

OLDMUTUAL

OLDMUTUAL

# TAX TRANSPARENCY REPORT 2024

For the year ended 31 December 2024



DO GREAT THINGS EVERY DAY



# About our report

Our Tax Transparency Report concisely outlines our tax philosophy, communicates how the tax strategy integrates with the Group strategy and demonstrates our commitment to being a responsible taxpayer.

## Our 2024 reporting suite

Old Mutual 2024 reporting suite



### Integrated Report

Our Integrated Report provides a balanced view of our value creation story, and shares our strategic journey to becoming our customers' first choice to sustain, grow and protect their prosperity. Although primarily aimed at our providers of capital, it will be of interest to all stakeholders invested in understanding our unique value creation story.



### Corporate Governance Report

Our Corporate Governance Report is an overview of Old Mutual's approach to corporate governance. The report focuses on how we do business based on sound governance practices which, in turn, are informed by the highest ethical standards, integrity, transparency and accountability. The report will interest investors, regulators and analysts.



### Remuneration Report

Our Remuneration Report gives insight into how we address remuneration-related activities and disclosures and reflects how our remuneration purposefully aligns performance outcomes with shareholder interests while balancing our need to be an attractive employer. The report is of interest to investors, employees, regulators and analysts.



### Sustainability Report

Our Sustainability Report reflects on our sustainability journey, sharing insights into how we manage our most significant environmental, social and governance (ESG) risks and opportunities. The report will interest investors, analysts and a wide range of stakeholders.



### Climate Report

Our Climate Report contains information about the Group's climate-related activities, policies, governance, strategy, risk management, metrics and targets. The report provides information that enables stakeholders to assess our progress in our climate adaptation journey. The report will interest all our stakeholders.



### Tax Transparency Report

Our Tax Transparency Report concisely outlines our tax philosophy and communicates how our tax strategy integrates with the Group strategy. The report also demonstrates our commitment to being a responsible taxpayer, guided by global best practice frameworks. The report will interest regulators, investors and analysts.



### Annual Financial Statements

Our Annual Financial Statements contain information relating to the Group's financial position and performance. The consolidated and separate financial statements were audited in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 71 of 2008 (as amended) (Companies Act). The report is of interest to investors, analysts, regulators and other stakeholders.

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## Application of the King IV principles statement



The application of the King Report on Corporate Governance™ for South Africa, 2016 (King IV) principles statement is a comprehensive index in our **Corporate Governance Report**. It details our arrangements, processes and systems for governing and managing various areas of the organisation to achieve the required governance outcomes. The statement confirms the application of the King IV principles as required by the JSE Limited (JSE) Listings Requirements.

<sup>1</sup> Copyright and trademarks are owned by the Institute of Directors South Africa NPC and all of its rights are reserved.

## Design theme

Our 2024 annual reporting suite is designed to fully embrace our digital integrated financial services strategy. We utilise vibrant digital and dynamic colours, paired with a minimalist and intentional design, to enhance user experience across our digital platforms. Central to our design are circular references, symbolising a focal point of influence – a catalyst that sparks movement, drives transformation, fosters growth and creates ripples of change across our footprint. These dynamic shapes represent our organisational resilience and the enduring impact of the positive transformations we inspire.



# About our report *continued*

## Approval

The Old Mutual Limited (Old Mutual or the Group) Board of directors (Board) acknowledges its responsibility for ensuring the integrity of this Tax Transparency Report. The Board confirms that the report is presented in accordance with the reporting frameworks listed below. This report addresses all issues related to, or that could materially impact Old Mutual's tax compliance and reporting responsibilities.

In the Board's opinion, this report fairly presents the Group's tax contributions. The Board confirms that the Group complies with its tax compliance and reporting responsibilities and approved this report for release on 18 March 2025.

## List of Board members:

### Independent Non-executive Directors

Trevor Manuel (Chairman)	Jaco Langner	Nomkhitha Nqweni (resigned 24 February 2025)
Prof Brian Armstrong	John Lister	Busisiwe Silwanyana
Funke Ighodaro	Dr Sizeka Magwentshu-Rensburg	Jurie Strydom
Itumeleng Kgaboesele	James Mwangi	Stewart van Graan

### Non-executive Directors

Thoko Mokgosi-Mwantesembe

### Executive Directors

Iain Williamson (Chief Executive Officer)  
Casper Troskie (Chief Financial Officer)

### Public Officer

Nazrien Kader (Group Head of Tax)

## Reporting frameworks

- King IV
- United Nations Principles for Responsible Investment
- Guided by the:
  - Global Reporting Initiative's Sustainable Reporting Initiative (GRI 207: Tax), as issued by the Global Sustainability Standards Board
  - B Team Responsible Tax Principles for business (a body founded by global business leaders to set a framework for good tax practice)
  - JSE Sustainability Disclosure Guidance
  - World Economic Forum Stakeholder Capitalism Metrics regarding tax transparency
  - Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct
  - S&P Global Corporate Sustainability Assessment

## Materiality

Tax has been assessed and identified as a material matter for reporting purposes. In the context of the reporting frameworks alongside, we apply the principle of materiality to assess which information to include in our Tax Transparency Report. This report focuses on the issues, opportunities and challenges that could materially impact Old Mutual's ability to deliver value to our stakeholders sustainably and consistently.

## Reporting scope and boundary

This report covers the Group's activities from 1 January 2024 to 31 December 2024. It provides an overview of our tax approach, philosophy, strategy and contributions in the jurisdictions where we operate.

## Combined assurance

We are committed to delivering accurate information that supports diverse stakeholders in their decision-making processes. Our combined assurance model integrates the contributions of management and internal and external assurance providers to increase the credibility of the report, with oversight by the Board and its sub-committees. The assurance process for this report was conducted as follows:

- Ernst & Young Inc (EY) and Deloitte & Touche South Africa conducted a joint external audit of our 2024 Old Mutual Limited Consolidated Annual Financial Statements and expressed an unmodified audit opinion thereon. Although some sections of the 2024 Old Mutual Limited Consolidated Annual Financial Statements in this report were extracted from audited information, such sections in this report are not audited herein *Extracts from the audited 2024 Old Mutual Limited Consolidated Annual Financial Statements are indicated by this symbol* ↓
- Our tax contributions and key sustainability data are subject to an independent limited assurance engagement in accordance with the International Standards on Assurance Engagements 3000 (Revised) by EY, referred to as the 'selected sustainability performance information' in EY's assurance report on page 7 *Data subject to the independent limited assurance engagement is indicated by this symbol* ●
- Group internal audit conducted limited assurance of our overall tax contribution
- Additional data not sourced from our audited 2024 Old Mutual Limited Consolidated Annual Financial Statements was produced from our internal data and reporting systems
- Unless explicitly stated otherwise, the total contributions to public finances detailed in this report are based on payments made to governments by entities consolidated for accounting purposes
- Our Group Tax team, led by the Group Head of Tax, produced the content in this report
- Our Group Tax team conducted a rigorous internal review of this report

## Report navigation

### Strategic focus areas

- Holistic coverage of customer needs
- Distribution and digital engagement
- Operational efficiencies
- Strategic growth business
- Strategic growth markets
- Agile delivery driven by engaged employees

### Our stakeholders

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

### Six capitals

- Financial
- Manufactured
- Social and relationship
- Human
- Intellectual
- Natural

### Risk and governance

- Top risks
- Governance

### Navigation tools

- More information available online
- Information within this document
- Other reports within the reporting suite

## Forward-looking statement

This report contains certain forward-looking statements of Old Mutual Limited's plans, goals and expectations relating to its future financial condition, performance and results, and estimates of future cash flows and costs. Words such as 'believe', 'anticipate', 'intend', 'seek', 'will', 'could', 'may', 'project' and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

By their nature, all forward-looking statements involve inherent risk and uncertainty because they are based on assumptions related to future events and circumstances which are beyond Old Mutual Limited Group's and its affiliates' control. These include economic and business conditions and market-related risks, i.e., equity fluctuations, interest rates, inflation and deflation. These circumstances could arise from the impact of competition, legislation and the policies and actions of regulatory authorities and the timing and impact of any uncertain industry changes.

Any forward-looking information contained in this report was not reviewed or reported on by Old Mutual Limited's external auditors. The Old Mutual Limited Group and its affiliates undertake no obligation to update the forward-looking statements contained in this report and other related supplementary reports or any other forward-looking statements it may make. Nothing in this report shall constitute an offer to sell or solicitation of an offer to buy securities.



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AT A GLANCE

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# MESSAGES FROM **OUR LEADERSHIP**



# Messages from our leadership



**Casper Troskie**  
Chief Financial Officer

In 2024, Old Mutual contributed R19 billion in taxes across the jurisdictions where we operate, reflecting a continued upward trajectory of 21.8% over 2023.

Our 2024 Tax Transparency Report highlights our commitment to enhancing transparency in tax reporting aligning with our broader purpose of empowering customers to achieve their lifetime financial goals and fostering a sustainable future for all.

In 2024, Old Mutual contributed R19 billion in taxes across the jurisdictions where we operate, reflecting a continued upward trajectory of 21.8% over 2023. In a class of among the largest taxpayers in Africa, we believe our tax contributions are crucial for maintaining government fiscal stability and fostering the long-term prosperity of the countries where we operate. New taxes were a key driver of the increase in our tax contributions (for example, the so-called 'two-pot retirement reform' introduced in South Africa with effect from 1 September 2024).

As one of the leading asset managers and fund administrators in Africa, we played a significant role in driving the reform of the two-pot retirement system through proactive engagement with policymakers, South African Revenue Service (SARS), the Financial Sector Conduct Authority (FSCA) and other key stakeholders. Our team of tax specialists are actively engaged across various platforms to ensure the design, build and seamless implementation of the two-pot retirement system in South Africa. Old Mutual commenced its readiness campaign two years ahead of the implementation date to ensure a smooth and efficient transition, which included rigorous trade testing in collaboration with SARS and a huge effort to align our fund rules, for approval by the FSCA. Continuous educational campaigns sought

to help our customers, particularly those in lower-income brackets, understand the tax implications of their withdrawals, while supporting financial literacy and empowerment.

In line with our commitment to leveraging technology to optimise tax processes and improve data quality, we continue to strengthen our robust governance structures, including our combined assurance model, to improve the accuracy and integrity of our tax reporting processes to ensure reliable, timely tax compliance and reporting to our stakeholders. These advancements have enabled us to navigate complexity with agility, while maintaining our focus on a zero tolerance to non-compliance and unethical conduct.

In 2024, our finance transformation programme gained significant momentum. This includes a bespoke tax solution for the Old Mutual Group which will optimise how we manage tax-sensitive processes. Our objective is to standardise tax reporting and compliance in one platform, facilitating the use of 'near real-time' financial data to significantly shift the dial on tax forecasting and regulatory compliance. This will foster greater collaboration across finance, accounting and tax functions, ensuring consistency and efficiency throughout Old Mutual's financial ecosystem.

We present the fifth edition of our Tax Transparency Report as part of our continuous efforts to report thoroughly and transparently on our tax affairs.

**"Our report is a powerful indicator of how we continue to strive to be sound and ethical financial stewards of the welfare of society through our tax contributions in the countries where we operate..."**



**Nazrien Kader**  
Public Officer  
Group Head of Tax

2024 represented a watershed moment in tax legislative reform. We are proud of Old Mutual's leadership role in shaping the tax landscape both locally and internationally.

We proudly present our 2024 Tax Transparency Report as a supplement to the 2024 Old Mutual integrated reporting suite. Our report is a powerful indicator of how we continue to strive to be ethical financial stewards of the welfare of society through our tax contributions in the countries where we operate, as well as a means to help our stakeholders understand our tax strategy and approach to tax in the Old Mutual Group.

In the 2024 report, we maintain the structure of previous editions and attempt to enhance transparency by providing insights into the measures taken to implement global best practice frameworks and methodologies in our approach to tax risk management, compliance and reporting. Our exceptional scores on the Dow Jones Sustainability Index for the 'tax strategy and governance' and 'effective tax rate' categories are testament to the level of rigour and detail embedded in our tax processes and reporting.

2024 represented a watershed moment in tax legislative reform. We are proud of Old Mutual's leadership role in shaping the tax landscape both locally and internationally. Old Mutual led the consultations with the South African National Treasury (NT) to craft policy and legislation to give effect to the Global Minimum Tax (GMT) rules, the introduction of legislation to align the tax treatment

of unlisted real estate investment trusts and the penal impact of the interest limitation provisions on retirement and development impact funds, among other regulatory changes.

Another highlight is the continuous support to the OM Bank finance team to set up the tax function of the bank. Continuing on our journey to modernisation of our tax function, 2024 saw the implementation of tax management software with a 'near real-time' SARS interface and an automated computation and reporting engine to comply with GMT legislation across the Old Mutual Group.

Looking ahead, continued geo-political tensions are likely to fuel grave uncertainty in tax policy adding more complexity to our tax regime which we anticipate will make business planning and in-country operations for multi-national enterprises more challenging. (The US recently withdrew from the OECD Global Tax Deal (Two Pillar solution) and has threatened to impose additional tax on foreigners where their countries are seen to be imposing extra territorial tax on US citizens/corporations.) Differing tax policies, trade restrictions and tariffs could impact global supply chains. We continue to monitor the shifts in global tax regulation, enhance our relationships with regulators, advocate for responsible tax practices and strive for excellence.



# ASSURANCE REPORT



# Independent practitioner’s limited assurance report

on the selected sustainability performance information reported in the Old Mutual Group Limited’s Tax Transparency Report for the year ended 31 December 2024

## To the directors of Old Mutual Group Limited

We have undertaken a limited assurance engagement on selected sustainability performance information (the ‘subject matter’), as described below, and presented in the Old Mutual Group Limited (Old Mutual) Tax Transparency Report for the year ended 31 December 2024 (the Tax Transparency Report). This engagement was conducted by a multidisciplinary team with experience in assurance and sustainability performance.

## Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained (and subject to the inherent limitations outlined elsewhere in this report), nothing has come to our attention that causes us to believe that the selected sustainability performance information as set out in the subject matter below, for the year ended 31 December 2024, is not prepared, in all material respects, in accordance with management’s measurement and reporting criteria.

## Subject matter

We have been engaged to provide a limited assurance conclusion in our report on the following selected sustainability performance information identified and selected by Old Mutual’s management as requiring independent external assurance:

No	Selected sustainability performance information	Unit of measurement	Reporting boundary	Location disclosed in the Tax Transparency Report (page)	Location of description of Old Mutual’s criteria in the Tax Transparency Report (page)
1	Corporate income tax paid on a cash basis	Number	<b>Old Mutual</b> <ul style="list-style-type: none"> <li>South Africa</li> </ul>	24	24
2	Cash tax paid and payable (corporate income tax accrued on profit/(loss))	Number	<ul style="list-style-type: none"> <li>Southern Africa (excluding South Africa)</li> <li>East Africa</li> <li>West Africa</li> <li>Other</li> </ul>	24	24
3	Cash tax rate	%		24	24
4	Total tax contribution	Number		10 and 24	24

The selected sustainability performance information prepared and presented in accordance with management’s criteria are marked with the symbol (‘limited assurance’) to indicate that we have provided limited assurance over the selected sustainability performance information. Other than as described in the preceding paragraphs, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Tax Transparency Report, and accordingly, we do not express a conclusion on this information.

## Old Mutual’s responsibilities

The directors of Old Mutual are responsible for the selection, preparation, and presentation of the selected sustainability performance information in accordance with management’s measurement and reporting criteria as set out on page 24 of the Tax Transparency Report. These responsibilities include the

identification of stakeholders and stakeholder requirements, key issues, commitments with respect to sustainability performance and design, implementation and maintenance of internal control and maintaining adequate records and making estimates that are relevant to the preparation of the Tax Transparency Report and any references or statements of compliance with reporting frameworks applied, such that it is free from material misstatement, whether due to fraud or error.

The directors of Old Mutual are responsible for, in relation to application of the reporting standards used in the preparation of the Tax Transparency Report, those reports being prepared in accordance with the reporting principles as per those standards. The directors are also responsible for determining the appropriateness of the measurement and reporting criteria in view of the intended users of the selected sustainability performance information and for ensuring that those criteria are publicly available to the Tax Transparency Report users.

## Inherent limitations

Where Old Mutual’s reporting of the selected sustainability performance information relies on factors derived by independent third parties, our assurance work has not included examination of the derivation of those factors and other third-party information. The scope of work was limited to the selected sustainability performance information disclosed in the Tax Transparency Report and did not include coverage of data sets or information unrelated to the selected information, nor did it include information reported outside of Old Mutual’s Tax Transparency Report, information relating to prior periods or comparisons against historical data. Our assurance report does not extend to any disclosures or assertions relating to management’s future performance plans, forward-looking statements or strategies disclosed in the Tax Transparency Report.

## Our independence and quality management

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors is consistent with the corresponding sections of the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards). EY also applies International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Our responsibilities

Our responsibility is to express a limited assurance conclusion on the selected sustainability performance information as set out in the Subject Matter paragraph, based on the procedures we have performed and the evidence we have obtained. We conducted our assurance engagement in accordance with the International Standards on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. Those standards require that we plan and perform our engagement to obtain the appropriate level of assurance about whether the



# Independent practitioner's limited assurance report *continued*

selected sustainability performance information is free from material misstatement. The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

## Summary of work performed limited assurance

A limited assurance engagement undertaken in accordance with International Standard on Assurance Engagements 3000 (Revised) involves assessing the suitability in the circumstances of Old Mutual's use of its measurement and reporting criteria as the basis of preparation for the selected sustainability performance information, assessing the risks of material misstatement of the selected sustainability performance information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the selected sustainability performance information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgement. A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the sustainability performance information subject matter and related information and applying analytical and other appropriate procedures.

For the selected sustainability performance information, we:

- Performed analytical procedures to evaluate the reasonability of the reported performance results
- Obtained explanations from management in response to our analytical procedures and assessing the reasonability in the context of our understanding of the business
- Performed tests of detail on the selected performance information, on a selective basis, as part of assessing whether (i) the data has been appropriately measured, recorded, collated and reported; and (ii) activities set out by management are appropriately evidenced and reported
- We also performed such other procedures as we considered necessary in the circumstances

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

## Other matters

No assurance procedures were performed on the prior year's Tax Transparency Report. The information relating to the prior reporting periods has not been subject to our assurance procedures.

## Restriction of liability

Our report, including our conclusions, has been prepared solely for the Board of directors of Old Mutual in accordance with the agreement between us and for no other purpose. We permit this report to be published in Old Mutual's Tax Transparency Report to assist the directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the selected sustainability performance information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of directors of Old Mutual for our work or for our report and the conclusion contained therein. We agree to publication of our assurance report within Old Mutual's Tax Transparency Report provided it is clearly understood by recipients or readers of the report and that we accept no duty of care to them whatsoever in respect of our independent assurance report. Maintenance and integrity of Old Mutual's website is the responsibility of Old Mutual management. Our procedures did not involve consideration of these matters and, accordingly, we accept no responsibility for any changes to either the selected sustainability performance information as reported, or our independent assurance report that may occur subsequent to the initial date of publication of the report on Old Mutual's website.

## *Ernst & Young Inc*

Ernst & Young Inc.

**Associate Partner: Mohsin Yahya Nana**  
**Registered Auditor**  
**Chartered Accountant (SA)**

14 March 2025

102 Rivonia Road, Sandton,  
Johannesburg  
South Africa



# AT A GLANCE



# At a glance

Our purpose is to help our customers thrive by enabling them to achieve their lifetime financial goals while investing their funds in ways that will create a positive future for them, their families, their communities' and broader society. As a purpose-led organisation, we are proud to play our role as a primary investor, taxpayer, employer and purchaser of local goods and services in the countries where we operate to sustain, grow and protect the future prosperity of our communities'. We recognise that our tax contributions in the jurisdictions and communities where we operate have significant economic and social impacts, including supporting the macroeconomic stability of government finances in these countries. In fulfilling these roles, we are dedicated to fully complying with all applicable regulations.

## R19.0 billion

Payroll tax <sup>2</sup>	<b>R9.7 billion</b>	Policyholder tax	<b>R1.6 billion</b>
Corporate tax	<b>R3.5 billion</b>	Property rates and taxes	<b>R0.4 billion</b>
Indirect tax	<b>R3.6 billion</b>	Dividends tax	<b>R0.2 billion</b>

In 2024, Old Mutual contributed R19.0 billion in taxes across the jurisdictions where we operate, reflecting a continued upward trajectory of 21.8% (2023: R15.6 billion). A key driver contributing to the 21.8% increase was payroll taxes, which escalated to R9.7 billion (2023: R7.7 billion). This increase was mainly due to the so-called two-pot retirement reform that was effective from 1 September 2024. (In the first three months following the official launch, we successfully processed 283 648 withdrawal applications.)

### Value creation for stakeholders<sup>3</sup>

	2024	2023
Total revenue earned by the Group	<b>R243.0 billion</b> <sup>4</sup>	R220.0 billion
Claims and benefits paid <sup>4</sup>	<b>R139.5 billion</b>	R120.8 billion
Employee compensation	<b>R15.5 billion</b> <sup>4</sup>	R14.3 billion
Dividends to shareholders	<b>R3.8 billion</b> <sup>4</sup>	R4.0 billion
Taxes borne by the Group <sup>5</sup>	<b>R6.7 billion</b>	R5.6 billion
Taxes collected on behalf of Revenue Authorities <sup>6</sup>	<b>R12.3 billion</b>	R10.0 billion

<sup>4</sup> Data subject to an independent limited assurance engagement by EY  
<sup>5</sup> Denotes extracts from the 2024 Old Mutual Limited Consolidated Annual Financial Statements

### Tax borne by the Group, by tax type, in 2024<sup>5</sup>



### Tax collected on behalf of Revenue Authorities, by tax type, in 2024<sup>6</sup>



We provide life insurance and investment solutions to high-net-worth retail customers in China through a 50:50 joint venture with China Energy Capital Holdings, a subsidiary of China Energy (a state owned enterprise).

### South Africa

South Africa  
Tax contribution **R16.0 billion**<sup>LA</sup>  
83.9% (2023: 85.7%)  
(2023: R13.4 billion)

### Southern Africa

Zimbabwe  
Namibia  
Malawi  
Botswana  
Eswatini  
Tax contribution **R2.1 billion**<sup>LA</sup>  
11.0% (2023: 8.3%)  
(2023: R1.3 billion)

### East Africa

Uganda  
South Sudan  
Rwanda  
Kenya  
Tax contribution **R758.4 million**<sup>LA</sup>  
4.0% (2023: 4.9%)  
(2023: R767.5 million)

### West Africa

Ghana  
Tax contribution **R26.5 million**<sup>LA</sup>  
0.1% (2023: 0.2%)  
(2023: R31.5 million)

### Asia and Other regions

China and other  
Tax contribution **R186.7 million**<sup>LA</sup>  
1.0% (2023: 0.9%)  
(2023: R135.3 million)

<sup>1</sup> Refer to the stakeholder engagement and the supplementary information: tax by region for additional analysis  
<sup>2</sup> Payroll tax refers to tax collected on behalf of Revenue Authorities from employees and customers. This includes Pay-As-You-Earn (PAYE) employee payroll taxes, employee social security taxes, employer social security taxes, unemployment insurance fund contributions borne by Old Mutual and collected on behalf of third parties, skills development levy borne by Old Mutual and collected on behalf of third parties, additional training levies, fringe benefit tax and tax deducted at source from policyholder payments. Payroll tax comprises tax collected on behalf of Revenue Authorities from employees of R3.9 billion and customers of R5.6 billion. Payroll taxes borne by the Group amounted to R200 million  
<sup>3</sup> Refer to the 2024 Old Mutual Limited Consolidated Annual Financial Statements (except for taxes borne by the Group, taxes collected on behalf of Revenue Authorities and claims and benefits paid noted above)  
<sup>4</sup> Claims and benefits paid include non-life claims, death and disability claims, maturity payouts, annuities, policy terminations, unit trust withdrawals, short-term insurance claims and pre-retirement benefits (2023 comparative has been restated to align with this definition)  
<sup>5</sup> Taxes borne means taxes incurred by entities in the Old Mutual Group and not recovered  
<sup>6</sup> Taxes collected refers to taxes collected by entities in the Old Mutual Group on behalf of Revenue Authorities and paid over  
<sup>7</sup> We operate in 11 African countries and China  
<sup>8</sup> Allocated using the expenditure ratio per the 2025 National Budget to the South African tax contribution of R16 billion

## We believe our tax contribution in South Africa has the following impact on our national budget<sup>8</sup>



Education  
R5.4 billion



Social development  
R4.5 billion



Health  
R3.1 billion



Community development  
R3.0 billion



# TAX PHILOSOPHY AND STRATEGY



# Tax philosophy and strategy

We aim to maximise sustainable value through our commitment to being a responsible taxpayer in every jurisdiction where we operate and being a trusted, relevant and progressive business partner, enabled by an agile, responsive, modern and engaged tax function.

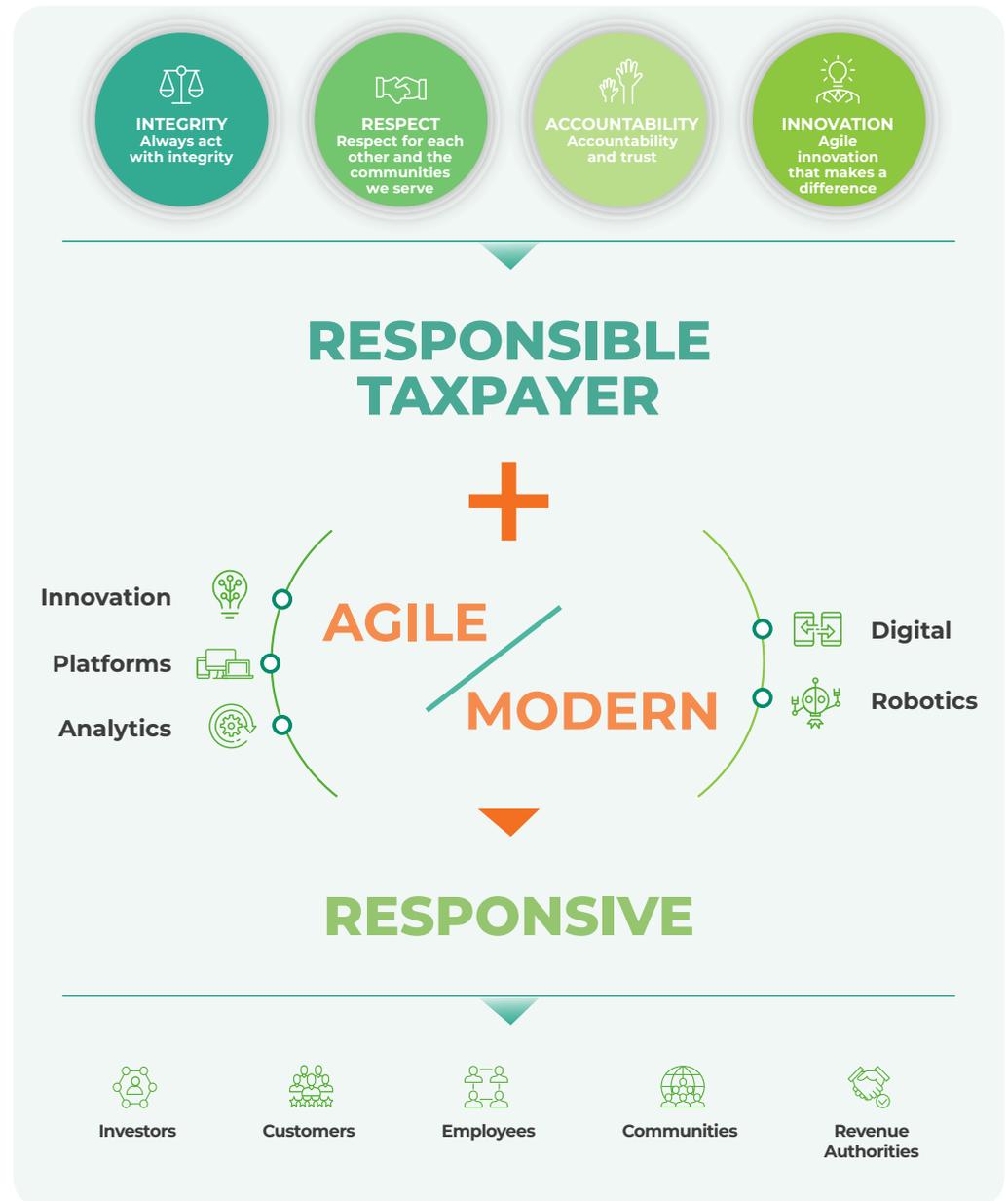
Our tax strategy is anchored in our goal to responsibly build the most valuable business in our industry.



The Board's Responsible Business committee reviews the Group's strategies and policies, which are designed to achieve responsible corporate citizenship and the Group's shared value and business objectives. The Responsible Business committee reviews and approves the Group Tax Risk Management Policy at least every two years, with the most recent approval on 10 March 2025. Our tax philosophy and strategy are anchored in principles contained in this policy and the Group Head of Tax is mandated to oversee its implementation.

Our tax strategy aligns with the wider Group strategy in the following ways:

- We transparently **disclose our tax contributions** to every region where we have business operations
- Our Group Tax function adopts a **continuous improvement mindset** towards a culture of high-performing, customer centric, tax skilled and engaged employees who are diverse, talented and respected in the tax field
- We take a **holistic approach** in addressing the needs of all our tax stakeholders, which include Revenue Authorities, industry bodies and communities in which we do business
- We aim to enhance our operations through **modern tax technology**, analytics and automation of tax reporting processes, including governance and oversight processes
- **Engaged employees** deliver the right tax expertise at the right time to support our businesses through the rapidly changing business landscape



Refer to page 17 for further detail on how we embed modern technology to improve and transform our tax compliance and reporting processes



# Approach to tax

Old Mutual’s responsible business philosophy focuses on being a purposeful organisation that creates shared value for investors, employees, customers and communities, to support long-term sustainability and competitiveness. Ethical behaviour is fundamental to our engagement with all our stakeholders, ensuring we operate in a responsible, fair and just manner. The Group’s values of trust, respect, accountability and integrity underpin our behaviour as responsible taxpayers in navigating complex and evolving tax legislation. Compliance with the Group’s code of ethics demonstrates our commitment to ethical practices. We continue to strive to be sound and ethical financial stewards of societal welfare.

Our tax principles

### Strong Tax Governance Framework

and standard tax operating models and protocols to ensure we pay the right amount of tax at the right time, in the jurisdictions where we operate.

### Zero-tolerance approach

to non-compliance with tax legislation and regulations in all the markets we serve.

### Transparent and timeous

tax compliance and reporting through cooperative relationships with Revenue Authorities, based on mutual respect, transparency and trust.

### Proactive and constructive engagement

with Revenue Authorities, business groups and civil society to support the development of effective tax systems, legislation and administration.

### Commitment

to being a responsible taxpayer, to sustain and grow the prosperity of our employees, customers and the communities we serve.

**Our approach to tax is safeguarded by forward-thinking, diverse, talented and engaged tax specialists who the Group attracts, develops and retains. Adhering to our principles and acting on our values enable us to make the following commitments:**

1

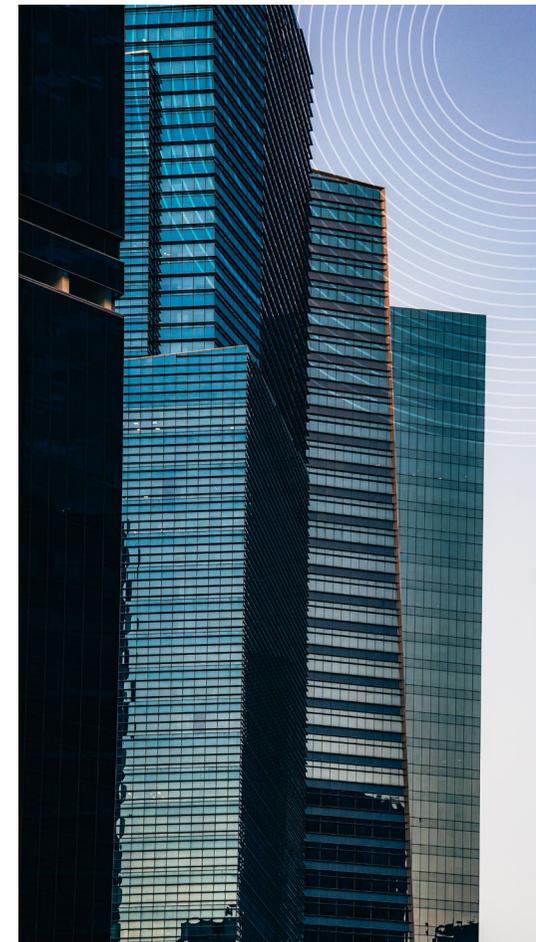
We maintain transparent and proactive relationships with local Revenue Authorities, holding robust dialogue on interpretations and application of proposed and current tax laws, our obligations and other requirements. We proactively respond to new tax regulatory proposals and contribute to industry body working groups. We actively promote and support the development of effective tax systems, ensuring that we respond to regulatory proposals and drive meaningful regulatory changes through proactive engagement and collaboration with legislators.

2

We do not engage in any activities considered solely or mainly for tax avoidance, base erosion or profit shifting. We established our legacy operations in low-tax jurisdictions in response to customer needs for offshore licensed investment services and products. We follow the arm’s length principle for all cross-border intragroup transactions and comply with the OECD transfer pricing principles and local statutory transfer pricing principles in the countries where we operate.

3

We are committed to improving global tax transparency and supporting international tax treaties with the exchange of our tax information. Our global tax contributions support the objectives of sustained economic growth as per the United Nations Sustainable Development Goals and the South African National Development Plan 2030.





AT A GLANCE

TAX PHILOSOPHY  
AND STRATEGY

TAX GOVERNANCE AND  
RISK MANAGEMENT

STAKEHOLDER  
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KEY TAX JUDGEMENTS  
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# TAX GOVERNANCE AND **RISK MANAGEMENT**



# Tax governance and risk management<sup>1</sup>

The Board serves as the focal point and custodian of corporate governance at Old Mutual. The Board is ultimately responsible for the effective governance and overall success of the Group. Its role is to provide entrepreneurial leadership within a framework of prudent and effective controls that enable risks to be assessed and managed. The Board ensures compliance with all statutory and regulatory requirements, in particular, the listing requirements for the JSE and the London Stock Exchange.

## The Board receives regular reports from the Group’s Executive, Audit and Risk committees.

The Board and Executive committee operate and oversee the Group Governance Framework<sup>2</sup>, in line with international best practice, legislative requirements and King IV. The Group Governance Framework determines how the Board executes its direction and oversight responsibilities and how the exercise of power within the Group should be approached and conducted. The Group Risk function owns the Group Risk Framework (which includes tax risk). Independent assurance is provided periodically by the external and internal auditors.

The Board’s Risk committee reviews the Group Tax Risk Management Policy and sets the tax risk appetite within the Group’s operating parameters. The Group Tax function is mandated to perform Group-wide tax oversight and demonstrates ethical and effective leadership by considering the needs of all tax stakeholders in the pursuit of efficient tax planning and sustainable commercial activities. The Responsible Business committee reviews the Group Tax Risk Management Policy to ensure alignment with the Group’s corporate citizenship goals.

The Board mandates the Chief Executive Officer, who delegates authority to the Chief Financial Officer and the Group Head of Tax, to oversee the implementation of the Group Tax Risk Management Policy in support of the business strategy as set by the Board. This is augmented by the finance and data governance policies of the Group. The Board’s Audit and Risk committees provide oversight on external tax disclosures and material tax compliance risk management processes. The Group Head of Tax sets the Tax Control Framework and operationalises the policy by implementing tax standard operating procedures and methodologies throughout the business.

## The Group Tax function supports the implementation of the tax strategy and tax reporting by providing subject matter expertise and tax advice to business.

Subsidiary boards<sup>3</sup> drive the effective implementation of the Group Tax Risk Management Policy by receiving and reviewing quarterly reports from the executives in charge of the respective businesses regarding the:

- Nature and extent of all material tax matters and remediation or mitigation actions
- Potential impact of new or proposed tax laws and regulations
- Occurrence of any material non-compliance-related tax risk events, control breaks and incidents and tax Revenue Authority enforcement actions
- Adequacy and effectiveness of tax processes, tax internal controls and mitigating actions

## Management appoints knowledgeable, experienced tax representatives to oversee the implementation and testing of the adequacy of key tax controls in the business.

Through the combined assurance model, the internal and external audit functions perform independent reviews of tax compliance and adequacy of tax disclosures. These include reviewing material tax numbers disclosed such as income tax, value added tax (VAT) and payroll tax.

### Key tax matters are reported to the Old Mutual Audit and Risk committees. These reports include:



- **Report from the Chief Financial Officer**
- **Audit committee**
  - Material tax matters
  - Annual and interim reporting
  - Control risk attestations
- **Risk committee**
  - Material tax matters

### Group Tax

#### The Group Head of Tax reports on the following areas to the Board Audit committee:

- Tax risk mitigation
- Key tax controls
- Compliance monitoring
- Tax regulatory change processes
- Awareness and tax training
- Tax governance and risk
- Tax function self-assessments
- Tax letters of representation and attestations
- Group internal audit tax reports
- External audit assurance



**BOARDS OF SUBSIDIARIES<sup>3</sup>/ OPERATING ENTITIES**



**STANDARD OPERATING PROCEDURES**



**CHIEF FINANCIAL OFFICERS OF SUBSIDIARY COMPANIES**



**EXPERIENCED TAX REPRESENTATIVES**



**We have stringent governance and other controls throughout our processes, including anonymous whistleblowing channels to report suspicion of tax evasion or fraud (phone 0800 22 21 17).**

<sup>1</sup> Refer to page 19 of this report and note D8 on page 49 of the 2024 Old Mutual Limited Consolidated Annual Financial Statements for an overview of how the Group assesses tax risk

<sup>2</sup> Refer to the 2024 Old Mutual Limited Corporate Governance Report for more information

<sup>3</sup> Subsidiaries are as defined per International Financial Reporting Standards (IFRS) 10 Consolidated Financial Statements



AT A GLANCE

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# STAKEHOLDER ENGAGEMENT



# Stakeholder engagement

We are acutely aware that our actions today influence our future. We follow through on our commitments to strive towards achieving a balance between our responsibilities to society, our communities, governments and our investors.

## Our commitments

**ONE**

Our first commitment is to create sustainable value for all our stakeholders.

Knowing our stakeholders and understanding their needs are important as this forms the basis of all our relationships.

We believe that, wherever there is shared value, there is lasting commitment to building and growing together.

**TWO**

Our second commitment is to adhere to strong corporate governance principles and to build trust with our stakeholders through building and maintaining good relationships. Our relationships with Revenue Authorities in the countries where we operate are governed by the Group Stakeholder Relations Policy, which aligns with the guiding standards of the King IV Code.

## Our values of trust and accountability

### Our tax stakeholders

**Investors**

We are committed to reporting accurately and transparently on the Group's tax affairs. We seek to ensure that our processes to identify, assess and mitigate tax risks withstand scrutiny. We view tax as our contribution to socio-economic cohesion, environmental value creation and long-term prosperity, rather than being a short-term cost.

**Customers**

We are committed to sustaining and growing the prosperity of our customers and their families. We continually invest in technologies to improve what and how we share tax information and to efficiently manage our customers' tax reporting and response to their specific needs.

**Communities**

The Group was founded on sustaining the prosperity of the communities we serve. The economic impact of our tax contributions on the countries where we operate supports social development. The 2024 Old Mutual Limited Sustainability Report provides further detail.

**Revenue Authorities**

We recognise that sustained economic growth demands a fair, transparent and effective tax environment. We maintain co-operative and proactive relationships with local Revenue Authorities by responding to regulatory proposals and requests for information timeously, and actively participating in dispute resolution processes in good faith. We actively support local Revenue Authorities to achieve their mandates to modernise the tax compliance process for our customers and employees.

**Employees/intermediaries**

We actively demonstrate our commitment to justice, equity, diversity and inclusion. We attract and grow tax expertise by understanding the aspirations of our people, investing in their personal development, fairly remunerating them and creating a culture of respect and trust. We aim to forge rewarding career paths with clear personal growth plans in Group Tax.

**Industry**

Our talented and respected tax professionals actively participate in tax platforms that impact our industry.

### 2024 engagement

Our Tax Transparency Report aims to provide relevant information to our investor community. Our various policies and procedures embed environmental, social and governance principles in our investment decisions to create long-term value for all our stakeholders. (Refer to our 2024 Sustainability Report for more information.)

We adopted a first phase of artificial intelligence to streamline tax compliance, enhance reporting accuracy, and boost operational efficiency. We continually seek to automate routine tasks, improve data quality and leverage predictive analytics for better decision making. Key automation implementations included, among others:

- A platform for automating tax return preparation, tracking submissions, and managing end-to-end correspondence with the SARS
- Chatbots deployed to handle employees' tax queries and improve response times
- We continue to challenge our developers to explore further enhancements through 'near real-time' robotics interface with SARS systems to enable transparent, faster, more robust tax compliance and reporting. These enhancements are dependent on SARS permitting access, interface and integration with its systems

Benefits realised include significant time savings for tax professionals and enhanced data mining and retrieval from Revenue Authorities, supporting complete and accurate tax reporting. Our future roadmap aims to enhance real-time compliance through improved risk assessment and collaboration with Revenue Authorities to advance system interfaces for seamless artificial intelligence driven processes.

- As one of the leading asset managers and fund administrators in Africa, we played a significant role in driving reform of the two-pot retirement system through proactive engagement with policymakers, SARS and other key stakeholders. Our commitment was to ensure seamless implementation of the new reporting system for our customers while providing clarity and guidance. We commenced our readiness campaign two years ahead of the implementation date, which included rigorous trade testing in collaboration with SARS. This approach was designed to proactively identify and resolve challenges before launching the system. A phased rollout strategy enabled us to successfully manage 283 648 withdrawal applications in the first three months following the system's official launch on 1 September 2024. We conducted continuous educational campaigns to inform customers, particularly those in lower-income brackets, regarding the tax implications of withdrawals. These efforts ensured a smooth and efficient transition, enhancing the overall user experience while supporting financial literacy and empowerment
- Old Mutual invested significantly to facilitate digital customer access eligibility and withdrawal benefits, for an efficient, speedy customer response
- We invested in technology in general to enhance our cloud-based platform, streamlining tax certificate submissions to SARS and improving tax reporting by simplifying and refining key processes

In addition to fulfilling our tax obligations (refer to the at a glance section on page 10 for more information), Old Mutual actively engages in initiatives aimed at uplifting the communities we serve. In 2024, in addition to Group-led initiatives, the Group Tax team led key campaigns through employee volunteerism, supporting:

- Families of children with cancer and life-threatening blood disorders
- A shelter supporting women and children affected by gender-based violence and care to abandoned children
- A feeding scheme for under-privileged, homeless individuals in disadvantaged communities
- Animal shelters for the protection of animals

Aligned with its values, Old Mutual actively promotes tax compliance within its supply chain, holding service providers to the same benchmarks it follows. A tax compliance due diligence is required before engaging procurement partners and other contractors.

We maintain strong relationships with in-country tax Revenue Authorities in the jurisdictions where we operate. We continually provide input into developing tax legislation. In South Africa this involved deep engagement with the NT on the 2024 Draft Taxation Laws Amendment Bill and Annexure C National Budget proposals, and other specific legislation impacting our industry (e.g. GMT).

Some of the highlights of our strategic engagements in 2024 included:

- Two-pot retirement system:** Collaborated with policymakers, SARS and other stakeholders to ensure the design, build and smooth implementation of the new system
- Income Tax Act, 58 of 1962, Interest Deduction Limitations (section 23M):** Led engagements with NT and SARS on the tax implications of the interest limitation rules and legislation impacting unlisted real estate investment trusts
- OECD Pillar II GMT Rules:** Led the discussions with NT, the Parliamentary Standing Committee on Finance and the Association for Savings and Investments South Africa on the Pillar II GMT Legislation
- IFRS 17 Insurance Contracts (IFRS 17):** Assisted the South African Insurance Association with engagement with SARS and NT to address anomalies and unintended consequences arising from the implementation of IFRS 17-related tax amendments. In Ghana, we continue our engagement to align the Income Tax Act with IFRS 17
- Discussion paper on the taxation of collective investment schemes (CIS):** Where extensive comments were made on the proposals published by NT which were acknowledged. The consultation process continues

In 2024, as part of our ongoing commitment to justice, equity, diversity and inclusion, we continued the following initiatives in addition to our Group-wide initiatives:

- Actively sponsoring the Chartered Accountants Community, Old Mutual CA(Libre), fostering engagement and belonging
- Implementing an internal rotation programme to broaden employees' experience and enhance talent attraction and retention
- Leading the development of a competency framework adopted by Group finance alongside refreshing our talent succession plans
- Appointing graduate trainees to provide work experience for unemployed graduates
- Full funding for employees' personal growth through internal and external learning programmes, including university courses, online training, seminars and workshops
- Pulse Culture and Engagement Surveys to remain responsive to employee needs and enhance engagement

In 2024, our short to medium-term focus on strategic automation and modernisation is delivering on our goal of more engaged people applied to intellectually stimulating experiences.

Bodies on which our tax specialists serve include the:

- Association for Savings and Investments South Africa tax sub-committee
- South African Institute of Chartered Accountants national tax committee
- South African Insurance Association tax working group
- Association of Chartered Certified Accountants Zimbabwe tax sub-committee
- Income Tax Court of South Africa
- Actuarial Governance Board of the Actuarial Society of South Africa
- South African Property Owners Association Unlisted REITs committee



# KEY TAX JUDGEMENTS AND RATIOS



## Key tax judgements

We are committed to conducting our tax affairs in accordance with the tax legislation of the countries where we operate. All interpretations are made with reference to the specific facts and circumstances and in the context of relevant legislation, practice and directives. All positions are vigorously tested and defensible.

**Business and tax law complexity may result in the conclusion of transactions that expose the Group to tax, legal and business risks. Governments conclude tax treaties or agreements to encourage international investment and trade by eliminating double tax on cross-border income. The interplay of tax treaty and domestic tax laws results in unintended complexity and ambiguity. We apply judgement to determine any uncertain tax positions. The Revenue Authorities in countries where we conduct business routinely review historical transactions and tax law interpretations applied by the Group.**

The financial statements record and evaluate tax positions in terms of the following specific accounting standards and interpretations. These explain how to account for a tax position when there is uncertainty over income tax treatment:

- IFRIC 23 *Uncertainty over Income Tax Treatments*
- IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*
- IAS 12 *Income Taxes*

Uncertain tax positions are quantified on the basis of expected value (for corporate income tax in terms of IFRIC 23 and IAS 12), being the probability-weighted amounts in respect of the possible outcome, assessed in terms of laws and facts/information known to us at the reporting date. IAS 37 provisions (mainly indirect taxes, other than income tax) are quantified based on the most likely outcome across the Group.

All material tax positions taken and disputes with tax authorities are reviewed by executive management and reported to the Board Audit and Risk committees. The Board is satisfied that there are adequate provisions to cater for the resolution of uncertain tax matters and that the resources required to fund any potential settlements are sufficient. (Refer to note D8 of the 2024 Old Mutual Limited Consolidated Annual Financial Statements.)

During 2024, the following major settlements were made, in consultation with Revenue Authorities:

- Voluntary disclosure: R2.8 million paid
- Alternative dispute resolution: R62 million paid
- Defending our tax position: R96 million refunded

Given the complexity and breadth of our business, Revenue Authorities routinely conduct audits. There are currently no open matters with the Revenue Authorities that would, in our opinion, have a material impact on our reported results if resolved in favour of the Revenue Authority.



Our value of  
**INTEGRITY**



# Actuarial and tax judgements

The Group has four lines of business, with the most significant being our Life and Savings business. This line of business is complex. It is the major contributor to the Group’s operating profit and, consequently, to the total tax contribution in jurisdictions where we have business operations.

Taxable income for our Life and Savings business is calculated in accordance with the tax laws of the countries where we operate. Life profits are based largely on movements in policyholder assets relative to policyholder liabilities. Policyholder assets are generally valued on observed market value or fair value. Significant judgement is required to determine the value of the policyholder liabilities.

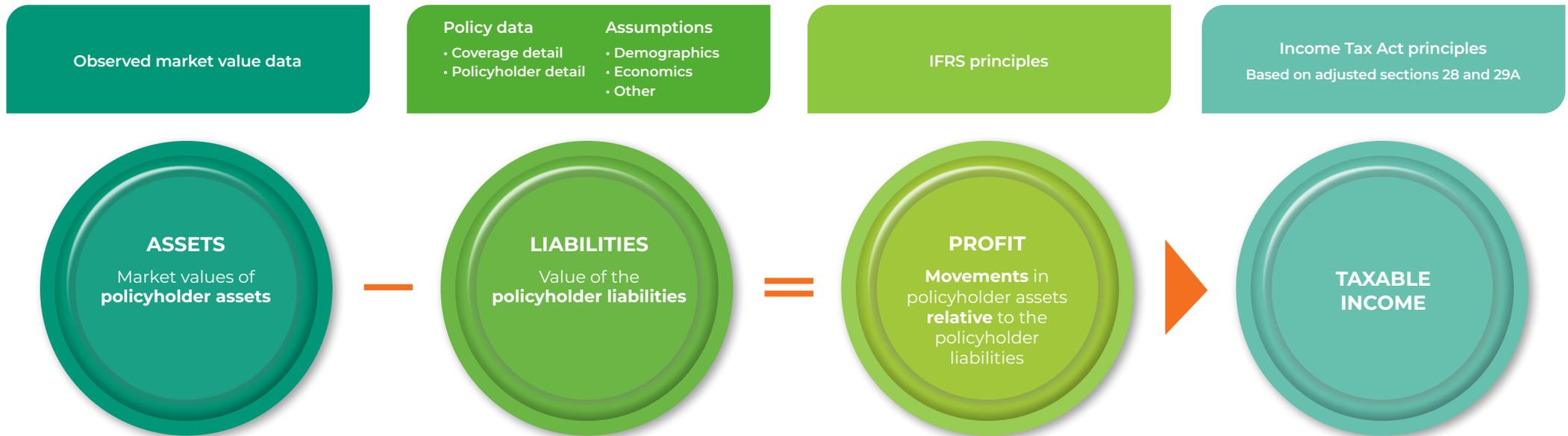
Generally, the valuation date measurement of policyholder liabilities uses models built on assumptions to calculate the present value of projected future cash flows, and adding the required margins (risk adjustment and contractual service margin where applicable).

Assumptions used in the valuation of liabilities are set on a long-term basis and are not expected to be changed frequently. Any proposed assumption changes are taken through strict governance processes, with ultimate Board Audit committee approval. The impact of basis changes is estimated as part of the governance process, but these estimates will differ from the actual final impact. In the actual valuation, liabilities are quantified using real data, approved assumptions and models. Changes to assumptions and models influence

the timing and release of profits over time. Profits can fluctuate as a result of deviations between current and future expectations of market conditions and policyholder behaviour, as well as the current year’s experience, differing from that assumed at the start of the year. The differences between actual assumption changes and estimated assumption changes are reported to the Board Audit committee.

IFRS 17 has been successfully implemented by the Group’s impacted entities. Transitional (deferred) tax impacts were determined and recorded in the IFRS 17 restated 31 December 2021 and 31 December 2022 IFRS 17 statements of financial position.

In South Africa, current tax was determined in 2024 (and 2023) by applying tax legislation amended to cater for IFRS 17. The phasing-in provisions contained in the amended tax legislation have been applied for the second time. Transitional deferred tax impacts unwind from 2023 to 2028 for long-term insurers and from 2023 to 2025 for short-term insurers.



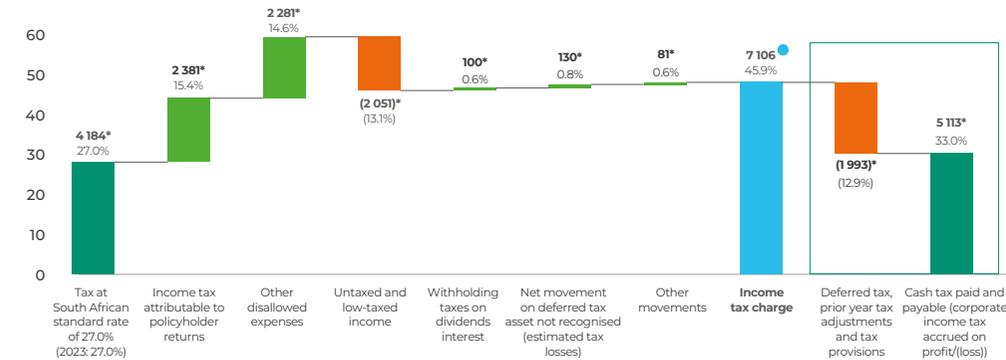
**NOTE:** Further detail regarding the critical accounting estimates and judgements relating to the measurement of policyholder liabilities can be found in note G2 of the 2024 Old Mutual Limited Consolidated Annual Financial Statements



# Old Mutual Limited Group effective tax rate (ETR)

Consistent with the prior period, we present a graphical illustration of the IFRS ETR (including Policyholder tax)

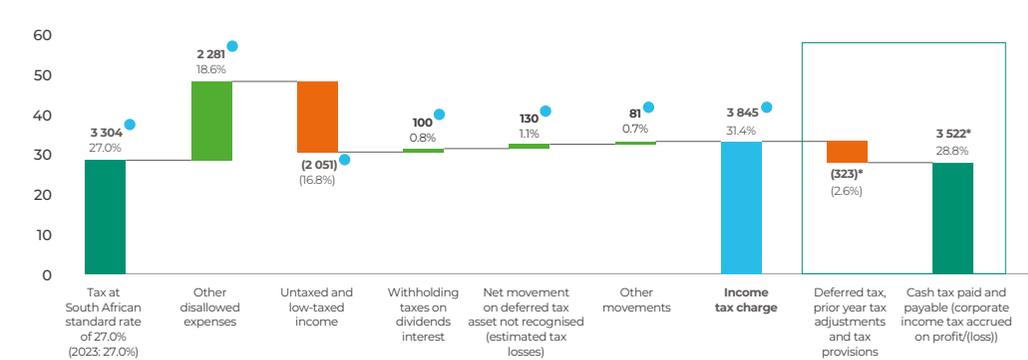
## Reconciliation of Group statutory tax charge to cash tax (R million)



● Increase in ETR ● Decrease in ETR ● Extracts from the 2024 Old Mutual Limited Consolidated Annual Financial Statements (except\*)

To enhance our reporting and tax transparency for shareholders, we restate IFRS ETR for Shareholder tax only

## Reconciliation of shareholder statutory tax charge to cash tax (R million)



● Increase in ETR ● Decrease in ETR ● Extracts from the 2024 Old Mutual Limited Consolidated Annual Financial Statements (except\*)

### IFRS ETR (including Policyholder tax)

Old Mutual Limited reported an IFRS profit before tax of R15.5 billion<sup>1</sup> and an IFRS ETR of 45.9% (18.9% higher than the South African statutory rate of 27%) for the year ended 31 December 2024. The key drivers of the higher IFRS ETR follow:

- Income tax attributable to policyholders borne by the Group +15.4%
- Expenditure disallowed for tax mainly due to apportioned expenses in the ratio of taxable: non-taxable income, limitation of tax deductions on management fees, Group costs and ring-fenced interest in Kenya, pre-trade expenditure in OM Bank and expenditure deductions capped in terms of a formula in Zimbabwe totalling +14.6%
- Offset by untaxed/ low-taxed income due to favourable tax legislation for Life and Savings in Zimbabwe and Namibia -13.1%

### IFRS ETR<sup>1</sup> (Shareholder tax only)

Old Mutual Limited reported an IFRS ETR (Shareholder tax only) profit before tax of R12.2 billion and an IFRS ETR of 31.4% (4.4% higher than the South African statutory rate of 27%) for the year ended 31 December 2024. The key drivers of the higher IFRS ETR (Shareholder tax only) are as above except for income tax attributable to policyholders borne by the Group which has been excluded to eliminate its distorting effect (which causes the IFRS ETR to vary greatly among life insurers).

<sup>1</sup> Refer to page 50 of the 2024 Old Mutual Limited Consolidated Annual Financial Statements  
↓ Extracts from our 2024 Old Mutual Limited Consolidated Annual Financial Statements

IFRS ETR (Shareholder tax only) is the IFRS income tax charge less policyholder tax as a percentage of (pre-tax IFRS profits/(losses) less policyholder tax)

### Adjusted Headline Earnings (AHE) ETR<sup>2</sup>

Old Mutual Limited reported AHE profits of R10.6 billion<sup>1</sup> and an AHE ETR of 33.9% for the year ended 31 December 2024 (6.9% higher than the South African statutory tax rate of 27%). Earnings on the AHE basis excludes the impact of income tax attributable to policyholder and once-off transactions such as:

- Impairment of our investment in our associate in China
- Loss on disposal of our Nigerian business
- Other non-core earnings such as our Zimbabwe operations and Old Mutual Residual Group UK

<sup>2</sup> Refer to page 31 of the 2024 Old Mutual Limited Consolidated Annual Financial Statements  
↓ Extracts from our 2024 Old Mutual Limited Consolidated Annual Financial Statements

AHE ETR is defined as the AHE income tax charge as a percentage of pre-tax AHE profits/(losses) of the Group. AHE is an alternative non-IFRS profit measure used alongside IFRS profit to assess the performance of the Group. The basis of preparation of AHE is defined under note A1 on page 27 of the 2024 Old Mutual Limited Consolidated Annual Financial Statements

### IFRS (including Policyholder tax) Cash Tax Rate<sup>3</sup>

The IFRS cash tax rate at 31 December 2024 of 33% (2023: 27.1%) is 6.0% higher than the South African statutory tax rate of 27%. The key drivers of the cash tax rate are as follows:

- Income tax attributable to policyholders borne by the Group +8%
- Benefit of shareholder transfer tax deficits in OMLACSA -2%
- Benefit of phase-in of IFRS 17 transitional adjustment in OMLACSA -2%
- Unrealised capital gains not subject to current tax in OMLACSA -1%
- Untaxed/ low-taxed income due to special tax dispensations for Life and Savings in Malawi, Zimbabwe and Namibia, Central Africa Building Society profits that are exempt from tax in Zimbabwe and non-taxable unrealised fair value gains in South Africa and Old Mutual Africa Regions -13.1%
- Expenditure disallowed for tax mainly due to apportioned expenses in the ratio of taxable: non-taxable income, limitation of tax deductions on management fees, Group charges and ring-fenced interest costs in Kenya, 'pre-trade' expenditure in OM Bank and expenditure deductions capped in terms of a formula in Zimbabwe +14.6%

### IFRS (Shareholder only) Cash Tax Rate<sup>3</sup>

The IFRS Shareholder cash tax rate at 31 December 2024 of 28.8% (2023: 25.1%) is 1.8% higher than the South African statutory tax rate of 27%. The key drivers of the cash tax rate are as above except for income tax attributable to policyholders borne by the Group which has been excluded to eliminate its distorting effect (which causes the IFRS ETR to vary greatly amongst life insurers).

<sup>3</sup> Cash tax excludes: deferred income tax, prior year tax adjustments and tax provisions

Cash tax rate is defined as the current income tax accrued on profits/(losses) as a percentage of pre-tax IFRS profits/(losses) of the Group.

Shareholder cash tax rate is defined as current income tax accrued on profits/(losses) less policyholder tax as a percentage of pre-tax IFRS profits/(losses) less policyholder tax

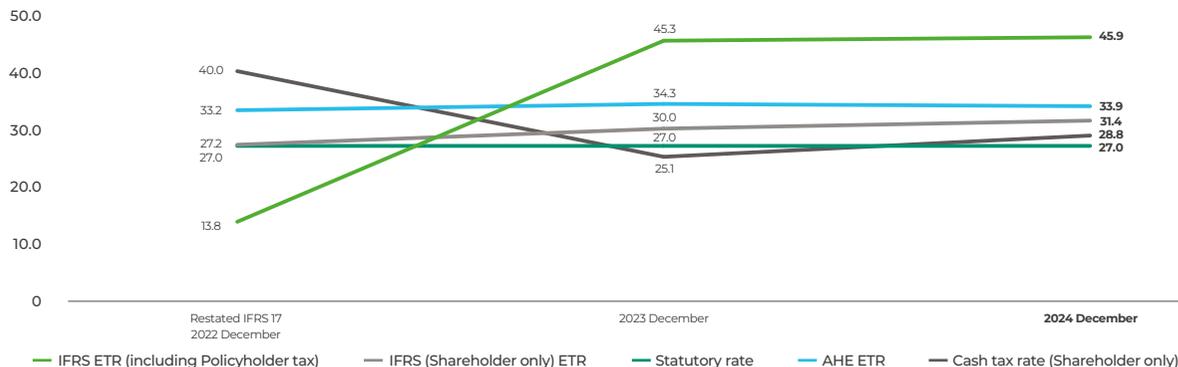


# Old Mutual Limited Group ETR reconciliation

	IFRS ETR (Shareholder only) reconciliation ↓				IFRS ETR (Shareholder and Policyholder) reconciliation			
	Rm 2024	%	Rm 2023	%	Rm 2024	%	Rm 2023	%
<b>Total income tax expense</b>	<b>7 106</b>		6 333		<b>7 106</b>		6 333	
<b>Attributable to</b>								
Policyholder funds	(3 261)		(3 056)					
<b>Shareholder tax expense</b>	<b>3 845</b>		3 277		<b>15 497</b>		13 966	
<b>Profit before tax per the income statement</b>	<b>15 497</b>		13 966					
<b>Adjustment for</b>								
Policyholder tax	(3 261)		(3 056)					
<b>Profit before shareholder tax</b>	<b>12 236</b>		10 910					
<b>Reconciliation of total income tax expense</b>								
<b>Profit before shareholder tax</b>	<b>12 236</b>		10 910					
<b>Profit before tax per the income statement</b>					<b>15 497</b>		13 966	
Tax at South African standard rate of 27.0%	3 304	27.0	2 946	27.0	4 184	27.0	3 771	27.0
Varying tax rate or basis on foreign operations	109	0.9	50	0.5	109	0.7	50	0.3
Untaxed and low taxed income	(2 051)	(16.8)	(1 696)	(15.6)	(2 051)	(13.2)	(1 696)	(12.2)
Disallowable expenses (includes GMT*)	2 281	18.6	1 499	13.7	2 281	14.7	1 499	10.7
Adjustments to current tax in respect of prior years	(14)	(0.1)	(30)	(0.3)	(14)	(0.1)	(30)	(0.2)
Net movement on deferred tax assets not recognised	130	1.1	235	2.2	130	0.8	235	1.7
Adjustments to deferred tax in respect of prior years	(28)	(0.2)	154	1.4	(28)	(0.2)	154	1.1
Withholding taxes	100	0.8	79	0.7	100	0.6	79	0.6
Income tax attributable to policyholder returns					2 381	15.4	2 246	16.1
Other	14	0.1	40	0.4	14	0.1	25	0.2
<b>Total income tax expense</b>	<b>3 845</b>	<b>31.4</b>	3 277	30.0	<b>7 106</b>	<b>45.9</b>	6 333	45.3

↓ This symbol indicates extracts from our 2024 Old Mutual Limited Consolidated Annual Financial Statements  
 \* Disallowable expenses includes Global Minimum Tax (GMT) Shareholder only of R107 million, ETR impact +0.9% and Shareholder + Policyholder of R118 million, ETR impact +0.8%

## Three-year trend of taxes (%)



## Commentary and trends

The IFRS ETR (Shareholder and Policyholder) of 45.9% for 2024 trends in line with 2023 (45.3%).

The AHE ETR of 33.9% is marginally lower compared to 2023 (34.3%) and trends in line with the historical average of 33.9%.

IFRS Shareholder only ETR of 31.4% is higher compared to 2023 (30%) and is trending slightly higher than the historical average of 29.5% mainly because of the impact of Global Minimum Tax (+0.9%) in 2024.

It is expected, barring any economic shocks, that the AHE ETR should trend closely to the statutory rate (27%) going forward, once significant investments in new core growth markets and new growth engines (e.g. OM Bank) turn to profitable operations.

The IFRS ETR (Shareholder and Policyholder) remains volatile and is driven mainly by the performance of the investment markets which feeds into policyholder returns and revaluations of policyholder investments. Due to this volatility, it is difficult to predict with certainty the IFRS ETR (Shareholder and Policyholder).

IFRS 17 was implemented for the first time in the Group in 2023. This required a restatement of the 2022 comparative year which had a R2 billion negative impact on the 2022 reported profits, resulting in a higher cash tax rate (Shareholder only) in 2022 due to a lower denominator in the calculation. The increase in 2024 (28.8%) compared to 2023 (25.1%) is mainly as a result of higher disallowable expenditure in 2024 (i.e., pre-trade expenses in OM Bank and higher non-deductible expenditure attributable to exempt income in Zimbabwe).



# SUPPLEMENTARY INFORMATION



# Tax by region<sup>1</sup>

Tabulated below is an overview of our tax information, by region, guided by the disclosure requirements in GRI 207:

	Life and Savings	Asset Management	Banking and Lending	Property and Casualty	Profit before tax <sup>1</sup>		Corporate income tax paid on cash basis <sup>2</sup>		Corporate tax paid and payable (corporate income tax accrued on profit/(loss)) <sup>3</sup>		Cash tax rate <sup>4</sup>		Number of employees <sup>5</sup>		Total tax contribution <sup>6</sup>				
					2024	2023	2024 <sup>1a</sup>	2023	2024 <sup>1a</sup>	2023	2024 <sup>1a</sup>	2023	2024	2023	2024 <sup>1a</sup>	2024	2023	2024	2023
					Rm	Rm	Rm	Rm	Rm	Rm	%	%	2024	2023	Rm	%	Rm	%	
<b>South Africa</b>	✓	✓	✓	✓	7 385	5 842	2 930	2 327	2 994	1 991	40.5	34.1	22 738	22 409	15 955	83.9	13 401	85.7	
<b>Southern Africa (excluding South Africa)</b>	✓	✓	✓	✓	4 346	4 837	368	479	352	525	8.1	10.9	3 559	3 294	2 088	11.0	1 304	8.3	
<b>East Africa</b>	✓	✓	✓	✓	155	130	369	391	171	207	110.3	159.2	1 289	1 460	758	4.0	767	4.9	
<b>West Africa</b>	✓	✓	✓	✓	(124)	54	5	5	—	3	(0.4)	5.6	181	314	27	0.1	31	0.2	
<b>Other</b>	✓				474	47	17	11	5	6	1.1	12.8	359	358	187	1.0	135	0.9	
<b>Total</b>					12 236 <sup>7</sup>	10 910	3 689	3 213	3 522	2 732	28.8	25.1	28 126	27 835	19 015	100.0	15 638	100.0	
<b>Policyholder tax</b>					3 261	3 056	1 591	1 055	1 591	1 055	4.2	2.0							
<b>Total</b>					15 497 <sup>1</sup>	13 966 <sup>1</sup>	5 280	4 268	5 113	3 787	33.0	27.1							

1 Note 1 of the 2024 Old Mutual Limited Consolidated Annual Financial Statements contains a list of names of principal subsidiaries, associates and joint ventures  
 2 Corporate income tax paid on a cash basis refers to taxes paid in the current year on a cash basis  
 3 Cash tax paid and payable (corporate income tax accrued on profit/(loss)) excludes deferred income tax, prior year tax adjustments and tax provisions  
 4 Cash tax rate is calculated as the cash taxes paid/payable in respect of current year income as a percentage of pre-tax IFRS profits/(losses) of the Group  
 5 Number of employees is calculated as the permanent and non-permanent headcount at the end of the reporting period 31 December 2024 (2023 comparatives have been restated to align with this definition)  
 6 Total tax contribution primarily refers to payroll tax, corporate tax, indirect tax, policyholder tax borne by Old Mutual, property rates and taxes and dividends tax (borne and collected by Old Mutual)  
 7 Consolidated IFRS profit before tax for the Group per the 2024 Old Mutual Limited Consolidated Annual Financial Statements less policyholder tax  
 8 Data subject to an independent limited assurance engagement by EY  
 9 Denotes extracts from the 2024 Old Mutual Limited Consolidated Annual Financial Statements

## Commentary and trends

The total tax contribution for the Group has increased by 21.8% from R15.6 billion in 2023 to R19.0 billion in 2024 (refer to page 10, At a glance section for more information). The relative tax contributions of the various countries to the total tax contribution have remained fairly stable. The largest movements were a 1.8% decrease in the relative contribution from South Africa and an increase of 2.7% in Southern Africa (excluding South Africa), explained below:

**South Africa** – The cash tax rate has increased to 40.5% from 34.1%. This increase is primarily due to expenditure that is disallowed for tax purposes, particularly arising from the allocation of expenses based on the ratio of taxable: non-taxable income (e.g., in the life and holding companies within the Group). The increase is also driven by pre-trade expenditure in OM Bank. These increases were partially offset by tax-exempt dividend income in Old Mutual Life Assurance Company (South Africa) Limited and by income and gains that were taxed at the effective capital gains tax rate in South Africa (21.6% for companies). The total contribution has increased by R2.6 billion over the prior year mainly as a result of payroll tax on two-pot retirement fund withdrawals.

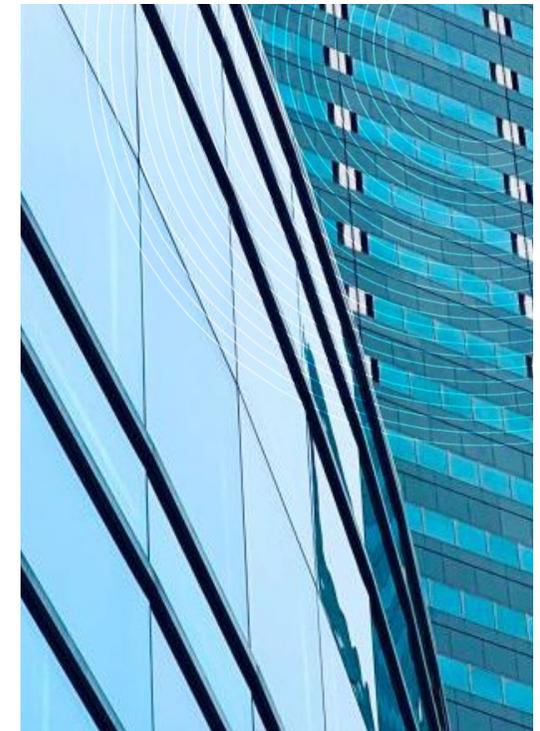
**Southern Africa (excluding South Africa)** – The lower effective cash tax rates were largely driven by special tax dispensations for Life and Savings in Malawi, Zimbabwe and Namibia and Central Africa Business Society profits which are exempt from tax in Zimbabwe. The overall total tax contribution includes corporate tax, the intermediary monetary transfer tax in Zimbabwe, and

payroll taxes in both Zimbabwe and Namibia. The main driver of the higher relative tax contribution was due to higher intermediary monetary transfer tax in Zimbabwe.

**East Africa** – The high effective cash tax rate of 110.3% in the current year was mainly a result of the losses in Kenya and South Sudan offsetting against profits in the region (in the denominator). Tax contributions have remained relatively stable.

**West Africa** – The effective cash tax rate of -0.4% was driven by Ghana and Nigeria that both recorded losses for the year. Tax contributions have remained relatively stable (Nigeria operations were disposed of in June 2024).

**Other** – Trading profits in the Isle of Man mainly due to the performance of equity markets, were a large contributor to the gains disclosed under 'Other'. The operations in the Isle of Man (and other low-tax jurisdictions such as Guernsey and Mauritius) were established in response to our customers' needs for offshore licensed investment services and products. In establishing a presence in these jurisdictions, where appropriate, the Group ensured that the operations have substance and are suitably equipped and resourced to take the required business decisions. The income of the branches in the Isle of Man and Guernsey is taxable in South Africa. For subsidiaries in Mauritius, the income of these subsidiaries is taxed in South Africa in terms of South Africa's 'controlled foreign company' rules. The effective cash tax rate for the 'Other' region is low (1.1%) as the tax in respect of the branches is included in the South African tax charge and the income from our associate in China is included net of tax.





# Tax highlights and developments

Old Mutual employs an accomplished team of tax specialists and subject matter experts who represent Old Mutual on relevant industry bodies and keep abreast of international and domestic tax proposed legislation and its impact on the Group. Significant recent developments include those summarised below.

## INTERNATIONAL

There were no major shifts in tax policy at an international level in 2024 that warranted any specific attention.

We repeat matters of interest below:

### Global Anti-Base Erosion Model Rules

The OECD introduced a Global Minimum Tax (GMT) of 15% under Pillar II of its 2 Pillar Base Erosion and Profit Shifting initiative.

In South Africa the GMT Act and the GMT Administration Act were promulgated on 24 December 2024 and 9 January 2025, respectively. Both are effective from 1 January 2024. The GMT Act implements two components of the OECD's GMT framework, namely:

- Domestic Minimum Top-up Tax (DMTT): This allows jurisdictions to enforce a 15% minimum effective tax rate in countries where multi-national entities operate
- Income Inclusion Rule (IIR): This rule requires South African-headquartered multi-national entities to pay a so-called top-up tax to ensure a minimum 15% effective tax rate for subsidiaries in low-tax jurisdictions, according to the OECD guidelines
- The OECD has recommended an undertaxed profits rule which enables countries to apply the 15% tax where the IIR is not implemented, however, South Africa has chosen not to adopt this rule

Countries where Old Mutual operates such as the United Kingdom, Ireland, Bulgaria, Romania and Zimbabwe also implemented GMT effective from 1 January 2024. Other countries where Old Mutual has a presence being Kenya, Isle of Man and Guernsey implemented GMT effective from 1 January 2025. Although Mauritius has promulgated GMT legislation, the timing of its implementation is uncertain.

The African Tax Administration Forum proposed a framework for implementing the DMTT in Africa aligned to the OECD 15% GMT guidelines.

Old Mutual Limited assessed the tax impact of these rules and has implemented an automated system to quantify and recognise its GMT liability in the 2024 Old Mutual Limited Consolidated Annual Financial Statements.

### EU public Country-by-Country Reporting

An EU Public Country-by-Country Reporting Directive (the Directive) was agreed upon by the EU member states and the European Parliament and came into force on 21 December 2021. Member states will have to implement it into domestic law for the financial year started on or after 22 June 2024, at the latest, with first disclosures a year after the end of the period.

The measure requires non-EU based multi-national entities that conduct business in the EU through a branch or subsidiary with total consolidated revenue of more than €750 million in each of the last two consecutive financial years to publicly report the income taxes paid and other tax-related information (such as a breakdown of profits, revenues and employees).

The information must be broken down for each EU member state where the Group is active and also for each jurisdiction deemed non-cooperative by the EU or that has been on the EU's grey list for a minimum of two years. Information concerning all other jurisdictions may be reported on an aggregated level.

Old Mutual's investments in Romania and Bulgaria do not meet the required thresholds for Old Mutual to be in scope for EU public Country-by-Country Reporting. Old Mutual will continue to review and consider the potential scope of these rules for applicability.

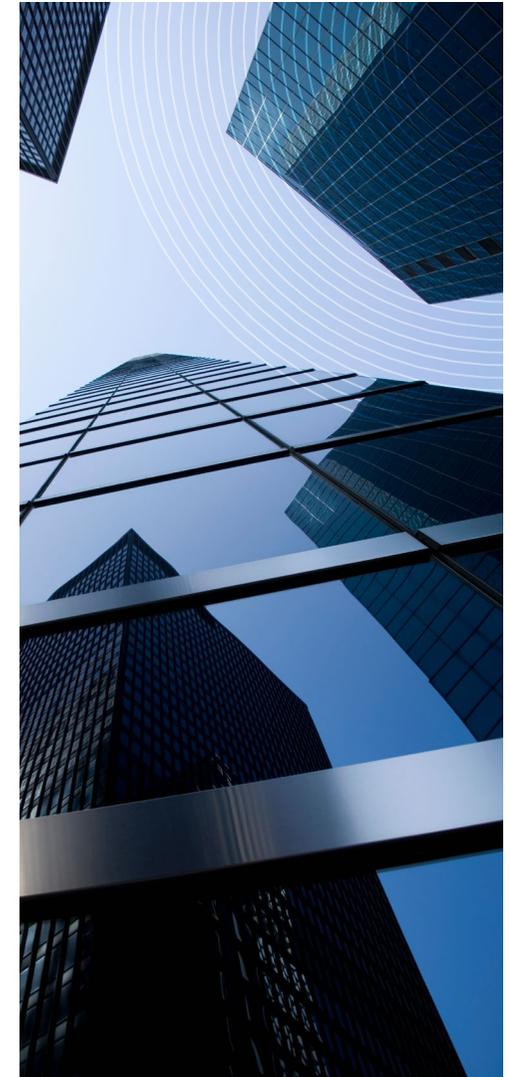
### Transfer pricing and public Country-by-Country Reporting

Old Mutual Limited is a pan-African group, with an operational footprint in 11 African countries and China, subject to the tax laws and regulations of the jurisdictions where it operates. Old Mutual Limited implemented the measures developed by the OECD Action Plan on Base Erosion and Profit Shifting to comply with the enhanced international tax principles and transfer pricing compliance and disclosure regime, which includes the country-by-country report and transfer pricing documentation.

On 30 October 2024, the UK Government announced a further consultation on reforms to the UK's rules on transfer pricing, permanent establishments and diverted profits tax, which will be effective in May 2025. This includes the potential removal of UK-to-UK transfer pricing. Old Mutual Limited will consider the potential scope of the amendments to the current rules and their possible tax impact during the consultation period.

Old Mutual Limited ensures intragroup transactions are concluded in accordance with the arm's length principle, on the basis of good, commercial rationale, benchmarked to market. Our tax planning is aligned with the substance of our business activities, ensuring that profits are taxed in the jurisdictions where economic activities and value creation occur. Old Mutual Limited, the ultimate parent company, has been a tax resident in South Africa since 2018. Old Mutual Limited reported data for the Group on an aggregated basis for each jurisdiction where it operates, in terms of the public Country-by-Country Reporting rules.

 A dashboard of this information is published as part of the supplementary information to this report (on page 24)





# Tax highlights and developments *continued*

## INTERNATIONAL continued

### European Directive mandatory disclosure rules (DAC 6)

The European Directive mandatory disclosure rules require intermediaries and/or taxpayers to report qualifying cross-border tax arrangements. Old Mutual engaged with our advisers to understand the reporting requirements in relation to its investments in the UK and the EU. We concluded that for 2024, Old Mutual did not have any reporting obligation in terms of the European Directive Mandatory Disclosure Rules.

### UK Mandatory Disclosure Rules

The UK Mandatory Disclosure Rules were effective from 28 March 2023. These rules target qualifying cross-border tax arrangements. The relevant requirements are vastly reduced and limited to reporting arrangements that undermine reporting requirements under agreements for the automatic exchange of information, or arrangements that obscure beneficial ownership and involve the use of offshore entities/structures with no substance. Old Mutual is aware of these rules and we have no expectation for there to be any transactions that would need to be reported under these rules.

### Corporate criminal offence

The UK Government passed the Criminal Finances Act in 2017, which included legislation regarding corporate criminal offences. The corporate criminal offence regime seeks to prevent corporate entities from failing to prevent the facilitation of tax evasion. It imposes penalties, including a public criminal conviction and a potentially unlimited financial penalty if businesses are unable to demonstrate that appropriate steps have been taken to prevent the facilitation of tax evasion in the course of trade. Old Mutual takes compliance with the corporate criminal offence regime and prevention of the facilitation of tax evasion seriously. Management is comfortable that our processes are sufficient to meet the requirements of the legislation.

### Tax and sustainability (Corporate Sustainability Reporting Directive)

The EU introduced the Corporate Sustainability Reporting Directive, which came into effect on 5 January 2023. The disclosures require the inclusion of time-bound targets, commitment to the reduction of greenhouse gas emissions and a demonstration of progress against these targets since the previous report. The targets and progress demonstrated must be underpinned by scientific evidence, where relevant.

The requirements under the Corporate Sustainability Reporting Directive also include alignment with the EU taxonomy, particularly in meeting the minimum safeguard on tax. Old Mutual, in alignment, demonstrates transparency in our tax practices including disclosure of its tax strategy, tax governance and the taxes paid in different regions.

In addition to the Task Force on Climate-related Financial Disclosures framework, Old Mutual recognises the importance of disclosing accurate sustainability information and relevant risks to all our stakeholders.

### Environmental taxes

Aligned to international trends, South Africa introduced a range of environmental taxes, the most significant being carbon tax (R236 per tonne of carbon dioxide equivalent revised in 2025 for in-scope emissions from R190 per tonne of carbon dioxide in 2024), an electricity levy (set at 3.5 cents per kilowatt hour on energy produced using non-renewable sources) and a carbon tax included in the price of fuel (as part of the fuel levy) of 14 cents per litre for petrol and 17 cents per litre for diesel (from 2 April 2025).

Old Mutual pays environmental taxes indirectly by way of the electricity and fuel levy. Old Mutual continues to make sustained improvements to reduce its carbon footprint by reducing electricity usage and investing in renewable energy production, among other initiatives.

 Refer to the Sustainability Report for further detail





# Tax highlights and developments *continued*

## SOUTH AFRICA

In addition to a general update, we highlight recent tax developments below which have a significant impact on the Group: (1) Global Minimum Tax (2) proposals to reform the taxation of collective investment schemes (3) retirement reform through implementing the two-pot retirement system.

### Global Minimum Tax (Pillar II)

As noted previously the GMT Act and the GMT Administration Act were promulgated on 24 December 2024 and 9 January 2025, respectively, effective from 1 January 2024.



Refer to the international tax highlights and developments section on page 25 where we have elaborated

### Collective Investment Schemes (CIS) reform

In November 2024, the South African National Treasury (NT) released a 'discussion paper' on the taxation of CIS, proposing four policy options in response to the request for certainty on the tax treatment of CIS: (1) taxing all income of the CIS on revenue account, (2) full tax transparency for CIS, (3) introducing a tax threshold, and (4) the exclusion of hedge funds from the CIS tax regime. Old Mutual commented extensively on these proposals. NT has since acknowledged the administrative concerns regarding a full tax transparency option. NT also clarified its intent not to tax all CIS returns on revenue account. Further consultations will continue into 2025.

The 2024 Taxation Laws Amendment Act expanded the definition of a trust to include a CIS with effect from 24 December 2024, which subjects a CIS to a tax rate of 45%.

### VAT rate increase

On 12 March 2025, the Minister of Finance announced an increase in the VAT rate over two years: 0.5% to 15.5% with effect from 1 May 2025 and a further 0.5% increase to 16%, with effect from 1 April 2026. This is expected to raise R13.5 billion and R14.3 billion, respectively towards funding additional expenditure catered for in the 2025/26 National Budget.

### Retirement reform

The two-pot retirement reform came into effect on 1 September 2024 and introduced the following changes:

- Preservation of funds until retirement age
- Pre-retirement access to benefits under specific circumstances

In the main, this reform achieves tax uniformity for all contributors towards retirement, allowing one-third of contributions to retirement funds for savings and two-thirds for retirement. Contributions prior to 1 September 2024, are placed in a vested pot, with 10% of this amount (up to a maximum of R30 000) allocated as 'seed capital' to establish the savings pot. A minimum withdrawal of R2 000 is permitted per tax year and all withdrawals are taxed at an individual's marginal tax rate.

### Limitation on interest deductions

Amendments effective from 1 January 2024 expanded the ambit of the limitation on interest deductions (section 23M) to include funding provided directly or indirectly by exempt entities (such as the untaxed policyholder fund in a life company) to persons that are in a direct or indirect controlling relationship ( $\geq 50\%$ ) with the borrower. This has unintended consequences with a detrimental impact on Old Mutual's development impact funds, infrastructure development funds and net savings in retirement funds. Old Mutual has noted its concerns to NT.

Following the concession provided to unlisted property vehicles (see page 28), NT intends to consider the penal impact of these rules on development impact funds and infrastructure development funds.





# Tax highlights and developments *continued*

## SOUTH AFRICA *continued*

### Unlisted property vehicles legislation

The 2024 Taxation Laws Amendment Act in principle aligned the taxation of unlisted real estate investment trusts and (listed) real estate investment trusts for income tax purposes insofar as it relates to the interest limitation rules (see page 27). This will allow Old Mutual's impacted unlisted property companies full deductions for dividends and interest distributions made to unitholders without limitations, provided they satisfy the regulatory criteria to be published by the Minister of Finance. Until the regulatory criteria is published, this change is ineffective.

### Interest deductions on acquisition of shares and group reorganisation transactions

Current legislation limits interest deductions (in terms of a formula) where loans are applied to finance the acquisition of equity shares in an operating company, and on the transfer of assets in terms of certain restructure concessions (resulting in increased taxes and impacting the cost of debt in these structures). Following our submissions, NT delayed the implementation date of these proposed changes which will be considered in the 2025 legislative cycle with a possible announcement in 2026.

### Expansion of the taxation of gains and losses on foreign exchange transactions

Effective from 1 January 2025 annual realised and unrealised foreign exchange gains and losses on preference shares held in a foreign company will be taxed at income tax rates, whether such preference shares are held on capital or revenue account.

### SARS modernisation programme

In 2023, SARS took the first tangible steps towards a vision to shift to more real-time reporting. Draft Business Requirement Specifications (with a proposed implementation date of 1 March 2026) were released for comment in respect of:

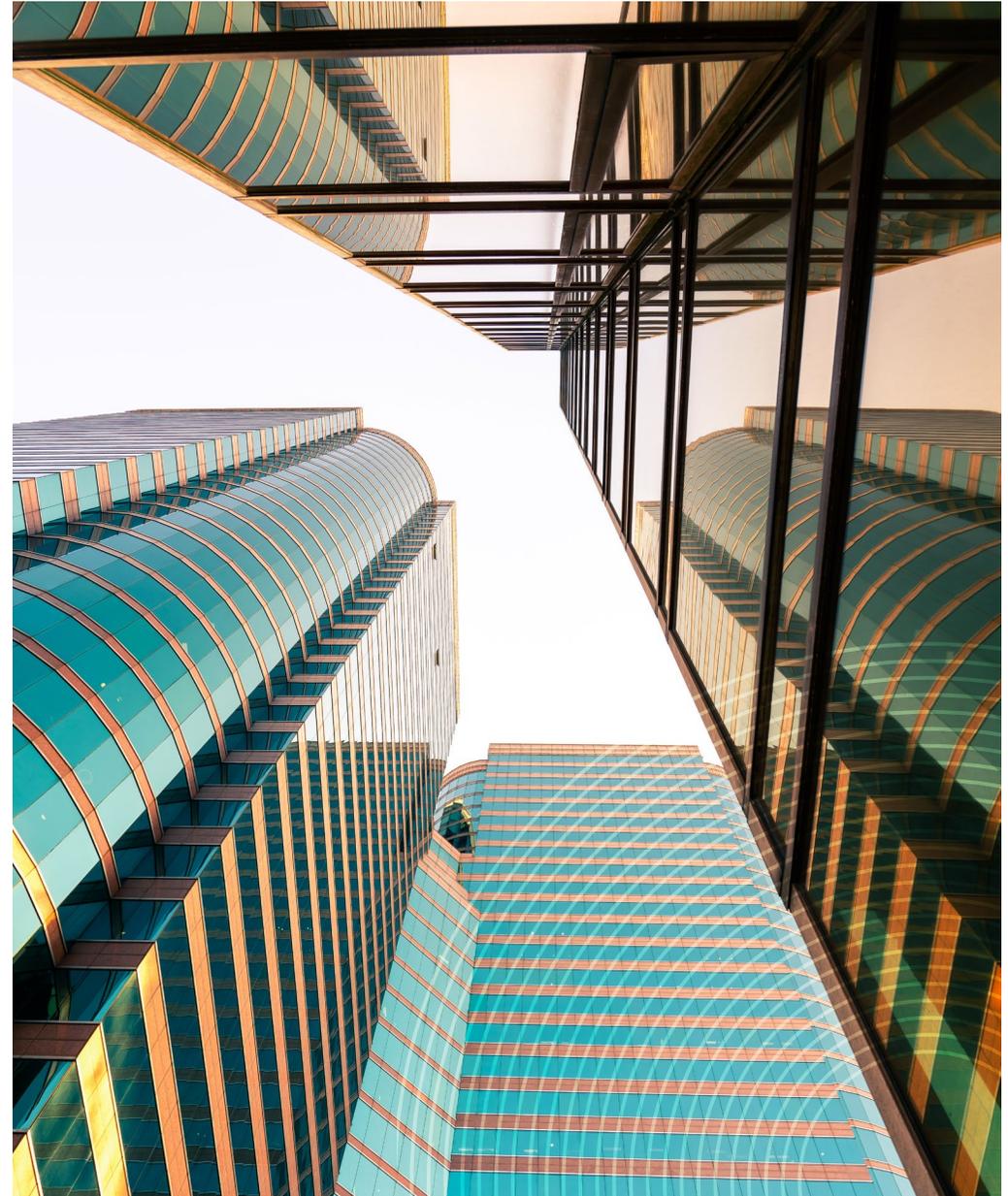
- Monthly IT3 reporting
- Monthly PAYE reporting (Business Requirement Specifications since rescinded for further refinement)

This has since been deferred to a date to be announced.

SARS released a discussion document for comment setting out a roadmap for the modernisation of the VAT system. While no implementation date has been communicated, SARS has indicated that modernisation of the VAT system will take priority. We continue to work closely with SARS and the Association for Savings and Investment South Africa to ensure our readiness to comply by implementation dates.

### Tax incentives

The Old Mutual Group only claims learnership tax incentives and the new renewable energy incentive (enhanced deductions for renewable energy equipment of 125% of the cost) provided for in the Income Tax Act.





# Tax highlights and developments *continued*

## OLD MUTUAL AFRICAN REGIONS

The highlights below include recent key amendments in certain key economies relevant to our business in Old Mutual Africa Regions:

### Kenya

With effect from 27 December 2024:

- A 5% withholding tax on interest applies to infrastructure bonds listed
- A reduced 5% capital gains tax for certified investments of at least KSH3 billion in Kenyan entities
- VAT apportionment threshold is removed for taxpayers with 90% zero-rated supplies
- Businesses transferred as going concerns are exempt from standard-rated VAT (16%)
- Tax amnesty extended to 30 June 2025, covering interest, penalties and fines on principal tax due before 31 December 2023
- A 10% penalty applies for failure to withhold and remit withholding tax
- Applications for tax refunds resulting from overpaid tax should be made within five years for income tax and 12 months for all other taxes (currently it is six months for VAT and five years for all other taxes)

### Malawi

The Taxation (Amendment) Act introduced the following primary amendments:

- Additional 10% tax on businesses on profits more than MWK10 billion
- Reduction of the withholding tax rate from 20% to 15% on interest received on investments held by life assurance businesses

### Namibia

- With effect from 1 January 2024, the corporate income tax rate reduced to 31% (from 32%). This will be reduced further to 30% in 2025
- The exemption from the non-resident shareholder's tax on dividends received from insurers (including property, casualty and life insurance) was withdrawn effective 1 January 2024
- The thin capitalisation rules were updated, changing the debt-to-equity ratio from three-to-one to a limit based on 30% of taxable earnings before interest, tax, depreciation and amortisation
- Assessed losses will now be restricted. The set-off against taxable income of the balance of assessed loss carried forward is limited to the greater of N\$1 million or 80% of taxable income. An assessed loss can be carried forward for a period up to five years

### Uganda

- The definition of a branch is replaced with the term 'permanent establishment' and is aligned to the definition of a permanent establishment under the UN Model Double Taxation Convention
- The scope of income derived from sources in Uganda includes income derived by a non-resident from insurance premiums received if the premium relates to insurance or reinsurance of a risk in Uganda
- Introduction of a 10% withholding tax on commissions paid to a payment service provider (including banking agents)
- The threshold for claiming VAT refunds increased from USh5 million to USh10 million. Claims that do not exceed USh10 million will be utilised for future offset and not settled in cash

### Zimbabwe

- Changes to the taxation of building societies: seeking to tax previously exempt building societies on non-mortgage financing income. Prior to 1 January 2025, Central Africa Building Society (CABS), a building society in Zimbabwe, was exempt from tax on its income. The new provision puts CABS and Old Mutual Zimbabwe Limited at a comparative disadvantage compared to other banking groups as CABS is subject to withholding tax on distributions, whereas other banking groups are not subject to withholding tax on distributions. These amendments result in two levels of taxation, whereas other banks only suffer tax on profits
- The rate of capital gains withholding tax on listed securities was reduced from 2% to 1%

### Eswatini

- The corporate tax rate was reduced from 27.5% to 25% effective 1 July 2024. The utilisation of tax losses is now restricted to five years

### South Sudan

- A 30% tax on income derived from rental investments that will only apply to businesses that are exclusively engaged in the real estate sector





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