

Six year review

for the year ended 31 December 2020

	2020	2019	2018	2017	2016	2015
Earnings performance						
Normalised headline (loss)/earnings (Rm)	(1 572)	3 205	2 256	2 719	2 527	4 128
Normalised headline (loss)/earnings per share (cents)	(582,9)	1 174,2	817,9	982,1	904,5	1 464,5
Normalised return on IFRS equity (%)	(7,3)	14,0	10,1	12,3	11,4	19,5
Solvency						
IFRS shareholders' funds (Rm)	21 013	24 068	23 003	22 444	21 676	21 739
CAR requirement Liberty Group Limited (Rm) ⁽¹⁾			5 343	5 378	5 253	5 145
CAR ratio Liberty Group Limited (times covered) ⁽¹⁾			2.67	2.92	2.95	3.03
Solvency capital requirement Liberty Group Limited (Rm) ⁽¹⁾	16 703	16 746	17 400			
Solvency capital ratio Liberty Group Limited (time covered) ⁽¹⁾	1.81	1.99	1.87			
Group equity value metrics						
Normalised group equity value (Rm)	35 210	40 907	38 684	39 368	41 221	41 635
Normalised group equity value per share (Rand)	128,32	147,82	138,64	140,31	145,86	145,96
Normalised group equity value (loss)/earnings (Rm)	(4 134)	4 418	1 488	441	2 087	4 120
Normalised return on group equity value (%)	(10,2)	11,5	3,8	1,1	5,1	10,5
Total group net value of new business (Rm)	24	407	371	233	483	729
Total group new business margin (%)	0,1	1,0	0,9	0,5	1,1	1,8
Sustainability metrics (non-financial)						
Group employees	9 196	9 184	9 321	9 727	9 792	10 442
Salaried	5 719	5 695	5 762	6 096	6 139	6 403
Commission remunerated	3 477	3 489	3 559	3 631	3 653	4 039
dti scorecard	99.15	97.75	97.30	95.43	92.00	91.08
Corporate social investment spend (South Africa) (Rm)	47	47	46	41	37	43
Taxes collected on behalf of SA government (Rm)	5 194	5 767	6 837	5 383	5 682	5 739
CO ₂ emissions (tonnes) ⁽²⁾	71 435	76 397	49 528	43 899	53 077	49 949
Customer complaint volumes (elevated to group level) ⁽³⁾	8 824	7 095	6 437	3 726	3 467	3 358
Share statistics						
Share price (Rand)						
Closing	61,98	110,65	110,00	124,43	111,00	115,18
High	117,00	125,32	140,00	128,99	147,50	174,98
Low	50,66	96,80	100,01	97,63	102,59	105,37
Total number of shares in issue at 31 December (millions)	286	286	286	286	286	286
Normalised weighted average number of shares in issue (millions)	270	273	276	277	279	282
Distribution per ordinary share declared (cents)	0	712	691	691	691	691
Distribution as a percentage of opening equity value (%)	0	5.1	4.9	4.7	4.7	4.9
Market capitalisation (Rm)	17 739	31 668	31 482	35 612	31 768	32 965
JSE all share index	59 409	57 084	52 737	59 505	50 654	50 694
Life insurance index	30 935	40 240	43 284	43 992	35 701	48 365

⁽¹⁾ Solvency capital requirement cover (effective from July 2018) is the excess of assets over liabilities required by an insurer to ensure that its assets remain larger than its liabilities with a 99.5% level of certainty over a one year time horizon, with assets and liabilities valued in accordance with the Insurance Act, 2017. This replaces the capital adequacy requirements cover that was reported previously under the old regime.

⁽²⁾ During 2019, we improved our carbon footprint data completeness and reallocated retail centres' common areas to scope two emissions, which has resulted in the increase in emissions from 2019. The increase is not due to an increase in operational emissions, but is rather due to the improved scope and boundary. Emissions from tenants electricity use is excluded.

⁽³⁾ The total number of complaints for 2018 was restated and is only comparable to 2019 and 2020. Prior periods were lower due to disparate legacy reporting systems that resulted in the exclusion of certain business units within Liberty.

Six year review for the year ended 31 December 2020 (continued)

	2020	2019	2018	2017	2016	2015
Long-term Insurance						
Long-term insurance new business (Rm)⁽⁴⁾						
Recurring premiums	5 036	5 800	5 721	5 668	5 465	5 250
SA Retail	4 365	4 380	4 298	4 312	4 356	4 288
Liberty Corporate	428	1 011	1 077	1 089	765	669
Liberty Africa insurance	243	409	346	267	344	293
Single premiums	22 661	23 236	23 297	23 498	24 266	22 654
SA Retail	21 548	21 775	21 962	22 583	22 830	21 334
Liberty Corporate	719	1 126	1 151	816	771	1 214
Liberty Africa insurance	394	335	184	99	665	106
Insurance: Indexed new business (Rm)⁽⁵⁾	7 302	8 125	7 991	8 018	7 892	7 515
Cash flows (Rm)						
Net premium income from insurance contracts and inflows from investment contracts	53 900	56 219	55 075	54 140	55 039	52 671
Net claims and policyholders benefits	(57 297)	(56 361)	(53 074)	(52 506)	(53 920)	(47 269)
Net customer cash flows (Rm)	(3 397)	(142)	2 001	1 634	1 119	5 402
SA Retail	(512)	197	2 065	2 846	1 948	6 288
Liberty Corporate	(3 451)	(1 030)	(449)	(1 536)	(751)	(891)
Liberty Africa Insurance	566	691	385	324	483	395
STANLIB Multi-Manager	0	0	0	0	(561)	(390)
Death and disability claims paid (Rm)	11 668	10 473	9 562	8 685	8 482	8 252
Annuity claims paid (Rm)	8 569	7 843	7 207	6 698	6 288	5 977
Retail SA maintenance costs per policy (rand)						
Complex products ⁽⁶⁾	791	744	715	636	596	559
Short-term Insurance						
Cash flows (Rm)						
Net Premiums	1 630	1 551	1 347	1 297	1 484	1 249
Net Claims	(1 027)	(971)	(943)	(886)	(994)	(771)
Net cash flows	603	580	404	411	490	478
Liberty Health	223	212	158	140	176	224
Liberty Africa insurance	380	368	246	271	314	254
Risk net claims loss ratio (%)	63	63	70	68	67	62
Liberty Health	77	77	80	82	81	71
Liberty Africa insurance	44	41	54	48	44	46
Asset management						
Net cash flows (Rm)	33 012	12 813	7 763	4 458	6 083	9 288
STANLIB - South Africa	34 897	15 190	16 149	4 731	2 801	5 694
STANLIB - Africa ⁽⁷⁾	(1 858)	(2 347)	(8 564)	(480)	2 963	2 760
GateWay LISP	(27)	(30)	178	207	319	834
Assets under management (Rbn)	776	738	718	720	676	667
STANLIB - South Africa	614	568	529	556	535	530
STANLIB - Africa	18	28	51	53	51	50
LibFin Markets ⁽⁸⁾	77	70	65	62	58	50
Other internal managers ⁽⁸⁾	40	43	37	13	9	10
Externally managed ⁽⁸⁾	27	29	36	36	23	27
Cost to income ratio (%)						
STANLIB - South Africa	68,1	66,2	73,7	79,1	64,4	56,2

⁽⁴⁾ Excluding annual contribution increases.

⁽⁵⁾ 2018 adjusted for change in classification in Liberty Corporate from recurring to single premiums for additional investment voluntary contributions. 2015 to 2017 have not been adjusted.

⁽⁶⁾ Simple products are weighted either 25% or 50% of a complex product. 2018 restated after allowing for the impact of moving expenses from Liberty Holdings Limited to Liberty Group Limited as a result of a change to the operating model effective 1 January 2019.

⁽⁷⁾ Represent the flows up to the date of the sale of the applicable asset management operations or transfer of mandates

⁽⁸⁾ Amended disclosure of Assets under management to separately reflect LibFin Markets, Other internal managers and Externally managed asset values from 2015.