

Audit Committees' Report

INTRODUCTION

The PPS Holdings Trust Audit Committee (TAC) and the PPS Group Audit Committee (GAC) are committees of the PPS Holdings Trust and PPS Insurance Boards, respectively. The responsibilities of these committees are prescribed by the Trust Deed and the Companies Act, and are outlined in their written Terms of Reference, which are in line with King IV™, and are reviewed and updated annually. The Committees have an independent role, with accountability to both the Boards and PPS members in terms of the Companies Act and the Trust Deed of PPS Holdings Trust.

The TAC has oversight over PPS Holdings Trust and the PPS Group, while the GAC has oversight over PPS Insurance and its subsidiaries. This includes oversight over the separate Risk and Audit Committees of PPS Investments and PPS Short-Term Insurance, which provide reports to the GAC.

The report of the TAC and GAC is presented to the members in terms of section 94(7)(f) of the Companies Act, No 71 of 2008 (the Companies Act), and a similar provision in the Trust Deed.

COMPOSITION OF THE PPS HOLDINGS TRUST AUDIT COMMITTEE

Members:

Independent Non-executive Trustees of PPS Holdings Trust:

Prof HE Wainer, B Acc, CA(SA), (Chairman), Member of the TAC since 2020

Mr AH de Vries, B Acc, CA(SA), (Appointed as a member of the TAC on 12 May 2025)

Ms DLT Dondur, B Acc (Hons), B Compt, CA(SA), MBA, CD(SA), (Chairman), Member of the TAC since 2012 (Resigned 12 May 2025)

Mr S Trikamjee, B Com (Hons), CA(SA), Member of the TAC since 2024

The appointment of the current members of the TAC was confirmed by PPS members at the annual general meeting held on 12 May 2025.

The TAC was established pursuant to the Trust Deed of PPS Holdings Trust and comprises three independent non-executive trustees of PPS Holdings Trust. The members of the Committee are elected annually by the members of PPS Holdings Trust at its annual general meeting, after being nominated for election by the Nominations Committee and being approved by the PPS Holdings Trust Board for election. As PPS Holdings Trust is not an operating company, but consolidates the financial results of PPS Insurance and its subsidiaries, the TAC considers the recommendations of the GAC in regard to the integrated report and the annual financial statements of PPS Insurance and its subsidiaries. There is an overlap in membership of the TAC and the GAC to ensure appropriate information is exchanged between the two audit committees, and the TAC does not replicate the work performed by the GAC in regard to PPS Insurance and its subsidiaries.

Meeting attendance:

100%

Meetings:

10 Mar 2025

4 Nov 2025

COMPOSITION OF THE PPS GROUP AUDIT COMMITTEE

Members:

Independent Non-executive Directors of PPS Insurance:

Prof HE Wainer, B Acc, CA(SA), (Chairman), Member of GAC since 2001

Mr AH de Vries, B Acc, CA(SA), (Appointed as a member of the GAC on 1 July 2025)

Ms DLT Dondur, B Acc (Hons), B Compt, CA(SA), MBA, CD(SA), Member of GAC since 2013 (Resigned 12 May 2025)

Dr DP du Plessis, B Sc, MBA, DBA, CD(SA), Member of GAC since 2020

Mr C Erasmus, B Sc, FIA, FASSA, Member of GAC since 2009

Prof WE Maroun, B Acc (Hons), M Acc, PhD, CA(SA), Member of the GAC since 2024

Audit Committees' Report (continued)

Meeting attendance:

100%

Meetings:

10 Mar 2025

13 Jun 2025

12 Aug 2025

4 Nov 2025

The GAC comprises of five Non-executive PPS Insurance Directors, all of whom are independent. Three of the members of the GAC are Chartered Accountants. The remaining members of the GAC are an actuary and a risk management specialist, respectively.

The Boards are satisfied that the members of these Committees have sufficient recent and relevant financial experience to enable them to carry out their duties and responsibilities and that the members of the Committees bring a wide range of relevant experience and expertise. The GAC meets at least four times a year, while the TAC is scheduled to meet at least twice a year. The Chairmen of the Group Risk Committee and the Group Actuarial Committee are also members of the GAC. The Head of the Actuarial Function and Statutory Actuary, the Executive: Actuarial Services, the external auditors, the Head of the Internal Audit Function, the Head of the Risk Management Function and other relevant role players are present at each meeting of the GAC. The external auditors are present at each meeting of the TAC. The GAC has an oversight role in regard to the Risk and Audit Committees of PPS Investments and PPS Short-Term Insurance, which report to the GAC at its quarterly committee meetings.

The TAC and GAC meet both the external and internal auditors separately in private sessions, without executive management being present. The Group Chief Executive and the Group Chief Financial Officer, along with other members of senior management, attend Committee meetings, as necessary, at the invitation of the Chairmen of the Committees.

The PPS Group's policy on non-audit services, which is reviewed annually by the Committees, sets out what services may be provided to PPS by the external auditors. All non-audit services are pre-approved by the GAC. The Committees conduct a formal external auditor evaluation process. This evaluation occurs annually and includes various criteria and standards such as independence, audit planning, technical abilities, audit process/outputs and quality control, business insight and general factors (such as black economic empowerment credentials). The Committees keep abreast of current and emerging trends in international accounting standards.

Both committees have satisfied themselves:

- as to the effectiveness of the PPS Group's system of financial controls;
- that the financial statements of PPS Holdings Trust, PPS Insurance and its subsidiaries have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act, 2008; and
- that the external auditor is independent of PPS Holdings Trust, PPS Insurance and its subsidiaries.

ROLE OF THE AUDIT COMMITTEES

The Committees, inter alia, assist the trustees and directors in discharging their responsibilities relating to the safeguarding of assets, the operation of adequate and effective systems and control processes and the preparation of the integrated report and fairly presented financial statements in compliance with all applicable legal and regulatory requirements and accounting standards.

The Committees performed their functions required in terms of the Companies Act and the Trust Deed and executed their responsibilities in accordance with their terms of reference.

The Committees, inter alia:

- Reviewed and recommended for approval the annual financial statements.
- Considered the factors and risks that might affect the financial reporting of PPS Holdings Trust and the PPS Insurance Group.
- Confirmed the going-concern basis of preparation of the annual financial statements.
- Reviewed and recommended for approval the integrated report.
- Assessed the effectiveness of internal financial control systems and formed the opinion that there were no material breakdowns in internal control.
- Ensured that a combined assurance model was applied to provide a coordinated approach to all assurance activities.
- Reviewed the Group Internal Audit Policy in line with King IV recommendations and recommended the approval thereof to the PPS Insurance Board.
- Approved the internal audit plan for the financial year.
- Reviewed and evaluated reports relating to internal audit and risk management.
- Nominated Ernst & Young Inc. (EY) as the PPS Group's external auditors.
- Determined the external auditors' terms of engagement in the external audit engagement letter and determined the audit fees payable to the external auditors.

Audit Committees' Report (continued)

- Reviewed the quality and effectiveness of the external audit process and the audit plan and assessed the competence of the external auditors.
- Obtained and considered a statement from the independent auditors confirming that their independence was not impaired.
- Confirmed that no reportable irregularities had been identified or reported by the independent auditors under the Auditing Profession Act.
- Ensured no limitations were imposed on the scope of the external audit.
- Determined the nature and extent of non-audit services that the external auditors may provide and pre-approved any such services.
- Maintained oversight over fraud and corruption risk management and the established protocol for confidential reporting.
- Considered whether there were any concerns or complaints whether from within or outside the PPS Group relating to the accounting practices and internal audit of the PPS Group, the content or auditing of the PPS Group's financial statements, the internal financial controls of the PPS Group or any related matter.
- Made submissions to the Boards on matters concerning the PPS Group's accounting policies, financial control, records and reporting.

EXTERNAL AUDITORS

EY served as the PPS Group's external auditors for the 2025 financial year. The committee determined the auditors' fees and reviewed the terms of their engagement. The Committees satisfied themselves that the external auditors' appointment complies with the Companies Act and in particular section 90(2) thereof, as well as the Auditing Profession Act.

The Committees are satisfied that both EY and the audit partner are independent. The external auditors provided assurance that their internal governance processes within their audit firm support and demonstrate their claim to independence.

The GAC was comfortable that non-audit services work was justified and necessary and did not give rise to any self-review threat for the external auditors.

EXPERTISE AND EXPERIENCE OF THE GROUP CHIEF FINANCIAL OFFICER AND THE FINANCE TEAM

The Committees are satisfied that the expertise and experience of the Group Chief Financial Officer are appropriate to meet the responsibilities of the position.

The Committees considered the expertise, resources and experience of the PPS Group's Finance function and concluded that these are appropriate to meet the requirements of the PPS Group.

APPROVAL OF THE REPORT

The TAC and GAC confirm for the 2025 financial year that they have functioned in accordance with their Terms of Reference and as required by the Companies Act and Trust Deed of PPS Holdings Trust and that their reports have been approved by the Directors and trustees.

On behalf of the Audit Committees:



Prof HE Wainer
Chairman of TAC and GAC

25 March 2026