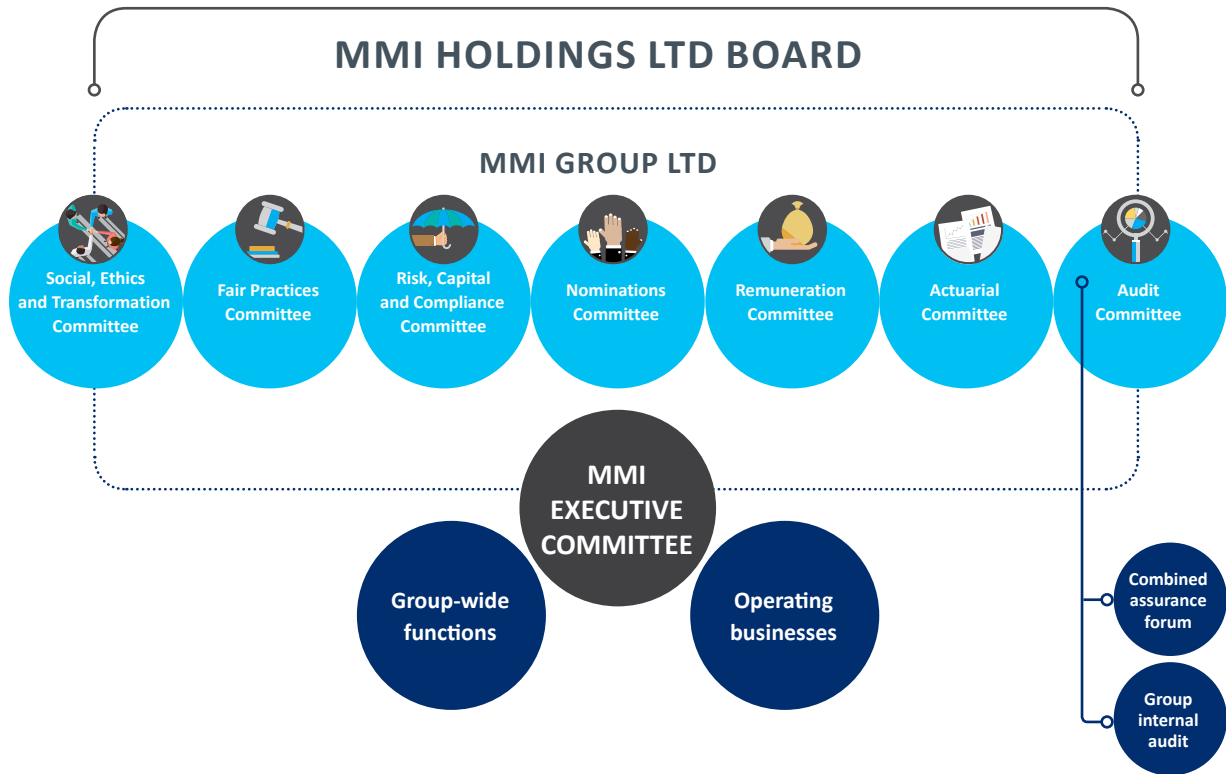


## GROUP GOVERNANCE STRUCTURE



## INTRODUCTION

The MMI board is committed to the highest standards of corporate practice and conduct, as recommended in the King Report on Governance for South Africa 2009 (King III). The group strives to have the best processes in place to implement principles of good corporate governance and to assist directors in discharging their duties and responsibilities, which include the delivery of excellent service to all stakeholders. Appropriate best practice is adopted and monitored in all the countries where the group operates.

## GOVERNANCE OF RISK

MMI recognises that clear accountability is fundamental to risk management and makes use of various assurance providers to provide comfort that its key risks, processes and controls are functioning as intended. These assurance providers are all independent of the group and its activities. Combined assurance integrates and co-ordinates the activities of the assurance providers, whose functions include risk management, compliance, actuarial, internal audit and external audit. The MMI governance model is described in more detail in the MMI governance framework, which is available on the MMI website [www.mmiholdings.com](http://www.mmiholdings.com).



MMI website [www.mmiholdings.com](http://www.mmiholdings.com).

## ASSESSMENT OF KING III PRINCIPLES

The assessment of the application and implementation of King III is ongoing. The results to date, show that MMI's governance processes are well entrenched, and that the group is generally compliant with all the principles of King III. Where shortcomings have been identified, plans are being put in place to ensure compliance.

The following principle has been partially applied:

- Principle 9: Sustainability reporting and disclosure should be independently assured. External assurance has been limited to our broad-based black economic empowerment scorecard, verified by accredited ratings agency NERA and our carbon footprint, verified by Global Carbon Exchange.

A table disclosing all the principles of King III, and how each has been applied, is available on the MMI website [www.mmiholdings.com](http://www.mmiholdings.com). Reasons are given in each instance where a principle has not been applied.



## BOARD AND COMMITTEES

The MMI board acts as the custodian of the group's corporate governance and in the best interests of MMI and its stakeholders at all times and takes ultimate responsibility for MMI. The board is mandated in terms of its charter, which

includes details such as the roles and responsibilities of the board, its directors and the composition of the board. The board committees are mandated in terms of their respective terms of reference. The MMI Board Charter is reviewed on a regular basis and is in line with good corporate governance principles.



The board charter and the committees' terms of reference are available on the MMI website [www.mmiholdings.com](http://www.mmiholdings.com).

The MMI board is supported by the board committees depicted in the above organogram. These committees have delegated responsibility to assist in matters as defined in their respective Terms of Reference. These committees report to the MMI board on a quarterly basis and also to other relevant boards and committees from time to time. The MMI board approves the delegated responsibility and the powers, limits and authorities attached to board committees. Each committee has its own Charter or Terms of Reference, which sets out its purpose, composition and duties.

The committees are currently addressing the following issues:



### SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE (SETC)

The MMI SETC is mandated and authorised by the board of directors of MMI Holdings Ltd (MMI) to focus on monitoring and providing the group with strategic guidance on the delivery of transformation. In doing this, the committee monitors the progress of the group in ensuring that the racial imbalances of the past are corrected and that Leadership and Talent are encouraged by positive and affirmative policies.

Transformation is integral to achieving MMI's vision of being the preferred lifetime financial wellness partner with a reputation for innovation and trustworthiness. Broad-based black economic empowerment (B-BBEE) underpins MMI's strategic objective to enhance financial wellness in a country that continues to grapple with inequality, access to financial services and lack of financial literacy, among other issues. B-BBEE supports the identified strategic focus areas of Growth, Client Centricity and Excellence that will contribute to achieving MMI's vision. In delivering its transformation objectives, MMI maintained a level 2 contributor status under the current Financial Sector Charter (FSC) framework.

Some of the key strategic initiatives that MMI was able to deliver with support of the SETC include the following:

- Approval of the group revised transformation strategy that aligns with the Department of Trade and Industry (dti) revised Codes of Good Practice (CoGP) as issued on 11 October 2013, and the required investment quantum to achieve the desired level contributor status by 2016.
- Approval of the group's enterprise and supplier development (ESD) programme, which focuses on providing

business development support to black-owned, and black women-owned businesses.

- Monitoring the group's performance against its employment equity (EE) plan.
- Ensuring that company procedures are ethical and in line with the legislative requirements for risk, compliance and treating customers fairly (TCF).
- In terms of sustainability reporting, approval of MMI's intensity target (targets that specify carbon emissions reductions in metric tons relative to productivity or economic output per employee, per metre square, per policy sold, per rand of total revenue, etc.) to be achieved by 2020.
- Approval of the Code of Conduct and the Ethics policy and its rollout plan.
- Approval of the social media policy and guidelines.
- Monitoring the impact of corporate social investment (CSI) initiatives in targeted communities/beneficiaries.

### Sustainability governance

The head of sustainability reports to the group executive of Brand, Corporate Affairs and Transformation.

MMI's group executive performs a management review function and raises pertinent issues with the relevant committees of the board as and when appropriate.

Final accountability rests with the board and its committees, including the executive committees.



### FAIR PRACTICES COMMITTEE (FPC)

The FPC is mandated by the board to ensure that the fair treatment of clients is embedded as a core corporate value at all levels within the MMI group of companies. Furthermore, the FPC functions as the Discretionary Participation Committee of MMI's life companies, ensuring the compliance with, and the monitoring of any changes to the principles and practices of financial management. Finally, the FPC acts as the independent governance forum responsible for overseeing the implementation of, and adherence to, the Treating Customers Fairly initiative of the Financial Services Board (FSB). During the year under review, the FPC carried out the above functions.



### RISK, CAPITAL AND COMPLIANCE COMMITTEE

During the year, the Balance Sheet Management (BSM) Committee and the Risk and Compliance Committee merged to form the Risk, Capital and Compliance Committee. The committee is responsible for assisting the board in discharging its responsibility for risk, capital and compliance management within the MMI group. During the year, the committee focused on the review and challenge of the holistic risk profile (shareholder and policyholder risks) across MMI and

the supporting risk management processes. The committee oversees the key information technology risk exposure and the effective management thereof. The committee is also responsible for overseeing MMI's SAM implementation and this includes reviewing and approving policies and frameworks required under SAM, and oversight of the implementation of new risk appetite metrics and the Own Risk and Solvency Assessment (ORSA) process. The committee's role includes assisting the head of the risk management function and the head of the compliance control function in fulfilling his/her professional and statutory duties.



## NOMINATIONS COMMITTEE

The Nominations Committee makes recommendations to the board on various issues, such as the appointment of non-executive directors and executive directors; ensures that appropriate consideration is given to succession planning for key executives, including succession planning for the board and its committees and the appointment of members to board committees. The committee plays a critical role in overseeing corporate governance matters within the group and ensures that there is a clear balance of power and authority at board level to ensure that no one director has unfettered powers. During the preceding year, the following were some of the matters tabled at the Nominations Committee meetings: succession planning, such as that for the group finance director; changes to the compositions of the board and board committees; the new MMI client-centric model; the MMI annual board and committee assessments, which were conducted by an external third party; and fit and proper status of responsible persons within MMI.



## REMUNERATION COMMITTEE

The MMI Remuneration Committee (Remco) has an independent role to oversee the remuneration process, consider and approve remuneration-related issues and matters.

In the past year, a key focus point at Remco was to ensure that the MMI reward approach still aligns with good business practices and compliance as well as to ensure that the group remuneration policy/practices support the new MMI strategic objectives. Alignment with good business practice/compliance was achieved by introducing separate incentive plan performance conditions for control function holders, a revised performance bonus deferral scheme for executives as well as new minimum shareholding guidelines for the MMI Executive Committee. Based on extensive market benchmarks and in support of the new MMI strategic objectives, the Remco is currently finalising the optimal remuneration structure and pay mix for key executives. This will ensure that the MMI remuneration structure for both the guaranteed and variable components align with market norms and the new strategic long-term targets.



## ACTUARIAL COMMITTEE

The role of the Actuarial Committee is to impart effective actuarial expertise to the board, to enhance its understanding of technical actuarial matters; to assist the board in discharging its fiduciary duties to policyholders and shareholders; and to assist the statutory actuary in fulfilling his professional and statutory duties. During the year, in addition to these roles, the Actuarial Committee played an instrumental role in reviewing SAM Pillar I results and relevant SAM policies. The committee's role includes assisting the head of the actuarial control function in fulfilling his/her professional and statutory duties.



## AUDIT COMMITTEE

The Audit Committee ("committee") is an independent statutory committee appointed by the shareholders. In addition to its statutory responsibilities, the committee deals with duties that are delegated to it by the MMI Holdings board of directors. During the year, various issues were tabled, such as:

- Approval of the published MMI Holdings group financial results and relevant subsidiaries
- Trading updates
- Review of the integrated report
- To ensure flexibility, the risk-based internal audit plan for the 2016 financial year is now approved on a quarterly basis.
- Reviewing management's assessment of going concern
- Development of the combined assurance model
- Review of the group's internal financial controls (IFC)
- Recommendations on dividend proposals
- Review of the expertise, resources and experience of the company's finance function
- The committee oversaw the internal audit function and assessed the external audit proposal

The Audit Committee is assisted by combined assurance forums (renamed from divisional audit and risk panels), which report quarterly to the committee. The external and internal auditors attend committee meetings by invitation, present regular reports to the committee, and meet independently with the committee members from time to time. The committee monitors adherence to its roles and responsibilities against a well-structured matrix, which corresponds to the terms of reference of the committee and is in line with the Companies Act, King III recommendations, and other relevant prescripts.

The Audit Committee is also responsible for overseeing:

### Group internal audit

MMI group internal audit provides independent, objective assurance and services designed to add value and improve the organisation's operations. It assists the organisation in achieving its objectives by bringing a systematic, disciplined

approach to evaluating and assessing the effectiveness of risk management, internal control, and governance processes. Material issues are brought to the attention of the Audit Committee, the external auditors and members of executive management for their consideration and action.

The chief audit executive (CAE), in discharging of his/her duties, is accountable to the board and Audit Committee of MMI Holdings, which consists of MMI Holdings Ltd and its subsidiaries. The CAE reported administratively to the MMI Holdings finance director during the financial year under review, and also functionally to the Audit Committee chairperson. The Audit Committee decides on the CAE's appointment and removal, and takes joint responsibility for his/her performance evaluation.

The CAE resigned during 2014 and Janet Terblanche was appointed as the acting CAE, until such time as the process of appointing a new candidate, which is currently under way, is finalised. Following the group finance director's retirement at the end of the financial year, the chief audit executive now reports to the chief risk officer.

### Combined assurance forums

The Audit Committee is assisted by combined assurance forums (renamed from divisional audit and risk panels), which have been established in terms of its mandates and other licensed entity Audit committees. These forums report quarterly to the MMI Holdings Audit Committee. The roles and responsibilities, authority, composition, operations and other matters relating to these forums are delegated to them by the Audit Committee.

## APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Nominations Committee is responsible for identifying fit and proper candidates who could be appointed to the board, and evaluating them against the specific disciplines and areas of expertise required. The appointment, rotation, resignation and removal of directors are done in accordance with the company's constitution and the Companies Act. For more detail, please see the MMI Memorandum of Incorporation on the MMI website [www.mmiholdings.com](http://www.mmiholdings.com).

## ETHICS

### Code of conduct

MMI has a code of ethics and standards for conduct for ensuring that the requisite behaviour is aligned with its values. The group code of ethics is available on the MMI website [www.mmiholdings.com](http://www.mmiholdings.com).

The code of ethics and standards for conduct addresses the following areas, among others:

- Commitment to regulatory compliance
- Prohibiting giving and receiving of bribes

- Prohibiting facilitation payments
- Dealing with conflicts of interest
- Money laundering
- Prohibiting anti-competitive practices

### Reporting fraud and unethical behaviour

MMI has a number of business-specific anti-fraud and unethical behaviour reporting structures that include telecommunication lines and web reporting tools for all employees, customers and authorities in local and African subsidiaries. These reporting structures adhere to the standards set in relevant legislation and good corporate practices.

### Promotion of Access to Information Act, 2 of 2000

For the period under review, there were 25 requests for information received of which 11 requests were granted. Four requests were not completed due to outstanding documentation and four were referred to the relevant division for action in terms of contractual agreements. Six requests were declined.

### Information technology governance

MMI's business is critically dependent on its information systems and information technology (IT). To ensure proper governance and risk management of this key business function, Exco established the MMI IT Exco tasked with overseeing all IT governance and the IT strategy. The board is ultimately responsible for IT governance.

Key responsibilities of the IT Exco include:

- Development of an MMI IT philosophy and IT strategy
- IT risk management and assurance
- Approval of major investments in technology (in collaboration with the board and divisional chief executive officers)
- IT performance monitoring and measurement

The chairman of the IT Exco is the chief operating officer (COO), who is also a member of the MMI Exco. All IT governance issues are reported to the Risk, Capital and Compliance Committee of the board through the IT Exco. MMI has also appointed a chief technology officer (CTO) who, together with the COO takes ownership of and responsibility for the MMI IT philosophy, strategy and governance. The CTO reports to the COO.

### Managing IT risks

The IT Exco provides executive oversight and review of MMI's IT risk profile by:

- Ensuring the MMI IT risk management framework is appropriately implemented within all divisions, functions, group service areas and subsidiaries.
- Ensuring that MMI management is aware of their responsibilities as they relate to IT risk management and the implementation of controls.

- Ensuring the MMI’s IT risk exposure and the effectiveness of IT risk management processes are appropriate.
- Monitoring key corrective actions initiated by management and the IT risk management functions.
- Reporting key IT risk exposure and the effectiveness of the management thereof to the Risk, Capital and Compliance Committee.

## Business disruption and disaster recovery

MMI’s business continuity management (BCM) programme ensures that our business will be able to continue its critical business processes should a large-scale incident disrupt business activities. BCM testing and disaster recovery were conducted across the group during the year under review.

The programme is driven and owned by the operating divisions, with programme guidance, monitoring and reporting provided at group level. Annual activities performed as part of our BCM programme include:

- Updating our business impact analysis and recovery plans
- Reviewing our recovery strategy and plans
- Validating our recovery procedures by exercising them

- Ensuring awareness of BCM throughout the group
- Reporting on our BCM status and capability

## COMPLIANCE

The MMI compliance function is responsible for the compliance strategy of the group and oversees the effective implementation of the MMI compliance risk management policy. It is accountable to the board for managing and reporting identified compliance risks.

The compliance function is an integral part of the wider MMI risk management function and reports to the chief risk officer and the board. The chief risk officer reports to the group chief executive officer.

No material compliance breaches were reported during the period under review. MMI offers a wide range of financial services and is therefore subject to numerous legislative requirements when conducting business.

The following proposed and current legislation will have or already has a significant impact on our business:

| Legislation                                       | Management  |
|---|---|
| National Health Insurance (NHI)                   | Metropolitan Health is actively involved in this initiative and is monitoring its effect on MMI’s health business.  |
| Protection of Personal Information Act, 4 of 2013 | MMI is implementing controls to meet the requirements of the Act.   |
| Solvency Assessment and Management (SAM) regime   | MMI has a programme in place to meet the requirements and implementation is proceeding according to plan.   |
| Twin Peaks  | The Financial Sector Regulation Bill was the first in a series of Bills towards the implementation of the Twin Peaks model. This coupled with the Draft Insurance Bill and TCF Market Conduct Framework has prompted MMI to align itself with the new Regulatory regime. MMI is involved in industry initiatives aimed at the effective implementation of the new regulatory regime.  |
| Financial Intelligence Centre Amendment Bill      | The amendment to the legislation introduces a risk-based approach to the management of money laundering in order to combat financial crimes. MMI is participating in industry initiatives regarding the proposed amendments and is monitoring the impact thereof on the business.   |
| Retail Distribution Review                        | MMI is participating in Retail Distribution Review initiatives currently underway. These introduce proposals which prohibit the payment of commissions on investments and allow advisers to charge only advice fees in respect of these products. The proposals are also aimed at eliminating conflicts of interest that can result in customers being steered into inappropriate financial products and ensuring that financial institutions make customers fully aware of fees and commissions involved when financial advice is given. |
| Draft Demarcation Regulations                     | The Demarcation Regulations were published following the enactment of the Financial Services Laws General Amendment Act. These Regulations specify which types of health insurance policies are permissible under the Long-term and Short-term Insurance Acts and are accordingly excluded from regulation under the Medical Schemes Act. MMI has evaluated the affect the regulations could have on existing products and changes required to comply.  |
| Draft Regulations: Retirement Funds               | MMI is supportive of the Regulations that seek to lower charges and improve market conduct in the retirement industry. The draft regulations, when adopted, will require all retirement funds to operate a set of default policies that are in the long-term interests of members. The regulations will also prescribe the conditions that such default policies are required to meet.  |



## BOARD EVALUATION

In line with best practice and King III, MMI carried out an appraisal of the performance of the board, its committees and individual directors during July 2014. The appraisal was undertaken by an external consultant through a customised self-assessment questionnaire and was conducted over a period of one month. There was 100% participation by all the directors. In general, the appraisals revealed that the board and committees were performing well. Areas identified as requiring development were acknowledged and discussed at Nominations Committee and board level. The appraisal process is conducted annually and the next one will be conducted internally. An external assessment of the board is conducted every three to five years.

## COMPANY SECRETARY

The company secretary has unrestricted access to the chairman of the board and the chairpersons of all board committees, including the group CEO, and plays a vital role in ensuring the effectiveness of the board and its committees. The board of directors has satisfied itself that she is qualified and competent, in accordance with applicable legislation, to act as the group company secretary. There is an arm's-length relationship between the board and the company secretary in that the objectivity and independence of the company secretary is not unduly influenced. Her abbreviated CV is available on the MMI Holdings website [www.mmiholdings.com](http://www.mmiholdings.com).

## SHARE DEALING AND INSIDER TRADING

The group developed and adopted a policy on dealings in MMI securities, which was approved at the board meeting held in November 2013. The policy was subsequently amended to include an addendum, which deals with disclosure by members of the Executive Committee and key employees. In essence, the policy imposes closed periods to prohibit dealing in the company's shares before the announcement of interim and year-end financial results as well as in any other period considered price sensitive in accordance with the Listings Requirements of the JSE Ltd. The directors and company secretary (including their associates) of MMI Holdings Ltd and its major subsidiaries may not trade during a prohibited period. All employees of the group are prohibited from trading in the listed company's shares during closed periods unless clearance to trade has been obtained from the group company secretary under the direction of the chairman of the board. The policy has been widely distributed within MMI to ensure that directors and employees are familiar with its content. The board has also approved an Information Policy during June 2015 which deals with the identification, classification and effect of information arising in the ordinary course of business and information arising not in the ordinary course of business with respect to the listed company and the regulatory and group compliance requirements in respect thereof.

## POLITICAL PARTY SUPPORT

MMI endorses all the principles and institutions that support a free and democratic society. However, it does not make donations to or in favour of any political party.

## FINANCIAL REPORTING

The group's annual financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and are supported by reasonable judgements and estimates. The preparation is supervised by the group finance director, Mary Vilakazi, BCom (Hons), HDip Auditing, CA(SA). The directors are responsible for the financial statements of the group and the company, and are satisfied that they fairly present the financial position, performance and cash flows of the group and the company as at 30 June 2015. The external auditors are responsible for auditing the financial statements (see report on page 74). The embedded value statement is also subject to an independent review.

## SHAREHOLDER COMMUNICATION

The group maintains highly rated standards of shareholder communication that are widely recognised by members of the investment community. Over and above the normal interim and full-year financial disclosure, the group also publishes quarterly financial updates that are distributed to all relevant parties.

## DIRECTORS' INTERESTS

As a director of MMI's strategic empowerment partner, Kagiso Tiso Holdings (Pty) Ltd, Vuyisa Nkonyeni has an interest in the contractual relationship between the two parties.

The following non-executive directors are also directors of RMI Holdings Ltd, a 24.5% shareholder in MMI Holdings Ltd: Leon Crouse, Johan Burger and Khehla Shubane. Leon Crouse is a shareholder representative on the board and thus non-executive, but not independent.

## DIRECTORS' INDEPENDENCE

The board has considered the King III recommendations on independence of directors, as well as the provisions of the JSE Listings Requirements on the matter, and the individual status of the directors are recorded on pages 34 and 35 of this integrated report.

The company complies with the King III's recommendation of ensuring that the board comprises a majority of independent non-executive directors.

## DIRECTORS' SHAREHOLDINGS

The direct and indirect shareholdings and share dealings of the directors of MMI Holdings Ltd as at 30 June 2015 are set out on pages 58 and 59. Directors have access to the group's shares through the open market.

## DELEGATION OF AUTHORITY

The board has delegated the authority for the management of the group to the MMI group chief executive officer by way of a framework for the delegation of authority. In delegating these powers, the board has imposed certain restrictions, conditions and limits that they believe to be appropriate for the effective exercise of such delegated powers. The chief executive officer has, in turn sub-delegated authority to the chief executive officers of the operational structure and the heads of the support functions within MMI. The board reviews the delegation of authority regularly, as deemed appropriate. Despite having delegated power in this manner, it is still the ultimate duty of the board to monitor management's performance.

## MMI DIRECTORS' MMI SHAREHOLDING

AS AT 30 JUNE 2015

|                            | Direct beneficial '000 | Indirect beneficial '000 | Total '000   |
|----------------------------|------------------------|--------------------------|--------------|
| <b>Listed shares</b>       |                        |                          |              |
| Nicolaas Kruger            | 64                     | 315                      | 379          |
| Johan Burger               | 12                     | 942                      | 954          |
| Niel Krige                 |                        | 408                      | 408          |
| Syd Muller                 | 8                      | 42                       | 50           |
| Sizwe Nxasana              |                        | 60                       | 60           |
| Khehla Shubane             | 78                     | 7                        | 85           |
| Frans Truter               | 44                     | 433                      | 477          |
| Johan van Reenen           |                        | 40                       | 40           |
| <b>Total listed shares</b> | <b>206</b>             | <b>2 247</b>             | <b>2 453</b> |

## TRADES IN MMI SHARES

| 2014/2015        | Transaction date | Price  | Number of shares | Nature of transaction  | Extent of interest             |
|------------------|------------------|--------|------------------|------------------------|--------------------------------|
| Sizwe Nxasana    | 2014-12-31       | R30.19 | 119 925          | Delivered <sup>1</sup> | Direct                         |
| Sizwe Nxasana    | 2014-12-31       | R30.19 | 132 667          | Delivered <sup>2</sup> | Direct                         |
| Khehla Shubane   | 2014-12-31       | R30.19 | 132 667          | Delivered <sup>2</sup> | Direct                         |
| Ben van der Ross | 2014-12-31       | R30.19 | 132 667          | Delivered <sup>2</sup> | Direct                         |
| Sizwe Nxasana    | 2015-03-12       | R31.65 | 174 374          | Sale                   | Direct                         |
| Khehla Shubane   | 2015-03-12       | R31.65 | 54 449           | Sale                   | Direct                         |
| Ben van der Ross | 2015-05-14       | R32.21 | 68 989           | Sale                   | Direct                         |
| Ben van der Ross | 2015-05-15       | R32.24 | 63 678           | Sale                   | Direct                         |
| Sizwe Nxasana    | 2015-06-24       | R29.47 | 59 715           | Sale (Transfer)        | Direct transferred to indirect |
| Sizwe Nxasana    | 2015-06-24       | R29.47 | 18 503           | Sale (Donation)        | Direct                         |

## MMI DIRECTORS' MMI SHAREHOLDING

AS AT 30 JUNE 2014

|                            | Direct beneficial '000 | Indirect beneficial '000 | Total '000   |
|----------------------------|------------------------|--------------------------|--------------|
| <b>Listed shares</b>       |                        |                          |              |
| Nicolaas Kruger            | 64                     | 315                      | 379          |
| Wilhelm van Zyl**          | 400                    |                          | 400          |
| Johan Burger               | 12                     | 942                      | 954          |
| Blignault Gouws***         |                        | 210                      | 210          |
| Niel Krige                 |                        | 408                      | 408          |
| Syd Muller                 | 8                      | 42                       | 50           |
| Khehla Shubane             |                        | 7                        | 7            |
| Frans Truter               | 44                     | 433                      | 477          |
| Johan van Reenen           |                        | 40                       | 40           |
| <b>Total listed shares</b> | <b>528</b>             | <b>2 397</b>             | <b>2 925</b> |

## TRADES IN MMI SHARES

| 2013/14       | Transaction date | Price  | Number of shares | Nature of transaction | Extent of interest |
|---------------|------------------|--------|------------------|-----------------------|--------------------|
| Sizwe Nxasana | 2013-11-01       | R24.60 | 1 116 166        | Sale                  | Direct             |

## MMI DIRECTORS' RMI SHAREHOLDING

AS AT 30 JUNE 2015

|                            | Direct beneficial '000 | Indirect beneficial '000 | Total '000   |
|----------------------------|------------------------|--------------------------|--------------|
| <b>Listed shares</b>       |                        |                          |              |
| Johan Burger               |                        | 1 184                    | 1 184        |
| Jabu Moleketi              | 6                      | 14                       | 20           |
| JJ Njeke                   | 17                     |                          | 17           |
| Sizwe Nxasana              | 7                      |                          | 7            |
| Khehla Shubane             |                        | 10                       | 10           |
| Frans Truter               | 21                     | 145                      | 166          |
| <b>Total listed shares</b> | <b>51</b>              | <b>1 353</b>             | <b>1 404</b> |

## TRADES IN RMI SHARES

| 2014/2015      | Transaction date | Price  | Number of shares | Nature of transaction | Extent of interest |
|----------------|------------------|--------|------------------|-----------------------|--------------------|
| Khehla Shubane | 2014-11-20       | R41.37 | 4 000            | Purchase              | Indirect           |

## MMI DIRECTORS' RMI SHAREHOLDING

AS AT 30 JUNE 2014

|                            | Direct beneficial '000 | Indirect beneficial '000 | Total '000   |
|----------------------------|------------------------|--------------------------|--------------|
| <b>Listed shares</b>       |                        |                          |              |
| Wilhelm van Zyl**          | 8                      | 64                       | 72           |
| Johan Burger               |                        | 1 184                    | 1 184        |
| Blignault Gouws***         |                        | 102                      | 102          |
| Jabu Moleketi              | 6                      | 14                       | 20           |
| JJ Njeke                   | 17                     |                          | 17           |
| Sizwe Nxasana              | 7                      |                          | 7            |
| Khehla Shubane             |                        | 6                        | 6            |
| Frans Truter               | 21                     | 145                      | 166          |
| <b>Total listed shares</b> | <b>59</b>              | <b>1 515</b>             | <b>1 574</b> |

## TRADES IN RMI SHARES

| 2013/14            | Transaction date | Price  | Number of shares | Nature of transaction | Extent of interest |
|--------------------|------------------|--------|------------------|-----------------------|--------------------|
| Nicolaas Kruger    | 2013-10-23       | R27.52 | 8 127            | Sale                  | Direct             |
| Blignault Gouws*** | 2013-09-10       | R26.65 | 45 100           | Purchase              | Indirect           |
| Jabu Moleketi      | 2013-09-25       | R27.70 | 1 000            | Sale                  | Direct             |
| Jabu Moleketi      | 2014-03-31       | R28.76 | 1 900            | Sale                  | Direct             |

<sup>1</sup> Delivered, following the maturity of the employee component of FirstRand's 2005 black economic empowerment transaction and consequent unwind of the FirstRand Black Employee Trust on 31 December 2014.

<sup>2</sup> Delivered, following the maturity of the director component of FirstRand's 2005 black economic empowerment transaction and consequent unwind of the FirstRand Black Non-executive Directors Trust on 31 December 2014.

\* The number of shares was overstated by 11 279 in the SENS announcement dated 5 January 2015.

\*\* Resigned as director of MMI Holdings Ltd.

\*\*\* Retired as director of MMI Holdings Ltd.



## MEMBERS OF MMI HOLDINGS LTD BOARD AND COMMITTEES

AS AT 30 JUNE 2015 (including changes effected after 30 June 2015)

| Directors   | Independent committee members | Audit          | Actuarial       | Remuneration     | Social, ethics and transformation | Fair practices | Risk, capital and compliance | Balance sheet management <sup>1</sup> | Nominations     |
|---|-------------------------------|----------------|-----------------|------------------|-----------------------------------|----------------|------------------------------|---------------------------------------|-----------------|
| JJ Njeke (chairman)                                     |                               |                |                 |                  |                                   |                |                              |                                       | ✓ <sup>2</sup>  |
| Johan Burger (deputy chairman)                          |                               |                |                 | ✓ <sup>3,4</sup> |                                   |                |                              | ✓ <sup>2</sup>                        | ✓               |
| Nicolaas Kruger (group CEO)                             |                               |                | ✓               |                  | ✓                                 | ✓              | ✓                            | ✓                                     |                 |
| Preston Speckmann (group finance director) <sup>5</sup> |                               |                |                 |                  |                                   |                | ✓ <sup>5</sup>               | ✓                                     |                 |
| Mary Vilakazi (group finance director) <sup>6</sup>     |                               |                | ✓               |                  |                                   |                | ✓                            | ✓                                     |                 |
| Ngao Motsei (executive director) <sup>7</sup>           |                               |                |                 |                  |                                   |                |                              |                                       |                 |
| Leon Crouse   |                               |                |                 |                  |                                   |                | ✓ <sup>8</sup>               | ✓                                     |                 |
| Fatima Jakoet   |                               | ✓              |                 |                  |                                   |                | ✓                            |                                       | ✓ <sup>9</sup>  |
| Niel Krige  |                               |                |                 |                  |                                   |                |                              |                                       |                 |
| Jabu Moleketi   |                               |                |                 | ✓ <sup>3</sup>   | ✓                                 |                |                              |                                       |                 |
| Syd Muller  |                               | ✓              |                 |                  | ✓ <sup>2</sup>                    |                |                              |                                       |                 |
| Vuyisa Nkonyeni   |                               |                |                 |                  |                                   |                | ✓                            |                                       |                 |
| Sizwe Nxasana <sup>10</sup>                             |                               |                |                 | ✓ <sup>2,7</sup> |                                   |                |                              |                                       | ✓ <sup>7</sup>  |
| Khehla Shubane  |                               |                |                 |                  | ✓                                 | ✓              |                              |                                       |                 |
| Frans Truter  |                               | ✓ <sup>2</sup> |                 |                  |                                   |                | ✓ <sup>11</sup>              |                                       | ✓               |
| Ben van der Ross  |                               |                |                 | ✓                | ✓                                 | ✓ <sup>2</sup> |                              |                                       |                 |
| Johan van Reenen  |                               |                |                 | ✓                |                                   |                | ✓                            |                                       |                 |
| Louis von Zeuner  |                               | ✓              |                 |                  |                                   |                | ✓ <sup>2</sup>               | ✓                                     | ✓ <sup>12</sup> |
|   | Blignault Gouws               |                | ✓ <sup>13</sup> |                  |                                   | ✓ <sup>7</sup> |                              |                                       |                 |
|   | Stephen Jurisich              |                | ✓ <sup>2</sup>  |                  |                                   | ✓ <sup>6</sup> |                              |                                       |                 |
|   | George Marx                   |                |                 |                  |                                   | ✓              |                              |                                       |                 |
|   | Jaco van der Walt             |                |                 |                  |                                   |                |                              | ✓                                     |                 |
|   | Marli Venter                  |                | ✓               |                  |                                   |                |                              |                                       |                 |
|   | Sumarié Greybe <sup>14</sup>  |                | ✓ <sup>14</sup> |                  |                                   |                |                              |                                       |                 |

<sup>1</sup> Committee ceased to exist on 31 December 2014. Oversight of the activities of the balance sheet management function was handed over to the Risk, Capital and Compliance Committee.

<sup>2</sup> Chairperson

<sup>3</sup> Appointed 25 November 2014

<sup>4</sup> Appointed chairperson 1 July 2015

<sup>5</sup> Retired 30 June 2015

<sup>6</sup> Appointed 1 July 2015

<sup>7</sup> Resigned 30 June 2015

<sup>8</sup> Appointed 1 March 2015

<sup>9</sup> Resigned 1 September 2014

<sup>10</sup> Retired 30 September 2015

<sup>11</sup> Appointed 1 January 2015

<sup>12</sup> Appointed 1 September 2014

<sup>13</sup> Resigned 31 December 2014

<sup>14</sup> Appointed 21 April 2015 (consultant)

## ATTENDANCE AT MEETINGS FROM 1 JULY 2014 TO 30 JUNE 2015

|                                | Holdings board           | Audit          | Actuarial       | Remuneration   | Social, ethics and transformation | Fair practices | Risk, capital and compliance | Balance sheet management <sup>1</sup> | Nominations    |
|--------------------------------|--------------------------|----------------|-----------------|----------------|-----------------------------------|----------------|------------------------------|---------------------------------------|----------------|
| <b>Meetings held</b>           | <b>5</b>                 | <b>7</b>       | <b>3</b>        | <b>5</b>       | <b>3</b>                          | <b>3</b>       | <b>4</b>                     | <b>2</b>                              | <b>1</b>       |
| <b>Members</b>                 | <b>Meetings attended</b> |                |                 |                |                                   |                |                              |                                       |                |
| JJ Njeke                       | 4 <sup>2</sup>           |                |                 |                |                                   |                |                              |                                       | 1 <sup>2</sup> |
| Johan Burger                   | 4                        |                |                 | 3 <sup>3</sup> |                                   |                |                              | 2 <sup>2</sup>                        | 1              |
| Nicolaas Kruger                | 5                        |                | 3               |                | 3                                 | 3              | 4                            | 2                                     |                |
| Preston Speckmann              | 5                        |                |                 |                |                                   |                | 3                            | 2                                     |                |
| Ngao Motsei                    | 5                        |                |                 |                |                                   |                |                              |                                       |                |
| Leon Crouse                    | 4                        |                |                 |                |                                   |                | 1 <sup>4</sup>               | 2                                     |                |
| Fatima Jakoet                  | 5                        | 6              |                 |                |                                   |                | 3                            |                                       | 0 <sup>5</sup> |
| Niel Krige                     | 5                        |                |                 |                |                                   |                |                              |                                       |                |
| Jabu Moleketi                  | 3                        |                |                 | 3 <sup>3</sup> | 3                                 |                |                              |                                       |                |
| Syd Muller                     | 5                        | 7              |                 |                | 3 <sup>2</sup>                    |                |                              |                                       |                |
| Vuyisa Nkonyeni                | 5                        |                |                 |                |                                   |                | 3                            |                                       |                |
| Sizwe Nxasana                  | 4                        |                |                 | 5 <sup>2</sup> |                                   |                |                              |                                       | 1              |
| Khehla Shubane                 | 5                        |                |                 |                | 3                                 | 3              |                              |                                       |                |
| Frans Truter                   | 5                        | 7 <sup>2</sup> |                 |                |                                   |                | 2 <sup>6</sup>               |                                       | 1              |
| Ben van der Ross               | 4                        |                |                 | 4              | 2                                 | 3 <sup>2</sup> |                              |                                       |                |
| Johan van Reenen               | 5                        |                |                 | 5              |                                   |                | 4                            |                                       |                |
| Louis von Zeuner               | 5                        | 6              |                 |                |                                   |                | 4 <sup>2</sup>               | 2                                     | 1 <sup>7</sup> |
| Blignault Gouws <sup>8</sup>   |                          |                | 0 <sup>9</sup>  |                |                                   | 2              |                              |                                       |                |
| Stephen Jurisich <sup>8</sup>  |                          |                | 3 <sup>2</sup>  |                |                                   |                |                              |                                       |                |
| George Marx <sup>8</sup>       |                          |                |                 |                |                                   | 3              |                              |                                       |                |
| Jaco van der Walt <sup>8</sup> |                          |                |                 |                |                                   |                |                              | 2                                     |                |
| Marli Venter <sup>8</sup>      |                          |                | 3               |                |                                   |                |                              |                                       |                |
| Sumarié Greybe <sup>10</sup>   |                          |                | 2 <sup>10</sup> |                |                                   |                |                              |                                       |                |

<sup>1</sup> Committee ceased to exist on 31 December 2014. Oversight of the activities of the balance sheet management function was handed over to the Risk, Capital and Compliance Committee.

<sup>2</sup> Chairperson

<sup>3</sup> Appointed 25 November 2014

<sup>4</sup> Appointed 1 March 2015

<sup>5</sup> Resigned 1 September 2014

<sup>6</sup> Appointed 1 January 2015

<sup>7</sup> Appointed 1 September 2014

<sup>8</sup> Independent committee member

<sup>9</sup> Resigned 31 December 2014

<sup>10</sup> Appointed 21 April 2015 (independent consultant)