in accordance with the company's Articles of Association and Section 719 of the Companies Act, 2015 at the upcoming annual general meeting. A replacement auditor will be appointed in the same meeting.

The directors monitor the effectiveness, objectivity and independence of the auditor. The directors also approve the annual audit engagement contract which sets out the terms

PricewaterhouseCoopersLLP have been the Company's statutory auditors for seven (7) years. In accordance with the CMA Code of Corporate Governance, their term in office comes to a mandatory end at the end of the auditor's financial year 2025.

The Directors will recommend to the Shareholders at the upcoming Annual General Meeting, the appointment and the related fees of a new statutory auditor to serve in office for the financial year 2026.

BY ORDER OF THE BOARD



Hilda M. Njeru

Company and Board Secretary

30th March 2026

Statement of Directors' Responsibilities

The Companies Act 2015 requires the directors to prepare financial statements for each financial year which give a true and fair view of the financial position of the Group and of the Company at the end of the financial year and of its financial performance for the year ended. It also requires the directors to ensure that the Group and Company keep proper accounting records that (a) show and explain the transactions of the Group and Company; (b) disclose with reasonable accuracy, the financial position of the Group and Company; and (c) enables the directors ensure that every financial statement required to be prepared complies with the requirements of the Companies Act, 2015. They are also responsible for safeguarding the assets of the Group and Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

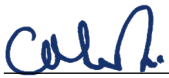
The directors accept responsibility for the preparation and presentation of these financial statements in accordance with IFRS Accounting Standards and in the manner required by the Companies Act, 2015. They also accept responsibility for:

- i. Designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- ii. Selecting suitable accounting policies and applying them consistently; and
- iii. Making accounting estimates and judgements that are reasonable in the circumstances.

Having assessed the Company's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the Group's and Company's ability to continue as a going concern.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

The financial statements were approved by the Board of Directors on 30th March 2026 and signed on its behalf by:



Mrs. Celestine Munda
Interim Chairperson



Mr. Tom Gitogo
Group Managing Director and CEO

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BRITAM HOLDINGS PLC

Report on the audit of the financial statements

Our opinion

We have audited the accompanying financial statements of Britam Holdings Plc (the Company) and its subsidiaries (together, the Group) set out on pages 106 to 293, which comprise the consolidated statement of financial position at 31 December 2025 and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, together with the Company statement of financial position at 31 December 2025, and the Company statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and the notes to the financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2025 and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act, 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities and the ethical requirements that are applicable to our audit of financial statements in Kenya. We have also fulfilled our ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR’S REPORT TO THE SHAREHOLDERS OF BRITAM HOLDINGS PLC (CONTINUED)

Key audit matters (continued)

Key audit matter	How our audit addressed the matter
<p>Valuation of Insurance Contract Liabilities</p> <p>Insurance contract liabilities comprise liability for remaining coverage and liability for incurred claims.</p> <p>We considered insurance contract liabilities as a key audit matter because:</p> <ul style="list-style-type: none"> • The determination of the liability for remaining coverage requires the estimation of the expected future cashflows, valuation of the contractual service margin and the determination of the coverage units that shall be used to accrete the contractual service margin, for the contracts measured using General Measurement Model ("GMM") and Variable Fee Approach("VFA") measurement models. • For onerous contracts, calculation of loss component involves judgment in estimating fulfilment cashflows relating to the remaining coverage period of insurance contracts. • The estimation of the liability for incurred claims involves significant judgement given the inherent uncertainty in estimating expected future outflows in relation to claims incurred. In addition, the liabilities are adjusted for the time value of money based on historical settlement patterns. Judgement is applied in estimating this future settlement pattern and in determination of the discount rate. • Determination of liability for incurred claims requires calculation of risk adjustment for non-financial risk which represents the compensation for bearing the uncertainty about the timing and amount of the risk insured. This calculation involves significant judgement in determining the confidence level and assumption that future development of claims will follow past patterns. • The valuation of these liabilities relies on the accuracy of claims data and the assumption that future claims development will follow a similar pattern to past claims development experience and involve engagement of internal and external actuarial experts. 	<p>We performed the following procedures;</p> <ul style="list-style-type: none"> • Evaluated and tested controls around claims handling, settling, and reserving; • Tested a sample of claim payments and reserves to confirm the amounts recorded in the claims systems agree to the source data; • Tested the appropriateness of the methodology and assumptions used by the external actuary and management in estimation of reserves as at 31 December 2025; • Tested management’s calculation of the discount rate used to compute the present value of liability for incurred claims; • Tested the methodology and assumptions used by management in estimating the risk adjustment; • Reconciled the claims data used by management to calculate reserves to the audited claims data; • Reviewed the Contractual service margin ("CSM") calculation and loss component for long-term contracts and measured under GMM and VFA; • Reviewed the simplification taken under premium allocation approach ("PAA") for all the short-term contracts and the estimation of the additional liability for onerous contracts; and • Assessed the adequacy of disclosures in the financial statements.

INDEPENDENT AUDITOR’S REPORT TO THE SHAREHOLDERS OF BRITAM HOLDINGS PLC (CONTINUED)

Key audit matters (continued)

Key audit matter	How our audit addressed the matter
<p>Impairment assessment of the investment in associates</p> <p>The Group has significant investment in associates. Management applies significant estimates and assumptions such as projected cash flows, discount rate and terminal growth rate to determine the recoverable value of the investment in associate.</p> <p>Changes in these assumptions could result in material variations in the recoverable amount which makes this an area of focus.</p> <p>Details of disclosures of the investment in associates are on Note 25 of the financial statements.</p>	<p>Evaluated management’s processes and controls for determining the carrying value of the associate, including oversight by those charged with governance;</p> <p>Assessed the consistency of the valuation method applied and tested the reasonableness of the projected cash flows based on the historical performance of the investment;</p> <p>Tested the reasonableness of the discount rate and terminal growth rate used in the valuation against market observable data;</p> <p>Checked the mathematical accuracy of the computations; and</p> <p>Evaluated the adequacy of disclosures in the financial statements.</p>
<p>Valuation of investment properties</p> <p>The Group has a diverse portfolio of investment properties and applies either the market approach or the income approach depending on the property’s highest and best use to determine the fair value.</p> <p>As explained in Note 29 of the financial statements, the Group uses external independent property valuers to determine the fair values of investment properties at the year end. This is an area of focus as the valuation models involve significant estimates and assumptions of unobservable inputs such as comparable market prices based on location of the property, projected future cash flows, future rent escalations, exit values and the discount rates.</p> <p>The fair values of the investment properties are highly sensitive to the changes in the underlying estimates and assumptions.</p>	<p>We performed the following procedures;</p> <p>Assessed management’s processes and controls over the valuation of investment properties, including the oversight from those charged with governance;</p> <p>Evaluated the objectivity, independence and expertise of the external independent valuation specialists;</p> <p>Assessed the appropriateness of the valuation methodology used and the applicable assumptions depending on the type of property;</p> <p>Agreed the carrying amounts and the related valuation gains/losses of the investment properties in the financial statements to the independent valuers’ reports; and</p> <p>Assessed the adequacy of the disclosures in the financial statements.</p>

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BRITAM HOLDINGS PLC (CONTINUED)

Other information

The other information comprises the Interim Chairperson's statement, Group Managing Director's Statement, Financial review, Statement of corporate governance, Directors' remuneration report, Enterprise risk management report, Strategy report, Report of the Directors, Statement of Directors' responsibilities and Corporate information which we obtained prior to the date of this auditor's report, and the rest of the other information in the Integrated Annual Report which is expected to be made available to us after that date, but does not include the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information we have received prior to the date of this auditor's report we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the rest of the other information in the Integrated Annual Report and we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the requirements of the Companies Act, 2015, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BRITAM HOLDINGS PLC (CONTINUED)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material mis-statement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, mis-representations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's or Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group's financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable taken actions to eliminate threats or applied safeguards, where applicable.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the Group's financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR’S REPORT TO THE SHAREHOLDERS OF BRITAM HOLDINGS PLC (CONTINUED)

Report on other matters prescribed by the Companies Act, 2015

Report of the directors

In our opinion the information given in the report of the directors on pages 97 to 98 is consistent with the financial statements.

Directors’ remuneration report

In our opinion the auditable part of the directors’ remuneration report on pages 82 to 86 has been properly prepared in accordance with the Companies Act, 2015.



FCPA Richard Njoroge, Practicing Certificate Number 1244

Engagement partner responsible for the audit

For and on behalf of PricewaterhouseCoopers LLP

Certified Public Accountants

Nairobi

30th March 2026



UNIQUE CODE: 58655260330

Consolidated statement of profit or loss

For the year ended 31 December

	Notes	2025 Shs'000	2024 Shs'000
Insurance revenue	4	41,654,194	37,556,734
Insurance service expense	5	(30,861,768)	(27,291,250)
Net expenses from reinsurance contracts held	6	(7,337,179)	(5,198,513)
Insurance service result		3,455,247	5,066,971
Net income from investment properties	7	882,143	800,993
Interest computed using effective interest method	8(i)	10,854,719	10,761,320
Interest and dividend income from investments at FVTPL	8(ii)	10,973,665	8,647,045
Net realised gains on financial assets at fair value through profit or loss	9	558,643	711,817
Net unrealised fair value gains on financial assets at fair value through profit or loss	10(i)	7,542,746	7,591,552
Other investment income	10(ii)	1,062,925	2,073,112
Net investment income		31,874,841	30,585,839
Finance expenses from insurance contracts issued	11(i)	(27,554,213)	(27,735,434)
Finance income from reinsurance contracts held	11(ii)	1,008,569	1,296,099
Net insurance finance expenses	11(ii)	(26,545,644)	(26,439,335)
Net insurance and investment result		8,784,444	9,213,475
Fund management fees	12	959,177	655,814
Other income	13	639,320	1,322,276
Fund management commission expenses	14	(262,795)	(179,779)
Other operating expenses	15 (i)	(2,927,728)	(3,818,166)
Other finance costs	16 (i)	(148,036)	(283,592)
Profit before share of profit of associates		7,044,382	6,910,028
Share of profit of associates accounted for using the equity method	25 (i) (d)	859,583	420,967
Profit before income tax		7,903,965	7,330,995
Income tax expense	26 (a)	(2,367,261)	(2,297,870)
Profit for the year		5,536,704	5,033,125
Profit attributable to:			
- Owners of the parent		5,500,808	5,005,352
- Non-controlling interests	28 (ii)	35,896	27,773
Earnings per share for profit attributable to the owners of the parent			
- Basic and diluted (Shs per share)	20	2.18	1.98

Consolidated statement of other comprehensive income

For the year ended 31 December

	Notes	2025 Shs'000	2024 Shs'000
Profit for the year		5,536,704	5,033,125
Other comprehensive (loss)/income items, net of tax:			
Items that will not be reclassified subsequently to profit or loss			
Gains on revaluation of land and buildings	26(a)	37,679	-
Deferred tax charge on gains on revaluation of land and buildings	26(a)	(11,304)	-
Re-measurement of the net defined benefit asset	42	(53,925)	(134,997)
Deferred tax credit on re-measurement of the net defined benefit asset	26(a)	16,178	40,499
Total items that will not be reclassified to profit or loss		(11,372)	(94,498)
Items that may be reclassified subsequently to profit or loss:			
Share of other comprehensive income from the associate accounted for using the equity method	25(d)	303,683	224,606
Deferred tax charge on share of other comprehensive income from associates accounted for using the equity method	26(a)	(84,483)	(43,082)
Exchange differences on translation of foreign operations	18	(153,764)	(1,344,627)
Total items that may be subsequently reclassified to profit or loss		65,436	(1,163,103)
Total other comprehensive income		54,064	(1,257,601)
Total comprehensive income for the year		5,590,768	3,775,524
Attributable to:			
-Owners of the parent		5,554,872	3,747,751
-Non-controlling interests	28 (ii)	35,896	27,773
Total comprehensive income for the year		5,590,768	3,775,524

Consolidated statement of financial position

		As at 31 December	
	Notes	2025 Shs'000	2024 Shs'000
Capital Employed			
Share capital	17	252,344	252,344
Share premium	17	13,237,451	13,237,451
Other reserves	18	20,721,208	17,497,992
Retained earnings/(Accumulated losses)	19	540,484	(1,791,172)
Attributable to owners		34,751,487	29,196,615
Non-controlling interests	28 (ii)	303,202	267,306
Total equity		35,054,689	29,463,921
Assets			
Property and equipment	22	1,660,885	1,476,608
Intangible assets	23	908,416	725,530
Right of use asset	24 (i)	635,843	671,119
Investment in associates	25 (i)(d)	11,628,364	9,046,748
Goodwill	27	1,416,635	1,416,635
Deferred income tax asset	36	391,440	569,517
Retirement benefit asset	42	133,521	160,832
Investment properties	29 (i)	16,437,182	16,525,728
Mortgage loans and receivables	32	788,773	957,805
Restricted cash	39	1,473,571	1,105,989
Insurance contract assets	35	14,704	-
Reinsurance contract assets	35	7,463,800	7,755,935
Financial assets at fair value through profit or loss – designated	30	112,327,396	79,732,942
Financial assets at amortised cost	31	78,084,620	78,435,049
Other receivables	37	2,788,118	2,145,510
Current income tax recoverable	26 (b)	442,865	849,580
Cash and bank balances	38	7,186,779	6,956,247
Total assets		243,782,912	208,531,774
Liabilities			
Current income tax	26(b)	384,778	101,309
Insurance contract liabilities	35	192,726,186	163,438,045
Reinsurance contract liabilities	35	156,024	590,427
Lease liability	24 (ii)	785,592	784,972
Borrowings	16 (i)	756,844	1,100,586
Provisions and other payables	40	6,296,341	6,666,582
Deferred income tax	36	7,622,458	6,385,932
Total liabilities		208,728,223	179,067,853
Net assets		35,054,689	29,463,921

The financial statements on pages 106 to 293 were authorized and approved for issue by the Board of Directors on 30th March 2026 and signed on its behalf by:



Mrs. Celestine Munda
Interim Chairperson



Mr. Tom Gitogo
Group Managing Director and CEO

Consolidated statement of changes in equity

Year ended 31 December 2025	Notes	Share capital Shs'000	Share premium Shs'000	Other reserves Shs'000	Retained Earnings Shs'000	Attributable to owners Shs'000	Non- controlling interests Shs'000	Total equity Shs'000
Balance as at 1 January 2025		252,344	13,237,451	17,497,992	(1,791,172)	29,196,615	267,306	29,463,921
Profit for the year				3,024,680	2,476,128	5,500,808	35,896	5,536,704
Items that will not be reclassified subsequently to profit or loss		-	-	-	-	-	-	-
Gains on revaluation of land and buildings	22	-	-	37,679	-	37,679	-	37,679
Deferred tax charge on Gains on revaluation of land and buildings	26(a)	-	-	(11,304)	-	(11,304)	-	(11,304)
Re-measurement of post-employment benefit obligation	42	-	-	(53,925)	-	(53,925)	-	(53,925)
Deferred tax credit on re-measurement of post-employment benefit	26(a)	-	-	16,178	-	16,178	-	16,178
Total items that will not be reclassified to profit or loss		-	-	(11,372)	-	(11,372)	-	11,372)
Items that may be reclassified subsequently to profit or loss		-	-	-	-	-	-	-
Share of other comprehensive income from associates	25(d)	-	-	303,683	-	303,683	-	303,683
Deferred tax charge on share of other comprehensive income from associates	26(a)	-	-	(84,483)	-	(84,483)	-	(84,483)
Foreign currency translation differences for foreign operations	18	-	-	(153,764)	-	(153,764)	-	(153,764)
Total items that may be subsequently reclassified to profit or loss		-	-	65,436	-	65,436	-	65,436
Total other comprehensive income for the year		-	-	54,064	-	54,064	-	54,064
Transfer of reserves	18	-	-	144,472	(144,472)	-	-	-
Balance as at 31 December 2025		252,344	13,237,451	20,721,208	540,484	34,751,487	303,202	35,054,689

Consolidated statement of changes in equity

Year ended		Share capital	Share premium	Other reserves	Accumulated losses	Attributable to owners	Non-controlling interests	Total equity
31 December 2024	Notes	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Balance as at 1 January 2024		252,344	13,237,451	15,367,403	(3,408,334)	25,448,864	239,533	25,688,397
Profit for the year		-	-	3,388,190	1,617,162	5,005,352	27,773	5,033,125
Items that will not be reclassified subsequently to profit or loss		-	-	-	-	-	-	-
Re-measurement of post-employment benefit obligation	42	-	-	(134,997)	-	(134,997)	-	(134,997)
Deferred tax credit on re-measurement of post-employment benefit	26(a)	-	-	40,499	-	40,499	-	40,499
Items that may be reclassified subsequently to profit or loss		-	-	-	-	-	-	-
Share of other comprehensive income from associates	25(d)	-	-	224,606	-	224,606	-	224,606
Deferred tax charge on share of other comprehensive income from associates	26(a)	-	-	(43,082)	-	(43,082)	-	(43,082)
Foreign currency translation differences for foreign operations	18	-	-	(1,344,627)	-	(1,344,627)	-	(1,344,627)
Total other comprehensive loss for the year		-	-	(1,257,601)	-	(1,257,601)	-	(1,257,601)
Balance as at 31 December 2024		252,344	13,237,451	17,497,992	(1,791,172)	29,196,615	267,306	29,463,921

Consolidated statement of cash flows

	Notes	For the year ended	
		2025 Shs'000	2024 Shs'000
Cashflows from operating activities			
Cash generated from operations	41	4,067,127	7,142,473
Income tax paid	26(b)	(342,083)	(1,054,966)
Net cash generated from operating activities		3,725,044	6,087,507
Cashflows from investing activities			
Purchase of property and equipment	22	(367,279)	(475,777)
Proceeds from disposal of property and equipment		13,955	34,969
Purchase of intangible assets	23	(389,617)	(308,295)
Purchase of investment property	29 (i)	(407,688)	(851,264)
Proceeds from disposal of investment property	29 (i)	717,066	513,257
Purchase of quoted equity investments at fair value through profit or loss	30 (i)	(1,417,980)	(103,296)
Purchase of unquoted equity investments at fair value through profit or loss	30 (i)	-	(725)
Proceeds from disposal of quoted equity investments at fair value through profit or loss	30 (i)	326,678	749,053
Purchase of investments in collective investment schemes	30(iii)	(9,405,936)	(5,155,783)
Proceeds from disposal of investments in collective investment schemes	30(iii)	1,736,772	5,842,819
Purchase of government securities at fair value through profit or loss	30(iv)	(23,176,501)	(16,573,708)
Proceeds from disposal of government securities at fair value through profit or loss	30(iv)	6,883,499	2,063,251
Purchase of government securities at amortised cost	31(i)	(4,752,432)	(14,009,573)
Maturities of government securities at amortised cost	31(i)	5,151,977	3,598,814
Purchase of corporate bonds at amortised cost	31(ii)	(142,185)	(189,603)
Maturities of corporate bonds at amortised cost	31(ii)	151,209	187,014
Mortgage loans advanced	32	(2,815)	(74,996)
Mortgage loans repayments	32	254,561	326,308
Investment in associate	25(i(d))	(355,425)	(3,655,189)
Dividends received from equity investments at fair value through profit or loss	8 (ii)	213,347	187,832
Interest received		21,419,783	19,549,085
Rent received		672,234	612,851
Net cash used in investing activities		(2,876,777)	(7,732,956)
Cash flows from financing activities			
Repayment of borrowings	16 (i)	(343,742)	(1,611,038)
Interest paid on lease liability	24 (ii)	(148,036)	(129,612)
Payment of the principal portion of the lease liability	24 (ii)	(144,270)	(190,173)
Net cash used in financing activities		(636,048)	(1,930,823)
Increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at start of year		7,079,324	10,766,787
Effect of exchange rate changes on cash and cash equivalent		10,243	(111,191)
Cash and cash equivalents at end of year	38	7,301,786	7,079,324

Company statement of profit or loss and other comprehensive income

For the year ended 31 December

	Notes	2025 Shs'000	2024 Shs'000
Income			
Net gain from investment in property funds	7	10,998	152,653
Interest computed using effective interest method	8(i)	185,225	232,440
Dividend income from subsidiaries	8(iii)	1,476,203	475,843
Other investment income/(loss)	10(ii)	76,182	(150,764)
Other income	13	296	8,947
Total income		1,748,904	719,119
Expenses			
Other operating expenses	15 (i)	461,292	1,008,391
Other finance costs	16 (i)	235,835	260,835
Total expenses		697,127	1,269,226
Profit/(loss) before share of the profit of the associate		1,051,777	(550,107)
Share of profit of the associates accounted for using the equity method	25 (i) (d)	56,323	98,276
Profit/(loss) before income tax		1,108,100	(451,831)
Income tax expense	26 (a)	(44,478)	-
Profit/(loss) for the year		1,063,622	(451,831)
Other comprehensive income/(loss) items, net of tax:			
Items that may be subsequently reclassified to profit or loss			
Share of other comprehensive income from associates accounted for using the equity method	25 (i) (a)	25,418	93,467
Share of associate other comprehensive income reclassified to profit or loss	9	-	(116,284)
Total other comprehensive income/(loss)		25,418	(22,817)
Total comprehensive income/(loss) for the year		1,089,040	(474,648)

Company statement of financial position

	Notes	As at 31 December	
		2025	2024
		Shs'000	Shs'000
CAPITAL EMPLOYED			
Share capital	17	252,344	252,344
Share premium	17	13,237,451	13,237,451
Other reserves	18	55,218	29,800
Accumulated losses	19	(5,875,252)	(6,938,874)
Shareholders' funds		7,669,761	6,580,721
REPRESENTED BY:			
Assets			
Property and equipment	22	54,984	71,700
Intangible assets	23	5,855	9,771
Right of use asset	24 (i)	118,060	146,007
Investment in associates	25 (i)	742,408	584,486
Investment in subsidiary companies	28 (i)	7,479,873	7,119,060
Investment property	29 (i)	50,000	75,000
Investment in property funds	29 (ii)	470,498	462,762
Financial assets at amortised cost	31	1,015,538	1,011,436
Receivables from related parties	45(i)	391,230	392,023
Other receivables	37	471,424	339,145
Current income tax recoverable	26(b)	-	19,065
Restricted Cash	39	52,567	-
Cash and cash equivalents	38	161,045	293,096
Total assets		11,013,482	10,523,551
Liabilities			
Lease liability	24(ii)	140,034	143,751
Borrowings	16 (i)	464,875	510,554
Amounts due to related parties	45(a)(i)	1,587,008	1,505,615
Provisions and other payables	40	1,149,990	1,782,910
Current income tax payable	26(b)	1,814	-
Total liabilities		3,343,721	3,942,830
Net assets		7,669,761	6,580,721

The financial statements on pages 106 to 293 were authorised and approved for issue by the Board of Directors on 30th March 2026 and signed on its behalf by:



Mrs. Celestine Munda
Interim Chairperson



Mr. Tom Gitogo
Group Managing Director and CEO

Company statement of changes in equity

Year ended 31 December 2025	Notes	Share capital	Share Premium	Other reserves	Accumulated losses	Total Equity
		Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
At start of year		252,344	13,237,451	29,800	(6,938,874)	6,580,721
Profit for the year		-	-	-	1,063,622	1,063,622
Share of associate's other comprehensive income	18	-	-	25,418	-	25,418
Total other comprehensive profit for the year		-	-	25,418	-	25,418
At end of year		252,344	13,237,451	55,218	(5,875,252)	7,669,761

Year ended 31 December 2024	Notes	Share capital	Share Premium	Other reserves	Accumulated losses	Total Equity
		Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
At start of year		252,344	13,237,451	52,617	(6,487,043)	7,055,369
Loss for the year		-	-	-	(451,831)	(451,831)
Share of associate's other comprehensive income	18	-	-	93,467	-	93,467
Share of associates other comprehensive income reclassified to profit or loss	18	-	-	(116,284)	-	(116,284)
Total other comprehensive loss for the year		-	-	(22,817)	-	(22,817)
At end of year		252,344	13,237,451	29,800	(6,938,874)	6,580,721

Company statement of cash flows

		2025	2024
	Notes	Shs'000	Shs'000
Cashflows from operating activities			
Cash (used)/generated from operations	41	(1,217,545)	25,848
Tax paid	26 (b)	(23,599)	(28,175)
Net cash used in operating activities		(1,241,144)	(2,327)
Cashflows from investing activities			
Purchase of property and equipment	22	(5,155)	(4,015)
Purchase of intangible assets	23	-	(4,160)
Investment in subsidiaries	28(i)	(360,813)	(960,052)
Proceeds from disposal of investment in property funds	29(ii)	4,047	1,771,496
Distributions from investment in property funds	29(ii)	24,215	23,837
Purchase government securities held at amortised cost	31(i)	(1,778)	(4,621)
Maturities of corporate bonds at amortised cost	31(ii)	(142,185)	(186,800)
Purchase of corporate bonds at amortised cost	31(ii)	147,493	182,297
Maturities of government securities at amortised cost	31(i)	-	46,065
Dividends received from subsidiaries	8(ii)	1,476,203	475,843
Interest received		186,845	250,726
Net cash generated from investing activities		1,328,872	1,590,616
Cash flows from financing activities			
Repayment of bank loan	16(i)	-	(1,211,320)
Interest paid on related balances		(186,081)	(93,124)
Interest paid on lease liability	24(ii)	(30,218)	(13,731)
Payment of the principal portion of lease liability	24(i)	(3,717)	(38,279)
Net cash used in financing activities		(220,016)	(1,356,454)
Net (decrease)/increase in cash and cash equivalents		(132,288)	231,835
Cash and cash equivalents at start of year		293,386	61,551
Cash and cash equivalents at end of year	38	161,098	293,386

1. General information

Britam Holdings Plc Limited is incorporated in Kenya under the Companies Act as a public limited company and is domiciled in Kenya. The Company was first incorporated in Kenya on 26 July 1995 under the name British- American Financial Services Limited, changed its name to Britak Investments Company Limited on 25 September 2003 and again to British American Investments Company (Kenya) Limited on 5 May 2006 all under certificate number C66029. On 29 February 2012, the Company changed its status from a private liability limited company to a public limited company after listing in 2011 on the Nairobi Securities Exchange. British American Investments Company (Kenya) Limited then became Britam Holdings Limited on 5 August 2015. Thereafter the name of the Company was changed from Britam Holdings Limited to Britam Holdings Plc with effect from 4 May 2017 in conformity with the requirements of the Companies Act.

The address of its registered office is:

Britam Tower
Hospital Road
P.O Box 30375 - 00100
Upper Hill
Nairobi.

For the Companies Act reporting purposes, the balance sheet is represented by the statement of financial position and profit and loss account by the statement of profit or loss and other comprehensive income in these financial statements.

The Company acts as an investment company and a holding company for insurance, investment management and property businesses in Kenya, Uganda, Rwanda, South Sudan, Tanzania, Malawi and Mozambique.

The Group comprises 15 entities. Britam Holdings Plc, which is the ultimate and controlling parent company has fourteen subsidiaries across the various businesses as listed below: -

Insurance businesses:

1. Britam Life Assurance Company (Kenya) Limited
2. Britam General Insurance Company (Kenya) Limited
3. Britam Micro Insurance Company (Kenya) Limited
4. Britam Insurance Company (Uganda) Limited
5. Britam Insurance Company (Rwanda) Limited
6. Britam Insurance Company (South Sudan) Limited
7. Britam Insurance Company (Tanzania) Limited
8. Britam Insurance Company (Malawi) Limited
9. Britam - Companhia De Seguros De Mozambique S.A.
10. Britam Life Assurance Company (Uganda) Limited

Asset Managers:

11. Britam Asset Managers Company (Kenya) Limited
12. Britam Asset Managers Company (Uganda) Limited

Property companies:

13. Britam Properties Company (Kenya) Limited

Other companies:

14. Britam SEZ Company (Kenya) Limited
15. Britam Trust Services Limited Liability Partnership

The Group holds a 49.89% interest in HF Group Plc (Kenya), a 30% interest in Continental Reinsurance Company (Kenya) Limited, and a 100% interest in Kilimani Hotel Suites. These investments are accounted for as associates using the equity method in accordance with IAS 28.

In addition, the Group exercises control over a number of property investment funds, namely Britam Tower LLP, Crescent Development LLP, Coral Development LLP and Valley Front Development LLP, which are consolidated in the financial statements.

The principal accounting policies adopted in the preparation of these financial statements are set out below and relate to both the Company's and the Group's activities. These policies have been consistently applied to all years presented, unless otherwise stated.

2. Summary of material accounting policies

(a) Basis of preparation

The consolidated and company financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Kenyan Companies Act, 2015.

Apart from certain items that are carried at revalued and fair valued amounts, as explained in the accounting policies below, the financial statements have been prepared on the historical cost basis. The principal accounting policies are set out below.

The financial statements have been prepared based on accounting policies applicable to a going concern and presented in Kenyan Shillings (Shs), rounded to the nearest thousand.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires Directors to exercise judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

(b) Accounting standards and disclosures

(i) Adoption of new and revised standards

During the current year, the Group has adopted the new and revised standards issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) that are relevant to its operations and effective for annual reporting periods beginning on 1 January 2025. None of these new and revised standards have resulted in material changes to the Group's accounting policies. Information on the new and revised accounting standards effective in the current year and their impact on the consolidated and separate financial statements is detailed in Note 49 (i).

(ii) New and revised standards effective in future periods

Disclosure and assessment of the new and revised accounting standards effective in future periods is detailed in Note 48 (ii).

(c) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group has power over the investee, is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of subsidiaries is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date.

Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset, or liability is recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

2. Summary of material accounting policies (continued)

(c) Subsidiaries (continued)

The excess of the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiaries acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Realised gains or losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries and also include the Group's share of the results of the associate companies as disclosed in Note 25 to the financial statements, for the year ended 31 December 2025.

Investments in subsidiary companies by the Company are carried at cost less provision for impairment.

(i) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiaries is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(ii) Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(iii) Investments in associate companies

Associates are all entities over which the Group and Company have significant influence but do not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting at both the Company and Group level. Under the equity method, the investments are initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

When the Group increases its stake in an existing associate continuing to have significant influence but not gaining control, the cost of acquiring the additional stake (including any directly attributable costs) is added to the carrying value of the associate and goodwill arising on the purchase of the additional stake is calculated using fair value information at the date the additional interest is acquired (any negative goodwill is recognised in profit or loss).

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss as appropriate. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income, with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/ (loss) of an associate' in the income statement.

2. Summary of material accounting policies (continued)

(c) Subsidiaries (continued)

(iii) Investments in associate companies (continued)

Profits and losses resulting from upstream and downstream transactions between the group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising from investments in associates are recognised in profit or loss.

(iv) Property partnerships

Where the Group owns a majority stake in certain property partnerships and controls the management of those properties, including the power over all significant decisions around the use and maintenance of those properties, they are classified as businesses, and the Group consolidates its interest in those property partnerships.

(d) Insurance contracts and reinsurance contracts

The Group issues contracts that transfer insurance risk or financial risk or both. Insurance contracts are those contracts that transfer significant insurance risk. Such contracts may also transfer financial risk. As a general guideline, the Group defines as significant insurance risk, the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more than the benefits payable if the insured event did not occur.

Investment contracts are those contracts that transfer financial risk with no significant insurance risk. Insurance contracts and investment contracts are classified into one main category, depending on the duration of risk and as per the provisions of the Insurance Act.

There are contracts entered into by the Group with reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group and that meet the classification requirements for insurance contracts are classified as reinsurance contracts held. Contracts that do not meet these classification requirements are classified as financial assets. Insurance contracts entered into by the Group under which the contract holder is another insurer (inwards reinsurance) are included with insurance contracts.

Long-term insurance business

This category includes insurance business of all or any of the following classes, namely: ordinary life business, superannuation business (group life and pension), credit life business, and investment linked products.

Life assurance business means the business of, or in relation to, the issuing of, or the undertaking of liability to pay money on death or on the happening of any contingency dependent on the termination or continuance of human life (either with or without provision for a benefit under a continuous disability insurance contract), and include a contract which is subject to the payment of premiums for term dependent on the termination or continuance of human life and any contract securing the grant of an annuity for a term dependent upon human life.

The Group measures its insurance contracts (ordinary life, group life, annuity and credit life) and investment contracts with discretionary participation features i.e. investment contracts with DPF (deposit administration and unit linked) using the principles of IFRS 17 insurance contracts.

2. Summary of material accounting policies (continued)

(d) Insurance contracts and reinsurance contracts (continued)

Short term/general insurance business (Non-life)

This is insurance business of any class or classes that is not long term insurance business. Classes of general Insurance include Aviation insurance, Engineering insurance, Fire insurance – domestic risks, Fire insurance – industrial and commercial risks, Liability insurance, Marine insurance, Motor insurance – private vehicles, Motor insurance – commercial vehicles, Personal accident insurance, Theft insurance, Workmen’s Compensation and Employer’s Liability insurance and Miscellaneous insurance. Miscellaneous insurance refers to other classes of business not included under those listed above.

Motor insurance business means the business of affecting and carrying out contracts of insurance against loss of, or damage to, or arising out of or in connection with the use of motor vehicles, inclusive of third party risks but exclusive of transit risks. Personal Accident insurance business means the business of affecting and carrying out contracts of insurance against risks of the persons insured sustaining injury as the result of an accident or of an accident of a specified class or dying as the result of an accident or of an accident of a specified class or becoming incapacitated in consequence of disease or of disease of a specified class. It also includes business of effecting and carrying out contracts of insurance against risk of persons insured incurring medical expenses.

Fire insurance business means the business of affecting and carrying out contracts of insurance, otherwise than incidental to some other class of insurance business against loss or damage to property due to fire, explosion, storm and other occurrences customarily included among the risks insured against in the fire insurance business, damage to property due to fire, explosion, storm and other occurrences customarily included among the risks insured against in the fire insurance business.

(i) Recognition, measurement, and presentation of insurance contracts

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts, reinsurance contracts and investment contracts with discretionary participation features. It introduced a model that measures groups of contracts based on the Group’s estimates of the present value of future cash flows that are expected to arise as the Group fulfils the contracts, an explicit risk adjustment for non-financial risk and a CSM.

Under IFRS 17, insurance revenue in each reporting period represents the changes in the liabilities for remaining coverage that relate to services for which the Group expects to receive consideration and an allocation of premiums that relate to recovering insurance acquisition cash flows. In addition, investment components are excluded in insurance revenue and insurance service expenses.

Insurance finance income and expenses are presented separately from insurance revenue and insurance service expenses. The Group applies various measurement models depending on the type of contract as shown below:

Contract issued	Product classification	Adopted approach
Ordinary Life	Insurance contracts	General Measurement Model (GMM),
Annuity	Insurance contracts	General Measurement Model (GMM),
Credit Life	Insurance contracts	General Measurement Model (GMM),
Group Life	Insurance contracts	Premium Allocation Approach (PAA)
Deposit Administration	Investment contracts with DPF	Variable Fee Approach (VFA)
Unit Linked	Investment contracts with DPF	Variable Fee Approach (VFA)
Non-Life (motor, medical, fire, liability and engineering)	Insurance contracts	Premium Allocation Approach (PAA)
Reinsurance contract held (Quota share, Treaty and Excess of loss)	Reinsurance contracts	Premium Allocation Approach (PAA)

When measuring liabilities for incurred claims, the Group discounts the future cash flows unless they are expected to occur in one year or less from the date on which the claims are incurred and includes an explicit risk adjustment for non-financial risk.

2. Summary of material accounting policies (continued)

(d) Insurance contracts and reinsurance contracts (continued)

(i) Recognition, measurement, and presentation of insurance contracts (continued)

Insurance acquisition cash flows that arise before the recognition of the related insurance contracts are recognised as separate assets and are tested for recoverability. These assets are presented in the carrying amount of the related portfolio of contracts and are derecognised once the related contracts have been recognised. Income and expenses from reinsurance contracts other than insurance finance income and expenses are presented as a single net amount in profit or loss.

(ii) Separating components from insurance and reinsurance contracts

At inception, the Group separates the following components from an insurance or reinsurance contract and accounts for them as if they were stand-alone financial instruments:

- derivatives embedded in the contract whose economic characteristics and risks are not closely related to those of the host contract, and whose terms would not meet the definition of an insurance or reinsurance contract as a stand-alone instrument; and
- distinct investment components: i.e. investment components that are not highly inter-related with the insurance components and for which contracts with equivalent terms are sold, or could be sold, separately in the same market or the same jurisdiction.

After separating any financial instrument components, the Group separates any promises to transfer to policyholders distinct goods or services other than insurance coverage and investment services and accounts for them as separate contracts with customers (i.e. not as insurance contracts).

A good or service is distinct if the policyholder can benefit from it either on its own or with other resources that are readily available to the policyholder. A good or service is not distinct and is accounted for together with the insurance component if the cash flows and risks associated with the good or service are highly inter-related with the cash flows and risks associated with the insurance component, and the Group provides a significant service of integrating the good or service with the insurance component.

(iii) Aggregation and recognition of insurance and reinsurance contracts

Insurance contracts are aggregated into groups for measurement purposes. Groups of insurance contracts are determined by identifying portfolios of insurance contracts, each comprising contracts subject to similar risks and managed together, and dividing each portfolio into annual cohorts (i.e., by year of issue) and each annual cohort into three groups based on the profitability of contracts:

- any contracts that are onerous on initial recognition,
- any contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently; and
- any remaining contracts in the annual cohort.

An insurance contract issued by the Group is recognised from the earliest of:

- the beginning of its coverage period (i.e., the period during which the Company provides services in respect of any premiums within the boundary of the contract);
- when the first payment from the policyholder becomes due or, if there is no contractual due date, when it is received from the policyholder; and
- when facts and circumstances indicate that the contract is onerous.

An insurance contract acquired in a transfer of contracts, or a business combination is recognised on the date of acquisition. When the contract is recognised, it is added to an existing group of contracts or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts are added. Groups of contracts are established on initial recognition and their composition is not revised once all contracts have been added to the group.

2. Summary of material accounting policies (continued)

(d) Insurance contracts and reinsurance contracts (continued)

(iv) Reinsurance contracts

Groups of reinsurance contracts are established such that each group comprises a single contract. Some reinsurance contracts provide cover for underlying contracts that are included in different groups. However, the Group concludes that the reinsurance contract's legal form of a single contract reflects the substance of the Group's contractual rights and obligations, considering that the different covers lapse together and are not sold separately. As a result, the reinsurance contract is not separated into multiple insurance components that relate to different underlying groups.

A group of reinsurance contracts is recognised on the following date.

- Reinsurance contracts initiated by the Group that provide proportionate coverage: The date on which any underlying insurance contract is initially recognised. This applies to the Group's quota share and surplus treaty reinsurance contracts.
- Other reinsurance contracts initiated by the Group: The beginning of the coverage period of the group of reinsurance contracts. However, if the Group recognises an onerous group of underlying insurance contracts on an earlier date and the related reinsurance contract was entered into before that earlier date, then the group of reinsurance contracts is recognised on that earlier date. This applies to the Group's excess of loss reinsurance contracts.
- Reinsurance contracts acquired: The date of acquisition.

(v) Insurance acquisition cash flows

Insurance acquisition cash flows are allocated to groups of insurance contracts using a systematic and rational method and considering, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort.

If insurance non-refundable acquisition cash flows are directly attributable to a group of contracts (e.g. commissions paid on issuance of a contract), then they are allocated to that group and to the groups that will include renewals of those contracts. The allocation to renewals only applies to non-life contracts and certain term assurance and critical illness contracts that have a one-year coverage period. The Group expects to recover part of the related insurance acquisition cash flows through renewals of these contracts. The allocation to renewals is based on the manner in which the Company expects to recover those cash flows.

If insurance acquisition cash flows are directly attributable to a portfolio but not to a group of contracts, then they are allocated to groups in the portfolio using a systematic and rational method.

Insurance acquisition cash flows arising before the recognition of the related group of contracts are recognised as an asset. Insurance acquisition cash flows arise when they are paid or when a liability is required to be recognised under a standard other than IFRS 17.

Such an asset is recognised for each group of contracts to which the insurance acquisition cash flows are allocated. The asset is derecognised, fully or partially, when the insurance acquisition cashflows are included in the measurement of the group of contracts.

When the group acquires insurance contracts in a transfer of contracts or a business combination, at the date of acquisition it recognises an asset for insurance acquisition cash flows at fair value for the rights to obtain:

- a. renewals of contracts recognised at the date of acquisition; and
- b. other future contracts after the date of acquisition without paying again insurance acquisition cash flows that the acquiree has already paid.

At each reporting date, the Group revises the amounts allocated to groups to reflect any changes in assumptions that determine the inputs to the allocation method used. Amounts allocated to a group are not revised once all contracts have been added to the group.

2. Summary of material accounting policies (continued)

(d) Insurance contracts and reinsurance contracts (continued)

Recoverability assessment

At each reporting date, if facts and circumstances indicate that an asset for insurance acquisition cash flows may be impaired, then the Group:

- a. recognises an impairment loss in profit or loss so that the carrying amount of the asset does not exceed the expected net cash inflow for the related group; and
- b. if the asset relates to future renewals, recognises an impairment loss in profit or loss to the extent that it expects those insurance acquisition cash flows to exceed the net cash inflow for the expected renewals and this excess has not already been recognised as an impairment loss under (a).

The Group reverses any impairment losses in profit or loss and increases the carrying amount of the asset to the extent that the impairment conditions have improved.

Contract boundaries

The measurement of a group of contracts includes all of the future cash flows within the boundary of each contract in the group, determined as follows; The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts. This assessment is reviewed every reporting period. Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance coverage or other services. A substantive obligation ends when:

- a) The Group has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or
- b) both of the following criteria are satisfied:
 - i. The Group has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
 - ii. the pricing of premiums related to coverage to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or has a substantive right to receive services from the reinsurer.

A substantive right to receive services from the reinsurer ends when the reinsurer:

- has the practical ability to reassess the risks transferred to it and can set a price or level of benefits that fully reflect those reassessed risks; or
- has a substantive right to terminate the coverage.

The contract boundary is reassessed at each reporting date to include the effect of changes in circumstances on the Group's substantive rights and obligations and, therefore, may change over time.

(i) Measurement of contracts not measured under the PAA.

Insurance contracts - Initial measurement

On initial recognition, the Group measures a group of insurance contracts as the total of (a) the fulfilment cash flows, which comprise estimates of future cash flows, adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and (b) the CSM. The fulfilment cash flows of a group of insurance contracts do not reflect the Group's non-performance risk.

The risk adjustment for non-financial risk for a group of insurance contracts, determined separately from the other estimates, is the compensation required for bearing uncertainty about the amount and timing of the cash flows that arises from non-financial risk.

2. Summary of material accounting policies (continued)

(d) Insurance contracts and reinsurance contracts (continued)

Measurement of contracts not measured under the PAA (continued)

Insurance contracts - Initial measurement (continued)

The CSM of a group of insurance contracts represents the unearned profit that the Group will recognise as it provides services under those contracts. On initial recognition of a group of insurance contracts, if the total of

- (a) the fulfilment cash flows,
- (b) any cash flows arising at that date and
- (c) any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group (including assets for insurance acquisition cash flows under (iii)) is a net inflow, then the group is not onerous. In this case, the CSM is measured as the equal and opposite amount of the net inflow, which results in no profit or loss arising on initial recognition.

For groups of contracts acquired in a transfer of contracts or a business combination, the consideration received for the contracts is included in the fulfilment cash flows as a proxy for the premiums received at the date of acquisition. In a business combination, the consideration received is the fair value of the contracts at that date.

If the total is a net outflow, then the group is onerous. In this case, the net outflow is recognised as a loss in profit or loss, or as an adjustment to goodwill or a gain on a bargain purchase if the contracts are acquired in a business combination.

A loss component is created to depict the amount of the net cash outflow, which determines the amounts that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue.

Insurance contracts - Subsequent measurement

The carrying amount of a group of insurance contracts at each reporting date is the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage comprises (a) the fulfilment cash flows that relate to services that will be provided under the contracts in future periods and (b) any remaining CSM at that date. The liability for incurred claims includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

The fulfilment cash flows of groups of insurance contracts are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk. Changes in fulfilment cash flows are recognised as follows.

- Changes relating to future services- Adjusted against the CSM (or recognised in the insurance service result in profit or loss if the group is onerous).
- Changes relating to current or past services- Recognised in the insurance service result in profit or loss.
- Effects of the time value of money, financial risk and changes therein on estimated future cash flows- Recognised as insurance finance income or expenses. The CSM of each group of contracts is calculated at each reporting date as follows.

Insurance contracts without direct participation features

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for: the CSM of any new contracts that are added to the group in the year;

- interest accreted on the carrying amount of the CSM during the year, measured at the discount rates on nominal cash flows that do not vary based on the returns on any underlying items determined on initial recognition;
- changes in fulfilment cash flows that relate to future services, except to the extent that:
 - any increases in the fulfilment cash flows exceed the carrying amount of the CSM, in which case the excess is recognised as a loss in profit or loss and creates a loss component or;
 - any decreases in the fulfilment cash flows are allocated to the loss component, reversing losses previously recognised in profit or loss ;
- the effect of any currency exchange differences on the CSM; and
- the amount recognised as insurance revenue because of the services provided in the year.

2. Summary of material accounting policies (continued)

(d) Insurance contracts and reinsurance contracts (continued)

Measurement of contracts not measured under the PAA (continued)

Insurance contracts - Initial measurement (continued)

Changes in fulfilment cash flows that relate to future services comprise:

- experience adjustments arising from premiums received in the year that relate to future services and related cash flows, measured at the discount rates determined on initial recognition.
- changes in estimates of the present value of future cash flows in the liability for remaining coverage, measured at the discount rates determined on initial recognition, except for those that arise from the effects of the time value of money, financial risk and changes therein;
- differences between (a) any investment component expected to become payable in the year, determined as the payment expected at the start of the year plus any insurance finance income or expenses (see (viii)) related to that expected payment before it becomes payable; and (b) the actual amount that becomes payable in the year;
- differences between any loan to a policyholder expected to become repayable in the year and the actual amount that becomes repayable in the year; and
- changes in the risk adjustment for non-financial risk that relate to future services.

Changes in discretionary cash flows are regarded as relating to future services and accordingly adjust the CSM.

Direct Participating Contracts

Direct participating contracts are contracts under which the Group's obligation to the policyholder is the net of:

- the obligation to pay the policyholder an amount equal to the fair value of the underlying items; and
- a variable fee in exchange for future services provided by the contracts, being the amount of the Company's share of the fair value of the underlying items less fulfilment cash flows that do not vary based on the returns on underlying items. The Company provides investment services under these contracts by promising an investment return based on underlying items, in addition to insurance coverage.

When measuring a group of direct participating contracts, the Group adjusts the fulfilment cash flows for the whole of the changes in the obligation to pay policyholders an amount equal to the fair value of the underlying items. These changes do not relate to future services and are recognised in profit or loss. The Company then adjusts any CSM for changes in the amount of the Company's share of the fair value of the underlying items, which relate to future services, as explained below.

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:

- the CSM of any new contracts that are added to the group in the year;
- the change in the amount of the Company's share of the fair value of the underlying items and changes in fulfilment cash flows that relate to future services, except to the extent that;
- the Company has applied the risk mitigation option to exclude from the CSM changes in the effect of financial risk on the amount of its share of the underlying items or fulfilment cash flows
- a decrease in the amount of the Company's share of the fair value of the underlying items, or an increase in the fulfilment cash flows that relate to future services, exceeds the carrying amount of the CSM, giving rise to a loss in profit or loss (included in insurance service expenses) and creating a loss component; or
- an increase in the amount of the Company's share of the fair value of the underlying items, or a decrease in the fulfilment cash flows that relate to future services, is allocated to the loss component, reversing losses previously recognised in profit or loss (included in insurance service expenses) ;
- the effect of any currency exchange differences on the CSM; and the amount recognised as insurance revenue because of the services provided in the year.

Changes in fulfilment cash flows that relate to future services include the changes relating to future services specified above for contracts without direct participation features (measured at current discount rates) and changes in the effect of the time value of money and financial risks that do not arise from underlying items - e.g. the effect of financial guarantees.

2. Summary of material accounting policies (continued)

(d) Insurance contracts and reinsurance contracts (continued)

Measurement of contracts not measured under the PAA (continued)

Reinsurance contracts

To measure a group of reinsurance contracts, the Group applies the same accounting policies as are applied to insurance contracts without direct participation features, with the following modifications.

The carrying amount of a group of reinsurance contracts at each reporting date is the sum of the asset for remaining coverage and the asset for incurred claims. The asset for remaining coverage comprises; the fulfilment cash flows that relate to services that will be received under the contracts in future periods and any remaining CSM at that date.

The Group measures the estimates of the present value of future cash flows using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non-performance by the reinsurer. The effect of the non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in profit or loss.

The risk adjustment for non-financial risk is the amount of risk being transferred by the Group to the reinsurer.

To measure a group of reinsurance contracts, the Group applies the same accounting policies as are applied to insurance contracts without direct participation features, with the following modifications.

The carrying amount of a group of reinsurance contracts at each reporting date is the sum of the asset for remaining coverage and the asset for incurred claims. The asset for remaining coverage comprises; the fulfilment cash flows that relate to services that will be received under the contracts in future periods and any remaining CSM at that date.

The Group measures the estimates of the present value of future cash flows using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non-performance by the reinsurer. The effect of the non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in profit or loss.

The risk adjustment for non-financial risk is the amount of risk being transferred by the Group to the reinsurer.

On initial recognition, the CSM of a group of reinsurance contracts represents a net cost or net gain on purchasing reinsurance. It is measured as the equal and opposite amount of the total of:

- the fulfilment cash flows,
- any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group,
- any cash flows arising at that date; and
- any income recognised in profit or loss because of onerous underlying contracts recognised at that date. However, if any net cost on purchasing reinsurance coverage relates to insured events that occurred before the purchase of the group, then the Group recognises the cost immediately in profit or loss as an expense.

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for: the CSM of any new contracts that are added to the group in the year;

- interest accreted on the carrying amount of the CSM during the year, measured at the discount rates on nominal cash flows that do not vary based on the returns on any underlying items determined on initial recognition;
- income recognised in profit or loss in the year on initial recognition of onerous underlying contracts;
- reversals of a loss-recovery component to the extent that they are not changes in the fulfilment cash flows of the group of reinsurance contracts;
- changes in fulfilment cash flows that relate to future services, measured at the discount rates determined on initial recognition, unless they result from changes in fulfilment cash flows of onerous underlying contracts, in which case they are recognised in profit or loss and create or adjust a loss-recovery component;
- the effect of any currency exchange differences on the CSM; and
- the amount recognised in profit or loss because of the services received in the year.

2. Summary of material accounting policies (continued)

(d) Insurance contracts and reinsurance contracts (continued)

Measurement of contracts not measured under the PAA (continued)

Reinsurance contracts (continued)

Reinsurance of onerous underlying insurance contracts

The Group adjusts the CSM of the group to which a reinsurance contract belongs and as a result recognises income when it recognises a loss on initial recognition of onerous underlying contracts, if the reinsurance contract is entered into before or at the same time as the onerous underlying contracts are recognised. The adjustment to the CSM is determined by multiplying:

- the amount of the loss that relates to the underlying contracts; and
- the percentage of claims on the underlying contracts that the Company expects to recover from the reinsurance contracts.

For reinsurance contracts acquired in a transfer of contracts or a business combination covering onerous underlying contracts, the adjustment to the CSM is determined by multiplying:

the amount of the loss component that relates to the underlying contracts at the date of acquisition; and the percentage of claims on the underlying contracts that the Group expects at the date of acquisition to recover from the reinsurance contracts.

For reinsurance contracts acquired in a business combination, the adjustment to the CSM reduces goodwill or increases a gain on a bargain purchase.

If the reinsurance contract covers only some of the insurance contracts included in an onerous group of contracts, then the Group uses a systematic and rational method to determine the portion of losses recognised on the onerous group of contracts that relates to underlying contracts covered by the reinsurance contract.

A loss-recovery component is created or adjusted for the group of reinsurance contracts to depict the adjustment to the CSM, which determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid.

Measurement - Contracts measured under the PAA

In the short-term life business, the Group uses the PAA to simplify the measurement of groups of contracts when the following criteria are met at inception.

- Insurance contracts: The coverage period of each contract in the group is one year or less.
- Loss-occurring reinsurance contracts: The coverage period of each contract in the group is one year or less.
- Risk-attaching reinsurance contracts: the Group reasonably expects that the resulting measurement of the asset for remaining coverage would not differ materially from the result of applying the accounting policies in (i). When comparing the different possible measurements, the Company considers the impact of the different release patterns of the asset for remaining coverage to profit or loss and the impact of the time value of money. If significant variability is expected in the fulfilment cash flows during the period before a claim is incurred, then this criterion is not met.
- However, if certain groups of insurance contracts are acquired in their claims settlement period. The claims from some of these groups are expected to develop over more than one year. The Group measures these groups under the accounting policies in 2(d).

2. Summary of material accounting policies (continued)

(d) Insurance contracts and reinsurance contracts (continued)

Measurement - contracts measured under the PAA (continued)

Insurance contracts

On initial recognition of each group of contracts, the carrying amount of the liability for remaining coverage is measured at the premiums received on initial recognition minus any insurance acquisition cash flows allocated to the group at that date and adjusted for any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group (including assets for insurance acquisition cash flows under 2(d)). The Group has chosen not to expense insurance acquisition cash flows when they are incurred.

Subsequently, the carrying amount of the liability for remaining coverage is increased by any premiums received and the amortisation of insurance acquisition cash flows recognised as expenses and decreased by the amount recognised as insurance revenue for services provided and any additional insurance acquisition cash flows allocated after initial recognition. On initial recognition of each group of contracts, the Group expects that the time between providing each part of the services and the related premium due date is no more than a year.

Accordingly, the Group has chosen not to adjust the liability for remaining coverage to reflect the time value of money and the effect of financial risk.

If at any time during the coverage period, facts and circumstances indicate that a group of contracts is onerous, then the Group recognises a loss in profit or loss and increases the liability for remaining coverage to the extent that the current estimates of the fulfilment cash flow that relate to remaining coverage exceed the carrying amount of the liability for remaining coverage. The fulfilment cash flows are discounted (at current rates) if the liability for incurred claims is also discounted.

The Group recognises the liability for incurred claims of a group of insurance contracts at the amount of the fulfilment cash flows relating to incurred claims. The future cash flows are discounted (at current rates) unless they are expected to be paid in one year or less from the date the claims are incurred.

Reinsurance contracts

The Group applies the same accounting policies to measure a group of reinsurance contracts, adapted where necessary to reflect features that differ from those of insurance contracts.

If a loss-recovery component is created for a group of reinsurance contracts measured under the PAA, then the Group adjusts the carrying amount of the asset for remaining coverage instead of adjusting the CSM.

Derecognition and contract modification

The Group derecognises a contract when it is extinguished – i.e. when the specified obligations in the contract expire or are discharged or cancelled. The Group also derecognises a contract if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, in which case a new contract based on the modified terms is recognised. If a contract modification does not result in derecognition, then the Group treats the changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows.

On derecognition of a contract from within a group of contracts not measured under the PAA:

- the fulfilment cash flows allocated to the group are adjusted to eliminate those that relate to the rights and obligations derecognised;
- the CSM of the group is adjusted for the change in the fulfilment cash flows, except where such changes are allocated to a loss component; and
- the number of coverage units for the expected remaining services is adjusted to reflect the coverage units derecognised from the group.

If a contract is derecognised because it is transferred to a third party, then the CSM is also adjusted for the premium charged by the third party, unless the group is onerous. If a contract is derecognised because its terms are modified, then the CSM is also adjusted for the premium that would have been charged had the Company entered into a contract with the new contract's terms at the date of modification, less any additional premium charged for the modification. The new contract recognised is measured assuming that, at the date of modification, the Company received the premium that it would have charged less any additional premium charged for the modification.

2. Summary of material accounting policies (continued)

(d) Insurance contracts and reinsurance contracts (continued)

Measurement - contracts measured under the PAA (continued)

Presentation

Portfolios of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the statement of financial position. Any assets or liabilities recognised for cash flows arising before the recognition of the related group of contracts (including any assets for insurance acquisition cash flows under (vi) Insurance acquisition cash flows) are included in the carrying amount of the related portfolios of contracts.

The Group disaggregates amounts recognised in the statement of profit or loss and OCI into;

- a) an insurance service result, comprising insurance revenue and insurance service expenses; and
- b) Insurance finance income or expenses.

Income and expenses from reinsurance contracts are presented separately from income and expenses from insurance contracts. Income and expenses from reinsurance contracts, other than insurance finance income or expenses, are presented on a net basis as 'net expenses from reinsurance contracts' in the insurance service result.

The Company does not disaggregate changes in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses. All changes in the risk adjustment for non-financial risk are included in the insurance service result.

Insurance revenue and insurance service expenses exclude any investment components and are recognised as follows.

Insurance revenue – Contracts not measured under the PAA

The Group recognises insurance revenue as it satisfies its performance obligations – i.e. as it provides services under groups of insurance contracts. For contracts not measured under the PAA, the insurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining coverage that relate to services for which the Group expects to receive consideration, and comprises the following items.

- A release of the CSM, measured based on coverage units provided (see 'Release of the CSM' below).
- Changes in the risk adjustment for non-financial risk relating to current services.
- Claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year. This includes amounts arising from the derecognition of any assets for cash flows other than insurance acquisition cash flows at the date of initial recognition of a group of contracts (see (vi) Insurance acquisition cash flows), which are recognised as insurance revenue and insurance service expenses at that date.
- Other amounts, including experience adjustments for premium receipts for current or past services for the life risk segment and amounts related to incurred policyholder tax expenses for the participating segment.

In addition, the Group allocates a portion of premiums that relate to recovering insurance acquisition cash flows to each period in a systematic way based on the passage of time. The Group recognises the allocated amount, adjusted for interest accretion at the discount rates determined on initial recognition of the related group of contracts, as insurance revenue and an equal amount as insurance service expenses.

Release of the CSM

The amount of the CSM of a group of insurance contracts that is recognised as insurance revenue in each year is determined by identifying the coverage units in the group, allocating the CSM remaining at the end of the year (before any allocation) equally to each coverage unit provided in the year and expected to be provided in future years, and recognising in profit or loss the amount of the CSM allocated to coverage units provided in the year. The number of coverage units is the quantity of services provided by the contracts in the group, determined by considering for each contract the quantity of benefits provided and its expected coverage period. The coverage units are reviewed and updated at each reporting date.

Services provided by insurance contracts include insurance coverage and, for all direct participating contracts, investment services for managing underlying items on behalf of policyholders. In addition, life savings contracts may also provide investment services for generating an investment return for the policyholder, but only if:

2. Summary of material accounting policies (continued)

(d) Insurance contracts and reinsurance contracts (continued)

Presentation (Continued)

Release of the CSM (continued)

- an investment component exists or the policyholder has a right to withdraw an amount (e.g. the policyholder's right to receive a surrender value on cancellation of a contract);
- the investment component or withdrawal amount is expected to include an investment return; and
- the Company expects to perform investment activities to generate that investment return.

The expected coverage period reflects expectations of lapses and cancellations of contracts, as well as the likelihood of insured events occurring to the extent that they would affect the expected coverage period. The period of investment services ends no later than the date on which all amounts due to current policyholders relating to those services have been paid.

Insurance revenue – Contracts measured under the PAA

For contracts measured under the PAA, the insurance revenue for each period is the amount of expected premium receipts for providing services in the period. The Group allocates the expected premium receipts to each period on the following bases:

certain property contracts: the expected timing of incurred insurance service expenses; and

and other contracts: the passage of time.

Loss components

For contracts not measured under the PAA, the Group establishes a loss component of the liability for remaining coverage for onerous groups of insurance contracts. The loss component determines the amounts of fulfilment cash flows that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue when they occur. When the fulfilment cash flows are incurred, they are allocated between the loss component and the liability for remaining coverage excluding the loss component on a systematic basis.

The systematic basis is determined by the proportion of the loss component relative to the total estimate of the present value of the future cash outflows plus the risk adjustment for nonfinancial risk at the beginning of each year (or on initial recognition if a group of contracts is initially recognised in the year).

Changes in fulfilment cash flows relating to future services and changes in the amount of the Group's share of the fair value of the underlying items for direct participating contracts are allocated solely to the loss component. If the loss component is reduced to zero, then any excess over the amount allocated to the loss component creates a new CSM for the group of contracts.

Insurance service expenses

Insurance service expenses arising from insurance contracts are recognised in profit or loss generally as they are incurred. They exclude repayments of investment components and comprise the following items:

Incurred claims and other insurance service expenses: For some life risk contracts, incurred claims also include critical illness or on death.

- Amortisation of insurance acquisition cash flows: For contracts not measured under the PAA, this is equal to the amount of insurance revenue recognised in the year that relates to recovering insurance acquisition cash flows. For contracts measured under the PAA, the Company amortizes insurance acquisition cash flows on a straight-line basis over the coverage period of the group of contracts.
- Losses on onerous contracts and reversals of such losses.
- Adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein.
- Impairment losses on assets for insurance acquisition cash flows and reversals of such impairment losses.

2. Summary of material accounting policies (continued)

(d) Insurance contracts and reinsurance contracts (continued)

Presentation(Continued)

Net expenses from reinsurance contracts

Net expenses from reinsurance contracts comprise an allocation of reinsurance premiums paid less amounts recovered from reinsurers. The Group recognises an allocation of reinsurance premiums paid in profit or loss as it receives services under groups of reinsurance contracts. For contracts not measured under the PAA, the allocation of reinsurance premiums paid relating to services received for each period represents the total of the changes in the asset for remaining coverage that relate to services for which the Company expects to pay consideration. For contracts measured under the PAA, the allocation of reinsurance premiums paid for each period is the amount of expected premium payments for receiving services in the period.

For a group of reinsurance contracts covering onerous underlying contracts, the Group establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised:

- on recognition of onerous underlying contracts, if the reinsurance contract covering those contracts is entered into before or at the same time as those contracts are recognised; and
- for changes in fulfilment cash flows of the group of reinsurance contracts relating to future services that result from changes in fulfilment cash flows of the onerous underlying contracts.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. It is adjusted to reflect changes in the loss component of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Group expects to recover from the reinsurance contracts.

Insurance finance income and expenses

Insurance finance income and expenses comprise changes in the carrying amounts of groups of insurance and reinsurance contracts arising from the effects of the time value of money, financial risk and changes therein, unless any such changes for groups of direct participating contracts are allocated to a loss component and included in insurance service expenses. They include changes in the measurement of groups of contracts caused by changes in the value of underlying items (excluding additions and withdrawals).

The Group presents insurance finance income or expenses in profit or loss.

The amount included in profit or loss is determined by a systematic allocation of the expected total insurance finance income or expenses over the duration of the group of contracts. The systematic allocation is determined using the following rates:

- life risk contracts: the discount rates determined on initial recognition of the group of contracts; and
- life savings contracts: for insurance finance income or expenses arising from the estimates of future cash flows, a rate that allocates the remaining revised expected finance income or expenses over the remaining duration of the group of contracts at a constant rate (i.e. the effective yield); and for insurance finance income or expenses arising from the CSM, the discount rates determined on initial recognition of the group of contracts.

(e) Income

(i) Interest income

Interest income for all interest-bearing financial instruments, including financial instruments measured at fair value through profit or loss, is recognised within 'Interest and dividend income from fair value investments' (Note 8(ii) in the statement of profit or loss. For interest-bearing financial instruments measured at amortised cost, interest income is computed using the effective interest rate method (Note 8(i)). When all the financial asset (debt instrument) at fair value through OCI and amortised cost is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income.

(ii) Dividend income

Dividend income is recognised when the right to receive payment is established. This is the ex-dividend date for equity securities.

2. Summary of material accounting policies (continued)

(e) Income (continued)

(iii) Rental income

Rental income is recognised as income in the period in which it is earned.

(iv) Realised/unrealised gains and losses

Realised/unrealised gains and losses recorded in the statement of profit or loss on investments include gains and losses on financial assets and investment properties. Gains and losses on the sales of investments are calculated as the difference between net sales proceeds and the original or amortised cost and are recorded on occurrence of the sale transaction.

Unrealised gains and losses are calculated as the difference between fair value of the investments at the end of the period and at the beginning of the period/purchase date.

(f) Functional currency and translation of foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the Functional Currency'). The consolidated financial statements are presented in 'Kenyan Shillings (Shs) rounded to the nearest thousand, which is the Group's presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when deferred in other comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other income' or 'other expenses'.

Translation differences related to changes in amortised cost and financial assets at fair value through profit or loss are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

The financial statements of subsidiaries operating in countries that are not classified as hyperinflationary are translated into the Group's reporting currency as follows:

- Assets and Liabilities are translated at the closing exchange rate prevailing at the reporting date.
- Income and Expenses are translated at average exchange rates for the period, unless exchange rates fluctuate significantly, in which case actual rates at the transaction date are used.
- Equity items share capital and reserves are translated at historical exchange rates (rates at the date of the transaction). Translation differences resulting in exchange differences are recognized in other comprehensive income (OCI) and accumulated in the foreign currency translation reserve within equity.

2. Summary of material accounting policies (continued)

(f) Functional currency and translation of foreign currencies (Continued)

(iii) Hyper-inflation

Two of the subsidiaries of the Company (Britam Insurance Company Limited (South Sudan) and Britam Insurance Company Limited (Malawi)) operate in hyperinflationary economies. This has been assessed in accordance with the provisions of IAS 29 Financial Reporting in Hyperinflationary Economies.

As the presentation currency of the Group is that of a non-hyperinflationary economy, comparative amounts are not adjusted for changes in the price level in the current year. Differences between these comparative amounts and current year hyperinflation adjusted equity balances are recognised in OCI. The carrying amounts of non-monetary assets and liabilities are adjusted to reflect the change in the general price index from the date of acquisition to the end of the reporting period. An impairment loss is recognised in profit or loss if the restated amount of a non-monetary item exceeds its estimated recoverable amount. On initial application of hyperinflation prior period gains and losses are recognised directly in equity.

Gains or losses in the net monetary position are recognised in profit or loss. All items recognised in the income statement are restated by applying the change in the general price index from the dates when the items of income and expenses were initially earned or incurred.

At the beginning of the first period of application, the components of equity, except retained earnings, are restated by applying a general price index from the dates the components were contributed or otherwise arose. These restatements are recognised directly in equity as an adjustment to opening retained earnings. Restated retained earnings are derived from all other amounts in the restated statement of financial position. If on initial application of hyperinflation accounting the restated value of the non-monetary assets exceed their recoverable amount, the initial adjustment is capped at the recoverable amount, and the net increase is recorded directly in retained earnings. At the end of the first period and in subsequent periods, all components of equity are restated by applying a general price index from the beginning of the period or the date of contribution, if later.

All items in the statement of cash flows are expressed in terms of the general price index at the end of the reporting period.

Significant judgement

The Group exercises significant judgement in determining the onset of hyperinflation in countries in which it operates and whether the functional currency of its subsidiaries is the currency of a hyperinflationary economy.

Various characteristics of the economic environment of each country are considered. These characteristics include, but are not limited to, whether:

- a. The general population prefers to keep its wealth in non-monetary assets or in a relatively stable foreign currency.
- b. prices are quoted in a relatively stable foreign currency.
- c. Sales or purchase prices take expected losses of purchasing power during a short credit period into account.
- d. interest rates, wages and prices are linked to a price index; and
- e. The cumulative inflation rate over three years is approaching, or exceeds, 100%.

Hyperinflation Application – Malawi Subsidiary

For the Malawi subsidiary, the group has done an assessment of the impact of the of IAS 29 on the financials statement of Malawi. The assessment of has been calculated by means of conversion factors derived from the consumer price index (CPI) prepared by the National Statistics Office of Malawi.

The base year used is 2021 and the factors used to restate the financial statements at 31 December 2025 are an exchange rate of 13.42 (2024: 13.41) to Kenya Shillings and a conversion factor of 1.26 (2024: 1.28).

The group assessed the impact of the above and was considered not material to the consolidated financial statements these have not been incorporated into the financials

Hyperinflation Application – South Sudan Subsidiary

The information in the current period for South Sudan subsidiary has been restated to the currency units at the end of current reporting period to reflect the change in purchasing power. The financial statements for the subsidiary are prepared in a current cost method. The restatement has been calculated by means of conversion factors derived from the consumer price index (CPI) prepared by the South Sudan Bureau of Statistics Office.

The base year used is 2015 and the factors used to restate the financial statements at 31 December 2025 are an exchange rate of 4,509.35 (2024: 3,939.59) SSP to one USD and a conversion factor of 1.27 (2024: 0.88).

2. Summary of material accounting policies (continued)

(f) Functional currency and translation of foreign currencies (Continued)

(iii) Hyper-inflation(continued)

A summary of the gain or loss on monetary position at 31 December 2025 is set out in the below table:

Effect of hyperinflation on non-monetary items	Shs'000 2025	Shs'000 2024
Property and equipment	6,610	8,882
Intangible assets	117	(1,012)
Right of use Asset- IFRS 16	(3,141)	7,738
Prepaid expenses	1,574	2,658
Shareholder funds	(15,715)	(48,503)
Net monetary loss on non-monetary items	(10,555)	(30,237)

(h) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker who is responsible for allocating resources and assessing the performance of the operating segments has been identified as the Executive Management Board that makes strategic decisions.

All transactions between business segments are conducted on an arm's length basis, with intra-segment revenue and costs being eliminated at head office. Income and expenses directly associated with each segment are included in determining business segment performance. In accordance with IFRS 8, the Group has the following business segments: Life insurance, Non-life insurance, Asset Management, Property and Other.

(i) Property and equipment

All categories of property and equipment, with exception of land and buildings, are initially recorded at cost and subsequently depreciated. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced or sold. All other repairs and maintenance outlays are charged to the statement of profit or loss during the financial period in which they are incurred.

Land and buildings are shown at fair value, based on annual valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset

Land and work in progress are not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives and charged to profit or loss, as follows:

Buildings	40 years
Leasehold improvements	10 years
Motor vehicles	5 years
Computer equipment	5 years
Furniture, fittings and office equipment	5 years

Gains and losses on disposal of property and equipment are determined by comparing the proceeds with the carrying amounts and are considered in determining operating profit. Buildings are revalued on an annual basis with the change credited/debited to revaluation reserves in equity. Decreases that offset previous increases of the same asset are charged against the revaluation reserves.

On disposal of revalued assets, amounts in the revaluation reserve relating to that asset may be transferred to retained earnings.

2. Summary of material accounting policies (continued)

(j) Intangible assets

(i) Computer software

Software license costs and computer software that are not an integral part of the related hardware are initially recognised at cost and subsequently carried at cost less accumulated amortization and accumulated impairment losses. Costs associated with maintaining computer software programmes are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use.
- Management intends to use or sell the software product.
- There is an ability to use or sell software products.
- It can be demonstrated how the software product will generate probable future economic benefits.
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. The amortization process commences when the asset is deemed to be in the location and condition for it to be capable of operating in the manner intended by management. Computer software development costs and other software costs recognised as assets are amortised over their estimated finite useful lives, which do not exceed seven years. The amortization is charged to the statement of profit or loss as part of operating and other expenses. Computer software shall be derecognised: on disposal; or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of computer software shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset. It shall be recognised in profit or loss when the asset is derecognised.

(ii) Goodwill

Goodwill arises on the acquisition of subsidiaries and associates. It represents the excess of the consideration transferred over the Group's interest in the fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units (CGUs), or groups of CGUs that are expected to benefit from the synergies of the combination. Each unit or group of units to which goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the CGU level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the cash generating unit is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense through statement of profit or loss and is not subsequently reversed.

(k) Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised through statement of profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date. Any noted reversals are recognized through statements of profit or loss.

2. Summary of material accounting policies (continued)

(l) Investment property

Buildings, or part of a building (freehold or held under a finance lease) and land (freehold or held under an operating lease) held for long term rental yields and/or capital appreciation and which are not occupied by the Group are classified as investment property. Investment property is treated as a long-term investment and is carried at fair value, representing open market value determined annually by external valuers. Changes in fair values are included in investment income in profit or loss. Land held under operating lease is classified and accounted for as investment property if and only if the property meets the definition of an investment property.

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

Properties under construction with projected use as investment properties are valued at projected fair values taking into account current market conditions, outstanding investment costs and a risk loading according to the progress of the project.

(m) Financial instruments

The Group's financial assets are classified and measured as follows, at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss. The classification of the assets to the three categories is based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) Classification of financial assets

- Classification of financial assets at amortised cost

The Group measures a financial asset at amortised cost if both of the following conditions are met:

- The financial asset is held within the Group with an objective to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group holds the following assets at amortised costs, part of its government securities portfolio, its corporate bonds portfolio, direct insurance and reinsurance receivables, other receivables, mortgage loans, loans and receivables to policyholders, investment in liquid funds, deposits with financial institutions, cash and bank balances and other receivables.

- Classification of financial assets at fair value through other comprehensive income

The Group measures debt instruments at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held within the Group with an objective to both collect contractual cash flows and sell the financial asset; and
 - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- The Group holds none of its debt instruments portfolio in this category.

The Group may make an irrevocable election at initial recognition for investments in equity instruments that are not held for trading to be held at fair value through other comprehensive income. The Group holds none of its equity portfolio in this category.

(ii) Classification of financial assets at fair value through profit or loss

The Group measures financial assets at fair value through profit or loss unless as a financial asset is measured at amortised cost or at fair value through other comprehensive income.

The Group may at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (accounting mismatch) that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. A majority of the Group's financial liabilities are measured at fair value and hence holding the assets on a different basis creates an accounting mismatch.

The Group holds the following assets in this category, part of its government securities portfolio, part of its quoted ordinary shares portfolio and the investments in collective investment schemes.

2. Summary of material accounting policies (continued)

(m) Financial instruments (continued)

(iii) Classification of financial liabilities

The Group classifies its financial liabilities at amortised cost; financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies.

The Group holds the following liabilities in this category; other payables, borrowings and bank overdraft.

The table below shows how financial assets and liabilities are classified:

Group

At 31 December 2025	Note	At amortised cost Shs' 000	At fair value through profit or loss Shs' 000	Total Shs' 000
Financial assets				
Quoted equity investments	30	-	4,101,056	4,101,056
Unquoted equity investments	30	-	77,473	77,473
Government securities	30, 31	77,061,913	87,245,680	164,307,593
Corporate bonds	31 (ii)	1,022,707	-	1,022,707
Investments in collective investment schemes	30(iii)	-	20,903,187	20,903,187
Other receivables		1,947,094	-	1,947,094
Mortgage loans and receivables	32	788,773	-	788,773
Cash and bank balances	38	7,186,779	-	7,186,779
Restricted cash	39	1,473,571	-	1,473,571
Total financial assets		89,480,837	112,327,396	201,808,233
Financial liabilities				
Borrowings	16(i)	756,844	-	756,844
Other payables		5,495,220	-	5,495,220
Total financial liabilities		6,252,064	-	6,252,064
COMPANY				
Financial assets				
Other receivables		470,522	-	470,522
Amounts due from related parties	45(i)	391,230	-	391,230
Cash and bank balances	38	161,045	-	161,045
Restricted cash	39	52,567	-	52,567
Total financial assets		1,075,364	-	1,075,364
Financial liabilities				
Borrowings	16(i)	1,100,586	-	1,100,586
Amounts due to related parties	45(i)	1,587,008	-	1,587,008
Other payables		348,870	-	348,870
Total financial liabilities		3,036,464	-	3,036,464

Other payables exclude provision for investment losses.

2. Summary of material accounting policies (continued)

(m) Financial instruments (continued)

Group

At 31 December 2024	Note	At amortised cost Shs' 000	At fair value through profit or loss Shs' 000	Total Shs' 000
Financial assets				
Quoted equity investments	30	-	2,001,313	2,001,313
Unquoted equity investments	30	-	78,560	78,560
Government securities	30, 31	77,412,447	66,435,794	143,848,241
Corporate bonds	31 (ii)	1,022,602	-	1,022,602
Investments in collective investments schemes	30(iii)	-	11,217,275	11,217,275
Other receivables		1,066,601	-	1,066,601
Mortgage loans and receivables	32	1,013,302	-	1,013,302
Restricted cash	39	1,105,989	-	1,105,989
Cash and bank balances	38	6,956,247	-	6,956,247
Total financial assets		88,577,188	79,732,942	168,310,130
Financial liabilities				
Borrowings	16(i)	1,100,586	-	1,100,586
Other payables		5,251,579	-	5,251,579
Total financial liabilities		6,352,165	-	6,352,165
COMPANY				
Financial assets				
Other receivables		335,220	-	335,220
Amounts due from related parties	45(i)	392,023	-	392,023
Cash and bank balances	38	293,096	-	293,096
Total financial assets		1,020,339	-	1,020,339
Financial liabilities				
Borrowings	16(i)	510,554	-	510,554
Amounts due to related parties	45(i)	1,505,615	-	1,505,615
Other payables		368,313	-	368,313
Total financial liabilities		2,384,482	-	2,384,482

Other payables exclude provision for investment losses.

2. Summary of material accounting policies (continued)

(m) Financial instruments (continued)

(iv) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date – the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the income statement.

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present unrealised and realized fair value gains and losses on equity investments in other comprehensive income, there is no subsequent recycling of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss if they represent a return on investment.

The Company does not have debt instruments measured at fair value through other comprehensive income.

Subsequent measurement of debt instruments and other financial assets at amortised cost or fair value through profit or loss, depends on the category of the financial instruments held by the Company, the Company's business model and cashflow characteristics of the financial assets.

The classification of a financial asset is made at the time it is initially recognised, namely when the Company becomes a party to the contractual provisions of the instrument. However, if certain conditions are met or the Company's business model changes, the classification of an asset may subsequently need to be reclassified.

(iv) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instruments.

The Group recognises loss allowances for Expected Credit Losses (ECLs) on the following financial instruments that are not measured at Fair Value Through Profit or Loss (FVTPL):

- Government securities at amortized cost.
- Corporate bonds at amortised cost.
- Mortgage loans.
- Secured loans.
- Cash at bank.
- Deposits from financial institutions.
- Receivables from related parties; and
- Other receivables.

ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date, or
- Full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument.

The Group measures ECL on an individual basis, or on a collective basis for class of assets that share similar economic risk characteristics.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

2. Summary of material accounting policies (continued)

(m) Financial instruments (continued)

(iv) Impairment of financial assets (continued)

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forwardlooking information that is available without undue cost or effort. Forwardlooking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant thinktanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is considered when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating.
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost.
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations.
- an actual or expected significant deterioration in the operating results of the debtor.
- significant increases in credit risk on other financial instruments of the same debtor.
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default.
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts. The Group has applied this exemption to other financial assets including loans and receivables from related parties.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria can identify significant increase in credit risk before the amount becomes past due.

2. Summary of material accounting policies (continued)

(m) Financial instruments (continued)

(iv) Impairment of financial assets (continued)

(ii) Definition of default

The Group will consider a financial asset to be in default when:

- the counterparty or borrower is unlikely to pay their credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the counterparty or borrower is more than 90 days past due on any material credit obligation to the Group. This will be consistent with the rebuttable criteria set out by IFRS 9 and existing practice of the Group; or
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; • It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for that financial asset because of financial difficulties.

In assessing whether the counterparty or borrower is in default, the Group considers indicators that are:

- Qualitative: e.g. Breach of covenant and other indicators of financial distress;
- Quantitative: e.g. Overdue status and non-payment of another obligation of the same issuer to the Group; and
- Based on data developed internally and obtained from external sources.

The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets. When assessing if the debtor is unlikely to pay its obligation, the Group considers both qualitative and quantitative indicators. The information assessed depends on the type of asset. The Company uses a variety of sources of information to assess default, which are either developed internally or obtained from external sources. More details are provided in Note 46 (b).

The Group considers the following as constituting an event of default:

Financial asset	Default event
Cash and deposits with financial institutions	<ul style="list-style-type: none"> • Contractual cash flows default • Debt restructure/Debt covenant breach • Bank closure • Bank Run • Filing of bankruptcy • Bank takeover by Regulator • Bank insolvency
Corporate debt	<ul style="list-style-type: none"> • Contractual cash flows default • Debt covenant breach • Closure of institution • Filing of bankruptcy
Financial assets	<ul style="list-style-type: none"> • Significant fall in tax collection rates • Significant natural disaster events • Default warning from Brenton Woods Institutions • Junk rating of sovereign debt • Debt restructure events
Receivables – related parties, other receivables including outstanding dividends, advances to agents and staff.	<ul style="list-style-type: none"> • Contractual cash flows default • Filing of bankruptcy • Significant natural disaster events • Loss of source of income

2. Summary of material accounting policies (continued)

(m) Financial instruments (continued)

(ii) Impairment of financial assets (continued)

(iii) Credit impaired financial assets

A financial asset is creditimpaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is creditimpaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower.
- (b) a breach of contract, such as a default or past due event (see (ii) above).
- (c) the borrower(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider.
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Writeoff policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the debtor has ceased transacting with the Group, whichever occurs sooner. Any recoveries made are recognised in profit or loss.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forwardlooking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flow used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16 Leases.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

• Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2. Summary of material accounting policies (continued)

(n) Investment in property funds

Entities where the Company or Group own a stake in certain property partnerships or funds are classified as investments in property funds. Investments in property funds are initially carried at cost and subsequently at fair value, computed using either the market approach or the income approach (discounted cash flows) determined annually by external valuers. Changes in fair values are included in the net income from investment property and property funds in the statement of profit or loss. A property fund invests primarily in property investments with an aim of realizing gains from either rental income or realized and unrealised income from selling the property or property revaluations. Fair value gains on the property funds are consequently a direct product of the share of ownership in the fund and the unrealised gains from the underlying investment property.

For property funds where the Group does not have the irrevocable asset management agreement over the mutual funds and in which it has not invested significantly, factors such as the existence of control through voting rights held by the Group in the fund or significant economic power in the fund, are considered in the assessment of control. Judgement is required in the assessment of whether the Group has control, joint control or significant influence. Control is assessed in terms of the variability of returns from the Group's involvement in the funds, the ability to use power to affect those returns and the significance of the Group's investment in the funds.

(o) Renegotiated loans

Renegotiation of loans occurs when the contractual terms governing the cash flows of a loan are renegotiated or otherwise modified between initial recognition and maturity of the loan. It affects the amount and/or timing of the contractual cash flow either immediately or at a future date. When a financial asset is modified the Group assesses whether this modification results in derecognition. In accordance with the Group's policy a modification results in derecognition when it gives rise to substantially different terms. The difference between the revised carrying amount and the fair value of the new loan with the new terms will lead to a gain or loss on derecognition.

(p) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortised cost. For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(q) Employee benefits

The Group originally established a contributory final salary defined benefit plan covering substantially all its employees, including agents. The plan was funded under a single Trust, and the principal asset held by the Trustees was a deposit administration policy issued by the Group. Members now contribute 7.5% of pensionable earnings.

Effective January 1, 2006, the Group established a defined contribution section as a supplementary scheme to the existing plan. Existing members were given the irrevocable option of either (a) remaining in the defined benefit section and continuing to accrue benefits, or (b) participating in the defined contribution section with effect from January 1, 2006, and relinquishing prior defined benefit entitlement in return for a "conversion value" transferred from the defined benefit section into the defined contribution section. In October 2010, the two sections were separated into two independent plans, each with its own Trust Deed and Rules, and each holding a separate deposit administration policy issued by the Group. The actuarial results presented relate only to the defined benefit plan

The defined benefit plan provides a retirement benefit on attaining age 60 based on 2% of final average pensionable earnings for each year of service while a member of the plan. Similarly calculated benefits are provided on withdrawal, death in service and disability. Group contributions to the plan are normally determined as those required to provide all promised benefits over the long term.

Plan liabilities and costs are established by independent actuaries using the Projected Unit Credit Method. The plan is fully valued at least every two years.

Actuarial gains and losses re-measurements arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period to which they apply.

The significant risks to which the Group is exposed through the operation of its defined benefit plan are asset mismatching risk, funding risk and pensioner longevity risk.

2. Summary of material accounting policies (continued)

(q) Employee benefits (continued)

Asset mismatching occurs because investment earnings on the plan's principal asset derive from the declared rate on the deposit administration policy; this rate is declared annually by the Group based on the investment performance for the year of the pooled funds supporting its deposit administration portfolio. The liabilities are long-term in nature, comprising the expected future outflow of benefits, and the discount rate used to value them is based on the yield on low-risk or risk-free bonds for a term commensurate with their duration (10 to 11 years). Consequently, as long-term yields rise and fall, the present value of the liabilities will fall and rise, but the change in value of the assets will only reflect the one-year declared rate.

Pensioner longevity risk reflects the fact that the liabilities for pensions in payment are based on assumptions as to the future mortality of present and future pensioners and their contingent beneficiaries. A longer emerging life expectancy than that implied by the mortality tables currently in use will create a plan deficit over time. The plan's pensioner population is too small to develop plan-specific mortality assumptions.

The Group provides:

- Annual paid leave, the cost of which is expensed as earned.
- Incentive bonus: Staff are entitled to a bonus which is based on pre-set performance parameters on an annual basis. The full cost of the bonus is expensed in the year in which it is earned.

(r) Income tax

(i) Current income tax

The tax expense for the year comprises current and deferred income tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated based on the tax enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

(ii) Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. However, if the deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction effects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(s) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method; any differences between proceeds (net of transaction costs) and the carrying value of the borrowings is recognised in profit or loss over the period of the borrowings.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

2. Summary of material accounting policies (continued)

(s) Borrowings (continued)

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(t) Dividends

Dividends payable to the Group's shareholders are charged to equity in the period in which they are declared.

(u) Share capital

Ordinary shares are classified as share capital in equity. Any amounts received over and above the par value of the shares is classified as share premium in equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as deduction from the proceeds net of tax.

(v) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

(a) Recognition of a lease

At the commencement date, the Group shall recognise a right-of-use asset and a lease liability.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component based on its relative stand-alone prices. However, for the leases of real estate the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

(b) Measurement

The Group measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. Consequently, the Company recognises depreciation of the right-of-use asset and interest on the lease liability.

Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments) and also includes payments to be made in optional periods if the Group is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease.

(i) Right of use asset

At the commencement date, the Group shall measure the right-of-use asset at cost. The cost of the right-of-use asset shall comprise:

- The amount of the initial measurement of the lease liability.
- Any lease payments made at or before the commencement date, less any lease incentives received.

The right-of-use asset is subsequently measured by applying a cost model. The Group shall measure the right-of-use asset at cost:

- Less any accumulated depreciation and any accumulated impairment losses; and
- Adjusted for any remeasurements of the lease liability.

The Group shall apply the depreciation requirements in IAS 16 Property, Plant and Equipment in depreciating the right-of-use asset and IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

(ii) Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate is used. Generally, the Group uses its incremental borrowing rate as the discount rate.

- After the commencement date, the Group shall measure the lease liability by:
- Increasing the carrying amount to reflect interest on the lease liability.

2. Summary of material accounting policies (continued)

(v) Leases (continued)

(ii) Lease liability(continued)

- Reducing the carrying amount to reflect the lease payments made; and
- Remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group determines its incremental borrowing rate as the risk-free rate adjusted for beta and country risk premium.

- **Reassessment of the lease liability**

After the commencement date, the Group shall remeasure the lease liability to reflect changes to the lease payments. The Group shall recognise the amount of the remeasurements of the lease liability as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group shall recognise any remaining amount of the remeasurements in profit or loss.

Lease modifications

- The Group shall account for a lease modification as a separate lease if both:
 - The modification increases the scope of the lease by adding the right to use one or more underlying assets; and
 - The consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

- **Short-term leases and leases of low-value assets**

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases (leases whose term is less than 12 months). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(c) The Group as the lessor – Investment properties leasing arrangements

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease payments for some contracts include Consumer Price Index (CPI) increases, but there are no other variable lease payments that depend on an index or rate. Where considered necessary to reduce credit risk, the Group may obtain bank guarantees or security deposits for the term of the lease.

Although the Group is exposed to changes in the residual value at the end of the current leases, the Group typically enters new operating leases and therefore will not immediately realize any reduction in residual value at the end of these leases. Expectations about the future residual

values are reflected in the fair value of the properties.

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component based on their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

(w) Earnings per share

The Group calculates basic earnings per share amounts for profit or loss attributable to ordinary equity holders of the parent entity and, if presented, profit or loss from continuing operations attributable to those equity holders. Basic earnings per share are calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period.

To calculating basic earnings per share, the amounts attributable to ordinary equity holders of the parent entity in respect of:

- profit or loss from continuing operations attributable to the parent entity; and
- profit or loss attributable to the parent entity

are the amounts in (i) and (ii) adjusted for the after-tax amounts of preference dividends, differences arising on the settlement of preference shares, and other similar effects of preference shares classified as equity.

3. Critical accounting estimates, judgements and assumptions

In the preparation of the financial statements, management and Directors are required to make judgements, estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates, which may be material to the financial statements within the next financial period.

Judgements made by management that could have a significant effect on the amounts recognised in the financial statements include:

(a) Accounting estimates

Valuation of insurance and reinsurance contract liabilities and assets

(i) Fulfilment cash flows

Fulfilment cash flows comprise:

- estimates of future cash flows.
- an adjustment to reflect the time value of money and the financial risks related to future cash flows, to the extent that the financial risks are not included in the estimates of future cash flows; and
- a risk adjustment for non-financial risk.

The Group's objective in estimating future cash flows is to determine the expected value of a range of scenarios that reflects the full range of possible outcomes. The cash flows from each scenario are discounted and weighted by the estimated probability of that outcome to derive an expected present value. If there are significant interdependencies between cash flows that vary based on changes in market variables and other cash flows, then the Group uses stochastic modelling techniques to estimate the expected present value. Stochastic modelling involves projecting future cash flows under many possible economic scenarios for market variables such as interest rates and equity returns.

Estimates of future cash flows

In estimating future cash flows, the Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experiences, updated to reflect current expectations of future events.

The estimates of future cash flow reflect the Group's view of current conditions at the reporting date, if the estimates of any relevant market variables are consistent with observable market prices.

When estimating future cash flows, the Group considers current expectations of future events that might affect those cash flows. However, expectations of future changes in legislation that would change or discharge a present obligation or create new obligations under existing contracts are not considered until the change in legislation is substantively enacted. The Group derives cost inflation assumptions from the difference between the yields on nominal and inflation-linked government bonds.

Cash flows within the boundary of a contract relate directly to the fulfilment of the contract, including those for which the Group has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Other costs that are incurred in fulfilling the contracts include:

- claims handling, maintenance and administration costs.
- recurring commissions payable on instalment premiums receivable within the contract boundary.
- costs that the Group will incur in providing investment services.
- costs that the Group will incur in performing investment activities to the extent that the Group performs them to enhance benefits from insurance coverage for policyholders by generating an investment return from which policyholders will benefit if an insured event occurs; and
- income tax and other costs specifically chargeable to the policyholders under the terms of the contracts.

3. Critical accounting estimates, judgements and assumptions (continued)

a) Accounting estimates (continued)

Valuation of insurance and reinsurance contract liabilities and assets (continued)

(i) Fulfilment cash flows (continued)

Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads.

Cash flows are attributed to acquisition activities, other fulfilment activities and other activities at local entity level using activity-based costing techniques. Cash flows attributable to acquisition and other fulfilment activities are allocated to groups of contracts using methods that are systematic and rational and are consistently applied to all costs that have similar characteristics. The Group generally allocates insurance acquisition cash flows to groups of contracts based on the total premiums for each group, claims handling costs based on the number of claims for each group, and maintenance and administration costs based on the number of in-force contracts within each group. Other costs are recognised in profit or loss as they are incurred.

Contract boundaries

The assessment of the contract boundary, which defines which future cash flows are included in the measurement of a contract, requires judgement and consideration of the Group's substantive rights and obligations under the contract.

Insurance contracts

The Group determines that the cash flows related to future renewals (i.e. the guaranteed renewable terms) of these contracts are outside the contract boundary. This is because the premium charged for each year reflects the Group's expectation of its exposure to risk for that year and, on renewal, the Group can reprice the premium to reflect the reassessed risks for the next year based on claims experience and expectations for the respective portfolio. Any renewal of the contract is treated as a new contract and is recognised, separately from the initial contract, when the recognition criteria are met.

Each of the Group's quota share and surplus treaty reinsurance contracts has an annual term, covers underlying contracts issued within the term on a risk-attaching basis and provides unilateral rights.

Each of the Group's excess of loss and stop loss reinsurance contracts has an annual term and loss-occurring covers claims from underlying contracts incurred within the year (i.e. Cash flows within the contract boundary are those arising from underlying claims incurred during the year).

Life risk, life savings and participating contracts

Assumptions about mortality/longevity, morbidity and policyholder behavior that are used in estimating future cash flows are developed by product type at local entity level, reflecting recent experience and the profiles of policyholders within a group of insurance contracts.

Mortality/longevity and morbidity assumptions are generally developed using a blend of national mortality data, industry trends and the local entity's recent experience. Experience is monitored through regular studies, the results of which are reflected both in the pricing of new products and in the measurement of existing contracts. Mortality/longevity is a key assumption in the measurement of immediate fixed annuities issued.

Policyholder behavior mainly surrender rates is a key assumption in the measurement of life risk, life savings and participating insurance contracts. Each type of policyholder behavior is estimated by product type, based on trends in recent experience.

For participating contracts, the extent to which participation percentages exceed minimum participation percentages are key assumptions in measuring those contracts.

To determine how to identify changes in discretionary cash flows for these contracts, the Group generally regards its commitment to be the return implicit in the estimates of the fulfilment cash flows on initial recognition, updated to reflect current financial risk assumptions.

3. Critical accounting estimates, judgements and assumptions (continued)

a) Accounting estimates (continued)

Valuation of insurance and reinsurance contract liabilities and assets (continued)

Non-life contracts

Reinsurance contracts

The Group estimates the ultimate cost of settling claims incurred but unpaid at the reporting date and the value of salvage and other expected recoveries by reviewing individual claims reported and making allowance for claims incurred but not yet reported. The ultimate cost of settling claims is estimated Bornhuetter-Ferguson using a range of loss reserving techniques – e.g. the chain-ladder and methods. These techniques assume that the Group’s own claims experience is indicative of future claims development patterns and therefore ultimate claims cost. The ultimate cost of settling claims is estimated separately for each geographic area and line of business, except for large claims, which are assessed separately from other claims. The assumptions used, including loss ratios and future claims inflation, are implicitly derived from the historical claims development data on which the projections are based, although judgement is applied to assess the extent to which past trends might not apply in the future and future trends are expected to emerge.

Bottom-Up Approach

The approach adopted by the Group is the bottom-up approach for our long-term and short-term insurance products. This is due to the following reasons:

- a. There is a liquid risk-free rate that is readily available in all the markets the Group operates in.
- b. The markets the Group operates in may not have suitable assets to build a reference portfolio when using the top-down approach.
- c. Since there are no suitable assets apart from government bonds that are similar to the nature of the insurance liabilities, the top-down approach may result in the same discount rate being applied.

The tables below set out the sources to determine the risk-free rates used to discount the cash flow of insurance contracts for the entities within the group.

Country	Source
Kenya	Derived spot curve from bond market
South Sudan	Use Kenya derived spot curve
Uganda	Risk free yield curve published in Uganda
Tanzania	Risk free yield curve published in Tanzania
Rwanda	Risk free yield curve published in Rwanda
Malawi	Use Kenya derived spot rates and compare a 1-year bond return in Kenya to Malawi and adjust the curve.
Mozambique	Use the Tanzania risk free yield curve

Risk adjustments for non-financial risk

Risk adjustments for non-financial risk are determined to reflect the compensation that the individual issuing entity would require for bearing non-financial risk, separately for the non-life and other contracts, and are allocated to groups of contracts based on an analysis of the risk profiles of the groups. Risk adjustments for non-financial risk reflect the diversification benefits from contracts issued by the entity, in a way that is consistent with the compensation that it would require and that reflects its degree of risk aversion, and the effects of the diversification benefits are determined using a correlation matrix technique.

The group took the following into consideration when determining the risk adjustment for IFRS 17 purposes.

- Cash flows with similar risks in terms of amount and timing will have reasonably the same risk adjustments.
- Risks with low frequency and high severity will result in higher risk adjustment than those with high frequency and low severity.
- Contracts with similar risks but with longer durations will have a higher risk adjustment than those with shorter durations.

3. Critical accounting estimates, judgements and assumptions (continued)

a) Accounting estimates (continued)

Valuation of insurance and reinsurance contract liabilities and assets (continued)

Risk adjustments for non-financial risk (continued)

- Risks with wider probability distributions/wider variability will result in higher risk adjustment than those with narrower distributions.
- Risks where there is little knowledge about their current estimate and trends will result in a higher risk adjustment i.e. the more information about a risk, the smaller the risk adjustment; and
- The risk adjustment will decrease to the extent that emerging experience leads to more certainty or increase if emerging experience increases uncertainty.
- The Group also considered the following practical considerations when setting risk adjustment:
 - The risk adjustment will be set taking into consideration Group's view of risk assessment in the normal course of business. In particular, the Group relied on its pricing procedures and its risk appetite framework/policy.
 - The Group assesses the practical challenges in setting risk adjustment and its subsequent measurement and the need for fair representation.
 - The Group assesses the different approaches available in determining risk adjustment and picks one that best presents a true and fair view of the risks being covered.
 - The Group consider the level of aggregation and diversification of the risk adjustment from all its subsidiary businesses; and
 - In choosing an approach for determining the risk adjustment, Britam will consider approaches that do not result in undue cost and effort on its part.

The risk adjustments for non-financial risk are determined using the following techniques:

- non-life contracts: a confidence level technique.
- The Group has used a hybrid approach to determine risk adjustment for long-term contracts i.e. using quantile techniques to determine risk margins that would then be applied to the best estimate liability.
- The Group has used a 75% confidence level for its short-term business and between 80-85% confidence level for its long-term business.

(ii) Contractual service margin

Determination of coverage units

The CSM of a group of contracts is recognised in profit or loss to reflect services provided in each year based on the number of coverage units provided in the year, which is determined by considering for each contract the quantity of the benefits provided and its expected coverage period. The coverage units are reviewed and updated at each reporting date.

The Group determines the quantity of the benefits provided under each contract as follows.

- Term product with only death – Expected present value of claims.
- Health product with cover provided on specified types of illness- Expected present value of claims.
- Life cover with more than one benefit – Expected present value of claims.
- Deferred annuity – Amount payable on death during deferment period and annuity amount payable post vesting date.
- Life contingent annuity product – Annuity amount payable in each period.
- Life contingent annuity with return of premium on death – Annuity amount payable in each period plus amount payable on death (i.e. return of premium).
- Unit linked savings product – Expected present value of claims.
- Non-life contracts acquired in their claims – Expected number of claims to be settled in each settlement period
- Quota share and surplus treaty reinsurance – The same basis as the underlying contracts, including expected new business within the reinsurance contract boundary.
- Excess of loss and stop loss reinsurance – Expected number of underlying claims to be covered in each period.

3. Critical accounting estimates, judgements and assumptions (continued)

a) Accounting estimates (continued)

Valuation of insurance and reinsurance contract liabilities and assets (continued)

(ii) Contractual service margin (continued)

Determination of coverage units

For insurance contracts that provide both insurance coverage and investment services, the assessment of the quantity of benefits entails determining the relative weighting of the benefits provided to the policyholder by these services, determining how the benefits provided by each service change over the coverage period and aggregating those different benefits.

To determine the relative weighting of the benefits provided by insurance coverage and investment services, the Group generally considers the selling prices for the services had they been offered on a stand-alone basis and adjusts the quantity of benefits for each service in proportion to those stand-alone selling prices. The stand-alone selling price for a service may be evidenced by observable prices when the Group sells that service separately to policyholders with similar characteristics.

(iii) Investment components

The Group identifies the investment component of a contract by determining the amount that it would be required to repay to the policyholder in all scenarios with commercial substance. These include circumstances in which an insured event occurs, or the contract matures or is terminated without an insured event occurring. Investment components are excluded from insurance revenue and insurance service expenses. The group has assessed its Term product with only death, Life contingent annuity product, unit linked, deposit administration to contain investment components. The investment component excluded from insurance revenue and insurance service expenses is determined as the maturity benefits, partial maturity benefits and surrender value specified in the contractual terms, less any accrued fees and surrender charges.

The Group's other contracts do not contain investment components. These include deferred fixed annuity contracts that provide policyholders with a right to surrender the contract during the accumulation period and receive the current account value less any surrender charges. The Group determines that these contracts do not include any investment component, because the Group is not required to pay any amount if the policyholder does not surrender the contract and does not survive until the first annuity payment date. Consequently, any surrender payments are treated as premium refunds for unused coverage. Even though the premium refunds do not represent repayments of investment components, the Group has disclosed them together with investment components in Note 35(v).

(iv) Fair value of insurance contracts

The Groups has adopted the fair value approach for determination of transition CSM for all long-term insurance business cohorts issued in 2016 and prior years. The Group has measured the fair value of insurance contracts as the sum of (a) the present value of the net cash flow expected to be generated by the contract determined using a discounted cash flow technique; and (b) an additional margin, determined using a confidence level technique.

CSM as at transition is defined as the Fair Value of Insurance Contracts at Transition Less IFRS 17 Fulfilment Cashflows at Transition. The Frictional Cost of Required Capital for the long-term contracts has been used as an approximation to the fair value cohorts transition CSM. The Frictional Cost of Required Capital (FCoRC) is defined as the net of tax opportunity cost of having to hold the required capital rather than investing it in future business development (working capital) or paying it out as dividends.

The cash flows considered in the fair value measurement are consistent with those that were within the contract boundary. Therefore, the cash flows related to expected future renewals of insurance contracts are not considered in determining the fair value of those contracts if they are outside the contract boundary. The Group's approach to measuring fair value differs from the IFRS 17 requirements for measuring fulfilment cash flows in certain respects. These differences gave rise to a CSM at the date of acquisition or transition (see Notes 34). In measuring fair value the Group:

- consider the cash flows included in the measurement of fulfilment cash flows but adjust them to reflect the perspective of market participants. For example, expense cash flows are increased to cover a reasonable level of general overheads that are not directly attributable to fulfilling the insurance contracts but that a market participant acquiring the contracts would expect to bear.

3. Critical accounting estimates, judgements and assumptions (continued)

a) Accounting estimates (continued)

Valuation of insurance and reinsurance contract liabilities and assets (continued)

(iv) Fair value of insurance contracts (continued)

- uses the discount rates applied in measuring fulfilment cash flows but increases the rates to reflect the effect of the Group's non-performance risk; and
- includes a margin comprising a risk premium to reflect what market participants would demand as compensation for the uncertainty inherent in the cash flows and a profit margin to reflect what market participants would require, assuming the obligations to service the insurance contracts. In determining the risk premium, the Group allows for certain risks that were not reflected in the fulfilment cash flows but would be considered by market participants – e.g. general operational risk.

• Valuation of financial assets

Fair values of certain financial assets recognized in the financial statements are determined using valuation techniques based on assumptions that are not supported by prices from current market transactions or observable market data. The fair values of financial instruments that are not quoted in active markets are determined by using valuation techniques. Where valuation techniques (for example models) are used to determine fair values, they are validated and periodically independently reviewed by the management. All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use observable data, however, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates.

• Fair valuation of investment properties and property funds.

The fair value model has been applied in accounting for investment property and property funds. The Group commissioned external, independent and professionally qualified real estate valuers that hold recognized relevant professional qualifications and have recent experience in the locations and types of investment properties valued to determine the fair value of the investment property as at 31 December 2024 and 31 December 2025 using either the market approach or the income approach. The current valuation of the investment properties is based on the property's highest and best use.

Whether land and building meet criteria to be classified as investment property is as disclosed in Note 2 (n).

• Impairment of financial assets

Management assesses the carrying value of the Group's assets on an annual basis.

- Significant increase in credit risk: As explained in Note 2m (iv), ECLs are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Group considers qualitative and quantitative reasonable and supportable forward-looking information. Refer to Note 2 m (iv) and Note 46 (b) for more details.
- Establishing groups of assets with similar credit risk characteristics: When ECLs are measured on a collective basis, the financial instruments are grouped based on shared risk characteristics. Refer to Note 4 (b) for details of the characteristics considered in this judgment. The Group monitors the appropriateness of the credit risk characteristics on an on-going basis to assess whether they continue to be similar. This is required to ensure that should credit risk characteristics change there is appropriate re-segmentation of the assets. This may result in new portfolios being created or assets moving to an existing portfolio that better reflects the similar credit risk characteristics of that group of assets. Re-segmentation of portfolios and movement between portfolios is more common when there is a significant increase in credit risk (or when that significant increase reverses) and so assets move from 12-month to lifetime ECLs, or vice versa, but it can also occur within portfolios that continue to be measured on the same basis of 12-month or lifetime ECLs but the amount of ECL changes because the credit risk of the portfolios differ.

3. Critical accounting estimates, judgements and assumptions (continued)

a) Accounting estimates (continued)

• Impairment of financial assets (continued)

Models and assumptions used: The Group uses various models and assumptions in measuring fair value of financial assets as well as in estimating ECL. Judgment is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.

Key sources of estimation uncertainty

The following are key estimations that the directors have used in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in financial statements:

- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and determining the forward-looking information relevant to each scenario: When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Refer to Note 4 (b) for more details, including analysis of the sensitivity of the reported ECL to changes in estimated forward looking information.
- Probability of default: PD constitutes a key input in measuring ECL. PD is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. See Note 46 (b) for more details, including analysis of the sensitivity of the reported ECL to changes in PD resulting from changes in economic drivers.
- Loss Given Default: LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that are expected to be received, considering cash flows from collateral and integral credit enhancements. See Note 46 (b) for more details, including analysis of the sensitivity of the reported ECL to changes in LGD resulting from changes in economic drivers.

• Retirement benefit liability

The present value of the retirement benefit obligations attributable to the defined benefits scheme depends on several factors that are determined on an actuarial basis using several assumptions. Any changes in these assumptions will impact the carrying amount of pension liabilities. The assumptions used in determining the net cost (income) for pensions are disclosed in Note 42.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

• Impairment of goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2 (j)(ii). The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The carrying amount of goodwill and the key assumptions made are set out in Note 27.

• Impairment of associates

The Group determines at each reporting date whether there is any objective evidence that the investment in the associates is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount to the statement of profit or loss. Significant estimates relate to the determination of the projected cash flow and the discount rate.

• Lease term in lease contracts

Critical estimates are made by management in determining lease terms in lease contracts. Specifically in determining which leases will be extended and renewed on expiry of the non-cancellable lease term. Estimates are also made on the discount rate.

3. Critical accounting estimates, judgements and assumptions (continued)

a) Accounting estimates (continued)

• Income taxes

Significant judgement is required in determining the Group's provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of the business. The company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from amounts that were initially recorded, such differences will impact the income tax and deferred tax provision in the period in which such determination is made.

• Provision for claims and other liabilities

The Group faces exposure to claims and other liabilities arising in the normal course of business. There is uncertainty as to how present and future claims and other liabilities will be resolved and therefore significant judgement is required in assessing the likely outcome and the potential liability for such matters. Management in consultation with the legal advisers or other consultants/experts estimates a provision based on past precedents.

b) Critical judgements in applying the entity's accounting policies

In the process of applying the Group's accounting policies, management has made judgement in determining:

• Consolidation of property funds

Judgement is required in the assessment of whether the Group has control, joint control or significant influence over property partnerships. Control is assessed in terms of the variability of returns from the Group's involvement in the funds, the ability to use power to affect those returns and the significance of the Group's investment in the funds.

The classification of financial assets and liabilities.

- Whether assets are impaired.
- Recoverability of deferred tax.
- The illiquidity premium; and
- The risk adjustment.

4. Insurance revenue

The insurance revenue of the Group can be analyzed between the main categories of business as shown below:

Year ended 31 December 2025	Ordinary Life Shs'000	Annuity Shs'000	Credit Life Shs'000	Group Life' Shs'000	Investment contracts with DPF Shs'000	Non-Life & Medical Shs'000	Total Shs'000
Contracts not measured under the PAA							
Amounts relating to changes in liabilities:							
CSM recognized for services provided	1,451,975	440,673	319,605	-	693,830	55,991	2,962,074
Change in risk adjustment for non-financial risk for risk expired	300,188	51,107	28,047	-	107,359	1,715	488,416
Expected insurance service expenses incurred:	3,519,595	635,721	426,668	-	1,503,226	15,987	6,101,197
Claims	396,332	193,165	228,867	-	(2,986)	15,987	831,365
Expenses	3,123,263	442,556	197,801	-	1,506,212	-	5,269,832
Insurance acquisition cash flows recovery	-	-	73,461	-	-	29,257	102,718
Experience adjustments not related to future service	(12,780)	-	-	-	112,810	-	100,030
Insurance revenue from contracts not measured under PAA	5,258,978	1,127,501	847,781	-	2,417,225	102,950	9,754,435
Insurance revenue from contracts measured under the PAA	-	-	-	5,132,249	-	26,767,510	31,899,759
Total insurance revenue	5,258,978	1,127,501	847,781	5,132,249	2,417,225	26,870,460	41,654,194
Year ended 31 December 2024							
Contracts not measured under the PAA							
Amounts relating to changes in liabilities:							
CSM recognized for services provided	1,260,259	346,168	288,994	-	1,162,599	63,151	3,121,171
Change in risk adjustment for non-financial risk for risk expired	273,018	31,257	25,207	-	72,774	1,506	403,762
Expected insurance service expenses incurred:	3,244,689	408,412	415,597	-	857,840	23,735	4,950,273
Claims	396,914	143,915	289,515	-	(653)	23,735	853,426
Expenses	2,847,775	264,497	126,082	-	858,493	-	4,096,847
Insurance acquisition cash flows recovery	-	-	84,366	-	-	73,840	158,206
Experience adjustments not related to future service	115,980	-	-	-	(112,483)	-	3,497
Insurance revenue from contracts not measured under PAA	4,893,946	785,837	814,164	-	1,980,730	162,232	8,636,909
Insurance revenue from contracts measured under the PAA	-	-	-	5,207,347	-	23,712,478	28,919,825
Total insurance revenue	4,893,946	785,837	814,164	5,207,347	1,980,730	23,874,710	37,556,734

5. Insurance service expenses

Year ended	Ordinary Life	Annuity	Credit Life	Group Life	Investment contracts with DPF	Non-Life & Medical	Total
31 December 2025	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Incurred insurance service expenses:	(4,005,006)	(389,249)	(328,396)	(3,283,523)	(1,409,651)	(17,032,670)	(26,448,495)
Claims	(106,676)	(158,903)	(124,763)	(2,850,614)	102,483	(12,421,663)	(15,560,136)
Expense	(3,898,241)	(230,346)	(197,284)	(464,844)	(1,512,098)	(4,493,261)	(10,796,074)
Other movements related to current service	(89)	-	(6,349)	31,935	(36)	(117,746)	(92,285)
Amortisation of insurance acquisition cash flows	-	-	(73,440)	(746,101)	-	(3,804,091)	(4,623,632)
Changes that relate to past service:	(48,108)	(18,605)	60,033	(843,981)	(84,572)	1,065,859	130,626
Changes in estimates in LIC fulfilment cash flows	(150,118)	(18,605)	(5,004)	2,605,509	(87,872)	(365,217)	(3,232,325)
Experience adjustments in claims and other insurance service expenses in LIC	102,010	-	65,037	1,761,528	3,300	1,431,076	3,362,951
Changes that relate to future service:	(323,380)	(109,284)	(22,520)	1,038,403	(158,543)	(344,943)	79,733
Losses for the net outflow recognized on initial recognition	(194,976)	(45,098)	(4,952)	(629,702)	(412,251)	(263,461)	(1,550,440)
Losses and reversal of losses on onerous contracts - subsequent measurement	(128,404)	(64,186)	(17,568)	1,668,105	253,708	(81,482)	1,630,173
Total Insurance Service Expenses	(4,376,494)	(517,138)	(364,323)	(3,835,202)	(1,652,766)	(20,115,845)	(30,861,768)
Year ended 31 December 2024							
Incurred insurance service expenses:	(3,575,142)	(318,895)	(145,833)	4,326,782)	(985,038)	(16,258,663)	(25,610,353)
Claims	(134,484)	(110,850)	11,296	(4,008,139)	(283,991)	(12,486,562)	(17,012,730)
Expenses	(3,440,558)	(208,045)	(165,101)	(312,269)	(701,003)	(3,913,508)	(8,740,484)
Other movements related to current service	(100)	-	7,972	(6,374)	(44)	141,407	142,861
Amortisation of insurance acquisition cash flows	-	-	(84,366)	(727,849)	-	(3,909,189)	(4,721,404)
Changes that relate to past service:	274,079	(59,195)	148,894	255,182	18,963	661,585	1,299,508
Changes in estimates in LIC fulfilment cash flows	161,216	(59,195)	-	(820,304)	14,618	(3,037,884)	(3,741,549)
Experience adjustments in claims and other insurance service expenses in LIC	112,863	-	148,894	1,075,486	4,345	3,699,469	5,041,057
Changes that relate to future service:	218,820	187,226	(72,752)	631,648	(349,642)	1,125,699	1,740,999
Losses for the net outflow on initial recognition	(206,385)	(14,775)	-	(494,030)	(357,107)	(495,990)	(1,568,287)
Losses and reversal of losses on onerous contracts - subsequent measurement	425,205	202,001	(72,752)	1,125,678	7,465	1,621,689	3,309,286
Total Insurance Service Expenses	(3,082,243)	(190,864)	(154,057)	(4,167,801)	(1,315,717)	(18,380,568)	(27,291,250)

6. Net expenses from reinsurance contracts held

Year ended 31 December 2025	Ordinary Life Shs'000	Credit Life Shs'000	Group Life Shs'000	Non-Life & Medical Shs'000	Total Shs'000
Allocation of the premiums paid	(5,314)	(19,378)	(3,466,025)	(6,785,198)	(10,275,915)
Amounts recovered from reinsurance:	-	(5,098)	2,097,035	846,799	2,938,736
Incurred insurance service expenses:	-	11,088	2,288,551	2,417,454	4,717,093
Claims	-	10,883	2,175,812	2,403,921	4,590,616
Other movements related to current service	-	205	112,739	13,533	126,477
Changes that relate to past service (changes in fulfilment cash flows reinsurance LIC):	-	(8,620)	768,423	(1,569,140)	(809,337)
Changes in estimates in LIC fulfilment cash flows	-	1,885	2,253,288	2,295,785	4,550,958
Experience adjustments in claims and other insurance service expenses in LIC	-	(10,505)	(1,484,865)	(3,864,925)	(5,360,295)
Changes that relate to future service:	-	(7,198)	(919,473)	44,310	(882,361)
Loss recovery related to losses on underlying insurance contracts at initial recognition	-	-	504,987	69,912	574,899
Loss recovery and reversals of recoveries related to underlying insurance contracts losses - subsequent measurement	-	(7,198)	(1,424,460)	(25,602)	(1,457,260)
Changes in risk of non-performance	-	(368)	(40,466)	(45,825)	(86,659)
Total net expenses from reinsurance contracts	(5,314)	(24,476)	(1,368,990)	(5,938,399)	(7,337,179)
Year ended 31 December 2024					
Allocation of the premiums paid	(10,890)	(47,156)	(3,719,506)	(5,540,611)	(9,318,163)
Amounts recovered from reinsurance:	-	(982)	2,753,744	1,366,888	4,119,650
Incurred insurance service expenses:	-	3,422	2,432,308	2,109,010	4,544,740
Claims	-	3,625	2,034,903	1,964,413	4,002,941
Other movements related to current service	-	(203)	397,405	144,597	541,799
Changes that relate to past service (changes in fulfilment cash flows reinsurance LIC):	-	(21,515)	379,493	(713,531)	(355,553)
Changes in estimates in LIC fulfilment cash flows	-	(914)	504,246	2,711,943	3,215,275
Experience adjustments in claims and other insurance service expenses in LIC	-	(20,601)	(124,753)	(3,425,474)	(3,570,828)
Changes that relate to future service:	-	17,115	(22,232)	6,491	1,374
Loss recovery related to losses on underlying insurance contracts at initial recognition	-	-	-	50,249	50,249
Loss recovery and reversals of recoveries related to underlying insurance contracts losses - subsequent measurement	-	17,115	(22,232)	(43,758)	(48,875)
Changes in risk of non-performance	-	(4)	(35,825)	(35,082)	(70,911)
Total net expenses from reinsurance contracts	(10,890)	(48,138)	(965,762)	(4,173,723)	(5,198,513)

7. Net income from investment properties

	Group		Company	
	2025	2024	2025	2024
	Shs'000	Shs'000	Shs'000	Shs'000
Rental income	593,038	606,153	-	-
Revaluation of property funds (Note 29(ii))	-	-	35,998	157,653
Fair value gain/(loss) on investment properties (Note 29(i))	220,832	194,840	(25,000)	(5,000)
Gain on disposal of investment properties	68,273	-	-	-
Net income from investment property	882,143	800,993	10,998	152,653

8. (i) Interest computed using effective interest method

Interest from government securities at amortised cost	9,419,556	8,985,385	1,778	4,054
Interest from corporate bonds at amortised cost	165,868	189,807	163,588	186,800
Interest from deposits with financial institutions	607,551	930,516	17,810	21,392
Interest income from loans	661,744	655,612	-	-
Interest from intercompany balances	-	-	2,049	20,194
Interest computed using effective interest method	10,854,719	10,761,320	185,225	232,440

8. (ii) Interest and dividend income for financial assets at fair value through profit or loss

Interest from government securities at fair value through profit or loss	10,760,318	8,459,213
Dividends from quoted equity investments at fair value through profit or loss	213,347	187,832
Total interest and dividend income from investments at fair value through profit or loss	10,973,665	8,647,045

8. (iii) Dividend income from subsidiaries - Company

Dividend from subsidiaries	1,476,203	475,843
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9. Net realised gains/(losses) on financial assets at fair value through profit or loss

	Group	
	2025	2024
	Shs'000	Shs'000
Realised gain on government securities at fair value through profit or loss	376,073	43,323
Realised gain on quoted equity investments at fair value through profit or loss	129,813	204,484
Realised gains on investments in collective investment schemes	52,757	464,010
Total net realised gains	558,643	711,817

10. (i) Net unrealised fair value gains/(losses) on financial assets at fair value through profit or loss

	Group	
	2025 Shs'000	2024 Shs'000
Fair value gain on quoted equity investments at fair value through profit or loss (Note 30 (i))	1,008,441	490,168
Fair value gains/(loss) on unquoted equity investments fair value through profit or loss (Note 30 (ii))	673	(2,768)
Fair value gains on investments in collective investment schemes (Note 30 (iii))	2,016,748	1,179,010
Fair value gain on government securities at fair value through profit or loss (Note 30 (iv))	4,516,884	5,925,142
Fair value losses on financial assets through profit or loss	7,542,746	7,591,552

10. (ii) Other investment income

	Group		Company	
	2025 Shs' 000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Loss on deemed disposal of associate (Note 25 (i))	-	-	-	(193,396)
Share of associates other comprehensive income reclassified to statement of profit or loss	-	-	-	116,284
Impairment reversal/(loss) (Note 25 (i) (d))	1,062,925	2,073,112	76,182	(73,652)
Total Other investment income/(loss)	1,062,925	2,073,112	76,182	(150,764)

11. (i) Net insurance finance expenses

The following table analyses the Group's net insurance finance expenses in profit or loss:

Year ended 31 December 2025	Ordinary Life Shs'000	Annuity Shs'000	Credit Life Shs'000	Group Life Shs'000	Investment contracts with DPF Shs'000	Non-Life & Medical Shs'000	Total Shs'000
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	(3,769,587)	(3,124,089)	(166,012)	(130,883)	(305)	(1,671,748)	(8,862,624)
Interest accreted on the carrying amount of the CSM	(1,052,364)	(370,085)	(83,528)	-	-	(227,017)	(1,732,994)
Interest accreted on present value cash flows	(2,641,761)	(2,731,314)	(76,613)	(119,022)	(297)	(920,285)	(6,489,292)
Interest accreted on risk adjustment	-	-	-	-	-	(472,056)	(472,056)
Interest accreted on LRC for contracts measured under the PAA	(75,462)	(22,690)	(5,871)	(11,861)	(8)	(52,390)	(168,282)
The effect of financial risk and changes in financial risk	(3,223,633)	(1,646,800)	(33,315)	(86,756)	(81)	(45,405)	(5,035,990)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	-	-	(6)	(6)
Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition	49,917	1,751	(520)	-	-	-	51,148
Changes in fair value of underlying items of direct participating contracts	-	-	-	-	(13,571,485)	(135,256)	(13,706,741)
Total Insurance Finance Income or Expense from Insurance Contracts	(6,943,303)	(4,769,138)	(199,847)	(217,639)	(13,571,871)	(1,852,415)	(27,554,213)

11. (i) Net insurance finance expenses

The following table analyses the Group's net insurance finance expenses in profit or loss:

Year ended 31 December 2024	Ordinary Life Shs'000	Annuity Shs'000	Credit Life Shs'000	Group Life Shs'000	Investment contracts with DPF Shs'000	Non-Life & Medical Shs'000	Total Shs'000
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	(4,113,760)	(3,026,002)	(254,098)	(153,836)	(2,974)	(1,340,845)	(8,891,515)
Interest accreted on the carrying amount of the CSM	(843,369)	(249,576)	(108,181)	-	-	(24,489)	(1,225,615)
Interest accreted on present value cash flows	(3,156,957)	(2,747,248)	(138,182)	(139,851)	(2,963)	(1,231,490)	(7,416,691)
Interest accreted on risk adjustment	(113,434)	(29,178)	(7,735)	(13,985)	(11)	(84,869)	(249,212)
Interest accreted on LRC for contracts measured under the PAA	-	-	-	-	-	3	3
The effect of financial risk and changes in financial risk	(2,329,464)	(2,045,436)	(349,224)	(18,603)	(17)	(523,182)	(5,265,926)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	-	-	(558,184)	(558,184)
Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition	(112,909)	(82,166)	78,931	-	-	-	(116,144)
Changes in fair value of underlying items of direct participating contracts	-	-	-	-	(12,903,279)	(386)	(12,903,665)
Total Insurance Finance Income or Expense from Insurance Contracts	(6,556,133)	(5,153,604)	(524,391)	(172,439)	(12,906,270)	(2,422,597)	(27,735,434)

11. (ii) Insurance finance income or expense from reinsurance contracts

	Credit Life Shs'000	Group Life Shs'000	Non-Life & Medical Shs'000	Total Shs'000
Year ended 31 December 2025				
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	2,784	84,945	597,193	684,922
Interest accreted on the carrying amount of the CSM	-	-	44,593	44,593
Interest accreted on present value cash flows	2,385	78,533	519,831	600,749
Interest accreted on risk adjustment	139	6,412	32,769	39,320
Interest accreted on LRC for contracts measured under the GMM.	260	-	-	260
The effect of financial risk and changes in financial risk	92	64,990	218,260	283,342
Foreign exchange differences on changes in the carrying amount of groups of reinsurance contracts	-	-	40,305	40,305
Total insurance finance income or expense from reinsurance contracts	2,876	149,935	855,758	1,008,569
Year ended 31 December 2024				
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	2,871	134,836	615,842	753,549
Interest accreted on the carrying amount of the CSM	-	-	575,503	575,503
Interest accreted on present value cash flows	2,465	127,367	40,339	170,171
Interest accreted on risk adjustment	146	7,469	-	7,615
Interest accreted on LRC for contracts measured under the GMM.	260	-	-	260
The effect of financial risk and changes in financial risk	103	12,144	227,731	239,978
Foreign exchange differences on changes in the carrying amount of groups of reinsurance contracts	-	-	302,572	302,572
Total insurance finance income or expense from reinsurance contracts	2,974	146,980	1,146,145	1,296,099

11. (ii) Net financial result (including investment return)

Year ended 31 December 2025	Ordinary Life Shs'000	Annuity Shs'000	Credit Life Shs'000	Group Life Shs'000	Investment contracts with DPF Shs'000	Non- Life & Medical Shs'000	Total Shs'000
Net income from investment property	638,866	5,024	7,919	1,658	243,810	(15,134)	882,143
Interest income computed using effective interest rate method	1,680,626	1,748,946	78,299	203,222	5,149,660	1,993,966	10,854,719
Interest and dividend income from investments at fair value	1,841,343	1,916,196	85,786	180,709	5,642,117	1,307,514	10,973,665
Net realised (losses)/ gains on financial assets	332,157	102,048	24,576	4,292	72,581	22,989	558,643
Net unrealised fair value losses on financial assets	2,422,493	2,375,242	13,800	40,358	3,473,896	279,882	8,605,671
Net investment income	6,915,485	6,147,456	210,380	430,239	14,582,064	3,589,217	31,874,841
Finance income from reinsurance contracts held	-	-	981	149,837	-	857,751	1,008,569
Net insurance finance expenses	(6,943,303)	(4,769,138)	(198,866)	(67,802)	(13,571,871)	(994,664)	(26,545,644)
Net Financial Result (including investment return)	(27,818)	1,378,318	11,514	362,436	1,010,193	2,594,554	5,329,197

11. (ii) Net financial result (including investment return)

Year ended 31 December 2024	Ordinary Life Shs'000	Annuity Shs'000	Credit Life Shs'000	Group Life Shs'000	Investment contracts with DPF Shs'000	Non-Life & Medical Shs'000	Total Shs'000
Net income from investment property	606,352	6,840	7,589	1,589	247,964	(69,341)	800,993
Interest income computed using effective interest rate method	1,736,212	1,428,665	102,691	189,153	4,917,888	2,386,710	10,761,319
Interest and dividend income from investments at fair value	1,660,501	1,366,365	98,213	180,905	4,703,436	637,625	8,647,045
Net realised (losses)/ gains on financial assets	351,844	36,024	(1,361)	6,228	304,417	14,666	711,818
Net unrealised fair value losses on financial assets	4,898,325	1,958,534	97,600	69,256	2,931,714	(290,765)	9,664,664
Net investment income	9,253,234	4,796,428	304,732	447,131	13,105,419	2,678,895	30,585,839
Finance expenses from insurance contracts issued	(6,556,133)	(5,153,604)	(524,391)	(172,439)	(12,906,270)	(2,422,597)	(27,735,434)
Finance income from reinsurance contracts held	-	-	2,974	146,980	-	1,146,145	1,296,099
Net insurance finance expenses	(6,556,133)	(5,153,604)	(521,417)	(25,459)	(12,906,270)	(1,276,452)	(26,439,335)
Net Financial Result (including investment return)	2,697,101	(357,176)	(216,685)	421,672	199,149	1,402,443	4,146,504

12. Fund management fees

	2025 Shs'000	2024 Shs'000
Fee income:		
- Investments in collective investment schemes	533,306	276,763
- Discretionary & wealth management	121,527	326,778
- Alternative investments	248,777	43,786
- Property management fees & other	55,567	8,487
Total fund management fees	959,177	655,814

13. Other income

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Other schemes administration fee				
- arising on life business	10,243	17,447	-	-
- arising on non-life business	276,914	250,337	-	-
Net foreign exchange gains/(loss)	205,389	944,227	(3,318)	(13,682)
(Loss)/gain on disposal of property and equipment	(17,597)	(9,071)	(500)	228
Loss on net monetary position (Note 2 (f)(iii))	(10,555)	(30,237)	-	-
Miscellaneous income*	174,926	149,573	4,114	22,401
Total other income	639,320	1,322,276	296	8,947

Loss on net monetary position is a result of the South Sudan economy being declared a hyperinflationary economy in 2024 after an exit from hyperinflation at the end of 2023. The financial statements for Britam Insurance Company Limited (South Sudan) have been adjusted for hyperinflation which resulted in a loss on monetary position of Shs 10,555,000 (2024: Shs 30,237,000). The net foreign exchange gains are mainly attributed to the significant depreciation of South Sudan Pound against Kenya Shilling. Miscellaneous income includes sale of scraps, medical card replacement fees, sale of tenders and sale of branded merchandise. Other schemes administration fee is considered incidental.

14. Fund management commission expenses

	2025 Shs'000	2024 Shs'000
- Investments in collective investment schemes	184,603	166,894
- Discretionary & wealth management	74,559	12,885
-Other	3,633	-
Total fund commission expenses	262,795	179,779

15. (i) Operating and other expenses (by nature) – Company

	2025 Shs 000'	2024 Shs 000'
Staff costs (Note 15 (ii))	160,409	94,357
Office management expenses	74,775	79,064
Information technology (ICT) costs	37,409	12,800
Amortisation of intangible assets (Note 23)	3,764	5,441
Professional fees	28,361	21,587
Depreciation on property and equipment (Note 22)	21,871	28,963
Depreciation on right of use asset (Note 24 (i))	27,947	27,141
Decrease in expected credit losses allowance (Note 46(b))	(15,820)	(1,353)
Directors' fees (Note 45 (v))	41,580	44,955
Directors' expenses	36,196	52,902
Training and development	808	1,855
Auditor's remuneration	4,871	4,160
Provision for investment losses (Note 40)	39,121	636,519
Total operating and other expenses	461,292	1,008,391

15. (i) Operating and other expenses (by nature) - Group

	2025 Attributable expenses				2024 Attributable expenses			
	Acquisition expenses Shs 000'	Other directly attributable expenses Shs 000'	Other expenses Shs 000'	Total Shs 000'	Acquisition Expenses Shs 000'	Other directly attributable expenses Shs 000'	Other expenses Shs 000'	Total Shs 000'
Staff costs (Note 15 (ii))	1,801,746	2,197,179	801,769	4,800,694	1,626,018	1,992,785	1,350,727	4,969,530
Office administrative expenses	195,501	527,989	379,609	1,103,099	51,355	575,100	471,640	1,098,095
Sales Marketing and brand management	1,669,525	269,001	421,790	2,360,316	1,511,475	183,696	291,940	1,987,111
Information technology (ICT) costs	122,486	529,334	108,085	759,905	143,703	492,542	102,082	738,327
Amortisation of intangible assets (Note 23)	16,814	110,007	60,691	187,512	40,258	142,750	91,671	274,679
Professional fees & Compliance costs	13,117	81,918	530,201	625,236	361	6,203	307,288	313,852
Depreciation on property and equipment (Note 22)	22,603	127,289	44,602	194,494	15,860	103,225	45,041	164,126
Premium tax, levies and duty	100,373	434,671	17,124	552,168	118,291	446,279	36,084	600,654
Depreciation on right of use asset (Note 24 (i))	46,874	89,360	63,784	200,018	39,455	63,877	55,961	159,293
Office rent and service charge	29,129	94,176	47,157	170,462	77,073	94,508	53,630	225,211
Directors' fees (Note 45 (v))	1,065	10,866	136,790	148,721	-	17,857	130,072	147,929
Directors' expenses	583	2,959	153,214	156,756	-	8,655	127,878	136,533
Repairs and maintenance costs	13,588	24,891	1,637	40,116	15,729	23,203	4,972	43,904
Training and development	2,745	20,487	65,486	88,718	358	6,114	61,319	67,791
Auditor's remuneration	1,699	11,299	56,668	69,666	-	14,697	51,342	66,039
Provision on investment assets	-	-	39,121	39,121	-	-	636,519	636,519
Total operating and other expenses	4,037,848	4,531,426	2,927,728	11,497,002	3,639,936	4,171,491	3,818,166	11,629,593
Represented by:								
Attributable expenses	4,037,848	4,531,426	-	8,569,274	3,639,936	4,171,491	-	7,811,427
Other operating expenses	-	-	2,927,728	2,927,728	-	-	3,818,166	3,818,166
Total	4,037,848	4,531,426	2,927,728	11,497,002	3,639,936	4,171,491	3,818,166	11,629,593

15. (ii) Staff costs

	Group		Company	
	2025	2024	2025	2024
	Shs 000'	Shs 000'	Shs 000'	Shs 000'
Staff costs include the following:				
Salaries and wages	4,191,835	4,400,022	96,762	77,344
Retirement benefits costs:				
- defined contribution scheme	187,455	158,705	3,421	5,711
- defined benefit scheme	(26,613)	-	-	-
- Social security benefits costs	98,446	84,883	2,251	1,125
Staff medical and group life cover	313,624	295,562	20,380	9,247
Other staff benefits (Staff loan subsidies, uniforms)	35,947	30,358	37,595	930
Total staff costs	4,800,694	4,969,530	160,409	94,357

The number of persons employed by the Group at the year-end was 1,331 (2024: 1,125).

16. (i) Borrowings

In 2024 the company fully settled its bank loan (2024: Shs 1,057,340,000). The loan was part of the Company's short-term draw-down facility with a bank which had been secured with the investment property. The Company did not breach of the financial covenants for the facility issued by its banker.

Other borrowings of Shs 756,844,000 (2024: Shs 1,100,586,000) relate to an amount borrowed by Britam Properties (Kenya) Limited for use in purchasing land which is carried as an investment property. The security for the other borrowings is the investment property purchased. No interest is charged on this loan and it doesn't have a repayment duration.

The borrowings are carried at amortized cost, and their fair value approximates their carrying amounts. The table below shows the breakdown of the borrowings:

	Group		Company	
	2025	2024	2025	2024
	Shs'000	Shs'000	Shs'000	Shs'000
Balance at 1 January				
Bank loan	-	1,000,000	-	1,000,000
Other borrowings	1,100,586	1,500,304	510,554	510,554
	1,100,586	2,500,304	510,554	1,510,554
Accrued interest				
- Bank loan	-	211,320	-	211,320
Loan repayment	(343,742)	(1,611,038)	(45,679)	(1,211,320)
Balance at 31 December	756,844	1,100,586	464,875	510,554
Interest paid				
- Bank loan	-	211,320	-	211,320
Total Interest paid	756,844	211,320	-	211,320

16. (i) Borrowings(continued)

The table below shows the breakdown of the finance costs:

Finance costs	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Bank loans	-	153,980	-	153,980
Interest on related party balance	-	-	205,617	93,124
Interest expense on lease liability (Note 24 (ii))	148,036	129,612	30,218	13,731
Total finance cost	148,036	283,592	235,835	260,835

The weighted average effective interest rate on borrowings as 31 December 2025 was 0% (2024: 17.80%).

16. (ii) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods:

	Group	
	2025 Shs'000	2024 Shs'000
Cash and cash equivalents (Note 38)	7,186,779	6,956,247
Financial assets at fair value through profit or loss - designated (Note 30)	112,327,396	79,732,942
Borrowings (Note 16 (i))	(756,844)	(1,100,586)
Lease liabilities (Note 24(ii))	(785,592)	(784,972)
Net debt	117,971,739	84,803,631
Cash and liquid investments	119,514,175	86,689,189
Gross debt - fixed interest rates	(1,542,436)	(1,885,558)
Net debt	117,971,739	84,803,631

	Liabilities from financing activities			Other assets		Total
	Borrowings Shs'000	Leases Shs'000	Sub-total Shs'000	Cash equivalents Shs'000	Liquid investments Shs'000	
Net debt at 1 January 2024	(2,581,068)	(632,186)	(3,213,254)	10,640,881	58,957,327	66,384,954
Cash flows	1,480,482	152,786	1,633,268	(3,684,634)	20,775,615	18,724,249
Leases - additions	-	(325,015)	(325,015)	-	-	(325,015)
Other	-	19,443	19,443	-	-	19,443
Net debt at 31 December 2024	(1,100,586)	(784,972)	(1,885,558)	6,956,247	79,732,942	84,803,631
Cash flows	343,742	624	344,366	230,532	32,594,454	33,169,352
Leases - additions	-	(177,379)	(177,379)	-	-	(177,379)
Others	-	176,135	176,135	-	-	176,135
Net debt at 31 December 2025	(756,844)	(785,592)	(1,542,436)	7,186,779	112,327,396	117,971,739

17. Share capital – Company

Group and Company	Number of shares Thousands	Ordinary shares Shs'000	Share premium Shs'000	Total Shs'000
1 January 2024, 31 December 2024 and 31 December 2025	2,523,487	252,344	13,237,451	13,489,795

Ordinary shares

The total number of authorised shares is 3,000 million with par value of 10 cents (2024: 3,000 million with par value of 10 cents). The number of shares issued is 2,523 million with par value of 10 cents per share as at 31 December 2025 (2024: 2,523 million with par value of 10 cents per share). All shares issued are fully paid and carry equal rights.

18. Other reserves

Group	Fair value reserve Shs '000	Revaluation reserve Shs '000	Foreign currency translation reserves Shs '000	Statutory reserves Shs '000	Total Shs '000
Balance at 1 January 2025	-	(135,042)	(2,025,456)	19,658,490	17,497,992
Revaluation gain on building (Note 22 (b))	-	37,679	-	-	37,679
Deferred tax (charge)/credit on Gains on revaluation of land and buildings (Note 26 (a))	-	(11,304)	-	-	(11,304)
Share of associate other comprehensive income (Note 25 (d))	-	-	-	303,683	303,683
Deferred tax Share of other comprehensive income from associates	-	-	-	(84,483)	(84,483)
Re-measurement of the net defined benefit asset (Note 42)	-	-	-	(53,925)	(53,925)
Deferred tax (charge)/credit on Re-measurement of the net defined benefit asset (Note 26 (a))	-	-	-	16,178	16,178
Surplus for life business	-	-	-	3,024,680	3,024,680
Transfer of reserves	-	108,667	-	35,805	144,472
Currency translation losses (Note 26(a))	-	-	(153,764)	-	(153,764)
At 31 December 2025	-	-	(2,179,220)	22,900,428	20,721,208
Balance as at 1 January 2024	5,513,614	(135,042)	(680,829)	10,669,660	15,367,403
Share of associate other comprehensive income (Note 25 (d))	-	-	-	224,606	224,606
Share of other comprehensive income from associates	-	-	-	(43,082)	(43,082)
Re-measurement of the net defined benefit asset (Note 42)	-	-	-	(134,997)	(134,997)
Deferred tax (charge)/credit on Re-measurement of the net defined benefit asset (Note 26 (a))	-	-	-	40,499	40,499
Surplus for life business	-	-	-	3,388,190	3,388,190
Transfer of reserves	(5,513,614)	-	-	(5,513,614)	-
Currency translation losses (Note 26(a))	-	-	(1,344,627)	-	(1,344,627)
At 31 December 2024	-	(135,042)	(2,025,456)	19,658,490	17,497,992
Company					Other reserves Shs '000
At 1 January 2025					29,800
Share of associate other comprehensive income (Note 25 (d))					25,418
At 31 December 2025					55,218
At 1 January 2024					52,617
Share of associates other comprehensive income (Note 25 (d))					93,467
Share of associates other comprehensive income reclassified to statement of profit or loss (Note (9))					(116,284)
At 31 December 2024					29,800

18. Other reserves (continued)

Other reserves include.

- **Currency translation reserves:** arise from currency translation for the different countries in which the Group operates in. They are not distributable reserves.
- **Revaluation reserves:** arises on revaluation of the building that is part of the Group's property and equipment. This reserve is not distributable.
- **Statutory reserves:** represent undistributed retained earnings for the long-term business and statutory reserves for the Group's Ugandan subsidiary. The reserves for the long-term business represent accumulated surpluses from the life fund net of deferred tax whose distribution is subject to the restrictions imposed by the Kenyan Companies Insurance Act. The Insurance Act limits the amounts of surpluses of the life business available for distribution to shareholders to 30% of the accumulated surplus of the life business. A transfer to or from retained earnings is recorded each year to ensure that only amounts available for distribution to shareholders are held in the retained earnings. The statutory reserve represents amounts set up in accordance with the Ugandan Insurance Act, which requires the following amounts to be appropriated from earnings; a contingency reserve calculated at the higher of 2% of gross premium and 15% of net profits and a capital reserve calculated at 5% of net profits of Britam Insurance Company (Uganda) Limited. The reserve is available for distribution to the extent that the minimum amounts required by the Uganda Insurance Act are met.
- **Other reserves (Company):** arising from revaluation of financial assets carried at fair value through other comprehensive income and share of other comprehensive income from the Associate.

19. Retained earnings/Accumulated losses

	Group Shs '000	Company Shs '000
At 1 January 2025	(1,791,172)	(6,938,874)
Profit for the year	2,476,128	1,063,622
Transfer to general reserve (Note 18)	(144,472)	-
At 31 December 2025	540,484	(5,875,252)
At 1 January 2024	(3,408,334)	(6,487,043)
Profit/(loss) for the year	1,617,162	(451,831)
At 31 December 2024	(1,791,172)	(6,938,874)

20. Earnings per share

Basic earnings per share have been calculated by dividing the net profit for the year by the weighted average number of ordinary shares in issue during the year. There were no potentially dilutive shares as at 31 December 2025 or 31 December 2024.

	2025	2024
Profit attributed to equity holders (Shs' thousands)	5,500,808	5,005,352
Weighted number of ordinary shares in issue (thousands)	2,523,487	2,523,487
Basic and diluted earnings per share (Shs)	2.18	1.98

21. Dividends per share

Proposed dividends are not recognised until they have been declared at an annual general meeting. No dividends were paid during the year (2024: Nil). The Directors do not recommend any dividends in respect of the year ended 31 December 2025 (2024: Nil). Payment of dividends is subject to withholding tax at the rate of either 5% or 10%, depending on the residence of the individual shareholders.

22. Property and equipment

Group	Land and buildings Shs'000	Leasehold improvements Shs'000	Motor vehicles Shs'000	Furniture, fittings & office equipment Shs'000	Computer equipment Shs'000	Total Shs'000
2025						
<u>Cost or valuation</u>						
1 January	741,219	1,166,648	122,842	1,090,463	1,090,692	4,211,864
Additions	-	206,375	18,243	31,112	111,549	367,279
Retirements	-	(128,811)	-	(218,367)	(170,775)	(517,953)
Hyperinflationary effect	-	302	771	(1,224)	2,225	2,074
Revaluation surplus	37,679	-	-	-	-	37,679
Translation differences	5,742	3,285	(1,322)	(6,116)	(12,793)	(11,204)
At 31 December 2025	784,640	1,247,799	140,534	895,868	1,020,898	4,089,739
<u>Accumulated Depreciation</u>						
1 January 2025	60,765	652,066	82,259	998,788	941,378	2,735,256
Charge for the year	15,639	80,787	13,771	30,919	53,378	194,494
Retirements	-	(128,811)	-	(218,367)	(170,775)	(517,953)
Hyperinflationary effect	-	1,183	2,009	(4,127)	2,050	1,115
Translation differences	122	22,309	(1,228)	(9,369)	4,108	15,942
At 31 December 2025	76,526	627,534	96,811	797,844	830,139	2,428,854
<u>Carrying value</u>						
At 1 January 2025	680,454	514,582	40,583	91,675	149,314	1,476,608
At 31 December 2025	708,114	620,265	43,723	98,024	190,759	1,660,885

22. Property and equipment (continued)

Group	Land and buildings Shs'000	Leasehold improvements Shs'000	Motor vehicles Shs'000	Furniture, fittings & office equipment Shs'000	Computer equipment Shs'000	Total Shs'000
2024						
<u>Cost or valuation</u>						
1 January 2024	833,878	839,970	135,456	1,227,348	1,098,187	4,134,839
Additions	-	325,218	14,009	63,357	73,193	475,777
Disposal	-	(2,304)	(169)	(19,177)	(13,319)	(34,969)
Hyperinflationary charge	-	(4,608)	(2,749)	(6,367)	(4,186)	(17,910)
Translation differences	(92,659)	8,372	(23,705)	(174,698)	(63,183)	(345,873)
At 31 December 2024	741,219	1,166,648	122,842	1,090,463	1,090,692	4,211,864
<u>Accumulated Depreciation</u>						
1 January 2024	56,843	650,191	92,646	1,069,016	944,449	2,813,145
Charge for the year	15,329	61,566	17,313	26,995	42,923	164,126
Disposal	-	(2,378)	(169)	(8,001)	(3,438)	(13,986)
Hyperinflationary charge	-	(773)	(619)	(3,778)	(1,705)	(6,875)
Translation differences	(11,407)	(56,540)	(26,912)	(85,444)	(40,851)	(221,154)
At 31 December 2024	60,765	652,066	82,259	998,788	941,378	2,735,256
<u>Carrying value</u>						
At 1 January 2024	777,035	189,779	42,810	158,332	153,738	1,321,694
At 31 December 2024	680,454	514,582	40,583	91,675	149,314	1,476,608

In the opinion of the directors, there is no impairment of property and equipment. The valuation of land and buildings was carried out by independent, registered professional valuers, Knight Frank Kenya Limited at 31 December 2025, on open market value basis. The resultant revaluation surplus has been dealt with through other comprehensive income and accumulated in revaluation surplus as a separate component of equity. The fair values arising from valuation of land and buildings are categorised as Level 3 in the fair value hierarchy.

None of the Group's property and equipment has been pledged as security for borrowings.

There are no restrictions on the property and equipment, and none had been pledged as collateral. Property and equipment are classified as non-current assets.

22. Property and equipment (continued)

Company

2025	Leasehold Improvements Shs'000	Motor vehicles Shs'000	Furniture, fittings & office equipment Shs'000	Computer equipment Shs'000	Total Shs'000
Cost or valuation					
At 1 January 2025	145,896	18,646	86,726	47,409	298,677
Additions	-	-	256	4,899	5,155
Retirements	-	-	(3,476)	(10,549)	(14,025)
At 31 December 2025	145,896	18,646	83,506	41,759	289,807
Depreciation					
At 1 January 2025	89,705	16,848	84,198	36,226	226,977
Charge for the year	13,082	1,798	2,683	4,308	21,871
Retirements	-	-	(3,476)	(10,549)	(14,025)
At 31 December 2024	102,787	18,646	83,405	29,985	234,823
Net book value					
At 1 January 2025	56,191	1,798	2,528	11,183	71,700
At 31 December 2025	43,109	1,798	101	11,774	54,984

2024	Leasehold Improvements Shs'000	Motor vehicles Shs'000	Furniture, fittings & office equipment Shs'000	Computer equipment Shs'000	Total Shs'000
Cost or valuation					
At 1 January 2024	145,896	18,646	86,632	43,488	294,662
Additions	-	-	94	3,921	4,015
At 31 December 2024	145,896	18,646	86,726	47,409	298,677
Depreciation					
At 1 January 2024	76,540	13,119	76,187	32,168	198,014
Charge for the year	13,165	3,729	8,011	4,058	28,963
At 31 December 2024	89,705	16,848	84,198	36,226	226,977
Net book value					
At 1 January 2024	69,356	5,527	10,445	11,320	96,648
At 31 December 2024	56,191	1,798	2,528	11,183	71,700

The carrying amount of the buildings would be as shown below had it been carried under the cost model.

	Group	
	2025 Shs'000	2024 Shs'000
Cost	833,878	833,878
Accumulated depreciation	(550,278)	(508,584)
Net book value	283,600	325,294

All property and equipment (P&E) are classified as non-current assets.

The carrying value for property and equipment carried at cost approximates their fair value.

None of the Company's property and equipment has been pledged as security for borrowings.

23. Intangible assets

2025	Group			Company		
	Computer software costs Shs'000	Work in progress Shs'000	Total Shs'000	Computer software costs Shs'000	Work in progress Shs'000	Total Shs'000
Cost						
At 1 January	4,122,474	65,792	4,188,266	198,790	-	198,790
Additions	60,041	329,576	389,617	-	-	-
Write down	(152)	-	(152)	(152)	-	(152)
Disposal	(214,379)	-	(214,379)	-	-	-
Hyperinflationary charge	933	-	933	-	-	-
Translation differences	(8,598)	(8,949)	(17,547)	-	-	-
At 31 December	3,960,319	386,419	4,346,738	198,638	-	198,638
Accumulated amortization						
At 1 January	3,462,736	-	3,462,736	189,019	-	189,019
Amortisation charge	187,512	-	187,512	3,764	-	3,764
Reclassification	(607)	-	(607)	-	-	-
Disposal	(211,444)	-	(211,444)	-	-	-
Hyperinflationary charge	698	-	698	-	-	-
Translation differences	(573)	-	(573)	-	-	-
At 31 December	3,438,322	-	3,438,322	192,783	-	192,783
Carrying Amount						
At 31 December	521,997	386,419	908,416	5,855	-	5,855
2024						
Cost						
At 1 January	3,972,173	-	3,972,173	193,299	1,331	194,630
Additions	105,596	202,699	308,295	4,160	-	4,160
Capitalised	99,390	(99,390)	-	1,331	(1,331)	-
Write down	(6,575)	(3,337)	(9,912)	-	-	-
Hyperinflationary charge	383	-	383	-	-	-
Translation differences	(48,493)	(34,180)	(82,673)	-	-	-
At 31 December	4,122,474	65,792	4,188,266	198,790	-	198,790
Accumulated amortization						
At 1 January	3,245,190	-	3,245,190	183,578	-	183,578
Amortization charge	274,679	-	274,679	5,441	-	5,441
Hyperinflationary charge	8,736	-	8,736	-	-	-
Translation differences	(65,869)	-	(65,869)	-	-	-
At 31 December	3,462,736	-	3,462,736	189,019	-	189,019
Carrying Amount						
At 31 December	659,738	65,792	725,530	9,771	-	9,771

Work in progress relates to the life underwriting software which is currently under implementation. There are no restrictions on intangible assets, and none had been pledged as collateral. Intangible assets are classified as non-current assets.

24. Leases

The Group leases various assets, mainly offices. These lease contracts are typically made for fixed periods of 1 to 6 years but may have extension/termination options.

(i) Amounts recognised in the balance sheet

(a) Right of use assets

The movement in the right of use asset over the year was as follows:

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
At 1 January	671,119	532,748	146,007	29,518
Additions	183,319	325,015	-	143,630
Depreciation charge (Note 15 (i))	(200,018)	(159,293)	(27,947)	(27,141)
Derecognition arising from remeasurement	(17,392)	(52,498)	-	-
Impairment losses	-	(1,587)	-	-
Hyperinflationary adjustment	(3,141)	7,738	-	-
Remeasurement	1,956	18,996	-	-
At 31 December	635,843	671,119	118,060	146,007

The remeasurement of the lease liabilities arises from remeasurement of lease liability to reflect changes to the lease payments. Depreciation is charged over the earlier of the lease term and useful life of the asset. The difference arising from lease remeasurement has been recognised in statement of profit or loss.

The right of use asset is a non-current asset.

(b) Lease liabilities

The movement in the lease liabilities over the year was as follows:

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
At 1 January	784,972	632,186	143,751	38,400
Additions	183,319	325,015	-	143,630
Interest expense on lease liabilities (Note 16(i))	148,036	129,612	30,218	13,731
Lease payments	(292,306)	(319,785)	(33,935)	(52,010)
Derecognition arising from remeasurement	(8,771)	(8,505)	-	-
Remeasurement of lease liabilities	(29,658)	26,449	-	-
At 31 December	785,592	784,972	140,034	143,751

The split in the lease liabilities was as follows:

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Current	292,306	319,785	33,935	52,010
Non-current	493,286	465,187	106,099	91,741
At 31 December	785,592	784,972	140,034	143,751

24. Leases (continued)

The total cash outflow for leases in the year was:

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Interest expense paid on lease liabilities (Note 16(i))	148,036	129,612	30,218	13,731
Payments of principal portion of the lease liability	144,270	190,173	3,717	38,279
At 31 December	292,306	319,785	33,935	52,010

(ii) Amounts recognised in the profit or loss account

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Depreciation on right of use assets (Note 15(i))	200,018	159,293	27,947	27,141
Interest expense on lease liabilities (Note 16)	148,036	129,612	30,218	13,731
Expenses relating to short-term leases	3,229	17,517	-	-
Expense relating to leases of low-value assets that are not shown above as short-term leases	(26,163)	34,012	-	-
Re-measurement of right-of-use assets	1,956	(5,778)	-	-
Remeasurement of lease liabilities	(23,718)	45,834	-	-
At 31 December	303,358	380,490	58,165	40,872

(iii) Minimum lease payments receivable on leases of investment properties

The Group leases out its investment property. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	2025 Shs'000	2024 Shs'000
Operating leases under IFRS 16		
Within 1 year	109,059	104,282
Between 1 and 2 years	108,713	107,577
Between 2 and 3 years	91,393	105,810
Between 3 and 4 years	60,818	68,143
Between 4 and 5 years	24,555	37,520
Later than 5 years	47,470	322
At 31 December	442,008	423,654

25. Investment in associates – Group and Company

(i) Details of the investments

The investment in associate at 31 December 2025 represents an equity interest of 49.89% (2024: 48.17%) of the ordinary shares of HF Group Plc, 100% equity ownership interest in Kilimani Hotel Suites Limited (KHSL) and 30% Continental Reinsurance Company (Kenya) Limited (Cont. Re).

(a) HF Group Plc

HF Group Plc is a strategic partner for the Group, providing access to new customers and distribution channels for the insurance business. The investment in HF Group Plc is in line with the Group's strategic plan, with the Group expected to leverage on existing and potential synergies to drive joint business initiatives while earning returns as a portfolio investment.

25. Investment in associates – Group and Company (continued)

(i) Details of the investments (continued)

(a) HF Group Plc(continued)

The Britam Life Assurance (Kenya) Limited increased its shareholding in September 2025 investing Shs 353 million, increasing its percentage shareholding to 45.93%. HF remains an associate for the Group, with the shareholding of 49.89%. Although shareholding of the holding Company is below the 20% threshold as per IAS 28, an assessment for significant influence was carried out and management concluded that the Company continues to exercise significant influence based on board representation, participation in policy making and material transactions with the entity.

Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investments are initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Company's investment in associates includes goodwill identified on acquisition.

At 31 December 2025, the fair value of the Group's interest in HF Group Plc which is listed on the Nairobi Securities Exchange (NSE), amounted to Shs 9,368,337,000 (2024: Shs 4,096,566,000) when computed using the NSE share price of Shs 9.96 (2024: Shs 4.51) per share. The quoted market price was not used in determining the recoverable value of HF Group Plc for impairment assessment purposes as the Group would not realize its value through the NSE due to the size of its investment.

(b) Kilimani Hotel Suites Limited (KHSL)

Kilimani Hotel Suites Limited (KHSL) core business is provision of high-end serviced apartments and restaurant services. KHSL commenced operations on 1 March 2022. The group handed over the operations of KHSL to Ascott International Limited and trading as Somerset Westview Nairobi, effectively losing control of the relevant activities and subsequently became an associate in line with the control considerations in IFRS 10. The Company is a Special Purpose Vehicle (SPV) that is fully owned by Britam Holdings PLC through its fully owned subsidiary, Britam Life Assurance Company (Kenya) Limited. The full ownership and voting rights in KHSL do not have a significant effect on returns and relevant activities but relate to administrative tasks only and other contractual arrangements that need to be considered hence deemed protective in line with IFRS 10 requirements. The investment in KHSL is also in line with the company's strategic plan that seeks to diversify and stabilize investments.

KHSL has through the Serviced Residences Management Agreement (SRMA) with Ascott International Limited transferred the relevant activities thereby losing control. These key activities include, annual business planning, working capital management, provision of shared services, preparation of all operational policies and manuals, recruitment, training and supervision of staff, advertising, and promotional activities, pricing, credit management, guests' management among others. Ascott International Limited's compensation is based on the total revenues and gross operating profit of KHSL and is thereby exposed to variability of returns. Somerset is a brand owned by Ascott International Limited which exposes the operator to reputational risks. Ascott International Limited has the ability to use its power over KHSL to affect the returns to the Group. Kilimani Hotel Suites Limited (KHSL) is unlisted.

(c) Continental Reinsurance Company (Kenya) Limited associate

The Group acquired 30% stake in Continental Reinsurance Company (Kenya) Limited in 2024 through Britam Life Assurance Company (Kenya) Limited's investment in unquoted equity funds relating to BAAM Investments Partners One LLP and BAAM Investments Partners Two LLP. Each LLP holds a 15% share in Continental Reinsurance Company (Kenya) Limited and therefore after the acquisition, the Company effectively owns 30% shareholding in Continental Reinsurance Company (Kenya) Limited through the 2 LLPs. The same is accounted for using the equity method at Group as an associate.

When the Company increases its stake in an existing associate continuing to have significant influence but not gaining control, the cost of acquiring the additional stake (including any directly attributable costs) is added to the carrying value of the associate.

The Company's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income, with a corresponding adjustment to the carrying amount of the investment.

25. Investment in associates – Group and Company (continued)

(i) Details of the investments (continued)

(c) Continental Reinsurance Company (Kenya) Limited is unlisted.

When the Company's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

Set out below is the financial and other information on the associates at 31 December 2025. The associates as listed below has share capital consisting of ordinary shares, which are held directly by the Company. The country of incorporation or registration is also their principal place of business.

Nature of investments in associates at 31 December 2025:

Name of entity	Place of business/country of incorporation	% of ownership interest			
		Group		Company	
		2025	2024	2025	2024
HF Group Plc	Kenya	49.89%	48.17%	3.96%	3.96%
Kilimani Hotel Suites Limited	Kenya	100%	100%	-	-
ContRe insurance Company Limited	Kenya	30%	30%	-	-

The movement in the carrying amount of the investment in associates during the year is presented below:

(a) HF Group Plc

	Group		Company	
	2025	2024	2025	2024
	HF Group Plc Shs'000	HF Group Plc Shs'000	HF Group Plc Shs'000	HF Group Plc Shs'000
At 1 January	7,110,390	1,643,784	584,485	659,790
Share of associate's profit for the year	692,576	244,120	56,323	98,276
Share of associate's other comprehensive income	307,028	227,393	25,418	93,467
Additional investment in associate	355,425	2,890,883	-	-
Loss on deemed disposal (Note 10(ii))	-	-	-	(193,396)
Impairment reversal/(loss)	877,947	2,098,554	76,182	(73,652)
Other adjustments	-	5,656	-	-
At 31 December	9,343,366	7,110,390	742,408	584,485

(b) Kilimani Hotel Suites Limited (KHSL)

	Group	
	2025	2024
	Shs'000	Shs'000
At 1 January	1,085,089	1,029,089
Share of associate's profit for the year	73,681	56,000
Impairment reversal	73,561	-
At 31 December	1,232,331	1,085,089

25. Investment in associates – Group and Company (continued)

(iii) Details of the investments (continued)

(c) Continental Reinsurance Company (Kenya) Limited associate

	2025	2024
	Shs'000	Shs'000
At 1 January		
Cost of investment in associate	851,270	763,780
Bargain purchase	-	80,847
Total at acquisition	851,270	844,627
Share of associate's profit for the year	93,326	120,847
Share of associate's other comprehensive loss	(3,346)	(2,787)
Impairment reversal/(loss)	111,417	(111,417)
At 31 December	1,052,667	851,270

(d) Total investment in associates

	Group		Company	
	2025	2024	2025	2024
	Shs'000	Shs'000	Shs'000	Shs'000
At 1 January	9,046,748	2,672,874	584,485	659,790
Share of associate's profit for the year	859,583	420,967	56,323	98,276
Share of associate's other comprehensive (loss)/ income	303,683	224,606	25,418	93,467
Additional investment in associate	355,425	3,655,189	-	-
Loss on deemed disposal (Note (10(ii)))	-	-	-	(193,396)
Impairment reversal/(loss)	1,062,925	2,073,112	76,182	(73,652)
At 31 December	11,628,364	9,046,748	742,408	584,485

(ii) Goodwill

The table below shows the goodwill that arose from the investment in HF Group Plc.

	Group	Company
	Shs'000	Shs'000
At start and end of year	1,629,813	595,569

(iii) Impairment assessment – HF Group Plc associate

For the purposes of impairment assessment under IAS 36 – 'Impairment of Assets', the HF Group Plc, Continental Reinsurance Company Limited and KHSL are considered as Cash Generating Units (CGU).

The Group and company determine at each reporting date whether there is any objective evidence that the investment in the respective associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the impairment amount in the statement of profit or loss under the net unrealised fair value gains on financial assets at fair value through profit or loss.

Over the years cumulative impairment provision of Shs 4,150,839,000 had been made on these investments. Following a reassessment of the carrying value after the 2024 rights issue, Shs 2,098,554,000 was reversed in 2024 leaving an impairment of Shs 2,052,285,000, which as at 31 December 2025 is at Shs 1,174,338,000.

25. Investment in associates – Group and Company (continued)

Details of the investments (continued)

(iii) Impairment assessment – HF Group Plc associate (continued)

At 31 December 2025, the recoverable amount was Shs 9,343,366,000 and the carrying value before impairment reversal was Shs 8,465,419,000. The value in use is assessed on the refreshed 4-year business projected cashflows, discounted at an after-tax Cost of Equity of 20.27% (2024: 21.98%) and terminal growth of 5% (2024: 5%). The equity risk premium applied was 13.94% (2024: 14.34%).

The Group's impairment assessment of the investment in HF Group Plc resulted in Shs 877,947,000 impairment reversal as at 31 December 2025 (31 December 2024: Shs 2,098,554,000). The indicators that were generally considered are the improvements in 2025 and 2024 performance compared to prior years, and the turnaround due to capital injection through a successful rights issue in the previous year.

In the view of the Directors, the assumptions used are appropriate and the resultant carrying value is reasonable.

(iv) Impairment assessment – KHSL Associate

The Group's impairment assessment of the investment in KHSL resulted in Shs 73,561,000 impairment reversal as at 31 December 2025 (31 December 2024: Nil impairment). KHSL registered improved performance in 2025 as compared to 2024 and the performance is projected to continue improving into the foreseeable future.

At 31 December 2025, the recoverable amount of KHSL associate was Shs 1,540,112,000 and the carrying value was Shs 1,232,331,000 per Note 25(b). The 2025 impairment assessed result is based on a value in use of Shs 1.283 (2024: Shs 1.287) per share against a carrying value of Shs 1.03 (2024: Shs 0.951) per share. The value in use is assessed on the refreshed 10-year Business projected cashflows, discounted at an after-tax Cost of Equity of 22.9% (2024: 24.5%) and terminal growth of 5% (2024: 5%). The equity risk premium applied was 13.5% (2024: 14.3%). In the view of the Directors, the assumptions used are appropriate and the resultant carrying value is reasonable.

Profits and losses resulting from upstream and downstream transactions between the Company and its associate are recognised in the Company's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Company.

(v) Impairment assessment – Continental Reinsurance Company (Kenya) Limited Associate

The Group's impairment assessment of the investment in Continental Reinsurance Company (Kenya) Limited resulted in an impairment reversal. The Group recognized an impairment reversal of Shs 111,417,000 equivalent of impairment loss which had been recognised prior year.

At 31 December 2025, the recoverable amount of Continental Reinsurance Company (Kenya) Limited was Shs 1,169,600 while as the carrying value was Shs 1,052,667,000. The impairment assessment result is based on a value in use of Shs 259.9 per share against a carrying value of Shs 213.92 per share. The value in use is assessed on a 10-year Business projected cashflows, discounted at an after-tax cost of equity of 21.6% and terminal growth of 5%. The equity risk premium applied was 13.9%. In the view of the Directors, the assumptions used are appropriate and the resultant carrying value is reasonable.

25. Investment in associates – Group and Company (continued)

(vi) Sensitivity analysis

The sensitivity analysis below is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. The sensitivity of the valuation of the investment in associates to changes in the principal assumptions is:

i. HF Group Plc

Assumption	Assumption value as per valuation	Reasonable possible shift	Change in the fair value of the investment in associate after positive shift 'Shs'000	Change in the fair value of the investment in associate after negative shift 'Shs'000
Average projected cash flows (Shs'000)	3,357,692	500,000	2,151,403	(2,151,403)
Pre-tax discount rate	28.96%	1%	(969,221)	887,682
Terminal growth rate	5%	1%	569,850	(619,488)

ii. Kilimani Hotel Suites Limited

Assumption	Assumption value as per valuation	Reasonable possible shift	Change in the fair value of the investment in associate after positive shift 'Shs'000	Change in the fair value of the investment in associate after negative shift 'Shs'000
Average projected cash flows (Shs 000)	404,843	10,000	41,514	(41,514)
Pre-tax discount rate	32.72%	1%	(46,086)	48,732
Terminal growth	5%	1%	20,226	(18,291)

iii. Continental Reinsurance Company (Kenya) Limited

Assumption	Assumption value as per valuation	Reasonable possible shift	Change in the fair value of the investment in associate after positive shift 'Shs'000	Change in the fair value of the investment in associate after negative shift 'Shs'000
Average projected cash flows (Shs'000)	1,450,291	100,000	377,902	(377,902)
Pre-tax discount rate	30.79%	1%	(188,355)	204,958
Terminal growth rate	5%	1%	37,184	(34,407)

HF Group Plc

i. Summarised statement of profit or loss and other comprehensive income

	2025 Shs'000	2024 Shs'000
Interest income	7,651,098	6,555,348
Interest expense	(3,151,397)	(3,744,072)
Impairment losses on mortgage and advances	(408,283)	(364,460)
Other income	2,033,593	1,312,487
Other expenses	(4,515,526)	(3,299,310)
Profit before tax	1,609,485	459,993
Tax (expense)/credit	(187,193)	64,692
Profit after tax	1,422,292	524,685
Other comprehensive income, net of tax	641,871	481,457
Total comprehensive income for the year	2,064,163	1,006,142

25. Investment in associates – Group and Company (continued)

HF Group Plc

i. Summarised statement of financial position - HF Group Plc (continued)

	2025 Shs'000	2024 Shs'000
Total assets	83,346,166	70,147,782
Total liabilities	65,671,833	54,466,115
Net assets	17,674,333	15,681,667
Customer deposits	55,874,371	47,470,795
Loans and advances	41,107,862	38,861,015

The information above reflects the amounts presented in the financial statements of the associate adjusted for differences in accounting policies between the Group and the associates.

Reconciliation of the summarised financial information presented to the carrying amount of the interest in associate:

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Opening net assets 1 January	15,681,667	8,865,330	15,681,667	8,865,330
Profit for the year	1,422,292	524,476	1,422,292	524,476
Other comprehensive income	641,871	481,666	641,871	481,666
Increase in share Capital	-	5,810,195	-	5,810,195
Other adjustments	(71,497)	-	(71,497)	-
Closing net assets	17,674,333	15,681,667	17,674,333	15,681,667
Interest in associate Group 49.89% (2024: 48.22%) Company 3.96% (2024: 3.96%)	8,817,725	7,553,859	699,904	620,986
Goodwill (Note 25 (ii))	1,629,813	1,629,813	595,569	595,569
Allowance for impairment losses	(1,174,338)	(2,052,285)	(527,114)	(603,296)
Other adjustments	70,166	(20,997)	(25,951)	(28,773)
Carrying value	9,343,366	7,110,390	742,408	584,486
Movement in Allowance for impairment:				
1 January	2,052,285	4,150,839	603,296	529,644
Increase	-	-	-	73,652
Reversals	(877,947)	(2,098,554)	(76,182)	-
At 31 December	1,174,338	2,052,285	527,114	603,296

Summarised statement of cash flows – HF Group Plc

	Group	
	2025 Shs'000	2024 Shs'000
Net cash flows used in operating activities	(1,340,065)	(2,016,550)
Net cash flows used in investing activities	(493,252)	(282,760)
Net cash flows generated from financing activities	477,657	4,667,176
Net (decrease)/increase in cash and cash equivalents	(1,355,660)	2,367,866

The information above reflects the amounts presented in the financial statements of the associate adjusted for differences in accounting policies between the Company and the associate.

25. Investment in associates – Group and Company (continued)

ii. Kilimani Hotel Suites Limited (KHSL)

Set out below is the summarised financial information for KHSL which is accounted for as an investment in associate using the equity method.

Summarised statement of profit or loss and comprehensive income

	Group	
	2025	2024
	Shs' 000	Shs' 000
Revenue	655,316	636,124
Interest income	67,435	41,309
Cost of sales	(143,236)	(125,331)
Operating and other expenses	(461,106)	(459,857)
Finance cost	(13,151)	(22,891)
Profit before tax	105,258	69,354
Tax expense	(31,577)	(13,354)
Profit for the year	73,681	56,000

Summarised statement of financial position

	2025	2024
	Shs' 000	Shs' 000
Total assets	1,441,032	1,347,474
Total liabilities	221,571	201,694
Net assets	1,219,461	1,145,780

Summarised statement of cash flows

	Group	
	2025	2024
	Shs' 000	Shs' 000
Net cash flows from operating activities	220,813	280,216
Net cash flows used in investing activities	(202,050)	(442,883)
Net increase/(decrease) in cash and cash equivalents	18,763	(162,667)

The information above reflects the amounts presented in the financial statements of the associate adjusted for differences in accounting policies between the Group and the associate.

25. Investment in associates – Group and Company (continued)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in associate.

	2025	2024
	Shs' 000	Shs' 000
Opening net assets 1 January	1,145,780	1,089,780
Profit for the year	73,681	56,000
Closing net assets	1,219,461	1,145,780
Interest in associate (100% of net assets)	1,219,461	1,145,780
Gross interest in associate	1,219,461	1,145,780
Cumulative impairment	-	(73,561)
Other adjustments	12,870	12,870
Closing assets 31 December	1,232,331	1,085,089

iii. Continental Re Company (Kenya) Limited (ContRe)

Set out below is the summarised financial information for Continental Re Company (Kenya) Limited which is accounted for using the equity method.

Summarised statement of profit or loss and comprehensive income

	2025	2024
	Shs' 000	Shs' 000
Insurance revenue	5,732,915	6,514,026
Insurance service expenses	(4,631,138)	(5,696,609)
Net Expense from retrocession	(605,545)	(200,790)
Net investment income	314,662	(525,035)
Net finance expenses	(373,918)	(641,440)
Operating and other expenses	(39,267)	(40,257)
Profit/(Loss) before income tax	397,709	(590,105)
Income tax (expense)/credit	(86,622)	131,484
Profit/(loss) for the year	311,087	(458,621)
Other comprehensive income, net of tax	(39,268)	(40,904)
Total comprehensive income	271,819	(499,525)

Summarised statement of financial position

	2025	2024
	Shs' 000	Shs' 000
Total assets	8,943,325	9,531,449
Total liabilities	5,386,563	6,273,972
Net assets	3,556,762	3,257,477

25. Investment in associates – Group and Company (continued)

Summarised statement of cash flows

	Group	
	2025 Shs' 000	2024 Shs' 000
Net cash flows generated from/(used in) operating activities	45,817	(124,824)
Net cash flows used in investing activities	(3,028)	(6,155)
Net cash flows used in financing activities	(7,613)	(13,946)
Net increase/(decrease) in cash and cash equivalents	35,176	(144,925)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in associate.

	2025 Shs' 000	2024 Shs' 000
Opening net assets 1 January	3,257,477	3,757,002
Profit/(loss) for the year	299,285	(458,621)
Additional investment by the shareholder	-	(40,904)
Closing net assets	3,556,762	3,257,477
Interest in associate (30% of net assets)	1,067,029	977,243
Gross interest in associate	1,067,029	977,243
Cumulative impairment	-	(111,417)
Other adjustments	(14,362)	(14,556)
Closing net asset 31 December	1,052,667	851,270

26. Income tax

(a) Income tax expense

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Current income tax	1,032,267	570,378	44,478	-
Deferred tax (Note 36)	1,334,994	1,727,492	-	-
Income tax expense	2,367,261	2,297,870	44,478	-

26. Income tax (continued)

(a) Income tax expense (continued)

The Group and company's current tax charge is computed in accordance with income tax rules applicable to the subsidiaries. A reconciliation of the tax charge is shown below. The current year's tax on the Group and company's profit before tax differs from the theoretical amount that would arise using the statutory income tax rates as follows:

	Group		Company	
	2025	2024	2025	2024
	Shs'000	Shs'000	Shs'000	Shs'000
Profit/(loss) before income tax	7,903,965	7,330,996	1,107,681	(452,237)
Tax calculated at a tax rate of 30% (2024: 30%)	2,371,190	2,199,299	332,304	(135,671)
Add/(less):				
- Tax effect of income not subject to tax	(1,084,351)	(2,852,282)	(1,075,269)	(2,182,345)
- Under provision in prior year	19,052	(3,394)	-	-
- Tax effect on foreign subsidiaries different tax rates	3,250	665	-	-
- Deferred tax not recognised (Note 36)	909,060	2,696,124	787,443	2,318,016
- Tax effect of expenses not deductible for tax purposes	149,060	257,458	-	-
Income tax expenses	2,367,261	2,297,870	44,478	-

The tax (charge)/credit relating to components of other comprehensive income is as follows:

	Group					
	2025			2024		
	Before tax	Tax (charge) / credit	After tax	Before tax	Tax (charge) credit	After tax
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Currency translation losses (Note 18)	(153,764)	-	(153,764)	(1,344,627)	-	(1,344,627)
Re-measurement of the net defined benefit asset (Note 42)	(53,925)	16,178	(37,747)	(134,997)	40,499	(94,498)
Share of other comprehensive income from associates *	303,683	(84,483)	219,200	224,606	(43,082)	181,524
Gains on revaluation of land and buildings	37,679	(11,304)	26,375	-	-	-
Other comprehensive loss/ income	133,673	(79,609)	54,064	(1,255,018)	(2,583)	(1,257,601)

*The tax charge on share of other comprehensive income from associates is a result of double taxation of income received by Britam Life Assurance Company (Kenya) Limited.

26. Income tax (continued)

(a) Current tax recoverable account

Movement in the tax recoverable account is as follows:

	Group		Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
	Shs'000	Shs'000	Shs'000	Shs'000
At 1 January	748,271	263,683	19,065	24,061
Taxation charge for the year	(1,032,267)	(570,378)	(44,478)	-
Tax utilized for the year	-	-	-	(33,171)
Tax paid	342,083	1,054,966	23,599	28,175
At 31 December	58,087	748,271	(1,814)	19,065
Split as follows;				
Current income tax recoverable	442,865	849,580	-	19,065
Current income tax payable	(384,778)	(101,309)	(1,814)	-
Net	58,087	748,271	(1,814)	19,065

27. Goodwill on business combinations

The goodwill arose on the acquisition of Real Insurance Group (now Britam General Insurance Company (Kenya) Limited, Britam Insurance Company (Tanzania) Limited and Britam - Companhia De Seguros De Mozambique S.A.) which was concluded in 2015.

	2025	2024
	Shs'000	Shs'000
Britam General Insurance Company (Kenya) Limited	913,717	913,717
Britam Insurance Company (Tanzania) Limited	258,577	258,577
Britam - Companhia De Seguros De Mozambique S.A.	244,341	244,341
Total goodwill	1,416,635	1,416,635

In assessing impairment of goodwill, management has reviewed the five-year business plans (strategies). The value in use method was used to determine the value of the investment. Discount rates used ranged between 18% and 30% (2024: 18% and 30%) depending on the circumstances of the entity and terminal rate of 5% (2024: 5%).

The recoverable amount calculated based on the value in use exceeded carrying value by Shs 16,113,031,000 (2024: Shs 6,334,777,000). As at 31 December 2025, a increase in the terminal rate by 1% results in a increase in the headroom by Shs 892,143,000 and a reduction terminal rate by 1% results in a decrease in the headroom by Shs. 777,824,000.

From the assessment carried out at the end of the year, no impairment was deemed necessary as at 31 December 2025 (2024: Nil).

	As at 31 December 2025		
	Value in use	Goodwill	Headroom
	Shs'000	Shs'000	Shs'000
Britam General Insurance Company (Kenya) Limited	13,109,693	913,716	12,195,977
Britam Insurance Company (Tanzania) Limited	2,346,452	258,577	2,087,875
Britam - Companhia De Seguros De Mozambique S.A.	2,073,521	244,342	1,829,179
Total	17,529,666	1,416,635	16,113,031

27. Goodwill on business combinations (continued)

	As at 31 December 2024		
	Value in use Shs'000	Goodwill Shs'000	Headroom Shs'000
Britam General Insurance Company (Kenya) Limited	5,051,632	913,716	4,137,916
Britam Insurance Company (Tanzania) Limited	952,598	258,577	694,021
Britam - Companhia De Seguros De Mozambique S.A.	1,747,182	244,341	1,502,841
Total	7,751,412	1,416,635	6,334,777

Goodwill on acquisition is a non-current asset.

28. (i) Investment in subsidiary companies

The Company had the following subsidiaries as at 31 December

	Country of incorporation and place of business	Nature of Business	Proportion of ordinary shares directly held	Proportion of ordinary shares directly/indirectly held	Proportion of shares held by non-controlling interests	
			2025	2024	2025	2024
Britam Life Assurance Company (Kenya) Limited	Kenya	Insurance	100%	100%	-	-
Britam General Insurance Company (Kenya) Limited	Kenya	Insurance	100%	100%	-	-
Britam Asset Managers Company (Kenya) Limited	Kenya	Fund Management	100%	100%	-	-
Britam Properties Company (Kenya) Limited	Kenya	Property development	100%	100%	-	-
Britam Insurance Company (Uganda) Limited	Uganda	Insurance	100%	100%	-	-
Britam Insurance Company (South Sudan) Limited	South Sudan	Insurance	100%	100%	-	-
Britam Insurance Company (Rwanda) Limited	Rwanda	Insurance	100%	100%	-	-
Britam - Companhia De Seguros De Mozambique S.A.	Mozambique	Insurance	98%	98%	2%	2%
Britam Insurance Company (Tanzania) Limited	Tanzania	Insurance	55%	55%	45%	45%
Britam Insurance Company (Malawi) Limited	Malawi	Insurance	100%	100%	-	-
Britam Asset Managers Company (Uganda) Limited	Uganda	Fund Management	100%	100%	-	-
Britam SEZ Company (Kenya) Limited	Kenya	Innovation	100%	100%	-	-
Britam Life Assurance Company (Uganda) Limited	Uganda	Insurance	100%	100%	-	-
Britam Micro Insurance Company (Kenya) Limited*	Kenya	Insurance	0%	0%	-	-
Britam Trust Services Limited Liability Partnership**	Kenya	Trust Services	0%	0%	-	-

*Britam Micro Insurance Company (Kenya) Limited is fully owned by Britam General Insurance Company (Kenya) Limited.

**Britam Trust Services Limited Liability Partnership is fully owned by Britam Life Assurance Company (Kenya) Limited

28. (i) Investment in subsidiary companies (continued)

The Company had the following investments in subsidiaries at 31 December 2025:

	Opening Shs'000	Additions Shs'000	Closing Shs'000
Britam Life Assurance Company (Kenya) Limited	980,000	-	980,000
Britam Asset Managers Company (Kenya) Limited	208,500	-	208,500
Britam Insurance Company (Uganda) Limited	500,000	-	500,000
Britam Insurance Company Limited (South Sudan)	391,711	64,500	456,211
Britam Insurance Company (Rwanda) Limited	689,224	-	689,224
Britam General Insurance Company (Kenya) Limited	3,111,262	-	3,111,262
Britam Insurance Company (Malawi) Limited	459,458	-	459,458
Britam Insurance Company (Tanzania) Limited	253,409	7,857	261,266
Britam - Companhia De Seguros De Mozambique S.A.	313,534	-	313,534
Britam SEZ Company (Kenya) Limited	5,485	-	5,485
Britam Life Assurance Company (Uganda) Limited	154,567	288,456	443,023
Britam Asset Managers Company (Uganda) Limited	51,910	-	51,910
Total	7,119,060	360,813	7,479,873

The Company had the following investments in subsidiaries at 31 December 2024:

	Opening Shs'000	Additions Shs'000	Closing Shs'000
Britam Life Assurance Company (Kenya) Limited	180,000	800,000	980,000
Britam Asset Managers Company (Kenya) Limited	208,500	-	208,500
Britam Insurance Company (Uganda) Limited	500,000	-	500,000
Britam Insurance Company (South Sudan) Limited	391,711	-	391,711
Britam Insurance Company (Rwanda) Limited	689,224	-	689,224
Britam General Insurance Company (Kenya) Limited	3,111,262	-	3,111,262
Britam Insurance Company (Malawi) Limited	459,458	-	459,458
Britam Insurance Company (Tanzania) Limited	253,409	-	253,409
Britam - Companhia De Seguros De Mozambique S.A.	313,534	-	313,534
Britam SEZ Company (Kenya) Limited	-	5,485	5,485
Britam Life Assurance Company (Uganda) Limited	-	154,567	154,567
Britam Asset Managers Company (Uganda) Limited	51,910	-	51,910
Total	6,159,008	960,052	7,119,060

28. (ii) Non-controlling interest (NCI)

	Britam - Companhia De Seguros De Mozambique S.A.	Britam Insurance (Tanzania) Limited	Total Shs '000
Year ended 31 December 2025			
Proportion of shares held by non-controlling interests	2%	45%	
Total non-controlling interest at start of year	13,817	253,489	267,306
Profit after tax attributable to non-controlling interests	52	35,844	35,896
Total non-controlling interests at year end	13,869	289,333	303,202
Year ended 31 December 2024			
Non-controlling interest 1 January 2024	13,892	225,641	239,533
(Loss)/Profit after tax attributable to non-controlling interests	(75)	27,848	27,773
Total non-controlling interests at year end	13,817	253,489	267,306

Summarised financial information has been presented below for Britam Insurance (Tanzania) Limited, a subsidiary with significant non-controlling interest.

Summarised statement of profit or loss and other comprehensive income

	Britam Insurance (Tanzania) Limited as at 31 December	
	2025 Shs'000	2024 Shs'000
Revenue	1,903,270	1,941,109
Profit before income tax	137,068	103,982
Income tax expense	(57,415)	(42,098)
Currency translation loss	(14,131)	(123,642)
Total comprehensive income/(loss)	65,522	(61,758)

Summarised statement of financial position

	2025 Shs'000	2024 Shs'000
Current		
Assets	2,287,449	1,991,165
Liabilities	324,729	291,175
Total current net assets	1,962,720	1,699,990
Non-current		
Assets	144,397	134,851
Total non-current net assets	144,397	134,851
Net assets	766,128	702,024

28. (ii) Non-controlling interest (NCI) (continued)

Summarised statement of cash flows

	2025	2024
	Shs'000	Shs'000
Cash used in operations	(539,736)	(82,638)
Income tax paid	(72,408)	(29,625)
Net cash used in operating activities	(612,144)	(29,849)
Net cash generated from investing activities	380,912	240,113
Net cash used in financing activities	(29,642)	(69,513)
Net (decrease)/increase cash and cash equivalents	(260,874)	140,751

29. (i) Investment properties

	Group		Company	
	2025	2024	2025	2024
	Shs'000	Shs'000	Shs'000	Shs'000
At 1 January	16,525,728	15,992,881	75,000	80,000
Additions during the year	407,688	851,264	-	-
Disposals during the year	(717,066)	(513,257)	-	-
Fair value gain/(loss) (Note 7)	220,832	194,840	(25,000)	(5,000)
At 31 December	16,437,182	16,525,728	50,000	75,000

The properties were valued at 31 December 2025 and 31 December 2024 by Knight Frank Valuers Limited and Kiragu and Mwangi Limited who are registered professional valuers.

The fair value of the investment properties is determined using either the market approach or the income approach (discounted cash flows). The rental income arising during the year and direct operating expenses arising in respect of such properties during the year are disclosed in Note 7. The fair values arising from the valuation of investment property are categorised as level 3 in the fair value hierarchy.

The Group's investment properties are made up of:

(a) Properties of Shs 6,523,859,000 (2024: Shs 6,782,348,000) which are owned directly which include:

- i. Britam Centre which is a commercial building of 86,486 square feet located opposite Mara/Ragati Road junction in Upper Hill area of Nairobi;
- ii. Kilimani development which is a serviced apartment block on a 1.65 acres plot located at Nyangumi Road in Kilimani Nairobi;
- iii. Mlolongo land of 10 acres located along Mombasa Road at Athi River in Machakos county and which was committed for sale by end of year 2025; and
- iv. Ngong land located along Kahara and Lemiso Road in Ngong Town in Kajiado county. The property was up for sale, as a serviced development with 8.7476 acres remaining as at end of year 2025 out of the initial 20.146 acres.
- v. Naivasha Maraigushu land located in Kedong area of Longonot Ward Naivasha sub county in Nakuru county approximate are 5.2 HA.

(b) Properties of Shs 9,913,323,000 (2024: Shs 9,743,380) are held through investment funds and controlled by the Group they include:

- i. Britam Tower which is a commercial building of 358,156 square feet located along Hospital Road in Upper Hill area of Nairobi;
- ii. Investment in Crescent Development LLP which owns 2.3 acres located along Elgon Road upperhill area of Nairobi;
- iii. Investment in Coral Development LLP which owns approximately 5 acres of land located along Ring Road in Kileleshwa area of Nairobi; and
- iv. Investment in Valley Front Development LLP which owns land in Mombasa Road, Athi River and Lukenya respectively.

29. (i) Investment properties (continued)

The Group also holds a 13.5% interest in Mikado Properties LLP, representing its investment in property funds. Investment in property is classified as a non-current asset.

The table below sets out information about measuring investment properties valued using the discounted cash flows approach:

Valuation approach	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement	Estimates for unobservable inputs
Valued using the Discounted Cash Flow (DCF) method. Net income is determined by considering gross income less operating expenditure. The discount rate is determined with reference to the current market conditions.	Tenancy is based on projected occupancy of the property.	Increase in the discount and vacancy rate will decrease the fair value of the properties. Similar increases/decreases in tenancy will increase/decrease the market value of the property.	Discount rate; 13.02% Stabilised Occupancy: 99.90% Rent Escalation – 7.5% Capitalization rate – 8.02%

Sensitivity analysis

The sensitivity analysis below is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. The sensitivity of the valuation of the investment property to changes in the principal assumptions is:

Assumption	Assumption value as per valuation	Reasonable possible shift	Change in the fair value of the investment property
			Shs '000
Discount rate	13.20%	(+/-) 0.5%	(+/-) 373,000
Capitalization rate	8.20%	(+/-) 1%	(+/-) 706,000
Occupancy level	99.90%	(+/-) 1%	(+/-) 42,000

29. (ii) Investment in property funds

	Company	
	2025 Shs'000	2024 Shs'000
At 1 January	462,762	2,100,442
Disposals	(4,047)	(1,771,496)
Distributions	(24,215)	(23,837)
Fair value gains (Note 7)	35,998	157,653
At 31 December	470,498	462,762

The properties were valued at 31 December 2025 and 31 December 2024 by Knight Frank Valuers Limited and Kiragu and Mwangi Limited who are registered professional valuers. The fair value of the investment property funds is determined using the market approach. The fair values arising from the valuation of investment in property funds is categorised as level 2 or 3 in the fair value hierarchy. Refer to Note 7 for amounts recognized in profit or loss for investment properties.

Investment in property funds is classified as a non-current asset.

30. Financial assets at fair value through profit or loss - designated

	Group	
	2025	2024
	Shs'000	Shs'000
Quoted equity investments (Note 30 (i))	4,101,056	2,001,313
Unquoted equity investments (Note 30 (ii))	77,473	78,560
Investments in collective investments schemes (Note 30 (iii))	20,903,187	11,217,275
Government securities (Note 30 (iv))	87,245,680	66,435,794
Total	112,327,396	79,732,942

(i) Quoted equity investments

	Group	
	2025	2024
	Shs'000	Shs'000
At 1 January	2,001,313	2,156,902
Additions	1,417,980	103,296
Disposals	(326,678)	(749,053)
Fair value gains/(losses) (Note 10(i))	1,008,441	490,168
At 31 December	4,101,056	2,001,313

Quoted equity investments at fair value through profit or loss are classified as current assets.

(ii) Unquoted equity investments

	Group	
	2025	2024
	Shs'000	Shs'000
At 1 January	78,560	74,929
Additions	-	725
Fair value loss (Note 10(i))	673	(2,768)
Translation differences	(1,760)	5,674
At 31 December	77,473	78,560

Unquoted equity investments at fair value through profit or loss are classified as current assets. Please see Note

(iii) Investments in collective investments schemes

	Group	
	2025	2024
	Shs'000	Shs'000
At 1 January	11,217,275	10,725,301
Additions	9,405,936	5,155,783
Disposals	(1,736,772)	(5,842,819)
Fair value gains (Note 10(i))	2,016,748	1,179,010
At 31 December	20,903,187	11,217,275

Unit-linked investment contracts are designated as contracts at fair value through profit or loss and classified as current assets. The benefits offered under these contracts are based on the return of a portfolio of equities and debt securities.

30. Financial assets at fair value through profit or loss - designated (Continued)

(iv) Government securities

	Group	
	2025 Shs'000	2024 Shs'000
Treasury bills and bonds maturing		
- Within 1 year	86,839	586,834
- In 1 – 5 years	6,236,395	4,947,083
- After 5 years	80,922,446	60,901,877
Total	87,245,680	66,435,794
Treasury bills and bonds movement		
- At 1 January	66,435,794	46,000,195
- Additions	23,176,501	16,573,708
- Fair value gains (Note 10(i))	4,516,884	5,925,142
- Disposals and maturities	(6,883,499)	(2,063,251)
At 31 December	87,245,680	66,435,794

31. Financial assets at amortised cost

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs '000	2024 Shs'000
Government securities (Note 31 (i))	77,061,913	77,412,447	12,842	12,867
Corporate bonds (Note 31 (ii))	1,022,707	1,022,602	1,002,696	998,569
Total	78,084,620	78,435,049	1,015,538	1,011,436

(i) Government securities

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Treasury bills and bonds maturing				
- Within 1 year	2,353,596	1,538,124	-	-
- In 1 – 5 years	19,005,324	9,981,314	-	-
- After 5 years	55,881,686	66,057,833	12,871	12,896
Total	77,240,606	77,577,271	12,871	12,896
At 1 January	77,577,271	67,565,981	12,896	54,340
Amortization	62,880	(399,469)	-	-
Additions	4,752,432	14,009,573	1,778	4,621
Maturities	(5,151,977)	(3,598,814)	(1,803)	(46,065)
At 31 December	77,240,606	77,577,271	12,871	12,896
Less: Provision for expected credit losses	(178,693)	(164,824)	(29)	(29)
Net amount at end of year	77,061,913	77,412,447	12,842	12,867
Movement in provision for expected credit losses				
At 1 January	164,824	42,765	29	35
Increase/(decrease) during the year	13,869	122,059	-	(6)
At 31 December	178,693	164,824	29	29

31. Financial assets at amortised cost (continued)

(ii) Corporate bonds

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Corporate bonds movement				
- In 1-5 years	1,043,647	1,053,076	1,022,937	1,028,245
Total	1,043,647	1,053,076	1,022,937	1,028,245
At 1 January	1,053,076	1,050,269	1,028,245	1,023,742
Amortisation	(405)	218	(1)	-
Additions	142,185	189,603	142,185	186,800
Maturities	(151,209)	(187,014)	(147,493)	(182,297)
At 31 December	1,043,647	1,053,076	1,022,936	1,028,245
Less: Provision for expected credit losses	(20,940)	(30,474)	(20,240)	(29,676)
Net amount at end year	1,022,707	1,022,602	1,002,696	998,569
Movement in provision for expected credit losses:				
At 1 January	30,474	31,978	29,676	31,138
Decrease during the year	(9,534)	(1,504)	(9,436)	(1,462)
At 31 December	20,940	30,474	20,240	29,676

32. Mortgage loans and receivables

	Group	
	2025 Shs'000	2024 Shs'000
At 1 January	1,013,301	1,185,382
Loans advanced	2,815	74,996
Interest charged	85,822	79,231
Loan repayments	(254,561)	(326,308)
At 31 December	847,377	1,013,301
Less: Provision for expected credit losses	(58,604)	(55,496)
At 31 December	788,773	957,805
Movement in provision for expected credit losses:		
At 1 January	55,496	55,496
Increase during the year	3,108	-
At 31 December	58,604	55,496
Lending commitments:		
Mortgage loans approved by investment committee but not disbursed as at 31 December	-	-
Mortgage loans maturity profile		
- Within 1 year	118,773	67,849
- In 1 - 5 years	55,294	109,269
- After 5 years	673,310	836,183
At 31 December	847,377	1,013,301

32. Mortgage loans and receivables (Continued)

Mortgages to staff are fully secured on the mortgage properties and are charged interest at 6% (2024: 6%). The difference between the staff rate and market rate is treated as company cost and is expensed as incurred over the lifetime of the loan. Mortgage loans to Directors are disclosed in Note 45 (iv).

33. (i) Recognition of the contractual service margin

2025	Total Shs"000"	Less than 1 year Shs"000"	1 to 2 years Shs"000"	2 to 3 years Shs"000"	3 to 4 years Shs"000"	4 to 5 years Shs"000"	5 to 10 years Shs"000"	More than 10 years Shs"000"
Insurance contracts issued;								
Ordinary Life	8,105,031	1,412,978	1,281,213	1,138,892	977,234	810,141	14,838	2,469,735
Annuity	2,192,432	377,941	313,895	261,504	218,157	181,814	543,349	295,772
Credit Life	422,132	173,568	102,527	54,039	32,465	17,724	32,588	9,221
Investment contracts with DPF	1,476,709	299,776	189,823	135,909	-	-	-	851,201
Non-Life [Permanent Disability]	92,013	37,510	24,667	15,049	8,814	3,233	2,436	304
Total	12,288,317	2,301,773	1,912,125	1,605,393	1,236,670	1,012,912	593,211	3,626,233

2024	Total Shs "000"	Less than 1 year Shs "000"	1 to 2 years Shs"000"	2 to 3 years Shs"000"	3 to 4 years Shs "000"	4 to 5 years Shs"000"	5 to 10 years Shs "000"	More than 10 years Shs"000"
Insurance contracts issued;								
Ordinary Life	6,979,294	1,170,480	1,062,615	947,616	827,999	698,564	13,018	2,259,002
Annuity	2,170,170	376,510	310,699	257,612	214,375	178,704	533,881	298,389
Credit Life	431,163	173,190	111,574	66,507	31,092	17,901	19,221	11,678
Investment contracts with DPF	1,008,275	152,505	55,175	42,621	-	-	-	757,974
Non-Life [Permanent Disability]	141,022	52,128	36,787	24,067	14,498	8,493	4,619	430
Total	10,729,924	1,924,813	1,576,850	1,338,423	1,087,964	903,662	570,739	3,327,473

33. (ii) CSM by transition method

Total	2025			2024		
	Full retrospective approach at transition	Fair value approach at transition	Total	Full retrospective approach at transition	Fair value approach at transition	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
CSM as at 1 January	10,625,341	100,449	10,725,790	8,575,939	47,196	8,623,135
Changes that relate to current service						
CSM recognised in profit or loss for the services provided	(2,942,482)	(19,592)	(2,962,074)	(3,100,637)	(20,534)	(3,121,171)
Changes that relate to future service						
Contracts initially recognised in the period	2,044,530	-	2,044,530	3,291,031	3	3,291,034
Changes in estimates that adjust the CSM	983,498	(5,269)	978,229	643,782	67,544	711,326
	85,546	(24,861)	60,685	834,176	47,013	881,189
Finance expenses from insurance contracts issued	1,492,617	13,360	1,505,977	1,219,361	6,240	1,225,601
Total amounts recognised in comprehensive income	1,578,163	(11,501)	1,566,662	2,053,537	53,253	2,106,790
Other movements	(4,135)	-	(4,135)	(4,135)	-	(4,135)
CSM as at 31 December	12,199,369	88,948	12,288,317	10,625,341	100,449	10,725,790

34. Effects of contract initially recognized in the period for insurance

Total	2025			2024		
	Non-onerous groups of contracts	Onerous groups of contracts	Total	Non-onerous groups of contracts	Onerous groups of contracts	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Insurance contracts issued Initially recognised in the year;						
Insurance acquisition cash flows	42,901	2,914	45,815	37,805	-	37,805
Claims and other cash outflows	93,173,731	11,399,374	104,573,105	77,779,077	4,087,597	81,866,674
Estimates of the present value of future cash inflows	(95,594,340)	(10,796,806)	(106,391,146)	(81,395,062)	(3,573,487)	(84,968,549)
Risk adjustment for non-financial risk	333,177	51,795	384,972	289,440	64,157	353,597
Contractual service margin	2,044,531	-	2,044,531	3,288,740	-	3,288,740
Losses for the net outflow recognized on initial recognition	-	657,277	657,277	-	578,267	578,267

35. Effects of contract initially recognized in the period for insurance (continued)

(i) Ordinary Life

	2025			2024		
	Non-Onerous Groups of Contracts Shs "000"	Onerous Groups of Contracts Shs "000"	Total Shs "000"	Non-Onerous Groups of Contracts Shs "000"	Onerous Groups of Contracts Shs "000"	Total Shs "000"
Insurance contracts issued Initially recognised in the year;						
Claims and other cash outflows	17	-	17	4,286,763	460,570	4,747,333
Estimates of the present value of future cash inflows	5,154,664	469,209	5,623,873	(5,359,829)	(277,990)	(5,637,819)
Risk adjustment for non- financial risk	(6,486,160)	(297,483)	(6,783,643)	162,985	23,805	186,790
Contractual service margin	193,768	23,250	217,018	910,081	-	910,081
Losses for the net outflow recognized on initial recognition	-	194,976	194,976	-	206,385	206,385

(ii) Unit Linked

	2025			2024		
	Non-Onerous Groups of Contracts Shs "000"	Onerous Groups of Contracts Shs "000"	Total Shs "000"	Non-Onerous Groups of Contracts Shs "000"	Onerous Groups of Contracts Shs "000"	Total Shs "000"
Insurance contracts issued Initially recognised in the year;						
Insurance acquisition cash flows						
Claims and other cash outflows	-	8,739,037	8,739,037	67,428,785	3,590,235	71,019,020
Estimates of the present value of future cash inflows	-	(8,333,566)	(8,333,566)	(68,669,490)	(3,273,217)	(71,942,707)
Risk adjustment for non- financial risk	-	6,780	6,780	59,529	40,089	99,618
Contractual service margin	-	-	-	1,181,176	-	1,181,176
Losses for the net outflow recognized on initial recognition	-	412,251	412,251	-	357,107	357,107

34. Effects of contract initially recognized in the period for insurance (continued)

(iii) Annuity	2025			2024		
	Non-onerous groups of contracts Shs "000"	Onerous groups of contracts Shs "000"	Total Shs "000"	Non-onerous groups of contracts Shs "000"	Onerous groups of contracts Shs "000"	Total Shs "000"
Insurance contracts issued Initially recognised in the year;						
Insurance acquisition cash flows	5,140,690	2,154,843	7,295,533	37,805	-	37,805
Claims and other cash outflows	(5,334,697)	(2,129,333)	(7,464,030)	6,063,529	36,792	6,100,321
Estimates of the present value of future cash inflows	30,081	19,588	49,669	(7,365,743)	(22,280)	(7,388,023)
Risk adjustment for non-financial risk	163,926	-	163,926	66,926	263	67,189
Contractual service margin	5,140,690	2,154,843	7,295,533	1,197,483	-	1,197,483
Losses for the net outflow recognized on initial recognition	-	45,098	45,098	-	14,775	14,775

35. Insurance and reinsurance contracts summary

	Ordinary Life	Annuity	Credit Life	Group Life	Investment contracts with DPF	Non-Life & Medical	Total
Year ended 31 December 2025	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Insurance contracts liabilities:							
Insurance contract liabilities - Life (GMM)	33,623,934	31,735,081	1,203,838	-	106,249,590	-	172,812,443
Insurance contract liabilities - Life (PAA)	-	-	-	835,826	-	-	835,826
Insurance contracts liabilities - Non-Life (PAA)	-	-	-	-	-	18,957,239	18,957,239
Insurance contracts liabilities - Non-Life (GMM)	-	-	-	-	-	120,678	120,678
Total	33,623,934	31,735,081	1,203,838	835,826	106,249,590	19,077,917	192,726,186
Insurance contracts assets:							
Insurance contract assets - Life (PAA)	-	-	-	6,673	-	-	6,673
Insurance contract assets - Non-Life (PAA)	-	-	-	-	-	8,031	8,031
Total	-	-	-	6,673	-	8,031	14,704
Reinsurance contracts assets:							
Reinsurance contract assets - PAA	-	-	-	729,493	-	6,694,429	7,423,922
Reinsurance contract assets - GMM	-	-	39,878	-	-	-	39,878
Total	-	-	39,878	729,493	-	6,694,429	7,463,800
Reinsurance contract liabilities	1,789	-	-	-	-	154,235	156,024
Year ended 31 December 2024							
Insurance contracts liabilities:							
Insurance contract liabilities - Life (GMM)	-	-	-	-	-	18,403,475	18,403,475
Insurance contract liabilities - Life (PAA)	-	-	-	-	-	182,085	182,085
Insurance contracts liabilities - Non-Life (PAA)	-	-	-	937,339	-	-	937,339
Insurance contracts liabilities - Non-Life (GMM)	27,304,621	23,814,763	1,495,671	-	91,300,091	-	143,915,146
Total	27,304,621	23,814,763	1,495,671	937,339	91,300,091	18,585,560	163,438,045
Reinsurance contracts assets							
Reinsurance contract assets - Life (GMM)	-	-	51,201	-	-	-	51,201
Reinsurance contract assets - PAA	-	-	-	928,575	-	6,776,159	7,704,734
Total	-	-	51,201	928,575	-	6,776,159	7,755,935
Reinsurance contracts liabilities							
Reinsurance contract liabilities - Life (GMM)	4,669	-	5,093	-	-	-	9,762
Reinsurance contract liabilities - Non-Life (PAA)	-	-	-	-	-	580,665	580,665
Total	4,669	-	5,093	-	-	580,665	590,427

35. Insurance and reinsurance contracts (continued)

Contracts under GMM

The following shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for ordinary Life.

	Year ended 31 December 2025			
	LRC		LIC	Total
	Excluding loss component (Shs'000)	Loss component (Shs'000)	(Shs'000)	(Shs'000)
(i) Ordinary Life				
Opening insurance contract liabilities	26,105,378	901,351	297,892	27,304,621
Insurance revenue				
CSM recognized for services provided	(1,451,975)	-	-	(1,451,975)
Change in risk adjustment for non-financial risk for risk expired	(300,188)	-	-	(300,188)
Expected insurance service expenses incurred	(3,506,815)	-	-	(3,506,815)
Total insurance revenue	(5,258,978)	-	-	(5,258,978)
Incurred insurance service expenses:				
Incurred claims and other directly attributable expenses	-	-	4,005,006	4,005,006
Changes in fulfilment cash flows relating to LIC	-	-	48,108	48,108
Losses for the net outflow recognized on initial recognition	-	194,976	-	194,976
Losses on onerous contracts and reversal of those losses	-	128,404	-	128,404
Total insurance service expenses	-	323,380	4,053,114	4,376,494
Total insurance service result	(5,258,978)	323,380	4,053,114	(882,484)
Finance expenses from insurance contracts issued	6,800,454	114,281	28,568	6,943,303
Total changes in the statement of financial performance	1,541,476	437,661	4,081,682	6,060,819
Investment components	(7,521,879)	-	7,521,879	-
Cash flows				
Premiums received	11,974,390	-	-	11,974,390
Claims and other directly attributable expenses paid	-	-	(11,658,334)	(11,658,334)
Insurance acquisition cash flows	(17)	-	-	(17)
Total cash flows	11,974,373	-	(11,658,334)	316,039
Other movements	(57,545)	(132,428)	132,428	(57,545)
Closing insurance contract liabilities	32,041,803	1,206,584	375,547	33,623,934

35. Insurance and reinsurance contracts (continued)

Contracts under GMM

The following shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for ordinary Life.

	Year ended 31 December 2024			Total (Shs'000)
	Excluding loss component (Shs'000)	Loss component (Shs'000)	LRC LIC (Shs'000)	
(i) Ordinary Life				
Opening insurance contract liabilities	20,445,058	1,196,762	497,933	22,139,753
Insurance revenue				
CSM recognized for services provided	(1,260,259)	-	-	(1,260,259)
Change in risk adjustment for non-financial risk for risk expired	(273,018)	-	-	(273,018)
Expected insurance service expenses incurred	(3,360,669)	-	-	(3,360,669)
Total insurance revenue	(4,893,946)	-	-	(4,893,946)
Incurred insurance service expenses:				
Incurred claims and other directly attributable expenses	-	-	3,575,142	3,575,142
Changes in fulfilment cash flows relating to LIC	-	-	(274,079)	(274,079)
Losses for the net outflow recognized on initial recognition	-	206,385	-	206,385
Losses on onerous contracts and reversal of those losses	-	(425,205)	-	(425,205)
Total insurance service expenses	-	(218,820)	3,301,063	3,082,243
Total insurance service result	(4,893,946)	(218,820)	3,301,063	(1,811,703)
Finance expenses from insurance contracts issued	6,328,824	154,370	72,939	6,556,133
Total changes in the statement of financial performance	1,434,878	(64,450)	3,374,002	4,744,430
Investment components	(6,795,526)	-	6,795,526	-
Cash flows				
Premiums received	11,427,424	-	-	11,427,424
Claims and other directly attributable expenses paid	-	-	(10,600,530)	(10,600,530)
Total cash flows	11,427,424	-	(10,600,530)	826,894
Other movements	(406,456)	(230,961)	230,961	(406,456)
Closing insurance contract liabilities	26,105,378	901,351	297,892	27,304,621

35. Insurance and reinsurance contracts (continued)

Contracts under GMM

The following tables shows the reconciliation from the opening to the closing balances of the net insurance contract liability analyzed by components for ordinary life.

Year ended 31 December 2025

(i) Ordinary Life	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial Risk	CSM	Total
	Shs 000'	Shs 000'	Shs 000'	Shs 000'
Opening insurance contract liabilities	19,752,662	572,666	6,979,293	27,304,621
Changes that relate to current services	498,191	(300,188)	(1,451,975)	(1,253,972)
CSM recognized for services provided	-	-	(1,451,975)	(1,451,975)
Change in risk adjustment for non-financial risk for risk expired	-	(300,188)	-	(300,188)
Experience adjustments not related to future service	498,191	-	-	498,191
Changes that relate to future services	(1,557,354)	355,385	1,525,349	323,380
Contracts initially recognised in the year	(1,159,754)	217,018	1,137,712	194,976
Changes in estimates that adjust the CSM	(470,045)	82,408	387,637	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	72,445	55,959	-	128,404
Changes that relate to past services	47,903	205	-	48,108
Changes in estimates in LIC fulfilment cash flows	140,639	9,479	-	150,118
Experience adjustments in claims and other insurance service expenses in LIC	(92,736)	(9,274)	-	(102,010)
Total insurance service result	(1,011,260)	55,402	73,374	(882,484)
Insurance finance income or expense				
The effect of and changes in time value of money and financial risk	5,789,336	101,603	1,052,364	6,943,303
Total insurance finance income or expense	5,789,336	101,603	1,052,364	6,943,303
Total changes in the statement of financial performance	4,778,076	157,005	1,125,738	6,060,819
Cash flows (Actual cashflows in the period)				
Premiums and premium tax received	11,974,390	-	-	11,974,390
Claims and other insurance service expenses paid, including investment components	(11,658,334)	-	-	(11,658,334)
Insurance acquisition cash flows	(17)	-	-	(17)
Total cash flows	316,039	-	-	316,039
Other movements	(57,518)	(27)	-	(57,545)
Closing insurance contract liabilities	24,789,259	729,644	8,105,031	33,623,934

35. Insurance and reinsurance contracts (continued)

Contracts under GMM

The following tables show the reconciliation from the opening to the closing balances of the net insurance contract liability analyzed by components for ordinary life.

(i) Ordinary Life	Year ended 31 December 2024			
	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial Risk	CSM	Total
	Shs 000'	Shs 000'	Shs 000'	Shs 000'
Opening insurance contract liabilities	15,781,202	579,379	5,779,172	22,139,753
Changes that relate to current services	214,473	(273,018)	(1,260,259)	(1,318,804)
CSM recognized for services provided	-	-	(1,260,259)	(1,260,259)
Change in risk adjustment for non-financial risk for risk expired	-	(273,018)	-	(273,018)
Experience adjustments not related to future service	214,473	-	-	214,473
Changes that relate to future services	(1,962,834)	127,003	1,617,011	(218,820)
Contracts initially recognised in the year	(896,888)	187,677	915,596	206,385
Changes in estimates that adjust the CSM	(668,681)	(32,734)	701,415	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	(397,265)	(27,940)	-	(425,205)
Changes that relate to past services	(272,334)	(1,745)	-	(274,079)
Changes in estimates in LIC fulfilment cash flows	(169,731)	8,515	-	(161,216)
Experience adjustments in claims and other insurance service expenses in LIC	(102,603)	(10,260)	-	(112,863)
Total insurance service result	(2,020,695)	(147,760)	356,752	(1,811,703)
Insurance finance income or expense				
The effect of and changes in time value of money and financial risk	5,571,717	141,047	843,369	6,556,133
Total insurance finance income or expense	5,571,717	141,047	843,369	6,556,133
Total changes in the statement of financial performance	3,551,022	(6,713)	1,200,121	4,744,430
Cash flows (Actual cashflows in the period)				
Premiums and premium tax received	11,427,424	-	-	11,427,424
Claims and other insurance service expenses paid, including investment components	(10,600,530)	-	-	(10,600,530)
Total cash flows	826,894	-	-	826,894
Other movements	(406,456)	-	-	(406,456)
Closing insurance contract liabilities	19,752,662	572,666	6,979,293	27,304,621

35. Insurance and reinsurance contracts (continued)

Contracts under GMM

The following shows the reconciliation from the opening to the closing balances of the net reinsurance contract liability for the remaining coverage and the liability for incurred claims for ordinary Life.

(i) Ordinary Life	Year ended 31 December 2025			Year ended 31 December 2024		
	Liabilities for Remaining Coverage			Liabilities for Remaining Coverage		
	Excluding loss recovery component (Shs'000)	Loss recovery component (Shs'000)	Total (Shs'000)	Excluding loss recovery component (Shs,000)	Loss recovery component (Shs'000)	Total (Shs'000)
Opening reinsurance contract assets	(4,669)	-	(4,669)	(1,379)	-	(1,379)
Net balance as at 1 January	(4,669)	-	(4,669)	(1,379)	-	(1,379)
Allocation of the premiums paid:						
Full Retrospective approach	(5,314)	-	(5,314)	(10,890)	-	(10,890)
Total allocation of premiums paid	(5,314)	-	(5,314)	(10,890)	-	(10,890)
Amounts recovered from reinsurance:						
Total net expenses from reinsurance	(5,314)	-	(5,314)	(10,890)	-	(10,890)
Total changes in the statement of financial performance	(5,314)	-	(5,314)	(10,890)	-	(10,890)
Cash flows						
Premiums paid	8,194	-	8,194	7,600	-	7,600
Amounts recovered	-	-	-	-	-	-
Total cash flows	8,194	-	8,194	7,600	-	7,600
Closing reinsurance contract liabilities	(1,789)	-	(1,789)	(4,669)	-	(4,669)

35. Insurance and reinsurance contracts (continued)

Contracts under GMM

The following shows the reconciliation from the opening to the closing balances of the net insurance contract liability for the remaining coverage and the liability for incurred claims for Annuities.

For the year ended 31 December 2025

(ii) Annuities	LRC			Total (Shs'000)
	Excluding loss component (Shs'000)	Loss component (Shs'000)	LIC (Shs'000)	
Opening insurance contract liabilities	23,613,757	141,140	59,866	23,814,763
Net balance as at 1 January	23,613,757	141,140	59,866	23,814,763
Insurance revenue				
CSM recognized for services provided	(440,673)	-	-	(440,673)
Change in risk adjustment for non-financial risk for risk expired	(51,107)	-	-	(51,107)
Expected insurance service expenses incurred	(635,721)	-	-	(635,721)
Total Insurance revenue	(1,127,501)	-	-	(1,127,501)
Incurred insurance service expenses:	-	-	389,249	389,249
Incurred claims and other directly attributable expenses	-	-	18,605	18,605
Changes in fulfilment cash flows relating to LIC	-	45,098	-	45,098
Losses for the net outflow recognized on initial recognition	-	64,186	-	64,186
Losses on onerous contracts and reversal of those losses	-	109,284	407,854	517,138
Total insurance service expenses	-	-	389,249	389,249
Total insurance service result	(1,127,501)	109,284	407,854	(610,363)
Finance expenses from insurance contracts issued	4,615,831	146,417	6,890	4,769,138
Total changes in the statement of financial performance	3,488,330	255,701	414,744	4,158,775
Investment components	(3,304,878)	-	3,304,878	-
Cash flows				
Premiums received	7,464,031	-	-	7,464,031
Claims and other directly attributable expenses paid	-	-	(3,703,743)	(3,703,743)
Total cash flows	7,464,031	-	(3,703,743)	3,760,288
Other movements	1,255	(9,676)	9,676	1,255
Closing Insurance contract liabilities	31,262,495	387,165	85,421	31,735,081

35. Insurance and reinsurance contracts (continued)

Contracts under GMM

The following shows the reconciliation from the opening to the closing balances of the net insurance contract liability for the remaining coverage and the liability for incurred claims for Annuities.

For the year ended 31 December 2024

LRC

(ii) Annuities	Excluding loss component (Shs'000)	Loss component (Shs'000)	LIC (Shs'000)	Total (Shs'000)
Opening insurance contract liabilities	14,856,449	293,562	34,363	15,184,374
Insurance revenue				
CSM recognized for services provided	(346,168)	-	-	(346,168)
Change in risk adjustment for non-financial risk for risk expired	(31,257)	-	-	(31,257)
Expected insurance service expenses incurred	(408,412)	-	-	(408,412)
Total Insurance revenue	(785,837)	-	-	(785,837)
Incurred insurance service expenses:				
Incurred claims and other directly attributable expenses	-	-	318,895	318,895
Changes in fulfilment cash flows relating to LIC	-	-	59,195	59,195
Losses for the net outflow recognized on initial recognition	-	14,775	-	14,775
Losses on onerous contracts and reversal of those losses	-	(202,001)	-	(202,001)
Total insurance service expenses	-	(187,226)	378,090	190,864
Total insurance service result	(785,837)	(187,226)	378,090	(594,973)
Finance expenses from insurance contracts issued	5,148,339	38,957	(33,692)	5,153,604
Total changes in the statement of financial performance	4,362,502	(148,269)	344,398	4,558,631
Investment components	(2,507,040)	-	2,507,040	-
Cash flows				
Premiums received	6,901,846	-	-	6,901,846
Claims and other directly attributable expenses paid	-	-	(2,830,088)	(2,830,088)
Total cash flows	6,901,846	-	(2,830,088)	4,071,758
Other movements	-	(4,153)	4,153	-
Closing insurance contract liabilities	23,613,757	141,140	59,866	23,814,763

35. Insurance and reinsurance contracts (continued)

Contracts under GMM

The following tables show the reconciliation from the opening to the closing balances of the net insurance contract liability analyzed by components for Annuities.

For the year ended 31 December 2025

(ii) Annuities

	Estimates of Present Value of Future Cash Flows Shs 000'	Risk Adjustment for Non-financial Risk Shs 000'	CSM Shs 000'	Total Shs 000'
Opening insurance contract liabilities	21,477,445	167,148	2,170,170	23,814,763
Changes that relate to current services	(246,472)	(51,107)	(440,673)	(738,252)
CSM recognized for services provided	-	-	(440,673)	(440,673)
Change in risk adjustment for non-financial risk for risk expired	-	(51,107)	-	(51,107)
Experience adjustments not related to future service	(246,472)	-	-	(246,472)
Changes that relate to future services	(37,222)	53,656	92,850	109,284
Contracts initially recognised in the year	(168,498)	49,670	163,926	45,098
Changes in estimates that adjust the CSM	67,446	3,630	(71,076)	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	63,830	356	-	64,186
Changes that relate to past services	18,605	-	-	18,605
Changes in estimates in LIC fulfilment cash flows	18,605	-	-	18,605
Total insurance service result	(265,089)	2,549	(347,823)	(610,363)
Insurance finance income or expense				
The effect of and changes in time value of money and financial risk	4,393,902	5,151	370,085	4,769,138
Total insurance finance income or expense	4,393,902	5,151	370,085	4,769,138
Total changes in the statement of financial performance	4,128,813	7,700	22,262	4,158,775
Cash flows (Actual cashflows in the period)				
Premiums and premium tax received	7,464,031	-	-	7,464,031
Claims and other insurance service expenses paid, including investment components	(3,703,743)	-	-	(3,703,743)
Total Cash flows	3,760,288	-	-	3,760,288
Other movements	1,257	(2)	-	1,255
Closing Insurance contract liabilities	29,367,803	174,846	2,192,432	31,735,081

35. Insurance and reinsurance contracts (continued)

Contracts under GMM

The following tables show the reconciliation from the opening to the closing balances of the net insurance contract liability analyzed by components for Annuities.

For the year ended 31 December 2024

(ii) Annuities	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non- financial Risk	CSM	Total
	Shs 000'	Shs 000'	Shs 000'	Shs 000'
Opening insurance contract liabilities	13,987,110	141,663	1,055,601	15,184,374
Changes that relate to current services	(89,517)	(31,257)	(346,168)	(466,942)
CSM recognized for services provided	-	-	(346,168)	(346,168)
Change in risk adjustment for non-financial risk for risk expired	-	(31,257)	-	(31,257)
Experience adjustments not related to future service	(89,517)	-	-	(89,517)
Changes that relate to future services	(1,391,456)	(6,931)	1,211,161	(187,226)
Contracts initially recognised in the year	(1,047,631)	47,190	1,015,216	14,775
Changes in estimates that adjust the CSM	(162,376)	(33,569)	195,945	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	(181,449)	(20,552)	-	(202,001)
Changes that relate to past services	59,195	-	-	59,195
Changes in estimates in LIC fulfilment cash flows	59,195	-	-	59,195
Total insurance service result	(1,421,778)	(38,188)	864,993	(594,973)
Insurance finance income or expense				
The effect of and changes in time value of money and financial risk	4,840,355	63,673	249,576	5,153,604
Total insurance finance income or expense	4,840,355	63,673	249,576	5,153,604
Total changes in the statement of financial performance	3,418,577	25,485	1,114,569	4,558,631
Cash flows (Actual cashflows in the period)				
Premiums and premium tax received	6,901,846	-	-	6,901,846
Claims and other insurance service expenses paid, including investment components	(2,830,088)	-	-	(2,830,088)
Total Cash flows	4,071,758	-	-	4,071,758
Other movements	-	-	-	-
Closing insurance contract liabilities	21,477,445	167,148	2,170,170	23,814,763

35. Insurance and reinsurance contracts (continued)

Contracts under GMM

The following shows the reconciliation from the opening to the closing balances of the net insurance contract liability for the remaining coverage and the liability for incurred claims for credit life.

For the year ended 31 December 2025

(iii) Credit Life	LRC		LIC Shs 000'	Total Shs 000'
	Excluding loss component	Loss component		
	Shs 000'	Shs 000'		
Opening insurance contract liabilities	963,766	323,482	208,423	1,495,671
Insurance revenue				
CSM recognized for services provided	(319,605)	-	-	(319,605)
Change in risk adjustment for non-financial risk for risk expired	(28,047)	-	-	(28,047)
Expected insurance service expenses incurred	(426,668)	-	-	(426,668)
Recovery of insurance acquisition cash flows	(73,461)	-	-	(73,461)
Total insurance revenue	(847,781)	-	-	(847,781)
Incurred insurance service expenses:				
Incurred claims and other directly attributable expenses	-	-	328,395	328,395
Amortisation of insurance acquisition cash flows	73,440	-	-	73,440
Changes in fulfilment cash flows relating to LIC	-	-	(60,032)	(60,032)
Losses for the net outflow recognized on initial recognition	-	4,952	-	4,952
Losses on onerous contracts and reversal of those losses	-	17,568	-	17,568
Total insurance service expenses	73,440	22,520	268,363	364,323
Total insurance service result	(774,341)	22,520	268,363	(483,458)
Finance expenses from insurance contracts issued	183,822	7,256	8,769	199,847
Total changes in the statement of financial performance	(590,519)	29,776	277,132	(283,611)
Cash flows				
Premiums received	475,896	-	-	475,896
Claims and other directly attributable expenses paid	-	-	(430,060)	(430,060)
Insurance acquisition cash flows	(54,058)	-	-	(54,058)
Total cash flows	421,838	-	(430,060)	(8,222)
Other movements	-	(70,859)	70,859	-
Closing insurance contract liabilities	795,085	353,258	55,495	1,203,838

35. Insurance and reinsurance contracts (continued)

Contracts under GMM

The following shows the reconciliation from the opening to the closing balances of the net insurance contract liability for the remaining coverage and the liability for incurred claims for credit life.

For the year ended 31 December 2024

(iii) Credit Life	LRC			
	Excluding loss component	Loss component	LIC	Total
	Shs 000'	Shs 000'	Shs 000'	Shs 000'
Opening insurance contract liabilities	1,224,237	297,160	269,731	1,791,128
Insurance revenue				
CSM recognized for services provided	(288,994)	-	-	(288,994)
Change in risk adjustment for non-financial risk for risk expired	(25,207)	-	-	(25,207)
Expected insurance service expenses incurred	(415,597)	-	-	(415,597)
Recovery of insurance acquisition cash flows	(84,366)	-	-	(84,366)
Total insurance revenue	(814,164)	-	-	(814,164)
Incurred insurance service expenses:				
Incurred claims and other directly attributable expenses	-	-	145,833	145,833
Amortisation of insurance acquisition cash flows	84,366	-	-	84,366
Changes in fulfilment cash flows relating to LIC	-	-	(148,894)	(148,894)
Losses for the net outflow recognized on initial recognition	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	72,752	-	72,752
Total insurance service expenses	84,366	72,752	(3,061)	154,057
Total insurance service result	(729,798)	72,752	(3,061)	(660,107)
Finance expenses from insurance contracts issued	202,122	2,886	319,383	524,391
Total changes in the statement of financial performance	(527,676)	75,638	316,322	(135,716)
Cash flows				
Premiums received	300,420	-	-	300,420
Claims and other directly attributable expenses paid	-	-	(426,946)	(426,946)
Insurance acquisition cash flows	(33,215)	-	-	(33,215)
Total cash flows	267,205	-	(426,946)	(159,741)
Other movements	-	(49,316)	49,316	-
Closing insurance contract liabilities	963,766	323,482	208,423	1,495,671

35. Insurance and reinsurance contracts (continued)

Contracts under GMM

The following tables show the reconciliation from the opening to the closing balances of the net insurance contract liability analyzed by components for credit life.

(iii) Credit Life	For the year ended 31 December 2025			
	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial Risk	CSM	Total
	Shs 000'	Shs 000'	Shs 000'	Shs 000'
Opening insurance contract liabilities	983,891	80,617	431,163	1,495,671
Changes that relate to current services	(98,258)	(28,047)	(319,605)	(445,910)
CSM recognized for services provided	-	-	(319,605)	(319,605)
Change in risk adjustment for non-financial risk for risk expired	-	(28,047)	-	(28,047)
Experience adjustments not related to future service	(98,258)	-	-	(98,258)
Changes that relate to future services	(211,906)	5,881	228,545	22,520
Contracts initially recognized in the year	(228,095)	17,915	215,132	4,952
Changes in estimates that adjust the CSM	3,878	(17,291)	13,413	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	12,311	5,257	-	17,568
Changes that relate to past services	(44,827)	(15,241)	-	(60,068)
Changes in estimates in LIC fulfilment cash flows	4,837	167	-	5,004
Experience adjustments in claims and other insurance service expenses in LIC	(49,664)	(15,408)	-	(65,072)
Total insurance service result	(354,991)	(37,407)	(91,060)	(483,458)
Insurance finance income or expense				
The effect of and changes in time of time value of money and financial risk	108,424	7,895	83,528	199,847
Total insurance finance income or expense	108,424	7,895	83,528	199,847
Total changes in the statement of financial performance	(246,567)	(29,512)	(7,532)	(283,611)
Cash flows (Actual cashflows in the period)				
Premiums and premium tax received	475,896	-	-	475,896
Claims and other insurance service expenses paid, including investment components	(430,060)	-	-	(430,060)
Insurance acquisition cash flows	(54,058)	-	-	(54,058)
Total Cash flows	(8,222)	-	-	(8,222)
Other movements	15,704	(11,569)	(4,135)	-
Net Closing balance	744,806	39,536	419,496	1,203,838

35. Insurance and reinsurance contracts (continued)

Contracts under GMM

The following tables show the reconciliation from the opening to the closing balances of the net insurance contract liability analyzed by components for credit life.

For the year ended 31 December 2024

(iii) Credit Life	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non- financial Risk	CSM	Total
	Shs 000'	Shs 000'	Shs 000'	Shs 000'
Opening insurance contract liabilities	1,106,917	52,890	631,321	1,791,128
Changes that relate to current services	(269,764)	(25,207)	(288,994)	(583,965)
CSM recognized for services provided	-	-	(288,994)	(288,994)
Change in risk adjustment for non-financial risk for risk expired	-	(25,207)	-	(25,207)
Experience adjustments not related to future service	(269,764)	-	-	(269,764)
Changes that relate to future services	54,953	37,144	(19,345)	72,752
Contracts initially recognized in the year	(195,863)	19,111	176,752	-
Changes in estimates that adjust the CSM	192,364	3,733	(196,097)	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	58,452	14,300	-	72,752
Changes that relate to past services	(135,891)	(13,003)	-	(148,894)
Changes in estimates in LIC fulfilment cash flows	-	-	-	-
Experience adjustments in claims and other insurance service expenses in LIC	(135,891)	(13,003)	-	(148,894)
Total insurance service result	(350,702)	(1,066)	(308,339)	(660,107)
Insurance finance income or expense				
The effect of and changes in time of time value of money and financial risk	387,417	28,793	108,181	524,391
Total insurance finance income or expense	387,417	28,793	108,181	524,391
Total changes in the statement of financial performance	36,715	27,727	(200,158)	(135,716)
Cash flows (Actual cashflows in the period)				
Claims and other insurance service expenses paid, including investment components	(426,946)	-	-	(426,946)
Insurance acquisition cash flows	(33,215)	-	-	(33,215)
Total Cash flows	(159,741)	-	-	(159,741)
Closing Insurance contract liabilities	983,891	80,617	431,163	1,495,671

35. Insurance and reinsurance contracts (continued)

Contracts under GMM

The following shows the reconciliation from the opening to the closing balances of the net reinsurance contract liability for the remaining coverage and the liability for incurred claims for credit life.

(iii) Credit Life - Reinsurance	For the year ended 31 December 2025					Total Shs 000'
	Liabilities for Remaining Coverage		Liabilities for Incurred claims			
	Excluding loss recovery component Shs 000'	Loss recovery component Shs 000'	Estimates of Present Value of Future Cash Flows Shs 000'	Risk Adjustment for Non-financial risk Shs 000'		
Opening reinsurance contract assets	29,270	7,198	13,705	1,028	51,201	
Opening reinsurance contract liabilities	(5,093)	-	-	-	(5,093)	
Net balance as at 1 January	24,177	7,198	13,705	1,028	46,108	
Allocation of the premiums paid:						
Full Retrospective approach	(19,378)	-	-	-	(19,378)	
Total allocation of premiums paid	(19,378)	-	-	-	(19,378)	
Amounts recovered from reinsurance						
Recoveries of incurred claims and other insurance service expense	-	-	10,493	595	11,088	
Changes related to past service (changes related to incurred claims component)	-	-	(7,575)	(1,045)	(8,620)	
Recoveries and reversals of recoveries of losses on onerous underlying contracts - subsequent measurement	-	(7,198)	-	-	(7,198)	
Total amounts recovered from reinsurance	-	(7,198)	2,918	(450)	(4,730)	
Effect of changes in Non-performance risk of Reinsurers	-	-	(368)	-	(368)	
Total net expenses from reinsurance	(19,378)	(7,198)	2,550	(450)	(24,476)	
Finance income from insurance contracts issued	-	-	939	42	981	
Total changes in the statement of financial performance	(19,378)	(7,198)	3,489	(408)	(23,495)	
Cash flows						
Premiums paid	21,416	-	-	-	21,416	
Amounts recovered	-	-	(4,151)	-	(4,151)	
Total cash flows	21,416	-	(4,151)	-	17,265	
Closing reinsurance contract assets	26,215	-	13,043	620	39,878	

35. Insurance and reinsurance contracts (continued)

Contracts under GMM

The following shows the reconciliation from the opening to the closing balances of the net reinsurance contract liability for the remaining coverage and the liability for incurred claims for credit life.

Credit Life - Reinsurance	Liabilities for Remaining Coverage		Liabilities for Incurred claims		Total Shs 000'
	Excluding loss recovery component	Loss recovery component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	
	Shs 000'	Shs 000'	Shs 000'	Shs 000'	
Opening reinsurance contract assets	47,883	-	18,990	949	67,822
Allocation of the premiums paid:					
Full Retrospective approach	(47,156)	-	-	-	(47,156)
Total allocation of premiums paid	(47,156)	-	-	-	(47,156)
Amounts recovered from reinsurance					
Recoveries of incurred claims and other insurance service expense	-	-	2,477	945	3,422
Changes related to past service (changes related to incurred claims component)	-	-	(20,495)	(1,020)	(21,515)
Recoveries and reversals of recoveries of losses on onerous underlying contracts - subsequent measurement	-	17,115	-	-	17,115
Total amounts recovered from reinsurance	-	17,115	(18,018)	(75)	(978)
Effect of changes in Non-performance risk of Reinsurers	-	-	(4)	-	(4)
Total net expenses from reinsurance	(47,156)	17,115	(18,022)	(75)	(48,138)
Finance income from insurance contracts issued	-	261	2,559	154	2,974
Total changes in the statement of financial performance	(47,156)	17,376	(15,463)	79	(45,164)
Cash flows					
Premiums paid	23,450	-	-	-	23,450
Total cash flows	23,450	-	-	-	23,450
Other movements	-	(10,178)	10,178	-	-
Closing reinsurance contract assets	29,270	7,198	13,705	1,028	51,201
Closing reinsurance contract liabilities	(5,093)	-	-	-	(5,093)
Net balance as at 31 December	24,177	7,198	13,705	1,028	46,108

35. Insurance and reinsurance contracts (continued)

Contracts under PAA

The following shows the reconciliation from the opening to the closing balances of the net insurance contract liability for the remaining coverage and the liability for incurred claims for Group life.

(iv) (a) Group Life	For the year ended 31 December 2025					Total Shs 000'
	LRC		LIC		Risk Adjustment for Non- financial risk Shs 000'	
	Excluding loss component Shs 000'	Loss component Shs 000'	Estimates of Present Value of Future Cash Flows Shs 000'	Total		
Opening insurance contract liabilities	(2,531,675)	18,723	3,136,628	313,663	937,339	
Insurance revenue						
Full Retrospective approach	(5,132,249)	-	-	-	(5,132,249)	
Total Insurance revenue	(5,132,249)	-	-	-	(5,132,249)	
Incurred insurance service expenses:						
Incurred claims and other directly attributable expenses	-	-	3,145,129	138,394	3,283,523	
Amortisation of insurance acquisition cash flows	746,101	-	-	-	746,101	
Changes in fulfilment cash flows relating to LIC	-	-	915,318	(71,337)	843,981	
Losses for the net outflow recognized on initial recognition	-	629,702	-	-	629,702	
Losses on onerous contracts and reversal of those losses	-	(1,668,105)	-	-	(1,668,105)	
Total insurance service expenses	746,101	(1,038,403)	4,060,447	67,057	3,835,202	
Total insurance service result	(4,386,148)	(1,038,403)	4,060,447	67,057	(1,297,047)	
Finance expenses from insurance contracts issued	-	-	198,001	19,638	217,639	
Total changes in the statement of financial performance	(4,386,148)	(1,038,403)	4,258,448	86,695	(1,079,408)	
Cash flows						
Premiums received	4,983,846	-	-	-	4,983,846	
Claims and other directly attributable expenses paid	-	-	(3,438,111)	-	(3,438,111)	
Insurance acquisition cash flows	(567,840)	-	-	-	(567,840)	
Total cash flows	4,416,006	-	(3,438,111)	-	977,895	
Other movements	-	1,066,386	(1,066,386)	-	-	
Net balance as at 31 December	(2,501,817)	(1,019,680)	3,956,965	400,358	835,826	

35. Insurance and reinsurance contracts (continued)

Contracts under PAA

The following shows the reconciliation from the opening to the closing balances of the net insurance contract liability for the remaining coverage and the liability for incurred claims for Group life.

(iv) (a) Group Life	For the year ended 31 December 2024				
	LRC		LIC		Total Shs 000'
	Excluding loss component	Loss component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non- financial risk	
	Shs 000'	Shs 000'	Shs 000'	Shs 000'	
Opening insurance contract liabilities	(1,217,106)	44,578	1,735,002	173,499	
Insurance revenue					
Full Retrospective approach	(5,207,347)	-	-	-	(5,207,347)
Total Insurance revenue	(5,207,347)	-	-	-	(5,207,347)
Incurred insurance service expenses:					
Incurred claims and other directly attributable expenses	-	-	4,110,475	216,307	4,326,782
Amortisation of insurance acquisition cash flows	727,849	-	-	-	727,849
Changes in fulfilment cash flows relating to LIC	-	-	(163,363)	(91,819)	(255,182)
Losses for the net outflow recognized on initial recognition	-	494,030	-	-	494,030
Losses on onerous contracts and reversal of those losses	-	(1,125,678)	-	-	(1,125,678)
Total insurance service expenses	727,849	(631,648)	3,947,112	124,488	4,167,801
Total insurance service result	(4,479,498)	(631,648)	3,947,112	124,488	(1,039,546)
Finance expenses from insurance contracts issued	-	-	156,763	15,676	172,439
Total changes in the statement of financial performance	(4,479,498)	(631,648)	4,103,875	140,164	(867,107)
Cash flows					
Premiums received	3,579,563	-	-	-	3,579,563
Claims and other directly attributable expenses paid	-	-	(2,096,456)	-	(2,096,456)
Insurance acquisition cash flows	(414,634)	-	-	-	(414,634)
Total cash flows	3,164,929	-	(2,096,456)	-	1,068,473
Other movements	-	605,793	(605,793)	-	-
Closing insurance contract liabilities	(2,531,675)	18,723	3,136,628	313,663	937,339

35. Insurance and reinsurance contracts (continued)

Contracts under PAA

The following shows the reconciliation from the opening to the closing balances of the net reinsurance contract liability for the remaining coverage and the liability for incurred claims for Group life.

(iv)(b) Group Life - Reinsurance	For the year ended 31 December 2025					Total Shs 000'
	Liabilities for Remaining Coverage		Liabilities for Incurred claims			
	Excluding loss recovery component	Loss recovery component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk		
	Shs 000'	Shs 000'	Shs 000'	Shs 000'		
Opening reinsurance contract assets	(2,474,456)	-	3,121,194	281,837	928,575	
Allocation of the premiums paid:						
Full Retrospective approach	(3,459,972)	-	-	-	(3,459,972)	
Total Allocation of premiums paid	(3,459,972)	-	-	-	(3,459,972)	
Amounts recovered from reinsurance						
Recoveries of incurred claims and other insurance service expense	-	932,408	1,250,812	108,816	2,292,036	
Changes related to past service (changes related to incurred claims component)	-	-	821,674	(54,594)	767,080	
Recoveries of losses on onerous underlying contracts on initial recognition	-	498,555	-	-	498,555	
Recoveries and reversals of recoveries of losses on onerous underlying contracts - subsequent measurement	-	(1,425,528)	-	-	(1,425,528)	
Total amounts recovered from reinsurance	-	5,435	2,072,486	54,222	2,132,143	
Effect of changes in Non-performance risk of Reinsurers	-	-	(40,465)	-	(40,465)	
Total net expenses from reinsurance	(3,459,972)	5,435	2,032,021	54,222	(1,368,294)	
Finance income from insurance contracts issued	-	-	141,293	8,642	149,935	
Total changes in the statement of financial performance	(3,459,972)	5,435	2,173,314	62,864	(1,218,359)	
Cash flows						
Premiums paid	2,599,110	-	-	-	2,599,110	
Amounts recovered	-	-	(1,579,833)	-	(1,579,833)	
Total cash flows	2,599,110	-	(1,579,833)	-	1,019,277	
Closing reinsurance contract assets	(3,335,318)	5,435	3,714,675	344,701	729,493	

35. Insurance and reinsurance contracts (continued)

Contracts under PAA

The following shows the reconciliation from the opening to the closing balances of the net reinsurance liability for the remaining coverage and the liability for claims incurred for Group life.

(iv)(b) Group Life - Reinsurance	For the year ended 31 December 2024				
	Liabilities for Remaining Coverage		Liabilities for Incurred claims		Total Shs 000'
	Excluding loss recovery component	Loss recovery component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	
	Shs 000'	Shs 000'	Shs 000'	Shs 000'	
Opening reinsurance contract assets	(1,126,933)	22,232	1,744,880	142,993	
Opening reinsurance contract liabilities	(1,399)	-	-	-	(1,399)
Net balance as at 1 January	(1,128,332)	22,232	1,744,880	142,993	781,773
Allocation of the premiums paid:					
Full Retrospective approach	(3,719,506)	-	-	-	(3,719,506)
Total Allocation of premiums paid	(3,719,506)	-	-	-	(3,719,506)
Amounts recovered from reinsurance					
Recoveries of incurred claims and other insurance service expense	-	-	2,224,456	207,852	2,432,308
Changes related to past service (changes related to incurred claims)	-	-	453,817	(74,324)	379,493
Recoveries and reversals of recoveries of losses on onerous underlying contracts - subsequent measurement	-	(22,232)	-	-	(22,232)
Total amounts recovered from reinsurance	-	(22,232)	2,678,273	133,528	2,789,569
Effect of changes in Non-performance risk of Reinsurers	-	-	(35,825)	-	(35,825)
Total net expenses from reinsurance	(3,719,506)	(22,232)	2,642,448	133,528	(965,762)
Finance income from insurance contracts issued	-	-	141,664	5,316	146,980
Total changes in the statement of financial performance	(3,719,506)	(22,232)	2,784,112	138,844	(818,782)
Cash flows					
Premiums paid	2,373,382	-	-	-	2,373,382
Amounts recovered	-	-	(1,407,798)	-	(1,407,798)
Total cash flows	2,373,382	-	(1,407,798)	-	965,584
Closing reinsurance contract assets	(2,474,456)	-	3,121,194	281,837	928,575

35. Insurance and reinsurance contracts (continued)

Contracts under VFA

The following shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for investment contracts with DPF.

(v) Investment contracts with DPF	For the year ended 31 December 2025			
	LRC		LIC	
	Excluding loss component	Loss component		Total
	Shs 000'	Shs 000'	Shs 000'	Shs 000'
Opening insurance contract liabilities	90,635,372	366,611	298,108	91,300,091
Insurance revenue				
CSM recognized for services provided	(693,830)	-	-	(693,830)
Change in risk adjustment for non-financial risk for risk expired	(107,358)	-	-	(107,358)
Expected insurance service expenses incurred	(1,616,037)	-	-	(1,616,037)
Total insurance revenue	(2,417,225)	-	-	(2,417,225)
Incurred insurance service expenses:				
Incurred claims and other directly attributable expenses	-	-	1,409,652	1,409,652
Amortisation of insurance acquisition cash flows	-	-	-	-
Changes in fulfilment cash flows	-	-	84,571	84,571
Losses for the net outflow recognized on initial recognition	-	412,251	-	412,251
Losses on onerous contracts and reversal of those losses	-	(253,708)	-	(253,708)
Total insurance service expenses	-	158,543	1,494,223	1,652,766
Total insurance service result	(2,417,225)	158,543	1,494,223	(764,459)
Finance expenses from insurance contracts issued	13,571,485	-	386	13,571,871
Total changes in the statement of financial performance	11,154,260	158,543	1,494,609	12,807,412
Investment components	(93,593,435)	-	93,593,435	(93,593,435)
Cash flows				
Premiums received	97,335,477	-	-	97,335,477
Claims and other directly attributable expenses paid	-	-	(95,191,233)	(95,191,233)
Total cash flows	97,335,477	-	(95,191,233)	2,144,244
Other movements	132,557	(30,476)	(104,238)	(2,157)
Closing insurance contract liabilities	105,664,231	494,678	90,681	106,249,590

35. Insurance and reinsurance contracts (continued)

Contracts under VFA

The following shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for investment contracts with DPF.

	For the year ended 31 December 2024			
	LRC			Total
	Excluding loss component	Loss component	LIC	
Shs 000'	Shs 000'	Shs 000'	Shs 000'	
(v) Investment contracts with DPF				
Opening insurance contract liabilities	74,349,237	394,898	20,817	74,764,952
Insurance revenue				
CSM recognized for services provided	(1,162,599)	-	-	(1,162,599)
Change in risk adjustment for non-financial risk for risk expired	(72,774)	-	-	(72,774)
Expected insurance service expenses incurred	(745,357)	-	-	(745,357)
Total insurance revenue	(1,980,730)	-	-	(1,980,730)
Incurred insurance service expenses:				
Incurred claims and other directly attributable expenses	-	-	985,038	985,038
Amortisation of insurance acquisition cash flows	-	-	(18,963)	(18,963)
Losses for the net outflow recognized on initial recognition	-	357,107	-	357,107
Losses on onerous contracts and reversal of those losses	-	(7,465)	-	(7,465)
Total insurance service expenses	-	349,642	966,075	1,315,717
Total insurance service result	(1,980,730)	349,642	966,075	(665,013)
Finance expenses from insurance contracts issued	12,903,278	-	2,992	12,906,270
Total changes in the statement of financial performance	10,922,548	349,642	969,067	12,241,257
Investment components	(69,249,777)	-	69,249,777	-
Cash flows				
Premiums received	74,613,364	-	-	74,613,364
Claims and other directly attributable expenses paid	-	-	(70,319,482)	(70,319,482)
Total cash flows	74,613,364	-	(70,319,482)	4,293,882
Other movements	-	(377,929)	377,929	-
Closing insurance contract liabilities	90,635,372	366,611	298,108	91,300,091

35. Insurance and reinsurance contracts (continued)

Contracts under VFA

The following tables show the reconciliation from the opening to the closing balances of the net insurance contract liability analyzed by components for investment contracts with DPF.

(v) Investment contracts with DPF	For the year ended 31 December 2025			
	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial Risk	CSM	Total
	Shs 000'	Shs 000'	Shs 000'	Shs 000'
Opening insurance contract liabilities	90,150,253	141,564	1,008,274	91,300,091
Changes that relate to current services	(206,385)	(107,358)	(693,830)	(1,007,573)
CSM recognized for services provided	-	-	(693,830)	(693,830)
Change in risk adjustment for non-financial risk for risk expired	-	(107,358)	-	(107,358)
Experience adjustments not related to future service	(206,385)	-	-	(206,385)
Changes that relate to future services	(1,155,005)	151,283	1,162,265	158,543
Contracts initially recognised in the year	(215,880)	100,370	527,761	412,251
Changes in estimates that adjust the CSM	(658,466)	23,962	634,504	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	(280,659)	26,951	-	(253,708)
Changes that relate to past services	84,686	(115)	-	84,571
Changes in estimates in LIC fulfilment cash flows	87,686	185	-	87,871
Experience adjustments in claims and other insurance service expenses in LIC	(3,000)	(300)	-	(3,300)
Total Insurance Service result	(1,276,704)	43,810	468,435	(764,459)
Insurance finance income or expense				
The effect of and changes in time value of money and financial risk	13,571,856	15	-	13,571,871
Total insurance finance income or expense	13,571,856	15	-	13,571,871
Total changes in the statement of financial performance	12,295,152	43,825	468,435	12,807,412
Cash flows (Actual cashflows in the period)				
Premiums and premium tax received	97,335,477	-	-	97,335,477
Claims and other insurance service expenses paid, including investment components	(95,191,233)	-	-	(95,191,233)
Total Cash flows	2,144,244	-	-	2,144,244
Other movements	(2,201)	44	-	(2,157)
Closing Insurance contract liabilities	104,587,448	185,433	1,476,709	106,249,590

35. Insurance and reinsurance contracts (continued)

Contracts under VFA

The following tables show the reconciliation from the opening to the closing balances of the net insurance contract liability analyzed by components for investment contracts with DPF.

For the year ended 31 December 2024

(v) Investment contracts with DPF	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial Risk	CSM	Total
	Shs 000'	Shs 000'	Shs 000'	Shs 000'
Opening insurance contract liabilities	73,725,310	91,077	948,565	74,764,952
Changes that relate to current services	239,681	(72,774)	(1,162,599)	(995,692)
CSM recognized for services provided	-	-	(1,162,599)	(1,162,599)
Change in risk adjustment for non-financial risk for risk expired	-	(72,774)	-	(72,774)
Experience adjustments not related to future service	239,681	-	-	239,681
Changes that relate to future services	(996,058)	123,392	1,222,308	349,642
Contracts initially recognised in the year	(926,120)	99,758	1,183,469	357,107
Changes in estimates that adjust the CSM	(86,179)	47,340	38,839	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	16,241	(23,706)	-	(7,465)
Changes that relate to past services	(18,819)	(144)	-	(18,963)
Changes in estimates in LIC fulfilment cash flows	(14,869)	251	-	(14,618)
Experience adjustments in claims and other insurance service expenses in LIC	(3,950)	(395)	-	(4,345)
Total Insurance Service result	(775,196)	50,474	59,709	(665,013)
Insurance finance income or expense				
The effect of and changes in time of time value of money and financial risk	12,906,257	13	-	12,906,270
Total insurance finance income or expense	12,906,257	13	-	12,906,270
Total changes in the statement of financial performance	12,131,061	50,487	59,709	12,241,257
Cash flows (Actual cashflows in the period)				
Premiums and premium tax received	74,613,364	-	-	74,613,364
Claims and other insurance service expenses paid, including investment components	(70,319,482)	-	-	(70,319,482)
Total Cash flows	4,293,882	-	-	4,293,882
Net Closing balance	90,150,253	141,564	1,008,274	91,300,091

35. Insurance and reinsurance contracts (continued)

Contracts under VFA

(vi) Investment contracts with DPF issued underlying asset

	2025	2024
	Shs'000	Shs'000
Cash and deposits with financial institutions	745,923	22,444
Government securities at fair value through profit or loss	79,425,396	76,808,969
Corporate bonds	1,329	5,044
Quoted equity investment at fair value through profit or loss	1,411,070	1,020,410
Investments in collective investment schemes	20,836,900	11,118,493
Investment properties	4,082,859	3,996,596
Investment in associate	244,294	214,911
Total	106,747,771	93,186,867

35. Insurance and reinsurance contracts (continued)

Non-Life Contracts Under GMM

The following shows the reconciliation from the opening to the closing balances of the net insurance contract liability for the remaining coverage and the liability for incurred claims for non-life.

Shs'000	Year ended 31 December 2025					Total Shs'000
	Liabilities for Remaining Coverage		Liabilities for Incurred claims			
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non- financial risk		
Net opening balance	182,085	-	-	-	-	182,085
Insurance Revenue						
CSM recognized for services provided	(55,991)	-	-	-	-	(55,991)
Change in risk adjustment for non-financial risk	(1,714)	-	-	-	-	(1,714)
Expected insurance service expenses incurred	(15,987)	-	-	-	-	(15,987)
Recovery of insurance acquisition cash flows	(29,256)	-	-	-	-	(29,256)
Total insurance revenue	(102,948)	-	-	-	-	(102,948)
Insurance service expenses						
Amortisation of insurance acquisition cash flows	29,256	-	-	-	-	29,256
Insurance service expenses	29,256	-	-	-	-	29,256
Insurance service result	(73,692)	-	-	-	-	(73,692)
Insurance finance income or expense						
The effect of and changes in time of time value of money and financial risk	22,607	-	-	-	-	22,607
Total amounts recognised in the statement of profit or loss	(51,085)	-	-	-	-	(51,085)
Cash flows						
Premiums received	(18,258)	-	-	-	-	(18,258)
Insurance acquisition cashflows	7,936	-	-	-	-	7,936
Total cash flows	(10,322)	-	-	-	-	(10,322)
Net balance as at 31 December	120,678	-	-	-	-	120,678

35. Insurance contracts assets and Liabilities (continued)

Non-Life Contracts Under GMM

The following shows the reconciliation from the opening to the closing balances of the net insurance contract liability for the remaining coverage and the liability for incurred claims for non-life.

Shs'000	Year ended 31 December 2024				Total Shs'000
	Liabilities for Remaining Coverage		Liabilities for Incurred claims		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Net opening balance	268,662	-	-	-	268,662
Insurance Revenue					
CSM recognized for services provided	(63,151)	-	-	-	(63,151)
Change in risk adjustment for non-financial risk	(1,506)	-	-	-	(1,506)
Expected insurance service expenses incurred	(23,735)	-	-	-	(23,735)
Recovery of insurance acquisition cash flows	(73,840)				(73,840)
Total insurance revenue	(162,232)	-	-	-	(162,232)
Insurance service expenses					
Amortisation of insurance acquisition cash flows	73,840	-	-	-	73,840
Insurance service expenses	73,840	-	-	-	73,840
Insurance service result	(88,393)				(88,393)
Insurance finance income or expense					
The effect of and changes in time value of money and financial risk	29,312	-	-	-	29,312
Total amounts recognised in the statement of profit or loss	(59,081)	-	-	-	(59,081)
Cash flows					
Premiums received	(49,994)	-	-	-	(49,994)
Insurance acquisition cashflows	22,497	-	-	-	22,497
Total cash flows	(27,497)	-	-	-	(27,497)
Net balance as at 31 December	182,085	-	-	-	182,085

35. Insurance contracts assets and Liabilities (continued)

Non-Life Contracts Under GMM

The following tables show the reconciliation from the opening to the closing balances of the net insurance contract liability analyzed by components for non-life.

Shs'000	Year ended 31 December 2025			
	Present Risk value of adjustment future cashflows for non- CSM	Risk adjustment for non-financial risk	CSM	Total
Net balance as at 1 January	37,085	3,977	141,023	182,085
Changes that relate to current service				
CSM recognised in profit or loss for the services provided	-	-	(55,991)	(55,991)
Change in the risk adjustment for non-financial risk for the risk expired	-	(1,714)	-	(1,714)
Experience adjustments not related to future service	(15,987)	-	-	(15,987)
Total	(15,987)	(1,714)	(55,991)	(73,692)
Changes that relate to future service	-	-	-	-
Changes in estimates that adjust the CSM	10,472	(353)	(10,119)	-
Total	10,472	(353)	(10,119)	-
Insurance service result	(5,515)	(2,067)	(66,110)	(7692)
Insurance Finance Income or Expense	-	-	-	-
The effect of and changes in time value of money and financial risk	4,980	521	17,106	22,607
Total amounts recognised in statement of profit or loss	(535)	(1,546)	(49,004)	(51,085)
Cash flows				
Premiums received	(18,258)	-	-	(18,258)
Insurance acquisition cash flows	7,936	-	-	7,936
Total cash flows	(10,322)	-	-	(10,322)
Net closing balance	26,228	2,431	92,019	120,678

35. Insurance contracts assets and Liabilities (continued)

Non-Life Contracts Under GMM

The following tables show the reconciliation from the opening to the closing balances of the net insurance contract liability analyzed by components for non-life.

Shs'000	Year ended 31 December 2024			
	Present Risk value of adjustment future cashflows for non- CSM	Risk adjustment for non- financial risk	CSM	Total
Net balance as at 1 January	56,598	3,590	208,474	268,662
Changes that relate to current service	-	-	-	-
CSM recognised in profit or loss for the services provided	-	-	(63,151)	(63,151)
Change in the risk adjustment for non- financial risk for the risk expired	-	(1,506)	-	(1,506)
Experience adjustments not related to future service	(23,735)	-	-	(23,735)
Total	(23,735)	(1,506)	(63,151)	(88,392)
Changes that relate to future service	-	-	-	-
Changes in estimates that adjust the CSM	27,147	1,627	(28,774)	-
Total	27,147	1,627	(28,774)	-
Insurance service result	3,412	121	(91,925)	(88,392)
Insurance Finance Income or Expense	-	-	-	-
The effect of and changes in time value of money and financial risk	4,573	266	24,474	29,313
Total amounts recognised in statement of profit or loss	7,985	387	(67,451)	(59,079)
Cash flows				
Premiums received	(49,995)	-	-	(49,995)
Insurance acquisition cash flows	22,497	-	-	22,497
Total cash flows	(27,498)	-	-	(27,498)
Net closing balance	37,085	3,977	141,023	182,085

35. Insurance contracts assets and Liabilities (continued)

Non-Life Contracts Under PAA

The following shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for non-life insurance contracts issued.

Shs'000	Liabilities for Remaining Coverage		Liabilities for Incurred claims		Total Shs'000
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Opening insurance contract liabilities	4,166,636	357,252	12,969,942	909,645	18,403,475
Insurance revenue					
Full retrospective approach	(26,767,510)	-	-	-	(26,767,510)
Total insurance revenue	(26,767,510)	-	-	-	(26,767,510)
Incurred insurance service expenses:	3,684,035	(283,093)	12,775,694	856,034	17,032,670
Claims	(573,269)	(283,093)	12,584,844	693,181	12,421,663
Expenses	4,257,304	-	190,850	45,107	4,493,261
Other movements related to current service	-	-	-	117,746	117,746
Amortisation of insurance acquisition cash flows	3,804,091	-	-	-	3,804,091
Changes that relate to past service (changes in fulfilment cash flows re LIC)	-	-	(591,744)	(474,115)	(1,065,859)
Changes that relate to future service	-	344,943	-	-	344,943
Losses for the net outflow recognized on initial recognition	-	263,461	-	-	263,461
Losses and reversal of losses on onerous contracts - subsequent measurement	-	81,482	-	-	81,482
Total insurance service expenses	7,488,126	61,850	12,183,950	381,919	20,115,845
Total insurance service result	(19,279,384)	61,850	12,183,950	381,919	(6,651,665)
Insurance finance income or expense					
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	-	-	1,575,850	95,898	1,671,748
The effect of financial risk and changes in financial risk	-	-	45,405	-	45,405
Foreign exchange differences on changes in the carrying amount	-	-	5	-	5
Changes in fair value of underlying items of direct participating contracts	-	-	131,274	3,982	135,256
Total insurance finance income or expense	-	-	1,752,534	99,880	1,852,414
Total changes in the statement of financial profit or loss	(19,279,384)	61,850	13,936,484	481,799	(4,799,251)

35. Insurance contracts assets and Liabilities (continued)

Non-Life Contracts Under PAA (continued)

The following shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for non-life – insurance contracts issued.

Shs'000	Year ended 31 December 2025				Total Shs'000
	Liabilities for Remaining Coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non- financial risk	
Cash flows (Actual cashflows in the period)					
Premiums and premium tax received	24,165,990	(46,035)	(513,899)	(105,777)	23,500,279
Claims and other insurance service expenses paid, including investment components	-	-	(14,207,246)	-	(14,207,246)
Insurance acquisition cash flows	(3,920,100)	-	-	-	(3,920,100)
Total cash flows	20,245,890	(46,035)	(14,721,145)	(105,777)	5,372,933
Impact of currency translation	(15,311)	(7,470)	(627)	(4,541)	(27,949)
Net closing balance	5,117,831	365,597	12,184,654	1,281,126	18,949,208
Closing Insurance contract assets	(10,717)	3	2,547	136	(8,031)
Closing Insurance contract liabilities	5,128,548	365,594	12,182,107	1,280,990	18,957,239
Net closing balance	5,117,831	365,597	12,184,654	1,281,126	18,949,208

35. Insurance contracts assets and Liabilities (continued)

Non-Life Contracts Under PAA

The following shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for non-life insurance contracts issued.

Shs'000	Liabilities for Remaining Coverage		Liabilities for Incurred claims		Total Shs'000
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Opening insurance contract liabilities	5,142,663	310,112	12,419,667	945,169	18,817,611
Net Opening balance	5,142,663	310,112	12,419,667	945,169	18,817,611
Insurance revenue					
Full retrospective approach	(23,712,478)	-	-	-	(23,712,478)
Total insurance revenue	(23,712,478)	-	-	-	(23,712,478)
Incurred insurance service expenses:	-	1,069,444	14,725,119	498,553	16,293,116
Claims	-	1,069,444	14,580,854	464,811	16,115,109
Expenses	-	-	144,265	33,742	178,007
Other movements related to current service	-	-	-	(84,762)	(84,762)
Amortisation of insurance acquisition cash flows	3,662,325	-	-	-	3,662,325
Changes that relate to past service (changes in fulfilment cash flows re LIC)	-	-	(165,874)	(408,323)	(574,197)
Changes that relate to future service	-	(915,914)	-	-	(915,914)
Losses for the net outflow recognized on initial recognition	-	753,689	-	-	753,689
Losses and reversal of losses on onerous contracts - subsequent measurement	-	(1,669,603)	-	-	(1,669,603)
Total insurance service expenses	3,662,325	153,530	14,559,245	5,468	18,380,568
Total insurance service result	(20,050,153)	153,530	14,559,245	5,468	(5,331,910)
Insurance finance income or expense					-
The effect of and changes in time value of money and financial risk	-	7,280	1,720,954	107,587	1,835,821
Foreign exchange differences on change	-	-	570,939	15,837	586,776
Total insurance finance income or expense	-	7,280	2,291,893	123,424	2,422,597
Total changes in the statement of financial profit or loss	(20,050,153)	160,810	16,851,138	128,892	(2,909,313)

35. Insurance and reinsurance contracts assets and Liabilities (continued)

Non-Life Contracts Under PAA (continued)

The following shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for non-life insurance contracts issued.

Shs'000	Year ended 31 December 2024					Total Shs'000
	Liabilities for Remaining Coverage		Liabilities for incurred claims			
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non- financial risk		
Cash flows (Actual cashflows in the period)						
Premiums and premium tax received	23,071,268	-	-	-	-	23,071,268
Claims and other insurance service expenses paid, including investment components	-	-	(15,130,931)	-	-	(15,130,931)
Insurance acquisition cash flows	(3,439,307)	-	-	-	-	(3,439,307)
Total cash flows	19,631,961	-	(15,130,931)	-	-	4,501,030
Impact of currency translation	(557,835)	(113,670)	(1,169,932)	(164,416)		(2,005,853)
Net closing balance	4,166,636	357,252	12,969,942	909,645		18,403,475

35. Insurance and reinsurance contracts, assets and Liabilities (continued)

Non-Life Contracts Under PAA

The following shows the reconciliation from the opening to the closing balances of the net contract liability for the remaining coverage and the liability for claims incurred for non-life reinsurance contracts.

Shs'000	Liabilities for Remaining Coverage		Liabilities for Incurred claim		Total Shs'000
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Opening reinsurance contract assets	(1,180,991)	78,811	7,367,295	511,044	6,776,159
Opening reinsurance contract liabilities	(1,849,363)	624	1,209,493	58,581	(580,665)
Net opening balance	(3,030,354)	79,435	8,576,788	569,625	6,195,494
Allocation of the premiums paid:					
Full Retrospective approach	(7,880,043)	-	-	-	(7,880,043)
Total Allocation of premiums paid	(7,880,043)	-	-	-	(7,880,043)
Amounts recovered from reinsurance					
Recoveries of incurred claims and other insurance service expense	-	(42,298)	2,938,973	89,883	2,986,558
Changes related to past service (changes related to incurred claims component)	-	-	(1,276,924)	(292,216)	(1,569,140)
Changes that relate to future service:	-	44,310	-	-	44,310
Recoveries of losses on onerous underlying contracts on initial recognition	-	69,912	-	-	69,912
Recoveries and reversals of recoveries of losses on onerous underlying contracts - subsequent measurement	-	(25,602)	-	-	(25,602)
Effect of changes in Non-performance risk of Reinsurers	-	-	(45,824)	-	(45,824)
Total amounts recovered from reinsurance	-	2,012	1,662,049	(202,333)	1,461,728
Total net expenses from reinsurance	(7,880,043)	2,012	1,616,225	(202,333)	(6,464,139)
Insurance finance income or expense					
The effect of and changes in time value of money and financial risk	-	-	816,011	41,740	857,751
Total insurance finance income or expense	-	-	816,011	41,740	857,751
Total changes in the statement of profit or loss	(7,880,043)	2,012	2,432,236	(160,593)	(5,606,388)

35. Insurance and reinsurance contracts, assets and Liabilities (continued)

Non-Life Contracts Under PAA (continued)

The following shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for non-life reinsurance contracts.

Shs'000	Liabilities for Incurred claims				Total Shs'000
	Liabilities for Remaining Coverage		Liabilities for Incurred claims		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Cash flows (actual cashflows in the period)					
Premiums and premium tax paid	9,200,740	13,972	(525,295)	1,179	8,690,596
Amounts recovered	-	-	(2,697,611)	-	(2,697,611)
Total cash flows	9,200,740	13,972	(3,222,906)	1,179	5,992,985
Effect of currency translation	55,814	(783)	(92,395)	(4,533)	(41,897)
Net Closing balance	(1,653,843)	94,636	7,693,723	405,678	6,540,194
Closing reinsurance contract assets	(1,290,450)	94,012	7,492,764	398,103	6,694,429
Closing reinsurance contract liabilities	(363,393)	624	200,959	7,575	(154,235)
Net Closing balance	(1,653,843)	94,636	7,693,723	405,678	6,540,194

35. Insurance and reinsurance contracts, assets and Liabilities (continued)

Non-Life Contracts Under PAA

The following shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for non-life reinsurance contracts.

Shs'000	Year ended 31 December 2024				
	Liabilities for Remaining Coverage		Liabilities for Incurred claims		Total Shs'000
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Opening reinsurance contract assets	(1,199,083)	51,246	7,597,925	487,163	6,937,251
Opening reinsurance contract liabilities	(685,282)	2,226	98,568	26,243	(558,245)
Net opening balance	(1,884,365)	53,472	7,696,493	513,406	6,379,006
Allocation of the premiums paid:					
Full Retrospective approach	(8,496,452)	-	-	-	(8,496,452)
Total Allocation of premiums paid	(8,496,452)	-	-	-	(8,496,452)
Amounts recovered from reinsurance					
Recoveries of incurred claims and other insurance service expense	-	(91,963)	3,764,959	251,321	3,924,317
Changes related to past service (changes related to incurred claims component)	-	-	(337,515)	(201,387)	(538,902)
Changes that relate to future service:	-	129,220	-	-	129,220
Recoveries of losses on onerous underlying contracts on initial recognition	-	22,772	-	-	22,772
Recoveries and reversals of recoveries of losses on onerous underlying contracts - subsequent measurement	-	106,448	-	-	106,448
Effect of changes in Non-performance risk of Reinsurers	-	-	(35,975)	-	(35,975)
Total amounts recovered from reinsurance	-	37,257	3,427,444	49,934	3,514,635
Total net expenses from reinsurance	(8,496,452)	37,257	3,391,469	49,934	(5,017,792)
Insurance finance income or expense					
The effect of and changes in time value of money and financial risk	-	3,901	793,563	51,865	849,329
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	293,685	3,131	296,816
Total insurance finance income or expense	-	3,901	1,087,248	54,996	1,146,145
Total changes in the statement of profit or loss	-	3,901	1,087,248	54,996	1,146,145

35. Insurance and reinsurance contracts, assets and Liabilities (continued)

Non-Life Contracts Under PAA (continued)

The following shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for non-life reinsurance contracts.

Shs'000	Liabilities for Remaining Coverage		Liabilities for Incurred claims		Total Shs'000
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Cash flows (actual cashflows in the period)					
Premiums and premium tax paid	7,085,309	-	-	-	7,085,309
Amounts recovered	-	-	(2,744,684)	-	(2,744,684)
Total cash flows	7,085,309	-	(2,744,684)-	-	4,340,625
Effect of currency translation	265,154	(15,195)	(853,738)	(48,711)	(652,490)
Net Closing balance	(3,030,354)	79,435	8,576,788	569,625	6,195,494
Closing reinsurance contract assets	(1,180,991)	78,811	7,367,295	511,044	6,776,159
Closing reinsurance contract liabilities	(1,849,363)	624	1,209,493	58,581	(580,665)
Net Closing balance	(3,030,354)	79,435	8,576,788	569,625	6,195,494

35. Insurance and reinsurance contracts, assets and Liabilities (continued)

i. Long term insurance contract liabilities

Long term insurance contract liabilities

The company determines its liabilities under long-term insurance contracts using the specified valuation basis outlined in the IFRS 17 standard. Furthermore, the company assesses the risk involved by incorporating additional margins on the valuation basis to account for potential adverse experiences in mortality rates, expenses, and policy withdrawals.

The liabilities are calculated in-house by the Actuarial department and reviewed for adequacy by the Appointed Actuary (QED Actuaries & Consultants (Pty) Ltd).

Valuation assumptions

The valuation was carried out at 31 December 2025. The valuation currency is Kenyan Shillings. The key assumptions in the valuation of long-term liabilities are summarized below:

a) Mortality

The prescribed mortality assumptions are: Conventional Life - 50% of the AKI KE 01/03. Annuities business – 90% of AKI KE 01/03. (2024: Conventional Life - 50% of the AKI KE 01/03. Annuities business – 90% of AKI KE 01/03)

b) Interest rate

The internally derived spot curve as at 31 December 2025 was used for discounting the cash flows (benefits & expenses less premiums and investment income).

c) Persistency, expenses, expense inflation and tax

The prescribed basis explicitly allows for the Best Estimate Persistency, Expenses, Expense Inflation and Prescribed Tax assumptions to be used. There is additional prescribed risk margins loaded onto the Best Estimate Assumptions as per standard.

(vii) Sensitivity analysis

The sensitivity of the results to certain key assumptions has been tested by calculating the effect of assumptions not being met. The results of the sensitivity analysis are summarized in the sensitivities disclosures.

The valuation results are sensitive to the underlying assumptions. If these assumptions are not realized in practice, the surplus in the life fund will differ from expected.

Over the two periods, sensitivities for the different assumptions are largely similar. Variability of future interest rates will have the largest impact on the valuation results. These variabilities will particularly impact Individual Life and Annuities. These classes of business have long-term cash-flows with durations of 12 to 15 years that are subject to discounting for the purpose of valuations.

It should be noted that the sensitivity calculations have been done independently. This means that interactions between various factors have not been considered. For instance, in the event of withdrawals increasing, it is likely that per policy expenses will also increase. Thus, when considering various scenarios, one needs to use an interplay of the above figures. This has not been allowed for in the analysis.

35. Insurance and reinsurance contracts (continued)

(vii) Sensitivity analysis (continued)

	FCF as at 31 December	CSM as at 31 December	Total	Impact on FCF	Impact on CSM	Total increase (decrease) in insurance contract liabilities	Remaining CSM	Impact on profit before income tax	Impact on equity
2025	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Main basis									
Insurance contract liabilities (net)	161,422,931	12,193,871	173,616,802						
Reinsurance contract assets (net)	(767,582)	-	(767,582)						
Net insurance contract liabilities	160,655,349	12,193,871	172,849,220						
Mortality rate -20% increase			-						
Insurance contract liabilities (net)	162,744,076	11,943,529	174,687,605	1,321,145	(250,341)	1,070,804	11,943,529	(305,481)	(213,837)
Reinsurance contract assets (net)	(1,532,903)	-	(1,532,903)	765,322)	-	(765,322)	-	-	-
Net insurance contract liabilities	161,211,173	11,943,529	173,154,702	555,823	(250,341)	305,482	11,943,529	(305,481)	(213,837)
Lapse/surrender rates - 20% decrease			-						
Insurance contract liabilities (net)	161,642,736	12,194,774	173,837,510	219,804	903	220,707	12,194,774	(220,708)	(154,496)
Reinsurance contract assets (net)	(767,582)	-	(767,582)	-	-	-	-	-	-
Net insurance contract liabilities	160,875,154	12,194,774	173,069,928	219,804	903	220,707	12,194,774	(220,708)	(154,496)
Lapse/surrender rates - 20% increase			-						
Insurance contract liabilities (net)	161,240,638	12,142,615	173,383,253	(182,293)	(51,256)	(233,549)	12,142,615	233,549	163,484
Reinsurance contract assets (net)	(767,582)	-	(767,582)	-	-	-	-	-	-
Net insurance contract liabilities	160,473,056	12,142,615	172,615,671	(182,293)	(51,256)	(233,549)	12,142,615	233,549	163,484
Expenses - 10% increase			-						
Insurance contract liabilities (net)	162,227,189	11,689,869	173,917,058	804,258	(504,002)	300,256	11,689,869	(298,719)	(209,103)
Reinsurance contract assets (net)	(769,118)	-	(769,118)	(1,536)	-	(1,536)	-	-	-
Net insurance contract liabilities	161,458,071	11,689,869	173,147,940	802,722	(504,002)	298,720	11,689,869	(298,719)	(209,103)
Interest - 2% decrease			-						
Insurance contract liabilities (net)	167,681,026	12,224,558	179,905,584	6,258,095	30,687	6,288,782	12,224,558	884,582	619,208
Reinsurance contract assets (net)	(786,954)	-	(786,954)	(19,373)	-	(19,373)	-	-	-
Net insurance contract liabilities	166,894,072	12,224,558	179,118,630	6,238,722	30,687	6,269,409	12,224,558	884,582	619,208

35. Insurance and reinsurance contracts (continued)

(vii) Sensitivity analysis (continued)

	FCF as at 31 December	CSM as at 31 December	Total	Impact on FCF	Impact on CSM	Total increase (decrease) in insurance contract liabilities	Remaining CSM	Impact on profit before income tax	Impact on equity
2024	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Main basis									
Insurance contract liabilities (net)	134,263,583	10,588,902	144,852,485						
Reinsurance contract assets (net)	(970,014)	-	(970,014)						
Net insurance contract liabilities	133,293,569	10,588,902	143,882,471						
Mortality rate -20% increase									
Insurance contract liabilities (net)	139,013,918	10,352,540	149,366,458	1,130,756	(236,362)	894,394	10,352,540	(269,436)	(188,605)
Reinsurance contract assets (net)	(1,599,107)	-	(1,599,107)	(629,093)	-	(629,093)	-	-	-
Net insurance contract liabilities	137,414,811	10,352,540	147,767,351	501,663	(236,362)	265,301	10,352,540	(269,436)	(188,605)
Lapse/surrender rates - 20% decrease									
Insurance contract liabilities (net)	138,089,828	10,573,673	148,663,501	206,667	(15,229)	191,438	10,573,673	(200,903)	(140,632)
Reinsurance contract assets (net)	(970,014)	-	(970,014)	-	-	-	-	-	-
Net insurance contract liabilities	137,119,815	10,573,673	147,693,488	206,667	(15,229)	191,438	10,573,673	(200,903)	(140,632)
Lapse/surrender rates - 20% increase									
Insurance contract liabilities (net)	137,720,376	10,555,109	148,275,485	(162,786)	(33,793)	(196,579)	10,555,109	192,444	134,711
Reinsurance contract assets (net)	(970,014)	-	(970,014)	-	-	-	-	-	-
Net insurance contract liabilities	136,750,362	10,555,109	147,305,471	(162,786)	(33,793)	(196,579)	10,555,109	192,444	134,711
Expenses - 10% increase									
Insurance contract liabilities (net)	141,065,906	10,165,032	151,230,938	3,182,745	(423,870)	2,758,875	10,165,032	(249,870)	(174,909)
Reinsurance contract assets (net)	(970,200)	-	(970,200)	(187)	-	(187)	-	-	-
Net insurance contract liabilities	140,095,706	10,165,032	150,260,738	3,182,558	(423,870)	2,758,688	10,165,032	(249,870)	(174,909)
Interest - 2% decrease									
Insurance contract liabilities (net)	146,512,627	10,207,741	156,720,367	8,629,465	(381,161)	8,248,304	10,207,741	(157,399)	(110,179)
Reinsurance contract assets (net)	(982,801)	-	(982,801)	(12,787)	-	(12,787)	-	-	-
Net insurance contract liabilities	145,529,826	10,207,741	155,737,567	8,616,678	(381,161)	8,235,517	10,207,741	(157,399)	(110,179)

35. Insurance and reinsurance contracts (continued)

(vii) Sensitivity analysis (continued)

Adequacy of IBNR reserves/AvE: A review was performed on the claims that emerged during the year ended 31 December 2025, to determine the sufficiency of the claim reserves (i.e. OCR plus IBNR) set aside on 31 December 2024. The table below compares the claims that were expected to emerge in financial year 2025, based on the December 2024 reserves, and the actual claims that emerged in financial year 2025.

Amounts in Shs'000	Total Claims Reserves	Expected	Actual	(Shortfall)/ Surplus on Total IBNR	(Shortfall)/ Surplus on Expected IBNR
Credit Life Business	195,887	133,958	131,405	64,482	2,553
Group Life Business	1,493,083	1,206,298	1,189,388	303,695	16,910

Group Life and Credit Life businesses had a 2% and 1% surplus on Expected IBNR respectively. This indicates that the IBNR assumptions contain sufficient margins of prudence. It also indicates that the IBNR reserve is adequate to cover fluctuations in claims experience. The projection assumptions as at December 2025 were revised based on 2024 claims experience.

(viii) GPV valuation margins and capital charges

The table below provides details of the GPV valuation margins and capital charges in the period 2024 and 2025:

Assumption	Valuation Margins on Best Estimate Liabilities	Capital Charges on Best Estimate Liabilities
Mortality	10% increase in mortality for life assurances	10% increase in mortality for life assurances
Longevity	10% decrease in mortality for life assurances and annuities	10% decrease in mortality for life assurances and annuities
Morbidity/Disability	10% increase in inception rates	10% increase in inception rates
Lapses	7.5% (increase or decrease in lapse rate depending on which alternative gives rise to an increase in the liability of the policy concerned)	7.5% (increase or decrease in lapse rate depending on which alternative gives rise to an increase in the liability of the policy concerned)
Interest rate	N/A	N/A
Expenses & Expense inflation	10% increase on base expenses	10% increase on base expenses
Catastrophe	N/A	N/A
Group/Umbrella Pension Savings Plans	N/A	1.0% increase in fund value
Deposit Administration	N/A	1.0% increase in fund value
Group Life	N/A	10% increase on premium reserves 8% increase on claims reserves
Group Credit	N/A	12% increase on premium reserves 10% increase on claims reserves
Unit Linked	N/A	N/A

35. Insurance and reinsurance contracts (continued)

Claims development – Long-term Business

	Gross claims development					
	2021	2022	2023	2024	2025	Total
Estimate of ultimate claim costs (gross of reinsurance, undiscounted)						
At end of accident year	19,223,561	19,722,636	20,347,281	24,321,097	38,530,486	122,145,060
1 year later	19,718,451	20,237,351	20,763,177	23,972,155		1,076,560
2 years later	19,736,896	20,226,030	20,770,318			14,265
3 years later	19,754,807	20,242,493				34,375
4 years later	19,791,295					36,488
Gross cumulative claims liabilities - accident years from 2020 to 2024	19,791,295	20,242,493	20,770,318	23,972,155	38,530,486	123,306,748
Add: Incurred but not Reported	1,704	1,121	161,351	594,045	678,648	1,436,869
Add: Liability in respect of prior years	519,187					519,187
Effect of discounting	(14,565)	(931)	(7,619)	(24,936)	(70,461)	(118,512)
Effect of the risk adjustment margin for non-financial risk	51,388	3,286	26,881	87,976	248,593	418,123
Less: Cumulative payments to date	(19,724,435)	(20,206,035)	(20,624,220)	(23,559,981)	(36,365,862)	(120,480,533)
Gross LIC for the contracts originated	624,574	39,934	326,711	1,069,259	3,021,404	5,081,882

35. Insurance and reinsurance contracts (continued)

	Net claims development					
	2021	2022	2023	2024	2025	Total
Estimate of ultimate claim costs (net of reinsurance, undiscounted)						
At end of accident year	18,649,281	19,688,104	18,984,869	22,140,599	36,399,703	115,862,557
1 year later	18,954,759	20,041,806	19,271,706	22,464,833		1,270,249
2 years later	18,865,601	19,759,839	19,394,287			(248,544)
3 years later	18,959,505	19,781,051				115,117
4 years later	19,002,383					42,878
Net cumulative claims liabilities - accident years from 2020 to 2024	19,002,383	19,781,051	19,394,287	22,464,833	36,399,703	117,042,257
Add: Incurred but not Reported	1,704	1,121	8,097	37,590	289,855	338,367
Add: Liability in respect of prior years	519,187					519,187
Effect of discounting	(16,822)	(255)	(991)	(704)	(10,294)	(29,067)
Effect of the risk adjustment margin for non-financial risk	42,135	638	2,483	1,764	25,783	72,804
Less: Cumulative payments to date	(18,964,725)	(19,773,712)	(19,369,466)	(22,479,033)	(36,347,769)	(116,934,705)
Net LIC for the contracts originated	583,862	8,843	34,410	24,450	357,278	1,008,843

35. Insurance and reinsurance contracts (continued)

Claims development – Non Life

The Group uses chain-ladder techniques to estimate the ultimate cost of claims and the IBNR provision. Chain ladder techniques are used as they are appropriate techniques for mature classes of business that have a relatively stable development pattern. This involves the analysis of historical claims development factors and the selection of estimated development factors based on this historical pattern.

The selected development factors are then applied to cumulative claims data for each accident year that is not fully developed to produce an estimated ultimate claims cost for each accident year. The development of insurance liabilities provides a measure of the Group's ability to estimate the ultimate value of claims.

The table below illustrates how the Group's estimate of total claims outstanding for each accident year has changed at successive year ends.

Gross claims development

	2021	2022	2023	2024	2025	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Estimate of ultimate claim costs (gross of reinsurance, undiscounted)						
At end of accident year	7,163,852	6,701,285	7,655,714	9,288,163	10,294,465	41,103,479
1 year later	9,266,660	8,103,973	9,444,682	11,248,315	-	38,063,630
2 years later	9,432,399	8,315,836	9,604,730	-	-	27,352,965
3 years later	9,329,104	8,563,650	-	-	-	17,892,754
4 years later	9,411,805	-	-	-	-	9,411,805
Gross cumulative claims liabilities - accident years from 2021 to 2025	9,411,805	8,563,650	9,604,730	11,248,315	10,294,465	49,122,965
Add: Incurred but not Reported	418,182	457,120	687,315	915,393	2,769,674	5,247,684
Gross cumulative claims liabilities - prior accident years (OCR)	1,906,418	-	-	-	-	1,906,418
Gross cumulative claims liabilities - prior accident years (IBNR & CHER)	178,547	61,046	61,046	61,046	61,046	422,731
Add: Liability in respect of prior years	207,029	185,742	254,255	191,553	205,580	1,044,159
Effect of discounting	(5,647,758)	(7,237,234)	(6,134,527)	(7,097,132)	(6,187,028)	(32,303,679)
Effect of the risk adjustment margin for non-financial risk	(407,448)	(196,464)	(325,289)	(490,678)	(556,627)	(1,976,506)
Less: Cumulative payments to date	185,200	60,523	101,161	165,787	366,280	878,951
Gross LIC for the contracts originated	6,251,975	1,894,383	4,248,691	4,994,284	6,953,390	24,342,723

36. Deferred income tax

Deferred tax is calculated, in full, on all temporary differences under the liability method using a principal tax rate of 30% (2024: 30%). Movements in temporary difference components such as existing taxable losses, provisions and property and equipment depreciation have had varying impacts on deferred tax asset and deferred tax liability. The make-up of the deferred tax liabilities balances, movement in the deferred income tax account and the composition of the unrecognised deferred income tax asset is as follows:

Group

	31 December 2025 Shs'000	2025 Movement Shs'000	31 December 2024 Shs'000	2024 Movement Shs'000	31 December 2023 Shs'000
Property and equipment:					
- on historical cost basis	(30,419)	(36,292)	5,873	(11,636)	17,509
Provisions	761,579	(139,572)	901,151	14,149	887,002
Tax losses brought forward:	252,332	(1,721,336)	1,973,668	177,858	1,795,810
Prior year adjustments	-	(133)	133	133	-
Less: Deferred tax asset not recognised:	(909,060)	1,787,064	(2,696,124)	(223,392)	(2,472,732)
-Britam Properties (Kenya) Limited	(121,617)	(718)	(120,899)	12,748	(133,647)
-Britam Asset Managers (Kenya) Limited	-	257,209	(257,209)	1,064	(258,273)
-Britam Holdings Plc	(787,443)	1,530,573	(2,318,016)	(237,204)	(2,080,812)
Life fund surplus	(7,237,145)	(1,236,029)	(6,001,116)	(1,684,604)	(4,316,512)
Deferred tax on defined benefit	16,178	16,178	-	-	-
deferred tax on associate	(84,483)	(84,483)	-	-	-
Net deferred income tax liability	(7,231,018)	(1,414,603)	(5,816,415)	(1,727,492)	(4,088,923)

The deferred tax asset not recognised arises from the entities which are unlikely to generate sufficient taxable profits that can be set off against their accumulated tax losses in the foreseeable future. The tax losses relate to Britam properties Limited of Shs 857million. The current tax losses are expected to expire in the next 5 years.

Reconciliation	2025	Movement	2024	Movement	2023
Income statement	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Charge (Note 26)	-	(1,334,994)	-	(1,727,492)	-
Other comprehensive income (Note 26)	-	(79,609)	-	-	-
Total	-	(1,414,603)	-	(1,727,492)	-
Statement of financial position					
Deferred income tax asset	391,440	(178,077)	569,517	(58,800)	628,317
Deferred income tax liability	(7,622,458)	(1,236,526)	(6,385,932)	(1,668,692)	(4,717,240)
Net deferred income tax liability	(7,231,018)	(1,414,603)	(5,816,415)	(1,727,492)	(4,088,923)

36. Deferred income tax (continued)

Company

The deferred tax asset for the Company has not been recognised since the assessment of the Directors, the Company is unlikely to generate sufficient taxable profits that can be set off against the tax losses in the foreseeable future. Deferred tax assets/liabilities are classified as non-current assets/liabilities.

	31 December 2025 Shs'000	2025 Movement Shs'000	31 December 2024 Shs'000	2024 Movement Shs'000	31 December 2023 Shs'000
Property and equipment:					
- on historical cost basis	19,333	(616)	19,949	141	19,808
Provisions	765,445	168,725	596,720	(47,529)	644,249
Tax losses brought forward	-	(1,698,682)	1,698,682	284,592	1,414,090
IFRS 9 provisions through equity	2,665	-	2,665	-	2,665
Deferred tax asset not recognised	(787,443)	1,530,573	(2,318,016)	(237,204)	(2,080,812)
Net deferred income tax liability	-	-	-	-	-

37. Other receivables

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Staff and agents loans	40,308	81,395	-	-
Car loans and premium financing loans	54,803	-	-	-
Accrued income	61,113	44,650	-	-
Dues from managed funds	239,844	196,830	-	-
Refundable deposits	83,142	123,268	17,209	17,209
VAT rental income recoverable	515,594	439,985	-	-
Due from Motor Pool	27,683	27,757	-	-
Prepayments	151,591	93,384	902	3,925
Government taxes and statutory deductions	173,839	181,712	-	-
Other receivables	1,635,125	1,066,601	469,411	350,975
Total	2,983,042	2,333,996	487,521	372,109
Less: Provision for expected credit losses	(194,924)	(188,486)	(16,098)	(32,964)
Net amount at end of year	2,788,118	2,145,510	471,424	339,145
Movement in provision for expected credit losses:				
At 1 January	188,486	271,221	32,964	120,714
Increase/(decrease)	6,438	(16,860)	(16,866)	-
Write off	-	(65,875)	-	(87,750)
At 31 December	194,924	188,486	16,098	32,964

38. Cash and bank balances

There are no individually significant items under other receivables which include rental income receivable, employee share ownership funds held under trust and dividend receivable among others. All other receivables are classified as current. The carrying value of other receivables approximates their fair value.

For purposes of the statement of cash flows, cash and cash equivalents comprise the following:

	Group		Company	
	2025	2024	2025	2024
	Shs'000	Shs'000	Shs'000	Shs'000
Deposits with financial institutions	4,884,739	5,395,553	129,994	194,690
Cash and bank balances	2,417,047	1,683,771	31,104	98,696
Cash and cash equivalents	7,301,786	7,079,324	161,098	293,386
Less: Provision for expected credit losses	(115,007)	(123,077)	(53)	(290)
Net amount at end of year	7,186,779	6,956,247	161,045	293,096
Movement in provision for expected credit losses:				
1 January	123,077	125,906	290	10
(Decrease)/Increase	(8,070)	(2,829)	(237)	280
31 December	115,007	123,077	53	290

The weighted average effective interest rate on short-term bank deposits as 31 December 2025 was 7% (2024: 15.87%).

39. Restricted Cash

	Group		Company	
	2025	2024	2025	2024
	Shs'000	Shs'000	Shs'000	Shs'000
Restricted cash	1,473,571	1,105,989	52,567	-

Restricted cash of Shs 1,473,571,000 (2024: Shs 1,105,989,000); Company Shs 52,567,000 (2024: Nil) represents cash cover deposits held with Stanbic bank plc on loans issued to staff and only available for withdrawal upon individual's full loan repayment and deposits. The cash cover deposit is based on 50% of the loan advanced. The restricted cash also includes cash used to cover bid and performance bonds issued for insurance contracts in force or ongoing tenders. The cash is available for immediate use upon maturity of the contract.

Restricted cash in Britam Insurance Company Limited (South Sudan) and Britam Insurance Company Limited (Uganda) Under Section 9(i) of the Bank of South Sudan Act, Britam South Sudan is required to maintain a security deposit with the Bank of South Sudan equivalent to at least 10% of the prescribed minimum paid up capital. Under section 38 of the Uganda Insurance Act 2017, Britam Insurance Company Limited (Uganda) is required to maintain 10% of the paid up capital.

40. Provisions and other payables

	Group		Company	
	2025	2024	2025	2024
	Shs'000	Shs'000	Shs'000	Shs'000
Accrued expenses	1,938,453	2,475,711	309,967	350,793
Staff and agents bonds	104,811	94,444	-	-
Payables for property funds	-	5,683	-	-
Trade payables	1,451,997	353,817	-	-
Government taxes & statutory deductions	441,503	472,748	32,654	12,986
Other liabilities	1,558,456	1,849,177	6,249	4,129
Provision for investment losses	801,121	1,415,002	801,121	1,415,002
Total provisions and other payables	6,296,341	6,666,582	1,149,991	1,782,910

There are no individually significant items under other liabilities category which include fund management commission payable, accounts payable, refundable deposits among others.

The provision for investment losses reflects the estimated present obligation for financial support that may be required to resolve asset-liability mismatch in the Special Fixed Income Fund, occasioned by the Fund's past operations. As a result of the shifting macro-economic fundamentals characterized by rising interest rates and guided by prudence, Britam Holding Plc made an additional provision, in the current year, of Shs 39,121,000 (2024: Shs 636,519,000). The Britam Special Fixed Income Fund is a fund managed by Britam Asset Managers (Kenya) Company Limited, which is a fully owned subsidiary of Britam Holdings Plc, with the holding company undertaking to step in, should the need arise, as the fund is restructured.

41. Cash from operations

Reconciliation of profit before tax to cash from operations:

	Group		Company	
	2025	2024	2025	2024
	Shs'000	Shs'000	Shs'000	Shs'000
Profit/(loss) before income tax	7,903,965	7,330,995	1,108,098	(451,831)
Adjustments for:				
Depreciation of property and equipment (Note 22)	194,494	164,126	21,871	28,963
Depreciation of right of use asset (Note 24(i))	200,018	159,293	27,947	27,141
Amortisation of intangible assets (Note 23)	187,512	274,679	3,764	5,441
Net income/(loss) from investment properties (Note 7)	(882,143)	(800,993)	(10,998)	(152,653)
Interest computed using effective interest method (Note 8(i))	(10,854,719)	(10,761,320)	(185,225)	(232,440)
Interest and dividend income (Note 8(ii))	(10,973,665)	(8,647,045)	(1,476,203)	(475,843)
Impact of Net Monetary gain/loss (Note 13)	10,555	30,237	-	-
Provision for write back	-	-	(71,968)	-
Net fair value (loss)/gain on financial assets at fair value through profit or loss - designated (Note 10 (i))	(7,542,746)	(7,591,552)	-	-
Other investment income (Note 10 (ii))	(1,062,925)	(2,073,112)	(76,182)	150,764
Foreign exchange gains and losses, net (Note 13)	(205,389)	(944,227)	(3,318)	13,682
Share of profit of the associate	(859,583)	(420,967)	(56,323)	(98,276)
Finance costs (Note 16)	148,036	283,592	235,835	260,835
Gain on disposal of property and equipment (Note 13)	17,597	9,071	500	(228)
Provision for expected credit losses on cash and cash equivalents (Note 38)	8,070	2,829	237	280
Changes in:				
- Insurance contract assets	(14,704)	-	-	-
- Reinsurance contract assets	292,135	32,311	-	-
- Retirement benefit asset	27,312	91,975	-	-
- Receivable from related parties	-	-	793	(69,795)
- Other receivables	(642,608)	830,747	(132,279)	43,740
- Insurance contract liabilities	29,288,141	29,735,592	-	-
- Reinsurance contract liabilities	(434,403)	29,403	-	-
- Payable to related party	-	-	81,393	1,182,903
- Other payables	(370,241)	296,411	(632,920)	(206,835)
- Restricted cash	(367,582)	(889,572)	(52,567)	-
Cash generated from/(used in) operations	4,067,127	7,142,473	(1,217,545)	25,848

42. Retirement benefit asset - Group

The Company originally established a contributory final salary defined benefit plan covering substantially all its employees, including agents. The plan was funded under a single trust, and the principal asset held by the Trustees was a deposit administration policy issued by the Company. Members currently contribute 7.5% of pensionable earnings. Effective January 1, 2006, the Company established a defined contribution section as a supplementary scheme to the existing plan. Existing members were given the irrevocable option of either (a) remaining in the defined benefit section and continuing to accrue benefits, or (b) participating in the defined contribution section with effect from January 1, 2006, and relinquishing prior defined benefit entitlement in return for a "conversion value" transferred from the defined benefit section into the defined contribution section.

In October 2010, the two sections were separated into two independent plans, each with its own Trust Deed and Rules, and each holding a separate deposit administration policy issued by the Company. The actuarial results presented relate only to the defined benefit plan.

The defined benefit plan provides a retirement benefit on attaining age 60 based on 2% of final average pensionable earnings for each year of service while a member of the plan. Similarly calculated benefits are provided on withdrawal, death in service and disability. Company contributions to the plan are normally determined as those required to provide all promised benefits over the long term. In compliance with the Retirements Benefits (Minimum Funding Level and Winding up of Schemes) Regulations, 2000 (Rev. 2010), the Company operated a Remedial Plan designed to restore a 100% funding ratio by the end of 2016. This was achieved, and the funding level is reviewed annually. Plan liabilities and costs are established by independent actuaries using the Projected Unit Credit Method. The plan is fully valued at least every two years.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in Other Comprehensive Income in the period to which they apply. The significant risks to which the Company is exposed through the operation of its defined benefit plan are asset mismatching risk, funding risk and pensioner longevity risk.

Asset Mismatching Risk

Asset mismatching occurs because investment earnings on the plan's principal asset derive from the declared rate on the deposit administration policy; this rate is declared annually by the Company based on the investment performance for the year of the pooled funds supporting its deposit administration portfolio. The liabilities are long-term in nature, comprising the expected future outflow of benefits, and the discount rate used to value them is based on the yield on low-risk or risk-free bonds for a term commensurate with their duration (12 to 13 years). Consequently, as long-term yields rise and fall, the present value of the liabilities will fall and rise, but the change in value of the assets will only reflect the one-year declared rate.

Funding Risk

Funding risk occurs because although the Remedial Plan restored a 100% funding ratio by the end of 2016, it was based on assumptions such as future investment yields, salary growth and members' options which may not be borne out in reality. To the extent that such assumptions emerge detrimentally to the remedial plan, the Company's contribution requirements will increase, possibly dramatically as the time horizon shortens.

Longevity Risk

Pensioner longevity risk reflects the fact that the liability for pensions in payment is based on assumptions as to the future mortality of present and future pensioners and their contingent beneficiaries. A longer emerging life expectancy than that implied by the mortality tables currently in use will create a plan deficit over time. The plan's pensioner population is too small to develop plan-specific mortality assumptions. The Company provides annual paid leave, the cost of which is expensed as incurred. The lack of a provision for future costs in accordance with IAS 19 is not considered to have a material impact.

42. Retirement benefit asset – Group (Continued)

The amounts recognised in the statement of financial position are determined as follows: -

	31 Dec 2025	31 Dec 2024
	Shs'000	Shs'000
Present value of funded obligations	(471,873)	(464,122)
Fair value of plan assets	652,581	671,366
Asset ceiling adjustment (10% of Present Value of funded obligations)	(47,187)	(46,412)
Asset in the statement of financial position	133,521	160,832

The movement in the present value of defined benefit obligation over the year was as follows:

	2025	2024
	Shs'000	Shs'000
At 1 January	464,122	379,120
Interest cost	61,295	54,287
Impact of change in financial assumptions	-	35,607
Impact of change in demographic assumptions	12,682	44,128
Experience adjustments	(1,287)	14,344
Benefits paid	(64,939)	(63,364)
At 31 December	471,873	464,122

The movement in the fair value of the plan assets is as follows:

	2025	2024
	Shs'000	Shs'000
At 1 January	671,366	669,839
Interest income	90,537	99,538
Re-measurements:		
Return on plan assets	(41,754)	(32,418)
Expenses paid	(2,629)	(2,229)
Benefits paid	(64,939)	(63,364)
At 31 December	652,581	671,366

The amounts recognised in the statement of profit or loss for the year are as follows:

	2025	2024
	Shs'000	Shs'000
Interest income	(29,242)	(45,251)
Expenses paid	2,629	2,229
Total included in employee benefit expense (Note 15(i))	(26,613)	(43,022)

42. Retirement benefit asset – Group (Continued)

The amounts recognised in other comprehensive income for the year are as follows:

	2025	2024
	Shs'000	Shs'000
Loss on pension benefit obligations	(11,396)	(94,079)
Loss on pension benefit assets	(41,754)	(32,418)
Asset ceiling adjustment (10% of present value of funded obligations)	(775)	(8,500)
Amounts recognised through other comprehensive income	(53,925)	(134,997)

The principal actuarial assumptions used were as follows:

	2025	2024
Discount rate	13.74%	14.20%
Future salary increases	N/A	N/A
Future pension increases	0.0%	0.00%

The sensitivity of the present value of funded obligations to changes in the principal assumptions are:

	Effect of:	
	Increase	Decrease
Discount rate-100 basis points (+1.00% per annum)	N/A	6.40%
Future pension increases+300 basis points (+3% per annum)	24.88%	N/A

43. Weighted average effective interest rates

The following table summarises the weighted average effective interest rates at the year-end on the principal interest-bearing investments:

	GROUP	
	2025	2024
Mortgage loans	9%	9%
Government securities	13.27%	13.14%
Restricted cash	8%	8%
Deposits with financial institutions	7%	15.87%

Deposits with financial institutions have an average maturity of 3 months (2024: 3 months).

44. Commitments and contingencies

(i) Capital commitments

The Group's capital commitments were as follows:

	Group	
	2025	2024
	Shs'000	Shs'000
Investment properties*	771,000	-
Investment in information technology software**	389,617	387,788

*The amount includes Shs 650,000,000 and Shs 121,000,000 committed towards projects Citadines and Ngong respectively.

** The amount majorly relates to new ERP implementation, network upgrade, and other digital systems enhancements.

(ii) Contingent liabilities

(i) Litigation

In common with the insurance industry in general, the Group's insurance subsidiaries are subject to litigation arising in the normal course of insurance business. The Directors are of the opinion that the outcome of the various ongoing legal cases will not have a material effect on the financial position or profits of the Group.

(ii) Taxes

The Group entities have outstanding matters with tax authorities as a result of an assessment carried out in the following countries: Tanzania, Malawi, Mozambique and Uganda. The Directors have assessed the status of the contingent liabilities and as a result do not anticipate any material changes from the amounts already provided for in these financial statements.

(iii) Claims

In common with the insurance industry in general, the Group's insurance subsidiaries are subject to claims arising in the normal course of insurance business. As disclosed in Note 3 (a) (i), the Group, through the help of its actuaries, estimates reserves for the possible impact of unreported claims and claims handling expenses. This reduces the risk of any significant outflows relating to these that would have had a significant on these financial statements.

45. Related party transactions and balances

The Group is controlled by Britam Holdings Plc incorporated in Kenya being the ultimate parent. There are other companies that are related to Britam Holdings Plc through common shareholdings or common directorships.

The following arrangements exist and form the basis of various transactions within the Group.

(i) Transactions with subsidiaries

The Group has a controlling interest in various entities as disclosed under Note 26(ii). Information on the contact details and places of operation has been included under "Corporate information". The Group being the majority shareholder in the various related parties; is committed to providing the necessary financial support to the related companies with capitalisation deficit to ensure they meet their financial obligations. The nature of services provided by these entities are summarised below: -

45. Related party transactions and balances (continued)

(i) Transactions with subsidiaries (continued)

Subsidiary	Date of incorporation	Date operations commenced	Licensed Business	Principal Regulator
Britam Life Assurance Company (Kenya) Limited	1979	1979	Life assurance business	Insurance Regulatory Authority, Kenya
Britam General Insurance Company (Kenya) Limited	2015	2016	Non-life insurance business	Insurance Regulatory Authority, Kenya
Britam Micro Insurance Company (Kenya) Limited	2023	2024	Non-life micro insurance business	Insurance Regulatory Authority, Kenya
Britam General Insurance Company (Uganda) Limited	2010	2010	Non-life insurance business	Uganda Insurance Commission
Britam Life Assurance Company (Uganda) Limited	2024	2024	Life insurance business	Uganda Insurance Commission
Britam Insurance Company Limited (South Sudan)	2012	2012	Life and non-life insurance business	Bank of South Sudan
Britam Insurance Company (Rwanda) Limited	2014	2014	Non-life insurance business	National Bank of Rwanda
Britam - Companhia De Seguros De Mozambique S.A	2010	2010	Non-life insurance business	Institute of Insurance Supervision of Mozambique
Britam Insurance Company (Tanzania) Limited	1998	1998	Non-life insurance business	Tanzania Insurance Regulatory Authority
Britam Insurance Company Limited (Malawi)	2007	2007	Non-life insurance business	Reserve Bank of Malawi
Britam Asset Managers (Kenya) Limited	2004	2004	Investment advisory and fund management services	Capital Markets Authority & Retirement Benefits Authority, Kenya
Britam SEZ Company Limited	2024	2024	Innovation	Not applicable
Britam Properties (Kenya) Limited	2012	2014	Not applicable	Not applicable
Britam Asset Managers (Uganda) Limited	2012	2017	Fund management services	Capital Markets Authority, Uganda

a) Transactions in the normal course of business

There are transactions in the normal course of business between the Company and its subsidiaries or among the subsidiaries. Outstanding balances as at the end of each month attract interest at a rate of 11% (2024: 11%) per annum and the balances are not secured.

Transactions with subsidiaries outside Kenya are governed by the Group's transfer pricing policy with respect to applicable rate and commencement of sharing costs and where applicable are invoiced at a 5% mark - up.

45. Related party transactions and balances (continued)

(i) Outstanding balances with subsidiaries

Due to related parties – Company

	2025	2024
	Shs'000	Shs'000
Britam Life Assurance Company (Kenya) Limited	828,702	959,142
Britam General Insurance Company (Kenya) Limited	520,707	320,561
Britam Tower LLP	221,330	225,912
Britam Asset Managers (Kenya) Limited	16,269	-
Total	1,587,008	1,505,615

Due from related parties – Company

Britam Insurance Company Limited (Malawi)	58,789	48,343
Britam Asset Managers (Kenya) Limited	-	81,841
Britam General Insurance Company (Uganda) Limited	-	3,712
Britam Insurance Company Limited (South Sudan)	11,547	3,582
Britam Insurance Company (Rwanda) Limited	14,183	14,183
Britam Properties (Kenya) Limited	338,870	339,767
Britam - Companhia De Seguros De Mozambique S.A	214,006	185,462
Britam Insurance Company (Tanzania) Limited	45,472	35,179
Britam Asset Managers (Uganda) Limited	9,348	4,964
Britam SEZ Company Limited	23,690	4,115
Britam Life Assurance Co. (Uganda) Ltd	6,237	-
Britam Micro insurance Co. (Kenya) Ltd	8,932	-
Total	731,074	721,148
Less: Provision for expected credit losses	(339,844)	(329,125)
Total	391,230	392,023
Movement in provision expected credit losses		
At 1 January	329,125	329,289
Increase/(decrease)	10,719	(164)
At 31 December	339,844	329,125

45. Related party transactions and balances (continued)

(i) Transactions with other related entities (continued)

The related party receivables and payables are carried at amortised cost.

Company

	2025 Shs'000	2024 Shs'000
Dividends received from subsidiaries	1,476,203	475,843

(ii) Transactions with other related entities

a) Investment information

The Group holds 49.89% (2024: 48.17%) of the ordinary shares of HF Group Plc, 100% ownership interest in Kilimani Hotel Suites Limited (KHSL) and 30% stake in Continental Reinsurance Company (Kenya) Limited which are accounted for as associates as disclosed in Note 25. Details relating to the Group's share of profits, additional investment during the year and share of other comprehensive income have been disclosed in that note.

b) Business relationships

Various group entities transact business with HF Bank (a wholly owned subsidiary of HF Group Plc).

	2025 Shs'000	2024 Shs'000
Gross earned premiums		
HF Bank	164,847	231,828
Net claims incurred		
HF Bank	40,778	124,014

c) Outstanding balances

The table below discloses the net balances due from HF Bank resulting from the business transacted and Tier II Capital loan advanced:

	2025 Shs'000	2024 Shs'000
HF Bank	43,319	44,310
Tier II Capital	1,022,937	1,028,245
Total	1,066,256	1,072,555

d) Banking relationships

The group carries out normal banking transactions with HF Bank (a wholly owned subsidiary of HF Group Plc) which are related parties. The balances held at 31 December were as below:

	2025 Shs'000	2024 Shs'000
HF Bank	1,318	17,822
Total	1,318	17,822

45. Related party transactions and balances (continued)

(iii) Mortgage loans to Directors of the Group

	2025	2024
	Shs'000	Shs'000
Loans to directors		
At start of year	65,259	44,300
Interest charge for the year	3,690	2,321
Director exits	-	(4,051)
Loans advanced during the year	-	39,058
Loan repayments	(11,212)	(16,369)
At end of year	57,737	65,259

Mortgage loans are given to both executive and non- executive directors. The loans are fully secured and attract interest at 6% per annum (2024: 6% per annum) for executive directors and at 14.5% per annum (2024: 14.5% per annum) for non-executive Directors.

(iv) Directors' emoluments

	Group		Company	
	2025	2024	2025	2024
	Shs'000	Shs'000	Shs'000	Shs'000
Directors' fees (Note 15(i))	148,721	147,929	41,580	44,955
Salaries and other benefits	110,347	101,828	110,347	101,828
Total	259,068	249,757	151,927	146,783

The above relates to payments made to both executive and non-executive directors.

(v) Key management compensation

Key management are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the entity. The compensation paid or payable to key management for employment services is shown below:

	Group	
	2025	2024
	Shs'000	Shs'000
Salaries and other short-term employment benefits	449,412	420,063
Retirement benefits costs		
- defined contribution scheme	35,227	42,061
- Other benefits	15,760	24,274
Total	500,399	486,398

(vi) Transactions with other related parties

The Group has also invested Shs 20,903,187,000 (2024: Shs 11,217,275,000) in the various British American unit trust funds.

45. Related party transactions and balances (continued)

(vii) Loans from shareholders

There were no loans from shareholders outstanding at 31 December 2025 (2024: Nil).

45. Risk management objectives and policies

The Group's activities expose it to a variety of financial risks, including underwriting risk, liquidity risk, credit risk and the effects of changes in debt and equity market prices, foreign exchange risk and interest rates. The Group's overall risk management programme focuses on the identification and management of risks and the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

The Group's risk management policies include the use of underwriting guidelines and capacity limits, reinsurance planning, credit policy governing the acceptance of clients and defined criteria for the approval of intermediaries and reinsurers. Investment policies are in place which help manage liquidity and seek to maximise return within an acceptable level of interest rate risk. Further, the internal audit function helps to monitor that these policies are followed.

(a) Insurance risk – Group

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected by a change in any subset of the portfolio. The Group has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

45. Related party transactions and balances (continued)

(a) Insurance risk – Group (Continued)

The following tables disclose the concentration of insurance risk by the class of business in which the contract holder operates analysed by the maximum insured loss limit included in the terms of the policy (gross and net of reinsurance).

Year ended 31 December 2025

Maximum insured loss						
Class of business		Shs Millions	0 – 15	15 – 250	Over 250	Total
			Shs'000	Shs'000	Shs'000	Shs'000
Non life Insurance business – Sum assured		Gross	264,876,757	657,728,424	6,538,389,427	7,460,994,608
		Net	251,900,470	510,584,449	1,451,442,208	2,213,927,127
Life term business	Ordinary Life	Gross	238,082,772	9,320,805	-	247,403,577
		Net	238,082,772	6,449,728	-	244,532,500
	Annuities	Gross	3,397,770	-	-	3,397,770
		Gross	10,360,646	54,725	-	10,415,371
	Unit Linked	Net	10,360,646	54,725	-	10,415,371
		Gross	343,959,793	27,377,066	1,358,600	372,695,460
	Credit Life	Net	331,137,829	12,342,320	1,358,600	344,838,749
		Gross	70,556,647	26,446,732	912,166,521	1,009,169,900
Group Life	Net	70,438,933	21,457,635	348,198,229	440,094,797	
		Gross	931,234,385	720,927,752	7,451,914,548	9,104,076,686
Total		Net	901,920,650	550,888,857	1,800,999,037	3,253,808,544

46. Risk management objectives and policies (continued)

(a) Insurance risk – Group (continued)

Year ended 31 December 2024						
Maximum insured loss						
Class of business		Shs Millions	0 – 15	15 – 250	Over 250	Total
			Shs'000	Shs'000	Shs'000	Shs'000
Non life Insurance business – Sum assured	Gross		132,138,880	350,898,237	4,322,011,997	4,805,049,114
	Net		126,195,609	301,505,240	1,046,847,676	1,474,548,525
Life term business	Ordinary Life	Gross	238,276,872	7,860,978	-	246,137,850
		Net	237,933,631	2,900,000	-	240,833,631
	Annuities	Gross	2,566,278	-	-	2,566,278
		Gross	3,149,556	-	-	3,149,556
	Unit Linked	Gross	3,149,556	-	-	3,149,556
		Net	3,149,556	-	-	3,149,556
	Credit Life	Gross	298,690,466	23,280,706	-	321,971,172
		Net	285,664,187	(460,028)	-	285,204,159
Group Life	Gross	1,909,737	20,290,754	226,210,421	248,410,912	
	Net	2,458,931	17,755,801	131,784,620	151,999,352	
Total	Gross		676,731,789	402,330,675	4,548,222,418	5,627,284,882
	Net		655,401,914	321,701,013	1,178,632,296	2,155,735,223

(b) Credit risk – Group and Company

The Group takes on exposure to credit risk, which is the risk that a counter party will cause a financial loss to the Company by failing to pay amounts in full when due. Credit risk is an important risk for the Company's business. Management therefore carefully manages the exposure to credit risk by:

- Developing and maintaining processes for measuring ECL including monitoring of credit risk, incorporation of forward looking information and the method used to measure ECL.
- Ensuring that the Company has policies and procedures in place to appropriately maintain and validate models used to assess and measure ECL.
- Establishing a sound credit risk accounting, assessment and measurement process that provide it with a strong basis for common systems, tools and data to assess credit risk and to account for ECL.

The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower or groups of borrowers. Such risks are monitored on a revolving basis and subject to annual or more frequent review. The exposure to any one borrower is further restricted by sub-limits. Actual exposures against limits are monitored regularly. Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing lending limits where appropriate. Exposure to credit risk is also managed in part by obtaining collateral, corporate, and personal guarantees.

The credit quality of financial assets is assessed by reference to external credit ratings if available or internally generated information about counterparty default rates. None of the Group's credit risk counterparties are rated except the Government of Kenya, the issuer of the Group's government securities which has B+ rating and the reinsurance companies from whom reinsurance balances are due. The Company classifies counterparties without an external credit rating as below:

- Group 1 – new customers/related parties.
- Group 2 – existing customers/related parties with no defaults in the past.
- Group 3 – existing customers/related parties with some defaults in the past.

46. Risk management objectives and policies (continued)

(b) Credit risk- Group and Company (continued)

Maximum exposure to credit risk before collateral held

Group

Assets	Note	External credit rating	Internal Credit rating	12-month or lifetime ECL	2025	2024
					Shs'000	Shs'000
Government securities held at amortised cost	31(i)	B-	-	12 months	77,061,913	77,412,447
Corporate bonds held at amortised cost	31(ii)	B	-	12 months	1,022,707	1,022,602
Mortgage loans and receivables	32	-	Group 2	12 months	847,377	1,013,301
Other receivables (excluding prepayments)		-	Group 2	Mix of both lifetime & 12 months	2,831,451	2,236,328
Deposits with financial institutions	38	-	Group 2	12 months	4,884,739	5,395,553
Cash and bank balances (excluding cash in hand)	38	-	Group 2	12 months	2,417,047	1,683,771
Total					89,065,234	88,764,002

The above table represents a worst-case scenario of credit risk exposure to the Group at 31 December 2025 and 2024, without taking account of any collateral held or other credit enhancements attached. For on-balance sheet assets, the exposures set out above are based on carrying amounts as reported in the statement of financial position. Other receivables balance shown in the table is less prepaid amounts while the cash and bank balances are less cash in hand balances.

As shown above, 83% of the total maximum exposure is derived from government securities (2024: 86%). In the opinion of the Directors there is no other significant concentration of the credit risk at year end.

Mortgage loans are secured by collateral in the form of charges over land and buildings and/or plant and machinery or corporate guarantees. Policy loans are secured by the surrender value of the policies. The fair values of collateral held for mortgages amounted to Shs 1,729,425,000 (2024: Shs 2,016,062,000). In case of default the collateral would be realised thereby reducing the Group's credit risk. There were no changes in the quality of the collaterals.

46. Risk management objectives and policies (continued)

(b) Credit risk- Group and Company (continued)

Maximum exposure to credit risk before collateral held

Company

Assets	Notes	External credit rating	Internal Credit rating	12-month or lifetime ECL	2025	2024
					Shs'000	Shs'000
Corporate bonds held at amortised cost	31(ii)	B	-	12 months	1,022,937	1,028,245
Receivables from related parties	45(i)	-	Group 2	12 months	731,074	721,148
Other receivables (excluding prepayments)		-	Group 2	Mix of both life time & 12 months	486,621	368,173
Deposits with financial institutions	38	-	Group 2	12 months	129,994	194,690
Cash and bank balances (excluding cash in hand)	38	-	Group 2	12 months	31,104	98,696
Total					2,401,730	2,410,952

The above table represents a worst-case scenario of credit risk exposure to the Company at 31 December 2025 and 2024, without taking account of any collateral held or other credit enhancements attached. For on-balance sheet assets, the exposures set out above are based on carrying amounts as reported in the statement of financial position. Other receivables balance shown in the table is less prepaid amounts while the cash and bank balances are less cash in hand balances.

As shown above, 50% of the total maximum exposure is derived from corporate bonds (2024: 49%). In the opinion of the Directors there is no other significant concentration of the credit risk at year end.

Significant increase in credit risk

As explained in Note 2 m (iv), the Group monitors all financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

The Group analyses all data collected using statistical models and estimates the remaining lifetime PD of exposures and how these are expected to change over time. The factors considered in this process include qualitative and quantitative reasonable and supportable forward-looking information as shown in the table below.

The Group generates a 'base case' scenario of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. The Group then uses these forecasts, which are probability-weighted, to adjust its estimates of PDs.

The Group uses different criteria to determine whether credit risk has increased significantly per portfolio of assets. The criteria used are both quantitative changes in PDs as well as qualitative. The table below summarises per type of asset the range above which an increase in credit quality is determined to be significant, as well as some indicative qualitative indicators assessed.

46. Risk management objectives and policies (continued)

(b) Credit risk- Group and Company (continued)

Asset class	Drivers of change in credit quality	Qualitative indicators assessed
Cash at bank and deposits with financial institutions	Downgrade to tie four	Increase in non-performing loans, High Loan Concentration credit rating downgrade, material adverse mention or investigation, change in bank tier, negative change in debt ratios, debt covenant breach, regulator actions among others.
Government securities	Downgrade from investment grade to non-investment grade as per the external ratings	Credit rating downgrade, adverse political instability, military coup / attempt / civil turmoil, hyper inflationary trajectory, external war, significant fall in tax collection rates, significant natural disaster events, warnings from Bretton Woods Institutions, debt restructure, currency devaluation, unemployment rate growth among others.
Corporate debt	Default in contractual cashflows	Credit rating downgrades, significant adverse political turmoil in country of major operations, significant fall in revenue collection, significant natural disaster events, debt restructure, material Adverse change (Change in business model; significant change in priority staff), significant court process interference on business model, insolvency, government agency takeover, financial covenant breach, material representation inaccuracy or warranty breach, material adverse mention, investigation among others.
Staff/ Non staff loans	Default in contractual cashflows	Listing on credit reference bureau, inability to service debt, loss of income, death, permanent disability, imprisonment, number of months in arrears among others.

The Group has monitoring procedures in place to make sure that the criteria used to identify significant increases in credit are effective, meaning that significant increase in credit risk is identified before the exposure is defaulted. The Company performs periodic back-testing of its ratings to consider whether the drivers of credit risk that led to default were accurately reflected in the rating in a timely manner.

46. Risk management objectives and policies (continued)

(b) Credit risk- Group and Company (continued)

Incorporation of forward-looking information

The Group uses forward-looking information that is available without undue cost or effort in its assessment of significant increase of credit risk as well as in its measurement of ECL. The Group uses external and internal information to generate a 'base case' scenario of future forecast of relevant economic variables along with a representative range of other possible forecast scenarios. The external information used includes economic data and forecasts published by governmental bodies and monetary authorities.

The Group applies probabilities to the forecast scenarios identified. The base case scenario is the single most-likely outcome and consists of information used by the Group for strategic planning and budgeting. The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using a statistical analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses. The Group has not made changes in the estimation techniques or significant assumptions made during the reporting period.

The Group continuously monitors changes in the probability of default and loss given ratios to assess changes in credit risk on investment assets. If the probability of default and the loss given ratio had increased/decreased by 10% as at 31 December 2025 with all other variables held constant, the impact on the ECL would be as below.

Group Asset Type (Shs '000)	2025		2024	
	+10% Change on PD&LGD	-10% Change on PD&LGD	+10% Change on PD&LGD	-10% Change on PD&LGD
Cash and bank balances	(688)	688	(139)	139
Deposits with financial institutions	(119)	119	(144)	144
Government Securities at amortized cost	1,387	(1,387)	12,206	(12,206)
Corporate bonds at amortised cost	(953)	953	(150)	150
Mortgage loans receivables	311	(311)	-	-
Other receivables	644	(644)	1,009	(1,009)
Total	582	(582)	12,782	(12,782)

Company Asset Type (Shs '000)	2025		2024	
	+10% Change on PD&LGD	-10% Change on PD&LGD	+10% Change on PD&LGD	-10% Change on PD&LGD
Cash and bank balances	(1)	1	1	(1)
Deposits with financial institutions	(22)	22	27	(27)
Government Securities at amortized cost	-	-	(1)	1
Corporate bonds at amortised cost	(944)	944	(146)	146
Loans and receivables from related parties	1,072	(1,072)	(16)	16
Other receivables	(1,687)	1,687	-	-
Total	1,582	(1,582)	(135)	135

46. Risk management objectives and policies (continued)

(b) Credit risk- Group and Company (continued)

Measurement of ECL

The key inputs used for measuring ECL are:

- probability of default (PD).
- loss given default (LGD); and
- exposure at default (EAD).

As explained above these figures are generally derived from internally developed statistical models and other historical data and they are adjusted to reflect probability-weighted forward-looking information.

PD is an estimate of the likelihood of default over a given time horizon. It is estimated at a point in time. The calculation is based on statistical rating models and assessed using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on market data (where available), as well as internal data comprising both quantitative and qualitative factors. PDs are estimated considering the contractual maturities of exposures and estimated prepayment rates. The estimation is based on current conditions, adjusted to consider estimates of future conditions that will impact PD.

LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that are expected to be received, considering cash flows from any collateral. The LGD models for secured assets consider collateral valuation.

EAD is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, The Company's modeling approach for EAD reflects expected changes in the balance outstanding over the lifetime of the exposure that are permitted by the current contractual terms. The Company uses EAD models that reflect the characteristics of the portfolios.

The Company measures ECL considering the risk of default over the maximum contractual period (including extension options) over which the entity is exposed to credit risk and not a longer period, even if contract extension or renewal is common business practice.

The measurement of ECL is based on probability weighted average credit loss. As a result, the measurement of the loss allowance should be the same regardless of whether it is measured on an individual basis or a collective basis (although measurement on a collective basis is more practical for large portfolios of items). In relation to the assessment of whether there has been a significant increase in credit risk it can be necessary to perform the assessment on a collective basis as noted below.

Groupings based on shared risks characteristics

When ECL are measured on a collective basis, the financial instruments are grouped based on shared risk characteristics, such as:

- Asset type; and
- Intermediary.

The groupings are reviewed on a regular basis to ensure that each group is comprised of homogenous exposures.

Stages of credit quality and expected credit loss measurement

The Group evaluates financial instruments based on their credit characteristics and assesses any changes in credit risk since origination before grouping them into stages. The groupings are reviewed and updated on a regular basis. The table below shows the staging criteria applied across financial assets.

Stage 1	Stage 2	Stage 3
Performing	Underperforming	Non-Performing
No significant change in credit risk since initial recognition.	Significant increase in Credit risk since initiation. No Objective evidence of impairment	Financial instruments that have deteriorated significantly in credit quality since initial recognition. Credit impairment evident

46. Risk management objectives and policies (continued)

(b) Credit risk- Group and Company (continued)

Impairment and provisioning policies

The loss allowance recognised in the period is impacted by a variety of factors as follows:

- Transfers between Stage 1 and Stage 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit impaired in the period, and the consequent "step up" or "step down" between 12-month and lifetime ECL.
- Additional allowance for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period.
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models.
- Foreign exchange retranslations for assets denominated in foreign currencies and other movements; and
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

Britam uses a scoring methodology to come up with asset ECLs. The table provides details of the key principles applied over each asset class that is in scope.

Financial asset	Description	Key principles applied
Cash and bank balances	Cash assets have been defined as cash in bank, on hand or in other accounts. These exclude liquid deposits held with financial institutions	Britam annually performs the bank credit risk analysis for banking institutions, within which institutions are scored and ranked. Institutions are then assigned an internal rating rank based on the score and assigned a credit ratings with a macro economic outlook adjustment.
Deposits with financial institutions	Deposits with financial institutions are cash transfers to financial institutions for the purposes of a term investment during which the principal can be redeemed with interest earned at the call of the investor. This will exclude any cash in a bank account that is earning interest on existing balances	Britam annually performs the bank credit risk analysis for banking institutions, within which institutions are scored and ranked. Institutions are then assigned an internal rating rank based on the score and assigned a credit ratings with a macro economic outlook adjustment.
Corporate debt at amortised cost	This is secured or unsecured short term or long-term debt issued by a corporation.	Britam utilizes a scoring methodology while reviewing corporate debt credit risk that evaluates the financial health of the issuer and the issue covenants. These scores are then adjusted with a macroeconomic factor.
Government Securities	This is secured or unsecured short term or long-term debt issued by a sovereign Government	Britam utilizes a scoring methodology while reviewing sovereign debt credit risk. The scores are adjusted for credit risk ratings and a macro economic outlook adjustment.
Other receivables	These are all other receivables that are neither investment assets nor insurance receivable	These are each assessed individually based on the unique factors that include nature, aging, collateral to determine a loss rate adjusted with a macroeconomic factor

46. Risk management objectives and policies (continued)

(b) Credit risk- Group and Company (continued)

Impairment and provisioning policies

The Group has determined the level of risk as below

Financial asset	Credit risk attributes
Cash and bank balances	<p>There has been no significant increase in credit risk as:</p> <p>All cash is held with financial institutions with low risk of default.</p> <p>The cash is accessible whenever needed or on maturity of the deposits</p> <p>There are no adverse economic changes expected to impact the banks' ability to meet the obligations when they fall due</p>
Deposits with financial institutions	
Government securities	<p>There has been no significant increase in credit risk as:</p> <p>All government paper is with the Government of Kenya with low risk of default</p> <p>The Government is able to its obligations i.e. coupons and redemptions when they fall due</p> <p>There are no adverse economic changes expected to impact the ability of the Government to meet its obligations when they fall due</p>
Mortgage loans receivables	<p>There has been no significant increase in credit risk as:</p> <p>All loans are secured on the mortgaged property (land and building) thus low risk of default</p> <p>The collateral value covers the outstanding obligations</p> <p>There are no adverse economic changes expected to impact on the value of the collateral or ability of the borrowers to meet their obligations</p> <p>The loan is covered through a credit life insurance cover on the borrower</p>
Corporate bonds at amortised cost	<p>These items are assessed at each reporting date based on their respective external credit ratings where available and other financial and non-financial information.</p>
Loans and receivables from related parties	<p>Assessed as low credit risk</p> <p>All related parties are under the control of the same Group with low risk of default</p> <p>There are no adverse economic changes expected to impact the ability of the group companies to meet their obligations</p>
Other receivables	<p>Incorporates different counterparties including staff, agents and others, all of which are assessed independently. The simplified approach has been applied.</p>

46. Risk management objectives and policies (continued)

(b) Credit risk- Group and Company (continued)

The following tables explain the changes in the loss allowance in the year:

General approach

The Group applies the general approach to compute the loss allowance for the following assets:

- Cash and bank balances
- Deposits with financial institutions
- Corporate debt at amortised cost
- Government Securities at amortised cost
- Mortgage
- Loans and receivables from related parties
- Other receivables

	Group				Company			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		12-month ECL	Lifetime ECL	Lifetime ECL	
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
At 1 January 2024	129,570	154,116	243,596	527,282	39,089	65,151	376,947	481,187
Net staging transfers	-	-	-	-	-	-	-	-
Changes in PDs/LGDs/EADs	9,970	87,217	30,633	127,820	-	(1,353)	-	(1,353)
Net charge to profit or loss in the year	9,970	87,217	30,633	127,820	-	(1,353)	-	(1,353)
Write-offs	-	-	(87,750)	(87,750)	-	-	(87,750)	(87,750)
At 31 December 2024	139,540	241,333	186,479	567,352	39,089	63,798	289,197	392,084
Net staging transfers	-	-	-	-	-	-	-	-
Changes in PDs/LGDs/EADs	(8,070)	4,335	9,546	5,811	(9,673)	10,719	(16,866)	(15,820)
Net charge to profit or loss in the year	(8,070)	4,335	9,546	5,811	(9,673)	10,719	(16,866)	(15,820)
Other movements with no profit or loss impact:								
Write-offs	-	-	(4,995)	(4,995)	-	-	-	-
At 31 December 2025	131,470	245,668	191,030	568,168	29,416	74,517	272,331	376,264

46. Risk management objectives and policies (continued)

(b) Credit risk- Group and Company (continued)

The reconciliation in the provision for impairment for each of the financial assets is disclosed in the table below.

Group

	Cash and bank balances	Government securities at amortised cost	Corporate bonds at amortised cost	Mortgage loans receivable	Other receivables	Total
	Shs 000	Shs 000	Shs 000	Shs 000	Shs 000	Shs 000
Balance as at 1 January 2024	125,906	42,765	31,978	55,496	271,221	527,282
Changes in PDs/LGDs/ EADs	(2,829)	122,059	(1,504)	-	10,094	127,820
New financial assets originated/purchased	-	-	-	-	-	-
Net charge to profit or loss in the year	-	-	-	-	-	-
Other movements with no profit or loss impact:						
Write-offs	-	-	-	-	(87,750)	(87,750)
Balance as at 31 December 2024	123,077	164,824	30,474	55,496	193,481	567,352
Changes in PDs/LGDs/ EADs	(8,070)	13,869	(9,534)	3,108	6,438	5,811
New financial assets originated or purchased	-	-	-	-	-	-
Net charge to profit or loss in the year	(8,070)	13,869	(9,534)	3,108	6,438	5,811
Other movements with no profit or loss impact:						
Write-offs	-	-	-	-	(4,995)	(4,995)
Balance as at 31 December 2025	115,007	178,693	20,940	58,604	194,924	568,168

46. Risk management objectives and policies (continued)

(b) Credit risk- Group and Company (continued)

The reconciliation in the provision for impairment for each of the financial assets is disclosed in the table below.

Company

	Cash and bank balances	Government Securities	Corporate bonds at amortised cost	Loans and receivables from related parties	Other receivables	Total
	Shs 000	Shs 000	Shs 000	Shs 000	Shs 000	Shs 000
Balance as at 1 January 2024	11	35	31,138	329,289	120,714	481,187
Net staging transfers						
Changes in PDs/LGDs/EADs	279	(6)	(1,462)	(164)	-	(1,353)
New financial assets originated or purchased						-
Net charge to profit or loss in the year	279	(6)	(1,462)	(164)	-	(1,353)
Other movements with no profit or loss impact:						
Write-offs	-	-	-	-	(87,750)	(87,750)
Balance as at 31 December 2024	290	29	29,676	329,125	32,964	392,084
Net staging transfers						
Changes in PDs/LGDs/EADs	(237)	-	(9,436)	10,719	(16,866)	(15,820)
New financial assets originated or purchased						
Net charge to profit or loss in the year	(237)	-	(9,436)	10,719	(16,866)	(15,820)
Other movements with no profit or loss impact:						
Write-offs						
Balance as at 31 December 2025	53	29	20,240	339,844	16,098	376,264

46. Risk management objectives and policies (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Group, though solvent either does not have sufficient financial resources available to meet all its obligations and commitments as they fall due or can secure them only at excessive costs. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group's treasury maintains a portfolio of short-term liquid assets, largely made up of short-term liquid investment securities and bank deposits.

The Group is exposed to daily calls on its available cash resources from maturing policies, claims and calls on cash settled contingencies. The investments and treasury department monitors liquidity on a daily basis.

The table below presents the cash flows payable by the Group under liabilities by the remaining contractual maturities (other than insurance and investment contract liabilities which are based on expected maturities) at the reporting date.

31 December 2025	Carrying Values	0-3 or on demand Months	4-12 Months	1-5 Years	Over 5 Years	Total
Liabilities	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000
Insurance contract liabilities	192,726,186	1,375,394	5,011,723	186,009,169	177,610,083	370,006,369
Reinsurance contract liabilities	156,024	71,520	1,412	46,203	52,716	171,851
Borrowings	756,844	-	-	-	756,844	756,844
Lease liability	785,592	39,994	264,423	753,172	-	1,057,589
Provisions and other payables	6,296,341	59,892	5,669,267	1,718,795	-	7,447,954
Total financial liabilities	200,720,987	1,546,800	10,946,825	188,527,339	178,419,643	379,440,607
31 December 2024	Carrying Values	0-30 or on demand Months	4-12 Months	1-5 Years	Over 5 Years	Total
Liabilities	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000
Insurance contract liabilities	163,438,045	1,157,408	4,217,415	156,528,577	149,460,662	311,364,062
Reinsurance contract liabilities	590,427	60,185	169,490	543,786	44,361	817,822
Borrowings	1,100,586	39,663	491,341	638,912	-	1,169,916
Lease liability	784,972	33,655	222,515	633,802	-	889,972
Provisions and other payables	6,666,582	70,477	4,951,325	1,644,780	-	6,666,582
Total financial liabilities	172,580,612	1,361,388	10,052,086	159,989,857	149,505,023	320,908,354

46. Risk management objectives and policies (continued)

(c) Liquidity risk

All figures are in thousands of Kenya Shillings and are presented undiscounted.

Company

At 31 December 2025	Carrying Values Shs '000	0 – 30 or on demand Months Shs '000	4 -12 Months Shs '000	1-5 Years Shs '000	Totals Shs '000
Liabilities					
Borrowings	464,875	-	-	464,875	464,875
Lease liability	140,034	38,392	89,011	71,337	198,740
Provisions and other payables	1,149,990	151,771	590,331	530,221	1,149,990
Related party balances	1,587,008	593,890	840,111	253,997	1,587,008
Total financial liabilities	3,341,907	784,053	1,296,130	1,320,430	3,400,613

At 31 December 2024

Liabilities					
Borrowings	510,554	-	-	510,554	510,554
Lease liability	143,751	64,432	109,507	-	173,939
Provisions and other payables	1,782,910	381,618	150,760	1,250,532	1,782,910
Related party balances	1,505,615	582,164	823,524	99,927	1,505,615
Total financial liabilities	3,942,830	1,028,214	1,083,791	1,861,013	3,973,018

The table below shows the liquidity surplus/(gap) assessed on the carrying values

	Group		Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
	Carrying values Shs '000	Carrying values Shs '000	Carrying values Shs '000	Carrying values Shs '000
Liabilities				
Borrowings:				
- Other borrowings	756,844	1,100,586	464,875	510,554
Lease liability	785,592	784,972	140,034	143,751
Provisions and other payables	6,303,700	6,666,582	1,160,281	1,782,910
Total financial liabilities	7,846,136	8,552,140	1,765,190	2,437,215
Assets held for managing liquidity risk				
Cash and cash equivalents	7,184,997	6,956,247	161,045	293,096
Financial assets at fair value	112,327,396	79,732,942	-	-
Financials assets at amortised cost	78,084,620	78,435,049	1,015,538	1,011,436
Other receivables	2,783,221	2,145,510	471,424	339,145
Total assets	200,380,234	167,269,748	1,648,007	1,643,677
Liquidity surplus/(gap)	192,515,848	158,717,608	(107,312)	(793,538)

46. Risk management objectives and policies (continued)

(d) Market risk

i. Price risk

The Group is exposed to equity securities price risk because of investments in quoted equity investments classified either at fair value through profit or loss or fair value through other comprehensive income. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity and debt securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with limits set by the Group.

Management considers a movement of 15% on the Nairobi Securities Exchange (NSE index) reasonable due to the relative stability of the NSE over the years.

At 31 December 2025, if the Nairobi Securities Exchange (NSE) prices had changed by 15% (2024: 15%) with all other variables held constant and all the Group's equity instruments moved according to the historical correlation to the index, consolidated pre-tax profit for the year would have been Shs 615,158,000 (2024: Shs 300,197,000) higher/lower, and the equity would have been Shs 430,610,000 (2024: Shs 210,137,000) higher/lower.

The concentration on equities in general and on specific counters is closely monitored. As at 31 December 2025 and 31 December 2024, the group had no significant concentration in any specific counter.

ii. Cash flow and fair value interest rate risk

The Group is exposed to cash flow and interest rate risk as a result of holding interest bearing assets which comprise of quoted corporate bonds, mortgages, staff loans; inter-company loans, investment in liquid funds, government securities, fixed deposits with financial institutions and policy loans are all at fixed rate. Other assets: cash and interest earning bank balances are at floating rate. The Group also has borrowings at fixed rates. No limits are placed on the ratio of variable rate borrowing to fixed rate borrowing.

The Group manages its cash flow interest rate risk by ensuring that only minimum amounts necessary for running the business operations are kept as cash and bank balances.

At 31 December 2025, if interest rates on government securities classified as financial assets at fair value through profit and loss had been 1% higher/lower with all other variables held constant, post-tax profit for the year would have been Shs 45,169,000 (2024: Shs 82,779,400) higher/lower mainly as a result of increase or decrease in the fair value of the government securities. The Company did not have a material exposure to interest rate risk in 2025 and 2024.

iii. Foreign exchange risk

Group

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Ugandan shilling (UGX), Rwanda Franc (RWF), South Sudan pound (SSP), Malawi Kwacha (MWK), Mozambique Metical (MZN), US dollar (USD) and the UK pound (GBP). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The Directors have set up a policy to require group companies to manage their foreign exchange risk against their functional currency. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The percentages applied for each of the currencies below have been selected based on the stability of the currencies in the various economies.

At 31 December 2025, if the UGX had strengthened/weakened by 5% (2024: 5%) against the Kenya shillings with all other variables held constant, other comprehensive income and equity for the Group for the year would have been Shs 727,000 (2024: Shs 14,341,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of UGX denominated Net assets.

At 31 December 2025, if the RWF had strengthened/weakened by 5% (2024: 5%) against the Kenya shillings with all other variables held constant, other comprehensive income and equity for the Group for the year would have been Shs 30,093,000 (2024: Shs 3,832,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of RWF denominated trade receivables and payables.

At 31 December 2025, if the TZS had strengthened/weakened by 5% (2024: 5%) against the Kenya shillings with all other variables held constant, other comprehensive income and equity for the Group for the year would have been Shs 17,990,000 (2024: Shs 2,947,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of TZS denominated trade receivables and payables.

46. Risk management objectives and policies (continued)

(d) Market risk(continued)

At 31 December 2025, if the MWK had strengthened/weakened by 5 % (2024: 5%) against the Kenya shillings with all other variables held constant, other comprehensive income and equity for the Group for the year would have been Shs 10,936,000 (2024: Shs 4,541,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of MWK denominated trade receivables and payables.

At 31 December 2025, if the MZN had strengthened/weakened by % (2024: 5%) against the Kenya shillings with all other variables held constant, other comprehensive income and equity for the Group for the year would have been Shs 10,936,000 (2024: Shs 178,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of MZN denominated trade receivables and payables.

At 31 December 2025, if the SSP had strengthened/weakened by 5% (2024: 5%) against the Kenya shillings with all other variables held constant, other comprehensive income and equity for the Group for the year would have been Shs 42,653,000 (2024: Shs 48,837,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of SSP denominated net assets. The Group had no material exposure to the USD, Euro and GBP as of 31 December 2025 and 31 December 2024.

Company

The Company did not have material exposure to foreign exchange risk.

(e) Capital management

The Group's objectives when managing capital, which is a broader concept than 'equity' on the statement of financial position, are:

To safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

To maintain a strong capital base to support the development of its business.

To provide an adequate return to shareholders by pricing insurance and investment contracts commensurately with the level of risk; and

To have sufficient capital to enable the Group subsidiaries to comply with the capital requirements set by the various regulatory statutory acts in individual countries.

The Group's capital comprises share capital as disclosed on Note 17 and the regulatory capital held in subsidiary companies. Management of each subsidiary monitors regulatory capital while the Business Planning Committee has the responsibility of allocating resources efficiently as well as ensuring these are aligned to the Groups risk appetite.

In addition to the capital requirements, the Group's insurance subsidiaries are subject to solvency requirements by Insurance Regulatory Authority in the case of Kenya and other regulatory bodies as disclosed in Note 45 (i) for the other subsidiaries. These solvency requirements involve application of a formula that limits various assets by distribution of investment exposure to any single counter party, nature of asset etc and are established and revised from time to time by the regulatory body. Solvency margin is the difference between the required solvency as per the regulators and the actual solvency of the business.

The status of the capital requirements as at 31 December are set out below for each regulated subsidiary.

46. Risk management objectives and policies (continued)

(e) Capital management (continued)

(i) Britam General Insurance Company (Kenya) Limited	2025		2024	
	Regulatory requirement Shs'000	Maintained by the Company Shs'000	Regulatory requirement Shs'000	Maintained by the Company Shs'000
Capital at 31 December	600,000	2,668,000	600,000	2,668,000
Solvency margin	3,886,761	5,833,532	2,753,176	5,373,175

(ii) Britam Insurance Company (Uganda) Limited	2025		2024	
	Regulatory requirement UGX '000	Maintained by the Company UGX'000	Regulatory requirement UGX'000	Maintained by the Company UGX '000
Short-term capital	6,00,000	14,360,000	6,00,000	14,360,000
Solvency margin	11,838,731	37,990,483	11,343,200	36,154,667

(iii) Britam Micro Insurance Company (Kenya) Limited *	2025		2024	
	Regulatory requirement Shs'000	Maintained by the Company Shs'000	Regulatory requirement Shs'000	Maintained by the Company Shs'000
Capital at 31 December	50,000	100,000	50,000	100,000
Solvency margin	276,477	61,668	-	-

* Britam Micro Insurance Company (Kenya) Limited did not underwrite insurance business in 2024.

(iv) Britam Insurance Company (South Sudan) Limited	2025		2024	
	Regulatory requirement USD'000	Maintained by the Company USD'000	Regulatory requirement USD'000	Maintained by the Company USD'000
Capital at 31 December	5,000	5,000	4,500	4,500

(v) Britam Insurance Company (Rwanda) Limited	2025		2024	
	Regulatory requirement Rwfs'000	Maintained by the Company Rwfs'000	Regulatory requirement Rwfs'000	Maintained by the Company Rwfs'000
Capital at 31 December	1,000,000	3,431,960	1,000,000	3,431,960
Solvency margin	1,074,307	2,022,953	769,198	1,280,859

(vi) Britam - Companhia De Seguros De Mozambique S.A.	2025		2024		2023	
	Regulatory requirement Mzns'000	Maintained by the Company Mzns'000	Regulatory requirement Mzns'000	Maintained by the Company Mzns'000	Regulatory requirement Mzns'000	Maintained by the Company Mzns'000
Capital at 31 December	97,000	300,907	97,000	300,907	97,000	300,907
Solvency margin	139,317	509,195	134,332	514,226	134,332	514,226

46. Risk management objectives and policies (continued)

(e) Capital management (continued)

	2025		2024	
(vi) Britam Insurance Company (Tanzania) Limited	Regulatory requirement TShs'000	Maintained by the Company TShs'000	Regulatory requirement TShs'000	Maintained by the Company TShs'000
Capital at 31 December	2,108,744	2,289,000	2,108,744	2,289,000
Solvency margin	3,527,403	5,166,482	3,392,074	6,901,502

	2025		2024	
(vii) Britam Insurance Company (Malawi) Limited	Regulatory requirement Mwks'000	Maintained by the Company Mwks'000	Regulatory requirement Mwks'000	Maintained by the Company Mwks'000
Capital at 31 December	750,000	1,864,343	750,000	1,864,343
Solvency margin	2,301,239	5,076,747	1,799,138	3,111,397

	2025		2024	
(viii) Britam Life Assurance Company (Kenya) Limited	Regulatory requirement Shs'000	Maintained by the Company Shs'000	Regulatory requirement Shs'000	Maintained by the Company Shs'000
Capital at 31 December	400,000	1,200,000	400,000	1,200,000
Solvency margin	11,506,149	17,201,457	9,344,209	14,536,611

	2025		2024	
(ix) Britam Life Assurance Company (Uganda) Limited	Regulatory requirement UGX'000	Maintained by the Company UGX'000	Regulatory requirement UGX'000	Maintained by the Company UGX'000
Capital at 31 December	4,500,000	4,500,000	4,500,000	4,500,000
Solvency margin	2,510,602	12,500,000	1,369,165	866,584

The Group's asset management subsidiary, Britam Asset Managers (Kenya) Limited, files the required information with the Capital Markets Authority on a quarterly basis.

46. Risk management objectives and policies (continued)

(e) Capital management (continued)

(xi) Britam Asset Managers Company (Kenya) Limited	2025		2024	
	Regulatory requirement Shs'000	Maintained by the Company Shs'000	Regulatory requirement Shs'000	Maintained by the Company Shs'000
Capital at 31 December	10,000	288,500	10,000	288,500
Working capital at 31 December	16,282	427,143	15,099	116,070

The Capital Markets Authority requires that the Company maintain a working capital which should not fall below the higher of 20% of the required minimum share capital of Shs 10 million or 3 times the average monthly operating costs. The amount reflected above is thus computed based on 3 times the average monthly operating costs.

47. Fair value Measurement

IFRS 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy for financial instruments that are measured in the statement of financial position at fair value.

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's and Company's assets and liabilities that are measured at fair value at 31 December 2025 and 2024:

Group 2025		Level 1	Level 2	Level 3	Total
Assets	Note	Shs'000	Shs'000	Shs'000	Shs'000
Financial assets at fair value through profit or loss designated					
- Quoted equity investments	30	4,101,056	-	-	4,101,056
- Unquoted equity investments	30	-	-	77,473	77,473
- Government securities	30	-	87,245,680	-	87,245,680
- Investments in collective investments schemes	30	-	20,903,187	-	20,903,187
Property and equipment – building	22	-	-	708,114	708,114
Investment property	29(i)	-	-	16,437,182	16,437,182
Total assets		4,101,056	108,148,867	17,222,769	129,472,692

47. Fair value Measurement (continued)

Group 2024		Level 1	Level 2	Level 3	Total
Assets	Note	Shs'000	Shs'000	Shs'000	Shs'000
Financial assets at fair value through profit or loss – designated					
- Quoted equity investments	30	2,001,313	-	-	2,001,313
- Unquoted equity investments	30	-	-	78,560	78,560
- Government securities	30	-	66,435,794	-	66,435,794
- Investments in collective investments schemes	30	-	11,217,275	-	11,217,275
Property and equipment – building	22	-	-	680,454	680,454
Investment property	29(i)	-	-	16,525,728	16,525,728
Total assets		2,001,313	77,653,069.	17,284,742	96,939,124

There were no transfers between Levels 1, 2 and 3 during the year.

Company 2025		Level 1	Level 2	Level 3	Total
Assets	Notes	Shs'000	Shs'000	Shs'000	Shs'000
Investment property	29(i)	-	-	50,000	50,000
Total assets		-	-	50,000	50,000

Company 2024		Level 1	Level 2	Level 3	Total
Assets	Notes	Shs'000	Shs'000	Shs'000	Shs'000
Investment property	29(i)	-	-	75,000	75,000
Total assets		-	-	75,000	75,000

There were no transfers between levels 1, 2 and 3 during the year.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in Level 1.

Instruments included in Level 1 comprise primarily NSE equity investments classified as at fair value through profit or loss or at fair value through other comprehensive income.

The fair value of financial instruments that are not traded in an active market (for example, government bonds and Investments in collective investment schemes) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

47. Fair value Measurement (continued)

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Specific valuation techniques used to value financial instruments include:

- Quoted market prices
- The fair value of government securities is based on a yield curve which is based on trades of equivalent bonds in the Nairobi stock exchange.
- The fair value of Investments in collective investment schemes is based on the computed net share in each fund which is based on applying the market value of underlying investments to units held.

Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The Group had Level 3 financial instruments (unquoted stock) amounting to Shs 77,473,000 as at 31 December 2025 (2024: Shs 78,560,000). The unlisted equity investment relates to Uganda Re and TanRe that are held by Britam Insurance Company (Uganda) Limited and Britam Insurance Company (Tanzania) Limited respectively are carried at fair value.

The relationship between the subsidiaries and the investee entities is at arm's length. The subsidiaries do not intend to dispose of this investment in the foreseeable future.

The following table presents the changes in Level 3 instruments for the year ended 31 December.

Level 3 unquoted stock

	Group	
	2025	2024
	Shs '000	Shs '000
At start of year	78,560	74,929
Additions	-	725
Fair value gains	673	(2,768)
Translation (loss)/gain	(1,760)	5,674
At end of year	77,473	78,560

There were no transfers in and out of level 3.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. For the unquoted equity investments carried by the Group in December 2025 and 2024.

Type	Valuation Technique	Significant unobservable inputs
Equity securities (Unquoted)	Comparable/relative valuation: The method involves using multiples of price per share/ book value of equity per share of comparable Companies.	The valuation is based on net asset

47. Fair value Measurement (continued)

The table here below shows the fair value amounts of assets and liabilities being carried at amortised cost:

Group	Notes	Fair value Level	2025		2024	
			Carrying amounts at amortised Shs '000	Fair value Shs '000	Carrying amounts at amortised Shs '000	Fair value Shs '000
Assets						
Government securities	31(i)	Level 1	77,061,913	89,591,771	77,577,271	75,520,032
Corporate bonds	31(ii)	Level 2	1,022,707	1,022,707	1,022,602	1,022,602
Mortgage loans and receivables	32	Level 2	788,773	788,773	957,805	957,805
Other receivables	38	Level 2	2,783,221	2,783,221	2,145,510	2,145,510
Total assets			81,656,614	94,186,472	81,703,188	79,645,949
Liabilities						
Borrowings	16(i)	Level 2	756,844	756,844	1,100,586	1,100,586
Provisions and other payables	40	Level 2	6,303,700	6,303,700	6,666,582	6,666,582
Total liabilities			7,060,544	7,060,544	7,767,168	7,767,168

The fair value of the Group's other financial assets and liabilities other than government securities approximate the respective carrying amounts due to the generally short periods to contractual repricing or maturity dates. Refer to Note 46(b) for the collateral amounts for mortgage loans and receivables and loans.

Company	Notes	Fair value Level	2025		2024	
			Carrying amounts at amortised Shs '000	Fair value Shs '000	Carrying amounts at amortised Shs '000	Fair value Shs '000
Assets						
Government securities	31(i)	Level 1	12,871	13,209	12,896	12,922
Corporate bonds	31(ii)	Level 2	1,002,696	1,022,937	998,569	1,028,245
Related party balances	32	Level 2	391,230	391,230	392,023	392,023
Other receivables	37	Level 2	471,424	487,522	339,145	339,145
Total assets			1,878,221	1,914,898	1,742,633	1,772,335
Liabilities						
Borrowings	16(i)	Level 2	464,875	464,875	510,554	510,554
Provisions and other payables	40	Level 2	1,160,281	1,160,281	1,782,910	1,782,910
Total liabilities			1,625,156	1,625,156	2,293,464	2,293,464

48. Segmental information - Group

The Executive Management Committee, which serves as the chief operating decision-maker, has determined the operating segments based on the reports they review and that they use to make strategic decisions. All operating segments used by Executive Management Committee meet the definition of a reportable segment under IFRS 8.

The Group is organised on a business line basis into five operating segments. Lines of business are based on the distinct nature of products being offered and their significance/contribution to the Group's revenue and/or profit. These segments distribute their products through various forms of brokers, agencies and direct marketing programmes.

These segments and their respective operations are as follows:

Life insurance business

The products of this line of business provide protection to the Group's customers against the risk of death, disability, critical illness and other accidents. All contracts in this segment offer fixed and guaranteed benefits over the contractual term. Revenue from this segment is derived primarily from insurance premium, investment income, net realised gains on financial assets and net fair value gains on financial assets at fair value through profit or loss. Life insurance offers an extensive range of products that serve the wide array of insurance needs of its customers including unit linked products, education plans, whole life plans and other conventional products. It also provides group life and critical illness products, disability products, individual pension plans, umbrella pension plans and corporate pension plans.

The Group issues contracts that transfer insurance risk or financial risk or both. Insurance contracts are those contracts that transfer significant insurance risk. Such contracts may also transfer financial risk. As a general guideline, the Group defines significant insurance risk as the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more than the benefits payable if the insured event did not occur.

Investment contracts are those contracts that transfer financial risk with no significant insurance risk. See accounting policy for these contracts under Note 2(h). Insurance contracts are classified into two main categories depending on the duration of risk and as per the provisions of the Insurance Act.

Includes insurance business of all or any of the following classes, namely, ordinary life, Group life, credit life, Annuities, Unit-linked products and pension and business incidental to any such class of business.

Life assurance business means the business of, or in relation to, the issuing of, or the undertaking of liability to pay money on death or on the happening of any contingency dependent on the termination or continuance of human life (either with or without provision for a benefit under a continuous disability insurance contract), and include a contract which is subject to the payment of premiums for term dependent on the termination or continuance of human life and any contract securing the grant of an annuity for term dependent upon human life.

Non-life insurance business

The products of this line of business provide protection to customers' assets (particularly their properties, both for personal and commercial business.) All contracts in this segment are over a short contractual term. Revenue in this segment is derived primarily from insurance premiums, investment income, net realised gains on financial assets, and net fair value gains on financial assets at fair value through profit or loss.

This is insurance business of any class or classes that is not long term insurance business. Classes of general Insurance include Aviation insurance, Engineering insurance, Fire insurance – domestic risks, Fire insurance – industrial and commercial risks, Liability insurance, Marine insurance, Motor insurance – private vehicles, Motor insurance – commercial vehicles, Personal accident insurance, Theft insurance, Workmen's Compensation and Employer's Liability insurance and Miscellaneous insurance. Miscellaneous insurance refers to other classes of business not included under those listed above.

Motor insurance business means the business of affecting and carrying out contracts of insurance against loss of, or damage to, or arising out of or in connection with the use of motor vehicles, inclusive of third party risks but exclusive of transit risks.

Personal Accident insurance business means the business of affecting and carrying out contracts of insurance against risks of the persons insured sustaining injury as the result of an accident or of an accident of a specified class or dying as the result of an accident or of an accident of a specified class or becoming incapacitated in consequence of disease or of disease of a specified class. It also includes business of effecting and carrying out contracts of insurance against risk of persons insured incurring medical expenses.

48. Segmental information - Group (continued)

Life insurance business (continued)

Fire insurance business means the business of affecting and carrying out contracts of insurance, otherwise than incidental to some other class of insurance business against loss or damage to property due to fire, explosion, storm and other occurrences customarily included among the risks insured against in the fire insurance business, damage to property due to fire, explosion, storm and other occurrences customarily included among the risks insured against in the fire insurance business.

Asset management

The asset management products include discretionary/segregated portfolio management services, wealth management services as well as Investments in collective investment schemes.

Property

The property business is inclusive of purchase and sale of property. It also includes buying of land, developing it and selling it off to third parties or even renting it out.

Most of the contracts are long term in nature. The major sources of income will be from sale of property, rent income and from property revaluation.

Corporate and other

Includes corporate operations, after allocations to operating segments. Corporate operations consist primarily of (1) corporate-level income and expenses; (2) returns from investments not allocated to any operating segments, including debt-financed investment portfolios.

48. Segmental information - Group (continued)

The segment information provided to the Executive Management Committee for the reportable segments for the year ended 31 December 2025 and 2024 is as follows:

(a) Profit per segment

2025	Life insurance business Shs'000	Non-life insurance business Shs'000	Asset Management Shs'000	Property Shs'000	Other Shs'000	Total Shs'000
Insurance revenue	13,688,650	27,965,543	-	-	-	41,654,193
Insurance service expenses	(10,172,655)	(20,689,114)	-	-	-	(30,861,769)
Net expenses from reinsurance contracts held	(877,203)	(6,459,975)	-	-	-	(7,337,178)
Insurance service result	2,638,792	816,454	-	-	-	3,455,246
Net income from investment property	897,277	10,281	3,155	593,524	10,998	1,515,235
Interest computed using effective interest method	8,447,684	2,309,869	52,957	68,727	185,225	11,064,462
Interest and dividend	10,079,220	678,629	1,320	-	1,476,203	12,235,372
Net realised gains on financial assets	535,654	22,988	-	-	-	558,642
Net unrealised fair value gains on financial assets	8,325,789	226,206	1,061	-	76,182	8,629,238
Net investment income	28,285,624	3,247,973	58,493	662,251	1,748,608	34,002,949
Finance income/expenses from insurance contracts issued	(25,701,798)	(1,852,413)	-	-	-	(27,554,211)
Finance income/expenses from reinsurance contracts	150,818	857,751	-	-	-	1,008,569
Net insurance finance income/expenses	(25,550,980)	(994,662)	-	-	-	(26,545,642)
Net insurance and investment result	5,373,436	3,069,765	58,493	662,251	1,748,608	10,912,553
Fund management fees	-	-	1,199,377	-	4,969	1,204,346
Other income	(2,557)	544,087	32,132	55,146	14,611	643,419
Other expenses	(737,002)	(999,860)	(688,604)	(33,939)	(494,189)	(2,953,594)
Fund management commission expense	-	-	(260,375)	-	(2,419)	(262,794)
Other finance costs	(42,873)	(50,878)	(8,675)	(7,664)	(247,690)	(357,780)
Reportable segment profit	4,591,004	2,563,114	332,348	675,794	1,023,890	9,186,150
Share of profit of associates	709,934	-	-	-	56,323	766,257
Segment (loss)/profit before tax	5,300,938	2,563,114	332,348	675,794	1,080,213	9,952,407
Tax (expense)/credit	(1,597,990)	(736,486)	12,423	(730)	(44,478)	(2,367,261)
Segment profit after tax	3,702,948	1,826,628	344,771	675,064	1,035,735	7,585,146

The reconciliation of the segment profit after tax for all segments to the consolidated income statement is shown in Note 48 (c).

48. Segmental information - Group (continued)

The revenue from external parties reported to the Executive Management Committee is measured in a manner consistent with that in the income statement. The Executive Management Committee assesses the performance of the operating segments based on the profit before tax as detailed above.

(a) Profit per segment

2024	Life insurance business Shs'000	Non-life insurance business Shs'000	Asset Management Shs'000	Property Shs'000	Other Shs'000	Total Shs'000
Insurance revenue	10,294,133	27,262,601	-	-	-	37,556,734
Insurance service expenses	(6,818,731)	(20,472,519)	-	-	-	(27,291,250)
Net expenses from reinsurance contracts held	271,149	(5,469,662)	-	-	-	(5,198,513)
Insurance service result	3,746,551	1,320,420	-	-	-	5,066,971
Net income from investment property	870,334	9,560	(10,564)	465,132	152,653	1,487,115
Interest computed using effective interest method	8,012,731	2,517,646	23,065	69,399	232,440	10,855,281
Interest and dividend income	8,374,609	91,172	9,600	-	475,843	8,951,224
Net realised gains on financial assets	697,152	14,666	-	-	(77,113)	634,705
Net unrealised fair value gains on financial assets at fair value through profit or loss	9,955,429	122,558	-	-	(73,653)	10,004,334
Net investment income	27,910,255	2,755,602	22,101	534,531	710,170	31,932,659
Finance income/expenses from insurance contracts issued	(25,312,837)	(2,422,597)	-	-	-	(27,735,434)
Finance income/expenses from reinsurance contracts held	149,954	1,146,145	-	-	-	1,296,099
Net insurance finance income/expenses	(25,162,883)	(1,276,452)	-	-	-	(26,439,335)
Net insurance and investment result	6,493,923	2,799,570	22,101	534,531	710,170	10,560,295
Fund management fees	-	-	882,608	-	-	882,608
Other income	(26,087)	1,248,925	45,554	46,661	11,466	1,326,519
Other expenses	(1,062,413)	(1,087,368)	(694,727)	(39,754)	(1,011,984)	(3,896,246)
Fund management commission expense	-	-	(179,779)	-	-	(179,779)
Other finance costs	(37,174)	(66,257)	(16,951)	(5,936)	(260,835)	(387,153)
Reportable segment profit/(loss)	5,368,249	2,894,870	58,806	535,502	(551,183)	8,306,244
Share of profit of associates	241,950	-	-	-	98,276	340,226
Segment profit/(loss) before tax	5,610,199	2,894,870	58,806	535,502	(452,907)	8,646,470
Tax expense	(1,684,604)	(595,979)	(15,548)	(1,560)	(179)	(2,297,870)
Segment profit/(loss) after tax	3,925,595	2,121,726	43,258	533,942	(453,086)	6,348,601

48. Segmental information – Group (continued)

(b) Reconciliation of segments profit after tax to the consolidated income statement

	2025	2024
	Shs'000	Shs'000
Total profit as per segmental reporting	7,585,146	6,348,601
Income from intra-segmental adjustments		
Intercompany loan interest income	(209,743)	(103,561)
Rental income from related parties	(67,447)	(73,837)
Management fees from related parties	(245,169)	(226,794)
Dividend income from subsidiaries	(1,476,203)	(475,843)
Share of Britam Tower LLP net assets in Britam Holdings Plc and Britam Life Assurance Company (Kenya) Limited	(596,319)	(657,815)
Reversal of Share of HF Group OCI recycled in Holdings books	-	(116,284)
Fair value gains on Unquoted shares (Cont Re) booked in Life	(134,984)	(115,704)
Recognition of Cont re impairment at Group	111,417	(111,417)
Britam Life share of HF Group profit/(loss) adjusted at group	-	(40,105)
Bargain Purchase on ContRe	-	80,847
Associate share of profit – ContRe	93,326	120,845
Other income/mark up	(4,097)	(4,243)
Total adjustments on income	(2,529,219)	(1,723,911)
Expenses from intra-segmental adjustments		
Intercompany loan interest expense	209,743	103,561
Mark up charge	4,097	4,243
Management fees expense from related parties	245,169	226,794
Britam Property Company (Kenya) Limited loan guarantee reversal	(45,679)	-
Rental income to related parties	67,447	73,837
Total adjustments on expenses	480,777	408,435
Profit as per the consolidated income statement	5,536,704	5,033,125

48. Segmental information – Group (continued)

(c) Other segment reporting disclosures

The other segment reporting disclosures include the disclosures for, Depreciation and amortization, Investments in associates, Additions to non-current assets additions, Total assets and liabilities per segment.

	Life insurance business Shs'000	Non- life insurance business Shs'000	Asset Management Shs'000	Corporate & Other Shs'000	Total Shs'000
2025					
Depreciation and amortization	163,668	140,244	37,320	40,719	381,951
Investments in associates	9,833,289	-	-	1,795,075	11,628,364
Additions to non-current assets	184,629	147,430	20,727	76,374	319,496
Total assets	203,511,165	13,791,899	1,210,183	25,269,665	243,782,912
Total liabilities	184,033,275	8,955,817	291,501	15,447,630	208,728,223
2024					
Depreciation and amortization	165,201	106,697	67,942	6,714	346,554
Investments in associates	7,610,993	-	-	659,792	8,270,785
Additions to non-current assets	336,635	120,107	3,761	10,484	470,987
Total assets	169,440,947	34,236,059	949,238	3,905,530	208,531,774
Total liabilities	153,265,442	23,380,621	362,769	2,059,021	179,067,853

The amounts provided to the Executive Management Committee with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

(d) Income by geographical segments

The results of the Group's Insurance revenue from external customers are as follows:

	2025 Shs'000	2024 Shs'000
Kenya	29,714,639	25,815,803
Uganda	3,323,141	2,932,865
South Sudan	2,004,124	1,387,946
Rwanda	1,026,284	785,556
Tanzania	1,903,270	1,941,109
Malawi	1,393,052	1,028,694
Mozambique	2,289,684	2,210,973
Total	41,654,194	37,556,734

48. Segmental information – Group (continued)

Insurance revenues are allocated based on the country in which the insurance and other contracts are issued. Management considers its external customers to be individual policyholders and investors as such the Group is not reliant on any individual customer. No individual customer accounts for more than 10% of the Group's revenue.48

(e) The total of all assets are allocated as follows:

	2025	2024
	Shs'000	Shs'000
Kenya	229,218,960	194,084,726
Uganda	4,396,705	3,973,429
South Sudan	1,895,580	1,649,565
Rwanda	1,433,747	1,395,374
Tanzania	2,431,846	3,034,140
Malawi	2,128,886	1,613,549
Mozambique	2,277,188	2,780,991
Total	243,782,912	208,531,774

(f) The total of non-current assets

Other than financial instruments, deferred tax assets, post-employment benefits and risks arising under insurance contracts are allocated as follows:

	2025	2024
	Shs'000	Shs'000
Kenya	34,909,264	42,337,015
Uganda	610,639	614,185
South Sudan	39,526	23,824
Rwanda	43,909	52,402
Tanzania	330,315	194,050
Malawi	149,122	67,175
Mozambique	181,441	94,319
Total	36,264,216	43,382,970

49. New and revised Accounting standards (continued)

(i) New and revised IFRS that are effective for the year ended 31 December 2025

The following new and revised IFRSs were effective in the current year and had no material impact on the amounts reported in these financial statements.

New standard and/ or amendments	Details of the amendments	Assessment of the impact on the Group financial statements
Amendments to IAS 21, 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability (Amendments to IAS 21)	An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.	The Group anticipates no material impact to its financial statements.
Amendment to IFRS 16, 'Leases' - sale and leaseback	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.	The Group anticipates no impact to its financial statements.

49. New and revised Accounting standards (continued)

(ii) New and revised accounting Standards that are not mandatorily effective (but allow early application) for the year ended 31 December 2025.

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective.

New standard and/ or amendments	Effective date	Details of the amendments	Assessment of the impact on the Group financial statements
Amendment to IFRS 9, "Financial Instruments" and IFRS 7, "Financial Instruments: Disclosures" - Classification and Measurement of Financial Instruments	Annual periods beginning on or after 1 January 2026	These amendments: <ul style="list-style-type: none"> • clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system. • clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion. • add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).	The Group anticipates no material impact to its financial statements.
Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity	Annual periods beginning on or after 1 January 2026,	<ul style="list-style-type: none"> • These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as 'contracts referencing nature- dependent electricity'. 	The Group anticipates no impact to its financial statements.

49. New and revised Accounting standards (continued)

(ii) New and revised IFRS that are not mandatorily effective (but allow early application) for the year ended 31 December 2025 (continued)

New standard and/ or amendments	Effective date	Details of the amendments	Assessment of the impact on the Group financial statements
Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37- Disclosures about Uncertainties in the Financial Statements	Annual reporting periods beginning on or after 1 January 2027	<p>These amendments include Examples illustrating how an entity applies the requirements in IFRS Accounting Standards to disclose the effects of uncertainties in its financial statements.</p> <p>The Examples demonstrate how to disclose the impacts of uncertainties within climate-related scenarios, but the principles and requirements are also applicable to disclosure of other uncertainties. The Examples do not add to or change requirements in IFRS Accounting Standards and therefore there are no transition requirements. Instead, these Examples will accompany the respective IFRS Accounting Standards to which they relate.</p>	The Group anticipates no impact to its financial statements
IFRS 19, 'Subsidiaries without Public Accountability: Disclosures' and amendment (see separate section below for the amendment)	Annual periods beginning on or after 1 January 2027	<p>This new standard and amendment works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.</p> <p>A subsidiary is eligible if: it does not have public accountability; and</p> <p>it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.</p>	The Group anticipates no impact to its financial statements
Amendment to IFRS 19, 'Subsidiaries without Public Accountability: Disclosures	Annual periods beginning on or after 1 January 2027	<p>These amendments help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024, specifically:</p> <p>IFRS 18 Presentation and Disclosure in Financial Statements; Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7);</p> <p>International Tax Reform–Pillar Two Model Rules (Amendments to IAS 12);</p> <p>Lack of Exchangeability (Amendments to IAS 21); and</p> <p>Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).</p>	The Group anticipates no impact to its financial statements

49. New and revised Accounting standards (continued)

(iii) New and revised IFRS that are not mandatorily effective (but allow early application) for the year ended 31 December 2025 (continued)

New standard and/ or amendments	Effective date	Details of the amendments	Assessment of the impact on the Group financial statements
IFRS 18, 'Presentation and Disclosure in Financial Statements'	Annual periods beginning on or after 1 January 2027	<p>The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.</p> <p>IFRS 18 replaces IAS 1 'Presentation of Financial Statements' and focuses on updates to the statement of profit or loss with a focus on the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.</p> <p>Many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'</p>	The Group anticipates significant impact to its financial statement's disclosures
IFRS 19, 'Subsidiaries without Public Accountability: Disclosures' and amendment (see separate section below for the amendment)	Annual periods beginning on or after 1 January 2027	<p>This new standard and amendment work alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.</p> <ul style="list-style-type: none"> • A subsidiary is eligible if: it does not have public accountability; and • it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. 	The Group anticipates no impact to its financial statements

49. New and revised Accounting standards (continued)

(ii) New and revised IFRS that are not mandatorily effective (but allow early application) for the year ended 31 December 2025 (continued)

New standard and/ or amendments	Effective date	Details of the amendments	Assessment of the impact on the Group financial statements
Amendment to IFRS 19, 'Subsidiaries without Public Accountability: Disclosures	Annual periods beginning on or after 1 January 2027	<p>These amendments help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024, specifically:</p> <ul style="list-style-type: none"> • IFRS 18 Presentation and Disclosure in Financial Statements; Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7); • International Tax Reform–Pillar Two Model Rules (Amendments to IAS 12); • Lack of Exchangeability (Amendments to IAS 21); and Amendments to the Classification and Measurement of • Financial Instruments (Amendments to IFRS 9 and IFRS 7). 	The Group anticipates no impact to its financial statements

50. Events after the balance sheet date

There were no material events after the balance sheet date.

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OTHER CORPORATE INFORMATION

NOTICE OF THE 30TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT IN ACCORDANCE WITH THE ARTICLES OF ASSOCIATION OF THE COMPANY, THE 30TH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD VIA ELECTRONIC COMMUNICATION ON THURSDAY, 21ST MAY 2026 AT 10:00 A.M., WHEN THE BUSINESS SET OUT BELOW WILL BE TRANSACTED.

AGENDA

A. ORDINARY BUSINESS

1. Constitution of the Meeting

- a). To table the proxies and note the presence of a quorum.
- b). To read the notice convening the Meeting.

2. Report on Financial Statements for the Year ended 31st December 2025

To receive and, if approved, adopt the audited Consolidated Financial Statements for the year ended 31 December 2025, together with the Chairman's, the Directors' and Auditor's Reports thereon.

3. Dividend

To note that the Directors do not recommend the payment of a dividend for the Financial Year ended 31 December 2025.

4. Re-election of Directors

- a). Dr. Peter K. Munga retires by rotation in accordance with Articles 91 and 92 of the Articles of Association of the Company and having attained the age of seventy years retires in accordance with the Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 and being eligible, offers himself for re-election as a director of the company.
- b). Mr. Jimnah M. Mbaru retires by rotation in accordance with Articles 91 and 92 of the Articles of Association of the Company and having attained the age of seventy years retires in accordance with the Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 and being eligible, offers himself for re-election as director of the company.
- c). AfricInvest III SPV 1, a Corporate Director represented by Mr. George Odo retires in accordance with Article 114 of the Articles of Association of the Company and being eligible, offers itself for re-election as a director of the Company.
- d). Mr. Julius Mbaya retires at the Meeting in accordance with Articles 91 and 92 of the Articles of Association of the Company, and being eligible, offers himself for re-election.
- e). Ms. Celestine Munda retires at the Meeting in accordance with Articles 91 and 92 of the Articles of Association of the Company, and being eligible, offers herself for re-election.
- f). Ms. Susan Abisola retires at the Meeting in accordance with Articles 91 and 92 of the Articles of Association of the Company, and being eligible, offers herself for re-election.

5. Appointment of Directors to the Audit Risk and Compliance Committee

In accordance with the provisions of Section 769 of the Companies Act 2015, the following directors being members of the Board Audit, Risk and Compliance Committee offer themselves to be elected to continue to serve as members of the said Committee: -

- a). Ms. Celestine Munda
- b). Ms. Susan Abisola
- c). Ms. Judy Rugasira Kyanda

6. Directors' Remuneration

- a). To approve the Directors' Remuneration Policy as shown in the Audited Financial Statements for the year ended 31 December 2025.
- b). To approve the Directors' Remuneration Report as shown in the audited Financial Statements for the year ended 31 December 2025 and to authorize the Board to fix the remuneration of the Directors.

7. Appointment of Auditors

To appoint Ernst & Young as auditors in accordance with Section 721 (2) and 724 of the Companies Act, No.17 of 2015 and to authorize the Directors to fix their remuneration for the ensuing financial year in accordance with the provisions of Section 724 (1) of the Companies Act 2015.

B. SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary and Special Resolutions:

Ordinary Resolution

1. Approval of Policies Pursuant to Regulation 8.21 of the Thirteenth Schedule to the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023

To consider and if thought fit to approve the Company's policies pursuant to provisions of the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023:

- a) Board Remuneration Policy
- b) Board Members Attraction and Retention Policy
- c) Corporate Disclosures Policies and Procedures
- d) Policy on Effective Communication with Stakeholders
- e) Dispute Resolution Policy for Internal and External Disputes

2. Changes to the Company ESOP

To consider and if though fit, to pass the following as Ordinary Resolutions

- i. THAT pursuant to the approval granted by the Shareholders on 9th June 2017 for the establishment of an Employee Share Ownership Plan, the amended Trust Deed in relation to the ESOP and the amended Rules of the ESOP, as approved by the Board of Directors of the Company, be and are hereby approved for submission to the Capital Markets Authority
- ii. THAT the maximum size of the ESOP be and is hereby increased from two percent (2%) to five percent (5%) of the authorised share capital of the Company
- iii. THAT the maximum number of shares held by the ESOP shall not at any one time exceed 5% of the issued share capital of the Company;
- iv. THAT the ESOP Shares may be issued at a discount but shall not be issued below par value;
- v. THAT the ESOP Shares shall rank pari passu in all respects with the existing ordinary shares of the Company.
- vi. THAT the Company Secretary or any other person authorized by the Board of Directors of the Company be and is hereby instructed to take all necessary action and file all applicable returns required to implement this resolution.

Special Resolution

3. Amendment of Articles of Association

To consider and if though fit, to pass the following as Special Resolutions

- i. THAT the Amended Articles of Association (copy tabled at the Meeting) be and are hereby adopted as the Articles of Association of the Company, in complete substitution for, and to the exclusion of the Company's existing Articles of Association.
- ii. THAT the Company Secretary or any other person authorized by the Board of Directors of the Company be and is hereby instructed to take all necessary action and file all applicable returns required to implement this resolution.

4. Reduction of a portion of the share premium and application of such amount to offset the accumulated losses of the Company

To consider and if thought fit, to pass the following as Special Resolutions

- i. THAT the amount standing to the credit of the Company's share premium account be and is hereby reduced by Shs 5,875,252,000
- ii. THAT Shs 5,875,252,000 so deducted from the Share Premium account be and is hereby applied to offset any and all accumulated losses of the Company
- iii. THAT the Company Secretary or any other person authorized by the Board of Directors of the Company be and is hereby instructed to take all necessary action and file all applicable returns required to implement this resolution.

C. ANY OTHER BUSINESS

To consider any other business of which due notice has been received.

By Order of the Board

Hilda Njeru

Company Secretary

P O Box 30375 – 00100

NAIROBI

Date: 30th April 2026

Notes:

1. Britam Holdings Plc has convened and is conducting this virtual annual general meeting in accordance with Article 58 of the Company's Articles of Association.
2. Shareholders wishing to participate in the meeting should register for the AGM by doing the following:
 - (a) Dialing ***483*824#** for all networks and follow the various prompts regarding the registration process; or
 - (b) Sending an email request to be registered to britamagm@image.co.ke; or
 - (c) Shareholders with email addresses will receive a registration link via email which they can use to register.

In order to complete the registration process, Shareholders will need to have their ID/Passport Numbers, which were used to purchase their shares and/or their CDSC Account Number at hand. For assistance, Shareholders should dial the following helpline number: +254 709 170 039 from 9.00 a.m. to 4 p.m. from Monday to Friday or send an email to britamagm@image.co.ke.

3. Registration for the AGM opens on 30th April 2026 at 9:00 a.m. and will close on 20th May 2026 at 11.00 a.m. Shareholders will not be able to register after 19th May 2026 at 11.00am.
4. In accordance with Section 283 (2) (c) of the Companies Act, the following documents are available for viewing on the Company's website <https://www.britam.com>:
 - A copy of this Notice and the Proxy Form;
 - The Company's Integrated Report and the Audited Financial Statements for the year 2025;
 - The New Articles of Association of the Company; and
 - Explanatory Notes for Special Resolutions to be passed during the Annual General Meeting.

The reports may also be accessed upon request by dialing the USSD code above and selecting the Reports option. The reports and agenda can also be accessed on the livestream link.

5. Shareholders wishing to raise any questions or clarifications regarding the AGM may do so by one of the following options:
 - i. Sending their written questions by email to agm@britam.com ; or
 - ii. Shareholders who will have registered to participate in the meeting shall be able to ask questions via SMS by dialing the USSD code above and selecting the option (ask Question) on the prompts.
 - iii. To the extent possible, physically delivering their written questions with a return physical address or email address to the registered office of the Company at Britam Towers, 28th Floor or to Image Registrars offices at 5th Floor, Absa Towers (formerly Barclays Plaza), Loita Street; or
 - iv. Sending their written questions with a return physical address or email address by registered post to the Company's address at P.O. Box 30375, GPO 00100, Nairobi.
6. Shareholders must provide their full details (full names, Kenyan national identity/passport Number/ CDSC Account Number) when submitting their questions and clarifications.
7. All questions and clarification must reach the Company on or before 18th May 2026 at 10.00 a.m.

Following receipt of the questions and clarifications, the directors of the Company shall provide written responses to the questions received to the return email address provided by the Shareholder by 20th May 2026. A full list of all questions received, and the answers thereto will be published on the Company's website not later than 29 May 2026.

8. In accordance with Section 298(1) of the Companies Act, Shareholders entitled to attend and vote at the AGM are entitled to appoint a proxy to vote on their behalf. A proxy need not be a member of the Company, but if not the Chairman of the AGM, the appointed proxy will need access to a mobile telephone. A proxy form is attached to this Notice and is available on the Company's website via this link: <https://www.britam.com>. Physical copies of the proxy form are also available at the following address: Image Registrars Limited offices, 5th Floor, Absa Towers (formerly Barclays Plaza), Loita Street.
9. A proxy must be signed by the appointor, or his/her attorney duly authorized in writing. If the appointor is a body corporate, the instrument appointing the proxy shall be given under its common seal or under the hand of an officer or duly authorised attorney of such corporation or Government office.
10. A completed form of proxy should be emailed to britamagm@image.co.ke or delivered to Image

Registrars Limited, 5th Floor Absa Towers (formerly Barclays Plaza), Loita Street, P O Box 9287 – 00100 GPO, Nairobi, so as to be received not later than 18th May 2026 at 10.00 a.m.

11. The AGM will be streamed live via a link, which shall be provided to all shareholders who will have registered to participate in the general meeting. Duly registered shareholders and proxies will receive a short message service (SMS/USSD) prompt on their registered mobile numbers, 24 hours prior to the AGM acting as a reminder of the AGM. A second SMS/USSD prompt shall be sent at least one hour ahead of the AGM, reminding duly registered shareholders and proxies that the AGM will begin in an hours' time. The link will be sent to registered shareholders via SMS and Email 24 hours before the meeting.
12. Duly registered Shareholders and proxies may follow the proceedings of the AGM using the livestream platform and may access the agenda. Duly registered shareholders and proxies may vote (when prompted by the Chairman) via the USSD prompts or via the VOTE button on the livestream link.
13. A Poll shall be conducted for all the Resolutions put forward in this Notice.
14. Shareholders will receive an SMS prompt with instructions on their registered mobile phone numbers alerting them to propose or to second the resolutions put forward in the notice.
15. Results of the voting on resolutions at the AGM shall be published within 48 hours following conclusion of the AGM on the Company's website www.britam.com.
16. The Company strongly encourages all Shareholders to monitor the Company's website (<https://www.britam.com/>) for further updates or changes in relation to the AGM.

BRITAM HOLDINGS PLC ANNUAL GENERAL MEETING PROXY FORM

Britam Holdings Plc
PO Box 30375 - 00100 GPO
Nairobi, Kenya

CDSC ACCOUNT NO......
SHAREHOLDER No......
D/REGISTRATION No......

I/We(address).....

being a member/members of BRITAM HOLDINGS PLC hereby appoint:.....

of:(address).....

TEL. No: Email Address: or failing him/her:.....

of:(address):..... TEL. No Email Address.....

.....and failing him/ her the Chairman of the meeting as my/ our proxy to vote for me/ us on my/ our behalf at the 2026 Annual General Meeting to be held on Thursday 21st May 2026 at 10.00 AM and at any adjournment thereof.

As witness my/our hand thisday of2026

Signature(s).....



Agenda items	Accept	Reject	Dissenting Opinion
ORDINARY BUSINESS:			
1 To receive and, if approved, adopt the audited Consolidated Financial Statements for the year ended 31 December 2025, together with the Chairman's, the Directors' and Auditor's Reports thereon.			
2 To note that the Directors do not recommend the payment of a dividend for the Financial Year ended 31 December 2025.			
3 Directors: i. Dr. Peter K. Munga retires by rotation in accordance with Articles 91 and 92 of the Articles of Association of the Company and having attained the age of seventy years retires in accordance with the Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 and being eligible, offers himself for re-election as a director of the company.			
ii. Mr. Jimnah Mbaru retires by rotation in accordance with Articles 91 and 92 of the Articles of Association of the Company and having attained the age of seventy years retires in accordance with the Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 and being eligible, offers himself for re-election as a director of the company.			
iii. AfricInvest III SPV 1, a Corporate Director represented by Mr. George Odo that was appointed to fill a casual vacancy retires in accordance with Article 114 of the Articles of Association of the Company and being eligible, offers itself for re-election as a director of the Company.			
iv. Mr. Julius Mbaya retires at the Meeting in accordance with Articles 91 and 92 of the Articles of Association of the Company, and being eligible, offers himself for re-election.			
v. Ms. Celestine Munda retires at the Meeting in accordance with Articles 91 and 92 of the Articles of Association of the Company, and being eligible, offers herself for re-election.			
vi. Ms. Susan Abisola retires at the Meeting in accordance with Articles 91 and 92 of the Articles of Association of the Company, and being eligible, offers herself for re-election.			
4 In accordance with the provisions of Section 769 of the Companies Act 2015, the following directors being members of the Board Audit, Risk and Compliance Committee offer themselves to be elected to continue to serve as members of the said Committee: a) Ms. Celestine Munda b) Ms. Susan Abisola c) Ms. Judy Rugasira Kyanda			

5	<p>Directors' Remuneration: -</p> <p>a) To approve the Directors' Remuneration Policy as shown in the audited Financial Statements for the year ended 31 December 2025.</p> <p>b) To approve the Directors' Remuneration Report as shown in the audited Financial Statements for the year ended 31 December 2025 and to authorize the Board to fix the remuneration of the Directors.</p>			
6	To appoint Ernst & Young as auditors in accordance with Section 721 (2) and 724 of the Companies Act, No.17 of 2015 and to authorize the Directors to fix their remuneration for the ensuing Financial Year in accordance with the provisions of Section 724 (1) of the Companies Act 2015.			
SPECIAL BUSINESS				
	Ordinary Resolution			
7	<p>To consider and if thought fit to approve the Company's policies pursuant to provisions of the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023:</p> <p>a) Board Remuneration Policy</p> <p>b) Board Members Attraction and Retention Policy</p> <p>c) Corporate Disclosures Policies and Procedures</p> <p>d) Policy on Effective Communication with Stakeholders</p> <p>e) Dispute Resolution Policy for Internal and External Disputes</p>			
8	<p>To consider and if though fit, to pass the following as Ordinary Resolutions:</p> <p>a) THAT pursuant to the approval granted by the Shareholders on 9th June 2017 for the establishment of an Employee Share Ownership Plan, the amended Trust Deed in relation to the ESOP and the amended Rules of the ESOP, as approved by the Board of Directors of the Company, be and are hereby approved for submission to the Capital Markets Authority</p> <p>b) THAT the maximum size of the ESOP be and is hereby increased from two percent (2%) to five percent (5%) of the authorised share capital of the Company</p> <p>c) THAT the maximum number of shares held by the ESOP shall not at any one time exceed 5% of the issued share capital of the Company;</p> <p>d) THAT the ESOP Shares may be issued at a discount but shall not be issued below par value;</p> <p>e) THAT the ESOP Shares shall rank pari passu in all respects with the existing ordinary shares of the Company.</p> <p>f) THAT the Company Secretary or any other person authorized by the Board of Directors of the Company be and is hereby instructed to take all necessary action and file all applicable returns required to implement this resolution.</p>			

Special Resolutions			
9	To consider and if thought fit, to pass the following as Special Resolutions i. THAT the Amended Articles of Association (copy tabled at the Meeting) be and are hereby adopted as the Articles of Association of the Company, in complete substitution for, and to the exclusion of the Company's existing Articles of Association. ii. THAT the Company Secretary or any other person authorized by the Board of Directors of the Company be and is hereby instructed to take all necessary action and file all applicable returns required to implement this resolution.		
10	To consider and if thought fit, to pass the following as Special Resolutions i. THAT the amount standing to the credit of the Company's share premium account be and is hereby reduced by Shs 5,875,252,000 ii. THAT Shs 5,875,252,000 so deducted from the Share Premium account be and is hereby applied to offset any and all accumulated losses of the Company iii. THAT the Company Secretary or any other person authorized by the Board of Directors of the Company be and is hereby instructed to take all necessary action and file all applicable returns required to implement this resolution.		

Notes:

1. If a member is unable to attend personally, this proxy form should be completed, duly signed and delivered to the offices of the Company's shares registrar, Image Registrars Limited, 5th floor Absa Towers (formerly Barclays Plaza), Loita Street, Nairobi, P.O Box 9287-00100 GPO Nairobi or be scanned and emailed to britamagm@image.co.ke, to be received not later than 10.00 am, 19th May 2026 i.e. 48 hours before the meeting or any adjournment thereof.
2. Any person appointed as a proxy should submit his/her mobile telephone number to the Company no later than 19th May 2026 at 10.00 am.
3. Any proxy registration that is rejected will be communicated to the shareholder concerned no later than 19th May 2026 to allow time to address any issues.
4. This proxy form must be signed by the appointor or his attorney duly authorized in writing.
5. In case of a member being a corporate body, the Proxy Form must be under given under its common seal or under the hand of an officer or duly authorized attorney of such corporate body.
6. As a shareholder you are entitled to appoint one or more proxies to exercise all or any of your shareholder rights to attend and to speak and vote on your behalf at the meeting. The appointment of the Chairman of the meeting as proxy has been included for convenience. A proxy need not to be a shareholder of the Company.
7. Completion and submission of the Proxy Form will not prevent you from attending the meeting and voting at the meeting in person, in which case any votes cast by your proxy will be excluded.

ELECTRONIC COMMUNICATIONS CONSENT FORM

Please complete in BLOCK CAPITALS

Full name of Proxy:

Proxys' Mobile Number.....

Please tick the boxes below and return to Image Registrars at P.O. Box 9287 – 00100 Nairobi, 5th Floor, Absa Towers (formerly Barclays Plaza), Loita Street:

Approval of Registration

I/WE approve to register to participate in the virtual Annual General Meeting to be held on 21st May 2026

Consent for use of the Mobile Number provided

I/WE give my/our consent for the use of the mobile number provided for purposes of voting at the AGM

Signature:

Date:

BRITAM HOLDINGS PLC MKUTANO MKUU WA KILA MWAKA FOMU YA UWAKILISHI

Britam Holdings Plc
PO Box 30375 - 00100 GPO
Nairobi, Kenya

NAMBA YA AKAUNTI YA CDSC.....
NAMBA YA MWENYEHISA.....
NAMBA YA KITAMBULISHO/USAJILI.....

Mimi/Sisi
wa (anwani): nikiwa/tukiwa mwenyehisa/wenyehisa wa BRITAM
HOLDINGS PLC ninateua/tunateua:
wa (anwani) Namba ya simu:
barua pepe na asipokuwepo ninateua/tunateua:
wa (anwani):
Namba ya simu: wa (anwani): na asipokuwepo
ninateua/tunateua Mwenyekiti wa mkutano kuwa mwakilishi wangu/wetu na apige kura kwa niaba yangu/yetu
katika Mkutano Mkuu wa Kila Mwaka wa 2026 utakaofanyika kuanzia saa nne za asubuhi ya Alhamisi, Mei 21, 2026,
na iwapo utaahirishwa, mnamo tarehe nyingine yoyote itakayotengwa.
Ninashuhudia kwa kutia sahihi tarehe mwezi 2026
Sahihi.....



TANGAZO LA MKUTANO MKUU WA MWAKA WA 30

KWA WENYEHISA WA BRITAM HOLDINGS PLC

MNAARIFIWA KWAMBA kufungamana na Kanuni za Kampuni, MKUTANO MKUU WA KILA MWAKA WA 30 wa Kampuni utafanyika kielekroniki kwa mawasiliano ya simu na mitandao ya kidijitali mnamo Alhamisi, Mei 21, 2026, kuanzia saa nne za asubuhi ili kuendesha shughuli zifuatazo:

AJENDA

A. SHUGHULI ZA KAWAIDA

1. Kuuanzisha mkutano

- a) Kuwasilisha majina ya wawakilishi wa wenyehisa wanaoruhusiwa kisheria kuhudhuria na kupiga kura mkutanoni lakini wakakosa nafasi ya kufika, na kuthibitisha kuna idadi ya watu inayohitajika ili mkutano ufanyike.
- b) Kusoma ilani ya kuuitisha mkutano mkuu wa mwaka.

2. Ripoti ya taarifa za hesabu kwa mwaka uliomalizika Desemba 31, 2025

Kupokea, kutathmini, na ikikubaliwa, kuidhinisha taarifa za jumla za hesabu zilizokaguliwa za mwaka uliomalizika Desemba 31, 2025, pamoja na taarifa za Mwenyekiti, Wakurugenzi na Wakaguzi wa Hesabu.

3. Mgawo wa faida

Kuarifu kwamba wakurugenzi hawatapendekeza malipo ya mgawo wa faida ya mwaka uliomalizika Desemba 31, 2025

4. Kuwachagua tena wakurugenzi

- a. Dkt Peter K. Munga anastaafu kwa zamu kwa mujibu wa Vifungu 91 na 92 vya Kanuni za Kampuni. Ametimiza umri wa miaka 70 na anastaafu kwa mujibu wa Mwongozo wa Kanuni za Usimamizi wa Mashirika ya Watoaji Amana kwa Umma wa 2015, na kwa vile anastahili, anajitolea kuchaguliwa tena kuwa mkurugenzi wa Kampuni.
- b. Bw Jimnah M. Mbaru anastaafu kwa zamu kwa mujibu wa Vifungu 91 na 92 vya Kanuni za Kampuni. Ametimiza umri wa miaka 70 na anastaafu kwa mujibu wa Mwongozo wa Kanuni za Usimamizi wa Mashirika ya Watoaji Amana kwa Umma wa 2015, na kwa vile anastahili, anajitolea kuchaguliwa tena kuwa mkurugenzi wa Kampuni.
- c. AfricInvest III SPV 1, Shirika Mkurugenzi linalowakilishwa na Bw George Odo, linastaafu kwa mujibu wa Kifungu 114 cha Kanuni za Kampuni na kwa vile linastahili, linajitolea kuchaguliwa tena kuwa mkurugenzi wa Kampuni.
- d. Bw Julius Mbaya anastaafu kwa zamu mkutanoni kwa mujibu wa Vifungu 91 na 92 vya Kanuni za Kampuni, na kwa vile anastahili, anajitolea kuchaguliwa tena kuwa mkurugenzi wa Kampuni.
- e. Bi Celestine Munda anastaafu mkutanoni kwa mujibu wa Vifungu 91 na 92 vya Kanuni za Kampuni, na kwa vile anastahili, anajitolea kuchaguliwa tena kuwa mkurugenzi wa Kampuni.
- f. Bi Susan Abisola anastaafu mkutanoni kwa mujibu

wa Vifungu 91 na 92 vya Kanuni za Kampuni, na kwa vile anastahili, anajitolea kuchaguliwa tena kuwa mkurugenzi wa Kampuni.

5. Uteuzi wa wakurugenzi kwa Kamati ya Bodi ya Ukaguzi wa Hesabu na Uthibiti wa Hatari za Kibiashara

Kwa mujibu wa Kifungu 769 cha Sheria ya Makampuni ya 2015, wakurugenzi wafuatao wamejitolea kuchaguliwa kuendelea kuitumikia Kamati ya Bodi ya Ukaguzi wa Hesabu na Uthibiti wa Hatari za Kibiashara

- a) Bi Celestine Munda
- b) Bi Susan Abisola
- c) Bi Judy Rugasira Kyanda

6. Malipo kwa wakurugenzi

- b) Kuidhinisha Sera ya Malipo ya Wakurugenzi kama ilivyoonyeshwa kwenye taarifa ya kifedha iliyokaguliwa ya mwaka uliomalizika Desemba 31, 2025.
- c) Kuidhinisha ripoti ya malipo ya wakurugenzi kama ilivyoonyeshwa kwenye taarifa ya kifedha iliyokaguliwa ya mwaka uliomalizika Desemba 31, 2025, na kuipatia Bodi kibali cha kuweka kiwango cha malipo kwa wakurugenzi.

7. Uteuzi wa wakaguzi wa hesabu

Kuwateua Ernst and Young kuwa wakaguzi wa hesabu za Kampuni kulingana na Vifungu 721 (2) na 724 vya Sheria ya Makampuni namba 17 ya 2017, na kuwaruhusu wakurugenzi kuamua malipo ya wakaguzi hao wa hesabu ya mwaka unaofuata kwa mujibu wa kifungu 724 (1) cha Sheria ya Makampuni ya 2015.

B. SHUGHULI MAALUMU

Kufikiria, na iwapo itafaa, kupitisha maazimio ya kawaida na maalumu yafuatayo:

1. Azimio la kawaida

Kuidhinishwa kwa sera kuzingatia Kanuni 8.21 ya Mpangilio wa 13 wa Kanuni za Masoko ya Mtaji (Uuzaji wa hisa kwa uuma, kuidhinisha kuuza hisa katika masoko ya hisa na utoaji maelezo kuhusu hali ya kifedha) za 2023

Kufikiria, na iwapo itafaa, kupitisha sera za kampuni kuzingatia Kanuni za Masoko ya Mtaji (Uuzaji wa hisa kwa uuma, kuidhinishwa kuuza hisa katika masoko ya hisa na utoaji maelezo kuhusu hali ya kifedha) za 2023.

- a) Mwongozo wa malipo ya wakurugenzi.
- b) Mwongozo wa kuvutia wanabodi na kuwadumisha katika bodi.
- c) Sera na taratibu za Shirika kufichua kuhusu hali yake ya kifedha, uongozi na shughuli za biashara kwa umma na wasimamizi sheria na kanuni.
- d) Mwongozo kuhusu mawasiliano ya kufaa kwa wadau
- e) Mwongozo wa kutatua mizozo ya ndani na kutoka nje.

2. Mabadiliko katika ESOP

Kufikiria na kuamua iwapo inafaa, kupitisha maazimio ya kawaida yafuatayo:

- i. Kwamba kuzingatia idhini iliyotolewa na wenye hisa mnamo Juni 9, 2017, ya kuanzisha mpango wa kuwatumu wafanya kazi hisa za kampuni (ESOP), mkataba wa uamana kuhusiana na ESOP na sheria za ESOP zilizofanyiwa mabadiliko, kama zilivyoidhinishwa na Bodi ya Wakurugenzi, zikabidhiwe kwa Halmashauri ya Usimamizi wa Masoko ya Mtaji ili kuidhinishwa.
- ii. Kwamba kiwango cha juu zaidi cha hisa za mpango wa ESOP kiongezwe kutoka asilimia mbili hadi asilimia tano ya hisa za kampuni zilizoidhinishwa.
- iii. Kwamba hakuna wakati wo wote ambapo kiwango cha juu zaidi cha hisa za mpango wa ESOP kitazidi asilimia tano ya hisa mgawanyo za kampuni.
- iv. Kwamba hisa za ESOP zinaweza kutolewa kwa bei nafuu lakini isiwe chini ya bei ya wastani.
- v. Kwamba bei ya hisa za ESOP italingana kwa kila hali na hisa zilizopo za kawaida za kampuni.
- vi. Kwamba Katibu wa Kampuni au mtu mwingine yeyote aliyeidhinishwa na Bodi ya Wakurugenzi, anaagizwa kuchukua hatua zozote zifaazo kuwasilisha maombi yoyote hitajika kuwezesha kutekelezwa kwa azimio hili.

3. Azimio maalumu

Mabadiliko katika Kanuni za Kampuni

Kufikiria na kuamua iwapo inafaa, kupitisha maazimio ya kawaida yafuatayo:

- i. Kwamba Kanuni za Kampuni zilizofanyiwa mabadiliko (na ambazo nakili yake imewasilishwa mkutanoni) zidhinishwe kuwa Kanuni za Kampuni mahala pa na badala ya Kanuni zilizopo za Kampuni.
- ii. Kwamba Katibu wa Kampuni au mtu mwingine yeyote aliyeidhinishwa na Bodi ya Wakurugenzi, aagizwe kuchukua hatua zozote zifaazo kuwasilisha ripoti zote hitajika kuwezesha kutekelezwa kwa azimio hili.

4. Pendekezo la kupunguza fungu la pesa za hisa na kuzitumia kulipia malimbikizi ya hasara za Kampuni

Kufikiria na kuamua iwapo inafaa, kupitisha maazimio ya kawaida yafuatayo:

- i. Kwamba thamani ya juu zaidi ya hisa za kampuni ipunguzwe na imepunguzwa kwa KES 5,875,252,000.
- ii. Kwamba KES 5,875,252,000 zilizopunguzwa kutoka kwa akaunti ya pesa za hisa za kampuni zitumike na zimetumika kupunguza malimbikizi yote ya hasara za Kampuni.
- iii. Kwamba Katibu wa Kampuni au mtu mwingine ye yote aliyepewa kibali na Bodi ya Wakurugenzi

wa Kampuni aagizwe na ameagizwa kuchukua hatua zozote zifaazo, masuala na mambo yoyote hitajika kuhakikisha azimio hilo linatekelezwa.

5. MASUALA MENGINE YOYOTE

Kushughulikia suala jingine lolote na ambalo ilani ifaayo ilishatolewa awali.

KWA AMRI YA BODI YA WAKURUGENZI

Hilda Njeru

Katibu wa Kampuni

S. L. P. 30375 GPO 00100

NAIROBI

Aprili 30, 2026

KUMBUKENI KWAMBA:

1. Britam Holdings Plc imeitisha na itafanya mkutano wake mkuu wa kila mwaka kielektroniki kwa mawasiliano ya simu na mitandao ya kidijitali kuambatana na sehemu 58 ya Kanuni za Kampuni hii.
2. Mwenyehisa yeyote anayenuia kushiriki katika mkutano huo kwa mawasiliano ya simu na mitandao ya kidijitali, anapaswa kujiandikisha kwa kufanya yafuatayo:
 - a. Bonyeza ***483*824#** ukitumia laini ya huduma yoyote ya simu, na kufuata maagizo yote kuhusiana na utaratibu wa usajili huo; ama
 - b. Utume ombi la email la kusajiliwa kwa britamagm@image.co.ke; au
 - c. Wenyehisa walio na anwani za e-mail watapokea kiungo wanachoweza kukitumia kujisajili.

Ili kukamilisha usajili, wenyehisa watahitaji kuwa na namba zao za vitambulisho au pasipoti walizozitumia wakinunua hisa au namba za akaunti zao za CDSC. Wenyehisa watakaohitaji kusaidiwa kuukamilisha usajili huo wanaweza kupiga simu kwa nambari (+254) 709 170 039 kuanzia saa tatu za asubuhi hadi saa kumi za alasiri kati ya Jumatatu na Ijumaa, ama watume email kwa britamagm@image.co.ke.

3. Usajili kwa wanaokusudia kushiriki katika mkutano mkuu wa kila mwaka utanza saa tatu za asubuhi ya Aprili 30, 2026 na kufungwa saa tano za asubuhi ya Mei 20, 2026. Wenyehisa hawataweza kujiandikisha kushiriki katika mkutano huo baada ya saa tano za asubuhi ya Mei 19, 2026.
4. Kwa mujibu wa Kifungu 283(2)(c) cha Sheria za Makampuni, hati zifuatazo zinapatikana na zinaweza kukaguliwa katika tovuti ya Kampuni <https://www.britam.com>:
 - i) Nakala ya tangazo hili, na fomu ya uteuzi wa wawakilishi katika mkutano.
 - ii) Taarifa za hesabu za kampuni zilizokaguliwa za mwaka 2025.
 - iii) Kanuni mpya za Kampuni.
 - iv) Maelezo kuhusu maazimio maalumu yatakayoidhinishwa mkutanoni mkuu wa mwaka.

Mwenyehisa anaweza pia kuomba ripoti hizo kwa kubonyeza *483*824# na kuchagua ripoti kwenye orodha. Ripoti na ajenda zitapatikana pia kwenye kiungo cha kuwasilisha mkutano moja kwa moja unapoendelea.

5. Mwenyehisa yeyote anayenuia kuuliza swali ama kuomba ufafanuzi wa suala lolote kuhusiana na mkutano mkuu wa kila mwaka anaweza kufanya hivyo kwa:

- i) Kuandika na kutuma e-mail ya maswali kupitia kwa agm@britam.com; au
 - ii) Wenyehisa ambao watakuwa wamejiandikisha kushiriki katika mkutano huo wataweza kuuliza maswali kwa huduma ya ujumbe mfupi wa simu (SMS) wakibonyeza *483*824# na kuchagua 'uliza swali' kwenye jukwaa la yaliyomo;
 - iii) Iwapo itawezekana, mwenyehisa apeleke barua ya maswali iliyo na anwani yake ya posta au ya e-mail katika afisi zilizosajiliwa za Kampuni kwenye ghorofa ya 28 ya Britam Towers, Upperhill, Nairobi, ama afisi za shirika msajili wa hisa za Kampuni, Image Registrars Limited, ghorofa ya tano ya ABSA Towers (zamani Barclays Plaza), Loita Street, Nairobi; au
 - iv) Kutuma barua za kusajiliwa za maswali yakiwa na anwani ya posta kwa Kampuni akitumia S.L.P. 30375 GPO 00100, Nairobi.
6. Wenyehisa wakiwasilisha maswali au hoja za kuomba ufafanuzi, wanapaswa kujitambulisha kikamilifu, yaani jina kamili na nambari ya kitambulisho, pasipoti au akaunti ya CDSC.
7. Ni lazima maswali yote na hoja za kuomba ufafanuzi ziifikie kampuni mnamo au kabla ya saa nne za asubuhi ya Mei 18, 2026.

Wasimamizi na Wakurugenzi wa Kampuni watajibu maswali yote yatakayopokelewa kupitia kwa anwani za e-mail zilizotolewa na wenyehisa kufikia Mei 20, 2026. Orodha kamili ya maswali yaliyopokelewa, na majibu yake itachapishwa kwenye mtandao wa kampuni kufikia Mei 29, 2026.

8. Kufungamana na Kifungu 298(1) cha Sheria ya Makampuni, wenyehisa wanaostahili kuhudhuria na kupiga kura katika mkutano lakini hawana nafasi ya kufika, wana haki kisheria kumchagua mwakilishi kuhudhuria na kupiga kura kwa niaba yao. Si lazima mwakilishi awe mwenyehisa wa Kampuni. Iwapo mwenyehisa hakumteua Mwenyekiti wa mkutano kuwa mwakilishi wake, mteuliwa anahitaji kuwa na simu. Fomu ya kumteua mwakilishi inaweza kupatikana katika tovuti ya kampuni, <https://www.britam.com>. Fomu zinapatikana pia kwenye afisi za shirika msajili wa hisa za Kampuni, Image Registrars Limited, ghorofa ya tano ya ABSA Towers (zamani Barclays Plaza), Loita Street, Nairobi.
9. Ni lazima fomu ya uwakilishi ijazwe kikamilifu na kutiwa sahihi na mwenye hisa au wakili wake. Iwapo mteuzi ni shirika, barua ya uteuzi wa mwakilishi ni lazima iwe na muhuri rasmi wa shirika au sainei ya afisa au wakili

wa shirika, ama afisi ya Serikali.

10. Fomu iliyojazwa itumwe kwa email kwa britamagm@image.co.ke au ipelekwe kwenye afisi za shirika msajili wa hisa za Kampuni, Image Registrars Limited, ghorofa ya tano ya ABSA Towers (zamani Barclays Plaza), Loita Street, S.L.P. 9287, GPO 00100, Nairobi, na zipokelewe kufikia saa nne za asubuhi ya Mei 18, 2026.
11. Mkutano utatangazwa mbashara kwa simu na mitandao mingine ya kidijitali kupitia kwa kiungo ambacho kitatumiwa wenyehisa watakaokuwa wamejiandikisha kushiriki. Wenyehisa waliojiandikisha pamoja na wawakilishi wao watapata ujumbe mfupi wa simu kuwakumbusha kuhusu mkutano saa 24 kabla haujaanza. Ujumbe wa pili wa SMS kuwakumbusha saa za mkutano utatumwa saa moja kabla kikao hakijaanza. Wenyehisa na wawakilishi wao waliojiandikisha watapokea kwa SMS au kwa *483*824# kiungo cha kielektroniki cha kuwawezesha kushiriki mkutanoni saa 24 kabla haujaanza.
12. Wenyehisa na wawakilishi wao waliojiandikisha wataweza kushiriki mkutanoni wakitumia jukwaa la kielektroniki linalowasilisha matangazo ya moja kwa moja. Wataweza pia kuipata ajenda ya mkutano. Wenyehisa waliojiandikisha pamoja na wawakilishi wao wataweza kupiga kura (wakifuata maagizo ya mwenyekiti) kwa njia ya ujumbe mfupi au kwa kubonyeza VOTE kwenye kiungo maalumu cha matangazo ya moja kwa moja.
13. Maazimio yote yaliyopendekezwa katika ilani hii yatapigiwa kura mkutanoni.
14. Wenyehisa watapokea SMS kwa namba za simu walizoandikisha za kuwapatia maagizo kuhusu kupendekeza na kuunga mkono mapendekezo yaliyowasilishwa kwenye ilani.
15. Matokeo ya kura yatachapishwa kwenye tovuti ya kampuni <https://www.britam.com> katika muda wa saa 48 baada ya mkutano kumalizika.
16. Kampuni inawahimiza wenyehisa kuzidi kuchunguza tovuti ya Kampuni (<https://www.britam.com/>) ili kuendelea kupata habari zaidi au ripoti za mabadiliko yo yote kuhusiana na mkutano mkuu wa kila mwaka.

BRITAM HOLDINGS PLC

MKUTANO MKUU WA KILA MWAKA

FOMU YA UWAKILISHI

Britam Holdings Plc
PO Box 30375 - 00100 GPO
Nairobi, Kenya

NAMBA YA AKAUNTI YA CDSC.....
NAMBA YA MWENYEHISA.....
NAMBA YA KITAMBULISHO/USAJILI.....

Mimi/Sisi.....
wa (anwani):.....nikiwa/tukiwa mwenyehisa/wenyehisa wa BRITAM
HOLDINGS PLC ninateua/tunateua:.....
.....wa (anwani).....Namba ya simu:.....
barua pepe.....na asipokuwepo ninateua/tunateua:.....
.....wa (anwani):.....
Namba ya simu:.....

wa (anwani):.....na asipokuwepo ninateua/tunateua Mwenyekiti wa
mkutano kuwa mwakilishi wangu/wetu na apige kura kwa niaba yangu/yetu katika Mkutano Mkuu wa Kila Mwaka
wa 2026 utakaofanyika kuanzia saa nne za asubuhi ya Alhamisi, Mei 21, 2026, na iwapo utaahirishwa, mnamo
tarehe nyingine yoyote itakayotengwa.

Ninashuhudia kwa kutia sahihi tarehe.....mwezi.....2026

Sahihi.....



Dondoo za ajenda		Kubali	Kataa	Kauli tofauti
	Shughuli za kawaida:			
1	Kupokea, kutathmini, na ikikubaliwa, kuidhinisha taarifa za jumla za hesabu zilizokaguliwa za mwaka uliomalizika Desemba 31, 2025, pamoja na taarifa za Mwenyekiti, Wakurugenzi na Wakaguzi wa Hesabu.			
2	Kufahamishwa kwamba wakurugenzi hawatapendekeza malipo ya mgawo wa faida ya mwaka uliomalizika Desemba 31, 2025.			
3	Wakurugenzi: <ul style="list-style-type: none"> i) Dkt Peter K. Munga anastaafu kwa zamu kwa mujibu wa Vifungu 91 na 92 vya Kanuni za Kampuni. Ametimiza umri wa miaka 70 na anastaafu kwa mujibu wa Mwongozo wa Kanuni za Usimamizi wa Mashirika ya Watoaji Amana kwa Umma wa 2015, na kwa vile anastahili, anajitolea kuchaguliwa tena kuwa mkurugenzi wa Kampuni. ii) Bw Jimnah Mbaru anastaafu kwa zamu kwa mujibu wa Vifungu 91 na 92 vya Kanuni za Kampuni. Ametimiza umri wa miaka 70 na anastaafu kwa mujibu wa Mwongozo wa Kanuni za Usimamizi wa Mashirika ya Watoaji Amana kwa Umma wa 2015, na kwa vile anastahili, anajitolea kuchaguliwa tena kuwa mkurugenzi wa Kampuni. iii) AfricInvest III SPV 1, Shirika Mkurugenzi linalowakilishwa na Bw George Odo, linastaafu kwa mujibu wa Kifungu 114 cha Kanuni za Kampuni, na kwa vile linastahili, linajitolea kuchaguliwa tena kuwa mkurugenzi wa Kampuni. iv) Bw Julius Mbaya anastaafu kwa zamu mkutanoni kwa mujibu wa Vifungu 91 na 92 vya Kanuni za Kampuni, na kwa vile anastahili, anajitolea kuchaguliwa tena kuwa mkurugenzi wa Kampuni. v) Bi Celestine Munda anastaafu mkutanoni kwa mujibu wa Vifungu 91 na 92 vya Kanuni za Kampuni, na kwa vile anastahili, anajitolea kuchaguliwa tena kuwa mkurugenzi wa Kampuni. vi) Bi Susan Abisola anastaafu mkutanoni kwa mujibu wa Vifungu 91 na 92 vya Kanuni za Kampuni, na kwa vile anastahili, anajitolea kuchaguliwa tena kuwa mkurugenzi wa Kampuni. 			
4	Kwa mujibu wa Kifungu 769 cha Sheria ya Makampuni ya 2015, wakurugenzi wafuatao walio kwenye Kamati ya Bodi ya Ukaguzi wa Hesabu na Udhhibiti wa Hatari za Kibiashara kwa Kampuni wanajitolea wachaguliwe kuendelea kuitumikia kamati hiyo. Wao ni: - <ul style="list-style-type: none"> a) Bi Celestine Munda b) Bi Susan Abisola c) Bi Judy Rugasira Kyanda 			

5	<p>Malipo ya wakurugenzi: -</p> <ul style="list-style-type: none"> a) Kuidhinisha Sera ya Malipo ya Wakurugenzi kama ilivyoonyeshwa kwenye taarifa ya kifedha iliyokaguliwa ya mwaka uliomalizika Desemba 31, 2025. b) Kuidhinisha ripoti ya malipo ya wakurugenzi kama ilivyoonyeshwa kwenye taarifa ya kifedha iliyokaguliwa ya mwaka uliomalizika Desemba 31, 2025, na kuipatia Bodi kibali cha kuweka kiwango cha malipo ya wakurugenzi. 			
6	<p>Kuwateua Ernst and Young kuwa wakaguzi wa hesabu za Kampuni kulingana na Vifungu 721 (2) na kuwaruhusu wakurugenzi kuamua malipo ya wakaguzi hao wa hesabu ya mwaka unaofuata kwa mujibu wa kifungu 724 (1) cha Sheria ya Makampuni ya 2015.</p>			
SHUGHULI MAALUMU				
Maazimio ya kawaida				
7	<p>Kufikiria, na iwapo itafaa, kupitisha sera za kampuni kuzingatia Kanuni za Masoko ya Mtaji (Uuzaji wa hisa kwa uuma, kuidhinisha kuuza hisa katika masoko ya hisa na utoaji maelezo kuhusu hali ya kifedha) za 2023.</p> <ul style="list-style-type: none"> a) Mwongozo wa malipo ya wakurugenzi. b) Mwongozo wa kuvutia wanabodi na kuwadumisha katika bodi. c) Sera na taratibu za Shirika kufichua kuhusu hali yake ya kifedha, uongozi na shughuli za biashara kwa umma na wasimamzi sheria na kanuni. d) Mwongozo kuhusu mawasiliano ya kufaa kwa wadau. e) Mwongozo wa kutatua mizozo ya ndani na kutoka nje. 			
8	<p>Kufikiria na kuamua iwapo inafaa, kupitisha maazimio ya kawaida yafuatayo:</p> <ul style="list-style-type: none"> i. Kwamba kuzingatia idhini iliyotolewa na wenye hisa mnamo Juni 9, 2017, ya kuanzisha mpango wa kuwatunuku wafanya kazi hisa za kampuni (ESOP), mkataba wa uamana kuhusiana na ESOP na sheria za ESOP zilizofanyiwa mabadiliko, kama zilivyooidhinishwa na Bodi ya Wakurugenzi, zikabidhiwe kwa Halmashauri ya Usimamizi wa Masoko ya Mtaji ili kuidhinishwa. ii. Kwamba kiwango cha juu zaidi cha hisa za mpango wa ESOP kiongezwe kutoka asilimia mbili hadi asilimia tano ya hisa za kampuni zilizooidhinishwa. iii. Kwamba hakuna wakati wote ambapo kiwango cha juu zaidi cha hisa za mpango wa ESOP kitazidi asilimia tano ya hisa mgawanyo za kampuni. iv. Kwamba hisa za ESOP zinaweza kutolewa kwa bei nafuu lakini isiwe chini ya bei ya wastani. v. Kwamba bei ya hisa za ESOP italingana kwa kila hali na hisa zilizopo za kawaida za kampuni. vi. Kwamba Katibu wa Kampuni au mtu mwingine yeyote aliyeidhinishwa na Bodi ya Wakurugenzi, anaagizwa kuchukua hatua zozote zifaazo kuwasilisha maombi yoyote hitajika kuwezesha kutekelezwa kwa azimio hili. 			

	Maazimio maalumu			
9	<p>Kufikiria na kuamua iwapo inafaa, kupitisha maazimio ya kawaida yafuatayo:</p> <ul style="list-style-type: none"> i. Kwamba Kanuni za Kampuni zilizofanyiwa mabadiliko (na ambazo nakili yake imewasilishwa mkutanoni) ziidhinishwe kuwa Kanuni za Kampuni mahala pa na badala ya Kanuni zilizopo za Kampuni. ii. Kwamba Katibu wa Kampuni au mtu mwingine yeyote aliyeidhinishwa na Bodi ya Wakurugenzi, aagizwe kuchukua hatua zozote zifaazo kuwasilisha ripoti zote hitajika kuwezesha kutekelezwa kwa azimio hili. 			
10	<p>Kufikiria na kuamua iwapo inafaa, kupitisha maazimio ya kawaida yafuatayo:</p> <ul style="list-style-type: none"> i. Kwamba thamani ya juu zaidi ya hisa za kampuni ipunguzwe na imepunguzwa kwa KES 5,875,252,000. ii. Kwamba KES 5,875,252,000 zilizopunguzwa kutoka kwa akaunti ya pesa za hisa za Kampuni zitumike na zimetumika kupunguza malimbikizi yote ya hasara za Kampuni. iii. Kwamba Katibu wa Kampuni au mtu mwingine ye yote aliyepewa kibali na Bodi ya Wakurugenzi wa Kampuni aagizwe na ameagizwa kuchukua hatua zozote zifaazo, masuala na mambo yoyote hitajika kuhakikisha azimio hilo linatekelezwa. 			

Kumbukeni kuwa:

1. Mwenyehisa anayestahili kuhudhuria mkutano na kupiga kura lakini hana nafasi ya kufika, anapaswa kujaza fomu hii ya uwakilishi, aweke sahihi na kuipeleka afisini za shirika msajili wa hisa za Kampuni, Image Registrars Limited, ghorofa ya tano ya ABSA Towers (zamani Barclays Plaza), Loita Street, Nairobi, au aitume kwa e-mail kwa britamagm@image.co.ke. Fomu zinapaswa kupokelewa kabla ya saa nne za asubuhi ya Mei 19, 2026, yaani saa 48 kabla mkutano haujaanza ama siku nyingine yoyote itakayotengwa iwapo utaahirishwa.
2. Yeyote anayeteuliwa kumwakilisha mwenyehisa anapaswa kuwasilisha namba yake ya simu kwa Kampuni kabla ya saa nne za asubuhi ya Mei 19, 2026.
3. Usajili wowote wa mwakilishi ukikataliwa, mwenyehisa mhusika atapashwa habari kufikia Mei 19, 2026, ili kumpatia nafasi ya kushughulikia suala lolote lililoibuka.
4. Fomu hii ya uwakilishi inapaswa kutiwa sahihi na mwenyehisa anayetoa uteuzi ama wakili wake kwa barua.
5. Iwapo mwenyehisa ni shirika, ni lazima fomu ya uwakilishi ipigwe muhuri ama kutiwa sahihi na afisa au wakili aliyepewa mamlaka hayo na shirika husika.
6. Mwenyehisa ana haki ya kuteua mwakilishi mmoja au ziadi ili kutekeleza haki zozote zako ukiwa mwenyehisa za kuhudhuria, kuongea na kupiga kura kwa niaba yako mkutanoni. Nafasi ya kumteua Mwenyekiti kuwa mwakilishi wako imetolewa kukurahishia mambo. Si lazima mwakilishi wako awe mwenyehisa wa Kampuni.
7. Kujaza fomu ya uwakilishi hakutakuzuia kuhudhuria mkutano na kupiga kura wewe mwenyewe. Hata hivyo, kura zilizopigwa na mwakilishi wako hazitahesabiwa.



FOMU YA KUKUBALI MAWASILIANO YA KIELEKTRONIKI

IJAZE KWA HERUFI KUBWA

Jina kamili la mwakilishi:

Namba ya simu ya mwakilishi:

Weka alama kwenye vijisanduku vilivyo hapa chini na urejeshe fomu hii kwa Image Registrars Limited, S.L.P. 9287 GPO 00100, Nairobi, ghorofa ya tano ya ABSA Towers (zamani Barclays Plaza), Loita Street, Nairobi:

Idhini ya usajili

Mimi/Sisi nimekubali/tumekubali kusajiliwa kushiriki katika Mkutano Mkuu wa Kila Mwaka utakaofanyika kielektroniki Mei 21, 2026.

Kibali cha kuitumia nambari ya simu ya mkononi niliyoitoa

Mimi/Sisi nimekubali/tumekubali namba za simu nilizotoa/tulizotoa zitumike kupigia kura wakati wa Mkutano Mkuu wa Kila Mwaka

Sahihi:

Tarehe:



REGISTERED OFFICE

BRITAM HOLDINGS PLC

Britam Tower
Hospital Road
Upper Hill
P.O Box 30375, 00100 Nairobi, Kenya
Tel: (+254) 020 2833 000/2710 927
Fax: (+254) 020 2717 626
E-mail: info@britam.com
Website (Group): www.britam.com

The Chief Executive Officers (CEOs) and /or Principal Officers for the entities below are the individuals that held office as at the time of approval of these consolidated financial statements.

LOCAL SUBSIDIARIES

6 of the local subsidiaries share physical and postal addresses with the Company as above;

BRITAM LIFE ASSURANCE COMPANY (KENYA) LIMITED

Ag. CEO/Principal Officer: Mr. Moses Kang'ethe
E-mail: insurance@britam.com

BRITAM ASSET MANAGERS (KENYA) LIMITED

CEO: Mr. Barack Obatsa
E-mail: assetmanagement@britam.com

BRITAM PROPERTIES (KENYA) LIMITED

E-mail: Property@britam.com

BRITAM GENERAL INSURANCE COMPANY (KENYA) LIMITED

CEO/Principal Officer: Mr. James Mbithi
Email: info@britam.com

BRITAM MICRO INSURANCE COMPANY (KENYA) LIMITED

CEO/Principal Officer: Ms. Eva Kimani
Email: info@britam.com

BRITAM SEZ COMPANY (KENYA) LIMITED

Two Rivers Mall
Email: info@britam.com

REGIONAL SUBSIDIARIES

BRITAM INSURANCE COMPANY (UGANDA) LIMITED

CEO/ Principal Officer: Mr. Allan S. Mafabi
Plot 24A, Akii-Bua Road, Nakasero
P.O Box 36583, Kampala, Uganda
Tel: (+256) 417 702 600
Email: britamug@britam.com

REGIONAL SUBSIDIARIES

3 Uganda subsidiaries share physical and postal addresses with BRITAM INSURANCE COMPANY (UGANDA) LIMITED as above.

BRITAM ASSET MANAGERS (UGANDA) LIMITED

CEO: Ms. Peace Gakwaya
Email: britamug@britam.com

BRITAM LIFE ASSURANCE COMPANY (UGANDA) LIMITED

CEO/ Principal Officer: Ms. Aidah Nkwanzu
Email: britamug@britam.com

BRITAM INSURANCE COMPANY LIMITED (SOUTH SUDAN)

CEO/Principal Officer: Mr. George Morara
The Britam Place, Hai Malakal Juba, South Sudan
Tel: (+211) 911 006 001/2
Email: britamss@britam.com

BRITAM INSURANCE COMPANY (RWANDA) LIMITED

CEO/Principal Officer: Mr. Andrew Kulayige
Kigali Investment Company, 5th Floor
P.O Box 913, Kigali, Rwanda
Tel: (+250) 252 579 031/2/3
Email: rwanda@britam.com

BRITAM INSURANCE (TANZANIA) LIMITED

CEO/ Principal Officer: Mr. Farai Dogo
PPF Tower 2nd Floor, Garden/Ohio Street
P. O. Box 75433, Dar es Salaam, Tanzania
Tel: (+255) 22 2138058/ 762
Email: britamtz@britam.com

BRITAM INSURANCE COMPANY LIMITED (MALAWI)

CEO/ Principal Officer: Mr. Wales Meja
Delamere House, Victoria Avenue,
P.O. Box 442, Blantyre, Malawi
Tel: (+265) 01 824 044/ 08 81893856 /09 91461230
Email: britammw@britam.com



BRITAM COMPANHIA DE SEGUROS DE MOÇAMBIQUE, SA

CEO/ Principal Officer: Mr. Martin Mandivenga

Av Marginal No 4067 R/C Caixa

Postal 3681,Maputo, Mozambique

Tel: (+258) 21 492840/8/9

Email: britammz@britam.com

LOCALLY RELATED PARTIES

HF GROUP PLC

Rehani House

Kenyatta Avenue/Koinange Street

Nairobi Kenya

Tel: (+254) 020 3262000

Email: info@hfgroup.co.ke

**CONTENTAL RE INSURANCE
COMPANY(KENYA) LIMITED**

Lenana Place 4th Floor,

Lenana Road

Nairobi Kenya

Tel: (+254) 020 2429391

Email: info@continental-re.com

KILIMANI HOTEL SUITES

Nyangumi road

Off Lenana Road

Nairobi Kenya

Tel: (+254) 020 2262000,

Email: enquiry.swn@the-ascott.com

SHARE REGISTRAR

Image Registrars Limited
Absa Plaza, 5th Floor
Loita Street
P.O Box 9287-00100, Nairobi
Tel: (+254) 020 2230330
Email: info@image.co.ke

SECRETARY

Hilda M. Njeru
Britam Tower
Hospital Road
Upper Hill
P.O Box 30375, 00100 Nairobi, Kenya

LEGAL ADVISORS

DLA Piper/IKM Advocates
CMS Daly Inamdar Advocates
Bowmans (previously Coulson Harney Advocates)
Ngatia and Associates
South Sudan Associated Advocates
Katende, Ssempebwa & Co Advocates (Uganda)
FK Advocates (Rwanda)
Tanscar Attorneys (Tanzania)
Nanthuru & Associates (Malawi)
Costa Amanze (Mozambique)

AUDITOR

PricewaterhouseCoopers LLP
PwC Tower
Waiyaki Way/Chiromo Road
P O Box 43963 – 00100 Nairobi, Kenya
Nairobi, Kenya
T: +254 (20)285 5000
F: +254 (20)285 5001

BANKERS

Equity Bank Limited
NCBA Bank
Absa Bank Kenya Limited
Citibank
KCB Bank Limited
National Bank of Kenya Limited
Standard Chartered Bank Limited
Co-operative Bank of Kenya Limited
HFC Bank Limited

ACTUARIAL SERVICES

QED Actuaries and
Consultants (Pty) limited
Sandton, South Africa.
Triangle Actuarial Services
Wake Forest, North Carolina, USA

Safeguarding Dreams and Aspirations

KENYA | UGANDA | TANZANIA | RWANDA | SOUTH SUDAN | MOZAMBIQUE | MALAWI



britamkenya



BritamEA



BritamGroup



www.britam.com

