Annual statement from the remuneration committee chair

Philip Hourquebie
21 June 2021

	Eligible to attend	Attended
Philip Hourquebie (Chair)	11	11
Henrietta Baldock	7	7
Zarina Bassa	11	11
Perry Crosthwaite	11	11
Charles Jacobs	11	11

Key achievements in FY 2021
- Developed a new Directors' Remuneration Policy with input from all relevant stakeholders. This policy will be subject to a vote by shareholders at the 2021 AGM on the 5th of August
- Set revised executive director targets that were appropriate in light of the uncertainty caused by the COVID-19 pandemic

Areas of focus in FY 2022
- Continuing to oversee the cascade within the organisation of remuneration structures that align with all key stakeholder interests
- Continue to engage with our key stakeholders including shareholders and our employees
- Setting of appropriate executive director targets

In this section
- Performance in the year
- Remuneration overview for the year
- Executive director outcomes
- Exercise of discretion
- Malus and clawback
- Group-wide employee remuneration
- Proposed Directors' Remuneration Policy
- Compliance and governance statement
- Response to shareholder feedback
- Proposed new share plans
- Non-executive director fees
- Looking ahead
- Approvals

Dear shareholders
On behalf of the board and as Chair of the Remuneration Committee, I am pleased to introduce the Directors' Remuneration Report for the year. We are thankful for the constructive engagement we have received from our shareholders and executives during the year.

Performance in the year
The 2021 financial year was a tale of two halves. First half performance was characterised by difficult and volatile market and economic conditions attributable primarily to COVID-19. The second half showed strong earnings recovery, supported by our resilient client base, a rebound in economic activity and a greater sense of optimism spurred on by global vaccination campaigns.

The South African Specialist Banking business produced an excellent performance in a difficult environment reporting profits that were flat year on year in Rands. The UK Specialist Bank client franchises performed strongly, showing continued traction in our client acquisition strategy across the business, reporting loan book growth of 8.7%.

The Wealth & Investment business achieved record levels of funds under management and operating profit.

The group's adjusted operating profit of £377.6 million is 38% behind the prior year (2020: £608.9 million), while adjusted operating profit from continuing operations of £377.6 million is 9.9% behind the prior year (2020: £419.2 million). For remuneration purposes an adjusted operating profit of £377.6 million has been used, which is the group's adjusted operating profit as reported. This results in the 2021 short-term incentive "pool of profit" having reduced 35% compared to 2020.

Remuneration overview for the year
Shareholders approved a revised Directors' Remuneration Policy in August 2020. Key features of that revised policy included:

- a 25% reduction in fixed remuneration, all paid in cash;
- a similar percentage reduction in on-target and maximum remuneration potential;
- delivering all variable remuneration in shares; and
- a 50% increase in the shareholding and post-termination shareholding requirements for executive directors.

In addition, the fees for non-executive directors (NEDs) were reduced by between 10% and 20%.

Our executive and non-executive directors donated a portion of their remuneration/fees via salary sacrifice during the year to COVID-19 causes, including the Solidarity Fund in South Africa.

For the financial year ending 31 March 2021, these policy changes resulted in a 25% reduction in fixed remuneration for the executive directors. The 2021 remuneration single figure increased by 41.1% from 2020, however it reduced by 12.3% from the 2019 financial year, being the last financial year not impacted by the COVID-19 pandemic. In addition, the following actions impacted the 2020 remuneration outcomes:

- the two executive directors who remained following the demerger of Ninety One (Fani Titi and Nishlan Samujh) rescinded their 2020 short-term incentive (STI), at their own request, to recognise the experience of their colleagues and our shareholders; and
- the Remuneration Committee exercised downward discretion to remuneration outcomes in three places.

The Remuneration Committee believes that the executive directors have performed very well in what has been an extremely challenging year, and therefore that the remuneration outcomes are reflective of the overall financial and non-financial performance for the year.

Executive director outcomes
Short-term incentive (STI) 2021
Return on equity of 6.6% was achieved which is above the target of 6.0% and below stretch of 7.0%. The return on risk-weighted assets (RORWA) was 0.82% which was again above the target level of 0.75% but below stretch of 1.00%. A cost to income ratio of 70.9% was achieved which was better than the threshold level of 72.0% but did not achieve the target level of 70.0%. This

ANNUAL STATEMENT FROM THE REMUNERATION COMMITTEE CHAIR
CONTINUED

resulted in overall vesting of the financial elements at 105.5%.

The committee assessed achievement against the non-financial objectives at 125% of target for culture and values, 100% of target for ESG related measures and 75% of target for prudential and risk management related measures, resulting in the overall vesting of non-financial elements at 98.8% of target.

The overall short-term incentive vested at 104.2% of target. Full details of the financial and non-financial performance measures and outcomes are outlined on pages 178 to 179.

Long-term incentive (LTI) 2018 – 2021
The growth in tangible net asset value over the three year period was 34.2%, above on-target performance of 30.0% but below stretch of 45.0%. The average return on risk-weighted assets of 1.16% over the three year performance period was below on-target performance of 1.20%, while exceeding threshold performance of 0.70%. The committee assessed culture and values, franchise development, employee relationships, governance and regulatory relationships all at 100%. Achievements against both financial and non-financial measures resulted in the 2018 long-term incentive vesting at 102.5% (against a target of 100% and a maximum of 135%). Full details of the financial and non-financial performance measures and outcomes are outlined on pages 180 to 181.

Exercise of discretion
As in the prior year, the committee considered exercising its discretion but was comfortable that the remuneration plans were operating as desired and accordingly the committee did not need to exercise any discretion. The committee also reviewed other data sources including external market data to satisfy itself that the overall remuneration to executive directors was appropriate.

Malus and clawback
The committee duly and carefully considered, against pre-established criteria, whether malus and/or clawback should be applied to any unvested or vested variable remuneration awards, respectively. The committee considered all significant losses and write-downs during the year but concluded that in all cases due governance and process had been adhered to. As none of the malus and clawback thresholds were triggered, no application of these mechanisms was made.

Group-wide employee remuneration
Our remuneration approach is designed to foster a high performance culture that enables an entrepreneurial spirit as well as a strong sense of ownership. We reward our people for the contribution that they make through payment of a fixed package, variable performance bonus, and ownership through a share incentive scheme. We strive to provide a working environment that stimulates extraordinary performance within our risk appetite and prudential limits so that executive directors and employees may be positive contributors to our clients, our communities and the group.

The fixed pay comprises salary, role based allowances in certain circumstances, and benefits.

The fixed pay is generally aligned with local market practice. The general employee pension contribution is funded by the company in addition to the salary and allowances. For the executive directors, the pension contribution is deducted from the fixed pay. Therefore on a net basis the executive directors are not in a preferential position in relation to pension contributions when compared to the general employee population.

All employees are generally eligible for an annual bonus and/or short-term incentive based on a mix of financial and non-financial measures. Non-financial performance is more heavily weighted for non-revenue generating employees when determining their bonus.

In principle, all employees are eligible for long-term share incentives; this is designed to give our people a sense of ownership, so they feel invested in the organisation.

Proposed Directors' Remuneration Policy
We are proposing a new remuneration policy, effective 1 April 2021, which we believe is aligned with our strategy to simplify and focus on growth through five strategic objectives:

- Capital discipline;
- Growth initiatives;
- Improved cost management;
- Digitalisation; and
- Greater connectivity.

Proposed executive director fixed and maximum total remuneration remain unchanged, following a 25% reduction in the 2021 policy (as approved by shareholders at the AGM in 2020). The exception to this is the Group Finance Director for whom it is proposed fixed remuneration will increase to £650 000.

The on-target level of STI is set at 100% of fixed pay, similar in practice to the level under the current adjusted operating profit (AOP) linked model. The maximum STI opportunity will be set at 200% of on-target, to reward exceptional performance, meaning that the on-target STI is set at 50% of the maximum. Pay at threshold performance will increase to 25%, which is considered to be in line with broader market practice. In line with UK regulation for level 2 banks, total maximum variable remuneration (STI and LTI) will remain capped at the same level as before, at approximately 240% of fixed remuneration (in line with the standard calculation for determining the precise remuneration cap). The current extended deferral provisions will continue to apply, with a significant proportion of the total STI award deferred over a three to seven year period with a further one year retention period, well in excess of the provisions at some of our peer companies in the UK and South Africa.

We are proposing to replace return on risk-weighted assets (RORWA) as a performance measure in the STI with profit before tax (PBT). This is because the committee believes the comparability of RORWA across the industry, and over time within the organisation, is limited.

The standard LTI grant will reduce from 100% to 80% of fixed remuneration.

LTI vesting at threshold performance will increase to 25%, in line with external practice. We are proposing to replace RORWA as a performance measure with Return on Equity (ROE) and relative total shareholder return (TSR), for the reasons outlined above in STI. Many shareholders further expressed a preference for ROE and TSR as a performance measure.

The non-financial metrics have also been simplified and now account for 20% of the total for both STI and LTI awards. The non-financial metrics will include strategic objectives which are directly relevant to Investec's business priorities and ESG goals which link to targets as set out in Investec's broader sustainability reporting.

ANNUAL STATEMENT FROM THE REMUNERATION COMMITTEE CHAIR
CONTINUED

A risk modifier will also be introduced to both the STI and LTI.

Compliance and governance statement
The remuneration report complies with the provisions of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended), the UK Corporate Governance Code, the UK Companies Act 2006, the Rules of the UK Listing Authority, the UK Financial Conduct Authority rules, the PRA and FCA Remuneration Code, the South African King IV Code of Corporate Practice and Conduct, the South African Companies Act 2008, the JSE Limited Listings Requirements and the South African Notice on the Governance and Risk Management Framework for Insurers, 2014.

The report also contains Pillar III disclosure as mandated by the UK's PRA.

Response to shareholder feedback
We undertook consultation with our key shareholders in 2020, focusing on our one year proposed remuneration policy, which was approved at the 2020 AGM. The key change in this policy was a reduction in remuneration of approximately 25%. We received considerable positive feedback and support from a range of shareholders during that process, but were disappointed to receive votes in favour of the remuneration resolutions at slightly below 80%.

Subsequently we engaged in an extensive consultation exercise in February 2021 with our key shareholders to obtain input into the design of our proposed 2022 remuneration policy. We predominantly received positive and constructive feedback. We incorporated changes as a result of this feedback. These changes aim to align reward more closely with business performance and adherence to our strategy.

We look forward to consulting further in the run up to the AGM, as we normally do.

The proposed Directors' Remuneration Policy can be found on pages 160 to 169.

Proposed new share plans
We would like to introduce new share plans, the Investec plc Share Incentive Plan 2021 in the plc regions and Investec Limited Share Incentive Plan 2021 in the Limited regions, that can be used to grant awards to all employees including executive directors. The purpose of the new share incentive plans is to update the existing documents after an extensive review of the legal and tax rules in all relevant jurisdictions. As the proposed plans can be used to grant awards to all employees there is considerable flexibility in the types of awards which can be granted under the plans.These plans will be approved for the ensuing 10 year period and a summary of the plans will be included in the AGM circular which will include resolutions for approval by shareholders.

Non-executive director fees
The fee structure for non-executive directors has been reviewed and proposed fees for 2022 are detailed on page 189.

Looking ahead
Our proposed approach to executive remuneration is designed to incentivise exceptional performance from our executives, adherence to our strategy and ensure that all stakeholders, including shareholders and executives, are rewarded appropriately.

We are committed to ensuring we have remuneration structures that support the group's strategy and align with all stakeholder interests (as appropriate), allowing the group to deliver strong performance.

Approvals
We are seeking shareholder approval at the 2021 annual general meeting for:

- Proposed Directors' Remuneration Policy (pages 160 to 169)
- Our non-executive directors' remuneration (page 170)
- Our Directors' Remuneration Report for the year ended 31 March 2021 (pages 172 to 192)
- Proposed new share plans (page 188)

Signed on behalf of the board

Philip Hourquebie
Chair, DLC Remuneration Committee
21 June 2021

Remuneration at a glance

Inside this section

Remuneration overview for the year
Performance and remuneration
Executive director remuneration outcomes

Remuneration overview for the year
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- the two executive directors who remained following the demerger of Ninety One (Fani Titi and Nishlan Samujh) rescinded their 2020 STI, at their own request, to recognise the experience of their colleagues and our shareholders; and
- the Remuneration Committee exercised downward discretion to remuneration outcomes in three places.

Note that the 2021 STI "pool of profit" automatically adjusted downwards in line with the adjusted operating profit for the financial year. Adjusted operating profit from continuing operations of £377.6 million is 9.9% behind the prior year (2020: £419.2 million). The overall 2021 STI "pool of profit" has reduced 35% compared to 2020 predominantly due to the demerger of the Ninety One business.

The Remuneration Committee believes that the executive directors have performed very well in what has been an extremely challenging year, and therefore that the remuneration outcomes are reflective of the overall financial and non-financial performance for the year.

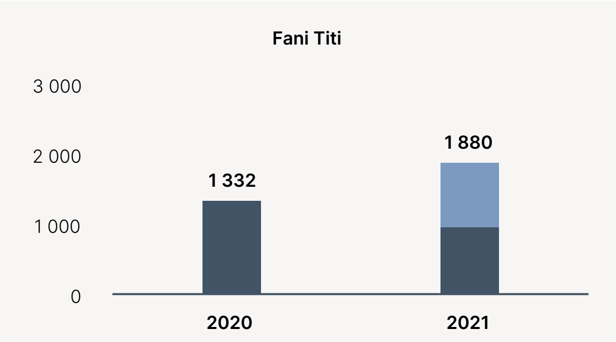
Performance and remuneration

Performance	Remuneration across the group	Chief Executive remuneration
£377.6mn **AOP** (2020: £579.6mn*)	£867mn **Total pay bill** 2020: £846mn)	£1,879,798 **Single figure** (2020: £1,332,000)
6.6% **ROE** (2020: 11.0%)	80% **% of employees who received an annual salary increase** (2020: 50%)	96.0% **Pay as a % of on-target remuneration; value at grant** (2020: 61.2%)
0.82% **RORWA – 1 year performance** (2020: 1.13%)	35.3% **Investec plc – mean hourly gender pay gap** (2020: 36.0%)	104.2% **Annual bonus % of STI pool** (2020: 19.8%)
70.9% **Cost to income ratio** (2020: 72.3%)	36.1% **Investec plc – median hourly gender pay gap** (2020: 37.4%)	102.5% **LTIP vesting (former Chief Executive – 2018 award)** (2020: 76.3%)
1.16% **RORWA – 3 year performance** (2020: 1.36%)	27.1% **Investec Limited – mean hourly gender pay gap** (2020: 31.7%)	41.1% **Total remuneration change** (2020: -37.9%)
34.2% **Growth in TNAV** (2020: 27.8%)	24.1% **Investec Limited – median hourly gender pay gap** (2020: 26.0%)	38.1 **Global CEO pay ratio** (2020: 31.0)

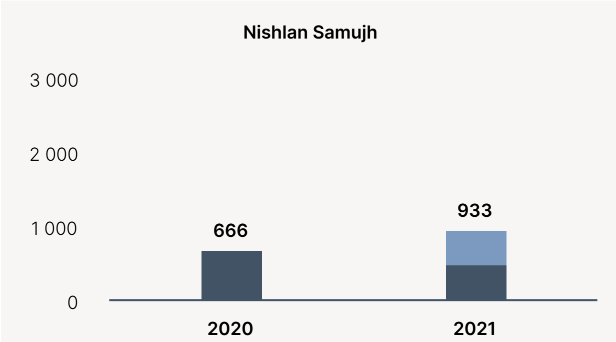
* Adjusted downwards for remuneration purposes - published AOP of £608.9m but after the deduction of profit attributable to non-controlling interests of discontinuing operations. Adjusted operating profit from continuing operations is 9.9% down on prior year.
Note: The current executive directors do not yet have vesting LTI awards.

REMUNERATION AT A GLANCE
CONTINUED

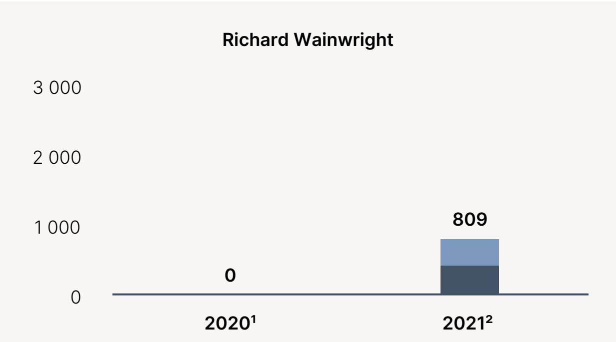
Executive director remuneration outcomes
Single figures of remuneration, calculated based on the value of fixed remuneration paid during the year, short-term incentives awarded for the year and long-term incentives where the performance conditions were assessed during the year. Due to the uncertainty of the economic climate as a result of the health pandemic, the 2020 STI was rescinded by Fani Titi and Nishlan Samujh (at their own request). The fixed pay detailed below may appear lower than that contained within the Directors' Remuneration Policy as any amounts of fixed remuneration that were donated via salary sacrifice directly to COVID-19 causes have been removed from the fixed pay totals detailed below.



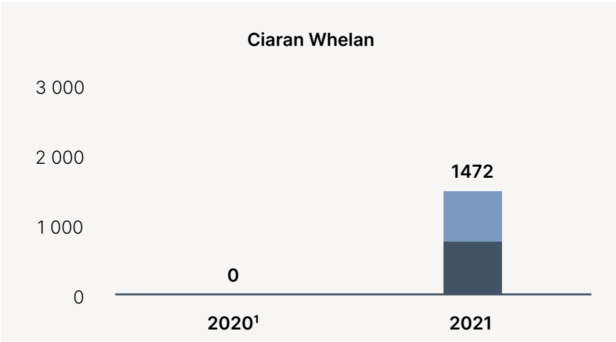
	2020	2021
Fixed Pay	1332	975
Short-term incentive	0	905
Long-term incentive vested	0	0



	2020	2021
Fixed Pay	666	481
Short-term incentive	0	452
Long-term incentive vested	0	0



	2020	2021
Fixed Pay	—	429
Short-term incentive	—	380
Long-term incentive vested	—	0



	2020	2021
Fixed Pay	—	764
Short-term incentive	—	708
Long-term incentive vested	—	0

1. 2020 remuneration not disclosed for Richard Wainwright and Ciaran Whelan as they were not executive directors in 2020.
2. Pro rata 2021 remuneration disclosed for Richard Wainwright to reflect the period of the year that he was an executive director.

REMUNERATION AT A GLANCE
CONTINUED

Achievement against short-term incentive metrics – executive directors 2021

Measures		Weighting	Threshold / Target / Stretch	2021 Targets Threshold (0%)	Target (100%)	Stretch (150%)	Outcome Actual performance	% of target
Financial	Return on risk-weighted assets	30%		0.55%	0.75%	1.00%	0.82%	114.8%
	Return on equity	30%		5.0%	6.0%	7.0%	6.6%	130.0%
	Cost to income ratio	20%		72.0%	70.0%	68.0%	70.9%	55.0%
Non - financial	Culture and values	7%		0	4	6	5	125.0%
	ESG related measures	5%		0	4	6	4	100.0%
	Prudential and risk measures	8%		0	4	6	3	75.0%
Total		**100%**						**104.2%**

Achievement against long-term incentive metrics – executive directors (2018 awards)

Measures		Weighting	Threshold / Target / Stretch	2018 Targets Threshold (0%)	Target (100%)	Stretch[1] (150%)	Outcome Actual performance[2]	% of target
Financial	Growth in tangible net asset value	40%		15.0%	30.0%	45.0%	34.2%	113.9%
	Return on risk-weighted assets	35%		0.70%	1.20%	1.60%	1.16%	91.2%
Non - financial	Culture and values	4%		0	2	4	2	100.0%
	Franchise development	13%		0	2	4	2	100.0%
	Governance and regulatory	4%		0	2	4	2	100.0%
	Employee relationship	4%		0	2	4	2	100.0%
Total		**100%**						**102.5%**

1. 200% at stretch for non-financial measures.
2. Assessed over the performance period from 1 April 2018 to 31 March 2021.

THE REMUNERATION COMMITTEE

The remuneration committee

Inside this section

Composition and role of the committee
Advice to the committee
Activities in the year
Priorities for the committee in 2021
Shareholder voting and shareholder engagement

Composition and role of the committee

Philip Hourquebie served as Chair of the committee throughout the year. The other members of the committee during the year were Zarina Bassa, Henrietta Baldock (from 8 September 2020), Perry Crosthwaite and Charles Jacobs.

The committee's terms of reference are subject to annual review and available on our website.

Advice to the committee

The committee was assisted in its considerations by Korn Ferry. Korn Ferry is a signatory to the UK Remuneration Consultants Group's Code of Conduct and does not conduct any material work for the company other than for the committee. The committee appoints Korn Ferry on an annual basis and evaluates the advice received to ensure that it is both objective and independent and considers whether this service should be retained for the forthcoming year. The committee considered Korn Ferry's role as an advisor to the group, and determined that there were no conflicts or potential conflicts arising. The committee is satisfied that the advice the committee received is objective and independent.

Total fees paid to Korn Ferry for the year amounted to £80,403 (based on their standard hourly rates).

The committee also received advice, supporting documentation and information from specialists in the business including the Group Finance Director, Global Head of People and Organisation, Global Head of Reward and Head of Share Schemes. These individuals providing support to the committee are not board directors and are not appointed by the committee, with the exception of the Group Finance Director. The committee recognises and manages any conflicts of interest when receiving views from executive directors or senior management on executive remuneration proposals. No individual decides their own remuneration.

Priorities for the committee in 2021

The key priority for the committee in 2021 was consulting with shareholders and other relevant stakeholders to develop a new Directors' Remuneration Policy aligning to the group strategy. In addition the committee also dealt with the challenges and implications of the COVID-19 health pandemic and setting of appropriate targets for the short- and long-term incentives.

Shareholder voting and shareholder engagement

In addition to our usual July shareholder engagement, the Chair of the Remuneration Committee engaged in an extensive consultation exercise in February 2021 with our key shareholders to obtain input into the design of our 2022 remuneration policy. We, by and large, received positive and constructive feedback and we incorporated some changes as a result of this feedback. These changes aim to align reward more closely with business performance and adherence to our strategy. Consultation will continue as usual in the run up to the AGM.

Activities in the year

	5 May	27 May	4 June	15 July	9 Sep	20 Oct	30 Oct	11 Nov	2 Dec	3 Feb	10 Mar
Directors' Remuneration Report	●	●	●	●							
2022 remuneration policy for executive directors				●				●		●	●
Variable remuneration for executive directors for 2019/2020		●	●								
Executive director remuneration targets					●	●	●	●			
NED fees	●	●									
Feedback from AGM voting results					●						
Consideration of shareholder feedback from roadshows				●	●						●
Annual reward review for senior management, material risk takers, control function employees and other employees	●		●	●					●		
Executive Team remuneration approach		●	●	●	●			●			
Share awards to employees	●		●						●		
Mid-year bonus review for Investec Wealth & Investment and Investec Bank Limited									●		
Reward governance					●			●		●	●
Regulatory developments	●	●		●	●			●		●	●
Authorised firm remuneration reports to the committee	●			●	●			●		●	●
Gender pay gap reporting										●	●
Non-standard remuneration analysis				●						●	

Proposed directors' remuneration policy

Inside this section

Proposed Directors' Remuneration Policy
Key policy changes
Illustration of delivery timeline for 2022 remuneration
Proposed Director's Remuneration Policy table
Illustrations of application of remuneration policy
Service contracts and policy on payment for loss of office
Addressing the corporate governance code
Remuneration policy for non-executive directors
All employee remuneration
Statement of consideration of shareholder views

We are proposing a new remuneration policy effective 1 April 2021, subject to shareholder approval at the AGM on 5 August 2021. Our primary objective as we developed our new remuneration policy, based on input from our key stakeholders, was to ensure that the policy is aligned with our strategy. In short our strategy is to simplify and focus on growth through five strategic objectives:

- Capital discipline;
- Growth initiative;
- Improved cost management;
- Digitalisation; and
- Greater connectivity

We believe that the proposed measures in both the long- and short-term incentives align with and support these strategic objectives, balancing a long-term view with short-term strategic priorities.

The link to AOP for calculating the STI pool has been removed to enhance simplicity and the STI is now determined as a percentage of fixed pay.

Threshold vesting has been increased from 0% vesting to 25% in both the LTI and STI to reflect common market practice. The maximum STI opportunity has been increased to 200% of fixed remuneration and on-target STI is now 50% of the maximum opportunity.

RORWA has been removed from both the STI and LTI awards. Whilst we believe it is an important performance measure for banks, we believe this metric is difficult to compare across the industry without detailed analysis of each business. In addition, over time the inputs into this metric can also change. This is caused by variations in the calculation of the denominator, risk-weighted assets, which can be caused by, among other factors, the model used to determine risk-weighted assets, which may impair the comparability of RORWA over time and between institutions. The board and management do, however, monitor this important performance indicator, recognising the nuances and anomalies.

Given this, the proposed LTI financial measures are a combination of growth in tangible net asset value (which focuses on real growth), return on equity (which focuses on sustained profitability) and relative total shareholder return (shareholders' assessment of our value relative to peers).

The on-target and maximum quantum of remuneration for the executive directors reduced by approximately 25% in 2021 in light of the reduction in size and complexity of the group following the demerger. This policy is not aiming to reduce the overall quantum further but instead ensure that executive director remuneration is well aligned to all elements of the group's strategy.

Remuneration payments or payments for loss of office to executive directors will only be made if they are in line with the proposed remuneration policy (subject to approval), unless shareholders approve an amendment to the policy to authorise alternative payment.

When developing the proposed Directors' Remuneration Policy we sought advice and information on common market practice from the Global Head of Reward and Korn Ferry. Consultation took place internally with the executive directors and the views of external stakeholders were also considered by way of a shareholder consultation exercise. The formal decision to approve the proposed policy was made by the committee without the executive directors present.

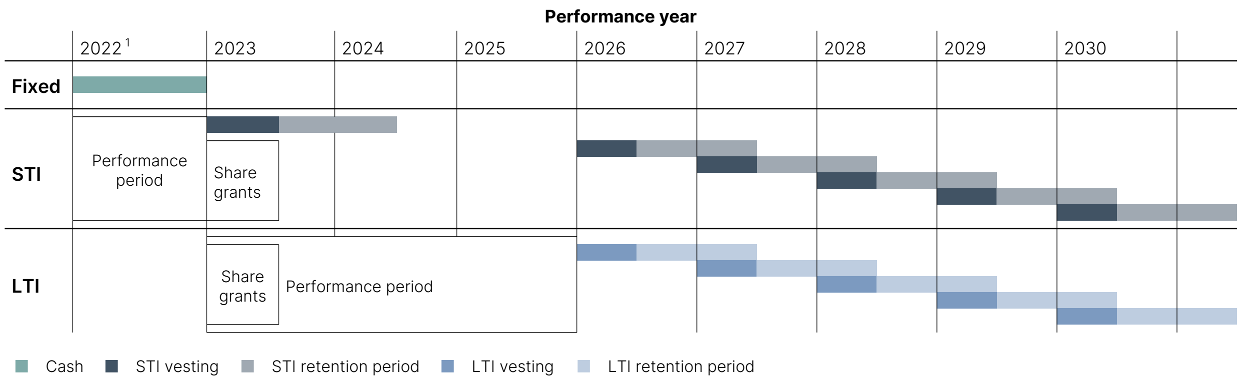
PROPOSED DIRECTOR'S REMUNERATION POLICY
CONTINUED

Key policy changes

The main policy changes are detailed on the previous page however the key features of the proposed policy and changes compared to the previous policy are summarised in the table below. The full proposed policy table can be found on pages 162 to 165. The policy will be voted on at the AGM in August 2021. Please note the June 2021 LTIP grant will operate under the existing remuneration policy and the first grant operating under the new policy will be June 2022.

	Current policy	Key changes in proposed policy
Fixed remuneration	Fixed pay award delivered 100% in cash, paid monthly	Ability to increase fixed remuneration annually, with increases generally limited to being not greater than the level of increases for the broader employee population. Fixed remuneration for the Group Finance Director is proposed to increase to £650 000
Benefits	The cost of any benefits provided are deducted from fixed pay	No change proposed
Pension/ provident	Pension/provident contributions are deducted from fixed pay	No change proposed
Short-term incentive	Paid entirely in shares; 60% in up-front shares and up to 40% deferred STI pool based on the group's AOP Outcome based on both financial and non-financial metrics	Target STI determined as 100% of fixed pay Threshold vesting to increase from 0% to 25% Maximum opportunity to be set at 200% of target; resulting in on-target STI at 50% of maximum Risk modifier added RORWA replaced with PBT In addition to the cost to income ratio, a cost growth metric is also introduced Strategic objectives included
Long-term incentive	Conditional award of shares subject to performance conditions measured over three financial years, vesting 20% per annum over years three to seven Outcome based on both financial and non-financial metrics	Standard grant to be reduced from 100% to 80% of fixed pay Threshold vesting to increase from 0% to 25% Risk modifier added Non-financial measures comprise 20% of measures to align with the STI and increase consistency across all our incentives, compared to 25% previously RORWA replaced with Relative TSR and ROE Non-financial measures split into two categories: – Strategic & ESG – Risk Scorecard
Shareholding requirements	200% of fixed remuneration, to be built up over a reasonable timeframe, to be held for two years post termination	No change proposed

Illustration of remuneration delivery for financial year ending 31 March 2022



The upfront share awards are not released until 12 months after grant, therefore at least 12 months after the end of the performance year. 60% or more of variable remuneration is released over years 5 to 9

1. Year ending 31 March 2022

PROPOSED DIRECTOR'S REMUNERATION POLICY
CONTINUED

Proposed directors' remuneration policy table

Purpose and link to strategy	Operation	Maximum value and performance targets	Proposed changes from current policy
Fixed remuneration To provide an industry competitive package so that we are able to recruit and retain the people that we need to develop our business The fixed remuneration reflects the relative skills and experience of, and contribution made by, the individual	Fixed pay award delivered 100% in cash, paid monthly	Targeted at market median levels when compared with relevant comparator groups[1]. Investec is subject to CRD V at a group level which includes a bonus cap Therefore our remuneration structure is different to those firms that are not subject to the same remuneration rules. As a result our fixed remuneration is often higher, however the maximum variable opportunity is lower Fixed remuneration is reviewed annually, with increases generally limited to being not greater than the level of increases for the broader employee population Currently the fixed remuneration for the Chief Executive is £1 000 000 per annum The proposed fixed remuneration for the Group Finance Director is £650 000 per annum Executive directors other than the Chief Executive can currently earn a maximum of 80% of the Chief Executive fixed remuneration, £800 000 per annum	Ability to increase fixed remuneration annually, with increases generally limited to being not greater than the level of increases for the broader employee population Fixed remuneration for the Group Finance Director is proposed to increase to £650 000; this is deemed more appropriate relative to the other executive directors and is below the level of £666,000 prior to the 25% reduction in 2020
Benefits To provide a market competitive package	The cost of any benefits provided are deducted from fixed pay Benefits are benchmarked against relevant comparator groups[1] Executive directors may elect to sacrifice a portion of their annual gross remuneration in exchange for benefits such as travel allowances and medical aid	Benefits include: life, disability and personal accident insurance; medical cover; and other benefits, as dictated by competitive local market practices There is no maximum value but the value of benefits provided will generally be in line with market comparators	None
Pension/provident To enable executive directors to provide for their retirement	Executive directors participate in defined contribution pension/ provident schemes Only fixed remuneration, not annual bonus, is pensionable Pension/provident contributions are deducted from fixed remuneration As pension contributions are deducted from gross pay the executive directors are not in a preferential net position relative to the general employee population	The individual can elect what proportion of fixed remuneration is allocated as their pension/provident contribution	None

1. Peer group companies include Absa Group, Brewin Dolphin, Close Brothers Group, FirstRand, Julius Baer, Nedbank Group, Quilter, Rathbone Brothers, Standard Bank Group and Virgin Money.

PROPOSED DIRECTOR'S REMUNERATION POLICY
CONTINUED

Purpose and link to strategy	Operation	Maximum value and performance targets	Proposed changes from current policy
Short-term incentive Alignment with key business objectives The short-term incentive supports the key business objectives over its 12 month performance period by having measures and metrics that are based on the key business targets Awarded in shares therefore provides alignment with shareholders	Short-term incentive awards are made annually following the completion of the financial year STI determined as a percentage of fixed pay Receive 60% upfront in shares shortly after the year end; of the remaining 40% an amount is deferred that ensures 60% of total variable remuneration (short-term incentive plus long-term incentive) is deferred over three to seven years, vesting 20% per annum commencing on the third anniversary. Any remaining portion not deferred over three to seven years is awarded in upfront shares Shares must be retained for a period of 12 months after vesting Dividends and dividend equivalents are not earned on the unvested deferred share portions but are earned once the shares have vested The Remuneration Committee retains discretion to amend the amount payable to ensure that incentives truly reflect performance and are not distorted by an unintended formulaic outcome Awards are subject to malus on unvested shares and clawback on vested shares Malus can be applied for up to seven years, and clawback for up to 10 years after award Risk modifier applied to the award (if required)	Based on a balanced scorecard of financial and non-financial performance measures with achievement levels that correspond with our short-term objectives[1]. 80% based on financial measures and 20% based on non-financial measures Measures applicable to the first year of the policy are detailed below. The committee retains discretion to apply different measures in future years if more appropriate Financial measures: • Profit before tax (30%); • Return on equity (30%); and • Efficiency metric (20%) consisting of cost to income ratio (10%) and cost growth metric (10%) Non-financial measures: • Culture and values (5%); • ESG related measures (5%); and • Strategic measures (10%) The performance achievement level is 25% of fixed remuneration for threshold performance, 100% for target performance and 200% for stretch performance The targets are reviewed and set annually; where appropriate for particular roles the financial measures may be based on a mix of group and business unit performance If all financial and non-financial stretch levels are met, up to 200% of the target may be awarded, subject to an overall maximum of variable remuneration (including LTIPs) being within the remuneration cap[2] The Remuneration Committee will review the achievement levels for the short-term incentive on an annual basis The number of shares is determined relative to the share price at the time of award	Remove sharing pool linked to adjusted operating profit; STI determined as a percentage of fixed pay (on-target at 1x fixed pay; the level is similar to the current policy) Pay at threshold performance increases to 25% to align with broader market Maximum opportunity to be set at 200% of on-target; resulting in an on-target STI at 50% of maximum RORWA has been removed from the financial section of the scorecard; profit before tax and a cost growth metric have been introduced Strategic objectives have been introduced into the non-financial section of the scorecard whilst prudential and risk management measures have been removed A risk modifier has now also been introduced, to be used in situations where a risk event or events exceeding a specific trigger threshold have occurred. It will only be used where: • the financial impacts of the risk event or events have not been fully reflected in the performance of the financial measures in the STI and LTI, and/or • the event has had a material negative impact on key stakeholders, including but not limited to shareholders, clients, communities and employees Reduction in variable remuneration will be enacted through an equal reduction in STI and LTI in the event the annual cap is reached Any remaining portion not deferred over three to seven years is awarded in up-front shares shortly after the year end with a one year retention period rather than vesting equally after one and two years In the event the annual remuneration cap is reached the reduction in variable remuneration will be enacted through an equal reduction in STI and LTI

1. The performance measures have been selected based on our business strategy and goals, taking into account regulations and our risk appetite framework. Targets will be set by the committee based on a range of internal and external factors, internal benchmarks and hurdles, and economic and market conditions.
2. Cap defined in line with EBA discounting rules which allow, when 25% of variable remuneration is deferred over at least five years a higher cap than 2x fixed remuneration, depending on the length of deferral, inflation and interest rates. This is currently 242.2% of fixed remuneration.

PROPOSED DIRECTOR'S REMUNERATION POLICY
CONTINUED

Purpose and link to strategy	Operation	Maximum value and performance targets	Proposed changes from current policy
Long-term incentive Clear link between performance and remuneration Embeds alignment with shareholder returns The long-term incentive supports the key business objectives over its three year performance period by having measures and metrics that encourage sustainable growth Non-financial measures take into account the group's strategic and operational objectives	Conditional awards of shares subject to performance conditions measured over three financial years Awards vest 20% per annum commencing on the third anniversary and ending on the seventh anniversary of award Vested shares are subject to a further 12 month retention period Dividends and dividend equivalents are not earned on the unvested deferred share portions but are earned once the shares have vested Awards are subject to malus on unvested shares and clawback on vested shares Malus can be applied for up to seven years, and clawback for up to 10 years after award The Remuneration Committee retains discretion to adjust the level of awards vesting to ensure that incentives truly reflect performance and are not distorted by an unintended formulaic outcome These long-term incentive awards are made annually following the completion of the financial year	Maximum annual award of 100% of aggregate fixed remuneration, however standard awards to be granted at 80% of fixed remuneration Based on a balanced scorecard of financial and non-financial performance measures with achievement levels that correspond with our long-term objectives[1]. 80% based on financial measures and 20% based on non-financial measures Measures applicable to the first year of the policy are detailed below, however the committee retains discretion to apply different measures in future years if more appropriate: • Growth in tangible net asset value per share (30%); • Return on equity (30%); • Relative total shareholder return (20%); and • Non-financial measures (20%) Targets for financial performance measures and non-financial measures will be reviewed and set annually by the Remuneration Committee in advance The performance achievement level is 25% for threshold performance, 100%for target performance and 150% for stretch performance The number of shares is determined relative to the share price at the time of award	Standard grants to be made at 80% of fixed remuneration rather than 100% Pay at threshold performance increases to 25% to align with broader market RORWA has been removed from the financial section of the scorecard, with relative total shareholder return and return on equity being introduced The non-financial section of the scorecard has been redesigned and now consists of a strategic measure (incorporating ESG, culture and values) and a risk scorecard. Non-financial measures comprise 20% of the scorecard, compared to 25% previously A risk modifier has now also been introduced, to be used in situations where a risk event or events exceeding a specific trigger threshold have occurred. It will only be used where: • the financial impact of the risk event or events have not been fully reflected in the performance of the financial measures in the STI and LTI, and/or • the event has had a material negative impact on key stakeholders, including but not limited to shareholders, clients, communities and employees Stretch vesting of 150% on both financial and non-financial measures (prior 200% vesting on non-financial measures removed); resulting in an overall cap on final vesting of 150% of shares initially awarded In the event the annual remuneration cap is reached the reduction in variable remuneration will be enacted through an equal reduction in STI and LTI
Other	The group will pay legal, training and other reasonable and appropriate fees, incurred by the executive directors as a result of performing their duties In limited circumstances, such as to offset double taxation or cash flow disadvantages due to our dual listing, the group may provide financial and non-financial assistance. Any such assistance will align with any approach we may use for other employees who are not executives	None	None

1. The performance measures have been selected based on our business strategy and goals, taking into account regulations and our risk appetite framework. Targets will be set by the committee based on a range of internal and external factors, internal benchmarks and hurdles, and economic and market conditions.

PROPOSED DIRECTOR'S REMUNERATION POLICY
CONTINUED

Purpose and link to strategy	Operation	Maximum value and performance targets	Proposed changes from current policy
Legacy	Any remuneration commitment made prior to an individual becoming a director and not in anticipation of their appointment to the board will be honoured, even where it is not consistent with the Directors' Remuneration Policy in place at the time it is fulfilled Awards made upon becoming an executive director will be treated in line with the Directors' Remuneration Policy	None	None
Shareholding requirements To ensure the alignment of the financial interests of executives with those of shareholders Focus on long-term performance	Shareholding requirement during employment of 200% of fixed pay Shareholding requirement to be met over a reasonable timeframe Post-termination shareholding requirement of the lower of 200% of fixed pay, or the holding on termination of employment, for two years post-termination	None	None

Approach to recruitment remuneration
It is intended that the approach to the recruitment of new executive directors will be in line with the remuneration policy outlined in the table above. This includes both internal and external hires. However the Remuneration Committee will consider levels of remuneration for new recruits that are competitive for the skills and experience of the individual being recruited.

The Remuneration Committee retains the discretion to buy out bonus or incentive awards that a potential new executive director has forfeited as a result of accepting the appointment, subject to proof of forfeiture where applicable. Any award made to compensate for forfeited remuneration will be broadly no more generous than, and should aim to mirror the value, timing, form of delivery and performance adjustment (malus and clawback) conditions of the forfeited remuneration.

PROPOSED DIRECTOR'S REMUNERATION POLICY
CONTINUED

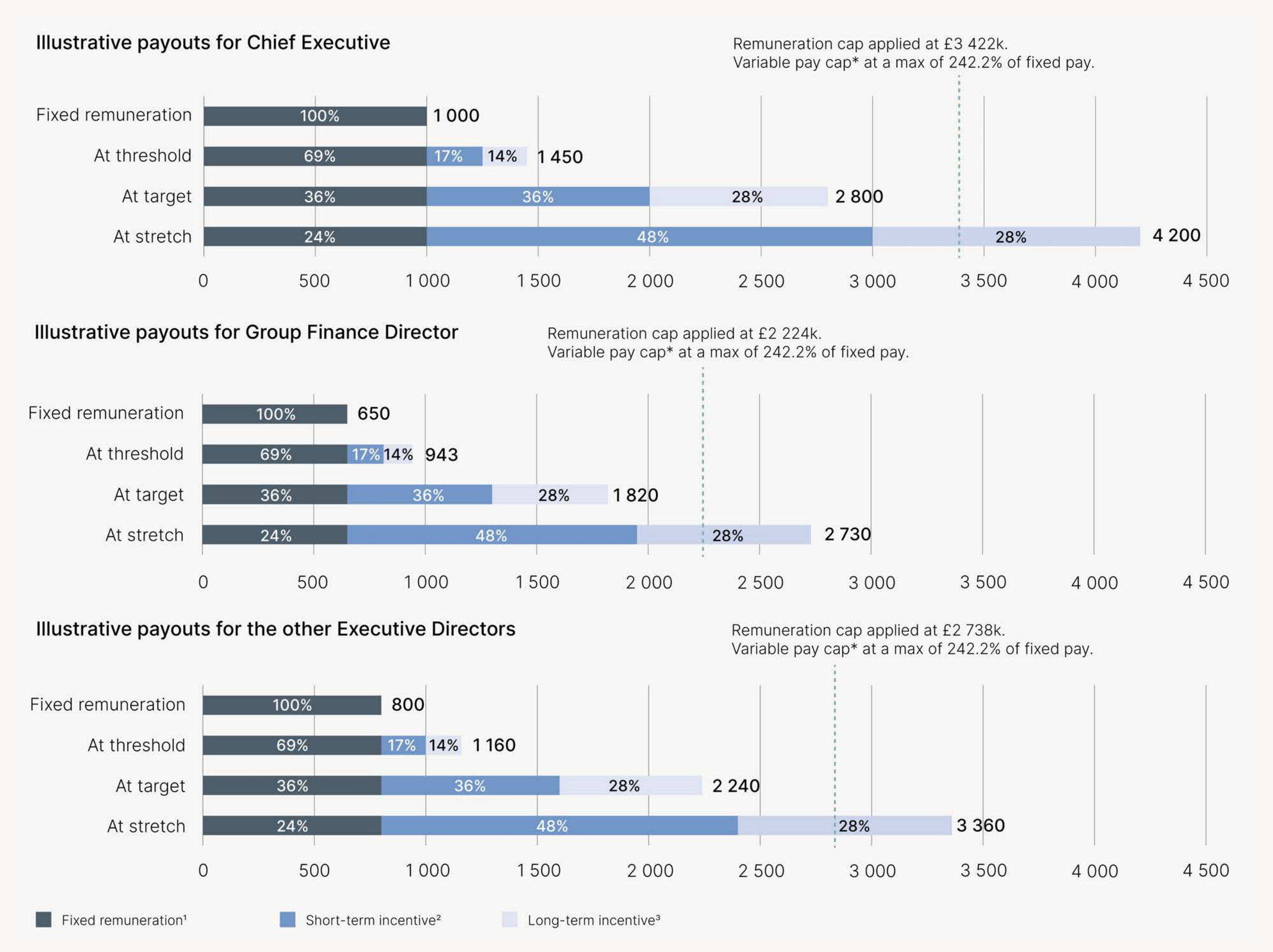
Illustrations of application of remuneration policy

The graphs illustrate the total remuneration at threshold, target and stretch achievement levels for the executive directors based on the proposed remuneration policy. Threshold vesting is 25% of target for both the STI and LTI and stretch vesting is 200% and 150% of target for STI and LTI respectively.

In addition, assuming that the share price increases by 50% from the point of award for those awards subject to performance conditions, over the three year performance period, the total remuneration at stretch achievement levels would increase from £4,200k to £4,800k for the Chief Executive, from £2,730k to £3,120k for the Group Finance Director and from £3,360k to £3,840k for the other executive directors. This exceeds the stated remuneration caps as the caps apply on award, not vesting.

The figures to demonstrate potential payout assuming a 50% share price increase are based on the following assumptions:

1. At stretch achievement levels
2. One year of short-term incentive
3. The full long-term incentive is deferred in shares
4. The starting share price is the share price at the date of award
5. The share price appreciation is 50% over the three year performance period.



* Cap defined in line with EBA discounting rules which allow, when 25% of variable remuneration is deferred over at least five years, a slightly higher cap than 2x fixed remuneration, depending on the length of deferral, inflation and interest rates. This is currently 242.2% of fixed remuneration. These limits will be in line with this cap. In the event the annual remuneration cap is reached the reduction in variable remuneration will be enacted through an equal reduction in STI and LTI.

1. Fixed remuneration includes any benefits and pension contribution.
2. The short-term incentive is determined with reference to performance for the financial year and is delivered in a combination of deferred and non-deferred shares.
3. The long-term incentive is subject to performance measures assessed over a three-year period.

PROPOSED DIRECTOR'S REMUNERATION POLICY
CONTINUED

Service contracts and policy on payment for loss of office

The terms of service contracts and provision for compensation for loss of office for executive directors is set out below. Prior contractual entitlements will be honoured.

Standard provision	Policy	Details
Contracts of employment	Indefinite service contracts	Copies are available for inspection at the company's registered office
Notice period	Terminable by either party with twelve months' written notice	Fixed pay, adjusted for benefits and pension payable, for period of notice
Compensation for loss of office in service contracts	In the event of redundancy or retrenchment (or other similar concept under applicable law), the group may make redundancy payments in line with applicable law, group policy and/or established/prior custom and practice.	This has been added to reflect legal entitlements and to ensure consistent treatment with other employees in a redundancy or retrenchment situation
Outstanding deferred short-term incentive shares	Lapse on resignation or termination for misconduct. May be retained if the director is considered a "good leaver"	"Good leaver" status may be conferred in cases such as retirement with a minimum of 10 years' service, disability or ill health
Outstanding long-term incentive awards	Lapse on resignation or termination for misconduct. May be retained if the director is considered a "good leaver"	"Good leaver" status may be conferred in cases such as retirement with a minimum of 10 years' service, disability or ill health In good leaver cases, will be pro rated based on time served relative to the performance period of the award; the committee has the ability, where appropriate, to increase pro ration up to a full year if the individual has completed more than six months of the year to recognise the further impact of their contribution on the full year
Takeover or major corporate event	The Remuneration Committee has the discretion to determine whether all outstanding awards vest at the time of the event or whether they continue in the same or revised form	
Outside appointments	Executive directors are permitted to accept outside appointments on external boards or committees providing they are in line with our related parties and private work interest policies These are required to be pre-approved by the group Chair and the DLC Nominations and Directors' Affairs Committee	Subject to being deemed not to interfere with the business of the company Fees earned in this regard are forfeited to Investec
Other notable provisions in service contracts	There are no other notable provisions in the service contracts	
Restrictive covenants	Post-termination restrictive covenants are in place for 12 months, less any period of garden leave, to protect the interests of the company	Restrictions include: • Soliciting, canvassing, enticing, inducing or encouraging any person or organisation which was a customer of the company or any group company to take business to a competing business • Accepting business from a customer of the company or any group company for the supply of services identical or similar to or competitive with those services which the company or any group company was supplying or negotiating to supply to that customer • Soliciting, canvassing, enticing or approaching in any way any relevant employee and/or any employee of any group company, with a view to inducing or persuading such individual to leave the company or group company's employment to work for a competitive, or potentially competitive company

PROPOSED DIRECTOR'S REMUNERATION POLICY
CONTINUED

Standard provision	Policy	Details
Other	The group will pay legal, training and other reasonable and appropriate fees incurred by the executive directors as a result of performing their duties In limited circumstances, such as to offset double taxation or cash flow disadvantages due to our dual listing, the group may provide financial and non-financial assistance. Any such assistance will align with any approach we may use for other employees who are not executives	This will allow reimbursement for reasonable fees and liabilities incurred as a result of performing their duties. This reduces the burden on executives that may arise from our dual listing
Legacy	Any remuneration commitment made prior to an individual becoming a director and not in anticipation of their appointment to the board will be honoured, even where it is not consistent with the Directors' Remuneration Policy in place at the time it is fulfilled. Awards made upon becoming an executive director will be treated in line with the Directors' Remuneration Policy	

PROPOSED DIRECTOR'S REMUNERATION POLICY
CONTINUED

How does our directors' remuneration policy address the key features set out in the UK corporate governance code?

Provision	Approach
Clarity and simplicity Remuneration arrangements should be transparent, avoid complexity and their rationale and operation easy to understand	• Our Directors' Remuneration Policy that was approved by our shareholders at the 2020 AGM is published and available for all employees to access in addition to other employee engagement exercises that take place. Additionally our proposed remuneration policy that is subject to a shareholder vote at the 2021 AGM is also available within this report • The committee regularly engages in shareholder consultation exercises with key shareholders to ensure there is transparency on our policy and it is understood. • Avoiding complexity is a key objective when designing our remuneration policy and structures, notwithstanding the regulatory complexity of operating as a UK regulated bank
Risk Remuneration structures should identify and mitigate against reputational and other risk from excessive rewards, as well as behavioural risks that can arise from target-based incentive plans	• In line with regulatory requirements, our remuneration practices promote sound and effective risk management while supporting our strategic objectives • Risk and conduct considerations are taken into account in the setting of any award • The committee considers risk adjustment in respect of both the non-financial and financial elements of the group scorecard and has evidenced the application of downward discretion • All executive director awards are subject to malus and clawback
Predictability The range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the policy	• The proposed Directors' Remuneration Policy indicates in detail the various elements of remuneration and potential maximums; also included are the illustrative pay-out graphs highlighting the actual overall maximum due to the remuneration cap
Proportionality The link between individual awards, the delivery of strategy and the long-term performance of the group should be clear and outcomes should not reward poor performance	• Our short-term incentive supports the key business objectives over the twelve month performance period and the long-term incentive supports the key business objectives over the three year performance period. • All variable remuneration is awarded in shares with deferral of up to seven years and a further one year of retention further aligning to shareholder interests • The committee has the discretion to reduce awards (to zero if required) and has evidenced the application of downward discretion
Alignment to culture Incentive schemes should drive behaviours consistent with the group's purpose, values and strategy	• Culture at Investec is very important to us and therefore culture and values is one of our non-financial measures for the short-term incentive and will also be considered within the long-term incentive

Remuneration policy for non-executive directors

The board's policy is that fees should reflect individual responsibilities and membership of board committees. The fee structure covers the dual roles that the directors perform for the UK-listed Investec plc and the South African-listed Investec Limited boards and are awarded equally between the two companies.

Purpose and link to strategy	Operation	Maximum value and performance targets	Proposed changes from current policy
Fees To provide industry competitive fees to attract non-executive directors with appropriate skills and experience	Fees for non-executive directors are reviewed annually by the committee taking into account responsibility, market data and time commitment. The committee then makes a recommendation on fees to the board for approval and are subject to shareholder approval at the AGM In addition to fees for board membership, fees are payable to the senior independent director, and for chair and membership of major DLC board committees, membership of the Investec Bank Limited and Investec Bank plc and other subsidiary company boards and for attendance at other relevant committee meetings South African Value-Added Tax (VAT), at the prevailing rate, where applicable, will be added to the fees payable by Investec Limited	Fee increases will generally be in line with inflation and market rates Aggregate fees payable by Investec plc are subject to an overall maximum of £1 million under the Investec plc articles unless specifically approved by shareholders	None
Shareholding requirement	There is no requirement for non-executive directors to hold shares in the company; this choice is left to the discretion of each non-executive director	None	None

The policy as described above will be taken into account in the recruitment of new non-executive directors.

The terms of appointment for non-executive directors
On appointment non-executive directors are provided with a letter of appointment. On the recommendation of the Nominations and Directors' Affairs Committee (Nomdac), non-executive directors will be appointed for an expected term of nine years (three times three-year terms) from the date of their first appointment to the board.

All are subject to annual shareholder re-election. No compensation is payable on termination of directorship. Copies of their letters of appointment are available for inspection at the company's registered office.

Approach to recruitment remuneration
It is intended that the approach to the recruitment of new non-executive directors will be in line with the remuneration policy outlined in the table above.

All employee remuneration

Remuneration philosophy and approach for all employees
Our remuneration approach is designed to foster an exceptional performance culture that enables an entrepreneurial spirit as well as a strong sense of ownership, whilst operating within our risk appetite. We use remuneration to help attract and retain culturally aligned, smart, innovative and talented people who adhere and subscribe to our culture, risk appetite, values and philosophies, and to recognise and drive out of the ordinary performance.

We will materially differentiate reward according to performance and ensure remuneration outcomes are reflective of business achievement

Performance targets will align to strategy, be stretching, and will balance both long- and short-term performance, absolute and relative measures

Reward will appropriately account for risk and potential risk

Performance-related variable pay will be subject to discretion and malus for all employees, with clawback provisions being included for Material Risk Takers

We are committed to transparent engagement and communication with all our stakeholders

Consideration of all employee remuneration
The committee reviews changes in remuneration arrangements in the workforce generally and we recognise that all our people play an important role in the success of the group. Investec is committed to creating an inclusive working environment and to rewarding our employees throughout the organisation in a fair manner, and the committee reviews practices around creating a fair, diverse and inclusive working environment.

In making decisions on executive pay, the committee considers wider workforce remuneration and conditions to ensure that they are aligned on an ongoing basis. Effective from 2019 we have designated a non-executive director from each of the boards of Investec Wealth & Investment, Investec Bank plc and Investec plc in the UK to represent employees in the boardroom. This is in line with one of the suggested methods recommended within the UK Corporate Governance Code. Non-executive directors act as an engagement mechanism between our employees and the board and some of their key objectives are to:

- Ensure the reward, incentives and conditions available to the company's workforce are taken into account when deciding the pay of executive directors and senior management
- Enable the workforce to understand how decisions on executive pay reflect wider company pay policy
- Allow for engagement with the workforce on remuneration throughout the organisation
- Assist the Remuneration Committee to provide feedback to the board on workforce reward, incentives and conditions, and support the board's monitoring of whether company policies and practices support culture and strategy.

We believe that employees throughout the company should be able to share in the success of the company. As such, in addition to the fixed pay element, all of our employees have access to market relevant benefits, and all employees are eligible to be considered for an annual bonus after a short initial qualifying period. We believe strongly in share ownership among our employees and therefore all employees are, in principle, eligible to participate in our long-term incentive scheme.

Statement of consideration of shareholder views
The committee engages proactively with the company's major shareholders and is committed to maintaining an open dialogue. Accordingly, we meet regularly with our major shareholders and shareholder representative bodies. The Remuneration Committee Chair and group Chair attend these meetings, accompanied by the Heads of Company Secretarial, Investor Relations and Reward, as appropriate . This engagement is meaningful and helpful to the committee in its work and contributes directly to the decisions made by the committee. The Remuneration Committee and the board believe in effective and transparent communication with key stakeholders, and will continue to engage on matters that may arise and are of importance and/or concern to stakeholders. We consulted twice with our key shareholders during the year, focusing primarily on the development of the proposed Directors' Remuneration Policy. The feedback we received was constructive, and the committee incorporated some appropriate changes into the proposed policy on the basis of that feedback.

Annual report on remuneration

Inside this section

Remuneration overview for the year
Single total figure of remuneration
Remuneration in context containing gender pay gap, percentage change in directors' remuneration and CEO pay ratio
Performance and total shareholder return
Assessment of the short-term and long-term incentives for executives for the 2021 financial year
Directors' shareholding and interests
Share option and long-term incentive plan disclosures
NED fees and single total figure of remuneration
Statement of implementation of policy in the following financial year
Statement of voting at the AGM

Remuneration overview for the year

Shareholders approved a revised Directors' Remuneration Policy in August 2020. Key features of that revised policy included:

- a 25% reduction in fixed remuneration, paid in cash;
- a similar percentage reduction in on-target and maximum remuneration potential;
- delivering all variable remuneration in shares; and
- a 50% increase in the shareholding and post-termination shareholding requirements for executive directors.

In addition, the fees for non-executive directors were reduced by between 10% and 20%.

For the financial year ending 31 March 2021, these policy changes resulted in a 25% reduction in fixed remuneration for the executive directors. The 2021 remuneration single figure increased by 41.1% from 2020, however it reduced by 12.3% from the 2019 financial year, being the last financial year not impacted by the COVID-19 pandemic. In addition, the following actions impacted the 2020 remuneration outcomes:

- the two executive directors who remained following the demerger of Ninety One (Fani Titi and Nishlan Samujh) rescinded their 2020 STI, at their own request, to recognise the experience of their colleagues and our shareholders; and
- the Remuneration Committee exercised downward discretion to remuneration outcomes in three places.

Note that the 2021 STI "pool of profit" automatically adjusted downwards in line with the adjusted operating profit for the financial year. Adjusted operating profit from continuing operations of £377.6 million is 9.9% behind the prior year (2020: £419.2 million). The overall 2021 STI "pool of profit" has reduced 35% compared to 2020 predominantly due to the demerger of the Ninety One business.

Our executive and non-executive directors donated a portion of their remuneration/fees via salary sacrifice during the year to COVID-19 causes, including the Solidarity Fund in South Africa.

The Remuneration Committee believes that the executive directors have performed very well in what has been an extremely challenging year, and therefore that the remuneration outcomes are reflective of the overall financial and non-financial performance for the year.

ANNUAL REPORT ON REMUNERATION
CONTINUED

Single total figure of remuneration (Audited)

Executive directors	Year	Fixed remuneration cash £'000	Taxable benefits £'000	Retirement benefits £'000	Fixed remuneration shares £'000	**Total fixed remuneration £'000**	Short-term incentive £'000	Long-term incentive vested £'000	Value of long-term incentive vested due to share price appreciation £'000	**Total variable remuneration £'000**	**Total remuneration £'000**
Fani Titi	**2021**	930	12	33	–	975	905	–	–	905	1 880
	2020	612	12	42	666	1 332	–[1]	–	–	–	1 332
Nishlan Samujh	**2021**	411	9	61	–	481	452	–	–	452	933
	2020	272	11	50	333	666	–[1]	–	–	–	666
David van der Walt[2,3]	**2021**	86	3	8	95	192	–	–	–	–	192
	2020	–	–	–	–	–	–	–	–	–	–
Richard Wainwright[2,3]	**2021**	406	5	18	–	429	380	–	–	380	809
	2020	–	–	–	–	–	–	–	–	–	–
Ciaran Whelan[2]	**2021**	678	23	63	–	764	708	–	–	708	1 472
	2020	–	–	–	–	–	–	–	–	–	–

1. Short-term incentive awards for 2020 for Fani Titi and Nishlan Samujh were rescinded at the recipients' request to align with their colleagues and our shareholders' experience.
2. 2020 remuneration not disclosed for David van der Walt, Richard Wainwright and Ciaran Whelan as they were not executive directors in 2020.
3. Pro rata 2021 remuneration disclosed for David van der Walt and Richard Wainwright to reflect the period of the year they were executive directors.

Salary and fixed remuneration
This represents the value of salary earned and paid during the financial year.The fixed pay detailed above may appear lower than that contained within the Directors' Remuneration Policy as any amounts of fixed remuneration that were donated via salary sacrifice directly to COVID-19 causes have been removed from the fixed pay totals detailed above. Fixed pay was reduced by 25% for all executive directors in the 2021 year.

Taxable benefits
The executive directors pay for benefits which may include; life, disability and personal accident insurance; and medical cover. These amounts are funded out of gross remuneration and are as elected by each director.

Retirement benefits
The executive directors receive pension benefits. None of the directors belong to a defined benefit pension scheme and all are members of one of the defined contribution pension or provident schemes. The amounts reflected in the table above represent the contribution to these schemes payable by the company. These amounts are funded out of gross remuneration, and there is no additional company contribution for the executive directors.

Short-term incentive
Represents the total value of the short-term incentives awarded for the 2020/2021 performance year. Page 178 details the basis on which the awards were determined and page 179 shows the breakdown of the awards in up-front and deferred shares.

Long-term incentive vested
Represents the value of long-term incentive awards that were subject to performance conditions and vested during the year. No executive directors had awards granted in respect of service as an executive director vesting to them during the year.

ANNUAL REPORT ON REMUNERATION
CONTINUED

Remuneration in context

Gender pay gap - mean

35.3%

Investec plc

27.1%

Investec limited

At Investec we know that diversity of thought is critical to increasing our ability to innovate, adapt and perform in this ever-changing world. We continue to be committed to attracting, developing and retaining a diverse and representative workforce, recognising the importance of cultivating an inclusive environment where we value difference. We believe this will enhance business performance and add value to our clients and society. We are particularly focusing on female talent development in leadership and client-facing roles. In addition, over the last few years we have created an environment that is more agile and responsive to the needs of individuals, with flexible working arrangements encouraged in service of performance. Belonging, inclusion and diversity has been instrumental in supporting us during the last twelve months and as we reflect on our priorities, it will be invaluable as we go forward.

Our Belonging, Inclusion and Diversity strategy includes the following priorities and initiatives

UK initiatives

Speaking up:
Feedback from workforce engagement activities is regularly reviewed by senior leadership and reported to the boards bi-annually. Four employee networks – Gender Balance, LGBTQ+, Multicultural and YoungMinds – regularly initiate dialogues on challenging subjects such as the gender pay gap, flexible working, and shared parental leave, as well as conversations about race.

Learning initiatives
We are participating in the 30% Club women's mentoring scheme for the third year in a row. We have also launched reverse mentoring initiatives and a leadership council for our younger colleagues to encourage inter-generational learning relationships, as well as a bespoke programme for our Black, Asian, and Minority Ethnic colleagues to foster the exchange of ideas among senior leaders and people of colour. Workshops on building inclusive teams educate our people on the Equality Act, 2010 and how to create an inclusive environment by encouraging debate and dialogue.

Diversity and inclusion targets and measures
Our Board Governance and Diversity Policy has set a target of 33% female representation on the board and at the same time recognises that the balance of skills, knowledge and experience, differences in background, ethnicity, gender and other qualities all contribute to achieving diversity of thought.

We signed up to the Women in Finance Charter in 2018 with a target of 30% female representation in senior leadership by 2022.

In 2020 we signed up to the Race at Work Charter and are working towards delivering on the five commitments set out in the Charter.

Recruitment, policies and practices
We have partnerships with a number of specialist third parties to support the hiring of senior women.

We have balanced shortlists and interview panels and continue to digitally analyse all our job adverts to remove gender-biased language. We encourage conversations about flexible working and have created an environment that is more agile and responsive to the needs of individuals. Our people policies and practices help to balance these individual needs, including enhanced paid parental leave of up to 26 weeks which can be shared between parents, and a new family leave support programme.

South Africa initiatives

We have several Women in Leadership initiatives where women and men at Investec participate in the conversation around gender. We invite our clients and external stakeholders to participate in these events. These rich and informative dialogues help us to create an appropriate environment for women to thrive as leaders, employees and entrepreneurs and serve as role models for the next generation. We continued our work in support of empowering and developing women in business, education and sport and highlighting the power of partnerships to provide opportunities for women through our Women on the Rise campaign. During 2020 we ran a pilot programme, specifically designed to enable women to take up positions as non-executive directors on boards and contribute to the development of board-ready female executives within South Africa.

Our Zebra Crossing initiative in South Africa, aligned to our employment equity plan, aims to raise levels of multi-cultural awareness of staff at Investec, enable them to appreciate and celebrate the richness of our diverse population and take these insights back into the business. Let's Talk about Race dialogues have been held with groups of employees. These are unstructured discussions, facilitated by an organisation development representative, where participants are encouraged to confront unconscious bias and misconceptions around any aspect of diversity.

We are building a Young Leaders Council and reverse mentorship initiative as we recognise the need to create spaces that enable young, aspirational talent to connect and learn with leaders.

ANNUAL REPORT ON REMUNERATION
CONTINUED

Gender pay gap figures
Hourly and bonus gap

		Investec plc		Investec Limited	
		Mean %	**Median %**	**Mean %**	**Median %**
Hourly gap	**2021**	35.3%	36.1%	27.1%	24.1%
	2020	36.0%	37.4%	31.7%	26.0%
	2019	38.0%	38.3%	32.0%	26.6%
Bonus gap	**2021**	68.8%	65.2%	67.5%	27.6%
	2020	74.2%	71.0%	68.8%	26.3%
	2019	72.5%	73.4%	72.8%	33.3%

Mean – The mean figure represents the difference between the average of men's and women's pay expressed as a percentage of the average male pay
Median – The median represents the difference between the midpoints in the ranges of men's and women's pay expressed as a percentage of the male midpoint

Proportion receiving a bonus

		Investec plc	Investec Limited
		Percentage	**Percentage**
Male	**2021**	73.2%	79.7%
	2020	81.7%	70.5%
	2019	83.1%	77.9%
Female	**2021**	75.6%	82.0%
	2020	81.0%	71.9%
	2019	82.6%	77.6%

Percentage change in directors' remuneration
The table below shows the percentage change in the directors' remuneration between 2020 and 2021 compared with the percentage change for Investec plc employees and Investec Limited employees.

	2021		
	Base Salary/ fee	**Benefits**	**Bonus**
Fani Titi[1]	(27)%	(17)%	n/a
Nishlan Samujh[1]	(32)%	15%	n/a
David van der Walt[2]	n/a	n/a	n/a
Richard Wainwright[2]	n/a	n/a	n/a
Ciaran Whelan[2]	n/a	n/a	n/a
Perry Crosthwaite (Chair)[3]	(16)%	n/a	n/a
Henrietta Baldock[3,4]	64%	n/a	n/a
Zarina Bassa[3,5]	16%	n/a	n/a
David Friedland[3]	(10)%	n/a	n/a
Philip Hourquebie[3,5]	14%	n/a	n/a
Charles Jacobs[3]	8%	n/a	n/a
Ian Kantor[3,6]	(68)%	n/a	n/a
Stephen Koseff [3,7]	(88)%	(100%)	(100%)
Lord Malloch-Brown[3]	(7)%	n/a	n/a
Khumo Shuenyane[3]	(18)%	n/a	n/a
Philisiwe Sibiya[3,8]	46%	n/a	n/a
Increase in total compensation costs for Investec employees	2%	(2)%	11%

1. 2020 bonuses for Fani Titi and Nishlan Samujh were rescinded at their own request therefore no comparison is shown.
2. David van der Walt, Richard Wainwright and Ciaran Whelan did not receive remuneration as DLC executive directors in 2020 therefore no comparison is shown.
3. NEDs do not receive bonus or benefits.
4. Henrietta Baldock was appointed as non-executive director on 9 August 2019.
5. In order to ensure alignment with the broader Investec group, the Chairs of the Group Audit, Remuneration and Risk Committees are members of those committees recently established by the group's key operating subsidiaries, for which appointments they receive a fee. Additionally 2021 fees for Zarina Bassa and Philip Hourquebie Include fees received during the financial period for committee work performed from January 2019 to June 2020. Accordingly, the fees disclosed for Philip Hourquebie and Zarina Bassa increased over the period, notwithstanding the overall reduction to NED fees from 1 September 2020.
6. Ian Kantor stepped down from the board in 2021 resulting in the large decrease in fees.
7. Stephen Koseff was an executive director in 2020 and a non-executive director in 2021 resulting in the large decrease in fees.
8. Philisiwe Sibiya was appointed as non-executive director on 9 August 2019.

ANNUAL REPORT ON REMUNERATION
CONTINUED

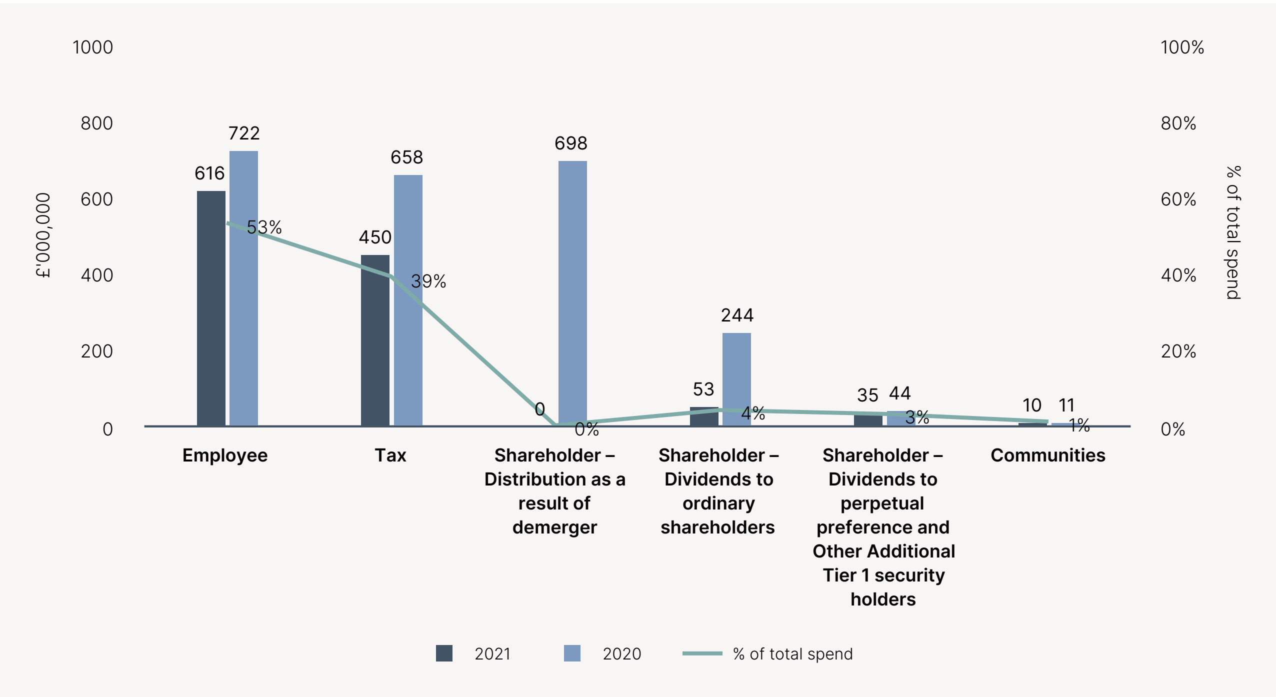
CEO pay ratio
The ratios of CEO remuneration to employee remuneration are shown below.

Year	Calculation method used	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2021	The pay for the CEO single figure is based on the single figure for Fani Titi			
UK		41.6	23.2	14.2
Global		70.1	38.1	20.0
2020	The pay for the CEO single figure is based on the single figure for Fani Titi			
UK		34.3	18.4	10.8
Global		58.3	31.0	15.6
2019	The pay for the CEO single figure is based on the single figure for Stephen Koseff for six months and the pay for Fani Titi/Hendrik du Toit for six months.			
UK		70.4	36.5	19.7
Global		122.5	61.0	28.5

We selected Option A which calculates the pay and benefits of all employees, using each element of total remuneration, to identify the employees at the 25th, 50th and 75th percentiles, and then calculates the ratio of CEO pay to the pay of each of those employees, because we believe it provides the most accurate reflection of the ratio of the CEO pay to the pay of all employees. The calculations were based on 31 March 2021. We have not annualised salaries and other remuneration elements for employees, in line with the single figure calculation methodology. The total pay and benefits for the 25th, 50th and 75th quartiles for the UK is £45,188, £81,046 and £132,543 respectively. The salaries for the 25th, 50th and 75th quartiles for the UK are £38,000, £63,000 and £93,000 respectively.

The increase in ratio from 2020 reflects the increase in the CEO single figure remuneration for 2021 for which further detail can be found on page 172.

Relative importance of spend on pay

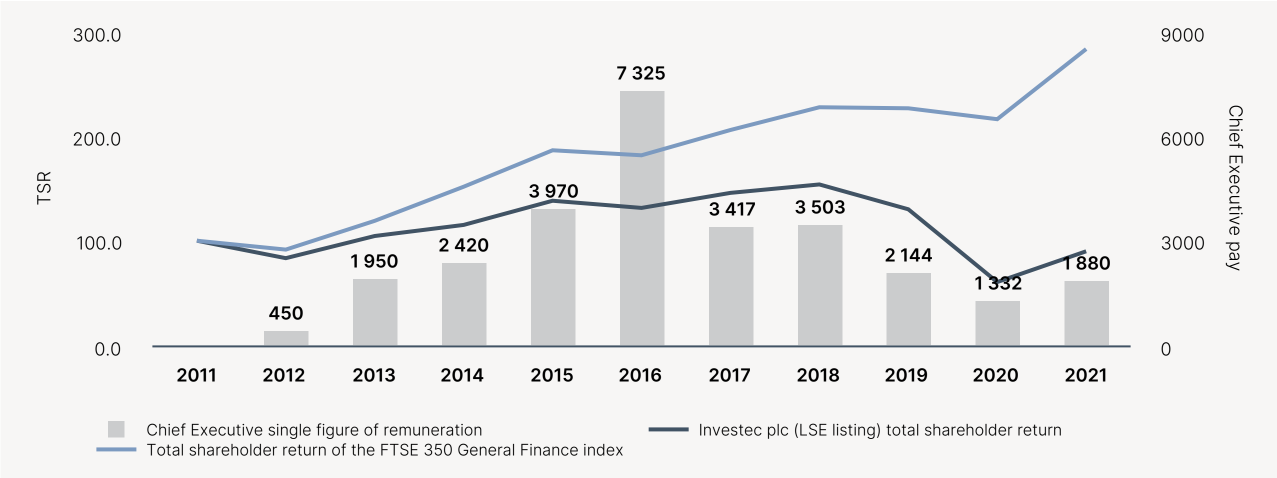


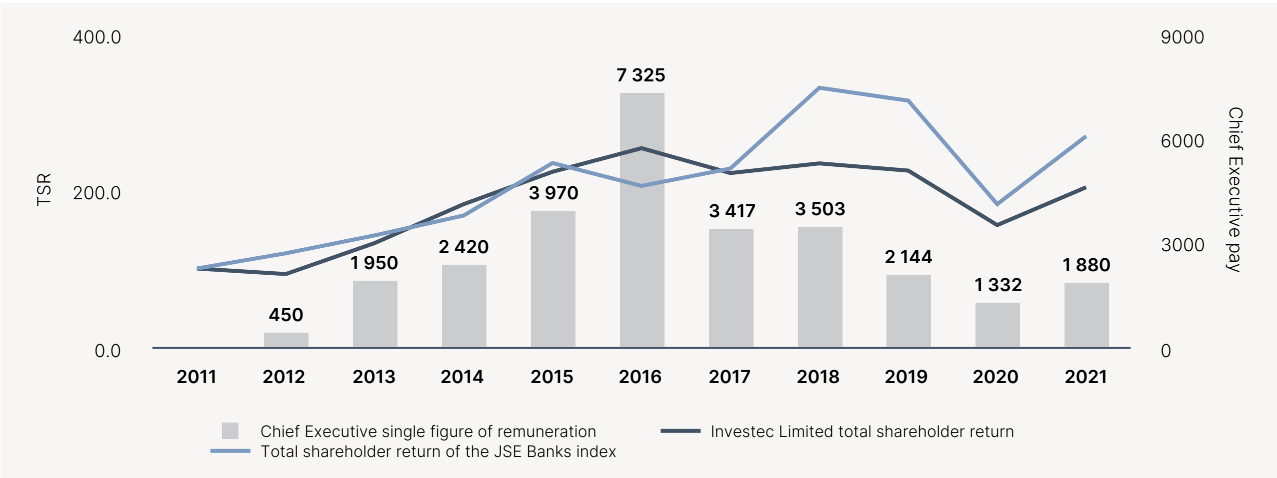
We continue to acknowledge the importance of the appropriate division of the returns generated by our business between our owners, our workforce and the societies in which we operate. The graph above shows our distribution to our employees, our contributions to government through taxation and our owners through dividends and the distribution of Ninety One shares in 2020. The material reduction in distributions to shareholders is a result of the distribution of Ninety One shares following the demerger of the Ninety One business in March 2020. The Communities spend has also reduced following the demerger of the Ninety One business.

ANNUAL REPORT ON REMUNERATION
CONTINUED

Performance graph and table (unaudited)
The graph below shows a comparison of the TSR for the company's shares for the ten years beginning on 31 March 2011 against the TSR for the companies comprising the FTSE 350 General Financial Index and JSE Banks index. Also shown is the Chief Executive single figure of remuneration for these years. We have selected these indices because a number of companies within them conduct similar activities to us, although they do not necessarily have the same geographical profile. Nevertheless, we believe they are the most appropriate indices against which to measure our performance.

Total shareholder return
Rebased to £100 and R100





Note: Total shareholder return
The graphs show the cumulative shareholder return for a holding of our shares in Pounds Sterling on the LSE and Rands on the JSE, compared with the average total shareholder return of other members of the FTSE 350 General Finance Index and the JSE Banks Index. The first graph shows that, at 31 March 2021, a hypothetical £100 invested in Investec plc at 31 March 2011 would have generated a total return of (£10) compared with a return of £183 if invested in the FTSE 350 General Finance Index. The second graph shows that, at 31 March 2021 a hypothetical R100 invested in Investec Ltd at 31 March 2011 would have generated a total return of R104 compared with a return of R169 if invested in the JSE Banks Index.

As a result of the demerger, an adjustment factor has been used to adjust the Investec historical share price and associated returns. This allows comparability between the Investec current and historical share price. The inputs to the adjustment factor calculation are the opening share price of Investec on effective date of demerger, the opening share price of Ninety One on effective date of demerger and the number of shares offered in Ninety One over the number of existing shares of Investec.

During the period from 1 April 2020 to 31 March 2021, the return to shareholders of Investec plc (measured in Pounds Sterling) and Investec Limited (measured in Rands) was 49% and 31%, respectively. This compares to a 31% return for the FTSE 350 General Finance Index and a return of 48% for the JSE Banks Index.

The market price of our shares on the LSE was £2.19 at 31 March 2021, ranging from a low of £1.26 to a high of £2.35 during the financial year. The market price of our shares on the JSE Limited was R43.27 at 31 March 2021, ranging from a low of R28.14 to a high of R46.25 during the financial year. See full details of share price high and low on page 183.

Note: Chief Executive pay
No LTIP awards had performance conditions ending in the 2017 and 2018 financial years.

Figures reported for 2019 are for each of Fani Titi and Hendrik du Toit and did not have long-term incentive awards vesting in 2019

Figures prior to 2019 are for Stephen Koseff, Figures reported for 2020 and 2021 are for Fani Titi

Short-term incentive award for 2020 rescinded at the request of Fani Titi

Details of STI and vesting LTI can be found on page 181

ANNUAL REPORT ON REMUNERATION
CONTINUED

Assessment of the short-term incentives for executives for the 2021 financial year (Audited)

The following table shows the achievements against the preset financial and non-financial measures and metrics for the 2021 financial year.

Measures		Weight (as a percentage of target)	Targets for 2021 Threshold (0%)	Target (100%)	Stretch (150%)	Actual performance	Achievement against target	Weighting achieved
Financial	Return on risk-weighted assets	30%	0.55%	0.75%	1.00%	0.82%	114.8%	34.4%
	Return on equity	30%	5.0%	6.0%	7.0%	6.6%	130.0%	39.0%
	Cost to income ratio	20%	72.0%	70.0%	68.0%	70.9%	55.0%	11.0%
Non-financial[1]	Culture, values and co-operation related measures	7%	0	4	6	5	125.0%	8.8%
	"ESG" related measures	5%	0	4	6	4	100.0%	5.0%
	Prudential and risk management related measures	8%	0	4	6	3	75.0%	6.0%
Total achieved								**104.2%**

Non-financial assessment for the 2021 financial year (Audited)

The committee assesses achievement against objectives for the non-financial measures on a seven-point scale and will award scores of 0 (0%) and 6 (150%) only in exceptional circumstances. The non-financial measures for the year ending 31 March 2021 were as follows:

	Weighting	Achievement levels						
Non-financial measures	20%	0%	25%	50%	75%	100%	125%	150%
Culture, values and co-operation related measures	7%	0	1	2	3	4	5	6
"ESG" related measures	5%	0	1	2	3	4	5	6
Prudential and risk management related measures	8%	0	1	2	3	4	5	6

Non-financial measure	Assessment	Rating (0 – 6)
Culture, values and co-operation related measures	The year began weeks after the start of the first hard lockdown in key jurisdictions and in the midst of the year end close out, which went to plan and was completed successfully and on time. Management has been extremely successful setting up and operating the working from home model for most of our people for the entire year, leading by example to ensure we continue to live our unique culture. While this has been challenging for most, management and our people and organisation function have successfully provided leadership and support to our people to ensure everybody remains engaged, our culture is reinforced, and people receive the support they need.	5
"ESG" related measures	As our new leadership structures and teams settled down the focus shifted to building leadership teaming and formalising succession plans for all senior leaders. Our Belonging, Inclusion and Diversity initiatives continue to grow across the business in spite of the challenges in working from home. We have continued to embed ESG, and particularly the E (environmental) component, with positive feedback from Just Share at our AGM last year. Led by our Chief Executive, our executive directors took a 25% salary reduction in 2020 and made a salary sacrifice donation over three months to COVID-19 causes, including the Solidarity Fund in South Africa. We have continued to be net-zero or carbon neutral in our direct operations, as has been the case since year ending 31st March 2019.	4
Prudential and risk management related measures	Our risk management structures and processes remain robust in support of the business. Capital and liquidity ratios remain strong. Our core franchise businesses have performed well through the COVID-19 health and financial crisis. A disappointment is the costs involved in managing the risk while we run down our Financial Products book, however a significant amount of work has been done to manage down the risk and book.	3

ANNUAL REPORT ON REMUNERATION
CONTINUED

Outcome of the short-term incentives for executives for the 2021 financial year (Audited)

The following table shows how the bonuses for each individual executive director were calculated, based on the adjusted operating profit of £377.6 million for the year, and the 104.2% performance achievement outlined above.

Name	On-target percentage pool of adjusted operating profit	On-target short-term incentive based on percentage pool (£'000)	Actual performance outcome against target	**Actual Short-term incentive outcome (£'000)**	Notes
Fani Titi	0.23%	868	104.2%	905	
Nishlan Samujh	0.12%	434	104.2%	452	
David van der Walt	—	—	—	—	Not eligible for a bonus in 2021
Richard Wainwright	0.18%	680	104.2%	708	
Ciaran Whelan	0.18%	680	104.2%	708	

All short-term incentives for the executive directors fall within the variable remuneration cap of 242.2% of fixed remuneration so no adjustments were required for that reason. In addition, the committee considered whether any further performance adjustments were required for events that occurred during the year, and whether any malus or clawback would be appropriate. The committee determined that no additional performance adjustment or malus and clawback were appropriate.

Short-term incentive and long-term incentive delivery profile

Names	Award	Total Value (£'000)	June 2021	June 2022	June 2023	June 2024	June 2025	June 2026	June 2027	June 2028
Fani Titi	**Total short-term incentive, all delivered in shares** [1/2/3]	**905**	543	109	109	28	29	29	29	29
	LTIPS awarded still subject to future performance conditions[1]	**1 000**				200	200	200	200	200
Nishlan Samujh	**Total short-term incentive, all delivered in shares** [1/2/3]	**452**	272	55	55	14	14	14	14	14
	LTIPS awarded still subject to future performance conditions[1]	**500**				100	100	100	100	100
David van der Walt	**Total short-term incentive, all delivered in shares** [1/2/3]	**0**								
	LTIPS awarded still subject to future performance conditions[1]	**0**								
Richard Wainwright	**Total short-term incentive, all delivered in shares** [1/2/3]	**708**[4]	425	89	89	21	21	21	21	21
	LTIPS awarded still subject to future performance conditions[1]	**800**				160	160	160	160	160
Ciaran Whelan	**Total short-term incentive, all delivered in shares** [1/2/3]	**708**	425	89	89	21	21	21	21	21
	LTIPS awarded still subject to future performance conditions[1]	**800**				160	160	160	160	160

1. The elements of the short-term incentive and long-term incentive delivered in shares are subject to a further twelve month post-vesting retention period.
2. Unvested deferred share awards are not eligible to receive dividends or dividend equivalents. Once they have vested they become entitled to receive dividends.
3. The short-term incentive awards detailed above are not subject to any further performance conditions.
4. The figure shown above is the full year bonus for Richard Wainwright which is subject to deferral as per the Directors' Remuneration Policy, the figure shown in the single figure table on page 173 is pro rated for length of service as an executive director.

ANNUAL REPORT ON REMUNERATION
CONTINUED

Assessment of the long-term incentive awards awarded in May 2018 (Audited)

The following table shows the achievements against the preset financial and non-financial measures and metrics for the long-term incentive awards which were awarded in May 2018. The vesting of these awards is subject to achievement against performance conditions covering the period from 1 April 2018 to 31 March 2021. The current executive directors were not granted long-term incentive awards under the EIP 2013 in May 2018. Awards were made in May 2018 to the former executive directors therefore the vesting outcomes are only relevant to those executive directors. These are Stephen Koseff, Bernard Kantor and Glynn Burger.

			Targets to 31 March 2021					
		Weight (as a percentage of target)	Threshold (0%)	Target (100%)	Stretch[1] (150%)	**Actual perfor-mance**	**Achieve-ment against target**	**Weighting achieved**
Financial	Growth in tangible net asset value[2]	40%	15.0%	30.0%	45.0%	34.2%	113.9%	45.6%
	Return on risk-weighted assets[3]	35%	0.70%	1.20%	1.60%	1.16%	91.2%	31.9%
Non-financial[1]	Culture and values	4%	0	2	4	2	100.0%	4.0%
	Franchise development	13%	0	2	4	2	100.0%	13.0%
	Governance and regulatory	4%	0	2	4	2	100.0%	4.0%
	Employee relationship	4%	0	2	4	2	100.0%	4.0%
Total achieved								**102.5%**

1. 200% stretch for non-financial measures.
2. The growth in tangible net asset value is expressed per share, based on neutral currency and after adding back dividends and is measured over three financial years preceding the first date of vesting.
3. Return on risk-weighted assets is defined as adjusted earnings/average risk-weighted assets, where adjusted earnings are earnings attributable to ordinary shareholders after taxation, non-controlling interests and preference dividends, but before goodwill, acquired intangibles and non-operating items, and is measured over the three financial years preceding the first date of vesting by averaging the actual return on risk-weighted assets achieved for each of those three financial years.

Stephen Koseff and Bernard Kantor were awarded 264 759 shares each on 31 May 2018. Given the vesting at 102.5%, pro rata for length of service (both retired as executive directors on 8 August 2019), the final number of Investec shares that vested for each was 122 414. A further 61 207 Ninety One plc shares also vested, in line with the treatment of Investec shares at the demerger. Glynn Burger was awarded 239 066 shares on 31 May 2018. Given the vesting at 102.5%, pro rata for length of service (resigned as an executive director on 31 March 2019), the final number of Investec shares that vested for Glynn Burger was 81,671. A further 40 835 Ninety One plc shares also vested, in line with the treatment of Investec shares at the demerger. The committee considered whether malus or clawback would be appropriate for any events that occurred prior to vesting. The committee determined that no malus and clawback adjustments would be appropriate.

These long-term incentive shares vest 20% per annum commencing on 31 May 2021 through to 31 May 2025. They are subject to a further twelve month retention period following each vesting date. No dividends or dividend equivalents are earned on these awards prior to vesting.

The grant price per share at date of award was £5.59, and the opening prices on the first available date after vesting (1 June 2021) were £2.96 for the Investec plc shares and £2.36 for the Ninety One shares.

Non-financial assessment for the 2018 LTIP award vesting in May 2021 (Audited)

The committee assessed achievement against objectives for the non-financial measures on a five-point scale. The awards were tested over the three financial years preceding the date of vesting.

	Weighting	**Achievement levels**				
Non-financial metrics	25%	0%	50%	100%	150%	200%
Culture and values	4%	0	1	2	3	4
Franchise development	13%	0	1	2	3	4
Governance and regulatory and shareholder relationships	4%	0	1	2	3	4
Employee relationship and development	4%	0	1	2	3	4

ANNUAL REPORT ON REMUNERATION
CONTINUED

The following sets out the committee's assessment of the 2018 awards in respect of the non-financial performance conditions:

Non-financial measure	Assessment	Rating (0 – 4)
Culture and values	The first half of the period represented the final eighteen months of the significant leadership change from the founders, as well as a new strategy and refreshed leadership teams while focusing on the business, its clients and people, culture and values. Both outgoing and incoming leaders engaged effectively with our people, reinforcing our values and culture and providing appropriate leadership.	2
Franchise development	Our core banking and wealth franchises continued to grow across our major jurisdictions. The demerger of Investec Asset Management (now Ninety One) was successfully completed during the period. Our focus and commitment to leading environmental, social (both internally and externally) and governance strategies continued through the period.	2
Governance and regulatory and shareholder relationships	Our incoming leadership team built their relationships with key stakeholders, including regulators and shareholders, supported appropriately by the outgoing leaders.	2
Employee relationship and development	Through the leadership transition and beyond, our leadership both incoming and outgoing has focused on engaging with our people about our values and culture, our refreshed strategy and our Belonging, Inclusion and Diversity commitment ensuring our people remain engaged.	2

Historic short-term and long-term incentive vesting for the Chief Executive

	2012	2013	2014	2015	2016	2017	2018	2019[1]	2020[2]	2021
Annual short-term incentive as a percentage of maximum opportunity	n/a[3]	n/a[3]	50 %	65 %	95 %	92 %	95 %	43 %	0%[4]	69 %
Vesting of long-term incentive as a percentage of maximum	n/a	n/a	n/a	n/a	100 %	n/a[5]	n/a[5]	n/a	n/a	76 %

1. Percentages reported for 2019 are for Fani Titi and Hendrik du Toit. They did not have any long-term incentives awards vesting with reference to the 2019 financial year. Percentages prior to 2019 detailed in the table are for Stephen Koseff.
2. Figures reported for 2020 are for Fani Titi.
3. Prior to 2014 annual bonuses were not determined in terms of a formulaic approach where maximum and minimum awards could be derived
4. Award rescinded at the request of Fani Titi.
5. No LTIP awards had performance conditions ending in the 2017 and 2018 financial years.

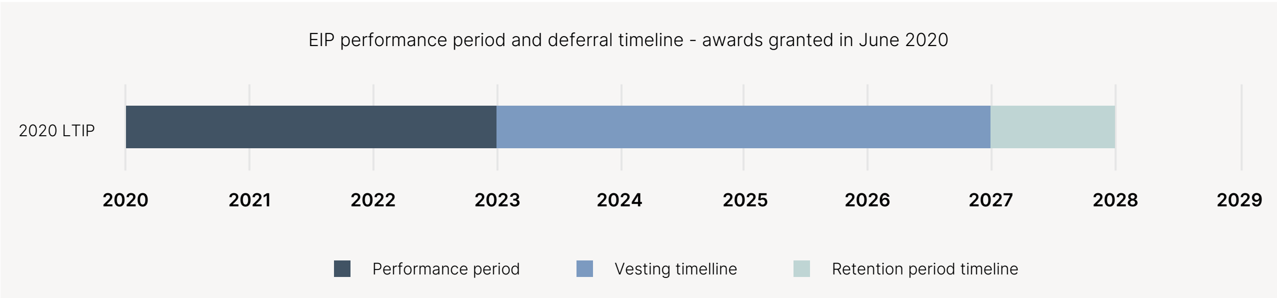
ANNUAL REPORT ON REMUNERATION
CONTINUED

Scheme interests awarded, exercised and lapsed during the year (audited)

Investec plc shares*

Name	Award name and date	Balance as at 1 April 2020 – shares	Awarded during the year – shares	Awarded – face value £'000	Exercised	Lapsed	As at 31 March 2021
Fani Titi	EIP 2013 June 2020	—	769 231	1 200	—	—	769 231
Nishlan Samujh	EIP 2013 June 2020	—	384 616	600	—	—	384 616

Notes:
David van der Walt, Richard Wainwright and Ciaran Whelan did not have any awards, exercises or lapses in respect of their service as DLC executive directors under the EIP during the year.



* First vesting aligns with the end of the performance period

EIP 2013 – awarded 2020
These awards formed part of the variable remuneration for the financial year ending 31 March 2020. They are conditional shares and the face value at grant of awards would ordinarily be equivalent to 100% of fixed remuneration, however the committee exercised discretion and reduced the grants by 10% to reflect the significant reduction in share price in the months prior to grant. The share price used to calculate the number of shares awarded was based on the five day average closing market share price from 27 May to 2 June 2020, which was £1.56. The performance measures and metrics are as shown below.

Financial measures (75%)

Measure	Weighting	Achievement levels		
Financial measures	**75%**	**Threshold (0%)**	**Target (100%)**	**Stretch (150%)**
Growth in tangible net asset value[1]	40%	10%	25%	40%
Return on risk-weighted assets[2]	35%	1.00%	1.25%	1.50%

1. The growth in tangible net asset value is expressed per share, based on neutral currency and after adding back dividends and will be measured cumulatively over the three financial years preceding the first date of vesting.
2. Return on risk-weighted assets is defined as adjusted earnings/average risk-weighted assets, where adjusted earnings are earnings attributable to ordinary shareholders after taxation, non-controlling interests and preference dividends, but before goodwill, acquired intangibles and non-operating items, and will be measured over the three financial years preceding the first date of vesting by averaging the actual return on risk-weighted assets achieved for each of those three financial years.

ANNUAL REPORT ON REMUNERATION
CONTINUED

Non-financial measures (25%)

The committee assesses achievement against objectives for the non-financial measures on a seven-point scale and will award scores of 0 (0%) and 6 (200%) only in exceptional circumstances. The non-financial measures for the award in respect of the year ending 31 March 2020 are as follows:

Measure	Weighting	Achievement levels						
Non-financial measures	**25%**	**0%**	**25%**	**50%**	**75%**	**100%**	**150%**	**200%**
Culture and values	4%	0	1	2	3	4	5	6
Franchise development	13%	0	1	2	3	4	5	6
Governance and regulatory and shareholder relationships	4%	0	1	2	3	4	5	6
Employee relationship and development	4%	0	1	2	3	4	5	6

Directors' interest in preference shares as at 31 March 2021 (audited)

	Investec plc		Investec Limited		Investec Bank Limited	
Name	**31 March 2021**	**1 April 2020**	**31 March 2021**	**1 April 2020**	**31 March 2021**	**1 April 2020**
Stephen Koseff	12 139	12 139	3 000	3 000	3 000	4 000

The market price of an Investec Limited preference share at 31 March 2021 was R62.29 (2020: R49.97).
The market price of an Investec Bank Limited preference share at 31 March 2021 was R68.99 (2020: R50.00).
The market price of an Investec plc preference share at 31 March 2021 was R71.00 (2020: R90.00).

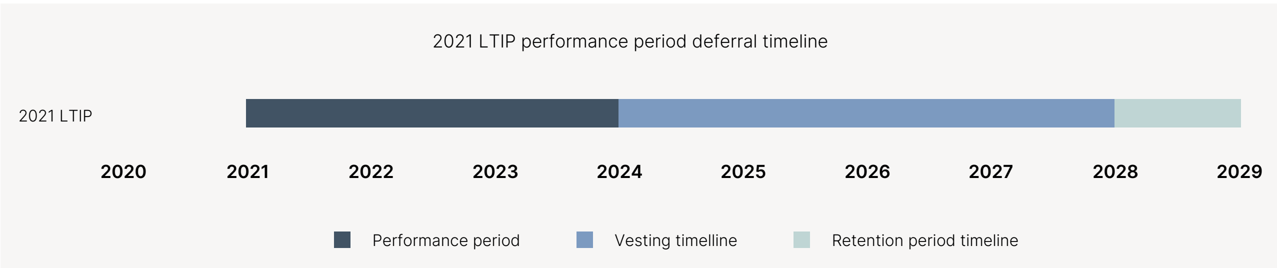
The number of shares in issue and share prices for Investec plc and Investec Limited

	31 March 2021	31 March 2020	High over the period	Low over the period
Investec plc share price	£2.19	£1.52	£2.35	£1.26
Investec Limited share price	R43.27	R33.99	R46.25	R28.14
Number of Investec plc shares in issue (million)	696.1	696.1		
Number of Investec Limited shares in issue (million)	318.9	318.9		

Scheme interests awarded in respect of the financial year ended 31 March 2021 (audited)
Investec plc shares

Name	Award	As at 1 April – shares	Award date	Awarded – shares	Awarded – face value £'000
Fani Titi	EIP 2013 – 2021	–	27 May 2021	349 651	1 000 000
Nishlan Samujh	EIP 2013 – 2021	–	27 May 2021	174 826	500 000
Richard Wainwright	EIP 2013 – 2021	–	27 May 2021	279 721	800 000
Ciaran Whelan	EIP 2013 – 2021	–	27 May 2021	279 721	800 000

These are conditional shares and the awards formed part of the variable remuneration of the executive directors for the financial year ending 31 March 2021. The face value at award of these awards was equivalent to 100% of fixed remuneration. The share price used to calculate the number of shares granted was based on the five day average closing market price from 18 to 24 May 2021, which was £2.86. Vesting is subject to achievement against performance conditions; the performance period, vesting schedule and holding periods are outlined below. The first vesting will be on 27 May 2024, with 20% vesting per annum from that date until 27 May 2028, subject to achievement against the performance targets.



ANNUAL REPORT ON REMUNERATION
CONTINUED

Financial measures (75%)

Measure	Weighting	Achievement levels		
Financial measures	**75%**	**Threshold (0%)**	**Target (100%)**	**Stretch (150%)**
Growth in tangible net asset value[1]	40%	15%	30%	45%
Return on risk-weighted assets[2]	35%	1.1%	1.4%	1.7%

1. The growth in tangible net asset value is expressed per share, based on neutral currency and after adding back dividends and will be measured cumulatively over the three financial years preceding the first date of vesting.
2. Return on risk-weighted assets is defined as adjusted earnings/average risk-weighted assets, where adjusted earnings are earnings attributable to ordinary shareholders after taxation, non-controlling interests and preference dividends, but before goodwill, acquired intangibles and non-operating items, and will be measured over the three financial years preceding the first date of vesting by averaging the actual return on risk-weighted assets achieved for each of those three financial years.

Non-financial measures (25%)
The committee assesses achievement against objectives for the non-financial measures on a seven-point scale and will award scores of 0 (0%) and 6 (200%) only in exceptional circumstances. The non-financial measures for awards made in respect of the year ending 31 March 2021 are as follows:

Measure	Weighting	Achievement levels						
Non-financial measures	**25%**	**0%**	**25%**	**50%**	**75%**	**100%**	**150%**	**200%**
Culture and values	4%	0	1	2	3	4	5	6
Franchise development	13%	0	1	2	3	4	5	6
Governance and regulatory and shareholder relationships	4%	0	1	2	3	4	5	6
Employee relationship and development	4%	0	1	2	3	4	5	6

Payments to past directors and payments for loss of office (audited)
No such payments have been made in the year ending 31 March 2021

ANNUAL REPORT ON REMUNERATION
CONTINUED

Statement of directors' shareholding and share interests (audited)

Name	Beneficial and non-beneficial interest Investec plc		% of shares in issue Investec plc	Beneficial and non-beneficial interest Investec Limited		% of shares in issue Investec Limited	Share-holdings requirements met?[1]
Executive directors	**31 March 2021**	1 April 2020	**31 March 2021**	**31 March 2021**	1 April 2020	**31 March 2021**	
Fani Titi[2]	541 970	145 481	0.08%	—	—	0.00%	No[2]
Nishlan Samujh	181 844	625	0.03%	230 451	201 080	0.07%	No[3]
David van der Walt	566 907	566 907	0.08%	90 140	90 140	0.03%	n/a
Richard Wainwright	—	—	0.00%	830 316	738 650	0.26%	Yes
Ciaran Whelan	689 134	512 690	0.10%	437 076	437 076	0.14%	Yes
Total	**1 979 855**	**1 225 703**	**0.29%**	**1 587 983**	**1 466 946**	**0.50%**	
Non-executive directors							
Perry Crosthwaite (Chair)	115 738	115 738	0.02%	—	—	0.00%	n/a
Henrietta Baldock	—	—	0.00%	—	—	0.00%	n/a
Zarina Bassa	—	—	0.00%	—	—	0.00%	n/a
David Friedland	—	—	0.00%	—	—	0.00%	n/a
Philip Hourquebie	—	—	0.00%	—	—	0.00%	n/a
Charles Jacobs	—	—	0.00%	—	—	0.00%	n/a
Ian Kantor	9 045	9 045	0.00%	325	325	0.00%	n/a
Stephen Koseff[4]	3 270 323	6 327 759	0.47%	221 215	537 416	0.07%	Yes
Lord Malloch-Brown	—	—	0.00%	—	—	0.00%	n/a
Khumo Shuenyane	19 900	19 900	0.00%	—	—	0.00%	n/a
Philisiwe Sibiya	—	—	0.00%	—	—	0.00%	n/a
Total	**3 415 006**	**6 472 442**	**0.49%**	**221 540**	**537 741**	**0.07%**	
Total	**5 394 861**	**7 698 145**	**0.78%**	**1 809 523**	**2 004 687**	**0.57%**	

The number of shares in issue and share prices for Investec plc and Investec Limited over the period is provided on page 183.

1. The executive directors have a shareholding requirement of 200% of fixed remuneration during employment. Post-termination shareholding requirements are also the lower of 200% of fixed remuneration, or the holding on termination for two years post termination. Calculation based on fully vested shares that are detailed within the table above and all other shares awards that are no longer subject to performance conditions, as at 31 March 2021.
2. Fani Titi was appointed as an executive director on 1 April 2018 and will be able to build up his shareholdings over a reasonable period of time, particularly taking into account the vesting schedule of shares awarded through the short-term incentive and long-term incentive.
3. Nishlan Samujh was appointed as an executive director on 1 April 2019 and will be able to build up his shareholdings over a reasonable period of time, particularly taking into account the vesting schedule of shares awarded through the short-term incentive and long-term incentive.
4. Stephen Koseff was appointed as non-executive director on 17th September 2020.

ANNUAL REPORT ON REMUNERATION
CONTINUED

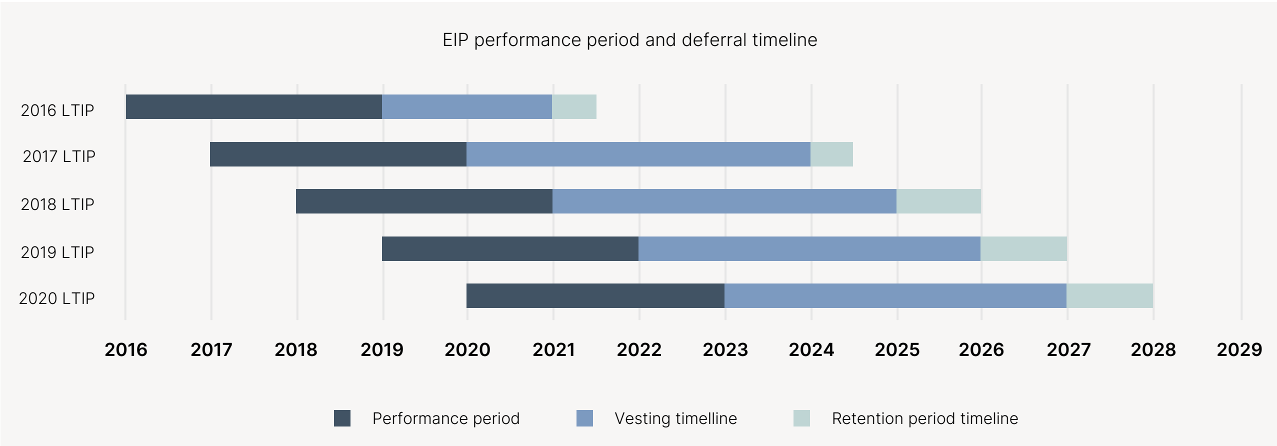
Directors' interests in the Investec plc Executive Incentive Plan 2013 at 31 March 2021 (audited)

Investec shares

The Executive Incentive Plan and the awards made thereunder were approved at the August 2018 annual general meeting.

Name	Date of award	Exercise price	Number of Investec plc shares at 1 April 2020	Conditional awards made during the year	Balance at 31 March 2021
Fani Titi	29 May 2019	Nil	278 080		278 080
	5 June 2020	Nil		769 231	769 231
Nishlan Samujh	5 June 2020	Nil		384 616	384 616

Note: Upon termination of employment awards will be pro rated based on service over the performance period



* First vesting aligns with the end of the performance period

** The June 2016 and 2017 awards have a 6 month retention period post vesting and all other awards a 12 month retention period

Outstanding unvested deferred share awards not subject to performance conditions granted in respect of service as an executive director

Name	Award type	Performance conditions	Eligible for dividends	Vesting period	Total number outstanding at 31 March 2021
Fani Titi	INVP Conditional shares	None	No	From 1 to 7 years	36 902
Nishlan Samujh	INVP Conditional shares	None	No		
David van der Walt	INVP Conditional shares	None	No		
Richard Wainwright	INVP Conditional shares	None	No		
Ciaran Whelan	INVP Conditional shares	None	No		

These awards are all unvested shares that were deferred as part of prior year remuneration. They lapse on resignation or termination for misconduct, although they may be retained if the director is considered a "good leaver".

ANNUAL REPORT ON REMUNERATION
CONTINUED

Summary of Investec's share option and long-term incentive plans

Eligibility	Maximum award per individual		Instrument vesting period	Options/ shares awarded during the year[2]	Total in issue at 31 March 2021
Investec 1 Limited Share Incentive Plan – 16 March 2005 – Investec plc [1,2]					
New and existing full-time employees	Cumulative limit of 2 500 000 across all plans	INVP	Long-term incentive awards - nil cost options:	–	15 000
	Excluding deferred bonus share awards		Non-Material Risk Takers: vesting 75% at the end of year four and 25% at the end of year five	0.001% of issued share capital of company	
	In any financial year: 1x remuneration package		Material Risk Takers: vesting 75% at the end of 3.5 years and 25% at the end of 4.5 years with 12 month retention		
New and existing full-time employees	Cumulative limit of 2 500 000 across all plans	INVP	Long-term share awards: forfeitable shares and conditional shares	3 918 500	14 354 736
	Excluding deferred bonus share awards		One third vesting at the end of years three, four and five for non-material risk takers	1.41% of issued share capital of company	
	In any financial year: 1x remuneration package				
New and existing full- time employees	Cumulative limit of 2 500 000 across all plans	INVP	Market strike options: 25% vesting at the end of years 2, 3, 4 and 5	–	40 787
	Excluding deferred bonus share awards			0.004% of issued share capital of company	
	In any financial year: 1x remuneration package				
Investec plc Executive Incentive Plan – 2013 [1]					
Executive management and material risk takers	Cumulative limit of 2 500 000 across all plans	INVP	Long-term share awards: Junior Material Risk Takers: vest one third at the end of 2, 3 and 4 years	2 973 005	6 671 867
	Excluding deferred bonus share awards		Risk Managers and FCA Designated Senior Managers: vest one third at the end of 2.5, 3.5 and 5 years PRA Designated Senior Managers: vest 25% per annum from 3-7 years All have a 12 month retention period thereafter, with the exception of risk managers who have a 6 month retention period	0.66% of issued share capital of company	
	In any financial year: 1x remuneration				

ANNUAL REPORT ON REMUNERATION
CONTINUED

Eligibility	Maximum award per individual		Instrument vesting period	Options/ shares awarded during the year[2]	Total in issue at 31 March 2020
Investec Limited Share Incentive Plan – 16 March 2005 – Investec Limited [1,2]					
New and existing full- time employees	Cumulative limit of 2 500 000 across all plans	INL	Long-term incentive awards - nil cost options:	–	–
	Excluding deferred bonus share awards		Vesting 75% in year 4 and 25% in year 5	0.00% of issued share capital of company	
	In any financial year: 1x remuneration package				
New and existing full- time employees	Cumulative limit of 2 500 000 across all plans	INL	Long-term share awards: forfeitable shares and conditional shares	9 813 855	24 817 072
	Excluding deferred bonus share awards		Vesting one third in years 3, 4 and 5	2.45% of issued share capital of company	
	In any financial year: 1x remuneration package	IPF		1 496 185	1 496 185

New share plans

Investec would like to introduce new share plans, the Investec plc Share Incentive Plan 2021 in the plc regions and Investec Limited Share Incentive Plan 2021 in the Limited regions, that can be used to grant awards to all employees including executive directors. The purpose of the new share incentive plans is to update the existing documents after an extensive review of the legal and tax rules in all relevant jurisdictions. As the proposed plans can be used to grant awards to all employees there is considerable flexibility in the types of awards which can be granted under the plans.

These plans will be approved for the ensuing 10 year period and a summary of the plans will be included in the AGM circular which will include resolutions for approval by shareholders.

1. The limits for allocations to employees and executive management during a financial year may be exceeded if the directors determine that exceptional circumstances make it desirable that awards should be granted in excess of that limit.
2. The rules of these long-term incentive plans do not allow awards to be made to executive directors, with the exception of the Executive Incentive Plan 2013.

ANNUAL REPORT ON REMUNERATION
CONTINUED

Non-executive directors
The fee structure for non-executive directors for the period ending 31 August 2021 and as proposed for 2022 are shown in the table below.

Non-executive directors' remuneration	Reduction in fees at 31 Aug 2020	Period ending 31 August 2021	As proposed by the board for the period from 1 September 2021 to 1 August 2022	% change
Chair's total fee	(20%)	£360,000 per year	£375,000 per year	4%
Basic non-executive director fee	(10%)	£67,500 per year	£70,000 per year	4%
Senior independent director	(10%)	£9,000 per year	£10,000 per year	11%[1]
Chair of the DLC audit committee	(15%)	£68,000 per year	£68,000 per year	0%
Chair of the DLC remuneration committee	(15%)	£39,950 per year	£40,500 per year	1%
Chair of the DLC social and ethics committee	(15%)	£25,500 per year	£30,000 per year	18%[2]
Chair of the board risk and capital committee	(15%)	£39,100 per year	£40,500 per year	4%
Member of the DLC audit committee	(10%)	£22,500 per year	£23,000 per year	2%
Member of the DLC remuneration committee	(10%)	£15,750 per year	£15,750 per year	0%
Member of the DLC nominations and directors' affairs committee	(10%)	£11,700 per year	£11,700 per year	0%
Member of the DLC social and ethics committee	(10%)	£11,700 per year	£12,000 per year	3%
Member of the board risk and capital committee	(10%)	£13,950 per year	£14,500 per year	4%
Designated NED responsible for workforce engagement	0%	£10,000 per year	£10,000 per year	0%
Per diem fee for additional work committed to the group	(10%)	£1,800/R27,000	£1,800/R27,000	0%

1. Increase in fees for senior independent director to align with market rates.
2. Increase in fees for Chair of the DLC social and ethics committee to reflect the increased workload and responsibilities of the committee Chair.

ANNUAL REPORT ON REMUNERATION
CONTINUED

Non-executive directors' single total remuneration figure (audited)
The table below provides a single total remuneration figure for each non-executive director over the financial period. Executive and non-executive directors donated a portion of their remuneration/fees via salary sacrifice during the year to COVID-19 causes including the Solidarity Fund in South Africa.

Name	**Total remuneration 2021 £**	Total remuneration 2020 £	Date of appointment to the board as non-executive director
Perry Crosthwaite (Chair)	376 125	450 000	18 June 2010
Henrietta Baldock	95 748	58 319	9 August 2019
Zarina Bassa[1]	332 911	286 101	1 November 2014
David Friedland	193 624	214 214	1 March 2013
Philip Hourquebie[1]	233 434	205 185	14 August 2017
Charles Jacobs	87 104	80 941	8 August 2014
Ian Kantor[2]	26 154	80 801	26 June 2002
Stephen Koseff[3]	44 192	966 000	17 September 2020
Lord Malloch-Brown	110 242	118 000	8 August 2014
Khumo Shuenyane	207 976	252 961	8 August 2014
Philisiwe Sibiya	108 763	74 429	9 August 2019
Total in Pounds Sterling	**1 816 273**	**2 786 951**	

1. In order to ensure alignment with the broader Investec group, the Chairs of the Group Audit, Remuneration and Risk Committees are members of those committees recently established by the group's key operating subsidiaries, for which appointments they receive a fee. Additionally 2021 fees for Zarina Bassa and Philip Hourquebie include fees received during the financial period for committee work performed from January 2019 to June 2020. Accordingly, the fees disclosed for Philip Hourquebie and Zarina Bassa increased over the period, notwithstanding the overall reduction to NED fees from 1 September 2020.
2. Ian Kantor was a non-independent non-executive director and stood down on 6th August 2020.
3. Stephen Koseff was appointed as non-independent non-executive director on 17th September 2020, he was an executive director until 8 August 2019 and the 2020 total remuneration figure includes all elements of remuneration for him as an executive director.

Non-executive directors do not receive any additional taxable benefits. On the recommendation of the Nominations and Directors' Affairs Committee (Nomdac), independent non-executive directors will be appointed for an expected term of nine years (three times three-year terms) from the date of their first appointment to the board. In accordance with the UK Corporate Governance Code, all of the directors will retire and those willing to serve again will submit themselves for re-election at the AGM.

ANNUAL REPORT ON REMUNERATION
CONTINUED

Statement of implementation of remuneration policy in the following financial year

The proposed remuneration policy, as outlined on pages 160 to 169, will be in operation for the 2021/2022 financial year, subject to shareholder approval. Within the proposed policy, fixed (with the exception of the Group Finance Director) and maximum total remuneration remain unchanged following a 25% reduction in the 2021 policy, however some adjustments have been made to align more closely with our strategy. The policy will be voted on at the AGM on 5 August 2021. The key features of the proposed policy and changes from the previous policy are detailed on page 161.

Short-term incentive

The weightings for the financial measures for the annual short-term incentive for the 2022 year will be as follows, and threshold target and stretch levels will be disclosed in the 2022 annual report due to commercial sensitivity:

Financial measures

	Weighting	Achievement levels		
Financial measures	**80%**	**Threshold (25%)**	**Target (100%)**	**Stretch (200%)**
Profit before tax	30%	Targets have been set and agreed with the executive directors' and will be disclosed in the 2022 annual report due to commercial sensitivity		
Return on equity[1]	30%			
Cost to income ratio	10%			
Cost growth metric	10%			

1. Return on equity is defined as adjusted earnings/average ordinary shareholders' equity (excluding preference share capital).

Non-financial measures:

The committee assesses achievement against objectives for the non-financial measures on a 5 point scale as illustrated below

Measure	**Weighting**	**Achievement levels**					
	20%	**0%**	**25%**	**50%**	**100%**	**150%**	**200%**
Culture and values	5%	0	1	2	3	4	5
ESG related measures	5%	0	1	2	3	4	5
Strategic objectives	10%	0	1	2	3	4	5

Long-term incentive

The measures for the annual long-term incentive award to be granted in May 2022 year will be as follows:

Financial measures

	Weighting	Achievement levels		
Financial measures	**80%**	**Threshold (25%)**	**Target (100%)**	**Stretch (150%)**
Growth in net tangible asset value[1]	30%	The threshold, target and stretch levels will be confirmed prospectively at the time of award		
Return on equity[2]	30%			
Relative TSR	20%			

1. The growth in net tangible asset value is expressed per share, based on neutral currency and after adding back dividends and will be measured cumulatively over the three financial years preceding the first date of vesting.
2. Return on equity is defined as adjusted earnings/average ordinary shareholders' equity (excluding preference share capital).

Non-financial measures:

The committee will assess achievement against objectives for the non-financial measures on a 5 point scale and will award scores of 0 (0%) and 5 (150%) only in exceptional circumstances. The non-financial measures and achievement levels for the year ending 31 March 2022 are unchanged, as follows:

Measure	**Weighting**	**Achievement levels**					
	20%	**0%**	**25%**	**63%**	**100%**	**125%**	**150%**
Strategic & ESG (incorporating culture and values)	10%	0	1	2	3	4	5
Risk scorecard	10%	0	1	2	3	4	5

ANNUAL REPORT ON REMUNERATION
CONTINUED

Statement of voting at the annual general meeting

The combined results on each of the remuneration resolutions passed at the 2020 annual general meetings of Investec plc and Investec Limited were as follows:

	Number of votes cast "for" resolution	% of votes "for" resolution	Number of votes cast "against" resolution	% of votes "against" resolution	Number of abstentions
To approve the Directors' Remuneration Report	602 017 078	76.12%	188 905 936	23.88%	1 801 640
To approve the non-executive directors' remuneration	781 705 142	98.73%	10 027 170	1.27%	992 342
To approve the Directors' Remuneration Policy	596 259 658	75.40%	194 494 260	24.60%	1 970 736

We undertook consultation exercises in 2019 with our key shareholders which focused on the technical adjustments in relation to the demerger of Ninety One. These adjustments were supported at the 2019 AGM.

We undertook consultation with our key shareholders again in 2020, focusing on our one year proposed remuneration policy which was approved at the 2020 AGM. The key change in this policy was a reduction in remuneration of approximately 25%. We received considerable positive feedback and support from a range of shareholders during that process, but were disappointed to receive votes in favour of the remuneration resolutions slightly below 80%.

Subsequently we engaged in an extensive consultation exercise in February 2021 with our key shareholders to obtain input into the design of our proposed 2022 remuneration policy. We, by and large, received positive and constructive feedback, and we incorporated some changes as a result of this feedback. These changes aim to align reward more closely with business performance and adherence to our strategy.

We look forward to consulting further in the run up to the AGM, as we normally do.

Equity and inclusion, including gender pay gap reporting

While we have actively tried to increase the diversity of our senior leadership, we recognise that across our organisation we have more work to do. We have thus put together our own set of diversity principles to help define the framework for that journey. These apply across the global business and apply to all our efforts, including transformation in South Africa.

- We believe in the importance and benefits of diversity and foster a culture that is supportive and inclusive of different perspectives and experiences.
- As a global specialist bank and wealth manager, our workforce should reflect the diversity of our global client base.
- We are progressing towards a working environment that is more agile and responsive to the needs of all individuals, for example with flexible work arrangements encouraged where appropriate.
- We work proactively to rebalance our organisation in line with the communities in which we operate through entrepreneurship and education, and leveraging the value in our diversity.
- We will continue to measure and track progress annually and strive to achieve our targets through concrete actions.

Investec UK gender pay gap reporting

The official UK gender pay gap results, required under the UK gender pay gap legislation are published on our website and are shown on page 175.

Additional remuneration disclosures (audited) A

South African Companies Act, 2008 disclosures

In compliance with regulatory developments in South Africa, Investec Limited is required to disclose the remuneration of those individuals that are defined by the South African Companies Act, No 71 of 2008 (as amended), read together with the Companies Regulations 2011 (together the Act), as prescribed officers.

A prescribed officer is a person who "Exercises general executive control over and management of the whole, or a significant portion, of the business and activities of the company" this is the Chief Executive's executive committee (The DLC executive). For the 2021 year that was:

- Fani Titi
- Nishlan Samujh
- David van der Walt
- Richard Wainwright and
- Ciaran Whelan.

PRA AND FCA REMUNERATION CODE AND PILLAR III DISCLOSURES

PRA and FCA Remuneration Code and Pillar III disclosures
In terms of the PRA's Chapter on Disclosure Requirements and Part 8 of the Capital Requirements Regulation the bank in the UK is required to make certain quantitative and qualitative remuneration disclosures on an annual basis with respect to Material Risk Takers.

Material Risk Takers are defined as those employees (including directors) whose professional activities could have a material impact on the bank's risk profile. A total of 60 individuals were Material Risk Takers at 31 March 2021.

The bank's qualitative remuneration disclosures are provided on pages 153 to 192.

The information contained in the tables below sets out the bank's quantitative disclosures in respect of Material Risk Takers for the year ended 31 March 2021.

Aggregate remuneration by remuneration type awarded during the financial year

	Senior management	Other Material Risk Takers	**Total**
Fixed remuneration			
– Cash	9.3	12.6	21.9
– Shares	—	—	—
Variable remuneration*			
– Upfront cash	1.3	1.9	3.2
– Deferred cash	0.1	0.2	0.3
– Upfront shares	2.2	2.5	4.7
– Deferred shares	0.9	0.7	1.6
– Deferred shares – long-term incentive awards**	3.9	4.9	8.8
Total aggregate remuneration and deferred incentives (£'million)	**17.7**	**22.8**	**40.5**
Number of employees	21	33	54
Ratio between fixed and variable pay	0.9	0.8	0.8

* Total number of employees receiving variable remuneration was 42.
** Value represents the number of shares awarded multiplied by the applicable share price. These awards were made during the period but have not yet vested. These awards are subject to performance conditions and vest over a period of two and a half to four and a half years, up to three to seven years, determined by regulatory requirements. They are also subject to a six or 12 month retention period after vesting.

Material Risk Takers received total remuneration in the following bands:

	Number of Material Risk Takers
£800 000 – £1 200 000	7
£1 200 001 – £1 600 000	7
£1 600 001 – £2 000 000	2
£2 000 001 – £2 400 000	1
£2 400 001 – £2 800 000	0
£2 800 001 – £3 200 000	1
£3 200 001 – £3 600 000	0
£3 600 001 – £4 000 000	0
£4 000 001 – £4 400 000	0
£4 400 001 – £4 800 000	0
£4 800 001 – £5 200 000	0
> £5 200 001	0

PRA AND FCA REMUNERATION CODE AND PILLAR III DISCLOSURES
CONTINUED

Additional disclosure on deferred remuneration

£'million	Senior management	Other Material Risk Takers	Total
Deferred unvested remuneration outstanding at the beginning of the year	26.7	22.9	49.6
Deferred unvested remuneration adjustment – employees no longer Material Risk Takers and reclassifications	(3.9)	(3.1)	(7.0)
Deferred remuneration awarded in year	4.9	5.8	10.7
Deferred remuneration reduced in year through performance adjustments	—	—	—
Deferred remuneration reduced in year through malus and clawback adjustments^^	—	—	—
Deferred remuneration vested in year	(4.2)	(7.0)	(11.2)
Deferred unvested remuneration outstanding at the end of the year	**23.5**	**18.6**	**42.1**

^^ All employees are subject to malus and clawback provisions. No remuneration was reduced for ex post implicit adjustments during the year.

£'million	Senior management	Other Material Risk Takers	Total
Deferred unvested remuneration outstanding at the end of the year			
Equity	22.1	16.4	38.5
Cash	1.3	2.1	3.4
	23.4	**18.5**	**41.9**

£'million	Senior management	Other Material Risk Takers	Total
Deferred remuneration vested in year			
For awards made in 2019 financial year	0.9	1.5	2.4
For awards made in 2018 financial year	1.4	2.7	4.1
For awards made in 2017 financial year	1.2	2.2	3.4
For awards made in 2016 financial year	0.8	0.5	1.3
	4.3	**6.9**	**11.2**

Other remuneration disclosures

£'million	Senior management	Other Material Risk Takers	Total
Sign-on payments			
Made during the year (£'million)	—	—	—
Number of beneficiaries	—	—	—
Severance payments			
Made during the year (£'million)	0.2	1.7	1.9
Number of beneficiaries	2	8	10
Guaranteed bonuses			
Made during the year (£'million)	—	—	—
Number of beneficiaries	—	—	—

PRA AND FCA REMUNERATION CODE AND PILLAR III DISCLOSURES
CONTINUED

Pillar III remuneration disclosures
Investec Bank Ltd is required to make certain quantitative and qualitative remuneration disclosures on an annual basis in terms of the South African Prudential Authority's Basel Pillar III disclosure requirements.

The Pillar 3 remuneration disclosures will be set out in the Investec Bank Ltd pillar III risk management report.

Key Management Personnel
Details of directors' remuneration and interest in shares are disclosed within the annual report on remuneration section of this report. IAS 24 "Related party disclosures" requires the following additional information for key management compensation.

Compensation of key management personnel	**2021 £'000**	2020 £'000
Short-term employee benefits	12 208	12 912
Other long-term employee benefits	4 510	6 693
Share-based payments	2 925	6 697
Total	**19 643**	**26 302**

Shareholdings, options and other securities of key management personnel

	2021 000's	2020 000's
Number of options held over Investec plc or Investec Limited ordinary shares under employee share schemes	2 395	4 914

	2021 000's	2020 000's
Number of Investec plc or Investec Limited Ordinary shares held beneficially and non-beneficially	5 150	4 659

We have defined key management personnel as the executive directors of Investec DLC plus those classified as persons discharging managerial responsibility. For this year, in addition to the directors listed in the report, those are Henry Blumenthal, Mark Currie, Marc Kahn, Ruth Leas, Stuart Spencer and Lyndon Subroyen.