

Comments with respect to certain of the votes received at the Investec Group's 2018 AGM

The Boards of Directors of Investec plc and Investec Limited ("the Board") recognise that effective communication is integral in building stakeholder value and are committed to providing meaningful, transparent, timely and accurate financial and non-financial information to our stakeholders. As part of our stakeholder engagement philosophy and process, our Group Chairman, Senior Independent Director and our Remuneration Committee Chairman actively engage with UK shareholder representative organisations and our largest shareholders on an annual basis. This consultation generally includes our largest 10 shareholders in each country excluding index trackers. This is a process that has been conducted for over 10 years. These annual engagements have focused largely on governance, remuneration and related matters, however, they have also provided our shareholders with the opportunity to ask the Group Chairman, Senior Independent Director and Remuneration Committee Chairman any questions that may be pertinent at the time. These meetings are in addition to the numerous meetings shareholders would have with executive management.

Commenting on the less than 80% vote received at the August 2018 AGM for the Group's Remuneration Policy

As noted above, the Group Chairman and Remuneration Committee Chairman have extensively engaged with UK shareholder representative organisations and the group's largest shareholders on remuneration related matters over a number of years. Investec's previous remuneration policy was last voted on by shareholders in 2015 and the group submitted a revised remuneration policy for approval by shareholders at its 2018 AGM as required by regulations.

In summary, the group's revised remuneration policy:

- Incorporated certain amendments to address the feedback previously received from shareholders
- Incorporated required regulatory changes
- Given the group's management succession announced in February 2018, it focused on the group's remuneration arrangements within the year of the management transition.

The Remuneration Committee believes that the proposals it included in its revised remuneration policy addressed a number of matters previously raised by shareholders, notably:

- Reduction in total compensation levels for executive directors:
 - An approximate 30% reduction in total compensation levels is achieved using the proposed new fixed pay and short and long-term measures and metrics applied to 31 March 2018 performance.
- Better alignment between pay awards and the performance of Investec:
 - Changes made to the short-term incentive measures and implemented tougher performance levels
 - Financial measures performance weightings were increased to 80% of the total in the determination of the short-term incentive
 - In the long-term incentive tougher performance levels were introduced for certain measures
 - The remuneration committee will review the performance measures on an annual basis.
- Simplification in pay structures and the assessment of executive director performance:
 - Replacing role based allowances for new executive directors with a single fixed pay award of cash and shares
 - The short-term measures were simplified and reduced from nine to six.
- Treatment of unvested long-term incentive plan awards for departing executive directors:
 - The departing CEO, managing director and group risk and finance director will have their unvested long term incentive awards pro-rated to reflect their period of service relative to the performance periods of such awards
 - The new policy clarifies that unvested long-term incentive awards will be pro-rated going forward.
- Introduction of a minimum shareholding requirement:
 - Executive directors are required to build and maintain a shareholding of 200% of the cash element of fixed remuneration over a reasonable timeframe.

Full details of the outcome of this policy as applied to the group's 31 March 2019 performance will be disclosed in our 2019 annual report.

Overall, shareholders provided the Group Chairman and Remuneration Committee Chairman positive feedback on the changes made above and believe that the level of disclosure explaining the implementation of the group's remuneration policy is detailed and clear. However, some of the group's shareholders, notably in South Africa, whilst acknowledging these positive aspects, believe that the overall quantum of pay is too high relative to South African peers. The Investec Group is an international business, and as such the Remuneration Committee believes it is appropriate to benchmark executive remuneration against a set of international peers, including South African competitors. Despite the group's active engagement on these matters certain of the group's shareholders decided to vote against the remuneration policy.

With the announcement of the proposed demerger of the Investec Asset Management business, the group used the opportunity to re-engage with its largest shareholders on the policy voted in as well as on technical amendments to the policy which will be implemented following the proposed demerger. Based on the discussions held to date, the Board believes that a new remuneration policy is not required at this time. The Board will continue to engage with shareholders on remuneration matters.

Commenting on the less than 80% vote received at the August 2018 AGM to place 5% of the unissued ordinary share capital in Investec Limited under the control of the directors and directors' authority to allot shares and other securities in Investec plc

The Board has taken shareholder concerns into account in relation to the dilutive effect of the issuance of ordinary shares and these resolutions will not be proposed at the group's 2019 AGM.