



OLDMUTUAL

Old Mutual Limited

# CORPORATE GOVERNANCE REPORT 2019



DO GREAT THINGS EVERY DAY

# A message from our Chairman



**“Our responsibility is and always will be, to have accountability to all of our stakeholders, this principle is central to our governance framework.”**

Trevor Manuel: *Chairman*

**2019 has been a challenging year for the Board as we dealt with the termination of the employment of Peter Moyo, our former chief executive officer while steering the business through difficult macroeconomic conditions in most markets in which we operate.**

Our role as members of the Board is to ethically guide and manage the Group in the best interests of our broad set of stakeholders, taking into account relevant legislation and common law fiduciary duties in our decisions. We strive to drive long term value creation, whilst holding our fellow directors, executives and employees accountable for their actions.

My colleagues and I are a diverse group of individuals, each a seasoned businessman or woman in their own right and bringing a diverse range of experience, expertise, personalities and backgrounds to the table.

After careful consideration of the relevant facts and actions we took the difficult decision to dismiss our former chief executive officer. In the various legal proceedings and heightened media attention which followed we had to deal with intense scrutiny and criticism of this decision. We held a total of 17 additional ad-hoc committee and Board meetings to ensure that this matter was appropriately considered and necessary actions were taken timeously.

The depth and diversity of experience of the Board assisted us in keeping focused on the task at hand and ensuring we also guided our executives and employees through this disruptive time for the organisation.

We remain confident that the decision we made was in the best interests of our shareholders, employees and customers and that we discharged our duties in line with the high standard of governance and ethics expected of an established and respected organisation like ours.

While our governance frameworks operated as designed, this process highlighted the need to increase the frequency of regular reporting and monitoring of related party relationships of this nature. We have updated our protocols accordingly.

We held our inaugural Annual General Meeting on 24 May 2019. At this meeting 93% of the ordinary and special resolutions were passed, however our remuneration policy and the implementation thereof failed to gain the required level of shareholder support. As a Board, we took this negative non binding advisory vote seriously and conducted a series of meetings with shareholders to understand in more detail their views and concerns related to remuneration. We are committed to continuous open and transparent engagement with stakeholders on this topic as we evolve and improve our policy and practices.

In these unprecedented times, with the recent outbreak of COVID-19 (Coronavirus), it is imperative that we remain calm and continue to guide and steer the business through the many decisions that we will be required to make over the coming months. We stand ready to govern the business through what will be a challenging year for all of us as individuals, our customers, our business and the global economy. Our responsibility is and always will be, to have accountability to all of our stakeholders, this principle is central to our governance framework.

On behalf of the Board, I would like to thank our customers, employees and investors who supported us throughout this difficult year.

**The Board is satisfied that Old Mutual has applied all the principles as per King IV™, across all of our operations.**



The full document outlining how we apply the principles of King IV can be found at [www.oldmutual.com/investor-relations/reporting-centre/reports](http://www.oldmutual.com/investor-relations/reporting-centre/reports)

**The Board is satisfied that it has fulfilled its responsibilities in accordance with its charter.**



The Board charter can be found at [www.oldmutual.com/about/governance-overview](http://www.oldmutual.com/about/governance-overview)

# Overview

## Board Focus areas in 2019

### Our long term strategy

In September 2019 the Board, along with the executive team, commenced a review of the Group's long term strategy. The process is iterative and was conducted over a number of scheduled specific Board strategy days. During these sessions the Board also agreed to a change in the approach to the governance of strategy whereby a detailed strategic review will be performed every three years rather than a high level review performed annually. We expect this process to be finalised in H2 2020, after the appointment of the new CEO.

### Remuneration

We have spent significant time considering the Group's remuneration policies and practices and members of our Remuneration committee have engaged in extensive discussions with our shareholders after the negative vote received at our 2019 Annual General Meeting (AGM).  
  
The maturing and improvement of our remuneration policy and practices is an iterative process, which we will facilitate through continuous open and transparent engagement with stakeholders.

### Zimbabwe

During the year we developed a bespoke governance framework to manage our operations in Zimbabwe on a ring fenced basis, given the unique macroeconomic conditions this business is operating under. Our focus is on preserving value for our customers and employees through this challenging economic cycle.  
  
We also debated extensively the appropriate accounting treatment for this business and commenced accounting for this operation as hyperinflationary from 30 June 2019. We removed the results of this business from our key operating measures such as Adjusted Headline Earnings and set separate management remuneration targets in respect of the performance of this business.

### Auditors

We remain concerned about the general state of the auditing profession in South Africa. During the year the Audit committee engaged with relevant parties to understand the nature of media reports implicating the Group's auditors. We take these allegations seriously, and will keep a watching brief as these matters unfold. As a Group we undertake to do everything in our power to support a healthy auditing profession with high ethical standards.

### Board assessment

During 2019 we performed an independently facilitated assessment for all members of the Board. During the interview process, questions were posed to both directors and the members of the executive committee to provide peer review feedback on the performance of each individual director.  
  
The assessment results showed that the Board remains effective and is able to reach consensus when making difficult decisions.

### Appointment of Lead Independent director

During 2018 and 2019 the Board utilised the Related Party Transactions committee to discharge the duties of a Lead Independent director. This was done to ensure that the newly constituted Board had developed the requisite rapport to enable it to run an election process for a Lead Independent director. The Board agreed in late 2019 that it was sufficiently settled to proceed with the appointment of a Lead Independent director. An independently facilitated process was performed, and Peter de Beyer was appointed as the Lead Independent director on 17 March 2020.

### Impact of termination of chief executive's employment

The Board carefully monitored the operational the impact of the termination of the employment of our former chief executive officer, Peter Moyo, prior to and following the termination of his employment there was extensive engagement at each key legal milestone.  
  
Our executive management team also ensured our employees, customers and stakeholders were reassured through this period of uncertainty.  
  
We held a total of 17 additional ad-hoc committee and Board meetings to ensure that this matter was appropriately considered and necessary actions were taken timeously.  
  
Our executive level succession plans were effective as vacancies on the executive committee were filled with experienced internal candidates.

# Overview (continued)

## Board Focus areas in 2020

### Build and retain investor confidence

Building and retaining investor confidence is a key priority for the Board. Finalising the appointment of a new chief executive officer and completing the refresh of our long term strategy will be key underpins to achieving this.

### Transformation

After the achievement of our Level 1 BBBEE contributor status on 17 March 2020, the Board continues to work on plans to improve our BBBEE ownership scores, in line with the commitments made in our pre listing statement.

Oversight of this process and ensuring that it supports the Board's vision of a truly broad-based scheme, will be one of the main focus areas for the Board in 2020.

### Responsible Business

We will continue to engage and challenge executive management to ensure that we can measure our achievements as a Responsible Business. In this regard, certain defined ESG metrics have been added to the relevant scorecards of senior managers already, with the development of an overall ESG metric for our variable pay scheme being developed in 2020. We will continue to drive initiatives that contribute towards minimising our environmental impact, such as our Responsible Investing approach and improving the green footprint of our own operations

### Governing through COVID-19

The Board is actively engaging with stakeholders through this difficult time and monitoring the potential impact this pandemic could have on the performance of our business and our solvency and liquidity levels. Ensuring that we guide and steer the business through the many decisions that it will be required to make over the coming months will be a key focus.

### Board refreshment

The Board previously indicated that a board refresh would be a focus area in 2019. Given events of 2019, this process was paused and will receive renewed attention in 2020.

## Governance and Ethics philosophy

### Maadili charter

During 2019 we launched an updated code of ethics called the Maadili charter. Maadili is the Swahili word for morals and ethics. It defines ethical behaviour as following the spirit and intention of the law and treating all of our stakeholders fairly and respectfully. All directors and employees attest that they have read and understood the charter on an annual basis.



### Reporting breaches in ethics

We have a variety of internal and external mechanisms for reporting actual or suspected unethical or unlawful behaviour. These are supported by strong investigative capabilities and rigorous disciplinary processes and sanctions.

# The Board

**Our Board comprises fifteen members with the extensive collective skills and expertise required to guide and steer this large and complex Group.**

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

## Old Mutual Life Assurance Company (South Africa) Limited (OMLACSA) board

OMLACSA is the largest regulated entity in the Group and has its debt listed on the Johannesburg Stock Exchange (JSE). A partial mirror board structure was implemented between Old Mutual Limited and OMLACSA after engagement with the Prudential Authority ahead of the listing of Old Mutual Limited. The majority of the Old Mutual Limited Board members also serve on the OMLACSA board and joint meetings take place between the Old Mutual Limited and OMLACSA boards.

Conflicts of interest, which might arise between the companies, are monitored and managed through the Related Party Transaction committee (for shareholder matters) and the Committee for Customer Affairs (CCA) (for policyholder and customer matters), an OMLACSA committee.

The OMLACSA board has its own board charter and its Audit and Risk committees have their own terms of reference. These committees meet jointly with the Group Audit and Risk committees. The mandate of the CCA is to report to the OMLACSA board on the principles and practices which could impact value creation for customers and the fair treatment of customers.

The CCA, together with the Responsible Business committee, plays an integral role in the governance of stakeholder relations in the Group. The majority of Responsible Business committee members serve on the CCA.

### Leadership roles

The responsibilities of the Chairman and chief executive officer (CEO) are clearly defined as set out in our Board charter. While the Board may delegate authority to the CEO, the separation of responsibilities is designed to ensure that no single individual or group of individuals has unrestricted powers and that the appropriate balance of power and authority exists on the Board. Any conflicts of interest which may arise are managed through the Related Party Transaction committee.

#### Chairman

The independent Chairman, Trevor Manuel, is responsible for leading the Board and ensuring the integrity and effectiveness of the Board and its committees. He is also responsible for leading the Board's challenge of executive and senior management, monitoring the performance of the Group and ensuring an effective system of governance and controls over the Group's activities is maintained.

#### Lead Independent Director

The Lead Independent Director, Peter de Beyer, guides the Board where conflicts of interests arise and chairs the Board in the absence of the Chairman or where the Chairman has a conflict of interest (perceived or actual). He deals with shareholders' concerns where contact

through normal channels has failed to resolve concerns, or where such contact is inappropriate. He also leads the performance appraisal of the Chairman.

#### Chief Executive Officer

The interim CEO, Iain Williamson, is responsible for the execution of the strategy approved by the Board and the effective management and running of the Group. He is accountable to and reports to the Board, and in terms of best practice, is not a member of the Audit, Corporate Governance and Nominations and Remuneration committees.

The CEO chairs the executive committee, leads and motivates the management team in the execution of the Group's strategy, and ensures that the Board receives timely and accurate information about the Group's performance.

#### Company Secretary

The Group company secretary, Elsabé Kirsten, and her team provide professional and independent guidance to the Board on corporate governance and the Board's legal and compliance duties. She also supports and coordinates the functioning of the Board and its committees.

The company secretary has unrestricted access to the Board, is not a Board member and maintains an arm's length relationship with the Board and its members. The company secretary reports to the Board via the Chairman on all statutory duties and functions performed in connection with the Board.



# Board of directors<sup>1</sup>

Independent non executive



**Trevor Manuel (SA) (64)**  
Chairman  
NDip, EMP



**Peter de Beyer (SA) (64)**  
BBusSc (Hons), FASSA



**Matthys (Thys) du Toit (SA) (61)**  
BSc Agric, MBA



**Albert Essien (Ghana) (64)**  
BA (Hons), EDP

Executive



**Iain Williamson (SA) (49)**  
Interim Chief Executive Officer  
BBusSc (Actuarial Science), GMP, FASSA



**Itumeleng Kgaboesele (SA) (48)**  
BCom, PDip (Acc), Dip (FMI), CA(SA)



**John Lister (UK) (61)**  
BSc (Stats), FIA



**Sizeka Magwentshu-Rensburg (SA) (60)**  
BA, MBA, DPhil



**Nosipho Molope (SA) (55)**  
BSc (Medical Sciences), BCompt (Hons), CTA, CA(SA)



**Casper Troskie (SA) (56)**  
Chief Financial Officer  
BCom (Hons), CA(SA)



**James Mwangi (Kenya) (42)**  
BA (Econ)



**Stewart van Graan (SA) (64)**  
BCom (Hons), PMD

Non executive



**Paul Baloyi (SA) (64)**  
MBA, AMP, SEP

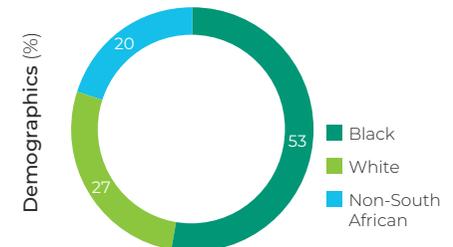
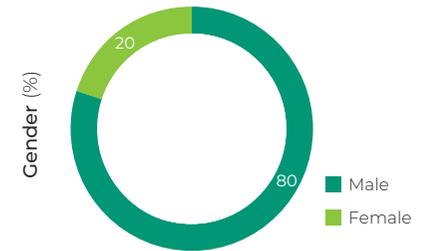
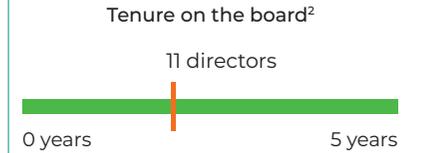
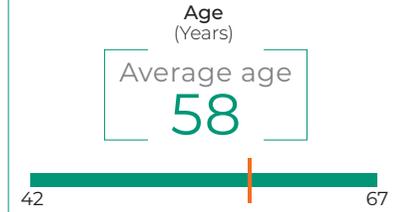


**Thoko Mkgosi-Mwantembe (SA) (58)**  
BSc, MSc, SEP, MCRP



**Marshall Rapiya (SA) (67)**  
BAdmin

- Risk committee
- Audit committee
- Responsible Business committee
- Related Party Transaction committee
- Remuneration committee
- Technology and Platforms committee
- Corporate Governance and Nominations committee
- Chair
- Lead Independent Director



<sup>1</sup> Directors at 31 December 2019.

<sup>2</sup> Tenure considers length of time served on either of the previous Old Mutual Emerging Markets and Old Mutual plc boards or the Old Mutual Limited Board post listing in 2018.

# The Board

## Changes the Board and committee composition during the year

Board member	Date	Nature of change	Impact on committee membership
<b>Thoko Mokgosi-Mwantembe</b>	3 April 2019	Designation change from independent non executive to non executive due to related party matter	▼ Stepped down as Remuneration committee chairperson
<b>Stewart van Graan</b>	3 April 2019	Change in committee membership designation	▲ Appointed as Technology and Platforms committee chairperson
	3 April 2019	Change in committee membership	▲ Appointed as Corporate Governance and Nominations committee member
<b>Nombulelo Moholi</b>	3 April 2019	Change in committee membership	▲ Appointed as Remuneration committee chairperson and member ▼ Stepped down as Technology and Platforms committee chairperson
	18 September 2019	Resignation as independent non executive director of Old Mutual Limited and OMLACSA	▼ Resignation as Remuneration committee chairperson ▼ Resignation as Technology and Platforms committee member
<b>Iain Williamson</b>	27 May 2019	Designation change from chief operating officer to interim chief executive officer	▲ Appointed as Responsible Business committee member ▲ Appointed as Technology and Platforms committee member
<b>Peter Moyo</b>	17 June 2019	Employment terminated. Retired as a director of Old Mutual Limited (24 May 2019) and resigned as a director of OMLACSA (27 June 2019)	▼ Removed from Responsible Business, Risk and Technology and Platforms committees
<b>Itumeleng Kgaboesele</b>	25 September 2019	Change in committee membership	▲ Appointed as Corporate Governance and Nominations committee member
	25 September 2019	Change in committee membership designation	▲ Appointed as Remuneration committee chairperson
<b>Paul Baloyi</b>	22 October 2019	Designation change from independent non executive as tenure exceeded nine years	▶ None

## Rotation and retirement of directors

In terms of our Board charter, all directors are subject to retirement by rotation and re-election by the shareholders at least once every three years. Newly appointed directors may hold office only until the next AGM, at which point they retire and become available for re-election by the shareholders, on the recommendation of the Board. At the AGM on 24 May 2019, all directors, with the exception of Peter Moyo, were elected after making themselves available for election in line with our Board charter.

When determining the identity of the directors who have been the longest in office since their last election, consideration is given to the date of appointment as a non executive director of Old Mutual Emerging Markets and/or Old Mutual plc whichever occurred earlier. The time served on either of the Old Mutual Emerging Markets or Old Mutual plc Boards is added to the time served on the Old Mutual Limited Board in considering rotation decisions.

Executive directors have no fixed term of appointment but are subject to short term notice periods. The maximum tenure of non executive directors in the Group is three terms of three years. The retirement age for directors is set at 70 years, or such age as determined at the discretion of the Corporate Governance and Nominations committee.

Paul Baloyi, Peter de Beyer, Albert Essien, Nosipho Molohe and Marshall Rapiya are due to retire by rotation. All of these directors are eligible for re-election and have indicated that they will offer themselves for re-election at the AGM in May 2020.

# The Board (continued)

## Board communication

Regular and timely feedback from the executive committee to the Board and its committees is essential in enabling the Board to make the right decisions at the right time and discharge its governance responsibilities effectively.

- Weekly** A report is provided on media coverage of Old Mutual and its competitors in all jurisdictions in Africa.
- Monthly** Monthly Group performance reports keep directors abreast of operational performance and other developments in the Group.
- Quarterly** On a quarterly basis, structured feedback by the executive to the Board takes place through meetings of the various Board committees as well as the Board meeting. During these quarterly meetings, the executive management will present consolidated feedback, flowing from relevant executive committee meetings. These executive committee meetings include the Quarterly Business Review meetings which provide a comprehensive, robust view of the performance of the business against the approved Business Plan to executive management.
- Ad hoc** The CEO communicates pertinent matters and developments that occur between scheduled meetings to the Board, as and when required. The company secretary is mandated to send any relevant information to the Board.
- Closed sessions** From time to time, non executive directors meet without management present in closed sessions led by the Chairman around matters such as remuneration, succession planning and conflicts of interest. The primary objective of these sessions is to provide non executive directors with an opportunity to test thoughts and insights among peers. The Chairman, as the primary link between the Board and executive management, provides feedback from the closed sessions to the CEO.

## Board committees

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

Each committee's mandate is included in its terms of reference and it ensures that the governance domains are effectively reviewed and monitored. The Board reviews the mandate and terms of reference of each committee annually to ensure effective coverage of, and control over, the operations of the Group.

The Board committees are chaired by independent non executive directors and are constituted of a minimum of three members with the necessary combination of knowledge, skills, experience and capacity.

Directors should, where possible, not serve on more than two committees, this factor drives the size of our Board given the number of members that are required to ensure effective composition of our Board committees.

Board committees do, in certain instances, have overlapping responsibilities. Different committees may consider the same Board materials, applying different perspectives as mandated. It is the responsibility of each committee chairperson to ensure that matters relevant for consideration by another committee are reported to that committee. Overlapping committee membership assists in this regard, as do the formal committee reports to the Board, where matters of importance for Board members, as well as other Board committees, are highlighted. The committees report to the Board through their respective chairpersons.

All Board committees are free to take independent professional advice, as and when necessary. They also have unrestricted access to all Company and Group information, records, documents and property and regularly meet with members of the executive and senior management.

The GGF defines the Group's governance objectives and requirements and sets out the Board's responsibility and accountability per governance domain.

In each governance domain there are specific and explicitly defined governance requirements that set out what is expected of subsidiary boards in respect of their responsibility and accountability for that domain. These domains also facilitate robust oversight over the six capitals, as defined by King IV™, as well as adherence to the seventeen King IV™ principles.

 Application of King IV™ Principles on [www.oldmutual.com/investor-relations/reporting-centre/reports](http://www.oldmutual.com/investor-relations/reporting-centre/reports)

# The Board (continued)

## Appointment of directors and our diversity policy

The selection and appointment of directors is the responsibility of the Board and is effected through a formal and transparent process. The Board is supported by recommendations from the Corporate Governance and Nominations committee. Board appointments are made on merit, in the context of the skills, relevant business experience, independence and knowledge, which the Board as a collective requires for it to be effective. All Board appointments are ratified by shareholders at the following AGM.

We ensure that our Board members are not overcommitted in terms of their representation on other listed boards, limiting the number of listed and large unlisted directorships of our directors to five. In our Board appointment protocols, we caution against the overextension of our directors and provide guidance on matters to consider, before accepting other directorships outside of the Group.

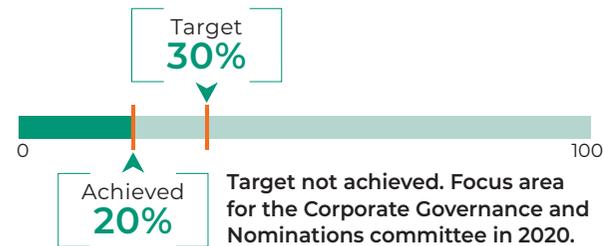
We recognise and embrace the benefits of having a diverse Board, which includes differences in the skills, regional and industry experience, background, race and gender distinctions between members of the Board. These differences are considered in determining the optimum composition of the Board, given the diverse nature of our stakeholders and the regions in which we operate.

In this regard, the Board has adopted a Board appointment and diversity policy with set diversity targets.

% of directors who are Black South African



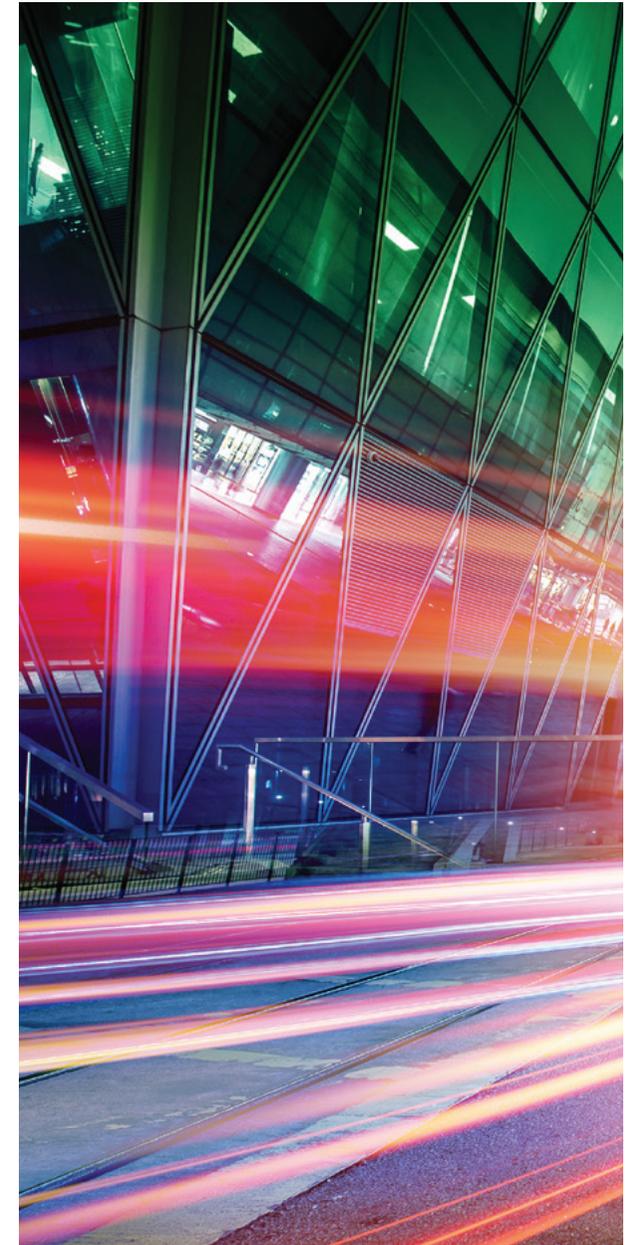
% of female directors



## Succession planning

The Corporate Governance and Nominations committee is responsible for the succession planning of the Board and key executives. The Board has an agreed succession pipeline, which identifies immediate and planned successors for all directors on the Board, including the specific roles fulfilled by these directors, such as the committee chairpersons.

Potential future gaps have been identified and are currently being recruited for, with appointments expected to be finalised in 2020.



# The Board (continued)

## Board training

There is a formal orientation and induction programme in place to familiarise incoming directors with the Group's operations, executive and senior management, the operating environment and directors' fiduciary duties and responsibilities.

Ongoing training is essential to ensure that our Board members are kept abreast of any industry changes and developments, changes in applicable codes and regulations and changes in the broader operating environment.

In 2019 Board members received training and updates on legal and regulatory changes, strategy, sustainability, governance (including information and technology governance), risk management, accounting and actuarial matters (including IFRS17) and organisational development. An ongoing training programme for 2020 is in place to update the Board on key emerging industry themes and Group specific matters.

## Board evaluations and effectiveness

Each year, the Board conducts an assessment of its own performance and of the appropriateness and effectiveness of its procedures and processes. The actions from these reviews are agreed and the implementation of these actions is tracked.

Given the events of 2019, a further independently facilitated board assessment for the Old Mutual Limited and OMLACSA Boards was undertaken. The assessment focused on the process around the termination of the chief executive's officer's employment, the management of conflicts of interests in the Group and the progress on areas highlighted in the 2018 assessment.

The assessment was conducted by an independent organisation, as recommended by King IV™, through a series of interviews and included the executive committee. The results of the assessment have been shared with both the Board and the executive committee. During the interview process, questions

were posed to provide peer review feedback on individual directors. In addition, Board member were canvassed for their views on the functioning of the committees and the performance of the chairman and company secretary.

The assessment indicated, similar to last year, that the Board and its processes were operating effectively. It also indicates that debates and discussions remained robust and contributions were freely tabled, objective and focused. The assessment also confirmed that the Board was able to deal with all relevant business as usual issues during Board meetings, without the former chief executive officer related matters clouding proceedings.

It was also noted that areas highlighted for improvement in the 2018 assessment were addressed, in particular more structured engagements took place on specific items requiring Board input and committee feedback was more detailed.

The Board sets self assessment review expectations for all subsidiary boards (including individual directors). The frequency and nature of assessments is influenced by subsidiaries' classification in terms of the GGF, taking into account the principle of applying governance proportionally across the Group and regulatory requirements.

The self assessment reviews are conducted using an online survey tool and questionnaires.

The results of subsidiary board evaluations were tabled at the Corporate Governance and Nominations committee and Board meetings held in November 2019. While these reviews raised no areas of concern, they did note certain areas for improvement, such as succession planning for subsidiary board members, which remains a focus area for 2020.

**The Board is satisfied that the evaluation process is improving its performance and effectiveness.**

## Conflicts of interest and trading in Old Mutual Limited shares

The Group has a conflicts of interest policy which sets out key provisions which both directors and employees are required to adhere to. In terms of this policy a director or employee is prohibited from using his or her position, or confidential or price-sensitive information, to the benefit of himself or herself or any related party.

Directors are required to confirm on a quarterly basis that their conflicts of interest disclosures are up to date. A declaration is signed at each quarterly Board meeting to evidence this.

The Related Party Transaction committee considers, reviews, evaluates and provides oversight over related party transactions to ensure these transactions are fair and in the best interests of the Group. The terms of reference for this committee allow it to make independent and final determinations on mitigating actions in respect of all Board members' conflicts of interests.

Directors and certain selected employees are prohibited from dealing directly or indirectly in our shares during closed periods. A securities dealing policy is in place which manages this requirement, from a JSE perspective and in terms of the requirements under the market abuse regulations in the United Kingdom, where we have a standard listing.

# The Board and our stakeholders

The Board monitors the quality and effectiveness of our stakeholder relationships and engagements. Our dedicated stakeholder relations function plays a critical role in ensuring we observe effective industry and international governance practices in managing and responding to the requirements and views of our stakeholders.

The boards of our subsidiaries adopt the Group's stakeholder relations policy and ensure all the applicable requirements are implemented and complied with. Subsidiary boards must ensure local regulatory requirements are included in the policy adopted at a subsidiary level.

## 2019 Annual General Meeting voting results

Our inaugural AGM was held on 24 May 2019.

Non binding advisory ordinary resolutions 6.1 and 6.2, relating to our remuneration policy and implementation report, were voted against by 46% and 69% of voting shareholders respectively. Given this low level of support we invited, through a SENS issued on 26 July 2019, dissenting shareholders to make written submissions to outline concerns and make recommendations regarding the non-binding advisory resolutions. Further engagements were initiated with shareholders and additional disclosure was provided on directors' beneficial interests and the pay outs under the Managed Separation Incentive Programme (MSIP) through SENS announcements.

**72%** of votable shares<sup>1</sup> represented at AGM

**195** investor meetings held

**93%** of ordinary and special resolutions approved by majority of shareholders

Met **48** institutional shareholders and **52** institutional non-holders

Resolutions passed with approval levels ranging from **74.25%** to **99.9%**

Met investors from South Africa, the United Kingdom, Europe, Canada, the United States of America and Asia

<sup>1</sup> Calculated as 3,488,824,463 divided by 4,831,264,848 shares, representing the total number shares in issue less treasury shares as defined in the JSE Listings Requirements.

# The Board and our stakeholders (continued)

Executive management engaged extensively with equity investors in 2019. Key topics discussed included the Group's performance and dividend outlook and the impact of the weak macroeconomic environment on current and future performance. The ongoing litigation between the former CEO and the Company and the concern around the impact on the share price was also a key item discussed. Investors also raised questions around the Group's long term capital allocation relative to its peers.

Executive management attended seven investment conferences in 2019, including the annual South Africa Tomorrow conference in New York. This conference showcases South African listed companies and institutions to current and potential international investors. We are a host and sponsor of this event, in collaboration with the JSE and other South African corporates.

In addition, regular group and individual meetings were held between our non executive directors and members of the investor community following the suspension and termination of the former CEO. These meetings ensure that we kept our investors apprised of key developments in litigation processes and established support for the appeal process we followed.

## Debt investor roadshows

During 2019, we conducted a non deal roadshow in South Africa to update our debt investors on the performance of the Company and seek consent for the consolidation of the OMLACSA and Old Mutual Insure Domestic Medium Term Note (DMTN) programmes into a single Old Mutual Limited DMTN programme. This increases our flexibility and optionality for any potential future issuances under this programme.

We received the required support for this consolidation in early 2020, with the requisite majority as required under each DMTN Programme. We will continue to engage our debt investors on an ongoing basis.

## Governance roadshows

We conducted two governance roadshows during 2019 to provide our shareholders with the opportunity to engage with our Chairman and other members of our Board on governance matters.

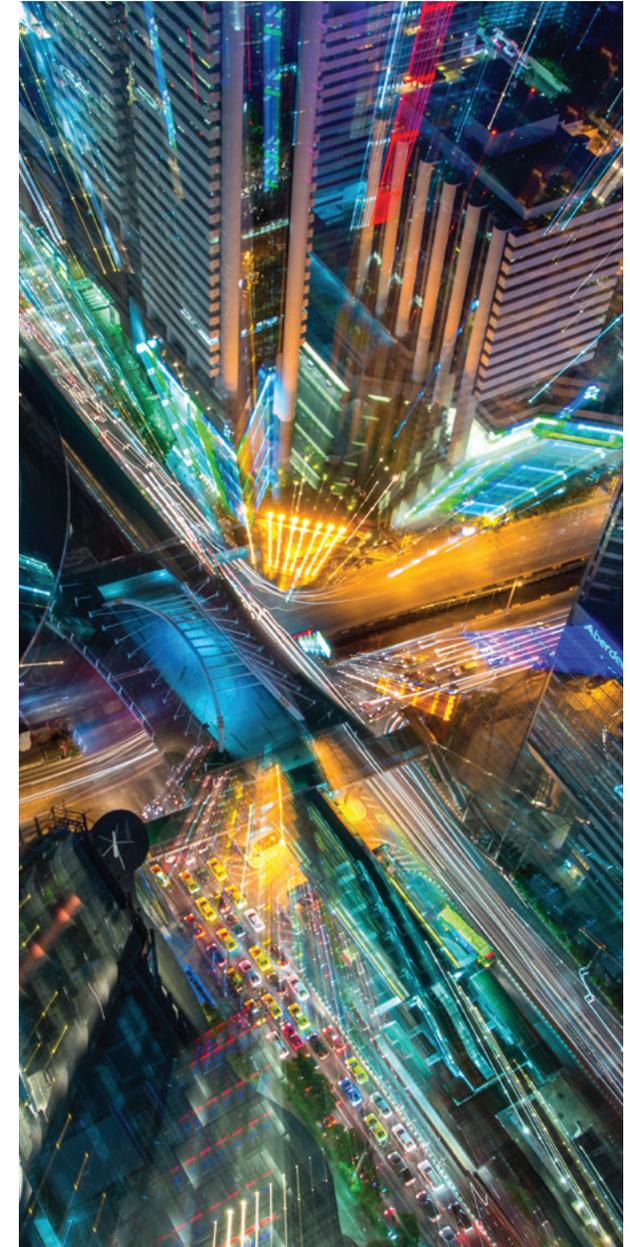
Our Chairman hosted a total of 34 engagements with institutional investors holding a combined total of 53.6% of our issued share capital. Key topics discussed included concerns around ongoing litigation with the former CEO and questions around the appointment of a permanent CEO. The Group's remuneration philosophy and implementation report was also discussed.

## Sponsor

We fully understand the role and responsibilities of our equity and debt sponsors, as stipulated in the JSE Limited Listings Requirements. We have cultivated good working relationships with both our equity sponsor, BofA Securities and our debt sponsor, Nedbank CIB. We are satisfied that the sponsors have executed their mandates with due care and diligence in 2019.

## Political party contributions

The Group does not, as a principle, donate to political parties. As a responsible and responsive corporate citizen we are required to participate in certain events that are organised by political parties for which payment is required. Any such payments are made in a transparent manner with prior approval by the relevant executive committee member.



# Executive committee<sup>1</sup>



Interim Chief Executive Officer

**Iain Williamson (49)**  
BBusSc (Actuarial Science), GMP, FASSA



Chief Financial Officer

**Casper Troskie (56)**  
BCom (Hons), CA(SA)



Customer Solutions Director

**Raymond Berelowitz (51)**  
BBusSc (Actuarial Science), FASSA, FIA



Managing Director: Rest of Africa

**Clement Chinaka (50)**  
BSc (Computer Science and Statistics), AMP, FASSA, FFA



Managing Director: Wealth and Investments

**Khaya Gobodo (42)**  
BCom, MSC (Investment Management), CFA



Chief Marketing Officer

**Vuyolwethu Lee (42)**  
BCom (Hons), MBA



Managing Director: Corporate

**Prabashini Moodley (40)**  
BBusSc (Actuarial Science), FASSA



Managing Director: Personal Finance

**Karabo Morule (38)<sup>2</sup>**  
BBusSc (Actuarial Science and Finance), FFA, FASSA, AMP



Managing Director: Old Mutual Insure

**Garth Napier (41)**  
BCom (Hons), MBA



Managing Director: Mass and Foundation Cluster

**Clarence Nethengwe (48)**  
BProc, BA, LL.M, MBA, AMP, EDP



Human Capital Director

**Celiwe Ross (41)**  
BSc (Mining Eng), MBA



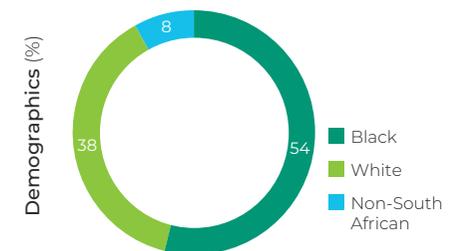
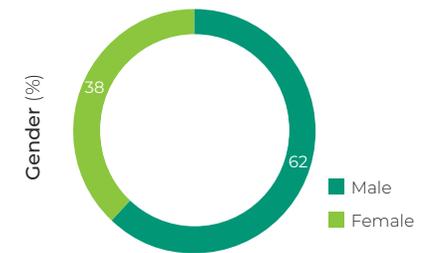
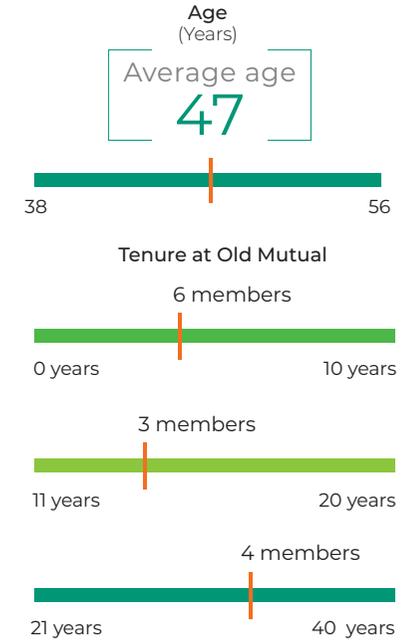
Chief Risk Officer

**Richard Treagus (54)**  
BBusSc (Actuarial Science), FIA, FASSA



Acting Chief Operating Officer

**Heloise van der Mescht (58)**  
MBA



<sup>1</sup> Executive committee at 31 December 2019.

<sup>2</sup> Karabo Morule resigned effective 31 January 2020, her role was filled by Kerin Land on 1 February 2020.

# Executive committee (continued)

## Changes to the executive committee during the year

Executive member	Date	Impact on committee membership
David Beunfil	1 April 2019	Resigned from executive committee subsequent to the sale of the Latin American business
Peter Moyo	24 May 2019	Suspended from office
	17 June 2019	Employment terminated
Iain Williamson	24 May 2019	Appointed as interim chief executive officer
Heloise Van Der Mescht	1 June 2019	Appointed as interim chief operating officer, replacing Iain Williamson
Clement Chinaka	1 November 2019	Appointed as managing director of Rest of Africa ahead of the retirement of Jonas Mushosho
Prabashini Moodley	1 November 2019	Appointed as managing director of Old Mutual Corporate following Clement Chinaka's appointment as managing director of Rest of Africa
Jonas Mushosho	31 December 2019	Retired from the executive committee
Karabo Morule	18 October 2019	Resigned as managing director of Personal Finance, and served notice until 31 January 2020
Kerrin Land	1 February 2020	Appointed as managing director of Personal Finance
Maserame Mouyeme	1 February 2020	Appointed as Corporate Affairs director

## Succession planning

Members of the executive committee who left the Group during the year have been replaced with individuals listed on the Group's executive leadership succession plans, with deep industry knowledge and experience and who have been with the Group for some time. These succession plans will be updated and refreshed over the coming year.

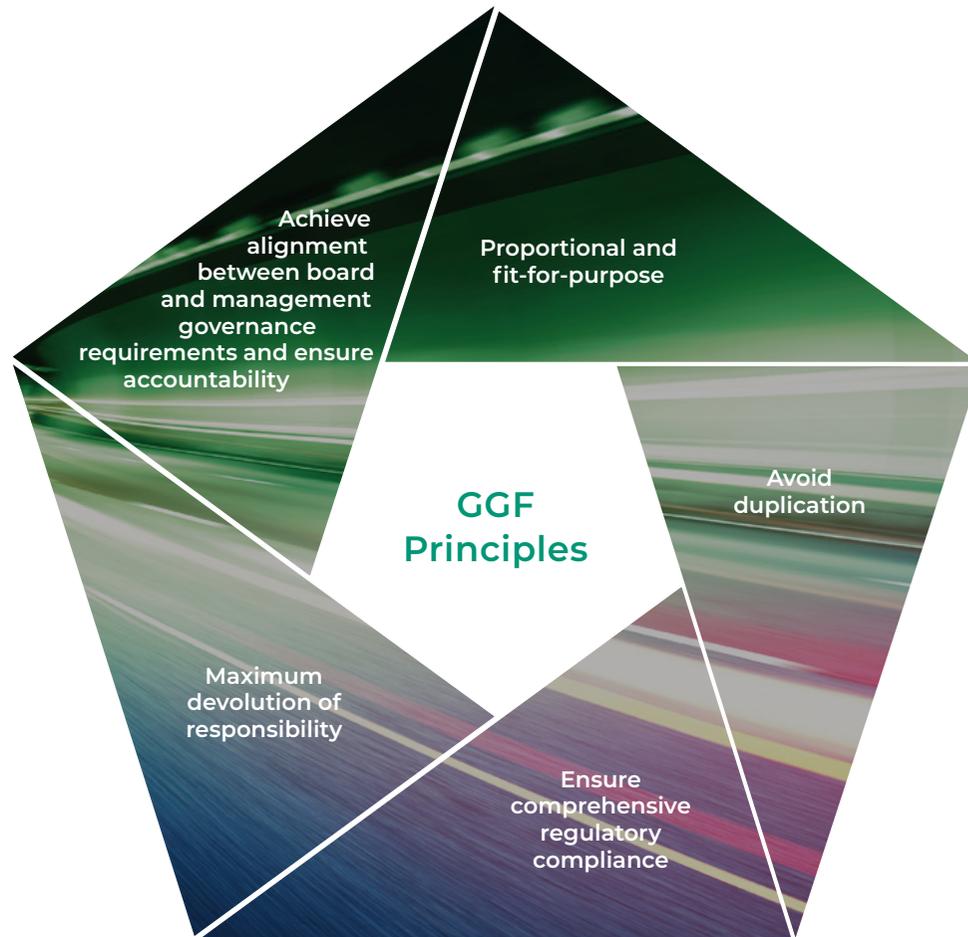
## Executive committee sub committees

The executive committee has formed sub committees aligned to each of the board committees. This ensures that all papers are reviewed and interrogated before formal submission to the Board.



# Group Governance Framework

**The Board is responsible for ensuring that the governance arrangements across the Group enable them to discharge their oversight and fiduciary duties effectively, with clear accountability and devolution of responsibility. To achieve this, the Board, along with the executive committee, operate and oversee a Group Governance Framework (GGF), in line with international best practice.**



The GGF explains how the Board executes its direction and oversight responsibilities, and what it expects from subsidiary boards in the Group. The GGF establishes the minimum governance requirements for the Group and subsidiary boards, and importantly, sets a framework for the minimum governance requirements over various governance domains relevant to Old Mutual.

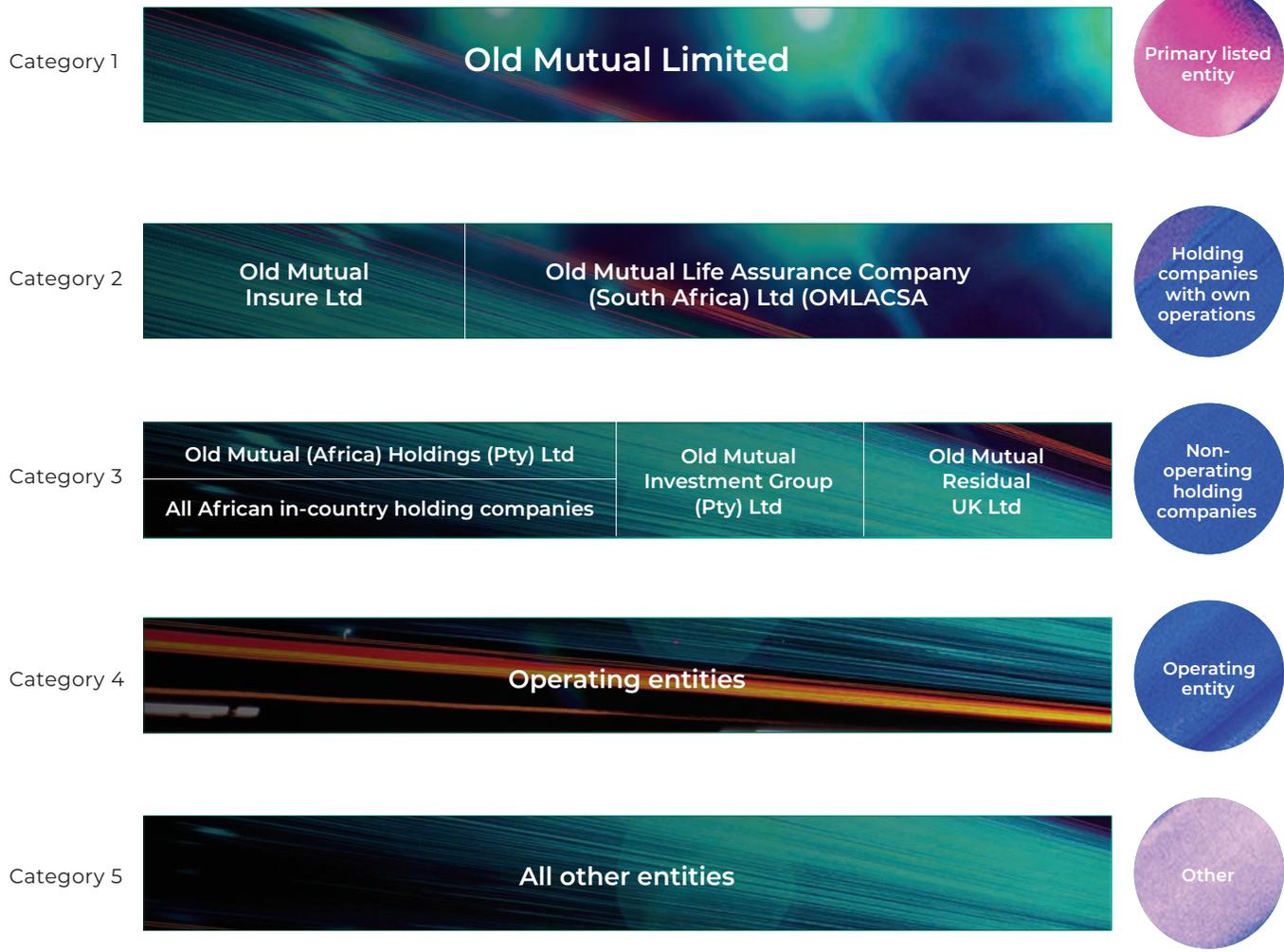
It takes into account that the Group has significant and geographically diverse operations, with equity listed on five stock exchanges and debt issued on one stock exchange. The GGF is structured into a five category corporate governance model. Each category has specific requirements, duties and powers and this ensures that the principles of proportionality and maximum devolution are achieved.

Operation of and compliance with the GGF provides the Board with assurance that the Group is operating as they direct, appropriately managing risk, complying with applicable legislation and regulatory requirements and applying the principles of effective governance as expressed in King IV™.

A group wide attestation was completed during the year and the Board, along with the subsidiary boards, attested to application of the GGF. Group internal audit performed an independent review of the effectiveness and completeness of the attestation process.

# Group Governance Framework (continued)

The diagram below represents this five category model, including the subsidiary board reporting lines for each category.



The GGF sets the minimum Group governance requirements for all subsidiaries, allowing for country specific legislation and applicable in country corporate governance codes. The GGF in no way absolves or places a restraint on the ability of the boards of subsidiary companies to execute their fiduciary duties, but instead outlines the requirements of the Board in discharging its duties across the Group.

**The GGF includes the requirements of King IV™, as well as the Framework for Governance and Operational Standards for Insurance Groups**

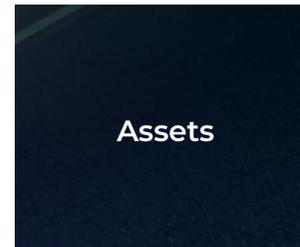
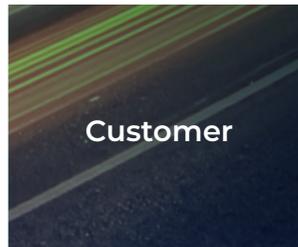
# Subsidiary governance – a case study

**During 2019 the Board** spent considerable time deliberating the risks and challenges facing our businesses in Zimbabwe. A decision was taken to ring fence these operations and give the local board and management a mandate to follow in running the business in this unique environment. In terms of the mandate, the governance requirements and processes for this business remains similar to those of other category 3 subsidiaries as defined by the GGF.

The local board and management team however have additional flexibility when making operational decisions in order to manage and mitigate risk and specific focus areas and mandated actions have been agreed. The implementation of the framework and progress against agreed actions is tracked and monitored on a regular basis.

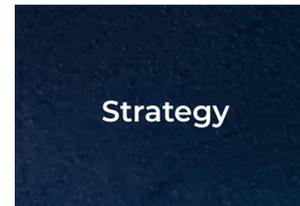
## Focus areas

We improved our communication to customers to ensure that it is relevant and timely and that we are able to highlight key risks to them. Our contracts have been amended in order to ensure that they are suited to the current environment and continue to minimise any loss of value for our customers. We have also shortened approval cycles for new products allowing product solutions to develop products that are suited to the environment and to ensure that we can continue to provide value for money products.



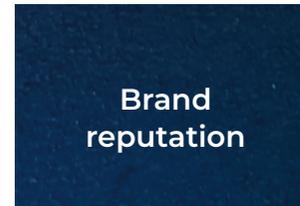
We have implemented a medium term strategy that investments in non-monetary (or real) assets and our management team have the authority to source alternative investment opportunities that includes private equity and infrastructure investments. This investment strategy and the related asset allocation will be reviewed on six monthly basis. Existing assets will be maintained appropriately to minimise any investment loss.

We continue to ensure that the business reports its financial results externally and that all financial reporting obligations are met and adhered to. Our business continues to adhere to sound financial reporting governance principles.



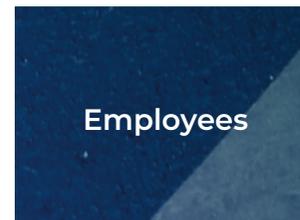
We continue to execute on the Group's proposed strategy for the business and will manage transition to a normal environment when the economy has stabilised.

As a well established organisation within Zimbabwe, we continue to provide input into economic and government policies and ensure that we manage our stakeholders and customers.



We will continue to support the Zimbabwe business and ensure that no reputational damage is caused to the Old Mutual Limited Group.

Appropriate authority limits have been reviewed and set in US dollars in order to make decision making agile in the volatile business environment. Our excess capital will be invested in private equity and where possible, foreign currency earning assets. This will help mitigate any potential loss of value of the capital base.



Our remuneration structures are competitive and provide an appropriate mix of cash and non-cash benefits to our staff. We have also implemented retention programmes that facilitates 'out of cycle' salary increases during periods when monthly inflation is above 10%. Support is also provided to our employees during periods of shortages of basic commodities.



# Committee reports

Audit committee	18
Corporate Governance and Nominations committee	19
Remuneration committee	20
Risk committee	21
Related Party Transaction committee	22
Responsible Business committee	23
Technology and Platforms committee	24
2019 Board and committee attendance register	25

# Audit Committee



**“The Audit committee played a key role in continuous evaluation of the robustness of the finance processes to ensure reliable financial data is disclosed externally.”**

Nosipho Molope: *Chairperson*

**Governance domains**

-  Assurance
-  Actuarial
-  Strategy and performance

**Related capitals**

-  **IC** Intellectual
-  **SC** Social and relationship
-  **FC** Financial
-  **MC** Manufactured

### Focus areas in 2019

- Reviewed key judgments and significant matters raised by management, internal and external audit to ensure the accuracy and integrity of financial data disclosed
- Reviewed the Head of Actuarial Function reports concluding effective operation of the actuarial control function
- Reviewed the dividend proposals and ensured the Group had sufficient resources to make distributions
- Evaluated the adequacy and effectiveness of the internal control environment
- Evaluated the independence, effectiveness and performance of the Internal Audit function
- Reviewed and approved the annual internal audit plan, ensuring the inclusion of material risk areas, acceptable coverage of business processes and that all reporting requirements were met
- Recommended to shareholders the appointment of Deloitte and Touche and KPMG for 2019
- Reviewed and approved the external auditor’s 2019 annual plan, scope of work, audit fees and considered the key audit matters in the external audit report
- Reviewed the 2019 annual financial statements
- Oversaw the implementation of IFRS 16: Leases, effective 1 January 2019
- Assessed compliance with all other statutory requirements in terms of section 94(7) of the Companies Act of 2008, King IV™, JSE Listings Requirements and any other applicable regulatory requirements, and confirmed that no reportable irregularities were identified and reported by the external auditors in terms of the Auditing Profession Act, 26 of 2005
- Considered the effectiveness of the Chief Financial Officer, Casper Troskie

### Focus areas in 2020

- Monitoring and evaluation of the Groups preparation for the implementation of IFRS 17, effective 1 January 2023
- Continued monitoring of the economic situation in Zimbabwe and assessment of the appropriate accounting treatment and disclosure in the Group financial statements
- Continued focus on ensuring that the group’s financial processes and controls operate effectively and are consistent with the group’s complexity

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

**98%**  
Committee meeting attendance

**9**  
Meetings

**5**  
Members

The terms of reference for this committee can be found at [www.oldmutual.com/about/governance/board-committees](http://www.oldmutual.com/about/governance/board-committees)

Name <sup>1</sup>	Board status <sup>2</sup>	Meeting attendance
<b>Nosipho Molope (Chairperson)</b> BSc (Medical Sciences), BCompt (Hons), CTA, CA(SA)	INED	9/9
<b>Paul Baloyi<sup>3</sup></b> MBA, AMP (INSEAD), SEP (Harvard)	NED	9/9
<b>Peter de Beyer</b> BBus Sci (Hons), FASSA	INED	8/9
<b>Itumeleng Kgaboesele</b> BCom, PDip (Acc), Dip (FMI), CA(SA)	INED	9/9
<b>John Lister</b> BSc (Stats), FIA	INED	9/9

<sup>1</sup> All committee members were appointed on 06 March 2018.  
<sup>2</sup> INED represents independent non executive director, NED represents non executive director and ED represents executive director.  
<sup>3</sup> In line with Group requirements became a non executive director on 22 October 2019 as tenure exceeded 9 years.

# Corporate Governance and Nominations committee



“The termination of the employment of our former chief executive officer, Peter Moyo, after careful consideration of the relevant facts and circumstances, was a decision rooted in principles based governance where one is not simply adhering to rules but also acting as a guardian of the Group’s integrity and reputation.”

Trevor Manuel: *Chairman*

## Governance domains

- Board specific
- Compliance

## Related capitals

**IC** Intellectual

### Focus areas in 2019

- The committee met a number of times, in addition to scheduled meetings, to consider the suspension and termination of employment of Peter Moyo
- Approved a framework for the payment of legal fees in relation to legal proceedings involving directors, where such legal proceedings have the potential to impact materially on the reputation of the Group or any of its subsidiaries
- Reviewed and updated the Board suspension and termination of the employment of Peter Moyo and the resignation of Nombulelo Moholi
- Reclassified Thoko Mokgosi-Mwantembe as a non executive director after the consideration of an arms-length transaction concluded with a group company in her personal capacity. Accordingly, she stepped down as chairperson of the Remuneration committee and as a member of this committee
- Reclassified Paul Baloyi as a non executive director after he reached his 9 year anniversary as a director
- Considered the succession pipeline for the executive committee and participated in the selection and appointment of successful candidates to the executive committee

### Focus areas in 2020

- Finalising the appointment of a permanent chief executive officer
- Driving a refresh of the Board to supplement the experience and skillset with the skills gaps identified
- Refreshing the succession plan for the executive committee following the recent appointments made

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

**91%**  
Committee meeting attendance

**7**  
Meetings

**8**  
Members

The terms of reference for this committee can be found at [www.oldmutual.com/about/governance/board-committees](http://www.oldmutual.com/about/governance/board-committees)

Name <sup>1</sup>	Board status <sup>2</sup>	Meeting attendance
<b>Trevor Manuel (Chairman)</b> NDip, EMP (Stanford)	INED	7/7
<b>Peter de Beyer</b> BBus Sci (Hons), FASSA	INED	7/7
<b>Thys du Toit</b> BSc Agric, MBA	INED	7/7
<b>John Lister</b> BSc (Stats), FIA	INED	6/7
<b>Sizeka Magwentshu-Rensburg</b> BA, MBA(Webster), DPhil	INED	6/7
<b>Nosipho Molohe</b> BSc (Medical Sciences), BCompt (Hons), CTA, CA(SA)	INED	7/7
<b>Itumeleng Kgaboesele<sup>3</sup></b> BCom, PDip (Acc), Dip (FMI), CA(SA)	INED	1/1
<b>Steward van Graan<sup>4</sup></b> BCom (Hons), PMD	INED	4/4
<b>Thoko Mokgosi-Mwantembe<sup>5</sup></b> BSc, MSC, SEP, MCRP	NED	3/4
<b>Nombulelo Moholi<sup>6</sup></b> BSc (Eng), SEP (Stanford), SMMP (Harvard)	INED	4/6

1 All directors appointed on 6 March 2018, unless otherwise stated.  
 2 INED represents independent non executive director, NED represents non executive director and ED represents executive director.  
 3 Appointed as a member of this committee on 25 September 2019, following his appointment as chairperson of the Remuneration committee.  
 4 Appointed as a member of this committee on 3 April 2019, following his appointment as chairperson of the Technology and Platforms committee.  
 5 Stepped down as chairperson of Remuneration committee and member of this committee on 3 April 2019.  
 6 Resigned on 18 September 2019.

**Invited attendees:** Iain Williamson is a standing invitee as interim chief executive officer. In 2019 there were several meetings where external legal experts were invited to advise the committee in connection with the Peter Moyo litigation.

# Remuneration Committee



**“We expect our remuneration policies and practices to mature and improve through an iterative process that will be facilitated through continuous open and transparent engagement with stakeholders.”**

**Itumeleng Kgaboesele: Chairperson**

**Governance domains**

-  Talent and reward
-  Strategy and performance

**Related capitals**

-  **Human**

**Focus areas in 2019**

- Engaged with shareholders ahead of and following negative votes to obtain feedback and incorporated this into remuneration policies as appropriate
- Refined our current remuneration philosophy, practices and structures in order to ensure they are fit for purpose and competitive
- Engaged with management on the challenges facing our Zimbabwe business and formulated appropriate remuneration responses
- Reviewed and approved the remuneration for the executive committee, executive management and heads of control functions, ensuring they are fairly and responsibly rewarded. This included benchmarking remuneration levels against industry peers and organisations of similar complexity
- Reviewed and approved the overall annual increase pool awarded to Group employees, with particular focus on the increases awarded to senior management ensuring internal parity as well as external competitiveness
- Approved the implementation of the Group's variable pay schemes applying discretion where appropriate

**Focus areas in 2020**

- Ensuring a process of continuous improvement in our remuneration policy and implementation through an iterative process of engagement with relevant stakeholders
- Review of variable pay schemes ensuring pool determination is aligned to business performance and introducing increasing discretion into the process
- A focus on fair and responsible remuneration including pay-gap, pay-ratio and alignment of remuneration

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

**94%**

**Committee meeting attendance**

**8**

Meetings

**4**

Members

 The terms of reference for this committee can be found at [www.oldmutual.com/about/governance/board-committees](http://www.oldmutual.com/about/governance/board-committees)

Name <sup>1</sup>	Board status <sup>2</sup>	Meeting attendance
<b>Itumeleng Kgaboesele (Chairperson)<sup>3</sup></b> BCom, PDip (Acc), Dip (FMI), CA(SA)	INED	7/8
<b>Thoko Mokgosi-Mwantembe<sup>4</sup></b> BSc, MSc, SEP(Harvard), MCRP (Institute of Management Development of Switzerland)	NED	8/8
<b>Thys du Toit</b> BSc Agric, MBA	INED	8/8
<b>Sizeka Magwentshu-Rensburg</b> BA, MBA(Webster), DPhil	INED	7/8
<b>Nombulelo Moholi<sup>5</sup></b> BSc (Eng), SEP (Stanford), SMMP (Harvard)	INED	3/3

<sup>1</sup> All directors appointed on 6 March 2018, unless otherwise stated.

<sup>2</sup> INED represents independent non executive director, NED represents non executive director and ED represents executive director.

<sup>3</sup> Appointed as chairperson on 25 September 2019.

<sup>4</sup> Designation changed from independent non executive to non executive. Resigned as chairperson on 3 April 2019.

<sup>5</sup> Appointed as member and chairperson on 3 April 2019, resigned from the Board on 18 September 2019.

**Invited attendees:** The Board Chairman, CEO, Group Human Capital director and the Group Head of Reward have standing invitations to attend all meetings of the Remuneration committee. The committee may further invite any executive management team members or other individuals to attend meetings as they consider appropriate. No attendee is present when matters pertaining to their own remuneration or terms of employment are being discussed. Iain Williamson, interim chief executive officer, was invited to the meetings from 27 May 2019.

# Risk committee



“The second line risk management processes and oversight of the Risk Committee proved effective in ensuring the Group remained within its risk appetite, while it navigated a difficult external environment.”

John Lister: *Chairperson*

### Governance domains

- Compliance
- Risk

### Related capitals

- FC Financial
- MC Manufactured
- SC Social and relationship

### Focus areas in 2019

- Monitored and approved the adequacy and appropriateness of the Group's risk, management policies, processes and systems
- Reviewed and approved the Group's risk strategy, including: the limits for Solvency Capital, Liquidity and Earnings risk metrics; the appetites for different types of risks; and the target risk profile for the Group, with particular focus and application on our Zimbabwean business
- Reviewed and approved the Own Risk and Solvency Assessment (ORSA) submitted to the Prudential Authority, including an analysis of the Group's resilience in severe (1 in 50) and Perfect Storm (1 in 200) downside scenarios
- Provided financial risk oversight on market, liquidity, asset and liability matching and funding risks and monitored market conduct risk across the Group
- Reviewed the Group's exposure to investment credit and retail credit risk, in particular the Group's exposure to the OM Finance unsecured lending book
- Approved the annual operating plans for the risk, actuarial oversight, compliance and forensic functions
- Monitored progress of the cybersecurity, business resilience and information and technology strategic programmes
- Reviewed the regulatory compliance processes and procedures, focusing on business readiness initiatives to manage regulatory changes and the impact these have on the Group's compliance profile
- Oversaw the development and roll out of the compliance framework across the Group, including monitoring of compliance with current and developing material legislation and regulation
- Worked closely with the Audit committee in monitoring life and general insurance risk and ensuring adequate oversight by the actuarial control function

### Focus areas in 2020

- Ensure the Group remains operationally and financially resilient during and after the COVID-19 pandemic
- Guide the executive management team in managing performance in tough trading circumstances expected to result from low GDP growth outlook depressed asset values and global uncertainty related to COVID-19
- Monitoring environmental, external and emerging risks and the impact these will have on the Group
- Monitor, along with the Technology and Platforms committee, information technology, cyber risk and the information security programme's maturity and remediation roadmap
- Monitor and review the appropriateness of outsourcing and third party arrangements
- Continue to monitor the credit experience in the unsecured lending operations

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

100%  
Committee meeting attendance

4  
Meetings

7  
Members

The terms of reference for this committee can be found at [www.oldmutual.com/about/governance/board-committees](http://www.oldmutual.com/about/governance/board-committees)

Name <sup>1</sup>	Board status <sup>2</sup>	Meeting attendance
<b>John Lister (Chairperson)</b> BSc (Stats) RA	INED	4/4
<b>Paul Baloyi<sup>3</sup></b> MBA, AMP(INSEAD), SEP(Harvard)	NED	4/4
<b>Peter de Beyer</b> BBusSci (Hons), FSSA	INED	4/4
<b>Albert Essien</b> BA	INED	4/4
<b>Nosipho Molopo</b> BSc (Medical Sciences), BCompt (Hons), CTA, CA(SA)	INED	4/4
<b>Marshall Rapiya</b> BAdmin	NED	4/4
<b>Stewart van Graan</b> BCom (Hons), PMD	INED	4/4
<b>Peter Moyo<sup>4</sup></b> BAcc (Hons), HDip (Tax), AMP (Harvard), CA(SA)	ED	2/2

1 All committee members were appointed on 06 March 2018.  
2 INED represents independent non executive director, NED represents non executive director and ED represents executive director.  
3 In line with Group requirements became a non executive director on 22 October 2019 as tenure exceeded 9 years.  
4 Employment terminated on 17 June 2019.

Invited attendees: The Board Chairman, CFO, Risk and Actuarial director have standing invitations to attend meetings. In addition, Iain Williamson, interim chief executive officer, was invited to the meetings from his appointment date on 24 May 2019.

### Composition

There will be cross membership between the Risk committee and the Audit committee, typically with the chairperson of each committee serving as a member of the other, but no person will be the chairperson of both committees at the same time.

# Related Party Transaction committee



**“The Related Party Transaction committee considers, reviews, evaluates and provides oversight over related party transactions (whether natural persons or corporates) to ensure these transactions are fair and in the best interests of the Group. The terms of reference for this committee allows it to make independent and final determinations in respect of all conflicts of interests.”**

Thys du Toit: *Chairperson*

**Governance domains**

 Risk

**Related capitals**

- FC** Financial
- HC** Human
- MC** Manufactured
- IC** Intellectual
- SC** Social and relationship

## Focus areas in 2019

- Reviewed and monitored related party transactions and ensured accurate disclosure of these transactions in the interim and annual financial statements as required by IAS 24: Related party disclosures
- Led the investigation into how the conflict of interest in respect of Peter Moyo had been managed
- The members of the committee reviewed and considered the actions of Mr Moyo in managing the conflict of interest that existed in respect of his role as CEO of Old Mutual Limited and as an investor in NMT. Having engaged with Mr Moyo individually, jointly and through legal representatives over a lengthy period of time, it reached the conclusion that the strongest possible sanction against Mr Moyo was required. This recommendation was submitted to the Corporate Governance and Nominations committee for further consideration and action

## Focus areas in 2020

- Monitoring and reviewing all related party transactions throughout the year. The committee meets as and when required to ensure the required governances are in place to monitor related party relationships and transactions

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

**100%**  
Committee meeting attendance

**3**  
Meetings<sup>3</sup>

**3**  
Members

 The terms of reference for this committee can be found at [www.oldmutual.com/about/governance/board-committees](http://www.oldmutual.com/about/governance/board-committees)

Name <sup>1</sup>	Board status <sup>2</sup>	Meeting attendance
<b>Thys du Toit</b> (Chairperson) BSc Agric, MBA	INED	3/3
<b>James Mwangi</b> BA (Econ)	INED	3/3
<b>Stewart van Graan</b> BCom (Hons), PMD	INED	3/3

<sup>1</sup> All directors were appointed on 7 March 2018.  
<sup>2</sup> INED represents independent non executive director, NED represents non executive director and ED represents executive director.  
<sup>3</sup> During the period 1 ad-hoc meeting was held, there was 100% attendance for this meeting.

# Responsible Business committee



“The committee is pleased with the progress made in driving Responsible Business practices throughout the Group. The achievement of our Level 1 BBBEE status for 2019 was a particularly important milestone.”

Sizeka Magwentshu-Rensburg: *Chairperson*

## Governance domains

Customer, reputation and Responsible Business

## Related capitals

- Human
- Social and relationship
- Natural

### Focus areas in 2019

- Provided steer and input into the refinement of the Responsible Business strategy. The approved strategy outlines six focus areas through which responsible business efforts will be executed. Each focus area has a clear mandate and desired outcome with accountable executives in each area
- Reviewed and approved the responsible investment policy and monitored compliance with the UN Responsible Investment Principles. Considered the philosophy of responsible lending and the initiatives implemented by the Group. Approved the 2020-2024 Old Mutual Education Flagship Project strategy
- Significant consideration given to the experience and outcomes for customers across the Group, including the ongoing monitoring of Treating Customers Fairly, now referred to as Market Conduct initiatives
- Reviewed the impact of the Amended FSC on the calculation of the BBBEE score and provided recommendations to improve the score. Reviewed the BBBEE effective shareholding and advised on the timing and quantum of a transaction
- Monitored and reviewed the outcome of the Entrepreneurship Ecosystem pilot programme which will focus on the development of small, medium and micro sized Enterprises (SMMEs)
- Ensured that governance processes were established for the R500 million Enterprise Development Fund set up as part of the Framework agreement per the pre listing statement

### Focus areas in 2020

- Review and approve performance measures designed by management in respect of responsible business focus areas, to ensure it enables the Board to measure success in the achievement of these goals
- Oversee the programme responsible for market conduct across the Group and ensure delivery by management. Continue monitoring initiatives to enhance the customer proposition
- Approve and monitor the implementation of policies and strategies relating financial education and financial inclusion, responsible investing, education, ethics, stakeholder management, skills development as well as enterprise development
- Review, and monitor adherence to, the Group Responsible Business Framework

**The Responsible Business committee discharged its statutory duties according to Regulation 43 of the Companies Act. It has, in respect of its Terms of Reference, identified certain areas of responsibility which will receive additional focus and oversight going forward.**

## 95% Committee meeting attendance

**5 Meetings**

**7 Members**

The terms of reference for this committee can be found at [www.oldmutual.com/about/governance/board-committees](http://www.oldmutual.com/about/governance/board-committees)

Name <sup>1</sup>	Board <sup>2</sup> status	Meeting attendance
<b>Sizeka Magwentshu-Rensburg</b> (Chairperson) BA, MBA (Webster), DPhil	INED	5/5
<b>Peter de Beyer</b> BBusSci (Hons), FASSA	INED	4/5
<b>Albert Essien</b> BA	INED	5/5
<b>Trevor Manuel</b> NDip, EMP (Stanford)	INED	5/5
<b>James Mwangi</b> BA (Econ)	INED	4/5
<b>Marshall Rapiya</b> BAdmin	NED	5/5
<b>Iain Williamson<sup>5</sup></b> BBusSc (Actuarial Science), General Management Programme (Harvard), FSSA	ED	3/3
<b>Nombulelo Moholi<sup>3</sup></b> BSc (Eng), SEP (Stanford), SMMP (Harvard)	INED	4/4
<b>Peter Moyo (CEO)<sup>4</sup></b> BAcc (Hons), HDip (Tax), AMP (Harvard), CA(SA)	ED	2/2

<sup>1</sup> All committee members were appointed on 06 March 2018.  
<sup>2</sup> INED represents independent non executive director, NED represents non executive director and ED represents executive director.  
<sup>3</sup> Resigned on 18 September 2019.  
<sup>4</sup> Peter Moyo's employment was terminated on 17 June 2019.  
<sup>5</sup> Appointed on 27 May 2019.

# Technology and Platforms committee



## Focus areas in 2019

- Monitored and challenged the execution of the Group's multi year technology refresh. Key solutions launched in 2019 under this programme included Workday and OM Protect
- Approved the agreement to migrate the Group's information technology infrastructure estate to a cloud-based infrastructure platform over a three year period
- Monitored the ongoing progress of the Rewards programme. This programme now has over 500,000 members
- Reviewed the Group information security report, which showed continued improvement and remained on track with targets set
- Monitored the performance of critical applications, the performance of which continued to improve with increases in service availability and decreases in down time
- Monitored implementation of key strategic initiatives aimed at mitigating cyber and information risk and ensuring continuity of certain systems

## Focus areas in 2020

- Monitoring and overseeing the delivery of our information technology refresh to ensure on time and in scope delivery. In 2020 this committee will focus on monitoring the progress of the national roll out of OM Protect and the continued investment in new digital ways of working
- Monitoring of the progress of the Group's agreed plan to migrate its IT estate to a cloud based infrastructure
- Monitoring the management of key IT risks relating to information and cyber security and continuity of business critical systems

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

**95%**

Committee meeting attendance

**4**  
Meetings

**4**  
Members

Terms of Reference for this committee can be found at [www.oldmutual.com/about/governance/board-committees](http://www.oldmutual.com/about/governance/board-committees)

Name <sup>1</sup>	Board status <sup>2</sup>	Meeting attendance
<b>Nombulelo Moholi<sup>3</sup></b> BSc (Eng), SEP(Stanford), SMMP (Harvard)	INED	3/3
<b>Stewart van Graan (Chairperson)<sup>4</sup></b> BCOM (Hons), PMD	INED	4/4
<b>Thoko Mokgosi-Mwntembe</b> BSc, MSc, SEP(Harvard), MCRP (Institute of Management Development of Switzerland)	NED	4/4
<b>James Mwangi</b> BA (Econ)	INED	3/4
<b>Iain Williamson<sup>6</sup></b> BBusSc (Actuarial Science), General Management Programme (Harvard), FSSA	ED	2/2
<b>Peter Moyo (CEO)<sup>5</sup></b> BAcc (Hons), HDIP (Tax), AMP (Harvard), CA(SA)	ED	2/2

- 1 All directors appointed on 6 March 2018, unless otherwise stated.
- 2 INED represents independent non executive director, NED represents non executive director and ED represents executive director.
- 3 Stepped down as chairperson on 3 April 2019 and subsequently resigned from the Old Mutual Limited Board on 18 September 2019.
- 4 Appointed as chairperson on 3 April 2019 to replace Nombulelo Moholi.
- 5 Terminated on 17 June 2019.
- 6 Appointed on 27 May 2019.

**Invited attendees:** The Board Chairman, Chief Information Security Officer, Chief Operating Officer, Director: Customer Solutions, Chief Information Officer, Chief Digital and Data Officer, Chief Information Officer, Chief Risk Officer and the Group Internal Audit director have standing invitations to attend meetings of this committee. Executive management team member(s) and/or other individuals are invited to attend meetings as appropriate.

# 2019 Board and committee attendance register

(excluding matters relating to the termination of the former CEO<sup>1</sup>)

	Board		Audit committee			Corporate Governance and Nominations committee			Related Party Transaction committee			Remuneration committee			Responsible Business committee		Risk committee		Technology & Platforms committee		Total %	
	Total	Sched-uled	Total	Sched-uled	Ad Hoc	Total	Sched-uled	Ad Hoc	Total	Sched-uled	Ad Hoc	Total	Sched-uled	Ad Hoc	Total	Sched-uled	Ad Hoc	Total	Sched-uled	Ad Hoc		
																						Total
<b>Number of meetings held in 2019</b>	<b>7</b>	<b>7</b>	<b>9</b>	<b>4</b>	<b>5</b>	<b>7</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>8</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>4</b>	<b>1</b>	<b>4</b>	<b>4</b>	<b>47</b>		
<b>Directors</b>																						
Paul Baloyi	6/7	6/7	9/9	4/4	5/5													4/4		19/20	95%	
Peter de Beyer	7/7	7/7	8/9	4/4	4/5	7/7	3/3	4/4							4/5	3/4	1/1	4/4		30/32	94%	
Thys du Toit	7/7	7/7				7/7	3/3	4/4	3/3	3/3	0/0	8/8	4/4	4/4						25/25	100%	
Albert Essien	6/7	6/7													5/5	4/4	1/1	4/4		15/16	94%	
Itumeleng Kgaboesele	6/7	6/7	9/9	4/4	5/5	1/1	1/1	0/0				7/8	3/4	4/4						23/25	92%	
John Lister	6/7	6/7	9/9	4/4	5/5	6/7	3/3	3/4										4/4		25/27	93%	
Sieka Magwentshu-Rensburg	6/7	6/7				6/7	2/3	4/4				7/8	4/4	3/4	5/5	4/4	1/1			24/27	89%	
Trevor Manuel	7/7	7/7				7/7	3/3	4/4							5/5	4/4	1/1			19/19	100%	
Thoko Mokgosi-Mwantembe	7/7	7/7				3/4	1/1	2/3				8/8	4/4	4/4						4/4	22/23	96%
Nosipho Molope	7/7	7/7	9/9	4/4	5/5	7/7	3/3	4/4										4/4		27/27	100%	
James Mwangi	4/7	4/7							3/3	3/3	0/0				4/5	3/4	1/1		3/4	14/19	74%	
Marshall Rapiya	6/7	6/7													5/5	4/4	1/1	4/4		15/16	94%	
Casparus Troskie	6/7	6/7																		6/7	86%	
Stewart van Graan	7/7	7/7				3/3	2/2	1/1	3/3	3/3	0/0							4/4	4/4	21/21	100%	
Iain Williamson	3/3	3/3													3/3	2/2	1/1		2/2	8/8	100%	
Former directors																						
Peter Moyo	2/3	2/3													2/2	2/2	0/0	2/2	2/2	8/9	89%	
Nombulelo Moholi	6/6	6/6				4/6	1/2	3/4				3/3	2/2	1/1	4/4	3/3	1/1		3/3	20/22	91%	
<b>Overall attendance %</b>	<b>90%</b>	<b>90%</b>	<b>98%</b>	<b>100%</b>	<b>96%</b>	<b>91%</b>	<b>92%</b>	<b>91%</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>	<b>94%</b>	<b>94%</b>	<b>94%</b>	<b>95%</b>	<b>94%</b>	<b>100%</b>	<b>100%</b>	<b>95%</b>	<b>94%</b>		

<sup>1</sup> It will be expected that, given the number of legal actions brought against Old Mutual by the former CEO, the Board needed to call a number of ad-hoc meetings on short notice to address these matters. A total of 17 ad hoc Board meetings were held with an overall attendance for these meetings of 81%.