

OLD MUTUAL

# BULA TSELA



DO GREAT THINGS EVERY DAY



# Transaction highlights and salient terms

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Group CEO

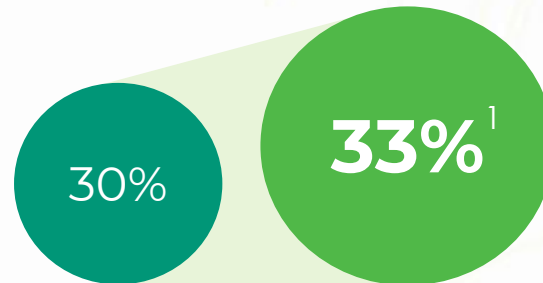




# TRANSACTION HIGHLIGHTS

Transforming the economy and creating opportunities to truly empower and uplift ordinary South Africans is a priority for Old Mutual. Beyond compliance, the Group believes that it makes business sense to drive transformation and real empowerment – the more equal and inclusive society becomes, the more opportunity there is for the Company to achieve sustained growth

What we had committed to do



Old Mutual Black ownership



Bula Tsela allows us to do more

**First** insurer to facilitate a share offer to the Black South African public

**R2.8bn** transformative B-BBEE ownership transaction



## TRANSACTION RATIONALE

- The proposed Bula Tsela **gives life to our commitment** made in 2018
- **Enhanced competitive advantage** across business segments
- The **development of South Africa is at the core** of what we do
- Aligned to Old Mutual's **Responsible Business Principles** and **Shared Value** approach
- A **deliberate approach** with a truly broad-based transaction
  - Enable employees to share in the success of Old Mutual
  - Support community development initiatives
  - Include Black South Africans from lower income groups
- **Benefits that far outweigh** and outlive the costs



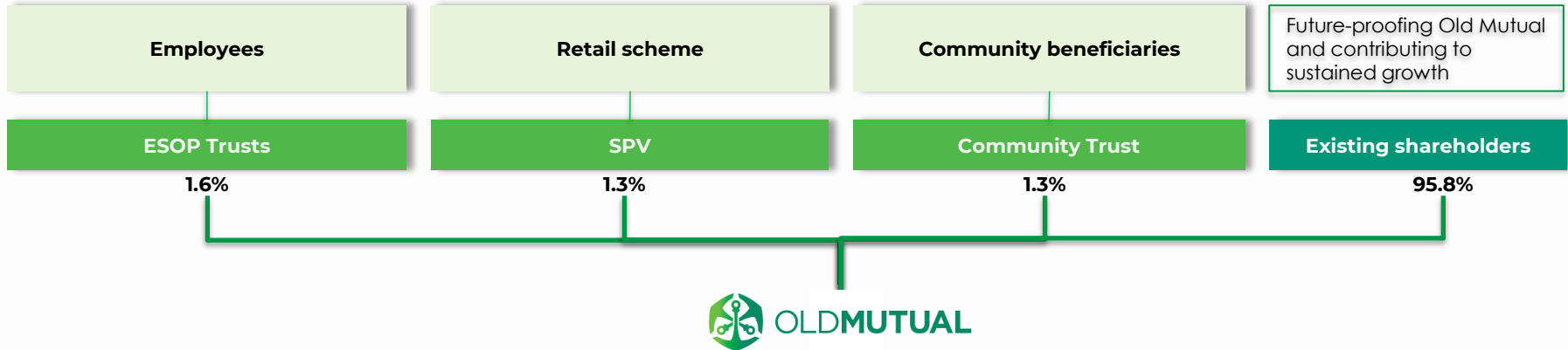
# PROPOSED OLD MUTUAL BULA TSELA B-BBEE TRANSACTION

## A truly mutual broad-based and transformational transaction

- Attracting, retaining and rewarding Eligible Employees
- Providing Eligible Employees with an opportunity to share in the success of the Old Mutual Group; and
- An incentive to deliver the Old Mutual Group's business strategy over the long term

- Public offer available to Black South Africans
- Broadening black shareholder base and black ownership
- Advancing a savings culture
- Driving financial inclusion

- Supporting community development
- Objective of expanding existing Old Mutual initiatives, beginning with financial education and digital skills development for qualifying Black individuals and Black SME's



Improved competitiveness in our chosen market segments



# SALIENT TERMS

	ESOP Trust	Retail Scheme	Community Trust
<b>Size</b>	<b>Total: 4.18% (205.3m shares)</b> <b>1.6%</b> (78.1m shares) <b>1.3%</b> (63.6m shares) <b>1.3%</b> (63.6m shares)		
<b>Participants</b>	All employees with a disproportionate allocation of awards to achieve transformation objectives	Black members of the public and Black-owned entities, broad-based criteria to be determined by Old Mutual	Qualifying Black community beneficiaries, including financial education and digital skills development for qualifying Black individuals and Black SMEs
	<b>Tilted towards Black South Africans</b>	<b>Black South Africans only</b>	<b>Black South Africans only</b>
	<b>No strategic equity partner</b>		
	<b>No participation by non-executive directors</b>		
<b>Term and funding</b>	<ul style="list-style-type: none"> <li>• Vesting after various periods of service</li> <li>• Ownership after 10 year term, post settlement of notional vendor funding</li> <li>• 20% of ESOP shares at VWAP and 80% at fair value (NVF shares).</li> <li>• Funding rate at 85% of prime with funding balance on NVF shares set at 85% of VWAP.</li> </ul>	<ul style="list-style-type: none"> <li>• 10 year funding term</li> <li>• Listing on appropriate BEE exchange within 5 years</li> <li>• Vendor funding</li> <li>• Shares issued at VWAP funded by: 15% equity contributions from qualifying persons, 15% cash contribution from OML and 70% via preference share from OML at 85% of prime</li> </ul>	<ul style="list-style-type: none"> <li>• 10 year term with notional vendor funding</li> <li>• Evergreen trust</li> <li>• Funding at an escalation of 68% of prime with funding balance on NVF shares set at 85% of VWAP</li> </ul>



# Financial Indicators

Casper Troskie

Group CFO





## Breakdown of costs of Bula Tsela

(Rm)	2022	Average Year 1 – 4 (2023 – 2026)	Year 5 (2027) (listing Retail Scheme)	Average Year 6 – 10 (2028 – 2032)	Cumulative over 10 years
<b>Approximate scheme costs after tax</b>	<b>169</b>	<b>73</b>	<b>50</b>	<b>29</b>	<b>656</b>
•Employee Scheme	(5)	64	41	17	<b>377</b>
•Community Scheme	0	9	10	11	<b>103</b>
•Retail Scheme	174	0	0	1	<b>177</b>
<b>Once off implementation costs</b>	<b>150</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>160</b>
<b>Annual administration</b>	<b>1</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>100</b>
<b>Total</b>	<b>320</b>	<b>83</b>	<b>70</b>	<b>39</b>	<b>917</b>



## Next steps



1. Circular distribution
2. Old Mutual Shareholders' meeting and the issue of the Retail Scheme prospectus
3. Implementation of Bula Tsela B-BBEE transaction

An aerial photograph of a dense forest with a dirt road winding through it. Overlaid on the image are white topographic contour lines on the left side and a bright green circle in the upper-middle section. A yellow line also traces a path through the trees.

# THANK YOU

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