

BOARD ACTIVITIES

What we did in 2020/21

2020

April

- Reviewed the initial impact of COVID-19 on the group, in terms of any customer issues, operational resilience and other risk matters
- Considered an update on the well-being of employees, and the switch to staff predominantly working from home
- Discussed the guidance issued by the South African and UK regulators in respect of COVID-19.

May

- Reviewed and approved the going concern and the viability statement
- Received a detailed update from the DLC Audit Committee in respect of the impact of COVID-19, structured products, going concern considerations and issues raised by assurance providers
- Assessed the performance of the UK structured products book
- Approved the financial results for the year ended 31 March 2020
- Discussed and recommended the re-appointment of the external auditors.

July

- Gained comfort with respect to the ongoing risk management of the UK structured products book
- Reviewed detailed updates on the performance of IW&I (UK), IW&I (SA), Specialist Bank (SA) and Specialist Bank (UK)
- Considered and approved a repurchase of up to 20% of Investec Limited perpetual preference shares in issue
- Discussed feedback from shareholder roadshows
- Approved the Investec Limited Recovery and Resolution Plan
- Approved the appointment of PwC as joint auditor for Investec Limited from 1 April 2023, subject to regulatory approval.

September

- Approved the appointments of Stephen Koseff and Richard Wainwright to the board
- Received an update on the group's performance and operating environment
- Discussed progress against the group's key strategic initiatives
- Reviewed and approved the pre-close briefing statement
- Debated the potential impact of Brexit
- Approved the COVID-19 liquidity stress impact and contingency funding plan
- Considered the composition of the board and the board committees
- Discussed the review of the Chair's effectiveness
- Reviewed a detailed presentation on workforce engagement, including key themes and actions
- Considered the AGM results.

BOARD ACTIVITIES
CONTINUED

2020

November

- Considered an update on the impact of the COVID-19 pandemic, and the actions taken in respect of our employees, clients and communities
- Interrogated an update received on the UK structured products book
- Approved the financial results for the half year ended 30 September 2020
- Approved an interim dividend
- Approved the Investec plc recovery and resolution plan
- Approved the Investec plc ICAAP and ILAAP
- Discussed the review of the Chair's independence
- Considered the succession plan for the board
- Approved the Conflicts of Interest Policy
- Approved the appointment of a Debt Officer.

December

- Discussed progress against the group's strategic objectives
- Reviewed the group's key strategic initiatives
- Analysed an update on the group's financial outlook
- Considered proposals in regards to the strategies for the group's principal operating subsidiaries
- Evaluated potential strategic options for the group
- Considered cultural transformation initiatives
- Received an update in respect of the group's governance framework
- Discussed shareholder and stakeholder matters.

2021

February

- Received an update on the group's performance and operating environment
- Interrogated an update received on risk and operations
- Discussed an update from management on the restructure of IBP, including the impact of the redundancy programme on employees
- Considered the succession plan for the leadership team
- Received an update from the board sub-committee on the succession process for the Chair
- Discussed the outcome of the annual board effectiveness review and agreed actions arising from it
- Discussed an update from management on the group's conduct, culture and values
- Approved the Investec plc and IBP risk appetite and policies.

March

- Received an update on the group's performance and operating environment
- Discussed progress against the group's key strategic initiatives
- Interrogated an update received on the UK structured products book
- Approved the 2021/22 budget and operating plan
- Considered the appropriateness of the pre-close briefing statement
- Considered the succession plan for the board
- Approved the Board Governance and Diversity Policy.

BOARD ACTIVITIES
CONTINUED

How the board engages with our stakeholders

Purpose-led considerations

We believe that effective governance enables us to deliver our purpose, vision and strategy.

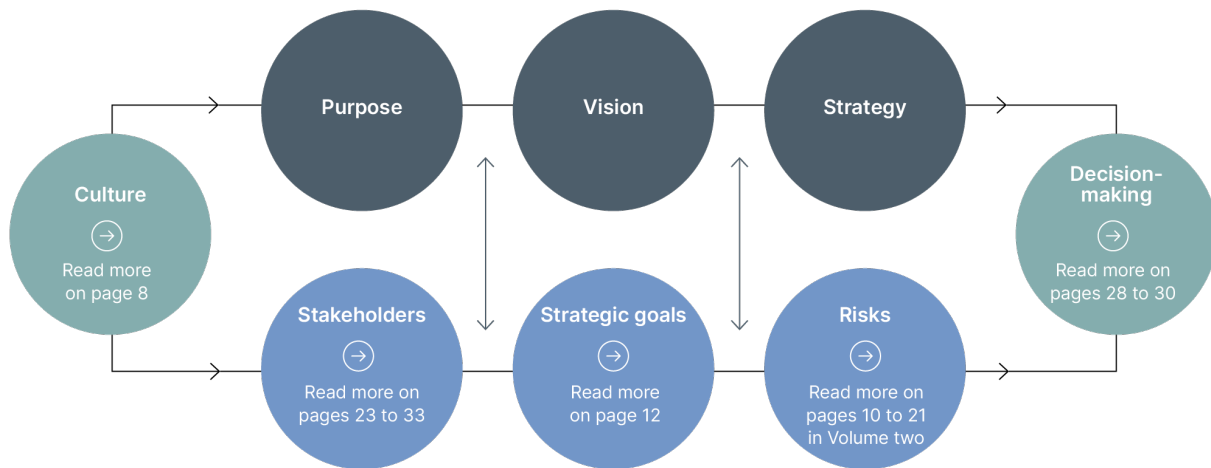
During the year, given the impact of the COVID-19 pandemic, the board has focused on protecting the health and well-being of our people, and supporting our clients, communities, and other stakeholders. At the same time, it has ensured that the group remains secure and resilient, both financially and operationally.

The challenges posed by the COVID-19 pandemic required us to consider how to balance decisions in a way that optimises our strategy, accounts for the interests of all our stakeholders, and supports the promotion of our purpose and unique culture.

Achieving this balance demands a board that prizes constructive challenge, openness and diversity and is committed to act fairly and in the interests of all our stakeholders.

The views, perspectives and insights of our key stakeholder groups are influential factors that are considered whenever we make key operational, investment and business decisions.

Further information about our key stakeholder groups, including our consideration of shareholder and wider stakeholder interests in the board's decision-making processes are set out in the section 172(1) statement on pages 23 to 33.



Workforce engagement

The recognition that our people are vital to the delivery of the group's strategy is reflected by the board's extensive engagement with employees during the year.

The board agreed its approach to workforce engagement in 2019, as detailed in last year's annual report, and this has remained unchanged.

Philip Hourquebie, our designated non-executive director responsible for workforce engagement for the group, continues to meet with the designated non-executive directors for IBP (Moni Mannings) and IW&I UK (Cath Thorpe) on a quarterly basis.

A workforce engagement report is prepared, comprising a summary of the board and management's employee engagement activity, the key issues raised by employees, and the actions undertaken to address those issues.

During the year, our workforce engagement reports covered all matters related to employee engagement, including strategy, culture, remuneration and our response to the COVID-19 pandemic.

Our employee engagement activity across our geographies, has intensified in the past year, despite face-to-face contact being severely limited by COVID-19. With the addition of further communication sessions with management, and increased distribution of our online employee magazine, Inside Track.

Management subsequently report the engagement activities to their respective boards, with the designated non-executive director highlighting the matters of interest from our people to support the key decision-making of their respective boards.

A number of issues identified by workforce engagement activities were invaluable in informing board discussions and decisions. These included decisions taken regarding the future of work, such as our workplace solutions and working practices going forward, belonging, inclusion and diversity, our Employment Equity Plan, and the progress of key strategic initiatives, including One Investec and our client-led strategy for IBP.

The board also agreed various measures of support for employees in response to the COVID-19 pandemic, including the prioritisation of employee well-being, with additional digital resources being made available to support our people.

Further information on the board's engagement with our workforce can be found on page 24.

BOARD EFFECTIVENESS

Board effectiveness

The board's annual effectiveness review, which is facilitated externally at least once every three years, provides an opportunity for the board to reflect, and to consider ways of identifying greater efficiencies, maximising strengths and highlighting potential areas of further development, to enable the board to continue to enhance its own performance.

An external effectiveness review was last conducted in 2018, facilitated by Professor Robert Goffee, an external governance specialist, with internal reviews conducted in 2019 and 2020. The 2021 review is expected to be externally facilitated, with the DLC Nomdac taking responsibility for identifying an external facilitator.

Below, we outline the various stages of the 2020 internal review.

Stage 1

The DLC Nomdac, with the assistance of the company secretaries, prepared a self-assessment questionnaire, which was distributed digitally to all the directors for completion in November 2020. The questionnaire sought the directors' views on a range of topics including: the performance and effectiveness of the board and the board committees; the balance of skills, knowledge, experience and diversity; board composition and size; the quality and timeliness of information; strategy; planning and performance; culture; and the company secretarial support for directors and committees.

Stage 2

The Chair held a one on one meeting with each of the directors. These meetings were to discuss the responses to the questionnaire, and to provide the opportunity to raise any other matters pertaining to the board or the board committees.

Stage 3

A report was prepared by the company secretaries, based on the results of the questionnaire and the matters raised in the meetings with the Chair.

The draft report was then discussed with the Chair, whose feedback was incorporated into a final discussion paper for onward circulation.

Stage 4

The final report was presented to the board in February 2021, following its consideration by the DLC Nomdac.

A thorough review and discussion took place, with actions agreed for implementation and monitoring.

Board review insights

The review identified the particular strengths of the board to be its collaborative nature, and the level of constructive challenge provided.

From a development perspective, the review highlighted certain areas of focus that would further improve the effectiveness of the board. These were considered by the board and an appropriate action plan agreed.

Committees

The board committees were also reviewed and, overall, were considered to function well in terms of their effectiveness, decision-making and the rigorous manner in which they addressed any issues brought to their attention.

Chair

The Chair was considered to provide robust leadership for the board, and to strengthen the link between the executive and non-executive members of the board.

Board action plan

The board action plan for 2021/22 includes:

- Enhancing the role that the board plays in respect of culture
- Increasing the level of diversity on the board
- Supporting greater strategic and forward-looking discussion
- Increasing the focus given to succession planning.

Stages of the board review

