

OLDMUTUAL

Integrated  
Annual Report  
**2021**


OLD MUTUAL **SUPERFUND**  
PENSION AND  
PROVIDENT FUNDS

1 July 2020 – 30 June 2021



**CORPORATE**

DO GREAT THINGS EVERY DAY

A young girl with curly hair, wearing a yellow top, is smiling and looking at a tablet. An elderly woman with white hair, wearing a white shirt and a pearl necklace, is leaning over her shoulder, also smiling and looking at the tablet. The background is a light-colored wall with a green geometric pattern overlay.

‘Despite the many challenges of the pandemic, the Fund maintained its focus on delivering optimal retirement outcomes to its members.’

**Fiona Reynolds**  
Principal Officer, Old Mutual SuperFund

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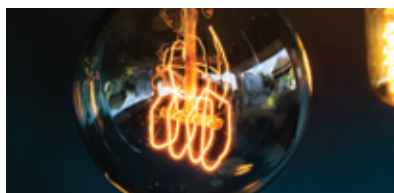
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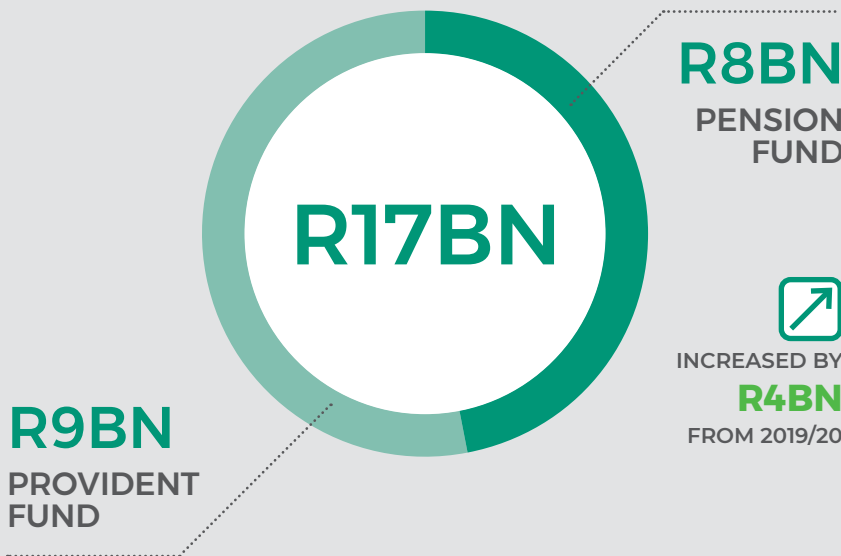
Old Mutual SuperFund is an umbrella retirement fund made up of pension and provident fund offerings, as well as preservation solutions. Unless stated otherwise, the use of the term Old Mutual SuperFund in this report refers to both the Old Mutual SuperFund Pension Fund and the Old Mutual SuperFund Provident Fund.



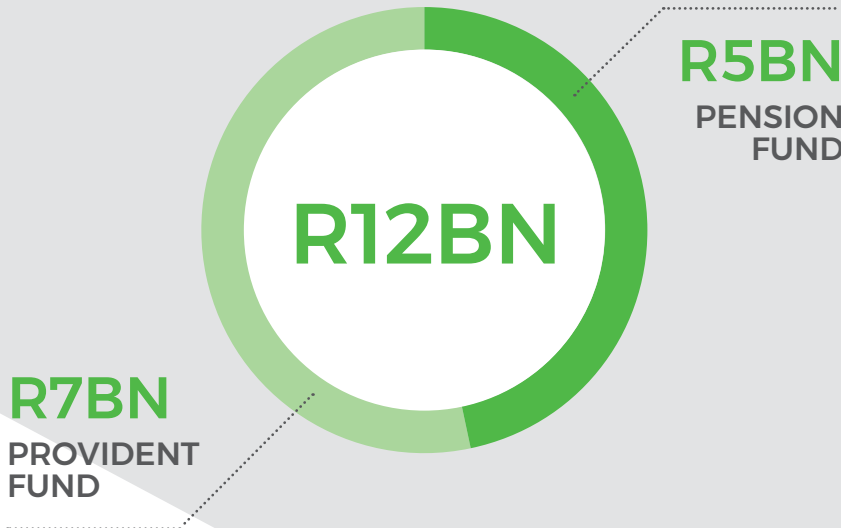
# 2020/21 HIGHLIGHTS



## CLAIMS PAID



## CONTRIBUTIONS



‘Members may be surprised to learn that the economic impact of the Covid-19 pandemic has not had a major long-term impact on investment markets or on members’ investments.’

**Bertie van Wyk**  
SuperFund Chairman

## ACTIVE MEMBERS

**447 931**

DECREASED BY **19 412**   
FROM 2019/20

## SUPERFUND PRESERVER MEMBERS

**42 871**

INCREASED BY **3 725**   
FROM 2019/20

## PARTICIPATING EMPLOYERS

**5 947**

INCREASED BY **44**   
FROM 2019/20

## ASSETS UNDER MANAGEMENT (AUM)

**R136BN**

INCREASED BY **R19BN**   
FROM 2019/20



### STATEMENT OF THE MANAGEMENT BOARD

The Management Board of Old Mutual SuperFund has fully applied its mind to the contents of this Integrated Annual Report and is of the opinion that it fairly represents all material issues relating to the Fund and its impact on its members and other stakeholders. The Board is also confident that the report is in line with the requirements of the Pension Funds Act and the King IV Report on Good Governance. In reaching these conclusions, the Board has:

- ensured that detailed registers, books and records of the operations of the Fund were kept as required by Section 7D(a) of the Pension Funds Act;
- considered all the facts and risks that could impact the integrity of this report;
- assessed the Fund’s accounting practices and internal financial controls as required by Section 7D(b) of the Pension Funds Act; and
- approved the Annual Financial Statements.

The Board has subsequently unanimously approved this 2020/21 Old Mutual SuperFund Integrated Annual Report.

**Bertie van Wyk**  
Chairman of the Board

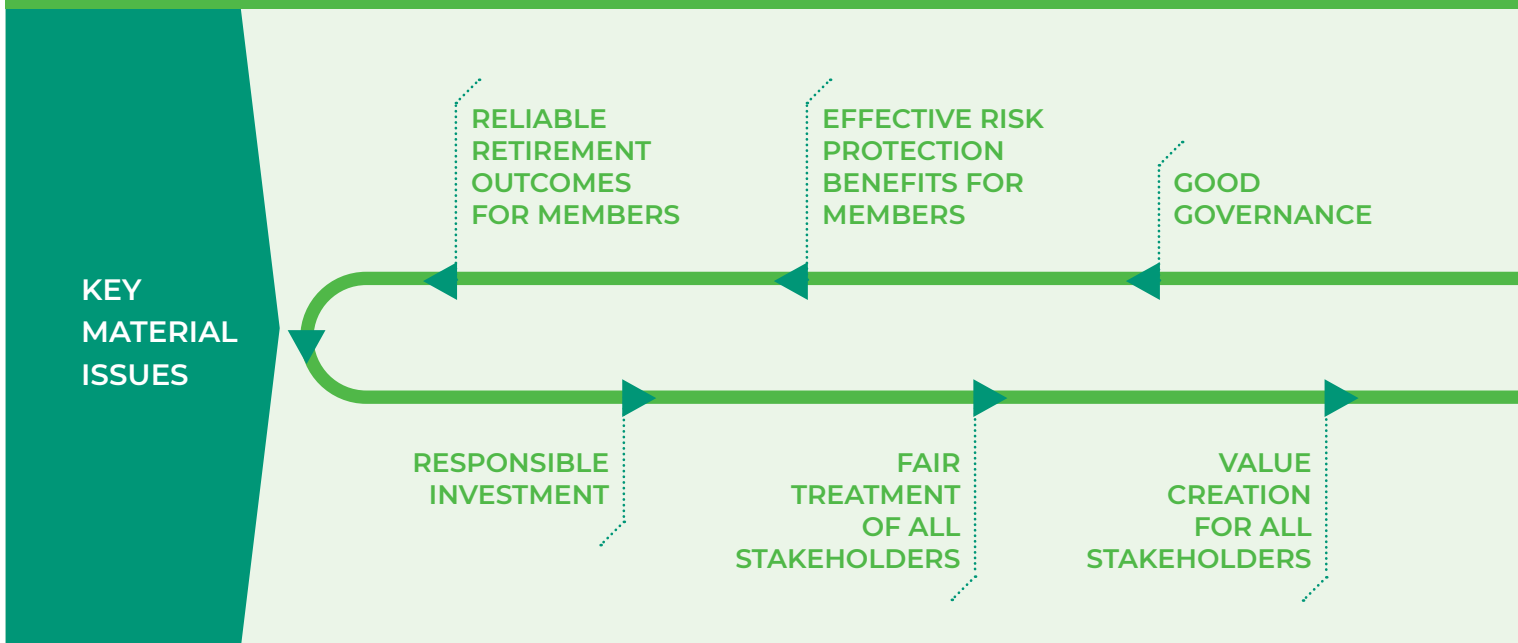


### REPORT OVERVIEW

Through continued times of uncertainty, Old Mutual SuperFund has remained focused on delivering value to its members, participating employers and other stakeholders, and on its commitment to advancing its journey towards fully integrated reporting that offers a comprehensive view of its performance, achievements, challenges and future plans.







This 2020/21 Integrated Report tracks this journey of the financial year under review. The Management Board has attempted to compile a concise report, aligned with international best practices; the Board appreciates that the Fund’s stakeholders remain inundated with information - particularly pertaining to the ongoing Covid-19 pandemic. A full set of Annual Financial Statements is therefore available on the Old Mutual SuperFund website at [www.oldmutual.co.za/corporate/employers/retirement-solutions/superfund/communications-hub/](http://www.oldmutual.co.za/corporate/employers/retirement-solutions/superfund/communications-hub/).

## REPORT SCOPE AND BOUNDARY

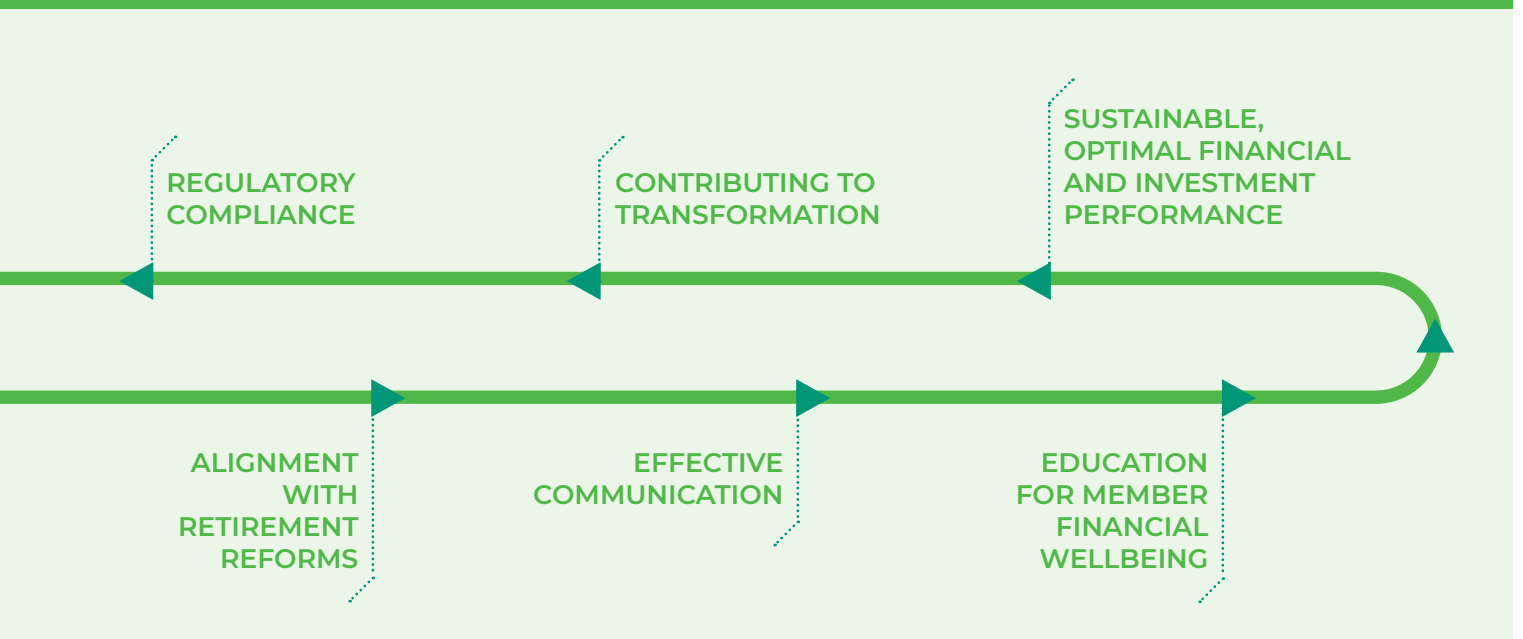


## CAPITALS

The SuperFund Management Board recognises that the six capitals identified by the International Integrated Reporting Council are integral to the Fund's continued ability to maximise the value delivered to its members and other stakeholders. These capitals are integrated into the Fund's strategic approach, and inform its decisions in creating value for its members. They are defined as follows:

 <b>Financial capital</b>	<ul style="list-style-type: none"> <li>• The financial resources available to SuperFund to deliver on its promise of value creation.</li> <li>• The Fund is sponsored by Old Mutual with its vast financial resources, and retains its own reserve levels.</li> <li>• The Fund's sheer size enables it to create economies of scale to effectively manage fees.</li> </ul>
 <b>Manufactured capital</b>	<ul style="list-style-type: none"> <li>• The physical infrastructure that enables the Fund to create value.</li> <li>• Includes required buildings, equipment and infrastructure.</li> </ul>
 <b>Intellectual capital</b>	<ul style="list-style-type: none"> <li>• This relatively intangible capital consists of the extensive knowledge, experience and expertise to which SuperFund has access, internally, and through its partnerships and working relationships with industry-leading business partners, particularly Old Mutual Corporate.</li> </ul>
 <b>Human capital</b>	<ul style="list-style-type: none"> <li>• The competencies, abilities and talent that exist within SuperFund and contributing partners.</li> <li>• Delivered through the outstanding people it employs and engages.</li> <li>• The Fund is committed to constantly building the strength of this capital by attracting, upskilling and retaining the best people in the industry.</li> </ul>
 <b>Social and relationship capital</b>	<ul style="list-style-type: none"> <li>• The relationships that exist between stakeholders that contribute to, or benefit from, the Fund.</li> <li>• These maximise its ability to optimise members' retirement outcomes.</li> </ul>
 <b>Natural capital</b>	<ul style="list-style-type: none"> <li>• Renewable and non-renewable environmental resources that enable Old Mutual SuperFund to operate and deliver value.</li> <li>• The Fund invests significantly into natural capital, and prioritises its protection through the and inclusion of Environmental, Social and Governance (ESG) considerations.</li> </ul>

REPORTING PERIOD: Financial year: 1 July 2020 to 30 June 2021





## 2020/21 HIGHLIGHTS

### REPORTING PRINCIPLES AND APPROACH

This Integrated Annual Report conforms to the recommendations of the Integrated Reporting Framework of the IIRC, the King IV Report on Corporate Governance, the Pension Funds Act, No 24 of 1956 as amended and other relevant South African laws and regulations.

### LEVELS OF ASSURANCE

Old Mutual SuperFund applies an integrated assurance approach comprising three assurance levels:

## LEVEL

# 1

### RISK MANAGEMENT

- Specifications are set out in the Fund Rules and Sections 7C & D of the Pension Funds Act.
- The comprehensive Fund Risk Log is used to identify and monitor risks that could negatively impact the Fund or limit its delivery.
- Risks are actively managed in line with agreed policies and practices.
- Sub-committees are mandated to identify any deviations from policies and practices and to address the deviations.
- Issues deemed to be potentially high risk are reported in the Board Risk Log, with mitigating strategies implemented.
- The Fund has appropriate risk provision through fidelity cover. The cover is reviewed annually.
- Residual risks are specifically rated on a qualitative basis, with a 12-month view.

## LEVEL

# 2

### GOVERNANCE, RISK AND COMPLIANCE

These functions include:

- Annual Governance Review: this is the responsibility of the Office of the Principal Officer. Results are monitored by the Governance and Risk Management Sub-Committee.
- Quarterly Compliance Audit: this is done by Old Mutual's Internal Compliance Office. Results are reported to the Management Board.
- Annual Valuation: the statutory requirement is to do a valuation every three years, however, Old Mutual SuperFund subscribes to world-class governance and has therefore implemented an annual valuation. This valuation confirms the Fund's financial soundness, that the Fund's assets adequately match liabilities, and that the investment strategy is appropriate to the nature and term of the Fund's liabilities.

## LEVEL

# 3

### EXTERNAL AUDIT

- The Administration and Financial Reporting Sub-Committee facilitates the external audit process. PricewaterhouseCoopers Inc. (PwC) is the Fund's external auditor, as approved in terms of Section 9 (3) of the Pension Funds Act.
- The Management Board reviews the external audit process annually.
- PwC conducts an annual review in terms of International Standard on Assurance Engagements (ISAE) 3402, which reviews the robustness of the controls in the administration system to deliver outcomes.

## MESSAGES

### MESSAGE FROM THE CHAIRMAN

**Much has changed since the publication of the Old Mutual SuperFund's previous Integrated Annual Report. The deepening crisis of the Covid-19 pandemic, with its resultant impact on our economy and society, has affected all of us in different ways.**

Some of us have been impacted by the health crisis, which has resulted in significant loss of life. Some, too, have suffered from the financial fallout of continued lockdowns and the strained global economy.

The SuperFund Management Board has seen this impact, both through personal experience and through the spike in volumes of claims. During the 2020/21 financial year, the Fund saw a 74% increase in claim volumes, which in itself created a big challenge for the Fund. Very few businesses are resourced to absorb such an increase in volumes almost overnight. This aspect, coupled with the fact that the teams responsible for processing claims also had some of their members contracting Covid-19 (and thus fewer hands on deck), had a negative knock-on effect on our turnaround times in processing claims. We are acutely aware of the impact that has had on our members and their beneficiaries, and for that I would like to apologise upfront. The Management Board in conjunction with Old Mutual as the Administrator has worked hard to find innovative solutions to rectify this situation.

At the same time, many participating employers have seen their businesses dwindling away on the back of a subdued economic environment. Many were forced to reduce their workforce. Some were even faced with liquidation. All of this contributed to members facing retrenchment, loss of income and early Fund withdrawal.

This has forced us all to change the way we live and work – as Fund members, employers, intermediaries, service providers, the Fund Administrator, even the Management Board itself. Like many businesses, Old Mutual's Fund Administrator has shifted to a hybrid working model where its employees spend some days in the office and some days at home. Many people who started work at their new employers on 1 April 2020 had by the end of the year (under review in this report) not yet set foot in their employers' offices.

Yet despite those challenges, SuperFund has continued to serve its members and stakeholders, albeit not always at the level they were accustomed to in the past. Despite remote working requirements, the call centre continued to operate. Despite the volatile investment environment, the investment managers continued to deliver positive results. The Management Board is determined and committed to overcome all the obstacles and challenges created by the Covid pandemic in order to continue to provide our members with the quality service they have come to expect of us.



### MESSAGE FROM THE CHAIRMAN (CONTINUED)

#### A VIEW ON INVESTMENTS

Members may be surprised to learn that the economic impact of the Covid-19 pandemic has not had a major long-term impact on investment markets or on members' investments. Although we saw a dramatic fall in investment markets both globally and locally in March 2020, this was followed by a relatively quick recovery. By mid-2020 most investment markets had recovered, and by the end of 2020 investment markets were at higher levels than before the market crash. Members' investments have continued to grow strongly during 2021.

This means that only those members who retired or withdrew during the period April to July 2020 may have actually experienced loss. Even in the case of this group of members, if they re-invested their savings on exit, they may have benefited from the subsequent upswing in markets.

This underlines the importance of taking a long-term view of one's investments – especially as they relate to retirement savings.

#### DRIVING POSITIVE CHANGE

One of the significant developments during the year under review was the establishment of a Transformation Sub-Committee, comprised of members of the SuperFund Management Board. We are committed to helping all the people in our nation to grow and prosper, and to this end the Transformation Sub-Committee is driving a holistic strategy to consolidate the Fund's transformation efforts and to support South Africa's broader transformational themes.

SuperFund is also proud of its record as a leader in environmental, social and corporate governance. Our commitment to responsible investing, and to impact investment in particular, is part of that journey.

Despite the immense challenges and upheavals that the pandemic has brought, the SuperFund Management Board has not lost sight of the other pressing issues affecting the retirement industry. Questions around prescribed assets, retirement savings reforms and transformation may have been overshadowed by the urgency of the Covid-19 crisis, but those questions have not disappeared.

We continue to engage with the Regulator and our industry peers around proposed changes to the regulatory environment, and our various sub-committees remain urgently engaged with issues like risk, good governance, responsible investment and transformation.



Furthermore, I feel pressed to repeat my warning from the 2021 SuperFund Summit when I said that SuperFund members should guard against allowing their retirement capital to dwindle. That remains true. The Fund, through its member education efforts, continues to communicate with members around the themes of preservation and increased contributions. One should not let immediate economic pressures or concerns rob one of a comfortable retirement in the longer term.

#### A WORD OF THANKS

Against that background of change and disruption, I express my gratitude to SuperFund's partners for their continued trust, support and belief in the Fund throughout the course of the year in review. On behalf of the Management Board, I would like to thank our business partners, suppliers and investment managers, as well as Old Mutual Corporate as the Fund sponsor, and the Financial Sector Conduct Authority as our regulator.

Thank you, too, to my colleagues on the SuperFund Management Board and to our Principal Officer, Fiona Reynolds, and her team. Your commitment, determination and many sacrifices have been vital to SuperFund's resilience over this difficult period, and have been instrumental in enabling the Fund to fulfil its promise to deliver value to its members and other stakeholders.

During times of uncertainty that promise is more important than ever. The Old Mutual SuperFund's reputation and its position as South Africa's leading umbrella retirement fund were built on a heritage of expertise and innovation. The SuperFund Management Board will continue to exercise courage when needed and think outside the box when appropriate. I have every confidence that as we do so, we – with the support of our partners and stakeholders – will deliver the positive retirement outcomes our members deserve.

#### **Bertie van Wyk**

Chairman: Old Mutual SuperFund Management Board

## MESSAGE FROM THE PRINCIPAL OFFICER

**Like so many organisations, the Old Mutual SuperFund has been deeply affected by Covid-19. However, despite the plethora of challenges related to the pandemic, the Fund maintained its focus on the most important aspect of delivering optimal retirement outcomes to its members and continued to ensure that Covid-19-related risks were adequately managed.**

The good news story for the 2020/21 financial year was that SuperFund was able to continue with business as usual. Despite the national lockdowns and the continued remote-working requirements that came with them, the Fund did not have to compromise on our high standards, management or governance.

During the year under review, a large part of our effort and focus was spent on engaging employers and enabling employer-contribution relief. We understand and are sensitive to the challenges our participating employers and members are experiencing during these uncertain times, and we continue to offer solutions to them. In total, 1 225 participating employers – some 20% of SuperFund’s total employer base – requested payroll relief. This required significant effort and a shift in focus, as the administration of such relief options was a resource-intensive process. At the same time, the Fund underwent a series of routine inspections by the Financial Sector Conduct Authority around this theme. The fact that SuperFund came out of those inspections with a clean bill of health is a testimony to our high standards of governance – even during these extraordinary times. It is good for SuperFund members’ peace of mind that the Fund has a regulator who regularly checks in to ensure that those high standards are being maintained and that the basic but important tasks are being taken care of.

The influx of claims during the various Covid-19 waves remains one of our biggest challenges. This factor, together with the sudden move to working from home, as well as the challenges in reaching beneficiaries for the requisite information during this period, impacted our claims-assessing operational processes significantly. We acknowledge the resultant death claims backlog and apologise for the impact it has had on our members, their

beneficiaries and other stakeholders. We are working closely with our Administrator to expedite all outstanding claims, while still ensuring that we comply with the legal duties imposed on the Management Board in this regard.

We continue to engage extensively with the FSCA and various stakeholders on regulatory matters and – as it should be – the key emerging theme is that of member centricity and fair conduct. The Fund has a duty to communicate directly with its members; and to ensure compliance, it has embarked on a process to communicate directly with all members via SMS and/or email, in addition to our recently launched WhatsApp facilities. We believe that improved direct communication is in the best interest of all of our members and we fully support the Regulator’s stance in this regard. In particular, the Fund has therefore also adapted processes in respect of arrear contributions (Section 13A) and employer compensation claims (Section 37D (1)(b)(ii)) during the year under review.

As a Fund, we encourage our intermediaries, participating employers and all other stakeholders to engage with us and to keep the lines of communication open as we seek the best outcomes for our members, your clients and your employees. One of the best ways of doing this is to ensure that the Fund has the most up-to-date direct contact details for all members.

We continue to monitor emerging legislation and we consult widely with various retirement industry bodies. This enables us to engage with other retirement funds and ensures that the industry’s collective voice is heard by the Regulator. As South Africa’s largest and leading commercial umbrella retirement fund, SuperFund is uniquely positioned to positively influence matters that have a material impact on our members’ retirement outcomes.

Supported by our solid governance foundation and guided by our long-term vision, the Management Board has established a culture of excellence in our principles, practices, ethics and values. That culture has guided us through these times of extreme challenge, putting SuperFund in a position to deliver on our fiduciary responsibilities and to deliver on our promises to our members – regardless of the extraordinary circumstances we may find ourselves in, now or in the future.

**Fiona Reynolds**

Principal Officer: Old Mutual SuperFund



A photograph of a woman and a child standing in a field, looking at wind turbines at sunset. The scene is bathed in warm, golden light, and the sun is low on the horizon, creating a lens flare effect. The background features several wind turbines against a clear sky. The overall mood is peaceful and hopeful, suggesting a focus on sustainable energy and a bright future.

# SUPERFUND AT A GLANCE

## KEY FUND DATA

As at 30 June 2021



### MEMBERS

# 447 931

SuperFund Pension Fund	135 548
SuperFund Provident Fund	312 383



### PARTICIPATING EMPLOYERS

# 5 947



### DEFERRED RETIREMENT MEMBERS

# 366

Pension Fund	217
Provident Fund	149



### SUPERFUND PRESERVER MEMBERS

# 42 871

Pension	12 035
Provident	30 836

### ASSETS UNDER MANAGEMENT

# R136BN

SuperFund Pension Fund	R61 Billion
SuperFund Provident Fund	R75 Billion

### TOTAL ASSETS IN OLD MUTUAL SUPERFUND PRESERVER

# R4BN

Pension	R2.4 Billion
Provident	R1.6 Billion



### TOTAL ASSETS IN DEFERRED RETIREMENT OPTION

# R1.32BN

Pension	R943 Million
Provident	R375 Million

### CONTRIBUTIONS TO THE FUND

# R12BN

Pension Fund Contributions	R5 Billion
Provident Fund Contributions	R7 Billion



### CLAIMS PAID

# R17BN

Pension	R8 Billion
Provident	R9 Billion



# SUPERFUND AT A GLANCE

## SUPERFUND IN SUMMARY



Largest commercial umbrella fund in South Africa



Backed by one of South Africa's most trusted and respected financial services brands



Offers flexible retirement solutions, preservation and deferred retirement options



Popular and proven default investment – Old Mutual Absolute Stable Growth Portfolio



Seamless at-retirement annuity options

## MAIN FUND OBJECTIVES

The Old Mutual SuperFund aims to:

- be the confident first choice for provision of retirement fund services
- consistently delight our members, participating employers and intermediaries
- maintain a reputation for excellent governance, good investment performance and proven value for money
- add value through absolute member focus; consistent service excellence; fit-for-purpose benefits; and responsible business and investment that delivers sustainable benefits.



## FUND OPTIONS IN BRIEF

### OLD MUTUAL SUPERFUND

Old Mutual SuperFund offers a selection of retirement fund, risk benefit, preservation and annuity options to suit all participating employers and their Fund members.

#### SUPERFUND EASY

- For companies with five or more employees
- No medical check-ups for members

#### SUPERFUND CHOICE

- Investment choice with trustee-designed retirement investment options
- Suited to medium to large businesses
- Minimum total monthly contribution of R15 000 required
- Ability to tailor risk benefits for employees

#### SUPERFUND CUSTOMISED

- Fully customisable solution gives you hands-on employer involvement
- Designed for businesses with 100 or more employees and R1 billion in retirement fund assets
- Choice of Old Mutual integrated risk benefits or cover from external providers
- Access to approved independent investment advisers

## PRESERVATION

Old Mutual SuperFund offers excellent preservation solutions to its members:

- **SUPERFUND PRESERVER:** Allows members and employees to remain SuperFund members even if they no longer work for the participating employer.
- **PROTEKTOR:** Allows anyone who is a retirement fund member to keep their retirement savings invested and growing if they leave their job.
- **DEFERRED RETIREMENT:** Provides the option for retiring members who don't need to access their benefit to keep it invested, protected and growing until they are ready to access it.

## ANNUITY PORTFOLIOS

SuperFund Solutions at Retirement offers two trustee-endorsd annuity options designed to meet the majority of retirement income needs and preferences of SuperFund members:

- **OLD MUTUAL FUND SELECT ANNUITY:** A guaranteed annuity option that pays the pensioner a monthly income for the rest of their life.
- **OLD MUTUAL MAX INCOME:** A living annuity that allows pensioners to choose which investment portfolio their retirement fund savings are invested into, and what percentage of their total invested amount will get paid to them as an income.

## RETIREMENT BENEFITS COUNSELLORS

All SuperFund members have free access to a Retirement Benefits Counsellor (RBC) as they approach retirement age. The counsellor is not a financial adviser, but assists members by explaining their retirement investment, preservation or deferment options.



## TREATING MEMBERS FAIRLY

### SUPERFUND:

- is committed to member centricity
- fully supports Treating Customers Fairly (TCF) principles and outcomes
- aligns with TCF outcomes



### CULTURE AND GOVERNANCE

SuperFund exists to serve its members



### PRODUCT AND SERVICE DESIGN

Specifically designed to meet needs of members



### SUITABLE ADVICE

Supported by experienced financial advisers



### PERFORMANCE AND SERVICE DELIVERY

Committed to performance and consistent delivery on promises



### AFTER-SALES TREATMENT

Passionate about service and customer satisfaction



### DISCLOSURE AND INFORMATION

Full communications strategy with clear and simple information



## OLD MUTUAL SUPERFUND'S STAKEHOLDERS

Old Mutual SuperFund has relationships with a broad range of stakeholders. Its dealings with all of these are underpinned by a commitment to delivering the outcomes its members deserve. Below is a breakdown of the key stakeholders and the role they play in leading members towards these optimum outcomes: who they are, why the Fund engages with them and how that engagement takes places.

### FUND MEMBERS

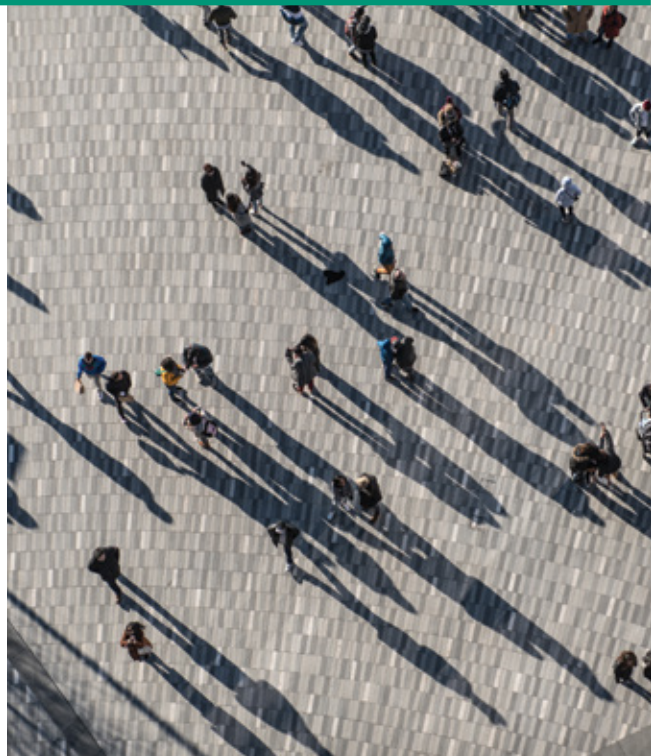


**447 931**  
EMPLOYEES OF



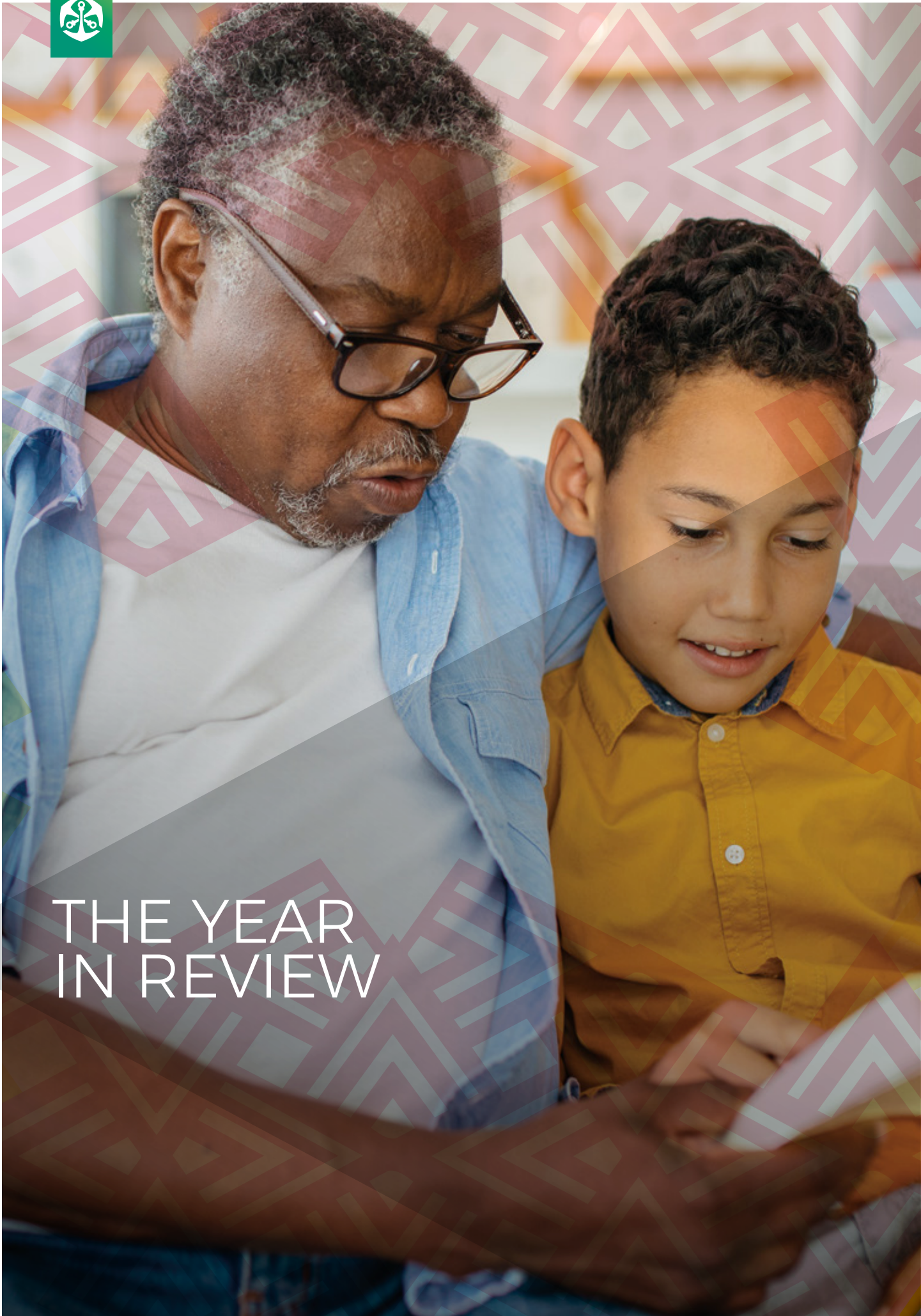
**5 947**  
PARTICIPATING  
EMPLOYERS

SuperFund partners with members to help them achieve their desired retirement outcomes.



	WHO?	WHY?	HOW?
<b>PARTICIPATING EMPLOYERS</b>	<ul style="list-style-type: none"> <li>5 947 participating employers with businesses of all types and sizes</li> </ul>	<ul style="list-style-type: none"> <li>Partner with them to enable their employees to achieve good retirement outcomes</li> <li>Understand their needs and offer a range of benefits</li> <li>Improve ease of doing business with the Fund</li> <li>Provide information, support and guidance</li> <li>Build a better future for South Africa together</li> </ul>	<ul style="list-style-type: none"> <li>Annual Old Mutual SuperFund Summit</li> <li>Quarterly newsletters</li> <li>The most important engagement with employers takes place via the client relationship management delivered by Old Mutual Corporate Consultants.</li> </ul>
<b>INTERMEDIARIES</b>	<ul style="list-style-type: none"> <li>Critical business partners and providers of professional services</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen the relationship</li> <li>Improve ease of doing business with the Fund</li> <li>Improve two-way communication</li> <li>Understand their needs</li> <li>Help build their businesses</li> </ul>	<ul style="list-style-type: none"> <li>Annual Old Mutual SuperFund Summit</li> <li>Special Intermediary Newsflashes</li> <li><i>Corporate Adviser</i> publication</li> </ul>

	WHO?	WHY?	HOW?
<b>OLD MUTUAL CORPORATE AS FUND SPONSOR</b>	<ul style="list-style-type: none"> <li>• Old Mutual Corporate</li> <li>• Comprehensive Governance Agreement in place</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure continued independence of the Management Board</li> <li>• Enable objective governance</li> <li>• Promote effective partnership</li> <li>• Address issues/challenges</li> <li>• Ensure effective collaboration</li> <li>• Align transformation efforts</li> </ul>	<ul style="list-style-type: none"> <li>• Old Mutual representation at the annual Old Mutual SuperFund Summit</li> <li>• Quarterly newsletters</li> <li>• Direct engagement by Old Mutual with employers, intermediaries and members</li> </ul>
<b>OLD MUTUAL AS FUND ADMINISTRATOR</b>	<ul style="list-style-type: none"> <li>• Old Mutual Corporate</li> <li>• Administration agreement in place</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure accountability and service standards</li> <li>• Assess partnership effectiveness</li> <li>• Address issues/challenges</li> <li>• Ensure understanding of roles and responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>• Direct engagement by Old Mutual with employers, intermediaries and members</li> </ul>
<b>FINANCIAL SECTOR CONDUCT AUTHORITY</b>	<ul style="list-style-type: none"> <li>• Body that provides regulatory oversight to retirement fund industry</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain lines of communication</li> <li>• Ensure compliance</li> <li>• Provide regulatory and policy input and support</li> </ul>	<ul style="list-style-type: none"> <li>• Regular discussions with the Authority</li> <li>• Engagements with the Pension Fund Adjudicator's office</li> <li>• FSCA visits to conduct Fund reviews</li> </ul>
<b>ASSET MANAGEMENT COMPANIES</b>	<ul style="list-style-type: none"> <li>• SuperFund's selected investment managers</li> </ul>	<ul style="list-style-type: none"> <li>• Build relationships</li> <li>• Ensure understanding of desired investment outcomes</li> <li>• Agree on performance expectations</li> <li>• Promote and support transformation of asset managers</li> <li>• Conduct transformation and sustainability assessments</li> <li>• Address issues/challenges</li> </ul>	<ul style="list-style-type: none"> <li>• Regular fund fact sheets and performance reports</li> <li>• Regular in-person reportbacks to the Fund by the asset managers, where their investment performance is monitored against agreed benchmark</li> <li>• Asset managers are part of the annual Old Mutual SuperFund Summit</li> <li>• Quarterly investment newsletters</li> <li>• Visits by Fund representatives</li> </ul>
<b>SUPPLIERS</b>	<ul style="list-style-type: none"> <li>• Providers of products and services to the Fund</li> <li>• Businesses that demonstrate a similar transformation leadership commitment</li> </ul>	<ul style="list-style-type: none"> <li>• Optimise Fund's transformation efforts</li> <li>• Give effect to the Fund's preferential procurement policy</li> <li>• Maximise support of supplier businesses</li> <li>• Promote beneficial business relationships</li> <li>• Provide sustainability support and assistance</li> </ul>	<ul style="list-style-type: none"> <li>• Engagement takes place with tracing service providers to assist with obtaining details of individual members for death and unclaimed benefit payments.</li> </ul>



# THE YEAR IN REVIEW

## PERFORMANCE METRICS

‘SuperFund continues to deliver the solid retirement outcomes its members deserve.’

### FAIR VALUE OF ASSETS (R'BN)

30/06/2016		R88.6
30/06/2017		R97.8
30/06/2018		R105.0
30/06/2019		R112.0
30/06/2020		R117.0
<b>30/06/2021</b>		<b>R137.0</b>

### TOTAL MEMBERSHIP

30/06/2016		378 961
30/06/2017		400 187
30/06/2018		421 517
30/06/2019		456 715
30/06/2020		467 343
<b>30/06/2021</b>		<b>447 931</b>

### PRESERVER MEMBERSHIP

30/06/2016		15 073
30/06/2017		21 668
30/06/2018		27 599
30/06/2019		32 349
30/06/2020		39 146
<b>30/06/2021</b>		<b>42 871</b>

### PARTICIPATING EMPLOYERS

30/06/2016		4 976
30/06/2017		5 279
30/06/2018		5 523
30/06/2019		5 787
30/06/2020		5 903
<b>30/06/2021</b>		<b>5 947</b>



## ANNUAL REVIEW OF INVESTMENTS

Old Mutual Corporate Consultants (OMCC) provides professional, objective advice to the Old Mutual SuperFund Management Board regarding the Fund’s investment strategy and the performance of its investment offerings to members.

To deliver on this mandate, OMCC:

- reports on the performance, compliance, and benchmarks of the Fund’s underlying investment portfolios;
- monitors the performance of the investment professionals that manage these investments; and
- makes manager recommendations to the Board based on their performance and alignment with the Fund’s investment strategy.

In delivering these services to the Fund, OMCC undertakes comprehensive and rigorous assessments of the investments and investment managers, informed by the following criteria:

-  Risk-adjusted investment performance
-  Qualitative characteristics
-  Transformation and B-BBEE
-  Responsible investing
-  Regulatory compliance
-  Fee competitiveness
-  Compliance with Fund investment strategy

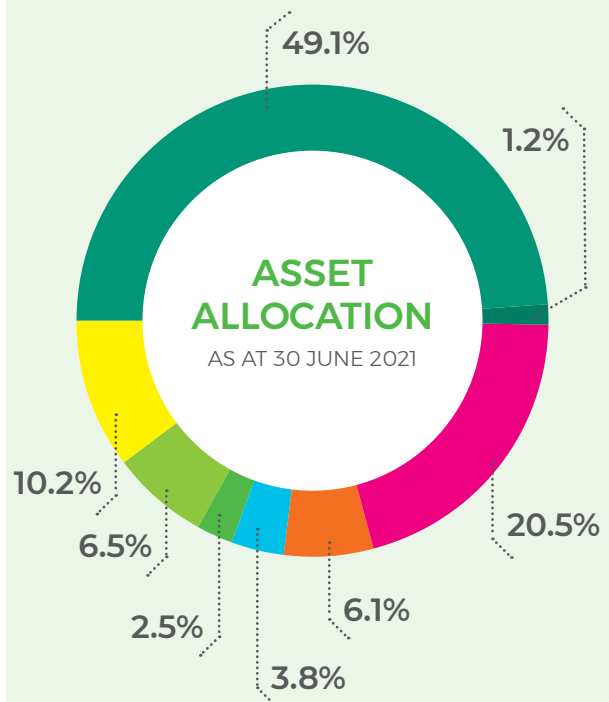
OMCC conducts an extensive review of the SuperFund investment offering each year, with additional high-level reviews done on a quarterly basis.

- The SuperFund Easy and SuperFund Choice investment range is reviewed as at 31 December each year. Analysis is done over an extended time frame.
- The SuperFund Customised investment portfolios are reviewed as at 30 June each year. Analysis is done over an extended time frame.

No material concerns were identified regarding any of the Fund’s investment portfolios during the year in review.

### DEFAULT PORTFOLIO PERFORMANCE REVIEW

The Old Mutual Absolute Stable Growth Portfolio (AGP) is the Trustee Choice default investment utilised extensively by members of SuperFund. The portfolio contains the bulk of the SuperFund assets. It offers a guarantee level of 80% and targets an inflation benchmark of CPI +5.5%. This portfolio also forms part of the Lifestage Investment Option together with the Old Mutual Absolute Smooth Growth Portfolio. Both portfolios have the same underlying assets.



- Local Equities
- African Equities
- Global Equities
- Property
- Global Alternative Assets
- Global Interest Bearing
- Local Alternative Assets
- Local Interest Bearing



### SMOOTHED RETURNS IN AGP

The smoothing formula that underlies the design of the Absolute Growth Portfolio range means that its investment performance will typically be delayed relative to market-linked investment portfolios. As a result, the investment returns passed on to date by AGP (since the market crash in March/April 2020) have not been as strong as those of market-linked investment portfolios.

However, the Investment and Actuarial Sub-Committee also analyses the investment performance of the actual assets underpinning AGP. This enables one to compare AGP more accurately against comparative market-linked investment portfolios.

This comparison shows that AGP remains competitive. We therefore anticipate that the smoothing formula will see these additional returns passed on to members over the coming months.

From a SuperFund perspective, the Investment and Actuarial Sub-Committee remains very comfortable that the AGP smoothing mechanism has done what it was supposed to do. During March and April 2020 members invested in a typical market-linked portfolio with a similar asset allocation experienced a 24% decrease in value, while members who invested in AGP Smooth and AGP Stable only experienced a 5% decrease in value. This means that members in AGP who retired or withdrew during this stage were protected from the extremes of the market crash.

At the same time, AGP has maintained its growth-focused underlying investment strategy. This means that over the long-term we expect AGP to deliver strong inflation-beating returns that our members need to grow their retirement savings.

We understand that clients may have been surprised by the 5% negative bonus declared in April 2020, given that Old Mutual's smoothed bonus portfolios had not passed on negative returns in their 50-year history. However, we have always made it clear that it is possible for a negative bonus to occur. That is how the product is designed – to strike a fair balance between those members who exit during an extreme downturn and those members who remain invested.

### TREND TOWARDS GUARANTEED ANNUITIES

In the past, general industry trends showed a high proportion of retiring Fund members selecting living annuities. Old Mutual's experience shows that in 2015 approximately 85% of those purchasing annuities, selected a living annuity and only 15% selected a guaranteed annuity. Our analysis of members retiring from SuperFund in 2020 shows that this trend has changed significantly.

More retirees selected a guaranteed annuity (Pension Fund 36%; Provident 8%) than a living annuity (Pension 26%, Provident 7%). This differs from historic industry trends, which reflected that living annuities were more popular than guaranteed annuities.

However, the average retirement benefit of those selecting living annuities (Pension R2.673 million, Provident R2.119 million) is higher than for those selecting guaranteed annuities (Pension R1.606 million, Provident R1.711 million). As a result, the total amount directed to living annuities is higher.

### FINDINGS

OMCC confirmed that they are 'satisfied that, on the whole, the performance of the portfolios offered to members in Old Mutual SuperFund has been reasonable over the review period. The Funds continue to deliver quality investment portfolios to members. The Trustees can take comfort that the investment portfolios available to members remain extremely competitive in the market'.

Almost all investment portfolios on offer within SuperFund (and in the broader market) have struggled to meet inflation-related targets over periods of three to five years. However, over longer periods (seven to ten years) performance has typically been in line with or exceeded inflation-related targets.



## TRANSFORMATION AND B-BBEE

**Driven by its responsibility to contribute to the transformation of the retirement and investment industries, as well as broader South African society, the Old Mutual SuperFund aligns itself to the transformation philosophy and commitment of Old Mutual South Africa.**

The mandate of the Fund's Transformation Sub-Committee is to develop a Transformation Strategy (i.e. Plan and Policy), by taking the following into account:

- How the strategy can support the national transformation agenda.
- How the strategy can support Responsible Business.
- Relevant Financial Sector Codes.
- ESG investment principles.
- Conduct of Financial Institutions Bill.

Furthermore, the Transformation Sub-Committee aims to:

1. Coordinate and embed empowerment and transformation plans at all levels.
2. Oversee reporting standards to the Management Board and the various regulatory bodies.
3. Monitor compliance against agreed targets and regulatory requirements.
4. Together with the relevant sub-committees, oversee key deliverables impacting the voluntary B-BBEE scorecard.

Whilst it is encouraging to note that the Fund's key service providers maintain appropriate B-BBEE levels, the Management Board is cognisant of the various challenges in fully complying with the targets as set out in the Voluntary Dispensation for Retirement Funds B-BBEE Scorecard.

The Management Board places a priority on Broad-Based Black Economic Empowerment (B-BBEE) considerations when appointing and reviewing investment providers. As part of the overall due-diligence information sourced from the investment providers, the following information is actively sought:

Investment manager or investment firm:

### **CAN PROVIDE DETAILS ON ACTIVE IMPLEMENTATION OF B-BBEE.**

#### **IS ABLE TO DEMONSTRATE COMMITMENT TO AND INVESTMENT IN THE FOLLOWING:**

- Enterprise development
- Socio-economic development
- Skills development
- Black ownership
- Preferential procurement
- B-BBEE procurement recognition levels
- Diversity and appropriate demographic composition of investment teams

### **CAN SHOW THAT THEY ARE WORKING TOWARDS THE INCORPORATION OF B-BBEE INTO INVESTMENT DECISIONS:**

- Does the firm encourage companies that it invests in, to set B-BBEE targets and goals?
- Does the stock selection process consider the B-BBEE level of the company selected?

The results of this comprehensive transformation assessment also enable the Fund's Investment Sub-Committee to actively engage with investment managers where concerns are identified regarding their B-BBEE performance.



## RESPONSIBLE INVESTING

The annual investment review includes a detailed survey of the approach followed by each investment manager with regard to responsible investing and sustainability as well as transformation and Broad-Based Black Economic Empowerment (B-BBEE). This survey informs the Management Board's engagement with investment managers regarding areas for development and continuous improvement.

The analysis set out here includes responses from 23 of the Funds' investment managers who are responsible for managing R132.4 billion of the Funds' assets. Eight investment managers managing R2.9 billion of the Fund's assets were not included in the survey, as they are primarily internationally based.

HAVE YOU ADOPTED THE CODE FOR RESPONSIBLE INVESTING IN SOUTH AFRICA? (CRISA)	
<b>MANAGERS</b>	
Yes	<b>22</b>
No	<b>1</b>
<b>AUM</b>	
Yes	<b>99.97%</b>
No	<b>0.03%</b>

ARE YOU A SIGNATORY TO THE UNITED NATIONS PRINCIPLES OF RESPONSIBLE INVESTING?	
<b>MANAGERS</b>	
Yes	<b>12</b>
No	<b>11</b>
<b>AUM</b>	
Yes	<b>86.46%</b>
No	<b>13.54%</b>

DO YOU HAVE A RESPONSIBLE INVESTMENT POLICY IN PLACE?	
<b>MANAGERS</b>	
Yes	<b>22</b>
No	<b>1</b>
<b>AUM</b>	
Yes	<b>99.97%</b>
No	<b>0.03%</b>

DO YOU PRODUCE AN ANNUAL STEWARDSHIP REPORT?	
<b>MANAGERS</b>	
Yes	<b>12</b>
No	<b>11</b>
<b>AUM</b>	
Yes	<b>93.76%</b>
No	<b>6.24%</b>

DO YOU EMPLOY DEDICATED RESPONSIBLE INVESTMENT PROFESSIONALS?	
<b>MANAGERS</b>	
Yes	<b>14</b>
No	<b>9</b>
<b>AUM</b>	
Yes	<b>89.41%</b>
No	<b>10.59%</b>

ARE EMPLOYEE PERFORMANCE CONTRACTS STRUCTURED TO PRIORITISE RESPONSIBLE INVESTMENT?	
<b>MANAGERS</b>	
Yes	<b>13</b>
No	<b>10</b>
<b>AUM</b>	
Yes	<b>98.16%</b>
No	<b>1.84%</b>

DO YOU HAVE A WRITTEN PROXY VOTING POLICY IN PLACE?	
<b>MANAGERS</b>	
Yes	<b>20</b>
No	<b>3</b>
<b>AUM</b>	
Yes	<b>90.33%</b>
No	<b>9.67%</b>

DO YOU ENCOURAGE COMPANIES YOU INVEST IN TO SET ESG TARGETS AND GOALS?	
<b>MANAGERS</b>	
Yes	<b>20</b>
No	<b>3</b>
<b>AUM</b>	
Yes	<b>90.33%</b>
No	<b>9.67%</b>

ARE YOU A SIGNATORY TO THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)?	
<b>MANAGERS</b>	
Yes	<b>8</b>
No	<b>15</b>
<b>AUM</b>	
Yes	<b>87.52%</b>
No	<b>12.48%</b>



RESPONSIBLE INVESTING (CONTINUED)

DOES YOUR FIRM HAVE A CLIMATE POLICY IN PLACE?

MANAGERS	
Yes	9
No	14
AUM	
Yes	87.52%
No	12.48%

DO YOU HAVE A SKILLS DEVELOPMENT PROGRAMME IN PLACE?

MANAGERS	
Yes	22
No	1
AUM	
Yes	99.90%
No	0.10%

DOES YOUR STOCK SELECTION PROCESS CONSIDER THE B-BBEE LEVEL OF THE COMPANY SELECTED?

MANAGERS	
Yes	12
No	11
AUM	
Yes	11.09%
No	88.91%

CAN YOU MEASURE THE CARBON RISK OF YOUR UNDERLYING HOLDINGS?

MANAGERS	
Yes	9
No	14
AUM	
Yes	75.79%
No	24.21%

DOES YOUR FIRM SUPPORT THE YOUTH EMPOWERMENT SCHEME?

MANAGERS	
Yes	9
No	14
AUM	
Yes	19.47%
No	80.53%

ARE YOU A B-BBEE LEVEL 1 OR 2 CONTRIBUTOR?

MANAGERS	
Yes	17
No	6
AUM	
Yes	98.51%
No	1.49%



## MEMBER EDUCATION AND SUPPORT

SuperFund provides an extensive programme of education and support that affords members access to an array of learning materials, workshops, online modules and financial management tools. It also ensures that they benefit from appropriate at-decision input and information throughout their retirement journey.

Provision of financial education during the year under review was negatively affected due to Covid-19 restrictions, which did not allow for face-to-face interactions. Sessions were mostly conducted digitally, via MS Teams and Zoom.

In the year under review, the following progress was achieved for the various components of this member education and support programme:

### FINANCIAL EDUCATION

Delivered through the Old Mutual Financial Wellbeing Programme (FWP).

#### FUND EDUCATION



##### SESSIONS

242

##### EMPLOYER SITES

63

##### ATTENDEES

5 951

#### FINANCIAL EDUCATION



##### SESSIONS

84

##### EMPLOYER SITES

29

##### ATTENDEES

3 869

#### E-LEARNING (OLD MUTUAL WEBSITE)

##### USERS

67 478

##### MAIN EDUCATION TOPICS

FINANCIAL PLANNING 11 642

RETIREMENT PLANNING 13 601

WILLS AND ESTATES 11 847

### WELLNESS DAYS



Due to Covid-19 restrictions, **no events were held** at Fund clients during the year in review.

### HIGHLIGHTS & ADVANCES



E-learning website activity grew significantly, especially in the early months of lockdown when the average unique monthly page views numbered **10 000**.



2022 will see a concerted effort to **broaden the reach of the FWP programme**, with a concerted focus on digital access to learning.



Old Mutual Corporate has developed a **new, web-based learning portal**, which will create financial learning opportunities for Fund members.



## COMMUNICATION

**The Covid-19 crisis has created much uncertainty for SuperFund members and participating employers. For many members, their retirement savings are their largest asset, and so it has been important for SuperFund to communicate regularly and clearly to provide them with confidence that their retirement savings are secure.**

At the same time, the effects of the pandemic have resulted in much higher numbers of retrenchments, early retirement withdrawals and deaths. In order to provide prompt and efficient service to the affected members and beneficiaries, SuperFund needs to be able to communicate directly with them.

Historically, the Fund was able to rely on participating employers to pass on communication material to members, for example by printing newsflashes and posters and putting them on workplace bulletin boards, by distributing hard-copy Member Benefit Statements, or by forwarding emails to employees. However, Covid-19 has changed the ways of working, and for many employers these approaches are no longer straightforward. This is particularly true for employers that are experiencing major financial strain, where employees may be working reduced hours or are on unpaid leave.

One of the knock-on effects of the Covid-19 pandemic is that members are now more comfortable with direct digital communication. As a result, it has become more important for SuperFund to be able to communicate directly with members via digital channels such as SMS, email or WhatsApp.

## ADMINISTRATION AND TECHNOLOGY

**A key component of SuperFund's commitment to partnering effectively with its members, participating employers and intermediaries is being proactive in making it as easy as possible for these important stakeholders to do business with the Fund.**

Digitisation and technological innovation are acknowledged as key ways of achieving this objective, and this journey was significantly accelerated by Covid-19 and the unique engagement protocols created by the national lockdown. Technology is a key enabler to enhance the member retirement funding experience. Today, more than ever before, the Management Board recognises that it is critical that the Fund leverages every opportunity it has to engage, educate and empower its members.

The technological developments of recent years, combined with more recent delivery of additional digital capabilities, has created a strong online foundation that allows the Fund to achieve its vision of delivering a cohesive, multi-channel virtual experience for members.





# GOVERNANCE



The Old Mutual SuperFund has the singular purpose of helping members achieve their desired retirement outcomes. These efforts depend on, and are enhanced by, excellent governance, strong values and ethics, stringent regulatory compliance and adherence to global best practices.

## COVID-19 RESPONSE

The Fund's Crisis Management Sub-Committee, which was activated shortly after South Africa's hard lockdown was announced in 2020, continued its mandate to contain all risks related to the Fund and its stakeholders through the Covid-19 pandemic.

This sub-committee coordinated the Fund's response to the crisis, which included but was not limited to, extensive Fund contribution relief, reviews of Fund policies and procedures, timeous communications with all Fund stakeholders on key issues that may affect them, and the assessment and monitoring of the Fund's Investment Policy Statement to protect members' investments.

## THE MANAGEMENT BOARD

In delivering on its responsibility to manage the Fund effectively, the Management Board is mandated to exercise the powers, perform the functions and carry out the duties assigned to it by the Fund Rules and the laws governing retirement funds in South Africa.

SuperFund is exempt from section 7A (1) of the Pension Funds Act, which states that members of the Fund elect no fewer than 50% of the members of its Board. Members of the Board are appointed by the Fund's Sponsor, Old Mutual. At least 50% of the Board Members are independent of the Sponsor and are not employed by the Old Mutual Group. The independent Chairperson and Deputy Chairperson of the Board are elected by the Board Members in consultation with the Sponsor.

## COMPOSITION OF THE MANAGEMENT BOARD

The Management Board is a diverse group of experienced professionals, each with the proven skills to contribute to the effective management and governance of a retirement fund. All Management Board members comply with the FSCA's Conduct Standard on Trustee Training.

During the year under review, Ms Nomaxabiso Teyise resigned from the Management Board and Ms Kwanele Onyango was appointed as an independent Trustee from 23 March 2021. Ms Onyango is a qualified attorney, with a strong legal background in both South Africa and the United Kingdom. She has held various senior positions, including that of Legal Executive in Investment Banking at Standard Bank. The Board looks forward to working with her, as she brings a wealth of international experience.

Nanie Rothman resigned during the course of the year under review. Her position was subsequently filled after the year-end.



## MANAGEMENT BOARD AS AT 30 JUNE 2021

At the end of the period under review, the Management Board comprised the following members:



**CHAIRPERSON**  
**Bertie van Wyk**

Chairperson, Independent Trustee



**TRUSTEE**  
**Wahida Parker**

Deputy Chairperson,  
Independent Trustee



**TRUSTEE**  
**Gary Hartwig**

Independent Trustee



**TRUSTEE**  
**Rama Govenden**

Independent Trustee



**TRUSTEE**  
**Thandeka Zondi**

Independent Trustee



**TRUSTEE**  
**Kwanele Onyango**

Independent Trustee



**TRUSTEE**  
**Krishna Patel**

Sponsor-appointed Trustee

### PRINCIPAL OFFICER'S OFFICE



**PRINCIPAL OFFICER**  
**Fiona Reynolds**

Independent Principal Officer



**DEPUTY PO**  
**Sunil Harilall**

Independent Deputy  
Principal Officer



**DEPUTY PO**  
**Liesl Marais**

Independent Deputy  
Principal Officer

### THE RELATIONSHIP BETWEEN OLD MUTUAL AND SUPERFUND

As required by law, all dealings between the Fund and Old Mutual, as the Sponsor, are conducted at arm's length to maintain the independence of the Management Board. The relationship between the two entities is governed by a detailed Governance Agreement. Its aims include: ensuring efficient, effective and accountable management and control of the Fund; protecting the interests of all parties; and delivering the benefits promised to members smoothly and transparently. The Governance Agreement is regularly reviewed and updated.

### BOARD MEMBER REMUNERATION

Board Members who are employed by the Fund Sponsor do not receive any form of remuneration from the Fund. Independent Board Members are remunerated in line with industry standards. This includes payment for time invested in preparation for and attendance of meetings, as well as reimbursement for reasonable travel expenses. All remuneration is governed by the Fund's Remuneration Policy, as approved and adopted by the Board. This includes a quarterly review of the gifts register, which requires any gift above R500 to be disclosed.



## THE PRINCIPAL OFFICER

As Independent Principal Officer, Fiona Reynolds is accountable to the Financial Sector Conduct Authority (FSCA) for duties determined by the Fund rules and the Pension Funds Act. She is supported by two Independent Deputy Principal Officers, an independent claims assessor, a service provider manager and a fund secretary.

## SUB-COMMITTEES

The Board delegates several of its functions to sub-committees that are governed in line with section 7D (2)(a) of the Pension Funds Act. The Delegation of Authority policy sets out a clear framework for such delegation and each sub-committee's scope of work is reviewed at least once a year. The following sub-committees are in place to assist the Board in the execution of its duties:

SUB-COMMITTEE	BOARD MEMBERS	RESPONSIBLE FOR:
Administration and Financial Reporting	3	Overseeing administration risks, financial reporting risks, internal financial controls and fraud and information technology (IT) risks.
Claims	3	Allocation of death benefits and assessment of member disability claims.
Communications	3	Ensuring appropriate communications to all stakeholders.
Crisis Management	3	Coordinating response to crisis events.
Governance and Risk Management	2	Guiding the Board in matters of governance, and ensuring comprehensive and effective risk management policies.
Investment and Actuarial	3	Managing risks relating to investment, actuarial and risk benefits.
Legal and Contractual	3	Attending to any legal and contractual issues.
Transformation	5	Coordinating and embedding empowerment and transformation plans at all levels, and monitoring compliance against agreed targets and regulatory requirements.

Each sub-committee comprises of at least two Board Members, and the chairperson of each sub-committee is an Independent Board Member. The Principal Officer and Deputy Principal Officers serve on all the sub-committees, but do not have a vote.

The year in review saw the establishment of a new sub-committee, focused on delivering on SuperFund's Transformation agenda.

## BOARD MEETING ATTENDANCE

Management Board meetings take place at least four times in every financial year. Sub-Committees are required to meet at least quarterly and the Claims Sub-Committee meets once a week to adjudicate death claims. Despite the challenges of Covid-19 and the remote working requirements of the national lockdown, the Board remained committed to this meeting schedule, with the majority of such meetings taking place digitally.

In the year under review, attendance of Management Board meetings by Board members – including new member Kwanele Onyango and outgoing members Nanie Rothman and Nomaxabiso Teyise, as indicated by the asterisks (\*) – was as follows:

NAME	TITLE	MEETING ATTENDANCE
Bertie van Wyk	Chairman	4
Rama Govenden	Board Member	4
Gary Hartwig	Board Member	4
Kwanele Radebe Onyango	Board Member	1*
Wahida Parker	Board Member	4
Krishna Patel	Board Member	4
Nanie Rothman	Board Member	2*
Nomaxabiso Teyise	Board Member	2*
Thandeka Zondi	Board Member	4

## RISK MANAGEMENT AND COMPLIANCE

The Management Board is responsible for the governance of risk exposure, tolerance and opportunity for the Fund. This is in accordance with policy and practice guidelines that are monitored and managed by its sub-committees. Any significant deviations from these policies are identified and reported in the Board Risk Log, to be dealt with by the Management Board. The impact of residual risks on the Fund's reputation, relationship with regulators and on members is measured on a qualitative and quantitative basis within a 12-month review.

## ETHICS

The Fund's ethical values apply to the decision-making, conduct and relationship between the Fund, its members, stakeholders and broader society. The Board has identified, and adheres to, the following specific ethical values in alignment with the King IV Codes on Corporate Governance:



### RESPONSIBILITY

Applying best practice governance principles and recommendations in the King reports.



### ACCOUNTABILITY

Being transparent and open to scrutiny in terms of all decisions and actions.



### FAIRNESS

Considering the interests and expectations of all stakeholders when making decisions - free from discrimination or dishonesty.



### DECLARATIONS OF INTEREST

Declaring any personal interest that may impact on impartiality.



### CONFIDENTIALITY

All member and client information are kept strictly confidential.



### GIFTS

Adhering to the Fund's comprehensive Gift Policy.



### COMPETITION

Avoiding any arrangement that may prevent fair competition in the delivery of services to the Fund.



### DISCLOSURE & TRANSPARENCY

All fees and expenses are fully disclosed.



# FINANCIAL REPORTS

## AUDITORS REPORT

### INDEPENDENT AUDITOR'S REPORT ON SUMMARY FINANCIAL STATEMENTS TO THE BOARD OF FUND OF THE OLD MUTUAL SUPERFUND PENSION FUND

#### OPINION

The summary financial statements of Old Mutual SuperFund Pension Fund, set out on pages 34 to 37 which comprise the summary statement of net assets and funds as at 30 June 2021, the summary statement of changes in net assets and funds for the year ended 30 June 2021, and related notes, are derived from the audited financial statements of Old Mutual SuperFund Pension Fund for the year ended 30 June 2021

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the basis of preparation as set out in Note 1.1 to the summary financial statements.

#### SUMMARY FINANCIAL STATEMENTS

The summary financial statements do not contain all the disclosures required by the Regulatory Reporting Requirements for Retirement Funds in South Africa as applicable to Annual Financial Statements. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

#### THE AUDITED FINANCIAL STATEMENTS AND OUR REPORT THEREON

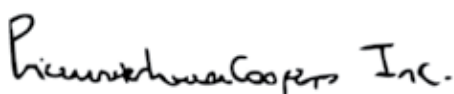
We expressed an unmodified audit opinion on the audited financial statements in our report dated 30 November 2021. That report also includes an emphasis of matter paragraph indicating that the audited financial statements have been prepared for the purpose of the Fund's reporting to the Financial Sector Conduct Authority (the Authority) in terms of section 15(1) of the Pension Funds Act No. 24 of 1956, as amended (the Pension Funds Act of South Africa), and have been prepared in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa. As a result, the audited financial statements may not be suitable for another purpose. The use and distribution of the audit report on the audited financial statements is therefore restricted to the Board of the Fund and the Authority, and any third-party placing reliance on our opinion does so at its own risk.

#### BOARD OF FUND'S RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENTS

The Board of the Fund are responsible for the preparation of the summary financial statements in accordance with the Basis of Preparation as set out in Note 1.1 to the summary Annual Financial Statements.

#### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.



#### PricewaterhouseCoopers Inc.

Director: P. Liedeman  
Registered Auditor

Cape Town, South Africa  
Date: 07 February 2022



OLD MUTUAL SUPERFUND PENSION FUND

**SUMMARY STATEMENT OF NET ASSETS AND FUNDS**

As at 30 June 2021

	NOTES	2021 (R)	2020 (R)	
<b>Investments</b>		<b>60 697 887 463</b>	<b>55 886 528 787</b>	
	Insurance Policies	54 122 760 083	50 492 850 905	
	Segregated assets	3 419 412 456	2 450 881 767	
	Collective Investment Schemes	3 155 714 924	2 942 796 115	
<b>Non-current Assets</b>		<b>60 697 887 463</b>	<b>55 886 528 787</b>	
<b>Transfers Receivable</b>		<b>270 057 198</b>	<b>124 283 912</b>	
<b>Accounts Receivable</b>		<b>223 481 486</b>	<b>187 181 295</b>	
<b>Arrear Contributions</b>		<b>200 972 092</b>	<b>149 723 575</b>	
<b>Cash at Bank</b>		<b>88 862 832</b>	<b>55 830 584</b>	
<b>Current Assets</b>		<b>783 373 608</b>	<b>517 019 366</b>	
<b>Total Assets</b>		<b>61 481 261 071</b>	<b>56 403 548 153</b>	
<b>Members' Funds</b>		<b>(58 219 825 338)</b>	<b>(52 732 999 289)</b>	
<b>Reserve Accounts</b>		<b>(95 018 070)</b>	<b>(87 364 285)</b>	
	Expense	(10 270 954)	(8 437 722)	
	Processing	(84 747 116)	(78 926 563)	
<b>Total Funds and Reserves</b>		<b>(58 314 843 408)</b>	<b>(52 820 363 574)</b>	
<b>Employer Surplus Account</b>		<b>(727 356 519)</b>	<b>(643 978 789)</b>	
<b>Unclaimed Benefits</b>		<b>(182 122 801)</b>	<b>(135 099 986)</b>	
<b>Non-current Liabilities</b>		<b>(909 479 320)</b>	<b>(779 078 775)</b>	
<b>Transfers Payable</b>		<b>(33 445 800)</b>	<b>(1 153 652 363)</b>	
<b>Benefits Payable</b>		<b>(2 113 907 807)</b>	<b>(1 563 858 611)</b>	
	Lump Sums on Retirement	Full Benefit	(561 918 648)	(583 938 741)
	Lump Sums Before Retirement	Disability Benefits	(28 655 633)	(23 067 287)
		Death Benefits	(677 111 272)	(366 436 723)
		Withdrawal Benefits	(548 559 547)	(385 003 750)
		Divorce and Court Orders	(16 970 319)	(5 611 381)
		Retrenchment Benefits	(260 023 212)	(171 030 113)
	Defaults - Housing facilities		(234 188)	(201 976)
	Liquidation benefits		(20 434 988)	(28 568 640)
<b>Accounts Payable</b>		<b>(109 584 736)</b>	<b>(86 594 830)</b>	
<b>Current Liabilities</b>		<b>(2 256 938 343)</b>	<b>(2 804 105 804)</b>	
<b>Total Funds and Liabilities</b>		<b>(61 481 261 071)</b>	<b>(56 403 548 153)</b>	

## OLD MUTUAL SUPERFUND PENSION FUND

### SUMMARY STATEMENT OF CHANGES IN NET ASSETS AND FUNDS

For the year ending 30 June 2021

	NOTES	2021 (R)	2020 (R)
<b>Contributions Received and Accrued</b>		<b>(5 032 818 728)</b>	<b>(5 156 105 140)</b>
	Towards Retirement	(4 700 925 634)	(4 842 269 776)
	Towards Re-insurance and Expenses	(331 893 094)	(313 835 364)
<b>Reinsurance Proceeds</b>		<b>(502 757 438)</b>	<b>(244 283 240)</b>
<b>Net Investment Income</b>		<b>(7 847 652 043)</b>	<b>(162 188 915)</b>
	Dividends	(65 224 459)	(52 034 511)
	Interest	(74 222 682)	(86 755 480)
	Collective Investment Schemes Distribution	(43 498 524)	(57 259 882)
	Income from Insurance Policies	(3 909 079 489)	76 460 948
	Interest on late payment of contributions	(2 738 149)	(1 698 530)
	Adjustment to Fair Value	(3 998 576 660)	(282 292 105)
	Investment Management Fees	245 687 920	241 390 645
<b>Reinsurance Premiums</b>		<b>327 148 564</b>	<b>320 100 956</b>
<b>Administration Expenses</b>		<b>120 342 980</b>	<b>124 760 073</b>
<b>Allocated to Unclaimed Benefits</b>		<b>3 973 029</b>	<b>3 921 593</b>
<b>Net Income Before Transfers and Benefits</b>		<b>(12 931 763 636)</b>	<b>(5 113 794 673)</b>
<b>Transfers from other Funds</b>		<b>(468 572 395)</b>	<b>(820 037 604)</b>
<b>Transfers to other Funds</b>		<b>93 273 291</b>	<b>1 258 792 447</b>
<b>Benefits</b>		<b>7 729 205 174</b>	<b>6 316 907 109</b>
Lump Sums on Retirement	Full Benefit	3 136 445 300	2 841 261 711
Lump Sums Before Retirement	Disability Benefits	62 597 019	49 654 405
	Death Benefits	777 595 831	407 714 287
	Withdrawal Benefits	2 270 174 911	2 221 864 357
	Divorce and Court Orders	80 902 587	85 509 025
	Retrenchment Benefits	1 330 723 948	654 272 114
Defaults - Housing loans		1 019 431	945 176
Liquidation Benefits		47 147 200	42 965 752
Return Allocated		22 598 947	12 720 282
<b>Net Income/(Loss) After Transfers and Benefits</b>		<b>(5 577 857 566)</b>	<b>1 641 867 279</b>
<b>Net Employer Surplus Accounts Allocations</b>		<b>83 377 732</b>	<b>(65 817 420)</b>
<b>Balance at the Beginning of the Year for Funds and Reserves</b>		<b>(52 820 363 574)</b>	<b>(54 396 413 433)</b>
<b>Balance at Year End for Funds and Reserves</b>		<b>(58 314 843 408)</b>	<b>(52 820 363 574)</b>



## OLD MUTUAL SUPERFUND PENSION FUND

### NOTES TO THE SUMMARY FINANCIAL STATEMENTS

#### 1. PRINCIPAL ACCOUNTING POLICIES

The accounting policies and method of computation are consistent with those of the annual financial statements for the year ended 30 June 2021, on which an audit report was signed on 30 November 2021, with the exception of the specific applied criteria listed in note 2 below. These policies have been applied consistently to all years presented unless otherwise specifically stated.

#### 1.1 PURPOSE AND BASIS OF PREPARATION

The summary financial statements, as set out in pages 34 to 37, were derived from the annual financial statements of the Old Mutual SuperFund Pension Fund, which were compiled in terms of the Regulatory Reporting Requirements for Retirement Funds in South Africa. The summary financial statements were prepared in accordance with criteria developed by the management and are the responsibility of the Board of Fund. The criteria are set out in note 2 of the notes to the summary financial statements.

Any investment decisions by investors and/or members should be based on consideration of the complete set of annual financial statements and the Fund's website as a whole. Should you wish to receive a full set of the annual financial statements please kindly send us an e-mail at [superfund@oldmutual.com](mailto:superfund@oldmutual.com).

#### 2. APPLIED CRITERIA

The purpose of the summary annual financial statement is to give the reader a broad overview of the financial position of the Fund as well as other relevant income and expense account movements, without providing the level of detail as contained in the annual financial statements. Therefore, the summary financial statements comprise of a:

- summary statement of net assets and funds as at 30 June 2021; and a
- summary statement of changes in net assets and funds for the year ending 30 June 2021

which includes at least each heading and subtotal that were presented on the face of the statement of net assets and funds and each heading and subtotal that were presented in the "Current Year" and "Previous Year" columns on the face of the statement of changes in net assets and funds according to the annual financial statements.

Supplementary detail has been presented for certain line items, as set out in notes 2.1 through to 2.4 of the notes to the summary financial statement, on the face of each statement, in order to provide more insight to the users of the summary financial statements and to improve the understandability of the figures presented. This supplementary detail was derived from the respective notes as disclosed in the notes to the annual financial statements for the year ended 30 June 2021, unless otherwise stated below.

Judgement was applied by management when assessing which line items could influence the economic decisions of the users of the summary financial statements, while the overriding goal is to ensure that the summary financial statements include all information that is relevant to understanding Old Mutual SuperFund Pension Fund's financial position and performance during the financial period. The line items for which supplementary detail has been provided includes:

- investments and net investment income which contain relevant information for users about the performance during the year and composition of the investments at year-end;
- contributions received and accrued as well as arrear contributions as this provide information to users about the allocation of contributions between those used to fund expenses and those allocated towards the member's saving/individual accounts; and
- benefits and benefits payable provide information to users about claims/ (benefit) experience and claims trends, such as the total claims received from members before these members reach retirement age.

## 2.1 INVESTMENTS

Investments were derived from the investment summary as disclosed in note 2 of the notes to the annual financial statements for the year ended 30 June 2021.

Disclosures take into account the fact that investments are predominantly held in pooled portfolios, including insurance policies and collective investment schemes, as well as segregated portfolios. The annual financial statements are geared towards extensive detail on individual investments and underlying instruments. Investments have therefore been summarised across the three main asset categories, on the face of the statement of net assets and funds, in order to give a broad overview on the financial position of the Fund without providing the level of detail contained in the annual financial statements.

The amounts have been summarised are as follows:

Investments	Total current year R	Total previous year R
<b>Segregated Assets</b>	3,419,412,456	2,450,881,767
Cash	835,087,146	572,876,051
Commodities	22,406,509	79,278,658
Debt instruments including Islamic debt instruments	732,454,736	530,508,430
Investment properties and Owner-occupied properties	138,367,800	103,109,891
Investment in Participating Employers(s)	47,420,519	39,166,068
Equities	1,643,675,746	1,125,942,669
<b>Insurance policies</b>	54,122,760,083	50,492,850,905
<b>Collective investment schemes</b>	3,155,714,924	2,942,796,115
<b>Total</b>	<b>60,697,887,463</b>	<b>55,886,528,787</b>

## 2.2 NET INVESTMENT INCOME

Net investment income was derived from the disclosure contained in note 11 of the notes to the annual financial statements for the year ended 30 June 2021 and provide the users with an overview of the nature and extent of income earned from each of the three asset categories (set out in note 2.1 above), the performance of the investments during the year as well as the investment management fees paid by the Fund to the professional investment administrators.

## 2.3 BENEFITS AND BENEFITS PAYABLE

Benefits and benefit payable were derived from the disclosure contained in note 7 of the notes to the annual financial statements for the year ended 30 June 2021 and provide the users with a broad overview of the total expense and liability for each benefit type as defined in the Fund Rules as well as information relating to claims/ (benefit) experience and claims trends for each benefit type, such as the movements within the membership base and the total claims received from members before these members reach retirement age.

## 2.4 CONTRIBUTIONS RECEIVED AND ACCRUED, AND ARREAR CONTRIBUTIONS

Contributions received and accrued, and arrear contributions were derived from the disclosure contained in note 10 of the notes to the annual financial statements for the year ended 30 June 2021 and provide the users with a broad overview of the nature and extent of contributions received and allocated towards the member's saving/individual accounts as well as those contributions allocated towards meeting the fees and costs of the Fund.



## AUDITORS REPORT

### INDEPENDENT AUDITOR'S REPORT ON SUMMARY FINANCIAL STATEMENTS TO THE BOARD OF FUND OF THE OLD MUTUAL SUPERFUND PROVIDENT FUND

#### OPINION

The summary financial statements of Old Mutual Superfund Provident Fund, set out on pages 39 to 42 which comprise the summary statement of net assets and funds as at 30 June 2021, the summary statement of changes in net assets and funds for the year ended 30 June 2021, and related notes, are derived from the audited financial statements of Old Mutual Superfund Provident Fund for the year ended 30 June 2021

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the basis of preparation as set out in Note 1.1 to the summary financial statements.

#### SUMMARY FINANCIAL STATEMENTS

The summary financial statements do not contain all the disclosures required by the Regulatory Reporting Requirements for Retirement Funds in South Africa as applicable to Annual Financial Statements. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

#### THE AUDITED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited financial statements in our report dated 30 November 2021. That report also includes an emphasis of matter paragraph indicating that the audited financial statements have been prepared for the purpose of the Fund's reporting to the Financial Sector Conduct Authority (the Authority) in terms of section 15(1) of the Pension Funds Act No. 24 of 1956, as amended (the Pension Funds Act of South Africa), and have been prepared in accordance with the Regulatory Reporting Requirements for Retirement Funds in South Africa. As a result, the audited financial statements may not be suitable for another purpose. The use and distribution of the audit report on the audited financial statements is therefore restricted to the Board of the Fund and the Authority, and any third-party placing reliance on our opinion does so at its own risk.

#### BOARD OF FUND'S RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENTS

The Board of the Fund are responsible for the preparation of the summary financial statements in accordance with the Basis of Preparation as set out in Note 1.1 to the summary Annual Financial Statements.

#### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

#### PricewaterhouseCoopers Inc.

Director: P. Liedeman

Registered Auditor

Cape Town, South Africa

Date: 07 February 2022

OLD MUTUAL SUPERFUND PROVIDENT FUND

SUMMARY STATEMENT OF NET ASSETS AND FUNDS

As at 30 June 2021

NOTES	2021 (R)	2020 (R)	
<b>Investments</b>	<b>74 631 967 451</b>	<b>61 079 064 448</b>	
Insurance Policies	65 410 138 703	53 686 301 300	
Segregated Assets	4 904 916 304	3 431 625 223	
Collective Investment Schemes	4 316 912 444	3 961 137 925	
<b>Non-current Assets</b>	<b>74 631 967 541</b>	<b>61 079 064 448</b>	
Transfers Receivable	6 425 511	336 965 825	
Accounts Receivable	506 517 883	320 127 011	
Arrear Contributions	436 325 967	349 889 575	
Cash at Bank	164 995 076	112 183 287	
<b>Current Assets</b>	<b>1 114 264 437</b>	<b>1 119 165 698</b>	
<b>Total Assets</b>	<b>75 746 231 888</b>	<b>62 198 230 146</b>	
Members' Funds	(70 539 093 811)	(58 772 164 614)	
<b>Reserve Accounts</b>	<b>(677 191 066)</b>	<b>(271 783 086)</b>	
Expense	(34 305 455)	(26 041 552)	
Risk	(389 046 885)	(16 837 027)	
Processing	(253 838 726)	(228 904 507)	
<b>Total Funds and Reserves</b>	<b>(71 216 284 877)</b>	<b>(59 043 947 700)</b>	
Employer Surplus Account	(677 997 240)	(611 264 901)	
Unclaimed Benefits	(292 549 747)	(183 860 396)	
<b>Non-current Liabilities</b>	<b>(970 546 987)</b>	<b>(795 125 297)</b>	
Transfers Payable	(175 481 582)	(118 224 010)	
<b>Benefits Payable</b>	<b>(3 182 363 788)</b>	<b>(2 073 173 375)</b>	
Lump Sums on Retirement	Full Benefit	(604 786 045)	(546 003 775)
Lump Sums Before Retirement	Disability Benefits	(36 416 730)	(9 602 829)
	Death Benefits	(1 485 252 774)	(659 144 227)
	Withdrawal Benefits	(707 024 651)	(529 853 630)
	Divorce and Court Orders	(27 790 860)	(12 617 867)
	Retrenchment Benefits	(244 404 517)	(286 718 286)
Defaults - Housing Facilities		(243 400)	(197 270)
Liquidation Benefits		(76 444 811)	(29 035 491)
Accounts Payable	(201 554 654)	(167 759 764)	
<b>Current Liabilities</b>	<b>(3 559 400 024)</b>	<b>(2 359 157 149)</b>	
<b>Total Funds and Liabilities</b>	<b>(75 746 231 888)</b>	<b>(62 198 230 146)</b>	



OLD MUTUAL SUPERFUND PROVIDENT FUND

**SUMMARY STATEMENT OF CHANGES IN NET ASSETS AND FUNDS**

For the year ending 30 June 2021

	NOTES	2021 (R)	2020 (R)
<b>Contributions Received and Accrued</b>		<b>(7 477 260 800)</b>	<b>(7 343 983 105)</b>
	Towards Retirement	(6 792 781 228)	(6 687 731 401)
	Towards Re-insurance and Expenses	(684 479 572)	(656 251 704)
<b>Reinsurance Proceeds</b>		<b>(909 119 491)</b>	<b>(512 192 758)</b>
<b>Net Investment Income</b>		<b>(8 902 332 322)</b>	<b>(133 545 152)</b>
	Dividends	(113 814 794)	(86 296 264)
	Interest	(103 865 177)	(111 286 983)
	Collective Investment Schemes Distribution	(45 202 204)	(49 973 618)
	Income from Insurance Policies	(4 799 421 803)	88 783 548
	Interest on late payment of contributions	(3 625 879)	(6 657 158)
	Adjustment to Fair Value	(4 139 754 954)	(226 906 831)
	Investment Management Fees	303 352 489	258 792 154
<b>Reinsurance Premiums</b>		<b>710 130 244</b>	<b>644 137 551</b>
<b>Administration Expenses</b>		<b>282 460 575</b>	<b>280 112 707</b>
<b>Allocated to Unclaimed Benefits</b>		<b>12 729 173</b>	<b>4 819 355</b>
<b>Net Income Before Transfers and Benefits</b>		<b>(16 283 392 621)</b>	<b>(7 060 651 402)</b>
<b>Transfers from other Funds</b>		<b>(5 155 899 153)</b>	<b>(3 868 294 733)</b>
<b>Transfers to other Funds</b>		<b>392 692 938</b>	<b>360 538 629</b>
<b>Benefits</b>		<b>8 807 529 319</b>	<b>7 063 517 505</b>
Lump Sums on Retirement	Full Benefit	2 840 069 409	2 550 387 143
Lump Sums Before Retirement	Disability Benefits	99 225 471	84 359 493
	Death Benefits	1 428 761 230	686 380 644
	Withdrawal Benefits	2 676 963 729	2 522 746 666
	Divorce and Court Orders	93 396 499	81 884 745
	Retrenchment Benefits	1 557 570 102	1 058 824 185
	Defaults - Housing Facilities	693 371	1 578 822
	Liquidation Benefits	77 764 399	62 192 481
	Return Allocated	33 085 109	15 163 326
<b>Net Income/(Loss) After Transfers and Benefits</b>		<b>(12 239 069 517)</b>	<b>(3 504 890 001)</b>
<b>Net Employer Surplus Accounts Allocations</b>		<b>66 732 340</b>	<b>(62 868 349)</b>
<b>Balance at the Beginning of the Year for Funds and Reserves</b>		<b>(59 043 947 700)</b>	<b>(55 476 189 350)</b>
<b>Balance at Year End for Funds and Reserves</b>		<b>(71 216 284 877)</b>	<b>(59 043 947 700)</b>

## OLD MUTUAL SUPERFUND PROVIDENT FUND

### NOTES TO THE SUMMARY FINANCIAL STATEMENTS

#### 1. PRINCIPAL ACCOUNTING POLICIES

The accounting policies and method of computation are consistent with those of the annual financial statements for the year ended 30 June 2021, on which an audit report was signed on 30 November 2021, with the exception of the specific applied criteria listed in note 2 below. These policies have been applied consistently to all years presented unless otherwise specifically stated.

#### 1.2 PURPOSE AND BASIS OF PREPARATION

The summary financial statements, as set out in pages 39 to 42, were derived from the annual financial statements of the Old Mutual SuperFund Provident Fund, which were compiled in terms of the Regulatory Reporting Requirements for Retirement Funds in South Africa. The summary financial statements were prepared in accordance with criteria developed by management and are the responsibility of the Board of Fund. The criteria are set out in note 2 of the notes to the summary financial statements.

Any investment decisions by investors and/or members should be based on consideration of the complete set of annual financial statements and the Fund's website as a whole. Should you wish to receive a full set of the annual financial statements please kindly send us an e-mail at [superfund@oldmutual.com](mailto:superfund@oldmutual.com).

#### 2. APPLIED CRITERIA

The purpose of the summary annual financial statement is to give the reader a broad overview of the financial position of the Fund as well as other relevant income and expense account movements, without providing the level of detail as contained in the annual financial statements. Therefore, the summary financial statements comprise of a:

- summary statement of net assets and funds as at 30 June 2021; and a
- summary statement of changes in net assets and funds for the year ending 30 June 2021

which includes at least each heading and subtotal that were presented on the face of the statement of net assets and funds and each heading and subtotal that were presented in the "Current Year" and "Previous Year" columns on the face of the statement of changes in net assets and funds according to the annual financial statements.

Supplementary detail has been presented for certain line items, as set out in notes 2.1 through to 2.4 of the notes to the summary financial statement, on the face of each statement, in order to provide more insight to the users of the summary financial statements and to improve the understandability of the figures presented. This supplementary detail was derived from the respective notes as disclosed in the notes to the annual financial statements for the year ended 30 June 2021, unless otherwise stated below.

Judgement was applied by management when assessing which line items could influence the economic decisions of the users of the summary financial statements, while the overriding goal is to ensure that the summary financial statements include all information that is relevant to understanding Old Mutual SuperFund Provident Fund's financial position and performance during the financial period. The line items for which supplementary detail has been provided includes:

- investments and net investment income which contain relevant information for users about the performance during the year and composition of the investments at year-end;
- contributions received and accrued as well as arrear contributions as this provide information to users about the allocation of contributions between those used to fund expenses and those allocated towards the member's saving accounts; and
- benefits and benefits payable provide information to users about claims/ (benefit) experience and claims trends, such as the total claims received from members before these members reach retirement age.



OLD MUTUAL SUPERFUND PROVIDENT FUND

NOTES TO THE SUMMARY FINANCIAL STATEMENTS (CONTINUED)

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

2.1 INVESTMENTS

Investments were derived from the investment summary as disclosed in note 2 of the notes to the annual financial statements for the year ended 30 June 2021.

Disclosures take into account the fact that investments are predominantly held in pooled portfolios, including insurance policies and collective investment schemes, as well as segregated portfolios. The annual financial statements are geared towards extensive detail on individual investments and underlying instruments. Investments have therefore been summarised across the three main asset categories, on the face of the statement of net assets and funds, in order to give a broad overview on the financial position of the Fund without providing the level of detail contained in the annual financial statements.

The amounts have been summarised are as follows:

Investments	Total current year R	Total previous year R
<b>Segregated Assets</b>	4,904,916,304	3,431,625,223
Cash	806,734,973	560,740,881
Commodities	41,810,131	141,808,023
Debt instruments including Islamic debt instruments	980,164,870	610,613,942
Investment properties and Owner-occupied properties	227,706,205	177,463,073
Equities	2,774,302,846	1,878,919,309
Investment in Participating Employer(s)	74,197,279	62,079,995
<b>Insurance policies</b>	65,410,138,703	53,686,301,300
<b>Collective investment schemes</b>	4,316,912,444	3,961,137,925
<b>Total</b>	<b>74,631,967,451</b>	<b>61,079,064,448</b>

2.2 NET INVESTMENT INCOME

Net investment income was derived from the disclosure contained in note 11 of the notes to the annual financial statements for the year ended 30 June 2021 and provide the users with an overview of the nature and extent of income earned from each of the three asset categories (set out in note 2.1 above), the performance of the investments during the year as well as the investment management fees paid by the Fund to the professional investment administrators.

2.3 BENEFITS AND BENEFITS PAYABLE

Benefits and benefit payable were derived from the disclosure contained in note 7 of the notes to the annual financial statements for the year ended 30 June 2021 and provide the users with a broad overview of the total expense and liability for each benefit type as defined in the Fund Rules as well as information relating to claims/ (benefit) experience and claims trends for each benefit type, such as the movements within the membership base and the total claims received from members before these members reach retirement age.

2.4 CONTRIBUTIONS RECEIVED AND ACCRUED AND ARREAR CONTRIBUTIONS

Contributions received and accrued, and arrear contributions were derived from the disclosure contained in note 10 of the notes to the annual financial statements for the year ended 30 June 2021 and provide the users with a broad overview of the nature and extent of contributions received and allocated towards the member's saving/individual accounts as well as those contributions allocated towards meeting the fees and costs of the Fund.

## ACTUARY/VALUATOR

Stephen Walker  
Fellow of the Actuarial Society of South Africa  
Fairbairn Consult  
1 Jan Smuts Drive, Pinelands 7405

## AUDITORS

PricewaterhouseCoopers Inc.  
PO Box 2799, Cape Town 8000  
5 Silo Square, V&A Waterfront, Cape Town 8002

## BENEFIT ADMINISTRATOR

Old Mutual Life Assurance Company (South Africa) Limited  
PO Box 1014, Cape Town 8000  
Mutualpark, Jan Smuts Drive, Pinelands 7405

## INVESTMENT CONSULTANT

Old Mutual Corporate Consultants,  
a division of Fairbairn Consult (Pty) Limited  
PO Box 1014, Cape Town 8000  
Mutualpark, Jan Smuts Drive, Pinelands 7405

## RISK PROVIDERS

- Old Mutual Life Assurance Company (South Africa) Limited
- Alexander Forbes Life Limited
- Capital Alliance Life Limited
- Discovery Life Limited
- Hollard Life Assurance Company Limited
- Liberty Life Insurance Limited
- MS Life Assurance Company Limited
- MMI Group Life Limited
- Momentum Group Limited
- Sanlam Life Insurance Limited

## TRACING PROVIDERS

- FCIS (Facilitating Investigating Consulting Service)
- Noland Forensic Services
- TEBA
- The Data Factory
- ICTS Tracing Services

## CUSTODIAN

- Nedbank Limited

## FUND REGISTRATION DETAILS

### OLD MUTUAL SUPERFUND PENSION AND PROVIDENT FUND

Old Mutual SuperFund is registered in terms of the Pension Funds Act, No 24 of 1956 and the Income Tax Act, No 58 of 1962, under the following registration numbers:

- Pension Fund: Registration No: 12/8/20237/1 and SARS Approval No: 18/20/4/20740
- Provident Fund: Registration No: 12/8/20246/1 and SARS Approval No: 18/20/4/21305

## INVESTMENT PROVIDERS



# PROFESSIONAL SERVICE PROVIDERS

### REGISTERED OFFICE OF OLD MUTUAL SUPERFUND

PHYSICAL ADDRESS: Mutualpark, Jan Smuts Drive, Pinelands, 7405

POSTAL ADDRESS: P O Box 728, Cape Town, 8000, South Africa

Old Mutual is a Licensed Financial Services Provider

