

Old Mutual AGM

10 May 2012

Edited Transcript

Patrick O'Sullivan: Good morning, ladies and gentlemen, and welcome to the 2012 Annual General Meeting of Old Mutual plc. It's 11 o'clock, a quorum is present, so I'm delighted to declare the meeting open. My name is Patrick O'Sullivan, Chairman of your company. I would also like to welcome our shareholders and others who are tuning into this AGM remotely, through our website, and listening into today's proceedings.

Let me start, as usual, by introducing the Directors who are here today. Alongside me on the platform is Julian Roberts, the Group Chief Executive, Philip Broadley, who is the Group Finance Director, Roger Marshall, Chairman of our Audit Committee, and Reuel Khoza, who is Chairman of our Nedbank subsidiary. On my left, Martin Murray, who is the Group Company Secretary, Russell Edey, who is the Chairman of the Remuneration Committee and Eva Castillo, who is a non-executive Director. And then, in the front row, Bongani Nqwababa, Mike Arnold and Lars Otterbeck. On behalf of two other non-executive Directors who are not here today, that is Nku Nyembezi-Heita and Alan Gillespie, our Senior Independent Director, I'm afraid there were clashes for them, and they have sent their apologies, as they are not able to be present with us.

Let me now turn to some procedural matters relating to this meeting. The notice of this Annual General Meeting was included in a shareholder circular posted to shareholders around the beginning of April. The resolutions that make up the principal business of the AGM are set out on pages five to seven of the circular. Voting on each resolution will be conducted by a poll. All shareholders and proxies here today should have received a yellow poll card on your way in. If you did not receive such a card and are entitled to vote, please ask one of our attendants to let you have a card now. Once the votes cast on the polls have been counted and verified after today's meeting, we will report the outcome to the London and other stock exchanges where our shares are listed. We will also publish details on our website. Also, on your chairs, you will have noticed this morning's press release containing our business update for the first quarter of this year, 2012. Julian Roberts, our CEO, will make a brief presentation on this, and also provide an update on current events. After that presentation, I will move on to the formal part of the meeting. There will then be an opportunity for you to raise any questions you may have. I propose to take questions then on all of the resolutions as a single Q&A session. So with that, Julian, over to you.

Julian Roberts: Thank you, Chairman. Good morning, ladies and gentlemen. This morning I would like to give a short overview of our performance in 2011, and then an update on the first quarter of 2012 that, as the Chairman said, we announced this morning. I will also talk a little bit about the sale of the Nordic business, and then conclude with some comments about how we believe Old Mutual is restructuring to create value for shareholders.

So let's start with 2011. 2011 was a tough year. Equity markets and currencies were very volatile, and individuals, particularly in Europe, were wary about investing in what appear to be unstable markets. This created challenges for companies in our sector. But Old Mutual delivered a pretty good performance in the UK and Europe, and we benefited from our Emerging Markets exposure, particularly in South Africa, where retail markets continued to be strong. We delivered a good operating result: adjusted operating profits were over £1.5 billion. Earnings per share were up 13%. We delivered a very healthy return on equity, at 14.6%, and we are recommending a total ordinary dividend for the year of five pence per share, up 25% on the previous year.

In March 2010, we set out financial targets for achievement by the end of 2012. By the end of last year, we had already hit every one of our Return-on-Equity targets, and were very close on cost reduction. There is still a little way to go to deliver the operating

margin improvement in the US Asset Management business, but, as you'll have seen this morning, progress is pretty good. 2011 was a year of delivery, and I'd like to recognise publicly the hard work and commitment of all of my colleagues who have helped deliver that result.

So now let me update you on the first quarter, the IMS that we have released this morning. We delivered positive net cash flows of some £3.7 billion and funds under management grew by 6% to £284 billion. Sales were strong in Emerging Markets, most particularly in the South African mass foundation market, where life sales were up 17% compared with the first quarter of 2011. We're also pleased with the growth that we've seen in Africa and our other Emerging Markets. And in the UK, funds on the platform grew to over £20 billion, which has been a target that we've talked about in previous periods. At Asset Management, investment performance continued its improvement from last year, and after more than two years of net cash outflows, the first quarter saw a return to positive territory with net inflows for the quarter of \$4 billion. Nedbank had another excellent quarter, with a 15% increase in non-interest revenue, 11% increase in net interest income, and a further improvement in the credit loss ratio. And, despite the increasingly competitive nature of the short-term insurance market, Mutual & Federal increased gross written premiums by 7%. So overall, we're pleased with this performance, though we do anticipate, due to the continued pressure and uncertainty in Europe, that this year will be another tough year. So that's what I want to say on last year's results, and the beginning of this year and our outlook.

One of the key strategic events so far this year has been the sale of our Nordic business, which, as you know, was completed in March, for £2.1 billion. I've been questioned at previous meetings about the value of our original acquisition of Skandia, so I'd like to take the time to answer that question more fully. We paid £4 billion to acquire the Skandia businesses. Since then, the businesses acquired have returned around £800 million, in cash, to the Plc. We've now sold Nordic for £2.1 billion. So we've got back nearly £3 billion of our original £4 billion investment. But we haven't sold all of the business. We still retain our operations in the UK and elsewhere in Europe. We still have our Latin-American operations and our Chinese operations. Together these are valued at around £2.9 billion. Effectively, therefore, we still have £1.1 billion of our original investment cost left, and businesses worth £2.9 billion. I believe a pretty good return by anyone's standards, which shows the value creation that we're getting from Skandia. The sale of Nordic increases our market consistent embedded value per share, and it does not change our strategy. We are sharing some of the value creation by returning £1 billion to shareholders through the special dividend to be paid on 7th June.

The associated share consolidation took place towards the end of April, and I know that has confused some, so let me say a few words because I know share consolidations are not familiar to all. It was clear to us, taking into account the nature and location of our shareholders, and after consultation with our major shareholders, that the fairest and simplest method of returning cash was through a special dividend. This ensures that every one of our shareholders receives part of the cash, rather than if it had been, for instance, a share buyback, the money just going to the large institutions. And with over half a million retail shareholders, the Board and I thought that was very important. The immediate effect of paying a special dividend is to reduce the market capitalisation of the company by an equivalent amount, £1 billion. The share consolidation is therefore designed to ensure that the share price is unaffected by the pay-out. In Europe, this is a common and a growing practice, although I know it's not necessarily the case in South Africa. So, a share consolidation has, per se, no impact on shareholder value. It simply reduces the total number of shares in issue, and each individual shareholder owns the same percentage of the company after the consolidation as they did before it. On this

slide, I've shown a very simple example, so that you can see how the maths works. So you still own the same proportion of Old Mutual as you did before, and in addition you receive a special dividend of 18 pence per share, or the equivalent in other currencies. The amount you receive will be based on the number of shares held before the consolidation, and is your share of the value we have created. The special dividend, as I've said before, will be paid at the same time as, and is in addition to, the final ordinary dividend, on 7th June.

Let me now say a few words about our strategy. We are focusing on three main areas. Firstly, we think the time is right to expand our footprint in Africa. We aim, over time, to have a substantial presence in the larger African markets, which are growing fast and where there are currently few existing players. We have the right skills, we understand the markets, and we can make use of the expertise we have in Old Mutual South Africa, Nedbank and Mutual & Federal, to make sure that we succeed. Secondly, we're growing in selected countries in the Wealth Management markets, principally the UK and Continental Europe. Key to growth in these markets is to provide new products which customers want and where we can make good margins. And thirdly, continuing the turnaround of US Asset Management. After three years of underperformance, the business is beginning to head in the right direction, as you saw from our announcement today. Investment performance is improving. Margins are going up. So we're heading in the right direction, but that business is not yet in the place that we want it to be.

So let me conclude. Old Mutual has strong fundamentals. We have exposure to Emerging Markets that are growing fast, as well as selected investment markets in Europe and the USA. Whatever happens in the economy or financial markets, all around the world, consumers continue to need to save for critical life events and their financial futures. Our goal is to serve that need and, by doing so, to grow. We are continuing to improve our operational efficiency. We are reducing and simplifying our debt obligations. We have implemented strong risk controls and governance processes. We are committed to improving shareholder returns. It is a source of frustration to me that, despite all we have done and the increase in our share price, we are still trading at a discount to our embedded value. Closing that gap is absolutely what our strategy is designed to do. Ladies and gentlemen, I believe that your company is well placed to continue to deliver value for both shareholders and customers. Chairman, that concludes my presentation this morning. I hand back to you.

Patrick O'Sullivan: Thank you very much, Julian. And, following your comments about our recent share consolidation, I would like to take the opportunity to update you on how we have dealt with the fractions that arose in that exercise.

In line with the arrangements described in the shareholder circular, the proceeds of these fractional shares will be used for charitable purposes. It has been decided, in fulfilment of this commitment, that the proceeds of sale of the fractions will be paid over to our five Old Mutual Foundations in the UK, South Africa, Malawi, Zimbabwe and Namibia. And they will be used in conjunction with the special dividends that those foundations will receive on the shares that they hold in the company. Working together, the foundations will be investing these monies received this year into educational programmes, as shown on the slide you can now see on the screen. The total additional amount to be distributed among the foundations is expected to be approximately £1.5 million. This is made up of approximately £1.27 million from the special dividend and about £200,000 from the proceeds of the fractional shares. That, of course, gives us great pleasure, to be able to do that in the communities we serve.

Now, if I may, I'd like to move on to the formal part of the meeting. And, before putting the first resolution, I would like to deal with questions on any of the AGM resolutions as a single session, as I said earlier. I shall begin by dealing with some questions that have been submitted in writing by shareholders who are not able to be here in person, and then move on to the questions from those who are present in the room today.

A question has been submitted by Mr R Morton, who has asked us about the share consolidation methodology and whether this resulted in a loss of value for shareholders, particularly having regard for the incidence of Dividends Tax in South Africa. You've had a very thorough explanation from Julian during his presentation, how the consolidation has been structured with a view to maintaining the company's share price when we look at it on an equivalent basis, and once our shares were no longer entitled to the special dividend of 18 pence per share. We acknowledge that there has been a small element of leakage of value for individual shareholders in South Africa, because the special dividend will be subject to Dividends Tax under the new South African tax regime, yet we feel that returning to all shareholders the excess capital that resulted from the share of our Nordic business was the right decision, as Julian mentioned, rather than retaining the excess cash in the company or embarking on a share buyback. Our share price, as you will hopefully have noticed, has also outperformed our peer group since the sale of the business was originally announced in December 2011.

Moving on to the second question submitted to us in writing from Mr Olaf Norm, who has asked us to comment on a recent report in the South African press which relates to a Competition Commission referral to the Competition Tribunal there, concerning alleged price fixing between ArcelorMittal and Evraz Highveld Steel and Vanadium. In the context, this is, of course, of our recently appointed new non-executive Director, Mrs Nku Nyembezi-Heita to the Old Mutual Board, and, specifically, whether she was personally involved in the alleged price-fixing activities. ArcelorMittal denies any claims of collusion with Highveld, or anyone else. Mrs Nyembezi-Heita wants to assure you that she has not been personally involved in any such conduct, and it would not be tolerated by any employee of her company.

So, that completes the questions that have been submitted ahead of the meeting. I would now like to invite any questions here in London. I would ask you to raise your shareholder, proxy or corporate representative card and wait for a roving microphone, since we are being broadcast. And then, when you ask your question, it would be also very helpful if you gave us your name. So we have a question here, from a gentleman at the front.

Dr Mun-Yee Loke: I would like to express my congratulations to our esteemed CEO, and his team and the Board for managing to sell off four businesses before the end of last year, at a good price, businesses which may not be core to our company.

I note with great interest that our CEO has said that the way forward is to move into the fast-growing African markets, and he has identified six countries in particular, apart from South Africa, which are Namibia, Kenya, Zimbabwe, Swaziland, Botswana and Malawi, if I'm not mistaken. He has also given tentative suggestions that he may like to add, in addition, Tanzania and Kenya, but he has not given any indication as to what plans he may have for these two additional countries. There was also some suggestion that the group would like to go into Nigeria, but on a cautious note, and there was this small acquisition that has been done there, and it would be organic growth, rather than chasing growth, so to speak. But he has not given any more details of this, or perhaps I've not read up as to what exactly this Nigerian involvement is. I do know that one of

your competitors, First Bank, has already established base there, and I'm not quite sure how difficult the competition may be. But, I would like to ask this question, whether in tackling these new countries, your plan to start with mass market insurance products like, for example, funeral plans, or disability cover. But I'm not quite sure as to what, exactly, these plans are, and how lucrative they will be when, purportedly, the revenue from these six countries at this moment only accounts for 3% of the revenues of our company. But please correct me if I'm wrong.

Patrick O'Sullivan: Thank you very much.

Dr Mun-Yee Loke: I'd like to add further, it seems to me that the main jewel of the group's crown, is Nedbank, of which you own only 52%. In August 2010, you tried to sell it to HSBC, which they tentatively accepted, and then they changed their mind, in October, two months later. So I come back to the question of Nedbank. Do you still intend to sell it off? Or, if not, why not consider, for example, courting a Chinese bank, like Agricultural Bank of China? And if it is still for sale, why not entice Standard Chartered Bank? Unless, of course, you have changed your minds, you don't wish to sell it any more. And lastly can I ask two sub-questions? One on US asset management. From the press it says that there's cash outflow, but our CEO just now has said that there's now inflow, and I'm not quite sure whether the net profit amounts to only £120 million in total, or not, as the case may be. And my final question is that you still have this Skandia UK platform which our CEO has said has other operations in China and Latin America. Perhaps, you would be so kind to expand on this?

Patrick O'Sullivan: Thank you very much for those extensive questions, and Julian, I'm sure, will do a very good, quick summary of where we are.

Julian Roberts: I will try and be quick, and I will try and be thorough as well. I'm glad that you share our optimism about Africa. We have had, for many years, exposure to a number of the markets in Africa, particularly Namibia and Zimbabwe, as well as smaller countries such as Malawi, and those have been growing quite considerably. So if you actually look at the size of our Emerging Markets funds under management now, compared with what they were just over a year ago, the assets under management from Africa and the other Emerging Markets are now 15% of the total Emerging Market contribution, and they were 10% only just a bit over a year ago. So we are already getting growth. We believe there is an opportunity, due to the significant growth in sub-Saharan Africa, for the size of insurance penetration to grow, and should grow quite considerably, over the next five to ten years. So what we have done is, we have bought a business – in effect, it's more a licence in Nigeria – from Nedbank's banking partner, Ecobank, and we've signed a distribution agreement. They now have 550 branches in Nigeria. And, when the transaction is formally approved and we can start business in the direction we want to, which will probably be at the end of the second quarter, we believe that there is a great chance of growth by putting our people into many of the 550 branches.

You asked what sort of products. Well, as you know, our base in South Africa is in two areas. It's the mass foundation, the emerging populations, and also the retail affluent market. We believe most of the growth that we will have in the new territories we want to go into will be in that mass foundation cluster. Please don't expect the new African businesses in the strategy to build enormous businesses over the next five years. I am reminded of a peer group of ours, just down the road, that is heavily exposed to Asia. It took them, in many countries, 15 years to get to scale, but I believe, this Board believes, that this is the right time to expand our footprint into those countries where we believe we have an advantage from the knowledge, the products, the capability we have in South Africa, to build something quite substantial over a number of years.

The second question you asked was about Nedbank. First of all, in front of the Nedbank Chairman, I would say his board and his management team have done a fantastic job with Nedbank, particularly over the last two years. We have seen considerable growth. Yes, we were disappointed that HSBC pulled out of the transaction, but, if you compare the share price 18 months ago, when we were going to do that transaction, to the share price now, it has not harmed shareholders. Shareholders have benefited, because the business is performing very well. We are looking, still, at options, but the bank is performing well. It is an important part of Old Mutual, and with the state of banking worldwide, at the moment, we are cautious, and are happy with our position, but I will say we look at different opportunities, because our long-term aim is to do what we think is the right thing for Nedbank, and the right thing for Old Mutual, which would be a sale. So, that's the general path we're going, but we're doing it cautiously, and the market is not favourable for any transactions at the moment.

The third thing you asked about was US asset management. For the last few years, leading up to the end of 2011, we did have net cash outflows in the US asset management business. The position improved significantly in the fourth quarter. In the first quarter of this year we've broken positive for the first time for some time. So, last year, it was an outflow for the full year, this year we've started off the year well with a positive contribution. And our hope and our view is, with considerably improved investment performance, really, across all of our boutiques, we're hoping that that will turn into considerable growth in the future, but we wait to see. But it has been a good start to the year.

Finally, in relation to your question about our platform business, we have a fantastic opportunity. What you are seeing, if you study our peer group in the UK, the results of which have come out over the last few days, is that it is absolutely clear that many of the capital-intensive products sold by them are not being bought any more such as the big with-profits, the big endowment funds that built many of those businesses. You see our competitors with significant outflows from those businesses. What is happening is the retail investor is, we believe, going to continue to invest, using platforms like ourselves to access a broad range of asset management capability. Our platform is one of the largest, some people would call it the largest in the UK, at £20 billion of assets under management. We think we are very well positioned, and the only issue I have with that business, at the moment, is it doesn't make money. And it may be wonderful being the largest, and getting the credit for that, but if it doesn't make money, then we need to do something with it. But I believe the changes in the UK, what they call the Retail Distribution Review, and the changes that we will roll out to leverage that dominant position that we have got will start from now on making a contribution to the profitability of the group. So, we have great plans for that business. It is a good base, it is a good position and it will be an important business, I believe, for us moving forward.

As far as other countries in Africa are concerned, right now, we've made an investment in Nigeria. Therefore, I've got the team focused on making sure we set that up properly. But, over a period of time, we're happy to expand in countries where we believe both the non-life, the short-term insurance, and the long-term insurance, where there is scope to build significant businesses. Thank you very much.

Mr Speyer:

Good morning, sir. Several minor questions, was the company entitled to a fee for HSBC breaking off the negotiations? Secondly, I object to resolutions nine and ten. In your original talk, you already mentioned that you felt it was discriminatory towards the interests of all shareholders if you had gone via a buyback in the market and yet you have this resolution which I oppose at every meeting I attend for that very reason. There are, of course, ways of having a buyback which are not discriminatory, but this is the usual way which, since it became legal to do so, after 1987, has been adopted by a lot of

companies. So I urge people to vote against these resolutions. With regard to the consolidation of the share price, I can understand, and I have no objection to this, the only question is, has the company adjusted the number of options outstanding to management granted, because theoretically now, the options are in a number of shares, rather the value of the reduced company, so this tends to be overlooked by companies when there are share consolidations? Lastly, as a shareholder, one likes to see that Board members have skin in the game, in other words, shares in the company, and I notice that amongst our Board members there are still four members who have no skin in the game. And I've mentioned that without mentioning names. Thank you.

Patrick O'Sullivan: Thank you, Mr Speyer. Let me try and take those as you presented them. At the time of our results for 2010, we revealed that there was no break fee on the HSBC transaction, so the company did not receive a break fee for that particular transaction. In terms of the resolutions and so on, you're not alone, of course. Others feel similarly to you, as you will see in the votes that are cast on those resolutions. We ourselves believe that to have that facility, to be able to look at share buybacks, is a facility that management needs in the event that we were likely to use it, which we do not foresee in the immediate future. On the share awards, we absolutely took full account of the share consolidation to adjust those that were receiving the dividend, whilst those weren't entitled to receive the special dividend had to be adjusted so that they had the same value going forward as they would have done, had we not done that consolidation. You also asked about the shares for Board directors. We encourage Board directors to hold shares, but we don't make it mandatory.

So, could we have another question? Yes, sir?

Male Speaker: The Board is nice and transparent in giving a CV of the Board members, including the ages, which some people these days omit. I notice from the recent report from Royal Dutch Shell, they even go over the top by giving the birth dates. But the other thing, which is interesting for an international company, I think Board members' nationality should also be given.

Patrick O'Sullivan: Very good point. You know mine, I'm sure, I just talked to you before (laughing), but we have a few others from different parts of the world here.

Mr Bonnie: My name is Leon Bonnie. What are the average pay wages and bonuses for the top 10% of employees and the bottom 10%? I look all over and I can't find it, and especially you come from a colonial country, as Africa, where people might be earning less than a pound a day. So, can you tell me where that figure is?

Patrick O'Sullivan: Well, let me say, just in response to your question, first of all, to publish an average would not be a meaningful number, because of the differences in the compensations, the currencies and so on, in the countries we operate. We do not publish information about the top 10% or the bottom 10%, on average, but I can tell you that in all countries in which we operate, we ensure that people are not paid at the kind of levels you're talking about. We pay a living wage. Our Annual Report contains segmental information, where you have some information on the total costs of running the business. In that context, you could have a look, and we would be happy to take you through on the average paid, to the numbers of employees. We don't publish it, it's not in the report as it stands, but we would be happy to take that offline with you, and give you an average for wages paid in South Africa, as an example, but we don't, certainly publish it by individual location. (Turning to Reuel Khoza) What, Reuel, is the minimum wage in South Africa, at the moment?

Reuel Khoza: Actually, I guess it will vary somewhat, but suffice to say we pay way above what the country would define as the living minimum. And, relative to other corporations, there are guidelines by the Department of Trade and Industry, for instance, that actually assess us relative to everybody, and Nedbank, as well as Old Mutual South Africa, in a number of indices have been rated as in the top five of the best performing companies, in terms of sourcing, in terms of salaries, in terms of upward mobility for the historically disadvantaged etc. So, living wage issues, where Old Mutual and Nedbank are concerned, don't even arise.

Mr Bonnie: Yes, I'm not disputing away above or below. My point of my question, which is a bullet point, is that, what is the wages? You can tell me. I don't live in South Africa, I don't know what is below or above, or average, or good. I live in England, and I can tell you what the minimum wage here is. There is a figure they publish. I'm asking where is the pay figure appeared on all your booklets?. So I'm asking you for a figure. Do you know the figure of the minimum wage in this...?

Patrick O'Sullivan: Let me hand you over to our Group Finance Director.

Philip Broadley: Please have a look at page 172 of the Annual Report, in which you will see the total costs of wages and salaries, Social Security costs, pension costs, bonus arrangements. You can determine the average wage by taking the total wages and salaries bill of £1.259 billion sterling, and dividing it by the average number of employees in the group of 55,549. I do not do that calculation or present it in the Annual Report, because I do not consider it meaningful, for the reasons that the Chairman explained, and that is the answer, sir, to your question.

Patrick O'Sullivan: (After a further interruption from Mr Bonnie), Let me just repeat it to you, we do not publish an average, per employee, for each of the countries in which we operate. We do, as you have just heard from the Finance Director, publish the total wages bill and you can see that. And we'd be very happy to take the question offline and see if we can clarify a little bit more for you after the meeting.

Patrick O'Sullivan: Have we another question? Well, ladies and gentlemen, if there are no further questions, I'll now move on to the formal business of the Meeting.

As I said earlier, we'll be conducting the voting by poll. For those of you who are shareholders, please fill in your poll card for each resolution as I refer to it. Corporate representatives should enter a direction on their directions card. Richard Frankcom of Computershare has kindly agreed to act as scrutineer for the polls. Those of you who have already sent in proxy forms and do not wish to alter your vote, need not complete a poll card. In fact, it will make the count of votes simpler if those shareholders who have already sent in proxy forms refrain from voting by card now. Each shareholder should complete one poll card for him or herself. If you have been appointed as a proxy, you should complete one poll card for each shareholder for whom you have been appointed. If you have any queries on filling in your card, please raise your hand and a member of Computershare will be happy to help. On your poll card or cards, please fill in your name and shareholding, or, if you are a proxy, the name and holding of the shareholder you are representing. Please clearly mark your votes "for", "against" or "vote withheld" on each resolution. Please then sign and date your completed poll card. When completed and signed, poll cards should be placed in the purple ballot box outside the meeting room.

I now propose Resolution 1, to receive and adopt the directors; report and audited financial statements of the Group for the year ended 31 December 2011. Please cast

your votes on Resolution 1 by filling in your poll card. You can see the proxy votes on here after each resolution.

I now propose Resolution 2, to declare a final dividend of 3.5 pence per ordinary share. Please cast your votes on Resolution 2 by filling in your poll card.

In accordance with a recommendation contained in the UK Corporate Governance Code, the whole Board is standing for election or re-election today.

I would like to propose Resolution 3(i), to elect Mrs Nku Nyembezi-Heita as a Director of the company. Please cast your votes on Resolution 3(i) by filling in your poll cards.

I propose Resolution 3(ii), to re-elect Mike Arnold as a Director of the company. Please cast your votes on Resolution 3(ii) by filling in your poll cards.

I now propose Resolution 3(iii), to re-elect Philip Broadley as a Director of the company. Please cast your votes on Resolution 3(iii) by filling in your poll cards.

I propose Resolution 3(iv), to re-elect Eva Castillo as a Director of the company. Please cast your votes on Resolution 3(iv) by filling in your poll cards.

I propose Resolution 3(v), to re-elect Russell Edey as a Director of the company. Please cast your votes on Resolution 3(v) by filling in your poll cards.

I propose Resolution 3(vi), to re-elect Alan Gillespie as a Director of the company. He is not here today, as I said. Please cast your votes on Resolution 3(vi) by filling in your poll cards.

I propose Resolution 3(vii), to re-elect Reuel Khoza as a Director of the company. Please cast your votes on Resolution 3(vii) by filling in your poll cards.

I propose Resolution 3(viii), to re-elect Roger Marshall as a Director of the company. Please cast your votes on Resolution 3(viii) by filling in your poll cards.

I propose Resolution 3(ix), to re-elect Bongani Nqwababa as a Director of the company. Please cast your votes on Resolution 3(ix) by filling in your poll cards.

I would like to call on Russell Edey to propose Resolution 3(x), which is to re-elect myself as a Director of the company.

Russell Edey: I have pleasure in proposing Resolution 3(x), to re-elect Patrick O'Sullivan as a Director of the company. Please cast your votes on Resolution 3(x) by filling in your poll cards.

Patrick O'Sullivan: Thank you, Russell. I propose Resolution 3(xi), to re-elect Lars Otterbeck as a Director of the company. Please cast your votes on Resolution 3(xi) by filling in your poll cards.

I propose Resolution 3(xii), to re-elect Julian Roberts as a Director of the company. Please cast your votes on Resolution 3(xii) by filling in your poll cards. Moving on to Resolution 4...

Male speaker: Sir

Patrick O'Sullivan: Yes?

Male speaker: Please, in future, would you be good enough, to add the percentage of the votes, so that it gives a better understanding to shareholders?

Patrick O'Sullivan: Certainly, that's a very good point.

: So, if I may, move to Resolution 4, which is to re-appoint KPMG as the auditors to the company. I call on Roger Marshall, as Chairman of our Group Audit Committee, to propose this resolution.

Roger Marshall: I propose that KPMG Audit Plc be re-appointed as auditors of the company.

Patrick O'Sullivan: Thank you, Roger. I now put Resolution 4 to the meeting. Please cast your votes on Resolution 4 by filling in your poll cards.

I propose Resolution 5, to authorise the Group Audit Committee to settle the remuneration of the auditors. Please cast your votes on Resolution 5 by filling in your poll cards.

Resolution 6 is an ordinary resolution to approve the Remuneration Report. I call on the Chairman of our Remuneration Committee, Russell Edey, to propose this resolution.

Russell Edey: I have pleasure in proposing the approval of the Remuneration Report.

Patrick O'Sullivan: In view of the importance of this, and to your point, there is a 90% proxy vote in favour of the Remuneration Report. So, thank you, Russell. I now put Resolution 6 to the meeting. Please cast your votes on Resolution 6 by filling in your poll cards.

I propose Resolution 7, which grants authority to the Board to allot certain shares for cash. Please cast your votes on Resolution 7 by filling in your poll cards.

Resolutions 8-12 are special resolutions, which require a 75% majority of votes in favour. I propose Resolution 8 as a special resolution, which grants authority to disapply pre-emption rights in allotting certain equity securities and selling treasury shares. Please cast your votes on Resolution 8 by filling in your polling cards.

I propose Resolution 9 as a special resolution, which grants the Board authority to repurchase shares by market purchase on the London Stock Exchange. Please cast your votes on Resolution 9 by filling in your poll cards.

I propose Resolution 10 as a special resolution, which approves contingent purchase contracts relating to purchases of shares on the African stock exchanges where our shares are listed. Please cast your votes on Resolution 10 by filling in your poll cards.

I propose Resolution 11 as a special resolution, which is to make certain technical amendments to the company's Articles of Association to address the introduction of Dividends Tax in South Africa. This will enable such dividends to be paid through a local Dividend Access Company, rather than through our local Dividend Access Trust as in the past. Please cast your votes on Resolution 11 by filling in your poll cards.

I now propose Resolution 12 as a special resolution, to authorise the company to convene general meetings, other than the AGM, on 14 days' notice. This will give us additional flexibility if we need to convene a General Meeting urgently before next year's AGM. Please cast your votes on Resolution 12 by filling in your poll cards.

Dr Mun-Yee Loke: I apologise for asking, but could you please clarify/whether it still mandatory or no longer mandatory for all FTSE companies in the UK to obtain authority to make political donations?

Martin Murray: We have a group policy of not making any political donations, and therefore, we don't seek authority at the Annual General Meeting to make them. It's only if the group were planning to make political donations, then we would seek shareholder approval, and lots of companies do do that. We have a group policy of not making political donations, and therefore we don't seek shareholder authority.

Male speaker: Is that how it works?

Martin Murray: Yes, sir.

Male speaker: Thank you.

Patrick O'Sullivan: Thank you, Martin. So, now, I am very pleased to declare the business of the Annual General Meeting closed, and I would be grateful if you would place your completed poll cards in the purple box outside the meeting room as you leave. We will be all available on any other questions you may have. Thank you again, and we look forward to seeing you next year.