

Old Mutual Limited

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Old Mutual sacks suspended chief executive over conflict of interest

Old Mutual Ltd (LON:OMU) has fired chief executive Peter Moyo a month after suspending him over a conflict of interest related to an investment firm he founded.

The South African insurer said on Tuesday that it had been unable to reach an agreement with Moyo over the terms of his departure so it has terminated his employment.

The conflict of interest relates to investment company NMT Capital, which Moyo co-founded. An Old Mutual subsidiary took a 20% stake in NMT in 2004 but the group disclosed this when it appointed Moyo as chief executive.

READ: Old Mutual suspends chief executive following "material breakdown in trust and confidence"

Old Mutual said a report commissioned in 2018 brought to light various concerns "relating to Mr Moyo's conduct in relation to his conflicting interest" as a result of dividends paid out by NMT Capital that provided a R30.6mln (£1.65mln) benefit to Moyo and his investment firm.

The group said the dividends were declared in breach of Old Mutual's rights as preference shareholder and it had not been provided with an "acceptable explanation" as to why they were paid.

Old Mutual suspended Moyo on May 23 over the dispute.

"Mr Moyo's actions since the suspension contravened his fiduciary duties to Old Mutual, his contract of employment and his notice of suspension," the insurer said.

"Following unsuccessful attempts to engage on the terms of separation, the board has now resolved to give notice of termination of employment."

The company said it will start the process to find a new chief executive shortly. In the meantime, Iain Williamson has been acting chief executive since Moyo's suspension, will continue in the role.

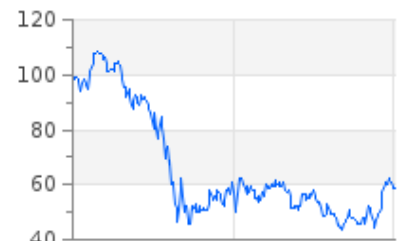
Moyo rejoined Old Mutual in June 2017, initially as head of its emerging markets division prior to the break-up of the group into four separate entities and his promotion to CEO of Old Mutual Limited.

He had previously served as deputy managing director of Old Mutual, before leaving in 2005 to head up financial services group Alexander Forbes.

Price: 61.12

Market Cap: £2.88 billion

1 Year Share Price Graph



November 2019 May 2020 November 20

Share Information

Code: OMU

Listing: LSE

| | | |
|----------------|-------------|------------|
| 52 week | High | Low |
| | 110.2 | 42.76 |

Sector: Insurance

Website: www.oldmutual.com

Company Synopsis:

Old Mutual Limited (OML) is a premium African financial services group that offers a broad spectrum of financial solutions to retail and corporate customers across key markets in 17 countries.

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