



WELCOME

OLD MUTUAL



Agenda

OLD MUTUAL
INVESTOR
UPDATE 2021

14:00 – 14:05

Welcome and context

Sizwe Ndlovu

14:05 – 14:10

Introduction and recap

Celiwe Ross

14:10 – 14:25

In conversation with Iain Williamson

and Gugulethu Mfuphi

5 min Q&A

14:30 – 14:45

Capitalising on our capabilities

Prabashini Moodley

5 min Q&A

14:50 – 15:05

Building a world-class investment platform

Khaya Gobodo

5 min Q&A

10 min BREAK

Welcome back

Sizwe Ndlovu

15:20 – 15:35

In conversation with Casper Troskie

and Gugulethu Mfuphi

5 min Q&A

15:40 – 15:55

Charting a corrected course

Garth Napier

5 min Q&A

16:00-16:15

Setting up for profitable growth

Clement Chinaka

5 min Q&A

16:20 – 16:30

Concluding remarks

Celiwe Ross
and Iain Williamson

10 min Q&A



Welcome
Sizwe Ndlovu



The background is a collage of various patterns and colors. On the left, there's a red and yellow checkered pattern. In the center, a blue background with white and red abstract shapes. On the right, a green circle with a subtle pattern. Below the circle, a blue and yellow pattern with white dots. The text is overlaid on the bottom left.

Introduction and Recap

Celiwe Ross



Achieving our ambitions

R750m
cost saving
by end of
2022

Building
digital
capabilities



Amplify our
customer
and adviser
experience

Growth
adjacent to
our
traditional
channels





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In conversation with Iain Williamson and Gugulethu Mfuphi



DO GREAT THINGS EVERY DAY

Capitalising on our capabilities

Prabashini Moodley





INVESTOR UPDATE 2021

Who we are





Our place in the SA market



R250bn

assets under
advice/
administration

22%

of the group
risk market
share

R1.8bn

in profits
2019 RFO





Retailisation and member solutions

+1.5m
members

R3bn
Retail
retention
in NCCF

c.R500m
Life APE
in retail
cross sales



Challenges



Traditional South African employee benefits market is saturated



Growth is stagnant in large corporate space



Dominance of key product lines being eroded



Challenges



Traditional South African employee benefits market is saturated



Growth is stagnant in large corporate space



Dominance of key product lines being eroded

Solutions



Re-assert our claim to 'market-leading' title



Re-earning our 'innovative challenger' title



Making the decisions that impact the world around us positively

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Where
we are

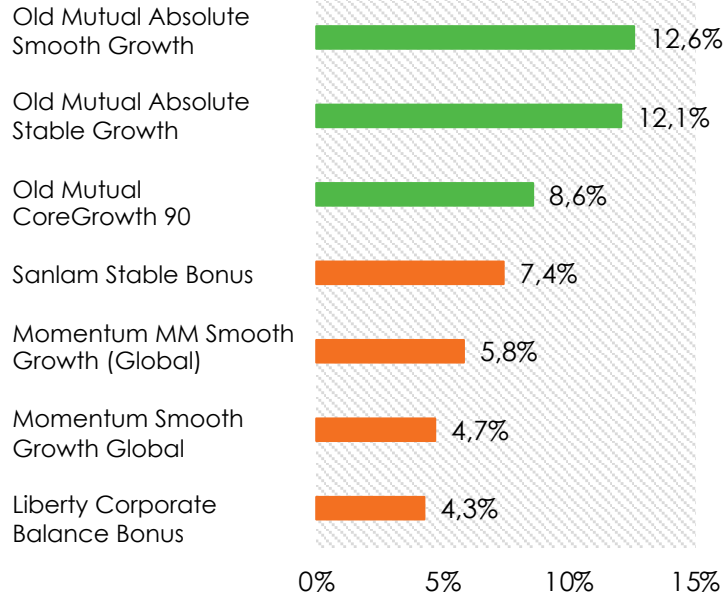


Absolute Growth Portfolio improved short-term performance



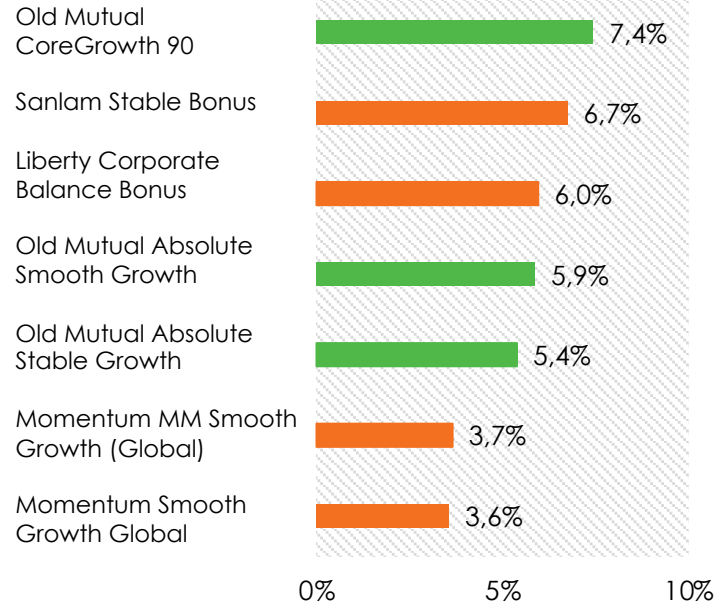
Pace of smoothing makes 1-year comparisons difficult

1 Year



3-Year Performance is affected by level of equity exposure and pace of smoothing

3 Year





Uptick in market activity

Cautious in
lockdown

Much stronger
pipeline

2020

2021

2022

Limited market
activity

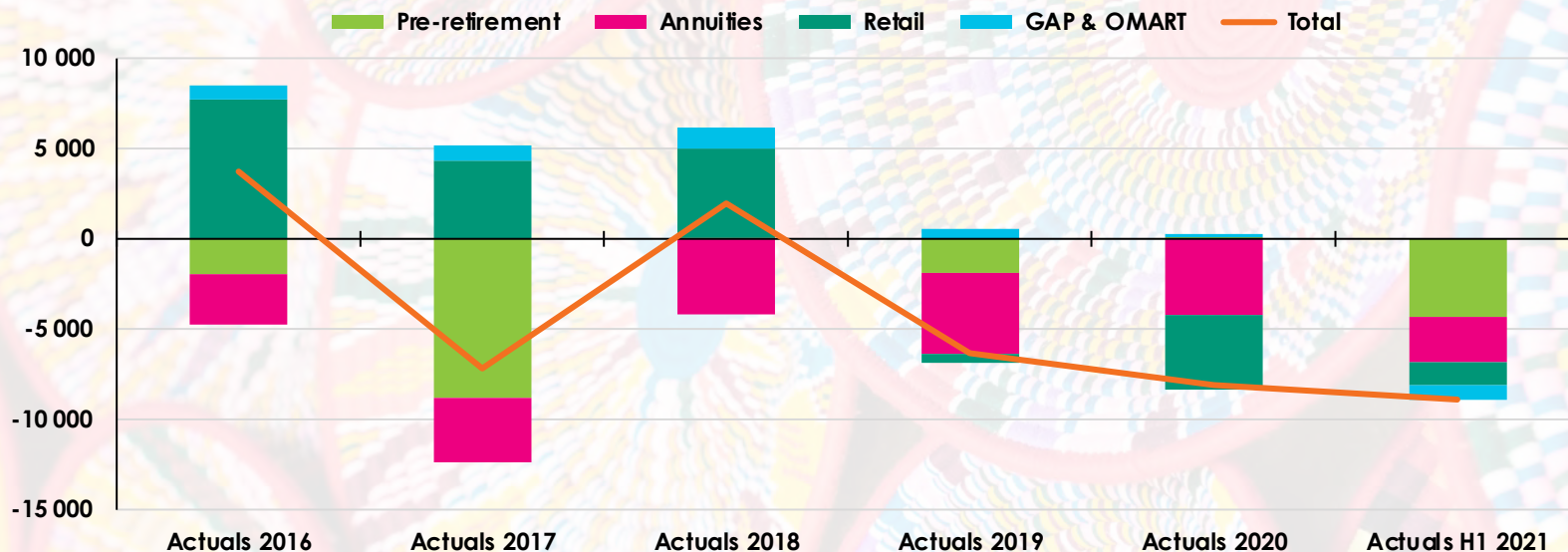
Weak pipeline
into 2021





Strong pipeline to drive Net Client Cash Flow recovery

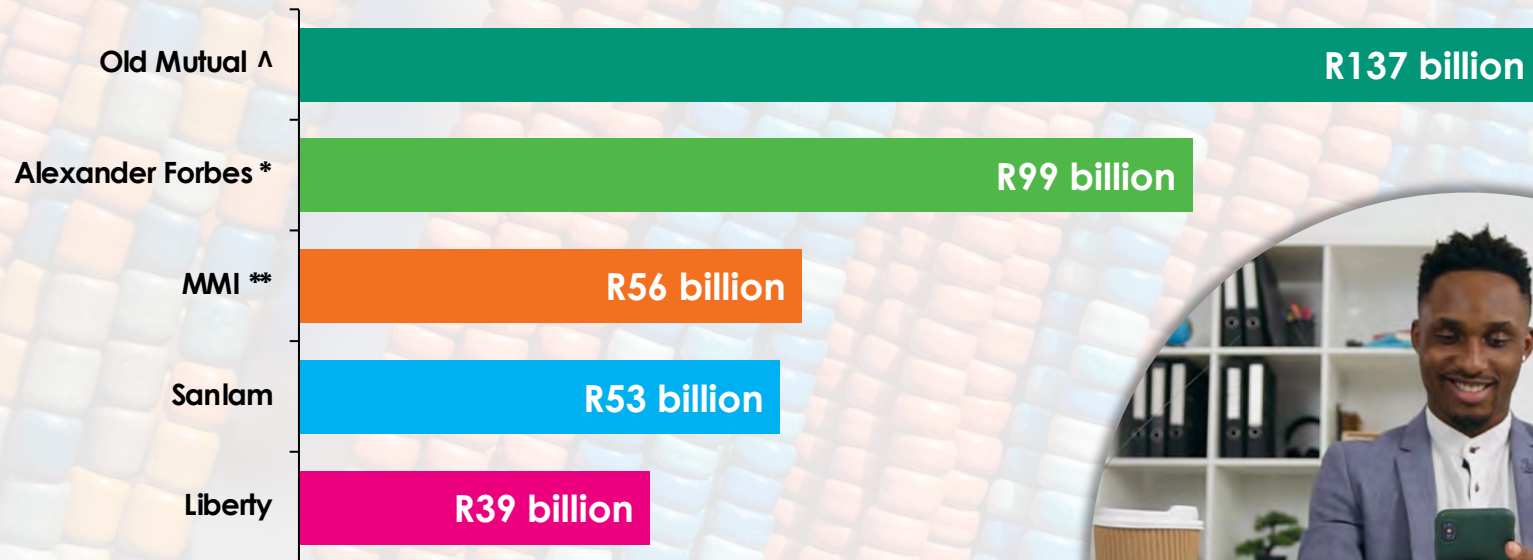
by product (Rm)





Market leader in umbrella funds

Based on AUM



^ Based on the unsigned AFS for 2021

* Comprises of AF Retirement Fund, AF Access and AF Core Plan. Access AFS (30/09/2020), Core AFS (31/12/2020), AFRF (31/03/2021)

**30/06/2021 AFS not yet available on FSCA Report

Note: Sanlam and Liberty are as per FSC





Our execution framework



RECTIFY

**Investment
performance**

SIMPLIFY

**Customer
engagement**

AMPLIFY

**Technology
Distribution partnerships
In-organic growth
Adjacencies
SME offerings**



MALUSI NDLOVU
Director: Large Enterprises Market

MALUSI NDLOVU
Director: Large Enterprise



Simplified customer experience

Multiple channels
of member engagement



Remchannel
Africa's leading
remuneration
benchmark



Legacy admin system
moved to **AWS Cloud**





NOBESUTHU NDLOVU
Director: SME Market



SME offering

Listen



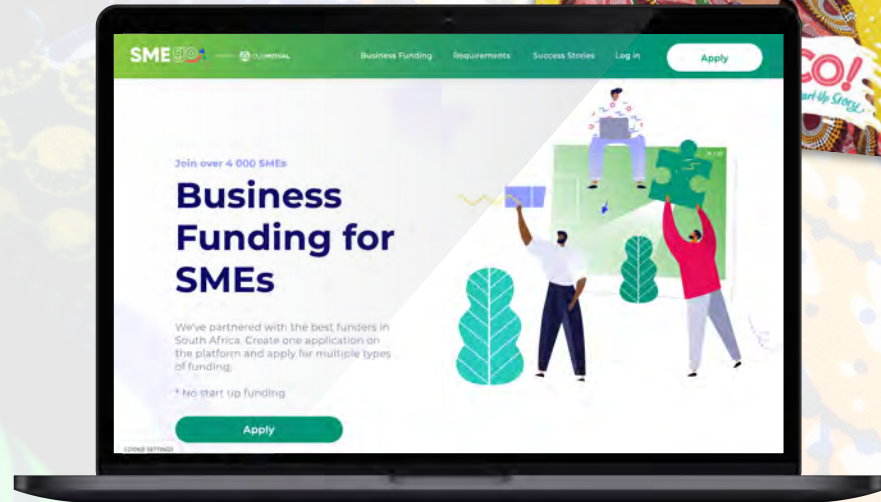
Learn



Innovate



Iterate





Our commitments to investors

**Stronger
sales
delivery
in 2022**

**Commercial
umbrella
leadership**



**Build out
SME funding
proposition**

**#1
Profitable
market
share**



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Building a world-class investment platform

Khaya Gobodo



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What makes us
competitive?



2018

OLD MUTUAL
INVESTMENTS
HOLDINGS GROUP

Old Mutual
Alternative
Investments

Marriott Investment
Managers

Old Mutual
Specialised
Finance

Liability Driven
Investments

Futuregrowth Asset
Management

Old Mutual
Investment Group

Macro
Solutions

Customised
Solutions

Global Emerging
Markets

Old Mutual Equities

Global Equity





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**What this meant
in reality...**





What are we solving for?

Four key constituent clients:

Retail investors
via Old Mutual
unit trust funds

The life
company as
the custodian
of policyholder
assets

Old Mutual
as the
shareholder

Independent
institutional
clients

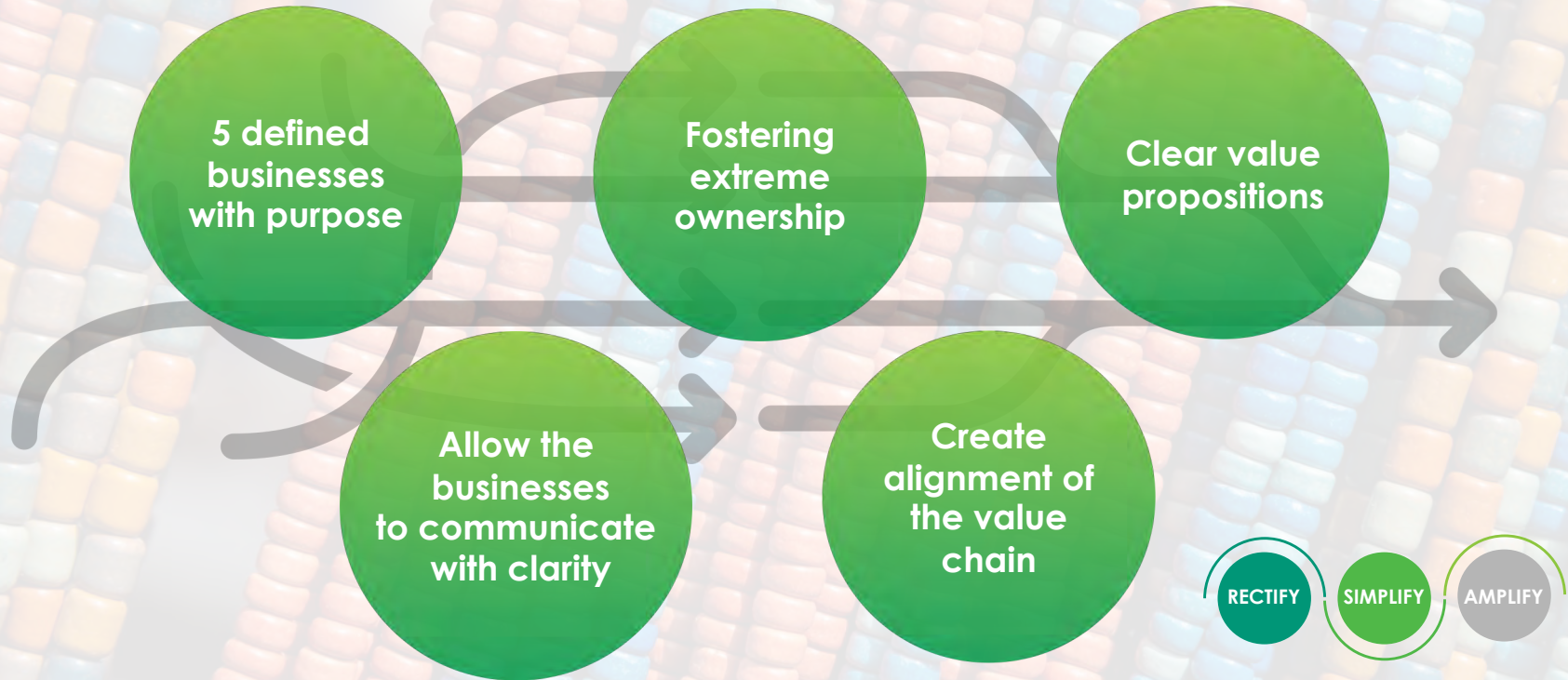


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The journey



A logical evolution





Five distinct, effective and aligned affiliate businesses

Our investment mandate with R750 billion AUM

**Old Mutual
Investment
Group**

**AUM:
R437 BN**

Listed equity
and multi asset

**Futuregrowth
Asset
Management**

**AUM:
R177 BN**

Fixed income,
credit and
developmental

**Old Mutual
Alternative
Investments**

**AUM:
R54 BN**

Unlisted equity,
infrastructure
and impact

**Old Mutual
Specialised
Finance**

**AUM:
R46 BN**

Shareholder credit
and ALM

**Marriott
Investment
Managers**

**AUM:
R36 BN**

Retail income
funds and solutions

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SIMPLIFY

AMPLIFY

Source: Old Mutual Investment Group, Old Mutual Alternative Investments, Futuregrowth Asset Management, Old Mutual Specialised Finance and Marriott Asset Management | AUM figures are as at 30 June 2021 and can include funds managed on behalf of other entities.



KPIs to measure success



Investment excellence

Top quartile



Client reputation

Improved retention of clients



Stability

Strategy, propositions,
people and leadership



Innovation

New products & capabilities
Improved delivery



Responsible Investing

True ESG Integration
Fund flows into ESG & Impact



Net client cash flows

Positive trajectory



Long-term profit growth

Above inflation



Positive trajectory in key metrics

YTD September 2019 to September 2021:

-R4.1bn to R5.9bn
NCCF



R1.3bn to R4.7bn
OMAI capital raise



0.29% to 0.29%
Annuity fee margin*



37% to 40%
Operating Margin



% core funds above:

Median

1-year **25% to 88%**

5-year **63% to 69%**



Benchmark

1-year **44% to 81%**

5-year **38% to 75%**



*excl. Specialised Finance

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Competitive advantages

OMLACSA seeded IDEAS fund which is soon to be a

R20bn

SA INFRASTRUCTURE
EQUITY FUND

OMLACSA seeded what is now a

R1bn

HYBRID EQUITY FUND

OMLACSA seeded our Emerging Market Infrastructure JV, which closed its first investment in India etc for

\$175m

1999

2000

2021

OMLACSA seeded local and international private equity, which is now

R25bn Platform

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We have a strong platform to grow from (AUM)

Pan African
Infrastructure platform

R36bn

Low-cost platform
(LDI + Indexation)

R164bn

Unlisted credit platform

R69bn

Launched

**6 unlisted equity
and debt funds**

with long term scale potential



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**Delivering
sustainable value
to our clients and
shareholders**

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Non-negotiables

Stay
committed
to 5
independent
businesses

Deliver top
quartile
investment
performance
across the
ecosystem

Continue to
grow our
higher margin
third party
institutional
flows

Deliver
growing
operating
margins



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In conversation with Casper Troskie and Gugulethu Mfuphi



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Quick results



Life APE Sales

18%

ΔQ3 2020



Gross flows

7%

ΔQ3 2020



Significant improvement

- VNB margin
- Net lending margin
- Underwriting margin



Quick results



Life APE
18%
ΔQ3 2023



Share price performance
39% growth YTD



Ant
ment
margin
margin
- Underwriting margin



Solvency ratio (%)

OML

Target range

165% - 195%

190

FY 2020

177

H1 2021

184

Q3 2021





Solvency ratio (%)

OMLACSA

Target range
175% - 210%

215

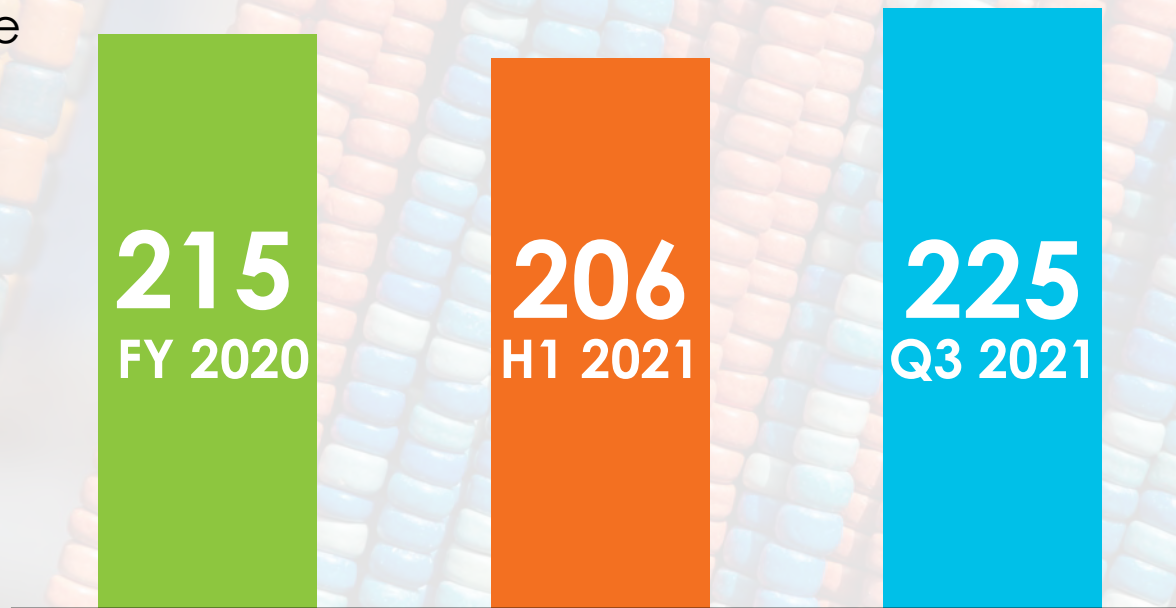
FY 2020

206

H1 2021

225

Q3 2021



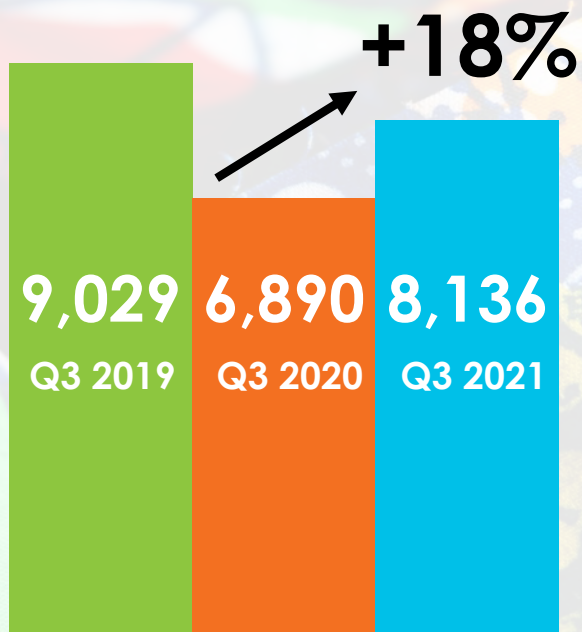


Impact of COVID-19 on 30 September RFO

Rm	Excess deaths	Release of COVID-19 provisions	Increase of COVID-19 provisions at H1 2021	Net pandemic impact	Unrealised Mark to Markets	Total direct COVID-19 impacts
Mass and Foundation Cluster	960	1 043)	251	168	–	168
Personal Finance and Wealth Management	3 571	(2 613)	1 255	2 213	–	2 213
Old Mutual Investments	–	–	–	–	(144)	(144)
Old Mutual Corporate	1 426	(1 102)	253	577	–	577
Old Mutual Insure	–	–	–	–	–	–
Rest of Africa	634	(186)	218	666	–	666
Impact to Results from Operations	6 591	(4 944)	1 977	3624	(144)	3 480

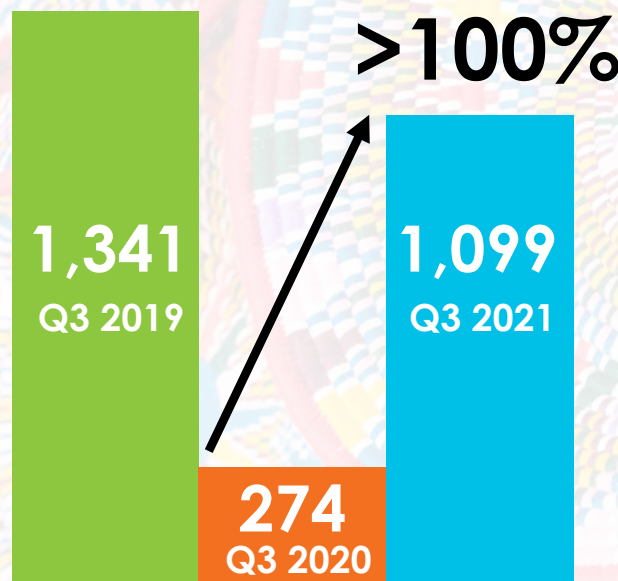


Life APE sales (Rm)



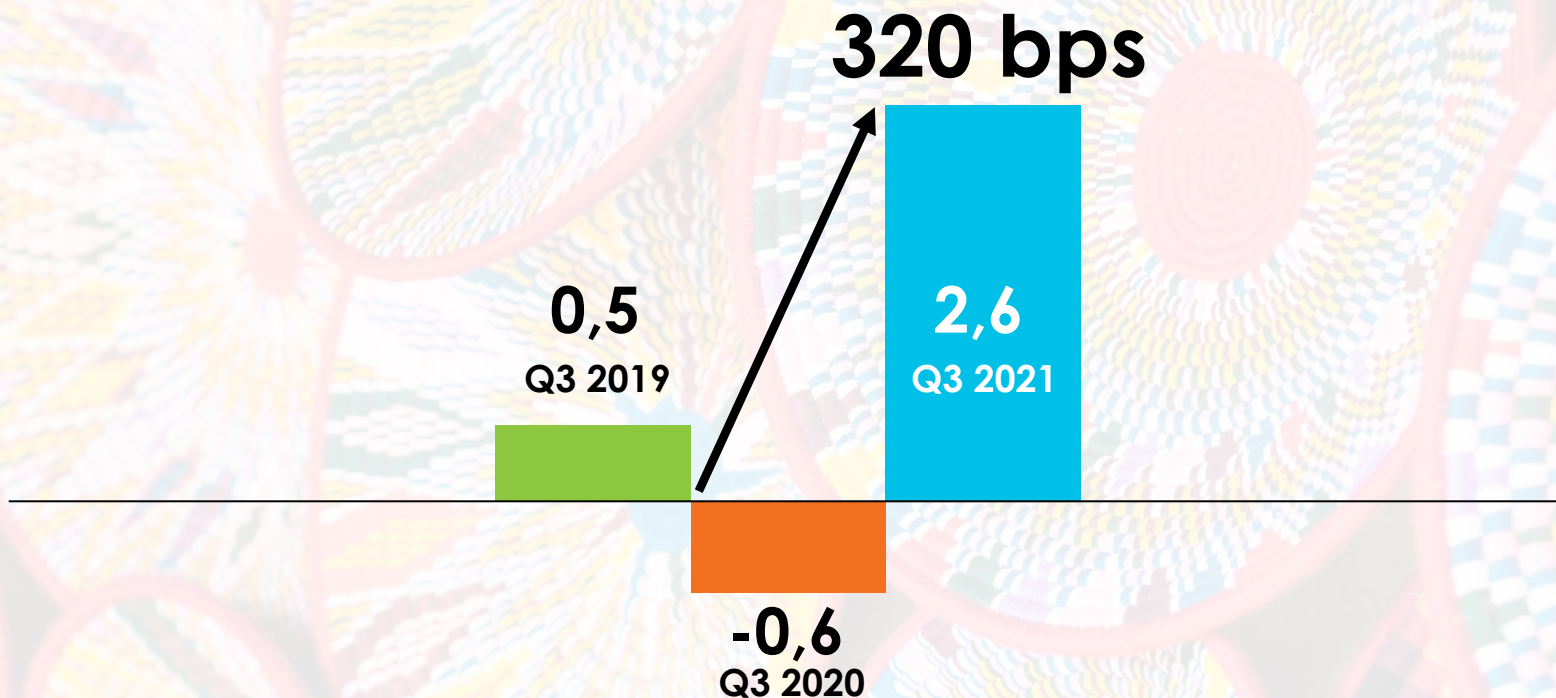


Value of new Business (Rm)



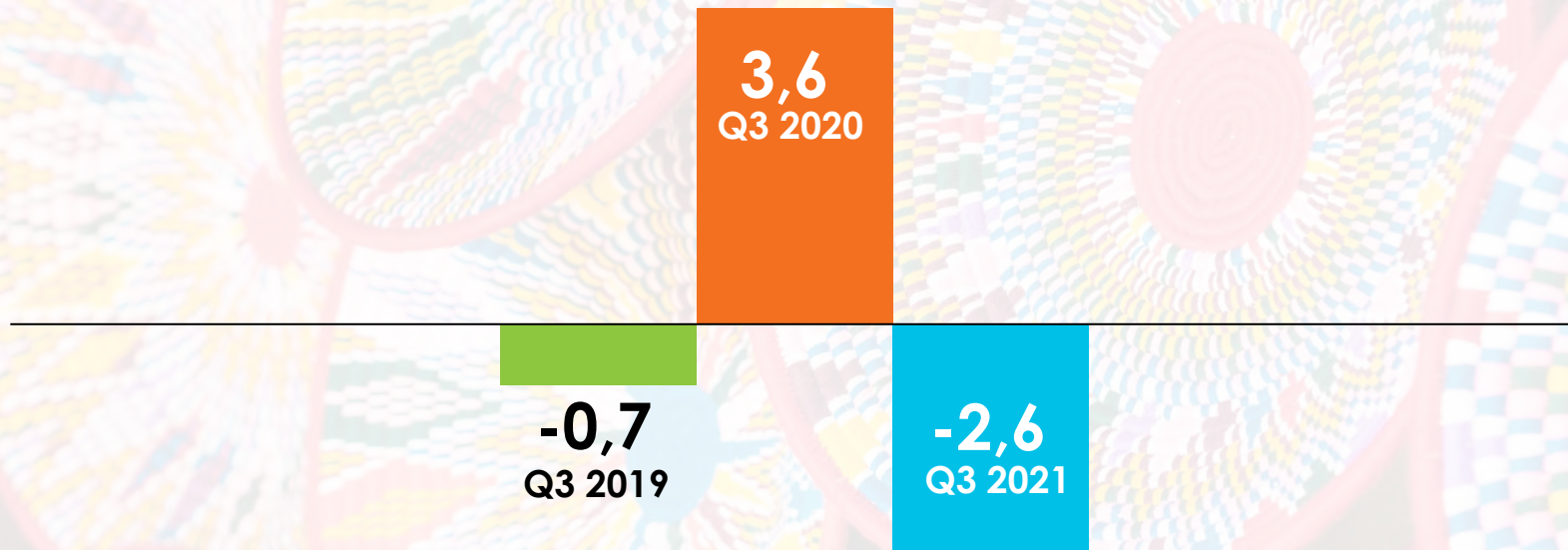


Underwriting margin (%)





Net Client Cash Flow (Rbn)





In conversation with
Casper Troskie and Gugulethu Mfuphi



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Charting a corrected course

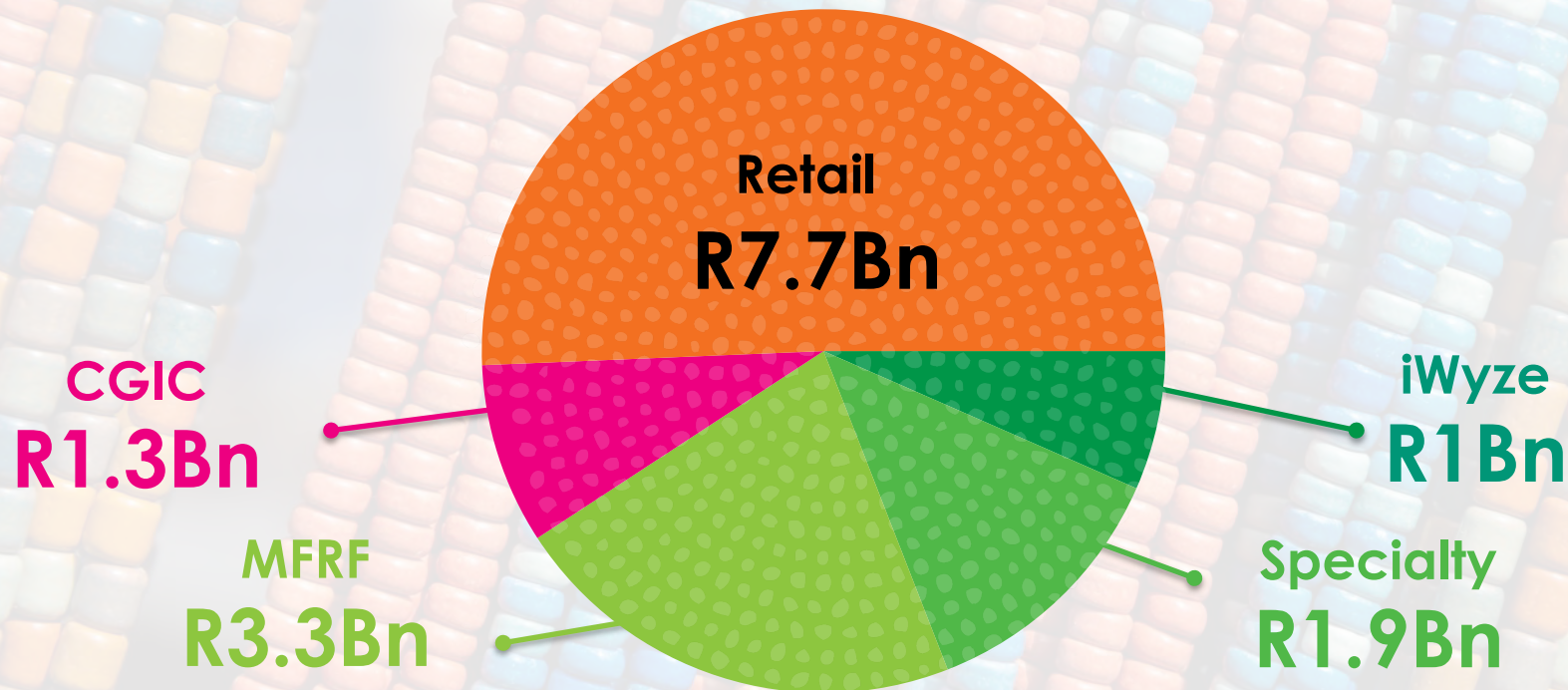
Garth Napier



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Overview of OM Insure





R15Bn GWP



Top 3

in any of the markets
we operate in

R200Bn

In trade flows
approximately

11%

insurable GDP



Voted #1

intermediated non-
life insurance industry

2020 SA Customer Satisfaction
Index (SA-sci)



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Where we come from



The opportunity to rectify

GWP
growth
of 3.5%
compared
to market
at 7.6%



Inconsistent
underwriting
results



COVID



Lessons from the past

- Underestimated the growth of the direct channel

- Expense growth faster than GWP

- Lack of investment in tech and data

- Substantial shifts in leadership and staff

- Loss of key underwriting skills



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Where we are going (2025)





Where we are going (2025)



7%

**CAGR
GWP**



10%

**Non-commission
Expense Ratio**



4-6%

**Consistent Net
Underwriting
Margin**



#1

**Maintain leading
position in customer
satisfaction**



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How we will get there





RECTIFY

- ✓ New operating model
Appropriately focused
- ✓ Drive cost efficiencies
price correctly for
the market
- ✓ Repair our large-scale
commercial business
- ✓ Create a compelling
employee environment

SIMPLIFY

- ✓ Use technology to
reduce complexity
- ✓ Leverage data to
improve pricing
- ✓ Optimise our
reinsurance structures

AMPLIFY

- ✓ Develop
new products and
channels (Direct +)
- ✓ Maintain our market
leader position in trade
credit (CGIC)
- ✓ Inorganic growth
opportunities in
profitable niche classes

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Rectifying our core



Focused operating models

Retail

Retail intermediated
Direct+, iWYZE

Corporate and niche

CGIC, Specialty
(incl. Large commercial)
MFRF

Each require different focuses to win

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CGIC turnaround complete

Underwriting - Q3 2020

R110Bn



off our total exposure of

R350Bn

30% reduction
due to
improved risk
quality of
insured buyers

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AMPLIFY





Investing in our people



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**Simplifying
to unlock
value**



Retail



Simplifying
and **digitising**
our processes

Increased levels
of automation

Specialty



Review and
optimise
our risk
retention

**Leverage data to
improve pricing**



RECTIFY

SIMPLIFY

AMPLIFY

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Amplifying for growth



Channel innovation

New
Alternative
channel
'Direct+'

Contributing

20%

of new business



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Product innovation

15%

iWYZE - OM ESD
Fund in Pineapple

New short-term
insurance app



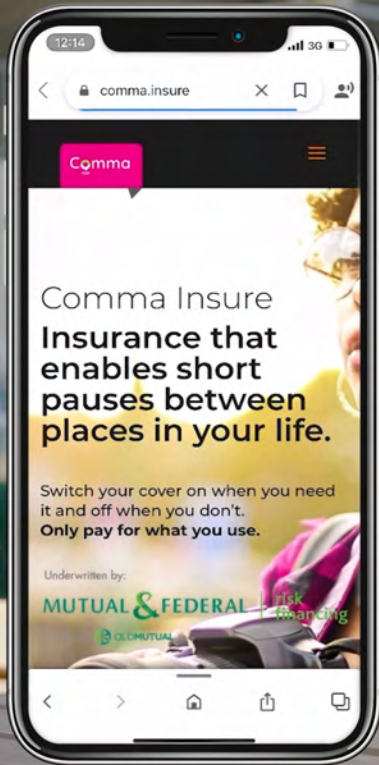
Veelnsure



App-driven virtual
auctions for Agri sector

+ BCX innovation awards
(2nd in the large
business category)





Comma
on-demand insurance on the go

www.comma.insure



What we are excited about

Strategic Acquisitions

Acquisition of
One Insure*



The 'Direct+' channel

Technology

Telematics

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AMPLIFY

* Subject to regulatory approval



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The
direction
is set





Strong financial delivery

Specialty

Grown at
11%

CGIC

Grown at
21%

MFRF

Growing at
12.8%

Lowest loss
ratio over
5 years

Non-commission
expense ratio
13.3%



Looking ahead



7%

**CAGR
GWP**



10%

**Non-commission
Expense Ratio**



4-6%

**Consistent Net
Underwriting
Margin**



#1

**Maintain leading
position in customer
satisfaction**



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Regaining our mojo





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Setting up for profitable growth

Clement Chinaka



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A quick recap

From Managed Separation to now

Firmly
ANCHORED
in Africa



Zimbabwe,
no longer
consolidated



Defended our
strong positions and
grew market shares
in Southern Africa



**TURNING
AROUND** our
East African
businesses



COVID-19





Overview

1

The Rest
of Africa
business
of today

2

Progress
in turning
around our
businesses in
East & West
Africa

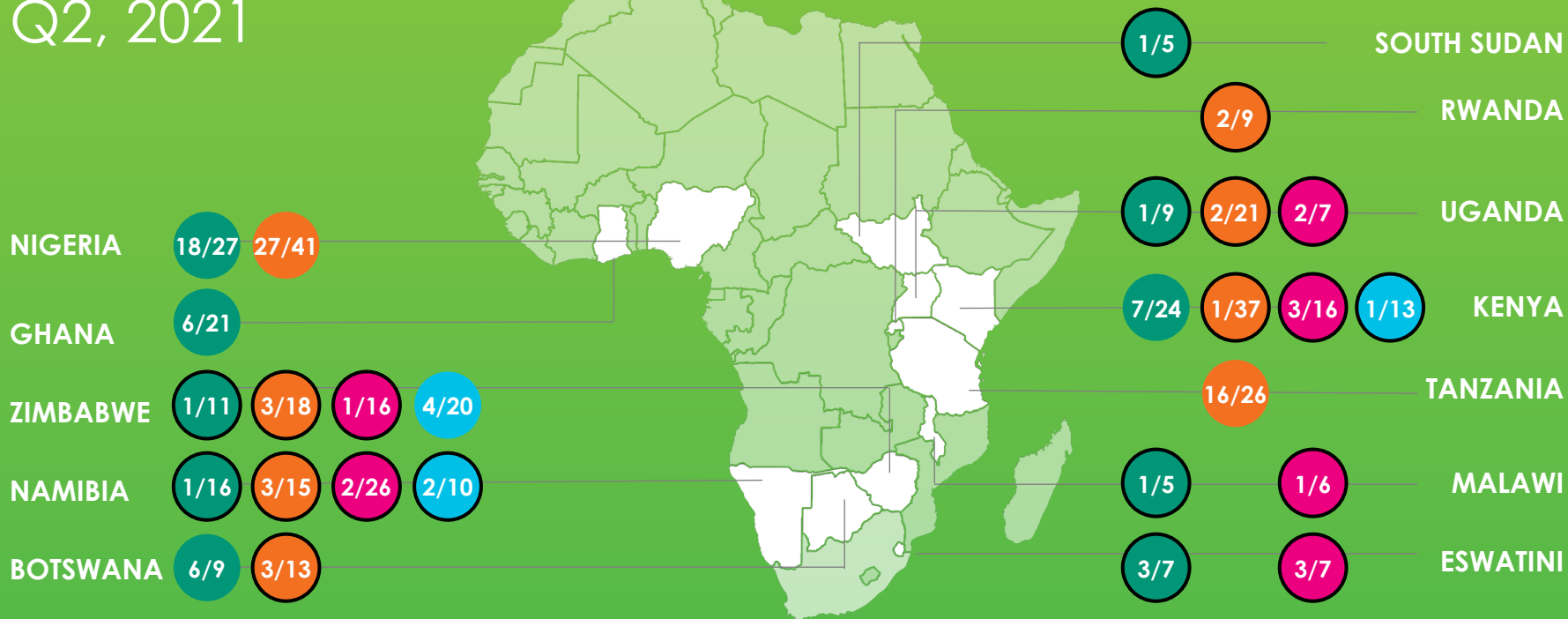
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How we will
grow the
business



Our footprint on the continent

Q2, 2021



= market position / number of players ○ entity is in the top 3

Life Insurance

Asset Management

Property & Casualty

Banking & Lending




Growth in key metrics

Actual metrics and growth (FY2017-FY2020)


Normalized RFO grew to R401m, CAGR 22%


R5,8bn
3% CAGR
Life Gross Flows





R88bn
7% CAGR
FUM




R3,8bn
7% CAGR
P&C GWP




R4,3bn
16% CAGR
Loans & Advances





Our turnaround journey in East & West Africa

Securing our
West Africa
operations

East Africa
acquisition of
UAP

2021
Start rebranding
of UAP
businesses

2022
Ghana business
turnaround

Turnaround to
be materially
complete

2012

2015

2020

2021

2022

2023

East Africa asset
management
turnaround

Complete
merger of
Kenya Life
companies



Our Growth Strategy

RECTIFY

SIMPLIFY

AMPLIFY



East & West Africa

Pivot to
Corporate

Improve
Life
insurance
offerings

Improve
Distribution
productivity

Improve
P&C
underwriting
margin

Improve
Control
environment

Grow Loan
Book (Faulu)

Strengthen
Balance
Sheet (UAP)

RECTIFY

SIMPLIFY

AMPLIFY



Digital delivery



900k

users accessed
the web

500k

active users on
digital channels



145%

growth in
digital sales



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AMPLIFY



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Our Growth Strategy

Amplify



Amplifying Growth...

1

Integrated
Financial
Services

2

Strategic
Partnerships

3

Mergers and
acquisitions

4

Zimbabwe



RECTIFY

SIMPLIFY

AMPLIFY



To recap...

Firmly
**anchored in
Africa**, in good
markets with
good market
positions

We expect
turnaround to
be **materially
complete** by
end of **2023**

We are set
up to deliver
**profitable
growth**



Concluding remarks

Iain Williamson & Celiwe Ross



THANK YOU

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