

OLDMUTUAL

SUSTAINABILITY REPORT 2023

For the year ended 31 December 2023





About our report

In line with our victory condition of becoming our customers' first choice to sustain, grow and protect their prosperity, we continue to responsibly build the most valuable business in our industry. Our Sustainability Report provides evidence of our commitment to being a responsible business wherever we operate.

Our reporting suite

Old Mutual 2023 reports



Integrated Report

Our Integrated Report provides a balanced view of our value creation story. It 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 provides an overview of Old Mutual's approach to corporate governance. The report focuses on how we do business in accordance with sound governance practices, which are informed by the highest ethical standards, integrity, transparency and accountability. The report will be of interest to investors, regulators and analysts.



Remuneration Report

Our Remuneration Report provides insight into how we address remuneration-related activities and disclosures and reflects how our rewards purposefully align 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 be of interest to 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 be of interest to all our stakeholders.



Tax Transparency Report

Our Tax Transparency Report concisely outlines our tax philosophy, communicates how the tax strategy is interconnected to the Group strategy and demonstrates our commitment to being a responsible taxpayer. The report is of interest to 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 terms 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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Feedback and our reporting journey

Your feedback is important to us, and we welcome your input to enhance the quality of our reporting.

We have implemented changes to improve the presentation of this report. These include an overview of our approach to and progress towards transformation; moving disclosures on fair pay into the Social section under Responsible to employees; and condensing disclosures on compliance and regulations into Responsible to regulators.

We are continually improving and refining our non-financial data collation processes and the definitions we use when reporting. This may result in re-presentation of prior year data for increased comparability. Over time, this will enhance the completeness and accuracy of reporting on our non-financial data.

Our design theme for the 2023 annual reporting suite is centred around movement and progression in modern Africa, with our insights depicted as a guiding light for our customers in uncertain times. Our imagery alludes to the embodiment of development, speed and success in embracing technological advancements while maintaining a human touch when creating, executing and delivering growth across all our operating regions.



About our report *continued*

Approval

The Board of directors (the Board) of Old Mutual Limited (Old Mutual or the Group) acknowledges its responsibility for ensuring the integrity of the Sustainability Report 2023 (this report). In the Board's opinion, this report addresses all the material sustainability initiatives, activities and impacts throughout the Group to create shared value during the period.

The Board confirms that the Group complies with the provisions of the Companies Act in relation to its incorporation and that its operation conforms to its Memorandum of Incorporation.

This report was approved by the Board for release on 27 March 2024.

Scope and boundary

This report covers the sustainability initiatives and activities of the Group for the period 1 January 2023 to 31 December 2023. It provides an overview of key ESG initiatives and activities to create shared value during the period. Non-financial information provided is on a Group-wide basis unless specified.

Guiding frameworks

The content of our reporting suite is compiled with reference to multiple sources to guide our thinking and disclosures. For this report, we were guided by:

- » The Companies Act
- » Financial Sector Charter (South Africa)
- » Employment Equity Act, 55 of 1998 (South Africa)
- » King Report on Corporate Governance™ for South Africa, 2016 (King IV)¹
- » JSE Limited (JSE) Sustainability and Climate Disclosure Guidance
- » United Nations (UN) Principles for Responsible Investment (PRI)

- » Second Code for Responsible Investing in South Africa (CRISA 2)
- » Global Reporting Initiative Standards – as a guide to material disclosures
- » Task Force on Climate-related Financial Disclosures (TCFD) framework

Assurance

Management performed a review of this report to ensure the accuracy of its content. The Board and Responsible Business Executive committee provided oversight. Group internal audit followed a limited assurance process in respect of numeric disclosures.

Data relating to Old Mutual's progress in transformation is independently assured by AQRate Proprietary Limited. This information pertains to broad-based black economic empowerment (B-BBEE) measured against the Amended Financial Sector Generic Scorecard: Long-term Assurers.

Strategic focus areas

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

Our stakeholders

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

For detail on Old Mutual's approach to stakeholder relations, including related policies, refer to the Integrated Report

For detail on Board oversight and engagements with key stakeholders, refer to the Corporate Governance Report

The UN Sustainable Development Goals (SDGs)

Our impact cuts across several SDGs, addressing poverty eradication; quality education and skills development; responsible employment; transformational infrastructure; diversity and economic empowerment; financing and supporting sustainable cities and communities; climate action (including through responsible investment into affordable and clean energy); and industry, community and national and international partnerships.



Our approach to sustainability reporting

Through this report, we share our sustainability performance and response to material ESG issues, which is built on the responsible business focus areas that underpin our strategy.

Before this report was compiled, an external reporting service provider conducted a limited materiality process to identify key sustainability material matters. This process involved an analysis of relevant internal and published Old Mutual documentation selected by the sustainability function. The process included coding and analysing information to develop a set of themes and related matters, which have guided the content of this report.

The Group sustainability function is reviewing the Group sustainability strategy, to delineate where Old Mutual has scaled socio-environmental impact across its business model and to identify additional opportunities for impact. The strategy will seek to further integrate sustainability into the broader Old Mutual business strategy.

The Responsible Business committee will consider any amendments to the Group sustainability strategy for approval by the Board in 2024.

Navigation tools

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

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The Sustainability Report 2023 reflects our sustainability journey, sharing insights into our understanding of, and approach to, managing the most significant ESG issues and opportunities we face.



OVERVIEW

This section provides contextual information for readers, including our sustainability highlights for the year, an introduction to our operations, an overview of how we govern sustainability at Old Mutual, as well as reflections from our leadership.



For detail on our strategy and value creation, our operating context, risks and opportunities, and the Group's financial performance, refer to our Integrated Report

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Sustainability highlights

Responsibly building the most valuable business in our industry.

GENERAL

- » **AA** MSCI ESG Rating on the Old Mutual ESG Equity Fund
- » **43** S&P Global ESG Score, demonstrating an improvement of 34% from 2022
- » **Level 1 B-BBEE contributor status** since 2019



ENVIRONMENT

- » Old Mutual joined the **Nairobi Declaration on Sustainable Insurance** as a member
- » Group operational carbon emissions footprint has decreased by **22%** against 2019 baseline



GOVERNANCE

- » **31%** of Board members are female (2022: 29%) exceeding our target of 30%
- » **43%** increase in people reached through our international cyber awareness month campaign



Awards



Asset Owner of the Year
category winner



Ranked as the **strongest insurance brand** and **eighth strongest brand** in South Africa in 2023



Old Mutual Investment Group awarded **Best Sustainable Investment Manager**



Coolest insurance brand



SOCIAL

- » **10 035 SMMEs** reached (2022: 5 270)
- » Additional grant of **5 million shares to the value of R60.1 million** to black employees through our Bula Tselu Employee Share Scheme, a transformative B-BBEE ownership transaction
- » **42%** of permanent senior management positions held by female employees (2022: 42%)
- » **55%** of senior management permanent positions held by black employees (2022: 61%)
- » **R119.7 million** invested in training intermediaries (2022: R100.3 million)
- » **R23.2 million** invested in leadership training (2022: R42.3 million)¹



RESPONSIBLE INVESTMENT

- » **R30.7 billion** to renewable energy² (2022: R26.7 billion)
- » **R1.2 billion** to education (2022: R1.4 billion)
- » **R1.3 billion** to low-income and affordable housing (2022: R1.4 billion)
- » **R2.0 billion** to water and sanitation (2022: R2.2 billion)
- » **R166.8 billion** of assets under management invested in the green economy³ (2022: R146.2 billion)
- » **5.5 million tonnes** reduction of CO₂ equivalent, through direct investment by Old Mutual Alternative Investments' portfolio (2021: 5.1 million tonnes reduction of CO₂ equivalent)⁴
- » Old Mutual Alternative Investments' are funders into **39%** (2021: 31%) of South Africa's installed renewable energy capacity in 2022



¹ In 2022, the roll out of the TCX programme exposed more leaders to leadership development initiatives. 2 084 leaders were enrolled on the TCX programme in 2022
² This increase is attributable to increased investments across all boutiques
³ The large increase is largely due to the increase in inflows from Old Mutual Investment Group's ESG focused products, namely the World ESG Leaders Index strategy (with increased inflows of R9 billion) and the inclusion of the African Frontiers Fund (with increased inflows of R4 billion) that is now an Article 8 fund. Additionally, inflows increased in the Old Mutual MSCI ACWI Climate Paris Aligned Index Investment Pool fund, of around R4 billion. These inclusions represent approximately 90% of the increase of assets invested in the green economy. The launch of the Global ESG Equity Fund in January 2023, coupled with our current reporting, has led to a rise in assets invested in the green economy.
⁴ Data essential for 2023 alternative asset analysis is sourced from private investee companies that release information subsequent to our reporting period



Overview of our business



operating in **14** countries

South Africa	Southern Africa	East Africa	West Africa	Asia
South Africa	Namibia Botswana eSwatini Malawi Zimbabwe	South Sudan Kenya Uganda Rwanda Tanzania	Ghana Nigeria	China
Tied advisers 11 776	Tied advisers 756	Tied advisers 759	Tied advisers 660	Tied advisers 9
Employees ¹ 21 839	Employees ¹ 3 294	Employees ¹ 1 460	Employees ¹ 314	Employees ¹ 348
Customers ² 6.5 million	Customers 2.5 million	Customers 2 million	Customers 1.4 million	Customers 0.2 million

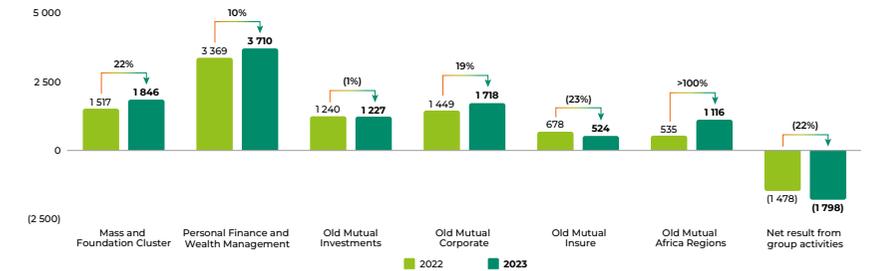
In China, we provide life insurance and investment solutions to high-net-worth retail customers through a 50:50 joint venture with China Energy Capital Holdings, a subsidiary of China Energy (a state owned enterprise).

¹ We have refined our definition of employee and restated the 2022 numbers. Our workforce is defined as permanent and non-permanent Old Mutual employees and contingent workers which include consultants, contractors, service providers and vendors
² Customer numbers for South Africa include policy count for Old Mutual Insure

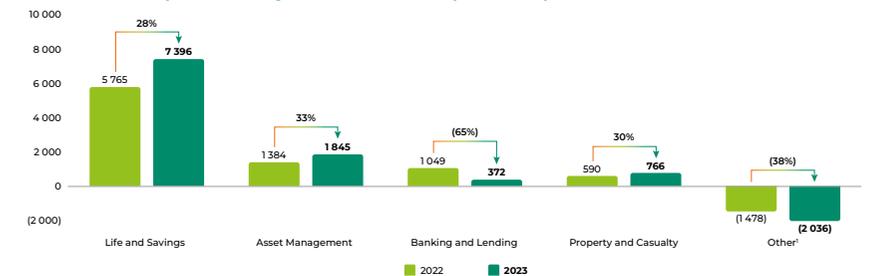
Old Mutual is a premium African financial services Group that offers a broad spectrum of financial solutions to retail and corporate customers across key market segments in 14 countries.

Old Mutual's primary operations are in South Africa and other African regions, and we have a niche business in China. We are well positioned in the insurance market with a large customer base, a valuable and trusted brand, and most of our core businesses holding leading market positions while making investment in our growth engines and markets. We have structured our operating segments to deliver our products and services to our customers according to their needs.

Segmental results from operations (R million)



Results from operations by line of business (R million)



Total results from operations
R8 343 million
(2022: R7 310 million)

Listed on five stock exchanges



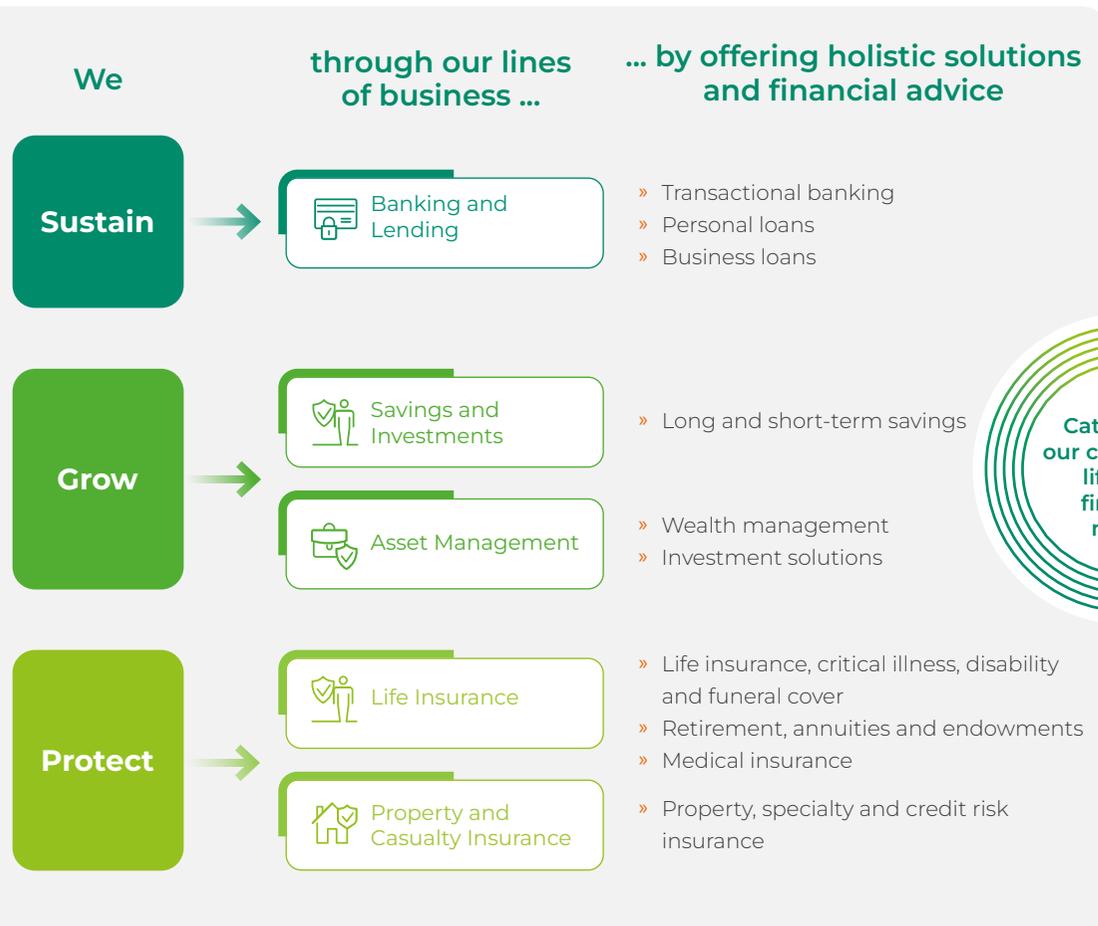


The core of who we are

Our purpose is to champion mutually positive futures every day

We want to be our customers' first choice to sustain, grow and protect their prosperity, which is anchored in our purpose. This means that we aim to be their preferred partner for financial wellness and help them achieve their lifetime financial goals.

We believe that creating value for customers ultimately drives value creation for shareholders. We create value through solutions delivered against our integrated financial services and interconnected strategy. We offer comprehensive solutions across Africa to meet our customers' needs at every life stage. We will accompany them on their life journey as a trusted steward through multiple channels, platforms and comprehensive financial products and services anchored in rewards that aim to promote behaviours linked to holistic financial wellness. We conduct business responsibly to deliver a sustained positive impact across all our stakeholders: customers, employees, intermediaries, investors, regulators and the communities in which we operate.



We deliver our solutions through our distribution channels

We embrace a human-led, technology-enabled distribution model. We deliver personalised advice and solutions using real-time data and insights through our extensive distribution network and strong digital engagement to ensure our customers and advisers can interact with us in a way that is most convenient for them. Our face-to-face and digital channels provide customers more choice as we move towards delivering a consistent omnichannel experience.

41 117
(2022: 39 238)
Tied and independent intermediaries

Our intermediaries are the competitive advantage through which we deepen our relationship with our customers in various segments. They are core to our ability to execute our integrated financial services ambition, differentiated by holistic advice, face-to-face interactions, trust and relevance built through meaningful engagements.

1.4 million
(2022: 1.2 million)
Active digital users

The MyOldMutual integrated needs based goals and financial wellness ecosystem encompasses digital platforms such as the Old Mutual app, WhatsApp, USSD and an online platform that seamlessly integrates into a digital experience. Our service centres, advisers and customers can see and engage with the ecosystem.

796
(2022: 826)
Retail branches

Our retail branches facilitate a seamless customer experience by providing direct access to products, servicing and advice. Our branches recruit intermediaries from the communities in which we operate. Branded ATMs support our retail branch network to improve access and convenience for customers.

48 331
(2022: 48 731)
Worksites

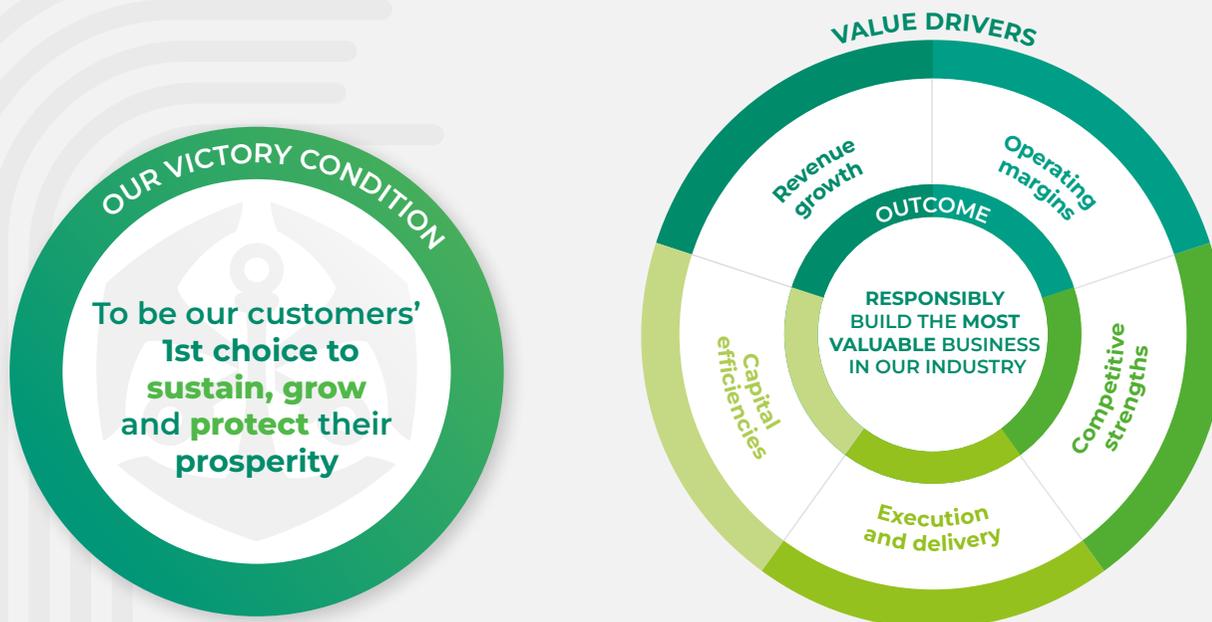
Worksites enable us to take an advice-led approach by offering solutions to our customers in their workplace as an extension of the employee value proposition. Our worksites have skilled financial advisers who assist our customers with preserving their wealth and achieving better retirement outcomes.



Our strategy

We formulated our strategy considering our operating environment, evolving customer needs, the competitive landscape and rapidly changing technological advancements. Our strategy seeks to ensure the delivery of sustainable value creation for our business to the benefit of all our stakeholders over the short, medium and long term.

Our strategy is anchored in our victory condition of becoming our customers' first choice to sustain, grow and protect their prosperity. Our value creation framework spans two broad themes: growing and protecting the core and unlocking new growth engines. We took a deliberate portfolio approach to growth by distinguishing between these themes, to ensure we are able to generate sustainable long-term value at an aggregate portfolio level. Our core businesses represent the majority of our portfolio and are the dominant contributors to our stable cash generation and earnings. Our new growth engines are a small part of our portfolio and represent newer sources of revenue streams for the Group over the long term. Each theme is supported by strategic focus areas that articulate how we will deliver value. This is underpinned by agile delivery driven by engaged employees. Our five value drivers link our strategic actions and the value creation impact for the Group. They also inform the prioritisation of these actions to ensure maximum value creation for customers and shareholders alike.



Integrated financial services

Strategic focus areas

- Growing and protecting the core**
 - Holistic coverage of customer needs
 - Distribution and digital engagement
 - Operational efficiencies
- Unlocking new growth engines**
 - Strategic growth businesses
 - Strategic growth markets
- Enabled by**
 - Agile delivery driven by engaged employees

The circles reflect the value drivers impacted by each strategic focus area.

Refer to pages 58 to 72 for our performance against our strategy

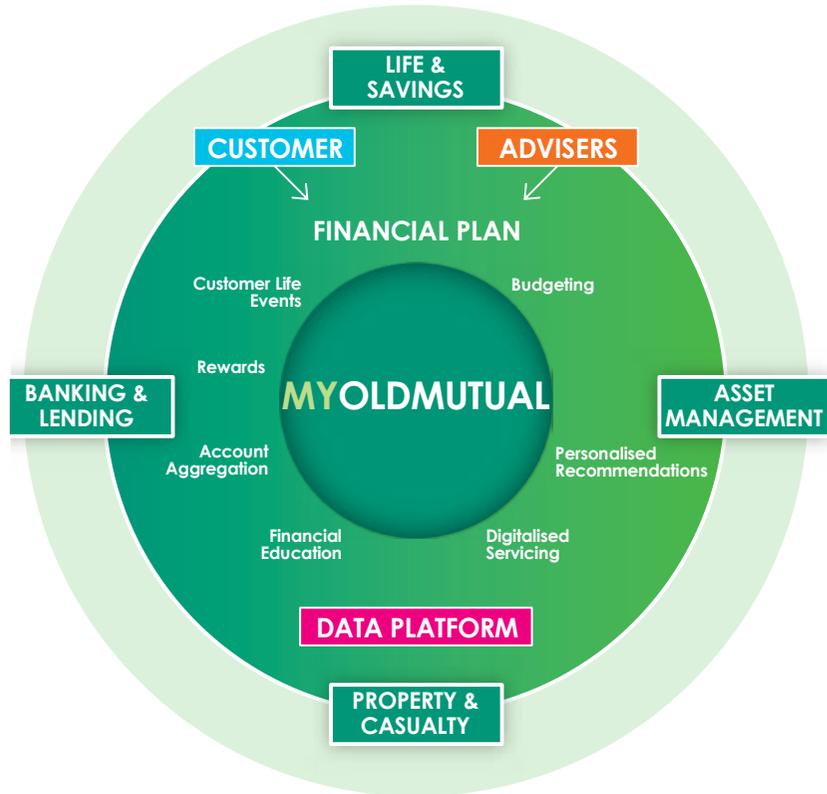


Our strategy *continued*

Building the integrated financial services business of the future

The delivery of holistic financial services that prioritises great customer and adviser experience, will empower our customers to move towards financial wellness and have financial freedom and security.

One of our most valuable strategic assets is our large customer base. We will focus our efforts on delivering more value to our existing customers through integrated financial services. Integrated financial services is a natural extrapolation of our victory condition.



Partnering with our customers on their journey towards financial wellness is at the heart of our integrated ecosystem. Our approach to building a distinctive integrated financial services ecosystem leverages off our existing strengths to ensure we are our customers' lifetime financial partner of choice. Key components of our ecosystem include:

1. Advice-led

Advice-led conversations support our customers with the right solutions at the right time. We have strong expertise through one of the largest tied adviser networks in South Africa, equipped with industry-leading advice tools.

2. Integrated

We aim to provide a customer experience that is integrated across our holistic solution set and our channels. Our customers benefit through our rewards programme by having multiple products with us and making good financial decisions in support of their personal financial goals.

3. Tech-forward

We provide an always-on experience, enabled by modern technology, so our customers can interact with us when and how they want to.

4. Trusted

Trust is a key driver of consideration and brand usage. It is a critical enabler of business performance. Customers associate the Old Mutual brand with trust and we continue to ensure that we earn and maintain this trust every day.



For more information on industry and customer trends, refer to our Integrated Report

Board focus: Strategy governance

The Board is responsible for setting and steering the Group's strategic direction. During the year the Board:

- » Continued to monitor the steps implemented to embed the Group's medium and long-term strategy, focusing on delivering an integrated financial services offering
- » Monitored the impact of competitors and disruptors on the industry and the Group's response thereto
- » Supported management in refining the Group's strategy for Old Mutual Africa Regions
- » Supported management in the appropriate strategic allocation of capital, focusing on organic and inorganic opportunities which support innovation and competitive positioning
- » Continued to consider and monitored the return on capital the Group is generating for our shareholders



A message from our Chief Executive Officer



Iain Williamson
Chief Executive Officer
(CEO)

Our business response to sustainability is shaped by our core business activities and competencies, the material ESG issues impacting our business and our stakeholders and a deep commitment to act responsibly and treat all stakeholders fairly.

At Old Mutual, creating positive futures is a core part of our identity. Sustainability is fundamentally integrated into our business activities. We aim to achieve positive economic, environmental and social outcomes, while delivering business value, by responding to issues that are most relevant to our operating context. We do this through our focus on responsible investing, financial inclusion and enabling climate action by supporting the Just Transition to a green economy.

We are navigating a continually turbulent environment, marked by geopolitical polarisation and a state of polycrisis, which hinders collective and meaningful progress on addressing persistent global challenges. The aftermath of the COVID-19 pandemic, the Russia/Ukraine war and hostilities in the Red Sea continue fuelling instability, supply chain disruptions, inflation and the cost-of-living crisis. In South Africa, structural deficiencies exacerbate socio-economic risks, with load shedding, unemployment and economic stagnation posing significant challenges to our customers.

Despite these challenges, we see opportunities for growth and positive social transformation. Africa's youth are driving innovation and employment, even within a struggling informal economy. The energy crisis has spurred a shift to green energy, with a burgeoning market for solar installations helping reduce load shedding stages in South Africa.

An innovative small, medium and micro-sized enterprises (SMME) sector is working around market constraints and contributing to much-needed growth and job creation.

Old Mutual remains a steadfast ally in these uncertain times, a promise we have upheld for 178 years. Especially in times like this, proactive, resilient and forward-thinking approaches are necessary to steer people and businesses towards stability and sustainability.

Driving positive change

With R449.7 billion (2022: R432.0 billion) of assets under management (AUM) under active stewardship, Old Mutual's responsible investment practices recognise, evaluate and incorporate material ESG risks and opportunities into investment and ownership decisions. This complements our pursuit of long-term risk-adjusted returns for our customers, while aligning with the broader interests of society and the environment. We sit at the heart of the investment value chain – gathering customers' investments and empowering our asset managers with clear sustainability-linked mandates and investing to deliver targeted and measurable change.

We emphasised asset ownership for climate sustainability in 2023, positioning ourselves as industry leaders in responsible investment.

Given persistent disparities in access to financial services in Africa, we focus on financial inclusion and education. We launched Old Mutual Health Solutions in 2023, which forms part of Old Mutual Corporate's employee benefits proposition. We recognise the importance of health care as a customer priority and understand that the cost of comprehensive medical aid is prohibitive for many South Africans. We designed this solution to bridge this access gap by providing a range of options for lower-income earners.

Old Mutual is preparing to implement the two-pot retirement fund system in South Africa, expected in September 2024. We are poised to roll out our scalable digital solution once regulations are confirmed and in place. The regulatory shift underscores the importance of financial education, and we are providing our customers with information and guidance on the system's implications, creating awareness and emphasising the importance of long-term preservation of funds to improve retirement outcomes.





A message from our Chief Executive Officer *continued*

Through NEXT176, we are pursuing opportunities to create shared value across emerging economies through disruption, innovation and sustainable growth. These innovations focus on customer needs in the context of pressing social and economic constraints. For example:

1. Oystar provides best-in-class digital tools for early childhood development centres
2. QuickWill provides digital wills and executorship in South Africa, a country where most people do not have wills
3. Wizzit is a global payment solutions provider focused on innovative low-cost payment solutions



For detail on NEXT176, refer to [Responsible to customers section](#)

To further enhance Group-wide value delivery, the Group sustainability function is reviewing the Group sustainability strategy to delineate where Old Mutual has scaled socio-environmental impact across its business model and identify additional opportunities for impact. The strategy will further integrate sustainability into the broader Old Mutual business strategy.

We are developing a consolidated view and approach to serving SMMEs across commercial and impact product sets and initiatives. The revised strategy for SMMEs will create coherence across the Group in how we support, select and develop this critical sector, which forms the backbone of economies across the countries we operate in.

Our long-term success is closely linked to developing sustainable environments that allow communities to thrive. Our community focus areas address the prevailing socio-economic challenges in the communities where we operate. Besides our efforts in financial inclusion and education, we focus on entrepreneurship, education and skills development, and humanitarian and disaster support. We continue refining our approach to these critically responsible business programmes to align with our core competencies and strategy to heighten our impact.

As a signatory to the UN Global Compact since 2018, we contribute to the SDGs and reaffirm our support for the 10 Principles of the UN Global Compact in meeting our fundamental responsibilities regarding human rights, labour, environment and anti-corruption.

We are also a proud signatory of the Nairobi Declaration on Sustainable Insurance, which was established to mobilise the African insurance industry around achieving the UN SDGs. Through our collaboration with the Nairobi Declaration on Sustainable Insurance, we will work to close the insurance protection gap by actively developing and promoting sustainable, inclusive and innovative insurance solutions for all our customers. This will include solutions to help households, businesses and governments build more resilient cities and

R449.7 billion
AUM under active stewardship
(2022: R432.0 billion)



Old Mutual joined the **Nairobi Declaration on Sustainable Insurance** as a member

communities, as well as sustainable food and agriculture systems. Our approach will also incorporate increased investments in sustainable and green assets.

Old Mutual employees drive our success and are the critical enablers of our integrated financial services strategy. Our human capital team ensures that opportunities for continuous learning and upskilling keep pace with evolving technologies and that employee wellbeing, mental health and diversity and inclusion initiatives support a healthy and inclusive workplace culture. To achieve our strategy, we require high-performing employees who are engaged in meaningful work and are paid fairly and responsibly for the work and the value created for stakeholders. In the year, we made good progress in developing and reporting on fair and responsible pay metrics.

Looking forward

2024 is likely to remain challenging. Geopolitical tensions are high and the world is poised for a record number of national elections in a year, with over 50 countries representing around 4.2 billion voters. Political change brings short-term risk, with the opportunity to support the democratic process and global progress.

Africa presents promising long-term opportunities, with favourable demographics, accelerating growth and commodities wealth. However, it is critical to navigate political, social, economic and climate risk challenges over the intermediate period. Old Mutual is committed to building resilience and navigating the short to medium-term volatility with our customers to benefit from Africa's opportunities. From our 178 years in business, we know that maintaining a clear focus on our customers and communities will ensure our business's sustainability.

Our business's relevance comes to the fore in volatile times – in providing essential financial products and services that help our customers manage and mitigate elevated risk. Sustainable value creation, to the mutual benefit of all our stakeholders, is core to our identity. I am proud of our employees across the Group, who embrace the principle of responsible business in the work they do every day. It is through their efforts that Old Mutual will continue to drive a meaningful and positive impact.

Iain Williamson
Chief Executive Officer



A message from our Responsible Business committee Chairperson



Dr Sizeka Magwentshu-Rensburg

Responsible Business committee Chairperson

As a pan-African business with an emerging markets footprint in China, Old Mutual is taking a deliberate and active position on sustainability. Over our 178 years in business, we have remained a certain friend in uncertain times, demonstrated through our proud history of leading as a responsible corporate citizen.

We have learned that creating shared value over the long term – especially for our customers, employees and communities – is the most responsible way to do business. This approach remains at the heart of our purpose and is embedded in the Group's strategy.

The world today remains at a critical inflection point. Global uncertainty due to the slowdown in growth, a cost-of-living crisis, geo-political tension and ongoing conflicts (including the protracted Russia/Ukraine war and worsening hostilities in) are being exacerbated by the escalating impacts of climate change. At this time, a global collective effort is required if we are to emerge into a more cooperative, resource efficient and equitable world.

While Africa is vulnerable to these global issues, it is also uniquely placed to respond to the climate crisis. Africa's development potential and the resilience of its people and communities are opening opportunities for meaningful progress. Specifically, climate-positive growth can increase opportunities for broad-based and inclusive prosperity and positive social impact.

Africa's vast renewable energy potential and young workforce are complementary to green industrialisation at scale, and its rich natural resource endowment presents a distinct advantage across critical transition minerals, natural carbon sinks and ample underdeveloped arable land. Focused and unified action can unlock Africa's potential to make an outsized contribution to global mitigation efforts and climate-positive growth. This potential is brought into sharp relief when considering that the continent contributes 3.8% of global greenhouse gas emissions.

Old Mutual brings an African sensibility and sensitivity to respond with urgency to these challenges and opportunities. To this end, we leverage our expertise, resources and partnerships with optimism and intent to unlock Africa's potential and enhance its resilience. Achieving this requires balancing the current needs of our multiple stakeholders, while building prosperity for future generations as a provider of financial services – specifically in supporting the creation of generational wealth at individual and collective levels.

The Responsible Business committee (the committee) works to understand the interconnection between the economic, social and environmental systems within which we operate to best position the Group to unlock opportunities for broad-based shared prosperity and positive social impact. This requires that we continuously adapt to a shifting operating environment and changing stakeholder expectations – to ensure business continuity in the context of shared value.



Refer to our Corporate Governance Report for details on the committee's mandate

Driving responsible business and shared value outcomes among key stakeholders

Old Mutual's approach to the social and economic implications of climate change is grounded in the Just Transition, the urgency of climate change articulated by the scientific community and appropriate risk and opportunity management. The committee is pleased with the growing rigour of Old Mutual's responsible business approach, which builds on years of dedicated work.

Our responsible investment emphasis on asset ownership for climate sustainability is driving the decarbonisation of our proprietary and customer investment portfolios. Of Old Mutual Investment Group's total AUM, 37% were green economy investments (2022: 34%), which we continue to manage and steward to achieve suitable returns and sustainable outcomes. During the year, we also transferred one third of our global listed equity assets to the MSCI World Climate Paris



Aligned Index and will transfer the remaining two thirds over the next two years. This will contribute meaningfully towards our Net Zero Asset Owner Alliance 2025 intermediate targets.

We are enhancing our modelling and analytics and leveraging our experience of recent severe weather events, to support adaptation initiatives and risk management. Our focus is on interventions that mitigate and manage disasters, supported by greater cooperation with key roleplayers, including industry peers, governments and municipalities. We are also participating in the surge in private renewable energy investments across industry and households in South Africa, which is contributing significantly to a more resilient energy system and stimulating economic productivity and growth.



For details on Old Mutual's approach and progress against our net zero commitments, refer to our Climate Report

We are sensitive to the immense strain our customers are under due to economic pressures, including sustained higher inflation and reduced disposable incomes. To ensure we deliver against our responsibility to our customers, Old Mutual is constantly working to provide financial products and services that remain relevant as our customers work towards their financial ambitions and appropriate to their changing circumstances. For example, we launched Old Mutual Health Solutions as a new health insurance offering providing affordable access to high-quality private health care for employees of corporate and work-related group schemes. Also, Old Mutual Rewards incentivises its members to make good financial decisions, with members redeeming over 1.2 billion points in 2023, equating to over R120 million redeemed in rewards.



A message from our Responsible Business committee Chairperson *continued*

Monitoring the Group's responsiveness to our customers is a key part of the committee's mandate. On behalf of the Board, the committee monitors the fair treatment of customers against the Group Market Conduct Framework, with a view to continuously improve the customer proposition and quality of advice. The framework is embedded into our day-to-day operations and continues to evolve. During the year, the committee continued to assess South Africa's progress in implementing the two-pot retirement system. We are providing our customers with information and guidance on the system's implications and encouraging appropriate financial decisions that preserve retirement savings.

SMMEs are the backbone of economies across Africa. Old Mutual has a mature approach to SMME support and development through both its commercial offering and targeted impact investing. The committee and the Board are monitoring the development of an integrated Group strategy for SMMEs, including an execution roadmap and targets, to extend our impact even further.

There are seismic shifts taking place in the world of work, challenging traditional workforce and workplace models. These are fading as employees demand more meaningful work, flexible workplace models, and more personalised career paths. The committee is focused on ensuring that Old Mutual embraces new ways of working and develops the capabilities needed to gear the business for growth. This is being supported by programmes that drive the requisite culture shifts to create an agile and execution-focused organisation. Moreover, the committee is continually assessing the Group's progress in enhancing our employee experience, including our employee value proposition, which must remain compelling to attract and retain key talent in the fiercely competitive and global competition for skills.

Our Group executive, human capital team and management layers are working to create a working environment that supports employees to give their best and to provide them with a sense of belonging. The Responsible Business committee recognises the fundamental importance of investing in employee development and retaining critical skills to achieve the Group's objectives. In 2023, we invested R241.6 million in employee training and development (2022: R176.4 million). This propels our business forward while growing skills in our countries of operation across Africa.

To support our employees, the Group focuses on employee wellbeing both at an individual level and in the relationships we build within our teams and our work environment. One of the Board's focus areas in 2023 was to track the impact of our hybrid working model on the Group's culture and employee wellbeing. Led by the Executive team, Old Mutual is refining the hybrid model and introducing initiatives focused on driving culture connectedness, leading high-performing teams and immersing new hires and those early in their careers. The Group has instituted a mandatory two days in the office, which maintains the need for flexibility and supports the retention of critical and scarce skills.

In the year, the committee deliberated extensively on the Group's employee benefits to ensure alignment with the Group's core remuneration principles and in support of the Group's fair and responsible pay approach. We note the Group's progress in reporting pay ratios and implementing minimum pay levels in April 2023.

 [For details on our employee initiatives, refer to Responsible to employees](#)

In line with our commitment to transformation, the committee is pleased to note that Old Mutual Limited maintained its level 1 B-BBEE contributor status. We reaffirm that the role of South African corporate citizens must extend beyond meeting scorecard requirements to meaningfully address the challenges of poverty, job scarcity and inequalities in workplaces and society more broadly.

The committee approved and adopted the Group Transformation Policy in 2023, which includes our pledge to be recognised as a leading corporate contributor to socio-economic development and prosperity in South Africa. We also continue to build on the success of our R2.1 billion B-BBEE deal, Bula Tsela, launched in 2022. In 2023, we extended the Bula Tsela Employee Share Scheme component through an additional grant of Bula Tsela shares to new black South African employees who join a participating employer company.

 [For details on our approach to transformation and the Bula Tsela Employee Share, Community and Retail Schemes, refer to Transformation in practice section](#)

We are making strong progress in gender diversity, with the Board meeting its target for gender representation on the Board this year. Across the Group, we have set a target of 46% for women in leadership positions. Multiple targeted development opportunities and networks and broader learning and development investments are in place to support women's development at all levels of the Group.

To help address challenges within our communities, we focus on four key programmes across financial education and inclusion, entrepreneurship, education and skills development, and humanitarian and disaster support. Through our Education Flagship Programme, we facilitate improved numeracy and literacy skills for learners, which includes fostering collaboration among 12 universities to develop pre-service programmes for mother-tongue teaching to upskill teachers.

 [For details on our work with communities, refer to the section Responsible to communities](#)

An evolving approach to sustainability

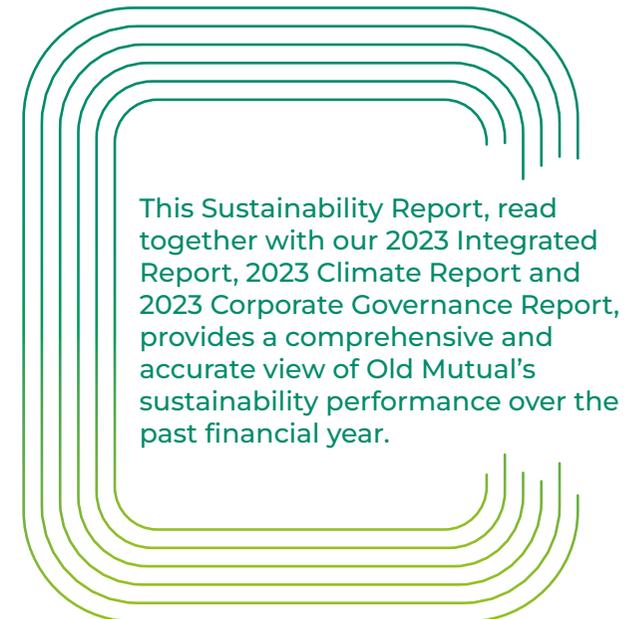
There is a clarion call for businesses to contribute meaningfully to addressing environmental, social and economic issues in a challenging operating context and to demonstrate transparency and accountability in reporting. At the same time, sustainability

practices and reporting are shifting globally. The Board remains apprised of these shifts and leverages its strong skill set in responsible business in all deliberations across the broader scope of sustainability and ESG. We continue to enhance our Board and committee members' skills and understanding of sustainability's many aspects through ongoing training, deep dives and expert consultations.

To enhance our sustainability reporting and value delivery throughout the Group, Old Mutual is developing a Group sustainability strategy through broad consultation across Old Mutual. The committee remains apprised of this work.

Trust in Old Mutual flows from its long history, but in a fast-changing and uncertain world, our ability to maintain trust requires that we deliver against our purpose and strategy long into the future. The committee is proud of the work the thousands of Old Mutual employees undertake to champion mutually positive futures every day, helping to build a better future for our customers and all our stakeholders. On behalf of the committee, I wish to thank the Group executive and the numerous teams that ensure that sustainability, in all its complexity, delivers positive economic and ESG outcomes.

Dr Sizeka Magwentshu-Rensburg
Responsible Business committee Chairperson



This Sustainability Report, read together with our 2023 Integrated Report, 2023 Climate Report and 2023 Corporate Governance Report, provides a comprehensive and accurate view of Old Mutual's sustainability performance over the past financial year.



Governing sustainability at Old Mutual

Corporate governance contributes to an ethical culture that extends beyond compliance to incorporate the principles of true accountability, transparency and fairness.

OLD MUTUAL LIMITED BOARD

- » Accountable for the Group's overall performance and entrusted to provide direction and leadership on financial, economic and ESG-related issues that may arise in our operating environments
- » Delegates some of its responsibilities to appropriately constituted Board committees
- » The Board-appointed committee Chairpersons report directly to the Board after each committee meeting to allow the Board to monitor performance and ensure the committees are acting in line with their delegations



Refer to the Old Mutual Limited Board Charter



For detail on the mandates of the Board's seven committees, refer to the Corporate Governance Report



RESPONSIBLE BUSINESS COMMITTEE

- » The committee (incorporating social and ethics) ensures that the Group remains a committed, socially responsible corporate citizen by creating a sustainable business and having regard for its economic, social and environmental impact on customers, the communities in which it operates and future generations
- » Constituted as a statutory committee of the Old Mutual Limited Board
- » Responsible for monitoring and reporting on the Group's activities in sustainable social and economic development, which include public safety, health matters, environmental management, corporate social investment, customer relationships, labour and employment, the promotion of equality and ethics management
- » Meets quarterly when it receives updates on the Group's performance in line with the stated responsible business focus areas, namely, customers, employees, responsible investment, communities and the environment

» The Board delegates the mandate for sustainability and responsible business to the Group Chief Executive Officer, who is a member of the Responsible Business committee.

- » The CEO is held accountable for the implementation of the Group's sustainability and responsible business agenda



Refer to the committee's terms of reference



RESPONSIBLE BUSINESS EXECUTIVE COMMITTEE

- » Plays an important role in implementing the current Sustainability Framework and ensures there is adequate investment, resourcing and support for sustainability commitments
- » Reports on and evidences the Group's ESG activities and initiatives to stakeholders
- » Meets quarterly and receives updates on how Old Mutual is progressing on its responsible business focus areas



SUSTAINABILITY FUNCTION

- » Drives a collaborative approach across the Group's respective value chains
- » Partners with the Group's core and supporting functions to deliver integrated outputs that reflect the full extent of Old Mutual's contribution to the Sustainability Framework

Old Mutual (Africa) Holdings (Proprietary) Limited governance structure

The subsidiary Board holds the key responsibility for overseeing the overall performance of the entity. It plays a crucial role in providing direction and leadership on climate-related matters within the organisation's operational environment. The subsidiary Board entrusts mandates to the Board Risk and Compliance committees across the portfolio.

The management structure consists of the Enterprise Risk committee and the Human Capital sub-committee. The Old Mutual Africa Regions Climate Change Task Force was established to respond to climate change-related risks and opportunities in a coordinated and structured manner.

The operational working group encompasses diverse workstreams such as strategy, risk (including enterprise risk management), responsible investment, insurer, carbon footprint, social enterprise development, and banking. The Old Mutual Africa Regions subsidiary governance structure tackles climate-related issues at all levels, from the Board to operational teams, and is engaged in addressing and mitigating climate change-related risks and opportunities.

Old Mutual (Africa) Holdings (Proprietary) Limited will be implementing a monitoring and reporting tool to enhance the integration of ESG standards into the governance framework across six asset management countries within Old Mutual Africa Regions: Malawi, Namibia, Eswatini, Kenya, Uganda and Zimbabwe. The monitoring and reporting tool will facilitate the real-time, online and verifiable deployment of a standardised governance framework in these countries. This allows for the monitoring and reporting of ESG parameters based on both local and global standards, ensuring auditability and transparency of data.

Linking sustainability to executive pay

We include key sustainability metrics in the Group scorecard to link sustainability performance to executive pay. The Group scorecard is closely aligned to the Group's strategic direction and objectives which are measured against profitability, shareholder value and sustainability.

ESG has a 20% weighting on the scorecard against the critical measures of customer growth and experience, employee engagement, our contribution to investing in a sustainable economy and green economy flows. The latter metric was added in 2022 and measures growth in new business across our listed equity and alternatives green economy funds and propositions. This demonstrates Old Mutual's investment contribution to a sustainable economy, focused on renewable energy, agriculture, affordable housing, water, health, transport and education.



For detail on executive pay and the Group scorecard, refer to our Remuneration Report

Optimising sustainability management

In enhancing capacity, alignment and delivery against the Group strategy, we have combined Group strategy with the Group sustainability and economics team. The primary objective is to strengthen alignment of sustainability with strategic decision making, in line with best practice.

The public affairs team now encompasses financial education, Group communications, Group stakeholder relations, the Old Mutual Foundation, the Old Mutual Education Trust, transformation and empowerment and the Masisizane Fund. This function provides strategic direction and long-term planning, monitoring and coordination of multiple areas and activities that deliver against our commitment to the communities in which we operate.



RESPONSIBLE INVESTMENT

Investing responsibly enables Old Mutual to pursue superior, risk-adjusted returns for our customers while positively impacting the communities and environments in which we operate.

Old Mutual Limited is an **asset owner** in our role as custodian of our customers' insurance, investments and other financial assets. These assets are managed by Old Mutual **asset managers** and external global asset managers, who invest in various asset classes to meet investment objectives determined by the respective strategic asset allocations.

In this section, we provide:

- » An overview of our responsible investment approach and how it is governed
- » Insight into our responsible investment approach as an asset owner
- » Details on the responsible investment practices of Old Mutual's asset manager in South Africa
- » An overview of our distinct asset management businesses in Namibia, Kenya, Zimbabwe, Malawi, Uganda and Eswatini and their responsible investment practices

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Responsible investment overview

Our responsible investment practices recognise, evaluate and incorporate material ESG risks and opportunities into investment and ownership decisions. This complements our pursuit of long-term risk-adjusted returns for our customers, while aligning with the broader interests of society and the environment.

As a long-term investor, we believe that it is in the interests of all participants in the financial ecosystem to play a proactive role in creating long-term, sustainable outcomes for all stakeholders. Our investments support socially inclusive, low carbon and resource-efficient outcomes, while delivering sustainable risk-adjusted returns. We expect that alignment across these areas will create a cycle connecting our customers' aspirations with the long-term sustainability strategies of the companies in which we invest.

The core elements of our approach to responsible investment



Consider responsible investment practices, including material ESG issues, when making investment and ownership decisions



Responsible stewardship on behalf of our customers by engaging with our appointed asset managers on their responsible investment practices, including proxy voting, company and market engagements, as well as encouraging enhanced ESG disclosures and practices among investee companies



Support industry responsible investment initiatives while contributing to responsible investment thought leadership across the financial services sector



Public disclosure on our responsible investment policies and practices

Our responsible investment themes

Planet

Mitigate environmental impacts and resultant societal harm by responding to material business risks and opportunities

People and prosperity

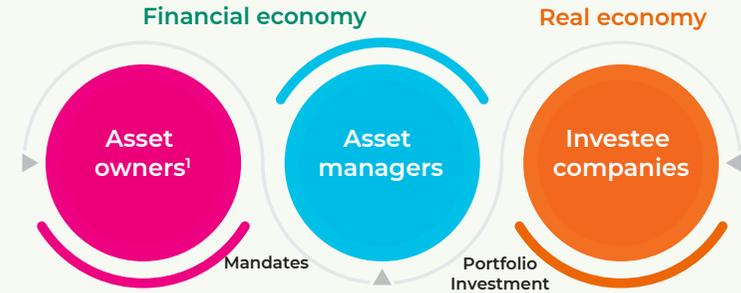
Increase customer value through value drivers associated with economic and social prosperity

Governance

Achieve long-term value by aligning and driving financial and societal performance, innovating, ensuring accountability, and building legitimacy with stakeholders

Driving real-world outcomes

We invest in various asset classes to meet investment objectives as determined by our respective strategic asset allocations. These assets are managed by Old Mutual Group asset managers and external global asset managers. Our contribution towards real economic outcomes is realised in our continued commitment to driving responsible investments exercised by investment mandates with our appointed asset managers.



- » Old Mutual Life Assurance Company South Africa¹
- » Old Mutual Insure
- » Old Mutual Life Assurance companies in Africa

- » Old Mutual Investment Group
- » Futuregrowth Asset Management
- » Old Mutual Property
- » Old Mutual Multi-Managers
- » Old Mutual Alternative Investments
- » Global asset managers including Old Mutual Africa Regions asset managers

¹ All asset owner disclosures are in respect of AUM within the scope of our fiduciary duty for our South African life business, Old Mutual Life Assurance Company (South Africa) Limited (OMLACSA). This includes all with profit policyholder and shareholder assets, collectively referred to as our proprietary investment portfolios. We invest our proprietary investment portfolios in various asset classes that align with our strategic asset allocation



For details on climate change and the Just Transition, refer to the Environment section



Responsible investment overview *continued*

Governance model and policy framework

Old Mutual Limited, as an asset owner, and two of our asset managers, Old Mutual Investment Group and Futuregrowth, are signatories to the PRI. We apply these principles to our investment and ownership practices in a way that is consistent with Old Mutual's Responsible Investment Policy and which endorses the CRISA 2 principles.

Old Mutual's Asset Owner Responsible Investment Policy is the overarching framework for our responsible investment approach and provides guidelines for all South African with profit policyholder and shareholder assets held by OMLACSA as an asset owner. Old Mutual Africa Regions is not currently covered by the policy.

The policy was updated in 2022 to include the key amendments of:

- » Explicit guidelines for asset managers to consider ESG risks and opportunities as part of investment decisions
- » Specific detail on our stewardship approach
- » Setting expectations for asset managers to consider environmental and climate change imperatives in their investment decisions and frameworks, including reporting obligations, reduction targets and aligned executive remuneration for listed equity mandates

The policy is governed by the Policyholder Investment committee and Committee for Customer Affairs. These committees report directly to the Responsible Business Executive committee, which reports to the Board-level Responsible Business committee. The Old Mutual responsible investment team drives the responsible investment strategy for OMLACSA asset owners.

Our South African asset managers also operate according to defined internal policies related to responsible investment that provide investment focus within their unique mandates:

Old Mutual Asset Owner Responsible Investment Policy

Old Mutual Investment Group	Futuregrowth	Old Mutual Alternative Investments
Listed equity stewardship guidelines	Responsible Investment Policy	ESG Policy

Key highlights and engagements

We maintain constructive relationships with governments and regulators and contribute to industry forums that enhance and entrench responsible investment policies and regulations. These include:

Presidential Climate Finance Task Team (PCFTT)

The PCFTT engaged institutional investors to assess the indicative funding landscape in South Africa over the next three to five years. Old Mutual Investment Group participated in bilateral dialogue to provide the PCFTT with our insights on the Just Energy Transition Investment Plan and we continue to engage the PCFTT on its implementation.

South African Reserve Bank Prudential Authority requests for information

We responded to requests from the Prudential Authority for input on their flavour-of-the-year topic: organisational resilience and climate-related risks.

The Association for Savings and Investment South Africa Responsible Investing Standing Committee

As a member of this committee, Old Mutual Investment Group participates in industry-level discussions on a range of policy and regulatory issues that relate to responsible investment practices in South Africa. In 2023, these discussions covered:

- » Developing South Africa's Green Finance Taxonomy and its integration into financial sector disclosure requirements
- » Proposed amendments to Regulation 28 of the Pension Funds Act, 24 of 1956
- » Proposals for the development of industry-wide platforms for ESG engagement data sharing
- » The Presidential Climate Commission's scope of work
- » Advocating for additional ESG labelled bonds to support market demand

Net Zero Asset Owner Alliance

- » Contributed to the engagement and monitoring, reporting and verification workstreams
- » Old Mutual was awarded the African seat on the Net Zero Asset Owner Alliance Steering Committee

PRI Asset Owner Technical Advisory Committee

Our asset managers shared its approach and participated in discussions on progress pathways towards responsible investment. The work of this committee is core to driving responsible investment practices across the investment industry globally.

Old Mutual Investment Group is a members of the PRI Advance Signatory Advisory Committee. This is a new PRI collaborative stewardship initiative where institutional investors work together to take action on human rights and other social issues. We actively supports this work.

CRISA 2

Old Mutual Investment Group and Futuregrowth were members of the working group tasked to revise the original CRISA. CRISA 2 was launched in September 2022 and represents a step forward in ensuring CRISA remains a suitable framework for South African asset owners and asset managers.

Old Mutual Investment Group was an early adopter in applying the CRISA 2 principles in its investment process and reporting on that process in their Responsible Investment Report 2023 on an apply-and-explain basis.

Developing CRISA 2

Old Mutual played an extensive role in developing and drafting of CRISA 2. This code increases alignment to global best practice, especially around multi-asset class approaches across the investment value chain. It also adds proportionality to apply the principles in a way that is fit for purpose to business size and context. We hope to see greater enforcement of the provisions of CRISA 2 for the benefit of the industry.

Considerations regarding CRISA 2

While the updated code consolidates global guidelines for best practice, guidelines for enforcement and accountability have not been made sufficiently clear and require further regulatory inputs to enhance implementation. We expect implementation gaps to be covered by guidance notices issued by the CRISA committee or other relevant bodies.

We support CRISA 2 as it drives consistent reporting and disclosures we believe are important for industry sustainability.



Old Mutual Investments

Our approach to responsible investment is founded on an understanding of the investment and systemic risks posed by sustainability issues.

Old Mutual Investments' investment highlights

Renewable energy investments

R30.7 billion

(2022: R26.7 billion)

Low-income and affordable housing investments

R1.3 billion

(2022: R1.4 billion)

Education investments

R1.2 billion

(2022: R1.4 billion)

Water and sanitation investments

R2.0 billion

(2022: R2.2 billion)

R166.8 billion AUM

in green economy investments

(2022: R146 billion)

Of Old Mutual Investment Group's total AUM,
37% were green economy investments

Reduction in thermal coal exposure in the South African with profit policyholder listed equity portfolio from **8.3% to 6.5%** between 2021 and 2023

Slight increase in thermal coal exposure in the shareholder listed equity portfolio from **7.4% to 7.8%** between 2021 to 2023

Connecting our clients' aspirations with the long-term sustainability strategies of the companies in which we invest



Responsible investment disclosure and participation

We participate as a member of the UN-convened Net Zero Asset Owner Alliance.



For details on our Net Zero Asset Owner Alliance membership and targets, refer to the Environment section

We have been a signatory to the PRI since 2012.



Refer to our latest Responsible Investment Transparency Report

Monitoring green economy investments

A green economy taxonomy governs which financial instruments can be called 'green' and defines their categories and qualifying characteristics. Old Mutual's green economy taxonomy allows us to track the portion of our investments in the green economy. Our taxonomy was developed in-house, using the European Green Economy Taxonomy as the guiding framework.

We supported the development of the South African National Treasury Green Finance Taxonomy, released in April 2022. We are assessing whether to adopt this as a reporting standard for the impact of our green economy investments in South Africa when the standard is more broadly adopted across sectors and industries.

Adopting a common standard across Old Mutual will likely reveal the full scope of our impact investments. This will open opportunities to tap capital markets to obtain innovative sustainable funding mechanisms to encourage and drive further green economy investments. These innovative products and business models will move beyond managing and mitigating climate risks towards capturing the emerging opportunities unlocked by the transition.

Green economy flows is a non-financial key performance indicator in executive remuneration to drive delivery on our commitment to investing in a sustainable economy.



South African asset managers

Old Mutual asset managers offer a comprehensive range of investment capabilities that deliver sustainable long-term returns to our customers. We do this while being responsible stewards of the assets we manage.

Asset class	Listed equity	Fixed income	Unlisted alternative assets	Direct property holdings	
Asset manager	Old Mutual Investment Group	Old Mutual Investment Group (Liability-Driven Investments)	Futuregrowth Asset Management	Old Mutual Alternative Investments ¹	Old Mutual Property
About	<p>A leading African investment manager with R449.7 billion of AUM. We offer a range of investments for institutional and retail investors, giving customers exposure to listed equity markets.</p> <p> See page 20</p>		<p>Futuregrowth is a leading fixed income investment manager, with a total of R199.6 billion of AUM. This includes a range of money market, vanilla, inflation-linked and high-yielding bonds.</p> <p> See page 22</p>	<p>One of Africa's leading private alternative investment managers, with over R138.7 billion of AUM in infrastructure, private equity, private debt, hybrid equity and impact funds.</p> <p> See page 24</p>	<p>A property investment, development and management specialist. Our approach to property investments is built on the three pillars of performance, people and planet.</p>
ESG integration	<p>Integrating ESG risks and opportunities into investment decisions can further enhance investment returns. We have been integrating ESG considerations across our investment processes since 2013.</p> <p>As a responsible steward of listed equity assets, we exercise our voting rights and actively engage with companies' management teams. We also partner with industry bodies to promote regulations that drive green economic growth.</p> <p>Our range of local and global investments spans the risk/return spectrum across fundamental, quantitative and Liability-Driven Investment capabilities. We are active stewards of the assets that we manage on behalf of our customers, with targeted ethical and sustainability outcomes integrated into our mandates.</p>		<p>We integrate and assess the non-financial analysis risks as part of Futuregrowth's fundamental analysis process across a wide range of fixed income sectors and its equity investments. As a responsible allocator of capital, Futuregrowth recognises that climate change presents a systemic risk locally and globally. We utilise a variety of tools and inputs to ensure that non-financial risks to new and existing loans or investments are appropriately priced for and mitigated.</p>	<p>We are committed to making a difference by achieving consistent and competitive investment returns while facilitating economic growth, job creation and skills development.</p> <p>We invest in infrastructure development, housing, schools and education, community property and private businesses.</p> <p>Building strong partnerships is the basis on which we operate.</p> <p>We manage our investments throughout their lifecycle to drive long-term sustainable value.</p>	<p>We perform continuous evaluations of environmental and social risks and opportunities through the full lifecycle of ownership – from acquisition and active management to new developments and divestment. We have been measuring the carbon emissions generated by our buildings since 2010.</p> <p>As a business we are constantly exploring new technologies that drive efficiencies and reduce our impact on the environment.</p>

As signatories to local and international industry bodies, our asset managers proactively engage on market policy and regulatory issues to improve responsible investment standards and advocate for increased transparency.

¹ Old Mutual Alternative Investments' reporting period differs from Old Mutual Limited's reporting period. Consequently, Old Mutual Alternative Investments metrics on page 18 are for the 2022 financial year. The 2023 metrics will be finalised in March 2024 and reflected in the 2024 Sustainability Report



South African asset managers *continued*

Old Mutual Investment Group

We believe that being a responsible and active asset manager drives change that enhances long-term value.

ESG integration

We integrate material ESG issues into our investment process to support and enhance each fund's investment strategy.

Our dedicated team conducts qualitative and quantitative ESG research by leveraging internal and external data sources.

We integrate these insights into our fundamental, systematic and Liability-Driven Investment capabilities and stewardship practices.

244 actively managed portfolios¹

50 investment professionals

5 dedicated, responsible investment professionals

Active stewardship

As a responsible steward of customers' assets, we proactively engage with company boards, market regulators and stakeholder organisations on material ESG issues.

70 company engagements

We addressed **261** key matters, including corporate governance, remuneration policies and implementation, ESG integration and risk management, environment (climate change), B-BBEE and transformation.

R449.7 billion AUM under active ownership²

721 company meetings at which we voted

999 522 resolutions voted on

Shareholders voted against **61 523** of these resolutions, principally in relation to election of directors, general resolutions and remuneration matters

ESG-focused products

ACTIVE ESG SOLUTIONS WITH LOW-CARBON TILTS

Old Mutual ESG Equity Fund

Targets listed South African companies with superior ESG credentials relative to the FTSE/JSE Capped SWIX benchmark

R183 million²
(2022: R183 million)

20%

(2022: 20%)

greater exposure to high-rated ESG companies using Old Mutual's proprietary ESG score (relative to the benchmark)

106.0 tCO₂e/\$1 million sales
(2022: 175.3 tCO₂e/\$1 million sales)
lower weighted average carbon intensity compared with the benchmark of 297.7 tCO₂e/\$1 million sales

MSCI ESG rating: AA
(2022: AAA)

Old Mutual Global ESG Active Fund

Launched in November 2022, this fund targets listed global companies with high governance ratings and low carbon emissions (Paris Agreement aligned)

\$37.5 million²

50.0%

reduction in carbon intensity relative to the MSCI All World Country Index benchmark

0%

holdings in primary producers of fossil fuels

9.10/10

ESG quality score

62.79 tCO₂e/\$1 million sales
lower weighted average carbon intensity compared with the benchmark of 155.1 tCO₂e/\$1 million sales

MSCI ESG rating: AAA
(2022: AAA)

RULES-BASED SOLUTIONS WITH ESG EXCLUSIONS

Old Mutual MSCI World ESG Leaders Index Strategy

Tracks an index of equity stocks across 23 developed markets with high ESG performance scores relative to their sector peers

\$1.3 billion²
(2022: \$853 million)³

7.87/10

(2022: 9.04/10)

ESG quality score

63.5 tCO₂e/\$1 million sales
(2022: 78.5 tCO₂e/\$1 million sales)
lower weighted average carbon intensity compared with the benchmark of 105.42 tCO₂e/\$1 million sales

MSCI ESG rating: AA
(2022: AAA)

Old Mutual MSCI Emerging Markets ESG Leaders Index Strategy

Tracks an index of equity stocks across 24 emerging markets with high ESG performance scores relative to their sector peers

\$274 million²
(2022: \$262 million)

6.87/10

ESG quality score

(2022: 7.23/10)

223.4 tCO₂e/\$1 million sales
(2022: 228.6 tCO₂e/\$1 million sales)
lower weighted average carbon intensity compared with the benchmark of 320.9 tCO₂e/\$1 million sales

MSCI ESG rating: A
(2022: AA)

¹ Third party, active (excluding indexation) portfolios only

² Funds under management as at 31 December 2023. Portfolio information is publicly available data sourced from MSCI as at 31 December 2023. MSCI ESG ratings range from AAA to CCC; MSCI ESG quality score ranges from 0 to 10; MSCI weighted average carbon intensity (tonnes CO₂e/\$1m sales)

³ AUM for 31 December 2022 was amended to exclude assets allocated via segregate investment mandates into the strategy that were included in the previous report. As a result, AUM has changed from \$1 586 million to \$853 million, with the difference being the exclusion of the segregated mandates. The change in AUM from \$853 million (31 December 2022) to \$1 306 million (31 December 2023) was primarily driven by strong market movements over the period and an increase in inflows



South African asset managers *continued*

Old Mutual Investment Group *continued*

Our dedication goes beyond financial performance as we integrate sustainability considerations across our investment and ownership decisions. We believe that responsible investment is the key to creating a better future, and we remain committed to making a positive impact on society and the environment.

As signatories to the Net Zero Asset Managers initiative and given the carbon intensity of South Africa's listed market, the Just Transition to the decarbonisation of our economy is core to our responsible investment strategy. However, the fundamental aim of our strategy is to have a positive impact on the sustainability of the South African economy and the broader investment landscape – to the ultimate benefit of customers.

In assessing the broad range of ESG risks that may impact our customers' assets, we have identified three core priorities that are based on the urgency of the risks within the South African context:



These three issues are intertwined with multiple other factors that, if not addressed, have the potential to exacerbate economic and social risks. Equally, there are multiple benefits to effectively addressing these issues, all of which ultimately translate into better and more stable returns for our customers. We believe that addressing these core issues can achieve significant, positive real-world impacts.

For details on climate change and the Just Transition, refer to our Climate Report

In South Africa, the number of listed companies on the JSE has fallen from 776 to just over 330 over the past 30 years. This means there is less choice and flexibility in local investments while meeting regulated local investment amounts. This places increasing demands on our ability to be responsible investors when managing and stewarding those assets to achieve suitable returns and sustainable outcomes. In addition, recent changes by the JSE to attract or retain listed issuers on their bourse have led to some deregulation in areas such as dual class share structures and reporting obligations. This deregulation requires that we monitor companies against our in-house view on these issues.

Thematic outcomes-based stewardship

A large part of managing our portfolios in line with the goal of delivering long-term sustainable returns for our customers involves our stewardship activities. Proxy voting and company/market engagements are integral to us enhancing the sustainable value of our investee companies.

Our new systemic issues engagement strategy focuses our engagement with investee companies on issues that have the potential to destabilise or affect market resilience and, in turn, increase risk in our portfolio. Working with these companies, we identify the key issues with a clear link to increasing economic growth and enhancing ESG performance within their area

of influence. We encourage a holistic and integrated approach to addressing these issues and work with each company on setting appropriately ambitious but pragmatic short, medium and long-term targets, which we monitor.

From an industry-wide perspective, it is becoming increasingly important for asset owners and managers to approach sustainability with a unified voice across investments. During the year, we started implementing an engagement strategy with our peers, industry experts and academics to use evidence-based strategies to guide collaborative engagements. We believe that the influence of top shareholders being unified in purpose will ensure real action on driving meaningful positive change.

Our active involvement in international bodies like the PRI opens up opportunities for us to contribute to working groups and forums where we can provide an African and emerging markets perspective.

In November 2023, Old Mutual Investment Group released a pre-declaration of voting intentions for the Sasol Limited (Sasol) annual general meeting. As the largest single contributor to our portfolio's emissions profile, Sasol has been subject to deliberate, proactive engagement on climate issues by our stewardship team over a number of years. As Sasol's progress towards achieving its stated climate targets appeared to be regressing, we took the decision to vote against several related resolutions in exercising our responsible stewardship mandate.

Our commitment to constructive engagement with Sasol on its transition strategy remains steadfast and we continue to engage with it on its approach to material systemic sustainability issues.

Integrating ESG into our investment engine

We continue to develop our technology enabled, data driven approach to embedding responsible investment across our capabilities. During the year we have consolidated our quantitative team into one area to ensure a unified approach to quantitative analysis across our investment process. This team has been assessing the strengths and weaknesses of various data providers over the years and has refined the data we feed into our proprietary engine to generate signals we believe have investment relevance. We are also assessing where there is potential benefit in retrofitting those signals directly into the investment decision-making process, which will continue in the year ahead. Fundamentally, we aim to treat ESG factors the same as any other factors in our quantitative process, so it is fully incorporated as a company specific or idiosyncratic risk.

For disclosures against the PRI, TCFD and the Integrated Reporting Framework, refer to the Old Mutual Investment Group Responsible Investment Report 2023

Highlights for 2023



Launched our first actively managed **Global ESG Active Fund** at the end of 2022



Level 1 B-BBEE contributor status with **55%** black ownership



Old Mutual African Frontiers unit trust converted to an Article 8 Fund for EU Sustainable Finance Disclosures Regulation, with the listed equity strategy focused on decarbonisation, as well as gender empowerment and equality in companies across Africa



Awards

Best Sustainable Investment Manager at The European Global Business Awards

Best ESG Responsible Investor (Africa) winner for CFI.co 2023, for the third year running



South African asset managers *continued*

Futuregrowth Asset Management

Futuregrowth is dedicated to developing and empowering South Africa and its people as a leading fixed income investment manager, with R199.6 billion of AUM.

This includes a range of money market, vanilla and inflation-linked bonds and high-yielding credit bonds. The developmental mandates achieve, sustainable, long-term, risk-adjusted returns. This contributes towards providing basic services and improving infrastructure development through the sectors and investments we fund on behalf of our clients.

Overview

PRI signatory

since 2007
(Futuregrowth was one of the first adopters in South Africa)

Level 1

B-BBEE contributor status with

55%

black ownership

In 2022, African Women Chartered Accountants Investment Holdings – which shares our values and investment philosophy – acquired a minority stake in Futuregrowth.

Futuregrowth applies a responsible investment filter when screening, analysing and assessing new investment opportunities. Our robust credit and equity investment process supports this approach and considers both financial and non-financial risks.

Futuregrowth manages the full range of fixed interest and developmental impact funds on behalf of our clients. We always base our decisions on risk and return and consider each investment's impact as part of our overall process. Our investment approach includes financial and non-financial integration and analysis, which ensures we allocate capital into responsible and sustainable enterprises.

We have three priority impact outcomes that we seek to influence in the medium to long term:



1. Local economic development

Increasing private sector employment and local economy value add

18.3% exposure across infrastructure sectors (2022: 20.0%)

These include energy (including renewable energy), transport, development finance, water and sanitation, communications, health, tourism and education

3.7% exposure across other developmental sectors (2022: 4.2%)

These include low-income and affordable housing, SMME finance, agriculture and environmental preservation



2. Inclusive economic growth¹

Empowering previously disadvantaged individuals economically and increasing female representation

111 038 jobs created (2021: 111 475)

76% of these jobs are held by previously disadvantaged individuals (2021: 84%)

37% held by youth (2021: 56%)



3. Climate mitigation, transition and adaptation

Increasing investment in renewable energy and other sectors and technologies to aid the transition to a low-carbon economy

The Power Debt Fund is invested in a diverse range of renewable energy deals, with **R8.6 billion** in committed deals across 30 projects (out of 117 awarded Purchasing Power Agreements under the Renewable Energy Independent Power Producer Programme bid windows 1 to 5) (2022: R7.8 billion)

2 419 MW capacity installed since fund inception

7 346 GWh produced per annum

¹ Data essential for 2023 alternative asset analysis is sourced from private investee companies that release information subsequent to our reporting period



South African asset managers *continued*

Futuregrowth Asset Management *continued*

Our approach to stewardship includes both company and broader industry engagement.

Company-specific engagement (internal)

- » We price for risks to determine whether the risks are sufficiently mitigated and in some instances, the interest rate is linked to achieving financial and non-financial improvements
- » We engage on sustainability-related issues and provide recommendations and guidance on aligning to industry best practice
- » We monitor, measure and report on improvements over an agreed period, with agreed milestones and timeframes

As the sole lender or in partnership with other lenders, we engage extensively with companies to promote change. We are pragmatic in our engagement and recommendations, depending on the size and context of the company and industry. Sustainability engagements include but are not limited to board independence, transformation, auditors, risk controls, climate change strategies, specific non-financial reporting and executive remuneration linked to sustainability targets.

The recommendations are generally included in the loan agreement, with negotiation on milestones and timelines. This can influence the premium granted for the loan, as companies that are able to meet the conditions present less risk. Direct access to management teams and the Board ensures we can request and gather meaningful information through targeted engagements during the full term of the loan.

- » Our partnership and engagement approach is key to de-risking our investments for our clients while providing access to finance for companies to grow their businesses
- » We have a diverse team of analysts across industries and sectors, who can assess the business's material risks
- » We do not set direct targets for outcome areas like job creation, however, we continually monitor these outcomes through our range of internal key performance indicators to understand the impact of our financing initiatives

Industry and market engagement (external)

We engage the broader capital market and various industry stakeholders to promote the adoption of responsible and sustainable practices that promote transparency, disclosure and the improvement and protection of bondholder rights.





South African asset managers *continued*

Old Mutual Alternative Investments

We believe that sustainable investing is critical to resilient investment performance. Our commitment to responsible investment is central to our investment objectives and to meeting our fiduciary duties on behalf of our shareholders and customers.

Old Mutual Alternative Investments' **four main themes** provide clarity on what matters when investing and delivering outcomes to customers and the communities in which we invest:



1. Climate change



2. Decent work and economic growth



3. Diversity and inclusion



4. Governance

Under these broad focus areas, asset classes provide opportunities for positive impact through energy, avoided emissions, social aspects, infrastructure, housing, education and governance.



We consider two main aspects when integrating climate risk into investment decisions: decarbonisation and physical climate change risk. Our decisions seek to manage climate-related risks to our investments and lower our carbon footprint over time. We seek to mitigate climate change through our investments in renewable energy and track our avoided emissions.

We are committed to providing decent work opportunities and building sustainable businesses. This includes increasing the number of jobs and enhancing the skills of individuals across all investments.

We drive the empowerment of women in our business and across our portfolio companies. We support inclusive work environments, where people from all backgrounds are welcome and have opportunities to fulfil their potential.

As a responsible investor, we continually focus on governance aspects in investment decision making and active stewardship of assets. We apply good governance practices in all portfolio companies across various African jurisdictions.

Old Mutual Alternative Investments' portfolio through direct investments:¹

5.5 million
tCO₂e emissions avoided²
(2021: 5.11 million tCO₂e)

5 089 GWh
of renewable energy provided²
(2021: 4 748 GWh)

36 803
people employed³
(2021: 32 936)

41% of employees
in Old Mutual Alternative Investments'
portfolio companies are female
(2021: 33%)

37% Old Mutual
representation
on portfolio company boards
(2021: 39%)

¹ Data essential for 2023 alternative asset analysis is sourced from private investee companies that release information subsequent to our reporting period

² Based on 63% coverage of renewables investments

³ Based on 80% portfolio coverage



South African asset managers *continued*

Old Mutual Alternative Investments *continued*

We have an ESG and Impact Management Framework in place to guide our approach and drive our vision of continual improvement in ESG performance.

Our integrated environmental and social management system (ESMS) provides a unified approach to environmental and social management across our portfolios. This framework also ensures more efficient and transparent ESG reporting to our stakeholders. The ESMS is fit-for-purpose for each of our business units and comprises a set of policies, procedures, tools and reporting guidance customised to the funds. This helps to identify, assess, manage and report on ESG risks associated with their assets and portfolio companies. It also helps to identify opportunities for positive impact. The ESMS fully integrates ESG and impact across the investment lifecycle.

Our ESG approach is underpinned by the following objectives:

Creating positive futures

We aim to create positive futures for those affected by our investments, resulting in improved living standards, education, housing, employment opportunities and stewardship of the ecosystems in which we operate.

Sustainable, risk-adjusted returns

We strive for sustainable returns – that is, returns that are achievable over the longer term – and we calibrate risk-adjusted returns – that is, returns that have predicted and built in the cost of managing ESG risk while delivering improved ESG performance.

Green economy

We actively support investments in the green economy.

We take a structured approach to engaging with businesses to manage investment risk and drive sustainable outcomes. This includes the full scope of ESG-related considerations to ensure world-class standards are applied in our portfolio in areas like health and safety, environmental management and protection and social engagement.

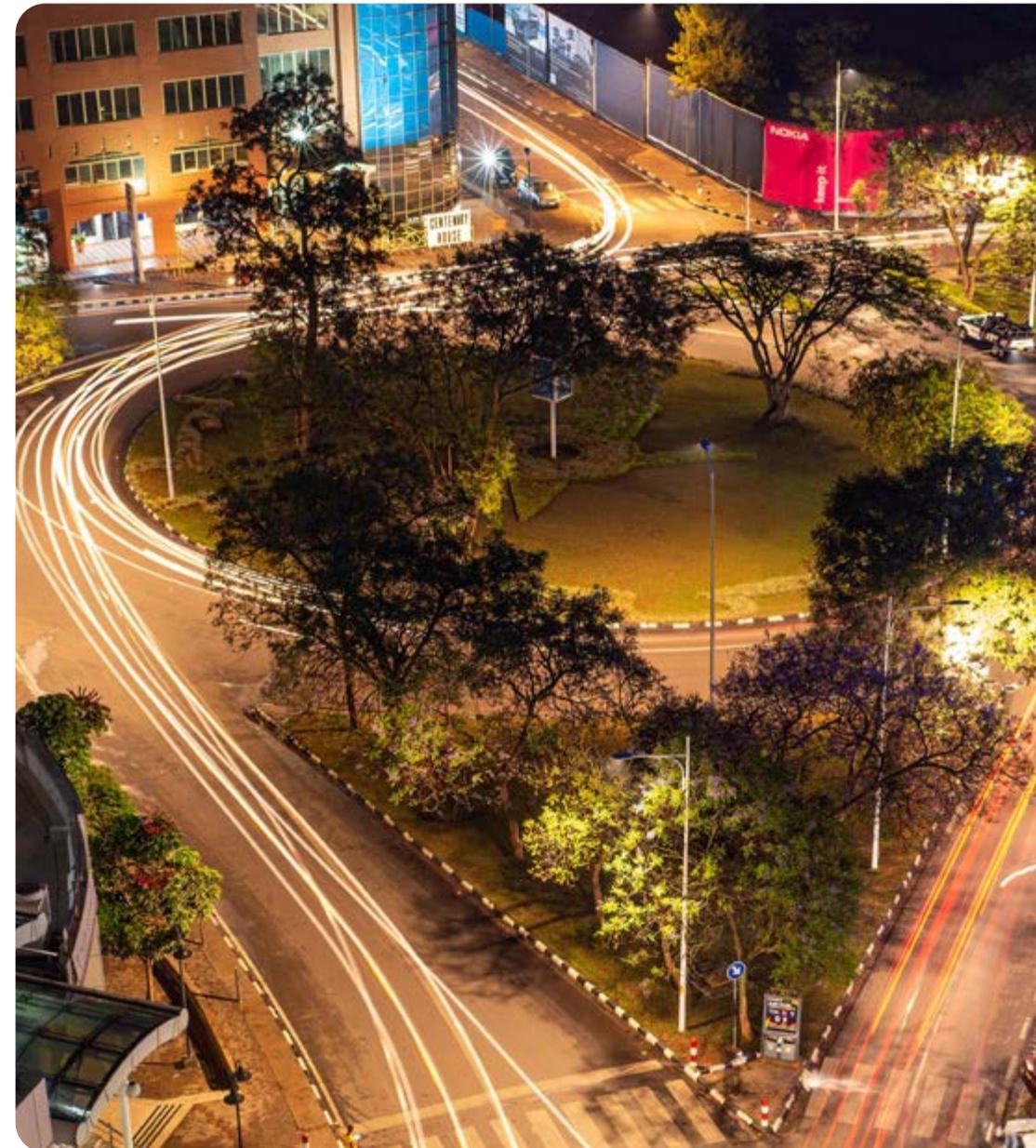
To optimise and coordinate our representation on management boards, we launched an initiative that uses a platform approach for companies with the same management company in the same sector. This effectively results in one board overseeing several different assets in the same sector.

Within our business, we set targets at a fund level that translate into key performance indicators for the fund managers. These are cascaded into targets negotiated and agreed with the individual companies that comprise the fund. Targets and requirements are set before formal investment in a comprehensive due diligence and contracting stage that includes ESG considerations and targets.

We are guided by the following standards and guidelines¹ in our impact investing activities:

- » UN SDG Impact Framework
- » Global Impact Investing Network Framework (member status)
- » International Finance Corporation Operating Principles for Impact Management (signatory status)

¹ Standards and Guidelines | African Infrastructure Investment Managers (aiimafrika.com)





South African asset managers *continued*

Old Mutual Wealth

As a financial solutions business, Old Mutual Wealth believes that our sustainability depends on our ability to deliver ongoing real returns for our customers. We actively promote sustainable business practices coupled with investment outcomes over time. In addition, our sustainable business practices ultimately assist in managing risk in our portfolios to deliver financial benefits for investors over the long term. As an advice-led business, financial advisers play a pivotal role in guiding customers towards sustainable and socially responsible investment strategies. Equipping our financial advisers with the necessary tools and knowledge to integrate ESG principles into their advice framework is key.

Over the long term, financial performance and the share price of companies with higher ESG scores are expected to surpass those of peers with lower ESG scores. Companies with higher ESG scores are expected to have stronger growth prospects, enhanced operating efficiencies, stronger social licences to operate, higher staff retention and lower costs of capital. Ultimately, this results in a stronger and sustained competitive advantage over the long term.

ESG investing at Old Mutual Wealth

Various capabilities within Old Mutual Wealth integrate ESG into their investment solutions in different ways:

Old Mutual Multi-Managers: applies ESG considerations in its manager selection and stewardship of underlying assets.

Old Mutual Wealth: offers actively managed funds with ESG overlays as well as indexation funds that track ESG indices. Planners can also access these portfolios through tailored fund portfolios and bespoke Private Client Securities ESG portfolios.

Old Mutual unit trusts:

- » Offers funds managed by Old Mutual Investment Group, Old Mutual Multi-Managers, Futuregrowth and Jupiter Fund Management
- » All investment managers integrate ESG considerations into their investment processes
- » Old Mutual Investment Group offers four specialist ESG funds – Old Mutual MSCI World ESG Index Feeder Fund, Old Mutual MSCI Emerging Markets ESG Index Feeder Fund, Old Mutual ESG Equity Fund and Old Mutual Global ESG Equity Feeder Fund
- » Old Mutual Investment Group offers four ethical investment funds – Old Mutual Albaraka Equity Fund, Old Mutual Albaraka Balanced Fund, Old Mutual Albaraka Income Fund and Old Mutual Global Islamic Equity Feeder Fund

The Old Mutual Gift of the Givers Life Fund is structured as an endowment portfolio, fully invested in the Old Mutual Albaraka Income Fund. All permissible dividend income from the Old Mutual Gift of the Givers Fund is directed to the Gift of the Givers Foundation, which are dedicated to supporting life-changing efforts in disaster relief across South Africa.



Old Mutual Wealth was the first linked investment service provider in the South African investment industry to publish the ESG ratings of its own locally domiciled unit trusts.

Old Mutual Wealth ESG ratings were defined through collaboration with MSCI, a global leader in investment research. These ratings enable investors to easily identify investment funds with higher ESG scores and allow them to make informed choices about where to invest responsibly. MSCI ESG Research provides ESG fund ratings on a scale of leader (AAA and AA), average (A, BB, BBB) and laggard (B and CCC), according to the exposure of the underlying assets to industry-specific ESG risks and the fund's ability to manage those risks relative to peers.



Old Mutual Africa Regions asset managers

Old Mutual Africa Regions is committed to delivering positive customer outcomes while addressing local socio-economic challenges through deliberate capital allocation. We operate distinct asset management businesses in Namibia, Kenya, Zimbabwe, Malawi, Uganda and Eswatini. These are owned by Old Mutual (Africa) Holdings (Proprietary) Limited through country-level holding companies.

We offer our markets relevant investment propositions and occupy market-leading positions in Namibia, Malawi and Zimbabwe, where we implement responsible investment practices by leveraging our Group capabilities. To amplify our positive impact in Old Mutual Africa Regions in 2023, we made good progress on implementing our unified pan-African responsible investment framework, ensuring a tailored and impactful approach.

Old Mutual Investment Group Namibia AUM: R50.2 billion (2022: R44.1 billion)	Old Mutual Investment Group Kenya AUM: R25.2 billion (2022: R33.2 billion)	Old Mutual Investment Group Zimbabwe (Private) Limited³ AUM: R23.2 billion (2022: R19.7 billion)	Old Mutual Investment Group Malawi AUM: R17.4 billion (2022: R18.5 billion)	Old Mutual Investment Group Uganda AUM: R13.3 billion (2022: R8.4 billion)	Old Mutual Investment Group Eswatini AUM: R4.5 billion (2022: R4.3 billion)
<p>We are the largest asset manager in Namibia, offering investment solutions that span core equity portfolios, alternative investments and unit trusts for individual and institutional investors.</p>	<p>We are one of the largest asset managers in Kenya, offering a full array of investment solutions, including private equity and infrastructure.</p>	<p>We remain the largest investment management firm in Zimbabwe. We offer customers investment options in a focused approach through five investment boutiques: alternative investments, select equity investments, core equity investments, interest-bearing assets and property investments.</p>	<p>We are a leading asset manager, holding the majority market share in Malawi. We offer investment capabilities and specialise in listed assets, interest-bearing assets, property and alternative investments.</p>	<p>Old Mutual Investment Group Uganda is a subsidiary of Old Mutual Group East Africa, which is part of Old Mutual Limited. We offer asset management solutions including pension management, unit trusts, private wealth management and other discretionary mandates. The business is a licensed equities broker and investment adviser.</p>	<p>We are one of the top three advisers in Eswatini by AUM. Old Mutual Investment Group Eswatini has significant exposure to alternative investments, where a mandate to the value of R1 billion was secured from the largest pension fund in the country.</p>
<p>ESG investments</p> <p>We continue to raise and deploy capital from leading third-party Namibian institutional investors, with renewable energy investments as a key focus area. We are finalising the launch of a dedicated fund focused on land servicing and affordable housing.</p> <p>Key investment activities include:</p> <ul style="list-style-type: none"> » An initial investment of N\$28 million (R28 million)¹ in a 3.37 MW solar and 677 kVA battery energy storage solution for the University of Namibia; the total investment is expected to grow to N\$33 million (R33 million) » Submitted a competitive bid for one of Namibia's largest solar photovoltaic plants (37 MWAC (nominal power output in alternate current)) in September 2023; we anticipate the outcome of the bid in the first quarter of 2024. <p> Refer to page 28 for more information</p>	<p>ESG investments</p> <p>We participated in several sustainability-aligned initiatives and investments across sectors and mediums of access, including:</p> <ul style="list-style-type: none"> » Green bond: KES45 million (R5.9 million)² in the first green bond of KES4.3 billion (R602 million) within the East Africa student housing programme – a milestone in Kenya's transition to a low carbon economy » ACORN Real Estate Investment Trusts: a KES716 million (R87 million)² investment to facilitate the development of the International Finance Corporation EDGE® certified purpose-built student accommodation » Infrastructure: a KES760 million (R92 million)² investment in the fourth pan-African infrastructure investment fund; a portion of the fund's proceeds will be directed to supporting the renewable energy transition platform <p> Refer to page 28 for more information</p>	<p>ESG investments</p> <ul style="list-style-type: none"> » Invested \$21.5 million (R394.5 million)⁴ in expanding Centragrid phase 2. This solar power project in Nyabira is expected to reach commercial operations in early 2024 and is set to increase national grid capacity by 22.53 MW: <ul style="list-style-type: none"> → Once completed, it will become the largest utility-scale solar photovoltaic plant in the country → The plant will generate enough electricity to power approximately 25 000 households annually, helping augment the country's power supply and reduce fossil fuel use and associated greenhouse gas emissions → Beyond generating clean and reliable electricity for the grid, the project has had a profound impact on the local economy by using locally sourced materials where possible and creating 200 jobs » Invested \$4.9 million (R89.9 million)⁴ in Kupinga Renewable Energy, a licensed independent power producer <p> Refer to page 28 for detail</p> <ul style="list-style-type: none"> » Deployed \$5.97 million (R109.5 million)⁴ in debt and equity for the Great Zimbabwe Hydro Project <p> Refer to page 28 for detail</p>	<p>ESG investments</p> <p>A key strategic initiative for the business is our investment in the completed phase 1 of the student housing project at Kamuzu University of Health Sciences Lilongwe campus, accommodating 154 students. The project is undergoing a remodelling exercise to make it a fully private initiative.</p> <p>Other assets include:</p> <ul style="list-style-type: none"> » Jacoma <ul style="list-style-type: none"> → The first fully irrigated macadamia farm and the largest paprika exporter, which spans almost 900 hectares → The project is committed to climate change resilience and has extensive social impact by employing 900 full-time workers and collaborating with 5 400 community out-growers » Gala Nuts Macadamia farm <ul style="list-style-type: none"> → A 2 050 hectare venture with over 1 400 hectares irrigated → Sustainable farming methods with 200 out-growers → Created over 1 000 permanent jobs → The business plans to expand its green portfolio with a 20 MW solar power plant in 2024, with an additional 60 MW to follow over the next two years 	<p>ESG investments</p> <p>We are advancing a private equity initiative to convert the Nakawa Business Park into a solar-powered complex for environmental and cost-saving benefits, with project proposals expected to be finalised in the first quarter of 2024.</p> <p>We established an alternative investments governance framework while implementing responsible investment projects.</p>	<p>ESG investments</p> <p>We remain invested in Tambankulu Estates, the largest sugar cane grower in the country, with a diversification strategy underway. This includes introducing crops like citrus to decrease reliance on the sale of seasonal sugar cane, due to environmental challenges affecting sugar cane yields and increased input costs. In 2022, we established a 1.5 MW solar plant on Tambankulu's premises, one of the country's largest privately owned solar facilities. Subsequently, Eswatini Electricity Company selected Tambankulu's solar plant as a pilot project to contribute to the national grid.</p> <p>In 2023, we signed a 25-year Purchasing Power Agreement with the Eswatini Electricity Company.</p> <p> Refer to page 28 for more information</p>

1 The Namibian dollar is pegged to the South African rand at an exchange rate of R1:N\$1
 2 South African rand/Kenyan shilling exchange rate of R1:KES7,5838 at 31 December 2023
 3 Zimbabwe is managed on a ring-fenced basis due to high volatility brought about by the hyper-inflationary economy and the resultant reporting difficulties and complexities
 4 South African rand/United States dollar exchange rate of R1:\$0.0545 at 31 December 2023



Old Mutual Africa Regions asset managers *continued*

Our asset managers are supporting a number of investment opportunities that are driving development in key sectors, including agriculture and renewable energy.

Kenya

Sustainable Energy for Smallholder Farmers Innovation Fund

To drive partnerships for sustainability, Old Mutual Kenya and Faulu Bank are collaborating with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH in their Sustainable Energy for Smallholder Farmers Innovation Fund. The fund is designated to promote and finance solar and renewable energy solutions. GIZ allocated KES1.9 million (R250 534)¹ to Old Mutual and Faulu Bank to provide branch training and development in support of the fund.

Our accomplishments to date:

- » Compiled a comprehensive survey report to provide a strategic blueprint for the phased rollout and effective adoption of solar and renewable energy products
- » Engaged a consultant with experience in deploying renewable energy products to develop a strategic framework, facilitate supplier onboarding and conduct internal training
- » Convened a strategic forum representing diverse stakeholders (including equipment providers) as a collaborative platform to refine and enrich our product development strategy for financing solar equipment
- » Initiated employee training in 12 branches on solar and renewable energy finance mechanisms, alongside equipment insights

We onboard and train last-mile entrepreneurs who identify and engage with targeted customers from our community, SMEs and retail business lines. We engage in farmer and stakeholder forums and conduct roadshows to introduce and market our renewable energy loans.

We are developing sustainability partnerships, including the UN Capital Development Fund and World Health Organization on-lending and guarantee facility of KES200 million (R26.4 million)². The facility provides green and sustainable finance to tobacco farmers who take up more sustainable farming practices. The contract was awarded to Faulu Bank in 2023 and the due diligence process is underway.

Zimbabwe

Renewable energy projects adding to national output

Zimbabwe will likely remain in a power deficit position in the short to medium term. In building national power capacity, the Zimbabwe government has the following long-term commitments:

- » 1 100 MW added by 2025, with 16.5% of total generation from renewables
- » 2 100 MW added by 2030, with 26.5% of total generation from renewables

Old Mutual Investment Group Zimbabwe's renewable energy projects align with government efforts in providing sustainable renewable energy. These demonstrate our commitment to environmental responsibility and align with ESG standards. These projects have national project status, which brings benefits like import duty, tax exemptions and long-term lifespans that align well with Old Mutual's long-term liabilities. From a commercial standpoint, renewable energy projects provide steady cash flows due to steady energy demand over a project's life. We require strong internal rates of return and payback periods as part of assessing the project's financial viability.

We are participating in two key renewable energy projects:

» Kupinga Renewable Energy

We deployed \$4.9 million (R89.9 million)² into Kupinga Renewable Energy, a 1.6 MW run-of-river hydropower station completed in 2017. To date, this environmentally friendly project has recorded no soil contamination, air pollution or hazardous materials emission. It is delivering 18 kilotonnes of carbon savings annually, equivalent to the emissions of 383 cars over a year. Kupinga Renewable Energy employs over 10 people from the local community.

» The Great Zimbabwe Hydro Project

We deployed \$5.97 million (R109.5 million)² in the Great Zimbabwe Hydro Project, which is due to be completed in the first quarter of 2024. With 5 MW of installed capacity, the project should deliver over 15 000 MW into the national grid annually. This is enough to power over 5 000 homes and deliver 56 kilotonnes of carbon savings annually, which is equivalent to the emissions of 1 198 cars over a year. To date, the environmentally friendly project has recorded no soil contamination, air pollution or hazardous materials emission. During construction, it created at least 100 local jobs and empowered local suppliers of construction materials.

Eswatini

Hydropower partnership to provide power to the Eswatini Electricity Company

On 29 May 2023, Old Mutual Investment Group Eswatini signed a 25-year Purchasing Power Agreement at an inflation-linked tariff with the Eswatini Electricity Company for the generation of 13.5 MW of hydropower. The Lower Maguduza Hydro Power Scheme is estimated to cost a total of SZL943 million (R943 million)³ and create sustainable jobs for 100 people. The procurement process is underway, with contract bidders for civil works and the balance of electrical power specialists having completed the site inspection. Construction began in 2024. The principal shareholders are Old Mutual (via renewable energy developer African Clean Energy Developments Proprietary Limited) and the Public Service Pensions Fund.



¹ South African rand/Kenyan shilling exchange rate of R1:KES7.5838 at 31 December 2023

² South African rand/United States dollar exchange rate of R1:\$0.0545 at 31 December 2023

³ The Eswatini lilangeni is pegged to the South African rand at an exchange rate of R1:SZL1



ENVIRONMENT

Climate change is a systemic risk that has the potential to impact markets globally and our entire business value chain. As a result, Old Mutual considers climate to be our primary environmental focus.

In the section below, we provide an overview of our clear commitments to addressing climate change, our responsible investment philosophy as it relates to climate change and an overview of risk mitigation and partnerships delivered through our approach.



For detailed information on our approach to climate change and related metrics, refer to our Climate Report

In this section

Climate is our primary environmental focus

30



Climate is our primary environmental focus

Climate change is a threat to the sustainability of our business operations and the communities and countries in which we operate. Our response to the climate crisis is guided by our strategy and our purpose of championing mutually positive futures every day.



We are committed to reducing emissions within the real economy to align with the Paris Agreement's goal of limiting global warming to 1.5°C above pre-industrial levels by 2030.

Our biggest contribution to addressing climate change is the way we invest the capital entrusted to us by our customers. Although our direct environmental footprint is significantly smaller than the indirect impact of our investment activities, we recognise our responsibility to understand and manage our full carbon footprint. We are responding to the challenges posed by climate change by focusing on the decarbonisation of our operational footprint and our proprietary and customer investment portfolios.

Our Climate Report is structured according to the TCFD's four thematic areas of governance, risk management, strategy and metrics and targets.

For full disclosure against the TCFD framework, refer to our Climate Report

Partnerships and affiliations that inform and guide our approach to climate-related risks include:

- » CDP (formerly the Carbon Disclosure Project)
- » CRISA 2
- » Net Zero Asset Owner Alliance and the Net Zero Asset Managers Initiative for our asset managers
- » PRI
- » TCFD recommendations
- » UN Global Compact

We are also guided by the national development plans of the countries where we operate.

Net Zero Asset Owner Alliance 2025 intermediate targets

Old Mutual joined the UN-convened Net Zero Asset Owner Alliance in March 2022. This member-led initiative of institutional investors is committed to transitioning their investment portfolios to net zero greenhouse gas emissions by 2050. In joining the Net Zero Asset Owner Alliance, Old Mutual's key objectives are to gain insights and knowledge, liaise with global peers and contribute to and influence the broader African and emerging market decarbonisation pathway.

We are committed to transitioning our investment portfolios towards companies that are low emitters of greenhouse gas emissions and to those that are taking active steps to reduce their carbon emissions.

Our 2025 commitments include:

Stewardship and engagements with asset managers for portfolio emissions reductions

Through our appointed asset managers, we will engage with locally listed high-carbon emissions producers which are responsible for a combined 80% of emissions across listed equity and listed fixed income assets within our South African propriety investment holdings. Our goal is to engage with the biggest emitters on disclosing their greenhouse gas emissions, creating transition plans and setting net zero targets. We believe that stewardship and engagement are critical mechanisms in achieving real-world impact and net zero by 2050.

Financing transition commitments

We will continue to invest in low carbon and climate solutions while adhering to our strategic asset allocations, investment philosophy and mandates. In aligning our investment holdings with net zero ambitions, we will also give due consideration to societal impacts specific to our economy to ensure that the transition to a low carbon economy is just.

For detail on our targets, refer to our Climate Report

Proprietary investment portfolio carbon footprint

To address the systemic risk posed by climate change, our approach is embedded in our asset owner responsible investment strategy. Our climate change investment objectives consider the needs, limitations and expectations of our internal and external stakeholders.

Our climate change investment objectives

Minimise climate change risk exposure

Maximise green economy investment opportunities

Contribute towards real economy outcomes

Support investee companies on their transition journey

Act responsibly to effect a Just Transition and adaptation

Extracts from our Asset Owner Responsible Investment Climate Change Action Statement

- » Commit to decarbonising our proprietary investment portfolios by 2050
- » Prioritise thermal coal investment holdings as a material ESG issue and impact theme
- » Hard exclusion on new thermal coal production facilities and new coal-fired power plants

» Invest in renewable energy and low carbon technologies

- » Drive actions towards responsible decarbonisation through collaboration and advocacy efforts
- » Champion the development and issuance of green bonds and the establishment of low carbon investment benchmarks

» Commit to enhancing the role of influence we play as an asset owner to actively engage our appointed asset managers in stewarding the companies in which we invest

» Support the imperatives of a Just Transition of the workforce and the creation of decent work and quality jobs according to nationally defined development priorities provided by the Paris Agreement



Climate is our primary environmental focus continued

In selecting and appointing asset managers, Old Mutual's Asset Owner Responsible Investment Policy requires that asset managers have measures in place to assess and address climate-related risks and opportunities, which includes whether they are a member of the Net Zero Asset Managers Initiative as well as the extent of their climate-related reporting. This affirms their commitment to the net zero greenhouse gas emissions goals within Old Mutual's responsible investment approach.

During 2023, we completed a detailed analysis of the carbon intensity across our portfolio in a number of our asset classes, including listed equity, listed fixed income, alternative assets and property.

For details on these metrics, refer to our Climate Report

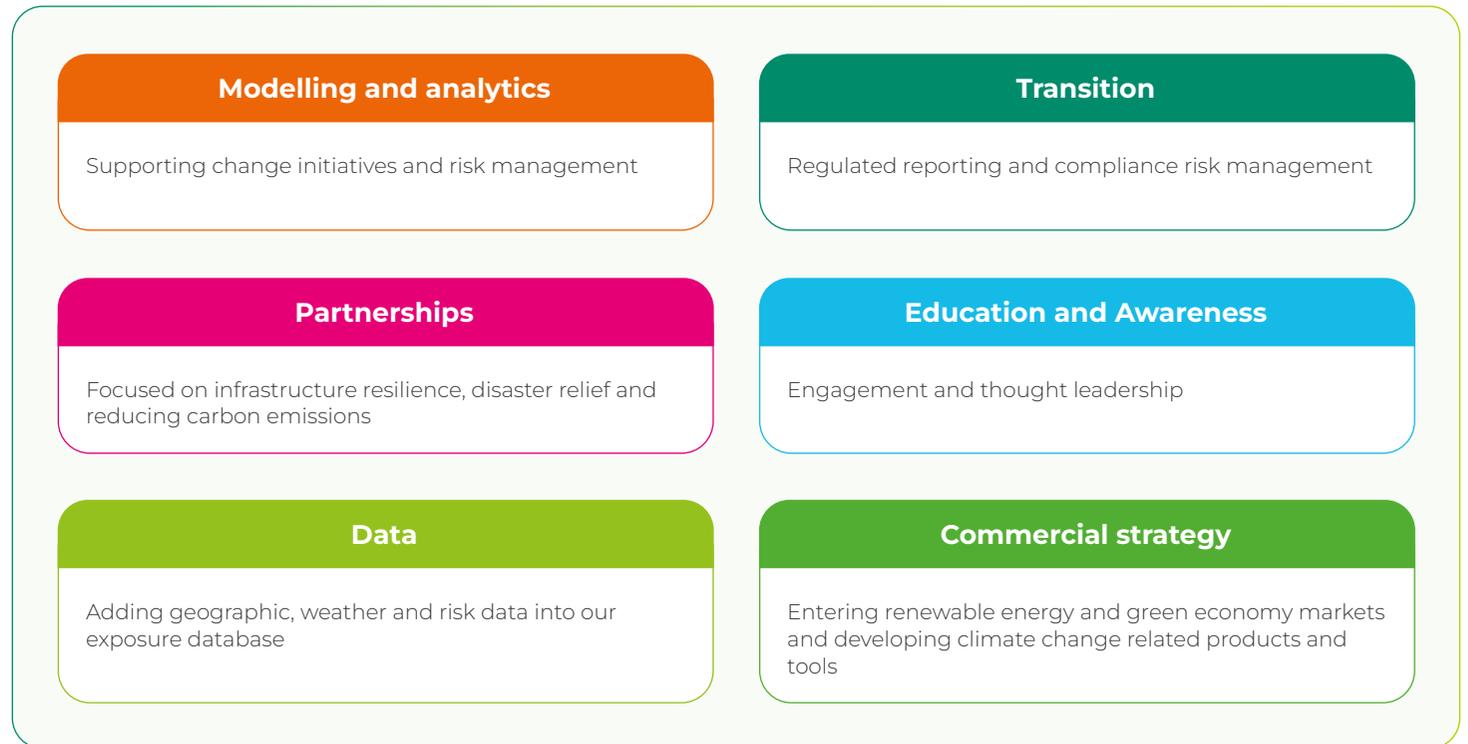
Old Mutual Investment Group is working across its global investment team and quantitative team to develop an optimal decarbonisation approach across our global offering. Further, in South Africa we are advocating with like-minded stakeholders for the development of local benchmarks that consider climate change and the Just Transition. Currently, these are not available in the equities market.

Old Mutual Investment Group is active across several international collaborative engagements, including Climate Action 100+, a global investor-led initiative; and ADVANCE, a partnership between WWF and the Columbia University Center for Climate Systems Research at The Earth Institute.

Beyond our investment portfolios, we are also enhancing our product and service offerings to help our customers act against climate change. In Old Mutual Insure, our specialty insurance team launched an innovative renewable energy product designed to navigate the changing environment of constructing energy-generating facilities globally and locally. This product gives investors the confidence to support solar and wind renewable energy projects through a fully integrated solution that provides project insurance cover for transporting vital equipment such as wind turbines and solar panels, the project's construction phase until completion and losses due to business interruption and liability exposures. In this way, we are leveraging our expertise to accelerate the pace and scale of the critical transition to renewable energy.

Climate change impact on non-life insurance risk

The frequency and severity of natural disasters have increased in South Africa. Over the last decade, the severity of weather-related events increased tenfold and the frequency of large catastrophic claims increased from six to 36 per decade from 1982. To address the challenge of climate change in respect of non-life insurance risk, Old Mutual Insure is prioritising our response efforts by assigning Group Executive committee ownership to our climate change working group workstreams – which include:



During the year, we worked to understand and integrate non-life impacts into climate scenario analysis work undertaken by our risk team. A key outcome will be a better understanding of climate risk impacts on the Old Mutual Insurance product landscape, the operational and process landscape, and the impact on our customer base.

The increase in the number and severity of extreme weather events, ranging from flooding and hailstorms to droughts and fires, is driving increases

in claims in Old Mutual Insure. Risk mitigation is key to ensuring the sustainability of our insurance business. De-risking through exclusions and premium increases may protect short-term margins, but at the cost of losing future revenue. Increasingly, we are assessing and collaborating on initiatives that help make communities more resilient and prevent damage to assets and infrastructure. For example, we are using geo-coding data to map and identify flood lines.



Climate is our primary environmental focus continued

We are also collaborating with some of our competitors on initiatives to build resilience within communities. For example, we set up and are investing in a non-profit company with Santam to support municipalities and local governments to improve fire management capacity and capability. This is bringing together all role-players, including specialists, to build municipal infrastructure and resources while leveraging insurer geocoding data to identify high-risk areas.

We are assessing innovations in urban development globally in areas like sponge cities, which soak up rainwater and retain excess stormwater to then filter and release the water slowly, and amphibian houses, which are designed to adapt to rising and falling water levels. These are longer-term approaches that require collaboration between multiple stakeholders. The opportunity for Old Mutual involves retaining our customers and reducing their risk while better managing the costs of climate change impacts.



Reinsurance risk due to climate change

The reinsurance market has become increasingly tough over the past few years, resulting in less capacity and higher premiums. This trend is driven by climate change, which is resulting in more frequent severe weather events globally. This is shifting the profile of what reinsurers will cover and driving up the cost of our reinsurance premiums.

Consequently, Old Mutual is exploring different reinsurance options and exploring opportunities to develop new products. In addition, we are working to reduce climate change insurance risk through our partnerships with other industry players, municipalities and third parties and through partnerships with SMMEs linked to the insurance industry.

Group greenhouse gas emissions

The carbon emissions we have direct control over are significantly smaller than the indirect financed emissions from our investment activities. We have expanded our climate reporting boundary to include countries outside South Africa.

We report our Scope 1 and Scope 2 and elements of Scope 3 corporate value chain for climate to the CDP, including a separate water response. We maintained a B score for our 2023 submission. We report on our owned employee-occupied buildings and investment property portfolio using the operational control approach.

We have decreased our carbon emissions by

22%

(2022: 23%)

against the 2019 baseline, mainly through our efforts to increase the renewable energy mix into our properties.



For details on the Group's greenhouse gas emissions and targets, refer to the Climate Report

Managing the risk of climate change in the agriculture sector in Zimbabwe

Agriculture is the backbone of Zimbabwe's economy. Most Zimbabweans derive their livelihood from agriculture and related economic activities, and the manufacturing sector relies heavily on agriculture for inputs. As agricultural productivity is weather-related and dependent on climate stability, climate change presents challenges to agricultural activities.

Old Mutual invests in innovative approaches to support the agriculture sector. We are developing insurance products to support small-scale farmers in areas such as low-cost index insurance products for crops. Satellite imagery assesses drought or flood damage against pre-set parameters that will trigger insurance payouts and provide faster payouts to small-scale farmers.

We increased our risk management surveys at our insured farms to a minimum of three visits per farming season. During these visits, we offer farmers education and advice on various strategies they can implement to mitigate climate change risks. These include:

- » Planting climate-smart crop varieties that are resilient to drought and resistant to diseases and pests
- » Producing high-value crops such as blueberries in greenhouses, which provide controlled environments that prevent exposure to inclement weather such as hailstorms and frost and reduce exposure to disease and pests
- » Using cover crops to protect soil and minimise erosion during high rainfall
- » Implementing water management strategies such as water harvesting and storage reservoirs and using water-conservative irrigation
- » Moving to sustainable farming practices such as zero tillage agriculture

These strategies help drive environmentally friendly agricultural practices while building resilience for farmers and the industry more broadly.



SOCIAL

As an African financial services provider, we recognise that the success of our business is integrally linked to the wellbeing of the many communities we form part of and operate in. In this section, we provide details on our impact on key stakeholders and social imperatives, including:



Transformation – as it relates to B-BBEE legislation in our home market of South Africa



Our customers – in meeting their evolving needs and expectations, enhancing their financial wellbeing, providing financial education and inclusion and in dealing fairly in providing services



Our intermediaries – whom we develop and support as a crucial interface with our customers



Our employees – in building a future-fit, transformed workforce, culture and employee experience and compensating employees fairly for their work



Our communities – where we focus on addressing the prevailing socio-economic challenges within the communities in which we operate



Our suppliers – in focusing on ethical procurement, promoting SMME growth and facilitating beneficial long-term relationships

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Transformation in practice



Old Mutual is committed to supporting meaningful socio-economic transformation and financial inclusion for our communities and employees. Our transformation strategy is based on several core B-BBEE scorecard pillars, as stipulated in the Department of Trade, Industry and Competition's Codes of Good Practice and the Financial Sector Code.



Old Mutual has retained its **level 1 B-BBEE contributor status** in South Africa under the Financial Sector Code for the past four years.

Old Mutual improved its B-BBEE score from 117.34 in 2021 to 121.10 in 2022 (out of a possible maximum score of 139)¹. This was primarily attributable to:

- » Our broad based Bula Tsela Share Scheme – which increased the ownership profile by black people by 4%
- » Improved skills development score – due to our increased training spend on non-management employees during the year, as well as putting in place a more robust data management capability to measure the impact of this training on employees
- » Improved enterprise and supplier development (ESD) score – due to the work we are doing to create a market for small businesses across the country to become Old Mutual suppliers

We are ensuring any transformation progress we make is distributed across the Group and our transformation office has set up mitigations against any barriers that arise.

Over and above rankings, scorecards and ratings, we believe real transformation is necessary to sustain business growth and is in the best interests of all South Africans.

Scorecard pillars measuring our progress in transformation

- Equity ownership
- Management control
- Skills development
- Procurement and ESD
- Empowerment financing
- Access to financial services
- Socio-economic development and consumer education

- For details on our skills development activities, refer to the Our learning and development programmes section
- For details on ESD, refer to the Supporting the growth of our SMME suppliers section
- For details on financial access and education, refer to the Financial education and inclusion section
- For details on financial access and education for customers, refer to the Financial education and inclusion section

Ensuring Group-wide progress towards transformation

Our mandate for transformation is set by the Board and overseen by the Responsible Business committee. A dedicated transformation office sits at Group level, led by the Group Head: Empowerment and Transformation, who provides strategic direction and long-term planning, monitoring and coordination of multiple areas and activities that deliver against our transformation commitment.

In 2023, the Responsible Business committee approved and adopted the Group Transformation Policy. Key elements include:

- » Strengthening the preferential procurement function to embed a culture of transformation across our procurement value chain

To enhance Old Mutual's preferential procurement impact and drive measurable transformation, the policy requires suppliers to submit their transformation plans with realistic and achievable targets and milestones, which will be tracked by the Group-level contracts and sourcing function.

- » Strengthening the profile of SMME development

SMME development is one of the most important levers for driving the dual imperatives of meaningful transformation and economic growth.

As part of our long-term approach to transformation, the transformation office continues to identify challenges hindering our progress and appropriate corrective actions:

Issue	Description	Mitigation
Optimal use of approved SMME suppliers	Fully integrate approved SMME suppliers across the Group's supply chain	We are leveraging procurement more effectively to support the SMMEs we develop through various initiatives and working to ensure they are integrated across our supply chain. This requires awareness from budget centres across segments and their businesses. The procurement team has developed the green list of accredited suppliers. For details, refer to the Responsible to suppliers section
Policy framework and empowerment reporting	Ensuring Group-wide consistency and integration of multiple transformation areas and activities	We are developing a transformation reporting cadence – along with metrics, targets and accountabilities – to ensure greater coordination and visibility across Old Mutual.

¹ Old Mutual's B-BBEE scorecard for the 2022 financial year was assured independently and issued by AQRate for the period 28 March 2023 to 27 March 2024. Old Mutual's B-BBEE scorecard for the 2023 financial year will be available in April 2024



Transformation in practice *continued*

Bula Tsela – our B-BBEE transaction

Bula Tsela, Sesotho for 'open or pave the way', is our broad based share scheme that aims to transform the economy by creating opportunities that truly empower and uplift our society. The Bula Tsela Employee, Community and Retail Schemes were launched on 22 August 2022, with the Retail Scheme being nearly seven times over-subscribed by the number of applicants and five times over-subscribed by the number of RetailCo shares. Bula Tsela is the first retail scheme in the country to facilitate the participation of lower-income earners with a R1 000 subscription option (for 100 RetailCo shares at R10 each), payable over a 12-month period following the launch of the scheme. 13 154 individuals were successful in applying for the R1 000 RetailCo share portion. 11 403 applicants (out of the 13 154 individuals) settled the remainder of their R1 000 subscription for RetailCo shares by the cut-off date of 24 October 2023 and these applicants are now RetailCo shareholders. This result exceeded our expectations and is particularly pleasing given the economic circumstances of these applicants.

The Bula Tsela transaction commenced by awarding 205.3 million Old Mutual Limited shares to the value of R2.1 billion, as follows:

Retail Scheme	Community Scheme	Employee Share Scheme
R650 million in new Old Mutual Limited shares	R650 million in new Old Mutual Limited shares	R798 million in new Old Mutual Limited shares
63.6 million shares	63.6 million shares	78.1 million shares
In line with Old Mutual's objective of achieving broad based transformation, black members of the public and black owned entities were invited to apply for ordinary shares in the Retail Scheme. Allocations of shares were tilted towards qualifying black women and other broad based criteria. The Retail Scheme shares will be listed on a recognised black economic empowerment exchange in year five of the deal. The exchange has not been selected yet.	The Community Trust operates for the benefit of various qualifying black community beneficiaries, with the objective of supporting and expanding existing Old Mutual initiatives.	All employees (including non-black South African employees and employees outside South Africa) participate in the Employee Share Ownership Plan Scheme. A disproportionate allocation of awards was made towards achieving our transformation objectives, specifically to black South African employees at lower job grade levels. More than 23 000 employees participated in the inaugural award.

In its first year of operation, our Bula Tsela Retail Scheme declared its first cash dividend of 49 cents per share paid in November 2023

For the Employee Share Scheme:

- » Employees permanently employed within participating Old Mutual companies across all our regions were eligible to receive the inaugural share grant, regardless of their race, gender, geographic location or nationality. Subsequent grants will be made, on a pro rata basis, only to new black South African employees based in an eligible South African employer entity, subject to the availability of shares
- » Award tables allowed for a greater tilt towards women and junior role sizes. This was a deliberate measure used to ensure that real transformation is effected where intended
- » A portion of the award is fully funded (20%) by the employer company and the remaining portion (80%) is funded through a notional loan which will be repaid over the 10-year period by using a portion of dividends earned
- » The scheme is restricted for a period of 10 years with vesting taking place in year four (25%), year six (25%) and year eight (50%). There are no performance conditions linked to the award and vesting is only subject to continued employment

In October 2023, an additional grant of Bula Tsela shares was made available in the Employee Ownership Scheme for new black South African employees who join a participating employer company. The grant was made under the original scheme rules using the initial allocation guidelines, but on a pro rata basis for time left in the scheme.

The total value of the new grant was 5.04 million shares to the value of R60.1 million.



For details on SMEgo, refer to The Old Mutual SMME ecosystem section

The Retail Scheme is owned by more than 36 500 South African individuals, small businesses, companies and groups, such as trusts and stokvels. We are proud of reaching this milestone and being able to improve the financial wellbeing of thousands of South Africans.

Bula Tsela B-BBEE deal governance

The Board has continued to ensure that Old Mutual's empowerment transaction prioritises the transformation of the economy and that it creates opportunities to empower and uplift ordinary South Africans. During the year under review the Board:

- » Tracked and monitored the rollout of the transaction across the Group, in particular the operationalisation of the Retail Scheme, which includes ensuring appropriate governance structures over all elements of the transaction

- » Ensured that the transaction remained in compliance with all relevant B-BBEE regulations and guidelines set by the South African Government
- » Monitored community and stakeholder engagement, ensuring that valid concerns or issues related to the transaction were timeously addressed
- » Ensured ongoing clear and transparent communication with the various stakeholders of the transaction

Looking forward

Due to our long-term commitment to transformation, long-term planning and ongoing support is in place to sustain our efforts. While the industry awaits possible changes to some aspects of the B-BBEE framework (such as targets for the access to financial services and employment equity pillars and changes to the skills development pillar), Old Mutual aims to retain its level 1 B-BBEE contributor status and deliver meaningful impact beyond compliance.

Old Mutual remains committed to transformation that **drives positive change and shared value** outcomes in practical ways to deliver high impact and meaningful transformation.



Responsible to customers

Our customers are the lifeblood of our business and we aim to be their first choice to sustain, grow and protect their prosperity.

Our customer base ranges from low-income to high-net-worth individuals, as well as SMMEs, large corporates and institutions. Our operating segments are structured to deliver propositions to customers according to their needs, as outlined below:

MASS AND FOUNDATION CLUSTER

Mass and Foundation Cluster serves retail customers in the low-income and lower-middle-income markets. We offer a comprehensive range of value for money products to the mass and foundation markets across underwritten life and funeral insurance, savings, lending and transactional banking.

3.1 million customers
(2022: 3.0 million)

- » **R16.4 billion** (2022: R15.5 billion) responsible lending to Old Mutual Finance customers to meet their financial goals
- » **R7.5 billion** (2022: R6.9 billion) in claims and benefits paid
- » Of that, **R3.1 billion** was paid in risk benefits supporting customers in times of need, and **R1.1 billion** was paid in investments and savings benefits in helping people achieve their goals
- » **1.2 million** rewards customers

PERSONAL FINANCE AND WEALTH MANAGEMENT

Personal Finance operates primarily in Life and Savings and offers a wide range of holistic financial advice and long-term risk, savings, income and investment solutions, targeting the middle and high-income market.

Wealth Management is an advice-led, vertically integrated retail investment business that offers wealth management, investment solutions and funds to high-income and high-net-worth individuals in the affluent market.

1.7 million customers
(2022: 1.7 million)

- » **R48.2 billion** (2022: R43.7 billion) paid in claims and benefits

OLD MUTUAL INVESTMENTS

Old Mutual Investments is one of South Africa's leading investment managers, offering investment solutions to institutional and retail customers, as well as multi-managers. We operate through three investment business lines, namely: Asset Management, Old Mutual Alternative Investments and Old Mutual Specialised Finance.

388 institutional customers
(2022: 357)

- » **75%** of our three-year investment period funds are above the benchmark
- » Several of our alternative investment strategies, in particular our infrastructure and international private equity funds, **performed well ahead of benchmarks** over the past year
- » Old Mutual Investment Group was awarded **Best ESG Responsible Investor (Africa) in 2023** by Capital Finance International (CFI.co)

OLD MUTUAL CORPORATE

Old Mutual Corporate provides employee benefits and consulting services including pre-retirement and post-retirement investments, group risk cover, administration, consulting services and specialised solutions. Our business-to-business-to-customer model spans small, medium and large enterprises and our customers include employers, retirement funds and other benefit funds and their members and employees.

1.8 million customers
(2022: 1.8 million)

- » **R37.2 million** (2022: R41.5 billion) paid in claims and benefits
- » Our digital platform **SMEgo 2.0** has grown to **6 751 registered users** (2022: 2 401 users achieved in its launch year)
- » **2 716 invoices generated** on **SMEgo 2.0** to the value of **R1.8 billion** (2022: 1 950 invoices to the value of R94.7 million)
- » Our SMME digital marketplace platform has **1 271 registered buyers 251 sellers** (2022: 600 registered buyers and sellers)
- » We facilitated the disbursement of **R6.2 million** through our funding concierge to SMMEs (2022: R9.6 million)

OLD MUTUAL INSURE

Old Mutual Insure offers a comprehensive range of short-term insurance products to the retail, commercial and corporate markets that help customers manage and mitigate their risks. We offer a wide range of policies that protect against property damage, personal accident, agriculture, engineering, liability, marine, motor, accident and health, travel, credit protection and trade credit risks.

483 913 policies
(2022: 471 877)

- » **R7.5 billion** paid in claims (2022: R5.1 billion)
- » Net claims increased largely due to the inclusion of Genric Insurance Company Limited, an Old Mutual Insure subsidiary that was acquired at the end of 2022
- » A high number of weather-related catastrophe claims and large property damage claims resulted from floods in the Western Cape and a hailstorm in Gauteng during the year

OLD MUTUAL AFRICA REGIONS

Old Mutual Africa Regions has a presence in 12 countries spanning Southern, East and West Africa. Our comprehensive range of services include Life and Savings, Asset Management, Banking and Lending (including micro-lending) and Property and Casualty (including medical insurance). We cater to the needs of retail customers, SMMEs, corporate and institutional customers.

5.9 million customers
(2022: 5.3 million)

- » **R6.3 billion** (2022: R5.6 billion) paid in claims and benefits
- » **R3.0 billion** (2022: R3.5 billion) in responsible lending to customers
- » Gross written premiums and digital sales showed strong growth



Responsible to customers *continued*



Changing customer expectations and needs

The challenging macroeconomic environment is placing household income under strain. This is putting pressure on household budgets and shifting spending patterns, including financial services spending. Customers are becoming more discerning, with a strong focus on product affordability, transparency and value for money. They are also seeking personalised solutions which can easily be flexed in response to their changing needs, preferences and life stage.

Apart from what they buy, customers are also becoming more aware of who they buy from. They are paying greater attention to how institutions conduct themselves as responsible corporate citizens. This trend is closely linked to the theme of trust, which has become an important currency in today's business landscape. It is critical that we maintain and continue to build trusted relationships through the advice we give, the commitments we keep and the experience we provide to our customers in a way that is efficient and reliable while meeting their needs.

Enduring challenges that are creating barriers to digital penetration include low financial literacy levels, high data and device costs, inadequate infrastructure, a trust deficit in digital technology and the prominence of legacy systems in the industry, leading to slow adoption of new technology. This is poised to change with the expected increase of internet penetration in Africa. Nonetheless, we are seeing an increase in customers who are comfortable with interacting digitally and they can now benchmark their experience against a wide range of businesses and services locally and internationally. Despite the rise of digital servicing, there is a simultaneous trend back towards face-to-face engagements in building trusted relationships, which remains a core platform of delivery for Old Mutual.

To exceed varied and demanding customer expectations, we are focused on delivering with speed and accuracy through convenient customer-chosen channels. This demands a dual focus on improvements in areas like speed to answer while ensuring that the customer's experience is simple and consistent across all touchpoints. We pay constant attention to efficiency and simplicity across all aspect of our product and service offering.

Product simplicity also meets the evolving demand for self-service in financial services, as some customers are becoming more directly involved in managing their portfolios. This means that our products and services must be easy to understand and benchmark, while ensuring that our customers have access to professional advice.

Enhanced distribution and digital engagement

We have enhanced our sales, servicing and claims processes to improve the customer and adviser experience. This includes simplifying processes and reducing waiting times by leveraging a range of technologies, including robotics and artificial intelligence (AI), and promoting interactions via digital channels that drive service efficiencies.

In our Mass and Foundation Cluster, we are improving our sales capabilities by using simplified toolsets across voice and digital channels, leading to better lead conversion rates and lower insurance risk.

We are developing virtual adviser channels to improve distribution efficiencies and optimising the Old Mutual Protect underwriting process by incorporating AI. Old Mutual Protect is a modular product for the retail mass market that allows customers to customise it to their needs and budget.

Our distribution reach has been expanded through strategic partnerships and acquisitions, including Bridge Taxi Finance, Pineapple and Two Mountains Funeral Services.

In 2023, digital engagement achieved 17% growth compared to 2022.

We are changing our entire service organisation from one focused on individual products and segments to one that seamlessly supports customer journeys.

As part of this agile transformation, the integration of our customer solutions and capability functions is an important step towards transforming how we organise ourselves on the journey towards becoming our customers' first choice. The new integrated function reflects the wide number of intersections involved in customer delivery, including customer-adviser and product-technology.



Responsible to customers *continued*

Partnering with customers on their journey towards financial wellness

Old Mutual believes that all South Africans deserve the opportunity to be financially well. Our integrated financial services strategy places financial wellness at the heart of our proposition, supported by an 'advice everywhere' philosophy that is delivered through trusted conversations and an exceptional customer experience. We also see financial education as an important tool to support financial wellness, drive financial inclusion and improve overall financial resilience.

 For details on our financial education approach, refer to Financial education and inclusion for customers section

We provide high-quality financial solutions that address both present and future needs, but we recognise that our customers are at different places in their financial wellness journey with different financial needs and different levels of financial literacy. As such, we hope to empower our customers to improve their financial wellness, regardless of their personal context, by making available contextual and personalised information, tools and advice.

Our 'advice everywhere' philosophy means we aim to embed advice into every part of the customer journey. This extends beyond point-of-sale financial planning and product selection to advice-led conversations that happen at every touchpoint and extend to their choice of channel.

Advice is delivered through trusted conversations, which we believe is the cornerstone of building intimate relationships with our customers. We are working to ensure these conversations take place where our customers are – whether digital or face-to-face – to drive successful outcomes by making it easy for customers to act on their financial decisions with trust and confidence.

Our integrated financial services strategy is supported by our rewards programme that motivates and encourages customers to take small steps towards financial wellness.

Holistic offerings anchored in financial wellness

We continue expanding our solution set to ensure holistic coverage of our customers' needs, focused on propositions that drive financial wellness.

In 2023, our Mass and Foundation Cluster's acquisition of Two Mountains Funeral Services has extended its offering to include micro-insurance products that are easy and affordable. This is expanding our proposition in the variable income informal market, an area that is significantly underserved. The segment is supporting the financial wellness of its mass market customers through a product set that includes savings, life and funeral insurance, secured and unsecured lending and transactional banking. Its penetration into the youth market segment had improved to 7.1% by October 2023 (2022: 5.7%). Additionally, customers are able to change their cover in line with their changing financial circumstances.

In expanding Old Mutual Corporate's employee benefits proposition, we launched Old Mutual Health Solutions. This new health insurance offering provides affordable access to high-quality private health care to employees of corporate and work-related group schemes. We recognise the importance of health care as a customer priority and understand that the cost of comprehensive medical aid is prohibitive for many South Africans. This solution was designed to bridge this access gap by providing a range of options for lower-income earners. The launch of this offering is also a great example of realising the integration benefits of our recent acquisition of Genric Insurance Company Limited through Old Mutual Insure.

Old Mutual Corporate continues to invest in servicing the SMME market by building out

SMEgo – a digital platform that provides innovative lending, operational support and market access solutions. The lending solution centres on ease of access, with one application going to multiple matched funders. One challenge we identified is the large number of SMMEs that do not qualify due to challenging business conditions. Consequently, a focus area during the year was providing more direct assistance to SMMEs in preparing them to qualify for funding. Ultimately, our solutions aim to grow and mature SMMEs, a key customer group for Old Mutual, so that they drive employment while strengthening the market for employee benefits.

 For details on SMEgo, refer to The Old Mutual SMME ecosystem section

Old Mutual Corporate is also piloting partnerships to assist our customers with their debt burden:

- » **Smart Salary** – Designed to prevent employees from prematurely falling into debt traps and accessing their long-term savings, it addresses emergency events, income-expense timing gaps and limited savings that often erode financial wellbeing. Provided by PayCurve, Smart Salary allows employees of Old Mutual's existing corporate customers to access a portion of their earned or accrued salary before the end of the pay cycle. This flexible solution incorporates gamified financial education and controls and offers employees a lifeline to escape the short-term debt cycle
- » **Right Track** – Right Track aims to break the cycle of financial distress through a financial diagnostic process aimed at protecting employees from issues such as reckless lending, prescribed loans, illegal garnishees and overpriced credit life policies. This initiative injects cash flow back into employees' pockets and empowers them to make

informed decisions regarding their savings and insurance options

» **Remchannel**, Old Mutual Corporate's remuneration consulting service extended its solutions in reward management to include executive reward consulting services to provide complex and strategically essential reward expertise. New capabilities address the increasing emphasis on remuneration policy and practices, incentives (including key sustainability areas like ESG, climate change and transformation) and fair and responsible pay, including pay gap and gender pay gap disclosures. This offering is enhancing remuneration governance and advising company boards on issues like structuring fair pay in compliance with applicable legislation

To meet the increasing appetite for sustainable investment options, Old Mutual Wealth provides sustainability ratings for its unit trusts. The business is also working with its asset management colleagues to make infrastructure investments in the green economy accessible to retail investors. Traditionally, they have only been available to institutional investors.

The Old Mutual SuperFund is our flagship umbrella fund with more than 500 000 members. The fund emphasises its sustainability, stewardship and responsible investment practices as essential long-term value drivers. It also supports our focus on transformation and good governance, with nine trustees, of whom seven are independent.

Old Mutual Finance has also launched a pilot of our home loan solution, in partnership with SA Home Loans.





Responsible to customers *continued*

Old Mutual Rewards celebrates five years of operation

Launched in 2018, Old Mutual Rewards incentivises members for making good financial decisions. Its 2.2 million members (2022: 1.8 million members) assess their spending and saving behaviour by using our tools, learning from our financial education modules and getting financial advice and financial solutions from Old Mutual advisers and brokers.

Old Mutual Rewards continues to focus on alleviating members' financial stress and positively impacting their financial behaviour through improved credit scores, lower premium lapse rates and enhanced Old Mutual product portfolios. Members redeemed over 1.2 billion points in 2023 (2022: 1.4 billion). This equates to R120 million redeemed, helping members weather the challenging economic environment or to treat themselves and their families. Almost 50% of points redeemed were redeemed into Old Mutual products.

NEXT176

NEXT176 was established in 2021 with a mandate to accelerate the growth and innovation agenda at an enterprise level. Conceptualised and announced 176 years after Old Mutual was formed, its mandate includes delivering large-scale, strategic partnerships, supporting distribution channel expansion, product innovation opportunities and capitalising on the growing trend of disaggregation of financial services value chains through embedded finance. It represents an extension of the core Old Mutual brand and the start of the next 176 years of creating shared value across emerging economies through disruption, innovation and sustainable growth.

In 2023, Old Mutual launched several strategic relationships through NEXT176. These include a relationship with the Vodacom Group, following the transfer of Vodacom's standalone retirement funds into Old Mutual's SuperFund Umbrella Fund. Future areas of collaboration include the provision of finance for backup power solutions, supporting Vodacom's ESG efforts through Tweak Carbon (NEXT176's carbon accounting software venture) and insurance solutions through iWYZE. NEXT176 has also partnered with Openview and ShopriteX to launch a 'buy now, pay later' venture called OsioPay. In addition, TEBA and Old Mutual Will also joined forces to offer our employees and customers access to the TEBA-branded digital wills platform. This will allow them to protect their estates, safeguard their legacies and address the financial burdens associated with death expenses through simplified insurance products.

Old Mutual Tech Hub launched on Old Mutual's 178th birthday

The Old Mutual Tech Hub was opened in June 2023 in Durban by our Group IT team. It is testament to our commitment to leveraging technology to help our customers achieve their financial goals. The Tech Hub will contribute meaningfully to the strategic transformation of Old Mutual's technology journey and legacy.

The Tech Hub will not only offer employment opportunities to the smartest technology talent in South Africa, but it will also play a critical role in empowering youth in the field of technology with a view to strengthening Old Mutual's position as an employer of choice.

We have formed strategic partnerships with tertiary institutions, the private sector and local government to drive our ambition to be innovators and leaders in building future technology skills. This extends to offering work readiness programmes to young people with a keen interest in technology.

The Tech Hub is currently home to over 30 professionals, and we have made a commitment to grow this to 100 within our first year of operation.





Responsible to customers *continued*

Financial education and inclusion for customers

Old Mutual promotes financial education and inclusion to equip our customers with the knowledge, understanding and tools they need to make sound financial decisions that transform their lives. Ultimately, empowered, financially literate and enabled customers result in market stability and sustainability.

Our financial education and inclusion strategy is underpinned by six drivers that inform our overarching objective of providing:

Consumer-led, rewards-driven behavioural change at scale

Developed as a single, coherent financial education consumer experience

Based on life event and life-stage needs of youth (individuals and SMMEs)

Delivered as a rewards-based offering enhanced through behavioural economics

Delivered through teachable moments via a variety of channels including digital and face-to-face

Reinforced by above and below-the-line marketing and social media

Enriched by leveraging our existing income-segment financial education content

Our programmes are tailor-made to connect and engage with people from urban and rural communities. To meet our objectives and have a significant impact in areas that need it the most, we invest 25% of our programme spend into rural communities and 75% of the beneficiaries reached are black. This is in line with the B-BBEE Amended Financial Sector Code of 2017.

In preparation for the introduction of the two-pot retirement system, we are providing our customers with information and guidance on the system's implications. This includes encouraging appropriate financial decisions by remaining invested and exercising caution when accessing retirement savings.

Financial education and inclusion are key components of financial wellness, which is at the heart of our integrated financial services strategy. We are reviewing our financial education and inclusion strategy to ensure a coherent and consolidated approach across our business impact and commercial solutions.

Old Mutual Namibia partnered with the Financial Literacy Initiative to roll out a national financial education programme as part of the National Financial Sector Strategy led by the Ministry of Finance, Bank of Namibia and Namibia Financial Institutions Supervisory Authority.

In our Mass and Foundation Cluster, we have worked closely with organised labour for many years, including providing financial education sessions for employees.

In Zimbabwe, we launched an innovative fintech solution called O'mari. The O'mari platform offers mobile money services, insurtech, e-commerce, payments and digital products and services for the retail mass market. Beyond the traditional functionality that is expected of a mobile wallet solution, O'mari includes unique micro-insurance solutions, FoodCare and SchoolCare. These solutions offer simple,

affordable and flexible micro-insurance cover that will ensure that a family continues to receive groceries and school fees are covered for up to five years.

O'mari includes a loyalty programme that rewards active use of the O'mari wallet or FoodCare or SchoolCare products. By transacting for a minimum of three months on O'mari, customers who require medical assistance qualify for an advance to access health care services such as medical consultations and medication. O'mari has partners that include hospitals, clinics and pharmacies to support its customers.

In line with our integrated financial services ambitions, O'mari aims to meet our customers' most pressing everyday needs through a single, convenient platform. It is available through either USSD or a mobile app, giving customers the option to interact through a channel of their choice.

The insurtech, nano-lending solutions and the wallet that we have launched are designed to drive real social impact by being simple, affordable and accessible – in considering the everyday needs of our customers.

In Malawi, Old Mutual Unit Trust launched Phuka Digital Savings on 25 October 2023, a new user-friendly digital savings channel in partnership with Airtel Money. Phuka Digital Savings allows customers to effortlessly invest in the Old Mutual Unit Trust Interest-Bearing Assets Fund using the Airtel Money wallet on a mobile phone. Customers can invest a minimum of MWK5 000 and set their own savings goals and timelines to help them achieve their financial objectives. The platform offers competitive interest rates to empower customers to save and enhance their financial wellbeing. It extends the product to anyone with an Airtel Money mobile wallet, including those in previously underserved areas such as rural regions where access to formal financial services remain limited.



Awards



Brand Finance recognised Old Mutual as the strongest insurance brand in South Africa in 2023.

Brand Finance also recognised Old Mutual as one of South Africa's top 10 strongest brands. We were the only insurer featured in the top 10, ranking eighth (2022: 10th place).

Old Mutual Rewards was recognised at the 2023 South African Loyalty Awards for the fourth consecutive year.



Responsible to customers *continued*

Market conduct

In South Africa, the Financial Sector Conduct Authority requires all financial services companies to ensure the fair treatment of customers at all stages of the product lifecycle. The Consumer Protection Act legislates a fair, accessible and sustainable marketplace for consumer products and services.

Market conduct is a principle-based regulatory initiative, an enhancement of the rule-based Treating Customers Fairly approach and it is underpinned by various pieces of legislation. Insurers must comply with the policyholder protection rules and lending businesses must comply with the National Credit Act. The Conduct of Financial Institutions Bill will establish a consolidated, comprehensive and consistent regulatory framework for the conduct of financial institutions. The date for its implementation has not yet been confirmed and the regulator is rewriting its subordinate regulatory instruments.

Our approach to market conduct

Our Market Conduct Policy forms part of our Group Governance Framework, which is regularly updated and approved by the Responsible Business committee. It provides market conduct standards and guidelines and sets Group-wide principles for managing risks arising from decisions or behaviours that may adversely impact fair customer outcomes.

In support of this policy, our Group Market Conduct Framework is aligned to the evolving regulatory landscape. The Group Market Conduct Framework comprises seven behavioural themes that were derived from Treating Customers Fairly outcomes and are appropriate to the Group's financial services offerings. Key metrics and set targets measure each segment's performance against each market conduct theme, which are reported to and monitored by the Responsible Business committee.

This year, we reviewed the policy and framework, an exercise we undertake every two years and continued to embed the framework in our day-to-day operations.

In preparation for the implementation of the two-pot retirement system in South Africa in 2024, we are designing Old Mutual's implementation as a digital solution that offers speed and accessibility at scale and is capable of servicing customers across all relevant segments. Testing the system has included customer feedback and aims to balance accessibility of funds with incentivising prudent financial behaviour to dissuade individuals from withdrawing retirement funds prematurely, except for emergencies.

We are guided by South African legislation for best practice and we look to extend this appropriately to the rest of our African operations.



 For details on regulatory compliance, refer to the Compliance oversight section

Market conduct themes and objectives



Culture and strategy

Customers are confident that they are dealing with a company that has fair treatment at the centre of its culture and strategy.



Product and service design and performance

Products and services are designed and targeted to meet the needs of identified customer groups. Product and service performance is evaluated to ensure it aligns with customer expectations.



Customer onboarding and financial planning

These services are appropriate for the target market and consider each customer's current and changing circumstances.



Customer service and relationship management

Service and information are of an acceptable and expected standard, easy to access and adapt to changing customer needs and technology.



Product information, disclosures and communication

Customers receive relevant information that is timely, clear and suitable for the target market. Customers are kept appropriately informed before, during and after contracting.



Complaints

Customers have access to a fair and equitable complaints process and are kept appropriately informed of progress in handling the complaint.



Money out and benefits

Customers have access to fair and equitable 'money out' and benefit process and assessments and are kept appropriately informed of progress in handling each case.

Market conduct governance

The Board, through the Committee of Customer Affairs and Responsible Business committee, monitors customer experience, the Group's market conduct and the value for money we offer to our customers.

Market conduct management

Our segments monitor key metrics supporting each of the market conduct themes and investigate and take remedial action when pre-defined thresholds are not met. Our second line internal assurance providers conduct annual detailed market conduct self-assessments to ensure the appropriate processes are in place. This self-assessment forms the basis of a Market Conduct Policy attestation. All segments have robust customer forums and hold a quarterly, enterprise-wide market conduct forum. We produce an annual second line customer report to highlight key issues that the business needs to address.



Responsible to intermediaries

Our intermediaries are a crucial link between Old Mutual and our customers. Intermediaries establish relationships with new customers and provide appropriate advice based on their needs.

Our physical distribution network includes tied advisers, independent financial advisers, independent brokers, franchise advisers, corporate consultants and sales agents. Collectively, we have 41 117 tied and independent intermediaries providing advice to customers across South Africa and Old Mutual Africa Regions.

These intermediaries are key to building trust and relevance through meaningful engagements with our customers and maintaining customer satisfaction levels. In this, intermediaries support the Group in driving sales growth and accessing new customers.

We focus on supporting our intermediaries to build sustainable practices and incomes and to best serve our customers, and provide tools and toolkits to enhance their efficiency and productivity. We provide market-leading training and development and ensure that the advice our intermediaries provide meets our standards. We are making good progress in transforming the adviser base in the market.

The breadth and diversity of our adviser force constitute a significant competitive edge that serves a wide range of customers. The nature of the relationship between adviser and customer continues to evolve and is driven by:

- » Customer expectations and needs
- » Shifts in the number of products
- » Increasing sophistication of the advice process
- » Technological advances

These shifts require adaptation and changes to the way sales are executed and how we provide advice and services to customers. To deliver against our integrated financial services strategy, our ecosystem (MyOldMutual) encompasses a digital platform that provides a seamless digital experience with empathetic human interaction by leveraging our established strength in providing face-to-face advice across a comprehensive set of customer financial needs.

Alongside our journey to support our customers, advisers will use data insights and tools in the integrated financial services ecosystem to drive a rich, relevant series of interactions with customers – providing relevant advice when it is needed most.

Supporting intermediaries

We help intermediaries build their practices and incomes with tools and support. Our practice coaches in our tied adviser space are available to the independent adviser base, helping them improve their practices.

Intermediary networks of advisers have emerged as an important adviser group in response to the complexity and burden of evolving regulation. These registered financial adviser networks are groups of independent advisers under a shared brand, with shared administration, technology and compliance infrastructure. Old Mutual supported the establishment of four registered financial adviser networks with funding services and infrastructure on an arm's length basis.

With professional adviser fees under pressure and falling, our Mass and Foundation Cluster and Personal Finance and Wealth Management segments are making it easier for their advisers to do business and advise more customers. Where possible, the segments use technology to automate administration and communication. This frees up time for advisers to deliver value by servicing customers, reviewing their portfolios and cover, setting goals and recommending appropriate solutions. We developed advice tools to help advisers focus on their customer relationships.

We harness technology to support our intermediaries by keeping effective records that comply with regulations, particularly the Financial Advisory and Intermediary Services Act, 37 of 2002.

MASS AND FOUNDATION CLUSTER

348 retail branches (2022: 348)	4 153 tied advisers (2022: 4 065)
----------------------------------------------	------------------------------------------------

- » **R51.8 million** invested in intermediary training and development (2022: R44.0 million)

PERSONAL FINANCE AND WEALTH MANAGEMENT

2 468 tied advisers (2022: 2 398)	8 750 independent intermediaries (2022: 8 168)
------------------------------------------------	-------------------------------------------------------------

- » **R63.0 million** invested in intermediary training and development (2022: R52.0 million)

OLD MUTUAL CORPORATE

1 296
independent intermediaries
(2022: 1 224)

- » **R274 669** invested in intermediary training and development (2022: R1.7 million)

OLD MUTUAL INSURE

5 148 tied advisers (2022: 4 750)	2 958 independent brokers (2022: 1 843)
------------------------------------------------	------------------------------------------------------

- » **R1.1 million** invested in the Broker Development Programme
- » Established a tied agency capability within our retail business
- » Established a virtual distribution model within retail to optimise the costs of servicing our customers

OLD MUTUAL AFRICA REGIONS

2 175 tied advisers (2022: 3 124)	2 082 independent intermediaries (2022: 3 037)
------------------------------------------------	-------------------------------------------------------------

- » **R3.7 million** invested in intermediary training and development (2022: R2.4 million)



For more information about our intermediaries, refer to our Integrated Report



Responsible to intermediaries *continued*

Enabling appropriate advice focused on customers' financial wellbeing

In Old Mutual Corporate, we upgraded and simplified our OnTrack tool to deliver OnTrack Lite, which enables consultants to provide customised advice to customers. Consultants input and change value drivers for customers in real-time to reach a desired outcome. We are developing the member-level OnTrack tool to encourage customers to save more for retirement, based on the value drivers we develop for them. This includes increasing contribution rates, modifying default investment strategies, changing net retirement ratios and other criteria.

Using digital transformation to enhance the adviser experience

Our digital adviser enablement strategy aims to reduce friction in our systems to make it easier for our advisers to understand the full customer circumstances, use our platforms and offer our solutions to customers. We partnered with OneConnect Financial Technology (part of the Ping An Group) to leverage their leading insurance and technology expertise to build digitised products that will enhance our new digital adviser platform. We launched a pilot with a select adviser group and aim to scale the solution to the broader adviser community this year.

Intermediary training and development

Training and development are critical to ensuring quality advice and compliance with regulations. When a prospective adviser starts with Old Mutual, their first few months are dedicated to online and in-person training, followed by preparation for Financial Advisory and Intermediary Services Act accreditation.

Advisers work in the field with a development coach who attends meetings with them and coaches them after each meeting. Over time, as the new adviser gains experience, their coach gradually steps back from direct coaching, but remains available to provide consultation or advice.

Personal Finance and Wealth Management provide trainee advisers with a base salary during the initial training and field work. This tapers off as they start to earn commission, which takes around one year to 18 months. Mass and Foundation Cluster does not use a commission model. Instead, it pays a base salary with incentives and bonuses according to performance.

Old Mutual trains a large number of advisers and it is often the first job for a high proportion of those trainees. This opens future work opportunities for many by bolstering their résumés.

In 2023, through an independent exit interview process, we assessed a sample of intermediaries who left us over 12 months. This revealed that almost half of the leavers were able to find other employment in part due to having training and work experience on their résumés.

We provide continuous professional development to ensure advisers retain their accreditation in accordance with regulations. We do this through seminars, courses and conferences.

Maintaining quality advice

We have deliberate support and monitoring in place to ensure that that advice is accessible, holistic and of high quality. For trainees, this includes signing off on advice when a coach is not attending a meeting and manager approvals before a sale is finalised.

We monitor all our advisers to oversee how they use our advice tools and perform specific checks after a policy or solution has been activated to ensure it is applicable to their customer's life stage and needs.

We track persistency carefully. If we identify issues, we provide coaching and support where possible. If we see compelling evidence of misselling or recurring customer complaints, we terminate the relationship. We have a zero-tolerance policy for fraud or misrepresentation.

We use several platforms to engage with and inform our intermediaries of relevant industry, product and regulatory developments. These include quarterly employee benefits forums across South Africa and an annual investment roadshow. We track attendance at roadshows, where participants gain continuous professional development points.

To prepare intermediaries for the two-pot retirement system, we hosted regulatory, business and legal updates, shared two-pot toolkits and hosted thought leadership sessions to unpack changes to the retirement system and their anticipated impact.

Intermediary transformation

We aim to develop skilled and professional advisers and transform the adviser base in the market to best serve the customer demographic in South Africa. Old Mutual recruits more advisers than any other insurer in South Africa and over two thirds of our recruits are industry newcomers. Our tied agents make up the most transformed adviser force in the industry at more than double its nearest competitor. We continue to advocate for transformation in the independent market.

Over 70% of Personal Finance and Wealth Management's tied adviser force is black.

Almost 100% of Mass and Foundation Cluster's tied adviser force is black.

We achieved notable progress in terms of gender diversity, with 60% female representation in our adviser force. This is a significantly higher representation than our competitors. Notably, 56% of our 2022 new joiners were female.

To increase the pipeline of black brokers in the market, Old Mutual Insure partners with Letsema Brokerage Solutions, a black owned brokerage. Letsema is increasing the pipeline of black underwriters, which is a specialised skill currently underrepresented by black talent. It achieves this by offering learnerships and exposure to opportunities for developing underwriter skills.

 Old Mutual's Black Distributors Trust funds start-up independent black broker practices. For details, refer to The Old Mutual SMME ecosystem section



Responsible to employees

We exist to make a difference for our customers, intermediaries, employees, investors, communities and regulators – every day, together. We are united by our passion to becoming our customers' first choice to sustain, grow and protect their prosperity.

Several trends are changing the nature of work, demanding agile responses from businesses. Continuous learning and upskilling are imperative to keep pace with evolving technologies. Employee wellbeing, mental health and diversity and inclusion initiatives have become essential for companies aiming to foster a healthy and inclusive workplace culture. Furthermore, the heightened focus on how institutions conduct themselves as responsible corporate citizens means businesses must align their values with employees' expectations. To thrive in this evolving landscape, organisations must prioritise agility, invest in employee development, foster inclusivity and champion values that resonate with the diverse and dynamic expectations of today's workforce.

At Old Mutual, we believe agile delivery through engaged employees is critical to our success. To achieve this, our people strategy focuses on building a future-fit, transformed workforce, culture and employee experience designed to unlock our employees' potential, passion and drive. We want our employees to feel empowered and motivated to be part of an organisation that rewards and recognises high performance. We will support these efforts by driving the culture shifts we need to create an agile, execution-focused organisation capable of responding effectively to rapidly changing customer needs. We will also ensure our employee experience, including our employee value proposition, remains compelling to attract and retain key talent.

Employee metrics

We use explicit, transparent metrics to track how our employee demographics and programmes change over time.

Employee demographics at Old Mutual

ACROSS 14 COUNTRIES



We have a workforce¹ of **31 032** (2022: 29 110) comprised of: **27 265** (2022: 25 893) employees and **3 767** (2022: 3 567) contingent workers

Average age **37 years** (2022: 37 years)

Average tenure **6 years** (2022: 7 years)

SOUTH AFRICA



21 839 employees¹ (2022: 20 720)

OLD MUTUAL AFRICA REGIONS



5 068 employees¹ (2022: 4 836)

CHINA



348 employees¹ (2022: 337)

EMPLOYEE TURNOVER



Total employee turnover **22.0%** (2022: 26.1%)



Non-sales turnover **10.0%** (2022: 12.2%)



High-potential employees turnover **6.0%** (2022: 10.0%)

CULTURE TRANSFORMATION

Overall Culture Index Score of **4.57** (a decrease of 0.11 compared to the 2022 results)



For details, refer to the Our culture section.

FAIR AND RESPONSIBLE PAY

Employees in the top 5% are remunerated **12.5 times** more than those employees in the bottom 5% (2022: 12.4 times)

Minimum annual total guaranteed pay of **R180 000** for South Africa-based employees effective from 1 April 2023



For details, refer to the Compensating employees fairly section

LEARNING AND DEVELOPMENT

R241.6 million total learning and development investment¹ (2022: R176.4 million)

637 375 learning interventions completed in South Africa² (2022: 528 922)

Of the R216 million learning and development investment in South Africa:

62% allocated to women's development and **63% allocated to black learners**



For details, refer to the Developing our people and retaining critical skills section

These metrics are key to measuring the success of initiatives designed to enhance our employee value proposition and our status as responsible employers.

¹ Employees for all regions: We have refined our definition of employees and restated the 2022 numbers. Our workforce is defined as permanent and non-permanent Old Mutual employees and contingent workers, which include consultants, contractors, service providers and vendors

² We attribute the key driver of increased investment to the increase in the adoption of Workday. There has been a significant increase (of almost 80%) in capturing learning and development data on Workday across the Group

³ We anticipate that this will increase as more employees across the segments are trained on Workday segments



Responsible to employees *continued*

Developing our people and retaining critical skills

Investing in learning and development is key to delivering on our strategic focus area of agile delivery through engaged employees. We focus on providing our employees with the right learning and development opportunities to embrace new ways of working and develop the capabilities needed to gear the business for growth. We also build and invest in future skills and capabilities to sustain productivity in the new world of work.

The war for talent extends beyond an organisation's ability to attract talent. It also demands a focus on strategies designed to retain employees with the skills critical to meeting strategic objectives. For Old Mutual, delivering our integrated financial services strategy depends on retaining specific skill sets. We also seek to re-skill employees where possible, through internal job rotations and project-based work to develop new skills appropriate to our strategy and a changing operating context.

Our skills transformation strategy

Our skills transformation strategy supports the development of a future-fit and transformed workforce. As discussed in detail below, we are achieving this through two strategic thrusts:

- » Understanding gaps in the capabilities, competencies and skills the Group requires and closing them
- » Maturing capabilities that are required to build a high-impact learning organisation

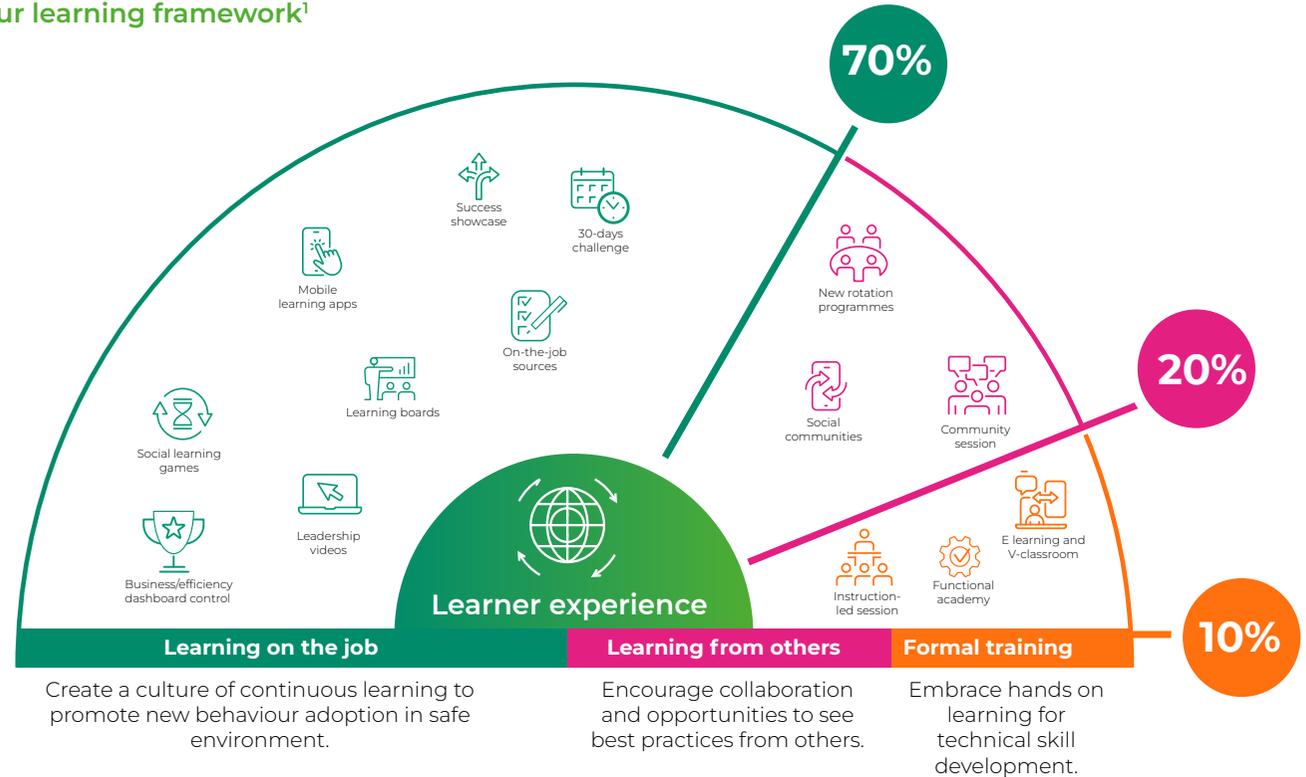
To accelerate the pace and scale of upskilling and reskilling we require, we have adopted top-down and bottom-up approaches. Our top-down approach enables us to identify significant gaps in capabilities, competencies and skills required by:

- » Strategic workforce planning to quantify future talent needs
- » Defining and monitoring demand for organisational capabilities, competencies and skills
- » Identifying and monitoring critical skills and key roles required to deliver against the Group's strategy
- » Annual workplace skills planning to identify scarce and hard-to-fill roles. (We define scarcity according to the degree of difficulty in, firstly, acquiring these skills in the market, then developing and retaining them)

Old Mutual takes a holistic approach to addressing the gaps we identify, guided by the 70:20:10 learning framework outlined alongside. We have identified seven key focus areas for skills development and retention: holistic advice management, customer centricity, digital and data, disciplined execution, culture and leadership, agile innovation and risk management.

We provide employees with a range of learning and development opportunities, including formal training, free access to online learning platforms such as Udemy; communities of practice (focused on knowledge sharing, networking and collaboration); internal career mobility programmes; and mentorship and coaching. Furthermore, we continue to build capability academies through which we can scale our development efforts efficiently. They include our sales academies, leadership academies, power skills, digital literacy and agile academies.

Our learning framework¹



¹ Model adapted from the Center for Creative Leadership's 70-20-10 Framework

Our bottom-up approach to skills development is based on a self-directed culture of learning. We encourage employees to own and drive their development with support from line managers. We are accelerating the development of our data and systems capabilities to clearly articulate role profiles and their required competencies and skills. This will provide employees with a mechanism to assess their competency and skills gaps against current and future roles in line with their career aspirations.

Ultimately, our learning and development approach requires a collective effort between our human capital teams, line managers and employees working together:

Human capital teams are responsible for designing and developing an enabling platform to create a continuous learning culture.

Line managers are responsible for setting and agreeing performance and development expectations, and providing coaching and feedback on progress.

Individual employees are responsible for seeking developmental feedback from peers, line managers and key stakeholders, as well as accessing, driving and owning their development.

Employees and line managers use an individual development plan as part of an integrated performance and talent management approach to agree on performance and development priorities.



Responsible to employees *continued*

Our learning and development programmes

Our learning and development programmes are aimed at our employees, leaders and network of intermediaries. Additionally, we invest in unemployed youth in our communities to develop them into qualified financial advisers.

Overall, Old Mutual has invested over R241.6 million (2022: R176.4 million) in learning and development solutions directed towards educating, growing, enabling and uplifting employees and external bursars. In South Africa, this value creation mechanism has resulted in the completion of 637 375 (2022: 528 922) learning interventions. Of the R241.6 million we invested, R216 million relates to South Africa. Of this 62% was allocated to women's development and 63% to black learners.

Developing future-fit leaders

Our leadership development programmes target junior, middle, senior and executive leadership levels drawn from across all the countries where we operate. Our talent development approach aims to develop leaders from the talent pool through tailored programmes that foster world-class learning experiences. These include topical content, international immersions, strategic dialogue and action learning projects that address complex business challenges.

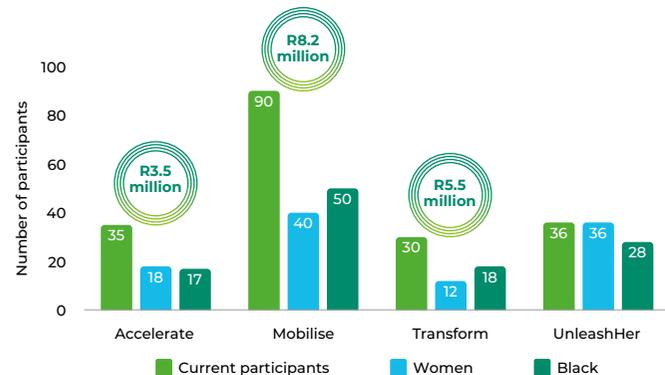
In 2023, our investment in the leadership development programmes outlined below was R17.2 million, benefiting 121 employees. Of these, 50% were women leaders and 58% were black leaders.

An overview of programmes supporting leadership development



Participation and investment in our leadership development programmes

Talent programmes



In addition to the programmes outlined above, for our top talent, we offer other opportunities for employees to develop their leadership skills. Our Level Up programme aims to improve specific line management skills. It was attended by 58 leaders at an investment of R1.2 million. The diversity profile for this course was 34% women learners and 66% black learners. A further 63 participants are currently enrolled on two learning solutions in our programme: Velocity for Impact and Leading into 4IR. Of these, 47% are women learners and 52% were black learners, with an investment of R1.9 million.

A review of the Leadership Development Framework is underway to ensure we build leadership capabilities that support our culture and strategy. This includes the rollout of a programme to improve manager effectiveness and promote the requisite leadership culture. It is an enterprise-wide solution that focuses on building management and leadership capabilities for first-time managers, managers who are new to Old Mutual and seasoned managers who want to enhance their practices.

For details on executive succession, refer to the Strategic succession planning section

Targeted women's development

As part of our commitment to diversity, equity and inclusion, Old Mutual has a target of 46% of women in leadership positions. To proactively develop women for these roles, we offer multiple targeted development opportunities. These include our UnleashHer Women Leadership Development Programme, and our She Thrives and She Aspires programmes.

In 2023, an investment of R3 million supported 82 women learners (81% of whom were black learners) from across the Group in these accelerated growth experiences.

Since the launch of the UnleashHer programme in 2021, 16 participants have been promoted.

The Old Mutual Women's Network has become an important support structure that runs various projects and masterclasses throughout the year. To broaden exposure to the senior leadership layer, we created networking opportunities between high-performing individuals and the organisation's executives and Board members.

While we have made significant strides towards advancing our women's development agenda, there is still room to incorporate leadership coaching, mentoring and other development solutions, and make these available to a larger audience.

* The Amplify Leadership Development Programme did not run during 2023



Responsible to employees *continued*

Business agility and customer centricity

Execution and delivery are value drivers and are critical to our competitiveness and ability to respond to our customers' ever-evolving needs. We see business agility as one of the ways in which we can accelerate execution. As part of our journey, we are transforming the way teams organise by implementing agile practices, roles and events. To support the shifts required, we have established an Agile Centre of Excellence to establish best practices and support their rollout across the organisation. Part of the established practices to date include the development of the Old Mutual Agile Playbook, the introduction of new quarterly interaction models, agile forums and agile learning offerings. We continue to improve our approach by incorporating various customer centric learning content in our talent and leadership development programmes.

Risk awareness

To improve our risk management culture, we run compulsory learning modules covering a range of topics. The modules equip all employees with skills to respond adequately and appropriately when confronted with various risk events in areas including, among others, data privacy, information security, financial crime, market conduct and business ethics.

Employee bursaries

To support a culture of continuous employee development, we award further study bursaries for formal qualifications. To ensure objectivity and fairness, this process is aligned with the Learning Governance Framework requirements. In 2023, we allocated R12 million, with 41% assigned to women and 47% to black learners. A total of 1 833 employees benefited from the bursary programme in 2023.

Digital learning opportunities

Since we launched Udemmy within Old Mutual in 2021, 18 331 employees have registered, with an average of approximately 47 hours of learning per user per year. Of the courses undertaken, 58% relate to building our digital and data capability.

Since the launch of Coursera in 2022, 368 employees have registered and 57% of courses relate to building our digital and data capability.

On the topic of business agility, 9 931 completions were recorded for a variety of agile courses, supporting our ambition to build an agile and engaged employee base.

Proactively accessing talent

The imperative to support youth development programmes on our continent has resulted in an investment of R19.3 million in young talent and graduates. This accounts for 8% of our overall learning and development investment.

Graduate and bursary programmes are recognised as crucial levers to build future talent pipelines in select, high-priority areas, as well as to strengthen skills in actuarial, accounting, IT and data analysis.

Over 691 students, learners, graduates, interns and trainees have been awarded bursaries and workplace experience opportunities. Dedicated early career leads have been appointed to oversee the development of graduates in certain segments.

Our actuarial and accounting bursaries are a focus for business sustainability, delivered through the:

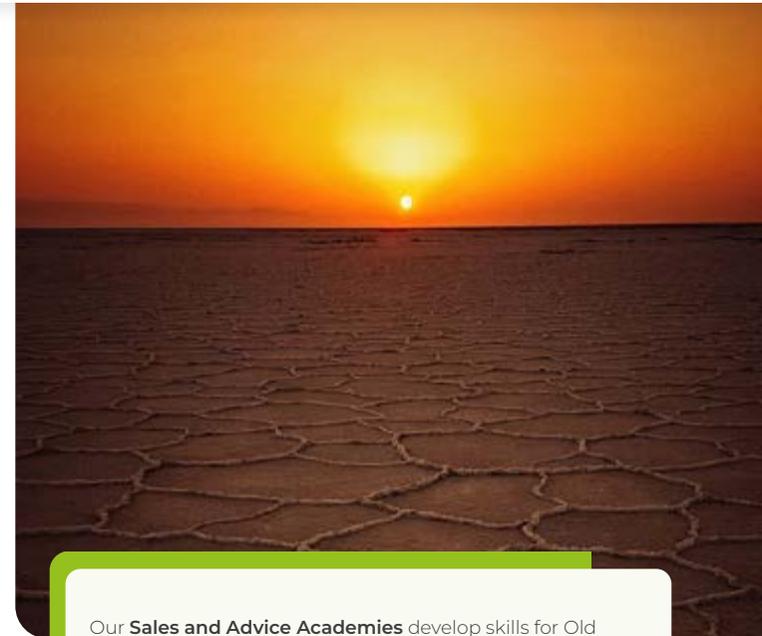
- » Actuarial Graduate Programme
- » Old Mutual Chartered Accountancy Three Year Training Programme

The Old Mutual Chartered Accountancy Three Year Training Programme supports chartered accountants in completing their articles. Once they have met the required hours and South African Institute of Chartered Accountants competencies, they are offered permanent employment in the organisation.

Other key investments include:

- » Old Mutual Education Trust – providing scholarships to Old Mutual employees who are members of participating unions and their dependants
- » Fezeka Programme – an industry-led asset management graduate-readiness programme to build their capability as professionals through foundational skills and knowledge transfer plus coaching and mentoring as they establish their careers and build experience
- » Group Internal Audit Graduate Accelerated Programme
- » Financial Engineering Programme
- » Old Mutual Tech Graduate Programme
- » Investment Analyst Development Programme
- » Tech Talent Incubator Programme – which focuses on building technology talent and skills with graduates in South Africa, Botswana, Ghana, Malawi, Nigeria and Zimbabwe
- » Chartered Financial Analyst Development – a flagship programme run in Zimbabwe
- » Old Mutual Education Flagship Project – providing maths and science educational support for grade 12 learners across South Africa
- » Imfundo Education Trust – providing obligation free bursaries to grade 12 learners to increase the talent pool for investment professionals

We have increased the study leave allocation to 20 days per year to promote employee upskilling and reskilling through formal studies.



Our **Sales and Advice Academies** develop skills for Old Mutual and the industry. They focus on developing individuals with no financial planning experience into fully qualified advisers. This investment is a significant contribution to creating in-house expertise in risk management and holistic advice management. Individuals who are not absorbed by Old Mutual can progress their careers and become more marketable in the industry.



During the year, we trained

8 919

new advisers¹

(2022: 10 919) through an investment of over R89 million.

¹ The decrease in advisers trained is attributable to the decrease in intake for new advisers



Responsible to employees *continued*

Supporting unemployed youth

Celestis, our financial services intermediary training academy, invests significantly in unemployed youth and steers them from novice level to skilled financial advisers. In 2023, we trained 3 749 unemployed youth through Celestis.

 Refer to Responsible to intermediaries for details on intermediary training and development

Our Amathuba Learnerships continue to enhance the employability of youth by supporting them through a full South African Qualifications Authority accreditation in wealth management. We do this in combination with workplace experience, mentoring and coaching.

This year, we ran a Digital Literacy Programme with 15 unemployed youth, as well as a Basic Insurance and Legislation Skills Programme for 55 unemployed youth.

Strategic succession planning

To support Old Mutual's strategic objectives, it is critical that we have the right leadership bench strength to deliver on our strategy. We are preparing our leaders to move Old Mutual into the future by developing the next generation of executives.

Our approach focuses on building a strong leadership bench and proactively managing attrition risk in key roles by identifying internal successors and supporting their development. We also prioritise the roles that are most critical to current and future strategic requirements. We identify successors across the Group and deliberately diversify successors for a variety of potential futures, recognising the evolving nature of our business environment.

We employ a suite of globally used, scientific assessments to ensure rigour in the quality of individuals we identify as successors for Group Executive committee and segment executive roles. Successors typically undergo a series of assessments and we provide extensive feedback on assessment outcomes to the individuals and their line managers to support and direct their development plan. This ensures alignment between the development investment made in successors to prepare them for a potential future transition and the focus of the development plan to support performance in the successor's current role.

Ongoing leadership meetings are held throughout the year to assess whether changes in the business strategy may affect succession. Development plans are then updated for potential successors.

Our succession development process



Overall, our approach to succession planning aims to mitigate the risks associated with employee turnover, safeguarding business continuity and strategic execution. Our successor management practices ensure we are preparing and investing in individuals for the future while still delivering on our current strategy.

Looking ahead

As we plan for the future, we are faced with the complex challenge of ensuring that we have the necessary talent and skills to meet the demands of a fast-changing world. We are making progress in developing our leaders and workforce to ensure that the Group is equipped with the critical skills and capabilities it needs to support the current and future demands of our business. We recognise that our current talent practices will evolve over time as we build a future-fit employee base.





Responsible to employees *continued*

Our culture

Our culture supports our strategic ambition by focusing on winning in the market through high-performing teams that are engaged and enabled to deliver to our customers. Our leaders bring these teams together, creating the right environment for high performance and enabling our employees to deliver and thrive.

Our culture is vested in our employees and built on four cornerstones:

- 1 Building high-performing teams through inclusive leaders who enable our employees to come together as high performers who live our values and strive for and drive excellence because they are engaged, psychologically safe, have a sense of belonging and inclusion and are trusted and accountable
- 2 Executing and delivering at speed through agile innovation, problem solving and continuous improvement
- 3 Being customer centric where teams are set up and supported to deliver to our customers and have a customer service mindset
- 4 Winning in the market by providing an exceptional customer experience

Our values and ethics are key to ensuring we drive confidence in our business by leading with integrity and respect

Our core values

Our values and ethics guide our interactions with each other, our customers, communities and other stakeholders. We have adopted the following values as the foundation to building our organisational and ethical culture:

- CUSTOMER**
Champion the customer
- DIVERSITY**
The power of diversity and inclusion
- INNOVATION**
Agile innovation that makes a difference
- INTEGRITY**
Always act with integrity
- RESPECT**
Respect for each other and the communities we serve
- ACCOUNTABILITY**
Accountability and trust

Our code of ethics

Our code of ethics, the Maadili Charter, defines ethical behaviour as following the spirit and intention of the law and treating our stakeholders and competitors fairly and respectfully. We use the Swahili word for ethics, Maadili, to honour our identity as a pan-African company. The Board, Executive committee, employees and contractors are subject to the Maadili Charter, which assists in understanding which behaviours and decisions are consistent with our values.

For detail on the governance of ethics, refer to the Corporate Governance Report

Annual ethics attestation

Employees undertake a required e-learning module comprising two courses: the Maadili Charter and the Group Conflict of Interest Policy. At the end of the module, employees agree that they understand the policies and accept them as binding. This takes place annually. We take corrective action in instances where employees do not complete the required learning and attestation, which includes performance and remuneration outcomes.

In 2023, we added a Financial Intelligence Centre Act declaration to comply with changes to this act that require annual employee screening for competence and integrity and includes declarations relating to politically exposed persons controls.





Responsible to employees *continued*

Our culture transformation journey

To guide our culture transformation journey, we developed a home-grown culture and engagement model to improve the way we do things in the organisation. The following five culture interventions remain a focus across the Group:

Developed intact teams and aligned executive teams	Develop leaders and line managers	Connect employees to purpose	Build cross-functional value chain teams	Embed the hybrid model
Continue to build executive teams that are able to lead the culture transformation	Develop leader capability in the fundamentals of leading and managing employees using effective people practices	Empower leaders to engage their teams and connect them to Old Mutual's strategy, culture and purpose, supported through broader communication	Build cross-functional teams that work across the value chain to enable more efficient and effective delivery	Equip leaders to lead in the hybrid model and enable employees to execute efficiently and effectively, both individually and in teams

Our model forms the basis of the Pulse Culture Survey, which offers employees an opportunity to provide feedback on their experience of the organisation. We have conducted the survey every second year since 2019. Insights from the results are used to drive organisational change to shape the desired culture.

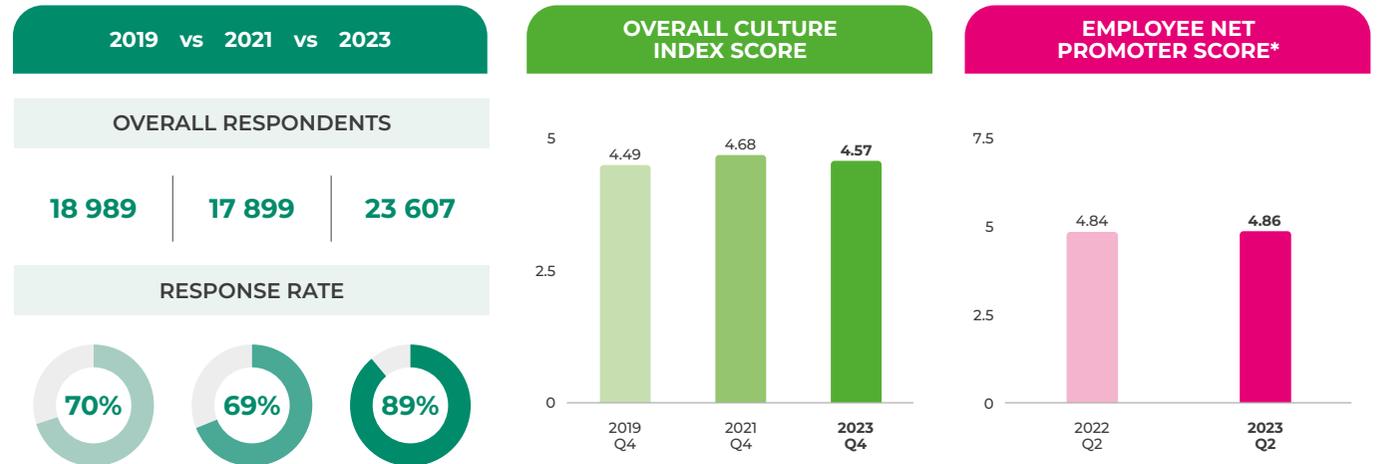
Tracking progress along our culture transformation journey

The 2023 Pulse Culture Survey received the highest response rate at 89% since the survey was launched in 2019. This was 14% higher than the global industry benchmark for survey response rates. The increase is a strong indicator that employees are invested in Old Mutual's culture.

The overall Culture Index Score is an aggregate score of all the culture model dimension questions measured by the Pulse Culture Survey, giving a score out of six. The scale ranges from one (strongly disagree) to six (strongly agree). The score gives us an understanding of the progress we are making along our culture transformation journey, indicating how much work we need to do to achieve the target score of between five and six, which signifies a positive, strong culture.

Our overall Culture Index Score of 4.57 in 2023 showed a decrease of 0.11 compared to the 2021 results. The score remains higher than when it was first measured in 2019 (4.49). Execution and delivery and employee engagement have been highlighted as focus areas, with action plans in place to address these dimensions. A mini Pulse Culture Survey will be conducted in 2024 to assess progress.

Our Employee Net Promoter score is consistent when compared with 2022. This indicates that employees still feel positive towards Old Mutual as an employer, another strong indicator that we are making solid progress in our culture transformation.



All responses are anonymous and confidential. Data from the survey are used to create feedback reports at a Group, business unit and team level. Data are reported in aggregate groups of five or more respondents. Results are shared with all employees, executives and the Board. All leaders receive a dashboard with their team's results to inform action plans and drive meaningful culture change while improving our employees' experience.

* The Employee Net Promoter score is measured by asking: "I would recommend Old Mutual as a great place to work". This has been measured since 2022 in the mini Pulse Culture Survey dipstick



Responsible to employees *continued*

Progressing our diversity, equity and inclusion agenda

The power of diversity and inclusion is one of Old Mutual's core values. Our principal belief is that our strength and collective success lies in our diversity. As an organisation, we embrace and respect the diversity of our people and their differing views, opinions and experiences. Old Mutual has zero tolerance toward discrimination, which is reinforced through our policies and practices.

Championing gender rights and equality is core to our approach. Our diversity and inclusion principles tie back to our culture transformation journey, through which we are driving connection, belonging, inclusion and engagement with our employees. Initiatives to create and sustain an inclusive workplace are led by inclusive leaders with engaged employees.

We continue to review and improve our policies in line with our efforts to drive a culture and working environment that supports psychological safety and inclusion and where our employees feel that they belong.

Employee resource groups

We currently have three employee-led resource groups within our organisation: Old Mutual Women's Network, Pride@Mutual and Millennials@Old Mutual (MiOM). Our employee resource groups help bring our diversity and inclusion strategy to life.



The Old Mutual Women's Network (OWN) brings talented women in our business together with the aim of empowering them and making a difference in the workplace. It also extends to the communities in which we operate. OWN has expanded its reach over time from South Africa to 10 chapters across Africa. Given the diversity of environments and needs across our pan-African business, each OWN chapter runs independently to ensure its strategy and implementation are authentic and relevant.

OWN comprises four pillars that reflect our core principles and drive the network's goals and purpose:

Support me – through education, engagement and awareness

Mentor me – supporting members to develop themselves through coaching circles and by sharing experiences and learnings

Connect with me – creating internal and external networks for and among women in business

Helping hands – outreach to vulnerable communities



In South Africa, we continued to support our internal lesbian, gay, bisexual, transgender, queer, intersex, asexual and other identities (LGBTQIA+) community through Pride@Mutual. Set up by our employees, it provides support, awareness and dialogue on the needs of various employees and allies within our business. Pride@Mutual is committed to championing diversity and inclusion by driving a culture of respect, acceptance and ongoing learning in a working environment that authentically acknowledges every individual's differences and similarities. This enables our employees to achieve their full personal and professional potential within a safe working environment.

In 2023, Pride@Mutual represented Old Mutual at Cape Town and Johannesburg Pride marches and events to demonstrate our support. Internally, the focus has been on building on continuous dialogues within the LGBTQIA+ community and growing the Pride@Mutual member base with allies across other employee resource groups and the broader organisation.



MiOM enables open and accessible platforms where different generations of employees can meaningfully contribute to shaping the future of Old Mutual. MiOM's vision is to connect and engage employees to influence the Group's growth, bringing the voice of younger generations into the process of co-creating Old Mutual's success.

MiOM seeks to achieve this through four guiding pillars:

Basecamp – tapping into business leaders' knowledge and obtaining guidance from experienced leaders to help shape solutions to issues currently facing millennials in the workplace

Propel – taking deep dives into specific business-related challenges to develop solutions from the perspective of young employees

Grow – seeking career development opportunities and exposure to various learning and development programmes available across the Group

Ways of work – focusing on elevating various opportunities for improving workplace conditions and the environment for employees

In 2023, MiOM focused on elevating financial wellbeing in light of current socio-economic realities. Through an ongoing series of webinars, MiOM tackled topics ranging from the importance of financial advice and planning to the possible impact of retirement reform and the implementation of the two-pot retirement system in South Africa in 2024.

Diversity, equity and inclusion in action Key events and initiatives in 2023

- » The International Women's Day event – held to elevate women's agenda and embrace equity was held in line with the global theme: Raising the conversation
- » In 2023, OWN took up the challenge of understanding the circumstances that women find themselves in and acting to empower them appropriately in networks outside Old Mutual. Through ongoing dialogue and various engagements, OWN continues to keep this dialogue alive
- » A training module on diversity and inclusion was included as part of the required annual attestation e-learning module on the Maadili Charter. A module on unconscious bias was also included in the integrated talent cycle learning for line managers
- » In-person connect sessions were held in line with Cape Town and Johannesburg Pride to celebrate our LGBTQIA+ community

Policies and procedures

- » In 2023 we took another step in our diversity and inclusion journey by making progressive improvements to our Parental Leave Policy, making it more inclusive and gender-neutral. These improvements include:
 - Updating definitions of parents and co-parents to primary and secondary caregivers
 - Fully paid parental leave across most of the Group, with remuneration structure reviews underway for remaining areas





Responsible to employees *continued*

Employee wellbeing

Maintaining an environment that embraces diversity and inclusion and promoting a culture of employee engagement and continuous improvement, supports the wellbeing of our employees. We recognise that our employees' lived experience of wellbeing affects how connected they feel to the organisation, their roles, their colleagues and our customers. We are committed to enabling our employees to thrive across all aspects of their health by integrating wellbeing into our organisational culture.

Our approach to wellbeing focuses on employee wellbeing at an individual level. It also seeks to incorporate wellbeing into the relationships we build within our teams and our organisational working environment. We have translated our wellbeing approach into three key pillars:

- 1** **Healthy employees**

We enable employees to feel cared for by applying a holistic employee wellbeing approach that addresses their mental, physical, financial, spiritual and emotional wellbeing.
- 2** **Healthy relationships**

We enable employees to feel understood and appreciated by building deeper connections and relationships and in finding a shared purpose by enhancing relationships between employees, their line manager and team through connection, collaboration and engagement.
- 3** **Healthy work environment**

We enable employees to feel autonomous and valued by providing opportunities for flexibility and personal growth. Ensure their physical workspace and work practices and behaviours enable employees to thrive by balancing productivity against the risk of stress, anxiety and burnout.

The two key drivers for wellbeing at Group level are the #BeWELL Health and Wellbeing Hub for employees across Africa and our employee wellbeing programme. The #BeWELL Hub provides tools, tips, advice and events that help our employees to manage their wellbeing needs across the three key pillars. Employees can access the employee wellbeing programme at any time through a variety of platforms. It provides services including counselling support, legal advice, financial coaching, family care, online resources and assessments and managerial support.

We are conscious that we cannot take a one-size-fits-all approach to employee wellbeing. We also focus on areas that require specific intervention and tailor our wellbeing efforts according to the needs of employees in their operating segments. Each segment is accountable for its own wellbeing plans and initiatives that address the three pillars, with guidance provided by the Group under the #BeWELL brand. These plans follow monthly or quarterly themes based on localised trends and needs. To date, segments have primarily focused on the healthy employee pillar with most interventions and engagements linked to driving overall health outcomes in the areas of mental, financial, emotional, physical and spiritual wellbeing.





Responsible to employees *continued*

Compensating employees fairly

We want to champion mutually positive futures for our stakeholders, including shareholders, employees, customers, communities and the environment. We aim to be our customers' first choice to sustain, grow and protect their prosperity. To achieve these goals, we require high-performing employees who are engaged by meaningful work and are paid fairly and responsibly for the work and the value they create for stakeholders.

The Remuneration committee ensures that remuneration is externally relevant, internally equitable and supports the delivery of the Group's short, medium and long-term objectives. The committee keeps abreast of the various remuneration levels in each country of operation.

Core remuneration principles supporting our fair and responsible pay approach

We commit to the following principles to foster a culture of trust, transparency and engagement while also supporting bold decision making. These principles guide decision making on remuneration and performance-related matters, including instances where we make pay decisions, determine policies and practices and assess existing practices.

Free from discrimination	Competitive pay	Pay for performance	Fair and fulfilling work opportunities	Transparency and openness	A dignified life for all
We determine an individual's value to the organisation according to the strength of their contribution. We do not determine value based on preferences, unconscious biases or other factors that are not attributable to the employee.	We provide a total remuneration package and employee value proposition that is competitive and enables us to attract, motivate and retain employees based on market rates for their role, location, performance, skills and experience.	We provide all employees with an opportunity to share in the success of the Group through performance-related pay structures aimed at rewarding value creation and performance at an individual business, division and Group level.	We are committed to providing all employees with fair and appropriate opportunities to grow and advance in their careers through skills development. We ensure employees' remuneration progresses alongside changes in work intensity and evolving skills.	We ensure we set clear expectations for how employees are remunerated. We are transparent about the principles that guide remuneration decisions and we ensure all employees understand their pay through clear personal objectives and feedback.	We support our employees' security and overall wellbeing. We ensure all employees receive sufficient pay to meet their basic needs. We also ensure that each employee can achieve their salary without the need to work excessive hours or rely on variable remuneration.

Fair and responsible pay metrics

The Remuneration committee has developed and approved appropriate metrics to track progress against our fair and responsible pay principles. The metrics we use are the average total guaranteed pay (TGP) and total remuneration (TR) of the top 5% of earners compared to the bottom 5% of earners.

For this process, TR is defined as a total guaranteed package plus short-term incentives awarded, long-term incentives vested and dividends paid in the year under review.

The committee continues to monitor the outcomes of the changes and initiatives we have implemented.

Pay ratios	2023	2022	2021
Single-figure average TGP bottom 5%	R193 325	R185 845	R166 292
Single-figure average TGP top 5%	R2 418 195	R2 308 004	R2 158 134
Pay ratio TGP	12.5	12.4	13.0
Single-figure average TR bottom 5%	R205 304	R192 144	R170 938
Single-figure average TR top 5%	R4 187 732	R3 677 286	R3 119 324
Pay ratio TR	20.4	19.1	18.2

We made progress in our pay ratios from 2022 to 2023, with a consistent baseline. The TGP ratio for 2022 was 12.4 and for 2023 is 12.5. The TR ratio for 2022 was 19.1 and for 2023 is 20.4.

With the inclusion of the new entity, our pay ratio gap increased on a TGP basis. The total reward pay ratio increased for TGP and TR, including and excluding the new entity.

We will continue to build on our metrics as our fair pay journey progresses but for 2023, the same metrics will be applied.



For more information on our Remuneration Policy, refer to our Remuneration Report

Minimum pay levels

A minimum annual TGP of R180 000 for South Africa based employees was effective from 1 April 2023. We continue assessing the set value against inflation levels and the market-related pay scales.

For employees in countries outside of South Africa, as well as sales employees, we continue to work towards ensuring pay is fair and equitable, and actionable plans are in place to manage pay.



Responsible to communities

As a responsible business, we have a deep commitment to creating shared value and sustainable transformation. Our long-term success is closely linked to the development of sustainable environments that allow communities to thrive. Our community focus areas address the prevailing socio-economic challenges in the communities where we operate.

Our response to communities is multi-faceted and impact driven. We have identified systemic socio-economic challenges where we are able to leverage our existing skills and expertise to deliver results over time. Our community response is delivered through four key programmes:



Financial education and inclusion: Financial literacy levels are particularly low in developing countries, with only 32% of people in Sub-Saharan Africa reported to be financially literate. Poor financial decisions lead to high levels of indebtedness that trap people in a poverty cycle spanning generations. By providing financial education to the communities we operate in, we can empower individuals with knowledge and skills to make informed decisions about their finances.



Entrepreneurship: We view small to medium-sized businesses as the backbone of the African economy and understand the numerous challenges they face. Entrepreneurial activity has steadily increased across the continent. The African Development Bank reported that 22% of Africa's working population is starting businesses. We believe we are uniquely positioned to provide an integrated commercial service offering while delivering impactful solutions through our development work with entrepreneurs and suppliers.



Education and skills development: Literacy remains critically low across our continent, with a reported 80% of 10-year-old children in western and central Africa unable to read for meaning. In South Africa, 78% of grade 4 learners are unable to read for meaning in any language. The work we do throughout the Group on developing education and skills seeks to help address systemic educational needs, such as the provision of robust literacy and numeracy programmes.



Humanitarian and disaster support: The number of communities facing disasters is increasing year on year as a result of the climate crisis. Disasters often impact the poorer and most vulnerable members of society the most due to the loss of basic possessions. As a responsible business, we take a proactive approach to humanitarian and disaster support and strengthening resilience among vulnerable and at-risk communities confronted with catastrophic events.

Governing community engagement and investments

A dedicated public affairs office sits at Group level. This is led by the Group Director: Strategy, Sustainability, People and Public Affairs, who provides strategic direction and long-term planning, monitoring and coordination of multiple areas and activities that deliver against our commitment to the communities in which we operate. The mandate for public affairs is set by the Board and overseen by the Responsible Business committee.

In Old Mutual Africa Regions, a Responsible Business Executive committee oversees regional activities and reports to the Responsible Business committee.

During 2023, the Group public affairs team undertook a strategic review across our portfolio of community initiatives. This forms part of a broader strategic rationalisation undertaken across the Group marketing, public affairs and sustainability functions to align these functions more closely to the Group's strategy. As noted previously, the sustainability function was moved into Group strategy, effective from 1 August 2023.

Our new strategy aligns our developmental ambitions to Old Mutual's core financial services competencies and the Group's victory condition: to be our customers' first choice to sustain, grow and protect their prosperity. This will focus the scope of our initiatives to ensure we are generating a positive impact in these communities.



Financial education and inclusion

Old Mutual's financial education and inclusion programmes are tailored to promote a culture of financial independence among our different stakeholders at different life stages.

As a business, we understand the financial demands faced by our customers and broader society and the critical need for financial education and inclusion in Africa. In our efforts to help alleviate these societal concerns, we aim to bring more people into the economic mainstream to help them create, grow and preserve their wealth by promoting a culture of financial wellness through inclusive education that meets individuals where they are in their financial journey.

Key to our strategy is our outreach approach, which involves meeting customers where they are. This allows us to provide contextual learning in their key life moments, delivered through digital, broadcast and face-to-face mediums.

Financial education is also provided internally to increase financial literacy among our employees. In Old Mutual Corporate, we have implemented a benchmark and targets for knowledge improvement and practices across our professional, support and auxiliary staff.

Supporting financial wellness through financial education



LEARN THE BIG FIVE SECRETS OF MONEY MANAGEMENT

We see financial education as an important tool to support financial wellness, drive financial inclusion and improve overall financial resilience.

In South Africa, On the Money, our flagship financial education programme, reaches our customers, advisers and the broader communities in which we operate. It delivers content through a range of formats, making it easy for participants to interact with us in the way they are most comfortable. This includes face-to-face sessions, digital delivery through an online portal and an engaging podcast series. In 2023, we launched a new WhatsApp line to help customers and advisers proactively manage their financial journeys. Embedded with an AI capability, customers are able to get instant answers to a range of personal finance-related questions. Some of the content includes budgeting tips, steps to get out of debt, guidance on drafting a will and the ability to connect with a financial adviser.

Apart from reaching a sizeable audience of over 20 million people, On the Money makes a meaningful impact in supporting customers towards financial wellness. Participants feel more in control and financially confident after attending an On the Money session.



Responsible to communities *continued*

A snapshot of our financial education programmes and integrated financial service offering

Our **financial education initiatives reached 20.2 million¹ people**
(2022: 36.6 million)

OLD MUTUAL REWARDS encourages good financial and lifestyle behaviour

OLD MUTUAL ON THE MONEY is a financial education programme that guides individuals in managing their finances

9.0 million financial wellness activities
(2022: 6.0 million)

136 292 people reached via **On The Money** face-to-face engagements
(2022: 238 681)

323 393 people reached
(2022: 389 143)²

10.1 million³ people reached on **social media**
(2022: 35.9 million)

Moneyversity is our gamified financial educational tool

22seven is a free budgeting app that helps customers track spending against a budget

Engaged 115 856 users
(2022: 75 072)⁴

668 253 registered users
(2022: 620 109)

1.9 million linked accounts
(2022: 1.9 million)

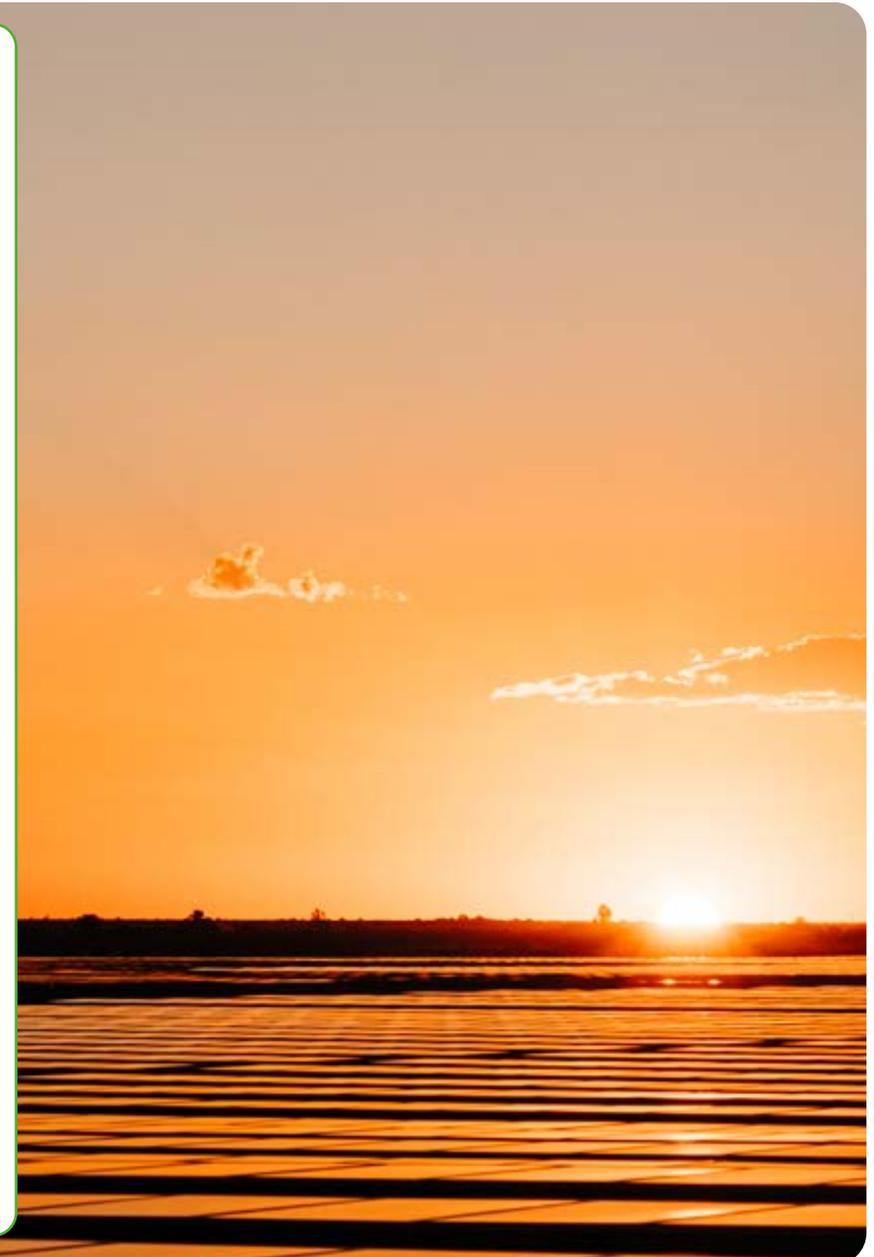
Old Mutual Financial Wellbeing Programme partnered with retirement funds to educate, enable and empower fund members financially

Our **Financial Wellbeing Programme** reached **420 053 people**
(2022: 260 845)

We provide education on personal financial choices through courses and toolkits and cover the concept of the multiplier effect that Old Mutual delivers.

For details on how these programmes support our financial education and inclusion strategy, refer to the Old Mutual financial education and inclusion life stages section

¹ This metric comprises financial education social media reach as well as face-to-face financial education. In 2023, the social media platforms X and Facebook have changed their data extraction methodologies to no longer include organic reach metrics. This resulted in the decrease in 2023
² Due to improvement in the data definition, the number of people reached metric has been restated to only reflect the proportion of Old Mutual Rewards members who engaged in financial wellness activities in the reporting period, and exclude dormant members
³ In 2023, the social media platforms X and Facebook changed their data extraction methodologies to no longer include organic reach metrics. This resulted in the decrease in 2023
⁴ The increase is due, in part, to improved data methodology





Responsible to communities *continued*

Old Mutual financial education and inclusion life stages

Old Mutual financial education and inclusion programmes are tailored to the life stages of our stakeholders, promoting a culture of financial independence.

Under financial education and inclusion, our priority stakeholders are:

Our communities

We activate stokvels and reward customers, small group leaders, teachers, churches, SMMEs, non-governmental organisations, corporates and staff volunteers for their participation in delivering our financial education to their communities.

Our customers

We are developing a modularised, life stage based, rewards-driven financial education offering that will form part of our integrated financial services ecosystem (MyOldMutual) to support customers on their journey to financial wellness.

The youth

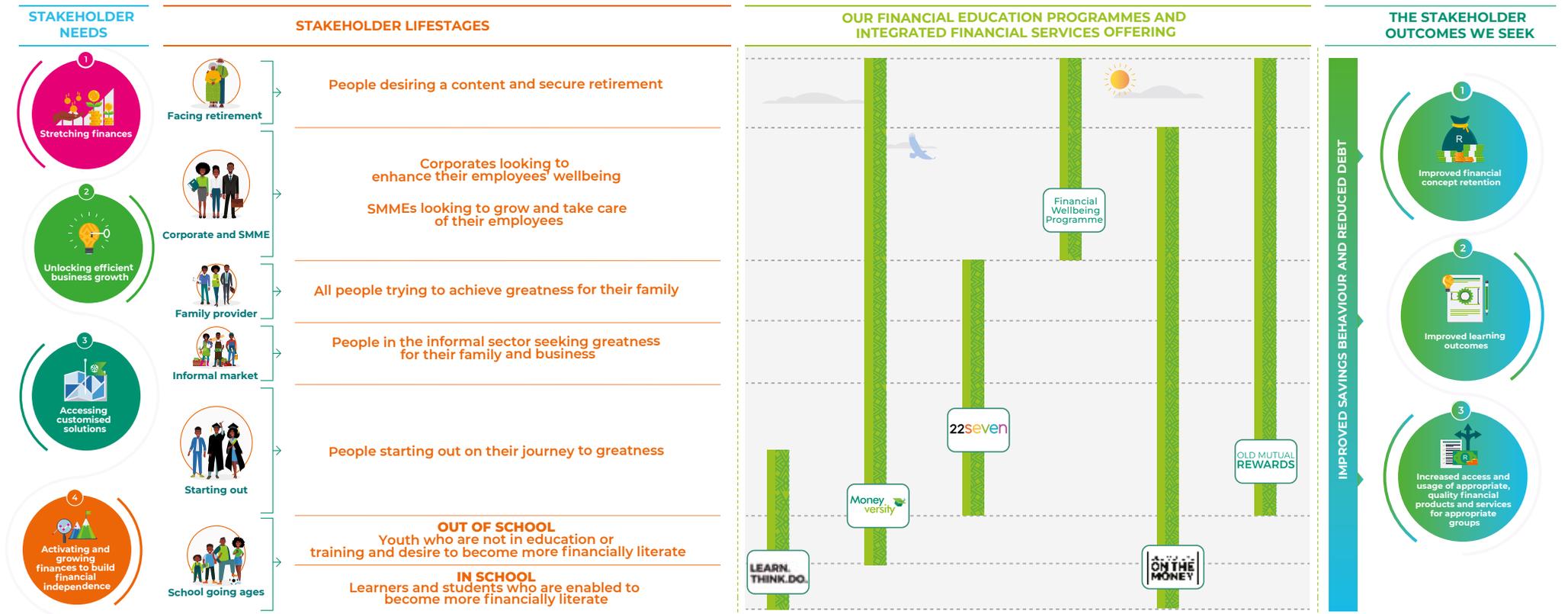
We deliver digital, gamified solutions such as Learn.Think.Do and Moneyversity for mobile, which teach and reward the youth to save and become entrepreneurial. We partner with the National Department of Education in South Africa and the Kenya Institute for Curriculum Development to embed financial education into the curriculum.

Our intermediaries

Intermediaries are a critical link with our customers and communities. They establish relationships with new customers, provide appropriate advice according to customer needs and service them through a combination of face-to-face and digital channels to optimise and enhance their experience.

We serve different age groups through digital and face-to-face mediums to ensure that more people are brought into the economic mainstream to create, grow and preserve their wealth. Key to our strategy is our outreach approach where we meet customers where they are. This allows us to provide contextual learning in their key life moments.

We provide contextual moments in key life stages for our stakeholders:





Responsible to communities *continued*



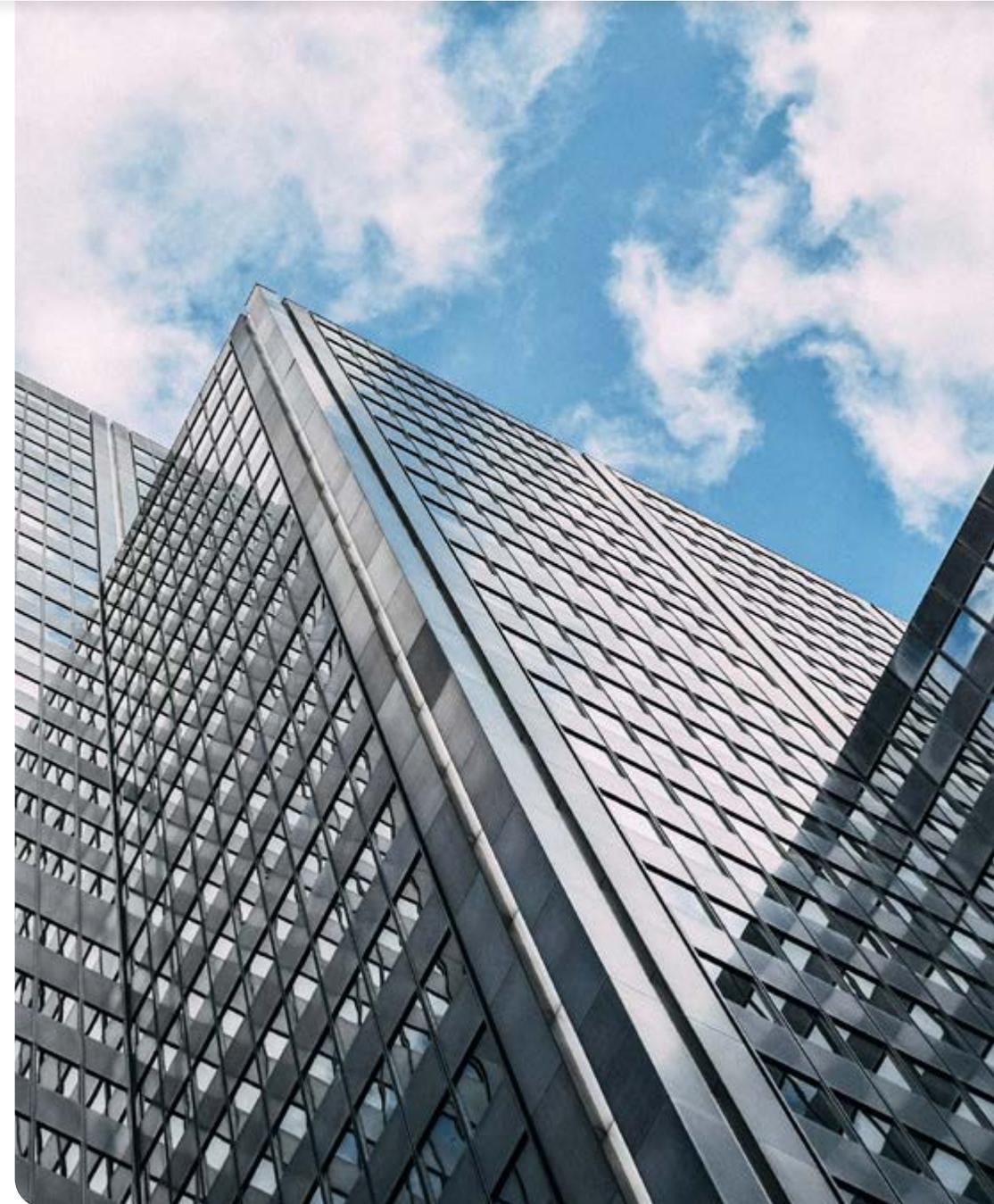
Entrepreneurship: a means to inclusive growth

Old Mutual recognises that SMMEs are the backbone of the African economy, yet they face persistent challenges, such as limited access to funding, inadequate infrastructure, complex regulations, market access limitations and more.

Old Mutual understands that economic prosperity in Africa is highly dependent on establishing ecosystems where SMMEs can develop and thrive. We are uniquely positioned to provide an integrated commercial service offering to SMMEs while delivering impactful solutions. We provide opportunities for funding, access to markets, mentoring and coaching and financial literacy education while supporting business operations. We actively invest in SMMEs in the green economy to move towards a green, sustainable, inclusive and innovative economy.

In 2023, we launched a strategic review of our approach to serving SMMEs. We see opportunities to amplify our impact through greater coordination and alignment of programmes and products targeting SMMEs across the Group. We also believe a unified approach will provide clarity to SMMEs on our distinctive value proposition.

An integrated Old Mutual strategy for SMMEs has been noted by the Responsible Business committee, with implementation set to start in 2024.



Key metrics



10 035 SMMEs reached by Old Mutual (2022: 5 270)



R371 million funding provided by Old Mutual to Preference Capital to date to disburse to SMMEs



R66.7 million in disbursements by the Masisizane Fund (2022: R102.8 million)



Since 2019, the Old Mutual **ESD Fund has approved R373.0 million in debt and equity funding** (R66.5 million approved in 2023) with 294 jobs created



Refer to page 60 for further details.



Responsible to communities *continued*

The Old Mutual SMME ecosystem

Impact solutions:

Initiatives designed to create positive, significant and sustainable impact by identifying and implementing evidence based social impact approaches and programmes

- » Masisizane Fund
- » Black Distributors Trust
- » Mutual & Federal Development Trust
- » Old Mutual ESD Fund

- » On The Money
- » Old Mutual Sustainable, Economic and Empowerment Drive

- » Eight2Five Innovation Hub
- » Old Mutual Tech Hub
- » Masisizane Fund
- » Tingathe

Old Mutual has a longstanding commitment to serve and support SMMEs, demonstrated through our portfolio of **impact solutions** and **commercial solutions** and our substantial financial investment in SMMEs over the years.

Commercial solutions

Products and services designed to meet specific customer needs and derive commercial benefits for Old Mutual

- » SMEgo
- » Faulu Microfinance Bank
- » Old Mutual Finance
- » Old Mutual ESD Fund
- » Preference Capital

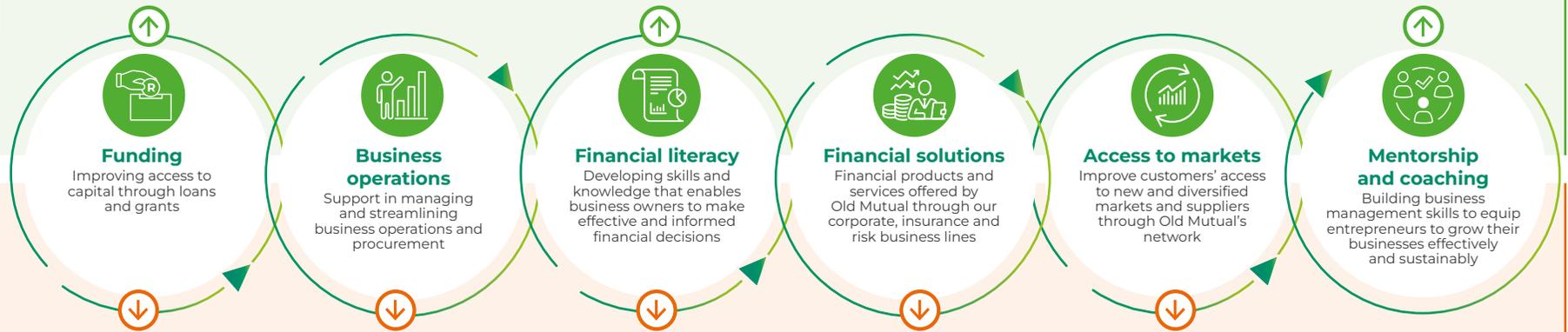
- » SMEgo
- » Oystar
- » Fairbairn Consult

- » Member education
- » Faulu Research Triangle International literacy training

Old Mutual Insure
» Property, liability and specialty

Life and Benefits
» post and pre-retirement, risk, administration distribution for brokers, agents, bancassurance, direct
» O'mari

- » SMEgo



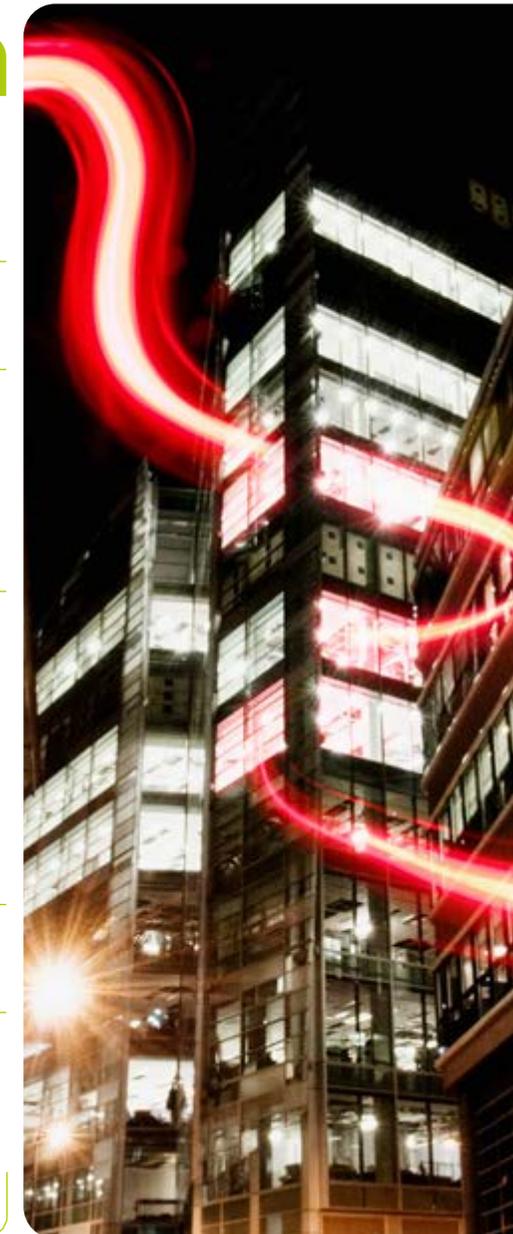
For details on key SMME initiatives, see the Highlights from our SMME ecosystem section



Responsible to communities *continued*

Highlights from our SMME ecosystem

Portfolio	Description	Outcomes
Masisizane Fund	<p>Masisizane means 'let us help each other'. Established in 2007, the fund assists in establishing and growing businesses while lowering unemployment. In 2023, the fund increased its focus on helping SMMEs prepare for funding success.</p> <p> See our case study on Funding the Phakamani Foundation to support rural women development</p>	<ul style="list-style-type: none"> » Since inception, the fund has disbursed over R929.1 million, funding 394 SMMEs and facilitating over 13 138 jobs
Black Distributors Trust	<p>The Black Distributors Trust boosts the representation of black financial advisers and black owned financial advisory businesses in the industry, particularly SMMEs. It provides support such as investment capital in the form of repayable loans, skills development, business operations assistance and mentorship and coaching.</p>	<ul style="list-style-type: none"> » R4.9 million in loans disbursed » R4.3 million in grants awarded » R9.3 million invested in programmes, resulting in 1 695 adviser and support jobs
Fairbairn Consult	<p>Fairbairn Consult is a financial advisory subsidiary of Old Mutual that provides an alternative for financial advisers when new regulations make it too onerous to run and manage a financial service provider company. Advisers can join under their own name or via a company, which means that the advisers are business owners.</p> <p>There are currently around 40 companies operating through Fairbairn Consult.</p> <p>The business has opened two Fairbairn Cafés as proof-of-concept stores to offer potential customers an accessible and relaxed environment where they can get advice on a wide range of products across all lines of business.</p>	<p>Since inception, we have:</p> <ul style="list-style-type: none"> » Created over 300 jobs » Appointed 184 retail advisers and created 25 franchises » 50 corporate consultants advising large corporates and retirement funds » The fifth largest life risk brokerage in South Africa » Over R10 billion in retail assets under advice, with around R300 billion in institutional assets under advice
SMEgo	<p>SMEgo was developed as a holistic solution that addresses the critical business needs of SMMEs to help them grow their profitability. The platform simplifies and streamlines the funding application process for both borrowers and lenders. Additionally, SMMEs can create and send unlimited professional invoices easily, get paid early for unpaid invoices, access innovative and flexible business funding from multiple funders with a single application, as well as run their business on the go with multi-channel access across the internet and SMEgo app.</p> <p>Active funders on the platform include both internal and external funders. Old Mutual's Masisizane and ESD funds are both accessible.</p> <p>Further enhancements in 2023 included bank account integration, payment optimisation and subscriptions, along with unlimited quotes, sales and purchase orders, a financial management dashboard and reporting.</p>	<p>SMEgo</p> <ul style="list-style-type: none"> » 6 751 registered users » 17 registered funders » SMEgo has facilitated funding events in excess of R6.2 million
Preference Capital	<p>In August 2022, Old Mutual acquired a 30% stake in Preference Capital, a diversified lending business that provides a range of lending and treasury management products to SMMEs. Preference Capital has integrated with Old Mutual Insure to deliver short-term insurance solutions to customers.</p>	<ul style="list-style-type: none"> » R371 million funding provided by Old Mutual to Preference Capital for SMME investments to date
Old Mutual ESD Fund	<p>The ESD Fund provides working and growth capital to qualifying SMMEs in South Africa to create employment and sustainably grow each SMME that we invest in. The ESD Fund invests in early- to mature-stage businesses across technology, impact and green industries with transformation and empowerment profiles. The ESD Fund provides both financial and non-financial support to investees through access to new markets across Old Mutual and the provision of specialist skills.</p> <p> Refer to the section Funding SMMEs through the Old Mutual ESD Fund for further details</p>	<ul style="list-style-type: none"> » R373 million in deals approved to date » R66.5 million approved in 2023 » 294 jobs created and 200 jobs sustained » Assistance provided across a range of industries





Responsible to communities *continued*

Funding the Phakamani Foundation to support rural women development

Through the Old Mutual Masisizane Fund, a term loan facility of R18.5 million was provided to the Phakamani Foundation. The loan provided working capital for its micro-enterprise programme, which is modelled on the internationally renowned Grameen Bank model.

The system of training, group borrowing and ongoing support brings accountability and practical assistance to the development of the funded micro-enterprises. The programme targets rural areas with high unemployment and further identifies the most disadvantaged people within these communities through a household index, an asset test and a basic interview. Women who may be interested in starting their own micro-enterprises are then introduced to Phakamani's programme.

Phakamani uses social collateral to extend its loans to a group of women who have mutual trust in each other. Loans are only approved for self-chosen, income-generating activities that can earn immediate returns and that employ skills that the borrowers already possess. Phakamani evaluates the affordability of requested loans, with a requirement to ensure that all customers can not only afford to pay back the instalments but also generate new income.

Each group is trained in basic business concepts and group management and Phakamani employees live and work in the villages they serve.

Phakamani Foundation maintained over 500 direct jobs, created 5 000 indirect jobs and sustained 5 000 SMMEs through funding providing by the Masisizane Fund.

Driving responsible change in the insurance value chain

In Old Mutual Insure, we continue enhancing support for SMMEs across our value chain – from Brokers to service providers in our claims process. We continue to develop our Black Broker base through loans and grant funding. As one of the largest customers to service providers like panel beaters, electricians and plumbers, our support can have a significant and positive impact on these businesses. We partner on programmes that include the relevant supervisory institutions, like The Institute of Plumbing South Africa (IoPSA), to provide training and development support to their members. We also focus on facilitating the development and growth of black and black women-owned businesses outside our value chain so that they become viable for our supply chain. We provide loans to service providers in our supply chain to facilitate business growth and opportunities to employ more people. Our SMMEs are paid within seven (7) days without discount to ensure their operations are not impacted by cash-flow limitations.

Funding SMMEs through the Old Mutual ESD Fund

The Old Mutual ESD Fund creates shared value for SMMEs and Old Mutual through the deployment of funds across various investment opportunities and industries.

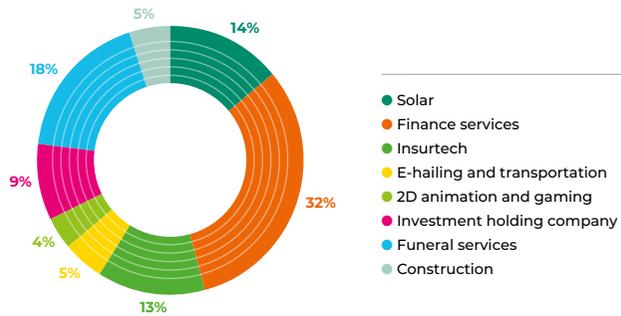
The Fund serves as the vehicle to disburse R500 million to qualifying SMMEs registered and trading in South Africa, in line with the Fund Framework Agreement entered into with the Department of Trade, Industry and Competition.

The primary objectives of the Fund are to:

- » Create employment
- » Provide access to funding through competitive pricing
- » Generate a sustainable return to ensure the perpetual nature of the Fund

Utilising the Fund as a vehicle, we have approved R373 million in deals across several industries, unlocked new growth opportunities and created enterprise value.

Total value approved by industry in 2023 (%)



A snapshot of our portfolio



The Fund has invested across multiple industries, including gamification and marketing, renewable energy, fintech, insurtech, B-BBEE empowerment, construction and debt management, among other financial services enterprises. The Fund provides working and growth capital to SMMEs who would otherwise receive uncompetitive funding in the market. Generally, the ESD Fund's private debt is priced lower than commercial banks or venture debt funds. The sustainable growth of each SMME is a cornerstone of the ESD Fund, achieved through bespoke funding solutions and non-financial support.

In addition to our primary objective, we also provide other critical assistance in the form of non-financial support that spans non-executive positions on SMME boards, providing access to markets, strategic stewardship, distribution and solidifying the partnership between Old Mutual Limited and the SMME.

All Old Mutual ESD Fund beneficiaries are required to have a minimum of 51% B-BBEE ownership. Of our total ESD investments to date:

- » 46.8% has been provided to businesses with 100% black ownership
- » 40.5% has been provided to businesses with up to a 51% black women shareholding
- » 9.1% has been provided to businesses with 100% black women ownership

We remain committed to supporting SMMEs that require financial and business support to further enhance the transformation agenda.



Responsible to communities *continued*



Education and skills development

Old Mutual works across the education value chain to support meaningful systemic impact. We approach our education programmes and initiatives through a lifelong learning lens. By taking this approach, we can map our support and nurture specific skills and capabilities along the learner's journey – from foundational skills in the early years, to basic learning, to sustainable livelihood skills for youths and adults.

Below is an overview of our education initiatives:

Key metrics



OMET Foundation

178 Old Mutual Education Trust bursaries awarded (2022: 172)

R18.5 million bursary spend (2022: R15.3 million)

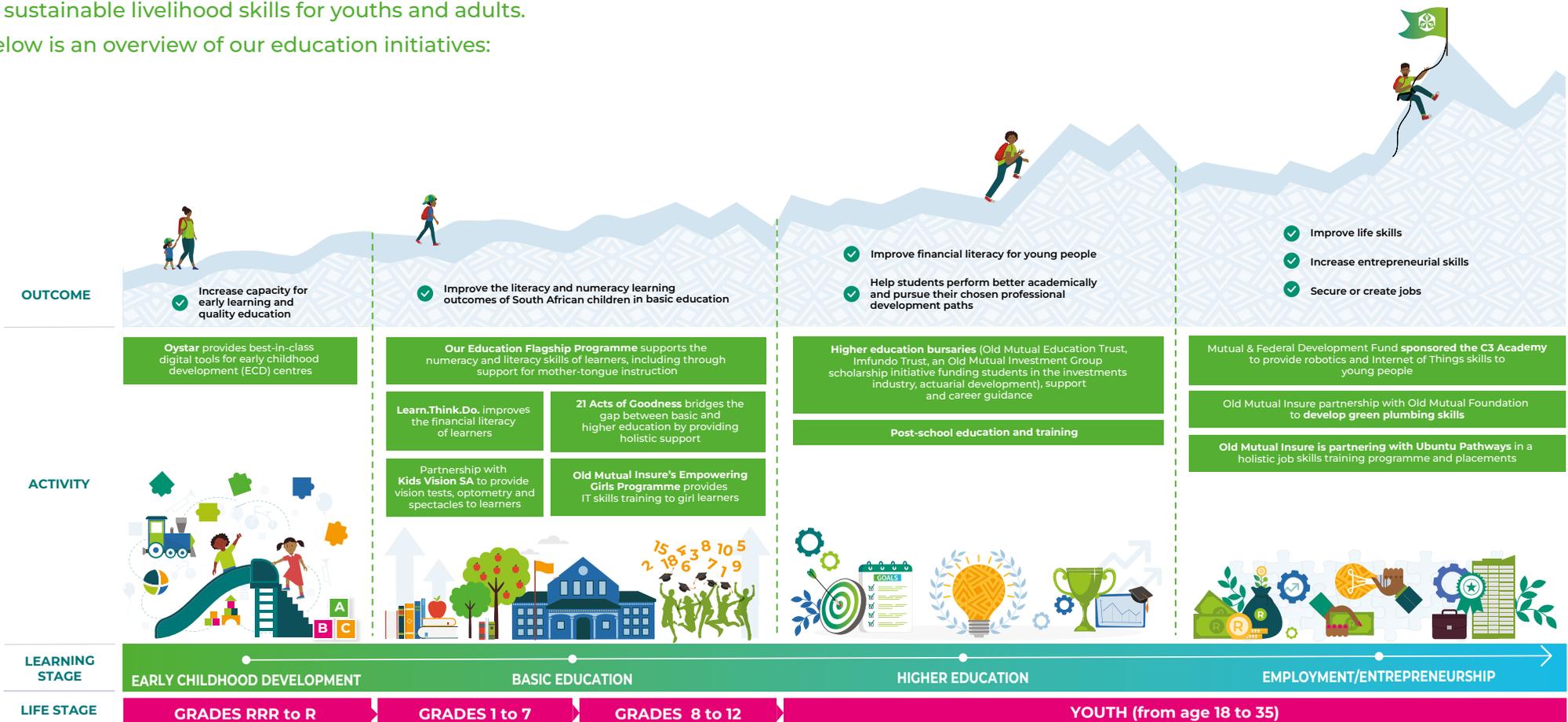
Total of **442 graduates** since 2013 (2022: 400)



Learners

30 262 learners reached (2022: 24 292)

182 young people developed **43 709 learning** materials distributed (2022: 6 200)





Responsible to communities *continued*

Highlights from Old Mutual Foundation's South African initiatives during 2023

An ongoing focus for the Old Mutual Foundation has been our advocacy for language transformation in teaching and learning. Our Education Flagship Programme seeks to improve learners' literacy and numeracy skills by supporting mother-tongue instruction, which is proven to lead to better outcomes for learners in multi-lingual contexts. This helps to address learner gaps and improve chances of learners succeeding at higher grades.

We helped to establish the Department of Basic Education Language Unit in partnership with the National Education Collaboration Trust, which will improve the ability of the Department of Basic Education to deliver multi-lingual teaching. This unit will set teaching standards and develop critical material for African languages.

To build a pipeline of teachers aligned to this approach, we are fostering collaboration among 12 universities to develop pre-service programmes focused on mother-tongue teaching. Our support for language equity is informed by our view that to prepare a workforce that can move Africa forward, literacy and numeracy skills should be improved through mother-tongue learning. This will ultimately enable effective school-to-work transitions.

Our programmes also provide support to unemployed youth in the Eastern Cape, Limpopo and Mpumalanga. As part of delivering the numeracy component of the Education Flagship Programme, we train and develop unemployed youth to support mathematics instruction in intervention schools. We aim to improve their livelihoods and set them on a path to employment by developing them as youth tutors.

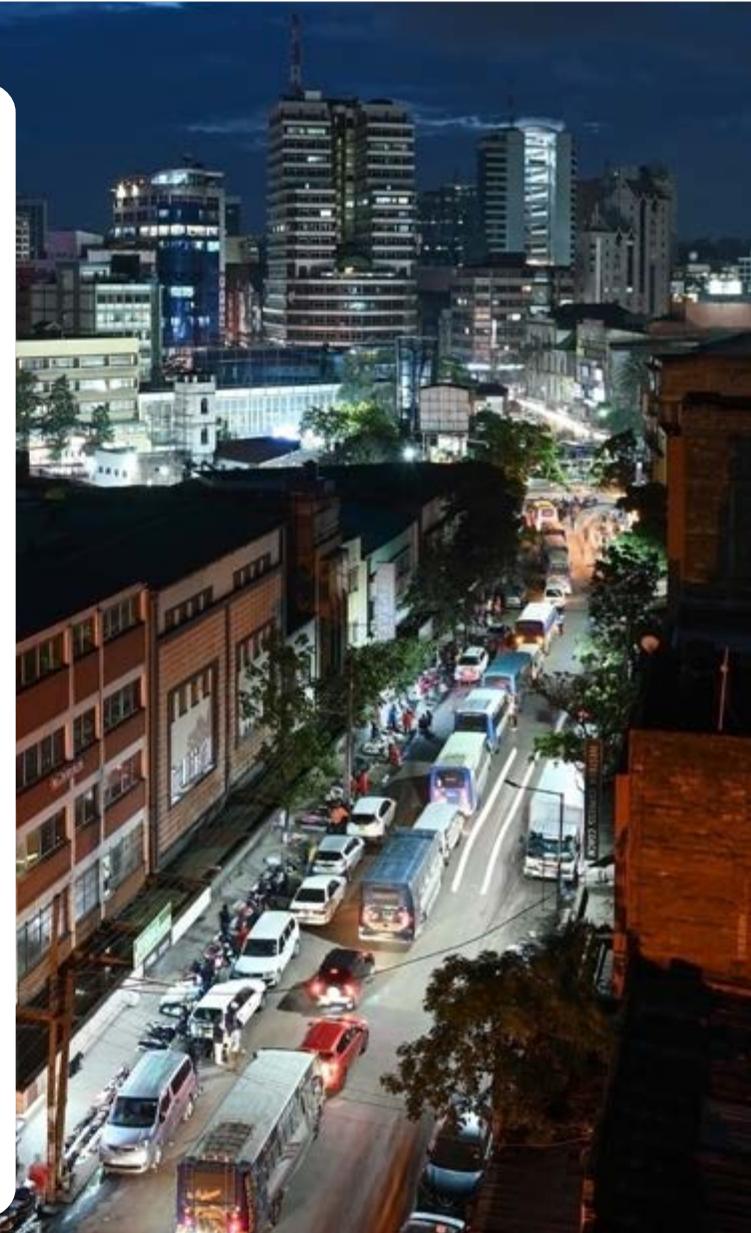
Beyond our Education Flagship Programme, Old Mutual Insure has formed a partnership with the Old Mutual Foundation and the National Business Initiative as part of a three-year Installation Repair and Maintenance Green Skills/Plumbing Programme. It is delivered through the Umfolozi Technical and Vocational Education and Training College located in Richards Bay, KwaZulu-Natal. From the first cohort of 30 individuals (10 women and 20 men), eight small plumbing enterprises now have 15 skilled employees and five of the 15 individuals who started the programme without jobs have now gained employment.

In 2022, Old Mutual Insure launched a holistic training programme focused on providing girl learners with IT skills training, neurolinguistic skills and mentoring to prepare them for the world of work and introduce them to the insurance industry. The programme supports girl learners in the last two years of high school (grades 11 and 12). Transport to the coaching venue is provided to enhance participation and success rates. We have partnered with Afrika Tikkun to monitor the quality of training, provide support in selecting the participants through a transparent process against set criteria, and to ensure we achieve the programme's objectives and impact.

A selection of education initiatives across Old Mutual Africa Regions

Each of our Old Mutual Africa Regions businesses provides education and skills development support to communities, including:

- » **Old Mutual Kenya** partnered with the Kenya Institute of Curriculum Development to integrate financial education into the Kenyan education curriculum. This will help build the capacity of junior secondary school teachers in delivering financial education concepts to learners through the financial literacy programme. This partnership is part of the Old Mutual Learn.Think.Do. initiative that aims to mainstream financial education to empower sustainable and responsible financial wellbeing across Africa's education systems. Old Mutual investment was KES25 million.
- » **Old Mutual Kenya** has a development initiative to empower young people with job-relevant skills to help them become economically active. Scholarships were provided to 70 students undertaking automotive training, in partnership with Simba Corp Foundation. We are also building the capacity of junior and senior secondary teachers to deliver financial literacy training by providing guidelines and an online course. This initiative was extended through a pilot in five counties involving 100 teachers in 2023.
- » **In Namibia**, a partnership with the African Leadership Institute, Ministry of Education, Arts and Culture and Old Mutual Namibia is delivering leadership training towards a Certificate in Transformational Leadership for school principals and heads of department. The training aims to drive improvements in participants' grades 10 and 12 results. We also host the Namibian Scholars' Investment Challenge in partnership with the Namibian Stock Exchange, providing a platform to encourage students, teachers, parents and the general public to learn more about capital markets.
- » As a joint venture between **Old Mutual Zimbabwe** and the University of Zimbabwe Mathematics Department, we have hosted the Mathematics Olympiad since 1984. The two-round competition is designed to promote mathematics at high school level and to identify mathematical talent in the country. Close to 1 500 secondary schools participate each year.





Responsible to communities *continued*



Humanitarian and disaster support

Through our humanitarian and disaster support initiatives, we save lives and respond effectively to reduce the impact of disasters within the required national and international frameworks. Our proactive approach places emphasis on disaster support and strengthening resilience among communities. We work to create awareness and foster strategic partnerships with relevant stakeholders.

The number of communities facing disasters is increasing year on year due to the climate crisis. Disasters often impact the poorer and most vulnerable members of society, mostly due to the loss of basic possessions and less resilient infrastructure and services.

Old Mutual provides humanitarian support to communities that have suffered from natural or man-made disasters. Our goal remains to support communities in the countries where we operate during disasters by providing sustainable relief through an internal response capability supported and enabled by our vast partner network.

Key metrics



Humanitarian and disaster support initiatives valued at **R9.8 million** (2022: R53 million)¹



81 879 people supported through disaster relief efforts

Our activities

The Old Mutual Foundation was engaged in several humanitarian and disaster support activities, including:

- » Raising awareness of disaster risk reduction and climate risks by establishing enviro-guards teams in schools. This fosters collaborations between schools and community members and promotes food security initiatives through vegetable production, fruit and indigenous tree planting and waste and environmental management
- » Responding to disasters that occurred in the Eastern Cape, Mpumalanga, Limpopo, Northern Cape and Western Cape due to floods and fires. We provided humanitarian relief in the form of blankets, dignity packs, food and drinking water
- » Gauteng province was hit by a cholera pandemic that caused fatalities in the city of Tshwane, especially in the Hammanskraal area. We responded swiftly by providing bottled drinking water and water purification sachets to the Temba community in Hammanskraal and schools in the Moretele local municipality in the North West province. We did this to prevent and reduce the spread of cholera to neighbouring areas
- » We provide support to disaster first responders such as municipalities through disaster risk reduction and response capacity building programmes

In February and March 2023, one of the longest tropical storms in history, Cyclone Freddy, battered South-east Africa.

The Old Mutual Foundation in Malawi, in partnership with the Malawi Red Cross Society, activated its disaster response to provide disaster relief and assistance quickly and decisively. Old Mutual Malawi made just over R1 million (MK60 million) immediately available to the Malawi Red Cross Society to support ongoing relief efforts. Subsequently, the Group committed an additional R4 million (>MK225 million) based on the severity of the storm's impact. The additional funding was used to secure food, clothing, health and hygiene supplies to supplement the work of government and other aid agencies.

¹ The quantum was due to the KwaZulu-Natal floods in 2022. The Old Mutual Foundation Board of Trustees approved an additional R30 million towards the KZN Rebuild Intervention Project after the floods





Responsible to suppliers



Old Mutual aims to ensure proficient sourcing and selection of goods and services in accordance with ethical procurement strategies and techniques and to promote fairness, accountability and transparency in the sourcing and selection processes. We focus on promoting SMME growth and facilitating beneficial long-term relationships, regular engagement and support.

Procurement across the Group is governed by the Old Mutual Procurement Policy and Procurement Standards. This policy has been updated to include:

- » ESG
- » Supplier relationship management
- » Localisation

The supplier relationship management function within procurement engages with business units across Old Mutual and provides a framework to assess supplier performance, defining and setting expectations for quality and delivery and maintaining relationships.

As part of the strategic review of Old Mutual's SMME ecosystem, we expect greater alignment of support provided to our supplier SMMEs.

 For details, refer to the [Entrepreneurship: a means to inclusive growth section](#)

Responsible procurement

Responsible procurement is the act of sourcing services, supplies and/or works in a way that considers ethical and sustainable considerations.

In addition to our Procurement Policy, our supplier code of conduct requires suppliers to adhere to certain minimum legislative and regulatory requirements and standards, which are included as an annexure to standard contracts. These include:

- » Labour, workplace and human rights
- » Health and safety
- » Wages, hours of work and entitlements
- » Freedom of association and the right to collective bargaining
- » Ethics and anti-corruption
- » B-BBEE
- » Environmental management
- » Climate change

The procurement forum

The procurement forum comprises the heads of procurement from across the Group, including the Old Mutual Africa Regions and affiliates across Old Mutual Limited. The forum promotes collaboration and alignment to strategy and drives compliance with policies, frameworks, procedures and regulatory requirements. It identifies and manages procurement risks to ensure that ethical and responsible practices are embedded and adhered to across the Group. It focuses on addressing any procurement governance matters in business units and affiliates.

Supporting the growth of our SMME suppliers

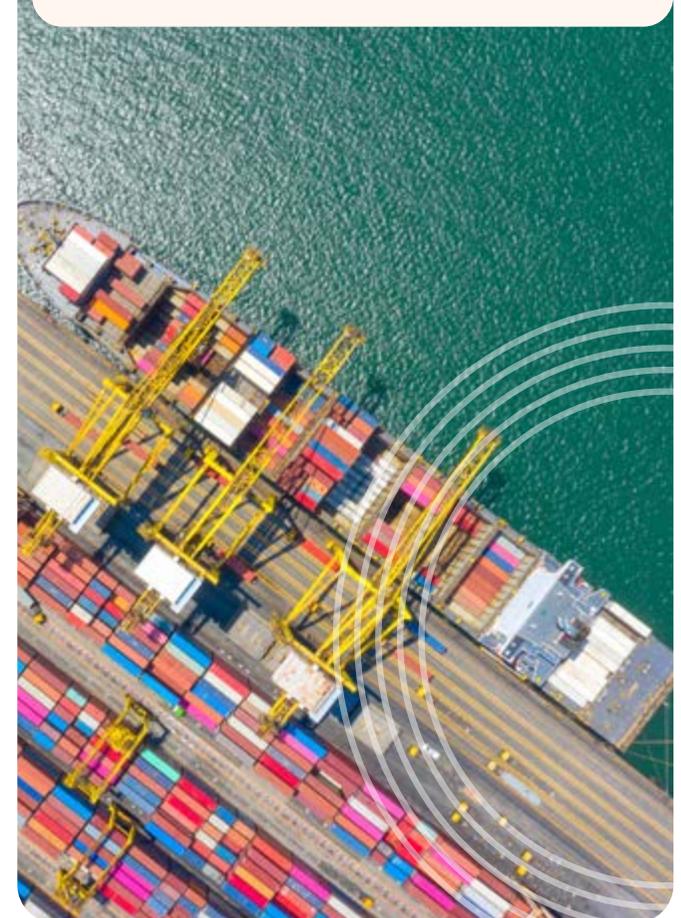
We use our presence in the market to support SMME development through strategic sourcing and organic growth initiatives.

In South Africa:

- » 66% of our supplier base constitutes SMMEs (2022: 43%).
- » Our SMME spend has increased by 22% from 2022 to 2023.
- » Our spend on black owned businesses increased by 21% to an overall of 36% (2022: 14%) and, as a component of that, our spend on black women owned businesses increased by 11% to an overall of 19% (2022: 8%). This highlights our progress towards transformation, which has enabled the expansion of over 500 suppliers across the B-BBEE Code thresholds, from non-compliant through to qualifying small enterprises.
- » We supported ESD with contributions of over R1 billion through direct and indirect investments via the Old Mutual ESD Fund and Masisizane Fund, provided to SMMEs designated as black SMME businesses.
- » To deliver against our preferential procurement objectives, Old Mutual affiliates incorporated in South Africa and their segments are required to source goods or services from existing SMMEs on the relevant procurement database, with a focus on black owned (≥51%) or black women owned (≥30%) suppliers. If they are unable to do so, they source from existing suppliers before engaging the market to source goods and/or services.
- » Our green list includes qualifying black owned and black women owned suppliers across all service categories. This list is available to all business units, which are encouraged to procure from these suppliers where possible. This promotes SMME development and impactful participation within the Group's supply chain and helps Old Mutual to meet its preferential procurement objectives.
- » Our ESD programme, driven via our transformation office, supports SMME growth by developing business skills through collaborative training and mentorship to help SMMEs prosper in their respective sectors.
- » In OMLACSA, the principle of shorter payment terms applies to SMME suppliers. In 2021, we reduced these terms from 30 days to seven days in support of Business for South Africa's initiative to pay SMMEs within shorter time frames. This remains our practice for all new and existing SMMEs.

 For further details on SMMEs, refer to [The Old Mutual SMME ecosystem section](#)

We drive green procurement processes through our paperless approach to approving, signing and electronically storing contracts.





GOVERNANCE

We believe that good corporate governance is fundamental to the Group's success, sustainability and legitimacy. Our organisation-wide corporate governance principles, frameworks and risk management practices ensure we make choices that align with our purpose, victory condition, values and strategy across our 14 countries of operation.

In this section, we provide insight into the governance of key sustainability themes, across:

- » Our relationship with regulators and our compliance activities
- » Our risk management approach, including our emerging risk methodology
- » Our efforts towards combating financial crime
- » Our approach to cyber security and data privacy

-  For detail on our approach to corporate governance, refer to our Corporate Governance Report
-  For detail on our tax philosophy and strategy, refer to our Tax Transparency Report
-  For detail on our remuneration-related activities, refer to our Remuneration Report

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Responsible to regulators

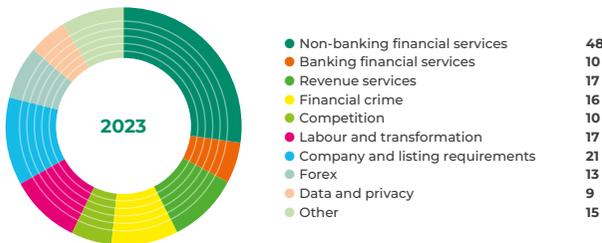
We operate in a highly regulated environment, and regulators play a key role in overseeing the financial soundness of our business, the strength of our governance processes and the fair treatment of our customers.

We recognise the importance of building and maintaining strong, effective and constructive relationships with our regulators in all our countries of operation. We continuously build on these relationships with mutual respect, trust and transparency, and contribute to forums to enhance the financial sector's broader strength and resilience.

Our regulators

We monitor our relationships with 176 regulators across the jurisdictions where we operate:

Total number of regulators



We assess our relationship with each regulator annually, based on their potential impact on our business. We have detailed engagement plans in place for regulators with the most material impact on our business.

How we manage relationships with our regulators

We take a proactive approach to engaging with our regulators. We:

- » Recognise that regulators have a vested interest in our business
- » Acknowledge the benefits of having processes and controls to engage with our regulators and maintain consistent and transparent reporting to regulators
- » Adopt a single point of coordination to effectively manage our relationships and communication with regulators

All engagements with our regulators are based on five key principles



Our engagements with our non-banking financial services regulators over the past year covered:

- » Retirement fund reform in South Africa
- » Pensions and provident fund regulations in Zimbabwe
- » Market conduct developments in Kenya, Malawi and Namibia
- » Shifts underway in all Old Mutual Africa Regions countries from standard regulatory supervisory approaches to risk-based supervision and principles based legislation

As one of the Group's key stakeholders, and in accordance with the Prudential Authority's oversight requirements, the Chairman, Board and Audit committee met with the Prudential Authority in South Africa on separate occasions during the year.

For details on the Board's engagements with regulators, refer to the Corporate Governance Report

Key regulatory developments

Regulations applicable to financial institutions and insurers continue to develop at pace. We expect to face ongoing challenges as new regulations come into effect, but we have the structures in place to manage these changes. We continue to engage with regulators and all industry partners on the evolving regulatory landscape.

Anti-money laundering

There are several emerging regulations in most jurisdictions where we operate out for comment and in draft form relating to anti-money laundering and combating the financing of terrorism. We have dedicated focus across our business to ensure we align our activities to the requirements emerging from the legislative framework.

For details on the Financial Action Task Force grey listings, refer to page 67

Conduct of Financial Institutions (CoFI) Bill

In South Africa, the CoFI Bill has broad implications across our entire operating model. Several prior regulations are set to be incorporated into the broader CoFI Bill, including pending regulations arising from the retail distribution review.

From a market conduct perspective, the CoFI Bill represents the next evolution of regulations to ensure the fair treatment of customers. Broadly, it aims to support fair, transparent and efficient financial markets and promote trust and confidence in the financial sector.

The regulator is in the process of rewriting all its subordinate regulatory instruments to align and implement them into the CoFI Bill.

Privacy and data protection

We are serious about protecting customers' personal information. The Group has fully implemented controls to comply with South Africa's Protection of Personal Information Act, 4 of 2013 (POPIA) and our focus has shifted to managing compliance with the controls implemented.

There is a growing trend in our Africa regions towards developing privacy legislation. Ghana, Nigeria, Kenya, Uganda, Rwanda and Zimbabwe have in-force data protection legislation. In Botswana and Eswatini, data protection legislation has been enacted with transitional periods, while draft legislation was published in Namibia and Malawi.



Responsible to regulators *continued*

Retirement fund reform

The South African National Treasury's retirement industry reforms, first released in mid-2022, include a proposed two-pot retirement system to encourage South Africans to preserve their retirement savings. The changes, which include partial compulsory preservation, will have far-reaching effects on South Africans and fund administrators. While the launch date was moved from 1 March 2023 to 1 September 2024, the timelines for the industry to align operational processes and systems remain tight.

Old Mutual established a formal project in 2023 to implement these changes. We are working to ensure servicing and change readiness while developing communication collateral and financial wellness tools to help our members make the best financial decisions and achieve the best retirement outcomes.

Other developments

In South Africa, the Financial Sector Conduct Authority released a discussion paper in September 2022: A Framework for Unclaimed Financial Assets in South Africa. The regulator is proposing the creation of a central unclaimed assets fund into which all unclaimed assets should be transferred once identified. Although we have seen little development since the discussion paper was published, we are monitoring developments closely.

In Zimbabwe, the Pensions and Provident Funds (Compensation for Loss of Pre-2009 Value of Pension Benefits) Regulations, 2023 (SI 162 of 2023) were published in September 2023 and funds had to submit their compensation schemes by 31 December 2023. As a responsible business, Old Mutual established a formal implementation project to ensure timeous compliance and engagements with our regulators are ongoing in this regard. While the regulations for the insurance industry must still be finalised, Old Mutual proactively enhanced the benefits of pensioners and policyholders who were affected by hyperinflation since 2000, minimising the impact of these developments on the solvency of our business in Zimbabwe.

Old Mutual supports all changes to regulatory and reporting standards that promote financial stability or inclusion, encourage uniform market practices and ensure customers are treated fairly. While this could potentially impact the cost of doing business and our non-compliance risk, we mitigate this by strengthening our compliance capabilities and the systems and processes we have in place.



For further details on regulatory changes, including International Financial Reporting Standard (IFRS) 17 and tax legislation changes, refer to the Integrated Report

Compliance oversight

Governance and oversight

The Group Chief Compliance Officer provides regular updates to the Old Mutual Limited Risk committee on the status of compliance and the regulatory compliance risks across the Group.

Each year, the Old Mutual Limited Risk committee approves the Regulatory Compliance Risk Policy and the second line compliance function's mandate, which forms the basis of the Group-wide compliance programme.

We operate in a highly regulated industry and remain committed to ensuring our businesses comply with emerging and existing regulatory and supervisory requirements in all jurisdictions in which we operate. The compliance functions across our business form part of the second line of assurance. They operate as a specialist function within the Group-wide risk management system and provide compliance oversight to all subsidiary Boards. The subsidiary compliance functions have a well established escalation framework with a reporting line to the Group Chief Compliance Officer.



Developments in Financial Action Task Force grey listings

We continually monitor the impact of the Financial Action Task Force grey listings in the jurisdictions where we operate.

Countries of operation currently on the grey list are:

- » Nigeria (added February 2023)
- » South Africa (added February 2023)
- » South Sudan (added June 2021)
- » Tanzania (added October 2022)
- » Uganda (added December 2020)

Perspectives on South Africa's grey listing

Although the Financial Action Task Force acknowledge that South Africa has a solid legal framework for combating money laundering and terrorist financing, the country must improve its efforts to pursue money laundering and terrorist financing transgressions, detect and seize illicit cash flows and improve the availability of beneficial ownership information.

We are encouraged by the Financial Action Task Force's recognition of the progress made by the Prudential Authority in the application of a risk based approach to supervision. We also remain committed to working with our regulators to maintain the integrity of our regulatory environment in South Africa and to manage the risks associated with money laundering, proliferation and terrorist financing activities. We will continue to work with law enforcement agencies to support their efforts.

Old Mutual maintains a zero-tolerance approach to money laundering and the use of our business to facilitate the financing of terrorist activities. We continuously focus on safeguarding our customers' investments, and monitor developments in the money laundering landscape and assess our responses to manage the risk of money laundering, proliferation and terrorist financing.



Responsible to regulators *continued*

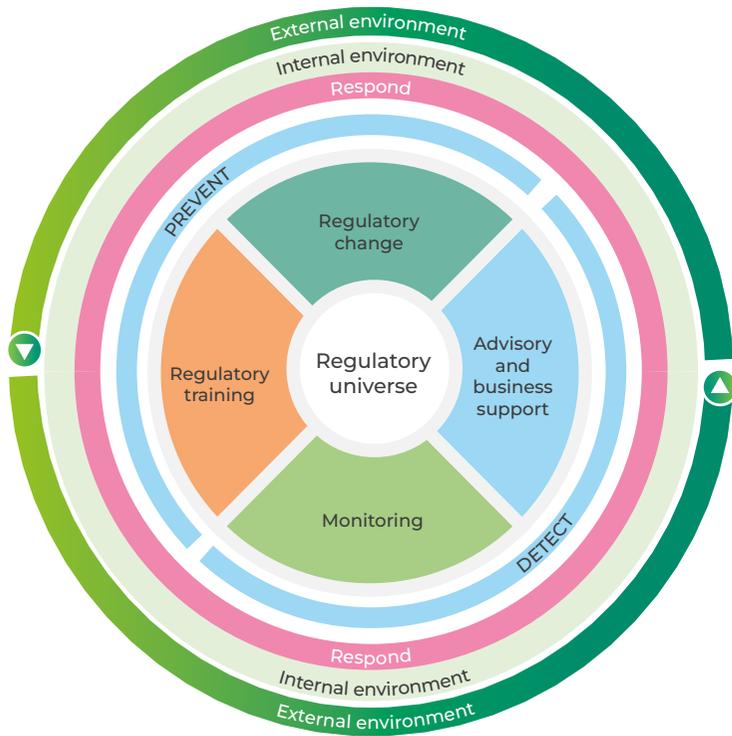
Annual compliance plans

The second line compliance functions determine key focus areas, which we include in our annual compliance plans. These focus areas consider the outcome of the business planning processes and developments in the internal and external environments that may impact our business strategy or operations. The annual compliance plans are the basis for compliance activities across the Group. They are approved by Board sub-committees or the entity's Board.

For details on our three lines of assurance model, refer to the Integrated Report

Regulatory compliance programme

Our regulatory compliance programme provides compliance oversight over the full lifecycle and impact of regulatory requirements, including the regulatory universe, in effect from the introduction to withdrawal of requirements. It considers the nature and complexity of each Group entity's operations and adopts an appropriate approach to implementing the regulatory compliance programme.

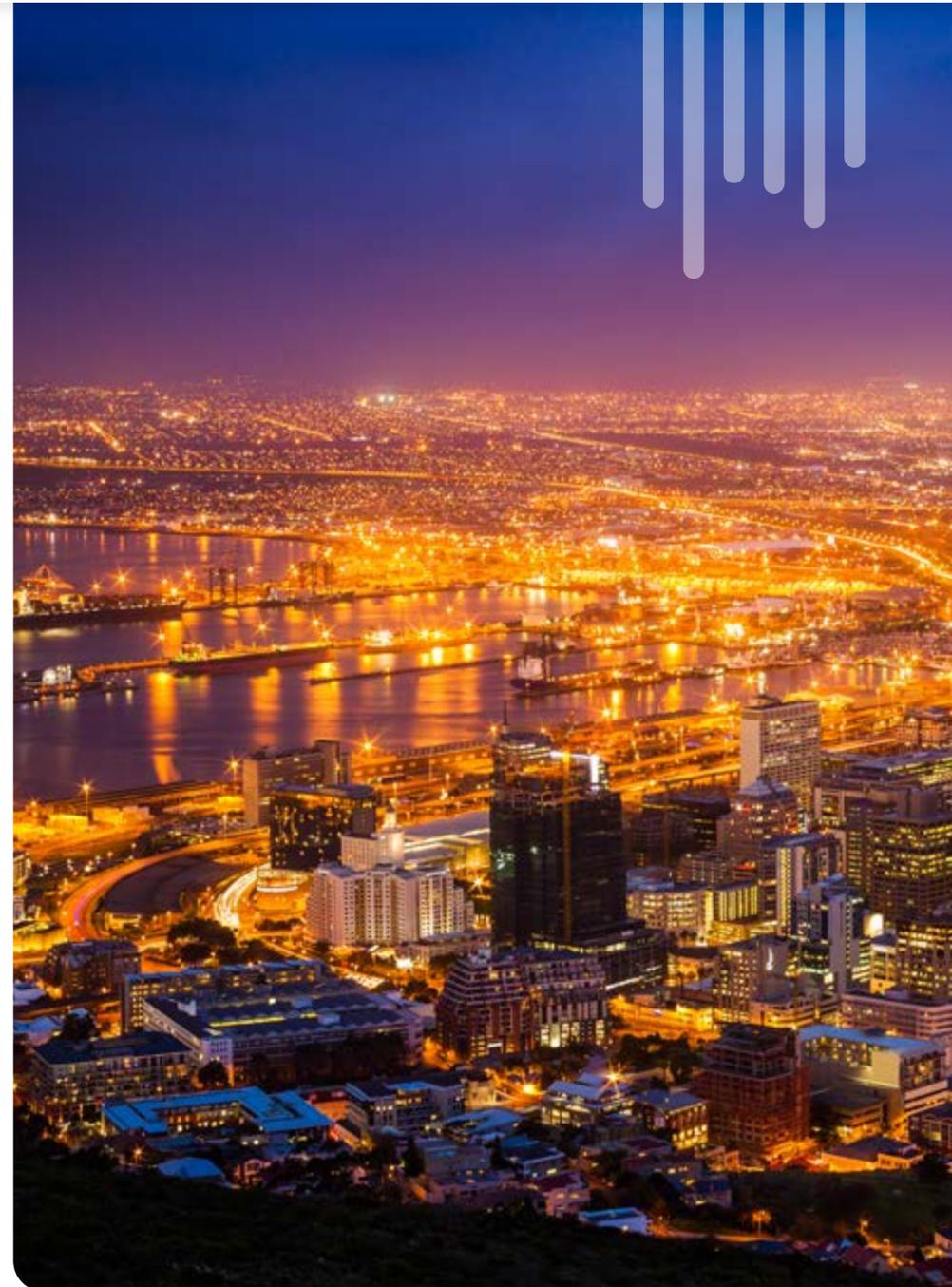


Regulatory change: Early identification of potential regulatory changes, with ongoing support provided to the business in analysing and implementing changes

Advisory and business support: Ongoing guidance and support to assist the business with managing regulatory incidents and exposures and continuous assessment of the strength of the regulatory control environment

Monitoring: Independent assessments of the adequacy and effectiveness of regulatory controls implemented by the business

Regulatory training: Providing support and oversight to ensure that employees receive appropriate regulatory training





Risk management

An effective risk management system supports the sustainability and growth of our business and our ability to create long-term value for all our stakeholders. Our risk management process is designed to continuously monitor the internal and external environment with the focus on identifying any conditions or changes that may require us to mitigate the related risks. This ensures that we remain within our risk appetite, achieve our business plans and realise our strategic objectives.

Governance and oversight

The Board, through the Risk committee, oversees the Group's risk management activities. The Risk committee is responsible for approving the risk strategy and risk policy suite, as well as providing oversight of the risk management system and risk-taking activities across the Group.

The Group Governance Framework directs how the Board executes its direction and oversight responsibilities and what it expects from subsidiary Boards in the Group. The Group Governance Framework further seeks to guide Boards and other decision makers on Board oversight requirements, by defining proportional requirements across the key governance domains. Specific domains within the Group Governance Framework define the Board's responsibilities in relation to risk and capital management.

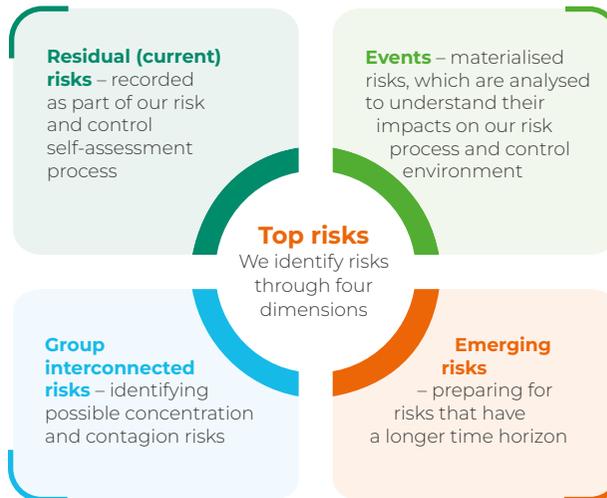
For details of the Risk committee's focus areas and how it addressed risks, refer to page 43 and 44 of our Corporate Governance Report

Risk management

Our risk management system operates across the Group and defines how we manage all elements of risk. We apply it proportionately according to the scale of businesses and their risk exposures, as defined by the Group Governance Framework. Our risk management system includes our Risk Classification Model and our emerging risk methodology.

Risk Classification Model

Our Risk Classification Model forms the basis for risk management across the Group. The risk strategy, appetite and risk policies align fully with the model. The impacts of reputation, licence to operate and business sustainability on the relevant stakeholders are considered for all risks as part of the assessment of their severity or impact.



In 2023, climate risk is the key environmental issue featured in our top residual risks. Similarly, cyber security (as part of technology, information security and data risk), organisational resilience and people risks are the key residual risks featured in social issues due to their potential impact on customers, employees, advisers and other stakeholders.

For details on our top residual risks and risk methodology, refer to the Integrated Report

For details on risks relating to climate change and how we are managing these, refer to the Climate Report

Our emerging risk methodology

Emerging risks are different to residual risks in the sense that they are new or unforeseen. An emerging risk transitions into one of our principal risk types when there is sufficient understanding of its nature and impact. We then develop management actions to mitigate the risk.

We identify emerging risks through external environmental scans. We assess them as far as possible according to their impact on the business, the timeline over which the risk is expected to occur and the velocity of the risk.

Response and monitoring

Business considers the emerging risk assessment and the level of preparedness in determining the appropriate response. Biannual emerging risk reports and emerging risk updates are provided to the Responsible Business and Risk committees as relevant.

Emerging risks are monitored to help Old Mutual understand and prepare for a changing world by adapting behaviour, mitigating threats and pursuing opportunities.

For details on our emerging risks methodology, refer to the Integrated Report

Organisational resilience remains a top priority due to the risk of more severe levels of load shedding or grid failure. The Prudential Authority communicated its intended changes to regulations, which would require insurance companies to strengthen the operational resilience requirements capability, similar to the process followed in the banking industry.

The Group Power Crisis committee meets regularly to consider output from the industry and our regulator and adapt our plans accordingly. Old Mutual is enhancing its operational resilience strategy and framework, with the participation of key operational and assurance providers, including Group risk. The operational resilience strategy is building on the business continuity and resilience capabilities already in place across the Group.

To ensure uninterrupted service, as far as possible, to our customers during the various stages of load shedding, the following measures are in place:

- » Our campuses in Johannesburg and Cape Town improved their backup generator capacity and agreements are in place with vendors to ensure that fuel levels do not drop below 70% during all stages of load shedding
- » We are improving our solar capacity at Mutualpark in Cape Town to supplement the existing energy supply
- » We have improved branch network reliance, with 80% of our branches now set up with inverters that have longer usage times and shorter charging times



Preventing financial crime

We continue to work closely with regulators across all our jurisdictions to support national and international action to combat financial crime. We take an integrated approach to combating financial crime and ensure that our business processes comply with regulations and provide ongoing training to our employees on developments in this space.

Financial crime includes fraud, theft, bribery, corruption, cyber crime and internal irregularities involving unethical conduct by directors, employees (full time and temporary), agents, contractors or third parties. Financial crime results in a breach of internal policies or rules, common law obligations, fiduciary duties, statutory laws and regulations or contractual duties.

Policies and operational standards

Several Group policies and operational standards guide our approach, including:

Financial Crime Risk Policy

Prescribes minimum standards for related methodologies, processes and tools, including establishing Group-wide mechanisms to enable protected disclosure. Disciplinary processes hold all employees accountable for policy breaches.

Information Security Risk Policy

Sets Group-wide information and cyber security assurance requirements to ensure compliance with privacy and data protection regulations by effectively managing risk in line with our strategic objectives and cyber crime trends.

Anti-Money Laundering, Countering the Financing of Terrorism, Sanctions and Proliferation Policy

Sets Group-wide requirements for anti-money laundering, sanctions and countering terrorism financing and proliferation.

Anti-Bribery and Corruption Standard

Sets Group-wide requirements for identifying and managing bribery and corruption risk and covers giving and receiving of corporate gifts and hospitality.

Protected disclosures procedures (whistleblowing arrangements)

Enables employees to disclose genuine suspicions of serious malpractice without fear of retribution or retaliation within the Group.

Operational structures and functions

We apply a coordinated and multi-disciplinary approach to combating financial crime, as follows:

Risk committee	Group forensic services function	Anti-money laundering function	Group due diligence team	Information security office
Mandated by the Board to oversee all financial crime risks. As a shareholder, we have effective management control over our subsidiary Boards. Where we do not have effective management control, this mandate will apply insofar as it has been agreed with other shareholders.	Responsible for implementing the Financial Crime Risk Policy requirements across the Group. The function has financial crime mitigation and investigation capabilities.	Responsible for implementing anti-money laundering protocols, countering terrorism financing, implementing the Sanctions and Proliferation Policy and identifying, mitigating and reporting possible internal and regulatory incidents.	Supports the Group in identifying high-risk business relationships in the context of anti-money laundering, anti-bribery and corruption.	Accountable for managing enterprise-wide security assurance, controls and risks related to cyber crime and actively supporting the Group forensic capabilities.

Key metrics

Recorded financial crime-related incidents increased by **51%**¹ in 2023 (2022: reduced by 16%)

¹ Investigations during the COVID-19 pandemic were hampered by investigators not able to perform interviews and disciplinarys as in the normal course of business. The increase in incident reflect the lag in returning to normal investigative processes

Financial crime-related actions include:
146 employee dismissals (2022: 60)
42 adviser debarments (2022: 19)
249 criminal cases lodged (2022: 108)
28 broker/mandated agent contracts cancelled (2022: 26)

There were:
217 actionable protected disclosures on the Group whistleblowing hotline (2022: 258)
27% of fraud incidents in 2023 were reported by employees (2022: 13%)

There was **1 breach** of the Group anti-bribery and corruption standard
Fraud awareness and e-learning modules are done on a continuous basis to ensure that employees are aware of what constitutes bribery and corruption, and how to report it.

3 potential relationships not proceeded with (2022: 4)
8 existing relationships were exited (2022: 10)
11 existing relationships were maintained with mitigating measures or restrictions applied (2022: 14)
21 new relationships were proceeded with, with mitigating measures or restrictions applied (2022: 5)

The cyber security awareness programme was delivered successfully, resulting in:
4% reduction of the click rate for phishing simulations
138% increase in real suspicious e-mails reported²
43% increase in people reached through our international cyber awareness month campaign

² We increased suspicious email awareness with reminders to use the Phish Alert Button in every communication, as well as provided a dedicated communication on reporting suspicious emails. An updated version of the Phish Alert Button was implemented to ensure ease of use and accessibility, and extending it into Office 365 (as it was previously only available in Outlook)



Our approach to cyber security and data privacy

Governance and oversight

The Board mandates the Technology and Platforms committee to provide strategic oversight and governance of the Group's strategic investment in information technology, telecommunications, software, systems, data protection, cyber security and information management.

At executive level, the Information Technology steering committee comprises the Group Chief Information Officer and Group Chief Technology Officer who report to the Group Chief Operating Officer. They set the IT strategy, monitor emerging technologies and ensure Group-wide alignment to policies, procedures and sustainability goals.

Our approach

Old Mutual has a Group-wide approach to IT architecture, business resilience and information security. This includes cyber security measures, incident response planning, security awareness training, vendor security assessments and regulatory compliance activities.

We have comprehensive processes and procedures to manage user access for employees, intermediaries and customers who interface with our technology estate. We are working on consolidating legacy access systems and creating a seamless process for onboarding and offboarding users, automating the process where possible. We undertake internal and external audits on our access management processes to identify any vulnerabilities.

We reinforce these efforts through mandatory cyber risk training and awareness programmes, including ongoing phishing simulations. Where users fail phishing simulation tests, we provide additional training. We also provide targeted training to specific users, such as Executive committee and Board members, developers and users with privileged access.

Aligning to best practice

We apply the National Institute of Standards and Technology Cyber Security Framework, which aligns our cyber security activities to international best practice in financial services. We conduct annual assessments on our cyber security framework, including independent external reviews, to ensure they remain applicable to our environment and keep pace with rapid advances in technology.

In 2023, our framework assessment included a specific focus on the evolving threats and opportunities associated with AI. Internally, we have established an enterprise pilot AI model hosted by Microsoft. It is a ring-fenced platform that allows our teams to assess, experiment and innovate within specific guardrails on the use of sensitive information.

Data privacy

Governance and oversight

The Old Mutual Privacy Governance Forum brings together the heads of privacy across the segments to provide the Old Mutual Chief Privacy Officer with necessary oversight.

Old Mutual is committed to protecting the privacy of its data subjects and to ensuring that personal information is collected and used properly, lawfully and transparently to comply with POPIA. We continue to enhance our privacy culture and capabilities, which we have built over the last 10 years.

We have the following measures in place across all legal entities:

- » A Privacy Compliance Framework that translates legislation into standards, controls, capabilities and enablers to provide the Group with guidance on what is required for compliance with POPIA. In this regard, Old Mutual has adopted the following best practice standards:
 - Generally Accepted Privacy Principles
 - ISO/IEC 27001:2013 (Information technology, security techniques, Information security management systems)
 - ISO/IEC 27701:2019(E) (Security techniques, extension to ISO/IEC 27001 and ISO/IEC 27002 for privacy information management)
 - National Institute of Standards and Technology Cyber Security Framework
 - » A privacy operating model – which defines roles and responsibilities and provides a governance framework to ensure strategic and execution oversight for all privacy-related matters
 - » A training and awareness programme – annual training is provided to all employees, supplemented by specialist training targeting specific topics or groups of employees that require focused attention
 - » Data subject rights requests – processes that give effect to all the rights of data subjects across access, correction, deletion, complaints, etc.
 - » A Privacy Disclosure Framework – to guide privacy notices and disclosures
-  [See the Old Mutual Customer Privacy Notice](#)
- » Third-party management – we have a framework in place to ensure that written contracts contain appropriate data protection clauses and that these are entered into with all third parties with whom we share data; and that their personal information is given an adequate level of protection
 - » Privacy by design and default – Old Mutual has adopted a privacy-by-design approach that includes Privacy by Default and Data Protection Impact Assessments. These assessments are routinely conducted whenever changes are made, such as changes to systems, processes or products

- » Privacy risk management – which is embedded into Old Mutual's overall risk management framework
- » Privacy breach tool – which allows all employees to log breaches and enables the business to investigate and manage breaches
- » Privacy data inventory – which provides a view of Old Mutual's personal information processing activities
- » Retention and Destruction Policy – which governs processes related to the retention and deletion of personal information





ADDITIONAL INFORMATION

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List of acronyms

DEFINED ACRONYM	DESCRIPTION
AI	Artificial intelligence
AUM	Assets under management
B-BBEE	Broad-based black economic empowerment
CoFI Bill	Conduct of Financial Institutions Bill
Companies Act	The South African Companies Act, 71 of 2008 (as amended)
CRISA 2	Second Code for Responsible Investing in South Africa
ESD	Enterprise and supplier development
ESG	Environmental, social and governance
ESMS	Environmental and social management system
GWh	Gigawatt hours
IFRS	International Financial Reporting Standards
JSE	JSE Limited
MiOM	Millennials@Old Mutual
MW	Megawatt
OMLACSA	Old Mutual Life Assurance Company (South Africa) Limited
OWN	Old Mutual Women's Network
PCFTT	Presidential Climate Finance Task Team
POPIA	Protection of Personal Information Act, 4 of 2013
PRI	United Nations Principles for Responsible Investment
SMME	Small, medium and micro-sized enterprise
SDGs	United Nations Sustainable Development Goals
TCFD	Task Force on Climate-related Financial Disclosures (see glossary on the following page)
tCO ₂ e	Tonnes of carbon dioxide equivalent
TGP	Total guaranteed pay
TR	Total remuneration
UN	United Nations





Glossary of terms

DEFINED TERM	DESCRIPTION
Alternative energy	Energy produced from non-traditional sources, including renewable sources such as solar and wind, as opposed to energy produced from carbon based sources such as coal, oil and natural gas.
CDP	The CDP (formerly the Carbon Disclosure Project) is an international non-profit organisation that helps companies and cities disclose their environmental impact. The CDP is based in the United Kingdom, Japan, India, China, Germany and the United States of America.
Climate change	Any significant change in primary climate conditions (temperature, precipitation, wind patterns, etc.) that occur over an extended period (multiple decades or more).
Emissions	The substances, usually in gaseous form, released into the atmosphere from resource consumption activities.
Global warming	The global increase in average temperature near the earth's surface.
Green economy	A low carbon, resource efficient and socially inclusive economic growth path for improved human wellbeing and social equity combined with reduced environmental risks. It is an alternative concept to typical industrial economic growth, focusing on increasing gross domestic product above other goals.
Green economy taxonomy	Governs which financial instruments can be called green and defines their categories and qualifying characteristics.
Infrastructure	Facilities built primarily to provide a public service or good rather than a commercial purpose and from which the organisation does not seek to gain direct economic benefit.
King IV	The King IV Report on Corporate Governance™ for South Africa, 2016 sets out the philosophy, principles, practices and outcomes that serve as the benchmark for corporate governance in South Africa.
Net zero	Net zero is a state of balance where greenhouse gas emissions are reduced to an amount that is as close to zero as possible, while any remaining emissions are re-absorbed from the atmosphere.
Sustainable development	Development that meets present needs without compromising the ability of future generations to meet their needs.
Supply chain	A range of activities carried out by entities upstream from the organisation that provide products or services that are used to develop the organisation's products or services.
Task Force on Climate-related Financial Disclosures	A task force developed by the Financial Stability Board to create consistent climate-related financial disclosures to help organisations integrate climate strategy and increase transparency to all stakeholders. In October 2023, the TCFD disbanded after completing its remit and mandate. The Financial Stability Board has asked the IFRS Foundation to take over monitoring the progress of companies' climate-related disclosures. This is underway against IFRS S2 Climate-related Disclosures.
Value chain	The full range of activities or processes needed to create a product or service.



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