

DLC NOMINATIONS AND DIRECTORS' AFFAIRS COMMITTEE REPORT

Philip Hourquebie
Chair of DLC Nomdac

“A strong and effective Board is central to helping deliver the Group’s strategy”

Members	Member since	Meetings attended	Eligible to attend
Philip Hourquebie (Chair) ¹	15 May 2018	5	5
Henrietta Baldock	5 Aug 2021	3	3
Zarina Bassa	1 Apr 2017	5	5
Perry Crosthwaite ²	16 Apr 2017	2	2
David Friedland	15 May 2018	5	5
Lord Malloch-Brown ³	15 May 2018	2	2
Khumo Shuenyane	15 May 2018	5	5
Brian Stevenson	22 Jun 2021	3	3

1. Philip Hourquebie was appointed Chair of the Committee on 5 August 2021.
2. Perry Crosthwaite stepped down as Chair of the Committee on retiring from the Board on 5 August 2021.
3. Lord Malloch-Brown stepped down as a member of the Committee on retiring from the Board on 5 August 2021.

Introduction

I am pleased to report on how the DLC Nomdac (the Committee) has discharged its responsibilities during the year, having assumed the role of Chair following my appointment as Chair of the Board in August 2021. Firstly, on behalf of the Committee, I would like to offer my thanks to Perry Crosthwaite, for his exceptional work in chairing the Committee.

Committee composition

We welcomed two new members to the Committee. Brian Stevenson joined on his appointment to the Board, while Henrietta Baldock joined following her appointment as Chair of the DLC Remuneration Committee. Their appointments have further strengthened the skills, knowledge, experience and diversity of the Committee. With Brian being Chair of Investec Bank plc and Henrietta being Chair of Investec Wealth & Investment (UK), the appointments also support our One Investec strategy, by promoting a more consistent approach to governance matters across our businesses.

2022 Focus areas

- Conduct a recruitment process for potential additional Board members, given planned Board retirements
- Monitor progress made with respect to the Board action plan identified following the 2021 Board effectiveness review.

Succession planning

During the year, we continued to focus on succession planning, with consideration given to the planned Board retirements and the impact of these on the membership of the Board and its Committees, including oversight of the planned transition.

The Committee’s ongoing review of the structure, size and composition of the Board and its committees helps ensure that the Group maintains the appropriate mix of knowledge, skills, experience and diversity.

As mentioned in my introduction to the Governance report on page 108 of the Investec Group’s 2022 integrated and strategic annual report, there have been a number of changes to the Board and its committees. These changes comprised a new Chair of the Board and the Committee, a new Chair of the Investec Wealth & Investment (UK) Board, a new Chair of the DLC Social and Ethics Committee (SEC), a new Chair of the DLC Remuneration Committee, and the appointment of four Non-Executive Directors.

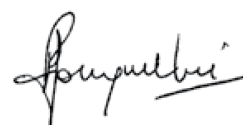
As indicated in last year’s report, Perry Crosthwaite retired as Chair of the Board and this Committee at the Annual General Meeting (AGM) in August 2021. I succeeded Perry as Chair of the Board and this Committee, with Henrietta Baldock succeeding me as Chair of the DLC Remuneration Committee. Lord Malloch-Brown also retired from the Board and as Chair of the DLC SEC at the AGM in August 2021, with Khumo Shuenyane succeeding him as Chair of the DLC SEC.

Last year’s report also discussed the appointments of Nicky Newton-King and Jasandra Nyker in May 2021, and of Brian Stevenson in June 2021, as independent Non-Executive Directors.

In May 2022, we announced the appointment of Vanessa Olver as an independent Non-Executive Director. Vanessa brings substantial strategic, risk, financial services, governance and technology experience. She will assume the role of Chair of the DLC Board Risk and Capital Committee (BRCC) when David Friedland steps down at the AGM in August 2022.

Board effectiveness review

The Committee oversees the review of Board effectiveness, and assesses the feedback from the evaluation process. The 2021 review was facilitated by an independent external third party, Fidelio Partners. Full details are provided on page 124 of the Investec Group’s 2022 integrated and strategic annual report.



Philip Hourquebie
Chair, DLC Nomdac
22 June 2022

What we did in 2021/22

Board diversity

The Committee's focus on inclusion and diversity sets the tone and direction for Investec to be an inclusive employer, with diverse teams delivering for the benefit of all of our stakeholders. Read more on Board diversity on page 119 of the Investec Group's 2022 integrated and strategic annual report.

Induction and training

The Chair, supported by the Committee, leads the training and development of directors. On appointment, each director receives a formal and tailored induction. In addition, there is a programme of ongoing development for directors.

New Non-Executives receive a tailored induction programme that focuses on the Group's culture and values, strategy, structure, operations and governance, risk and compliance, whilst also taking account of the specific role that director has been appointed to fulfil and their skills and experience to date. An induction pack is provided, and meetings scheduled with the Board and senior managers.

A comprehensive development programme operates throughout the year, with both compulsory computer based training, and direct training sessions offered across a range of topics. Topics during the year included:

- Operational resilience
- Anti-money laundering
- Technology / digital developments

Directors who take on new roles or change roles during the year attend induction meetings in respect of those new roles.

Independence, conflicts of interest and time commitments

Each Director has a duty to disclose any actual or potential conflict of interest, as defined by law, for consideration and approval if appropriate by the Board. This is supported by the Committee's review of the register of directors' interests and its annual assessment of director independence.

Based on its assessment for the year, the Committee is satisfied that, with the exception of Stephen Koseff, who was appointed as a non-Independent Non-Executive Director, all the Non-Executive Directors remained independent in character and judgement. Read more in the Board report on page 119 of the Investec Group's 2022 integrated and strategic annual report.

In recommending directors for election and re-election at the AGM, the Committee has considered the performance of each of the directors and their ability to continue meeting the time commitments required. We have taken into consideration individual capabilities, skills and experience, and any potential conflicts of interest that have been disclosed. The external roles held by all directors were considered to be appropriate. Further details of our Conflicts of Interest Policy can be found on page 125 of the Investec Group's 2022 integrated and strategic annual report.

Governance

As part of our broader governance responsibilities, the Committee considered regular updates on developments in corporate governance, and correspondence with shareholders, in particular their expectations and voting policy.

Role and responsibilities

The role of the Committee is to:

- Consider succession plans for the Board and senior management
- Monitor the talent pipeline for senior management
- Review the skills, knowledge, experience and diversity of the Board
- Review the size, structure and composition of the Board and the Board Committees
- Oversee the Board effectiveness review

The Committee's terms of reference can be found on our website.

Membership and attendance

To ensure a broad representation of experienced and independent directors, membership of the committee currently comprises the Chair, the Senior Independent Director (who is also the Chair of the DLC Audit Committee), the Chairs of each of the DLC BRCC, DLC Remuneration Committee and DLC SEC, and the Chairs of the IBP Board, IBL Board and IW&I UK Board.

As Investec Bank Limited does not have an independent nominations and directors' affairs committee, it was agreed that the IBL Board be appropriately represented. There are currently four IBL Board members serving on the Committee.

Details of individual attendance at the meetings held during the year are set out on page 95. More information on the skills, knowledge and experience of the Committee members can be found on pages 109 to 111 of the Investec Group's 2022 integrated and strategic annual report.

Q&A

What are the key areas of focus for the Committee at present with respect to succession planning?

Strong succession planning helps ensure the continuation of an appropriate mix of skills, experience, knowledge, backgrounds and diversity.

A key focus area in the past year, and the coming year, is Non-Executive Director recruitment, with the ninth anniversary of David Friedland's appointment in 2022, and the nine year anniversaries of the appointments of Zarina Bassa and Khumo Shuenyane being in 2023.

What process does the Committee follow when looking for potential candidates?

A detailed candidate specification is agreed, setting out the key responsibilities, experiences and personal attributes required.

An independent executive search firm provides a candidate longlist, which the Committee considers, and selects a shortlist of those with the strongest fit.

Interviews are held with the preferred candidates.

A final evaluation follows, and the most suitable candidate is recommended to the Board for appointment.

How does the Committee consider broader succession planning?

The Committee also maintains a strong focus on succession planning at an executive level, recognising the need to ensure that an appropriate mix of knowledge, skills, experience and diversity is maintained.

During the year, and in collaboration with the Chief Executive, we developed a robust talent management and succession plan process, focussed on the Executive Directors and senior management.