INTEGRATED

OLD MUTUAL LIMITED

INTEGRATED REPORT 2020

DO GREAT THINGS EVERY DAY

About Our Report

Approval

The Board acknowledges its responsibility for ensuring the integrity of this integrated report. The Board has considered the operating context, strategy and value creation model and this report, in the Board's opinion, addresses all the issues that are material to, or could have a material effect on, the Group's ability to create value. This report fairly presents the integrated performance of the Group. This report was approved by the Board on 15 April 2021.

Our Integrated Report is supplemented by a suite of additional online publications. These can be accessed on our corporate website. https://www.oldmutual.com/investor-relations/reporting-centre/reports

INTEGRATED REPORT

CORPORATE GOVERNANCE REPORT

REMUNERATION REPORT

RESPONSIBLE BUSINESS IMPACT REPORT

TAX TRANSPARENCY REPORT

Feedback

We value stakeholder feedback. Please share your experience of reading this report by contacting us.

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Reporting frameworks

- The International Integrated Reporting <IR> Framework
- King IV Report on Corporate Governance™ for South Africa, 2016 (King IV). Copyright and trade marks are owned by the Institute of Directors in Southern Africa NPC and all of its rights are reserved
- Johannesburg Stock Exchange (JSE) Listings Requirements for debt and equity issuers
- South African Companies Act, 71 of 2008 (as amended)
- The financial information included in the report has been extracted from the audited consolidated annual financial statements which have been prepared in accordance with International Financial Reporting Standards (IFRS)

Scope and boundary

This report covers the activities of the Group for the period 1 January 2020 to 31 December 2020. It provides an overview of our strategy, business model, operating context, approach to risk management, governance, remuneration practices and key activities to create value over the short, medium and long term in the countries in which we operate.

Assurance

A combined review by management and internal audit was performed to ensure the accuracy of our reporting content, with the Board and its subcommittees providing an oversight role. This report has not been audited but contains certain information that has been extracted from the audited consolidated annual financial statements for the year ended 31 December 2020, on which an unmodified audit opinion has been expressed by the Group's joint independent external auditors, KPMG Inc. and Deloitte & Touche.

Materiality

We apply the principle of materiality in assessing what information is included in our integrated report. This report focuses particularly on those issues, opportunities and challenges that impact materially on Old Mutual Limited and its ability to consistently deliver value to our stakeholders in a sustainable manner.

The Board confirms that the Group is in compliance with the provisions of the Companies Act relating to its incorporation and is operating in conformity with its Memorandum of Incorporation.

Forward looking statement

This report may contain certain forward looking statements with respect to certain of Old Mutual Limited's plans and its current goals and expectations relating to its future financial condition, performance and results and, in particular, estimates of future cash flows and costs. By their nature, all forward looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond Old Mutual Limited's control including amongst other things, domestic conditions across our operations as well as global economic and business conditions, market related risks such as fluctuations in equity market levels, interest rates and exchange rates, the policies and actions of regulatory authorities, the impact of competition, inflation, deflation, the timing and impact of other uncertainties of future acquisitions or combinations within relevant industries, as well as the impact of tax and other legislation and other regulations in the jurisdictions in which Old Mutual Limited and its affiliates operate. As a result, Old Mutual Limited's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in Old Mutual Limited's forward looking statements. Old Mutual Limited undertakes no obligation to update the forward looking statements contained in this report or any other forward looking statements it may make. Nothing in this report shall constitute an offer to sell or the solicitation of an offer to buy securities.

Lines of Business

- Life and Savings
- Asset Management
- Property and Casualty
- Banking and Lending

Our Stakeholders

- Customers
- Communities
- Employees
- Intermediaries
- Investors
- Regulators

Six Capitals

- FC Financial Capital
- MC Manufactured Capital
- SC Social and Relationship Capital
- HC Human Capital
- IC Intellectual Capital
- NC Natural Capital

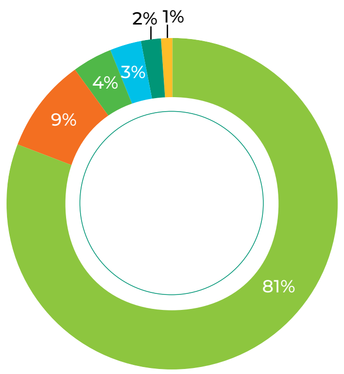
OVERVIEW

At a Glance

Old Mutual is a financial services provider anchored in Africa and we have been serving our customers and communities for more than 175 years

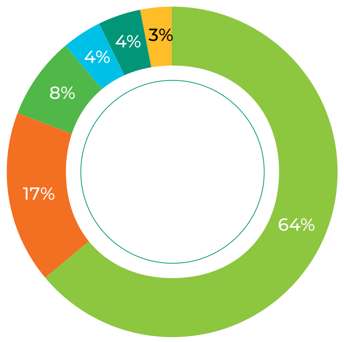
INVESTORS[1]

Who invests in us (%)



- Institutions
- Individuals
- Employees
- Brokers
- Other
- Corporates

Where our investors are from (%)



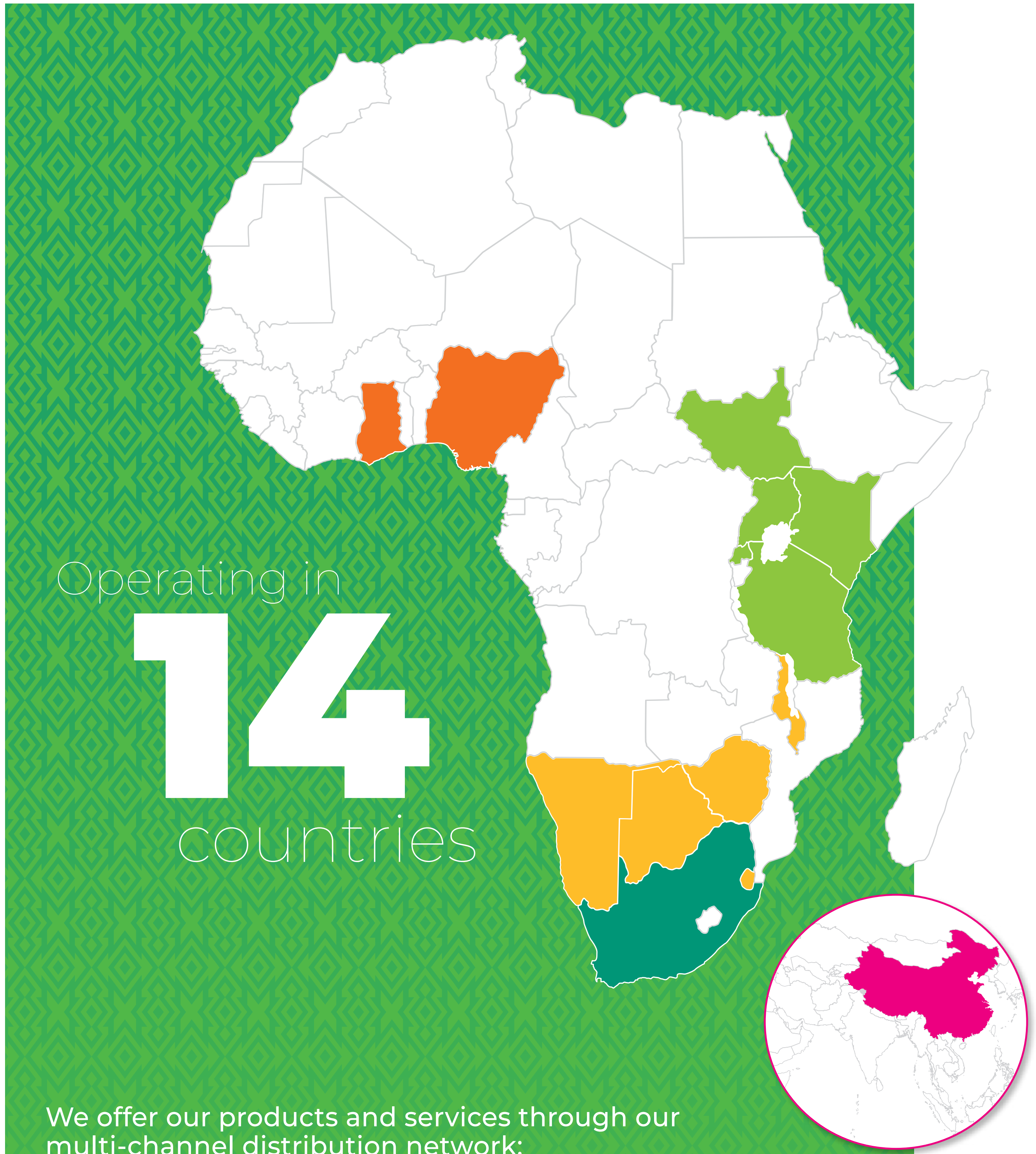
- South Africa
- North America
- United Kingdom (UK)
- Europe (excl. UK)
- Rest of the world
- Asia

Level 1 B-BBEE

13.9 million Customers

29,830 Employees

R1,105 billion Funds under Management



We offer our products and services through our multi-channel distribution network:

- Advisers and brokers
- ATMs
- Retail branches
- Worksites
- Country specific websites
- Mobile apps
- Mobile phones through USSD, WhatsApp and Facebook messenger
- Call centres

Region	Countries	Tied advisers	Employees	Customers
SOUTH AFRICA		9,075	22,621	6.1m
SOUTHERN AFRICA	Namibia, Botswana, eSwatini, Malawi, Zimbabwe	979	2,832	2.2m
EAST AFRICA	South Sudan, Kenya, Uganda, Rwanda, Tanzania	1,333	3,302	3.7m
WEST AFRICA	Ghana, Nigeria	414	720	1.7m
CHINA		64	355	0.2m

1 *Represents our investors as at 28 February 2021*

Our Segments

We have structured our operating segments to deliver our products and services to our customers according to their needs

	Mass and Foundation Cluster	Personal Finance and Wealth Management	Old Mutual Investments	Old Mutual Corporate	Old Mutual Insure	Rest of Africa
Operating segments	Provides simple financial products to retail customers in the low income and lower middle income markets	Provides holistic financial advice and a full range of insurance and investment solutions to retail customers in the middle income and high net worth markets	Provides a broad range of asset management solutions and services to retail and institutional investors	Provides group risk, investments, annuities and consulting services to employer sponsored retirement and benefit funds	Provides a comprehensive range of general insurance solutions to retail and institutional customers	Operates in 12 countries across the African continent, offering a broad range of financial solutions to retail customers, corporates and government institutions
Areas of differentiation	• 4,158 tied advisers • 365 branches • 43,286 worksites[1] • Established financial education programmes • Old Mutual Rewards programme	• 2,609 tied advisers • 10,380 independent financial advisers • 429 worksites[1] • Established financial education programmes • Integrated Wealth Planning • Old Mutual Rewards programme	• Largest fixed income manager • Offer leading passive investment solutions • Largest infrastructure/renewables investment manager in Africa	• Leading provider of corporate employee benefits in South Africa • Integrated employee related propositions and services, with FUM of R271.5 billion • 186 worksites[1] • 1,219 independent brokers • 67 Corporate consultants	• 2nd largest short term insurer in South Africa • 2,308 tied advisers • 2,522 independent brokers • Customised insurance solutions	• 2,726 tied advisers • 4,544 independent advisers, brokers and agents • Strong bancassurance partnerships • Leading Life and Savings offering across Southern Africa • Established brand presence in Zimbabwe and Namibia with more than 100 years presence
Brands	OLDMUTUAL	OLDMUTUAL OLDMUTUAL INTERNATIONAL 22seven FROM OLDMUTUAL	OLDMUTUAL AIIM FUTUREGROWTH ASSET MANAGEMENT MARRIOTT INCOME SPECIALISTS	OLDMUTUAL	OLDMUTUAL iwyze CREDIT GUARANTEE	OLDMUTUAL UAP CABS Faulu

Lines of Business

Life and Savings
Protection solutions for certain risk events including life, critical illness, disability and funeral cover. Long term savings solutions include retirement and traditional savings products.

Asset Management
Retail savings and investment products including unit trusts and institutional capabilities across all major assets classes, including listed and unlisted equity, credit, fixed income, property and infrastructure.

Property and Casualty
Short term insurance solutions for loss of property liability incurred, providing cover for personal, commercial, speciality and credit risks.

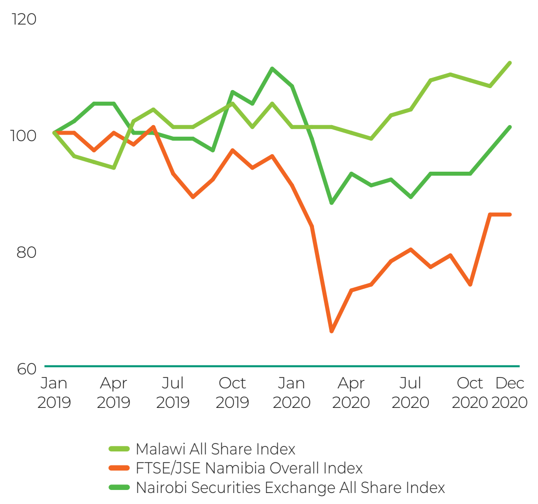
Banking and Lending
Wide range of banking and lending solutions including unsecured lending and simple retail banking solutions. Structured credit through our Specialised Finance division.

1 Worksites are corporate and non-corporate establishments where our intermediaries acquire new customers and services existing customers. Examples include government departments, schools, police stations, hospitals, churches, mining companies, banks etc.

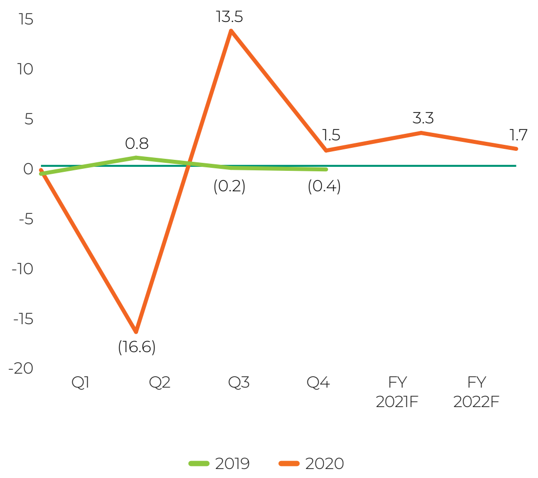
Our Operating Context

Rest of Africa market indices (in local currency)

Equity market index, January 2019 = 100



GDP outlook in South Africa



Operating geographies

Our Group does not function in isolation, we are impacted by the external macroeconomic factors and changes in the political landscape in each geography where we have operations.

Political instability in certain countries we operate in also impacts our operations.

Industry trends

We have identified several fundamental industry trends which are transforming the financial services landscape. Our business needs to keep abreast of these trends and respond in an agile manner to ensure we remain relevant to our customers and build long term value for our stakeholders.

Adapting to new ways of working

We are living through a fundamental transformation in the way people work. We expect to see a significant increase in remote working and the 'gig economy', where companies hire independent workers for short term commitments. As technology develops, tasks are being transferred to machines. We continue to invest in solutions that will help our employees adapt to this changing landscape.

Digitalisation

Rapid technological advancements are causing significant disruption across the financial services industry. Customer needs and expectations are constantly evolving, requiring customised solutions and convenience in communication and engagement. We continue to focus on building capabilities that can deliver these outcomes to customers.

The need for financial inclusion in Africa

Financial inclusion has grown significantly due to the development and adoption of innovative digital financial solutions and an increase in regulatory and policy requirements that promote inclusion. We continue to develop new solutions to grow our customer base and expand our financial education and inclusion programmes.

Partnering for success

Strategic partnerships provide opportunities for shared value, economic growth and drive change. This is embedded in our Responsible Business framework.

As part of the broader financial services system, our business helps sustain, grow and protect prosperity for customers across our markets. We need to navigate the unique contexts of our **operating geographies**, **peer group**, **regulatory changes** and **industry trends**.

Peer group

We are a premium financial services Group with a primary listing on the Johannesburg Stock Exchange (JSE), and listings on four other exchanges. Our peer group in South Africa comprises traditional insurance led financial services groups and we are well placed in this peer group. We hold leading market positions in South Africa and our Southern African operations. The peer group has historically been dominated by traditional players, but advances in technology and evolving customer preferences are changing the competitive landscape. We expect this to drive further unbundling of financial services products and value chains in the future. We have exposure to key growth markets in East and West Africa through our operations in these regions, and our goal remains to increase our market share in these regions.

Regulatory changes

We support all the regulatory advancements that promote financial stability, encourage uniform market practices and the fair treatment of customers. There is a trend towards increasing regulation and supervision of financial institutions in Rest of Africa. This increases the cost of doing business and risk of non-compliance, therefore we have strengthened our compliance capabilities to mitigate this risk.

Key regulatory developments in South Africa during 2020 included:

- The Prudential Authority (PA) published the financial conglomerate designation criteria, providing certainty on the perimeter of Group solvency calculations
- The Financial Sector Conduct Authority (FSCA) released a draft exemption relating to direct collections, part of a broader Retail Development Review (RDR) initiative
- The second version of the Conduct of Financial Institutions Bill (COFI) was released. COFI is aimed at providing a regulatory licensing framework to regulate market conduct in the financial services industry.
- National Treasury on 28 October 2020, published the first draft of the Financial Inclusion Policy Paper, "An Inclusive Financial Sector For All"

As the global economy recovers from the shocks of the COVID-19 crisis there is a desperate need for growth. Financial services and the role it plays in society is a crucial catalyst in driving this recovery.

OUR ROLE IN A HEALTHY ECONOMY

Enabling our customers to participate through key financial transactions

- Make daily economic transactions
- Save and preserve wealth to meet objectives and needs
- Insure against personal disaster

A Message From Our Chairman

"While 2021 brought new hope for recovery, we still face many uncertainties and the year may well prove to be as challenging as 2020. With this in mind, Old Mutual will continue to champion a course that offers an appropriate level of support, certainty and value for all of its stakeholders."

Trevor Manuel
Chairman

The COVID-19 pandemic has brought about a disruption to all aspects of life, fundamentally altering it in many ways, forcing us to adapt to a new way of being. The initial wave impacted vulnerable members of our society and with it a view that some may be unscathed. However, as we have seen with the second wave, no one is immune to the impact of this virus. And so, we remember all those lost to the pandemic, and we continue to hold their families in our thoughts and prayers.

At Old Mutual, the past year has certainly heightened our appreciation for the fact that organisations do not exist in a vacuum but are truly part of a broader community. We share the impacts that challenging times such as these bring, and we each have a unique role to play in working to overcome this significant challenge and its resultant impacts. On behalf of the Board, I would like to recognise our customers, employees and the communities we serve across the African continent for their resilience through these trying times, as well as for their continued support.

> At Old Mutual, the past year has certainly heightened our appreciation for the fact that organisations do not exist in a vacuum but are truly part of a broader community.

Times such as these demand an even greater resolve towards practical corporate citizenship from the business community. Old Mutual has proven itself more than capable of the task, as we held ourselves to a higher standard that demands us to act with purpose, working alongside a range of partners to find solutions to society's most pressing challenges. We responded with agility, speed, and great compassion, living up to our promise of being that certain friend in uncertain times. Our comprehensive response is detailed throughout this report as well as in the message from our CEO, Iain Williamson. Many of these efforts are being continued into 2021 and we remain as committed as ever to driving positive outcomes for all of our stakeholders and our business.

Despite the interruptions to their ordinary course of business, our intermediaries have played a leading role in continuing to drive strong performance through innovative digital channels, adapting to new ways of working and determined to preserve long standing relationships with customers. Through their efforts and those of our nearly 30,000 employees, Old Mutual remains a well capitalised and well managed business, on track to deliver against its key strategic priorities.

After careful consideration the Board was delighted to announce the appointment of Iain Williamson as CEO of the Group in July 2020. On behalf of the Board, I would like to express our appreciation of Iain and the leadership from him and his executive team during this very challenging and demanding period. Their dedication, passion and decisiveness inspire great confidence among the Board and their efforts have our full backing.

The new ways of working brought about in 2020 presented an opportunity for both the Board and executive team to engage at a more granular level around the Group's strategy, with a view towards closely aligning it to the changing needs of all of our stakeholders. To this end, I am pleased to confirm that the Board approved a refreshed long term strategy for the Group, which is set out in more detail on pages 9 and 10 of this report.

The previously identified information and technology skills gap on the Board was addressed by appointing Professor Brian Armstrong as an independent non executive director of Old Mutual Limited in June 2020. Paul Baloyi resigned as non executive director of the Group in June 2020 to take up a position at another financial services institution, subsequent to reaching a tenure of nine years with the Group. To replace Paul's skills on the Board, Olufunke Ighodaro was appointed as an independent non executive director of Old Mutual Limited in December 2020.

> We have one of the most transformed executive committees in the financial services sector and this will stand us in good stead as we lead the business through its next phase of growth.

Throughout the year, we maintained the highest levels of corporate governance. The Group's adherence to market conduct principles was also closely monitored. You will also find more detail of our core initiatives in our Corporate Governance Report, which forms part of our Integrated Reporting suite. The Board is particularly proud of the work that has gone into transforming and diversifying our leadership team. We have one of the most transformed executive committees in the financial services sector (54% black and 38% female) and this will stand us in good stead as we lead the business through its next phase of growth. Our efforts in this regard have received recognition, with the Group winning the Top Empowered Business of the year award in 2020.

While 2021 brought new hope for recovery, we still face many uncertainties and the year may well prove to be as challenging as 2020. With this in mind, Old Mutual will continue to champion a course that offers an appropriate level of support certainty and value for all of its stakeholders. As we anticipate the rollout of vaccine programmes across the continent, it is important that we support these efforts together, for the health and wellbeing of our societies.

Ngiyabonga! Thank you! Asante!

STRATEGY AND VALUE CREATION

Our Value Creating Business Model

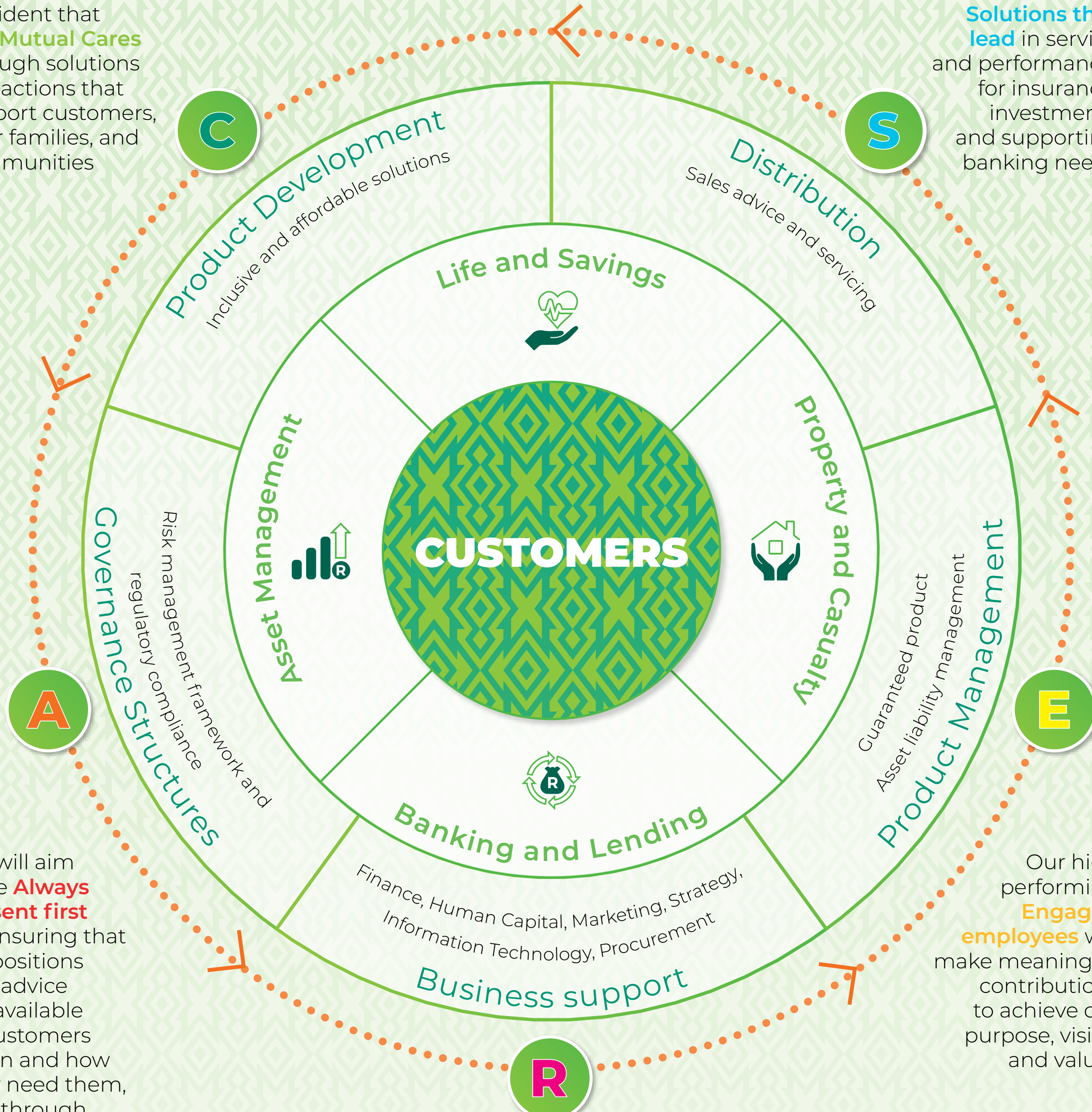
SIX CAPITALS	INPUTS	VALUE OUTCOMES
FC FINANCIAL Our equity and debt funding underpin our strong capital base that supports the operations of our business and funds growth. Financial capital includes the funds our customers invest with us	• Equity of R67.0 billion • Debt of R17.3 billion • Group solvency ratio of 185% • FUM of R1,104.6 billion	**FC** • AHEPS of 54.3 cents per share • RoNAV of 3.8% • Group Equity Value of R20.91 per share • Final dividend of 35 cents per share • R4.7 billion free surplus generated from operations • R20.3 billion of loans advanced
HC HUMAN Our culture and our people, tied advisers, our collective competencies, capabilities, experience and motivation to innovate	• 29,830 employees • Attractive employee value proposition • R89 million invested towards employees and intermediaries training and skills development • Implemented Workday, a technology solution that enables a personalised employee experience • Reimagining new ways of working through the Distributed Workforce Pilot • 11,865 tied advisers	**HC** • R9.8 billion paid in salaries and benefits • 85% black employees in South Africa and 40% females in senior management positions • 93% of employees surveyed felt engaged by leadership • A culture that puts customers first and that drives strategic delivery
MC MANUFACTURED Our physical and digital infrastructure through which we conduct business activities. It includes our branch network, digital platforms and IT estate	• 527 retail branches and over 48,000 worksites • 175 active bots deployed • Full digital engagement and simplification of front end customer and intermediary journeys • Ongoing data, privacy and cybersecurity awareness	**MC** • 8.9 million processing minutes saved through robotics since inception • Over 406,000 and 414,000 digital users in South Africa and Rest of Africa, respectively • 80% of funeral claims paid out within 4 hours, to date • 77% decrease in annual IT downtime • No security breaches on customer facing digital platforms
IC INTELLECTUAL Our trusted brand and franchise value, strategic partnerships and innovative product solutions we offer to our customers	• 5th most valuable South African brand • Strong strategic partnerships • Scalable digital capabilities built in simplified and secure technology estate • Innovative culture underpinned by the right employee skillset and mindset	**IC** • 202,000 Old Mutual Protect applications to date • 2nd place in BCX Digital Innovation Awards • Refreshed public websites and mobile applications with intuitive navigation • 1.6 billion rewards points awarded to customers since inception of the programme
SC SOCIAL AND RELATIONSHIP Our relationships with our stakeholders, including deep ties with the communities we operate in	• 13.9 million customers • Execution of Responsible Business activities • Established relationships of trust with all our stakeholders • Contribution to South Africa's transformation and empowerment agenda	**SC** • R80 million spent on COVID-19 relief in our communities • R100.9 billion paid in claims and benefits • R141 billion invested in socially inclusive, low carbon and resource efficient investments • R12.4 billion paid in direct and indirect taxes • Mantained our Level 1 B-BBEE status • Recognised as Top Empowered Business of the Year
NC NATURAL The environmental resources used throughout the Group's operations. Responsible Business activities to deliver shared value in a sustainable manner	• Solar energy production, water recycling and waste management efforts at office premises • Integration of ESG principles in investment decision-making processes, allocating capital • Actively championing responsible investing through Listed Equity Stewardship	**NC** • 27% and 34% decrease in electricity and water consumption at Mutualpark, respectively. • Mutualpark has a 6 Green Star rating from GBCSA[1] • Active ESG retail fund, one of the first in South Africa • Launched a Listed Equity Stewardship service which stewards an asset portfolio of over R300 billion towards green economy outcomes

BUSINESS ACTIVITIES

We offer products and services in a way that best services our customer needs. We do this with the support of the Group's enabling functions.

We will make it evident that **Old Mutual Cares** through solutions and actions that support customers, their families, and communities

We will deliver **Solutions that lead** in service and performance, for insurance, investments and supporting banking needs



We will aim to be **Always present first** by ensuring that propositions and advice are available to customers when and how they need them, and through our brand that is always top of mind

Our high performing **Engaged employees** will make meaningful contributions to achieve our purpose, vision and values

We will build **Rewarding digital engagement** through considerate and effective use of advice and customer data

1 *Green Building Council of South Africa*

Our Strategy

STRONG FOUNDATION

Built on 175 years of history

- Strong financial base
- Trusted brand
- Enviable distribution force
- 29,830 committed employees
- Meaningful contributor to the green economy
- Agile and resilient
- Driving transformation

Our refreshed strategy builds on a strong foundation of serving customers for more than 175 years, our trusted brand and enviable distribution scale. We considered the environment that we operate in, changing customer needs driven by technology, fierce competition and sustainability in order to stay relevant to all stakeholders in the longer term. Our strategy is deliberate in building on our foundation by aggressively driving brand differentiation, providing solutions that meet changing customer needs and enabling a seamless transition between face to face and digital journeys. We draw on our talented and engaged employees to achieve these aspirations. We remain mindful of our responsibility to society and the important role we play in ensuring positive futures for our customers and communities

WHY DO WE EXIST?

Our purpose is to champion **mutually positive futures** every day

WHERE DO WE WANT TO BE?

Our vision is to be our customers' **1st choice** to sustain, grow and protect their prosperity

We will make it evident that **Old Mutual Cares** through solutions and actions that support customers, their families, and communities

We will aim to be **Always present first** by ensuring that propositions and advice are available to customers when and how they need them, and through our brand that is always top of mind

We will build **Rewarding digital engagement** through considerate and effective use of advice and customer data

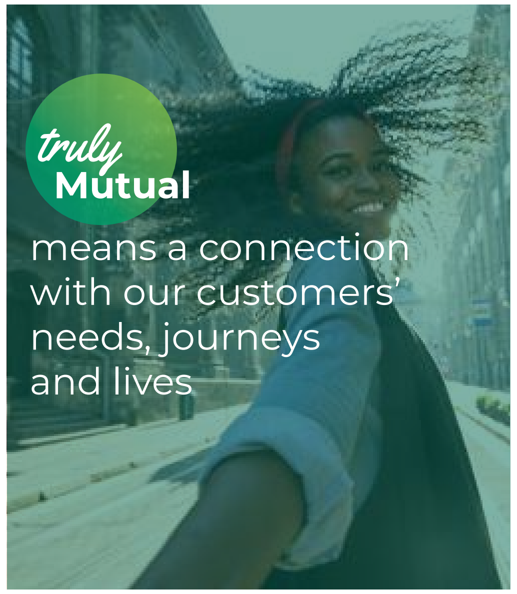
Our high performing **Engaged employees** will make meaningful contributions to achieve our purpose, vision and values

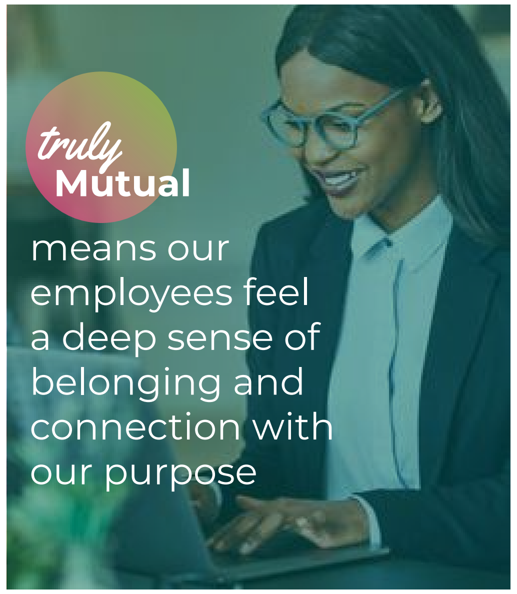
We will deliver **Solutions that lead** in service and performance, for insurance, investments and supporting banking needs

DRIVEN BY OUR CORE AND SUPPORTING SOLUTIONS

WHAT WE WILL ACHIEVE

We believe that delivery on the CARES pillars will enable us to be our customers' **1st CHOICE** and responsibly build the **MOST VALUABLE BUSINESS** in our industry





Strategy Pillars

C — OLD MUTUAL **CARES**

- We demonstrate "care" by executing our Responsible Business framework through our seven focus areas, to deliver shared value and make a positive impact to all of our stakeholders. Our focus areas are: Responsible Investing, Environmental Impact, Financial Education and Inclusion, Education, Skills Development, Diversity and Inclusion and Entrepreneurship.
- To drive financial inclusion and support customers through financial education, we offer them accessible and affordable solutions.

OUR OBJECTIVE

- To be known as a financial services provider that truly cares for its stakeholders and delivers shared value on the continent.

MEDIUM TERM DELIVERIES

- Developing a climate change response that will enable us to make a meaningful impact in Africa.
- Launch new Financial Education and Inclusion initiatives across select African countries.
- To grow our Listed Equity Stewardship offering over asset portfolios not managed by us to at least R20 billion. This will provide an important platform to champion for change on key ESG issues.

A — **ALWAYS** PRESENT FIRST

- We will maintain our dominance across our physical channels. We plan on translating our success in these channels with digital solutions that provide a seamless and integrated customer experience across all touch points. Enhancing our physical reach with a digital presence will help us to be "always present".
- This will be supported by a strong brand presence so that when customers think of financial services, they think of us first.

OUR OBJECTIVE

- To establish brand preference on the African continent through increased depth and scale of face to face and digital distribution. This will enable us to establish and maintain a leading market share.

MEDIUM TERM DELIVERIES

- Deliver brand differentiation on the continent by having fewer, but more impactful brand initiatives and through the use of solution-led marketing. We aim to increase brand consideration across Africa by 5% – 10%.
- Drive a digital marketing strategy to increase sales and engagement.
- Grow adviser and franchise footprint by at least 3% and 10%, respectively, in South African segments.

R — **REWARDING** DIGITAL ENGAGEMENT

- We will convert our understanding of our customers' goals and circumstances to provide personalised, regular and meaningful engagement.
- At the centre of this intent is 'MyOldMutual', a pan-African digital platform that aims to deliver a seamless and integrated customer experience across our full suite of capabilities. This includes financial advice, financial education, rewards, data driven nudges and a full suite of modular products. This will enable us to offer customers the right solutions at the right time, enabling them to reach their financial goals.

OUR OBJECTIVE

- To deliver a meaningful and personalised customer experience, that is integrated across digital and face to face mediums through the MyOldMutual platform.
- To convert our customer base to multiple product consumers through the use of effective incentive structures.

MEDIUM TERM DELIVERIES

- Increase active digital customers by at least 50% through continued enhancement of the MyOldMutual digital platform.
- Increase the Rewards programme member base and the contribution to life sales by at least 40%.
- Integrate a capability that automates the matching of customer goals into MyOldMutual.

E — **ENGAGED** EMPLOYEES

- We want all our employees to connect with, and be fully aligned to our purpose, vision and strategy. By creating an environment where employees find a deep sense of connection and meaning in our purpose, we can ensure that they will be passionate about delivering meaningful customer experiences at every point of the customer journey.
- We are also driving the requisite culture shifts to create an agile and execution-focused organisation.

OUR OBJECTIVE

- Building a compelling employee value proposition that attracts and retains key talent. Creating an engaged workforce that embraces new ways of working to deliver on strategic initiatives and always puts our customers first.

MEDIUM TERM DELIVERIES

- Deliver focused culture interventions to drive execution and agility to achieve an engagement index of over 5.0.
- Continued progression of remote working practices.
- Embedding shifts in reward structures to retain key talent and reward for substantial performance to develop an ownership orientation to create long term stakeholder value.
- Establishing a diverse and inclusive workforce in all countries we operate in.

S — **SOLUTIONS** THAT LEAD

- For solutions where we are already competitive and market leading, we will focus on enhancing their flexibility and ease of use. We will continuously improve solutions and launch innovative and refreshed propositions.
- In this way, customers will be able to meet all their primary financial services needs with us with easy access.

OUR OBJECTIVE

- The delivery of new retail product propositions that will differentiate our protection, savings and income solutions. These propositions will enable key shifts that our customers require including customised solutions and the best advice delivered through a seamless experience.

MEDIUM TERM DELIVERIES

- Strengthen the Old Mutual Protect proposition through simplified underwriting, further premium flexibility and improved adviser enablement.
- Launch of savings and income proposition alongside the Old Mutual Protect range utilising the same core infrastructure.
- Accelerate growth in transactional banking.

Refer to pages 36 – 39 for performance feedback on strategic pillars

Stakeholder Engagement

AT THE HEART OF OUR STAKEHOLDER ENGAGEMENT MANDATE ARE THREE CORE COMMITMENTS

We are committed to understanding and responding to the interests and expectations of our stakeholders

1 Our commitment to create value for all stakeholders.

Knowing our stakeholders and understanding their needs is important to us as it forms the basis of all our relationships. Wherever there is shared value, there is lasting commitment to building and growing together.

2 Our commitment to adhere to strong corporate governance in the management of our relationships.

Our Stakeholder Relations Policy ensures that the standards by which we operate across all our markets are in line with both international best practice and the King IV Code.

3 Our commitment to follow a method of structured strategic engagement.

This allows us to monitor and evaluate the quality of our relationships and their impact on the communities we serve.

Our material stakeholders

We engage with a wide variety of stakeholders. The material relationships we disclose here are those that either have a significant level of influence or interest in the Group.

- Customers
- Intermediaries
- Employees
- Communities
- Investors
- Regulators

To fulfil these commitments, we manage, govern and monitor stakeholder engagement

Manage

Our dedicated stakeholder relations function ensures we observe effective industry and international practices in managing the requirements and views of our stakeholders.

Govern

The Responsible Business committee is responsible for oversight over effective stakeholder engagement on behalf of the Board and in line with policy, governance codes and best practice.

Monitor

The Board monitors the quality and effectiveness of our stakeholder relationships and engagements.

For more information on the significance and value of each relationship, refer to page 12 and 13 of this report.

The boards of our subsidiaries adopt the Group's Stakeholder Relations Policy and ensure that the applicable requirements are implemented and complied with. Subsidiary boards must ensure local regulatory requirements are included in the policies adopted at a subsidiary level.

Future focus

For more information refer to the Responsible Business committee report on page 50 of this report.

For more information on the value we have delivered to our stakeholders, please refer to value outcomes on page 8 of this report.

Stakeholder Engagement

Customers

Old Mutual has 6.1 million customers in South Africa, 7.6 million in Rest of Africa and 273,000 customers in China.

Our retail customer base ranges from low income to high net worth individuals, and SMEs to large corporates and institutions.

THE IMPORTANCE OF OUR STAKEHOLDERS TO OUR EXISTENCE

Our customers are the lifeblood of our business and we are committed to championing mutually positive futures for them everyday. They acquire our products and services and are our main source of revenue. Their changing needs and goals motivate us to innovate and push boundaries.

THE NEEDS, EXPECTATIONS AND CONCERNS OF OUR STAKEHOLDERS

- Innovative and flexible product solutions
- Competitive and transparent pricing
- Omnichannel experience and ease of use
- Fast and efficient customer service
- Responsible and appropriate advice
- Relief in times of significant financial difficulty

HOW WE MEASURE VALUE CREATED FOR OUR STAKEHOLDERS

- Claims and benefits paid
- Investment performance against benchmark
- Brand recognition awards
- Net promoter score (NPS)

C A R S *Strategic pillars that address their needs*

Intermediaries

Our physical distribution network includes tied advisers, independent financial advisers (IFAs), independent brokers, franchise advisers, corporate consultants and independent sales agents.

We have 11,865 tied advisers, 16,100 independent financial advisers and 6,400 independent brokers servicing customers across South Africa and Rest of Africa.

THE IMPORTANCE OF OUR STAKEHOLDERS TO OUR EXISTENCE

Intermediaries serve as a crucial interface with our customers. They establish relationships with new customers, provide appropriate advice according to their needs and service them through a combination of face to face and digital channels to optimise and enhance their experience.

THE NEEDS, EXPECTATIONS AND CONCERNS OF OUR STAKEHOLDERS

- Digital applications and tools that save time and are easy to use
- Support and infrastructure to enable productivity
- Product and regulatory training
- Fair incentives that reward efforts

HOW WE MEASURE VALUE CREATED FOR OUR STAKEHOLDERS

- Fees and commissions paid
- Training spend
- Satisfaction score

C A R S *Strategic pillars that address their needs*

Employees

We employ 29,830 skilled and diverse employees, of which 16,705 are female and 13,125 male.

THE IMPORTANCE OF OUR STAKEHOLDERS TO OUR EXISTENCE

We depend on our highly engaged and motivated employees to put our customers first in everything they do and we rely on them to act as custodians of our brand. They also enable us to execute on our strategic priorities and deliver long term value to investors.

THE NEEDS, EXPECTATIONS AND CONCERNS OF OUR STAKEHOLDERS

- Fair and competitive remuneration
- Training and development for personal and career advancement
- An inclusive, diverse and safe working environment
- Digital enablement for new ways of working

HOW WE MEASURE VALUE CREATED FOR OUR STAKEHOLDERS

- Salaries and benefits paid
- Investment in employee skills development and training
- Culture survey engagement numbers
- Employment Equity score

E *Strategic pillars that address their needs*

Stakeholder Engagement

Investors

Our investors include equity and debt holders. Our equity holders include institutional and individual investors from across the globe.

THE IMPORTANCE OF OUR STAKEHOLDERS TO OUR EXISTENCE

As the providers of financial capital our investors enable business continuity and growth. They also allow us to make a positive contribution as a financial services provider on the African continent through serving our customers and communities.

THE NEEDS, EXPECTATIONS AND CONCERNS OF OUR STAKEHOLDERS

- Sustainable and growing financial returns and distributions
- Well capitalised balance sheet to protect against downside shocks
- Clear strategic direction and strong operational execution
- Experienced management team
- Transparent reporting and disclosures
- Strong financial control environment and governance and ethics frameworks

HOW WE MEASURE VALUE CREATED FOR OUR STAKEHOLDERS

- Cash dividends paid
- Interest paid to debt holders
- Return on Net Asset Value
- Adjusted Headline Earnings per share
- Group solvency ratio in excess of regulatory minimums

C A R E S

Strategic pillars that address their needs

Communities

Our communities include the citizens of the countries where we operate, as well as non profit organisations and our strategic partners and suppliers.

THE IMPORTANCE OF OUR STAKEHOLDERS TO OUR EXISTENCE

Communities create an ecosystem in which we do business and enable us to build relationships with customers, suppliers, strategic partners, employees and funders.

THE NEEDS, EXPECTATIONS AND CONCERNS OF OUR STAKEHOLDERS

- Skills development
- Access to funding programmes
- Financial education and inclusion
- Contributions to social and environmental issues

HOW WE MEASURE VALUE CREATED FOR OUR STAKEHOLDERS

- Response to communities in crisis
- Responsible investment in socially inclusive, low carbon and resouce efficient investments
- Total investment per focus area of our Responsible Business framework

C

Strategic pillars that address their needs

Regulators

We are regulated by various laws and regulatory bodies in the countries where we operate.

THE IMPORTANCE OF OUR STAKEHOLDERS TO OUR EXISTENCE

Regulation promotes a functioning society, and ensures that the financial industry remains fair and sound, safeguarding customer confidence.

THE NEEDS, EXPECTATIONS AND CONCERNS OF OUR STAKEHOLDERS

- Compliance with legal and regulatory requirements in all countries where we operate
- Being a responsible taxpayer in all jurisdictions
- Active participant in industry and regulatory working groups
- Strong governance frameworks and ethics
- Adhering to capital requirements as prescribed by regulatory bodies in countries where we operate

HOW WE MEASURE VALUE CREATED FOR OUR STAKEHOLDERS

- Group solvency ratio in excess of regulatory minimums
- Direct and indirect tax contribution by jurisdiction
- B-BBEE level

C

Strategic pillars that address their needs

Risk Management

Our approach to risk management

Our risk strategy follows a top down approach and is a key input into our Group strategy and planning processes. Our risk strategy is underpinned by guiding risk principles, high level risk appetite metrics and more detailed risk preferences, tolerances and limits. It provides guidance on risk taking activities and ensures that we sustainably deliver on our strategic objectives. The strategy is approved by the Board and they provide oversight of the Group's risk management activities through the Risk committee.

The risk identification process focuses on understanding the key obstacles to achieving our business objectives. In accordance with our risk methodology and frameworks, inherent risk is measured by assessing likelihood of occurrence and the impact it may have on the business. The risk monitoring process includes assessing the control environment and the effectiveness of remediation actions being taken to determine residual risk ratings. Additionally, changes in the external and internal environment, along with a review of risk indicators and risk events helps to identify risk trends. In our risk reporting we compare potential risk exposures to our risk appetite, as articulated in our risk strategy, with the focus on reporting risks that are outside of our targeted range.

Under the Group's financial management framework we allocate capital and funding to segments within risk appetite parameters, provided they can demonstrate incremental capital allocated will earn a Return on Net Asset Value (RoNAV) above the Group's internal threshold of cost of equity + 4%. This enables a disciplined and balanced approach to strategic risk based decision making, opportunity assessment and resource allocation, which is expected to maximise value for investors in the long term. Stress and scenario testing is also used to evaluate the earnings and balance sheet resilience of business plans and risk taking activities.

Risk appetite and tolerance

Risk appetite and tolerance are key factors in the Group's risk management approach. Risk appetite defines the level of risk exposure we are willing to accept in meeting our strategic objectives. Our financial resources and risk appetite limits determines the nature and level of growth that can be targeted, as it takes into consideration the impact that risks taken on have on capital requirements and earnings volatility.

Risk appetite metrics have been developed in order to measure capital requirements, earnings and liquidity risk and are used to manage our overall risk exposures and ensure compliance with the Prudential Financial Soundness standards. The financial soundness and liquidity targets and limits are set in the financial management framework, and are calibrated to allow us to withstand an extreme downside scenario and still have sufficient resources to avoid regulatory intervention.

Our tolerance for uncertainty is influenced by the level of maturity of the businesses in Group. Our Group strategy is predicated on strong and responsible growth in market share and earnings, and we will not be able to do so successfully if our risk appetite is too prudent.

Impact of COVID-19

In light of the COVID-19 crisis, associated uncertainties and various other external considerations including the South African macroeconomic outlook, we modelled several possible economic recovery scenarios and assessed their impact on the business. The modelled results gave us comfort that the Group's solvency capital and liquidity were sufficient in all scenarios and could support the business through a period of significantly lower IFRS earnings as envisaged in some of the modelled scenarios. Accordingly, no material changes were required to our risk strategy for short, medium or long term time horizons. In addition to immediate management actions executed during 2020 to part mitigate the short term earnings strain associated with COVID-19, a range of further possible management actions were identified that could be implemented as required.

Combined assurance

The Group's combined assurance framework establishes the three lines of assurance across all levels of the organisation, focused on increased collaboration and sharing of information as well as reducing duplication of activities.

THREE LINES OF ASSURANCE

- **LINE 1** is responsible for risk identification and management on a day to day basis. This includes implementing and maintaining effective controls to mitigate risk and addressing control deficiencies
- **LINE 2** is responsible for providing assurance and the adequacy and effectiveness of the risk management system and system of internal control. Line 2 also ensures compliance with policies and the accuracy and completeness of reporting
- **LINE 3** provides assurance (through internal and external audit) on the effectiveness of governance, risk management and compliance functions, as well as the system of internal control. Line 3 also has an active and effective reporting line to the appropriate Board committee

The combined assurance plan provides a consolidated view of all assurance activities in relation to the key inherent risks in the business. Focus areas are identified through consideration of the control environment, residual risk and the residual risk versus tolerance assessment.

The development and maintenance of the combined assurance framework, which also forms a key part of the risk management system, is the responsibility of the risk function with oversight and support provided by internal audit.

Top Risks

1 Macroeconomic risk

Poor global macroeconomic outlook, with recovery in South Africa and Rest of Africa markets dependent on global economic recovery, continued low inflation and interest rates and stable exchange rates. This environment places significant financial pressure on our retail customers, lowering disposal income levels. For our institutional customers, this environment can lead to increased retrenchments and liquidations.

COVID-19 Impact

- Growth expectations in 2021 and the pace of economic recovery is impacted by expectations of further COVID-19 waves, risk of slow rollout of vaccinations, vaccine efficacy and poor traction by Government in accelerating economic recovery
- The negative effects of the pandemic on African economies may be more long term due to increased national debt levels and fiscal deficits and limited access to vaccines

Mitigating Actions

- Regular stress and scenario testing is performed to monitor and assess balance sheet resilience and liquidity levels
- Continued focus on operational improvements, prudent expense management and disciplined capital allocation
- Various premium relief initiatives offered to customers to allow them to remain insured and invested through the crisis

Related material matters

- Recessionary environment in South Africa
- Balanced recovery
- Building scale in our smaller operations

Stakeholders Impacted

2 Insurance risk

Adverse claims experience in our Life and Savings business, which provide benefits to customers on death or disability and/or income streams for life and in our Property and Casualty business which provides cover for a wide range of contingencies. The underwriting risks associated with offering these benefits to our customers are central to our strategy.

COVID-19 Impact

- Unprecedented levels of claims brought on by COVID-19, particularly in South Africa. Largest contributors were mortality claims in our Life business and business interruption claims in Old Mutual Insure negatively impacting 2020 earnings
- Increased volume of claims placed pressure on our servicing teams who were already contending with the challenges of maintaining servicing standards whilst working from home

Mitigating Actions

- Ceased offering infectious disease cover under business interruption policies and tightened policy wording due to reduced capacity in reinsurance markets and affordability for customers
- Focus on pricing and guaranteed cover periods on products providing death, funeral and disability cover to ensure that the various product lines providing these benefits continue to be profitable in future
- Protected brand equity through premium free cover offered to healthcare workers in the event of a COVID-19 death
- Ensured appropriate provisions were raised to cover expected claims arising from second and third COVID-19 waves in our Life and Savings business and expected business interruption claims in our Property and Casualty business
- Operational and strategic initiatives underway to improve performance in the Property and Casualty lines of business in Rest of Africa

Related material matters

- Recessionary environment in South Africa
- Balanced recovery
- Meeting changing customer needs

Stakeholders Impacted

3 Growth risk

Inability to achieve and/or maintain a dominant position in our chosen markets, whilst improving new business margins and retail policy retention.

COVID-19 Impact

- Reduced levels of disposable income for customers and restricted adviser access which negatively impacted sales volumes
- Increased retention risk for retail customers employed in sectors where full economic activity has not resumed
- Increased level of corporate customers fully or partially terminating mandates due to retrenchments and liquidations

Mitigating Actions

- Digital enablement of distribution channels
- Introduction of new products and services, with more flexibility and for customers and reward benefits
- Bespoke customer focused interventions to retain institutional customers
- Prioritising data analytics to drive customer insights and improve customer experience. This will promote customer acquisition and create cross and up selling opportunities to drive growth
- Improving efficiency and reach of distribution channels, including diversification into alternative channels
- Enabling most of our advisers to work remotely
- Launch of options for our customers such as whatsapp and USSD to initiate claims or other service transactions

Related material matters

- Recessionary environment in South Africa
- Building scale in our smaller operations
- Efficiency of face to face retail distribution
- Meeting changing customer needs
- Delivery through a motivated workforce

Stakeholders Impacted

4 Credit risk

We are exposed to retail credit risk through the offering of unsecured loans to our customers in South Africa and Namibia and both secured and unsecured lending in Zimbabwe and Kenya. We are also exposed to credit risk through our investment portfolios across all geographies.

COVID-19 Impact

COVID-19 placed significant financial pressure on our customers, lowering disposable income levels. Higher unemployment levels were also noted due to the increased pressure businesses faced to operate whilst COVID-19 restrictions were in place. The slowdown in loan disbursements and increase in credit impairment charges was related to COVID-19.

Mitigating Actions

- Various pricing and scorecard changes have been implemented in Old Mutual Finance to improve the credit quality of new business
- Credit model oversight improvements have been made in South Africa and Rest of Africa
- Various initiatives to drive appropriate loan disbursements to lower risk customers, in order to rebalance risk and growth aspirations.
- Increased levels of engagement with counterparties in our corporate debt portfolio
- Enhanced portfolio monitoring in place, particulary for sectors most at risk
- Scenario planning to establish optimum portfolio composition under possible future conditions, given the trend in South African sovereign and macroeconomic risks

Related material matters

Recessionary environment in South Africa

Stakeholders Impacted

Customers *Intermediaries* *Employees* *Communities* *Investors* *Regulators*

Top Risks

5 Operational risk in East Africa

Weaknesses in business processes and the internal control environment may negatively impact earnings.

COVID-19 Impact

Our business in East Africa relies on a number of manual business processes, these are more complex to operate in an environment where employees are working remotely. Therefore for certain business critical process employees were not able to work remotely and provision was made for these employees to work safely from our offices

Mitigating Actions

- Improvements driven in the internal control environment relating to reinsurance processes in the Property and Casualty business
- Improved model risk management including valuation models
- Improved financial controls, systems and processes

Related material matters

Building scale in our smaller operations

Stakeholders Impacted

6 Technology and information security risk

Simplification and modernisation of our IT infrastructure is a top priority, along with adoption of new technologies, to remain relevant for customers and enhance their experience and ensure business resilience and data security

COVID-19 Impact

COVID-19 led to an acceleration in the adoption of digital tools by our customers, intermediaries and employees. Cloud migration enabled a seamless move to work from home from the outset of the pandemic

Mitigating Actions

- Adopted a cohesive, group wide approach to Technology, Information Security and Business Resilience with clear mandates and accountability
- Implementation of cloud technology to increase our agility, automating processes using robotics to service our customers more efficiently
- Continue to adapt and enhance security capabilities in light of changing threats
- Various digital initiatives and tools were launched during 2020 to ensure that we could continue to interact with and service our customers. This included enabling the majority of our employees and advisers to work remotely, including additional technology interventions to ensure that the increased level of users accessing our systems remotely was not increasing security risk to our systems

Related material matters

- Meeting changing customer needs
- Efficiency of face to face retail distribution
- Delivery through a motivated workforce

Stakeholders Impacted

7 Strategic execution risk

Execution risk is heightened due to numerous change initiatives underway. This is exacerbated by overlapping delivery timelines and dependency on key technical Finance, Actuarial and IT resources

COVID-19 Impact

COVID-19 created a new set of priorities that needed to be addressed placing strain on an already full change agenda. Cross team collaboration required to execute certain initiatives can also take longer in a remote environment

Mitigating Actions

- A Strategic Execution Office has been established to assist with prioritising and mitigating risks associated with the execution of the strategic change portfolio
- Resource contention is being identified and addressed to ensure all initiatives are fully resourced to deliver

Related material matters

- Recessionary environment in South Africa
- Balanced recovery
- Meeting changing customer needs
- Efficiency of face to face retail distribution
- Delivery through a motivated workforce
- Building scale in our smaller operations

Stakeholders Impacted

8 People risk

People risk is heightened due to the rapidly changing ways of work and personal resilience required to adapt quickly. Technological advancements, remote working and the rise of the 'gig economy' are changing the skills required to ensure the long term sustainability of our business

COVID-19 Impact

People risk was heightened due to remote working required as a result of COVID-19. Remote working over the longer term potentially impacts the emotional wellbeing of our employees

Mitigating Actions

- Reduce the risk of work place transmission of the virus in our main campuses by enabling most employees to work from home, whilst maintaining a lean core contingent on site when infection rates are high
- For our customer facing teams, employees are working on a shift basis to limit possible exposure and ensure business continuity when infection rates are high
- Employees are being supported with training and insights to improve Resilience and Financial Wellness
- Attraction and retention of scarce and evolving skills, in particular IT Talent, has improved over the year

Related material matters

- Delivery through a motivated workforce
- Building scale in our smaller operations
- Efficiency of face to face retail distribution

Stakeholders Impacted

Customers *Intermediaries* *Employees* *Communities* *Investors* *Regulators*

Our Material Matters

Material matters are those issues that have the potential to significantly impact the Group's performance, its ability to generate sustainable shared value for its stakeholders and influence our business model.

IDENTIFY

In determining material matters which might impact the Group we consider:

1. **Operating context** which includes the macroeconomic and political environment in which we operate, regulatory changes and evolving industry trends
Read more: Our Operating Context

2. Risk management framework and our **top risks**
Read more: Top Risks

3. Expectations of our **stakeholders**
Read more: Stakeholder Engagment

4. **Strategy** and related strategic delivery pillars
Read more: Our Strategic Pillars

5. Our **capital inputs** and **business model**
Read more: Business Model

RANK

We rank material matters according to likelihood and impact.

We also consider their relevance in the current operating context and potential impact on the sustainability of our business.

REPORT AND APPROVE

Our material matters and the preparation and presentation of the matters in this report are approved annually by executive management and the Board.

Our material matters

- Recessionary economic environment in South Africa
- Efficiency of face to face retail distribution
- Balanced recovery
- Delivery through a motivated workforce
- Meeting changing customer needs
- Building scale in our smaller operations

These matters are expected to change over time as the macroeconomic environment changes, new trends develop and the needs and expectations of our stakeholders evolve. The COVID-19 pandemic has had a significant impact on our business and society as a whole and therefore has an impact on each of our material matters. Although COVID-19 does not necessarily change matters the Group views to be material, it does change the manner in which we need respond to certain of these matters and the lens we apply when assessing risks and opportunities for value creation.

Our Material Matters

Recessionary economic environment in South Africa

The majority of the Group's profits are earned in South Africa, this in conjunction with the nature of the products and services we provide, means we are impacted by changes in the economic environment. The economy contracted by 7% in 2020 due to the impact of COVID-19 related restrictions combined with an already weak economy. This placed immense financial pressure on our customers , reducing levels of disposable income. The affordability of our products and services to our customers and our ability to generate positive investment returns have a direct impact on the Group's ability to maintain and grow revenue.

Risks to value creation

- Negative GDP growth in the short term and a high rate of unemployment, contribute to lower disposable incomes for our customers specifically in the lower income market, the impact most acute for our Mass and Foundation Cluster business.
- Retail customer retention and acquisition is challenging in an environment like this. We expect to see limited growth in customer numbers, as some are likely to withdraw savings and cancel life and general insurance policies to preserve cash in this environment.
- Our Asset Management line of business is dependent on economic growth and rising equity market levels to deliver strong returns to our customers and grow earnings for our investors. Institutional customers may need to withdraw funds as they face short term cash strains.
- Without recovery, our customers will face further job losses and increasing financial pressure. This could lead to higher defaults on loan payments, with an adverse impact on credit losses in our Banking and Lending business.

Opportunities for value creation

- We continue to right size our adviser capacity to levels that are appropriate in the current economic climate, however we retain sufficient capacity to be able to capture the opportunity of connecting with our customers as COVID-19 restrictions are lifted.
- Through various relief initiatives offered to customers, intermediaries and employees we have enhanced our brand equity.
- If we are able to achieve strong investment performance in the current environment, we will attract flows in this difficult market where the pool of those able to invest has contracted.
- Through our Responsible Business efforts, we remain committed to financial inclusion by developing product solutions that are inclusive and affordably priced.

Impact of COVID-19

- The effect of COVID-19 related restrictions on economic activity had a devastating impact on global economies during 2020. The pandemic accelerated the deterioration of an already recessionary economic environment in South Africa.
- The impact of potential further waves of COVID-19 infections and tightening of restrictions could result weaker than initially expected economic growth in 2021 and put pressure on customers and our ability to grow earnings. During 2020 we raised provisions for anticipated short term variances in mortality and morbidity experience, business interruption claims and expected credit losses. We believe these provisions are sufficient to provide for the expected future costs of the pandemic, after allowance for available management actions.

Outlook

- The short term economic growth outlook in South Africa could improve in the medium term on the back of anticipated global growth forecasts, a low interest rate and inflation environment coupled with short term rand strength against a weaker dollar.
- Economic outlook is supported by continuing albeit slow fiscal consolidation in South Africa, improving stability in the electricity supply, some progress by government in tackling corruption and implementation of identified policy measures. The implementation of further policy reform focussed on building confidence and enhancing economic growth would accelerate fiscal consolidation.
- Further corporate business failures are likely as activity levels are too low in certain industries to support profitable operations, which could lead to further retrenchments for customers and adversely affect their propensity to save.
- Uncertainty around the extent of future COVID-19 waves and the speed and efficacy of the vaccine rollout increases uncertainty about the pace of economic recovery in the near term.

Responding through our strategy C A

Refer pages 36 and 37 of this report for performance feedback on these strategic pillars.

Balanced recovery

Maintaining the appropriate balance between continued strategic investment and driving cost efficiency savings is critical to ensure sustainable value creation for stakeholders in the long term.

Risks to value creation

- We remain committed to drive value creation to provide sustainable returns to investors through earnings, dividend and share price growth.
- Our short term priority is to strike a balance between:
  - investing in strategic growth areas to maintain a strong platform to drive and accelerate value creation as economic conditions recover;
  - cost savings and operational efficiency to ensure we can deliver attractive investor returns during the period of low economic growth.

Opportunities for value creation

- If we can grow and diversify our revenue streams during the downwards cycle it will provide us with the ability to continue to make strategic investments that will position us favourably when the economy recovers.
- We drove several capital optimisation initiatives during the year where there was a benefit in executing transactions while the capital markets were at low levels, resulting in significant capital benefits.
- Our resilient balance sheet and the impact of tactical capital optimisation efforts during the year allows us the ability to continue to invest in strategic initiatives despite lower levels of earnings and cash generation in the short term.

Impact of COVID-19

- Our ability to invest in strategic initiatives whilst still producing stable earnings growth was adversely affected by the significant impact of COVID-19 on many aspects of our business. The trade-off between strategic investment and cost savings was more challenging than in prior periods due to the need to direct resources to ensure our employees could continue to be productive in a safe environment and maintain appropriate liquidity during the crisis.

Outlook

- Each of our segments has committed to management actions that will drive efficiency savings, revenue growth and diversification of earnings streams. The outcome of these management actions will assist to mitigate some of the impacts of COVID-19 until the economic outlook recovers.
- We remain committed to deliver R750 million in pre-tax run rate savings by the end of 2022.
- We continue to perform stress tests to assess our liquidity and solvency position under various recovery scenarios. Our liquidity levels remain positive and our solvency ratio remains within our target range in all scenarios.

Responding through our strategy C S

Refer to Pages 36 and 39 of this report for performance feedback on these strategic pillars.

Our Material Matters

Meeting changing customer needs

Digital transformation and adoption is critical to maintaining market share and building a long-term competitive advantage. We need to provide an environment in which our customers, employees and intermediaries feel safe, secure and enabled with innovative technology and deliver flexible solutions tailored to our customers' needs.

Risks to value creation

- The acceleration of digital adoption provides easy access to new entrants, who are disrupting the market with individualised, technology driven solutions using advanced customer profiling techniques.
- Our failure to delivers our refreshed savings and income proposition with sufficient speed could adversely affect the experience of customers and intermediaries, and could lead to loss of market share.
- Failure to ensure that MyOldMutual, a single digital platform, delivers benefits of a personalised customer interaction could adversely affect our market share and pose a risk that we are not our customers' first choice.

Opportunities for value creation

- Through our Always present first strategic pillar, we can enhance our success in physical channels with digital solutions that provide an integrated proposition for customers with a seamless and integrated customer experience across all touch points.
- The roll out of our new risk proposition, Old Mutual Protect, in South Africa and Namibia provides customers with a range of personalised cover solutions. It is supported by a secure digital platform, artificial intelligence to enable quick underwriting decisions and the automation of the advice process.
- Prioritising the optimisation of data analytics will enable us to offer a personalised customer experience that will significantly improve the longevity of the customer relationship. Through the delivery of data driven insights we can support our advisers and proactively service, assist and incentivise our customers to achieve their financial goals.
- By ensuring our retail product range is adapting to changes in customer demand patterns, allowing for more flexible solutions and providing a wider range of underwritten products, we could capture growth in this market segment.

Impact of COVID-19

- COVID-19 restrictions accelerated the rate of digital adoption. We leveraged our digital capability and through the use of digital sales platforms and the provision of data and network access, we enabled most of our employees and certain of our advisers to work remotely. Our ability to accelerate profit growth is dependent on the our ability to provide a seamless digital offering to our customers and intermediaries that is complementary to our existing physical presence and offering.
- During COVID-19 we expanded on our digitalised customer and intermediary service models with a large degree of straight through processing and the payment of claims.

Outlook

- We will continue to invest in digital enablement of customer journeys to ensure a seamless transition from physical to digital interaction in order to provide our customers with their preferred choice of interaction in the future. This includes the simplification and automation of related administration processes to drive efficiency.
- We will prioritise necessary changes to solutions that meet our customers' needs and transforms their experience at a pace they desire.

Responding through our strategy

A R S

Refer to Pages 37 and 39 of this report for performance feedback on these strategic pillars.

Efficiency of face to face retail distribution

In a fiercely competitive world where everything is replicable, our large face to face adviser force provides a competitive advantage through delivering personal service and advice to our customers. To create long term value for customers and other key stakeholders. The propositions we offer need to be attractive to customers, our advisers need to be able to explain them clearly and transparently to our customers and the processes to support this face to face interaction need to be seamless, supported by automation and digitisation.

Risks to value creation

- Advice remains at the core of our traditional retail distribution channels and remains an important part of our customer acquisition and retention strategy going forward. If we are not able to drive efficiencies both from a cost and a productivity perspective this could have an adverse impact on earnings and Value of New Business (VNB).
- Failure to retain and motivate more experienced advisers that are familiar with our propositions and advocates of the Old Mutual brand could adversely impact our customers' experience.

Opportunities for value creation

- Our adviser force is a key channel through which we deepen relationships with our customers. This encourages customer retention, which will be a competitive advantage when the economy rebounds, and will support long term earnings growth. Through the provision of training, appropriate remuneration structures, digital enablement and providing solutions that lead we will enable our advisers to drive their own career growth and motivate our adviser force to remain loyal to the Old Mutual brand.
- Diversifying into alternative channels with lower fixed costs could drive new customer acquisition and growth, as well as assist with achieving financial inclusion for all.

Impact of COVID-19

- COVID-19 had a devastating impact on the productivity of this method of selling due to the national lockdown in South Africa in Q2 2020. Overnight our ability to access our customers' homes and worksites was cut off, significantly reducing our sales volumes and negatively impacting advisers' earnings.
- We responded by providing adviser remuneration relief packages and enabling a large portion of our advisers to sell remotely. As restrictions have lifted we have ensured advisers are able to access homes and worksites in a safe manner.
- The steep decline in sales volumes necessitated a sharp focus on enhancing distribution efficiencies. During the pandemic we assessed the end to end value chain of our distribution channels and identified areas where efficiency can be enhanced to improve speed of service and profitability.

Outlook

- We will continue to drive efficiencies in our distribution channels and to invest in initiatives that will digitally enable customer and adviser journeys. Enhancing our physical reach with a digital presence will help us be 'always present first'.

Responding through our strategy

A R S

Refer to Pages 37 and 39 of this report for performance feedback on these strategic pillars.

Our Material Matters

Delivery through a motivated workforce

Inspired by our purpose to champion mutually positive futures every day, our new strategy aims to create long term sustainability and real shared value for all stakeholders. This can only be achieved if our approach to implement the strategy is appropriate and if executing our strategic objectives is driven by the ambition, commitment and performance of our employees.

Risks to value creation

- The volume of strategic initiatives underway, and the pace of delivery that is required, coupled with the demands of business-as-usual delivery, is placing pressure on our employees.
- Significant organisational change and required culture shift to create an environment conducive to rapid information flow and decision making could result in change fatigue and increased retention risk.

Opportunities for value creation

- If our strategy resonates with employees, they will be the driving force behind execution and achieving our purpose at pace. This is supported by our strong employee value proposition to ensure we attract, develop and retain the required skills to execute our strategy.
- Employees with a deep sense of connection and meaning in our purpose will contribute to our customers' experience and enhance our brand value.

Impact of COVID-19

- COVID-19 restrictions have had both positive and negative impacts for our employees.
- Whilst working from home has allowed many the increased flexibility previously desired, it has also been difficult for employees to deal with the constant juggling of family, personal and work priorities.
- We have used the opportunity to run a Distributed Workforce Pilot to ensure we learn as much as possible about the benefits and drawbacks of remote working. These learnings will be used to inform our future work practices and policies to create a balanced and more flexible work environment.

Outlook

- Employee wellbeing is becoming a concern due to the impact of extended lockown and extended period of remote working. Learning modules aimed at helping line managers and employees cope with the changes have been rolled out in response.
- A Strategic Execution Office (SEO) has been established to assist with prioritising and mitigating the risks associated with the execution of the strategic change portfolio.

Responding through our strategy

C A R E S

Refer to pages 36 – 39 of this report for performance feedback on these strategic pillars.

Building scale in our smaller operations

Successfully scaling our businesses in other markets in the Rest of Africa is attractive in the long term given the strong economic growth potential of these regions compared to muted growth expectations in the South African market. The risks and challenges of operating and growing smaller and subscale operations in these markets needs to be managed carefully to capture desired earnings growth and diversification.

Risks to value creation

- Our operations in East and West Africa continue to pose challenges associated with operating smaller and subscale businesses in these markets. Certain of the businesses acquired in these regions are subscale and require further investment to improve operational efficiencies and capture potential earnings growth. The cost of doing business and continued investment in the turnaround of these regions remains high which is suppressing earnings growth.
- The lack of specialised underwriting, accounting and actuarial skills in certain of the countries increases execution risk for key operational processes.
- Although there is strong long term growth potential, these economies can be susceptible to shocks and periods of prolonged economic volatility, Zimbabwe is an example of that. The economic environment in Zimbabwe continues to be extremely challenging due to hyperinflation. These operations are managed on a ring fenced basis and the board and management of this business have been given a mandate to follow in managing this business which is more appropriate to the unique environment and circumstances.

Opportunities for value creation

- The population in Africa continues to be among the fastest growing and youngest in the world. This strong population growth, expectations of a growing middle class in the long term and increasing use of technology support long term growth prospects. Financial inclusion in Africa has grown significantly over the last few years driven by increasing levels of disposable income and the adoption of digital financial services, which presents a sizeable opportunity for market penetration. We can leverage our infrastructure and experience in South Africa to drive the expansion of product offerings and digital innovation in our smaller businesses.
- Transferring employees between South Africa and the smaller operations in Rest of Africa, and visa versa, gives us the opportunity to train and share knowledge and learnings across our talent pool. It also gives our employees the opportunity for career growth through diversifying their employee experience.

Impact of COVID-19

- In Rest of Africa, the direct impact of COVID-19 has been less observable, with a lack of infection and mortality data in certain regions. Economic growth has been negatively impacted due to the heightened uncertainty in global capital markets and reduction in foreign investment and tourism spending due to travel restrictions in place. The tough economic environment and various levels of lockdown restrictions led to lower levels of disposable income for our customers resulting in elevated levels of surrenders and credit defaults.
- In certain regions it has been more challenging and costly to enable our employees to work from home.

Outlook

- We will continue to focus on driving the turnaround of the businesses in East and West Africa through driving best practice business processes and balance sheet optimisation. We will consider acquisitions and strategic partnerships where necessary to build scale quickly, to fill proposition gaps for our customers and acquire new capabilities.
- We will drive sales growth through continued enhancement of our multi channel distribution model.

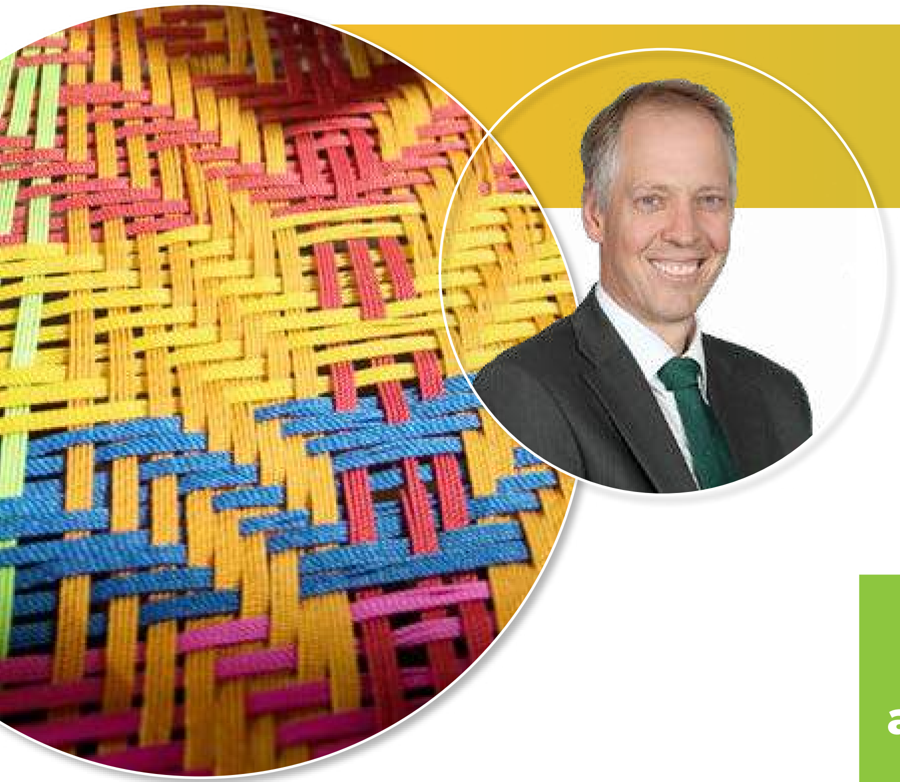
Responding through our strategy

A R S

Refer to pages 37 and 39 of this report for performance feedback on these strategic pillars.

PERFORMANCE

A Message From Our CEO



"I am extremely proud that we further strengthened the fabric of our business during the pandemic. I believe that the disciplined execution of our refreshed strategy will place us in a good position to win in the market when the economy recovers."

Iain Williamson
Chief Executive Officer

Launched an **active ESG fund,** one of the first in South Africa

AAA rating from MSCI, putting us into the top 4% of ESG leaders

Score of **80.3%** on SACSI ranking above industry score of 78.7%

Fast tracked **R13 billion** of mortality claims

2020 was one of the most challenging years our organisation has ever faced. Our business remained well capitalised through decisive management actions and our liquidity position was strong, despite the material negative impact COVID-19 had on our earnings. The fundamentals of our business were tested through this extreme scenario, but we remained true to our purpose of championing mutually positive futures every day and our diversified business model enabled us to demonstrate resilience in this environment.

I am therefore pleased to announce that the Board has declared a dividend of 35 cents per share consistent with our dividend policy. During this crisis I have been most proud of how our employees have demonstrated dedication, resilience and agility as they continued to serve and advise our customers responsibly.

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We have made good strides operationally and simplification remains a key focus to enhance efficiencies across the business with areas of progress including the consolidation of debt programmes and acceleration of digital enablement.

We remained deeply committed to supporting our customers, employees and communities through these unprecedented times. We offered various financial support initiatives that provided relief to customers, intermediaries, communities and our employees. As part of our ongoing relief initiatives to customers during difficult times, we made interim payments in respect of business interruption claims to qualifying small and medium sized enterprises (SMEs) customers, most affected by the economic downturn, to enable them to continue operating.

We extended premium free cover to frontline healthcare workers in South Africa, Malawi and Zimbabwe. In most of our regions in Africa we donated medical supplies, protective equipment and funding to frontline healthcare workers and regional hospitals.

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We are also involved in a pipeline project to supply oxygen to the Queen Elizabeth Central Hospital in Malawi. We are actively involved in the Business for South Africa (B4SA) Vaccination Support Programme and we will lend our public voice in promoting safe vaccinations across the continent.

In contrast to the economic slowdown witnessed in the year, our product rollout accelerated its pace as our teams all stepped up to take control of our fortunes and those of our customers. We have seen significant progress in the roll out of Old Mutual Protect, our new risk proposition which offers a range of personalised cover solutions. This proposition is supported by a secure digital platform, and it seeks to provide personal cover that is comprehensive, modular, and aligned with customers' evolving lives. The platform allows advisers to provide an online needs analysis, make a solution recommendation, pre-populate personal information, verify client identity and save advice records securely in the cloud for easy access. It facilitates quick underwriting decisions through artificial intelligence and allows advisers to focus on meaningful conversations with customers to build cover and benefits that are relevant and appropriate for them. During 2021 we will add a savings and income proposition alongside the Old Mutual Protect range utilising the same core infrastructure, which will complete the refresh of our Life and Savings solution offering in South Africa and Namibia. In addition, the simplified new funeral product rolled out in branches and distributed through loan consultants has been well received by customers.

During the year, we started to embed the refreshed Truly Mutual strategy, underpinned by five interconnected strategic pillars, throughout our business. We believe that successful execution on the five strategic pillars will enable us to be our customers' first choice and allow us to build the most valuable businesses in the industry, delivering sustainable long term value for shareholders. We have made good progress against each strategic pillar, refer to page 36 to 39 for more detailed feedback. We are in the process of finalising targets for each pillar and will communicate these to the market in due course.

When I reflect on 2020 and the challenges we faced as a business, I am extremely proud that we further strengthened the fabric of our business during the pandemic. Our digital rollout stood us in good stead in 2020 and we will keep delivering on digital at pace as we continue with the dynamic, ongoing process of re-envisioning our business. I believe that the disciplined execution of our refreshed strategy will place us in a good position to win in the market when the economy recovers.

A Message From Our CEO

Three phase approach to managing the crisis

We followed a three phase approach in managing our response to the crisis. This approach ensured we had a structured approach to stabilise the business quickly and could then focus on driving recovery and mitigating the impacts of the pandemic on our results and our business in the medium term. The stabilisation and transition phases focused on reducing risk to the business, the re-envision phase focuses on moving beyond risk and focusing on the opportunities this crisis presents. This involves re-envisioning a nimble, impactful Old Mutual that unashamedly puts the customer front and centre of a new and exciting strategy.

Focused on six key priorities in initial period of the crisis:

1. Health and safety of our **employees**
2. Continuity of **service to our customers**
3. Ensuring **solvency** and **liquidity** remain resilient
4. Ensuring **operational continuity**
5. **Managing costs** tightly
6. Active contribution in assisting our **communities**

- Took action to part mitigate impact on earnings in 2020
- Maintained strong balance sheet through decisive capital management actions and capital optimisation
- Delivered on digital enablement of employee and intermediary journeys
- Adopted and embedded Truly Mutual strategy

- Delivering on our Truly Mutual strategy
- Delivery on refreshed medium term targets

During the year we focused on maintaining strong levels of solvency and liquidity and identifying opportunities for simplification and efficiencies in our business. This will continue to be an important focus as we transition the business out of this period of global crisis.

We are focused on driving recovery in RFO to 2019 levels and improving RoNAV to above cost of equity as rapidly as possible, however the pace of the recovery will depend on GDP growth and equity market levels. We expect to achieve this recovery by 2023, and these targets have been included in executive remuneration incentive plans. Our VNB margin is unlikely to fully recover in 2021, however as sales and productivity levels return to historic levels this will improve the VNB margin. In the medium term we are targeting a VNB margin of between 1.5% and 3%.

We remain committed to delivering R750 million of pre-tax run rate cost savings by the end of 2022. We expect these savings to be delivered largely through efficiency improvements in Old Mutual Insure, Personal Finance and Wealth Management as well as simplification and digitalisation in our enabling functions.

Metric	Target
Results from Operations	Recovery to 2019 levels by 2023
RoNAV	Above cost of equity by 2023
VNB margin	VNB margin of 1.5%-3% in the medium term
Cost savings	R750 million of pre tax run rate cost savings by end 2022

OPERATING CONTEXT

The pandemic triggered unprecedented volatility in local and global capital markets in the first half of 2020. GDP contracted by 7% in South Africa in 2020 as the country suffered the most severe COVID-19 outbreak in Sub-Saharan Africa, which prompted strict lockdown measures and brought the economy to a standstill in the second quarter. Over the course of the year equity markets showed a steady recovery from the significant drop in March, with stimulus measures and vaccine breakthroughs driving a rally global equity markets in the fourth quarter. Local equity markets in South Africa recovered most of its losses, ending the year marginally below the 2019 closing levels. Lower average market levels put pressure on our asset base, partially offset by positive foreign exchange gains driven by rand strength at the beginning of the year. Credit spreads narrowed in H2 2020, however the onset of the second wave of the pandemic in the fourth quarter added pressure to business operations of certain counterparties and contributed to the general economic decline.

The contraction in the South African economy further led to a steep rise in the unemployment rate. Persistent disruptions to power supply placed further pressure on economic recovery and growth.

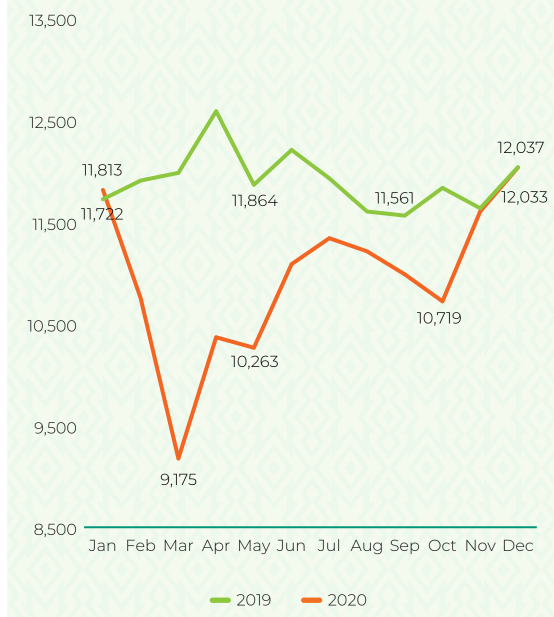
In Namibia, the pandemic has severely strained the government's ability to meet rising expenditure and repay debt in the coming years without taking on more. The country has been ranked among the worst performing Southern African countries with an estimated contraction of 7.3% in 2020. Kenya's economy was hit hard through supply and demand shocks on external and domestic fronts, interrupting its recent broad based growth path. The World Bank expects GDP to have contracted by 1% in 2020. Zimbabwe continues to face extreme macroeconomic instability. The impact of the pandemic and related lockdown restrictions had an adverse effect on an already ailing economy. The annual inflation rate averaged a staggering 621.5% in 2020.

The world remains in various degrees of lockdown and continued restrictions limited the free global movement of people. Recent vaccine approvals and rollouts combined with ongoing stimulus is providing optimism for an increase in economic activity and growth. Renewed waves of infection and new variants of the virus remain concerning, despite infection rates starting to ease from the spikes seen in January 2021. This pace of economic recovery remains very uncertain and difficult to predict. Amid this uncertainty, the latest forecast for the global economy is to expand by 5.5% in 2021.

In South Africa market commentators are citing expectations of GDP growth for 2021 of between 2% and 5%, highlighting the impact of the heightened uncertainty in current forecasting. The World Bank is predicting growth of 3.3%, a partial recovery from the 7% contraction in 2020. The pace of the vaccine rollout, concerns around new virus strains and reinfection, rising unemployment and electricity supply constraints are expected to continue to impact investor sentiment and could impact the speed of expected economic recovery.

In Namibia, a relatively weak recovery of 2.7% is forecasted for 2021 which will be supported by better growth prospects for diamond mining, agriculture, and transport sectors. Risks to domestic growth remain the successful rollout of vaccinations in Namibia and the persistently low international prices for export commodities such as uranium. Kenya's economy is predicted to grow by 6.9% in 2021. The positive outlook mainly reflects increased crude oil production and exports, continuing foreign direct investment and the Government's commitment to the Big Four Agenda aimed at industrialisation of health, housing, agriculture, and manufacturing.

South Africa – equity market levels (SWIX)



Group Financial Performance

"We have managed our capital position well with decisive management actions taken through the year, which we believe will contribute towards the recovery of RoNAV. We continue to evaluate new capital requests against our internal hurdle rate of cost of equity + 4%."

Casper Troskie
Chief Financial Officer

Group Highlights

Rm (unless otherwise stated)	FY 2020	FY 2019	% change
Gross flows	**187,137**	170,689	10%
Life APE sales	**9,786**	12,268	(20%)
NCCF (Rbn)	**9.6**	2.2	>100%
FUM (Rbn)	**1,104.6**	1,048.5	5%
VNB	**621**	1,865	(67%)
Results from Operations (RFO) excluding direct COVID-19 impacts	**7,742**	8,972	(14%)
Results from Operations (RFO)	**1,663**	8,972	(81%)
Adjusted Headline Earnings (AHE)	**2,484**	9,856	(75%)
Adjusted Headline Earnings per share (cents)[1]	**54.3**	209.3	(74%)
Headline Earnings (HE)[2]	**5,088**	10,641	(52%)
Headline Earnings per share (HEPS)[2]	**116.1**	236.1	(51%)
Return on Net Asset Value (RoNAV) (%)	**3.8%**	15.2%	(1 140 bps)
Free Surplus Generated from Operations	**4,700**	6,794	(31%)
% of AHE converted to Free Surplus Generated	**189%**	69%	12 000 bps
IFRS (Loss)/Profit after tax attributable to equity holders of the parent[2]	**(5,097)**	9,386	(>100%)
Basic earnings per share (cents)[2]	**(116.3)**	208.3	(>100%)
Group Solvency ratio (%)[3]	**185%**	189%	(400 bps)
Final dividend per share (cents)	**35**	75	(53%)

1 WANS used in the calculation of the Adjusted Headline Earnings per shares is 4,574 million (FY 2019: 4,709 million).
2 These metrics include the results of Zimbabwe. All other key performance indicators exclude Zimbabwe.
3 We have re-presented the December 2019 solvency position in line with the final group designation by the Prudential Authority.

We experienced strong Gross flows in our Asset Management business in South Africa which benefitted from both new mandates secured and continued investment from existing customers, coupled with strong corporate inflows in Namibia and East Africa. This was partially offset by lower single premium inflows in our Life and Savings business. The strong growth in gross flows is the driver of NCCF of R9.6 billion for the year, representing an increase of R7.4 billion from the prior year. FUM increased by 5% due to higher NCCF and foreign denominated assets benefitting from rand weakness in the first half of the year.

Life APE sales decreased by 20% from the prior year mainly driven by the significant impact the national lockdown had on issued sales in the second quarter in both Mass and Foundation Cluster and Personal Finance. Lower single premium flows and recurring premium savings sales in Old Mutual Corporate despite strong risk sales further contributed to the decline in Life APE sales. Management actions taken in Mass and Foundation Cluster in the prior year to manage our credit exposure in the tough economic environment have impacted credit life sales volumes, which were down 52% from the prior year.

We have experienced good recovery in new business sales volumes in the second half of the year following the very low levels in the second quarter at the height of lockdown restrictions in South Africa. The gradual reopening of worksites and branches were supported by the digital enablement of advisers to sell remotely. The take up of digital sales and servicing options introduced during lockdown contributed to an improvement in adviser productivity in H2 2020 in most of the regions we operate in. Our customer base remained financially constrained with retention rates still under pressure. It was observed that customers continue to opt for lower margin risk and investment products, and that coupled with lower volumes contributed to the decline in VNB compared to the prior year. Single premium savings sales have also fared better than recurring premium as customers remain uncertain about their ability to make regular premium payments, and when looking at lapse trends they seem to value risk products over savings. Retail investors in our Wealth Management business have also opted for more conservative investment solutions and the demand for offshore solutions remain strong.

Final dividend of
35 cents
per share

185%
Group Solvency ratio

R4,700 million
Free Surplus Generated from operations

R98.5 billion
Group Equity Value

Group Financial Performance

Adjusted Headline Earnings and IFRS loss after tax

Rm	References	FY 2020	FY 2019	% change
Mass and Foundation Cluster		**2,008**	3,527	(43%)
Personal Finance and Wealth Management[1]		**3,208**	2,169	48%
Old Mutual Investments[1]		**888**	1,008	(12%)
Old Mutual Corporate		**1,340**	1,816	(26%)
Old Mutual Insure		**309**	233	33%
Rest of Africa		**401**	496	(19%)
Net expenses from central functions		**(412)**	(277)	(49%)
Results from Operations excluding direct COVID-19 impacts		**7,742**	8,972	(14%)
Separately identifiable direct COVID-19 impacts	A	**(6,079)**	–	(100%)
Results from Operations		**1,663**	8,972	(81%)
Shareholder investment return	B	**1,612**	2,102	(23%)
Finance costs	C	**(484)**	(737)	34%
Income from associates[2]	D	**917**	2,528	(64%)
Adjusted Headline Earnings before tax and non-controlling interests		**3,708**	12,865	(71%)
Shareholder tax		**(1,188)**	(2,874)	59%
Non-controlling interests		**(36)**	(135)	73%
Adjusted Headline Earnings		**2,484**	9,856	(75%)

1 *Segment composition has been revised following a change in management responsibility. Comparatives have been re-presented to reflect this.*
2. *Income from associates includes our remaining stake in Nedbank and our investment in China.*

Rm	References	FY 2020	FY 2019	% change
Adjusted Headline Earnings		**2,484**	9,856	(75%)
Investment return for Group equity and debt instruments in life funds		**785**	474	66%
Impact of restructuring		**497**	(580)	>100%
Discontinued operations		**–**	74	(100%)
Operations in hyperinflationary economies	E	**1,093**	441	>100%
Residual plc	F	**229**	376	(39%)
Headline Earnings		**5,088**	10,641	(52%)
Impairment of goodwill, other intangible assets and property, plant and equipment	G	**(1,408)**	(395)	(>100%)
Impairment of associated undertakings	G	**(8,777)**	(869)	(>100%)
Profits on disposal of subsidiaries, associated undertakings and strategic investments		**–**	9	(100%)
IFRS (Loss)/Profit after tax for the financial period attributable to ordinary equity holders of the parent		**(5,097)**	9,386	(>100%)

A Separately identifiable direct COVID-19 impacts

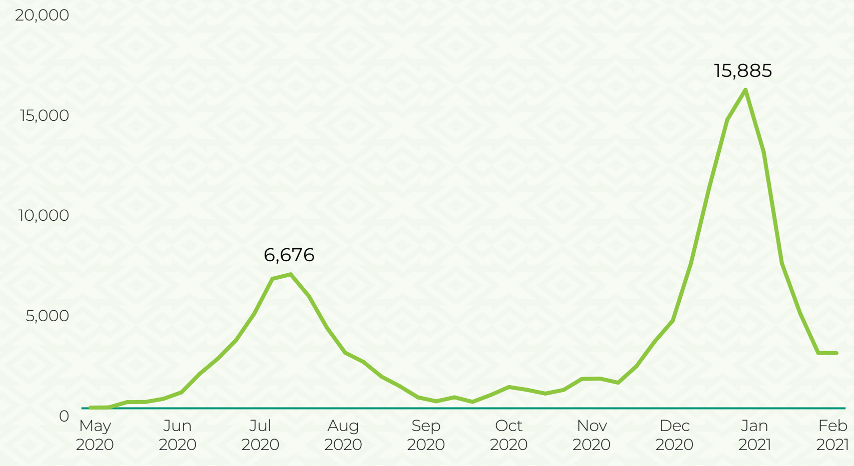
We have presented certain direct COVID-19 impacts separately within our presentation of Results from Operations, in order to reflect the underlying results of our segments on a more comparable basis to the prior year. Only items that are directly attributable to COVID-19, separately identifiable and reliably measurable have been presented in this line item. We have not made any pro forma adjustments for impacts such as the loss of earnings due to lower sales activity resulting from lockdown restrictions.

The table below illustrates the direct impacts of COVID-19 on our alternative profit measure, Results from Operations. Please note that RFO and RFO excluding COVID-19 impacts are non-IFRS measures.

Rm	Results from Operations (RFO)	Direct COVID-19 impacts	RFO excluding direct COVID-19 impacts
Mass and Foundation Cluster	1,265	743	2,008
Personal Finance and Wealth Management	525	2,683	3,208
Old Mutual Investments	180	708	888
Old Mutual Corporate	87	1,253	1,340
Old Mutual Insure	(131)	440	309
Rest of Africa	192	209	401
Net expenses from central functions	(455)	43	(412)
Total	1,663	6,079	7,742

Rm	
Net pandemic impact	**4,393**
Business interruption and rescue reserves	**791**
Underwriting results – Personal lines	**(293)**
Unrealised Mark to Market losses	**704**
Forward looking information	**169**
Increase in operating expenses	**315**
Total direct COVID-19 impacts	**6,079**

Excess mortality rates



Source: SAMRC

Net pandemic impact

In H1 2020, we raised a short term provision of R1,339 million for the anticipated impacts of worsening mortality, morbidity and persistency related to COVID-19. At the time we had noted a trend of increasing mortality and morbidity claims in the second quarter and into the initial weeks of the third quarter. There was limited observed data and significant uncertainty around the length and severity of this experience. The provision was intended to provide for expected experience in the second half of 2020.

In South Africa, actual claims in the second half of the year were higher than the provision raised in H1 2020, with an acceleration in infection and excess mortality rates in the fourth quarter. This acceleration was consistent with early patterns of second waves noted in other countries. Since the start of 2021 we have continued to monitor the excess mortality and infection data released weekly by the South African Medical Research Council (SAMRC), our own claims experience and other observable sources. This data confirms that wave 2 experience is significantly worse than wave 1.

There are also emerging expectations of a third wave given evidence of virus mutation, the slow pace of the vaccination rollout and the upcoming winter season. In light of this, we have increased our short term provision by R3,962 million, bringing the total pandemic impact in 2020 to R5,505 million. The impact of this has been in part mitigated by the release of discretionary reserves of R1,112 million related to mortality experience in Mass and Foundation Cluster, reducing the income statement impact to R4,393 million.

In the South African life business, each segment has reviewed their own claims data and considered how this correlates to national infection and excess mortality data. In Mass and Foundation Cluster, mortality experience is following national experience closely with a lag of approximately a week between the national data trends and our claims data.
Whilst wave 2 experience has been significantly worse than wave 1, the increase in excess mortality rates have not been as severe as national experience. Wave 3 experience has been assumed to occur at a similar level as seen in wave 1.

Group Financial Performance

A

In Personal Finance, there is a noticeable lag between national data trends and claims received due to reporting and processing cycles. The assumptions of the reserve for wave 2 have been aligned with national experience and wave 3 experience has also been assumed at similar levels to wave 1 experience. Old Mutual Corporate has followed a similar reserving approach to Personal Finance, but adjusted for a slightly longer lag, contract boundary differences and considered the impact of repricing and their reinsurance strategy.

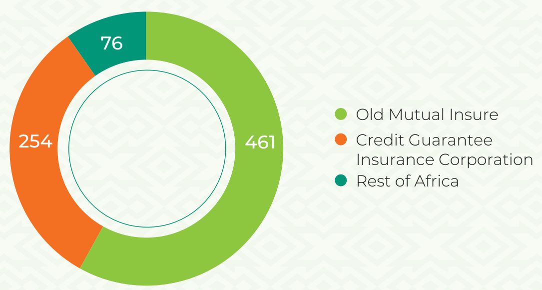
In Rest of Africa, the experience related to COVID-19 has been muted and there is a lack of infection and mortality data in certain regions. We have received claims of R12 million in Rest of Africa and consider the provision raised appropriate for potential future impacts.

We continue to monitor closely claims experience in 2021 and have recorded R1,922 million of COVID-19 related mortality claims for January and February. Taking into account, there is R2,040 million of the pandemic reserve remaining for mortality risk related to COVID-19 that may arise. There is still much uncertainty around the extent of the third wave and the possibility of future waves, the incidence of new variants, as well as the pace of the vaccination rollout and the impact it will have on curbing infection and mortality. However we expect that the pandemic reserve will be sufficient to provide for the expected future costs of this pandemic, after allowance for available management actions.

Business interruption and rescue reserves

The recent court rulings by the Supreme Courts of Appeal in South Africa and the United Kingdom have addressed industry uncertainty around the application of business interruption clauses. These rulings confirmed that cover should be provided for business interruption losses caused by the Government enforced national lockdown, provided there was an instance of COVID-19 within the defined radius of the customer's business. In Old Mutual Insure, a net provision for business interruption and rescue reserves of R715 million was raised. This amount includes a provision for payments to SME customers with an annual sum insured of R5 million or below, to settle business interruption claims ensuring they can continue operating in a tough economic environment. This settlement was applied to all our qualifying SME customers who had the infectious disease extension at the time of loss and the amounts paid will be offset against valid claims arising from the assessment process. In Rest of Africa we reserved R76 million for anticipated business interruption claims, with the majority of this provision related to business interruption risk in our business in Namibia.

Business interruption and rescue reserves (R million)



Underwriting results – Personal lines

Old Mutual Insure benefitted from a significant reduction in claims volumes, particularly related to motor vehicles, in the first half of the year during the extended national lockdown enforced by government. Total premium relief of R105 million was provided to customers in Personal lines in recognition of their reduced activity during the period. Although there was an increase in the second half of the year as consumer activity returned to more normalised levels, claims volumes remained below the prior year. For this reason we excluded the total positive underwriting result of R293 million of the Personal lines when presenting RFO excluding direct COVID-19 impacts.

Unrealised mark to market losses

Net negative fair value investment losses of R704 million are included in RFO, related to unlisted equity and a portfolio of credit exposures in our Specialised Finance business. Whilst there are some counterparty specific impacts on exposures held, the fair value losses broadly reflect the significant volatility and downside risk seen in capital markets during 2020. We expect these fair value losses to unwind as the economic outlook recovers and stabilises.

The valuation of our unlisted investments portfolio, including equity, decreased by R377 million, taking into account the decline in multiples of comparable listed peers. Whilst there was some narrowing in credit spreads during the second half of the year, the pressure on business operations of some counterparties brought on by the onset of the second wave and general economic decline has resulted in mark to market losses of R327 million in our credit portfolio. This decrease reflects the mark to market impact of the observed spread widening, partially offset by yield enhancement as a result of the movement in spreads.

Forward looking information

IFRS 9 requires that forward looking information is included in expected credit loss models to ensure that future credit risk is appropriately provided for. Given the volatile economic environment, an additional management overlay was required to ensure expected credit loss provisions were appropriate. This management overlay referenced several possible economic recovery scenarios and their impact on the credit environment. This resulted in an increase in the expected credit loss provision of R169 million to take into account forward looking economic information and the expected correlated deterioration in the credit environment in South Africa, Namibia and East Africa.

Increase in operating expenses

Incremental operating expenses of R315 million were incurred in 2020 as a direct result of the pandemic. These costs included IT and data costs incurred to enable our employees and tied advisers to work from home, costs incurred to implement COVID-19 safety measures in our offices and branches, and spend on initiatives to aid customers and intermediaries in the current environment.

B Shareholder investment return

Shareholder investment return of R1,612 million decreased by 23% from R2,102 million in the prior year. In South Africa, the decrease in shareholder investment return is largely a function of the lower interest rate environment and the decline in the average shareholder asset base.

The valuation of our unlisted equity portfolio was negatively impacted by the decline in economic growth forecasts and lower comparable listed peers referenced in valuations. Investment return earned in our listed equity portfolio is lower than the prior year, despite a recovery in local equity markets in the second half of the year whereby the fair value losses recorded in H1 2020 corrected due to the nature of the protected equity strategy in place. For South African listed equities in the shareholder portfolio, excluding Nedbank, we aim to limit capital losses using a hedged equity strategy. The hedging strategies are executed primarily in the form of zero cost collars where the exposure to losses is limited to 5% – 15% of the investment value whilst underlying equities track the SWIX40 total return index. The interest bearing assets aim to outperform the STEFi composite index.

Shareholder investment return in the Rest of Africa increased to R311 million from R42 million in the prior year, largely due to the one off negative fair value losses on investment properties in East Africa in the prior year. This was partially offset by fair value losses in Namibia compared to the prior year, driven by negative returns in the listed and unlisted equity portfolios.

C Finance costs

Finance costs decreased by 34% to R484 million from R737 million in the prior year. Old Mutual Life Assurance Company South Africa (OMLACSA) redeemed R2.2 billion of its unsecured subordinated debt in the first and third quarters of the year, which contributed to lower average debt levels. Higher fair value gains on interest rate swaps further contributed to lower finance costs.

D Income from associates

Income from associates decreased by 64% to R917 million from R2,528 million in the prior year, largely due to a significant decrease in Nedbank earnings. This was driven by a significant increase in credit loss provisions and the negative impact of the national lockdown on non-interest revenue in the first half of the year, partially offset by good expense management and an improvement in earnings in the second half of the year. Our business in China reported a loss of R156 million compared to a profit of R10 million in the prior year. This was largely due to lower sales volumes as a result of the pandemic and fair value losses on financial assets related to a guaranteed product portfolio.

E Operations in hyperinflationary economies

Zimbabwe's profits for the year were driven by an increase in shareholder investment returns. Most of these investment returns relate to fair value gains earned on equities traded on the Zimbabwe Stock Exchange (ZSE). The ZSE generated returns of 1,046% during the year, driven by investors seeking a safe haven due to the current economic conditions within the country. This return is in excess of inflation and the depreciation of the Zimbabwean dollar to the rand, resulting in a profit included in the Group's consolidated results. We caution investors that these returns may reverse in the future.

F Residual plc

Residual plc reported a profit of R229 million, a decrease of 39% from the prior year. Fair value losses on residual investments and securities and running costs, were more than offset by a tax refund received by Old Mutual Netherlands BV in respect of withholding tax previously paid. Running costs for these entities have declined reflecting the progress in streamlining and simplifying the balance sheets of the remaining operating companies.

G Impairments

During the first half of the year, we recognised an impairment of goodwill in respect of our investment in Old Mutual Finance. This was largely driven by the decline in GDP growth outlook for South Africa. We also recognised an impairment in respect of our investment in Nedbank, triggered by the significant decline in the Nedbank share price. As part of our full year assessment, we have reviewed the assumptions and economic recovery scenarios in our valuation models and concluded that no further impairments were required.

Group Financial Performance

Capital Management

The Group manages its balance sheet through the execution of regular management actions taken to maximise return on equity for shareholders. This is achieved through various capital optimisation initiatives combined with efficient capital allocation and strategic asset allocation of shareholder capital.

The Group also actively manages the returns and related capital of guaranteed products. These activities will accelerate the recovery of the Group's RoNAV.

The Group strategy and Financial Management Framework (FMF) drives the allocation of capital across the Group. The framework is embedded in all significant business decisions across the Group, and it defines the financial metrics for all capital allocation decisions to enhance shareholder value. The Group measures any new opportunities against a strict acquisition framework which ensures that any acquisitions considered meet the Group's targeted return of cost of equity + 4%.

The Group's strategic asset allocation is set to optimise shareholder value by maximising the after tax return on capital invested. There is a significant allocation to lower risk asset classes such as cash and protected equity, due to the capital efficiency of these asset classes driving an optimal return at a portfolio level. Tactical asset allocation between asset classes is allowed for in the South African portfolio within a tightly managed risk appetite range. This allocation strategy allows for agility in asset allocation to take advantage of market opportunities.

We continue to actively monitor potential liquidity risks and the adequacy of our current liquidity buffers across legal entities in the Group in response to market volatility experienced during the year. Group liquidity is determined by assessing positions post the emergence of a "Perfect Storm" event. Our current positions remain robust and we retain sufficient liquidity in all stress scenarios modelled. Liquidity risk buffers that cover margin and collateral calls related to guaranteed product hedging strategies are modelled on a daily basis and can withstand demands even under severe stresses.

Governance Structures

Capital management is governed through an executive committee that comprises senior financial executives and members of the Group's executive committee. The committee reviews and approves capital requests submitted by the business, approves the capital business plan and sets the Group's dividend policy as well as solvency ratio target ranges.

Decisive capital management actions taken in 2020

1 Prudential Authority Approvals

The Prudential Authority communicated the outcome of the Insurance Group designation for our Group during the year. This designation confirmed Old Mutual Limited as the controlling company of the insurance group and confirmed the list of entities that should be included within the scope of this insurance group. The designation also confirmed that our investment in Nedbank should be treated as an equity investment in the calculation of the Group solvency position, reducing the solvency capital requirement for the Group. Previously Nedbank was included on a Basel III basis which is more punitive and is also significantly misaligned with the IFRS treatment of Nedbank. The designation has no impact on the preparation of the solo position for OMLACSA, as Nedbank has always been treated as an equity investment in the calculation of the solo solvency position. The Prudential Authority further approved the use of the iterative risk margin approach in the calculation of the solvency position which materially reduced the solvency capital requirement for OMLACSA.

2 Hedging optimisation of the risk book

During the year we optimised the hedging strategies related to risk products in Mass and Foundation Cluster and Personal Finance which positively impacted the respective product reserves and significantly reduced the market risk exposure of the applicable policyholder liabilities. This optimisation led to a one off reserve release of R1.8 billion as a direct result of a reduction in interest rate risk and favourable market rates during the execution of the strategy. It also enables the release of previously held risk buffers.

3 Three Manager Model framework

We implemented the Three Manager Model framework effective from 1 January 2020. Under this framework, financial risks such as market and liquidity risks related to non-profit and other guaranteed products are consolidated and managed by the Middle Manager function, reported as part of Other Group Activities, with no aim to generate profit. Investment credit risk was transferred to Specialised Finance in the Old Mutual Investments segment which now have the responsibility for managing assets previously managed by the Old Mutual Corporate and Personal Finance segments. From 1 January 2020, the earnings on these credit assets are capped at the fund transfer pricing rate in these segments. Given the transfer of risk, the capital held against the related products in the segments reduced and current year mark to market losses on these assets are reported either in the RFO of Other Group Activities (including in net central expenses) or Specialised Finance.

4 Debt raising

A multi-issuer Domestic Medium Term Note (DMTN) programme to the value of R25 billion was registered in March 2020 which enrolled Old Mutual Limited, OMLACSA and Old Mutual Insure as issuers. Previous notes issued by OMLACSA and Old Mutual Insure were transferred to this programme. OMLACSA successfully completed the issuance of unsecured subordinated debt to the value of R2 billion at a favourable floating rate of 193 bps above the 3 month JIBAR and the debt is guaranteed by Old Mutual Limited. During the year, OMLACSA redeemed R2.2 billion of subordinated debt.

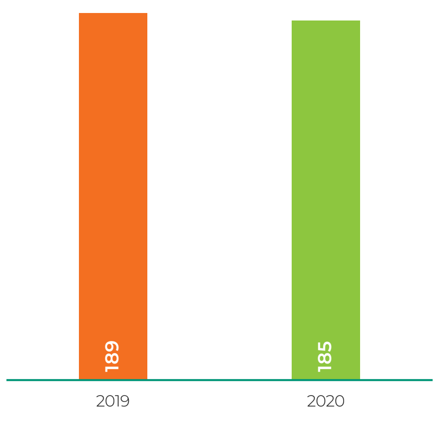
5 Transfer of Nedbank holding

We continue to optimise the Group's capital structure in an effort to create value for shareholders. In the second half of the year, OMLACSA transferred 12.4% of the issued share capital of Nedbank to Old Mutual Emerging Markets (Pty) Limited (OMEM) which further contributed to capital efficiency for the Group.

6 Dividend

After deciding to defer the interim dividend, the Board considered the impact of paying a full year dividend due to the severe impact of COVID-19 on the Group's earnings. In light of our strong liquidity levels and well capitalised balance sheet, the Board is pleased to declare a final dividend of 35 cents per share.

Group solvency ratio (%)

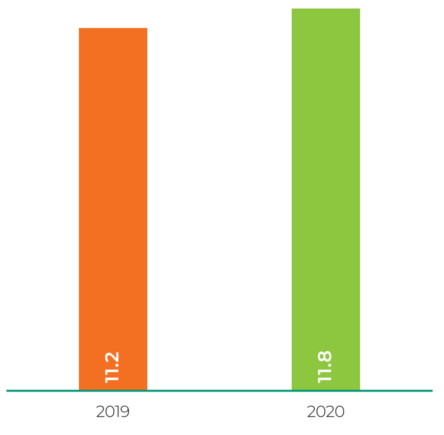


Group solvency ratio

The Group solvency ratio of 185% reflects a decrease from the 189% in the prior year largely due to the reduction in the market value of Nedbank. The transfer of Nedbank shares from OMLACSA to OMEM did have a small negative impact to the Group solvency position as the holding outside OMLACSA attracts a higher non regulated equity shock versus the diversified equity shock in OMLACSA. This impact will be mitigated as the Nedbank share price increases.

The Group regularly models the impact of an extreme, but plausible sequence of events leading to a "Perfect Storm" economic scenario (1-in-200 year event) on our solvency capital and liquidity positions, and these stress tests have shown that we remain sufficiently capitalised with appropriate liquidity. As at 31 December 2020, Old Mutual Limited was financially sound on the Prudential Standards basis and is expected to remain financially sound for the foreseeable future.

Gearing ratio (%)



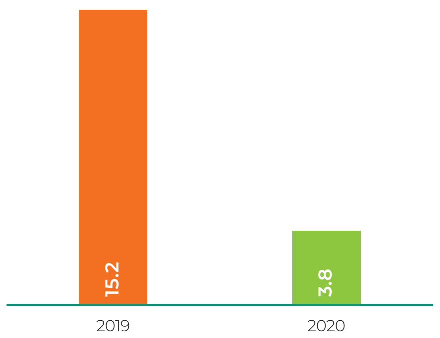
Gearing ratio

A gearing ratio between 15% and 20% of IFRS equity attributable to operating segments was determined as an optimal range following an assessment of credit rating agency methodologies and performing industry analysis.

The gearing ratio of the Group is calculated with reference to Closing Adjusted IFRS Equity. The gearing ratio increased by 60 bps to 11.8% from 11.2% in the prior year mainly due to a decrease in equity in South Africa as a result of retained losses in the current year. Interest cover decreased by 53% to 8.7 times from 18.5 times in the prior year mainly due to the decline in AHE, partially offset by lower finance costs than the prior year.

Group Financial Performance

Return on Net Asset Value (RoNAV) (%)

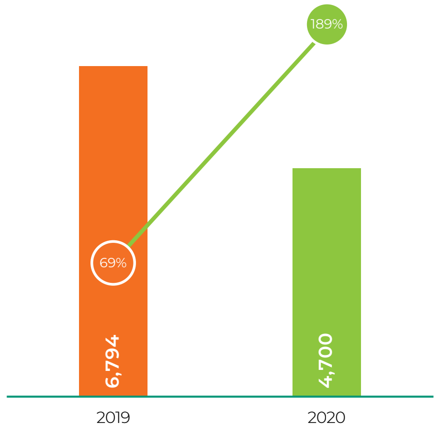


Return on Net Asset Value (RoNAV)

RoNAV decreased by 1 140 bps to 3.8% from 15.2% in the prior year, driven mainly by the decline in AHE. RoNAV in South Africa decreased by 1 210 bps to 4.2% from 16.3% in the prior year. The decrease in AHE attributable to South Africa was mainly due to the decline in RFO and a significant decrease in associate earnings, partially offset by lower shareholder tax. Average Adjusted IFRS Equity decreased by 2% from the prior year due to the impairment of our stake in Nedbank reducing the closing balance.

RoNAV in Rest of Africa decreased by 550 bps to 1.1% from 6.6% in the prior year. AHE for Rest of Africa decreased by 81% due to a steep decline in RFO and a significant increase in shareholder tax, due to a credit tax charge position in the prior year when deferred tax assets were raised, some of which have been subsequently released. In addition, no deferred tax assets have been raised in relation to current year losses. Average Adjusted IFRS equity increased by 14% mainly due to a higher opening balance from higher retained profits and capital injections in the prior year. An increase in the Closing Adjusted IFRS equity due to capital injections in Namibia and Nigeria further contributed to a higher Average Adjusted IFRS equity.

Free Surplus Generated from Operations (R million)

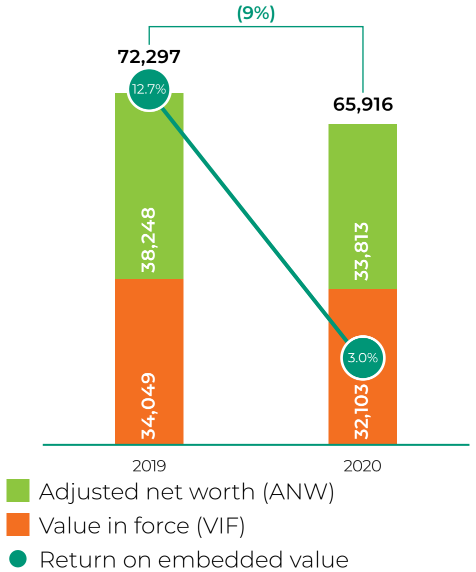


Free Surplus Generated from Operations

Operating segments generated gross free surplus of R1,593 million, representing 113% of AHE. The conversion rate exceeds 100% of AHE due to the exclusion of amortisation related to intangible assets which are non cash items. Our operating segments continue to generate a high proportion of cash earnings although lower than the prior year in absolute terms due to the decline in earnings. Business as usual capital requirements reduced largely as a result of lower volumes of new business in the Life and Savings business and the decrease in the Old Mutual Finance loan book. This was partially offset by increased capital requirements following the increase in the net provision related to business interruption and rescue reserves in Old Mutual Insure.

During 2020 the Prudential Authority approved the use of the iterative risk margin approach for use in the calculation of the solvency position of OMLACSA. This materially reduced the solvency capital requirement for OMLACSA, resulting in a one off benefit in free surplus generated by operating segments. This was partially offset by the fact that the Nedbank Board did not declare a final ordinary dividend for the period ended 31 December 2020.

Embedded Value (R million)



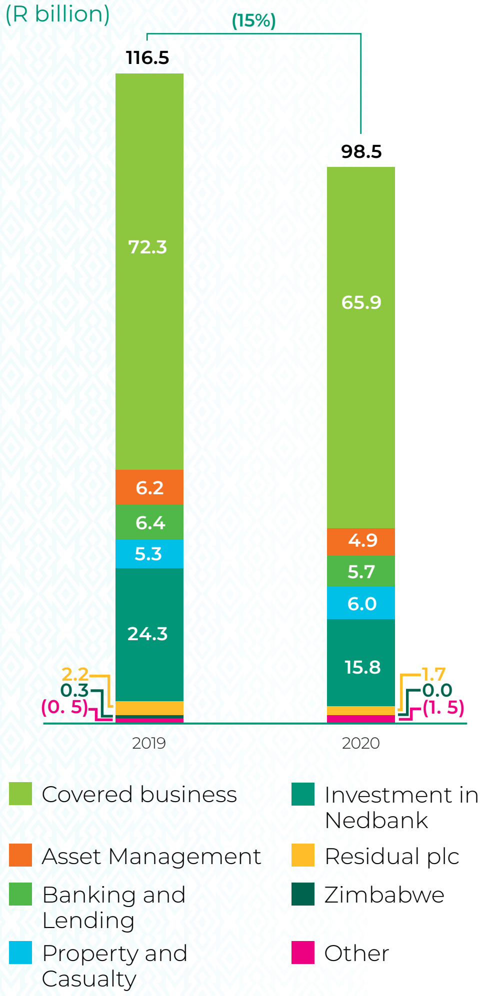
Embedded Value

Non-economic assumption changes, largely related to the full year impact of pandemic reserves raised to provide for expected mortality, morbidity and persistency experience in relation to the second and third waves of the COVID-19 pandemic materially reduced Operating EV earnings.

The value of new business reduced by 67% from the prior year primarily due to lower new business volumes, despite an improvement in productivity levels in the second half of the year. A notable shift towards lower margin mix was observed as customers switched to more affordable products given rising unemployment and reduction in disposable income levels. The overall decrease in embedded value of 9% reflects the impact of net pandemic reserve increases, negative economic variances, dividends paid to the holding company and the transfer of capital related to the management of credit risk to the Banking and Lending line of business.

The return on embedded value of 3% remained positive despite a decrease of 970 bps, largely due to significantly lower Operating EV earnings of R2,179 million, a decrease of 73% from the prior year. The decline in the value of new business and the increase in our pandemic reserves were the main drivers of the decline.

Group Equity Value (R billion)



Group Equity Value

Group Equity Value (GEV) has decreased by 15%, reflecting mainly the decrease in the value of covered business and the decline in the carrying value of Nedbank after the recognition of an impairment of R8.7 billion during the first half of the year.

The value of the Asset Management declined by 21% due to the decline the valuations of Old Mutual Investment Group (Pty) Ltd and Old Mutual Wealth (Pty) Ltd reflecting a decrease in the sustainable future earnings for these businesses due to lower closing asset levels for Assets Under Management and lower peer multiples.

Banking and Lending declined by 11% mainly due to the decline in fair value of Old Mutual Finance. Negative GDP growth in 2020, a decline in the Loans and Advances and slower GDP growth projections in South Africa have reduced the sustainable future earnings outlook for this business.

The value of the Property and Casualty business improved by 13%, mainly as a result of an improvement in the valuation of Old Mutual Insure reflecting an improvement in sustainable future earnings for this business reflecting efficiency savings and improvement in peer multiples.

Due to the continued impact of hyperinflation on the economy in Zimbabwe and in particular the unrealised nature of the listed investment return supporting the IFRS net asset for this business we have reduced the value of this business to zero Group Equity Value.

Group Financial Performance

Summarised consolidated income statement

For the year ended 31 December 2020

Rm	FY 2020	FY 2019
Net earned premiums	**72,462**	72,760
Investment return (non-banking)	**56,940**	86,696
Banking interest and similar income	**4,734**	5,074
Fee and commission income, and income from service activities	**10,409**	10,548
Other income[1]	**1,988**	1,038
Total revenue and other income	**146,533**	176,116
Net claims and benefits incurred	**(81,981)**	(87,330)
Change in investment contract liabilities	**(24,003)**	(29,756)
Fee and commission expenses, and other acquisition costs	**(9,803)**	(10,713)
Other operating and administrative expenses	**(25,049)**	(23,407)
Change in third-party interest in consolidated funds	**3,479**	(8,603)
Other expenses[1]	**(4,411)**	(3,890)
Total expenses	**(141,768)**	(163,699)
Share of gains of associated undertakings and joint ventures after tax	**592**	2,269
Impairment of investments in associated undertakings	**(8,629)**	(869)
Loss on disposal of subsidiaries and associated undertakings	**–**	(21)
(Loss)/profit before tax	**(3,272)**	13,796
Income tax expense	**(2,076)**	(4,245)
(Loss)/profit after tax from continuing operations	**(5,348)**	9,551
Profit after tax from discontinued operations	**–**	104
(Loss)/profit after tax for the financial year	**(5,348)**	9,655

1 *For presentation purposes, certain income and expense lines not separately listed have been grouped into other income and expenses respectively.*

Summarised consolidated statement of financial position

For the year ended 31 December 2020

Rm	FY 2020	FY 2019
Investment property	**33,606**	34,992
Investments in associated undertakings and joint ventures	**17,450**	26,251
Investments and securities	**772,037**	744,965
Reinsurers share of policyholder liabilities	**15,610**	8,385
Cash and cash equivalents	**33,560**	30,474
Other assets[1]	**68,419**	65,835
Total assets	**940,682**	910,902
Life insurance contract liabilities	**145,536**	141,156
Investment contract liabilities with discretionary participating features	**203,117**	198,483
Investment contract liabilities	**334,311**	314,071
Property and Casualty liabilities	**14,455**	8,860
Third-party interests in consolidated funds	**73,020**	80,814
Borrowed funds	**17,335**	18,989
Other liabilites[1]	**83,585**	70,604
Total liabilities	**871,359**	832,977
Net assets	**69,323**	77,925
Equity attributable to equity holders of the parent	**66,995**	74,763
Non-controlling interests - Ordinary shares	**2,328**	3,162
Total equity	**69,323**	77,925

1 *For presentation purposes, certain assets and liabilities lines not separately listed have been grouped into other assets and liabilities respectively.*

Total revenue

Total revenue decreased by 17% to R147 billion, largely due to a decrease in investment return and banking interest and similar income. Investment return decreased by 34% from the prior period. Despite a recovery in local equity markets in the second half of the year, the JSE recovered to end relatively flat compared to the start of the year, with average market levels being 6.7% lower than the prior year resulting in lower equity gains. Banking interest and similar income decreased due to a lower average loan book balance and a reduction in the repo rate during the financial year.

Total expenses

Total expenses decreased by 13% to R142 billion, largely driven by a decrease in net claims and benefits incurred, change in investment contract liabilities and change in third-party interest in consolidated funds. Net claims and benefits incurred decreased due to an increase in reinsurance recoveries, lower market returns compared to the prior year offset by the recognition of provisions for business interruption insurance and life reserves to cover COVID-19 claims. Change in investment contract liabilities expense and change in third-party interest in consolidated funds decreased mainly due to a lower investment return earned during the current year.

Impairment of investments in associated undertakings

This line item increased largely as a result of the recognition of an R8.6 billion impairment of the Group's investment in Nedbank. The impairment was recognised during the first half of the year and was triggered by the significant decline in the Nedbank share price. We performed a range of valuations assuming several different earnings and economic recovery scenarios and, although in certain scenarios a higher value could be supported, greater weight was given to downside scenarios given the increased uncertainty around forward looking information in the current environment.

As part of our full year assessment, we have reviewed the assumptions and economic recovery scenarios in our valuation models and concluded that no further impairments were required.

Net assets

Net assets decreased by 11% from R78 billion to R69 billion, largely due to an increase in total liabilities. Total liabilities increased by 4%, primarily due to an increase in investment contract, life insurance and property and casualty liabilities.

Long term policyholder liabilities increased as a result of positive market performance and the weakening of the rand to US dollar which resulted in an increase in unit linked investment contracts and investment contract liabilities with discretionary participating features as well as the recognition of additional provisions for a second and potential third COVID-19 wave, increasing life insurance liabilities.

Property and casualty liabilities increased due to the recognition of provisions to cover expected business interruption claims. The increase in liabilities was partially offset by an increase in total assets, driven by an increase investments and securities and reinsurers share of policyholder liabilities. These increases were partially offset by a decrease in investments in associated undertakings and joint ventures due to the recognition of an impairment recognised in respect of the Group's investment in Nedbank.

Total equity

Total equity decreased by 11% to R69 billion largely as a result of the payment of R3.3 billion of dividends, the IFRS loss for the period and the recognition of foreign exchange translation losses recognised on the Zimbabwean businesses driven by the deterioration of the Zimbabwe dollar to the rand.

Segment Financial Performance

Mass and Foundation Cluster

VALUE CREATION

Customers

- R6.2 billion paid in claims and benefits
- 18% of total claims received through digital channels
- 80% of funeral claims paid out within 4 hours, to date
- Provided premium relief to more than 100 000 policies as part of COVID-19 initiatives
- Introduced the "Send Money feature" through Shoprite for money account holders

Intermediaries

- R25.3 million invested in intermediaries training and development
- R23.9 million of COVID-19 financial support provided through special incentives and competitions
- Townhall sessions for distribution channels
- Virtual financial education workshops which generated sales leads

Communities

- Engaged over 29,000 individuals through financial education initiatives
- Launched the SMME Accelerator programme to provide business and financial management skills training to funeral parlours

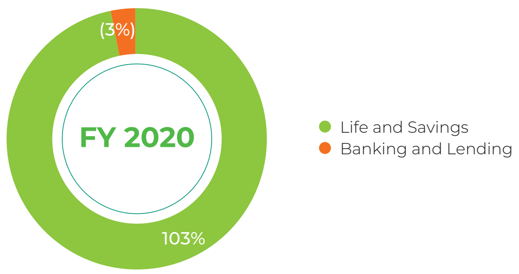
Financial Performance Summary

Gross flows decreased by 1% to R13,240 million from the prior year driven by significantly lower sales volumes and the impact of premium holidays granted as part of our customer relief initiatives. This was partially offset by growth in the in-force life book following annual premium increases. Life APE sales decreased by 37% to R2,634 million due to lower sales volumes driven by a contracting economy and national lockdown in various levels which restricted access to branches and worksites, further constraining sales activity.

Gross loans and advances declined by 13% to R16,019 million largely due to lockdown restrictions limiting access to and footfall in branches, and tightened credit criteria and repricing introduced in the second half of 2019.

RFO decreased by 64% to R1,265 million largely due to the impact of the pandemic on negative mortality experience associated with COVID-19. We raised mortality reserves of R1,574 million to cover anticipated excess deaths in 2020 and 2021, this was partially offset by the release of existing discretionary reserves of R1,112 million. Our Banking and Lending business recorded a significant decrease in profit largely due to higher credit losses and an increase in the expected credit loss provision to take into account forward looking economic information and the expected correlated deterioration in the credit environment. RFO excluding COVID-19 impacts decreased by 43% from the prior year, largely due to the non repeat of net positive impact of assumption changes of R1.3 billion made in the prior year.

RFO by LOB (%)



3.2 million	365	4,158	8,933
customers	retail branches	tied advisers	employees

2020 KEY ACTIVITIES

Strengthening our risk proposition

- The Old Mutual Protect (OMP) proposition is now fully embedded in our adviser channel. More than 4,000 of our tied advisers are active and selling on the OMP digital platform. Our tied advisers contributed 84% of the total issued OMP sales for the Group.
- We have further strenghtened our risk offering through the launch of our own funeral parlour which enables us to provide an end to end funeral offering. We also started selling non-advice funeral products through loan consultants in the branches which has gained good traction from our customers.

Resizing our adviser force

- We continue to manage the size of our adviser force in line with expected short to medium term demand. We ended the year with 4,158 tied advisers compared to 4,700 at the beginning of the year, which resulted in improved productivity and partially mitigated the negative impact on distribution efficiencies resulting from lower sales volumes.

Enhancements to our banking proposition

- We piloted the disbursements of loans into customers' Money Accounts and enhanced the Money Account app to enable customers to view their loan balances. Money Accounts were linked to the Old Mutual Rewards programme, rewarding customers for swipes made on their account.

Trade Offs

- We have significantly tightened credit criteria as part of our responsible lending approach to the highly indebted mass market. We believe this is required to improve the credit quality of our book, however it has adversely impacted the growth of disbursements and credit life sales.

Segment Financial Performance

Personal Finance and Wealth Management

VALUE CREATION

Customers

- R40.3 billion paid in claims and benefits
- Direct channels in Personal Finance contributed 11% of Life APE Sales
- In our Wealth Management business COVID-19 relief initiatives included:
  - Delays of platform fee increases
  - Fee reductions in multi-manager funds

Intermediaries

- R4.4 million invested in intermediary training and development
- Provided over R39.4 million of financial support to intermediaries through:
  - Waiver of seat cost in branches
  - Revised performance targets, payment of support allowances and delayed commission clawbacks
  - Strict safety protocols in branches and worksites

1.8 million customers

2,609 tied advisers

10,380 independent financial advisers

4,890 employees

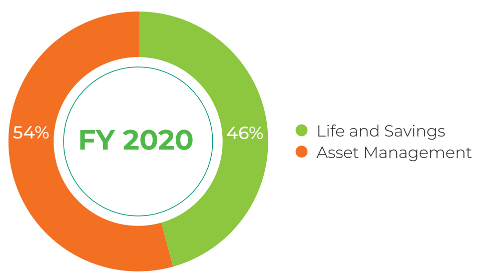
Financial Performance Summary

Gross flows decreased by 2% to R70,315 million largely due to lower inflows in Treasury Advisory services in Wealth Management, a decrease of 52% from the prior year demonstrating customers' need for liquidity. Gross flows in Personal Finance were marginally ahead of the prior year, with growth in single premium sales mostly offset by lower recurring premium sales.

Life APE sales of R3,358 million decreased by 9% from the prior year as a result of a significant decline in savings and risk sales impacted by the various lockdowns during the year. This was partially offset by strong single premium annuity sales in Personal Finance that were up 58% from the prior year.

Personal Finance RFO of R160 million decreased by 91% largely due to the pandemic reserve impact of R2,615 million related to COVID-19. RFO excluding COVID-19 impacts increased by 64% from the prior year largely due to the non repeat of net negative basis changes in the prior year and the release of a discretionary reserve following changes in the investment strategy of our risk book, resulting in a one off benefit of just over R1 billion given the shape of the bond curve at the time of execution. Wealth Management RFO decreased by 17% mainly due to a write off of R111 million to remedy legacy reconciliation differences on our local platform. Excluding the write off, RFO would be 8% up from the prior year driven by cost saving initiatives, partially offset by lower asset based fees earned from lower average market levels during the year.

RFO by LOB (%)



2020 KEY ACTIVITIES

Stabilising our adviser force

We focused our efforts on stabilising our adviser headcount and initiatives to improve productivity. We increased digital marketing to support activity levels, rolled out training courses focused on productivity enhancements and increased the number of new advisers in Old Mutual Finance branches. We also migrated our advisers in our direct financial advice channels to a new cloud based telephony platform to increase stability whilst working from home and boost talk time with customers. These initiatives, together with COVID-19 support initiatives, contributed to the improvement of the retention of experienced advisers and recruitment of new advisers.

Adviser enablement through optimisation and digitalisation of the intermediary journey remained a key focus during the year. Our adviser online portal and the adviser mobile app were merged, push notifications enabled on the mobile app and we implemented e-signatures. These improvements have increased the ease of doing business in a remote working environment and delivered efficiencies in the sales processes, reducing processing and administrative tasks for advisers. The adviser online portal usage has increased from 87 000 monthly logins to 172 000, evidencing the value for the adviser, as they can easily access their tools, product solutions, customer information, and training and marketing information.

5,126 advisers were active on Old Mutual Protect (OMP) by the end of the year and approximately 12% of the total Group OMP issued sales were generated by our advisers. OMP confirmed sales contributed approximately 22% of the total risk sales in Personal Finance.

Growing our retail market share

We increased engagements with independent financial advisers through virtual roadshows and webinars. New functionalities were embedded on the Old Mutual Wealth portal to continue to improve the ease of use for advisers. We remain focused on wealth offshore capabilities driven through a strong marketing and media presence.

Ongoing stabilisation of Old Mutual International

We continued to make good progress on stabilising operations, improving client interactions and reporting. We launched new funds in Q4 and lowered the minimum investment amounts to reduce perceived barriers and create greater customer accessibility to offshore investing, with good traction evidenced.

With the completion of the key migrations of the IT platform and administration processes in 2019, we raised a data provision to cover potential data differences between the accounting and administration systems. Significant progress was made during the year to resolve data differences which led to a release of R294 million of the R349 million raised initially.

Trade Offs

- Despite our stringent expense management, we continue to financially invest in the Old Mutual International business, with the aim of stabilising the operations, growing our capabilities and providing end-to-end solutions for our customers.
- Our resolve to support our customers and advisers through a variety of COVID-19 relief initiatives resulted in a negative short-term impact on our profits, however, this was necessary to ensure the sustainability of the business.

Segment Financial Performance

Old Mutual Investments

VALUE CREATION

Customers

- R1.9 billion returned to our customers following successful asset realisations in Alternatives
- R9 billion in third party institutional assets under our Listed Equity Stewardship offering

Communities

- Provided full scholarships to 100 graduates since 2011, through Imfundo Trust
- Community relief initiatives provided by the Greenhands Trust in 2020 include:
  - R600 000 invested in education initiatives
  - R270 000 invested in skills development
  - R1.5 million contributed to the Solidarity Fund

Employees

- Introduced #InvestinWellness strategy to promote wellness and health
- Supported 38 delegates through formal learnerships and part-time university studies
- 44% of Old Mutual Investments' senior managers are black

17,612 retail customers[1]

354 institutional customers

31% investment funds above benchmark over a 3-year period

614 employees

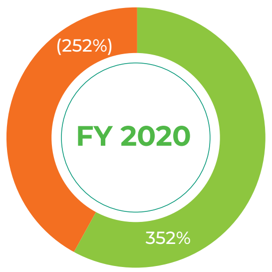
Financial Performance Summary

Gross flows improved by 31% to R45,421 million, benefitting from both new mandates secured and continued investment from existing customers in our Asset Management businesses.

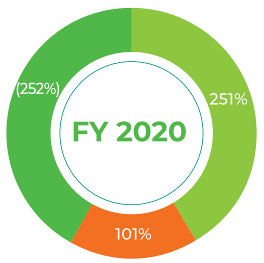
The strong recovery in local equity markets in the fourth quarter, positive retail flows, as well as foreign denominated assets benefitting from rand weakness resulted in closing AUM of R691.2 billion, which was 2% higher than the prior year.

RFO was 82% lower than the prior year mainly due to the mark to market losses in Specialised Finance, partially offset by higher annuity revenue and expense savings. RFO excluding direct COVID-19 impacts decreased by 12% from the prior year largely due to a decrease in origination income in Specialised Finance as well as positive portfolio returns and fair value gains in Alternatives recorded in the prior year that did not repeat.

RFO by LOB (%)



RFO by Business Unit (%)



1 *Represents Marriott retail customers*

2020 KEY ACTIVITIES

Transformation efforts

- We have made significant progress to transform our business through increasing the number of black employees in leadership positions and providing support to our junior employees to help them develop into the leaders of tomorrow.
- We offer development programmes such as the Investment Analyst Programme which focuses on black talent and contributes to building a strong pipeline of black investment professionals. To date the programme, has developed 31 analysts. Our Graduation Accelerated Programme is an 18 month internship that aims to attract, develop and retain black graduates with a 95% success rate of permanent employment after the completion of this programme. This programme has developed 56 graduates since inception. We offer a long-term leadership programme, targeted at middle and senior managers, that supports our succession planning and enables our black middle and senior managers to progress to seasoned investment professionals.

New products launched

- We launched an active local ESG fund that focuses on ESG as its core theme, one of the first in South Africa, and it is available to both retail and institutional customers. This is our first active retail ESG fund that sits alongside our two passive ESG funds, namely MSCI Emerging Markets ESG Index Feeder Fund and the MSCI World ESG Index Feeder Fund.
- We launched the Albaraka Income Fund, a Shari'ah compliant retail fund that expands our current Shari'ah offerings into the market and complements our equity and balanced offerings.
- Our Private Equity Fund V raised R3 billion in capital during the year.

Investing for shared value outcomes

- We remain deliberate about responsibly investing customer and shareholder funds and increasing the representation of Historically Disadvantaged South Africans (HDSA) in our investments. Since the inception of our Impact Funds business in 2010, we have invested R3.7 billion into 24 housing projects, with 18,100 transfers to date of which 77% were in the affordable housing segment. We contributed R1.5 billion to the education sector supporting over 23,000 learners across 41 schools and enabling employment for 1,400 individuals. The overall representation of HDSA across the jobs created by our business reached 77% at the end of 2019.
- We launched a Listed Equity Stewardship (LES) service which is a single consolidated approach to active management that aligns with fiduciary requirements and offers institutional customers the opportunity to steward their assets towards green economy outcomes. This service offers institutional customers ESG risk screening, assessment and monitoring of ESG risk in portfolios and management of the entire proxy voting process. In addition, we engage company management on material ESG issues and address key public policy issues on behalf of customers. This offering is available to the institutional market and has gained good traction since its launch.

Trade Offs

- Our top priority was to ensure uninterrupted service to customers and to deliver on client mandates in a remote working environment. We focused on ensuring business as usual was running smoothly which meant certain non-critical projects were put on hold.
- In a group wide effort to save costs, all employees received no salary increase for the year. This decision heightened the risk of an increase in resignations and losing valued employees to competitors. This trade off was most acute in our Old Mutual Investments business, despite no salary increases awarded to any of the Group's employees, due to competitive remuneration packages offered across the asset management industry.

Segment Financial Performance

Old Mutual Corporate

VALUE CREATION

Customers

- R39.4 billion paid in claims and benefits
- 96% of group assurance funeral claims were paid within a reduced turnaround time of 8 hours vs 24 hours previously
- Premium relief provided to over 1,500 employees, peaking at R100 million in certain months
- Delayed the SuperFund annual rate and fee review for a period of three months

Intermediaries

- Provided COVID-19 relief, with R4.2 million spent to support intermediaries
- R2.2 million invested in intermediaries training and development

Employees

- Offered psychological safety capability sessions to employees, contributing to improved engagement scores
- Offered financial support to employees in financial distress through the "Friends In Need" initiative.
- To maintain morale and productivity, we redeployed employees who were not able to perform their roles remotely to areas of the business that had greater need

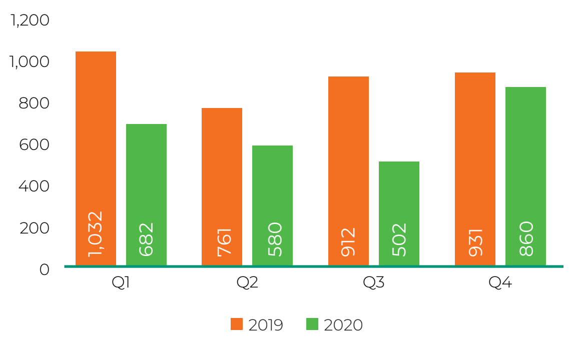
Financial Performance Summary

Gross flows decreased by 13% to R34,397 million mainly due to a decline in single premiums, and to a lesser extent lower recurring premiums due to higher retrenchments and the impact of premium relief initiatives.

Life APE sales declined by 28% to R2,624 million resulting from significantly lower recurring premium umbrella fund sales with the prior year including a number of large deals, and lower single premium retail platform flows. This was partially offset by a strong performance in group risk sales that included two large deals and a large new cell captive arrangement.

RFO of R87 million decreased by 95% from the prior year largely due to the pandemic reserve impact of R1,236 million related to COVID-19. RFO excluding direct COVID-19 impacts decreased by 26% from the prior year due to lower asset based revenues driven by weaker average market levels, the non-repeat of positive basis in the prior year of around R300 million and the implementation of the Group's Three Manager Model which resulted in earnings on credit assets related to non-profit annuity and Group Income Protection portfolios being capped at the transfer pricing rate.

Life APE sales (R million)



638,910	1,219	67	305
corporate members	independent brokers	corporate consultants	employees

2020 KEY ACTIVITIES

Market expansion activities

- We acquired PwC's Research Services, now renamed RemChannel, which is best known for its remuneration and benefits benchmarking survey as well as job profiling and job evaluation tools. This will add remuneration benchmarking and related capabilities to our business, and help us to deliver a more holistic employee benefits offering to existing and new customers.
- We collaborated with a venture partner to create SMEgo, a digital platform that enables SMEs to easily source and apply for funding as a result of a dynamic application process that allows SMEs to upload documents once, in one place whilst applying to multiple funders. During Q4 2020, over 2,000 SMEs had registered, 13 funders signed up and 5 SMEs were funded by the end of 2020.
- We launched the CoreGrowth Individual Policyholder Fund targeted at customers who need income protection with growth, where money market and fixed bonds investments are not a suitable fit.

Digital platforms enhancement for improved customer and intermediary experience

- Mobile channels such as a SuperFund WhatsApp and an SMS channel were launched to aid members to easily check statements, track claims and update beneficiary nomination forms remotely while in lockdown. Other improvements to the intermediary and employer self-service web platforms included simplified navigation and the bulk downloading of reports and statements. Member benefit statements became available online, reducing delivery time to customers.
- We provided telephonic counselling and provided digital education and advice tools to members who could not be physically reached during lockdown.
- We set up multiple training interventions to assist intermediaries to adopt the self-service tools to simplify their service experience and enable "point of contact resolution" on the majority of queries, enabling intermediaries to better service customers.
- We improved our call centre Interactive Voice Response (IVR) service, connecting it to robotic processors to provide customers with almost instant access to statements. Robotic processing was also deployed to improve claim authorisation speed.

Trade Offs

- We chose to limit face to face interaction with intermediaries and customers for most of the year and to rather interact virtually through digital tools. Given that the nature of our business is highly relationship driven, this choice may have negatively affected our sales outcomes and pipeline building, relative to other providers who may have been less conservative.
- The COVID-19 pandemic had a significant negative impact on bond and equity markets in the first half of 2020, which led to negative bonus smoothing reserves on our Smoothed Bonus products. We declared a negative bonus of 5% for the first time ever which supported members invested, as the negative returns in the fund were more than what was declared. The decision to declare a negative bonus could have negatively impacted retention and new business acquisition but did reduce the negative impact to shareholder profit.

Segment Financial Performance

Old Mutual Insure

VALUE CREATION

Customers

- R5.1 billion paid in claims and benefits
- Interest free loans to qualifying SMEs of approximately R70 million paid to date
- Over R190 million of relief initiatives taken up by customers during the year

Intermediaries

- R850 000 invested in intermediaries development and training
- Transformed intermediary experience through:
  - Improved systems and tools
  - Quality and more frequent engagements

Employees

- Held leadership Imbizo events which were focussed on our employees' work life cycle. This was also focused on removal of silos in the business and to encourage cohesion towards our strategy.

Financial Performance Summary

Gross written premiums of R14,771 million increased marginally from the prior year, despite a difficult trading environment brought on by national lockdowns and the impact of premium relief initiatives.

Significant business interruption and rescue reserves as a direct impact of COVID-19 has resulted in a net underwriting loss of R357 million compared to a net underwriting profit of R35 million in the prior year.

RFO decreased to a loss of R131 million largely due to the lower underwriting result and the impairment of an investment in Insure Group Managers, a premium collections agency, following their curatorship. RFO excluding direct COVID-19 impacts was 33% higher than the prior year due to lower catastrophe losses and decreased attritional claims volumes in both our Personal and Commercial Lines.

Net underwriting results – contribution of divisions (%)

FY 2020

408,316 retail customers	**2,308** tied advisers	**Rated 1st** by SACSI in customer loyalty and complaints handling	**2,550** employees

2020 KEY ACTIVITIES

Product innovations to meet changing customer needs

- During the year, we aligned our underwriting and pricing models to introduce a Whatsapp Usage Based Insurance (UBI) product whereby customers are able to submit their mileage via Whatsapp and get rebates on their premiums in line with their vehicle usage.
- We developed an on demand short term insurance solution, CommaInsure, that allows customers to insure specific items such as laptops, cameras, sporting equipment and more. This solution allows customers to switch cover on and off and manage claims via Whatsapp.
- We deployed pricing technology to further improve on our dynamic pricing capabilities of our Personal Lines products. This technology enables our Retail segment to drive pricing optimisation and speed to market, while reducing IT costs and enabling daily decision making.

Improving the intermediary experience

- We rolled out a Customer Relationship Management (CRM) system to improve transparency and process standardisation across the intermediated business, track new opportunities from origination to a fully onboarded customer, improve quality and frequency of our intermediary engagement, and allow for real-time assessment of intermediary satisfaction.
- We implemented a new outsourced business rating tool that enables our business partners to get competitive quotes more efficiently and easily determine Old Mutual Insure rates, making it easier for brokers to do business with us.

Inorganic growth

- We continue to pursue inorganic growth opportunities that will make a meaningful contribution to our profitability. We signed a shareholders agreement to acquire a 51% interest in a cell captive with gross written premiums of approximately R1.8 billion. This is subject to conditions precedent being met and regulatory approval. There are other opportunities that are currently being evaluated.

Trade Offs

- Our comprehensive customer support initiatives and relief payments to SMEs proved our commitment to caring for our customers, however it did contribute to losses recorded.
- Appropriate reserving for COVID-19 business interruption claims impacted profits in the short term but will protect against expected downside risk in 2021.

Segment Financial Performance

Rest of Africa

VALUE CREATION

Customers

- R7.2 billion paid in claims and benefits
- Rolled out multiple digital servicing tools

Intermediaries

- R3.6 million invested in intermediaries training and development
- Provided support such as:
  - Online training sessions and recognition events
  - Rolled out digital marketing and enabled them to sell digitally
  - Introduced incentives for upselling and paid commission in full and on time.

Employees

- Scaled up usage of collaboration tools to ensure uninterrupted productivity. Where needed transportation services were provided for essential workers.
- Offered health seminars to alleviate the stress resulting from COVID-19
- Knowledge sharing sessions to address skills gaps to build a collective capability

7.6 million customers	**2,726** tied advisers	**4,544** independent financial advisers	**6,854** employees

Financial Performance Summary[1]

Gross flows increased by 49% to R26,239 million. In Southern Africa, gross flows increased largely due to strong money market flows in Malawi and institutional flows in Namibia and eSwatini. The increase in corporate and unit trust inflows in Kenya and Uganda contributed to the increase in gross flows in East Africa. In West Africa, strong new business corporate sales in Nigeria, driven by improved intermediary productivity contributed to higher gross flows.

Gross written premiums (GWP) increased by 20% to R3,872 million. In Southern Africa, higher customer renewals in Namibia and an increase in new business sales and renewals in Botswana contributed to the growth in GWP. In East Africa, GWP increased largely due to strong new business acquisition and good retention rates in the general and medical insurance businesses. Higher premium renewals driven by stronger broker relationships in Nigeria contributed to the increase in GWP in West Africa.

Loans and advances decreased by 1% to R4,301 million largely due to a slowdown in disbursements in Faulu, driven by a stricter lending criteria implemented during the year. This was partially offset by the increase in loans and advances in Old Mutual Finance Namibia, driven by growth in Government payroll linked disbursements largely due to the ongoing financial pressures on households.

RFO decreased by 61% to R192 million. In Southern Africa, RFO decreased by 17% to R722 million, driven by lower sales volumes in the Life and Savings business due to the pandemic impact of R59 million related to COVID-19. East Africa recorded a loss of R321 million compared to a loss of R40 million, largely driven by write offs and provisions resulting from the balance sheet substantiation project, lower net interest income earned, higher credit losses, and lower life sales and poor persistency. West Africa's RFO loss decreased by 38% to R77 million largely due to improved life sales coupled with higher administration fees earned on the life book.

1 *Financial performance commentary is based on the FY 2020 reported numbers. Financial commentary excludes Zimbabwe, all other non-financial KPIs include Zimbabwe*

2020 KEY ACTIVITIES

Digital rollout to improve customer experience

- We deployed new public websites in countries across East Africa, enabling customers to access our products and services and we have made several enhancements to the Nigerian public website.
- In East Africa, we launched various digitally enabled medical solutions such as tele-medicine, tele-consultation and tele-counselling, enabling customers to access these services from the comfort of their homes. The business also launched MedsonWheels, in partnership with the Livia Dawa App, enabling customers to order their prescriptions on the app and opt for delivery to their homes.
- We launched Whatsapp, Facebook Messenger and USSD servicing platforms across countries in Southern Africa, enabling our customers to submit claims, view products and request a call back. In East Africa, we launched Arifa, a Facebook Messenger chatbot which allows customers to open and manage their accounts, request withdrawals and switch funds.
- In Ghana, we launched JustCover, a pay- as-you-go travel insurance product that works via WhatsApp and is primarily targeted at public transport commuters travelling between Ghana's major cities and towns.

Strategic refresh

A strategic review process was undertaken to perform a detailed operational, financial and capability review of each of the businesses in our portfolio, coupled with an assessment of environmental factors and opportunities. The outcome of this was the development of a refreshed strategy for the Rest of Africa region which has been approved by the Board. Critical leadership appointments, detailed planning and prioritisation of the various planned activities are currently in progress.

Balance sheet substantiation in East Africa

We completed an extensive balance sheet review of our actuarial liabilities, tax provisions and interest receivables which led to write offs of unsubstantiated balances and additional provisions raised to cover potential data differences between the accounting system and underlying administration systems. We have made new appointments in key leadership roles and senior finance positions to address concerns around the strength of the financial control environment. The Audit committee reviewed the remediation plans in place and were satisfied that any material impact on the annual financial statements had appropriately been mitigated by management. The Audit committee will continue to monitor and evaluate the implementation of the remediation plans presented.

Trade Offs

- In a number of our property businesses, we were not able to escalate rentals as many of our tenants were impacted by lockdown restrictions which led to reduced footfall. Rental concessions were provided to assist our tenants to preserve their business. This had a negative impact to profit growth and cash inflows, resulting in the deferral of property maintenance and refurbishments.
- Various support initiatives through premium relief and the continuation of commission payments despite lower sales levels improved our customer and intermediary experience and demonstrated our commitment to support them, although this adversely affected our profits.

Performance Feedback on Strategic Pillars

CARES

We demonstrate 'care' by executing our Responsible Business framework through our seven focus areas to deliver shared value and make a positive impact to all our stakeholders. The CARES pillar focuses our efforts on our responsibility to society and the important role we have to play in ensuring positive futures for our customers and communities.

CAPITALS: FC HC SC NC

The impact of COVID-19

Customers

Customers were under immense financial pressure brought on by job losses or income reductions which negatively impacted their propensity to save and lowered their spending power. This adversely impacted their ability to pay premiums on a regular basis and led to increased withdrawals. Our customers also experienced loss in their immediate and extended families due to COVID-19, which intensified financial and personal pressures. This led to a sharp increase in customer claims during the year, and it was important for our customers to experience a fast, seamless and hassle free claims process.

Our response

1. Mortality claims of R13 billion were fast tracked to support our customers and their families. Through the increase in use of artificial intelligence and robotic processing we continue to improve claim authorization speed, with 80% of funeral claims paid within 4 hours, to date.
2. Committed R400 million towards customer relief initiatives, with R290 million disbursed in 2020. These relief initiatives included premium holidays, investment payment breaks, premium discounts, deferral of annual rate increases, a reduction in investment fees as well as cash collective incentive schemes.
3. Interest free loans and commercial settlements to qualifying SMEs of approximately R70 million paid to date by Old Mutual Insure
4. Launched COVID-19 helpline in partnership with Careworks to provide telephonic medical consultations

Communities

The COVID-19 pandemic has led to a loss of human life worldwide and brought unprecedented challenges to public health, food systems and employment levels. The pandemic has decimated jobs and placed millions of livelihoods at risk. As breadwinners lose jobs, fall ill and die, the food security and nutrition of society are under threat. Without the means to earn an income during various levels of lockdown, many were unable to feed themselves and their families. Our relief efforts in the countries where we operate ranged from financial and logistics support to distribution of food parcels, health supplies, personal protection equipment and digital learning materials.

Our response

1. Approximately R70 million spent on education, health, nutrition and food security relief.
2. Premium free cover to qualifying healthcare workers of R4 billion, extended to 2021 with R4.5 million claims paid to date
3. Converted the MuPine training centre into a 300-bed quarantine and self-isolation facility. MuPine Golf Club was also converted into an official COVID-19 testing facility
4. Support to the Solidarity Fund including:
   - Main fund administrator, and Group's contribution over R10 million
   - Beneficiary of Old Mutual Staff Payroll Giving Programme
   - Assist the fund to secure a vaccine for COVID-19

RESPONSIBLE BUSINESS FOCUS AREAS | SDG ALIGNMENT

Responsible Investing

ESG principles are deeply embedded in our investment decision making. We launched an active ESG fund focused on the South African market. This is the third in our Responsible Investing suite of unit trust funds, and sits alongside our two passive funds. We continued to grow our Listed Equity Stewardship offering, which provides an important platform to champion ESG issues.

- R141 billion in socially inclusive, low-carbon and resource-efficient investments, on behalf of our customers and shareholders
- We received an AAA rating from MSCI, putting us into the top 4% of ESG leaders

Environmental Impact

Mitigating and adapting to climate change remains a priority and was a key focus area in 2020. We have established climate change governance structures and are focused on reducing our negative impact on the environment through various climate change initiatives.

- Our Mutualpark office was awarded a 6-star Green rating by Green Building Council of South Africa
- 9% reduction in landfill waste at Mutualpark, contributed by lower footfall.

Financial Wellbeing

We strive to create a more equitable society by providing financial education that empowers people to manage their money better. We continue to expand our digital capabilities to allow customers to access newly developed digital learning programmes to promote inclusion.

- Invested R31.4 million in financial education, a 12.1% increase from 2019
- Our financial education initiatives reached over 20 million people through various social media platforms

Education

Our future prosperity hinges on the ability of our young people to operate in a competitive and fast changing global economy. During 2020 we provided remote learning and financially supporting talented students.

- R20.8 million committed towards remote learning support, curriculum recovery and psycho-social support to matriculants
- The Old Mutual Education Flagship programme came to an end in 2020 after seven years and a total disbursement of approximately R326 million. We have re-commited to the programme and will continue to extend our investment and resources

Skills Development

We offered learning programmes to upskill our employees, our network of dedicated intermediaries and unemployed youth in our communities.

- R89 million invested in training our employees and developing our intermediaries in the countries where we operate
- More than R37 million invested to provide 563 learners, students and graduates with bursaries or workplace experience

Diversity and Inclusion

We believe a diverse workforce that represents the vibrant communities and countries we operate in, promotes innovation and drives transformational growth. Our inclusive workplaces nurture a strong sense of belonging and connection, enabling us to deliver on our business strategy.

- 85% of our employees in South Africa are black
- 56% of employees across the countries where we operate are women
- We remained focused on addressing challenges faced by groups from diverse backgrounds, including ethnic, gender, sexual orientation, religious, age, nationality and those with disability

Entrepreneurship

We understand the critical role entrepreneurship plays in strengthening the economies of the countries in which we operate. We have been actively empowering Small, Medium and Micro Enterprises (SMMEs) through structured programmes designed to provide essential financial and non financial support.

- R26 million supporting 51 businesses, retaining 734 jobs
- R77.8 million SMME funding was approved in 2020

Refer to pages 7 to 13 in our Responsible Business Impact report that detail our Responsible Business activities for each of our focus areas

Performance Feedback on Strategic Pillars

A Always present first

R Rewarding digital engagement

In order to continue driving brand differentiation, our refreshed strategy is deliberate in enhancing our success in physical distribution channels with digital solutions to offer a seamless and integrated customer experience. This will enable us to be always present first and allow customers to choose how they want to interact with us. We are simplifying digital journeys for customers and intermediaries and working towards creating meaningful and personalised customer experiences.

CAPITALS: FC MC IC SC

5th most valuable brand in Africa

406k and 401k active digital customers in South Africa and Rest of Africa, respectively

175 bots deployed to improve servicing and manage data

Over 80% of funeral claims paid within 4 hours to date

15% of workloads migrated to cloud infrastructure to improve speed

The impact of COVID-19

The lockdown restrictions have had a material impact on our ability to interact face to face with our customers. A large portion of our tied adviser force had been selling face to face historically. In all countries in which we operate, the pandemic forced us to enable our advisers to interact with customers in new ways to maintain sales levels and provide uninterrupted service. Our vision to build a leading African digital platform business have been long in the making when COVID-19 led to an immense disruption in the way we interact with our customers. This provided us with an opportunity to accelerate the introduction of new direct channels and deliver a timely rollout of planned digital solutions and improvements to digital journeys for customers and intermediaries.

Our response

Digital offerings to enhance the customer experience that were already in development, were accelerated and rolled out during the year, enabling us to meet customer needs remotely.

1. In South Africa, we introduced alternative direct digital channels such as email, USSD and WhatsApp platforms to pay funeral claims and facilitate disinvestments . Take up rates have improved significantly in the fourth quarter with strong traction in 2021.
2. In the Southern and East African regions, we introduced WhatsApp, USSD and Facebook Messenger servicing platforms to assist customers with opening and managing their accounts, requesting statements, submitting claims and requesting withdrawals.
3. We enabled our employees and certain of our advisers to work remotely through the provision of data and network access, and we ensured the safety of our customers, employees and intermediaries by adopting an integrated COVID-19 approach and complying with all safety guidelines.
4. We set up multiple training interventions to assist intermediaries to adopt self service tools to simplify their service experience and enable point of contact resolution on the majority of queries.

REWARDS PROGRAMME

- 826,000 rewards members
- 584,000 of our members are customers
- 1.6 billion or rewards points earned since inception driving improved customer persistency
- Rewards points earned to the value of R158 million
- We continued to add exciting partners during the year including Woolworths, UberEats, Showmax and the Solidarity Fund.

The Old Mutual rewards programme continue to gain good traction with membership numbers nearing 1 million.

2020 FOCUS AREAS

Seamless convergence of digital engagement

We have made significant progress in building a digital capability that enables engagement, sales and servicing in order to be always present first to customers and intermediaries. Progress made in 2020 includes:

- We launched new public websites across countries in East and Southern Africa regions. We enhanced the South African public website to improve the display and added intuitive navigation features on desktops and mobile devices to address customer needs and improve the ease of use.
- We aligned the user interface and experience designs between our mobile apps and secure websites, enabling customers to use these platforms interchangeably.
- We rationalised the number of customer apps to eliminate multiple sign-on points.
- We relaunched the new Old Mutual App and the Wealth App. These mobile apps have in-app messaging and allow customers to change their bank details, download policy and tax documents and update their contact details on the app. At the end of the year, the Old Mutual App had over 140,000 downloads, with more than 35,000 active users. Both of these apps are zero rated which means our customers don't need internet to access the app.
- Integrated the WhatsApp and USSD platforms with back end applications, enabling the retrieval of customer data and therefore allowing self service

Simplified digital journeys

We accelerated our efforts to drive end to end digitalisation of key customer and intermediary journeys for them to easily access solutions, perform self service tasks and set financial goals. Progress made in 2020 includes:

- Added sales channels on WhatsApp and USSD, providing access to personal cover, funeral cover, savings products and short term insurance products
- WhatsApp, USSD and Facebook introduced as servicing channels through which customers can view their accounts, download documents, submit claims and request disinvestments.
- We launched a new feature that enables customers, with assistance from their advisers, to set up their financial goals. It provides behavioural nudges, rewards incentives and advice from the advisers, enabling customers to track against their goals.

Meaningful and personalised customer experiences

We continue to focus on leveraging internal and external data to generate deeper and real time insights to enable us to know our customers more personally. This will enable us to tailor solutions to their unique needs and assist them in meeting their goals. Progress made in 2020 includes:

- We developed a Next Best Action model using our top quadrant software DataRobot which was rolled out to the majority of our retail customers in South Africa. This model determines the best cross sell opportunities over seven core financial needs based on customer data.
- Next Best Action was also deployed under 'Solutions for You' on the Old Mutual App in South Africa.
- We have partnered with a Silicon Valley based firm that delivers personality data on our customers and are currently testing personality data in contained Facebook campaigns environment.
- We will continue to focus on leveraging machine learning through robotics process automation and other artificial intelligence initiatives to meet our objectives of delivering a personalised experience for customers.

The impact of our efforts

- Our brand remains strong and trusted by our customers
- We enabled an Omnichannel experience. This enables us to always be available for our customers and intermediaries and provides them with the choice of how they want to interact with us
- Uninterrupted service to customers by expanding self service options

Performance Feedback on Strategic Pillars

E Engaged Employees

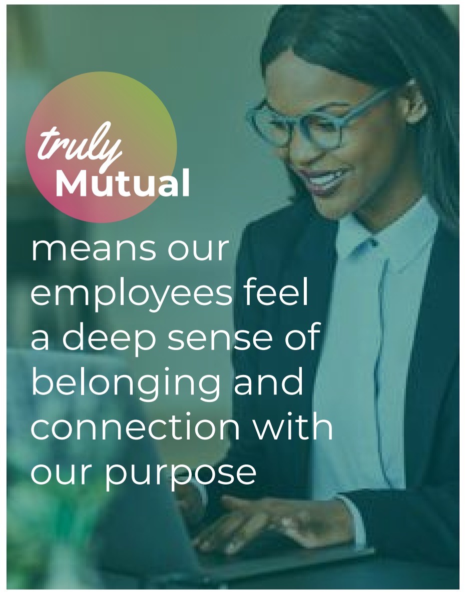
We are anchored by our vision to build a high performing workforce through a compelling Employee Value Proposition. Our vision is aligned to the new strategic pillar focused on Engaged Employees. We believe that engaged and motivated employees that have a deep sense of belonging and connection to our purpose, vision and values will make meaningful contributions to deliver value to our stakeholders. Our vision, along with our values, are the cornerstone of our culture, as we shift towards delivering with greater speed, innovation and agility.

CAPITALS: FC HC

40% of women in leadership positions

85% of our employees in South Africa are black

R89 million of skills development spend



The impact of COVID-19

With no warning the pandemic changed how we collaborate and engage as a workforce within a matter of weeks. We immediately realised that we had to establish a connected and inclusive remote working environment, to ensure uninterrupted service to our customers and to maintain momentum on the various strategic initiatives underway throughout the organisation. We were also acutely aware that a remote working and the impact of COVID-19 on our personal lives was a direct threat to the physical and mental wellbeing of our employees.

Our response

1. We launched ADAPT, a learning series and knowledge repository focused on assisting line managers and employees through the various challenges experienced during the national lockdowns and restrictions in the countries we operate in. The ADAPT weekly series covered topics such as resilience, mental health, financial and physical wellbeing, embracing our virtual reality, burnout, anxiety, dealing with loss and COVID-19 myth busters. ADAPT was made available on our public website to make it available to anyone experiencing the same challenges as our employees. To date, the website has had over 20 000 page views.
2. We provided a number of options to our employees to alleviate financial pressures including relief plans for intermediaries, a special COVID-19 benefit for all employees on the inhouse medical aid and the opportunity for employee package restructuring.
3. We hosted a number of leader led engagements, which helped our employees remain connected and created a sense of being 'together and apart'. At the heart of these engagements was a culture of inclusivity because we understood the importance of our leaders connecting with our people. The engagements took the form of regular check-ins through virtual town halls, Exco blogs, vlogs and newsletters. We also came up with different ways of engaging our employees through a refreshed intranet, the use of Workday and certain instant communication channels such as WhatsApp messaging. A recent poll indicated that 93% of employees felt engaged by leadership.

What does this mean for the future

Through the enforced lockdown periods across the various countries that we operate in, we proved that our organisation could operate with a remote workforce. To gain more data driven insights to inform the way forward for our employees, we launched a Distributed Workforce Pilot (DWP) to assess our working environment post COVID-19. The diverse needs to our employees required a thorough understanding of the implications of distributed working to ensure that we plan for continued support of their wellbeing, work enablement and productivity. The pilot was aimed at assessing the effectiveness of a distributed workforce as well as identifying potential risks to employee engagement, culture and wellbeing. We wanted to further understand the impact on our employee experience and proposition, assess our processes and measure the impact on employee retention, absenteeism, employee output and talent attraction. We remain aware of the fact that remote working could intensify the existing inequalities that exist in our society and by default, our employees. These inequalities could be barriers to productivity and therefore the outcome of a distributed workforce or hybrid model continue to require thoughtful interventions to enable employees equitably. We will continue to assess the viability of the different alternatives of a distributed workforce during 2021.

2020 FOCUS AREAS

Digital transformation

Our Human Capital management technology solution, Workday, went live in South Africa, East Africa and Namibia in September 2020. This was the completion of our go-live as Nigeria, Ghana, Zimbabwe, Malawi, Botswana and eSwatini had gone live in November 2019. Workday offers a personalised employee experience, whilst enabling relevant decision making through insightful analytics and reporting. Workday influenced our employee journey as we navigated through COVID-19 by providing a system that influenced how we managed a number of our processes such as onboarding, recruitment and performance management. Our employees have been empowered to own their data, give and request feedback on their performance, plan their careers and work on improving their skill sets. We will continue to anchor our people practices in data now that we have this capability embedded.

There has been a complete shift to online training from traditional in person training, which has made learning more accessible to our employee base, creating greater flexibility on how employees choose to consume content.

New ways of working

As an organisation, we continue to acquire core capabilities and skills that are required in the fields of data science, robotics and innovation and have made good progress in sourcing, building and growing these skills.

169 of our leaders are working towards formal leadership qualifications at level 5, 6 and level 8 of the National Qualifications Framework (NQF). 46 leaders are on our uniquely crafted Connected Leadership Programme. Over 300 employees have completed training in agility, a key skill set required to build an agile business that executes with speed.

Through our skills development programmes we provided 284 learners and graduates with workplace experience at Old Mutual in fields ranging from IT to Actuarial Science which also allows us to build a pipeline of future fit skills and capabilities. In addition, our respective businesses offer various internships and programmes in an effort to empower communities, especially the youth, by providing accredited skills, training and holistic support to secure jobs, income and better opportunities for the future.

The launch of Old Mutual Protect required a large scale upskilling of our tied advisers in South Africa and Namibia. More than 8,500 employees completed training on the new personal protection options and new ways of working to enable digital servicing of customers.

Transforming our culture

Although 2020 has been a challenging year for employees due to a large number initiatives and focused interventions in the organisation, we have seen a significant improvement in psychological safety, engagement scores and execution scores. The most recent Pulse Culture and Engagement survey results, reflected a 0.2 increase in score of psychological safety and engagement scores of 4.5, up from 4.3 in 2019. Our execution score was 4.4, up from 4.2 in 2019. Based on our 6 point scoring scale, an increase of 0.2 and above is a significant improvement in the employee experience and positive feelings towards Old Mutual.

Diversity and Inclusion remains a key focus area of our people strategy and a separate focus area in our Responsible Business framework. The four key pillars of our Diversity and Inclusion agenda are Inclusive Leadership, Behavioural Inclusion, Structural Inclusion and Employee Engagement and Education. Through these pillars we concentrate our efforts on supporting groups that are challenged with facing inherent biases or exclusionary behaviours as it relates to gender, gender identity, ethnicity, disability and age.

In 2020, we focused on our pillars of Inclusive Leadership and Behavioural Inclusion across ethnicity, gender and age. We ran unconscious bias workshops with our Top Leadership where issues of race relations, amidst the Black Lives Matter movement, were discussed openly. Throughout the year, we also made use of Employee Resource Groups (ERG's) to raise issues of diversity and inclusion and to drive innovation in the business. These ERG's included the Old Mutual Women's Network (OWN) and several young talent and Millennial Boards. The Young and Millennial talent Boards which feed directly into our executive committee members, providing an additional opportunity for the 'voice of the youth' to be heard. We also made shifts in Structural Inclusion focusing on implementing tools and analysis to highlight and guard against inherent biases in our talent process. We continued to raise awareness, provided education and engaged with employees on issues of gender and people with disabilities. We supported the #EachforEqual campaign during women's month and on international women's day. During disability month in November, we raised awareness through destigmatising living with a disability and helping employees understand the support available to them.

Refer to pages 8, 9 and 17 in our Remuneration report that detail our progress on Reward.

Performance Feedback on Strategic Pillars

Solutions that lead

Our objective to win more of the retail market share will be supported through the delivery of new retail propositions that will differentiate our protection, savings and income solutions from our competitors. These propositions will make the necessary shifts required by changing customer needs, namely more flexible and customised solutions with personalised advice features. In the development of new solutions we continuously look for ways to ensure ease of use for customers and intermediaries when interaction with our products.

CAPITALS: FC, MC, IC, SC

Life and Savings

NEW SOLUTIONS

1. We launched Old Mutual Protect, our new flexible risk proposition, supported by a secure digital platform, in South Africa and Namibia.
   This proposition facilitates quick underwriting decisions through artificial intelligence and allows advisers to focus on meaningful conversations with customers to build cover and benefits that are relevant and appropriate for them.

   Features include
   - Online needs analysis and solution recommendation
   - Pre-population of personal information
   - Verification of client identity
   - Cloud based advice records

   Key stats
   - More than 10,000 advisers are accredited to offer the new proposition and enabled to make use of the digital platform.
   - Approximately 202,000 applications were in 2020, with over 125,000 in the fourth quarter

2. A simplified new non advice funeral product was rolled out in branches and distributed through loan consultants in South Africa . This has been well received by customers.

3. The launch of our own funeral parlours in South Africa and Malawi which enables us to provide an end to end funeral offering.

ENHANCED FEATURES

1. We deployed an electronic signature solution in South Africa during the year with 651 unique adviser logins and 472 documents signed electronically

2. Within the Applied Intelligence space, we have built a scalable artificial intelligence solution that uses natural language processing to read and classify emails. This went live in Personal Finance to enable automated mailbox routing

Property and Casualty

NEW SOLUTIONS

OLD MUTUAL INSURE

1. Dynamic pricing capabilities introduced through artificial intelligence in Personal lines products. This technology enables our retail segment to drive pricing optimisation and speed to market, while reducing IT costs and enabling daily decision making.

2. COVID-19 and the national lockdown has accelerated the relevance of user-based insurance as our customers face changing circumstances and increased financial pressure. We developed a WhatsApp chatbot called UBI, short for user-based insurance. The application provides customers with a rebate on their premiums in line with their personal vehicle usage. In iWYZE, our product range for SME customers now takes into account changing driving patterns as well as affordability for the customer.

3. The roll out of a Customer Relationship Management tool resulted in process standardisation in our intermediated business with the ability to track new opportunities from origination up to a fully onboarded customer.

4. A new outsource based business rating tool that enables our business partners to get competitive quotes more efficiently and also easily determine our rates.

5. Roll out of the Renewal Workbench solution to benefit brokers and distribution employees. This provides transparency and enables more efficient resource allocation based on the potential workload shift.

REST OF AFRICA

1. E-wallet banking product, a mobile payment solution, launched in Zimbabwe to give customers.

2. In Malawi, we now offer customised short term insurance solutions. These included Hersurance, an insurance package targeted at women and Shop Protect targeted at SME retailers.

3. In Ghana, we launched JustCover, a pay- as-you-go travel insurance product and a first to market in the country. It can be purchased via WhatsApp and is primarily targeted at public transport commuters travelling between Ghana's major cities and towns. Claims are also handled via Whatsapp with no paperwork.

4. In response to COVID-19 we launced Meds-on-Wheels in Kenya, enabling customers to order their prescriptions for delivery to their homes. Customers simply download the Livia Dawa app, a mobile healthcare platform, add Old Mutual as their insurance partner, order the medication on the app and delivery is done to their preferred location.

Group wide

- We completed the implementation of Workday, a simplified human capital management solution, in all the countries in which we operate. This solution enables a personalised employee experience, whilst enabling relevant decision-making through insightful analytics and reporting.
- We modernised our core Finance platforms including Microsoft D365 on Azure Cloud for the remaining countries in Rest of Africa to optimise usability and speed.

GOVERNANCE OVERVIEW

The following pages have been extracted from the full Corporate Governance report, which is available at www.oldmutual.com/investor-relations/reporting-centre/reports

Governance overview

The Board is ultimately accountable for the performance and the reputation of the Group and ensuring that it continues to operate responsibly, ethically and sustainably.

Our Board comprises sixteen members with the necessary qualifications, extensive collective skills and expertise required to guide and steer this large and complex Group. They perform their functions with diligence, care and competence and provide effective challenges when approving initiatives.

The majority of the Board members, including the Chairman, are independent directors.

The Board has adopted a charter which defines its functions and responsibilities and separates its from the role of management.

The Board has to ensure that the structure of the Group does not impede the financial soundness of any of the insurance companies in the Group, or the ability of the regulatory authority to determine the risk profile of the Group and the way its internal risk management is organised and conducted.

The Board furthermore has a significant responsibility to ensure our customers' interests are represented, safeguarded and are balanced against those of our investors and other stakeholders.

RESPONSIBILITIES

- Set and steer strategic direction and culture of the Group
- Ensure there is an effective and competent management team in place, as well as adequate succession planning for this team
- Review operational performance and ensure accountability
- Facilitate an effective governance environment and risk management framework
- Ensure that transformation is addressed
- Manage key stakeholder relationships
- Ensure that the Group complies with its regulatory and statutory obligations

Read our Board Charter at www.oldmutual.com/about/governance

The seven committees of the Board assist the Board in discharging its duties and responsibilities. These committees are also responsible for oversight of the defined governance domains of the GGF.

Board committees are:

- Audit
- Corporate Governance and Nominations
- Related Party Transaction
- Remuneration
- Responsible Business
- Risk
- Technology and Platforms

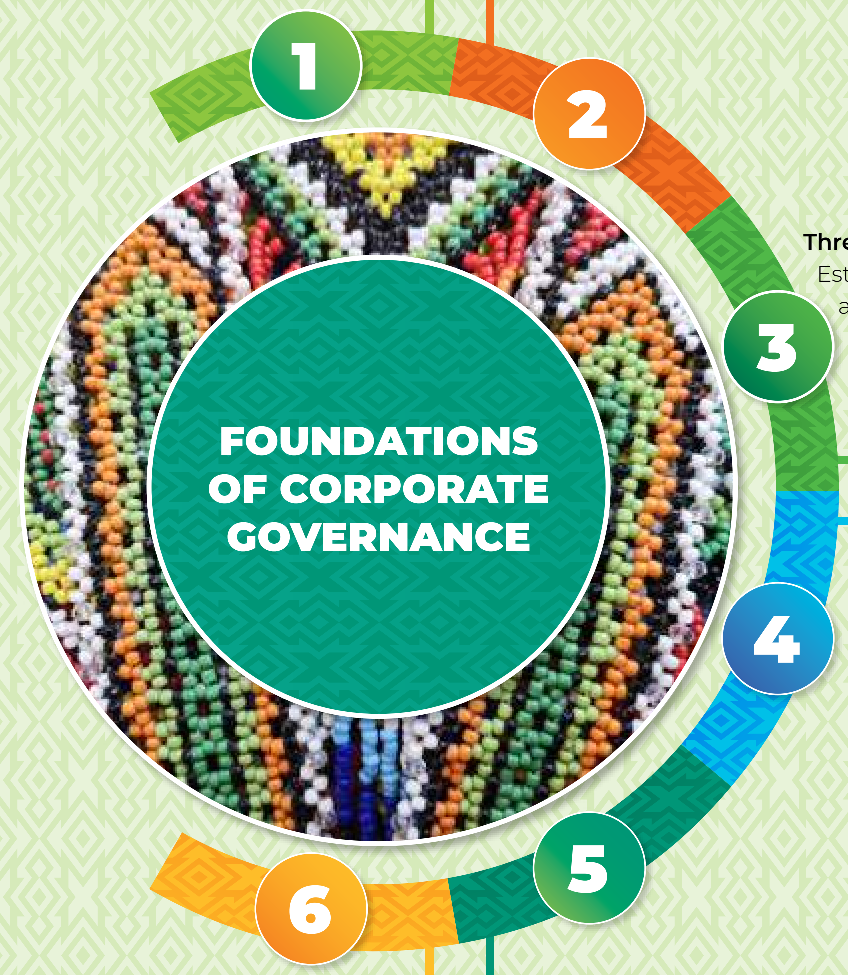
The Audit committee has constituted an actuarial sub committee.

Each committee's mandate is included in its terms of reference and it ensures that the relevant GGF domains are effectively reviewed and monitored.

The Board reviews the mandate and terms of reference of each committee annually to ensure effective coverage of, and control over, the operations of the Group. The Board committees are chaired by independent non executive directors and are constituted of a minimum of three members with the necessary combination of knowledge, skills, experience and capacity. The Board committees do in certain instances have overlapping responsibilities.

Group Governance Framework (GGF)
Drives top down governance, enabling maximum devolution of responsibility and avoidance of duplication, while ensuring clarity of relationship between the Group and its subsidiaries

Proportionality
Reduces the administrative burden without impacting the risk, control and governance environment



Three Lines of Assurance
Establishes clear accountability and ownership for risk management, the control environment and required mitigating management actions

Risk policy suite
Ensures there is a common set of standards for the management of risk

Letters of Representation
Group wide control, through which the Old Mutual Limited Board obtains assurance on the effectiveness of governance, risk management and controls across the Group

Delegation of Authority Framework
Ensures clear, specific and traceable authority is assigned to appropriate persons through delegation and sub-delegation

Board Focus Areas in 2020

Governing through COVID-19

Crisis management response

The Board is clear on its role during the crisis and continues to support management in navigating the pandemic across the continent.

Having previously approved structures for business continuity, the Board was pleased as to how these structures responded, allowing more than 23,000 employees across our operations to work from home in a very short space of time.

A COVID-19 crisis committee forms part of the structures created as part of our business continuity plans. This committee has representation from across the Group to ensure a holistic and integrated response. The CEO and company secretary were mandated to provide weekly updates to the Board on the impacts of, and the Group's response to the pandemic.

The Board and the executive committee engaged deliberately on the impact that the pandemic had on business operations. A number of economic scenarios were considered, with related management actions to mitigate the impact formulated and implemented.

Regular forecasting provided further management information. Throughout this process the agreed approach to all decisions was premised on the safety of our employees and customers and securing the sustainability of the organisation in the long term.

Support for communities

The Board actively engaged management on the Group's immediate response to the pandemic, and supported and monitored the implementation of the following various initiatives.

Operations

The Board closely monitored the impact of the pandemic on the Group's operations across the continent, and financial performance during the year under review.

Of particular operational focus were the measures taken in the second quarter to ensure that our advisers were able to service our customers remotely as far as possible. Recognising the need for prudent cost management, no salary increases were awarded to employees in 2020. No fee increases were awarded to non executive directors in 2020.

The Board, through the Audit committee, also kept a watching brief on the impact of the pandemic on the Group's financial performance, solvency levels, going concern assessment, goodwill balances, policyholder liabilities and the fair values of investments.

Strategy

The Board reviewed and approved the Group's enhanced long term strategy during the year under review.

Ensuring the digitalisation of the customer and intermediary experience is key to this strategic vision and this has been accelerated by the COVID-19 pandemic. It will remain a key focus for the Board, through the Technology and Platforms committee.

Pursuant to the agreement of this long term strategy, it is prudent that the Board, from time to time, consider possible disruption to this strategy, and ways to adjust course, should it be required. The Board and executive committee have already engaged on this and discussions will be re visited on a regular basis.

Appointment of CEO

Subsequent to the Group's various legal victories in 2020, the Board was able to move ahead on the appointment of a permanent CEO. After an extensive and thorough process, the Board was delighted to announce the appointment of Iain Williamson as permanent CEO of the Group in July 2020. This appointment was welcomed by investors and analysts.

Build and retain investor confidence

In light of the litigation launched against the Company in 2019 by the former CEO, it was key to restore investor confidence in the Board and management team. This was in part facilitated by the high court judgement in favour of Old Mutual in January 2020, and the dismissal of the application to interdict the Company from appointing a permanent CEO.

In addition, the Chairman, supported by the Chairperson of the Remuneration committee, engaged investors in May and November 2020. These sessions focused on Board and Remuneration governances, as well as progress on the appointment of the permanent CEO.

Responsible business and climate change

A key element of the Group's responsible business efforts is minimising our environmental impact. This has been supported by our Responsible Investing approach and the improvement of the green footprint of our own operations.

During the year under review a decision was taken by management, supported by the Board, that the Group will perform a detailed fossil fuel analysis of the Group's assets, by portfolio, over the medium term to provide a baseline view of exposure and carbon intensity of the Groups investments. It will enable the setting of targets against appropriate benchmarks, providing necessary direction on required revisions on our investment mandates. The focus will ultimately shift to investing in renewable energy alternatives, through our alternative investment boutique.

In addition, certain defined ESG metrics have been added to relevant management scorecards and an overall ESG metric for our short and long term variable pay schemes have been agreed.

Management also presented to the Board on the adoption of the TFCD policy, as recommended by the G20's Financial Stability Board. Work is ongoing to ensure reporting in terms of this policy and it will remain a key focus for the medium term.

Our listing on the Zimbabwe Stock Exchange

The current inability to trade in Old Mutual Limited's shares on the Zimbabwe Stock Exchange presents a challenge for the Company and our shareholders on that register.

This issue is a complex and evolving one, and we are treating it with all necessary urgency and sensitivity. Old Mutual Limited, together with Old Mutual Zimbabwe, continue to actively and rigorously engage the relevant authorities to achieve a resolution that is in the best interests of all our stakeholders.

The Board has established a committee to manage and provide input on this matter and engagements with the Zimbabwean authorities are ongoing.

Culture

The Board considered the impact that working from home has on the Group's culture, collaboration and employee wellbeing. The Board is comfortable that management has implemented relevant and appropriate actions to minimise the impact.

Pleasingly, culture survey are showing improvement from the prior year, which indicate that our people have not only adapted to the new ways of working, but have been resilient and remained motivated and engaged.

Capital management

The Board regularly monitored the solvency capital and the liquidity of the Group and in particular Old Mutual Life Assurance Company Limited (OMLACSA) during the year under review. These measures remain strong and within our target ranges.

The Board agreed that no adjustments will be made, at present, to the internal capital targets as a result of the pandemic and South Africa's sovereign downgrade. Accessible capital forecasts have however been adjusted to take into account various economic recovery scenarios modelled by the Group.

Old Mutual Insure

During the year under review the Board had extensive deliberations on the potential impact on Old Mutual Insure and the Group due to business interruption and business rescue claims. Old Mutual Insure operates under a separate licence, with a separate board, and the Group Board provided input for consideration by Old Mutual Insure on this matter.

Old Mutual Insure has been in frequent discussions with regulators around the interpretation of business interruption cover and the financial implications this could have on the business. Recent rulings on this matter by the Supreme Courts of Appeal of South Africa and the United Kingdom have provided legal certainty with regard to the treatment of business interruption clauses and settlement of valid claims.

Information technology

The Board, through the Technology and Platforms committee, kept a watching brief on the Group's technology response to the pandemic. Employees were speedily equipped for remote working and all machines have been enabled to work securely from outside the core network across the continent. These initiatives were facilitated over the course of a few weeks.

The Technology and Platforms committee monitored the continued scaling of Old Mutual Protect, noting that the digitalised customer and intermediary service models enabled the business to effectively service our customers, despite the majority of our employees and intermediaries working from home.

The Board also tracked the introduction of new digital channels and functionality to service funeral claims and disinvestments in South Africa and assist customers with opening and managing their accounts in the East and Southern African regions.

Risk management

The Board closely monitored the Group's risk management activities and processes during the year under review, specifically to ensure that the function was adequately resourced to discharge its duties during a time of crisis.

COVID-19 risks were considered by both the Board and Risk committee. In particular the pandemic's impact on cyber, financial and data protection risks were closely monitored. In addition, the risks over the short, medium and longer term to the Group's business model, given the economic recovery scenarios and a changing socio-economic environment, were considered.

Our operations have been resilient and are operating within our risk appetite, though, and as to be expected, outside of target exposure levels for many types of risk. Pleasingly all of our risk management processes and controls remained robust and functioned as designed.

Board focus areas in 2021

STRATEGY

The management of the business for the long term, ensuring sustainability instead of a short term benefits, will be the most important priority for the Board in 2021.

The Group has adopted a phased approach to mitigate and manage the impact of the pandemic on the business. In this regard, management and the Board believes the stabilisation and transition phases have been completed, with the re-imagining phase to take place over the course of the next financial year.

The Board will continue to monitor the implementation of the long term strategy and progress against agreed plans and timelines.

CUSTOMERS

The financial wellbeing of our customers remains a focus for the Board as the pandemic continues into its second year. Initiatives to enhance the customer proposition and the embedding of the mature market conduct framework in the day to day operations will be areas which will receive particular Board oversight in 2021.

The Board will further monitor the alignment of the Group with the final Retail distribution review proposals.

CULTURE

The Board will, through the Responsible Business committee, continue to monitor the impact the pandemic has on the Group's culture and employee collaboration.

Employee surveys will remain a key yardstick and management will be challenged to ensure innovative solutions are utilised to ensure employees continue to thrive in the new ways of working.

RESPONSIBLE BUSINESS

A key element of Old Mutual's Responsible business strategy is providing financial solutions to our customers in a responsible way. The Board will continue to, through the OMLACSA committee for Customer Affairs and the Responsible Business committee, monitor our customers' experience, the Group's market conduct and whether we continue to provide value for money solutions.

The Board will monitor the outcomes and review proposed actions resulting from the ongoing ESG related fossil fuel analysis of the Group's investments.

The Board will also oversee the ongoing work to ensure comprehensive reporting in terms of the TFCD policy, as recommended by the G20's Financial Stability Board.

RISK MANAGEMENT

The Board will oversee the management of business recovery post the pandemic. It will, through the Risk committee, monitor macro economic, environmental, external and emerging risks, including the emergence of disruptors, and the impact these could have on the Group.

The Board will also, through the Risk committee, focus on the retail credit experience in the unsecured lending operations in 2021.

RISK MANAGEMENT

As part of the Group's digital journey, the Board will continue to challenge management on the development and enhancement of the customer experience and service.

The use of robotics and artificial intelligence to service customers and process transactions will be monitored by the Technology and Platforms committee. The Board will also oversee the continued rollout of the Group's cloud strategy via Amazon Web Services.

Talent management and the reskilling of our employees to take advantage of technological advances remain a focus for the Board, the Remuneration and the Technology & Platforms committees for 2021.

DATA GOVERNANCE

Old Mutual is committed to ensuring the security and confidentiality of all personal information processed from internal and external stakeholders, including our employees.

The ethical use of and governance over data will be a key focus for the Board in 2021, with the final sections of the Protection of Personal Information Act 4(POPI) coming into force mid 2021. Compliance with the act will be monitored by the Risk and Technology & Platforms committees.

Board Engagement with Stakeholders

2020 Annual General Meeting (AGM) voting results

Our AGM was held virtually on Friday, 29 May 2020 and the Board and company secretariat spent significant time ensuring that the proceedings complied with the JSE Listings Requirements and the Companies Act.

The Board was briefed on regulatory requirements for a virtual AGM, defining what is now considered best practice when it comes to hosting a virtual AGM. It was of particular importance for the Board that shareholders were able to engage directly with the Chairman and the Board and that shareholder questions were not moderated. This approach has garnered praise from our shareholders and market commentators alike.

All Ordinary and Special Resolutions proposed were passed by the requisite majority of votes of investors present in person or represented by proxy, with the exception of Ordinary Resolution No. 6. This resolution relates to the granting of general authority to the directors to allot and issue ordinary shares for cash and will not be presented at the 2021 AGM.

The non binding advisory Ordinary Resolution No. 7.2 on the endorsement of the remuneration implementation report, achieved 74% approval (up from 31% in the prior year) from shareholders. This is however below the requisite support of 75% of votes.

Investor Roadshows

The Chairman and Chairperson of the Remuneration committee met with institutional investors from South Africa, the United Kingdom, Europe, Canada, the United States of America and Asia.

Topics discussed	Our response
CEO appointment	Briefed investors on the appointment of Iain Williamson as Group CEO
Long term strategy	Briefed investors on the engagements between the Board and management in respect of the strategy of the business over the medium and longer term
Remuneration	See our Remuneration report on www.oldmutual/investor-relations/reporting-centre/reports for more detail on investor engagement on remuneration
Board appointments	Briefed investors on appointments of Professor Brian Armstrong and Olufunke Igodharo and how the Board reviewed its succession plan and recruitment
Rotation and retirement of directors	Briefed investors on the retirement of Paul Baloyi upon reaching nine year tenure

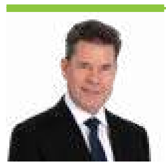
The Chairman and members of the Board engaged with the Prudential Authority (PA) in South Africa during the year. The boards of our subsidiaries also engaged with regulators in their regions on a regular basis.

Topics discussed	Our response to the PA
Impact of COVID-19 on strategy	Briefed the PA on the impact of the pandemic on our operations. Noted that strategic approach would be adjusted as and when required
Risk management	Demonstrated that the solvency and liquidity of the Group and its subsidiaries have been resilient and remain within risk appetite
Zimbabwe	Updated the PA on the Zimbabwean business and challenges faced.
Capital management	Capital position of the Group remains strong and Group did not make adjustments to internal capital targets as a result of the pandemic and South Africa's sovereign downgrade
Rotation and retirement of directors	Briefed the PA on the retirement of Paul Baloyi upon reaching nine year tenure, as well as other upcoming rotation and retirements
Board appointment	Briefed the PA on appointments of Professor Brian Armstrong and Olufunke Ighodaro
CEO appointment	Briefed the PA on the appointment of Iain Williamson as Group CEO
Old Mutual Insure	Briefed the PA on the governance structures in place at Old Mutual Insure and the approach adopted in terms of business interruption claims
Auditor rotation	Updated the PA on the process which the Group will follow in rotating auditors

The Board

Independent non executive

Trevor Manuel (65)
Chairman
NDip, EMP
Appointed: 2016
Tenure[1]: 4 years
Committee memberships:
Other directorships:
1



Brian Armstrong (60)
BSc (Electrical Engineering), MSc (Electrical Engineering), PhD
Appointed in: 2020
Tenure[1]: 6 months
Committee memberships:
Other directorships:
1

Peter de Beyer (65)
Lead Independent Director
BBusSc (Hons), FASSA
Appointed: 2012
Tenure[1]: 9 years
Committee memberships:
Other directorships:
1

Matthys (Thys) du Toit (62)
BSc Agric, MBA
Appointed: 2017
Tenure[1]: 3 years
Committee memberships:
Other directorships:
2

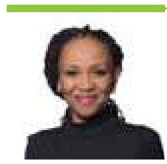
Albert Essien (65)
BA (Hons), EDP (INSEAD)
Appointed: 2015
Tenure[1]: 5 years
Committee memberships:
Other directorships:
5

Olufunke (Funke) Ighodaro (58)
BSc (Hons), FCA(ICAEW), CA(SA)
Appointed in: 2020
Tenure[1]: 1 month
Committee memberships:
Other directorships:
4

Itumeleng Kgaboesele (49)
BCom, PDip (Acc), Dip (FMI), CA(SA)
Appointed: 2016
Tenure[1]: 4 years
Committee memberships:
Other directorships:
3

John Lister (63)
BSc (Stats), FIA
Appointed: 2017
Tenure[1]: 3 years
Committee memberships:
Other directorships:
2

Sizeka Magwentshu-Rensburg (61)
BA, MBA, DPhil
Appointed: 2017
Tenure[1]: 3 years
Committee memberships:
Other directorships:
2



Nosipho Molope (56)
BSc (Medical Sciences), BCompt (Hons), CTA, CA(SA)
Appointed: 2012
Tenure[1]: 8 years
Committee memberships:
Other directorships:
1 3

James Mwangi (44)
BA (Econ)
Appointed: 2017
Tenure[1]: 3 years
Committee memberships:

Stewart Van Graan (65)
BCom (Hons), PMD
Appointed: 2017
Tenure[1]: 3 years
Committee memberships:
Other directorships:
2

Executive

Casper Troskie (58)
Chief Financial Officer
BCom (Hons), PGDA, CA(SA)
Appointed: 2018
Tenure[1]: 2 years

Iain Williamson (50)
Chief Executive Officer
BBusSc (Actuarial Science), GMP, FASSA
Appointed: 2019
Tenure[1]: 1 year
Committee memberships:
Other directorships:
1

Non executive

Thoko Mokgosi-Mwantembe (59)
BSc, MSc, SEP, MCRP
Appointed: 2017
Tenure[1]: 3 years
Committee memberships:
Other directorships:
1 2

Bahleli (Marshall) Rapiya (68)
BAdmin, EMP (INSEAD)
Appointed: 2011
Tenure[1]: 9 years
Committee memberships:
Other directorships:
1

Committee memberships: *Audit committee* · *Corporate Governance and Nominations committee* · *Related Party Transaction committee* · *Remuneration committee* · *Responsible Business committee* · *Risk committee* · *Technology and Platforms committee* · *Chair*

Other directorships: *Large listed companies* · *Medium to small listed companies* · *Large private companies or SOE's*

1 *Tenure considers length of time served on either of the previous Old Mutual Emerging Markets and Old Mutual plc boards or the Old Mutual Limited Board post listing in 2018.*
2 *Age is as at report publication date, 19 April 2021.*

See our directors' CV on www.oldmutual.com/about/our-leadership/board-of-directors

Tenure[1]

Average of **3.8 years** served on the Board

< 2 years on the Board	**3** DIRECTORS
2 to 7 years on the Board	**10** DIRECTORS
> 7 years on the Board	**3** DIRECTORS

Gender diversity

MALE **75%**

FEMALE **25%**
Target 30%*

Demographics

Non-South African	White South African	Black South African
25%	31%	44%

Target 50%*

Age (years)[2]

59 AVERAGE AGE

67

* *Black South African and female directors will be targeted for future Board appointments.*

Knowledge, skills and experience

Strategy	15
Risk management	13
Finance and audit	12
Actuarial	4
Information technology	9
Remuneration and performance management	9
Sales and distribution	7
Sustainability	10
Listed corporates	11

0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16

Number of Board members with executive expertise and experience in each area.

Executive committee

Iain Williamson (50)
Chief Executive Officer
BBusSc (Actuarial Science), GMP, FASSA
Service years: 28

Casper Troskie (58)
Chief Financial Officer
BCom (Hons), PGDA,CA(SA)
Service years: 2

Raymond Berelowitz (52)
Customer Solutions Director
BBusSc (Actuarial Science), FASSA, FIA
Service years: 22

Clement Chinaka (51)
Managing Director: Rest of Africa
BSc (Computer Science and Statistics), AMP, FASSA, FFA
Service years: 29

Khaya Gobodo (43)
Managing Director: Old Mutual Investments
BCom, MSC (Investment Management), CFA
Service years: 3

Kerrin Land (47)
Managing Director: Personal Finance and Wealth Management
BSc (Stats and Econ), Advanced Leadership Certificate, FASSA
Service years: 26

Prabashini Moodley (41)
Managing Director: Old Mutual Corporate
BBusSc (Actuarial Science), FASSA
Service years: 19

Maserame Mouyeme (54)
Corporate Affairs and Responsible Business Director
BSocSc, Postgrad Diploma in Human Resources Management, MBA, Executive Leadership Program
Service years: 1

Garth Napier (42)
Managing Director: Old Mutual Insure
BCom (Hons), MBA
Service years: 2

Clarence Nethengwe (50)
Managing Director: Mass and Foundation Cluster
BProc, BA, LLM, MBA, AMP, EDP
Service years: 11

Celiwe Ross (42)
Human Capital Director
BSc (Mining Eng), MBA
Service years: 3

Richard Treagus (55)
Chief Risk Officer
BBusSc (Actuarial Science), FIA, FASSA
Service years: 32

Heloise van der Mescht (59)
Acting Chief Operating Officer
MBA
Service years: 40

1 *Age is as at report publication date, 19 April 2021.*

Service

Average of **17 years** service

< 5 years — **5** EXECUTIVES
6 to 15 years — **1** EXECUTIVE
> 15 years — **7** EXECUTIVES

Gender diversity

MALE **62%**
FEMALE **38%**

Demographics

South African White **46%**
South African Black **46%**
Non South African **8%**

Age[1]

Average age **49 years**
55-60 years **3** EXECUTIVES
40-49 years **5** EXECUTIVES
50-54 years **5** EXECUTIVES

Knowledge, skills and experience

Actuarial	6
Asset management	3
Banking and lending	4
Corporate finance	3
Finance and audit	6
Information technology	2
Life and savings	10
Property and casualty	1
Risk management	9
Sales and distribution	8
Strategy	12
Sustainability	6

Number of executive committee members with expertise and experience in each area.

Audit committee

AUDIT

The Audit committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference.

Chairperson: Nosipho Molope

Committee meeting attendance

97%

Related capitals

IC SC FC MC

Governance domains

Assurance
Actuarial
Strategy and performance

Mandate

The Audit committee's main role is to assist the Board in fulfilling its oversight responsibilities, in particular with regard to the integrity of the Group's financial statements, effectiveness of the systems of internal control, financial reporting and risk management.

In addition, the committee is responsible for assessing the effectiveness of the internal audit function, the Chief Financial Officer and the independence and effectiveness of the Group's external auditors.

The Audit committee also has oversight responsibilities over key subsidiaries within the Group. The committee routinely provides guidance and feedback on discussions that may have an impact on these subsidiaries and their Audit committees.

These responsibilities are in terms of the mandate of the Audit committee as defined in section 94(7) of the Companies Act and its terms of reference, which are available at www.oldmutual.com/about/governance/board-committees

Actuarial committee

During the year a separate Actuarial committee was constituted. This committee functions as a sub committee of the Audit committee and ensures that significant actuarial matters are appropriately considered ahead of any related decisions made by the Audit committee. The committee is chaired by John Lister, who is an independent non executive director and a qualified actuary. All Audit committee members are also members of the Actuarial committee.

During the year, the actuarial committee met 5 times, and the committee meeting attendance was 91%.

Key focus areas for 2020

- Reviewed key judgments and significant matters raised by management, internal and external audit to ensure the accuracy and integrity of financial data disclosed
- Reviewed key updates, policy and methodology decisions and upcoming milestones on the IFRS 17 programme
- Reviewed and assessed the appropriateness of the expected credit loss for the material banking business in the Group
- Considered the appropriateness of investments and securities valuations, with focus on level 3 instruments
- In light of hyperinflation and the change in functional currency, routinely reviewed the appropriateness of the asset valuations recognised in the Zimbabwe statement of financial position
- Reviewed the appropriateness of property asset valuations, with specific focus on property assets in South Africa, Zimbabwe and East Africa
- Reviewed the goodwill and intangible assets impairment reviews that were based on the latest business planning inputs
- Assessed compliance with all other statutory requirements in terms of section 94(7) of the Companies Act of 2008, King IVTM, JSE Listings Requirements and any other applicable regulatory requirements, and confirmed that no reportable irregularities were identified and reported by the external auditors in terms of the Auditing Profession Act, 26 of 2005

Committee activities relating to COVID-19

- Monitored the impact of the COVID-19 pandemic and noted that the finance function continued to operate effectively throughout the lockdown period
- The impact of the COVID-19 pandemic on business operations and cash flows is considered a potential impairment indicator for non-financial assets that are not recognised at fair value. The committee reviewed these assets' valuations and the subsequent adjustments, including these valuation of Nedbank
- Reviewed reports from the Head of Actuarial Function and the external auditors on actuarial assumptions and basis changes, including extensive discussions on the impact of the pandemic on key assumptions, in particular mortality assumptions in OMLACSA, and related provisions. The committee also specifically considered assumptions for the business interruption insurance claim estimates and related reinsurance assets

Other key governance activities

- Reviewed and assessed the audited annual financial statements, and found the controls and financial reporting processes underpinning its compilation to be appropriate and effective
- Recommended to the Board for approval of the annual financial statements, interim and annual results and the financial information included in the Integrated Report
- Assessed and confirmed the appropriateness of the going concern assumption used in the interim and annual financial statements
- Reviewed the Head of Actuarial Function reports concluding that the actuarial control function operated effectively
- Evaluated the independence, effectiveness and performance of the internal audit function. Confirmed the appropriateness of the expertise, experience and resources of the internal audit function and that of the audit director
- Reviewed and considered the overall effectiveness of the Group's internal controls. Having analysed and discussed information provided by management, other Board committees and the internal and external auditors, the committee is of the opinion that the Group's internal controls had been effective in all material aspects, throughout the year under review
- Reviewed and approved the combined assurance plan for the Group ensuring the inclusion of material risk areas, acceptable coverage of business processes and that all reporting requirements were met. Confirmed that assurance activities result in an adequate, effective control environment and the integrity of reports can be relied upon for decision making
- Reviewed the interim and final dividend proposals and supported the deferral of the interim dividend in view of the impact of the pandemic on earnings. Ensured that the Group had sufficient resources to make the final dividend distributions, before recommending it to the Board
- Reviewed the arrangements in place to ensure appropriate rotation of the designated external audit partners as required in terms of Section 92 of the Companies Act
- Recommended to shareholders the appointment of Deloitte and Touche and KPMG Inc. as joint auditors for 2020
- Reviewed and approved the external auditors' 2020 annual plan, scope of work, audit fees and considered the key audit matters in the external audit report
- Monitored the effectiveness of the external auditors in terms of their audit quality, expertise and independence, as well as the execution of the audit plan. Confirmed the appropriateness of the expertise, experience and resources of the external auditors, the external audit partners and the quality of the external audit
- Approved the non-audit services policy
- Reviewed the performance and confirmed the suitability and appropriateness of the expertise and experience of the Chief Financial Officer, Casper Troskie, and the resources, expertise, succession planning and experience of the Group's finance function

Key focus areas for 2021

- Monitor the Group's preparation for the implementation of IFRS 17
- Monitor the Group's continued response to the impact and mitigation of the COVID-19 pandemic. In particular monitor the extent of COVID-19 related claims across the Group and the impact on reserving
- Continue to monitor, with the Technology and Platforms committee, the finance modernisation and transformation initiatives
- Monitor the levels of the various capital measures in the Group, ensuring that they are within acceptable ranges
- Continue to monitor the functioning of the Group's internal controls
- Review the Group's long term actuarial assumptions ensuring appropriateness for current operating environment
- Monitor methodology and assumptions used to calculate the Group's liabilities and Solvency Capital Ratio
- Succession planning with a focus on further complementing the skills on the Audit committee
- Monitor the economic situation in Zimbabwe and assess of the appropriate accounting treatment and disclosure in the Group financial statements

Corporate Governance and Nominations committee

GOVERNANCE

The Corporate Governance and Nomination committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference.

Chairperson: Trevor Manuel

Committee meeting attendance	Related capitals	Governance domains
95%	IC	Board specific

Mandate

The Corporate Governance and Nominations committee makes recommendations and provide oversight on the composition of the Board, its committees and the appointments of independent directors throughout the Group. This committee also monitors the effectiveness of the Group's corporate governance framework.

The terms of reference for this committee can be found at www.oldmutual.com/about/governance/board-committees

Focus areas in 2020

Nominations

- Conducted the search for the new Group CEO and finalised the appointment of the Group CEO, Iain Williamson
- Considered the appointment of additional directors to the Board, focussing on enhancing the Board's experience and skillset in line with the skills gaps identified and the Board succession plan
- Considered the succession planning for Peter de Beyer and Nosipho Molope, both of whom reach their nine year tenure in 2021
- Considered the succession pipeline for the executive committee, and provided support to the CEO in the appointment of new executive committee members
- Reviewed the Board and committee composition, skills matrix and succession plan on a quarterly basis

Corporate Governance

- Received quarterly updates in respect of the effectiveness of the Group Governance Framework, noting that it functioned as designed despite the impact of the pandemic
- Received regular feedback from the company secretary in respect of governance matters and supported the company secretary and management in the drive to ensure continued enhancement of governance processes
- Considered and approved the independence assessment for all directors
- Reviewed and approved the 2020 Board assessment approach and questionnaire
- Supported the Board assessment through an independent service provider The Board Practice. Further details of this assessment are available on page 15 of this report
- Considered the legal implications and requirements of holding a virtual AGM
- Considered the duties of a controlling company of an insurance Group, giving assurance that duties in this regard are adequately discharged and whether the Board was adequately discharging its duties

Key focus areas for 2021

- Provide stringent regulatory oversight in terms of governance requirements set by the Prudential Authority, through the Group Governance Framework
- Update Board succession plans, ensuring an appropriate mix of skills on the Board and its committees
- Update executive committee succession plans and monitor the management of the talent pipeline

Related Party Transaction committee

RELATED PARTY

The Related Party Transaction committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference.

Chairperson: Thys du Toit

Committee meeting attendance	Related capitals	Governance domains
100%	FC HC SC IC MC	Risk Board specific

Mandate

The Related Party Transaction committee considers, reviews, evaluates, approves and provide oversight in relation to any related party transaction between Group companies , or between directors and Group companies.

The committee is also mandated to consider, review and make determinations in respect of all conflict of interest matters related to the Board. This includes consideration of the impact on Board members' independence and capacity as a result of external board appointments (as per the Board Appointment Policy).

This committee is a decision making body and its recommendations in respect of related party transactions are binding. A related party transaction may therefore not be authorised or implemented by the Board unless it has been approved and recommended by the Related Party Transaction committee.

Members of the Related Party Transaction committee do not serve on any other subsidiary boards.

The terms of reference for this committee can be found at www.oldmutual.com/about/governance/board-committees

Focus areas in 2020

- Monitored and reviewed a number of related party transactions throughout the year
- Monitored and assessed Board members' independence and capacity subsequent to external board appointments
- Commenced the review of the committee's mandate and whether the same remains fit for purpose

Key focus areas for 2021

- Monitor, review and manage any related party transactions and conflicts of interest as they arise
- Review and monitor the Group's related party governance processes to ensure the required governances are in place to identify and regulate related party relationships and transactions
- Finalise and review the assessment of the committee mandate

Remuneration committee

REMUNERATION

The Remuneration committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference.

Chairperson: Itumeleng Kgaboesele

Committee meeting attendance	Related capitals	Governance domains
100%	HC	Talent and reward Strategy and performance

Mandate

The Remuneration committee independently reviews and monitors the integrity of the Group's remuneration philosophy, policies and implementation thereof. It ensures that the Group remunerates fairly, responsibly and transparently, taking into account the measurement of performance against pre-determined and agreed criteria which align with the corporate strategy.

The committee regularly evaluates the competitiveness of the Group's remuneration and benefits, establishing the appropriate competitive positioning of the levels and mix of reward and benefit elements. This includes reviewing and approving the overall annual increase pool awarded to employees and monitoring the implementation of incentive and equity-based remuneration plans.

This committee also manages stakeholder relations with investors, and other stakeholders deemed appropriate, on remuneration matters.

The terms of reference for this committee can be found at www.oldmutual.com/about/governance/board-committees

Focus areas in 2020

- Engaged with investors in ongoing efforts to improve our remuneration policies and practices
- Reviewed and made amendments to variable pay schemes, ensuring the long term sustainability of these schemes in driving organisational value, while remaining appropriate during times of economic uncertainty
- Reviewed and updated the Group's Total Reward Framework, with a focus on the principles of fair and responsible pay, reward for substantial performance and ensuring a compelling employee value proposition. This included the incorporation of employee wellbeing and recognition in the suite of remuneration elements

Committee activities relating to COVID-19

- Supported the recommendation that no salary increases were granted to employees in 2020
- Recommended that no increases are awarded for non executive fees in 2020
- Agreed a revised short term incentive (STI) scorecard incorporating management's response to the crisis and the refocussing of the business in 2020
- Approved once off long term incentive (LTI) top up awards (with future focussed performance conditions) for executive management to mitigate retention risks

Other key governance activities

- Reviewed and signed off the 2019 Remuneration report
- Reviewed and approved the Group Reward Policy as part of annual iterative process of ensuring practices remain relevant and appropriate
- Set annual targets for short term incentive (STI) and long term incentive (LTI) awards, ensuring appropriateness for times of uncertainty and volatility and the incorporation of meaningful non financial targets
- Approved STI and LTI performance scorecard outcomes and pools
- Approved the remuneration for the executive committee, executive management, heads of control functions and the company secretary, ensuring they are fairly and responsibly rewarded. This included benchmarking remuneration levels against industry peers and organisations of similar complexity
- Approved the 2021 salary increase mandate
- Approved the process for the benchmarking of independent non executive directors' fees

Key focus areas for 2021

- Monitor and review the continued appropriateness of the total reward proposition and remuneration outcomes in the context of a volatile operating environment
- Ensure a compelling employee value proposition that enables the Group to attract and retain talent
- Ensure the embedding of the shifts in the reward practices
- Continue to engage with shareholders and drive an interative process that ensures the Reward Policy remains relevant, appropriate and aligned to good governance and required oversight

Technology and Platforms committee

TECHNOLOGY

The Technology and Platforms committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference.

Chairperson: Stewart van Graan

Committee meeting attendance	Related capitals	Governance domains
100%	HC MC IC	Information Technology

Mandate

The Technology and Platforms committee provides strategic oversight and governance of the Group's strategic investment in information technology (IT), telecommunications, software, systems, as well as data protection and information management.

It is responsible for approving key technology, data protection, information management and IT related acquisitions, disposals, suppliers, services, developments, licences, maintenance, support, hosting, networking, data protection, information processing and other agreements including agreements relating to the IT systems, hardware and software, networking and facilities of the Group.

The terms of reference for this committee can be found at www.oldmutual.com/about/governance/board-committees

Focus areas in 2020

- Monitored the execution and progress of the digital and technology strategy, specifically focusing on accelerating the rate of adoption of digital tools by customers
- Monitored the execution and progress of our technology modernisation strategy which includes, the migration to AWS Cloud, the implementation of a new human capital solution, Workday, and the modernisation of the solutions supporting finance processes. The latter project focusses on the simplification and rationalisation of finance data to improve the efficiency of the financial reporting processes and enable the implementation of IFRS 17
- Approved and monitored execution of our data and analytics strategy
- Monitored the execution, progress and scaling of the rollout of the Old Mutual Protect proposition
- Monitored information security and data privacy initiatives
- Monitored the development of technology and digital delivery capabilities, including the training and certification of our employees

Committee activities relating to COVID-19

- Monitored the information and technology response and resilience to the COVID-19 pandemic
- Reviewed and discussed the information security and business resilience key risk reports
- Provided oversight of management's actions in mitigating the increased cyber risks relating to the remote working environment
- Monitored activities centred around business resilience and continuity, including delivering remote working tools and alternate power solutions for employees impacted by prolonged periods of loadshedding. Noted that the remote workforce strategy was continuously interrogated by management to ensure that business delivery, customer service and employee wellbeing were not being jeopardised

Other key governance activities

- Reviewed and updated the information security and business resilience policies
- Reviewed assurance assessments performed by Group Internal Audit and Group Risk on key strategic initiatives and the related control environment
- Reviewed and discussed the total cost of IT ownership on a quarterly basis. This included reviewing the independent benchmark assessment commissioned by management on IT performance

Key focus areas for 2021

- Continue to monitor and support management on the digitalisation of the customer and adviser experience
- Continue to monitor and challenge management on the delivery of data and technology strategies
- Review the strategic execution and benefits for the Group's key investments in digital, data and technology
- Review and support management on the formulation of the platform strategy and its delivery
- Review and support management on the approach to the Insurtech and Fintech partnership model
- Monitor the rollout of the new savings and income proposition
- Monitor the frameworks and controls in place to ensure appropriate governance over, and the ethical use of, data.

Responsible Business committee

RESPONSIBLE

The Responsible Business committee discharged its statutory duties according to Regulation 43 of the Companies Act. The Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the period.

Chairperson: Sizeka Magwentshu-Rensburg

Committee meeting attendance

100%

Related capitals

HC SC NC

Governance domains

Responsible business

Mandate

The Responsible Business committee (incorporating Social and Ethics) is constituted as a statutory committee of the Board in line with section 72(4) of the Companies Act, 71 of 2008, as amended, read together with regulation 43 of the Companies Regulations, 2011 and the King IV Report on Corporate Governance for South Africa, 2016.

Its mandate is to monitor and report on the Group's activities in sustainable social and economic development which include public safety, HIV/Aids, environmental management, corporate social investment, consumer relationships, labour and employment, the promotion of equality and ethics management.

It also assists the Board in monitoring the extent to which the Group is achieving its shared value goals, through overseeing the efforts in the delivery of shared value and responsible business practises.

This committee tracks the Group's performance in line with the stated five responsible business pillars. These are customers, employees, responsible investment, communities and the environment.

This committee also ensures that the Group remains a committed, socially responsible corporate citizen by creating a sustainable business and having regard for its economic, social and environmental impact on the communities in which it operates.

The terms of reference for this committee can be found at www.oldmutual.com/about/governance/board-committees

Focus areas in 2020

- Reviewed the Group's approach to addressing climate change. Noted that it was aligned to the Group strategy and the Climate Change Global Standards and that the Group was working towards ensuring adherence to the reporting guidelines, as set out by the Taskforce for Climate Related Financial Disclosures
- Monitored the actions taken to initiate a fossil fuel analysis of the Group's assets by portfolio
- Monitored the programme responsible for market conduct and oversaw delivery by management
- Tracked the experience and outcomes for customers across the Group, including investment performance
- In respect of employees, provided oversight over the diversity and inclusion strategy and related initiatives, noting positive traction in the execution
- Considered and engaged with reports analysing the commercial value generated by the Group's brand, digital campaigns and sponsorship activities
- Reviewed and approved performance measures designed by management in respect of responsible business focus areas
- Received regular updates on the Group's progress in delivering Financial Education initiatives across the African continent

Committee activities relating to COVID-19

- Reviewed and discussed detailed updates on the effective pro-active measures implemented in response to the COVID-19 pandemic, including measures and channels used to continuously engage with customers and employees
- Reviewed the health and safety policy and report, confirming the Group complied with all the relevant legal requirements in relation to the health and safety requirements as set out in the Occupational Health and Safety act. The committee specifically ensured that COVID-19 regulations were incorporated and adhered to
- Monitored the various initiatives implemented to continue servicing customers safely and responsibly during the pandemic
- Monitored the pandemic customer relief measures deployed (including relief to advisers and communities)
- Engaged management on the measures in place to ensure that the Group was able to monitor the ethical distribution of its COVID-19 relief funds
- Considered the impact of remote working on the Group's culture, monitoring it through employee surveys

Other key governance activities

- Reviewed the Ethics Management of the Group
- Reviewed the Group's Responsible Business Framework
- Reviewed and approved an updated stakeholder engagement plan
- Reviewed and approved the responsible investment policy and monitored compliance with the UN Responsible Investment Principles
- Considered the philosophy of responsible lending and the initiatives implemented by the Group in this regard
- Reviewed the Group's whistleblowing policy
- Reviewed the Group's corporate social investment initiatives
- Reviewed and approved Responsible Business Impact Report
- Reviewed, deliberated on and approved the enhanced employment equity policy
- Reviewed the Group BBBEE Transformation charter
- Approved and monitored the implementation of policies and strategies relating to financial education and financial inclusion, responsible investing, education, ethics, stakeholder management, skills development as well as enterprise development
- The committee engaged the Ethics Institute of South Africa to consider whether its mandate and terms of reference remained aligned to best practice. This was confirmed.

Key focus areas for 2021

- Continue to monitor the impact of the Group's Responsible Business framework
- Continue to monitor and challenge management on the Group's response to climate change and responsible investment
- Provide input and oversight of the Group's B-BBEE strategy
- Oversee the programme responsible for market conduct and monitor initiatives to enhance the customer proposition

Also see our Responsible Business Impact report on www.oldmutual.com/investor-relations/reporting-centre/reports

Risk committee

RISK

The Risk committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference.

Chairperson: John Lister

Committee meeting attendance

96%

Related capitals

FC MC SC

Governance domains

Compliance
Risk

Mandate

The Risk committee independently reviews management's recommendations on risk management, particularly in relation to the structure and implementation of the risk strategy, systems of governance, risk management frameworks, internal capital models, the quality and effectiveness of the related internal controls and reporting processes, risk appetite limits and exposures, and the overall risk profile of the Group.

It is also responsible for reviewing and monitoring the Group's regulatory compliance processes and procedures, and its compliance with all relevant legal and regulatory provisions.

The terms of reference for this committee can be found at www.oldmutual.com/about/governance/board-committees

Focus areas in 2020

- Reviewed and recommended for approval by the Board, the Group's risk strategy. This includes appetites for different types of risk and the target risk profile for the Group
- Reviewed the Group's risk exposures on a quarterly basis
- Provided financial risk oversight on market, funding, liquidity, asset and liability matching and investment credit risks
- Monitored market conduct risk across the Group
- Monitored the credit experience in the unsecured lending operations
- Monitored progress of the cybersecurity, business resilience and information and technology strategic programmes
- Reviewed financial crime updates noting increased attempts of cybercrime. The committee was pleased to note that the Group's controls operated as designed
- Worked closely with the Actuarial and Audit committees in monitoring life and general insurance risk and ensuring appropriate oversight by the actuarial control function
- Reviewed updates on the control environment improvement programmes in East Africa and Old Mutual Insure
- Reviewed adequacy of the Group's reinsurance arrangements, ensuring that the processes used to review and manage these arrangements were fit for purpose
- Considered the risks and mitigating actions in respect of the Group's business in Zimbabwe, noting significant pressure due to the economic and political crisis within the country

Committee activities relating to COVID-19

- Reviewed and approved expanded risk scenario planning in light of the COVID-19 pandemic
- Considered the key risks to mitigate at a Group level, including protecting employee health, supporting adviser channels and the efficiency and automation of processes
- Reviewed, provided input into and monitored the pandemic impact scenarios and risk mitigation initiatives in areas of finance, business resilience, expense management, insurance, retention, market conduct, legal and regulatory risks
- Discussed and monitored the impact of volatile markets on Group solvency and liquidity
- Monitored and noted the adherence of the Group to the COVID-19 regulations as published by government
- Approved an out of cycle Own Risk and Solvency Assessment (ORSA), as required by the Prudential Authority, given additional risks resulting from the pandemic
- Received regular updates from management on the legal progress in respect of business interruption claims at Old Mutual Insure

Other key governance activities

- Monitored and approved the adequacy and appropriateness of the Group's risk management policies, processes and systems
- Deliberated on key emerging risk themes including health, environmental and climate change risks, socio-political challenges and the accelerating pace of information technologyrisk
- Approved the annual operating plans for the risk, actuarial oversight, compliance and forensic functions
- Reviewed update on the progress on the Anti-Money Laundering programme and financial crime, noting the implementation of enhanced controls
- Reviewed the regulatory compliance processes, procedures and risks. Noted that the Group's regulatory compliance profile remains unchanged
- Reviewed whistleblowing hotline reports which indicated a decrease in alleged fraudulent activity. This can largely be attributed to the impact of various lockdowns during 2020
- Monitored compliance with current and developing material legislation and regulation
- Monitored the implementation of the Protection of Personal Information Act
- Reviewed and approved the ORSA submitted to the Prudential Authority, including an analysis of the Group's resilience in severe (1 in 50) and Perfect Storm (1 in 200) downside scenarios
- Reviewed and provided input on subsidiary risk reports, supporting management in the management and mitigation of highlighted risks
- Reviewed and approved the Policy Management Framework and Risk policy suite
- Reviewed the outcomes of the risk culture assessment and risk policy attestation

Key focus areas for 2021

- Ensure the Group remains operationally and financially resilient during and after the COVID-19 pandemic
- Continue to support management on business recovery post the pandemic and future business models
- Monitor environmental, external and emerging risks, including the emergence of disruptors, and the impact these could have on the Group
- Continue to monitor the retail credit experience in the unsecured lending operations
- Continue to monitor the development and maturity of model risk management across the Group
- Monitor the Group's compliance with key regulatory changes including the Conduct of Financial Institutions bill and Retail Distribution Review

REMUNERATION OVERVIEW

The following pages have been extracted from the full Remuneration report, which is available at www.oldmutual.com/investor-relations/reporting-centre/reports.

Remuneration Overview

I believe the committee has responded well to challenges faced during the year and have executed their duties with great care. The committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference and that the objectives of the Group Reward Policy have been met without material deviation.

Itumeleng Kgaboesele
Chairperson

Focus areas

1. We continued our open and transparent engagement with shareholders in our ongoing efforts to improve remuneration policies and practices.
2. We made amendments to our variable pay schemes. These amendments will ensure the long term sustainability of the schemes in driving organisational value over time, while remaining appropriate during times of economic uncertainty. In making these amendments, it was necessary to balance the alignment of reward outcomes to business performance with reward for substantial performance and employee retention.
3. We reviewed the Group's updated Total Reward Framework with an enhanced focus on the principles of fair and responsible pay, reward for substantial performance and ensuring a compelling employee value proposition. This resulted in shifts in our existing remuneration elements and the incorporation of employee wellbeing and employee recognition in our suite of remuneration elements.

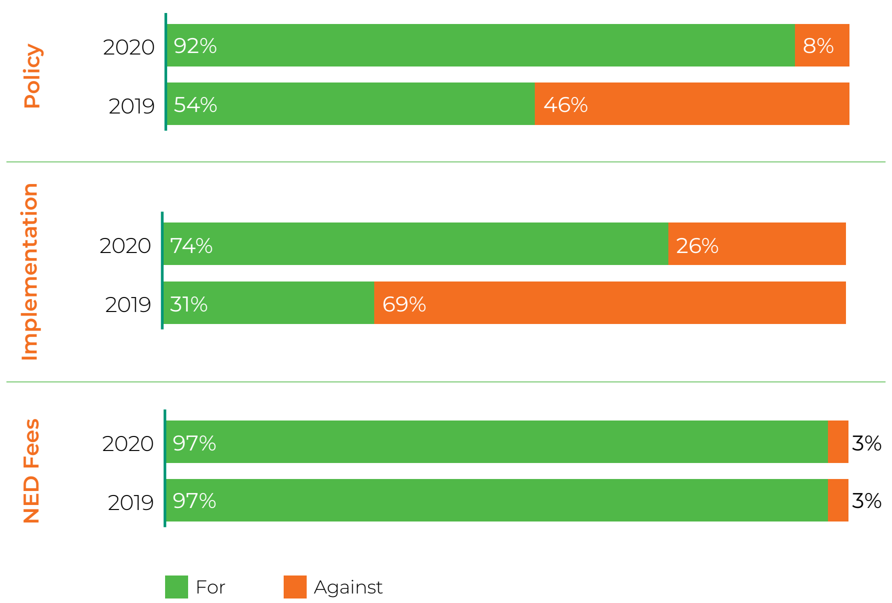
Mandated Matters

- Approval of the 2019 Remuneration Report.
- Annual review and approval of the Group Reward Policy to ensure practices remain relevant and appropriate.
- Approval of annual target setting for STI and LTI taking into account high levels of uncertainty and volatility and incorporating non-financial targets.
- Approval of STI and LTI performance scorecard outcomes and pools.
- Approval of the salary increases for employees effective 1 April 2021.
- Approval of remuneration for the executive committee, general management, heads of control functions and the company secretary.
- Oversight of the benchmarking process for non executive director fees.

Our COVID-19 response

TGP	Inflationary increases for the executive committee and general management effective 1 January 2020 were adjusted to 0% from 1 April 2020. No increases were awarded to employees in the normal increase cycle.
STI	A revised STI scorecard was agreed to align to the way in which we responded to the crisis.
LTI	No changes were made to terms and conditions attached to in flight LTI awards. One off LTI awards with future focused performance conditions were made to improve the lock-in value of executives and mitigate retention risks.
NED	Non executive director fees were not increased for the 2020-2021 period

We continued to actively seek feedback on our Remuneration policy and the implementation thereof through various interactions with shareholders. We solicited feedback on the 2019 Remuneration Report during governance roadshows that were held prior to the AGM in May 2020. We invited dissenting shareholders through a SENS announcement to submit concerns and recommendations in writing, following the failure to achieve the requisite 75% approval of the 2019 implementation report. We updated shareholders on remuneration changes during roadshows in November 2020. Following discussions with shareholders we made enhancements to our variable pay schemes. We believe this aligns remuneration outcomes more deliberately to business performance, whilst still balancing the need to reward individual performance.



	Shareholder Feedback	Response
Remuneration Policy	A lack of alignment between business performance and remuneration outcomes and a preference that STI targets are not against business plan outcomes.	The STI scheme was amended during 2020 to change the primary metric to be reported RFO for the relevant period. This approach ensures alignment between employee remuneration and shareholder outcomes.
	The withdrawal of the total shareholder return (TSR) metric from the LTI scorecard was not received favourably by all.	The Group believes that the LTI scheme inherently aligns with TSR and that driving the metrics chosen will lead to an improvement in share price and dividends.
	There was a sentiment that targets are not balanced between financial and non-financial metrics.	While the individual performance scorecards of executives have always contained the relevant non-financial metrics, including ESG measures, we have introduced non-financial metrics to both the STI and LTI scorecards.
	Lack of actuarial metrics in STI scorecard.	Value of New Business (VNB) has been introduced as a metric in the STI scorecard. VNB measures the expected return on new business written in our Life and Savings businesses each year.
	Insufficient disclosure of enforcement mechanisms for minimum shareholding requirements.	We have improved our disclosures to better explain compliance to the Group's minimum shareholding requirements and consequence management.
Implementation Report	Linkages between performance against targets and actual executive outcomes not clear enough.	We have made significant improvements in the disclosure of how individual performance outcomes link to targets.
	The retrospective amendment to the RFO threshold target in 2019 was not received favourably.	The committee reserves the right to exercise its discretion in the event that remuneration outcomes are considered overly punitive or generous in the circumstances. Sufficient disclosure was provided to explain the rationale for retrospectively reducing the RFO threshold in 2019.

Key Reward Enhancements

GROUP REWARD FRAMEWORK

Core reward principles

- Alignment of interests
- Alignment to business objectives
- Support of desired culture and values
- Risk and regulatory compliance
- Fair and responsible pay
- Reward for substantial performance
- Compelling employee value proposition

Underpinned by | REWARD PHILOSOPHY | Delivered through

Remuneration elements

- Guaranteed pay
- Employee benefits and allowances
- Short term incentives
- Long term incentives
- Ad hoc arrangements
- Employee wellbeing
- Employee recognition

STRATEGIC SHIFTS		COVID-19 RESPONSE
Our benchmarking approach and internal pay scales have been refreshed to be more market aligned for the 2021 year ensuring a more compelling employee value proposition	Guaranteed pay	No salary increases were awarded in 2020 and inflationary increases awarded to the executive committee and general management in January were adjusted to 0% effective 1 April.
The STI pool creation methodology was amended and an individual performance component was introduced resulting in improved alignment of interests The deferral period was amended improving the employee value proposition ESG metrics were introduced on our STI scorecard creating closer alignment to business objectives	STI	A new STI scorecard was agreed for 2020 to align to our three phased approach to respond to the crisis, namely stabilise, transition and re-envision. Metrics are grouped under the themes of Financial, Operational, Strategic and Stakeholder.
LTI awards changed from forfeitable to conditional share awards to create better alignment of interests We introduced non performance vested awards below executive committee level to create a compelling employee value proposition ESG metrics were introduced on our LTI scorecard creating closer alignment to business objectives	LTI	No amendments were made to targets and vesting periods of in flight LTI awards resulting in significantly reduced lock in values for senior executives. A one off LTI award was made in 2021 and deliberate retention strategies put in place for key individuals.
Focused retention awards linked to outcomes from the talent management strategy were introduced to align to the principle of reward for substantial performance	Ad hoc arrangements	
	Employee wellbeing	Extensive support was provided for our employees, line managers and their families, with an increased focus on health and mental wellbeing. The availability of online and telephonic services was increased.

Group Incentive Policies

Short term incentive

- The **purpose** of the STI is to motivate and reward employees for achievement of strategic targets
- The **1 year performance period** is aligned to the Group's financial year
- The **annual award** to qualifying employees takes place in March/April following the performance period
- **Settlement** for middle management and above is 60% **cash** and 40% **deferred shares** in South Africa and Namibia and phantom shares for the Rest of Africa
- Deferred shares are awarded as forfeitable shares and participants have voting rights and receive dividends throughout the deferral period
- **Malus** applies to all participants from the end of the performance period to the payment date. **Clawback** applies to certain executive roles defined by the committee for 3 years from the payment date

Measurement period — 2021

60% paid in cash — 2022

40% deferred as shares vesting in equal tranches over 3 years — 2023, 2024, 2025

Long term incentive

- The **purpose** of the LTI is to reward executive and selected senior management for achievement of strategic targets over a 3 year measurement period and to retain them over the 5 year vesting period.
- The **awards** take place annually in March/April and in August/September.
- Awards are determined as a percentage of TGP ensuring an appropriate pay mix for the relevant role.
- **Shares are awarded** in South Africa and Namibia and phantom shares in the Rest of Africa. These were forfeitable shares until 2020 and are now conditional shares.
- Vesting takes place in equal tranches in years 3, 4 and 5 in respect of awards made from September 2018. Prior to that, vesting was all in year 3.
- **Malus** applies to all participants from award date until the respective vesting dates. **Clawback** applies to all participants from vesting date to the end of the final vesting date.

Grant date — 2021

Performance measurement period — 2022, 2023

Vesting in equal tranches over 3 years — 2024, 2025, 2026

Change FROM / TO

	Pool creation methodology	Individual performance component	Deferral	Performance conditions	Instrument and dividend rights
FROM	The sum of all participants' STI participation % x group scorecard outcome relative to business plan (Total bottom up pool)	All employees equally exposed to business performance outcomes	40% of award vests fully after 3 years	All awards 100% performance based	Forfeitable shares with dividends earned on all shares awarded on dividend declaration dates
TO	A percentage of RFO and funds an individual and business performance pool (Total top down pool)	More senior roles have higher exposure to business performance	40% of award vests in equal tranches over 3 years	Executive committee awards remain 100% performance based Awards for participants below the executive committee are 50% performance based and 50% time vested	Conditional shares with dividend equivalents at end of vesting period on vested shares only

Pool creation and distribution

STEP 1 — Group STI pool

Total top down pool

Funded first: **Individual performance pool** — Considered a minimum payout threshold subject to affordability

Remainder allocated to: **Business performance pool** — Tilted by group scorecard outcome on a 0-200% scale

STEP 2 — Segment STI pools

The Group STI pool is distributed to segments based on actual performance

STEP 3 — Employee outcome

TGP x STI participation %

×

Individual performance — Driven by individual performance ratings

\+

Business performance — Driven by group and segment performance

	Executive management	Senior management	Middle management	Other employees
Individual performance %	20%	30%	40%	50%
Business performance %	80%	70%	60%	50%

Informed and justifiable discretion applied for employees at management and above levels with appropriate disclosure if applied to members of the executive committee

Performance conditions

LTI awards to executives and other participants below executive level were 100% subject to 3 year performance conditions up to 2020. Following a review of current market practice for the level below executive committee, we changed the vesting conditions of awards to other participants to be 50% performance based and 50% time vested from 2021 onwards. Other participants also have less control to define and direct the Group's strategy in comparison to executives, who will remain fully exposed to performance based targets. Once awards are approved, no discretion or amendments will be applied to performance conditions unless specifically agreed at the time of the award.

One off LTI awards

- A limited number of employees were selected for an additional one off LTI award to address retention risks of critical individuals following the reduced lock in value of in flight awards due to COVID-19 impacts on vesting outcomes.
- Selection was based on individual performance, retention risk factors and loss of existing lock-in value. Retention risk factors included employment equity status, talent and succession plans and critical and technical scarce skills categories.
- The award is subject to the same terms and conditions applicable in respect of the annual award for each individual participant.
- Awards for selected executive committee members are conditional shares and are subject to the 2021 LTI performance conditions set.
- The standard 2021 LTI pool was increased by 75% to allow for the one off allocations. The quantum of awards to individuals was guided by the level of lock-in by individual, retention risk factors and was limited to 200% of their on-target participation level.

Group Incentive Targets

2021 Individual STI scorecard

Individual scorecards drive individual performance outcomes and contain a combination of Group, segment and individual goals as appropriate to the employee level. Scorecards are cascaded through the organisation to ensure alignment of individual, team and segment performance with that of the Group.

Targeted outcomes

1. **Strategic**
2. **Financial and Customer**
3. **Operational**
4. **People and Values**

These outcomes are weighted per employee and relevant role size.

2021 Group STI scorecard

Targeted outcomes	Value creation	Metrics	Weight
STRATEGIC DELIVERY	Our strategy is deliberate in building on our foundation by aggressively driving brand differentiation, providing solutions that meet changing customer needs and enabling a seamless transition between face to face and digital journeys. This will enable us to maintain dominance and win the market despite robust competition.	• Always present first • Solutions that lead • Rewarding digital engagement	30%
RESILIENT BALANCE SHEET	Capital optimisation initiatives combined with efficient capital allocation and strategic asset allocation of shareholder capital maximizes return on equity for shareholders. Active management of returns and related capital of guaranteed products ensures a resilient balance sheet. These activities enable the recovery of RoNAV.	Management of solvency ratios, surplus liquidity and asset liability management	15%
FINANCIAL[1]	RoNAV is an indicator of profitability and efficiency, how much profit has been generated from shareholders resources.	RoNAV	20%
	VNB measures the discounted value of expected future profits arising from new life insurance business sold in the reporting period. It therefore measures adviser productivity, profitability of the product mix sold as well as cost efficiencies.	VNB (Rm)	10%
		VNB margin	10%
DIVERSITY AND INCLUSION	A diverse workforce promotes innovation and drives transformational growth. An inclusive workplace nurtures a strong sense of belonging and connection enabling us to deliver on our business strategy.	Skills development[2]	7.5%
		Female leadership at management level	7.5%
Total			**100%**

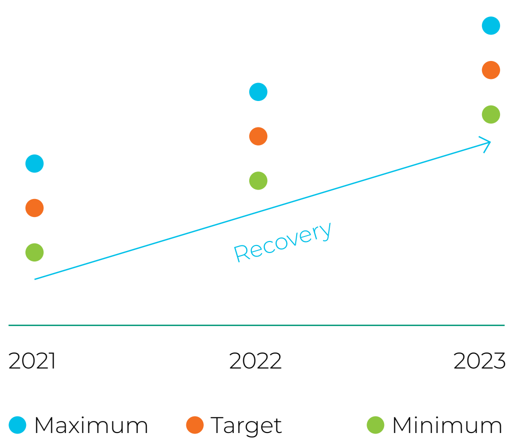
1 *Financial targets are set to reflect recovery from 2020 where achieving 2019 levels over a 1 year horizon is considered a significant stretch*
2 *Skills development targets are set relative to the score on the Group's B-BBEE scorecard*

LTI Targets

The LTI scorecards for the three in-flight LTI awards are set out below. In 2020 our LTI metrics were AHEPS and RoNAV and in 2021 the FTSE/JSE Sustainability Index will be added as a metric. AHEPS and RoNAV were previously set with reference to our externally communicated growth and return targets. The heightened level of forecasting risk and observed variability in possible recovery scenarios makes it challenging to indicate when we will be able to deliver on these financial targets. In addition, the transition to IFRS 17 will impact the emergence of profits.

The 2021 targets set for AHEPS and RoNAV are the average of the annual targets set over the three year measurement period as a recovery trajectory. Given the uncertain operating and economic environment, the annual targets will be reviewed and approved at the start of each year and disclosed in the following year's remuneration report together with performance against such targets. As part of the annual target setting process, we will take into account the impact of material corporate activity or regulatory changes that may impact the results, including changes in accounting policy. The rationale for any changes made to targets set in 2022 and 2023 will be disclosed.

AHEPS and RoNAV annual targets



LTI performance scorecards

	Weight	Minimum	Target	Maximum
2021 LTI		**0%**	**100%**	**200%**
AHEPS	40%	135	184	233
RoNAV	40%	8.7%	11.9%	15.2%
FTSE/JSE sustainability index	20%	4.0	4.3	4.4
2020 LTI		**0%**	**100%**	**200%**
AHEPS growth	50%	0%	Nominal GDP+2%	Nominal GDP+6%
RoNAV	50%	COE	COE+4%	COE+8%
2019 LTI		**0%**	**75%**	**130%**
Absolute TSR	33.3%	COE	COE+2%	COE+5%
Relative TSR	33.3%	Average of peer group – 3%	Average of peer group	Average of peer group +5%
RoNAV	33.3%	COE	COE+4%	COE+8%

Linkage of metrics to value creation

AHEPS	FC MC	Capital optimisation is an essential tool to deliver return to shareholders. Shareholder value is driven by higher returns on capital and/or growing dividends. RoNAV measures the Group's return on capital whilst AHEPS is the basis on which dividends are paid. Increasing RoNAV and AHEPS over time will increase shareholder value.
RONAV	FC MC	
FTSE/JSE SUSTAINABILITY INDEX	NC HC SC IC	The FTSE/JSE Responsible investment index is a composite index independently measuring performance against ESG metrics. The measurement principles of the index are aligned to our Responsible Business framework executed through seven focus areas.
TSR	FC	Absolute and relative TSR metrics are no longer defined metrics as we believe the scheme inherently aligns to TSR. We believe the combination of AHEPS and RoNAV will create long term value for shareholders.

Remuneration Outcomes

Guaranteed pay outcomes

The committee determines an increase mandate annually taking into account affordability, macroeconomic factors and market benchmarking. The guaranteed package pool is informed by robust and regular remuneration benchmarking in operating countries and appropriate consideration of the sustainability of the Group's remuneration practices. For the bargaining unit employees, increases are subject to a rigorous negotiation process with recognised unions.

Given the impact and uncertainty of the COVID-19 pandemic, the executive committee took the decision to award a 0% increase to all employees in July 2020. In addition, the inflationary increase of 4% which was awarded to the executive committee and general managers on 1 January 2020, which was their previous increase date and before the impact of COVID-19, was adjusted to 0% effective 1 April 2020.

In order to simplify the overall remuneration process across the Group, the annual increase date was moved to 1 April for all employees with effect from 1 April 2021. The overall 2021 increase outcome as approved by the committee for South Africa is detailed in the table below.

	Annual Increase %
Executive committee and management	**4% - 5%**
All other employees	**4% - 8%**
Mandate granted	**5.5%**

In November 2019, the remuneration committee approved a 4-year plan to adjust guaranteed pay for specific members of the executive committee. This decision followed a detailed benchmarking review against peers in comparable listed companies, which revealed that salaries for certain members of the executive team were significantly below peers. The intention is to still close the gap by 2023 but given the reversal of increases during 2020 as the Group responded to COVID-19, this will need to be achieved over 3 years instead of the originally planned 4 years. Certain executive committee members will thus receive a benchmark increase in addition to the annual inflationary increase. Both these increases will be effective 1 April 2021.

R'000	TGP 31 December 2020	TGP 1 April 2021	2021 y/y annual increase	2021 y/y benchmark increase
Executive directors				
Iain Williamson	9,000	9,360	4%	–
Casper Troskie	4,725	5,500	5%	11%
Prescribed officers				
Clarence Nethengwe	4,252	4,750	5%	7%
Kerrin Land	4,252	4,750	5%	7%
Khaya Gobodo	4,064	4,750	5%	12%
Prabashini Moodley	3,800	4,250	5%	7%
Garth Napier	4,520	4,750	5%	–
Clement Chinaka	4,252	4,750	5%	7%
Heloise van der Mescht[1]	3,923	4,114	5%	–

1 Heloise was appointed Interim COO effective 1 June 2019 and TGP includes an annualised non-pensionable acting allowance of R1,337m (2020: R1,317m).

Long term incentive outcomes

The 2018 LTI vests in 2021. Awards granted on 19 April 2018 vest on 19 April 2021. This is the last tranche of LTIs awarded which vests in full after three years. Awards granted on 18 September 2018 vest in three equal tranches on 18 September 2021, 18 September 2022 and 18 September 2023.

The vesting outcome applicable to both these awards is 32.5% and is calculated as set out below. This outcome, reflecting the achievement against the metrics over a three year performance period, is applied to the number of shares awarded.

2018 LTI	Weight[2]	Minimum 0%	Target 75%	Maximum 130%	Actual	Weighted outcome
Relative TSR	25%	FINI15 – 20%	FINI15	FINI15 +20%	FINI15 – 22.6%	0%
The threshold for this metric was not met yielding a 0% outcome.						
RoNAV	50%	COE 13.5%	COE+4% 17.5%	COE+8% 21.5%	3.8%	0%
Although our RONAV was tracking above the threshold value at 16.2% in 2018 and 15.2% in 2019, the impact of the COVID-19 pandemic on our 2020 earnings resulted in a 2020 RONAV of FC 3.8% which resulted in the average RONAV over the three year period dropping below the threshold. This portion of the scorecard thus yields a 0% outcome.						
Cost Efficiency Leadership	25%	600	1,000	1,200	1,202	32.5%
A Cost Efficiency Leadership KPI was included in the Group's medium term targets in 2018. The target for the Group KPI was R1 billion pre-tax run rate cost savings by the end of 2019. In order to align management remuneration outcomes to Group targets, this Cost Efficiency Leadership KPI was included in the 2018 LTI with a 25% weighting. The actual savings amounted to R1.202 billion resulting in a maximum payout of 32.5% on this metric.						
Total outcome						**32.5%**

2 The metric weightings for the 2018 LTI were erroneously depicted on page 9 of the 2019 Remuneration Report as 33.3% each. The weightings depicted here are as approved by the committee in 2018. Had the incorrect weightings disclosed in 2019 been utilised, the outcome would have been more favourable for participants.

Short Term Incentive Outcomes

DESIGN

Pool creation

- In terms of the revised scheme design, the Group STI pool is calculated as a percentage of RFO and first funds the individual performance pool.
- The remainder of this total top down pool funds the business performance pool which is tilted by the scorecard outcome.
- The scheme design principles state that the individual performance pool is a threshold and should be paid subject to affordability and appropriateness.

Individual performance component

The individual and business performance weightings adjust on a sliding scale with junior employees having more individual exposure and senior employees having more business exposure. This introduces a line of sight principle in the new scheme design ensuring that individual and business outcomes are relative to individual impact and contributions and are aligned to overall business performance.

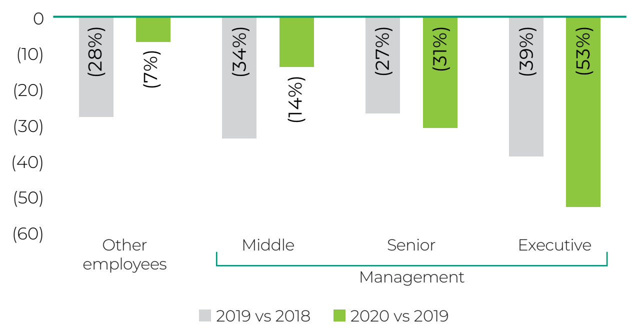
OUTCOME

2020 actual RFO was not sufficient to fund a business performance pool.

Funding of the individual performance pool was considered affordable and appropriate for the following reasons.

1. Good top line performance with strong gross flows driving a significant increase in NCCF.
2. Maintained a strong balance sheet further strengthened through decisive management actions.
3. RFO of R1.6 billion is after fully providing for the STI pool.
4. A dividend of 35 cents per share was declared to shareholders.
5. The revised STI scorecard outcome of 113.8% is indicative of strong management performance during the year despite the challenging environment.

Decrease in average STI per employee category



The average decrease in STI for employees below management level was 7% whilst the average decrease in STI for executive management was 53%. 69% of the total pool funds c.11,000 employees below senior management level.

Factors impacting the 2020 STI pool

Evolution of STI pools 2018 - 2020

- The Group STI pool reduced by 32% from 2018 to 2019 compared to a 2% decrease in RFO.
- In 2020, the Group STI pool reduced by 29% whilst actual RFO decreased by 81%. The differential between STI and RFO outcomes was due to the funding of the individual performance component in accordance with the scheme principles.
- As the new STI scheme is embedded in future years and as RFO recovers, there will be greater alignment between the RFO and Group STI pool movement.
- The other pools comprise various bespoke STI schemes governed by the subsidiary boards with oversight by the committee. The outcomes of these pools are not linked to Group RFO and are customised for the needs of the specific subsidiaries.

2020 revised STI scorecard

The STI scorecard for 2020 as published in the 2019 Remuneration Report was revised to reflect our response to the COVID-19 crisis. Since there was no business performance pool, the scorecard outcome did not impact the STI pool size.

	Commentary	Weight	Weighted outcome
Financial	Strategic management of the Group's balance sheet including specific capital actions implemented have ensured that our balance sheet remains resilient from a capital and solvency perspective.	20%	25.0%
	Revenue generation and savings opportunities delivered to accelerate financial recovery were in excess of commitments made.	20%	22.5%
Operational	Excellent technology enablement ensured that our business operations remained largely uninterrupted and we were able to continue servicing our customers particularly in the prompt payment of claims. Customer access was improved and complaints were well within target ranges.	20%	23.8%
Strategic delivery	The focus was on ensuring the adaptability of our strategic delivery specifically those strategic initiatives which enable us to reimagine the future state of our business. Delivery against the initiatives supporting our long term strategic pillars remain on track.	20%	20.0%
Stakeholder	Despite the challenges posed by lockdown, our culture survey showed an increase in employee psychological safety and engagement over the prior year survey. Brand strength as calculated by the Old Mutual Brand Tracker grew despite tough trading conditions with the Group's contributions to COVID-19 efforts being recognised.	20%	22.5%
Total		**100%**	**113.8%**

Summary Single Figure Remuneration

Iain Williamson
CEO

Iain's individual performance for 2020 was **above target**. His performance included the delivery of:

- Development and launch of the Group's refreshed Truly Mutual strategy
- Exceptional leadership demonstrated as he navigated the Group through the crisis
- Strong stakeholder engagement ensuring brand growth
- Rollout of Old Mutual Protect, our new risk proposition which offers a range of personalised cover solutions, supported by a secure digital platform
- Accelerated digital enablement of employees and intermediaries ensuring uninterrupted business operations

Casper Troskie
CFO

Casper's individual performance for 2020 was **well above target**. His performance included the delivery of:

- Decisive capital management actions leading to strong solvency and liquidity levels during the crisis
- Enhancement and simplification of capital structure by transferring a part of our Nedbank stake from OMLACSA to OMEM
- Optimisation of hedging strategies related to risk products led to significant one off benefits
- Approvals obtained from the Prudential Authority regarding the Insurance Group designation and iterative risk margin approach
- Successful mobilisation of the fund administrator offering to the Solidarity fund

Clarence Nethengwe
MD Mass and Foundation Cluster

Clarence's individual performance for 2020 was **above target**. His performance included the delivery of:

- Launch of a simplified non advice funeral product through our branch network as well as the funeral services pilot
- Significant growth in Foundation Market retail customers demonstrating progress with regards to financial inclusion
- Accelerated digital adoption through the enhancement of sales and servicing digital capabilities
- The size of the adviser force has been managed to ensure alignment with expected short to medium term demand resulting in increased adviser productivity

Kerrin Land
MD Personal Finance and Wealth Management

Kerrin's individual performance for 2020 was **above target**. Her performance included the delivery of:

- Good progress was made on the development of the segment strategy
- Significant improvement in adviser engagement and morale through various support initiatives to increase productivity
- Digital tools were rolled out to enable advisers to work from home and continue to support face to face customer engagement
- Prudent expense management was implemented with specific focus on reducing discretionary spend

Khaya Gobodo
MD Old Mutual Investments

Khaya's individual performance for 2020 was **above target**. His performance included the delivery of:

- Continued integration of ESG principles across all our investment and ownership decision-making processes
- Strong gross flows benefitting from both new mandates secured and continued investment from existing customers in our Asset Management businesses
- In the Alternatives business, R9 billion in new capital was secured and over R6.7 billion was deployed whilst returning R1.9 billion in capital to investors upon the successful realisation of assets

	Iain Williamson			Casper Troskie			Clarence Nethengwe			Kerrin Land			Khaya Gobodo		
R'000 (unless otherwise stated)	**2020**	2019	% Change	**2020**	2019	% Change	**2020**	2019	% Change	**2020**	2019	% Change	**2020**	2019	% Change
Months in service	12	12		12	12		12	12		11	N/A		12	12	
TGP [1]	8,095	6,006	35%	4,794	4,725	1%	4,314	4,200	3%	3,939	–		4,123	4,000	3%
STI [2]	2,742	5,250	(48%)	2,073	4,100	(49%)	1,555	2,900	(46%)	1,555	–		1,981	5,300	(63%)
Cash STI	1,645	3,150		1,244	2,460		933	1,740		933	–		1,189	3,180	
Deferred STI	1,097	2,100		829	1,640		622	1,160		622	–		792	2,120	
Annual LTI award at face value [3]	13,500	9,138	32%	3,544	3,750	(6%)	3,189	3,375	(6%)	3,189	–		3,048	3,225	(6%)
One off LTI at face value [4]	10,125	–		4,430	–		4,783	–		1,594	–		3,810	–	
Other [5]	–	–		–	–		–	–		–	–		–	12,800	
Total awarded remuneration	**34,462**	**20,394**	**69%**	**14,841**	**12,575**	**18%**	**13,841**	**10,475**	**32%**	**10,277**	**–**		**12,962**	**25,325**	**(27%)**
Annual and one off LTI award at face value	(23,625)	(9,138)		(7,974)	(3,750)		(7,972)	(3,375)		(4,783)	–		(6,858)	(3,225)	
Single figure LTI [6]	423	1,050	(60%)	1,617	–		372	139	>100%	217	–		315	–	
Qualifying dividends[7]	1,113	1,038		978	1,043		642	721		462	–		483	438	
Total single figure remuneration	**12,373**	**13,344**	**(7%)**	**9,462**	**9,868**	**(4%)**	**6,883**	**7,960**	**(14%)**	**6,173**	**–**		**6,902**	**22,538**	**(69%)**

1 *Iain Williamson's TGP increased on his appointment as CEO on 3 July 2020. The inflationary increases awarded to the Group executive committee on 1 January 2020 were reversed effective 1 April 2020. The marginal increase in the TGP of Capser Troskie, Clarence Nethengwe and Khaya Gobodo reflects the 3 months of inflationary increase received. Kerrin Land's prior year TGP only includes the months that she was a Prescribed Officer.*
2 *The decrease in STI across all members of the executive committee reflects the impact of muted business performance.*
3 *The increase in annual LTI for Iain Williamson is as a result of the increase in his LTI multiple on appointment as CEO.*
4 *One off LTI awards were made in response to significantly reduced lock-in value of in-flight awards. These awards will be 100% subject to performance conditions.*
5 *Other in the prior year for Khaya Gobodo comprises a sign on bonus.*
6 *The reduction in single figure LTI across all Prescribed Officers is a combination of a reduction in vesting percentages and share price.*
7 *Qualifying dividends represent dividends received on unvested shares. These values will likely vary in the coming years due to the decision that, for LTI awards from March 2021 onwards, dividends will only be paid at vesting and to the extent of the actual number of shares vesting.*

Summary Single Figure Remuneration

Prabashini Moodley
MD Old Mutual Corporate

Prabashini's individual performance for 2020 was **above target**. Her performance included the delivery of:

- The acquisition of RemChannel adds a human capital advisory capability complementary to the existing employee benefits offering
- Strategic progress made in terms of leadership changes, design of a new operating model and the finalisation of a refreshed employee value proposition
- Renewed focus on alternative customer engagement channels and initiatives launched to support customers back to financial health

Garth Napier
MD Old Mutual Insure

Garth's individual performance for 2020 was **above target**. His performance included the delivery of:

- Achievement of the number one ranking on SACSI for treating customers fairly
- User based insurance and artificial intelligence enabled pricing engine introduced in Personal lines to cater for changing customer needs
- Rollout of a Customer Relationship Management tool driving process standardisation in our intermediated business with the ability to track new opportunities end to end
- A new outsource based business rating tool that enables our business partners to get competitive quotes more efficiently
- Improvement in employee engagement scores

Clement Chinaka
MD Rest of Africa

Clement's individual performance for 2020 was **on target**. His performance included the delivery of:

- A revised strategy for the Rest of Africa region was approved by the Board
- Key appointments made in the leadership team have significantly improved relationships with stakeholders in East Africa
- Improved top line and RFO performance in our Property and Casualty business and RFO growth in the Asset Management businesses
- In the Property and Casualty business in East Africa productivity continued to improve with the increased use of digital tools to generate leads for our advisers
- Continued turnaround and stabilisation in West Africa

Heloise van der Mescht
COO

Heloise's individual performance for 2020 was **above target**. Her performance included the delivery of:

- Digital offerings to enhance customer experience were accelerated. Multiple digital platforms were delivered across South Africa and Rest of Africa including web, USSD, WhatsApp and Facebook Messenger
- Developed and executed a holistic and integrated response to COVID-19 supporting customers, employees and community
- Mobilised over 23,000 employees (including tied advisers) to work remotely to ensure uninterrupted customer service
- Operations set up well for the future as it relates to digital transformation and future ways of working

	Prabashini Moodley			Garth Napier			Clement Chinaka			Heloise Van Der Mescht			Karabo Morule		
R'000 (unless otherwise stated)	**2020**	2019	% Change	**2020**	2019	% Change	**2020**	2019	% Change	**2020**	2019	% Change	**2020**	2019	% Change
Months in service	12	2		12	12		12	12		12	7		1	12	
TGP [1]	3,850	633	>100%	4,520	4,471	1%	4,314	4,033	7%	3,966	2,289	73%	375	4,200	(91%)
STI [2]	1,389	2,175	(36%)	1,652	2,650	(38%)	1,243	3,600	(65%)	1,435	2,175	(34%)	–	–	
Cash STI	834	1,305		991	1,590		746	2,160		861	2,175		–	–	
Deferred STI	555	870		661	1,060		497	1,440		574	–		–	–	
Annual LTI award at face value	2,850	3,000	(5%)	3,390	3,390	–	3,189	3,375	(6%)	2,942	3,070	(4%)	–	–	
One off LTI at face value [3]	2,400	–		4,237	–		3,986	–		–	–		–	–	
Other [4]	–	–		–	7,649		–	–		–	–		280	–	
Total awarded remuneration	**10,489**	**5,808**	**81%**	**13,799**	**18,160**	**(24%)**	**12,732**	**11,008**	**16%**	**8,343**	**7,534**	**11%**	**655**	**4,200**	**(84%)**
Annual and one off LTI award at face value	(5,250)	(3,000)		(7,627)	(3,390)		(7,175)	(3,375)		(2,942)	(3,070)		–	–	
Single figure LTI [5]	83	156	(47%)	–	–		361	455	(21%)	105	223	(53%)	–	441	(100%)
Qualifying dividends [6]	361	199		699	662		655	729		325	228		–	765	
Total single figure remuneration	**5,683**	**3,163**	**80%**	**6,871**	**15,432**	**(55%)**	**6,573**	**8,817**	**(25%)**	**5,831**	**4,915**	**19%**	**655**	**5,406**	**-88%**

1 *The inflationary increases awarded to the Group executive committee on 1 January 2020 were reversed effective 1 April 2020. The marginal increase in the TGP of Garth Napier reflects the 3 months of inflationary increase received. Prabashini Moodley's prior year TGP only includes the months that she was a Prescribed Officer. Clement Chinaka received an above inflation increase to his TGP in 2020 as a corrective measure. Only the inflationary portion of his increase was reversed. Karabo Morule left the Group effective 31 January 2021. Heloise Van Der Mescht's TGP is inclusive of an acting allowance for the COO role.*

2 *The decrease in STI across all members of the executive committee reflects the impact of muted business performance.*

3 *One off LTI awards were made in response to significantly reduced lock-in value of in-flight awards. These awards will be 100% subject to performance conditions.*

4 *Other in the prior year for Garth Napier comprises a sign on bonus whilst other in the current year for Karabo Morule comprises pay-in-lieu-of-leave.*

5 *The reduction in single figure LTI across all Prescribed Officers is a combination of a reduction in vesting percentages and share price.*

6 *Qualifying dividends represent dividends received on unvested shares. These values will likely vary in the coming years due to the decision that, for awards from March 2021 onwards, dividends will only be paid at vesting and to the extent of the actual number of shares vesting.*