Britam
With you every step of the way

60TH ANNIVERSARY

Britam Holdings PLC 2024 Integrated Annual Report & Audited Financial Statements

Africa's friend for 60 years

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About the **company**

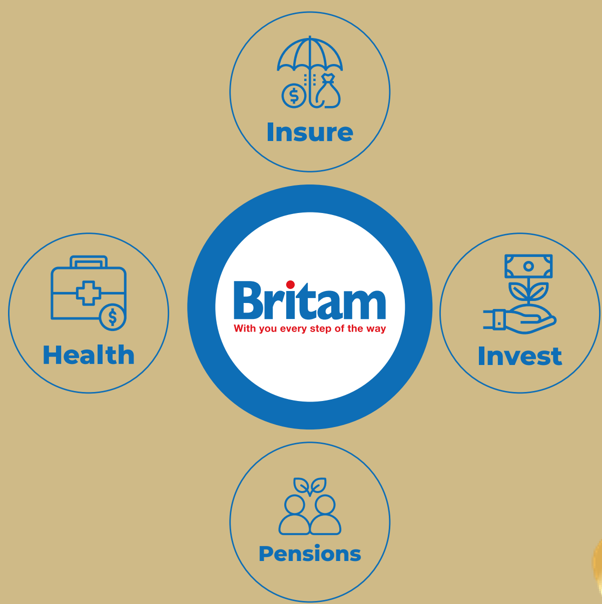
Britam Holdings Plc is a leading diversified financial services Group listed on the Nairobi Securities Exchange. The Group has a presence in seven countries in Africa namely: Kenya, Uganda, Tanzania, Rwanda, South Sudan, Mozambique and Malawi.

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

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

EVERY STEP OF THE WAY.

Our Solutions:



1000+
Employees across Africa

2,500+
Financial Advisors

Shs 17.6B
Market capitalisation of the NSE

Shs 208.5B
Total Assets

Who we are at 60 years

OUR PHILOSOPHIES

1

OUR PURPOSE
Safeguarding Dreams and Aspirations

2

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

3

OUR MISSION
Providing you with financial security every step of the way

4

BRAND PROMISE
With you every step of the way

5

CX VISION
We will serve with empathy and care and provide an EPIC² experience

6

OUR VALUES
- Accountability
- Trust
- Agility
- Customer Centricity

7

Strategic Pillars – EPIC²
- Employees
- Partnerships
- Innovation
- Clients
- Conduct

Who we are

Sustainability

Britam creates value by combining a broad range of resources to generate positive outcomes for society that go beyond financial returns for our shareholders or investors. We believe these outcomes are fundamental in securing our long term financial performance and sustainability.

Business

By focusing on ESG factors, as we conduct our business, Britam is well-positioned to thrive in the dynamic African markets while also making a positive impact on the environment and society.

Communities

Through education, community development projects, and partnerships, we strive to create a positive and lasting impact on the communities in which we operate.

Operations

Our operations are continuously evaluated and improved to ensure that we are doing our part in creating a better future for generations to come.

Our 60 year history

1965
Britam founded

Our first office is opened in Nairobi as a foreign branch of British-American insurance company Limited headquarters in Bahamas.

1979
private limited

A local company was incorporated as British-American insurance company (Kenya) Limited as a private limited liability company.

1984
Localisation

Local Kenyan investors acquired 33.33% shareholding in line with government directives.

Our 60 year history

2004 more functions

The group incorporated British-American Asset Managers whose core business was the provision of Investment advisory and Fund management services. During the same year, the group restructured, creating a non-operating holding company.

2010 Expansion

Britam's regional expansion commenced with the group's expansion into Uganda with the incorporation of Britam Insurance Company (Uganda) Limited, which commenced business on 24th November 2010, following the issuance of an insurance license by the Uganda Insurance Commission.

2011 Listing

The shares of British-American Investment company were listed of the Nairobi Securities Exchange through an undersubscribed initial public offering.

2012 Launch

Britam Insurance Company (South Sudan) Limited was launched in February 2012 and is licensed to underwrite all classes of life and non-life insurance.

Our 60 year history

2013 Britam Tower Construction Contract Signed

Launch of Britam Corporate Bond 2014

2015 Company name change

Shareholders voted to change the company's name from British American investment company to Britam Holdings PLC.

2017 Britam Tower completion

Britam tower in Nairobi is completed.

IFC a world bank arm acquires a 10.37% stake in september 2017, securing board seat

Our footprint

Kenya
Established 1965

Uganda
Established 2010

Tanzania
Acquired 2013

Mozambique
Acquired 2014

Rwanda
Established 2012

Malawi
Acquired 2014

South Sudan
Established 2012

Our structure

Britam Holdings PLC

- Britam Life Assurance Company (Kenya) Limited 100%
  - Kilimani Hotel Suites Limited 100%
- Britam General Insurance Company (Kenya) Limited 100%
  - Britam Connect (Britam Microinsurance Company (Kenya) Limited)100%
- Britam Asset Managers (Kenya) Limited 100%
- Britam Insurance Company (Uganda) Limited 100%
- Britam Properties (Kenya) Limited 100%
- Britam Insurance Company Limited (Malawi) 100%
- Britam - Companhia De Seguros De Mozambique S.A 98%.
- Britam Asset Managers (Uganda) Limited 100%
- Britam Insurance Company (Rwanda) Limited 100%
- Britam Insurance Company (Tanzania) Limited 55%
- Britam Insurance Company Limited (South Sudan) 100%
- Britam SEZ Limited 100%
- Britam Life Assurance Company (Uganda) Limited 100%
- Continental Reinsurance (Kenya) Limited 30%
- HF Group PLC 48.17%

Our foundation

Britam Foundation
Enriching lives in Africa

The Britam Foundation envisions a future with a thriving society where every individual has access to holistic health, quality education, sustainable environments, and boundless opportunities in entrepreneurship. We aspire to create lasting positive change and foster inclusive, resilient societies across the region.

The Britam Foundation is committed to **enriching lives in Africa.**

Our vision
To empower thriving communities through holistic health, quality education, sustainable environments and boundless entreprenurial opportunities.

Our Mission
To empower individuals, nurture communities and inspire sustainable developments for generations to come.

Overview of the Foundation Pillars

HEALTH

Promoting healthcare access and healthy living are key to universal health coverage agenda, prioritizing community well-being.

EDUCATION

Britam prioritizes education by fostering a learning culture, promoting financial and insurance literacy, and supporting access to quality education through scholarships and grants.

ENVIRONMENT

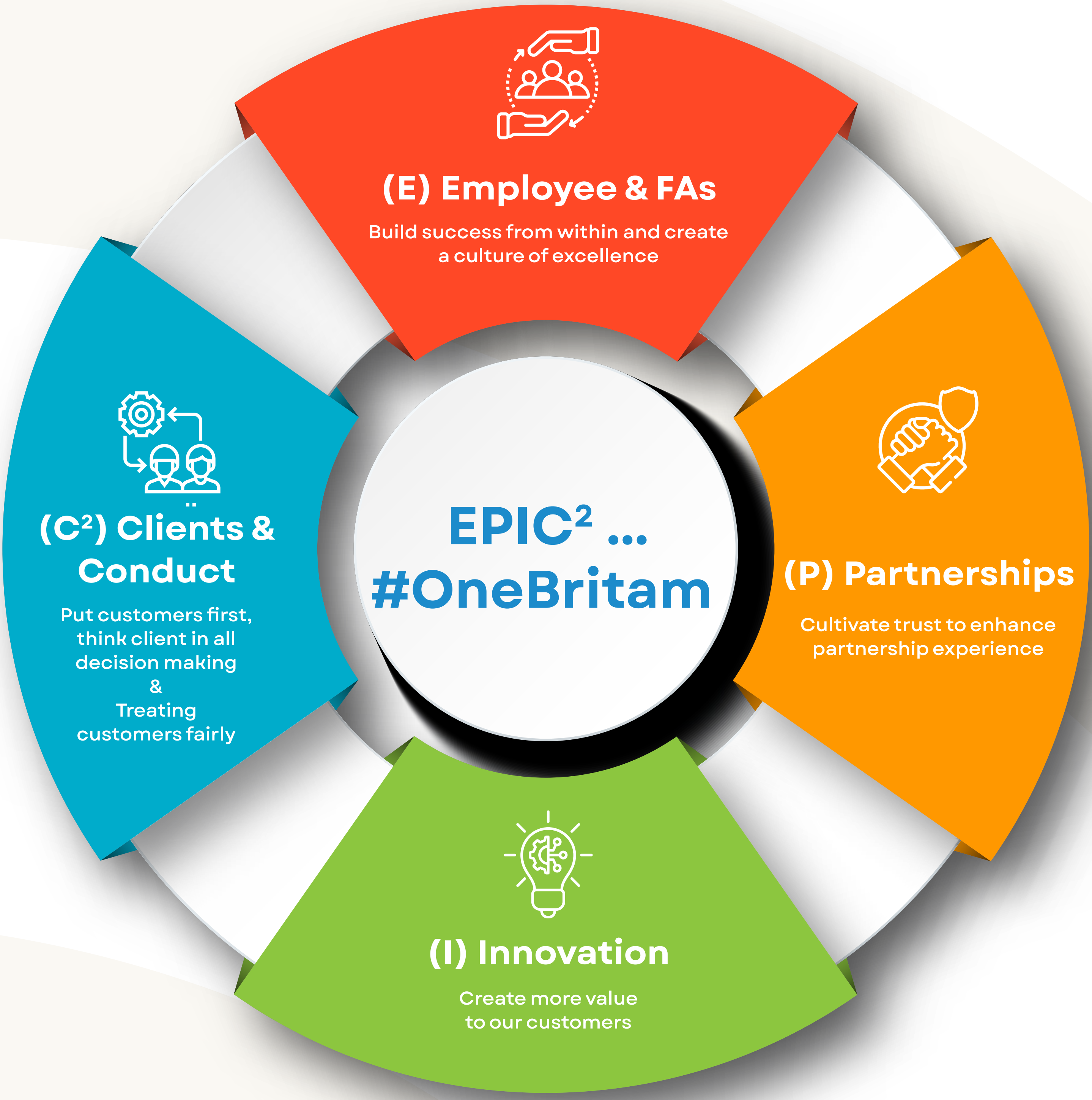
The foundation aims to combat climate change by prioritizing long-term initiatives to reduce and mitigate climate-related risks, contributing to global efforts in addressing this pressing issue.

ENTREPRENEURSHIP

The foundation is committed to fostering sustained development and well-being by supporting innova-tion and entrepreneurship within the community. It aims to contribute to the financial stability of small and medium enterprises (MSMEs and SMEs) while nurturing youth-driven invention.

Our strategy

The 2021–2025 Strategic Pillars



Our strategy

In 2024, Britam implemented a series of strategic initiatives that significantly contributed to the Group's financial performance and overall success. These initiatives focused on strengthening our distribution channels, enhancing organizational capabilities, expanding our regional footprint, leveraging technology, driving innovation, and embedding sustainability into our operations. Below are the key strategic initiatives and their impact:

Strengthening Distribution and Sales Excellence through Learning & Leadership Development:

Britam made substantial progress in enhancing its distribution network by leveraging the Learning & Leadership Academy and digital transformation.

Driving Innovation through the Digital Accelerator Program:

Innovation remained a key pillar of Britam's growth, with the Digital Accelerator Program playing a critical role in fostering technological advancement.

Organizational Transformation and Talent Development:

Britam prioritized the stabilization and transformation of its organization by strengthening its Talent Agenda and ensuring a fit-for-purpose culture and structure. Key efforts focused on enhancing employee experience, engagement, and retention, leading to an improved ability to attract and retain top-tier talent.

Expansion into New Markets and Product Diversification:

As part of Britam's strategic growth agenda, the Group successfully expanded its footprint in regional markets while diversifying its product offerings. This included the establishment of Life Insurance operations in new territories, entry to DRC in progress and the introduction of Micro-insurance solutions to enhance financial inclusion.

Enhancing Operational Efficiency through IT & Digital Transformation:

Britam continued its investment in robust IT systems to improve operational efficiency and customer service.

Embedding Sustainability into Core Business Operations:

Britam continued to integrate sustainability into its business strategy by implementing a comprehensive ESG framework and sustainability policies

Sustainability at a glance

Our Sustainability Vision

To be the leading diversified financial services company in our chosen markets, driving positive environmental and social impact, with the highest standards of governance.

Our Sustainability Mission

Empowering a sustainable future, where dreams and aspirations thrive.

Our Sustainability Material Topics

- Safeguarding our Environment
- Healthier Lives & well-Being
- Innovation, Collaboration & Technology
- Positive Impact to Our People
- Responsible Business

Our Sustainability Framework

- Lead in environmental reponsibilty and contribute to a healthier planet for both present and future generations
- Create a workplace and customer experience that goes beyond expectations, promotes mutual growth, satisfaction and lasting relationships.
- Drive innovation, foster collaboration and responsibly leverage on technology.
- Be a catalyst for positive change, actively commit to community well-being, healthcare, sustainability and the overall health and education landscape.
- Aim to set a benchmark for responsible business ethics in the financial services industry.

Impact on UN SDGs

- 03 GOOD HEALTH AND WELL-BEING
- 04 QUALITY EDUCATION
- 05 GENDER EQUALITY
- 08 DECENT WORK AND ECONOMIC GROWTH
- 09 INDUSTRY, INNOVATION AND INFRASTRUCTURE
- 10 REDUCED INEQUALITIES
- 13 CLIMATE ACTION
- 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
- 17 PARTNERSHIPS FOR THE GOALS

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

GOVERNANCE

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.

- 1000+ dedicated workforce
- 3800+ financial advisors
- Experienced leadership team
- Corporate culture based on clear ethics and values

Financial Capital

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

- Shs 209 billion total assets
- Shareholders funds at Shs 29 billion

Natural Capital

Renewable and non-renewable resources used by Britam to function.

Our natural capital includes:
- Land
- Electricity
- Water

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

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

Organise around the Customer

Embed Customer-Centricity

Leverage Technology

BUSINESS VERTICALS

- Insurance
- Asset Management
- Property
- Portfolio Investments

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.

OUTPUTS

DELIVERY CHANNELS

Financial Advisors
- Dedicated Agents
- Independent Agents

Partners
- Dedicated Agents
- Independent Agents

Digital Channels
- USSD *778#
- Britam Buy Online
- Britam Customer Connect
- Britam App

TRANSFORMING VALUE

PRODUCT & SERVICES

Insurance
- Life - Long term Insurance & Pensions
- General - Short term Insurance

Asset Management
- Retail Client Solutions
- Corporate Client Solutions

Property Management
- Management Services

RISK & CAPITAL MANAGEMENT

Investors
- 20% Growth in total assets
- 3% growth in insurance service revenue
- 52% growth in profitability to Shs 7.3 billion

Customers
- Launched new products and propositions
- Revamped self-service channels
- Increased partnerships

Employees
- Shs 5.0 billion paid in salaries and wages
- Achieved 57:43% male/female gender ratio in executive management
- Zero work related injuries in the year

Regulators
- Prudent risk management
- Business operated within the Group's Risk Appetite
- Positive regulatory engagements and relationships sustained

Social Impact
- Continued rollout of affordable and accessible propositions
- Continued with Corporate Social Investment initiatives

Turnaround Key Cost Drivers

Shift Investment Strategy

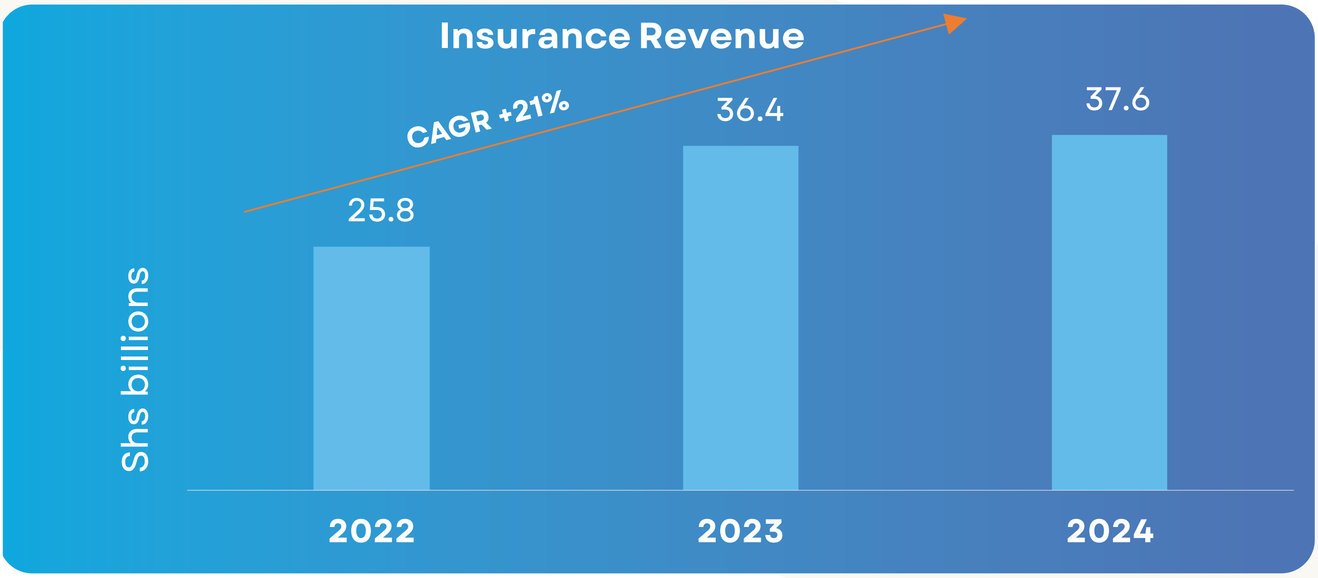
Drive International Growth

FINANCIAL REVIEW

The Group has continued to perform very well in the year 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.

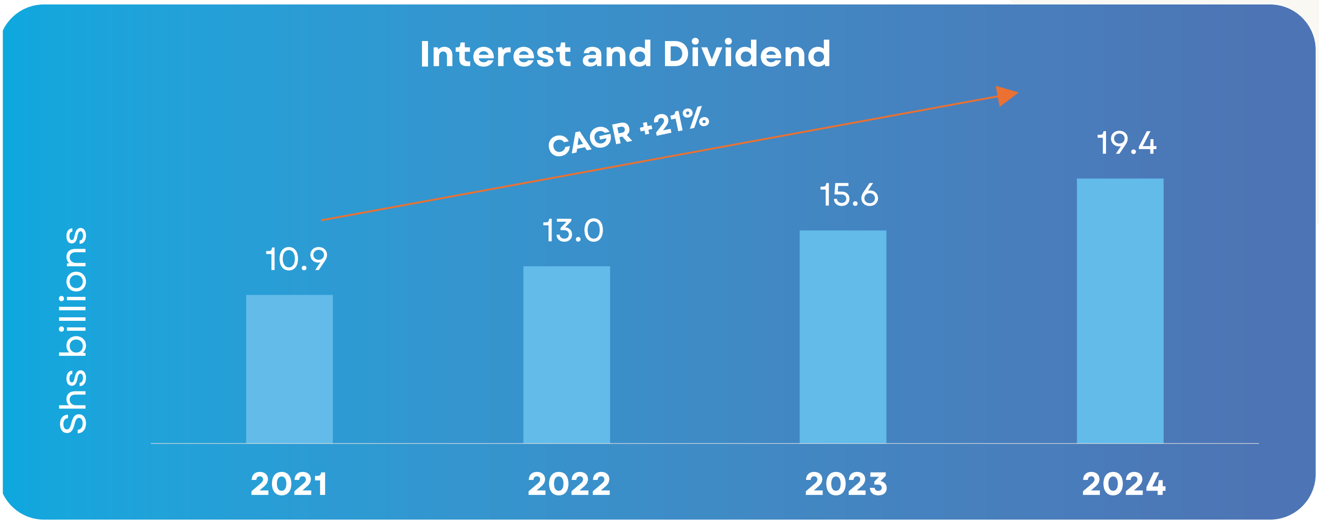
Insurance Revenue

The insurance businesses recorded a 3% growth in insurance revenue from prior year, with the Kenya insurance business registering 6% growth. The regional businesses registered a 3% decline faced with macroeconomics challenges, contributing Shs 10.3 billion (2023: Shs 10.6 billion), to the total insurance revenue. This accounts for 27% (2023: 29%) of the total insurance revenue.



Interest and dividend income

Dividend and interest income increased by 24% from Shs 15.6 billion in 2023 to Shs 19.4 billion



Net income from investment property - which comprises rental income and fair value movements in investment properties recorded a gain of Shs 801 million (2023: Shs 644 million) in the year on the background of growth in occupancy levels and sustained property market.

The Group's investment in equities and government securities returned unrealised fair value gains amounting to Shs 9.9 billion compared to losses of Shs 4.7 billion in 2023. The significant fair value gains recorded in government securities compared to prior period was as a result by shifts in the yield curve across different maturities in which the Group entities hold significant investments.

Additionally, during the year the Group through Britam Life Assurance Company (Kenya) Limited, a fully owned subsidiary participated in HF Group rights issue, acquiring additional 722,721,000 shares at Shs 2.9 billion. The rights were sold at a discount, and it resulted in a net impact to the profit or loss of Shs 2.2 billion. The details of the rights issue are as disclosed under note 25.

The share of profit of the associates accounts for Shs 421 million (2023: Shs 213 million) of the Group profit before tax, mainly arising from the profit of Shs 56 million (2023: Shs 26 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 244 million (2023: Shs 187 million). Continental Reinsurance (Kenya) Company – associate acquired during the year contributed Shs 121 million (2023: Shs Nil). During the year Britam Life Assurance Company (Kenya) Limited acquired 30% shareholding in Continental Reinsurance Company (Kenya) Limited.

Insurance Service Expenses

The insurance service expenses increased by 2% to Shs 27.3 billion from Shs 26.9 billion in 2023, in line with business growth.

Profitability

The Group's profit before tax soared to Shs 7.33 billion, marking a significant improvement from Shs. 4.82 billion in the previous year. This commendable performance was underpinned by prudent cost management practices, coupled with enhanced revenue streams from both insurance and investment activities.

Capital Adequacy and Solvency Margins

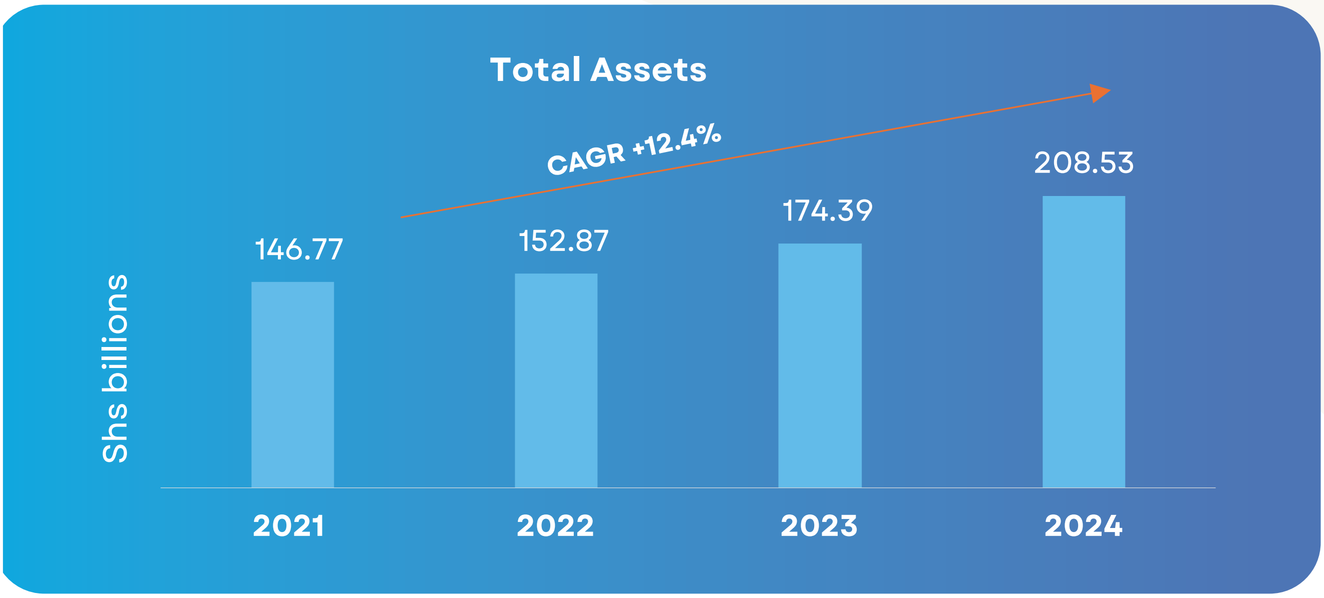
The Group ensures that its available resources are allocated in a way that is capital efficient, meets the Group's risk appetite and ensures that optimal returns are made while ensuring compliance with various regulations that govern most of its businesses; out of its 14 entities, 12 are regulated. Details of these are disclosed in Note 46 (e).

Consolidated Statement of Financial Position

The Group have reported a 20% growth in total assets during the year.

Balance Sheet Strength

The Group's balance sheet remains robust, with total equity increasing to Shs. 29.46 billion from Shs. 25.69 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

The Group's strong financial performance is a testament to the effectiveness of its strategic initiatives, including customer-centricity and prudent investment strategies. Looking ahead, the Group remains committed to driving sustainable growth and enhancing shareholder value through the continued execution of its strategic roadmap.

Our Group Chairman's Statement

Dear Shareholders and Stakeholders,

I am honored to present our annual report for the financial year ended December 31, 2024. This year has truly showcased our resilience, strategic focus, and unwavering commitment to delivering value to our stakeholders.

As we celebrate 60 years of Britam, we reflect on our journey with immense gratitude to our loyal customers, partners, employees, and shareholders who have walked with us every step of the way. This milestone is not just a celebration of our past achievements, but also a springboard for the next 60 years of growth, innovation, and impact.

Macroeconomic Environment

The operating environment across our markets presented both opportunities and challenges. In Kenya, GDP growth slowed to 4.7% from 5.6% in 2023, impacted by severe floods, mid-year protests, tighter monetary policies, and fiscal consolidation challenges. However, there were positive indicators such as inflation dropping from 6.9% in January to 3.0% in December 2024, driven by lower food and fuel prices and tighter monetary policies. The successful repayment of the 2024 Eurobond boosted investor confidence, leading to the appreciation of the Kenyan shilling.

Regionally, we saw robust economic performance in Uganda, where GDP growth stood at 6.1%, supported by strong services and industrial sectors. Inflation also eased significantly from 8.8% to 3.2%, creating a more stable operating environment. Similarly, Tanzania recorded a solid GDP growth of 5.3%, driven by agriculture, construction, and manufacturing.

However, some markets experienced economic strains. Malawi struggled with prolonged drought, which pushed inflation up to 33.3%, straining economic stability. South Sudan also faced high inflation at 16.5%, coupled with currency depreciation, primarily due to declining oil revenues and political instability.

Despite these macroeconomic challenges, we remained resilient, expanding our market share and making strategic investments in products, people, and technology, while maintaining robust risk management practices. Our ability to adapt and innovate in the face of adversity underscores our commitment to providing financial security and empowering our clients to achieve their dreams and aspirations.

Strategic Alignment and Financial Performance

In 2024, we implemented a series of strategic initiatives that significantly contributed to the Group's financial performance and overall success. These initiatives focused on strengthening our distribution channels, enhancing organizational capabilities, expanding our regional footprint from a product diversification perspective, leveraging technology, driving innovation, and embedding sustainability into our operations. Our Bold decisions to invest the above areas gave us a competitive advantage. We retained our status as Kenya's number one Life Insurer for the 18th consecutive year and leap frogged to the second position in General Insurance.

Key achievements in 2024 include:

Market Leadership: Britam maintained its position as Kenya's number one Life Insurer for the 18th consecutive year and ascended to the second position in General Insurance.

Financial Performance: Our disciplined execution of strategy resulted in an exceptional 52% growth in profit before tax, closing the year at Shs 7.3 billion. This growth is a testament to the dedication of our management and staff in driving performance despite economic headwinds.

People and Culture: Recognizing that talent is a critical enabler of business success, we placed significant emphasis on strengthening our workforce. By fostering a high-performance culture, improving employee experience, and enhancing talent retention, we have positioned Britam as an employer of choice.

Regional Expansion: As part of our growth agenda, we successfully launched Life Insurance operations in Uganda and introduced micro-insurance solutions, furthering our commitment to financial inclusion across the region.

Our success in 2024 reflects our unwavering commitment to our **OneBritam Strategy (2021-2025)**, which prioritizes customer-centricity, innovation, and operational excellence.

Corporate Governance

At Britam, corporate governance remains the cornerstone of our long-term sustainability and success. We uphold the highest standards of transparency, accountability, and ethical leadership to build and maintain stakeholder trust.

At the Board level, we have reinforced our governance framework by ensuring diversity in expertise, perspectives, and regional representation. This diversity enhances decision-making, strengthens oversight, and ensures we remain future-proof. Our focus remains on sound governance practices that align with global best standards, ensuring sustainable value creation for all stakeholders.

Embracing AI, Digital Transformation, and Changing Market Trends
Technology is reshaping the future of insurance, and Britam is at the forefront of this transformation. We have made bold investments in Artificial Intelligence (AI) and digital capabilities to enhance efficiency, drive customer-centric solutions, and optimize service delivery. Key initiatives include:

BetaLab – Britam's innovation hub driving AI-led solutions and fostering investor-ready startups while enhancing digital adoption.

Advanced Data Analytics & AI – enabling us to personalize customer engagement, improve risk assessment, and enhance operational efficiency.

Furthermore, we recognize the critical role of financial literacy in driving insurance penetration across Africa. Britam remains committed to increasing public awareness through our extensive network of financial advisors who are equipped with the knowledge and tools to educate communities on financial security. In the broader context, global connectivity and shifting demographics present significant opportunities. Africa's population is projected to grow by 1.3 billion by 2050, with a young and tech-savvy demographic driving new consumption patterns. Internet penetration is expected to reach 50% by 2025, with 360 million smartphones in use. To remain competitive, we are doubling down on AI and digital adoption, ensuring seamless service delivery across multiple channels and developing new consumer models to cater to evolving needs.

Looking Ahead
As we celebrate 60 years of excellence, we remain steadfast in our mission to empower our customers, drive innovation, and deliver sustainable value. Our leadership position today is the result of years of strategic investments and a relentless pursuit of excellence. However, we recognize that to stay ahead, we must continuously adapt, remain curious and execute with excellence.

Our focus for the future includes:
Deepening our Customer-Centric Approach: Enhancing personalized solutions and leveraging AI-driven insights.
Expanding Regional Footprint: Strengthening our presence in key markets while exploring new opportunities.

Driving Innovation: Investing in cutting-edge digital solutions and emerging business models.

Sustainability & Financial Inclusion: Continuing to champion initiatives that promote inclusive financial access and economic empowerment.

In Conclusion, I extend my deepest gratitude to our shareholders, customers, employees, partners, and regulators for their unwavering support. Your confidence in Britam fuels our ambition to excel and reinforces our commitment to being your trusted financial partner.

As we embark on the next chapter of our journey, we do so with confidence, purpose, and an unyielding commitment to creating a brighter, more prosperous future for all.

Cheers to 60 years and to many more ahead!
Yours Sincerely,

Kuria Muchiru
Group Chairman
27 March 2025

Our success in 2024 reflects our unwavering commitment to our **OneBritam Strategy (2021-2025)**, which prioritizes customer-centricity, innovation, and operational excellence.

Taarifa ya Mwenyekiti

Wenyehisa na wadau wapendwa,

Ni heshima kuu kwangu kuwasilisha ripoti yetu ya mwaka uliomalizika Desemba 31, 2024. Ni mwaka ambao tulionyesha kwa dhati uthabiti, kuzingatia mpango wetu wa mkakati na kujitolea kikamilifu kuhakikishia wadau wetu wananufaika ipasavyo.

Tunapoadhimisha miaka 60 tangu Britam ilipoanzishwa, na tukitafakari kuhusu safari hiyo yote, tunashukuru wateja wetu waaminifu, washirika, wafanyakazi na wenyehisa ambao wameandamana nasi katika kila hatua ya safari yetu. Tukio hilo muhimu la kihistoria sio tu fursa ya kusherehekea mafanikio tuliyoyapata lakini ni nafasi nzuri ya kuiangazia miaka 60 ijayo kwa kutilia mkazo ustawi, ubunifu na matokeo.

Mazingira ya kiuchumi katika nchi za kanda

Hali ya kibiashara kote katika masoko yetu ilitupatia nafasi muhimu na wakati huo huo kutoa changamoto. Nchini Kenya, uchumi mnamo 2024 ulikua kwa kiwango tofauti na 2023. Uchumi ulikua kwa asilimia 4.7 ikilinganishwa na 5.6 mnamo 2023. Hali hiyo ilisababishwa na mafuriko, maandamano yaliyotokea katikati ya mwaka, sera kali za masuala ya fedha na changamoto za kuimarisha hazina za serikali. Hata hivyo, kulikuwa na viashiria vya kutia moyo kama vile kushuka kwa gharama ya maisha kutoka asilimia 6.9 mnamo Januari hadi asilimia tatu mnamo Desemba 2024 kutokana na kushuka kwa bei za chakula na sera kali za masuala ya fedha. Hatua ya Serikali kumaliza kulipa deni la Eurobond 2024 iliwatia moyo wawekezaji na kuchangia kuimarika kwa thamani ya shilingi ya Kenya.

Tukiangazia nchi za kanda, tulishuhudia ustawi imara wa kiuchumi katika Uganda wa asilimia 6.1 kutokana na uthabiti wa sekta zake za utoaji huduma na viwanda. Gharama ya maisha ilishuka kwa kiwango kikubwa kutoka 8.8% hadi 3.2%, na hivyo kutoa mazingira imara ya kufanyia biashara. Hali ilikuwa hiyo hiyo katika Tanzania ambapo uchumi ulikua kwa 5.3%, hasa kutokana na ustawi wa kilimo, ujenzi na utengezaji wa bidhaa.
Lakini pia kuna masoko yaliyokumbana na matatizo ya kiuchumi. Malawi ilitatizika kutokana na msimu mrefu wa ukame na njaa uliopandisha gharama ya maisha hadi asilimia 33.3 na hivyo kuyumbisha uthabiti wa ki-uchumi. Kadhalika, Sudan Kusini ilikabiliwa na tatizo la kupanda kwa gharama ya maisha kwa 16.5%, hali iliyozoroteshwa na kushuka kwa thamani ya sarafu yake, hasa kutokana na kushuka kwa mapato ya mafuta na vurugu za kisiasa.

Hata hivyo, Britam ilidumisha uthabiti wake hata kwenye changamoto hizo za kiuchumi, ikapanua nafasi yake katika masoko na kufanya uwekezaji muhimu katika bidhaa na huduma, watu na teknolojia, huku ikidumisha kanuni imara za kukabiliana na athari zozote za kibiashara. Uwezo wetu kufanya marekebisho kila panapohitajika na kuzingatia ubunifu hata tukikabiliwa na shida, ni thibitisho bayana la kujitolea kwetu kuhakikishia wateja wetu usalama wa kifedha na kuwawezesha kutimiza ndoto na hamu ya kupata kitu bora. .

Mfungamano wa mikakati na matokeo ya shughuli za fedha

Mnamo 2024, tulitekeleza msururu wa mambo muhimu yaliyochangia pakubwa katika kuimarisha hali ya kifedha ya shirika letu na ufanisi wake kwa jumla. Juhudi hizo zilitilia mkazo kuimarisha mbinu na njia za kusambaza huduma na bidhaa zetu, kuimarisha utendaji kazi wa shirika, kuongeza bidhaa na huduma katika masoko yetu ya kanda, kuimarisha nguvu za teknolojia, kuendeleza ubunifu na kutilia mkazo uendelevu katika shughuli zetu.

Hatua zetu za kijasiri kuwekeza katika nyanja hizo zote zilitusukuma mbele kibiashara. Tulidumisha nafasi yetu katika Kenya kwa kuibuka tena namba moja katika shughuli za bima ya maisha kwa mwaka wa 18 mfululizo na tukashika nafasi ya pili katika shughuli za bima za kawaida.

.Mafanikio muhimu mnamo 2024 ni pamoja na:

- **Uongozi katika soko:** Britam ilidumisha nafasi yake kwa kubaki namba moja Kenya katika shughuli za bima ya maisha kwa mwaka wa 18 mfululizo na tukaibuka namba mbili katika shughuli za bima ya kawaida.
- **Matokeo ya kifedha:** Nidhamu yetu katika kutekeleza mikakati ilituwezesha kuinua faida kwa kiwango cha kipekee cha asilimia 52 kabla ya kutozwa kodi na tukafunga mwaka kwa pato la Shs7.3 bilioni. Ukuaji huo ni thibitisho bayana la kujitolea kwa wasimamizi na wafanyakazi wetu katika kuleta mafanikio ya kibiashara, bila kujali matatizo ya kiuchumi yanayotukabili.
- **Watu na utamaduni wa kufanya kazi:** Kutambua vipaji na uelekevu kazini ni muhimu katika kufanikisha ustawi wa biashara. Ndiposa tukatilia mkazo uimarishaji wa hali ya wafanyakazi wote. Kwa kuendeleza utamaduni wa utendaji kazi wa kiwango cha juu, kuimarisha hali ya wafanyakazi na kuhakikisha uhifadhi wa wafanyakazi wenye vipaji, tumeiweka Britam katika nafasi ambapo imekuwa mwajiri namba moja.
- **Kuongeza masoko ya kanda:** Katika kukuza harakati zetu za kujiendeleza, tumeanzisha shughuli za bima ya maisha katika Uganda na pia bima nafuu, na hivyo kuisukuma mbele azma yetu ya kuhakikisha tunasambaza huduma za fedha kote katika kanda. Ufanisi wetu wa 2024 in thibitisho la kujitolea kwetu kikamilifu kwa mpango wetu wa mkakati, OneBritam Strategy (2021-2025), unaotilia mkazo kuwapa wateja kipaumbele, ubunifu na huduma za kiwango cha juu kabisa.

Udhibiti wa shirika

Udhibiti kamili wa shirika ni nguzo muhimu ya uendelevu na ufanisi wa muda mrefu katika Britam. Tunazingatia viwango vya juu kabisa vya uwazi, uwajibikaji na uongozi adilifu ili kujenga na kudumisha imani ya wadau wetu.

Bodi yetu ya wakurugenzi imeimarisha muundo wa udhibiti kwa kuhakikisha tunatilia mkazo umuhimu wa vipaji mbali mbali vya wafanyakazi na wadau, mielekeo tofauti na uwakilishi wa wote katika nchi za kanda ambamo tunafanya biashara. Kwa kutilia mkazo masuala yote hayo mbali mbali, tumeimarisha harakati za kufikia maamuzi na udhibiti, na kuhakikisha tunayo misingi thabiti ya kujengea ustawi wa siku zijazo. Lengo letu kuu ni kudumisha uzoefu wa udhibiti kulingana na viwango bora zaidi ulimwenguni na kuhakikisha wadau wetu wote wananufaika kutokana na kuimarika kwa thamani ya michango yao yote.

Kukubali na kukumbatia AI, mabadiliko ya kidijitali na mielekeo ya masoko
Teknolojia inaipatia bima sura mpya kwa siku zijazo na Britam imo katika mstari wa mbele wa mabadiliko hayo. Tumechukua hatua za kijasiri kuwekeza katika AI na mifumo ya kidijitali ili kuimarisha utendaji kazi, kutoa huduma zinazowapatia wateja kipaumbele na kutoa huduma bora iwezekanavyo. Juhudi muhimu ni pamoja na:

- BetaLab – Kituo cha shughuli za ubunifu cha Britam kinachoshughulikia huduma za AI na kustawisha huduma zitakazorahisisha uwekezaji na kuendeleza utumiaji wa mifumo ya kidijitali.
- Uchanganuzi wa kiwango cha juu wa data na AI: Hili litatuwezesha kutoa huduma mahsusi kwa kila mteja, kuimarisha utathmini wetu wa hatari ambazo zinaweza kukumba biashara na kuimarisha utendaji kazi.

Isitoshe, tunatambua umuhimu wa elimu ya masuala ya fedha katika kuendeleza biashara ya bima kote Afrika. Britam bado inajitolea kuendelea kuuelimisha umma kupitia kwa mtandao wetu mpana na washauri wa masuala ya fedha ambao wana maarifa na nyenzo za kuelimisha jamii kuhusu usalama wa kifedha.

Katika muktadha mpana, teknolojia imeunganisha dunia, na hali ya vizazi inayobadilika kila kukicha ni mambo yanayotoa nafasi muhimu. Idadi ya watu katika Afrika inakadiriwa kufika bilioni 1.3 ifikapo 2050, huku vijana na kizazi kilichozoea teknolojia wakiendelea kuleta mbinu mpya za kutumia huduma na bidhaa. Inatarajiwa huduma za Internet zitakuwa zimefikia nusu ya watu barani ifikapo mwisho wa 2025, huku simu smati milioni 360 zikitumika. Kuhakikisha kuwa tunaendelea kutoa huduma na bidhaa zinazokubalika na wengi, tunaimarisha maradufu utumiaji wa AI na mifumo ya kidijitali, huku tukihakikisha tunatoa huduma za kuwafaa wote kwa kutumia njia tofauti na kubuni miundo mipya ya kutumia bidhaa na huduma zetu ili kutosheleza mahitaji yanayobadilika kila siku.

Matarajio
TTunaposherehekea miaka 60 ya ubora, tupo imara katika kuuzingatia wito wetu wa kuinua nafasi ya wateja wetu, kuendeleza ubunifu, na kuhakikisha thamani endelevu. Nafasi ya mbele tunayoishikilia leo ni matokeo ya miaka mingi ya kutekeleza mikakati bora na muhimu kwa uwekezaji, na kuzingatia ubora kikamilifu. Hata hivyo, tunatambua kwamba ili tuzidi kubaki mbele, ni lazima tuendelee kukubali mabadiliko muhimu kila yakitokea, tuzidi kutaka kujua na kupekua na kuzingatia ubora katika utekelezaji wetu.
Tunayoyatilia mkazo katika siku zijazo ni pamoja na:

- Kuuimarisha mfumo wa kuwapatia wateja kipaumbele kwa kuinua kiwango cha huduma mahsusi kwa kila mteja na kutumia AI kikamilifu katika shughuli zetu.
- Kukuza nafasi yetu katika kanda kwa kuimarisha nafasi yetu katika masoko yetu makuu huku tukitafuta nafasi mpya za biashara.
- Kuendeleza ubunifu kwa kuwekeza katika mifumo ya kisasa ya kidijitali na miundo ibuka ya kibiashara.
- Uendelevu na ushirikishaji wa wengi iwezekanavyo katika masuala ya fedha kwa kuendeleza juhudi zinazoimarisha uwezo wa kufikia huduma za fedha kwa urahisi, na kuinua kiwango cha kiuchumi.

Nikimalizia, ninawashukuru kwa dhati wenyehisa wetu, wateja, wafanyakazi, washirika wote, na wasimamizi wa kisheria kwa ushirikiano wao wa dhati. Imani yenu nyote kwa Britam inatuhimiza kuendeleza ubora na kuimarisha kujitolea kwetu kuwa mshirika wenu anayeaminika wa masuala ya fedha.

Tunapoianzisha sehemu ijayo ya safari yetu, tunafanya hivyo kwa imani, azma na kujitolea kwa dhati kujenga hali ya baadaye bora na yenye mafanikio kwa wote.

Hongera kwa miaka 60 huku tukitarajia kusherehekea miaka mingi zaidi ijayo!
Ni mimi wenu mwaminifu,

Kuria Muchiru
Mwenyekiti wa Shirika
Machi 27, 2025

Message from Our CEO

“Our ability to adapt and thrive in this environment underscores the strength of our diversified business model”

Our core purpose—Safeguarding Dreams and Aspirations—continued to guide our progress in 2024, leading to sustained growth and meaningful impact. During a time when our customers and partners faced rising living costs and challenges in their businesses, we continued to provide innovative financial solutions, exceptional customer service, and long-term growth.

Our ability to adapt and thrive in this environment underscores the strength of our diversified business model, the dedication of our team, and the trust you, our stakeholders, have placed in us.

Group Managing Director's and CEO's Report

Our core purpose–Safeguarding Dreams and Aspirations–continued to guide our progress in 2024, leading to sustained growth and meaningful impact. During a time when our customers and partners faced rising living costs and challenges in their businesses, we continued to provide innovative financial solutions, exceptional customer service, and long-term growth. Our ability to adapt and thrive in this environment underscores the strength of our diversified business model, the dedication of our team, and the trust you, our stakeholders, have placed in us.

Financial Performance

In 2024, we as a Group achieved a 3% growth in insurance revenue; to hit Shs 37.6 billion, this was achieved through our relentless focus on the customer and our strategic product diversification. This growth reflects our ability to safeguard our clients' dreams and aspirations, while maintaining operational excellence.

Our Profit Before Tax (PBT) increased by an impressive 52% to Shs 7.3 billion, marking another year of strong financial performance. This achievement was supported by robust contributions from both our Kenyan and regional general insurance operations, as well as the successful implementation of stringent cost management practices. Our disciplined approach to capital management and operational efficiency has enabled us to navigate the volatile macroeconomic environment to and deliver value to our shareholders.

The net investment income grew by an exceptional 163% to Shs 30.6 billion, a clear reflection of the strategic realignment of our investment portfolio, and our commitment to prudent risk management. This performance underscores the effectiveness of our investment strategies and the resilience of our diversified revenue streams

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Strategic Achievements: EPIC2 ... #OneBritam Strategy

2024 was a year of significant strategic milestones for Britam Group. We successfully diversified our revenue streams through expanded product offerings and regional expansion. Notably, we established Life Insurance operations in Uganda and introduced micro-insurance products in multiple regions, furthering our mission to provide accessible and affordable financial solutions, to underserved populations. Additionally, we made significant progress toward entering the Democratic Republic of Congo (DRC), a key market that holds immense potential for growth

.

Our focus on innovation and technology remained a cornerstone of our strategy. In 2024, we finalized several transformative digital initiatives, including the customer portal, marine app, and a new Asset management system. These investments have enhanced our operational efficiencies and positioned us to better serve our customers, both current and future, who prioritize ease of access and seamless experiences.

Through our Beta Lab innovation hub, we continued to support young entrepreneurs by providing funding, mentorship, and a platform to scale their innovations. This initiative not only accelerates internal innovation, but also addresses broader societal challenges, with the potential to create employment opportunities and drive economic growth.

Sustainability and Corporate Responsibility

Sustainability is deeply embedded in our business agenda. We integrate Environmental, Social, and Governance (ESG) considerations into our business operations. In 2024, we implemented a ESG framework, aligning our operations with global sustainability goals. As part of our environmental stewardship, we installed solar panels at Britam Centre, reducing our carbon footprint through the deployment of renewable energy.

As a responsible Corporate Citizen, through our Britam Foundation, we continue to make a meaningful impact on communities across Africa. In 2024, we enhanced access to clean water, in 21 rural schools in Kenya, by leveraging solar energy, thereby positively transforming over 28,000 lives. Additionally, through our Lea Salama programme, we contributed to the national goal of improving maternal health, by working to reduce maternal deaths. This was achieved in collaboration with like-minded partners, where we facilitated access to quality medical care, promoted health literacy by equipping mothers with vital pregnancy and post-natal care information, and deployed health workers to support them throughout their maternity journey.

The Group remains committed to giving back to our communities, by dedicating 1% of its Profit After Tax to the Foundation. This underscores our pledge to create shared value and making an impact on society.

Risk Management

Effective risk management is critical to our business strategy and operations. Our robust risk management framework is crafted to identify, assess, and mitigate risks, safeguarding the interests of our stakeholders and maintaining financial stability. By adhering to stringent risk management practices, we strive to protect our stakeholders' interests, ensure regulatory compliance, maintain financial stability, and capitalize on emerging opportunities.

Our Culture and our People

At Britam, our people are the driving force behind our success. In 2024, we made significant progress in embedding our Blue Tribe Leadership Code and strengthening our Culture Blueprint, to create a high-performance, inclusive, and customer-focused work environment.

Central to this transformation are our core values Accountability, Trust, Agility, and Customer Centricity (ATAC). These values guide our actions, decisions, and interactions, ensuring that our teams maximize their contributions to our customers, while building a meaningful and memorable experiences.

Our dedication to building an empowered, engaged, and thriving workforce has not gone unnoticed. Britam has been recognized as a Top Employer for 2024 and 2025 by the Top Employer Institute, a testament to our industry-leading HR practices and our commitment to our people. This recognition reaffirms our focus of creating an inclusive and supportive workplace where every employee's career journey is valued, nurtured, and empowered.

At Britam, culture is more than just a concept–it is how we work, lead, and succeed together. We remain intentional about creating an exciting environment that champions continuous learning and personal growth. We believe in nurturing talent, sharing knowledge, and providing opportunities for skill development and innovation. By empowering our people to unlock their full potential, we ensure they remain agile, inspired, and ready to tackle the ever-evolving challenges of our dynamic world.

Future Outlook

Looking ahead, we remain committed to our vision of being a leading diversified financial services group in Africa. Our strategic focus will center on customer-centricity, innovation, digital transformation, and sustainability. We will leverage Artificial Intelligence (AI) and expand microinsurance solutions to underserved populations across all our markets, driving financial inclusion and economic empowerment.

By strengthening our distribution networks and forging strategic partnerships, we aim to harness digital platforms and cutting-edge technology to offe affordable, tailored products that address low insurance penetration markets. This approach will not only enhance customer experiences but also position Britam as a leader in inclusive financial security.

Appreciation

In conclusion, I extend my deepest gratitude to our Board for their invaluable guidance and unwavering support. Their leadership has been instrumental in navigating the challenges of 2024 and driving the successful execution of our strategy.

To our employees, intermediaries, and financial advisors - **#TheBlueTribe**, thank you for your dedication, resilience, and commitment to excellence. Your collective efforts have been the driving force behind our success. We celebrate 60 years with joy and pride, 60 years of safeguarding dreams and aspirations, 60 years of a rich heritage and legacy of providing solutions for our customers. I am confident that together, we will achieve even greater milestones in the years to come.

Finally, to our shareholders, clients, and partners, thank you for your continued trust and confidence in Britam Group. As we embark on the next phase of our journey, we remain steadfast in our commitment to delivering sustainable growth, creating shared value, and building a brighter future for all.

Tom Gitogo
Group Managing Director and CEO
Britam Group

27 March 2025

> By **strengthening our distribution** networks and forging strategic partnerships, we aim to harness digital platforms and cutting-edge technology to offer affordable, tailored products that address low-insurance penetration markets.

Taarifa ya Meneja Mkurugenzi wa Shirika na Afisa Mkuu Mtendaji

Azma yetu kuu ambayo ni kulinda ndoto na hamu ya kupata kitu bora iliendelea kuongoza maendeleo yetu 2024, na kutuletea ustawi endelevu na matokeo muhimu. Hata wakati ambapo wateja na washirika wetu walikabiliwa na ongezeko la gharama ya maisha na changamoto za kibiashara, tuliendelea kuwa wabunifu kwa huduma zetu za kifedha, utumishi bora na wa kipekee kwa wateja na ustawi wa muda mrefu. Uwezo wetu na wepesi wa kukubali mabadiliko na kushamiri katika mazingira hayo, ni thibitisho la uthabiti wa mfumo wetu anuwai wa biashara, moyo wa kujitolea wa kundi letu, na imani yenu, wadau, kwetu.

Matokeo ya kifedha

Mnamo 2024, mapato ya shirika ya biashara ya bima yaliongezeka kwa asilimia tatu na kufika Shs37.6 bilioni. Matokeo hayo ni kutokana na azma yetu thabiti ya kuwapatia wateja kipaumbele na kuzingatia mikakati muhimu ya kutoa huduma na bidhaa tofauti. Ustawi huo ni thibitisho la uwezo wetu kulinda ndoto na hamu ya kupata kitu bora ya wateja wetu, huku tukidumisha ubora katika shughuli zetu.

Faida yetu kabla ya kutozwa ushuru iliongezeka kwa kiwango cha kupendeza cha asilimia 52 hadi Shs7.3 bilioni, ishara dhahiri ya mwaka mwingine wa matokeo mazuri ya kifedha. Ufanisi huo ulitokana na mchango imara wa shughuli za bima za kawaida katika Kenya na masoko ya kanda, pamoja na utekelezaji uliofana wa harakati za kupunguza gharama za usimamizi wa shirika. Mfumo wetu unaozingatia nidhamu ya hali ya juu wa kusimamia mtaji na uendeshaji wa shughuli za biashara umetuwezesha kukabiliana na mazingira magumu ya kiuchumi na kuwapa wenye hisa thamani ya uwekezaji wao.

Mapato halisi ya uwekezaji yaliongezeka kwa kiwango maalumu cha asilimia 163% hadi Shs30.6 bilioni, ishara bayana ya mabadiliko muhimu ya mikakati yetu ya uwekezaji, na kujitolea kwa dhati kudhibiti hatari zozote za kibiashara, wepesi wa kukubali na kutekeleza mabadiliko muhimu katika shughuli zetu, na uzingatiaji wa mbinu tofauti za kuleta mapato.

Mafanikio ya kimkakati: EPIC2 Mkakati wa ...#OneBritam

2024 ulikuwa mwaka wa kihistoria kimkakati kwa Britam. Tulifanikiwa kuongeza njia zetu za kujipatia mapato kwa huduma na bidhaa za ziada, na kuenea katika kanda. La muhimu ni kuanzishwa kwa shughuli za bima ya maisha nchini Uganda na huduma za bima nafuu katika nchi tofauti. Shughuli hizo ziliendeleza azma yetu kutoa huduma za fedha zinazopatikana kwa urahisi na nafuu kwa watu wasiohudumiwa ipasavyo. Kadhalika, tulipiga hatua muhimu za kutuwezesha kuingia Jamhuri ya Kidemokrasia ya Congo (DRC), soko muhimu ambalo linatoa nafasi zaidi na lenye uwezo mkubwa wa kukuza biashara yetu.

Ubunifu na teknolojia zingali nguzo muhimu ya mkakati wetu. Mnamo 2024, tulikamilisha juhudi kadhaa za mabadiliko ya mifumo ya kidijitali, ikiwa ni pamoja na lango la kidijitali la huduma za moja kwa moja kwa wateja, app ya mambo ya bahari, na mfumo mpya wa usimamizi wa rasilmali. Uwekezaji huo umeimarisha utendaji kazi wetu na kutuwezesha kutoa huduma bora zaidi kwa wateja wetu tulionao na wa siku zijazo, ambao wanajali ufikiaji wa huduma zetu na bidhaa kwa urahisi na kwa mifumo tofauti bila pingamizi yoyote.
Kituo chetu cha ubunifu cha BetaLab kiliendelea kuwasaidia vijana wajasiriamali kwa kuwadhamini kifedha, kushauri na kuwapa ukumbi wa kukuza ubunifu wao. Fauka ya kuharakisha ubunifu wa kindani, juhudi hii imeangazia changamoto pana za kijamii na kubaini uwezo wake kutoa nafasi za kazi na kusukuma ustawi wa kiuchumi.

Uendelevu na uwajibikaji wa shirika kwa jamii

Uendelevu ni msingi muhimu wa ajenda yetu ya biashara. Tunashirikisha mfumo wa mazingira, jamii na udhibiti (ESG) kwenye shughuli zetu za biashara. Mnamo 2024, tulitekeleza mfumo wa ESG na kuhakikisha shughuli zetu zinalingana na malengo ya uendelevu ya kimataifa. Ikiwa ni sehemu yetu ya kutekeleza usimamizi wa mazingira, tuliweka paneli za nishati ya jua katika Britam Centre na hivyo kupunguza kiasi chetu cha kaboni katika mazingira.

Tukiwa shirika raia anayewajibika, kupitia kwa Wakfu wa Britam, tumeendelea kutoa matokeo ya muhimu na ya maana kwa jamii kote Afrika. Mnamo 2024, tulisaidia shule 21 za maeneo ya mashambani Kenya kupata maji safi kutumia nishati ya jua, hivyo kuleta mabadiliko muhimu kwa maisha ya watu 28,000. Kadhalika, kupitia kwa mpango wetu wa Lea Salama, tulichangia kwa malengo ya kitaifa kuimarisha afya ya akina mama kwa kufanya juhudi za kupunguza vifo miongoni mwao. Tulitekeleza hilo kwa ushirikiano na washirika wenye mawazo sawa kutoa huduma bora za matibabu, kuimarisha elimu ya afya kwa kuwapa habari muhimu akina mama kuhusu jinsi ya kujitunza wakiwa waja wazito na baada ya kujifungua. Tulituma pia wahudumu wa afya kuwasaidia katika safari yao ya uja uzito.

Shirika limejitolea kwa dhati kuzisadia jamii zetu kwa kutengea wakfu asilimia moja ya faida baada ya kulipa ushuru. Hatua hiyo ni thibitisho bayana la ahadi yetu kufaidi jamii na kuiletea mabadiliko muhimu

Uthibiti wa hatari za kibiashara

Uthibiti kamili wa mashaka na hatari za kibiashara ni muhimu kwa mkakati wetu wa biashara na shughuli zetu. Mfumo wetu wa kudhibiti hatari za kibiashara umeundwa kwa njia inayotuwezesha kutambua, kutathmini na kukabiliana na athari, kulinda maslahi ya wadau wetu na kudumisha uthabiti wa kifedha. Kuzingatia kanuni imara za kudhibiti hatari na mashaka ya kibiashara ni juhudi zetu za kulinda maslahi ya wadau, kuhakikisha tunazingatia sheria za nchi, kudumisha uthabiti wa kifedha na kunufaisha shirika kwa nafasi zinazoibuka..

Utamaduni wetu watu wetu

Tukiwa Britam, watu wetu ndio nguvu muhimu na nguzo kuu ya ufanisi wetu. Mnamo 2024, tulipiga hatua muhimu katika kuzindua mwongozo wetu wa Blue Tribe Leadership Code na kujenga msingi wa kuimarisha utamaduni wa kikazi, ili kupata mazingira yenye kiwango cha juu cha utendaji kazi, yanayoshirikisha wote na yanayowapatia wateja kipaumbele.

Nguzo kuu ya mabadiliko hayo ni maadili yetu ya msingi: uwajibikaji, uaminika, wepesi wa kubadilika na kukabiliana na changamoto na kuwapa wateja kipaumbele (ATAC). Maadili hayo huongoza matendo yetu, maamuzi na mahusiano. Yanahakikisha makundi yetu yanatoa mchango mkubwa iwezekanavyo kwa wateja, huku yakilete matokeo muhimu na kutoa huduma za kukumbukwa kwa ubora wake.

Juhudi zetu kujenga kundi la wafanyakazi wenye uwezo kamili na mazoea ya kiwango cha juu ya kazi, yanayojishughulisha kikamilifu na kushamiri, zimetambulika. Shirika la Top Employer Institute liliituza Britam kwa kuwa mwajiri bora zaidi 2024 na 2025, ushahidi kuwa kanuni zetu za usimamizi wa wafanyakazi ni za kiwango cha juu na zinajali maslahi ya watu wetu. Tuzo hilo ni thibitisho la kiini cha juhudi zetu kujenga eneo la kufanyia kazi linaloshirikisha wote na kuhakikishia kila mfanyakazi kuwa kazi anayofanyia shirika inathaminiwa, anayo nafasi ya kujikuza na uwezo wake kuimarishwa.

Katika Britam, utamaduni wa kazi sio dhana tu; ni jinsi tunavyofanya kazi, kuongoza na kufanikiwa pamoja. Tumeazimia kwa dhati kujenga mazingira ya kusisimua yanayowezesha watu kuendelea kujifunza na kustawi kibinafsi. Tunaamini ni muhimu kukuza vipaji, kuchangia maarifa na kutoa nafasi za kuendeleza ustadi na ubunifu. Kwa kuwezesha watu wetu kuutumia kikamilifu uwezo wao, tunahakikisha wanabaki kuwa wepesi kazini, wana moyo na tayari kukabiliana na changamoto za kila siku za ulimwengu wetu unaobadilika kasi

Matarajio

Matarajio yetu ni kuendelea kuzingatia azma yetu ya kuwa shirika linaloongoza katika kutoa huduma mbali mbali za fedha katika Afrika. Mikakati yetu inalenga "kuwapatia wateja kipaumbele, ubunifu, mabadiliko ya kidijitali na uendelevu. Tutatumia AI kulinufaisha shirika na wadau wake na kuongeza huduma na bidhaa za bima nafuu kwa wasiohudumiwa kikamilifu kote kwenye masoko yetu, tuendeleza juhudi za kuhakikisha jamii nyingi iwezekanavyo zinafikiwa na huduma za fedha na kuinuka kiuchumi.

Kwa kuimarisha mitandao yetu ya usambazaji bidhaa na huduma na kujenga ushirikiano wa manufaa, tunatarajia kuimarisha majukwaa ya kidijitali na teknolojia za kiwango cha juu kutoa bidhaa nafuu na za kufaa kwa walio katika masoko yanayokumbwa na uhaba wa huduma za bima. Mfumo huu utaimarisha huduma kwa wateja na kuiwezesha Britam kuongoza katika harakati za kushirikisha wote katika juhudi za usalama wa kifedha.

Shukrani

Nikimalizia, ninashukuru kwa dhati Bodi ya Wakurugebzi
Nikimalizia, ninashukuru kwa dhati Bodi ya Wakurugebzi
wetu kwa ushauri wao wa thamani isiyokadirika na kutuunga mkono bila kusitasita. Uongozi wao umetuwezesha kukabiliana na changamoto za 2024 na kuendesha utekelezaji wa mkakati wetu uliofanikiwa pakubwa.

Kwa wafanyakazi wetu, maajenti na washauri wa kifedha - #TheBlueTribe, ahsanteni sana kwa kujitolea, wepesi wa kukubali mabadiliko na kukabiliana na changamoto, na kujitolea kudumisha ubora. Juhudi zenu za pamoja ndizo nguvu muhimu ya mafanikio yetu. Tunasherehekea miaka 60 kwa furaha na fahari, miaka 60 ya kulinda ndoto na matumaini, miaka 60 ya urithi wa kipekee wa kuwapatia wateja wetu ufumbuzi. Sina shaka kwamba tukishirikiana, tutapata mafanikio makubwa zaidi katika miaka ijayo.

Nikimalizia, kwa wenyehisa wetu, wateja na washirika, ahsanteni sana kwa kuendelea kutuamini na kuwa na imani na Shirika la Britam. Tunapoanzia awamu nyingine ya safari yetu, tuko imara katika kujitolea kwa dhati kuwaletea ustawi endelevu, kuleta thamani ya manufaa kwa wote, na kuwajengea nyote hali nzuri ya baadaye.

Tom Gitogo
Meneja Mkurugenzi na CEO
Shirika la Britam

Machi 27, 2025

> Tukiwa Britam, watu wetu **ndio nguvu muhimu na nguzo kuu ya ufanisi wetu.**

Our Leadership

Our leadership

Mr. Kuria **Muchiru**
64 years
Board Chairman, Independent Non-Executive
Year of appointment: 2021

Mr. Muchiru holds a Bachelor of Science (Mathematics and Statistics) from the University of Nairobi and is a Certified Public Accountant (CPA-K). He has had a career at PwC spanning 35 years which has given him wide ranging but also deep experience in Operations and the Public sector. This experience has been in Kenya, East Africa, sub-Sahara Africa, and the UK.

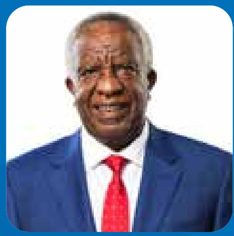
Other Directorships

Mr. Muchiru is the Chairman of Kenya Wine Agencies Limited (KWAL) and three associated companies.

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.



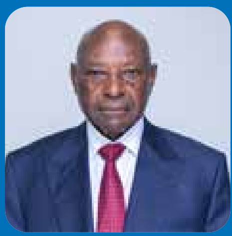
Dr. Peter K. **Munga, E G H**
81 years
Non-Executive Director
Year of appointment: 1982

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).

Other Directorships

Dr. Munga is a director of the following subsidiaries of Britam Holdings Plc; Britam Life Assurance Company (Kenya) Limited, Britam Asset Managers (Kenya) Limited, Britam Insurance Company (Tanzania) Limited and Britam Properties (Kenya) Limited. He is also a Director of HF Group Plc.



Jimnah M. **Mbaru**
76 years
Non-Executive Director
Year of appointment: 1984

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.

Other Directorships

Mr. Mbaru is a director of Occidental Insurance Limited and Sanlam Africa Core Real Estate Investors Limited.

Our leadership

Mr. George **Odo**

58 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 Ontwickkelingslanden 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**

60 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**

63 years

Independent Non-Executive Director

Year of appointment: 2022

Mr. Julius is a seasoned professional with over 30 years of experience in the C-Level Executive Leadership covering multiple disciplines in Banking and Financial Services Sector. He holds a Bachelor in Education Science degree Major in Mathematics and a Post Graduate Diploma in Computer science. Until 2021, Julius was the Chief Digital & Innovation Officer at Stanbic Bank Kenya Ltd (a member of the Standard Bank Group of SA).

Other Directorships

Mr. Julius is a director of Beyond Eleven Nine Seventeen Holdings Limited and Ace Turbo Technologies Limited.

Mrs. Celestine **Munda**

64 years

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.

Our leadership

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).

Mr. Lotfi **Baccouche**
62 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).

Mr. Tom **Gitogo**
56 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).

Ms. Hilda **Njeru**
42 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.

Our leadership

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

Mr. Charles **Njuguna**
Director Finance & Strategy

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

Mr. Ambrose **Dabani**
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. Diane **Korir**
Director Customer Experience Brand & Marketing

Ms. Evah **Kimani**
Director Partnerships & Digital, Ag CEO Britam Microinsurance

Our leadership

Ms. Evelyne **Munyoki**
Director Human Resources

Eric **Kisaka**
Director Risk & Compliance

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

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

Mr. Tom **Juma**
GM - ICT & Operations

Ms. Evelyne **Agola**
Head - Internal Audit

Strategy Report

#OneBritam Strategy

Our EPIC² ...#OneBritam Strategy is Transformational from the Core

Our Strategy draws on a transformational vision to grow customer base through a focus on customer centricity – while strengthening our foundations

Reground the Business

Fix the basics and fuel the journey

Drive Customer-Centric Transformation

Organise around the Customer

Embed Customer-Centricity

Leverage Technology

P&D

Forge Strategic Partnerships

Retail Corp.

Optimise Approach to Customer

EMC

Unlock next tier of Customers

Turnaround Key Cost Drivers

Drive International Growth

Shift Investment Strategy

Our Strategy at a glance – EPIC²

Good strategy is not defined by fancy intentions, but by the power of execution. Britam has consistently demonstrated this through the disciplined implementation of our 2021-2025 strategic plan. The year 2024 marked a significant chapter in this journey, as we reached several important strategic milestones that further strengthened our position as a leading diversified financial services group across Africa.

Our 2021 – 2025 strategy is all about **"Delighting the Customer"** underpinned by our three commitments:

1. We will transform Britam by putting **Customer needs at the center of everything we do**
2. **Our customers will experience "One Britam"**; We will deploy deep customer insights and data analytics to understand their needs and provide solutions they want.
3. We will leverage our **People, Technology and Culture and enable our partners** to deliver meaningful interactions and satisfying experiences all the time.

Strategic Milestones

During the year, we made strong progress in diversifying our revenue streams, both in terms of product offerings and regional presence. We successfully launched Life Insurance operations in Uganda and introduced micro-insurance solutions across multiple regions, advancing our mission to make financial protection more accessible and affordable, particularly for underserved populations. Additionally, we made substantial strides toward entering the Democratic Republic of Congo (DRC), a market that presents considerable potential for long-term growth and impact.

Our ongoing investment in innovation and technology continued to serve as a critical enabler of our strategy. In 2024, we completed several key digital initiatives aimed at enhancing customer experience and operational efficiency. we advanced several key projects designed to improve operational efficiency and provide seamless service across channels. Major IT systems were procured, and we completed the migration of core operations to the cloud. These initiatives are expected to reduce our cost-to-income ratio and enhance our agility in responding to customer and market needs.

We also continued to build a **culture of innovation** through **BetaLab**, our in-house innovation hub, which supports young entrepreneurs with funding, mentorship, and a platform to scale their ideas. This initiative is not only a driver of internal innovation but also a means of addressing broader socio-economic challenges by fostering job creation and inclusive economic growth.

Our focus on customer-centricity yielded tangible results in 2024. Customer numbers continued to grow significantly, particularly through our Strategic Partnerships segment and Britam Connect micro-insurance solutions, which now serve over 4.1 million customers. We made meaningful improvements in service delivery and customer satisfaction, with our Net Promoter Score (NPS) rising from 27 to 42. Through regular Customer Experience Meetings , We proactively addressed customer pain points, implemented process improvements in collaboration with our operations teams, and enhanced digital self-service platforms.

As we enter the final year of the EPIC² Strategy, our focus remains on accelerating growth and deepening impact. We aim to scale customer acquisition through strategic partnerships and digital platforms, while also expanding into new markets, particularly in DRC. The launch of Britam Microinsurance Company marks a strategic step toward institutionalizing inclusive insurance, and we are committed to scaling this model across our regional entities.

Furthermore, sustainability has become an integral part of our strategic agenda. We are embedding ESG principles across the Group, aligning our corporate social investments with broader development goals, and scaling microinsurance as a tool for financial resilience.

Looking ahead, we remain fully anchored on the EPIC² Strategy and committed to delivering on its aspirations. Our ability to execute consistently, coupled with a relentless focus on innovation and customer impact, has positioned Britam to deliver sustained value to all our stakeholders.

Britam is boldly stepping into its next chapter with a clear ambition: to become a truly Pan-African financial services company that delivers inclusive, technology-driven, and customerled solutions across the continent. We recognize that the financial services landscape is evolving rapidly, shaped by new customer expectations, demographic shifts, digital disruption, and climate considerations. To thrive in this environment, we are reimagining our business model, one that is agile, insight-led, and deeply rooted in the diverse needs of African consumers. Our future growth will be anchored on scaling our presence in high-potential markets, driving product and channel innovation, and deepening our digital and data capabilities. By doing so, we aim to unlock new value pools, reach the next frontier of underserved and emerging consumers, and position Britam as a trusted financial partner across every stage of life and business.

At the heart of our strategy is a strong commitment to **impact to our customers**, employees, partners, and the broader communities we serve. For our customers, we will continue to innovate around their evolving needs, ensuring that our solutions are accessible, affordable, and personalized. For our employees, we are creating an empowered and purposedriven workplace, investing in continuous learning, leadership development, and a highperformance culture. For our partners, we are fostering stronger ecosystems through collaborative models that amplify reach, innovation, and mutual value. As we pursue our Pan-African ambition, we will uphold the values of trust, integrity, and inclusion, ensuring that our growth is responsible, resilient, and rooted in creating long-term socioeconomic value. Britam is not just building a bigger business , we are building a better, more connected, and more inclusive financial future for Africa.

At the heart of our strategy is a strong commitment to **impact to our customers**,

Sustainability Highlights

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 2024, 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 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
Customers	Understand needs, improve service, build loyalty	Surveys, events, online portals, direct engagement	Affordable, accessible insurance, personalized experience	Increased retention, financial protection
Employees	Attract and retain talent, foster collaboration, enhance job satisfaction	Engagement surveys, training, direct communication	Career growth, competitive compensation, well-being	Enhanced productivity, innovation
Wider Community	Create social value, raise awareness of Britam's services	Industry forums, workshops, sponsorships, donations	Community development, financial literacy	Strengthened partnerships, increased access to insurance
Suppliers and Partners	Ensure alignment with ESG principles, foster innovation	Supplier Code of Conduct, meetings, performance feedback	Ethical practices, transparency, collaboration	Strong supplier relationships, ESG-aligned procurement
Government and Regulators	Compliance, policy advocacy, maintain corporate reputation	Direct engagement, sustainability reports	Regulatory compliance, ethical business conduct	Policy alignment, positive corporate reputation
Investors and shareholders	Ensure transparency, drive investor confidence	Annual reports, AGMs, investor calls	Strong governance, high returns, ESG transparency	Sustainable financial performance, investor trust

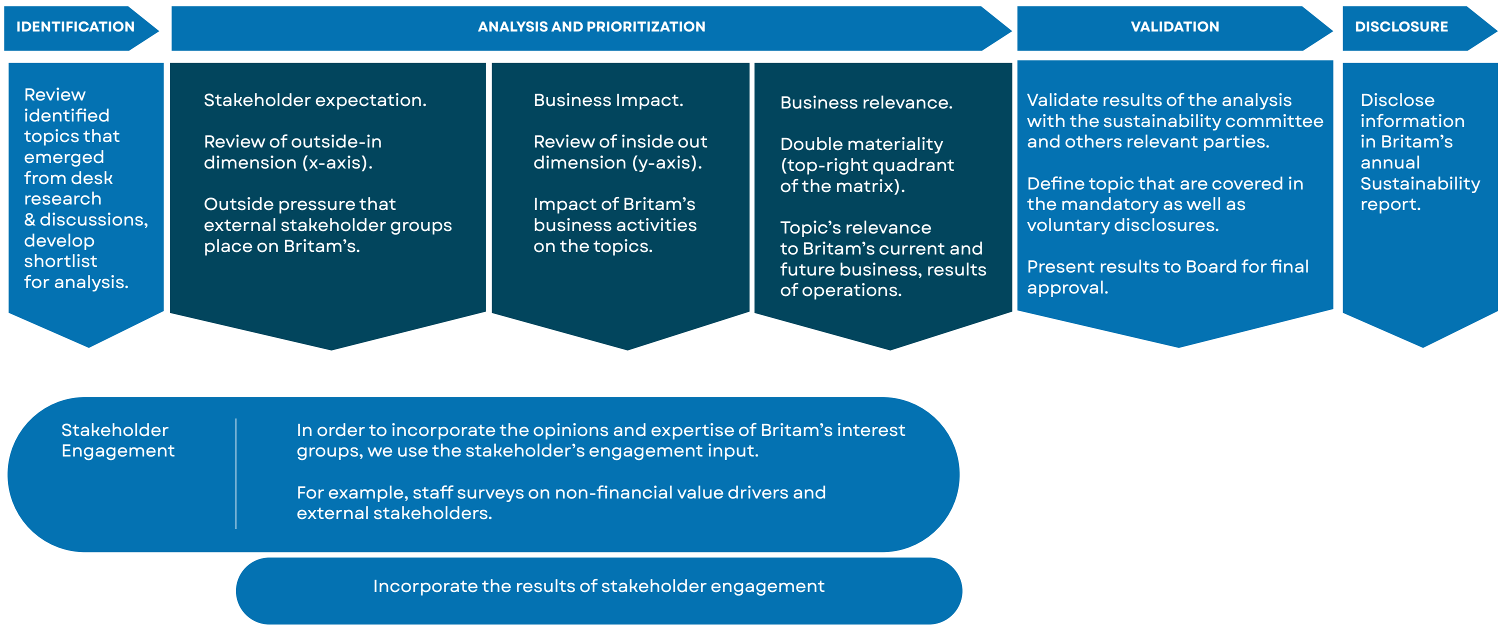
4 Materiality Assessment & Mapping

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.

4.1 Materiality Process

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 employed a thorough 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.



4.2 Materiality Mapping

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, 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.

1. Climate Action
2. Water Stewardship
3. Waste Management
4. Access to sustainable healthcare
5. Awareness and education
6. Community outreach
7. Product and services awareness creation
8. Customer engagement and retention
9. Service quality and assurance
10. Diversity, Equity and Inclusion
11. Talent Aquisition and Development
12. Trasining and Development
13. Employee Benefits
14. Employee Health and Safety
15. Innovation and Creative advancements
16. Technology Advancement and Digital Transformation
17. Strategic Partnerships
18. Transparency Risk Management and Compliance
19. Sustainable supply chain management
20. Sustainable investments
21. Sustainable underwriting

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 9 UN SDGs, which provide a global framework for addressing economic, social, and environmental challenges These five key pillars that shape our sustainability journey:

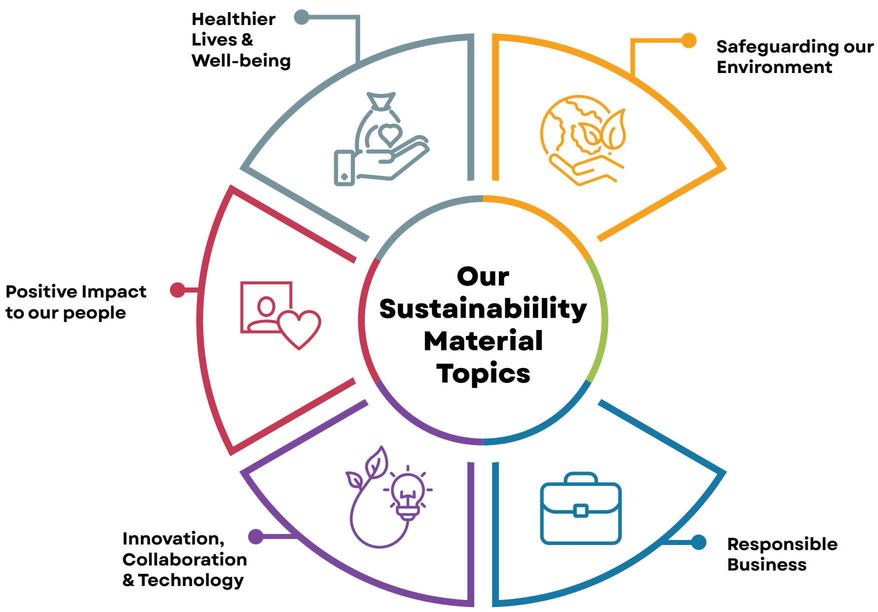
a. **Safeguarding our environment –** Our commitment to climate action, responsible resource management and waste reduction aligns with global environmental goals.

b. **Positive impact to our people –** We prioritize customer and employee experiences. By fostering a sup portive workplace and enhancing service quality, we drive engagement and long-term value creation.

c. **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.

d. **Innovation, collaboration & technology –** We embrace technological advancements, digital transformation and strategic partnerships to drive sustainable business growth.

e. **Responsible business –** Upholding integrity, transparency and ethical business practices ensures that we manage risks effectively and drive sustainable investment and governance.



UN SDGs Impacted

Britam's sustainability focus is anchored on key material topics that align with global ESG standards. The following table outlines our material topics, related sub-themes, and their alignment with GRI standards, UN SDGs, and UNGC principles.

Material Topic	Material sub themes	GRI Topic Standards	Related SDG(s)	UNGC Principles
Positive Impact to our People	The Customer Experience: Product & Services Awareness Creation	GRI 418-1	4, 10 & 17	9
	Customer Engagement & Retention	GRI 416 & 417		10
	Service Quality & Assurance			7,8 & 9
	The Employee Experience: Diversity, Equity and Inclusion	GRI 405	3,4,5,8 & 17	1,2,3,4,5 & 6
	Talent Acquisition & Development	GRI 401		1 & 6
	Training & Development	GRI 404		1,2,4 & 6
	Employee Benefits	GRI 401 & 403		1,2 & 6
	Employee Health & Safety	GRI 401, 403, 406 and 409		1 & 2
Healthier lives and wellbeing	Access to Sustainable Healthcare	GRI 203-1	3,4,8,10 &17	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 &17	9
	Technology Advancement & Digital Transformation			
	Strategic Partnerships			
Safeguarding our Environment	Climate Action	GRI 302	13 & 17	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	10,16 & 17	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 2024

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

i. Strengthening sustainability reporting & transparency

- Published Britam's Inaugural 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*

- Installed the Britam Solar Carport, a significant milestone in our sustainability journey, enhancing energy efficiency and reducing carbon emissions. From its installation in September 2024 to mid-March 2025, the 106 kWp solar system has reduced CO_2 emissions by approximately 66 tonnes, underscoring our commitment to renewable energy and environmental stewardship.

iii. Commitment to gender equality & inclusion

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

iv. Industry recognitions & awards

- 2nd Runners Up – Best ESG of the Year Category at the 5th Annual **Institute of Human Resouce Management(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 2025 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. Enhancing climate resilience and environmental stewardship
ii. Expanding access to affordable and inclusive insurance solutions
iii. Accelerating financial inclusion through digital transformation
iv. Strengthening sustainability governance, transparency and reporting
v. Embedding a culture of sustainability through capacity building
vi. 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**

Appendix: Glossary of Terms

This appendix provides definitions for key terms and acronyms used in the report, ensuring clarity and accessibility for all readers.

Term/Acronym	Definition
ESG	Environmental, Social, and Governance – a framework for assessing sustainability performance.
GRI Standards	Global Reporting Initiative Standards – a set of guidelines for sustainability reporting.
UNGC	United Nations Global Compact – a voluntary initiative to align businesses with universal sustainability principles.
SDGs	Sustainable Development Goals – 17 global goals set by the UN to address economic, social, and environmental challenges.
TNFD	Taskforce on Nature-related Financial Disclosures – a framework for reporting nature-related risks.
NDSI	Nairobi Declaration on Sustainable Insurance – a commitment to promote sustainable insurance practices.
WEPs	Women Empowerment Principles – a set of principles for promoting gender equality in the workplace.
KPI	Key Performance Indicator – a measurable value that demonstrates how effectively an organization is achieving its objectives.
COP	Communication on Progress – a report submitted by UNGC participants to demonstrate their commitment to sustainability.
Microinsurance	Insurance products designed for low-income individuals or underserved communities.
Fintech	Financial technology – innovative technologies that improve financial services.
Carbon Emissions	Greenhouse gases released into the atmosphere, contributing to climate change.
Biodiversity	The variety of plant and animal life in a particular habitat or ecosystem.
Supply Chain	The network of organizations involved in producing and delivering a product or service.

Our People

People and Culture

Our People, Our Power

At Britam, our people, the #BlueTribe are not just employees they are the heartbeat of our organization. Their dedication, innovation, and leadership drive our purpose of delivering exceptional financial solutions across the seven markets that we serve. As a people-first organization, we are committed to cultivating a culture that empowers talent, fosters leadership, and nurtures innovation at every level. Our connectedness to our purpose 'Safeguarding dreams and aspirations' of all our stakeholders is at the heart of what we do every day.

Guided by our **EPIC² strategy (2021–2025)**, we continue to build a workplace where employees feel valued, engaged, and supported. Our commitment to enhancing employee experience, leadership development, and cultural transformation ensures that our workforce thrives, delivering outstanding service to our customers while enabling our business to grow sustainably and achieve individual aspirations.

Winning Through Culture Transformation

As the #BlueTribe, culture is the foundation and the fabric of everything we do at Britam. In 2024, we made significant strides in our Blue Fusion Culture Transformation journey Blue Tribe by embedding our Leadership Code, our Values and executing our Culture Blueprint to drive a high-performance, inclusive, and customer-centric work environment where our people can thrive and have their dreams and aspirations safeguarded.

Key Culture Milestones in 2024

- **Caught in the Act: Living the Winning Culture:** Employees were encouraged to actively practice the six principles of the Leadership Code. As a result, over 50 employees who exemplified these principles were honored on the GMD's Wall of Fame, reinforcing a culture of excellence and recognition.
- **Blue Fusion Connect: Culture Immersion Sessions:** Successfully trained over 1,000 employees, including 17 ExCo members, more than 340 staff from our regional offices, and over 700 Kenya-based employees and Board immersion. This initiative immersed employees in our new culture, fostering a deeper understanding, alignment and connectedness across the group, to create the #OneBritam experience.
- **Blue Tribe (BT) Warriors Bootcamp:** Over 70 staff members across the group were commissioned as champions of the Britam culture, ensuring sustainable and long term culture transformation, and creating an irresistible place to thrive and create an active legacy for Britam. These BT Warriors serve as culture ambassadors, reinforcing our values and driving transformation initiatives within their teams.

At the heart of this transformation are our shared values **Accountability, Trust, Agility**, and **Customer Centricity** (ATAC) which guide every action, decision, and interaction. These values ensure that our people create epic interactions and memorable moments to ensure that they not only maximize their contributions to customers and each other but also create a meaningful impact in the communities where they live and work.

Our focus is on **people-first leadership,** empowering individuals to thrive so they, in turn, build a culture of excellence.

"Great workplaces don't create great employees, great employees create great workplaces."

Our culture transformation journey is backed by tangible results and outcomes. In the 2024 Employee Engagement & Culture Survey, our highest-scoring areas reflect a workforce that feels deeply connected to meaningful work, Britam's purpose, strong advocacy for Britam and discretionary effort to ensure that Britam succeeds in the markets we serve. Our people see Britam as more than just a workplace, but as also a platform where they can grow, contribute, and make a difference. Our company is only as strong as the energy, engagement, and empowerment of our people. We don't just manage employees; we unleash potential, creating a workplace where careers grow, leadership flourishes, and innovation thrives. We are creating a truly great and irresistible workplace which isn't just about perks and paychecks, but it's about **purpose, people, and progress.**

Britam awarded Top Employer 2025, the first Kenyan insurance company to achieve this milestone

Staff during the blue fusion connect sessions where they were immersed in the winning BlueTribe Culture

Britam: A Certified Top Employer 2024 & 2025.

Britam's unwavering commitment to people excellence, workplace culture, and progressive HR practices has once again been recognized on a global scale. In both 2024 and 2025, Britam was officially certified as a Top Employer by the prestigious Top Employers Institute, joining an elite group of organizations that have demonstrated world-class standards in employee experience, leadership, and organizational culture amongst other global people practices.

This achievement is not just a badge of honor it is a testament to Britam's dedication to creating a winning, people-centric culture where employees can thrive, grow, and contribute meaningfully to the company's vision. Notably, Britam is the first insurance company in Kenya to earn this distinction, setting a new benchmark for the industry and reinforcing our leadership in HR best practices and employee engagement.

Britam's Top Employer Certification is backed by exceptional performance across key assessment areas. The company achieved an outstanding 100% score in critical pillars such as:

- **Business Strategy** – Aligning people strategy with long-term business growth.
- **Employer Branding** – Showcasing Britam as an employer of choice.
- **Purpose & Values** – Embedding our mission of Safeguarding Dreams and Aspirations into the employee experience.
- **Ethics & Integrity** – Upholding the highest standards of corporate governance and responsible leadership.

Additionally, Britam demonstrated further strength with scores above 90% in vital areas that shape a world-class workplace, including:

- **Performance & Recognition** – Driving a high-performance culture with meaningful feedback and rewards.
- **Organizational Design & Change** – Leading agility and adaptability in a dynamic business landscape.
- **Sustainability** – Championing ESG principles for long-term business impact.
- **Leadership & People Strategy** – Investing in leadership excellence and strategic workforce planning.
- **Work Environment** – Fostering an inclusive, engaging, and collaborative culture.
- **Learning & Development** – Equipping employees with future-ready skills to navigate evolving industry demands.

Why This Matters for Britam's Future Growth

Earning the Top Employer Certification is a significant milestone that strengthens our position as Britam as an Employer of Choice. Our people are at the heart of our business strategy, and by prioritizing their growth, well-being, and engagement, we are building a resilient, innovative, and high-performing organization that is prepared for the future.

As we continue our transformation journey, this recognition serves as both a benchmark and a catalyst a commitment to further enhancing our employee experience, leadership development, and workplace culture. A strong, engaged workforce translates to exceptional customer experiences, sustained business success, and long-term value creation for all stakeholders.

We remain dedicated to setting the standard for workplace excellence, redefining the employee experience, and leading the way in the financial services industry. This achievement is not just about where we are today, it's about where we are headed. With our people at the center of our strategy, we are poised to shape the future

Britam
With you every step of the way

We Are a Certified Top Employer

top EMPLOYER
Kenya
2025
FOR A BETTER WORLD OF WORK

First Kenyan Insurance Company

FRIENDS FOR LIFE

KENYA | UGANDA | TANZANIA | RWANDA | SOUTH SUDAN | MOZAMBIQUE | MALAWI
_Britam   BritamEA   BritamGroup   www.britam.com

Empowering Our People: 2024 Key Achievements

2024 has been pivotal for Britam in implementing strategic initiatives in the People Agenda that have significantly improved our culture transformation, leadership development, cost optimization, operational excellence, talent management, and employee engagement. These achievements have been underpinned by data-driven decision-making, financial prudence, and a commitment to Britam's culture and values Accountability, Trust, Agility, and Customer Centricity (ATAC).

In 2024, Britam solidified its position as a leading employer, achieving significant milestones in employee engagement, talent development, culture transformation, and operational excellence. Our Employee Engagement & Culture Survey recorded a strong 76% engagement score, reflecting our dedication to fostering a workplace where employees feel valued, empowered, and motivated. We continued to embed a culture of recognition, leadership development, and well-being.

The Britam Leadership Academy advanced our leadership agenda, equipping executives, emerging, individual, and future leaders with critical skills for strategic growth. These efforts were further validated by industry recognition, including Best Employee Experience Strategy, Top Employer Certification 2025, and best Talent Management Strategy. Such accolades affirm our commitment to fostering a culture of continuous growth, innovation, and excellence in leadership.

Britam's holistic approach to employee wellness saw remarkable enhancements, with comprehensive programs spanning mental resilience, financial wellness, and digital detox initiatives. Employees benefited from targeted initiatives such as stress & anxiety management webinars, workplace mindfulness programs, and disease prevention campaigns, ensuring they felt supported both personally and professionally.

Britam also intensified its commitment to Environmental, Social, and Governance (ESG) and Diversity Equity & Inclusion (DEI) initiatives, in the Kenya2Equal (IFC) program, UN Women commitments just to mention a few. These milestones align with our broader sustainability agenda, ensuring responsible business practices and long-term value for our stakeholders.

Looking ahead, Britam remains committed to continuous employee empowerment, culture transformation, and operational excellence. By prioritizing innovation, inclusion, and agility, we will continue to build a workplace that attracts, retains, and develops top talent, ultimately driving the long-term success of our people and our business.

The Britam Leadership Academy

Over the past year, Britam has made significant strides in cultivating strong, future-ready leadership across the organization. Central to this effort has been the Britam Leadership Academy, through which we continued to equip our leaders with essential competencies and instill positive behavioral change critical for effective leadership.

Our top management teams embarked on transformative 18-month leadership journeys tailored to their unique roles and responsibilities. These include Ignite, designed for the Executive Committee (Exco), Versatile, for Country CEOs and General Managers and Accelerate, targeting managers and senior managers. In total, **174 employees** were enrolled in this premier leadership development program reflecting our deep commitment to nurturing leadership excellence from the top.

In addition, we launched the Empower Leadership Development Program, a six-month learning journey aimed at emerging leaders and high-potential individual contributors. This initiative saw the participation of 511 employees, preparing them to take on greater responsibilities within the organization and beyond. To enhance additional expertise, 161 employees successfully completed Professional and Technical Certification Courses, further strengthening our internal capabilities across various disciplines. We also recorded strong participation in learning and development initiatives. In 2024, employees averaged 8 hours and 9 minutes of learning per year, with learners on our e-learning platforms averaging 10 hours and 55 minutes per year.

Our commitment to growth does not stop with internal staff. At Britam, we are equally deliberate in upskilling our financial advisors, the Blue Eagles. Through the Britam Blue Eagles School of Sales Excellence, our advisors undergo customized training programs that keep them agile, informed, and consistently customer centric..

Celebrating milestones and sustaining Momentum on Our Leadership Development Journey

Diversity, Equity, Inclusion & Belonging (DEIB)

Diversity is not just a policy it is a core strength. Through signature programs like **SheThrives, Mancave**, and the **Women in Leadership Circle (WIL Circle)**, we are fostering a culture where all employees, regardless of gender or background, have an equal opportunity to grow and lead. Our commitment to inclusion is also evident in our celebrations of **International Women's and Men's Days**, reinforcing our pledge to create a workplace that values every voice and perspective.

In 2024, we made a strategic commitment to advancing gender diversity in leadership. Our goal was to grow **women in leadership** from 38% to 43%, and we made significant progress, achieving 42% representation by the end of the year. In addition, 45% of our Exco leadership is made of women leaders. A key driver of this success was our **Women in Leadership Circle Program**, which supported **80 women** across the organization. This program, structured around five core pillars, provided targeted mentorship, leadership development, and career growth opportunities, equipping women with the skills and confidence to take on senior roles within Britam. Our continued focus on gender equity is a testament to our dedication to building a truly inclusive leadership pipeline.

Employee Recognition & Celebrations

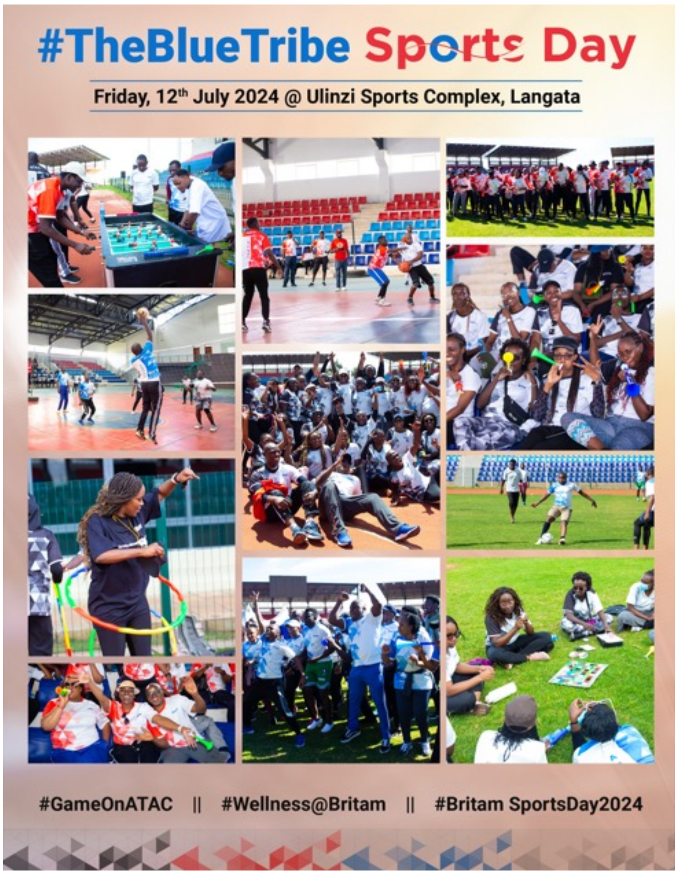
Britam's commitment to fostering a high-performance culture and an exceptional employee experience has been recognized both internally and externally. In 2024, we received multiple industry accolades, affirming our leadership in HR excellence, employee experience, and people management. Our achievements were acknowledged on regional and global platforms, with Britam earning the **Best Employee Experience Strategy** and **Best Social Media Campaign** at the **CX Transformational Awards 2024**, among several other recognitions.

At Britam, we believe that recognizing and celebrating achievements is fundamental to fostering a thriving and motivated workforce. Our **Pinnacle Awards and Britam Talent Showcase** serve as key platforms for acknowledging employees who go above and beyond, reinforcing a culture of excellence, collaboration, and shared success.

Throughout the year, we engage our employees through vibrant activities designed to strengthen connections, build morale, and celebrate milestones, including:

- Annual Team Building Retreats: Each team participates in an annual team-building experience designed to enhance collaboration, foster deeper connections, and strengthen alignment with Britam's values.
- Annual Sports Day: Encouraging teamwork, resilience, and a commitment to a healthy lifestyle.
- TGIF Gatherings: Creating opportunities for employees to connect, reflect, and recognize each other's contributions in an informal setting.
- End-of-Year Christmas Party: A grand celebration of collective achievements, honoring outstanding contributions, and reinforcing Britam's shared success.
- Celebrating 'Moments That Matter': Recognizing and celebrating personal milestones, including parenthood, where 31 employees received special gifts to commemorate this significant life event.

These initiatives exemplify Britam's dedication to fostering a workplace where achievements both personal and professional are celebrated, reinforcing a culture of unity, inclusion, and mutual support.



#TheBlueTribe sports day

Pictorial: CX Transformational Awards 2024

ICX Awards 2024

IHRM Awards 2024

IHRM Awards 2024

Blue Fusion Mozambique

Blue Fusion Rwanda

IHRM Awards 2024

International Womens Day - Malawi

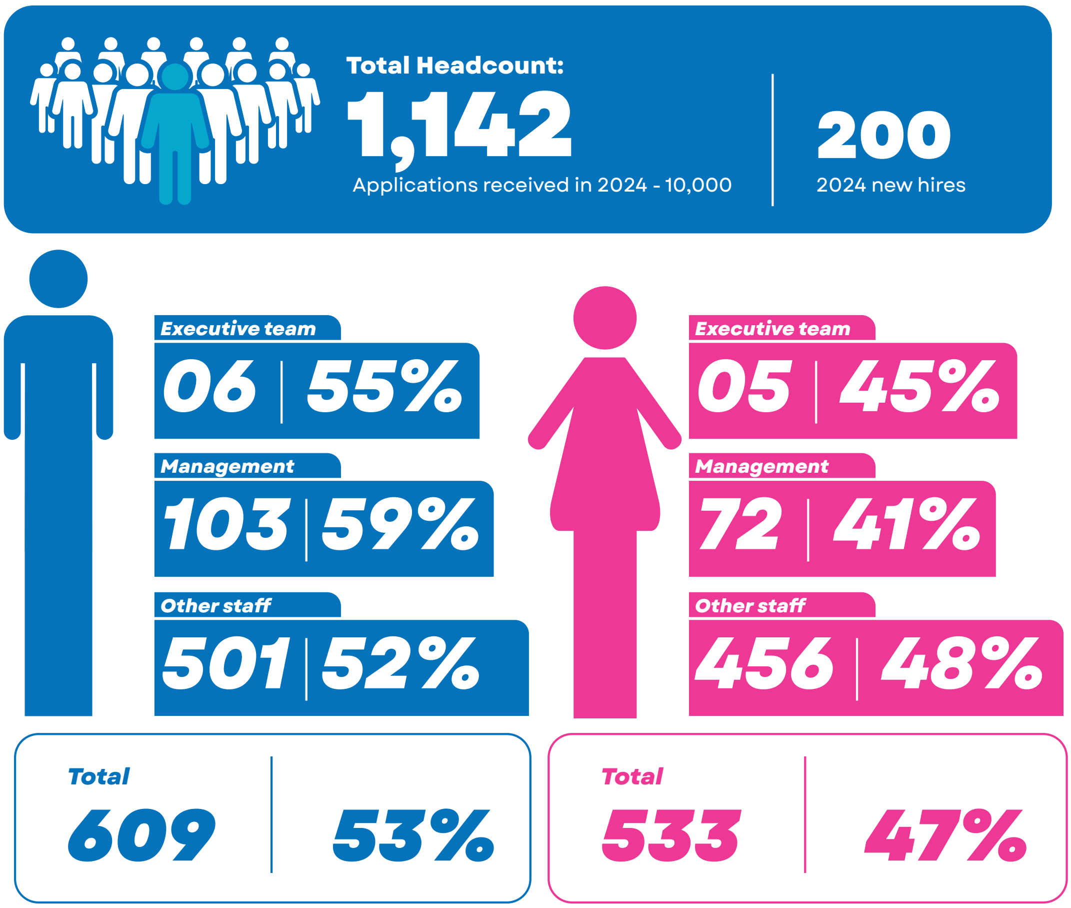
International Womens Day - Tanzania

Champions of Governance Award 2024

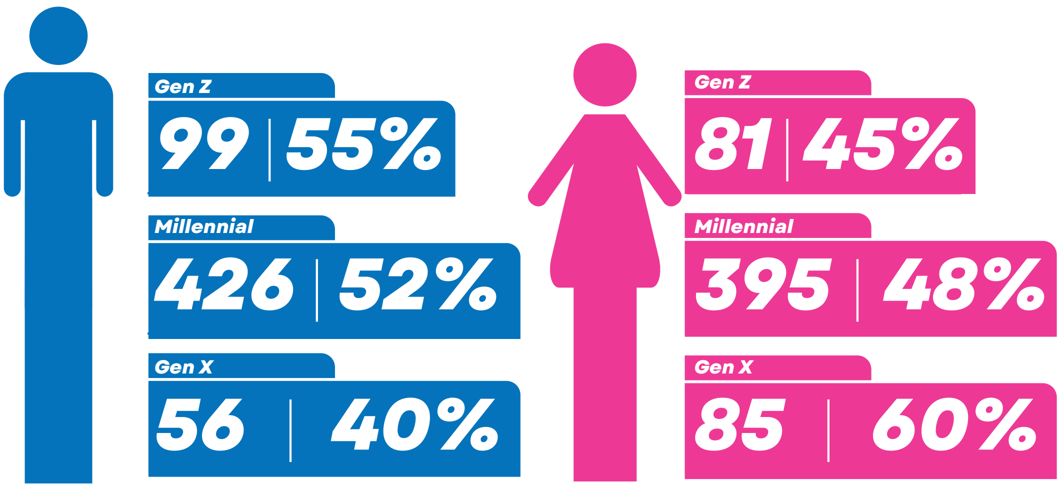
Top 25 women in Digital 2024

Top 25 women in Digital 2024

Talent and Workforce Demographics



Generational Demographics



Looking Ahead

As we continue our journey of culture transformation and employee empowerment, we remain committed to **shaping the future of talent, culture, and performance transformation**. Our focus on career development, leadership excellence, and employee engagement will ensure we build a future-ready workforce.

Through targeted learning, coaching, and leadership development programs, we will empower our teams to excel in 2025. Our Blue Fusion culture transformation journey remains central to creating EPIC employee experiences, promoting engagement, and inspiring greatness.

With a strong foundation in our values of **Accountability, Trust, Agility, and Customer Centricity (ATAC)**, we shall be focused on achieving our 2025 profit target, a milestone that reflects our unwavering commitment to growth and excellence.

CX, Brand & Marketing

CX, Brand & Marketing

Customer Experience (CX)

Annual Net Promoter Score (NPS)

Britam's Annual Net Promoter Score (NPS) rose to 42, up from 30 the previous year—an impressive leap that reflects growing customer loyalty and satisfaction. This improvement highlights the trust our customers place in us and underscores our commitment to delivering exceptional service and value.

Revamped Self-Service Channels for Better Customer Experience

Britam continues to elevate customer experience through enhanced digital self-service solutions. In 2024, we revamped the My Britam App, transforming the customer journey by offering a seamless, user-friendly, and efficient way to manage insurance needs. Our digital innovation was recognized at the 2024 Digital Media Awards (DMA), where Britam won a bronze award for the app's outstanding contribution to customer experience and service efficiency.

ICX Awards

The Britam team received the Best Internal Customer Experience (CX) Award at the 2024 Institute of Customer Experience (ICX) Kenya Service Excellence Awards. Britam was also named 1st Runner-Up in the CS Week Innovations Award, acknowledging our creative and impactful efforts in customer engagement during Customer Service Week in October.

Brand & Marketing

Friends for Life Brand Campaign

In 2024, we refined our brand persona – a pivotal step in personalizing our brand and making it more relatable to our diverse target audiences. This approach softened our corporate image, effectively bridging the gap between the organization and the end user. We subsequently launched the ***"Friends for Life"*** brand campaign across various platforms, introducing the new persona to the market.

Branch Network Revamp

Our redesigned branches are focused on enhancing customer experience while providing an optimal working environment, reflecting a vibrant and dynamic brand image.
This countrywide initiative gradually extends to all our branches, ensuring a consistent and superior experience for our customers across Kenya.

Britam Brand Shop

On 12th November, Britam proudly unveiled its first-ever Brand Shop, now open to the public. This exciting retail venture brings a fresh, immersive experience for clients, financial advisors, and employees, offering a curated range of Britam-branded merchandise that blends quality, functionality, and style.

Conveniently located on the Ground Floor of Britam Tower, the Brand Shop features premium merchandise across several categories, including:

- Kids' items
- Stylish apparel
- Office essentials
- Tech gadgets
- Promotional gifts

Britam Recognized as the 3rd Strongest Brand in Kenya by Brand Finance

Britam emerged as the 3rd strongest Kenyan brand of 2024, with a 35% surge in brand value to KES 3.8 billion. This growth is predominantly attributed to an increased Brand Strength Index score of 90.1, earning Britam an elite AAA+ rating.

Notably, Britam was also ranked the 6th fastest-growing Kenyan brand of 2024, signaling enhanced customer perceptions, brand strength, and awareness. Brand Finance, the world's leading brand valuation consultancy headquartered in London, conducted the ranking.

Britam Biashara Network

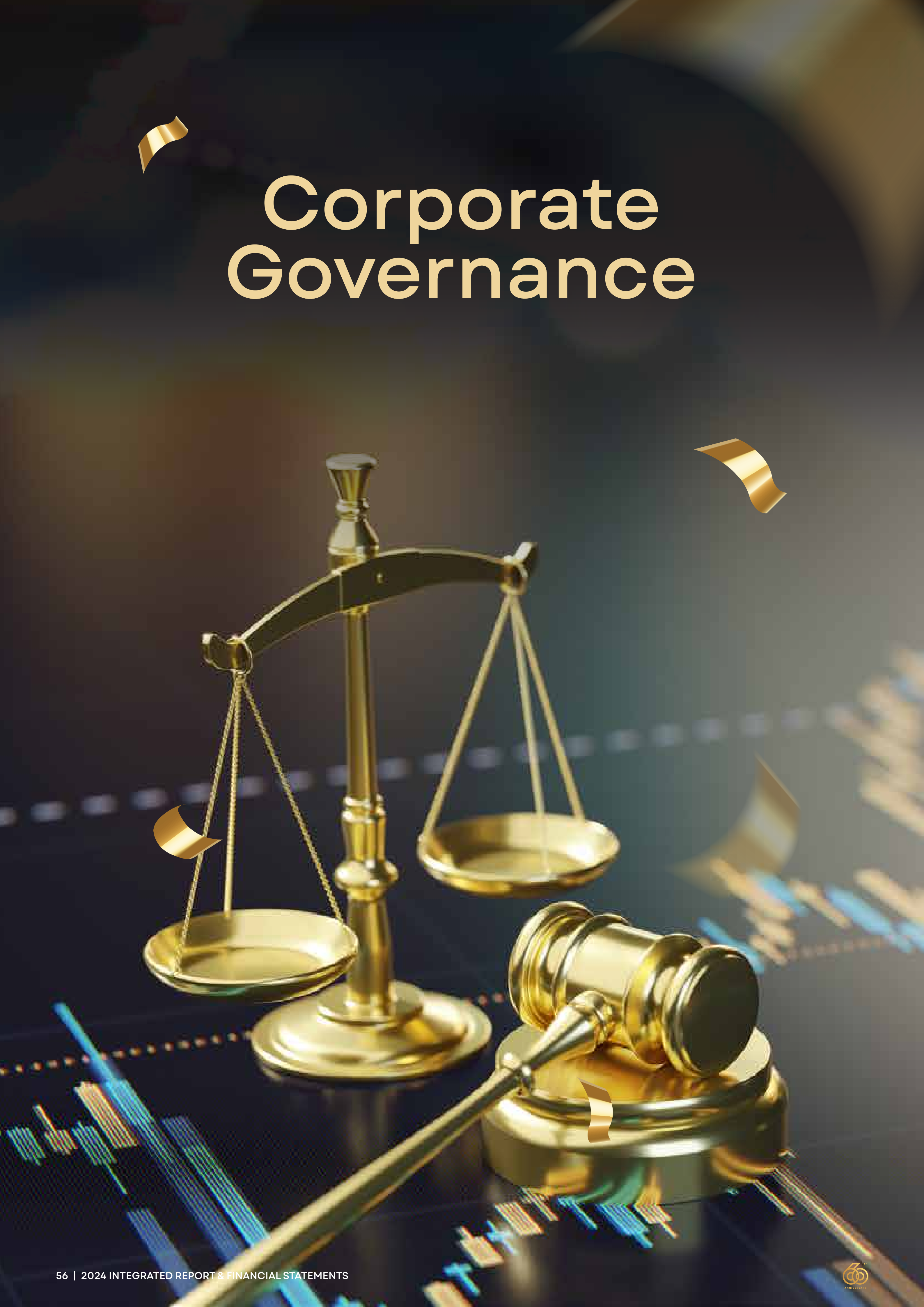
The Britam Biashara Network is designed to support the growth of Micro, Small, and Medium Enterprises (MSMEs). It was launched on February 15th in Nairobi, with subsequent circuits in:

- Nakuru (May)
- Mombasa (July)
- Nyeri (September)

Kenyan SMEs often face challenges such as limited funding, market access, and high operational costs, which can lead to business closures.

The Biashara Network offers a collaborative platform connecting industry experts, professionals, and entrepreneurs. As part of Britam's client engagement SME Forums, the network will expand across Kenya, providing crucial support in financial planning, knowledge acquisition and resource accessibility.

Corporate Governance



2024 Statement of Corporate Governance

The Board and Management 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 of Directors 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 Company continues to comply with various Corporate Governance Guidelines as prescribed by regulatory authorities that 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

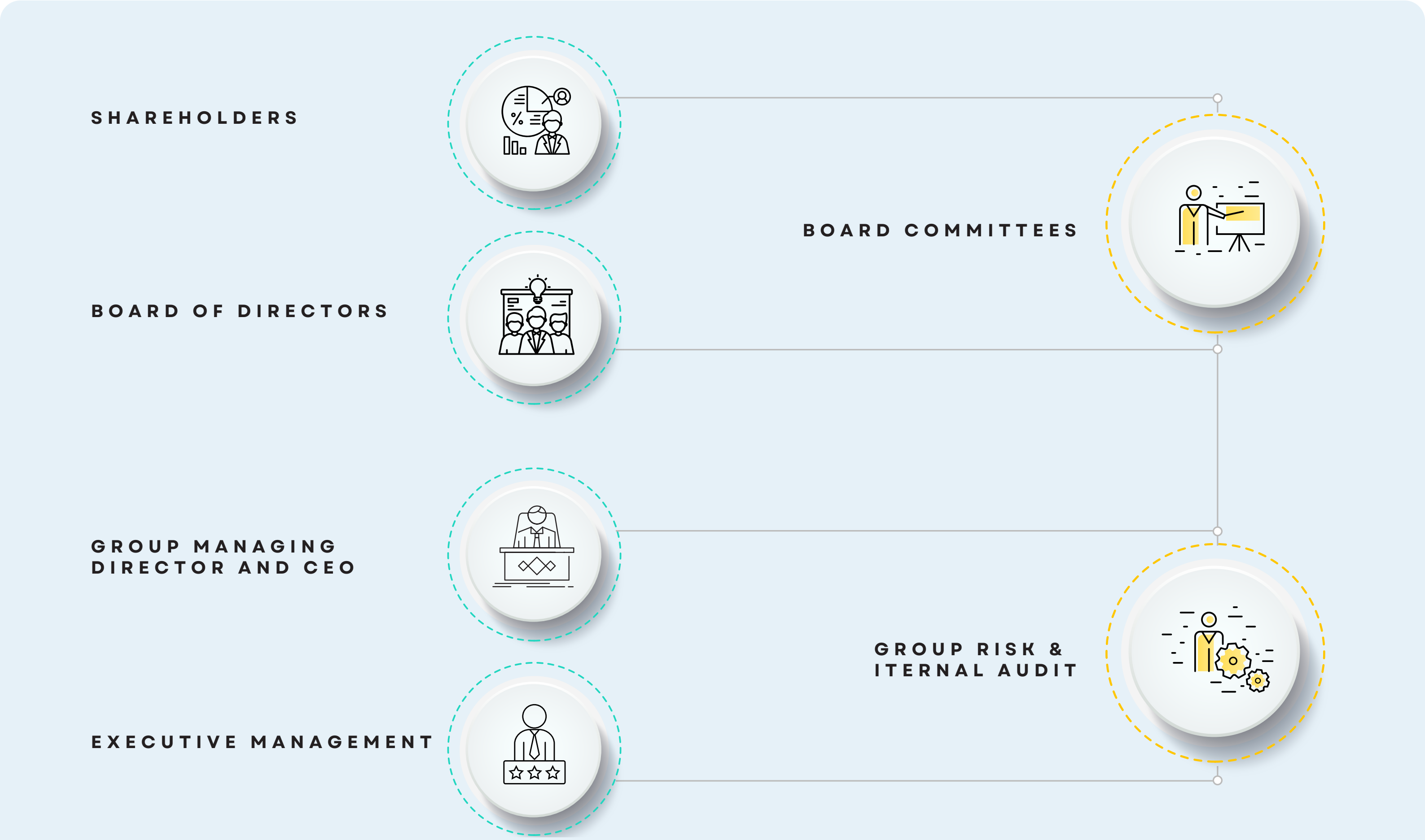
As a limited liability company, Britam Holdings Plc duly observes the various provisions of the Companies Act 2015 and the Companies Regulations issued there under.

Britam Holdings Plc adheres to its continuing obligations as a listed company in compliance with the Capital Markets Act, the Capital Markets (Public Offers, Listing and Disclosure) Regulations, the Capital Markets Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 (The CMA Corporate Governance Code) and other applicable CMA regulations. The Company remains compliant with the 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.

Governance Structure

The governance structure of Britam Holdings Plc comprises of several governance bodies with well-defined roles and responsibilities, greater accountability, and clear reporting lines. These include the Board, Board Committees, Management and Management Committees. The Board is responsible for setting the strategy, risk appetite and oversight. The Board has delegated the day-to-day operations of the Company to Management. The Management is responsible for executing strategy and driving performance. Strategic business units and support functions are responsible and accountable for conducting operations and assuming risk under the purview of Management.

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



Board Operations

The Board is guided by a Board Charter which documents the constitution, roles and responsibilities of the Board. The Board Charter, which is regularly reviewed by the Board, provides a clear definition of the roles and responsibilities of the Chairman, Directors, Group Managing Director and CEO as well as the Company Secretary. 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 in December 2022 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 the statutory duties of the Company Secretary, she/he provides the Board as a whole and Directors individually with detailed guidance as to how their responsibilities should be discharged. The Company Secretary facilitates the induction of new Board members and ongoing professional development of Directors. The Company Secretary is also responsible for facilitating good information flow within the Board and its Committees and between the Directors and Management. The performance of the Company Secretary is assessed by the Board as part of the Annual Board Evaluation process.

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.

The Company Secretary is responsible for ensuring that meeting procedures are followed, facilitating the induction of new directors and the improvement and monitoring of corporate governance processes.

Board Composition

The Board of Directors is comprised of eleven (11) members as at the end of the reporting year and as at the date of this report. Five (5) of the Directors are independent as defined by the CMA Corporate Governance Code. Three (3) members of the Board are female. The directors come from broad industry and professional backgrounds, with varied experience and expertise aligned to the needs of the business.

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

In line with best practice in Corporate Governance, the positions of Chairman and Group Managing Director and CEO are separate, facilitating balance of power and authority. Further, the Chairman of the Board and the Group Managing Director are different individuals each having their distinct duties and responsibilities thus ensuring independence of the Board and Management. The Board Charter, which is reviewed every three years, also provides for a clear definition of the roles and responsibilities of the Board Chairman, Directors, Group Managing director and CEO and the Company Secretary.

The Chairman is responsible for leadership of the Board and ensuring its effectiveness. The Chairman is also responsible for ensuring that the interests of the Company's shareholders, including minority shareholders, are safeguarded. The Chairman promotes good corporate governance and the highest standards of integrity and probity.

The Group Managing Director and CEO has overall responsibility for the performance of the business and provides leadership to management in day-to-day operations and implements strategies, plans, objectives and budget approved by the Board. The Chairman and the Group Managing Director and CEO, meet from time to time 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 in place internal controls as well as a robust system of risk management, and that the information released to the market and shareholders is accurate. They are bound by the 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.

The Company as part of the requirement to continuously develop knowledge and skills, ensures that the directors undergo training on corporate governance and other trainings that are relevant and useful in performance of their roles. The trainings are aimed towards broadening their knowledge of the Group's business and Governance matters. In addition, during board meetings, the Board is regularly updated on the latest industry related developments.

During the year under review the Directors attended development programs facilitated by corporate governance and industry specific experts i.e. the Strathmore Business School, Kieran Moynihan and Carol Musyoka Consulting.

Conflicts of Interest

All Directors are required to disclose on appointment, annually and at the beginning of each Board and Board Committee meeting, any circumstance which may give rise to any actual or potential conflict of interest with their roles as Directors. 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 though the NSE without being in contravention of any statutory requirements. The Board complied with all the policies herein.

Board changes in the year

*Ms. Caroline Kigen retired from the on **13th February 2024**.*
*Ms. Judy Rugasira Kyanda was appointed to the Board on **7th December 2023** and regulatory approval for her appointment was received from the Insurance Regulatory Authority (IRA) on **15th February 2024**.*

Board Activities

The Board defines the purpose of the Group, its strategic intent, objectives and its values. It holds responsibility for the Group's strategic direction, financial performance, compliance with laws and regulations, as well as ensuring the competent management of the business. It further ensures that procedures and practices are in place to protect the Group's assets and reputation.

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 2024 Board Evaluation was conducted by an external consultant, the Leadership Group. 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. The 2024 Board effectiveness rating of the Britam Holdings PLC Board stands at 4.49 (89.9%) as compared to 4.47 (89.49%) in 2023 as scored by the respective Board members. The Board effectiveness ratings for the collective board, the CEO, the Company Secretary and the Board Committees is as shown below:

Britam Holdings PLC Board Evaluation	**2023**	**2024**
Peer Evaluation	4.65	4.68
Collective Board Evaluation	4.32	4.51
Company Secretary	4.17	4.82
GMD/Chief Executive Officer	4.60	4.51
Chairperson	4.68	4.68
Nomination, Gov. & Remuneration Committee	4.72	3.83
Audit, Risk & Compliance Committee	4.58	4.45
Investments & Strategy Committee	4.44	4.42
Customer Experience, Brand & Marketing Committee	4.37	4.83
Innovation & Technology Committee	4.17	4.58
Overall Board Performance	**4.46**	**4.53**
	89.49%	**89.9%**

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 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 for all subsidiaries Boards. 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 takes into account the following criteria regarding qualifications, positive attributes and independence of a director:

- All Board appointments are based on merit, in the context of the skills, experience, independence an knowledge, for the Board as a whole to remain effective.
- Ability of the candidates to devote sufficient time and attention to their professional obligations as Directors for informed and balanced decision making.
- Adherence to the Code of Conduct and highest level of Corporate Governance in letter and in spirit by the Directors.

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, 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 respond 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.
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.

In order 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 - Maximilian Popescu 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 financial year 2023. The Governance Audit Report for the Financial Year 2023 was adopted by the Board of Directors on 20th March 2024. The Company was issued with an unqualified opinion. The next Governance Audit will be conducted for the Financial Year 2024/2025.

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 Financial Year 2023-2024 was adopted by the Board of Directors on 27th March 2025. The Company was issued with an unqualified opinion.

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 Statutory Auditors

Britam has measures in place to ensure the auditors maintain their independence at all times. 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).

Board Members Attendance

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

Meeting Date	Mr. Kuria Muchiru	Mr. Tom Gitogo	Mr. George Odo	Mr. Julius Mbaya	Dr. Peter Munga	Mr. Jimnah Mbaru	Mr. Edouard Schmid	Mr. Lotfi Baccouche	Ms. Judy R. Kyanda	Mrs. Celestine Munda	Ms. Susan Abisola
3/27/2024	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6/7/2024	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8/29/2024	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
12/5/2024	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

*Ms. Judy Rugasira Kyanda joined the Board on 15th February 2024

✓ - present

x – absent

– - not applicable

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

The Audit, Risk and Compliance Committee is a statutory Board Committee that ensures the integrity of the Group's financial statements, reviews the Group's internal control systems, monitors and reviews the effectiveness of the internal audit function, monitors and reviews the performance, independence and objectivity of the external auditors, makes recommendations to the Board on the appointment of the external auditor, and ensures the Group's compliance with legal and regulatory requirements.

During the period, the Committee substantively discussed the following matters:

- 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
- Subsidiaries and Special Purpose Vehicles Audit Reports
- Internal and External Audit Plans
- Incident Reports
- Risk and Compliance Reports
- Policy Reviews

The current members of the Committee are as follows:

- Mrs. Celestine Munda- Chairperson
- Ms. Judy Rugasira Kyanda
- Ms. Susan Abisola

A summary of the Audit, Risk and Compliance Committee meeting attendances in the year under review is indicated below:

Meeting Date	Ms. Judy Kyanda*	Mr. Tom Gitogo	Mrs. Celestine Munda	Ms. Susan Abisola
3/22/2024	n/a	✓	✓	✓
5/31/2024	✓	✓	✓	✓
8/28/2024	✓	✓	✓	X
11/28/2024	✓	✓	✓	✓

* Ms. Judy Kyanda joined the Committee on 31st May 2024.

Investment and Strategy Committee

The Investments and Strategy Committee determines the Group's investment strategy and policy and considers the proposed strategic investments and makes recommendation to the Board. It also maintains an interactive strategic planning, implementation and monitoring process with management. As at 31st December 2024 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.

During the period, the Committee substantively discussed the following matters:

- Mergers, acquisitions and disposals
- Capital Raising Updates
- Strategy updates
- Performance Updates
- Properties / Assets Updates
- International Business
- Investment updates
- Capital Management
- Environmental, Social, Governance and Sustainability

The current members of the Committee are as follows:

- Mr. George Odo - Chairman
- Dr. Peter K. Munga
- Mr. Jimnah Mbaru
- Mr. Kuria Muchiru
- Mr. Lofti Baccouche
- Mr. Tom Gitogo

A summary of the Investment and Strategy Committee meeting attendances in the year under review is indicated below:

Meeting Date	AfricInvest III SPV I (Mr. George Odo)	Mr. Tom Gitogo	Dr. Peter Munga	Mr. Jimnah Mbaru	Mr. Kuria Muchiru	Mr. Lotfi Baccouche
3/19/2024	✓	✓	✓	✓	✓	✓
5/28/2024	✓	✓	✓	✓	✓	✓
6/6/2024	✓	✓	✓	✓	✓	✓
6/28/2024	✓	✓	✓	✓	✓	✓
8/22/2024	✓	✓	✓	✓	✓	✓
8/23/2024	✓	✓	✓	✓	✓	✓
11/27/2024	✓	✓	✓	✓	✓	✓

Customer Experience, Brand and Marketing Committee

The Customer Experience Committee consists 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. The Committee may co-opt members who are not directors of the Company. These may include employees and consultants.

The Committee is tasked with developing the client centric vision, overseeing key strategic client selected initiatives, providing oversight and guidance on innovation projects and ideas aimed at delighting customers.
Some of the key issues substantively discussed during the period included:

Customer centric vision implementation

Customer experience report

Policy development on customer experience

People, skills and culture

Customer centricity strategic plans and initiatives
The current members of the Committee are as follows:

- Mr. Edouard Schmid – Chairman
- Ms. Barbra Chesire (Co-opted member)
- Mr. Julius Mbaya
- Ms. Susan Abisola
- Mr. Tom Gitogo

A summary of the Customer Experience, Branding and Marketing Committee meeting attendances in the year under review is indicated below:

Meeting Date	Mr. Julius Mbaya	Mr. Tom Gitogo	Ms. Barbara Chesire	Ms. Susan Abisola	Mr. Edouard Schmid
3/22/2024	✓	✓	✓	✓	✓
5/30/2024	✓	✓	✓	✓	✓
8/22/2024	✓	✓	X	✓	✓
11/29/2024	✓	✓	✓	✓	✓

Nominations, Governance and Remuneration Committee

The Nominations, Governance and Remuneration Committee is 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. The Committee is responsible for setting out an appropriate formal and documented selection, interview and recruitment criteria for directors and senior management. It ensures succession planning at senior management as well as Board and committees continuity. During the year under review, the Committee discussed the following matters:

- 2024 AGM preparations
- Review of the Board and Committee structure at subsidiaries
- Recruitment of Non-executive directors for the entire Group
- Senior management appointments and changes
- Human Resource Reports
- Human Resource and Board Governance Policies
- 2023 CMA Corporate Governance Assessment findings and recommendations
- 2023 Governance Audit findings and recommendations
- 2023 Group Board Evaluation findings and recommendations
- Monitor the implementation of the 2023 CMA Corporate Governance Assessment Recommendations
- Monitor the implementation of the 2023 Board Evaluation recommendations and action plan
- Review of the performance management framework and the staff bonus policy
- Governance Compliance Risks

The current members of the Committee are as follows:

- Mr. Kuria Muchiru- Chairman
- Dr. Peter K. Munga
- Mr. Jimnah M. Mbaru
- Mr. George Odo – Representing Africinvest III SPV1
- Mrs. Celestine Munda
- Mr. Tom Gitogo

A summary of the Nominations, Governance and Remuneration Committee meetings held in the year under review include:

Meeting Date	Mr. Kuria Muchiru	AfricInvest I SPV III	Mr. Tom Gitogo	Dr. Peter Munga	Mr. Jimnah Mbaru	Mrs. Celestine Munda
2/16/2024	✓	✓	✓	✓	✓	✓
3/20/2024	✓	✓	✓	✓	✓	✓
4/12/2024	✓	✓	✓	✓	✓	✓
5/28/2024	✓	✓	✓	✓	✓	✓
7/5/2024	✓	✓	✓	✓	✓	✓
7/10/2024	✓	✓	✓	✓	✓	✓
8/23/2024	✓	✓	✓	✓	✓	✓
11/28/2024	✓	✓	✓	✓	✓	✓
12/2/2024	✓	✓	✓	✓	✓	✓

Innovation and Technology Committee

The Innovation and Technology Committee is mandated to drive technological transformation, innovation, digital enablement, cyber security, and business growth for Britam group. The Committee consists of three (3) Non-executive Directors, the Group Managing Director and the Company Secretary. The Head of IT and Operations, the Director Partnerships and Digital, Chief Executive Officers of Britam Life Assurance, Britam General Insurance and Britam Asset Managers, the Director Customer Experience, Brand & Marketing and the Risk & Compliance Director are standing invitees.

During the year under review, the Committee discussed the following matters:

- Information Technology updates
- ICT projects updates
- Strategic IT updates
- Innovative solutions and information technology
- Development and evaluation of new initiatives

The current members of the Committee are as follows:

- Mr. Julius Mbaya- Chairman
- Mr. Edouard Schmid
- Mrs. Celestine Munda
- Mr. Tom Gitogo

A summary of the Innovation and Technology Committee Meetings held in the year under review include:

Meeting Date	Mr. Julius Mbaya	Mr. Tom Gitogo	Mrs. Celestine Munda	Mr. Edouard Schmid
3/21/2024	✓	✓	✓	✓
5/30/2024	✓	✓	✓	✓
8/26/2024	✓	✓	✓	✓
11/29/2024	✓	✓	✓	✓

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
- Our Anti Bribery and Corruption Policy
- Conduct Risk Framework

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 required and conduct themselves in a professional manner at all times 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 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	75,000,000
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 Mungai	Director	-
10	Ms. Judy Rugasira Kyanda	Director	-
11	Mr. Lotfi Baccouche	Director	-

Share Capital

The authorized and issued share capital of Britam consists of 2,523 million and 2,523 million ordinary shares respectively as disclosed on Note 17 in the financial statements. The holders of the ordinary shares are entitled to attend the Company's General Meetings in person or through proxies.

Shareholders Rights

The rights and restrictions attaching 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 2024.

Shareholder Volume analysis

No.	Shareholding	No. of Shareholders	No. of Shares held	%Shareholding
1.	1 to 500	4,542	1,022,604	0.04%
2.	501 to 5000	14,833	34,534,230	1.37%
3.	5001 to 10000	2,088	16,326,454	0.65%
4.	10001 to 100000	1,816	46,486,420	1.84%
5.	100001 to 1000000	145	37,953,328	1.50%
6	1000001 and above	34	2,387,163,780	94.6%
	Grand Totals	**23,458**	**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	173,273,200	6.87%
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.	Munga, Peter Kahara	75,000,000	2.97%
11.	Others	440,765,633	17.47%
	Grand Totals	**2,523,486,816**	**100%**

Shareholders by Category

Investor Pool	Records	Shares	Percentage
Foreign Investors	94	1,076,053,078	42.64%
Local Institutions	609	918,957,782	36.42%
Local Individuals	22,755	528,475,956	20.94%
Grand Totals:	**23,458**	**2,523,486,816**	**100%**

Mr. Kuria Muchiru
Board Chairman
27 March 2025

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

Dear Shareholder

As the Chairman 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 2024.

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 2024 and how it will be implemented in the year ending 31 December 2025.

Role of the Committee

The members of the Committee during the year were Mr. Kuria Muchiru (Chairman), Mr Tom Gitogo, Mr. Jimnah M. Mbaru, Mrs. 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 the individual remuneration package of the Group Managing Director.

Our Remuneration Principles

The Committee was guided by the Group's remuneration principles in decision making during the reporting year. This was mainly geared towards ensuring that the remuneration structures are designed in a way that enables the right outcomes for the business in line with its 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 CEO

	2024 Shs	2023 Shs
Salary and allowances	79,114,645	72,990,000
Non-cash benefits	4,569,820	4,216,050
Gratuity	18,143,661	16,612,500
Total Pay	**101,828,126**	**93,818,550**

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 on 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 2024, the shareholders in attendance approved the Directors' Remuneration policy as was provided in the Audited Financial Statements for the year ended 31 December 2023.

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 3^{1st} December 2023.	1,916,687,589	99.9974%	48,000	0.0025%	22,300	PASSED

During the Annual General Meeting held on 26th June 2024, the shareholders in attendance also approved the Directors' Remuneration Report for the year ended 31st December 2023.

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 2023 and to authorize the Board to fix the remuneration of Directors.	1,916,733,289	99.9988%	22,000	0.0011%	21,600	PASSED

At the Annual General Meeting to be held on or around 26th June 2025, the shareholders will also consider the Directors' Remuneration Report for the year ended 31st December 2024.

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 2024 and has remained unchanged.

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

- The Company should remunerate its directors fairly and responsibly.
- The remuneration should be sufficient to attract, motivate and retain directors to run the Company effectively.
- The remuneration should be consistent with recognized best practice standards and is competitive in line with remuneration for other directors in competing sectors.
- 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 2024

Information subject to audit

Board Member	Position	Annual Retainer Shs	Sitting Allowance Shs	Other Allowances Shs	Salaries and Other Benefits Shs	Total Shs
Mr. Kuria Muchiru	Chairman	1,000,000	9,242,500	4,200,000	-	14,442,500
Dr. Peter K. 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-Represented by Mr. George Odo	NED	1,000,000	2,787,500	-	-	3,787,500
Mr. Edouard Shcmid	NED	-	-	-	-	**-**
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**

Directors Remuneration Report 2023

Board Member	Position	Annual Retainer Shs	Sitting Allowance Shs	Other Allowances Shs	Salaries and Other Benefits Shs	Total Shs
Mr. Kuria Muchiru	Chairman	1,000,000	1,775,000	10,240,000	-	13,015,000
Dr. Peter K. Munga	NED	1,000,000	1,900,000	-	-	2,900,000
Mr. Jimnah M. Mbaru	NED	1,000,000	1,487,500	-	-	2,487,500
Mrs. Caroline Kigen	NED	1,000,000	1,487,500	-	-	2,487,500
Africinvest III SPV-Represented by Mr. George Odo	NED	1,000,000	2,500,000	-	-	3,500,000
Mr. Edouard Shcmid	NED	-	-	-	-	-
Ms. Josephine Ossiya	NED	250,000	162,500	-	-	412,500
Mr. Julius Mbaya	INED	1,000,000	3,462,500	-	-	4,462,500
Ms. Celestine Munda	INED	1,000,000	2,725,000	-	-	3,725,000
Mr. Tom Gitogo	ED	-	-	-	93,818,550	93,818,550
Mr. Lotfi Baccouche	INED	1,000,000	1,975,000	-	-	2,975,000
Ms. Susan Abisola	NED	750,000	1,375,000	-	-	2,125,000
Ms. Barbara Chesire (Co-opted CXI Committee Member)	NED	-	250,000	-	-	250,000
Total		**9,000,000**	**19,100,000**	**10,240,000**	**93,818,550**	**132,158,550**

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 26th June 2025.

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

Mr Kuria Muchiru
Chairman

27 March 2025

Risk Management

OUR ENTERPRISE RISK MANAGEMENT (ERM) FRAMEWORK

1. Introduction

At Britam, 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.

2. Objectives:

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

- **Identify and Assess Risks:** Proactively identify and evaluate risks that could impact our business operations, financial performance, and strategic goals.
- **Mitigate and Control Risks:** Implement effective risk mitigation strategies and controls to minimize the potential impact of identified risks.
- **Enhance Decision-Making:** Provide a structured approach to risk management that supports informed-decision-making and strategic planning.
- **Ensure Regulatory Compliance:** Maintain compliance with all relevant regulatory requirements and industry standards to protect our reputation and avoid legal penalties.
- **Protect Stakeholder Interests:** Safeguard the interests of our stakeholders, including policyholders, shareholders, employees, and partners, by maintaining a robust and resilient risk management framework.
- **Promote a Risk-Aware Culture:** Foster a culture of risk awareness and accountability throughout the organization, ensuring that risk management is integrated into all business processes and decision-making.

3. Governance Structure:

At Britam, we are committed to maintaining robust risk management and control systems to safeguard our stakeholders' interests and ensure sustainable growth. The Three Lines of Defense model is a cornerstone of our risk management framework, providing a structured and effective approach to managing risks across the organization.

Lines of Defense:

Line 1: The first line of defense is comprised of our front-line employees and operational managers who own and manage risks directly. They are responsible for implementing and maintaining effective internal controls, ensuring that day-to-day operations align with Britam's risk management policies and procedures.

Line 2: The second line of defense includes our risk management and compliance functions. These teams provide oversight, tools, and guidance to support the first line in identifying, assessing, and mitigating risks. They ensure that risk management practices are consistently applied and that compliance with regulatory requirements is maintained.

Line 3: The third line of defense is our internal audit function, complemented by external auditors. Internal audit provides independent assurance on the effectiveness of our risk management and internal control systems. External auditors offer an additional layer of independent review, evaluating the adequacy and effectiveness of the first and second lines of defense.

4. Our Risk Appetite & Preferences:

Risk Appetite: Britam's risk appetite metrics outline the level of uncertainty the Group is willing to assume given the corresponding reward associated with the risk.

Risk Preferences: Our Risk preferences refers Britam's stance or attitude toward risk-taking. It represents the Group's willingness to accept, mitigate, or avoid the different risk classes it is exposed too, in pursuit of its objectives and goals. Our risk preference are a critical component of our the risk strategy and help guide decision-making related to risk management.:

Below are the Principal Risk Categories and the Group's **Risk Preference** for those categories.

	RISK CATEGORY	RISK PREFERENCE
1	**Insurance Risk**	We have a **Moderate to High Preference** for Insurance Risk. We recognize that our core business involves managing and underwriting various insurance risks. Our insurance risk preference statement reflects our commitment to a balanced approach in managing these risks, considering the need to achieve our financial objectives and provide value to our policyholders and shareholders.
2	**Strategic Risk**	Our approach reflects a balanced perspective on strategic execution risks as we drive transformative business initiatives. We maintain a **moderate preference** for such risks, recognizing that sustainable growth and competitive advantage often hinge on bold, calculated moves.
3	**Credit Risk**	In alignment with our overall risk appetite, we maintain a low preference for credit risk pertaining to our debtor portfolio. Recognizing that credit risk is inherent in the normal course of business, our approach is distinguished by a disciplined, proactive framework that minimizes exposure while supporting sustainable growth.
4	**Market Risk**	We have a **Moderate Preference** for market risk and are willing to accept fluctuations in the value of our investments and portfolios within predefined limits. 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.
5	**Liquidity Risk**	We have a **Low Preference** for liquidity, and we are committed to minimizing the risk of being unable to meet our obligations as they come due. We prioritize the ability to withstand unexpected market disruptions and funding stress scenarios with minimal impact on our operations.
6	**Country Risk**	We have a **Moderate Preference** for country-specific risks and are willing to operate in regions where opportunities align with our strategic objectives. Our goal is to strike a balance between taking advantage of growth prospects and effectively managing associated risks.
7	**Operational Risk**	We prioritize the protection of our Group, stakeholders, and reputation by maintaining a **Low Preference** for operational risks. Our commitment to operational resilience, safety, and the preservation of our brand is of paramount importance.
8	**Fraud Risk**	We have a **Zero Preference** for internal fraud, emphasizing the need to prevent and mitigate fraudulent activities by employees and insiders. Simultaneously, we acknowledge that managing external fraud risks is a necessary part of conducting business in the External environment and we have a low to tolerance for External Fraud.
9	**Compliance Risk**	We have a **Low Preference** for compliance risk, and our primary objective is to operate within the bounds of all laws, regulations, and internal policies that govern our operations.
10	**Conduct Risk**	We have a **Low Preference** for conduct risk, and our primary objective is to ensure that our employees' 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.
11	**Reputational**	We have a **Low Preference** for reputational risk, and our primary objective is to safeguard and enhance our reputation through ethical conduct and responsible business practices. Our reputational risk preference reflects our commitment to maintaining a low tolerance for risks that could harm our reputation and the trust and confidence of our stakeholders.

	RISK CATEGORY	RISK PREFERENCE
12	**Sustainability Risk**	We have a **Low Preference** for sustainability-related risks and are dedicated to responsible and sustainable business practices that protect our environment, society, and stakeholders.
13	**Technology & Information Security Risk-**	We maintain a **low tolerance** for technology and information security risks, driven by our unwavering commitment to safeguarding our systems, data, and stakeholders. Our approach is rooted in a comprehensive, proactive framework that emphasizes continuous monitoring, stringent controls, and rapid response to any potential threats.
14	**Model Risk**	We have a **Low Preference** for model-related risks and are dedicated to responsible and rigorous model development, validation, and use to minimize the potential for errors or inaccuracies.

Risk Management Policies: We have developed risk management policies that Summarize key risk management principles for each risk category.

5. Internal Controls Environment

At Britam, we recognize the critical importance of a robust internal controls environment in achieving our strategic objectives and safeguarding the interests of our stakeholders. Our internal controls framework is designed to provide reasonable assurance regarding the effectiveness and efficiency of operations, the reliability of financial reporting, and compliance with applicable laws and regulations.

6. Stress Testing and Scenario Analysis

Our Stress testing involves simulating extreme but plausible scenarios to assess the resilience of our financial position. By applying severe stress conditions, we identify vulnerabilities and ensure that we have adequate capital buffers to withstand unexpected shocks. This proactive approach has enabled us to prepare for adverse situations and maintain our commitment to financial stability.

We use Scenario analysis complements stress testing by exploring a range of hypothetical situations, including both adverse and favorable scenarios. This analysis helps us understand the potential outcomes of different events and their impact on our business. By considering various scenarios, we can develop strategic responses and contingency plans to mitigate risks and seize opportunities.

Together, stress testing and scenario analysis enhance our ability to manage risks effectively. They provide valuable insights into our risk exposure, inform our strategic decision-making, and support our capital planning processes. Ultimately, these practices strengthen our resilience and ensure that we can continue to deliver value to our stakeholders, even in challenging environments.

7. Our 2025 Outlook for Risk Management

Britam is committed to continuously enhancing its risk management framework to address emerging risks and ensure resilience in a dynamic environment. The outlook for risk management at Britam includes several key initiatives and planned enhancements:

a) **Integration of Advanced Analytics:** Britam plans to leverage advanced analytics and artificial intelligence to improve risk identification, assessment, and mitigation processes. This will enable more accurate for casting and proactive risk management.

b) **Enhanced Cybersecurity Measures:** With the increasing threat of cyberattacks, Britam is strengthening its cybersecurity framework. This includes implementing advanced security protocols, continuous monitoring, and employee training to safeguard sensitive data and ensure business continuity.

c) **Sustainability and ESG Integration:** Britam is integrating Environmental, Social, and Governance (ESG) factors into its risk management practices. This approach ensures that sustainability risks are identified and managed effectively, aligning with global best practices and stakeholder expectations.

d) **Regulatory Compliance:** Britam is committed to maintaining compliance with evolving regulatory requirements. The company is enhancing its compliance framework to ensure adherence to new regulations and standards, thereby minimizing regulatory risks.

e) **Scenario Planning and Stress Testing:** Britam will continue to refine its scenario planning and stress testing capabilities. These tools help assess the impact of various adverse scenarios on the company's financial stability and operational resilience, ensuring preparedness for potential disruptions.

f) **Fraud Risk Management:** To address the growing risk of fraud, Britam is enhancing its fraud risk management framework. This includes implementing advanced fraud detection technologies and conducting regular fraud risk assessments to protect the company and its stakeholders

By focusing on these key areas, Britam aims to strengthen its risk management framework, ensuring it remains robust and adaptive to the changing risk landscape.

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 2024.

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 14 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 5,033,125,000 (2023: Shs 3,279,119,000) has been added to the accumulated losses.
The Directors do not recommend the payment of a dividend (2023: Nil).

ENHANCED BUSINESS REVIEW

Financial Performance

The Group has maintained its revenue growth with its insurance service revenue growing by 3 percent to Shs 37.6 billion. The Kenya Insurance entities recorded growth in insurance service revenue of 6 percent to Shs 27.3 billion from 25.8 billion and generated a profit before tax of Shs 6.1 billion. The regional units continue to increase their contribution to the Group's performance and profitability. The international general insurance business recorded a 3 percent decline in insurance service revenue to Shs 10.3 billion. This represents 27 percent of the Group's overall insurance service revenue. In terms of profitability, the international business generated a profit before tax of Shs 1.2 billion compared to Shs 1.3 billion in the prior year.

Overall, the Group reported a profit before tax of Shs 7.3 billion compared to a profit before tax of Shs 4.8 billion 2023. The Group's total investment income grew by 163 percent to Shs 30.6 billion compared to Shs 11.6 billion in 2023 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 endeavours 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 across 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 1,142 in 2024 and 1,095 in 2023, and over 2,000 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 and Independent Non-Executive Director
Dr. Peter K. Munga	Non-Executive Director
Mr. Jimnah M. Mbaru	Non-Executive Director
Mrs. Caroline J. Kigen (i)	Non-Executive Director
Ms. Judy Rugasira Kyanda (ii)	Independent 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/ International Finance Corporation (IFC)	Non-Executive Director
Mr. Lotfi Baccouche	Independent Non-Executive Director
Mr. Tom Gitogo	Group Managing Director and CEO

Ms. Caroline Kigen retired from the Board on 13 February 2024.
Ms. Judy Rugasira Kyanda joined the Board on 15 February 2024.

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 so as 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

PricewaterhouseCoopers LLP having expressed their willingness, continue in office in accordance with provisions of section 721 (2) of the Companies Act.

The Directors monitor the effectiveness, objectivity and independence of the auditor. This responsibility includes the approval of the audit engagement contract and associated fees on behalf of the shareholders.
BY ORDER OF THE BOARD

Hilda M. Njeru
Company and Board Secretary
27 March 2025

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 then 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 made an assessment of 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 27 March 2025 and signed on its behalf by:

Mr. Kuria Muchiru

Chairman

Mrs. Celestine Munda

Director

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 88 to 232, which comprise the consolidated statement of financial position at 31 December 2024 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 2024, 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 2024 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) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya. We have fulfilled our other 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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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
Valuation of Insurance Contract Liabilities Insurance contract liabilities comprise liability for remaining coverage and liability for incurred claims. We considered insurance contract liabilities as a key audit matter because: • 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.	We performed the following procedures; • 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 2024; • 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; • Assessed the adequacy of disclosures in the financial statements; and • Reviewed the Contractual service margin ("CSM") calculation and loss component for long-term contracts and measured under GMM and VFA and the simplification taken under premium allocation approach ("PAA") for all the short-term contracts and the estimation of the additional liability for onerous contracts.

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**
Additional investment in Associate Company During the financial year, the Group participated in a rights issue of its associate company, HF Group Plc. This transaction has significant implications for the Group's financial statements, particularly in terms of the valuation of the investment in the associates company, the accounting treatment of the rights issue and its impact on the Group's overall financial position. The valuation of the acquired shares and the accounting treatment of the rights issue involve significant judgment and estimation. Additionally, the transaction's nature and its implications on the Group's financial statements necessitate thorough examination to ensure accurate and complete disclosure.	We performed the following procedures; • Examined the rights issue documentation and related agreements to understand the terms and conditions of the transaction and to ensure that all relevant factors were considered in the accounting treatment; • Reviewed the methodology and assumptions used by management to determine the fair value of the acquired shares and the accounting treatment of the rights issue. This included assessing the appropriateness of the valuation techniques and the reasonableness of key assumptions; • Performed independent calculations to verify the fair value of the acquired shares; • We evaluated the indicators for impairment reversal and reviewed the calculations supporting the reversal of previously recognized impairment losses. This included reassessing the recoverable amount of the investment in the associate company post the rights issue; and • Assessed the adequacy of the disclosures in the financial statements.
Impairment assessment of the investment in associates 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. Changes in these assumptions could result in material variations in the recoverable amount which makes this an area of focus. Details of disclosures of the investment in associates are on Note 25 of the financial statements.	• Evaluated management's processes and controls for determining the carrying value of the associate, including oversight by those charged with governance; • 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; • Tested the reasonableness of the discount rate and terminal growth rate used in the valuation against market observable data; • Checked the mathematical accuracy of the computations; and • Evaluated the adequacy of disclosures in the financial statements.

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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
Valuation of investment properties 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. 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. The fair values of the investment properties are highly sensitive to the changes in the underlying estimates and assumptions.	We performed the following procedures; • Assessed management's processes and controls over the valuation of investment properties, including the oversight from those charged with governance; • Evaluated the objectivity, independence and expertise of the external independent valuation specialists; • Assessed the appropriateness of the valuation methodology used and the applicable assumptions depending on the type of property; • Agreed the carrying amounts and the related valuation gains/losses of the investment properties in the financial statements to the independent valuers' reports; and • Assessed the adequacy of the disclosures in the financial statements.

Other information

The other information comprises the Chairman'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 Intergrated 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 Annual Report and we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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 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.

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 misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, 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 management's 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 a 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.

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

Auditor's responsibilities for the audit of the financial statements (continued)

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 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.

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 79 to 80 is consistent with the financial statements.

Directors' remuneration report

In our opinion the auditable part of the directors' remuneration report on pages 70 to 73 has been properly prepared in accordance with the Companies Act, 2015.

Richard Njoroge

FCPA Richard Njoroge, Practising Certificate Number 1244

Engagement partner responsible for the audit

For and on behalf of PricewaterhouseCoopers LLP

Certified Public Accountants

Nairobi

27th March 2025

Consolidated statement of profit or loss

For the year ended 31 December

	Notes	2024 Shs'000	2023 Shs'000
Insurance revenue	4	37,556,734	36,436,197
Insurance service expense	5	(27,291,250)	(26,854,848)
Net expenses from reinsurance contracts held	6	(5,198,513)	(5,831,125)
Insurance service result		**5,066,971**	**3,750,224**
Net income from investment properties	7	800,993	644,449
Interest computed using effective interest method	8(i)	10,761,320	9,387,574
Interest and dividend income from investments at FVTPL	8(ii)	8,647,045	6,228,379
Net realised gains on financial assets at fair value through profit or loss	9	711,817	33,930
Net unrealised fair value gains (losses) on financial assets at fair value through profit or loss	10	9,664,664	(4,682,791)
Net investment income		**30,585,839**	**11,611,541**
Finance expenses from insurance contracts issued	11	(27,735,434)	(9,139,705)
Finance income from reinsurance contracts held	11	1,296,099	578,932
Net insurance finance expenses	**11**	**(26,439,335)**	**(8,560,773)**
Net insurance and investment result		**9,213,475**	**6,800,992**
Fund management fees	12	655,814	639,750
Other income	13	1,322,276	766,128
Fund management commission expenses	14	(179,779)	(199,527)
Other operating expenses	15 (i)	(3,818,166)	(3,154,028)
Other finance costs	16 (i)	(283,592)	(247,135)
Profit before share of profit of associates		**6,910,028**	**4,606,180**
Share of profit of associates accounted for using the equity method	25 (i) (d)	420,967	213,315
Profit before income tax		**7,330,995**	**4,819,495**
Income tax expense	26 (a)	(2,297,870)	(1,540,376)
Profit for the year		**5,033,125**	**3,279,119**
Profit attributable to:			
- Owners of the parent		5,005,352	3,255,890
- Non-controlling interests	28 (ii)	27,773	23,229
Earnings per share for profit attributable to the owners of the parent			
- Basic and diluted (Shs per share)	20	1.98	1.29

Consolidated statement of other comprehensive income

	Notes	For the year ended 31 December 2024 Shs'000	2023 Shs'000
Profit for the year **Other comprehensive (loss)/income items, net of tax:**		**5,033,125**	**3,279,119**
Items that will not be reclassified subsequently to profit or loss			
Re-measurement of the net defined benefit asset	42	(134,997)	(9,707)
Deferred tax credit on re-measurement of the net defined benefit asset	26(a)	40,499	2,912
Total items that will not be reclassified to profit or loss		**(94,498)**	**(6,795)**
Items that may be reclassified subsequently to profit or loss			
Share of other comprehensive income/(loss) from the associate accounted for using the equity method	25(d)	224,606	(114,806)
Deferred tax (charge)/credit on share of other comprehensive income from associates accounted for using the equity method	26(a)	(43,082)	20,000
Exchange differences on translation of foreign operations	18	(1,344,627)	347,397
Total items that may be subsequently reclassified to profit or loss		**(1,163,103)**	**252,591**
Total other comprehensive income		**(1,257,601)**	**245,796**
Total comprehensive income for the year		**3,775,524**	**3,524,915**
Attributable to:			
-Owners of the parent		3,747,751	3,501,686
-Non-controlling interests	28(ii)	27,773	23,229

Consolidated statement of financial position

	Notes	As at 31 December 2024 Shs'000	2023 Shs'000
CAPITAL EMPLOYED			
Share capital	17	252,344	252,344
Share premium	17	13,237,451	13,237,451
Other reserves	18	17,497,992	15,367,403
Accumulated losses	19	(1,791,172)	(3,408,334)
Attributable to owners		**29,196,615**	**25,448,864**
Non-controlling interests	28 (iii)	267,306	239,533
Total equity		**29,463,921**	**25,688,397**
Assets			
Property and equipment	22	1,476,608	1,321,694
Intangible assets	23	725,530	726,983
Right of use asset	24 (i)	671,119	532,748
Investment in associates	25 (i)(d)	9,046,748	2,672,874
Goodwill	27	1,416,635	1,416,635
Deferred income tax asset	37	569,517	628,317
Retirement benefit asset	42	160,832	252,807
Investment properties	29 (i)	16,525,728	15,992,881
Mortgage loans and receivables	32	957,805	1,129,886
Reinsurance contract assets	36	7,755,935	7,788,246
Financial assets at fair value through profit or loss – designated	30	79,732,942	58,957,327
Financial assets at amortised cost	31	78,435,049	68,541,507
Other receivables	38	2,145,510	2,976,257
Current income tax recoverable	26 (b)	849,580	598,510
Restricted cash	39 (ii)	1,105,989	216,417
Cash and bank balances	39 (i)	6,956,247	10,640,881
Total assets		**208,531,774**	**174,393,970**
Liabilities			
Current income tax	26(b)	101,309	334,827
Insurance contract liabilities	36	163,438,045	133,702,453
Reinsurance contract liabilities	36	590,427	561,024
Lease liability	24 (ii)	784,972	632,186
Borrowings	16 (i)	1,100,586	2,581,068
Provisions and other payables	40	6,666,582	6,176,775
Deferred income tax	37	6,385,932	4,717,240
Total liabilities		**179,067,853**	**148,705,573**
Net assets		**29,463,921**	**25,688,397**

The financial statements on pages 88 to 232 were authorised and approved for issue by the Board of Directors on 27 March 2025 and signed on its behalf by:

Mr. Kuria Muchiru
Chairman

Mrs. Celestine Munda
Director

Consolidated statement of changes in equity

Year ended 31 December 2024	Notes	Share capital	Share premium	Other reserves	Accumulated losses	Attributable to owners	Non-controlling interests	Total equity
		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 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 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 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 changes in equity

Year ended 31 December 2023	Notes	Share capital Shs'000	Share premium Shs'000	Other reserves Shs'000	Accumulated losses Shs'000	Attributable to owners Shs'000	Non-controlling interests Shs'000	Total equity Shs'000
Balance as at 1 January 2023		**252,344**	**13,237,451**	**13,998,860**	**(5,541,477)**	**21,947,178**	**216,304**	**22,163,482**
Profit for the year		-		949,906	2,305,984	3,255,890	23,229	3,279,119
Items that will not be reclassified subsequently to profit or loss								
Re-measurement of post-employment benefit obligation	42	-	-	(9,707)	-	(9,707)	-	(9,707)
Deferred tax on re-measurement of post-employment benefit	26(a)	-	-	2,912	-	2,912	-	2,912
Items that may be reclassified subsequently to profit or loss								
Share of other comprehensive income from associates	25(d)	-	-	(114,806)	-	(114,806)	-	(114,806)
Deferred tax share of other comprehensive income from associates	26(a)	-	-	20,000	-	20,000	-	20,000
Foreign currency translation differences for foreign operations	18	-	-	347,397	-	347,397	-	347,397
Total comprehensive loss for the year		**-**	**-**	**245,796**	**-**	**245,796**	**-**	**245,796**
Transfer from retained earnings		-	-	172,841	(172,841)	-	-	-
Balance as at 31 December 2023		**252,344**	**13,237,451**	**15,367,403**	**(3,408,334)**	**25,448,864**	**239,533**	**25,688,397**

Consolidated statement of cash flows

		For the year ended 31 December	
		2024	2023
	Notes	Shs'000	Shs'000
Cashflows from operating activities			
Cash generated from operations	41	7,142,473	9,426,053
Income tax paid	26(b)	(1,054,966)	(1,058,828)
Net cash generated from operating activities		**6,087,507**	**8,367,225**
Investing activities			
Purchase of property and equipment	22	(475,777)	(168,156)
Proceeds from disposal of property and equipment	22	(34,969)	-
Purchase of intangible assets	23	(308,295)	(98,922)
Purchase of investment property	29 (i)	(851,264)	(156,303)
Proceeds from disposal of investment property	29 (i)	513,257	36,406
Purchase of quoted shares at fair value through profit or loss	30 (i)	(103,296)	(253,541)
Purchase of unquoted shares at fair value through profit or loss	30 (i)	(725)	(186)
Proceeds from disposal of quoted ordinary shares at fair value through profit or loss	30 (i)	749,053	309,299
Purchase of unit trusts	30(iii)	(5,155,783)	(2,751,969)
Proceeds from disposal of unit trusts	30(iii)	5,842,819	-
Purchase of government securities at fair value through profit or loss	30(iv)	(16,573,708)	(8,510,356)
Proceeds from disposal of government securities at fair value through profit or loss	31(iv)	2,063,251	1,119,229
Purchase of government securities at amortised cost	31(i)	(14,009,573)	(14,846,537)
Maturities of government securities at amortised cost	31(i)	3,598,814	3,525,988
Purchase of corporate bonds at amortised cost	31(ii)	(189,603)	(139,379)
Maturities of corporate bonds at amortised cost	31(ii)	187,014	132,276
Mortgage loans advanced	32	(74,996)	(95,236)
Mortgage loans repayments	32	326,308	226,285
Investment in associate	25	(3,655,189)	-
Dividends received from equity investments at fair value through profit or loss	8 (ii)	187,832	178,919
Rent and interest received		20,231,874	16,249,095
Net cash used in investing activities		**(7,732,956)**	**(5,243,090)**
Cash flows from financing activities			
Repayment of bank loan	16 (i)	(1,611,038)	(118,961)
Interest paid on lease liability	24 (ii)	(129,612)	(110,753)
Payment of the principal portion of the lease liability	24 (ii)	(190,173)	(176,072)
Net cash used in financing activities		**(1,930,823)**	**(405,786)**
Increase in cash and cash equivalents		(3,576,272)	2,718,349
Cash and cash equivalents at start of year		10,766,787	7,991,854
Effect of exchange on cash and cash equivalent		(111,191)	56,584
Cash and cash equivalents at end of year	**39 (i)**	**7,079,324**	**10,766,787**

Company statement of profit or loss and other comprehensive income

		For the year ended 31 December	
	Notes	2024	2023
		Shs'000	Shs'000
Income			
Net gain from investment in property funds	7	152,653	28,956
Interest computed using effective interest method	8(i)	232,440	160,996
Interest and dividend income from investments at FVTPL	8(ii)	475,843	271,591
Net realised fair value gains	9	(77,112)	257
Net unrealised fair value losses	10	(73,652)	-
Other income	13	8,947	83,402
Total income		**719,119**	**545,202**
Expenses			
Other operating expenses	15 (i)	1,008,391	978,332
Other finance costs	16 (i)	260,835	168,168
Total expenses		**1,269,226**	**1,146,500**
Loss before share of the profit of the associate		**(550,107)**	**(601,298)**
Share of profit of the associates accounted for using the equity method	25(i)(d)	98,276	75,341
Loss before income tax		(451,831)	(525,957)
Income tax expense	26 (a)	-	(11,937)
Loss for the year		**(451,831)**	**(537,894)**

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)	93,467	(48,138)
Share of associate other comprehensive income reclassified to profit or loss	9	(116,284)	-
Total other comprehensive income		**(22,817)**	**(48,138)**
Total comprehensive loss for the year		**(474,648)**	**(586,032)**

Company statement of financial position

	Notes	As at 31 December 2024 Shs'000	2023 Shs'000
CAPITAL EMPLOYED			
Share capital	17	252,344	252,344
Share premium	17	13,237,451	13,237,451
Other reserves	18	29,800	52,617
Accumulated losses	19	(6,938,874)	(6,487,043)
Shareholders' funds		**6,580,721**	**7,055,369**
REPRESENTED BY:			
Assets			
Property and equipment	22	71,700	96,648
Intangible assets	23	9,771	11,052
Right of use asset	24 (i)	146,007	29,518
Investment in associates	25 (i)	584,486	659,792
Investment in subsidiary companies	28 (i)	7,119,060	6,159,008
Investment property	29 (i)	75,000	80,000
Investment in property funds	29 (ii)	462,762	2,100,442
Financial assets at amortised cost	31	1,011,436	1,046,945
Receivables from related parties	45(i)	392,023	328,285
Other receivables	38	339,145	382,884
Current income tax recoverable	26(b)	19,065	24,061
Cash and cash equivalents	39 (i)	293,096	61,541
Total assets		**10,523,551**	**10,980,176**
Liabilities			
Lease liability	24(ii)	143,751	38,400
Borrowings	16 (i)	510,554	1,567,894
Amounts due to related parties	45(a)(i)	1,505,615	328,770
Provisions and other payables	40	1,782,910	1,989,743
Total liabilities		**3,942,830**	**3,924,807**
Net assets		**6,580,721**	**7,055,369**

The financial statements on pages 88 to 232 were authorised and approved for issue by the Board of Directors on 27 March 2025 and signed on its behalf by:

Mr. Kuria Muchiru
Chairman

Mrs. Celestine Munda
Director

Company statement of changes in equity

Year ended 31 December 2024	Notes	Share capital Shs'000	Share Premium Shs'000	Other reserves Shs'000	Accumulated losses Shs'000	Total Equity 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 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**

Year ended 31 December 2024	Notes	Share capital Shs'000	Share Premium Shs'000	Other reserves Shs'000	Accumulated losses Shs'000	Total Equity Shs'000
At start of year		**252,344**	**13,237,451**	**100,755**	**(5,949,149)**	**7,641,401**
Total comprehensive income						
Loss for the year		-	-	-	(537,894)	(537,894)
Share of associate's other comprehensive income	18	-	-	(48,138)	-	(48,138)
Total comprehensive loss for the year		**-**	**-**	**(48,138)**	**(537,894)**	**(586,032)**
Transfer from other reserves		-	-	-	-	-
Total transactions with owners		**-**	**-**	**-**	**-**	**-**
At end of year		**252,344**	**13,237,451**	**52,617**	**(6,487,043)**	**7,055,369**

Company statement of cash flows

	Notes	For the year ended 31 December 2024 Shs'000	2023 Shs'000
Operating activities			
Cash used in operations	41	25,848	(247,467)
Tax paid	26 (b)	(28,175)	-
Net cash used in operating activities		**(2,327)**	**(247,467)**
Investing activities			
Purchase of property and equipment	22	(4,015)	(3,997)
Purchase of intangible assets	23	(4,160)	(1,366)
Investment in subsidiaries	28	(960,052)	(208,500)
Proceeds from disposal of investment in property funds	29 (ii)	1,771,496	-
Distributions from investment in property funds	29 (ii)	23,837	23,530
Proceeds from disposal of government securities at fair value through profit or loss	30 (iv)	-	102,689
Purchase government securities held at amortised cost	31 (i)	(4,621)	(114,781)
Maturities of corporate bonds at amortised cost	31 (ii)	(186,800)	(135,538)
Purchase of corporate bonds at amortised cost	31 (ii)	182,297	132,276
Maturities of government securities at amortised cost	32 (i)	46,065	60,405
Dividends received from subsidiaries	8 (ii)	475,843	261,198
Interest received		250,726	159,281
Net cash generated from investing activities		**1,590,616**	**275,197**
Cash flows from financing activities			
Redemption of shareholder loan	28 (i)	-	66,500
Repayment of bank loan		(1,000,000)	-
Interest paid on loan	16 (i)	(211,320)	(118,961)
Interest paid on related balances	16 (i)	(93,124)	(21,336)
Interest paid on lease liability	24 (ii)	(13,731)	(10,450)
Payment of the principal portion of lease liability	24 (i)	(38,279)	(53,392)
Net cash used in financing activities		**(1,356,454)**	**(137,639)**
Net decrease in cash and cash equivalents		231,835	(109,909)
Cash and cash equivalents at start of year		61,551	171,460
Cash and cash equivalents at end of year	**39(i)**	**293,386**	**61,551**

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

Insurance businesses:
- Britam Life Assurance Company (Kenya) Limited
- Britam General Insurance Company (Kenya) Limited
- Britam Micro Insurance Company (Kenya) Limited
- Britam Insurance Company (Uganda) Limited
- Britam Insurance Company (Rwanda) Limited
- Britam Insurance Company Limited (South Sudan)
- Britam Insurance (Tanzania) Limited
- Britam Insurance Company Limited (Malawi)
- Britam - Companhia De Seguros De Mozambique S.A.
- Britam Life Assurance Company (Uganda) Limited

Asset Managers:
- Britam Asset Managers (Kenya) Limited
- Britam Asset Managers (Uganda) Limited

Property companies:
- Britam Properties (Kenya) Limited

Other companies:
- Britam SEZ Company (Kenya) Limited

The Group also has a 48.17% stake in HF Group Plc in Kenya, 100% stake in Kilimani Hotel Suites Limited and 30% stake in Continental Reinsurance Company (Kenya) Limited which are accounted for as associates using the equity accounting method.

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, and the requirements of the Companies Act.

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 on the basis of 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 2024. None of these new and revised standards has 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 to the consolidated and separate financial statements is detailed in Note 48 (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 has the ability to 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 recognises 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.

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 of 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 includes the Group's share of the results of the associate company as disclosed in Note 24 to the financial statements, all made up to 31 December 2024.

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

2. Summary of material accounting policies (continued)

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 has significant influence but 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 equals 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.

iii Investments in associate companies (continued)

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.

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. 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.

2. Summary of material accounting policies (continued)

d. Functional currency and translation of foreign currencies

ii. Transactions and balances (continued)

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.

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. 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 2024 are an exchange rate of 3,939.59 SSP to one USD and a conversion factor of 0.88.

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 on 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 taken into account. 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%.

A summary of the gain or loss on monetary position at 31 December 2024 is set out in the below table:

Effect of hyperinflation on non-monetary items	2024
	Shs'000
Property and equipment	(8,882)
Intangible assets	1,012
Right of use Asset- IFRS16	(7,738)
Prepaid expenses	(2,658)
Shareholder funds	48,503
Net monetary loss on non-monetary items	**30,237**

2 Summary of material accounting policies (continued)

e. Functional currency and translation of foreign currencies (continued)

iv. Hyper-inflation (continued)

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 2024 are an exchange rate of 13.41 to Kenya Shillings and a conversion factor of 1.28.

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

f. 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.

g. Revenue recognition

i. 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.

i. A release of the CSM, measured based on coverage units provided (see 'Release of the CSM' below).

ii. Changes in the risk adjustment for non-financial risk relating to current services.

iii. 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 (v)), which are recognised as insurance revenue and insurance service expenses at that date.

iv. 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 discounted 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:

- 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 Group 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.

ii. 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, without any time value of money adjustment, on the passage of time basis.

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

iii. Revenue from contracts with customers

Revenue arising from asset management and other related services offered by the Group are recognised in the accounting period in which the services are rendered over time. Fees consist primarily of investment management fees arising from services rendered in conjunction with the issue and management of investment contracts where the Group actively manages the consideration received from its customers to fund a return that is based on the investment profile that the customer selected on origination of the instrument.

These services comprise the activity of trading financial assets in order to reproduce the contractual returns that the Group's customers expect to receive from their investments. In all cases, these services comprise an indeterminate number of acts over the life of the individual contracts. For practical purposes, the Group recognises these fees at a point in time.
The Group charges its customers for asset management and other related services fees periodically (monthly, quarterly or annually) either directly or by making a deduction from invested funds at a point in time.

iv. 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.

v. Dividend income

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

vi. Rental income

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

v. 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 sale 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 less and at the beginning of the period/ purchase date.

h. 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 asset's 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 taken into account 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)

i. Intangible assets

i. Computer software

Software licence 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 amortisation and accumulated impairment losses. Costs associated with maintaining computer software programmes are recognised 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 the software product.
- 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 reliable measured.

Directly attributable costs that are capitalised 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 amortisation 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 does not exceed seven years. The amortisation 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 is expected to benefit from the synergies of the combination. Each unit or group of units to which the 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.

j. 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 recognised through statement of profit or loss.

k. 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.

l. Financial instruments

The Group's financial assets are classified and measured as follows; at amortised 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.

2. Summary of material accounting policies (continued)

I. Financial instruments (continued)

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 particular 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.

- 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 bases 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 unit trusts.

ii. 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.

2. Summary of material accounting policies (continued)

l. Financial instruments (continued)

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

GROUP

At 31 December 2024	Note	At amortised cost	At fair value through profit or loss	Total
		Shs' 000	Shs' 000	Shs' 000
Financial assets				
Quoted ordinary shares	30	-	2,001,313	2,001,313
Unquoted ordinary shares	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
Unit trusts	30(iii)	-	11,217,275	11,217,275
Other receivables	38	2,145,510	-	2,145,510
Mortgage loans and receivables	32	1,013,302	-	1,013,302
Restricted cash	39(ii)	1,105,989	-	1,105,989
Cash and bank balances	39(i)	6,956,247	-	6,956,247
Total financial assets		**89,656,097**	**79,732,942**	**169,389,039**
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	38	339,145	-	339,145
Amounts due from related parties	45(i)	392,023	-	392,023
Cash and bank balances	39(i)	293,096	-	293,096
Total financial assets		**1,024,554**	**-**	**1,024,554**
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)

I. Financial instruments (continued)

GROUP

At 31 December 2023	Note	At amortised cost	At fair value through profit or loss	Total
		Shs' 000	Shs' 000	Shs' 000
Financial assets				
Quoted ordinary shares	30	-	2,156,902	2,156,902
Unquoted ordinary shares	30	-	74,929	74,929
Government securities	30, 31	67,523,216	46,000,195	113,523,411
Corporate bonds	31 (ii)	1,018,291	-	1,018,291
Unit trusts	30 (iii)	-	10,725,301	10,725,301
Other receivables	38	2,976,257	-	2,976,257
Mortgage loans and receivables	32	1,129,886	-	1,129,886
Restricted cash	39(ii)	216,417	-	216,417
Cash and bank balances	39(i)	10,640,881	-	10,640,881
Total financial assets		**83,504,948**	**58,957,327**	**142,462,275**
Financial liabilities				
Borrowings	16(i)	2,581,068	-	2,581,068
Other payables		4,653,294	-	4,653,294
Total financial liabilities		**7,234,362**	**-**	**7,234,362**

COMPANY

Financial assets				
Investment in property funds	27(ii)	-	2,100,442	2,100,442
Other receivables	35	382,884	-	382,884
Amounts due from related parties	45(i)	328,285	-	328,285
Cash and bank balances	39(i)	61,541	-	61,541
Total financial assets		**772,710**	**2,100,442**	**2,873,152**
Financial liabilities				
Borrowings	16(i)	1,567,894	-	1,567,894
Amounts due to related parties	45(i)	328,285	-	328,285
Other payables		475,963	-	475,963
Total financial liabilities		**2,372,142**	**-**	**2,372,142**

Other payables exclude provision for investment losses.

2. Summary of material accounting policies (continued)

I. Financial instruments (continued)

iii. 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 as long as 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 instrument.
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.

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 taken into account 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

2. Summary of material accounting policies (continued)

I. Financial instruments (continued)

iv. Impairment of financial assets (continued)

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 are capable of identifying significant increase in credit risk before the amount becomes past due.

ii. Definition of default

Critical to the determination of ECL is the definition of default. 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 takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the 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	Contractual cash flows default Debt restructure/Debt covenant breach Bank closure Bank Run Filing of bankruptcy Bank takeover by Regulator Bank insolvency
Corporate debt	Contractual cash flows default Debt covenant breach Closure of institution Filing of bankruptcy
Financial assets	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.	Contractual cash flows default Filing of bankruptcy Significant natural disaster events Loss of source of income

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 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;
d. it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
e. the disappearance of an active market for that financial asset because of financial difficulties.

2. Summary of material accounting policies (continued)

l. Financial instruments (continued)

iv. Impairment of financial assets (continued)

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 flows 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 realise 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.

m. 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 realising gains from either rental income or realised 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. Based on the assessment of control or significant influence over these funds, the Group has concluded that it does not control the property funds.

n. 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 flows 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.

o. 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.

2. Summary of material accounting policies (continued)

p. 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.

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.

q. 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 on the basis of 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 on the basis of 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 affects 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 utilised. 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.

2. Summary of material accounting policies (continued)

r. 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 of time 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.

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.

s. Dividends

Dividends payable to the Group's shareholders are charged to equity in the period in which they are declared.

t. 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.

u. 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 of time 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 on the basis of 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. As a consequence, 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 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;
- 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.

2. Summary of material accounting policies (continued)

u. Leases (continued)

- **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 into 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 on the basis of 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 of 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 the 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.

v. 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 is 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.

For the purpose of calculating basic earnings per share, the amounts attributable to ordinary equity holders of the parent entity in respect of:

i. profit or loss from continuing operations attributable to the parent entity; and

ii. 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:

c. 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 a large number of 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 experience, updated to reflect current expectations of future events.

The estimates of future cash flows reflect the Group's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices.

When estimating future cash flows, the Group takes into account 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 taken into account 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.

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.

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 saincme discount rate being applied.

The tables below set out the sources to determine the risk free rates used to discount the cash flows 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

3. Critical accounting estimates, judgements and assumptions (cont.)

a. Accounting estimates (continued)

Valuation of insurance and reinsurance contract liabilities and assets (continued)

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;
- 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 the 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 assess the practical challenges in setting the risk adjustment and its subsequent measurement and the need for fair representation;
- The Group assess the different approaches available in determining the risk adjustment and pick 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 the 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 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 amount 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 amount of underlying claims to be covered in each period.

3. Critical accounting estimates, judgements and assumptions (cont.)

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 36 (ii).

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 flows 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.

3. Critical accounting estimates, judgements and assumptions (cont.)

a, Accounting estimates (continued)
Valuation of insurance and reinsurance contract liabilities and assets (continued)
iv. Fair value of insurance contracts (continued)

These differences gave rise to a CSM at the date of acquisition or transition (see Notes 34). In particular, in measuring fair value the Group:

- considers the cash flows included in the measurement of fulfilment cash flows but adjusts 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;
- 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 demo 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**

The fair value of financial instruments that are unquoted (not traded in an active market) is determined by using valuation techniques. The Group uses management judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the statement of financial position date. The details of these are set out in Note 46 (f).

- **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 recognised relevant professional qualification 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 2023 and 31 December 2024 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 of credit risk: As explained in Note 2 m (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 takes into account 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 on the basis of 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 in order 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.
- 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.

3. Critical accounting estimates, judgements and assumptions (cont.)

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 reecognized 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, taking into account 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 a number of factors that are determined on an actuarial basis using a number of 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 the goodwill and the key assumptions made are set out in Note 27 (i).

- **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 flows 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.

- **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. Based on the assessment of control or significant influence over these funds, the Group has concluded that it does not control the property funds.

The classification of financial assets and liabilities;

- Whether assets are impaired;
- Recoverability of deferred tax;
- The illiquditty premium; and
- The risk adjustment.

4. Insurance revenue

The insurance revenue of the Group can be analysed between the main categories of business as shown below:

	Life Risk	Life Savings	Investment contracts with DPF	Non-Life	Total
Year ended 31 December 2024	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**
Contracts not measured under the PAA					
Amounts relating to changes in liabilities:					
CSM recognized for services provided	652,057	1,243,363	1,162,599	63,151	3,121,170
Change in risk adjustment for non-financial risk for risk expired	61,510	267,972	72,774	1,506	403,762
Expected incurred claims and other insurance service expenses after loss component allocation	850,281	3,218,418	857,840	23,735	4,950,274
Insurance acquisition cash flows recovery	84,366	-	-	73,840	158,206
Experience adjustments not related to future service	(1,724)	117,704	(112,483)	-	3,497
Insurance revenue from contracts not measured under PAA	**1,646,490**	**4,847,457**	**1,980,730**	**162,232**	**8,636,909**
Insurance revenue from contracts measured under the PAA	1,819,456	-	-	27,100,369	28,919,825
Total insurance revenue	**3,465,946**	**4,847,457**	**1,980,730**	**27,262,601**	**37,556,734**
Year ended 31 December 2023					
Contracts not measured under the PAA					
Amounts relating to changes in liabilities:					
CSM recognized for services provided	735,079	826,686	682,952	87,812	2,332,529
Change in risk adjustment for non-financial risk for risk expired	63,616	264,921	56,871	2,350	387,758
Expected incurred claims and other insurance service expenses after loss component allocation	995,276	3,134,659	742,041	37,037	4,909,013
Insurance acquisition cash flows recovery	223,247	-	-	78,704	301,951
Insurance revenue from contracts not measured under PAA	**2,017,218**	**4,226,266**	**1,481,864**	**205,903**	**7,931,251**
Insurance revenue from contracts measured under the PAA	3,007,044	-	-	25,497,902	28,504,946
Total insurance revenue	**5,024,262**	**4,226,266**	**1,481,864**	**25,703,805**	**36,436,197**

5. Insurance service expenses

	Life Risk	Life Savings	Investment contracts with DPF	Non-Life	Total
Year ended 31 December 2024	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**
Incurred insurance service expenses:	**(2,728,903)**	**(3,544,653)**	**(986,183)**	**(18,350,614)**	**(25,610,353)**
Claims	(2,713,477)	(114,326)	(147,602)	(13,900,936)	(16,876,341)
Expenses	(16,970)	(3,430,280)	(838,537)	(4,591,086)	(8,876,873)
Other movements related to current service	1,544	(47)	(44)	141,408	142,861
Amortisation of insurance acquisition cash flows	(812,215)	-	-	(3,909,189)	(4,721,404)
Changes that relate to past service:	**346,696**	**272,263**	**18,963**	**661,585**	**1,299,507**
Changes in estimates in liability for incurred claims fulfilment cash flows	(883,370)	165,087	14,618	(3,037,884)	(3,741,549)
Experience adjustments in claims and other insurance service expenses in liability for incurred claims	1,230,066	107,176	4,345	3,699,469	5,041,056
Changes that relate to future service:	**747,170**	**217,773**	**(349,642)**	**1,125,699**	**1,741,000**
Losses for the net outflow recognized on initial recognition	(508,805)	(206,385)	(357,107)	(495,990)	(1,568,287)
Losses and reversal of losses on onerous contracts - subsequent measurement	1,255,975	424,158	7,465	1,621,689	3,309,287
Total insurance service expenses	**(2,447,252)**	**(3,054,617)**	**(1,316,862)**	**(20,472,519)**	**(27,291,250)**
Year ended 31 December 2023					
Incurred insurance service expenses:	**(3,695,480)**	**(1,291,132)**	**(771,480)**	**(16,109,846)**	**(21,867,938)**
Claims	(1,491,692)	(138,098)	(10,757)	(11,938,905)	(13,579,452)
Expenses	(2,170,865)	(1,152,101)	(760,705)	(4,316,704)	(8,400,375)
Other movements related to current service	(32,923)	(933)	(18)	145,763	111,889
Amortisation of insurance acquisition cash flows	(1,077,465)	-	-	(3,595,384)	(4,672,849)
Changes that relate to past service:	**14,418**	**(81,969)**	**10,291**	**731,412**	**674,152**
Changes in estimates in liability for incurred claims fulfilment cash flows	(358,394)	(213,365)	(1,090)	(4,134,481)	(4,707,330)
Experience adjustments in claims and other insurance service expenses in liability for incurred claims	372,812	131,396	11,381	4,865,893	5,381,482
Changes that relate to future service	**(637,759)**	**(1,049,218)**	**(109,820)**	**808,584**	**(988,213)**
Losses for the net outflow recognized on initial recognition	(215,051)	(129,777)	(51,967)	(552,405)	(949,200)
Losses and reversal of losses on onerous contracts - subsequent measurement	(422,708)	(919,441)	(57,853)	1,360,989	(39,013)
Total insurance service expenses	**(5,396,286)**	**(2,422,319)**	**(871,009)**	**(18,165,234)**	**(26,854,848)**

6. Net expenses from reinsurance contracts held

	Life Risk	Life Savings	Non-Life	Total
Year ended 31 December 2024	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**
Allocation of the premiums paid	(378,772)	(10,890)	(8,928,502)	(9,318,164)
Amounts recovered from reinsurance:	**660,811**	**-**	**3,458,840**	**4,119,651**
Incurred insurance service expenses:	**343,778**	**-**	**4,200,962**	**4,544,740**
Claims	624,154	-	4,056,365	4,680,519
Expenses	(677,578)	-	-	(677,578)
Other movements related to current service	397,202		144,597	541,799
Changes that relate to past service (changes in fulfilment cash flows reinsurance liability for incurred claims):	**357,978**	**-**	**(713,531)**	**(355,553)**
Changes in estimates in liability for incurred claims fulfilment cash flows	503,332	-	2,711,943	3,215,275
Experience adjustments in claims and other insurance service expenses in liability for incurred claims	(145,354)	-	(3,425,474)	(3,570,828)
Changes that relate to future service:	**(5,116)**	**-**	**6,491**	**1,375**
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	(5,116)	-	(43,758)	(48,874)
Changes in risk of non-performance	(35,829)	-	(35,082)	(70,911)
Total net expenses from reinsurance contracts	**282,039**	**(10,890)**	**(5,469,662)**	**(5,198,513)**
Year ended 31 December 2023				
Allocation of the premiums paid	(1,208,741)	(18,066)	(8,342,771)	(9,569,578)
Amounts recovered from reinsurance:	**1,117,827**	**-**	**2,620,626**	**3,738,453**
Incurred insurance service expenses:	**987,457**	**-**	**3,476,935**	**4,464,392**
Claims	862,154	-	3,452,790	4,314,944
Other movements related to current service	125,303	-	24,145	149,448
Changes that relate to past service (changes in fulfilment cash flows):	**(87,152)**	**-**	**(733,581)**	**(820,733)**
Changes in estimates in LIC fulfilment cash flows	261,300	-	3,962,518	4,223,818
Experience adjustments in claims and other insurance service expenses in liability for incurred claims	(348,452)	-	(4,696,099)	(5,044,551)
Changes that relate to future service:	**224,719**	**-**	**(85,569)**	**139,150**
Loss recovery related to losses on underlying insurance contracts at initial recognition	134,611	-	114,068	248,679
Loss recovery and reversals of recoveries related to underlying insurance contracts losses - subsequent measurement	90,108	-	(199,637)	(109,529)
Changes in risk of non-performance	(7,197)	-	(37,159)	(44,356)
Total net expenses from reinsurance contracts	**(90,914)**	**(18,066)**	**(5,722,145)**	**(5,831,125)**

7. Net income from investment properties

	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
Gross rental income	606,153	560,007	-	-
Less: Investment property operating expenses	-	(2,750)	-	-
Net rental income	606,153	557,257	-	-
Revaluation of property funds (Note 29(ii))	-	-	157,653	28,956
Fair value gain on investment properties (Note 29(i))	194,840	87,192	(5,000)	-
Net income from investment property	**800,993**	**644,449**	**152,653**	**28,956**

8(i). Interest computed using effective interest method

Interest from government securities at amortised cost	8,985,385	8,253,059	4,054	135,538
Interest from corporate bonds at amortised cost	189,807	2,382	186,800	-
Interest from deposits with financial institutions	930,516	744,236	21,392	14,636
Interest income from loans	655,612	387,897	-	-
Interest from intercompany balances	-	-	20,194	10,822
Interest computed using effective interest method	**10,761,320**	**9,387,574**	**232,440**	**160,996**

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	8,459,213	6,049,460	-	10,393
Dividend from subsidiaries	-	-	475,843	261,198
Dividends from quoted ordinary shares at fair value through profit or loss	187,832	178,919	-	-
Total interest and dividend income from investments at fair value through profit or loss	**8,647,045**	**6,228,379**	**475,843**	**271,591**

9. Net realised gains/(losses) on financial assets at fair value through profit or loss

	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
Realised gain/(loss) on government securities at fair value through profit or loss	43,323	(1,070)	-	257
Realised gain on quoted ordinary shares at fair value through profit or loss	204,484	35,000	-	-
Realised gains on unit trusts	464,010	-	-	-
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	-
Total net realised gains/(losses)	**711,817**	**33,930**	**(77,112)**	**257**

10. Net unrealised fair value gains/(losses) on financial assets at fair value through profit or loss

	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
Fair value gain/(loss) on quoted ordinary shares fair value through profit or loss (Note 30 (i))	490,168	(979,429)	-	-
Fair value loss on unquoted ordinary shares at fair value through profit or loss (Note 30 (i))	(2,768)	-	-	-
Fair value gains on unit trusts (Note 30 (iii))	1,179,010	649,813	-	-
Fair value gain/(loss) on government securities at fair value through profit or loss (Note 30 (iv))	5,925,142	(4,353,175)	-	-
Fair value losses on financial assets through profit or loss	**7,591,552**	**(4,682,791)**	**-**	**-**
Reversal of impairment of associate (Note 25(d))	2,073,112	-	(73,652)	-
Total net unrealised fair value gains/(losses)	**9,664,664**	**(4,682,791)**	**(73,652)**	**-**

11. (i) Net insurance finance expenses

The following table analyses the Group's net insurance finance expenses in profit or loss:

	Life Risk	Life Savings	Investment contracts with DPF	Non-Life	Total
Year ended 31 December 2024	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	**(3,438,198)**	**(4,109,498)**	**(2,975)**	**(1,340,845)**	**(8,891,516)**
Interest accreted on the carrying amount of the CSM	(364,998)	(836,128)	-	(24,489)	(1,225,615)
Interest accreted on present value cash flows	(3,021,220)	(3,161,018)	(2,964)	(1,231,490)	(7,416,692)
Interest accreted on risk adjustment	(51,980)	(112,352)	(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	(2,414,597)	(2,444,274)	(17)	(523,182)	(5,382,070)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	(558,184)	(558,184)
Changes in fair value of underlying items of direct participating contracts	-	-	(12,903,278)	(386)	(12,903,664)
Total insurance finance expense from insurance contracts issued	**(5,852,795)**	**(6,553,772)**	**(12,906,270)**	**(2,422,597)**	**(27,735,434)**
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	**137,707**	**-**	**-**	**615,583**	**753,290**
Interest accreted on present value cash flows	129,832	-	-	575,243	705,075
Interest accreted on risk adjustment	7,615	-	-	40,340	47,955
Interest accreted on LRC for contracts measured under the PAA.	260	-	-	-	260
The effect of financial risk and changes in financial risk	12,247	-	-	227,990	240,237
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	302,572	302,572
Total insurance finance income from reinsurance contracts held	**149,954**	**-**	**-**	**1,146,145**	**1,296,099**
Net insurance finance expenses	**(5,702,841)**	**(6,553,772)**	**(12,906,270)**	**(1,276,452)**	**(26,439,335)**

11. (i) Net insurance finance expenses (continued)

	Life Risk	Life Savings	Investment contracts with DPF	Non-Life	Total
Year ended 31 December 2023	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	**(2,137,526)**	**(3,120,757)**	**(2,104)**	**(877,044)**	**(6,137,431)**
Interest accreted on the carrying amount of the CSM	(188,685)	(741,611)	-	(36,817)	(967,113)
Interest accreted on present value cash flows	(1,910,889)	(2,303,056)	(2,073)	(782,784)	(4,998,802)
Interest accreted on risk adjustment	(37,952)	(76,090)	(31)	(57,443)	(171,516)
The effect of financial risk and changes in financial risk	1,464,685	2,878,797	(16)	255,423	4,598,889
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	(473,175)	(473,175)
Changes in fair value of underlying items of direct participating contracts	-	-	(7,127,988)	-	(7,127,988)
Total insurance finance expense from insurance contracts issued	**(672,841)**	**(241,960)**	**(7,130,108)**	**(1,094,796)**	**(9,139,705)**
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	**88,834**	**-**	**-**	**393,870**	**482,704**
Interest accreted on present value cash flows	87,445	-	-	368,574	456,019
Interest accreted on risk adjustment	1,389	-	-	25,296	26,685
The effect of financial risk and changes in financial risk	16,080	-	-	(82,116)	(66,036)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	162,264	162,264
Total insurance finance expense from reinsurance contracts held	**104,914**	**-**	**-**	**474,018**	**578,932**
Net insurance finance expenses	**(567,927)**	**(241,960)**	**(7,130,108)**	**(620,778)**	**(8,560,773)**

Net finance income and expenses from insurance and reinsurance contracts have both been recognised in statement of profit or loss.

11.(ii) Net financial result (including investment return)

Year ended 31 December 2024	Life Risk	Life Savings	Investment contracts with DPF	Non-Life	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Net income from investment property and property funds	9,178	606,352	254,804	(69,341)	800,993
Interest and dividend income from investments at fair value	291,844	1,736,212	6,346,553	2,386,711	10,761,320
Interest income computed using effective interest rate method	279,118	1,660,501	6,069,801	637,625	8,647,045
Net realised (losses)/gains on financial assets	4,867	351,844	340,441	14,665	711,817
Net unrealised fair value losses on financial assets	166,856	4,898,325	4,890,248	(290,765)	9,664,664
Net investment income	**751,863**	**9,253,234**	**17,901,847**	**2,678,895**	**30,585,839**
Finance expenses from insurance contracts issued	(696,830)	(6,556,133)	(18,059,874)	(2,422,597)	(27,735,434)
Finance income from reinsurance contracts held	149,954	-	-	1,146,145	1,296,099
Net insurance finance expenses	**(546,876)**	**(6,556,133)**	**(18,059,874)**	**(1,276,452)**	**(26,439,335)**
Net Financial Result (including investment return)	**204,987**	**2,697,101**	**(158,027)**	**1,402,443**	**4,146,504**

Year ended 31 December 2023	Life Risk	Life Saving	Investment contracts with DPF	Non Life	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Net income from investment property and property funds	9,020	454,629	193,757	(12,957)	644,449
Interest and dividend income from investments at fair value	219,323	1,380,306	4,443,534	185,216	6,228,379
Interest income computed using effective interest rate method	249,721	1,571,611	5,059,391	2,506,851	9,387,574
Net realised (losses)/gains on financial assets	(224)	1,572	26,088	6,494	33,930
Net unrealised fair value losses on financial assets	(110,549)	(2,056,010)	(2,496,846)	(19,386)	(4,682,791)
Net investment income	**367,291**	**1,352,108**	**7,225,924**	**2,666,218**	**11,611,541**
Finance expenses from insurance contracts issued	(672,841)	(241,960)	(7,130,108)	(1,094,796)	(9,139,705)
Finance income from reinsurance contracts held	104,914	-	-	474,018	578,932
Net insurance finance expenses	**(567,927)**	**(241,960)**	**(7,130,108)**	**(620,778)**	**(8,560,773)**
Net Financial Result (including investment return)	**(200,636)**	**1,110,148**	**95,816**	**2,045,440**	**3,050,768**

12. Fund management fees

	2024 Shs'000	2023 Shs'000
Fee income:		
- Unit trust funds	276,763	184,516
- Discretionary & wealth management	326,778	400,716
- Alternative investments	43,786	20,968
- Property management fees	8,487	33,550
Total fund management fees	**655,814**	**639,750**

13. Other income

	Group		Company	
	2024 Shs'000	2023 Shs'000	2024 Shs'000	2023 Shs'000
Other schemes administration fee				
- arising on life business	17,447	20,289	-	-
- arising on non-life business	250,337	114,996	-	-
Net foreign exchange gains/(loss)	944,227	405,295	(13,682)	665
(loss)/gain on disposal of property and equipment	(9,071)	(5,792)	228	126
Loss on net monetary position (Note 2 (d)(iii))	(30,237)	-	-	-
Miscellaneous income	149,573	231,340	22,401	82,611
Total other income	**1,322,276**	**766,128**	**8,947**	**83,402**

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 30,237,000. Significant growth in net foreign exchange gains is mainly attributed to the 340% depreciation (from 31 December 2023) of South Sudan Pound against Kenya Shilling witnessed during the year. Other schemes administration fee is considered incidental.

14. Fund management commission expenses

	2024 Shs'000	2023 Shs'000
Fee income		
- Unit trust funds	166,894	83,044
- Discretionary & wealth management	12,885	116,483
Total fund commission expenses	**179,779**	**199,527**

15. (i) Operating and other expenses (by nature) – Company

	2024 Shs 000'	2023 Shs 000'
Staff costs (Note 15 (ii))	94,357	75,434
General office management expenses	78,708	67,470
Sales, marketing and brand management	355	219
Information technology (ICT) costs	12,800	38,938
Amortisation of intangible assets (Note 23)	5,441	8,858
Professional fees	21,587	25,336
Depreciation on property and equipment (Note 22)	28,964	36,236
Depreciation on right of use asset (Note 24 (i))	27,141	26,738
Office rent and service charge	-	6,132
Provision for expected credit losses	(1,353)	(31,460)
Directors' fees (Note 45 (v))	44,955	38,340
Directors' expenses	52,902	21,005
Training and development	1,855	4,430
Auditor's remuneration	4,160	3,860
Provision for investment losses (Note 40)	636,519	656,796
Total operating and other expenses	**1,008,391**	**978,332**

15. (i) Operating and other expenses (by nature) - Group

	2024				2023			
	Attributable expenses				Attributable expenses			
	Acquisition expenses	Other directly attributable expenses	Other expenses	Total	Acquisition Expenses	Other directly attributable expenses	Other expenses	Total
	Shs 000'	Shs 000'	Shs 000'	Shs 000'	Shs 000'	Shs 000'	Shs 000'	Shs 000'
Staff costs (Note 15 (ii))	1,626,018	1,992,785	1,350,727	4,969,530	1,502,006	1,846,509	952,563	4,301,078
General office management expenses	51,355	575,100	471,640	1,098,095	89,934	335,837	325,625	751,396
Sales, marketing and brand management	1,511,475	183,696	291,940	1,987,111	1,202,127	334,832	246,221	1,783,180
Information technology (ICT) costs	143,703	492,542	102,082	738,327	192,100	433,387	161,522	787,009
Amortisation of intangible assets (Note 23)	40,258	142,750	91,671	274,679	84,655	179,914	73,236	337,805
Professional fees	361	6,203	307,288	313,852	603	37,533	292,953	331,089
Depreciation on property and equipment (Note 22)	15,860	103,225	45,041	164,126	17,297	110,893	50,800	178,990
Premium tax, levies and duty	118,291	446,279	36,084	600,654	135,162	164,964	3,822	303,948
Depreciation on right of use asset (Note 24 (i))	39,455	63,877	55,961	159,293	33,637	88,269	50,386	172,292
Office rent and service charge	77,073	94,508	53,630	225,211	89,456	85,573	19,560	194,589
Directors' fees (Note 45 (iv))	-	17,857	130,072	147,929	-	6,509	117,475	123,984
Directors' expenses	-	8,655	127,878	136,533	-	3,067	64,632	67,699
Repairs and maintenance costs	15,729	23,203	4,972	43,904	4,832	10,744	2,475	18,051
Training and development	358	6,114	61,319	67,791	2,445	7,404	72,042	81,891
Auditor's remuneration	-	14,697	51,342	66,039	-	16,593	63,920	80,513
Provision for investment losses (Note 40)	-	-	636,519	636,519	-	-	656,796	656,796
Total operating and other expenses	**3,639,936**	**4,171,491**	**3,818,166**	**11,629,593**	**3,354,254**	**3,662,028**	**3,154,028**	**10,170,310**
Represented by:								
Attributable expenses	3,639,936	4,171,491	-	7,811,427	3,354,254	3,662,028	-	7,016,282
Other operating expenses	-	-	3,818,166	3,818,165	-	-	3,154,028	3,154,028
Total	**3,639,936**	**4,171,491**	**3,818,166**	**11,629,593**	**3,354,254**	**3,662,028**	**3,154,028**	**10,170,310**

15. (ii) Staff costs

	Group		Company	
	2024 Shs 000'	2023 Shs 000'	2024 Shs 000'	2023 Shs 000'
Staff costs include the following:				
Salaries and wages	4,400,022	3,744,879	77,344	70,001
Retirement benefits costs:				
- defined contribution scheme	158,705	127,840	5,711	4,931
- Social security benefits costs	84,883	72,921	1,125	502
Staff medical and group life cover	295,562	325,080	9,247	-
Other staff benefits (Staff loan subsidies, uniforms)	30,358	30,358	930	-
Total staff costs	**4,969,530**	**4,301,078**	**94,357**	**75,434**

The number of persons employed by the Group at the year-end was 1,142 (2023: 1,095).

16. (i) Borrowings

During the year the company fully settled its bank loan (2023: Shs 1,057,340,000). The variable interest rates during the year ranged from 12.0% to 17.5%. 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 in 2024 and 2023.
Other borrowings of Shs 1,100,586,000 (2023: Shs 2,581,068,000) 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.

The borrowings are carried at amortised cost and their fair value approximates their carrying amounts. The table below shows the breakdown of the borrowings:

	Group		Company	
	2024 Shs 000'	2023 Shs 000'	2024 Shs 000'	2023 Shs 000'
Balance at 1 January				
• Bank loan	1,000,000	1,000,000	1,000,000	1,000,000
• Other borrowings	1,500,304	1,500,304	510,554	510,554
	2,500,304	**2,500,304**	**1,510,554**	**1,510,554**
Accrued interest			-	
• Bank loan	211,320	199,725	211,320	176,301
• Loan repayment	(1,611,038)	(118,961)	(1,211,320)	(118,961)
Balance at 31 December	**1,100,586**	**2,581,068**	**510,554**	**1,567,894**
Interest paid				
• Bank loan	211,320	118,961	211,320	118,961
Total Interest paid	**211,320**	**118,961**	**211,320**	**118,961**

The table below shows the breakdown of the finance costs:

	Group		Company	
	2024 Shs 000'	2023 Shs 000'	2024 Shs 000'	2023 Shs 000'
Bank loans	153,980	136,382	153,980	136,382
Interest on related party balance	-	-	93,124	21,336
Interest expense on lease liability (Note 24 (ii))	129,612	110,753	13,731	10,450
Total finance cost	**283,592**	**247,135**	**260,835**	**168,168**

The weighted average effective interest rate on borrowings as 31 December 2024 was 17.80% (2023: 13.20%).

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	
	2024	2023
	Shs'000	Shs'000
Cash and cash equivalents (Note 39(i))	6,956,247	10,640,881
Financial assets at fair value through profit or loss - designated (Note 31)	79,732,942	58,957,327
Borrowings (Note 16 (i))	(1,100,586)	(2,581,068)
Lease liabilities (Note 24(ii))	(784,972)	(632,186)
Net debt	**84,803,631**	**66,384,954**
Cash and liquid investments	86,689,189	69,598,208
Gross debt – fixed interest rates	(1,885,558)	(3,213,254)
Net debt	**84,803,631**	**66,384,954**

	Liabilities from financing activities			Other assets		
	Borrowings	Leases	Sub-total	Cash equivalents	Liquid investments	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	
Net debt at 1 January 2023	**(2,540,223)**	**(672,066)**	**(3,212,289)**	**7,991,854**	**85,271,314**	**90,050,879**
Cash flows	40,845	286,678	327,523	2,649,027	(26,313,987)	(23,337,437)
Leases – additions	-	(239,262)	(239,262)	-		(239,262)
Other	(81,690)	(7,536)	(89,226)	-	-	(89,226)
Net debt at 31 December 2023	**(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)
Others	-	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**

17. Share capital – Company

Group and Company	Number of shares	Ordinary shares	Share premium	Total
	Thousands	Shs'000	Shs'000	Shs'000
1 January 2023, 31 December 2023 and 31 December 2024	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 per share (2023: 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 2024 (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	Revaluation reserve	Foreign currency translation reserves	Statutory reserves	Total
	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000
Balance at 1 January 2024	5,513,614	(135,042)	(680,829)	10,669,660	15,367,403
Share of associate other comprehensive ncome (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	-	-	-	40,499	40,499
Transfer of reserves	(5,513,614)	-	-	5,513,614	-
Surplus for life business	-	-	-	3,388,190	3,388,190
Currency translation loses (Note 26)	-	-	(1,344,627)	-	(1,344,627))
At 31 December 2024	**-**	**(135,042)**	**(2,025,456)**	**19,658,490**	**17,497,992**
Balance as at 1 January 2023	5,513,614	(135,042)	(1,028,226)	9,648,514	13,998,860
Share of associate other comprehensive in-come (Note 25 (d))	-	-	-	(94,806)	(94,806)
Re-measurement of the net defined benefit asset (Note 42)	-	-	-	(6,795)	(6,795)
Surplus for life business	-	-	-	949,906	949,906
Transfer from retained earnings (Note 19)	-	-	-	172,841	172,841
Currency translation loses (Note 26)	-	-	347,397	-	347,397
At 31 December 2023	**5,513,614**	**(135,042)**	**(680,829)**	**10,669,660**	**15,367,403**

Company	Other reserves
	Shs '000
At 1 January 2024	**52,617**
Share of associate 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**
At 1 January 2023	**100,755**
Share of associate other comprehensive in-come (Note 25 (d))	(48,138)
At 31 December 2023	**52,617**

Other reserves include;

- **Fair value reserves**: arising from revaluation quoted ordinary shares carried at fair value through other comprehensive income. They are not distributable reserves, the relate to long-term business and has been transferred to statutory reserves.
- **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.

18. Other reserves (continued)

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. Accumulated losses

	Group Shs '000	Company Shs '000
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)**
At 1 January 2023	(5,541,477)	(5,949,149)
Profit/(loss) for the year	2,305,984	(537,894)
Transfer from general reserve (Note 18)	(172,841)	-
At 31 December 2023	**(3,408,334)**	**(6,487,043)**

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 2024 or 31 December 2023.

	2024	2023
Profit attributed to equity holders (Shs' thousands)	5,005,352	3,255,890
Weighted number of ordinary shares in issue (thousands)	2,523,487	2,523,487
Basic and diluted earnings per share (Shs)	**1.98**	**1.29**

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 (2023: Nil). The Directors do not recommend any dividends in respect of the year ended 31 December 2024 (2023: 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
2024						
Cost or valuation						
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**
Depreciation						
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**
Net book value						
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**

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
2023						
Cost or valuation						
1 January 2023	736,468	924,017	121,445	1,184,548	1,007,489	3,973,967
Additions	-	6,087	18,328	57,677	86,064	168,156
Disposal	-	(98,049)	(7,751)	(36,408)	(9,084)	(151,292)
Translation differences	97,410	7,915	3,434	21,531	13,718	144,008
At 31 December 2023	**833,878**	**839,970**	**135,456**	**1,227,348**	**1,098,187**	**4,134,839**
Depreciation						
1 January 2023	32,204	680,613	79,248	1,037,652	901,160	2,730,877
Charge for the year	16,453	53,958	18,749	47,899	41,931	178,990
Disposal	-	(92,209)	(7,578)	(36,206)	(11,253)	(147,246)
Translation differences	8,186	7,829	2,227	19,671	12,611	50,524
At 31 December 2023	**56,843**	**650,191**	**92,646**	**1,069,016**	**944,449**	**2,813,145**
Net book value						
At 1 January 2023	**704,264**	**243,404**	**42,197**	**146,896**	**106,329**	**1,243,090**
At 31 December 2023	**777,035**	**189,779**	**42,810**	**158,332**	**153,738**	**1,321,694**

22. Property and equipment (continued)

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 2024. The fair values arising from valuation of land and buildings are categorised as Level 3 in the fair value hierarchy.

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.

COMPANY

2024	Leasehold Improvements	Motor vehicles	Furniture, fittings & office equipment	Computer equipment	Total
	Shs'000	Shs'000	Shs'000	Shs'000	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**

2024	Leasehold Improvements	Motor vehicles	Furniture, fittings & office equipment	Computer equipment	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Cost or valuation					
At 1 January 2023	145,406	18,646	86,614	39,999	290,665
Additions	490	-	18	3,489	3,997
At 31 December 2023	**145,896**	**18,646**	**86,632**	**43,488**	**294,662**
Depreciation					
At 1 January 2023	63,055	9,390	62,808	26,525	161,778
Charge for the year	13,485	3,729	13,379	5,643	36,236
At 31 December 2023	**76,540**	**13,119**	**76,187**	**32,168**	**198,014**
Net book value					
At 31 December 2023	**69,356**	**5,527**	**10,445**	**11,320**	**96,648**

The carrying amount of the buildings would be as shown below had it been carried under the cost model.

	Group	
	2024	2023
	Shs'000	Shs'000
Cost	833,878	833,878
Accumulated depreciation	(508,584)	(451,741)
Net book value	**325,294**	**382,137**

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.

23. Intangible assets

	Group			Company		
	Computer software costs	Work in progress	Total	Computer software costs	Work in progress	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Cost						
At 1 January 2023	3,855,780	-	3,855,780	193,081	183	193,264
Additions	98,922	-	98,922	218	1,148	1,366
Translation differences	17,471	-	17,471	-	-	-
At 31 December 2023	**3,972,173**	**-**	**3,972,173**	**193,299**	**1,331**	**194,630**
At 1 January 2024	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 2024	**4,122,474**	**65,792**	**4,188,266**	**198,790**	**-**	**198,790**
Accumulated amortization and impairment						
At 1 January 2023	2,872,499	-	2,872,499	174,720	-	174,720
Amortization charge	337,805	-	337,805	8,858	-	8,858
Translation differences	34,886	-	34,886	-	-	-
At 31 December 2023	**3,245,190**	**-**	**3,245,190**	**183,578**		**183,578**
Amortisation charge	274,679	-	274,679	5,441	-	5,441
Hyperinflationary charge	8,736	-	8,736	-	-	-
Translation differences	(65,869)	-	(65,869)	-	-	-
At 31 December 2024	**3,462,736**	**-**	**3,462,736**	**189,019**	**-**	**189,019**
Net book value						
At 1 January 2023	**983,281**	**-**	**983,281**	**18,361**	**183**	**18,544**
At 31 December 2023	**726,983**	**-**	**726,983**	**9,721**	**1,331**	**11,052**
At 31 December 2024	**659,738**	**65,792**	**725,530**	**9,771**	**-**	**9,771**

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

(i) Right of use assets

The movement in the right of use asset over the year was as follows:

	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
At 1 January	532,748	516,030	29,518	126,218
Additions	325,015	312,484	143,630	-
Depreciation charge (Note 15 (i))	(159,293)	(172,292)	(27,141)	(26,738)
Derecognition arising from remeasurement	(8,880)	(131,090)	-	(69,962)
Impairment losses	(1,587)	-	-	-
Remeasurement of lease liabilities	(16,884)	7,616	-	-
At 31 December	**671,119**	**532,748**	**146,007**	**29,518**

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.

(ii) Lease liabilities

The movement in the lease liabilities over the year was as follows:

	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
At 1 January	632,186	672,066	38,400	175,703
Additions	325,015	312,484	143,630	-
Interest expense on lease liabilities (Note 16(i))	129,612	110,753	13,731	10,450
Lease payments	(319,785)	(286,825)	(52,010)	(63,842)
Derecognition arising from remeasurement	(8,505)	(131,090)	-	(69,962)
Remeasurement of lease liabilities	26,449	(45,202)	-	(13,949)
At 31 December	**784,972**	**632,186**	**143,751**	**38,400**

The split in the lease liabilities was as follows:

	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
Current	319,785	286,678	52,010	38,400
Non-current	465,184	345,508	91,741	-
At 31 December	**784,969**	**632,186**	**143,751**	**38,400**

The total cash outflow for leases in the year was:	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
Interest expense paid on lease liabilities (Note 16(i))	129,612	110,753	13,731	10,450
Payments of principal portion of the lease liability	190,173	176,072	38,279	53,392
At 31 December	**319,785**	**286,825**	**52,010**	**63,842**

24. Leases (continued)

ii. Amounts recognised in the profit or loss account

	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
Depreciation on right of use assets (Note 13(i))	159,253	172,292	27,141	26,738
Interest expense on lease liabilities (Note 16)	129,612	110,753	13,731	10,450
Expenses relating to short-term leases	17,517	-	-	-
Expense relating to leases of low-value assets that are not shown above as short-term leases	34,012	6,311	-	-
Re-measurement of right-of-use assets	(5,778)	-	-	-
Remeasurement of lease liabilities	45,874	5,125	-	-
At 31 December	**380,490**	**294,481**	**40,872**	**37,188**

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.

	2024	2023
Operating leases under IFRS 16	**Shs'000**	**Shs'000**
Within 1 year	104,282	78,877
Between 1 and 2 years	107,577	86,234
Between 2 and 3 years	105,810	82,857
Between 3 and 4 years	68,143	79,874
Between 4 and 5 years	37,520	74,755
Later than 5 years	322	61,067
At 31 December	**423,654**	**463,664**

25. Investment in associates – Group and Company

(i) Details of the investments

The investment in associate at 31 December 2024 represents an equity interest of 48.17% (2023: 48.22%) 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. In October 2024, HF Group Plc was granted approval by the Capital Markets Authority to list 1,153,842,504 new ordinary shares through "Rights Issue". The approval followed that of the Board of Directors in August 2024 and that of the shareholders in September 2024.

The rights issue also had a provision for a green shoe option of up to 30% of the new shares (equivalent to 346,152,751 ordinary shares). The shares were issued at Shs 4 which was below the par value of Shs 5 per share. HF Group Plc aimed at raising Shs 4.6 billion from the rights issue to finance its expanded business segments, bolster its capital base, and support growth through digital enhancements and business expansion. The shareholders of HF Group Plc were entitled to two new ordinary shares for every one ordinary share held at the record date.

The Britam Life Assurance Company (Kenya) Limited exercised both its rights plus the rights of the Company following the board approval in November 2024 by investing Shs 2.89 billion towards the uptake of the rights thus increasing its percentage shareholding to 44.21%. Similarly, the Company's shareholding was reduced to 3.96% following the rights issue. HF remains an associate for the Group, with the shareholding of 48.17%. 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.

25. Investment in associates – Group and Company (continued)

j Details of the investments (continued)

a. HF Group Plc (continued)

At group level the rights issues resulted into a dilution of 0.05%. Subsequently the group assessed the impairment of the associate as per IAS 36 and an impairment reversal of previous impairment provisions was recognized amounting Shs 2,098,554,000. This was evidenced by continued profitability of the associate, successful rights issue and reduced weighted cost of capital. The movement in carrying amounts of HF Group Plc is included on Note 25 (a).

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 2024, the fair value of the Group's interest in HF Group Plc which is listed on the Nairobi Securities Exchange (NSE), was Shs 4,096,566,000 (2023: Shs 645,461,000) when computed using the NSE share price of Shs 4.51 (2023: Shs 3.48) 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 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.
Continental Reinsurance Company (Kenya) Limited is unlisted.

25. Investment in associates – Group and Company (continued)

Details of the investment (continued)

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 2024. 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 2024:

		% of ownership interest			
		Group		Company	
Name of entity	Place of business/country of incorporation	2024	2023	2024	2023
HF Group Plc	Kenya	48.17%	48.22%	3.96%	19.41%
Kilimani Hotel Suites Limited	Kenya	100%	100%	-	-
ContRe insurance Company Limited	Kenya	30%	-	-	-

The movement in the carrying amount of the investment in associates during the year is presented below:

a. HF Group Plc

	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
At 1 January	**1,643,784**	**1,571,421**	**659,790**	**632,587**
Share of associate's profit for the year	244,120	187,169	98,276	75,341
Share of associate's other comprehensive income/(loss)	227,393	(114,806)	93,467	(48,138)
Additional investment in associate	2,890,883	-	-	-
Loss on deemed disposal (Note 9)	-	-	(193,396)	-
Impairment reversal/(loss)	2,098,554	-	(73,652)	-
Other adjustments	5,656	-	-	-
At 31 December	**7,110,390**	**1,643,784**	**584,485**	**659,790**

b. Kilimani Hotel Suites Limited (KHSL)

	Group	
	2024 Shs'000	2023 Shs'000
At 1 January	1,029,089	956,753
Share of associate's profit for the year	56,000	26,145
Additional investment in associate	-	46,191
At 31 December	**1,085,089**	**1,029,089**

c. Continental Reinsurance Company (Kenya) Limited associate

	2024 Shs'000	2023 Shs'000
Cost of investment in associate	763,780	-
Bargain purchase	80,847	-
Total at acquisition	**844,627**	
Share of associate's profit for the year	120,847	-
Share of associate's other comprehensive loss	(2,787)	-
Impairment of associate	(111,417)	-
At 31 December	**851,270**	**-**

25. Investment in associates – Group and Company (continued)

d. Total investment in associates

	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
At 1 January	**2,672,874**	**2,528,174**	**659,790**	**632,587**
Share of associate's profit for the year	420,967	213,315	98,276	75,341
Share of associate's other comprehensive (loss)/ income	224,606	(114,806)	93,467	(48,138)
Additional investment in associate	3,655,189	46,191	-	-
Loss on deemed disposal (Note 9)	-	-	(193,396)	-
Impairment reversal/(loss) (Note 9)	2,073,112	-	(73,652)	-
At 31 December	**9,046,748**	**2,672,874**	**584,485**	**659,790**

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**

This is historical goodwill that arose from the initial investment at HF Group Plc, which was subsequently impaired.

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 rights issue, Shs 2,098,554,000 was reversed in 2024 leaving an impairment of Shs 2,052,285,000.

At 31 December 2024, the recoverable amount was Shs 7,110,390,000 and the carrying value was Shs 7,110,390,000. The value in use is assessed on the refreshed 5-year business projected cashflows, discounted at an after-tax Cost of Equity of 21.98% (2023: 28.7%) and terminal growth of 5% (2023: 5%). The equity risk premium applied was 14.34% (2023: 14.9%). 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 indicated that the investment was not impaired at 31 December 2024 (31 December 2023: Nil impairment). KHSL registered improved performance in 2024 as compared to 2023 and the performance is projected to continue improving into the foreseeable future. Revenue earned from services offered in the year increased by Shs 74,711,000 to Shs 636,124,000 as a result of rent escalation on key corporate contracts and revenue earned from conference facilities which were fully operational in the year. The Company recorded an occupancy of 83% (2023: 82%).

At 31 December 2024, the recoverable amount of KHSL associate was Shs 1,544,915,000 and the carrying value was Shs 1,085,089,000. The 2024 no impairment assessed result is based on a value in use of Shs 1.287 (2023: Shs 0.993) per share against a carrying value of Shs 0.951 (2023: Shs 0.913) 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 24.5% (2023: 27.2%) and terminal growth of 5% (2023: 5%). The equity risk premium applied was 14.3% (2023; 14.9%). 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.

25. Investment in associates – Group and Company (continued)

(v) Impairment assessment – Continental Reinsurance Company (Kenya) Limited Associate

The Group's impairment assessment of the investment in Continental Reinsurance Company (Kenya) Limited indicated that the investment was impaired on 31 December 2024, with an impairment loss of Shs 111,417,000.

At 31 December 2024, the recoverable amount of Continental Reinsurance Company (Kenya) Limited was Shs 851,271,000 while as the carrying value was Shs 962,639,000. The impairment assessment result is based on a value in use of Shs 189.17 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 33% and terminal growth of 30%. The equity risk premium applied was 14.3%. In the view of the Directors, the assumptions used are appropriate and the resultant carrying value is reasonable.

(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)	3,088,134	500,000	1,941,010	(1,941,010)
Pre-tax discount rate	31.40%	1%	(803,089)	873,651
Terminal growth rate	5%	1%	462,328	(428,587)

(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)	441,080	10,000	37,949	(37,949)
Pre-tax discount rate	19.05%	1%	(101,893)	116,170
Terminal Growth	5%	1%	70,727	36,800

(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)	730,259	100,000	417,693	(507,940)
Pre-tax discount rate	22.8%	1%	(218,611)	246,906
Terminal growth rate	5%	1%	73,375	(65,562)

25. Investment in associates – Group and Company (continued)

HF Group Plc

Summarised statement of profit or loss and other comprehensive income

	2024 Shs'000	2023 Shs'000
Interest income	6,555,348	5,347,608
Interest expense	(3,744,072)	(2,654,824)
Impairment losses on mortgage and advances	(364,460)	(309,299)
Other income	1,312,487	1,125,811
Other expenses	(3,299,310)	(3,174,811)
Profit before income tax	**459,993**	**334,484**
Income tax	64,692	53,672
Profit after tax	**524,685**	**388,156**
Other comprehensive income, net of tax	481,457	(248,005)
Total comprehensive income for the year	**1,006,142**	**140,151**

Summarised statement of financial position - HF Group Plc

	2024 Shs'000	2023 Shs'000
Total assets	70,147,782	61,550,430
Total liabilities	54,466,115	52,685,100
Net assets	15,681,667	8,865,330
Customer deposits	47,470,795	43,847,644
Loans and advances	38,861,015	38,787,793

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	
	2024 Shs'000	2023 Shs'000	2024 Shs'000	2023 Shs'000
Opening net assets 1 January	**8,865,330**	**8,725,179**	**8,865,330**	**8,725,179**
Profit for the year	524,476	388,156	524,476	388,156
Other comprehensive income/(loss)	481,666	(248,005)	481,666	(248,005)
Increase in share Capital	5,810,195	-	5,810,195	-
Closing net assets	**15,681,667**	**8,865,330**	**15,681,667**	**8,865,330**
Interest in associate Group 48.17% (2023: 48.22%) Company 3.96% (2023: 19.41%)	7,553,859	4,274,862	620,986	1,720,761
Goodwill (Note 25 (ii)))	1,629,813	1,629,813	595,569	595,569
Provision for impairment	(2,052,285)	(4,150,839)	(603,296)	(1,606,768)
Other adjustments	(20,997)	(110,052)	(28,773)	(49,770)
Carrying value	**7,110,390**	**1,643,784**	**584,486**	**659,792**

Summarised statement of cash flows – HF Group Plc

	Group	
	2024 Shs'000	2023 Shs'000
Net cash flows (used in)/generated from operating activities	(3,256,758)	1,333,292
Net cash flows used in investing activities	(451,324)	(204,317)
Net cash flows generated from/(used in)/financing activities	4,654,178	(700,545)
Net increase in cash and cash equivalents	**946,096**	**428,430**

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)

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	
	2024 Shs' 000	2023 Shs' 000
Revenue	636,124	561,413
Interest income	41,309	13,883
Cost of sales	(125,331)	(116,139)
Operating and other expenses	(459,857)	(427,039)
Finance (cost)/income	(22,891)	5,233
Profit before income tax	**69,354**	**37,351**
Income tax expense	(13,354)	(11,205)
Profit for the year	**56,000**	**26,146**

Summarised statement of financial position

	2024	2023
	Shs' 000	Shs' 000
Total assets	1,347,474	1,327,293
Total liabilities	201,694	237,513
Net assets	1,145,780	1,089,780

Summarised statement of cash flows

	Group	
	2024 Shs' 000	2023 Shs' 000
Net cash flows from operating activities	280,216	123,702
Net cash flows used in investing activities	(442,883)	(32,925)
Net cash flows generated from financing activities	-	34,191
Net increase in cash and cash equivalents	**(162,667)**	**124,968**

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.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in associate.

	2024 Shs' 000	2023 Shs' 000
Opening net assets 1 January	**1,089,780**	**1,030,314**
Profit for the year	56,000	26,146
Additional investment by the shareholder	-	46,190
Other adjustments	-	(12,870)
Closing net assets	**1,145,780**	**1,089,780**
Interest in associate (100% of net assets)	1,145,780	1,089,780
Gross interest in associate	**1,145,780**	**1,089,780**
Cumulative impairment	(73,561)	(73,561)
Other adjustments	12,870	12,870
Carrying value	**1,085,089**	**1,029,089**

25. Investment in associates – Group and Company (continued)

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

	2024 Shs' 000	2023 Shs' 000
Insurance revenue	6,514,026	8,921,708
Insurance service expenses	(5,696,609)	(7,074,399)
Net Expense from retrocession	(200,790)	(1,178,371)
Net investment income	(525,035)	622,939
Net finance expenses	(641,440)	(311,214)
Operating and other expenses	(40,257)	(36,969)
(Loss)/profit before income tax	**(590,105)**	**943,694**
Income tax credit/(expense)	131,484	(289,133)
(Loss)/profit for the year	**(458,621)**	**654,561**
Other comprehensive income, net of tax	(40,904)	(28,650)
Total comprehensive income	**(499,525)**	**625,911**

Summarised statement of financial position

	2024 Shs' 000	2023 Shs' 000
Total assets	9,531,449	9,462,355
Total liabilities	6,273,972	5,705,353
Net assets	**3,257,477**	**3,757,002**

Summarised statement of cash flows Group

	Group	
	2024 Shs' 000	2023 Shs' 000
Net cash flows in operating activities	(124,824)	366,690
Net cash flows used in investing activities	(6,155)	(27,207)
Net cash flows generated from financing activities	(13,946)	(10,563)
Net increase in cash and cash equivalents	**(144,925)**	**328,920**

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in associate.

	Group 2024 Shs' 000
Opening net assets 1 January	**3,757,002**
Profit for the year Other comprehensive income/(loss)	(458,621) (40,904)
Closing net assets	**3,257,477**
Interest in associate Group 30% (2023: Nil)	977,243
Impairment of associate	(111,417)
Other adjustments	(14,556)
Carrying value	**851,270**

26. Income tax

Income tax expense

	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
Current income tax	570,378	957,397	-	11,937
Deferred tax (Note 37)	1,727,492	582,979	-	-
Income tax expense	**2,297,870**	**1,540,376**	**-**	**11,937**

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	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
Profit/(loss) before income tax	7,330,996	4,819,495	(452,237)	(525,957)
Tax calculated at a tax rate of 30% (2023: 30%)	2,199,299	1,445,849	(135,671)	(157,787)
Add/(less):				
• Tax effect of income not subject to tax	(2,852,282)	(2,470,843)	(2,182,345)	(1,911,088)
• Under provision in prior year	(3,394)	54,445	-	-
• Tax effect on foreign subsidiaries different tax rates	665	(40,286)	-	-
• Deferred tax not recognised	2,696,124	2,435,039	2,318,016	2,080,812
• Tax effect of expenses not deductible for tax purposes	257,458	116,172	-	-
Income tax expenses	**2,297,870**	**1,540,376**	**-**	**11,937**

The tax (charge)/credit relating to components of other comprehensive income is as follows:

	Group					
	2024			2023		
	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)	(1,344,627)	-	(1,344,627)	347,397	-	347,397
Re-measurement of the net defined benefit asset (Note 42)	(134,997)	40,499	(94,498)	(9,707)	2,912	(6,795)
Share of other comprehensive income from associates *	224,606	(43,082)	181,524	(114,806)	20,000	(94,806)
Other comprehensive loss/ income	**(1,255,018)**	**(2,583)**	**(1,257,601)**	**222,884**	**22,912**	**245,796**

*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)

b. Current tax recoverable

Movement in the tax recoverable account is as follows:

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	Shs'000	Shs'000	Shs'000	Shs'000
At 1 January	263,683	162,252	24,061	33,880
Taxation charge for the year	(570,378)	(957,397)	-	(11,937)
Withholding tax recoverable	-	-	-	2,118
Tax utilized for the year	-	-	(33,171)	-
Tax paid	1,054,966	1,058,828	28,175	-
At end of year	**748,271**	**263,683**	**19,065**	**24,061**
Split as follows;				
Current income tax recoverable	849,580	598,510	19,065	24,061
Current income tax payable	(101,309)	(334,827)	-	-
Net	**748,271**	**263,683**	**19,065**	**24,061**

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.

	2024 Shs'000	2023 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% (2023: 18% and 32%) depending on the circumstances of the entity and terminal rate of 5% (2023: 2.5%). The recoverable amount calculated based on the value in use exceeded carrying value by Shs 6,334,777,000 (2023: Shs 7,073,214,000). As at 31 December 2024, a reduction in the terminal rate by 1% results in a decrease in the headroom by Shs 548,742,000 and an increase in the discount rate by 1% results in a decrease in the headroom by Shs. 503,641,000.

From the assessment carried out at the end of the year, no impairment was deemed necessary as at 31 December 2024 (2023: Nil).

	As at 31 December 2024		
	Carrying value 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 goodwill	**7,751,412**	**1,416,635**	**6,334,777**

	As at 31 December 2023		
	Carrying value Shs'000	Goodwill Shs'000	Headroom Shs'000
Britam General Insurance Company (Kenya) Limited	5,483,221	913,716	4,569,505
Britam Insurance Company (Tanzania) Limited	1,033,588	258,577	775,010
Britam - Companhia De Seguros De Mozambique S.A.	775,766	244,341	531,424
Total goodwill	**8,489,849**	**1,416,635**	**7,073,214**

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	
			2024	2023	2024	2023
Britam Life Assurance Company (Kenya) Limited	Kenya	Insurance	100%	100%	-	-
Britam General Insurance Company (Kenya) Limited	Kenya	Insurance	100%	100%	-	-
Britam Asset Managers (Kenya) Limited	Kenya	fund Management	100%	100%	-	-
Britam Properties (Kenya) Limited	Kenya	Property development	100%	100%	-	-
Britam Insurance Company (Uganda) Limited	Uganda	Insurance	100%	100%	-	-
Britam Insurance Company Limited (South Sudan)	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 Limited (Malawi)	Malawi	Insurance	100%	100%	-	-
Britam Asset Managers (Uganda) Limited	Uganda	fund Management	100%	100%	-	-
Britam SEZ Company Limited	Kenya	Innovation	100%	-	-	-
Britam Life Assurance (Uganda) Limited	Uganda	Insurance	100%	-	-	-
Britam Micro Insurance Company (Kenya) Limited*	Kenya	Insurance	0%	-	-	-

*Britam Micro Insurance Company (Kenya) Limited is fully owned by Britam General Insurance Company (Kenya) Limited.

The Company had the following investments in subsidiaries at 31 December:

	Opening 2024	Additions 2024	Closing 2024
	Shs'000	Shs'000	Shs'000
Britam Life Assurance (Kenya) Limited	180,000	800,000	980,000
Britam Asset Managers (Kenya) Limited	208,500	-	208,500
Britam Insurance Company (Uganda) Limited	500,000	-	500,000
Britam Insurance Company Limited (South Sudan)	391,711	-	391,711
Britam Insurance Company (Rwanda) Limited	689,224	-	689,224
Britam General Insurance (Kenya) Limited	3,111,262	-	3,111,262
Britam Insurance Company Limited (Malawi)	459,458	-	459,458
Britam Insurance (Tanzania) Limited	253,409	-	253,409
Britam - Companhia De Seguros De Mozambique S.A.	313,534	-	313,534
Britam SEZ Company Limited	-	5,485	5,485
Britam Life Assurance (Uganda) Limited	-	154,567	154,567
Britam Asset Managers (Uganda) Limited	51,910	-	51,910
Total	**6,159,008**	**960,052**	**7,119,060**

28. (ii) Non-controlling interest (NCI)

Year ended 31 December 2024	Britam - Companhia De Seguros De Mozambique S.A.	Britam Insurance (Tanzania) Limited	Total Shs '000
Proportion of shares held by non-controlling interests	**2%**	**45%**	
Total non-controlling interest at start of year	**13,892**	**225,641**	**239,533**
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**
Year ended 31 December 2023			
Non-controlling interest 1 January 2023	**7,476**	**208,828**	**216,304**
Profit after tax attributable to non-controlling interests	6,416	16,813	23,229
Total non-controlling interests at year end	**13,892**	**225,641**	**239,533**

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	
	2024 Shs'000	2023 Shs'000
Revenue	1,941,109	2,101,747
Profit before income tax	103,982	61,002
Income tax expense	(42,098)	(23,639)
Currency translation (loss)/gain	(123,642)	126,367
Total comprehensive income	**(61,758)**	**163,730**

Summarised statement of financial position

	2024 Shs'000	2023 Shs'000
Current		
Assets	1,991,165	2,262,601
Liabilities	291,175	272,937
Total current net assets	**1,699,990**	**1,989,664**
Non-current		
Assets	1,334,150	1,010,836
Total non-current net assets	**1,334,150**	**1,010,836**
Net assets	**702,024**	**763,783**

Summarised statement of cash flows

	2024 Shs'000	2023 Shs'000
Cash (used in)/generated from operations	(82,638)	103,852
Income tax paid	(29,625)	(147,120)
Net cash used in operating activities	(29,849)	(19,899)
Net cash generated from investing activities	240,113	230,013
Net cash used in financing activities	(69,513)	(60,913)
Net increase cash and cash equivalents	**140,751**	**149,201**

29. (i) Investment properties

	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
At start of year	15,992,881	15,785,792	80,000	-
Additions during the year	851,264	156,303	-	80,000
Disposals during the year	(513,257)	(36,406)	-	-
Fair value gain/(loss) (Note 7)	194,840	87,192	(5,000)	-
At end of year	**16,525,728**	**15,992,881**	**75,000**	**80,000**

The Group's investment properties were revalued at 31 December 2024 and 31 December 2023 by Knight Frank, Kiragu and Mwangi Limited, Gimco Limited and Lloyd Masika 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 is categorised as level 3 in the fair value hierarchy.
An 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	13.02%	(+-) 0.5%	(+-) 144,000
Capitalization rate	8.02%	(+-) 1%	(+-) 473,000
Occupancy level	99.90%	(+-) 1%	(+-) 11,000

29. (ii) Investment in property funds

	Company	
	2024	2023
	Shs'000	Shs'000
At start of year	2,100,442	2,095,016
Disposals	(1,771,496)	-
Distributions from property funds	(23,837)	(23,530)
Fair value gains (Note 7)	157,653	28,956
At end of year	**462,762**	**2,100,442**

The Company's investment in property funds were revalued at 31 December 2024 and 31 December 2023 by Knight Frank, Gimco Limited and Lloyd Masika 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 are classified as a non-current asset.

30. Financial assets at fair value through profit or loss - designated

	Group	
	2024	2023
	Shs'000	Shs'000
Quoted ordinary shares (Note 30 (i))	2,001,313	2,156,902
Unquoted ordinary shares (Note 30 (ii))	78,560	74,929
Unit trusts (Note 30 (iii))	11,217,275	10,725,301
Government securities (Note 30 (iv))	66,435,794	46,000,195
Total	**79,732,942**	**58,957,327**

(i) Quoted ordinary shares

	Group	
	2024	2023
	Shs'000	Shs'000
At start of year	2,156,902	3,122,089
Additions	103,296	253,541
Disposals	(749,053)	(239,299)
Fair value gains/(losses)	490,168	(979,429)
At end of year	**2,001,313**	**2,156,902**

Quoted ordinary shares at fair value through profit or loss are classified as current assets.

(ii) Unquoted ordinary shares

	Group	
	2024	2023
	Shs'000	Shs'000
At start of year	74,929	50,175
Additions	725	186
Fair value loss	(2,768)	-
Translation differences	5,674	24,568
At end of year	**78,560**	**74,929**

Unquoted ordinary shares at fair value through profit or loss are classified as current assets. Please see Note 46(e) for their fair value hierarchy.

30. Financial assets at fair value through profit or loss – designated (continued)

(iii) Unit trusts

	Group	
	2024 Shs'000	2023 Shs'000
At start of year	10,725,301	7,323,519
Additions	5,155,783	2,751,969
Disposals	(5,842,819)	-
Fair value gains (Note 8)	1,179,010	649,813
At end of year	**11,217,275**	**10,725,301**

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.

(iv) Government securities

	Group		Company	
	2024 Shs'000	2023 Shs'000	2024 Shs '000	2023 Shs'000
Treasury bills and bonds maturing				
• Within 1 year	586,834	532,856	-	
• In 1 – 5 years	4,947,083	4,411,152	-	-
• After 5 years	60,901,877	41,056,187	-	
Total	**66,435,794**	**46,000,195**	**-**	**-**
Treasury bills and bonds movement				
• At start of the year	46,000,195	42,962,243	-	102,383
• Additions	16,573,708	8,510,356	-	306
• Fair value gains/(loss) (Note 10)	5,925,142	(4,353,175)	-	-
• Disposals and maturities	(2,063,251)	(1,119,229)	-	(102,689)
At end of year	**66,435,794**	**46,000,195**	**-**	**-**

31 Financial assets at amortised cost

	Group		Company	
	2024 Shs'000	2023 Shs'000	2024 Shs '000	2023 Shs'000
Government securities (Note 31 (i))	77,412,447	67,523,216	12,867	54,341
Corporate bonds (Note 31 (ii))	1,022,602	1,018,291	998,569	992,604
Total	**78,435,049**	**68,541,507**	**1,011,436**	**1,046,945**

(i) Government securities

	Group		Company	
Treasury bills and bonds maturing	2024 Shs'000	2023 Shs'000	2024 Shs '000	2023 Shs'000
• Within 1 year	1,538,124	448,599	-	-
• In 1 – 5 years	9,981,314	5,860,782	-	-
• After 5 years	66,057,833	61,256,600	12,896	54,376
Total	**77,577,271**	**67,565,981**	**12,896**	**54,376**
At start of year	67,565,981	56,106,374	54,340	-
Amortization	(399,469)	139,058	-	-
Additions	14,009,573	14,846,537	4,621	114,816
Maturities	(3,598,814)	(3,525,988)	(46,065)	(60,440)
At end of year	**77,577,271**	**67,565,981**	**12,896**	**54,376**
Less: Provision for expected credit losses	(164,824)	(42,765)	(29)	(35)
Net amount at end of year	**77,412,447**	**67,523,216**	**12,867**	**54,341**
Movement in provision for expected credit losses				
At 1 January	42,765	12,610	35	35
Decrease in the year	122,059	30,155	(6)	
At 31 December	**164,824**	**42,765**	**29**	**35**

31 Financial assets at amortised cost (continued)

(ii) Corporate bonds

	Group		Company	
	2024 Shs'000	2023 Shs'000	2024 Shs '000	2023 Shs '000
Corporate bonds movement				
• Within 1 year	-	-	-	-
• In 1-5 years	1,053,076	1,050,269	1,028,245	1,023,742
• After 5 years	-	-	-	
Total	**1,053,076**	**1,050,269**	**1,028,245**	**1,023,742**
At start of year	1,050,269	1,043,035	1,023,742	1,020,480
Amortisation	218	131	-	-
Additions	189,603	139,379	186,800	135,538
Maturities	(187,014)	(132,276)	(182,297)	(132,276)
At end of year	**1,053,076**	**1,050,269**	**1,028,245**	**1,023,742**
Less: Provision for expected credit losses	(30,474)	(31,978)	(29,676)	(31,138)
Net amount at end of year	**1,022,602**	**1,018,291**	**998,569**	**992,604**
Movement in provision for expected credit losses:				
At start of the year	31,978	31,080	31,138	30,380
Increase	(1,504)	898	(1,462)	758
At end of the year	**30,474**	**31,978**	**29,676**	**31,138**

32. Mortgage loans and receivables

	Group	
	2024 Shs'000	2023 Shs'000
Gross loans at start of year	1,185,382	1,205,608
Loans advanced	74,996	95,236
Interest charged	79,231	110,823
Loan repayments	(326,308)	(226,285)
Total loan amount at end of year	**1,013,301**	**1,185,382**
Less: Provision for expected credit losses	(55,496)	(55,496)
Net loan amount at end of year	**957,805**	**1,129,886**
Movement in provision for expected credit losses:		
At start of the year	55,496	55,238
Decrease	-	258
At end of the year	**55,496**	**55,496**
Lending commitments:		
Mortgage loans approved by investment committee but not disbursed as at 31 December	-	50,808
Mortgage loans maturity profile		
• Within 1 year	67,849	74,123
• In 1 – 5 years	109,269	107,962
• After 5 years	836,184	947,801
At end of year	**1,013,302**	**1,129,886**

Mortgages to staff are fully secured on the mortgage properties and are charged interest at 6% (2023: 6%). The difference between the staff rate and market rate is treated as a company cost and is expensed as incurred over the lifetime of the loan. Mortgage loans to Directors are disclosed in Note 45 (iii).

33. (i) Recognition of the contractual service margin

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;								
Life Savings	2,658,299	563,222	432,536	332,010	251,674	201,524	566,120	311,213
Life Risk	6,918,195	1,156,960	1,052,352	939,726	821,792	693,644	-	2,253,721
Investment contracts with DPF	1,008,274	152,504	55,175	42,621	-	-	-	757,974
Permanent total disability	141,022	52,128	36,787	24,067	14,498	8,493	4,619	430
TOTAL	**10,725,790**	**1,924,814**	**1,576,850**	**1,338,424**	**1,087,964**	**903,661**	**570,739**	**3,323,338**

2023	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;								
Life Savings	5,726,168	889,313	825,749	748,114	659,595	570,306	-	2,033,091
Life Risk	1,739,928	407,375	230,305	216,940	215,467	106,294	312,866	250,681
Investment contracts with DPF	948,565	237,981	90,057	59,137	-	-	-	561,390
Permanent total disability	208,474	66,286	50,849	37,873	25,358	15,292	12,405	411
TOTAL	**8,623,135**	**1,600,955**	**1,196,960**	**1,062,064**	**900,420**	**691,892**	**325,271**	**2,845,573**

34. (ii) CSM by transition method

			2024			2023
Total	**Full retrospective approach at transition Shs'000**	**Fair value approach at transition Shs'000**	**Total Shs'000**	**Full retrospective approach at transition Shs'000**	**Fair value approach at transition Shs'000**	**Total Shs'000**
CSM as at 1 January	**8,575,939**	**47,196**	**8,623,135**	**7,213,761**	**27,766**	**7,241,527**
Changes that relate to current service						
CSM recognised in profit or loss for the services provided	(3,100,637)	(20,533)	(3,121,170)	(2,324,881)	(7,648)	(2,332,529)
Changes that relate to future service						
Contracts initially recognised in the period	3,291,031	2	3,291,033	2,102,000	-	2,102,000
Changes in estimates that adjust the CSM	643,782	67,544	711,326	625,673	23,788	649,461
	834,176	**47,013**	**881,189**	**402,792**	**16,140**	**418,932**
Finance expenses from insurance contracts issued	1,219,361	6,240	1,225,601	963,824	3,290	967,114
Total amounts recognised in comprehensive income	**2,053,537**	**53,253**	**2,106,790**	**1,366,616**	**19,430**	**1,386,046**
Other movements	(4,135)	-	(4,135)	(4,438)	-	(4,438)
CSM as at 31 December	**10,625,341**	**100,449**	**10,725,790**	**8,575,939**	**47,196**	**8,623,135**

			2024			2023
	Full retro-spective approach at transition	**Fair value approach at transition**		**Full retro-spective approach at transition**	**Fair value approach at transition**	
Life Risk	**Full retrospective approach at transition Shs'000**	**Fair value approach at transition Shs'000**	**Total Shs'000**	**Full retrospective approach at transition Shs'000**	**Fair value approach at transition Shs'000**	**Total Shs'000**
CSM as at 1 January	**1,692,732**	**47,196**	**1,739,928**	**1,210,614**	**27,766**	**1,238,380**
Changes that relate to current service						
CSM recognised in profit or loss for the services provided	(631,543)	(20,514)	(652,057)	(727,431)	(7,648)	(735,079)
Changes that relate to future service						
Contracts initially recognised in the period	1,197,481	2	1,197,483	843,531	-	843,531
Changes in estimates that adjust the CSM	(55,343)	67,424	12,081	185,059	23,788	208,847
	510,595	**46,912**	**557,507**	**301,159**	**16,140**	**317,299**
Finance expenses from insurance contracts issued	358,759	6,240	364,999	185,395	3,290	188,685
Total amounts recognised in comprehensive income	869,354	53,152	922,506	**486,554**	**19,430**	**505,984**
Other movements	(4,135)	-	(4,135)	(4,436)		**(4,436)**
CSM as at 31 December	**2,557,951**	**100,348**	**2,658,299**	**1,692,732**	**47,196**	**1,739,928**

34. (ii) CSM by transition method (continued)

Life Savings	2024 Full retrospective approach at transition Shs'000	Fair value approach at transition Shs'000	Total Shs'000	2023 Full retrospective approach at transition Shs'000	Fair value approach at transition Shs'000	Total Shs'000
CSM as at 1 January	**5,726,168**	**-**	**5,726,168**	**5,235,768**	**-**	**5,235,768**
Changes that relate to current service						
CSM recognised in profit or loss for the services provided	(1,243,344)	(19)	(1,243,363)	(826,686)		(826,686)
Changes that relate to future service						
Contracts initially recognised in the period	910,081	-	910,081	1,079,406	-	1,079,406
Changes in estimates that adjust the CSM	**689,061**	**120**	**689,181**	**(503,932)**	**-**	**(503,932)**
	355,798	101	355,899	(251,212)	-	(251,212)
Finance expenses from insurance contracts issued	836,128	-	836,128	741,612	-	741,612
Total amounts recognised in comprehensive income	**1,191,926**	**101**	**1,192,027**	**490,400**	**-**	**490,400**
CSM as at 31 December	**6,918,094**	**101**	**6,918,195**	**5,726,168**	**-**	**5,726,168**

Investment contracts with DPF	2024 Full retrospective approach at transition Shs'000	Fair value approach at transition Shs'000	Total Shs'000	2023 Full retrospective approach at transition Shs'000	Fair value approach at transition Shs'000	Total Shs'000
CSM as at 1 January	**948,565**	**-**	**948,565**	**462,473**	**-**	**462,473**
Changes that relate to current service						
CSM recognised in profit or loss for the services provided	(1,162,599)	-	(1,162,599)	(682,952)	-	(682,952)
Changes that relate to future service						
Contracts initially recognised in the period	1,183,469	-	1,183,469	179,063	-	179,063
Changes in estimates that adjust the CSM	38,839	-	38,839	989,983	-	989,983
Total amounts recognised in comprehensive income	**59,709**	**-**	**59,709**	**486,094**	**-**	**486,094**
Other movements				(2)		(2)
CSM as at 31 December	**1,008,274**	**-**	**1,008,274**	**948,565**	**-**	**948,565**

34.(ii) CSM by transition method (continued)

Non- life PTD	2024 Full retrospective approach at transition	2024 Fair value approach at transition	2024 Total	2023 Full retrospective approach at transition	2023 Fair value approach at transition	2023 Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
CSM as at 1 January	**208,474**	**-**	**208,474**	**304,906**	**-**	**304,906**
Changes that relate to current service						
CSM recognised in profit or loss for the services provided	(63,151)	-	(63,151)	(87,812)	-	(87,812)
Changes that relate to future service						
Contracts initially recognised in the period	-	-	-	-	-	-
Changes in estimates that adjust the CSM	(28,775)	-	(28,775)	(45,437)	-	(45,437)
	(91,926)	**-**	**(91,926)**	**(133,249)**	**-**	**(133,249)**
Finance expenses from insurance contracts issued	24,474	-	24,474	36,817	-	36,817
Total amounts recognised in statement of profit or loss	**(67,452)**	**-**	**(67,452)**	**(96,432)**	**-**	**(96,432)**
Other movements	-	-	-	-		-
CSM as at 31 December	**141,022**	**-**	**141,022**	**208,474**	**-**	**208,474**

35.(i) Effects of contract initially recognized in the period for insurance

(ii) Life savings	2024			2023		
	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	37,805	-	37,805	38,507	2,359	40,866
Claims and other cash outflows	77,779,077	4,087,597	81,866,674	10,507,970	1,535,188	12,043,158
Estimates of the present value of future cash inflows	(81,395,062)	(3,573,487)	(84,968,549)	(12,885,999)	(1,343,497)	(14,229,496)
Risk adjustment for non-financial risk	289,440	64,157	353,597	237,521	26,996	264,517
Contractual service margin	3,288,740	-	3,288,740	2,102,001	-	2,102,001
Losses for the net outflow recognized on initial recognition	**-**	**578,267**	**578,267**	**-**	**221,046**	**221,046**

(iii) Investment contracts with DPF issued	2024			2023		
	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	37,805	-	37,805	38,507	2,359	40,866
Claims and other cash outflows	6,063,529	36,792	6,100,321	4,063,366	68,052	4,131,418
Estimates of the present value of future cash inflows	(7,365,743)	(22,280)	(7,388,023)	(4,986,792)	(33,566)	(5,020,358)
Risk adjustment for non-financial risk	66,926	263	67,189	41,388	2,457	43,845
Contractual service margin	1,197,483	-	1,197,483	843,531	-	843,531
Losses for the net outflow recognized on initial recognition	**-**	**14,775**	**14,775**	**-**	**39,302**	**39,302**

35.(i) Effects of contract initially recognized in the period for insurance. (continued)

(ii) Life savings	2024			2023		
	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;						
Claims and other cash outflows	4,286,763	460,570	4,747,333	4,501,334	293,769	4,795,103
Estimates of the present value of future cash inflows	(5,359,829)	(277,990)	(5,637,819)	(5,766,443)	(179,475)	(5,945,918)
Risk adjustment for non-financial risk	162,985	23,805	186,790	185,703	15,483	201,186
Contractual service margin	910,081	-	910,081	1,079,406	-	1,079,406
Losses for the net outflow recognized on initial recognition	**-**	**206,385**	**206,385**	**-**	**129,777**	**129,777**

(iii) Investment contracts with DPF issued	2024			2023		
	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						
Claims and other cash outflows	67,428,785	3,590,235	71,019,020	1,943,270	1,173,367	3,116,637
Estimates of the present value of future cash inflows	(68,669,490)	(3,273,217)	(71,942,707)	(2,132,763)	(1,130,456)	(3,263,219)
Risk adjustment for non-financial risk	59,529	40,089	99,618	10,430	9,056	19,486
Contractual service margin	1,181,176	-	1,181,176	179,063	-	179,063
Losses for the net outflow recognized on initial recognition	**-**	**357,107**	**357,107**	**-**	**51,967**	**51,967**

36. Insurance and reinsurance contracts

	Life Risk	Life Savings	Investment contracts with DPF	Non-Life	Total
As at 31 December 2024	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**
Insurance contracts					
• Insurance contract liabilities – Non-Life (PAA)	-	-	-	18,403,475	18,403,475
• Insurance contract liabilities – Non-Life (GMM)	-	-	-	182,085	182,085
• Insurance contract liabilities – Life (PAA)	937,339	-	-	-	937,339
• Insurance contract liabilities – Life (GMM)	25,355,136	27,259,919	91,300,091	-	143,915,146
Total	**26,292,475**	**27,259,919**	**91,300,091**	**18,585,560**	**163,438,045**
Reinsurance contracts					
• Reinsurance contract assets	979,776	-	-	6,776,159	**7,755,935**
• Reinsurance contract liabilities	5,093	4,669	-	580,665	**590,427**
Total	**984,869**	**4,669**		**7,356,824**	**8,346,362**
As at 31 December 2023					
Insurance contracts					
• Insurance contract liabilities – Non-Life (PAA)	-	-	-	18,817,611	18,817,611
• Insurance contract liabilities – Non-Life (GMM)				268,662	268,662
• Insurance contract liabilities – Life (PAA)	735,973	-	-	-	735,973
• Insurance contract liabilities – Life (GMM)	17,016,235	22,099,020	74,764,952	-	113,880,207
Total	**17,752,208**	**22,099,020**	**74,764,952**	**19,086,273**	**133,702,453**
Reinsurance contracts					
• Reinsurance contract assets	850,995	-	-	6,937,251	**7,788,246**
• Reinsurance contract liabilities	1,400	1,379	-	558,245	**561,024**
Total reinsurance liabilities	**852,395**	**1,379**	**-**	**7,495,496**	**8,349,270**

36. Insurance and reinsurance contracts (continued)

(a) Movements in insurance and reinsurance contract balances (continued)

(i) Life Risk	Year ended 31 December 2024			
	LRC		LIC (Shs'000)	Total (Shs'000)
Analysis by remaining coverage and incurred claims - contracts not measured under PAA	Excluding loss component (Shs'000)	Loss component (Shs'000)		
Opening insurance contract liabilities	16,121,419	590,722	304,094	17,016,235
Net balance as at 1 January	**16,121,419**	**590,722**	**304,094**	**17,016,235**
Insurance revenue				
CSM recognized for services provided	(652,057)	-	-	(652,057)
Change in risk adjustment for non-financial risk for risk expired	(61,510)	-	-	(61,510)
Expected insurance service expenses incurred	(850,281)	-	-	(850,281)
Recovery of insurance acquisition cash flows	(84,366)	-	-	(84,366)
Experience adjustments not related to future service	1,724			1,724
Total Insurance revenue	**(1,646,490)**	**-**	**-**	**(1,646,490)**
Incurred insurance service expenses:				
Incurred claims and other directly attributable expenses	-	-	464,728	464,728
Amortisation of insurance acquisition cash flows	84,366	-	-	84,366
Changes in fulfilment cash flows relating to LIC	-	-	(89,699)	(89,699)
Losses for the net outflow recognized on initial recognition	-	14,775	-	14,775
Losses on onerous contracts and reversal of those losses	-	(129,249)	-	(129,249)
Total insurance service expenses	**84,366**	**(114,474)**	**375,029**	**344,921**
Total insurance service result	**(1,562,124)**	**(114,474)**	**375,029**	**(1,301,569)**
Finance expenses from insurance contracts issued	**5,350,461**	**41,843**	**285,691**	**5,677,995**
Total changes in the statement of financial performance	**3,834,826**	**(72,631)**	**660,720**	**4,422,915**
Investment components	(2,551,742)	-	2,551,742	-
Cash flows				
Premiums received	7,206,235	-	-	7,206,235
Claims and other directly attributable expenses paid	-	-	(3,257,034)	(3,257,034)
Insurance acquisition cash flows	(33,215)	-	-	(33,215)
Total cash flows	**4,621,278**	**-**	**(705,292)**	**3,915,986**
Other movements	-	(53,469)	53,469	-
Net closing balance	**24,577,523**	**464,622**	**312,991**	**25,355,136**

36. Insurance and reinsurance contracts (continued)

(a) Movements in insurance and reinsurance contract balances (continued)

(i) Life Risk Analysis by remaining coverage and incurred claims - contracts not measured under PAA	Year ended 31 December 2023 LRC Excluding loss component (Shs'000)	LRC Loss component (Shs'000)	LIC (Shs'000)	Total (Shs'000)
Opening insurance contract liabilities	14,525,545	258,268	370,566	15,154,379
Net balance as at 1 January	**14,525,545**	**258,268**	**370,566**	**15,154,379**
Insurance revenue				
CSM recognized for services provided	(722,246)	-	-	(722,246)
Change in risk adjustment for non-financial risk for risk expired	(60,744)	-	-	(60,744)
Expected insurance service expenses incurred	(982,045)	-	-	(982,045)
Recovery of insurance acquisition cash flows	(223,248)	-	-	(223,248)
Total Insurance revenue	**(1,988,283)**	**-**	**-**	**(1,988,283)**
Incurred insurance service expenses:				
Incurred claims and other directly attributable expenses	-	(24,219)	407,883	383,664
Amortisation of insurance acquisition cash flows	223,248	-	33,258	256,506
Changes in fulfilment cash flows relating to LIC	-	17,008	(10,119)	6,889
Losses for the net outflow recognized on initial recognition	-	22,294	-	22,294
Losses on onerous contracts and reversal of those losses	-	289,130	-	289,130
Total insurance service expenses	**223,248**	**304,213**	**431,022**	**958,483**
Total insurance service result	**(1,765,035)**	**304,213**	**431,022**	**(1,029,800)**
Finance expenses from insurance contracts issued	**536,733**	**28,290**	**(7,412)**	**557,611**
Total changes in the statement of financial performance	**(1,228,302)**	**332,503**	**423,610**	**(472,189)**
Investment components	(1,790,139)	-	1,790,139	-
Cash flows				
Premiums received	4,627,167	-	-	4,627,167
Claims and other directly attributable expenses paid	-	-	(2,280,221)	(2,280,221)
Insurance acquisition cash flows	(19,477)	-	-	(19,477)
Total cash flows	**2,817,551**	**-**	**(490,082)**	**2,327,469**
Other movements	6,625	(49)	-	6,576
Net closing balance	**16,121,419**	**590,722**	**304,094**	**17,016,235**

36. Insurance and reinsurance contracts (continued)

(a) Movements in insurance and reinsurance contract balances (continued)

	Year ended 31 December 2023			
(i) Life Risk	**LRC**		**LIC (Shs'000)**	**Total (Shs'000)**
Analysis by remaining coverage and incurred claims - contracts not measured under PAA	**Excluding loss component (Shs'000)**	**Loss component (Shs'000)**		
Opening insurance contract assets				
Opening insurance contract liabilities	15,134,760	194,553	1,686,922	17,016,235
Net Opening balance	**15,134,760**	**194,553**	**1,686,922**	**17,016,235**
Changes that relate to current services	**(359,281)**	**(56,464)**	**(635,162)**	**(1,050,907)**
CSM recognized for services provided	-	-	(635,162)	(635,162)
Change in risk adjustment for non-financial risk for risk expired	-	(56,464)	-	(56,464)
Experience adjustments not related to future service	(359,281)	-	-	(359,281)
Changes that relate to future services	**(1,336,503)**	**30,213**	**1,191,816**	**(114,474)**
Contracts initially recognized in the year	(1,243,494)	66,301	1,191,968	14,775
Changes in estimates that adjust the CSM	29,988	(29,836)	(152)	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	(122,997)	(6,252)	-	(129,249)
Changes that relate to past services	**(76,696)**	**(13,003)**	**-**	**(89,699)**
Experience adjustments in claims and other insurance service expenses in LIC	(135,891)	(13,003)	-	(148,894)
Total insurance service result	**(1,772,480)**	**(39,254)**	**556,654**	**(1,255,080)**
Insurance finance income or expense				
The effect of and changes in time of time value of money and financial risk	5,227,772	92,466	357,757	5,677,995
Total insurance finance income or expense	**5,227,772**	**92,466**	**357,757**	**5,677,995**
Total changes in the statement of financial performance	**3,455,292**	**53,212**	**914,411**	**4,422,915**
Cash flows (Actual cashflows in the period)				
Premiums and premium tax received	7,206,235	-	-	7,206,235
Claims and other insurance service expenses paid, including investment components	(3,257,034)	-	-	(3,257,034)
Insurance acquisition cash flows	(33,215)	-	-	(33,215)
Total Cash flows	**3,915,986**	**-**	**-**	**3,915,986**
Net Closing balance	**22,506,038**	**247,765**	**2,601,333**	**25,355,136**

36. Insurance and reinsurance contracts (continued)

(a) Movements in insurance and reinsurance contract balances (continued)

	Year ended 31 December 2023			
(i) Life Risk	**LRC**		**LIC (Shs'000)**	**Total (Shs'000)**
Analysis by remaining coverage and incurred claims - contracts not measured under PAA	**Excluding loss component (Shs'000)**	**Loss component (Shs'000)**		
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	13,745,677	223,975	1,184,727	15,154,379
Net Opening balance	**13,745,677**	**223,975**	**1,184,727**	**15,154,379**
Changes that relate to current services	**(606,809)**	**(52,317)**	**(722,246)**	**(1,381,372)**
CSM recognized for services provided	-	-	(722,246)	(722,246)
Change in risk adjustment for non-financial risk for risk expired	-	(52,317)	-	(52,317)
Experience adjustments not related to future service	(606,809)	-	-	(606,809)
Changes that relate to future services	**(745,615)**	**31,801**	**1,042,246**	**328,432**
Contracts initially recognised in the year	(842,850)	43,044	839,108	39,302
Changes in estimates that adjust the CSM	(169,917)	(33,221)	203,138	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	267,152	21,978	-	289,130
Changes that relate to past services	**40,131**	**(16,991)**	**-**	**33,258**
Changes in estimates in LIC fulfilment cash flows	73,384	1,826	-	33,258
Experience adjustments in claims and other insurance service expenses in LIC	(33,253)	(18,817)	-	(52,070)
Total insurance service result	**(1,312,293)**	**(37,507)**	**320,000**	**(1,029,800)**
Insurance finance income or expense				
The effect of and changes in time of time value of money and financial risk	367,966	7,450	182,195	557,611
Total insurance finance income or expense	**367,966**	**7,450**	**182,195**	**557,611**
Total changes in the statement of financial performance	**(944,327)**	**(30,057)**	**502,195**	**(472,189)**
Cash flows (Actual cashflows in the period)				
Premiums and premium tax received	4,627,167	-	-	4,627,167
Claims and other insurance service expenses paid, including investment components	(2,280,221)	-	-	(2,280,221)
Insurance acquisition cash flows	(19,477)	-	-	(19,477)
Total Cash flows	**2,327,469**	**-**	**-**	**2,327,469**
Other movements	**5,941**	**635**	**-**	**6,576**
Net Closing balance	**15,134,760**	**194,553**	**1,686,922**	**17,016,235**

36. Insurance and reinsurance contracts (continued)

(a) Movements in insurance and reinsurance contract balances (continued)

(i) Life Risk - Insurance Contracts - Contracts measured under PAA

For the year ended 31 December 2024

	LRC		LIC		
	Excluding loss component	Loss component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non -financial risk	Total
	Shs 000'	Shs 000'	Shs 000'	Shs 000'	Shs 000'
Opening insurance contract liabilities	(1,217,106)	44,578	1,735,002	173,499	735,973
Opening insurance contract assets	-	-	-	-	-
Net balance as at 1 January	**(1,217,106)**	**44,578**	**1,735,002**	**173,499**	**735,973**
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 outflo 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)	-	-
Net closing balance	**(2,531,675)**	**18,722**	**3,136,629**	**313,663**	**937,339**
Closing insurance contract liabilities	(2,531,675)	18,722	3,136,629	313,663	937,339
Net closing balance	**(2,531,675)**	**18,722**	**3,136,629**	**313,663**	**937,339**

36. Insurance and reinsurance contracts (continued)

(a) Movements in insurance and reinsurance contract balances (continued)

(i) Life Risk- Insurance Contracts - Contracts measured under PAA

	For the year ended 31 December 2023				
	LRC	LIC			
	Excluding loss component	Loss component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total
	Shs 000'	Shs 000'	Shs 000'	Shs 000'	Shs 000'
Opening insurance contract liabilities	(11,294)	722	690,130	64,882	744,440
Opening insurance contract assets	-	-	-	-	-
Net balance as at 1 January	**(11,294)**	**722**	**690,130**	**64,882**	**744,440**
Insurance revenue					
Full Retrospective approach	(6,102,832)	-	-	-	(6,102,832)
Total Insurance revenue	**(6,102,832)**	**-**	**-**	**-**	**(6,102,832)**
Incurred insurance service expenses:					
Incurred claims and other directly attributable expenses	-	(261,043)	2,735,739	137,264	2,611,960
Amortisation of insurance acquisition cash flows	854,217	-	-	-	854,217
Changes in fulfilment cash flows relating to LIC	-		3,605	(38,406)	(34,801)
Losses for the net outflow recognized on initial recognition	-	175,749	-	-	175,749
Losses on onerous contracts and reversal of those losses	-	129,150	-	-	129,150
Total insurance service expenses	**854,217**	**43,856**	**2,739,344**	**98,858**	**3,736,275**
Total insurance service result	**(5,248,615)**	**43,856**	**2,739,344**	**98,858**	**(2,366,557)**
Finance expenses from insurance contracts issued	-	-	99,519	9,759	109,278
Total changes in the statement of financial performance	**(5,248,615)**	**43,856**	**2,838,863**	**108,617**	**(2,257,279)**
Cash flows					
Premiums received	4,705,183	-	-	-	4,705,183
Claims and other directly attributable expenses paid	-	-	(1,793,991)	-	(1,793,991)
Insurance acquisition cash flows	(662,380)	-	-	-	(662,380)
Total cash flows	**4,042,803**	**-**	**(1,793,991)**	**-**	**2,248,812**
Net balance as at 31 December	(1,217,106)	44,578	1,735,002	173,499	735,973
Closing insurance contract liabilities	**(1,217,106)**	**44,578**	**1,735,002**	**173,499**	**735,973**
Closing insurance contract assets	-	-	-	-	-
Net closing balance	**(1,217,106)**	**44,578**	**1,735,002**	**173,499**	**735,973**

36. Insurance and reinsurance contracts (continued)

(a) Movements in insurance and reinsurance contract balances (continued)

(ii) Life Savings

Year ended 31 December 2024

Analysis by remaining coverage and incurred claims - Contracts not measured under PAA	LRC Excluding loss component (Shs'000)	LRC Loss component (Shs'000)	Liabilities for incurred claims (Shs'000)	Total (Shs'000)
Opening insurance contract liabilities	20,422,775	1,185,081	491,164	22,099,020
Opening insurance contract assets	-	-	-	-
Net balance as at 1 January	**20,422,775**	**1,185,081**	**491,164**	**22,099,020**
Insurance revenue				
CSM recognized for services provided	(1,243,344)	-	-	(1,243,344)
Change in risk adjustment for non-financial risk for risk expired	(267,972)	-	-	(267,972)
Expected insurance service expenses incurred	(3,336,141)	-	-	(3,336,141)
Total insurance revenue	**(4,847,457)**	**-**	**-**	**(4,847,457)**
Incurred insurance service expenses:				
Incurred claims and other directly attributable expenses	-	-	3,547,374	3,547,374
Changes in fulfilment cash flows relating to LIC	-	-	(272,263)	(272,263)
Losses for the net outflow recognized on initial recognition	-	206,385	-	206,385
Losses on onerous contracts and reversal of those losses	-	(424,158)	-	(424,158)
Total insurance service expenses	**-**	**(217,773)**	**3,275,111**	**3,057,338**
Total insurance service result	**(4,847,457)**	**(217,773)**	**3,275,111**	**(1,790,119)**
Finance expenses from insurance contracts issued	6,328,296	153,052	72,424	6,553,772
Total changes in the statement of financial performance	**1,480,839**	**(64,721)**	**3,347,535**	**4,763,653**
Investment components	(6,795,526)	-	6,795,526	-
Cash flows				
Premiums received	11,394,448	-	-	11,394,448
Claims and other directly attributable expenses paid	-	-	(10,590,749)	(10,590,749)
Total cash flows	**11,394,448**	**-**	**(10,590,749)**	**803,699**
Other movements	(406,456)	(248,363)	248,363	(406,456)
Net closing balance	**26,096,083**	**871,997**	**291,839**	**27,259,919**

36. Insurance and reinsurance contracts (continued)

(a) Movements in insurance and reinsurance contract balances (continued)

(ii) Life Savings	Year ended 31 December 2023			
	LRC			
Analysis by remaining coverage and incurred claims - Contracts not measured under PAA	Excluding loss component (Shs'000)	Loss component (Shs'000)	Liabilities for incurred claims (Shs'000)	Total (Shs'000)
Opening insurance contract liabilities	20,099,690	249,573	370,791	20,720,054
Opening insurance contract assets	-	-	-	-
Net balance as at 1 January	**20,099,690**	**249,573**	**370,791**	**20,720,054**
Insurance revenue				
CSM recognized for services provided	(826,686)	-	-	(826,686)
Change in risk adjustment for non-financial risk for risk expired	(264,921)	-	-	(264,921)
Expected insurance service expenses incurred	(3,134,659)	-	-	(3,134,659)
Total insurance revenue	**(4,226,266)**	**-**	**-**	**(4,226,266)**
Incurred insurance service expenses:				
Incurred claims and other directly attributable expenses	-	(150,349)	1,365,057	1,214,708
Changes in fulfilment cash flows relating to LIC	-	-	81,969	81,969
Losses for the net outflow recognized on initial recognition	-	129,777	-	129,777
Losses on onerous contracts and reversal of those losses	-	919,441	-	919,441
Total insurance service expenses	**-**	**898,869**	**1,447,026**	**2,345,895**
Total insurance service result	**(4,226,266)**	**898,869**	**1,447,026**	**2,345,895**
Finance expenses from insurance contracts issued	178,065	35,756	28,139	241,960
Investment components	(5,735,066)	-	5,735,066	-
Total changes in the statement of financial performance	**(9,783,267)**	**934,625**	**7,210,231**	**(1,638,411)**
Cash flows				
Premiums received	10,652,465	-	-	10,652,465
Claims and other directly attributable expenses paid	-	-	(7,089,858)	(7,089,858)
Total cash flows	**10,652,465**	**-**	**(7,089,858)**	**3,562,607**
Other movements	(546,113)	883	-	(545,230)
Net Closing balance	**20,422,775**	**1,185,081**	**491,164**	**22,099,020**

36. Insurance and reinsurance contracts (continued)

(a) Movements in insurance and reinsurance contract balances (continued)

	Year ended 31 December 2024			
(ii) Life Savings Insurance contracts (continued) **Analysis by measurement component – Contracts not measured under the PAA (continued)**	**Present value of future cashflows**	**Risk adjustment for non-financial risk**	**Contracts service margin**	**Total**
Opening assets	15,799,869	572,983	5,726,168	22,099,020
Net opening balance	**15,799,869**	**572,983**	**5,726,168**	**22,099,020**
Changes in the statement of profit or loss				
Changes that relate to current service:				
CSM recognised for services provided	-	-	(1,243,363)	(1,243,363)
Change in risk adjustment for non-financial risk for risk expired	-	(267,972)	-	(267,972)
Experience adjustments	(2,143,042)	(18,695)	-	(2,161,737)
	(2,143,042)	**(286,667)**	**(1,243,363)**	**(3,673,072)**
Changes that relate to future service				
Changes in estimates that adjust the CSM	(656,158)	(33,023)	689,181	-
Onerous contract losses or reversal of losses	(396,256)	(27,902)	-	(424,158)
Contracts initially recognised in the period	(890,486)	186,789	910,082	206,385
	(1,942,900)	**125,864**	**1,599,263**	**(217,773)**
Changes that relate to past service				
Changes that relate to past service - adjustments to the LIC	2,102,386	(1,659)	-	2,100,727
Insurance service result	(1,983,556)	(162,462)	355,900	(1,790,118)
Net finance expenses from insurance contracts	5,578,219	139,425	836,128	6,553,772
Total amounts recognised in the statement of profit or loss	**3,594,663**	**(23,037)**	**1,192,028**	**4,763,654**
Other changes	(406,456)	-	-	(406,456)
Cash flows				
Premiums received	11,394,450	-	-	11,394,450
Claims and other directly attributable expenses paid	(10,590,749)	-	-	(10,590,749)
Total cash flows	**803,701**	**-**	**-**	**803,701**
Net closing balance	**19,791,777**	**549,946**	**6,918,196**	**27,259,919**

36. Insurance and reinsurance contracts (continued)

(i) Movements in insurance and reinsurance contract balances (continued)

(b) Life Savings Insurance contracts (continued) **Analysis by measurement component – Contracts not measured under the PAA**	Year ended 31 December 2023 Present value of future cashflows	Risk adjustment for non-financial risk	Contracts service margin	Total
Opening Liabilities	14,932,542	551,744	5,235,769	20,720,055
Net opening balance	**14,932,542**	**551,744**	**5,235,769**	**20,720,055**
Changes in the statement of profit or loss				
Changes that relate to current services:				
CSM recognised for services provided	-	-	(826,686)	(826,686)
Change in risk adjustment for non-financial risk for risk expired	-	(264,921)	-	(264,921)
Experience adjustments	(1,909,435)	(10,516)	-	(1,919,951)
	(1,909,435)	**(275,437)**	**(826,686)**	**(3,011,558)**
Changes that relate to future services				
Changes in estimates that adjust the CSM	447,422	56,510	(503,932)	-
onerous contract losses or reversal of losses	891,599	27,841	-	919,440
Contracts initially recognised in the period	(1,150,815)	201,185	1,079,406	129,776
	188,206	**285,536**	**575,474**	**1,049,216**
Changes that relate to past services				
Changes that relate to past service - adjustments to the LIC	84,472	(2,503)	-	81,969
Insurance service result	**(1,636,757)**	**7,596**	**(251,212)**	**(1,880,373)**
Net finance expenses from insurance contracts	(512,908)	13,257	741,611	241,960
Total amounts recognised in the statement of profit or loss	**(2,149,665)**	**20,853**	**490,399**	**(1,638,413)**
Other changes	25,650	386	-	26,036
Cash flows				
Premiums received	10,652,468	-	-	10,652,468
Claims and other directly attributable expenses paid	(7,089,858)	-	-	(7,089,858)
Total cash flows	**3,562,610**	**-**	**-**	**3,562,610**
Net balance	**15,799,869**	**572,983**	**5,726,168**	**22,099,020**

36. Insurance and reinsurance contracts (continued)

(a) Movements in insurance and reinsurance contract balances (continued)

(i) Life Risk

Reinsurance contracts Shs '000	2024			2023		
	Remaining Coverage	Incurred claims	Total	Remaining coverage	Incurred claims	Total
Opening assets	(1,056,816)	1,907,811	850,995	(65,003)	794,559	729,556
Opening liabilities	(1,400)	-	(1,400)	(297)	-	(297)
Net opening balance	**(1,058,216)**	**1,907,811**	**849,595**	**(65,300)**	**794,559**	**729,259**
Allocation of reinsurance premiums paid	**(3,766,662)**	**-**	**(3,766,662)**	**(4,304,529)**	**-**	**(4,304,529)**
Amounts recoverable from reinsurers						
Recoveries of incurred claims and other insurance service expenses	-	2,435,730	2,435,730	(202,487)	2,567,244	2,364,757
Changes that relate to past service - adjustments to incurred claims	-	357,979	357,979	-	(87,152)	(87,152)
Recoveries of losses on onerous underlying contracts on initia recognition	-	-	-	134,611	-	134,611
Recoveries and reversals of recover-ies of losses on onerous underlying contracts - subsequent measurement	(5,117)	-	(5,117)	90,108	-	90,108
Effect of movements in exchange rates	-	(35,829)	(35,829)	-	(7,197)	(7,197)
Net income (expenses) from reinsurance contracts held	**(3,771,779)**	**2,757,880**	**(1,013,899)**	**(4,282,297)**	**2,472,895**	**(1,809,402)**
Finance income from reinsurance contracts held	261	149,694	149,955	-	104,912	104,912
Total amounts recognised in statement of profit or loss	(3,771,518)	2,907,574	(863,944)	(4,282,297)	2,577,807	(1,704,490)
Other Changes	(10,178)	10,178	-	-	-	-
Cash flows						
Premiums paid	2,396,831	-	2,396,831	3,259,104	(1,411,599)	1,847,505
Recoveries from reinsurance	-	(1,407,799)	(1,407,799)	30,275	(52,956)	(22,681)
Total cash flows	**2,396,831**	**(1,407,799)**	**989,032**	**3,289,379**	**(1,464,555)**	**1,824,824**
Net closing balance	**(2,443,081)**	**3,417,764**	**974,683**	**(1,058,218)**	**1,907,811**	**849,593**
Closing assets	(2,437,988)	3,417,764	979,776	(1,056,816)	1,907,811	850,995
Closing liabilities	(5,093)	-	(5,093)	(1,400)	-	(1,400)
Net closing balance	**(2,443,081)**	**3,417,764**	**974,683**	**(1,058,216)**	**1,907,811**	**849,595**

36. Insurance and reinsurance contracts (continued)

(i) Movements in insurance and reinsurance contract balances

Life Savings

Reinsurance contracts Shs '000	2024			2023		
Analysis by remaining coverage and incurred claims	Remaining Coverage	Incurred claims	Total	Remaining coverage	Incurred claims	Total
Opening liabilities	(1,379)	-	(1,379)	-	-	-
Net opening balance	**(1,379)**	**-**	**(1,379)**	**-**	**-**	**-**
Allocation of the premiums paid: Full Retrospective approach	(10,890)	-	(10,890)	(18,066)	-	(18,066)
Net expenses from reinsurance contracts held	**(10,890)**	**-**	**(10,890)**	**(18,066)**	**-**	**(18,066)**
Finance income from reinsurance contracts held	**-**	**-**	**-**	**-**	**-**	**-**
Total amounts recognised in statement of profit or loss	(10,890)	-	(10,890)	(18,066)	-	(18,066)
Cash flows						
Premiums paid	7,600	-	7,600	16,687	-	16,687
Total cash flows	**7,600**	**-**	**7,600**	**16,687**	**-**	**16,687**
Net closing balance	**(4,669)**	**-**	**(4,669)**	**(1,379)**	**-**	**(1,379)**

36. Insurance and reinsurance contracts (continued)

(i) Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC)

Investment contracts with DPF issued

For the year ended 31 December 2024

	LRC			
	Excluding loss component	Loss component	LIC	Total
	Shs 000'	Shs 000'	Shs 000'	Shs 000'
Opening insurance contract liabilities	74,349,237	394,898	20,817	74,764,952
Opening insurance contract assets	-	-	-	-
Net balance as at 1 January	**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	(72,714)	-	-	(72,714)
Expected insurance service expenses incurred	(745,357)	-	-	(745,357)
Total insurance revenue	**(1,980,670)**	**-**	**-**	**(1,980,670)**
Incurred insurance service expenses:				
Incurred claims and other directly attributable expenses	-	-	985,038	985,038
Changes that relate to past service (changes in fulfilment cash flows LIC)	-	-	(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	**(1,980,670)**	**349,642**	**966,075**	**(664,953)**
Investment components	(69,249,777)	-	69,249,777	-
Finance expenses from insurance contracts issued	12,903,278	-	2,992	12,906,270
Total changes in the statement of financial performance	**(56,346,499)**	**-**	**69,252,769**	**12,906,270**
Cash flows				
Premiums received	74,613,304	-	-	74,613,304
Claims and other directly attributable expenses paid	-	-	(70,319,482)	(70,319,482)
Total cash flows	**74,613,304**	**-**	**(70,319,482)**	**4,293,822**
Other movements	-	(377,929)	377,929	-
Net closing balance	**90,635,372**	**366,611**	**298,108**	**91,300,091**

36. Insurance and reinsurance contracts (continued)

(i) Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) (continued)

Investment contracts with DPF issued

For the year ended 31 December 2023

	LRC			
	Excluding loss component	Loss component	LIC	Total
	Shs 000'	Shs 000'	Shs 000'	Shs 000'
Opening insurance contract liabilities	63,924,442	454,134	28,785	64,407,361
Opening insurance contract assets	-	-	-	-
Net balance as at 1 January	**63,924,442**	**454,134**	**28,785**	**64,407,361**
Insurance revenue				
CSM recognized for services provided	(682,951)	-	-	(682,951)
Change in risk adjustment for non-financial risk for risk expired	(56,871)	-	-	(56,871)
Expected insurance service expenses incurred	(742,042)	-	-	(742,042)
Total insurance revenue	**(1,481,864)**	**-**	**-**	**(1,481,864)**
Incurred insurance service expenses:				
Incurred claims and other directly attributable expenses	73,880	(169,056)	192,688	97,512
Changes that relate to past service (changes in fulfilment cash flows LIC)	-	-	(10,291)	(10,291)
Losses for the net outflow recognized on initial recognition	-	51,967	-	51,967
Losses on onerous contracts and reversal of those losses	-	57,853	-	57,853
Total insurance service expenses	**73,880**	**(59,236)**	**182,397**	**197,041**
Total insurance service result	**(1,407,984)**	**(59,236)**	**182,397**	**(1,284,823)**
Investment components	(10,587,687)	-	10,587,687	-
Finance expenses from insurance contracts issued	7,127,986	-	2,120	7,130,106
Total changes in the statement of financial performance	**(4,867,685)**	**(59,236)**	**10,772,204**	**5,845,283**
Cash flows				
Premiums received	15,343,735	-	-	15,343,735
Claims and other directly attributable expenses paid	-	-	(10,780,172)	(10,780,172)
Total cash flows	**15,343,735**	**-**	**(10,780,172)**	**4,563,563**
Other movements	(51,255)	-	-	(51,255)
Net closing balance	**74,349,237**	**394,898**	**20,817**	**74,764,952**

36. Insurance and reinsurance contracts (continued)

(i) Reconciliation of the measurement components of insurance contract balances
Investment contracts with DPF issued

	For the 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 assets	-	-	-	-
Opening insurance contract liabilities	73,725,310	91,077	948,565	74,764,952
Net Opening balance	**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**
Closing Insurance contract assets	-	-	-	-
Closing Insurance contract liabilities	90,150,253	141,564	1,008,274	91,300,091
Net Closing balance	**90,150,253**	**141,564**	**1,008,274**	**91,300,091**

36. Insurance and reinsurance contracts (continued)

(i) Reconciliation of the measurement components of insurance contract balances (continued)

Investment contracts with DPF issued

	For the 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 assets	-	-	-	-
Opening insurance contract liabilities	63,873,381	71,507	462,473	64,407,361
Net Opening balance	**63,873,381**	**71,507**	**462,473**	**64,407,361**
Changes that relate to current services	**(635,771)**	**(65,629)**	**(682,952)**	**(1,384,352)**
CSM recognized for services provided	-	-	(682,952)	(682,952)
Change in risk adjustment for non-financial risk for risk expired	-	(65,629)	-	(65,629)
Experience adjustments not related to future service	(635,771)	-	-	(635,771)
Changes that relate to future services	**(1,102,888)**	**43,662**	**1,169,046**	**109,820**
Contracts initially recognised in the year	(146,583)	19,487	179,063	51,967
Changes in estimates that adjust the CSM	(1,001,376)	11,393	989,983	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	45,071	12,782	-	57,853
Changes that relate to past services	**(9,697)**	**(594)**	**-**	**(10,291)**
Changes in estimates in LIC fulfilment cash flows	731	359	-	1,090
Experience adjustments in claims and other insurance service expenses in LIC	(10,428)	(953)	-	(11,381)
Total Insurance Service result	**(1,748,356)**	**(22,561)**	**486,094**	**(1,284,823)**
Insurance finance income or expense				
The effect of and changes in time of time value of money and financial risk	7,130,074	32	-	7,130,106
Total insurance finance income or expense	**7,130,074**	**32**	**-**	**7,130,106**
Total changes in the statement of financial performance	**5,381,718**	**(22,529)**	**486,094**	**5,845,283**
Cash flows (Actual cashflows in the period)				
Premiums and premium tax received	15,343,735	-	-	15,343,735
Claims and other insurance service expenses paid, including investment components	(10,780,172)	-	-	(10,780,172)
Total Cash flows	**4,563,563**	**-**	**-**	**4,563,563**
Other movements	(93,352)	42,099	(2)	(51,255)
Net Closing balance	**73,725,310**	**48,978**	**948,565**	**74,764,952**

36. Insurance and reinsurance contracts (continued)

Investment contracts with DPF issued underlying asset

	2024 Shs'000	2023 Shs'000
Cash and deposits with financial institutions	22,444	1,064,126
Treasury bills	-	9,000
Treasury bonds	76,808,969	60,597,545
Corporate bonds	5,044	4,459
Equities	1,020,410	1,190,925
Unit trusts	11,118,493	10,084,848
Property	3,996,596	3,960,746
Investment in associate	214,911	204,713
Total	**93,186,867**	**77,116,362**

36. Insurance and reinsurance contracts (continued)

(i) Movements in insurance contract balances

Year ended 31 December 2024

Non-Life - PAA

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	Total Shs'000
Opening insurance contract assets	-	-	-	-	-
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	(26,979,884)	-	-	-	(26,979,884)
Total insurance revenue	**(26,979,884)**	**-**	**-**	**-**	**(26,979,884)**
Incurred insurance service expenses:	**-**	**1,069,444**	**11,963,273**	**498,553**	**13,531,270**
Claims	-	1,069,444	11,819,008	464,811	13,353,263
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**	**11,797,399**	**5,468**	**15,618,722**
Total insurance service result	**(23,317,559)**	**153,530**	**11,797,399**	**5,468**	**(11,361,162)**
Insurance finance income or expense					
The effect of and changes in time of time value of money and financial risk	-	7,280	1,720,954	107,587	1,835,821
Foreign exchange differences on change	-	-	549,047	15,837	564,884
Total insurance finance income or expense	**-**	**7,280**	**2,270,001**	**123,424**	**2,400,705**
	-	-	-	-	-
Total changes in the statement of financial profit or loss	**(23,317,559)**	**160,810**	**14,067,400**	**128,892**	**(8,960,457)**

36. Insurance and reinsurance contracts (continued)

(i) Movements in insurance contract balances

Non-Life – PAA (continued)

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 received	26,338,674	-	-	-	26,338,674
Claims and other insurance service expenses paid, including investment components	-	-	(12,347,193)	-	(12,347,193)
Insurance acquisition cash flows	(3,439,307)	-	-	-	(3,439,307)
Total cash flows	**22,899,367**	**-**	**(12,347,193)**	**-**	**10,552,174**
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**

36. Insurance and reinsurance contracts (continued)

(i) Movements in insurance contract balances

Non-Life – PAA

Year ended 31 December 2023

Shs'000	Liabilities for Remaining Coverage: Excluding loss component	Liabilities for Remaining Coverage: Loss component	Liabilities for incurred claims: Estimates of present value of future cash flows	Liabilities for incurred claims: Risk adjustment for non-financial risk	Total Shs'000
Opening insurance contract assets	(3,725)	-	1,398	129	(2,198)
Opening insurance contract liabilities	4,661,292	189,362	11,015,106	843,685	16,709,445
Net Opening balance	**4,657,567**	**189,362**	**11,016,504**	**843,814**	**16,707,247**
Insurance revenue					
Full retrospective approach	(25,497,902)	-	-	-	(25,497,902)
Total insurance revenue	**(25,497,902)**	**-**	**-**	**-**	**(25,497,902)**
Incurred insurance service expenses:	**-**	**917,892**	**10,520,868**	**354,382**	**11,793,142**
Claims	-	917,892	10,331,628	467,427	11,716,947
Expenses	-	-	189,240	32,718	221,958
Other movements related to current service	-	-	-	(145,763)	(145,763)
Amortisation of insurance acquisition cash flows	3,595,384	-	-	-	3,595,384
Changes that relate to past service (changes in fulfilment cash flows re LIC)	-	-	(379,728)	(351,683)	(731,411)
Changes that relate to future service	**-**	**(808,584)**	**-**	**-**	**(808,584)**
Losses for the net outflow recognized on initial recognition	-	552,405	-	-	552,405
Losses and reversal of losses on onerous contracts - subsequent measurement	-	(1,360,989)	-	-	(1,360,989)
Total insurance service expenses	**3,595,384**	**109,308**	**10,141,140**	**2,699**	**13,848,531**
Total insurance service result	**(21,902,518)**	**109,308**	**10,141,140**	**2,699**	**(11,649,371)**
Insurance finance income or expense					
The effect of and changes in time of time value of money and financial risk	-	3,126	535,363	41,581	580,070
Foreign exchange differences on change	-	-	456,495	16,680	473,175
Total insurance finance income or expense	**-**	**3,126**	**991,858**	**58,261**	**1,053,245**
Total changes in the statement of financial profit or loss	**(21,902,518)**	**112,434**	**11,132,998**	**60,960**	**(10,596,126**

36. Insurance and reinsurance contracts (continued)

(i) Movements in insurance contract balances

Non-Life – PAA (continued)

Year ended 31 December 2023

Shs'000	Liabilities for Remaining Coverage		Liabilities for incurred claims		Total Shs'000
	Excluding loss component	Loss compo-nent	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	26,279,633	-	-	-	26,279,633
Claims and other insurance service expenses paid, including investment components	-	-	(10,236,689)	-	(10,236,689)
Insurance acquisition cash flows	(3,592,601)	-	-	-	(3,592,601)
Total cash flows	**22,687,032**	**-**	**(10,236,689)**	**-**	**12,450,343**
Impact of currency translation	(299,418)	8,314	506,854	40,395	256,145
Net closing balance	**5,142,663**	**310,112**	**12,419,667**	**945,169**	**18,817,611**

36. Insurance and reinsurance contracts (continued)

(i) Movements in insurance contract balances

Non-Life – GMM | **Year ended 31 December 2024**

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	Total Shs'000
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 of 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 closing balance	**182,085**	**-**	**-**	**-**	**182,085**

36. Insurance and reinsurance contracts (continued)

(i) Movements in insurance contract balances

Non-Life – GMM **Year ended 31 December 2023**

Shs'000	Liabilities for Remaining Coverage: Excluding loss component	Liabilities for Remaining Coverage: Loss component	Liabilities for Incurred claims: Estimates of present value of future cash flows	Liabilities for Incurred claims: Risk adjustment for non-financial risk	Total Shs'000
Net opening balance	**419,951**	**-**	**-**	**-**	**419,951**
Insurance Revenue					
CSM recognized for services provided	(87,812)	-	-	-	(87,812)
Change in risk adjustment for non-financial risk	(2,351)	-	-	-	(2,351)
Expected insurance service expenses incurred	(37,037)	-	-	-	(37,037)
Recovery of insurance acquisition cash flows	(78,704)				(78,704)
Total insurance revenue	**(205,904)**	**-**	**-**	**-**	**(205,904)**
Insurance service expenses					
Amortisation of insurance acquisition cash flows	78,704	-	-	-	78,704
Insurance service expenses	**78,704**	**-**	**-**	**-**	**78,704**
Insurance service result	**(127,200)**				**(127,200)**
Insurance finance income or expense					
The effect of and changes in time of time value of money and financial risk	41,550	-	-	-	41,550
Total amounts recognised in the statement of profit or loss	**(85,650)**	**-**	**-**	**-**	**(85,650)**
Cash flows					
Premiums received	(119,345)	-	-	-	(119,345)
Insurance acquisition cashflows	53,705	-	-	-	53,705
Total cash flows	**(65,640)**	**-**	**-**	**-**	**(65,640)**
Net closing balance	**268,662**	**-**	**-**	**-**	**268,662**

36. Insurance and reinsurance contracts (continued)

(i) Movements in insurance contract balances

Non-Life – GMM (continued) **Year ended 31 December 2024**

Shs'000	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 of 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**

36. Insurance and reinsurance contracts (continued)

(i) Movements in insurance contract balances

Non-Life – GMM (continued) **Year ended 31 December 2023**

SHS'000	Present Risk value of adjustmen future cashflows for non- CSM	Risk adjustment for non-financial risk	CSM	Total
Net balance as at 1 January	**108,181**	**6,864**	**304,906**	**419,951**
Changes that relate to current service				
CSM recognised in profit or loss for the services provided	-	-	(87,812)	(87,812)
Change in the risk adjustment for non- financial risk for the risk expired	-	(2,351)	-	(2,351)
Experience adjustments not related to future service	(37,037)	-	-	(37,037)
Total	**(37,037)**	**(2,351)**	**(87,812)**	**(127,200)**
Changes that relate to future service				
Changes in estimates that adjust the CSM	46,642	(1,205)	(45,437)	-
Total	**46,642**	**(1,205)**	**(45,437)**	**-**
Insurance service result	9,604	(3,555)	(133,249)	(127,200)
Insurance Finance Income or Expense				
The effect of and changes in time of time value of money and financial risk	4,452	281	36,817	41,550
Total amounts recognised in statement of profit or loss	**14,056**	**(3,274)**	**(96,432)**	**(85,650)**
Cash flows				
Premiums received	(119,344)	-	-	(119,344)
Insurance acquisition cash flows	53,705	-	-	53,705
Total cash flows	**(65,639)**	**-**	**-**	**(65,639)**
Net closing balance	**56,598**	**3,590**	**208,474**	**268,662**

36. Insurance and reinsurance contracts (continued)

(i) Movements in reinsurance contract balances

Non-Life – PAA **Year ended 31 December 2024**

	Liabilities for Remaining Coverage		Liabilities for Incurred claims		
Shs'000	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total Shs'000
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 of 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	8,469	302,154
Total insurance finance income or expense	-	**3,901**	**1,087,248**	**60,334**	**1,151,483**
Total changes in the statement of profit or loss	**(8,496,452)**	**3,901**	**1,087,248**	**60,334**	**1,151,483**

36. Insurance and reinsurance contracts (continued)

(i) Movements in reinsurance contract balances (continued)

Non-Life – PAA (continued) **Year ended 31 December 2024**

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)	(54,049)	(657,828)
	-	-	-	-	-
	-	-	-	-	-
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**

36. Insurance and reinsurance contracts (continued)

(i) Movements in reinsurance contract balances

Non-Life – PAA **Year ended 31 December 2023**

	Liabilities for Remaining Coverage		Liabilities for Incurred claims		Total Shs'000
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	(584,981)	39,549	6,515,145	469,422	6,439,135
Opening reinsurance contract liabilities	(204,448)	1,666	67,845	3,096	(131,841)
Net opening balance	**(789,429)**	**41,215**	**6,582,990**	**472,518**	**6,307,294**
Allocation of the premiums paid:					
Full Retrospective approach	(8,342,771)	-	-	-	(8,342,771)
Total Allocation of premiums paid	**(8,342,771)**	**-**	**-**	**-**	**(8,342,771)**
Amounts recovered from reinsurance					
Recoveries of incurred claims and other insurance service expense	-	96,231	3,223,074	157,631	3,476,936
Changes related to past service (changes related to incurred claims component)	-	-	(564,352)	(169,230)	(733,582)
Changes that relate to future service:	**-**	**(85,569)**	**-**	**-**	**(85,569)**
Recoveries of losses on onerous underlying contracts on initial recognition	-	114,068	-	-	114,068
Recoveries and reversals of recoveries of losses on onerous underlying contracts - subsequent measurement	-	(199,637)	-	-	(199,637)
Effect of changes in Non-performance risk of Reinsurers	-	-	(37,159)	-	(37,159)
Total amounts recovered from reinsurance	**-**	**10,662**	**2,621,563**	**(11,599)**	**2,620,626**
Total net expenses from reinsurance	**(8,342,771)**	**10,662**	**2,621,563**	**(11,599)**	**(5,722,145)**
Insurance finance income or expense					
The effect of and changes in time of time value of money and financial risk	-	2,203	289,506	20,045	311,754
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	156,364	5,900	162,264
Total insurance finance income or expense	**-**	**2,203**	**445,870**	**25,945**	**474,018**
Total changes in the statement of profit or loss	**(8,342,771)**	**12,865**	**3,067,433**	**14,346**	**(5,248,127)**

36. Insurance and reinsurance contracts (continued)

(i) Movements in reinsurance contract balances (continued)

Non-Life – PAA (continued) **Year ended 31 December 2023**

	Liabilities for Remaining Coverage		Liabilities for Incurred claims		Total Shs'000
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	7,455,367	-	-	-	7,455,367
Amounts recovered	-	-	(2,401,599)	-	(2,401,599)
Total cash flows	**7,455,367**	**-**	**(2,401,599)**	**-**	**5,053,768**
Effect of currency translation	(207,532)	(608)	447,669	26,542	266,071
Net Closing balance	**(1,884,365)**	**53,472**	**7,696,493**	**513,406**	**6,379,006**
Closing reinsurance contract assets	(1,199,083)	51,246	7,597,925	487,163	6,937,251
Closing reinsurance contract liabilities	(685,282)	2,226	98,568	26,243	(558,245)
Net Closing balance	**(1,884,365)**	**53,472**	**7,696,493**	**513,406**	**6,379,006**

36. Insurance and reinsurance contracts (continued)

(i) Movements in insurance and reinsurance contract balances
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 2024. The valuation currency is Kenyan Shillings. The key assumptions in the valuation of long-term liabilities are summarised 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. (2023: Conventional Life - 50%, Annuities business – 90%).

b) Interest rate

The internally derived spot curve as at 31 December 2024 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 realised 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.

36. Insurance and reinsurance contracts (continued)

(vii) Sensitivity analysis (continued)

	Value 1	Value 2	Value 3	Value 4	Value 5	Value 6	Value 7	Value 8	Value 9
	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)**

36. Insurance and reinsurance contracts (continued)

vii) Sensitivity analysis (continued)

	Value 1	Value 2	Value 3	Value 4	Value 5	Value 6	Value 7	Value 8	Value 9
	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
2023	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**	**Shs'000**
Main basis									
Insurance contract liabilities (net)	109,410,504	8,414,662	117,825,166						
Reinsurance contract assets (net)	(848,217)	-	(848,217)						
Net insurance contract liabilities	**108,562,287**	**8,414,662**	**116,976,949**						
Mortality rate -20% increase									
Insurance contract liabilities (net)	109,536,961	8,271,842	117,808,803	126,458	(142,820)	(16,362)	8,271,842	(254,516)	(178,161)
Reinsurance contract assets (net)	(1,167,586)		(1,167,586)	(319,370)	-	(319,370)	-	-	-
Net insurance contract liabilities	**108,369,375**	**8,271,842**	**116,641,217**	**(192,912)**	**(142,820)**	**(335,732)**	**8,271,842**	**(254,516)**	**(178,161)**
Lapse/surrender rates - 20% decrease									
Insurance contract liabilities (net)	108,878,250	8,454,925	117,333,175	(532,254)	40,263	(491,991)	8,454,925	(96,857)	(67,800)
Reinsurance contract assets (net)	(848,217)		(848,217)	-	-	-	-	-	-
Net insurance contract liabilities	**108,030,033**	**8,454,925**	**116,484,958**	**(532,254)**	**40,263**	**(491,991)**	**8,454,925**	**(96,857)**	**(67,800)**
Lapse/surrender rates - 20% increase									
Insurance contract liabilities (net)	108,705,981	8,433,725	117,139,706	(704,523)	19,063	(685,460)	8,433,725	96,611	67,628
Reinsurance contract assets (net)	(848,217)		(848,217)	-	-	-	-	-	-
Net insurance contract liabilities	**107,857,764**	**8,433,725**	**116,291,489**	**(704,523)**	**19,063**	**(685,460)**	**8,433,725**	**96,611**	**67,628**
Expenses - 10% increase									
Insurance contract liabilities (net)	109,415,460	8,081,536	117,496,996	4,956	(333,126)	(328,170)	8,081,536	(260,678)	(182,475)
Reinsurance contract assets (net)	(848,217)		(848,217)	-	-	-	-	-	-
Net insurance contract liabilities	**108,567,243**	**8,081,536**	**116,648,779**	**4,956**	**(333,126)**	**(328,170)**	**8,081,536**	**(260,678)**	**(182,475)**
Interest - 2% decrease									
Insurance contract liabilities (net)	114,036,841	7,641,948	121,678,789	4,626,337	(772,714)	3,853,623	7,641,948	(420,771)	(294,540)
Reinsurance contract assets (net)	(863,008)		(863,008)	(14,791)	-	(14,791)	-	-	-
Net insurance contract liabilities	**113,173,833**	**7,641,948**	**120,815,781**	**4,611,546**	**(772,714)**	**3,838,832**	**7,641,948**	**(420,771)**	**(294,540)**

36. 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 2024, to determine the sufficiency of the claim reserves (i.e. OCR plus IBNR) set aside on 31 December 2023.

The table below compares the claims that were expected to emerge in financial year 2024, based on the December 2023 reserves, and the actual claims that emerged in financial year 2023.

Amounts in Shs'000	Total Claims Reserves	Expected	Actual	(Shortfall)/ Surplus on Total IBNR	(Shortfall)/ Surplus on Expected IBNR
Credit Life Business	265,665	205,370	108,089	157,576	97,281
Group Life Business	825,702	768,188	753,876	71,826	14,312

Assumption	Valuation Margins on Best Estimate Liabilities	Capital Charges on Best Estimate Liabilities
Mortality	10% increase in mortality for life assurances	6% increase of base mortality rates
Longevity	10% decrease in mortality for life assurances and annuities	7% decrease of base mortality rates
Morbidity/Disability	10% increase in inception rates	40% increase in base inception rates in the first year 15% increase in base inception rates in subsequent years 10% decrease in morbidity/disability recovery 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)	15% increase in lapse rates for new business 5% increase in lapse rates for in force business
Interest rate	N/A	18% decrease
Surrenders	7.5% (increase or decrease in surrender rate depending on which alternative gives rise to an increase in the liability of the policy concerned)	N/A
Expenses & Expense inflation	10% increase on base expenses 10% increase of the base escalation rate	5% increase in best estimate assumption for expenses 1% increase in best estimate assumption for inflation
Catastrophe	N/A	An absolute increase in the rate of policyholders dying over the following year of 1.5 per mile.
Group/Umbrella Pension Savings Plans	N/A	1.5% increase in fund value

vii) Sensitivity analysis (continued)

Assumption	Valuation Margins on Best Estimate Liabilities	Capital Charges on Best Estimate Liabilities
Deposit Administration	N/A	1.5% 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	2.0% Increase in fund value

Group Life business had a 2% surplus on Expected IBNR. 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 2024 were revised based on 2023 claims experience.

Credit Life had a 47% surplus on the expected IBNR. The projection assumptions as at December 2024 were revised based on observed claim experience.

36. Insurance and reinsurance contracts (continued)

viii) GPV valuation margins and capital charges

The table below provides details of the GPV valuation margins and capital charges:

Claims development – Long-term Business

	Gross claims development					
	2020	2021	2022	2023	2024	Total
Estimate of ultimate claim costs (gross of reinsurance, undiscounted)						
At end of accident year	12,831,869	19,223,561	19,722,636	20,347,281	24,321,097	96,446,444
1 year later	13,134,267	19,718,451	20,237,351	20,763,177	-	1,727,899
2 years later	13,147,425	19,736,896	20,226,030	-	-	20,282
3 years later	13,152,264	19,754,807	-	-	-	22,750
4 years later	13,169,612	-	-	-	-	17,348
Gross cumulative claims liabilities - accident years from 2020 to 2024	**13,169,612**	**19,754,807**	**20,226,030**	**20,763,177**	**24,321,097**	**98,234,723**
Add: Incurred but not Reported	402	504	1,528	175,797	947,962	1,126,193
Add: Liability in respect of prior years	343,581	-	-	-	-	343,581
Effect of discounting	(9,839)	(1,302)	(1,903)	(11,239)	(71,249)	(95,532)
Effect of the risk adjustment margin for non-financial risk	34,906	4,618	6,749	39,873	252,766	338,912
Less: Cumulative payments to date	(13,124,450)	(19,703,829)	(20,152,310)	(20,494,439)	(22,451,045)	(95,926,073)
Gross LIC for the contracts originated	**414,212**	**54,798**	**80,094**	**473,169**	**2,999,531**	**4,021,804**

	Net claims development					
	2020	2021	2022	2023	2024	Total
Estimate of ultimate claim costs (net of reinsurance, undiscounted)						
At end of accident year	12,739,273	18,649,281	19,688,104	18,984,869	22,140,599	92,202,126
1 year later	13,036,420	18,954,759	20,041,806	19,271,706	-	1,243,164
2 years later	13,049,578	18,865,601	19,759,839	-	-	(357,967)
3 years later	13,054,418	18,959,505	-	-	-	98,744
4 years later	13,071,767	-	-	-	-	17,349
Net cumulative claims liabilities - accident years from 2020 to 2024	**13,071,767**	**18,959,505**	**19,759,839**	**19,271,706**	**22,140,599**	**93,203,416**
Add: Incurred but not Reported	402	504	976	6,971	175,763	184,616
Add: Liability in respect of prior years	343,581	-	-	-	-	343,581
Effect of discounting	(15,141)	(325)	(609)	1,894	(8,330)	(22,511)
Effect of the risk adjustment margin for non-financial risk	37,697	809	1,517	(4,715)	20,739	56,047
Less: Cumulative payments to date	(13,032,022)	(18,951,772)	(19,745,374)	(19,326,676)	(22,105,264)	(93,161,108)
Net LIC for the contracts originated	**406,283**	**8,721**	**16,349**	**(50,820)**	**223,508**	**604,041**

36. Insurance and reinsurance contracts (continued)

Claims development - Combined

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 an appropriate technique 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					Total
	2020	2021	2022	2023	2024	
	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	477,903	5,485,310	7,443,388	6,303,398	7,922,955	27,632,954
1 year later	568,428	6,959,564	9,797,259	7,673,072	9,203,139	34,201,462
2 years later	562,578	7,177,378	9,795,349	7,298,641	-	24,833,946
3 years later	570,780	7,194,370	9,277,734	-	-	17,042,884
4 years later	558,704	6,701,502	-	-	-	7,260,206
Gross cumulative claims liabilities - accident years from 2020 to 2024	558,704	7,194,370	9,795,349	7,673,072	7,922,955	33,144,450
Add: Incurred but not Reported	419,804	392,808	467,423	647,037	1,040,304	2,967,376
Gross cumulative claims liabilities - prior accident years (OCR)	-	1,906,423	-	-	-	1,906,423
Gross cumulative claims liabilities - prior accident years (IBNR & CHER)	2,929	160,573	-	-	-	163,502
Add: Liability in respect of prior years	173,127	237,817	268,050	201,946	216,734	1,097,674
Effect of discounting	(646)	(388,405)	(252,003)	(289,121)	(522,067)	(1,452,242)
Effect of the risk adjustment margin for non-financial risk	8,771	145,652	82,988	84,884	170,578	492,873
Less: Cumulative payments to date	(549,035)	(5,675,017)	(7,354,449)	(6,036,650)	(7,023,719)	(26,638,870)
Gross LIC for the contracts originated	**613,654**	**3,974,221**	**3,007,358**	**2,281,168**	**1,804,785**	**11,681,186**

37. Deferred income tax

Deferred tax is calculated, in full, on all temporary differences under the liability method using a principal tax rate of 30% (2023: 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 2024 Shs'000	2024 Movement Shs'000	31 December 2023 Shs'000	2023 Movement Shs'000	31 December 2022 Shs'000
Property and equipment:					
- on historical cost basis	5,873	(11,636)	17,509	17,562	(53)
Provisions	542,322	14,149	528,173	(417,927)	946,100
Tax losses brought forward:	1,973,668	177,858	1,795,810	197,427	1,598,383
Prior year adjustments	133	133	-	-	-
Less: Deferred tax asset not recognised:					
-Britam Properties (Kenya) Limited	(120,899)	12,748	(133,647)	(35,124)	(98,523)
-Britam Asset Managers (Kenya) Limited	(257,209)	1,064	(258,273)	7,104	(265,377)
-Britam Holdings Plc	(2,318,016)	(237,204)	(2,080,812)	(358,443)	(1,722,369)
-Impact of IFRS 17	358,829	-	358,829	358,829	-
Life fund surplus	(6,001,116)	(1,684,604)	(4,316,512)	(352,407)	(3,964,105)
Net deferred income tax liability	**(5,816,415)**	**(1,727,492)**	**(4,088,923)**	**(582,979)**	**(3,505,944)**

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.

Reconciliation Income statement	2024 Shs'000	Movement Shs'000	2023 Shs'000	Movement Shs'000	2022 Shs'000
Charge (Note 26)	-	(1,727,492)	-	(581,108)	-
Other comprehensive income (Note 26)	-	-	-	(1,871)	-
Total	**-**	**(1,727,492)**	**-**	**(582,979)**	**-**
Statement of financial position					
Deferred income tax asset	569,517	(58,800)	628,317	160,761	467,556
Deferred income tax liability	(6,385,932)	(1,668,692)	(4,717,240)	(743,740)	(3,973,500)
Net deferred income tax liability	**(5,816,415)**	**(1,727,492)**	**(4,088,923)**	**(582,979)**	**(3,505,944)**

Company

The deferred tax asset for the Company has not been recognised as in 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 2024 Shs'000	31 December 2024 Movement Shs'000	31 December 2023 Shs'000	31 December 2023 Movement Shs'000	31 December 2022 Shs'000
Property and equipment:					
- on historical cost basis	19,949	141	19,808	(190)	19,998
Provisions	596,720	(47,529)	644,249	182,773	461,476
Tax losses brought forward	1,698,682	284,592	1,414,090	188,041	1,226,049
IFRS 9 provisions through equity	2,665	-	2,665	(12,181)	14,846
Deferred tax asset not recognised	(2,318,016)	(237,204)	(2,080,812)	(358,443)	(1,722,369)
Net deferred income tax liability	**-**	**-**	**-**	**-**	**-**

38. Other receivables

	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
Staff and agents loans	81,395	133,863	-	4,960
Car loans and premium financing loans	78,414	191,526	-	-
Accrued income	44,650	140,134	-	48,580
Dues from managed funds	196,830	250,576	-	-
Refundable deposits	123,268	111,231	17,209	-
VAT rental income recoverable	439,985	394,964	-	-
Due from Motor Pool	27,757	24,281	-	-
Prepayments	93,384	89,535	3,925	-
Government taxes and statutory deductions	181,712	206,726	-	-
Other receivables	1,066,601	1,704,642	350,964	445,197
Total	**2,333,996**	**3,247,478**	**372,098**	**498,737**
Less: Provision for expected credit losses	(188,486)	(271,221)	(32,953)	(115,853)
Net amount at end of year	**2,145,510**	**2,976,257**	**339,145**	**382,884**
Movement in provision for expected credit losses:				
At 1 January	271,221	288,920	115,853	115,493
Decrease	(16,860)	(49,771)	-	360
Write off	(65,875)	32,072	(82,900)	-
At 31 December	**188,486**	**271,221**	**32,953**	**115,853**

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.

39 (i) Cash and bank balances

For purposes of the statement of cash flows, cash and cash equivalents comprise the following:

	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
Deposits with financial institutions	5,395,553	9,564,878	194,690	39,360
Cash and bank balances	1,683,771	1,201,909	98,696	22,191
Cash and cash equivalents	**7,079,324**	**10,766,787**	**293,386**	**61,551**
Less: Provision for expected credit losses	(123,077)	(125,906)	(290)	(10)
Net amount at end of year	**6,956,247**	**10,640,881**	**293,096**	**61,541**
Movement in provision for expected credit losses:				
At start of the year	125,906	137,727	10	143
Increase	(2,829)	(11,821)	280	-
Write off	-	-	-	(133)
At end of the year	**123,077**	**125,906**	**290**	**10**

The weighted average effective interest rate on short-term bank deposits as 31 December 2024 was 15.87% (2023: 15.63%).

39. (ii) Restricted cash

	Group	
	2024	2023
	Shs'000	Shs'000
Restricted cash	1,105,989	216,417

Restricted cash of Shs 1,105,989,000 (2023: Shs 216,417,000) 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.

Also, 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	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
Accrued expenses	2,475,711	2,188,054	350,793	424,915
Premiums paid in advance	141,659	117,311	-	-
Profit share payable	49,905	65,278	-	-
Accrued dividends payable	-	38,256	-	912
Staff and agents bonds	94,444	83,898	-	-
Payables for property funds	5,683	25,453	-	-
Trade payables	353,817	602,172	-	-
Government taxes & statutory deductions	472,748	406,437	12,986	23,909
Other liabilities	1,657,613	1,126,435	4,129	16,526
Provision for investment losses	1,415,002	1,523,481	1,415,002	1,523,481
Total provisions and other payables	**6,666,582**	**6,176,775**	**1,782,910**	**1,989,743**

There are no individually significant items under other liabilities category which include 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 636,519,000 (2023: Shs 656,796,000). 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 generated from/ (used in) operations

Reconciliation of profit before tax to cash generated from/ (used in) operations:

	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
Profit before income tax	**7,330,995**	**4,819,495**	**(451,830)**	**(525,957)**
Adjustments for:				
Depreciation of property and equipment (Note 22)	164,126	178,990	28,964	36,236
Depreciation of right of use asset (Note 24(i)	159,293	172,295	27,141	26,738
Amortisation of intangible assets (Note 23)	274,679	337,805	5,441	8,858
Net income/(loss) from investment properties (Note 7)	(800,993)	(644,449)	(152,653)	(28,956)
Interest computed using effective interest method (Note 8(i))	(10,761,320)	(9,387,574)	(232,440)	(160,996)
Interest and dividend income (Note 8(ii))	(8,647,045)	(6,228,379)	(475,843)	(271,591)
Impact of Net Monetary gain/loss	30,237	-	-	-
Provision write back	-	-	-	(70,000)
Net fair value (loss)/gain on financial assets at fair value through profit or loss - designated (Note 10)	(9,858,060)	4,682,791	73,652	-
Foreign exchange gains and losses, net (Note 13)	(944,227)	(348,711)	13,682	665
Share of profit of the associate	(420,967)	(213,315)	(98,276)	(75,341)
Finance costs (Note 16)	283,592	247,135	260,835	168,168
Gain on disposal of property and equipment	9,071	5,792	(228)	-
Gain on IFRS 16 lease remeasurement	-	-	-	(13,949)
Provision for expected credit losses on cash and cash equivalents (Note 39(i))	2,829	11,821	280	133
Net realised gains/(loss) on financial assets at fair value through profit or loss	-	-	77,112	(257)
Changes in:				
• Insurance contract assets	-	2,198	-	-
• Reinsurance contract assets	32,311	(619,554)	-	-
• Retirement benefit asset	91,975	(29,310)	-	-
• Receivable from related parties	-	-	(69,795)	(200,754)
• Other receivables	830,747	(439,388)	43,739	141,978
• Insurance contract liabilities	29,735,592	15,511,861	-	-
• Reinsurance contract liabilities	29,403	429,182	-	-
• Payable to related party	-	-	1,182,902	110,175
• Other payables	489,807	1,089,645	(206,835)	607,383
• Restricted cash	(889,572)	(152,277)	-	-
Cash generated from/(used in) operations	**7,142,473**	**9,426,053**	**25,848**	**(247,467)**

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.

The amounts recognised in the statement of financial position are determined as follows: -

	31 Dec 2024	31 Dec 2023
	Shs'000	Shs'000
Present value of funded obligations	(464,122)	(379,120)
Fair value of plan assets	671,366	669,839
Asset ceiling adjustment (10% of Present Value of funded obligations)	(46,412)	(37,912)
Asset in the statement of financial position	**160,832**	**252,807**

42. Retirement benefit asset - Group (continued)

The movement in the defined benefit obligation over the year was as follows:

	2024 Shs'000	2023 Shs'000
At 1 January	379,120	420,561
Interest cost	54,287	60,726
Impact of change in financial assumptions	35,607	(39,512)
Impact of change in demographic assumptions	44,128	
Experience adjustments	14,344	1,177
Benefits paid	(63,364)	(63,832)
At 31 December	**464,122**	**379,120**

The movement in the fair value of the plan assets is as follows:

	2024 Shs'000	2023 Shs'000
At 1 January	669,839	686,115
Interest income	99,538	102,039
Re-measurements:		
Return on plan assets	(32,418)	(52,186)
Expenses paid	(2,229)	(2,297)
Benefits paid	(63,364)	(63,832)
At 31 December	**671,366**	**669,839**

The amounts recognised in the statement of profit or loss for the year are as follows:

	2024 Shs'000	2023 Shs'000
Current service cost	-	-
Interest income	(45,251)	(41,313)
Contributions received from members	-	-
Expenses paid	2,229	2,297
Total included in employee benefit expense	**(43,022)**	**(39,016)**

The amounts recognised in other comprehensive income for the year are as follows:

	2024 Shs'000	2023 Shs'000
Gain/(loss) on pension benefit obligations	(94,079)	38,335
Loss on pension benefit assets	(32,418)	(52,186)
Asset ceiling adjustment (10% of present value of funded obligations)	(8,500)	4,144
Amounts recognised through other comprehensive income	**(134,997)**	**(9,707)**

The principal actuarial assumptions used were as follows:

Discount rate	14.20%	15.63%
Future salary increases	N/A	N/A
Future pension increases	0.00%	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	6.23%
Future pension increases+300 basis points (+3% per annum)	24.29%	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	
	2024	**2023**
Mortgage loans	9%	8.22%
Government securities	13.14%	12.74%
Deposits with financial institutions	15.87%	15.63%

Deposits with financial institutions have an average maturity of 3 months (2023: 3 months).

44. Commitments and contingencies

(i) Capital commitments

The Group's capital commitments were as follows:	Group	
	2024	**2023**
	Shs'000	**Shs'000**
Investment properties	-	25,453
Investment in information technology software	387,788	293,528

(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 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 2 (d) (ii), 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.

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 nature of services provided by these entities are summarised below: -

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

45. Related party transactions and balances (continued)

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

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% (2023: 11%) per annum.

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.

(i) Outstanding balances with subsidiaries

Due to related parties – Company

	2024 Shs'000	2023 Shs'000
Britam Life Assurance Company (Kenya) Limited	959,142	80,339
Britam General Insurance Company (Kenya) Limited	320,561	17,444
Britam Asset Managers Company (Kenya) Limited	-	6,056
Britam Properties Company (Kenya) Limited	-	142
Britam Tower LLP	225,912	224,931
Total	**1,505,615**	**328,912**

Due from related parties – Company

	2024 Shs'000	2023 Shs'000
Britam Insurance Company Limited (Malawi)	48,343	69,608
Britam Asset Managers (Kenya) Limited	81,841	-
Britam General Insurance Company (Uganda) Limited	3,712	9,919
Britam Insurance Company Limited (South Sudan)	3,582	5,421
Britam Insurance Company (Rwanda) Limited	14,183	14,175
Britam Properties (Kenya) Limited	339,767	339,785
Britam - Companhia De Seguros De Mozambique S.A	185,462	157,735
Britam Insurance Company (Tanzania) Limited	35,179	55,356
Britam Asset Managers (Uganda) Limited	4,964	5,586
Britam SEZ Company Limited	4,126	-
Total	**721,159**	**657,585**
Less: Provision for expected credit losses	(329,136)	(329,300)
Total	**392,023**	**328,285**

45. Related party transactions and balances (continued)

Due to related parties – Company

Movement in provision expected credit losses		
At 1 January	329,300	366,630
Increase	(164)	(37,330)
At 31 December	**329,136**	**329,300**

The related party receivables and payables are carried at amortised cost.

Company		
	2024 Shs'000	2023 Shs'000
Dividends received from subsidiaries	475,843	261,198

Transactions with related banks

Investment information

The Group holds 48.17% (2023: 48.22%) 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.

Business relationships

Various group entities transact business with HF Bank (a wholly owned subsidiary of HF Group Plc).

	2024	2023
	Shs'000	Shs'000
Gross earned premiums		
HF Bank	231,828	218,071
Net claims incurred		
HF Bank	124,014	31,413

Outstanding balances

The table below discloses the net balances due from HF Bank resulting from the business transacted and Tier II Capital loan advanced:

	2024	2023
	Shs'000	Shs'000
HF Bank	44,310	34,104
Tier II Capital	1,028,245	1,023,742
Total	**1,072,555**	**1,057,846**

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:

	2024	2023
	Shs'000	Shs'000
HF Bank	17,822	43,034
Total	**17,822**	**43,034**

45. Related party transactions and balances (continued)

Mortgage loans to Directors of the Group	2024	2023
	Shs'000	Shs'000
Loans to directors		
At start of year	44,300	84,755
Interest charge for the year	2,321	889
Director exits	(4,051)	(33,320)
Loans advanced during the year	39,058	-
Loan repayments	(16,369)	(8,024)
At end of year	**65,259**	**44,300**

Mortgage loans are given to both executive and non- executive directors. The loans are fully secured and attract interest at 6% per annum (2023: 6% per annum) for executive directors and at 14.5% per annum (2023: 14.5% per annum) for non-executive Directors.

Directors' emoluments

	Group		Company	
	2024	2023	2024	2023
	Shs'000	Shs'000	Shs'000	Shs'000
Directors' fees	147,929	123,984	44,955	38,340
Salaries and other benefits	101,828	93,819	101,828	93,819
Total	**249,757**	**217,803**	**146,783**	**132,159**

The above relates to payments made to both executive and non-executive directors.

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	
	2024	2023
	Shs'000	Shs'000
Salaries and other short-term employment benefits	420,063	360,877
Retirement benefits costs	-	
- defined contribution scheme	42,061	38,017
- Other benefits	24,274	26,778
Total	**486,398**	**425,672**

Transactions with other related parties

The Group has also invested Shs 11,217,275,000 (2023: Shs 10,725,301,000) in the various British American unit trust funds.

Loans from shareholders

There were no loans from shareholders outstanding at 31 December 2024 (2023: Nil).

46. 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 minimise 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.

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.
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 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	Life Savings	Gross	238,276,872	7,860,978	-	246,137,850
		Net	237,933,631	2,900,000	-	240,833,631
	Life risk	Gross	300,600,203	43,571,460	226,210,421	570,382,084
		Net	288,123,118	17,295,773	131,784,620	437,203,511
	Investments with DPF	Gross	5,715,834	-	-	5,715,834
		Net	5,715,834	-	-	5,715,834
Total		**Gross**	**676,731,789**	**402,330,675**	**4,548,222,418**	**5,627,284,882**
		Net	**657,968,192**	**321,701,013**	**1,178,632,296**	**2,158,301,501**

46. Risk management objectives and policies (continued)

Insurance risk – Group (continued)

Year ended 31 December 2023

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	135,983,856	399,351,602	4,439,588,368	4,974,923,826
		Net	130,017,593	348,274,840	1,121,817,811	1,600,110,244
Life term business	Life Savings	Gross	239,040,360	7,158,901	-	246,199,261
		Net	228,428,310	2,305,000	-	230,733,310
	Life risk	Gross	296,913,329	39,408,556	215,732,929	552,054,814
		Net	294,588,271	15,661,085	85,364,642	395,613,998
	Investments with DPF	Gross	2,936,961	-	-	2,936,961
		Net	2,824,361	-	-	2,824,361
Total		**Gross**	**674,874,506**	**445,919,059**	**4,655,321,297**	**5,776,114,862**
		Net	**655,858,535**	**366,240,925**	**1,207,182,453**	**2,229,281,913**

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)

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	2024 Shs'000	2023 Shs'000
Government securities held at amortised cost	31i)	B-	-	12 months	77,412,447	67,523,216
Corporate bonds held at amortised cost	31(ii)	B	-	12 months	1,022,602	1,018,291
Government securities at fair value	30(i)	B-	-	12 months	66,435,794	46,000,195
Unit trusts	30(iii)	-	Group 2	12 months	11,217,275	10,725,301
Mortgage loans and receivables	32	-	Group 2	12 months	957,805	1,129,886
Other receivables (excluding prepayments)	38	-	Group 2	Mix of both lifetime & 12 months	2,236,328	2,841,388
Deposits with financial institutions	39(i)	-	Group 2	12 months	5,272,476	9,438,972
Cash and bank balances (excluding cash in hand)	39(i)	-	Group 2	12 months	1,683,771	1,201,909
Total					**166,238,498**	**139,879,158**

The above table represents a worst-case scenario of credit risk exposure to the Group at 31 December 2024 and 2023, 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, 86% of the total maximum exposure is derived from government securities (2023: 81%). 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 2,016,062,000 (2023: Shs 1,923,344,000). 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.

Maximum exposure to credit risk before collateral held

Company

Assets	Notes	External credit rating	Internal Credit rating	12-month or lifetime ECL	2024 Shs'000	2023 Shs'000
Corporate bonds held at amortised cost	31(ii)	B	-	12 months	998,742	992,604
Receivables from related parties	45(i)	-	Group 2	12 months	389,023	328,285
Other receivables (excluding pre-payments)	38	-	Group 2	Mix of both life time & 12 months	368,173	493,777
Deposits with financial institutions	39(i)	-	Group 2	12 months	194,400	39,350
Cash and bank balances (excluding cash in hand)	39(i)	-	Group 2	12 months	98,696	22,191
Total					**2,049,034**	**1,876,207**

The above table represents a worst-case scenario of credit risk exposure to the Company at 31 December 2024 and 2023, 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, 49% of the total maximum exposure is derived from corporate bonds (2023: 54%). In the opinion of the Directors there is no other significant concentration of the credit risk at year end.

46. Risk management objectives and policies (continued)

Credit risk- Group and Company (continued)

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 taken into account 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.

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.
Equities - dividend income	Default in contractual cashflows	Company closure, default on debt, credit rating downgrade, adverse material mention, change in balance sheet debt composition, debt covenant breach, adverse change in business model, company insolvency 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)

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 dentified 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 202 with all other variables held constant, the impact on the ECL would be as below.

Group

Asset Type (Shs '000)	+10% Change on PD&LGD	-10% Change on PD&LGD
Cash and bank balances	1,563	1,563)
Deposits with financial institutions	10,744	(10,744)
Government Securities at amortized cost	16,482	(16,482)
Corporate bonds at amortised cost	3,047	(3,047)
Mortgage loans receivables	5,550	(5,550)
Other receivables	19,357	(19,357)
Total	**56,743**	**(56,743)**

Company

Asset Type (Shs '000)	+10% Change on PD&LGD	-10% Change on PD&LGD
Cash and bank balances	1	(1)
Deposits with financial institutions	28	(28)
Government securities at amortized cost	3	(3)
Corporate bonds at amortised cost	2,968	(2,968)
Loans and receivables from related parties	32,929	(32,929)
Other receivables	3,296	(3,296)
Total	**39,225**	**(39,225)**

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 as 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 take into account 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, taking into account 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, taking into account 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 on the basis of 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)

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 provide 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 excludes 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 Govern-ment	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 nei-ther investment assets nor insurance receiv-able	These are each assessed individually based on the unique factors that include the nature, ag-ing, collateral to determine a loss rate adjusted with a macroeconomic factor

46. Risk management objectives and policies (continued)

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 Deposits with financial institutions	There has been no significant increase in credit risk as: • All cash is held with financial institutions with low risk of default. • The cash is accessible whenever needed or on maturity of the deposits • There are no adverse economic changes expected to impact the banks' ability to meet the obligations when they fall due
Government securities	There has been no significant increase in credit risk as: • All government paper is with the Government of Kenya with low risk of default • The Government is able to its obligations i.e. coupons and redemptions when they fall due • There are no adverse economic changes expected to impact the ability of the Government to meet its obligations when they fall due
Mortgage loans receivables	There has been no significant increase in credit risk as: • All loans are secured on the mortgaged property (land and building) thus low risk of default • The collateral value covers the outstanding obligations • There are no adverse economic changes expected to impact the value of the collateral or ability of the borrowers to meet their obligations • The loan is covered through a credit life insurance cover on the borrower
Corporate bonds at amortised cost	These items are assessed to at each reporting date based on their respective external credit ratings where available and other financial and non-financial information.
Loans and receiv-ables from related parties	Assessed as low credit risk • All related parties are under the control of the same Group with low risk of default • There are no adverse economic changes expected to impact the ability of the group companies to meet their obligations
Other receivables	Incorporates different counterparties including staff, agents and others all of which are assessed independently. The simplified approach has been applied.

46. Risk management objectives and policies (continued)

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		Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL	Lifetime ECL	Total	12-month ECL	Lifetime ECL	Lifetime ECL	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
At 1 January 2023	**129,027**	**152,952**	**243,596**	**525,575**	**32,123**	**65,151**	**415,373**	**512,647**
Net staging transfers	-	-	-	-				
Changes in PDs/LGDs/ EADs	543	1,164	-	1,707	6,966	-	(38,426)	(31,460)
	-	-	-	-				
Net charge to profit or loss in the year	543	1,164	-	1,707	6,966	-	(38,426)	(31,460)
At 31 December 2023	**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	30,716	127,904	-	(1,353)	-	(1,353)
	-	-	-	-				
Net charge to profit or loss in the year	9,970	87,217	30,716	127,904	-	(1,353)	-	(1,353)
Other movements with no profit or loss impact:								
Write-offs	-	-	(87,750)	(87,750)	-	-	(87,750)	(87,750)
At 31 December 2024	**139,540**	**241,333**	**186,562**	**567,436**	**39,089**	**63,798**	**289,197**	**392,084**

46. Risk management objectives and policies (continued)

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	Deposits with financial institutions	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	Shs 000
Balance as at 1 January 2023	**16,213**	**121,514**	**12,610**	**31,080**	**55,238**	**288,920**	**525,575**
Changes in PDs/LGDs/ EADs	815	(12,636)	30,155	898	258	(17,699)	1,707
New financial assets originated/purchased							-
Net charge to profit or loss in the year	**815**	**(12,636)**	**30,155**	**898**	**258**	**(17,699)**	**1,707**
Other movements with no profit or loss impact:							-
Write-offs	-	-	-	-	-		-
Balance as at 31 December 2023	**17,028**	**108,878**	**42,765**	**31,978**	**55,496**	**271,221**	**527,282**
Changes in PDs/LGDs/ EADs	(1,394)	(1,435)	122,059	(1,504)	-	10,094	127,820
New financial assets originated or 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	**15,634**	**107,443**	**164,824**	**30,474**	**55,496**	**193,565**	**567,352**

46. Risk management objectives and policies (continued)

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	Deposits with financial institutions	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	Shs 000
Balance as at 1 January 2023	**1**	**143**	**-**	**30,380**	**366,619**	**115,504**	**512,647**
Net staging transfers							
Changes in PDs/LGDs/ EADs	2	(135)	35	758	(37,330)	5,210	(31,460)
New financial assets originated or purchased							**-**
Net charge to profit or loss in the year	2	(135)	35	758	(37,330)	5,210	(31,460)
Other movements with no profit or loss impact:							-
Write-offs							
Balance as at 31 December 2023	3	8	35	31,138	329,289	120,714	481,187
Net staging transfers							
Changes in PDs/LGDs/ EADs	11	268	(6)	(1,462)	(164)	-	(1,353)
New financial assets originated or purchased							-
Net charge to profit or loss in the year	**11**	**268**	**(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	**14**	**276**	**29**	**29,676**	**329,125**	**32,964**	**392,084**

46. Risk management objectives and policies (continued)

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 2024	Carrying	0-3	4-12	1-5	Over 5	Total
	Values	Months	Months	Years	Years	
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	-	4,951,325	1,644,780	-	6,596,105
Total financial liabilities	**172,580,612**	**1,290,911**	**10,052,086**	**159,989,857**	**149,505,023**	**320,837,877**
31 December 2023	Carrying	0-3	4-12	1-5	Over 5	Total
	Values	Months	Months	Years	Years	
Liabilities	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000
Insurance contract liabilities	136,911,439	1,776,062	6,471,694	240,195,719	229,349,885	477,793,360
Reinsurance contract liabilities	561,024	57,224	161,152	517,035	42,179	777,590
Borrowings	2,581,068	80,725	1,000,000	1,300,344	-	2,881,069
Lease liability	632,186	27,688	183,065	521,433	-	732,186
Provisions and other payables	6,176,775	-	4,586,174	1,523,481	-	6,109,655
Total financial liabilities	**146,862,492**	**1,941,699**	**12,402,085**	**244,058,012**	**229,392,064**	**488,293,860**

All figures are in thousands of Kenya Shillings and are presented undiscounted.

Company

	Carrying	0 – 3	4 -12	1-5	Totals
At 31 December 2024	Values	Months	Months	Years	
	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000
Liabilities					
Lease liability	173,939	64,432	109,507	-	173,939
Provisions and other payables	2,157,319	381,618	150,760	1,624,941	2,157,319
Total financial liabilities	**2,331,258**	**446,050**	**260,267**	**1,624,941**	**2,331,258**
	Carrying	0 – 3	4-12	1-5	Totals
At 31 December 2023	Values	Months	Months	Years	
	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000
Liabilities					
Borrowings	1,567,894	39,919	1,218,069	1,554,304	2,812,292
Lease liability	38,400	16,892	28,709	-	45,601
Provisions and other payables	1,922,618	357,790	141,347	1,523,481	2,022,618
Total financial liabilities	**3,528,912**	**414,601**	**1,388,125**	**3,077,785**	**4,880,511**

46. Risk management objectives and policies (continued)

The table below shows the liquidity surplus/(gap) assessed on the carrying values

(c) Liquidity risk (continued)

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	Carrying	Carrying	Carrying	Carrying
	values	values	values	values
Liabilities	Shs '000	Shs '000	Shs '000	Shs '000
Borrowings:				-
• Bank loan	-	1,000,000	-	1,000,000
• Other borrowings	1,100,586	1,523,728	510,554	510,554
Interest payable	-	57,340	-	57,340
Lease liability	784,972	632,186	173,939	38,400
Provisions and other payables	6,666,582	6,109,655	1,782,910	1,922,618
Total financial liabilities	**8,552,140**	**9,322,909**	**2,467,403**	**3,528,912**
Assets held for managing liquidity risk				
Cash and cash equivalents	7,882,093	10,640,881	293,096	61,541
Financial assets at fair value	79,732,942	58,957,327	-	-
Financials assets at amortised cost	78,435,049	68,541,507	1,011,436	1,046,945
Other receivables	2,145,510	2,976,257	339,145	705,113
Total assets	**168,195,594**	**141,115,972**	**1,643,677**	**1,813,599**
Liquidity surplus/(gap)	**159,643,456**	**131,793,063**	**(823,726)**	**(1,715,313)**

(d) Market risk

(i) Price risk

The Group is exposed to equity securities price risk because of investments in quoted shares 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 2024, if the Nairobi Securities Exchange (NSE) prices had changed by 15% (2023: 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 303,541,000 (2023: Shs 103,033,000) higher/lower, and the equity would have been Shs 212,479,000 (2023: Shs 72,123,100) higher/lower.

The concentration on equities in general and on specific counters is closely monitored. As at 31 December 2024 and 31 December 2023, the group had no significant concentration in any specific counter.

46. Risk management objectives and policies (continued)

(d) Market risk (continued)

(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 2024, 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 82,779,400 (2023: Shs 58,918,300) 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 2024 and 2023.

(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 2024, if the UGX had strengthened/weakened by 5% (2023: 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 14,341,000 (2023: Shs 15,920,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of UGX denominated Net assets.

At 31 December 2024, if the RWF had strengthened/weakened by 5% (2023: 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 3,832,000 (2023: Shs 2,020,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of RWF denominated trade receivables and payables.

At 31 December 2024, if the TZS had strengthened/weakened by 5% (2023: 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 2,947,000 (2023: Shs 1,779,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of TZS denominated trade receivables and payables.

At 31 December 2024, if the MWK had strengthened/weakened by 5% (2023: 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 4,541,000 (2023: Shs 6,090,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of MWK denominated trade receivables and payables.

At 31 December 2024, if the MZN had strengthened/weakened by 5% (2023: 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 178,000 (2023: Shs 3,563,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of MZN denominated trade receivables and payables.

At 31 December 2024, if the SSP had strengthened/weakened by 5% (2023: 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 48,837,000 (2023: Shs 14,439,000) 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 2024 and 31 December 2023.

46. Risk management objectives and policies (continued)

(d) Market risk (continued)

(iii) Foreign exchange risk (continued)

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 16 (i) 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 53 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.

i) Britam General Insurance Company (Kenya)Limited	2024		2023	
	Regulatory requirement	Maintained by the Company	Regulatory requirement	Maintained by the Company
	Shs'000	Shs'000	Shs'000	Shs'000
Capital at 31 December	600,000	2,668,000	600,000	2,668,000
Solvency margin	2,753,176	5,373,175	1,848,390	3,350,729

	2024		2023	
ii) Britam Insurance Company (Uganda) Limited	Regulatory requirement	Maintained by the Company	Regulatory requirement	Maintained by the Company
	UGX '000	UGX'000	UGX'000	UGX '000
Short-term capital	6,00,000	14,360,000	6,000,000	14,360,000
Solvency margin	11,343,200	36,154,667	9,864,199	34,934,205

iii) Britam Micro Insurance Company (Kenya) Limited *	2024		2023	
	Regulatory requirement	Maintained by the Company	Regulatory requirement	Maintained by the Company
	Shs'000	Shs'000	Shs'000	Shs'000
Capital at 31 December	50,000	100,000	-	-

* Britam Micro Insurance Company (Kenya) Limited did not underwrite in 2024.

46. Risk management objectives and policies (continued)

(e) Capital management (continued)

iv) Britam Insurance Company Limited (South Sudan)	2024 Regulatory requirement USD'000	2024 Maintained by the Company USD'000	2023 Regulatory requirement USD'000	2023 Maintained by the Company USD'000
Capital at 31 December	4,500	4,500	4,500	4,500

v) Britam Insurance Company (Rwanda) Limited	2024 Regulatory requirement Rwfs'000	2024 Maintained by the Company Rwfs'000	2023 Regulatory requirement Rwfs'000	2023 Maintained by the Company Rwfs'000
Capital at 31 December	1,000,000	3,431,960	1,000,000	3,431,960
Solvency margin	769,198	1,280,859	500,000	2,122,318

vi) Britam - Companhia De Seguros De Mozambique S.A.	2024 Regulatory requirement Mzns'000	2024 Maintained by the Company Mzns'000	2023 Regulatory requirement Mzns'000	2023 Maintained by the Company Mzns'000
Capital at 31 December	97,000	300,907	97,000	300,907
Solvency margin	134,332	514,226	133,209	587,058

vii) Britam Insurance (Tanzania) Limited	2023 Regulatory requirement TShs'000	2023 Maintained by the Company TShs'000	2023 Regulatory requirement TShs'000	2023 Maintained by the Company TShs'000
Capital at 31 December	2,108,744	2,289,000	2,108,744	2,289,000
Solvency margin	3,392,074	6,901,502	3,898,289	6,729,798

viii) Britam Insurance Company Limited (Malawi)	2024 Regulatory requirement Mwks'000	2024 Maintained by the Company Mwks'000	2023 Regulatory requirement Mwks'000	2023 Maintained by the Company Mwks'000
Capital at 31 December	750,000	1,864,343	750,000	1,864,343
Solvency margin	1,799,138	3,111,397	3,234,051	5,232,208

ix) Britam Life Assurance Company (Kenya) Limited	2024 Regulatory requirement Shs'000	2024 Maintained by the Company Shs'000	2023 Regulatory requirement Shs'000	2023 Maintained by the Company Shs '000
Capital at 31 December	400,000	1,200,000	150,000	400,000
Solvency margin	9,344,209	14,536,611	6,366,694	7,063,112

x) Britam Life Assurance Company (Uganda) Limited	2024 Regulatory requirement UGX'000	2024 Maintained by the Company UGX'000	2023 Regulatory requirement UGX'000	2023 Maintained by the Company UGX '000
Capital at 31 December	4,500,000	4,500,000	-	-
Solvency margin	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)

	2024		2023	
Britam Asset Managers (Kenya) Limited	**Regulatory requirement**	**Maintained by the Company**	**Regulatory requirement**	**Maintained by the Company**
	Shs'000	**Shs'000**	**Shs'000**	**Shs '000**
Capital at 31 December	10,000	288,500	10,000	288,500
Working capital at 31 December	15,099	116,070	14,023	29,507

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.

(e) Fair value estimation

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 that 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 2024 and 2023:

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 ordinary shares	30	2,001,313	-	-	2,001,313
- Unquoted ordinary shares	30	-	-	78,560	78,560
- Government securities	30	-	66,435,794	-	66,435,794
- Unit trusts	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**

Group 2023		**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 ordinary shares	30	2,156,902	-	-	2,156,902
- Unquoted ordinary shares	30	-	-	74,929	74,929
- Government securities	30	-	46,000,195	-	46,000,195
- Unit trusts	30	-	10,725,301	-	10,725,301
Property and equipment – building	22	-	-	777,035	777,035
Investment property	29(i)	-	-	15,992,881	15,992,881
Total assets		**2,156,902**	**56,725,496**	**16,844,845**	**75,727,243**

There were no transfers between Levels 1, 2 and 3 during the year.

46. Risk management objectives and policies (continued)

(e) Capital management (continued)

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					

Company 2023		Level 1	Level 2	Level 3	Total
Assets	Notes	Shs'000	Shs'000	Shs'000	Shs'000
Investment property	29(i)	-	-	80,000	80,000
Investment in property funds	29(ii)	-	-	2,100,442	2,100,442
Total assets				**2,180,442**	**2,180,442**

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 unit trusts) 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.

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 unit trusts 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 78,560,000 as at 31 December 2024 (2023: Shs 74,929,000). 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.

46. Risk management objectives and policies (continued)

(e) Fair value estimation (continued)

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	
	2024	2023
	Shs '000	Shs '000
At start of year	74,929	50,175
Additions	725	186
Fair value gains	(2,768)	-
Translation gain/(loss)	5,674	24,568
At end of year	**78,560**	**74,929**

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 ordinary shares carried by the Group in December 2024 and 2023.

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

The table here below shows the fair value amounts of assets and liabilities being carried at amortised cost:

Group			2024		2023	
	Notes	Fair value Level	Carrying amounts at amortised	Fair value	Carrying amounts at amortised	Fair value
			Shs '000	Shs '000	Shs '000	Shs '000
Assets						
Government securities	31(i)	Level 2	77,577,271	75,520,032	67,523,216	57,899,001
Corporate bonds	31(ii)	Level 2	1,022,602	1,022,602	1,018,291	1,018,291
Mortgage loans and receivables	32	Level 2	957,805	957,805	1,129,886	1,129,886
Other receivables	37	Level 2	2,145,510	2,145,510	2,976,257	2,976,257
Total assets			**81,703,188**	**79,645,949**	**72,647,650**	**63,023,435**
Liabilities						
Borrowings						
• Bank loan	16(i)	Level 2	-	-	1,000,000	1,000,000
• Other borrowings	16(i)	Level 2	1,100,586	1,100,586	1,523,728	1,523,728
• Interest payable	16(i)	Level 2	-	-	57,340	57,340
Provisions and other payables	40	Level 2	6,666,582	6,666,582	6,109,655	6,109,655
Total liabilities			**7,767,168**	**7,767,168**	**8,690,723**	**8,690,723**

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.

47. 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.
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 Unit Trust Funds.

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.

47. Segmental information - Group (continued)

The segment information provided to the Executive Management Committee for the reportable segments for the year ended 31 December 2024 and 2023 is as follows:

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	13,682,024	27,262,601	-	-	-	40,944,625
Insurance service expenses	(8,910,683)	(20,472,519)	-	-	-	(29,383,202)
Net expenses from reinsurance contracts held	(1,024,790)	(5,469,662)	-	-	-	(6,494,452)
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 from investments at fair value through profit or loss	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	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	-	-	(179,779)	-	-	(179,779)
Other finance costs	(37,174)	(66,257)	(16,951)	(5,936)	(260,835)	(387,153)
Reportable segment (loss)/profit	**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 (loss)/profit before tax	**5,610,199**	**2,894,870**	**58,806**	**535,502**	**(452,907)**	**8,646,470**
Tax expense/(credit)	(1,684,604)	(773,144)	(15,548)	(1,560)	(179)	(2,475,035)
Segment (loss)/profit after tax	**3,925,595**	**2,121,726**	**43,258**	**533,942**	**(453,086)**	**6,171,435**

The reconciliation of the segment profit after tax for all segments to the consolidated income statement is shown in Note 47 (b).

47. 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.

Profit per segment

2023	Life insurance business	Non-life insurance business	Asset Management	Property	Other	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Insurance revenue	13,828,180	25,703,806	-	-	-	39,531,986
Insurance service expenses	(10,066,915)	(18,165,234)	-	-	-	(28,232,149)
Net expenses from reinsurance contracts held	(1,827,468)	(5,722,144)	-	-	-	(7,549,612)
Insurance service result	**1,933,797**	**1,816,428**	**-**	**-**	**-**	**3,750,225**
Net income from investment property	657,407	11,373	5,666	482,491	28,956	1,185,893
Interest and dividend income	12,923,886	2,325,455	30,464	56,640	432,587	15,769,032
Net realised gains on financial assets	27,436	13,988	-	(7,751)	257	33,930
Net unrealised fair value gains on financial assets at fair value through profit or loss	(4,663,405)	(19,387)	-	-	-	(4,682,792)
Net investment income	**8,945,324**	**2,331,429**	**36,130**	**531,380**	**461,800**	**12,306,063**
Finance income/expenses from insurance contracts issued	(8,044,908)	(1,094,797)	-	-	-	(9,139,705)
Finance income/expenses from reinsurance contracts held	104,913	474,017	-	-	-	578,930
Net insurance finance income/expenses	**(7,939,995)**	**(620,780)**	**-**	**-**	**-**	**(8,560,775)**
Net insurance and investment result	**2,939,126**	**3,527,077**	**36,130**	**531,380**	**461,800**	**7,495,513**
Fund management fees	-	-	826,715	-	-	826,715
Other income	26,750	588,102	31,697	37,669	83,402	767,620
Other expenses	(708,548)	(802,792)	(702,472)	(31,668)	(978,332)	(3,223,812)
Fund management commission	-	-	(199,528)	-	-	(199,528)
Other finance costs	(20,351)	(65,012)	(22,939)	(9,924)	(168,168)	(286,394)
Reportable segment (loss)/profit	**2,236,977**	**3,247,375**	**(30,397)**	**527,457**	**(601,298)**	**5,380,114**
Share of profit of associates	143,739	-	-	-	75,341	219,080
Segment (loss)/profit before tax	**2,380,716**	**3,247,375**	**(30,397)**	**527,457**	**(525,957)**	**5,599,194**
Tax expense/(credit)	(714,215)	(784,845)	(28,340)	(1,039)	(11,937)	(1,540,376)
Segment (loss)/profit after tax	**1,666,501**	**2,462,530**	**(58,737)**	**526,418**	**(537,894)**	**4,058,818**

47. Segmental information – Group (continued)

Reconciliation of segments profit after tax to the consolidated income statement

	2024	2023
	Shs'000	Shs'000
Total profit as per segmental reporting	**6,348,601**	**4,058,818**
Income from intra-segmental adjustments		
Intercompany loan interest income	(103,561)	(29,238)
Rental income from related parties	(73,837)	(67,494)
Management fees from related parties	(226,794)	(186,965)
Dividend income from subsidiaries	(475,843)	(261,196)
Share of Britam Tower LLP net assets in Britam Holdings Plc and Britam Life Assurance Company (Kenya) Limited	(657,815)	(512,738)
Reversal of Share of HF Group OCI recycled in Holdings books	(116,284)	-
NPS/KPS business Booked in Life	(3,387,891)	(3,095,788)
NPS/KPS Ceded premium to GI	3,387,891	3,095,788
NPS/KPS commission earned	(677,578)	(805,754)
Fair value gains on Unquoted shares (Cont Re) booked in Life	(115,704)	-
Recognition of Cont re impairment at Group	(111,417)	-
Interest income on Britam Asset Managers Kenya factored debtors	-	(10,822)
Britam Life share of HF Group profit/(loss) adjusted at group	(40,105)	(5,765)
Bargain Purchase on ContRe	80,847	-
Associate share of profit – ContRe	120,845	-
Other income/mark up	(4,243)	(1,492)
Total adjustments on income	**(2,401,489)**	**(1,881,464)**
Expenses from intra-segmental adjustments		
Intercompany loan interest expense	103,561	29,238
Mark up charge	4,243	1,492
Management fees expense from related parties	226,794	186,965
NPS/KPS business booked in Life – Claims	(1,414,374)	1,377,300
NPS/KPS ceded to GI Kenya - Claims	1,414,374	(1,377,300)
NPS/KPS Commission expense	677,578	805,754
Interest income on BAM Ke factored debtors	-	10,822
Rental income to related parties	73,837	67,494
Total adjustments on expenses	**1,086,013**	**1,101,765**
Profit as per the consolidated income statement	**5,033,125**	**3,279,119**

47. Segmental information – Group (continued)

Other segment reporting disclosures

2024	Life insurance business	Non- life insurance business	Asset Management	Corporate & Other	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
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**
2023					
Depreciation and amortization	174,541	222,505	67,942	51,807	516,795
Investments in associates	2,013,084	-	-	659,792	2,672,876
Additions to non-current assets	228,207	122,030	7,707	6,964	364,908
Total assets	**135,511,629**	**34,236,059**	**949,238**	**3,697,044**	**174,393,970**
Total liabilities	**120,829,055**	**26,039,961**	**362,769**	**1,473,788**	**148,705,573**

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.

Income by geographical segments

The results of the Group's Insurance revenue from external customers are as follows:

	2024	2023
	Shs'000	Shs'000
Kenya	30,657,482	27,791,055
Uganda	2,932,865	3,531,217
South Sudan	1,387,946	1,770,849
Rwanda	785,556	840,583
Tanzania	1,941,109	2,282,440
Malawi	1,028,694	1,084,487
Mozambique	2,210,973	2,231,355
Total	**40,944,625**	**39,531,986**

Insurance revenues are allocated based on the country in which the insurance and other contracts are issued. Management considers its external customers to be the 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.

47. Segmental information - Group (continued)

f) The total of all assets are allocated as follows:

	2024 Shs'000	2023 Shs'000
Kenya	194,084,726	158,551,907
Uganda	3,973,429	5,223,059
South Sudan	1,649,565	1,568,741
Rwanda	1,395,374	1,294,038
Tanzania	3,034,140	3,000,499
Malawi	1,613,549	1,763,579
Mozambique	2,780,991	2,992,147
Total	**208,531,774**	**174,393,970**

g) 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:

	2024 Shs'000	2023 Shs'000
Kenya	42,337,015	34,660,100
Uganda	614,185	630,271
South Sudan	23,824	64,121
Rwanda	52,402	76,283
Tanzania	194,050	173,860
Malawi	67,175	95,796
Mozambique	94,319	117,952
Total	**43,382,970**	**35,818,383**

48. New and revised Accounting standards

New and revised IFRS that are effective for the year ended 31 December 2024

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 1, 'Presentation of Financial Statements' - Non-current liabilities with covenants	These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.	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.
Amendments to Supplier Finance Arrangements (IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosure')	These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.	The Group anticipates no impact to its financial statements.

48. New and revised Accounting standards (continued)

New and revised IFRS that are not mandatorily effective (but allow early application) for the year ended 31 December 2024 (continued)

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
Amendments to IAS 21, 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability (Amendments to IAS 21)	Annual periods beginning on or after 1 January 2025	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 impact to its 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: • 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 significant impacts to its financial statement's disclosures.
IFRS 18, 'Presentation and Disclosure in Financial Statements'	Annual periods beginning on or after 1 January 2027	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. 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. 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'.	The group anticipates significant impacts to its financial statements disclosures.
IFRS 19, 'Subsidiaries without Public Accountability'	Annual periods beginning on or after 1 January 2027	The objective of IFRS 19 is to provide reduced disclosure requirements for subsidiaries, with a parent that applies the Accounting Standards in its consolidated financial statements. IFRS 19 is a voluntary Accounting Standard that eligible subsidiaries can apply when preparing their own consolidated, separate or individual financial statements.	The Group anticipates no impact to its financial statements.

49. Events after the balance sheet date

There were no material events after the balance sheet date.

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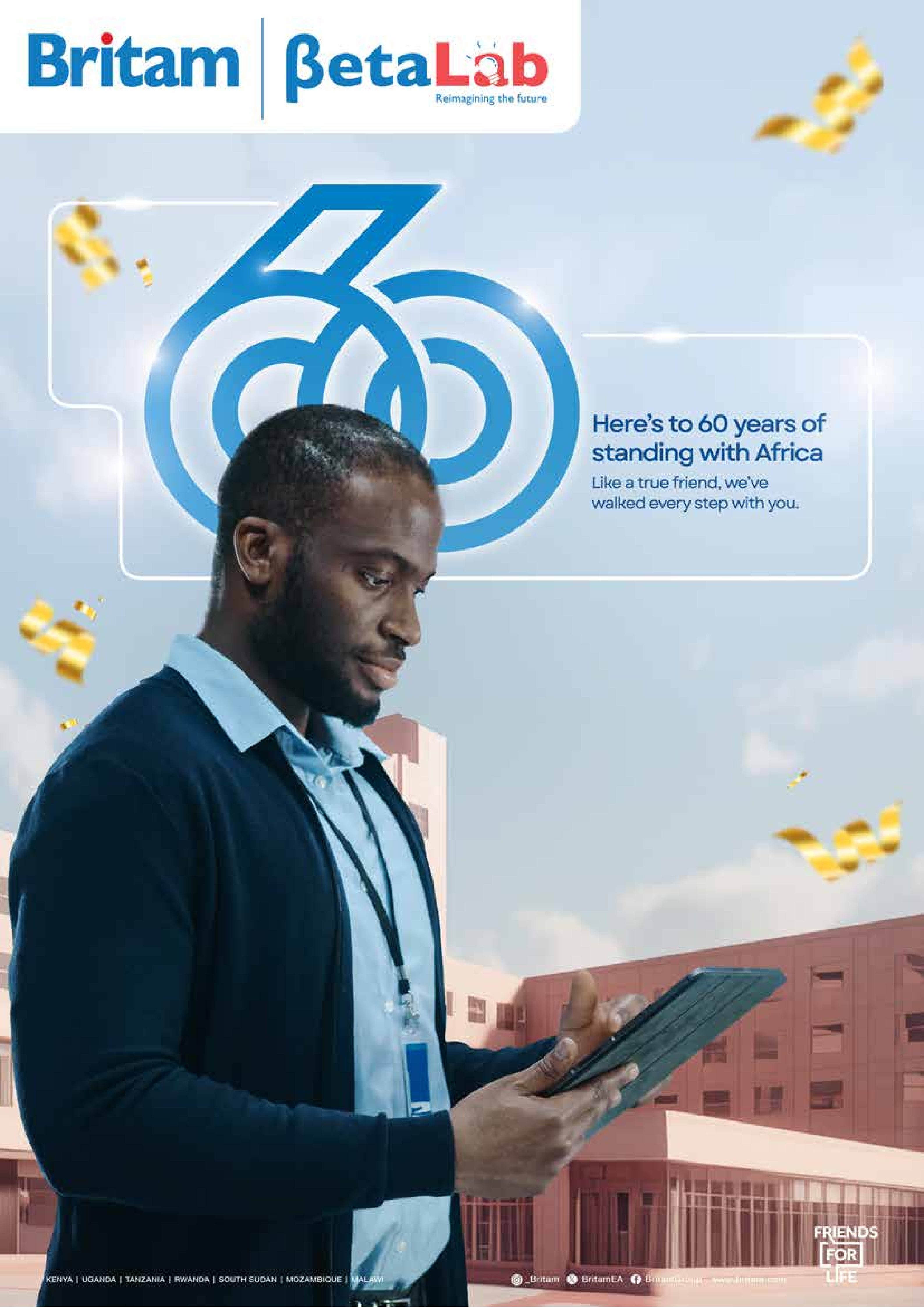

Britam
βetaLab
Reimagining the future
60
Here's to 60 years of standing with Africa
Like a true friend, we've walked every step with you.
KENYA | UGANDA | TANZANIA | RWANDA | SOUTH SUDAN | MOZAMBIQUE | MALAWI
_Britam
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FRIENDS FOR LIFE

OTHER CORPORATE INFORMATION

NOTICE OF THE 29TH ANNUAL GENERAL MEETING

To the Shareholders of Britam Holdings Plc

NOTICE IS HEREBY GIVEN THAT IN ACCORDANCE WITH THE ARTICLES OF ASSOCIATION OF THE COMPANY, THE 29TH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD VIA ELECTRONIC COMMUNICATION ON THURSDAY, 26 JUNE 2025 AT 10:00 A.M., WHEN THE BUSINESS SET OUT BELOW WILL BE TRANSACTED.

ORDINARY BUSINESS

1. To table the proxies and note the presence of a quorum.
2. To read the notice convening the Meeting.
3. To receive and, if approved, adopt the audited Consolidated Financial Statements for the year ended 31 December 2024, together with the Chairman's, the Directors' and Auditor's Reports thereon.
4. To note that the Directors do not recommend the payment of a dividend for the Financial Year ended 31 December 2024.
5. 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 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.

iii. 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.

5 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) Mrs. Celestine Munda
b) Ms. Susan Abisola
c) Ms. Judy Rugasira Kyanda

7. Directors' Remuneration: -

a) To approve the Directors' Remuneration Policy as shown in the audited Financial Statements for the year ended 31 December 2024.

b) To approve the Directors' Remuneration Report as shown in the audited Financial Statements for the year ended 31 December 2024 and to authorize the Board to fix the remuneration of the Directors.

8. To re-appoint PricewaterhouseCoopers (PwC) 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.
9. 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: 4th June 2025

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*903#** 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 5 June 2025 at 9:00 a.m. and will close on 24 June 2025 at 11.00 a.m. Shareholders will not be able to register after 24 June 2025 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: (i) a copy of this Notice; (ii) the Proxy Form (iii) Copy of the Audited Financial Statements for the year 2024.

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 23 June 2025 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 25 June 2025. A full list of all questions received, and the answers thereto will be published on the Company's website not later than 28 June 2025.

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 authorised 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 23 June 2025 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. ....
ID/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 2025 Annual General Meeting to be held on Thursday 26th June 2025 at 10.00 AM and at any adjournment thereof.

As witness my/our hand this ....day of 2025

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 2024, 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 2024.			
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.			
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	Directors' Remuneration: - a) To approve the Directors' Remuneration Policy as shown in the audited Financial Statements for the year ended 31 December 2024. b) To approve the Directors' Remuneration Report as shown in the audited Financial Statements for the year ended 31 December 2024 and to authorize the Board to fix the remuneration of the Directors.			
6	To re-appoint PricewaterhouseCoopers (PwC) 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.			

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, 24 June 2025 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 24 June 2025 at 10.00 am.

3. Any proxy registration that is rejected will be communicated to the shareholder concerned no later than 24 June 2025 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 26 June 2025.

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: ....

TANGAZO LA MKUTANO MKUU WA MWAKA WA 29

KWA WENYEHISA WA BRITAM HOLDINGS PLC

MNAARIFIWA KWAMBA kufungamana na Kanuni za Kampuni, MKUTANO MKUU WA KILA MWAKA WA 29 wa Kampuni utafanyika kielekroniki kwa mawasiliano ya simu na mitandao ya kidijitali mnamo Alhamisi, Juni 26, 2025, kuanzia saa nne za asubuhi ili kuendesha shughuli zifuatazo:

SHUGHULI ZA KAWAIDA

1. Kuwasilisha majina ya wawakilishi wa wenyehisa wanaoruhusiwa kisheria kuhudhuria na kupiga kura katika mkutano lakini wakakosa nafasi ya kufika, na kuthibitisha kuna idadi ya watu inayohitajika ili mkutano ufanyike.
2. Kusoma ilani ya kuitisha mkutano mkuu wa mwaka.
3. Kupokea, kutathmini, na ikikubaliwa, kuidhinisha taarifa za jumla za hesabu zilizokaguliwa za mwaka uliomalizika Desemba 31, 2024, pamoja na taarifa za Mwenyekiti, Wakurugenzi na Wakaguzi wa Hesabu.
4. Kuarifu kwamba wakurugenzi hawatapendekeza malipo ya mgawo wa faida ya mwaka uliomalizika Desemba 31, 2024.
5. Wakurugenzi:

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. Kwa vile anastahili, anajitolea kuchaguliwa tena kuwa mkurugenzi wa Kampuni.
ii) 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. Kwa vile anastahili, anajitolea kuchaguliwa tena kuwa mkurugenzi wa Kampuni.
iii) AfricInvest III SPV 1, Shirika Mkurugenzi linalowakilishwa na Bw George Odo lililoteuliwa kujaza nafasi iliyotokea katika bodi kabla mwaka haujamalizika na bila kuidhinishwa na wenyehisa, linastaafu kwa mujibu wa Kifungu 114 cha Kanuni za Kampuni na kwa vile linastahili, linajitolea kuchaguliwa tena kuwa mkurugenzi wa Kampuni.

6. 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 Udhibiti wa Hatari za Kibiashara
   a. Bi Celestine Munda
   b. Bi Susan Abisola
   c. Bi Judy Rugasira Kyanda

7. Malipo ya wakurugenzi: -

a) Kuidhinisha Sera ya Malipo ya Wakurugenzi kama ilivyoonyeshwa kwenye taarifa ya kifedha iliyokaguliwa ya mwaka uliomalizika Desemba 31, 2024.
b) Kuidhinisha ripoti ya malipo ya wakurugenzi kama ilivyoonyeshwa kwenye taarifa ya kifedha iliyokaguliwa ya mwaka uliomalizika Desemba 31, 2024, na kuipatia Bodi kibali cha kuweka kiwango cha malipo kwa wakurugenzi.

8. Kuwateua Messrs PriceWaterhouseCoopers (PWC) 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.

9. 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
Juni 4, 2025

KUMBUKENI KWAMBA:

1. Britam Holdings Plc imeitisha na inafanya mkutano huu 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*903#** 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 utaanza Juni 5, 2025 saa tatu za asubuhi na kufungwa saa tano za asubuhi ya Juni 24, 2025. Wenyehisa hawataweza kujiandikisha kushiriki katika mkutano huo baada ya saa tano za asubuhi ya Juni 24, 2025.

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. Tangazo hili;
ii. Fomu ya uteuzi wa wawakilishi katika mkutano; na
iii. Taarifa za hesabu za kampuni zilizokaguliwa za mwaka 2024.

Mwenyehisa anaweza pia kuomba ripoti hizo kwa kubonyeza *483*903# 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*903# na kuchagua 'uliza swali' kwenye jukwaa la yaliyomo;
iii. wapo 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 maswali yakiwa na anwani ya posta kwa njia ya barua za kusajiliwa 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 Juni 23, 2025.

Wasimamizi na Wakurugenzi wa kampuni watajibu maswali yote yatakayopokelewa kupitia kwa anwani za e-mail zilizotolewa na wenyehisa kufikia Juni 25, 2025. Orodha kamili ya maswali yaliyopokelewa, na majibu yake itachapishwa kwenye mtandao wa kampuni kufikia Juni 28, 2025.

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 ya mkono. 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 mwenyehisa au wakili wake. Iwapo mteuzi ni shirika, barua ya uteuzi wa mwakilishi ni lazima iwe na muhuri rasmi wa shirika au saini 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 Juni 25, 2025.

11. Mkutano utaletwa moja kwa moja 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 email 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
S.L.P. 30375 GPO 00100,
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: .... Email ....
na asipokuwepo ninateua/tunateua: .... wa (anwani):
.... Namba ya simu: .... Email ....
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 2025 utakaofanyika kuanzia saa nne za asubuhi ya Alhamisi, Juni 26, 2025, na iwapo utaahirishwa, mnamo tarehe nyingine yoyote itakayotengwa.

Ninashuhudia kwa kutia sahihi tarehe .... mwezi 2025

Sahihi ....

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....

....

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 below;

BRITAM LIFE ASSURANCE COMPANY (KENYA) LIMITED
CEO/Principal Officer: Mr. Ambrose Dabani
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
Ag. 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 below.

BRITAM ASSET MANAGERS (UGANDA) LIMITED
General Manager: Mr. Ronald Kasolo
Email: britamug@britam.com

BRITAM LIFE ASSURANCE COMPANY (UGANDA) LIMITED
CEO/ Principal Officer: Ms. Aidah Nkwanzi
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 REINSURANCE 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	**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
SECRETARY Hilda M. Njeru Britam Tower Hospital Road Upper Hill P.O Box 30375, 00100 Nairobi, Kenya	**ACTUARIAL SERVICES** QED Actuaries and Consultants (Pty) limited Sandton, South Africa. Zamara Actuaries Tanzania Limited Dar es Salaam, Tanzania
LEGAL ADVISORS Kaplan & Stratton, Advocates CMS Daly Inamdar Advocates Bowmans (previously Coulson Harney Advocates) Walker Kontos 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)	**BANKERS** Equity Bank Limited NCBA Bank Barclays Bank of Kenya Limited Citibank Kenya Commercial Bank Limited National Bank of Kenya Limited Standard Chartered Bank Limited Co-operative Bank of Kenya Limited HFC Bank Limited

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