

What we did in 2021/22

2021

May

- Agreed that regulatory approval be sought for the appointment of Philip Hourquebie as Chair
- Agreed that regulatory approval be sought for the appointment of Brian Stevenson as a Non-Executive Director
- Approved the appointments of Nicky Newton-King and Jasandra Nyker as Non-executive Directors
- Considered the composition of the Board and the Board committees
- Assessed the independence of the Non-Executive Directors
- Reviewed and approved the going concern and the viability statement
- Received a detailed update from the DLC Audit Committee in respect of the going concern considerations and matters raised by assurance providers
- Considered uncertain tax and other legal matters
- Assessed the performance of the UK structured products book
- Approved the financial results for the year ended 31 March 2021
- Recommended a final dividend
- Discussed the EPS guidance to be given to the market
- Discussed and recommended the re-appointment of the external auditors.

July

- Received an update on the Group's response to the social unrest experienced in South Africa
- Received an update on the Group's performance and operating environment
- Deliberated on the wellbeing of employees, given the backdrop the of the pandemic and the social unrest in South Africa, with consideration also given to the future of work
- Debated the potential distribution of a portion of the Group's shareholding in Ninety One
- Considered capital planning proposals for Investec Limited
- Discussed feedback from shareholder roadshows
- Approved the Investec Limited Recovery and Resolution Plan
- Approved the Investec plc ICAAP, ILAAP and CFRP
- Approved changes to the Investec plc risk appetite
- Reviewed a detailed presentation on workforce engagement, including key themes and actions.

September

- Received an update on the Group's performance and operating environment
- Discussed progress against the Group's key strategic initiatives
- Approved the pre-close briefing statement
- Discussed the EPS guidance to be given to the market
- Approved the Investec Limited ICAAP
- Approved the Board Suitability Policy
- Considered the composition of the Board and the Board committees
- Considered the AGM results.

November

- Received a detailed update from the DLC Audit Committee in respect of the going concern considerations and matters raised by assurance providers
- Considered uncertain tax and other legal matters
- Approved the financial results for the half year ended 30 September 2021
- Approved an interim dividend
- Approved the updated EPS guidance
- Concluded that it was satisfied that the solvency and liquidity test for Investec Limited had been applied
- Debated the potential distribution of a portion of the Group's shareholding in Ninety One
- Received an update on the recruitment process for the Chair of the DLC BRCC
- Received an overview of the key outcomes of the COP26 conference.

BOARD ACTIVITIES
CONTINUED

2021/22

December (Board strategy session only)

- Discussed progress against the Group's strategic objectives
- Reviewed the Group's key strategic initiatives
- Analysed an update on the Group's financial outlook
- Considered proposals with regard to the strategies for the Group's principal operating subsidiaries
- Discussed shareholder and stakeholder matters.

February

- Received an update on the Group's performance and operating environment
- Considered an update received on reward and talent
- Deliberated on the Group's valuation, including consideration of the valuation methodology used
- Received an update on the Private Client strategy
- Debated the potential distribution of a portion of the Group's shareholding in Ninety One
- Considered an update on the strategy formulation process
- Approved the Investec Limited, Investec plc, Investec Bank Limited and Investec Bank plc risk appetite and policies.

2022

March

- Received an update on the Group's performance and operating environment
- Discussed progress against the Group's key strategic initiatives
- Reviewed the Group's key strategic initiatives
- Analysed an update on the Group's financial outlook
- Considered proposals with regard to the strategies for the Group's principal operating subsidiaries
- Discussed shareholder and stakeholder matters
- Approved the 2022/23 budget and operating plan
- Approved the pre-close briefing statement
- Discussed the EPS guidance to be given to the market
- Discussed the outcome of the annual Board effectiveness review and agreed actions arising from it.

March (Board strategy session only)

- Discussed progress against the Group's strategic objectives
- Reviewed the Group's key strategic initiatives
- Analysed an update on the Group's financial outlook
- Considered proposals in regards to the strategies for the Group's principal operating subsidiaries
- Discussed shareholder and stakeholder matters.

How the Board engages with our people

Our people are at the heart of our business. We aim to be an organisation that values all of its people for their contributions and celebrates who they are.

The recognition that our colleagues are vital to the delivery of the Group's strategy is reflected by the Board's extensive engagement with employees across our geographies.

The Board has supported the adoption of appropriate arrangements for engaging with the Group's workforce in its respective geographies.

The Board will continue to monitor these arrangements to ensure that they remain effective and continue to give a meaningful understanding of the views of the workforce and to encourage dialogue between the Board and our people.

How we engage

The Group has established a comprehensive workforce engagement programme, administered by our People and Organisation consulting teams. This programme includes various mechanisms to monitor, and evaluate how people experience our culture, as well as their alignment and adherence to our system of values. These include:

- Listening posts: Regular focus groups to take the pulse of our culture and climate, including an understanding of the lived experience of all employees
- Team culture reviews: Where needed, we conduct in-depth culture reviews in teams or business units to assess the distinctive beliefs, behaviours and practices of Investec against how they are perceived by our employees
- Organisation climate reviews: Identify how an individual, specific team, department or division is functioning against the cultural norms and requirements
- Dialogue sessions: Sessions with colleagues from across the globe to discuss a specific topic
- BID forums: Bring leaders and representatives of the workforce together to discuss and co-create solutions and strategies in relation to belonging, inclusion and diversity

- Executive communication and team check-in sessions: We frequently host Group, international, regional and division-specific sessions where employees have an opportunity to hear from and engage with the executive
- Town halls: Provide an opportunity to share information about our strategy, growth plans, performance and results, changes to the economic and regulatory environment, and to celebrate successes, with a large audience

These engagement activities are further supported by comprehensive wellbeing programmes, belonging, inclusion and diversity focused initiatives, and social events.

What matters to our people

The key matters identified by employees were similar across our geographies. These included:

- The transition to hybrid working, with a particular focus on flexible working conditions and expectations around the future of work
- Belonging, Inclusion and Diversity, with a continued focus on building an inclusive working environment, improving representation with respect to gender and ethnicity, particularly at a senior level and within decision-making bodies, and enhancing opportunities for progression
- Fair remuneration, especially given the backdrop of rising inflation
- Wellbeing.

How we consider

Given the different requirements in South Africa and the UK, the Board has developed an appropriate reporting framework to enable it to consider the arrangements for workforce engagement across our geographies.

As detailed in last year's annual report, and in accordance with the UK Corporate Governance Code, the Board appointed a designated Non-Executive Director responsible for workforce engagement for the UK Group entity, Investec plc, and supported the appointment of the same for the principal UK subsidiaries, Investec Bank plc and Investec Wealth & Investment (UK).

Following his appointment as Chair, it was agreed that Philip Hourquebie would stand down as the designated Non-Executive Director for workforce engagement, and that Henrietta Baldock, Chair of the DLC Remuneration Committee and Chair of Investec Wealth & Investment (UK) be appointed in his place.

Moni Mannings, Senior Independent Director of Investec Bank plc and Chair of the IBP Remuneration Committee, and Cath Thorpe, Chair of the IW&I Remuneration Committee, act as the designated Non-Executive Directors for workforce engagement for the UK Banking and Wealth & Investment businesses respectively.

They meet on a quarterly basis, to consider a workforce engagement report, comprising a summary of the Board and Management's employee engagement activity, the key issues raised by employees, and the actions undertaken to address those issues.

The key items from these reports, and details of the workforce engagement activity that has taken place for all our workforce across the Group, including the common issues, are provided to the Board on a six monthly basis. Management also provide an update at each Board meeting, as to the key matters of note in respect of our people.

The themes identified through our workforce engagement activities are invaluable in informing Board decisions and discussions.

FY2022 highlights

- Adoption of a hybrid working model
- Enhanced communication of Executive remuneration to our employees
- Attract exceptional and diverse talent across the business through our early career and graduate strategy.

Board effectiveness

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

Progress against 2020 Board effectiveness review

As reported last year, the 2020 review was an internal evaluation. Overall, the Board, the Board committees and each of the directors were found to be effective. The review highlighted certain areas of focus that would further improve effectiveness. These were considered by the Board, and an action plan was agreed. The Board action plan for 2021/2022 included:

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

Whilst the Board has made good progress against some of these recommendations, given the significant changes to the Board in the past year, certain of the recommendations will be carried forward.

The Board continues to promote our purpose and to oversee the Group's unique values-led culture. Given the transformation to the Group in recent years, the Board recognises that it must continue to actively engage with our businesses, to guide and influence culture where it needs to.

As indicated earlier in this report, the Board has appointed four Non-Executive Directors. Following these appointments, the Board is pleased to note that it has achieved a 40% female representation, as at the date of the annual report. The Board places great emphasis on ensuring that its membership reflects diversity in its broadest sense, and will continue to focus on ensuring that it meets the diversity objectives that it has set.

The Board held two Board strategy sessions in the year, as the Group advances its strategy to pursue disciplined growth.

Succession planning has and will continue to be a key focus area for the Board, with particular consideration given to planned Board retirements and the talent pipeline for senior managers.

2021 Board effectiveness review

The 2021 evaluation of the Board, Board committees and individual directors was externally facilitated, as required by the UK Corporate Governance Code.

Further to a selection process, led by the DLC Nomdac, in which a number of potential providers were considered, Fidelio Partners, an independent, external corporate governance advisory firm was chosen to facilitate the review.

Fidelio Partners were also appointed to undertake an independent external evaluation of the effectiveness of the Boards of each of Investec Bank plc, Investec Bank Limited and Investec Wealth & Investment (UK).

A key theme for the review, was how the current governance framework was working at both a DLC level and a subsidiary level.

Below, we outline the various stages of the 2021 internal review.

Stage 1

Fidelio Partners held in-depth one-on-one meetings with each of the directors, selected senior managers and the company secretaries.

Stage 2

Fidelio Partners prepared a quantitative survey, in which the directors provided feedback on the key competencies and overall performance of the Board.

Stage 3

Fidelio Partners reviewed and analysed Board and Board committee materials, including papers and terms of reference.

Stage 4

Drawing upon best practice within the sector, and their understanding and insight of stakeholder expectations, Fidelio Partners determined their key findings and recommendations.

This final report was presented to the Board in March 2022, following its consideration by the DLC Nomdac.

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

Board review insights

The review identified that the Board and the individual directors were performing effectively.

The review highlighted, in particular, the strength of Investec's culture, and the active contribution of the Board in the promotion of our culture and the adoption of the Group's new purpose. It also recognised the extensive expertise of the Board, which was further supported by the skills of the directors serving on the subsidiary Boards.

From a development perspective, the review highlighted certain areas of focus that would further improve the effectiveness of the Board:

- There was considered to be scope to further enhance the efficiency of the Group's governance framework
- The review encouraged an increased level of communication between the Group and the Group's principal subsidiaries

These were considered by the Board and an appropriate action plan agreed.

Board action plan

The Board action plan for 2022/23 includes:

- Reviewing the Group's governance structure
- Enhancing the working relationship between the Group and the Group's principal subsidiaries
- Supporting greater strategic and forward-looking discussion
- Increasing the level of diversity on the Board when considering the succession plan.

Committees

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