

2

COMMITMENT TO
OUR PEOPLE



Commitment to our people

Investec's culture is positioned as our strategic differentiator. We have a flat structure and meritocratic approach and uphold an environment that encourages self-starters to drive their careers in line with business objectives. We employ passionate and talented people who are empowered and able to perform extraordinarily.

Our people strategy

Our people are at the heart of our business and we invest significantly in opportunities for the development of our employees and in leadership programmes to enable current and future leaders of the group.

Our strategy is to:

Attract the right people, and inspire growth and learning

- We invest significantly in opportunities for the development of all our employees and in leadership programmes to enable current and future leaders of the group
- We have a number of graduate programmes operating across our organisation sourcing and developing our talent pipeline
- Internal mobility is a valued mechanism for the development and retention of our people
- We seek to create an environment where difference is embraced, and people are given the same opportunity for growth and to perform.

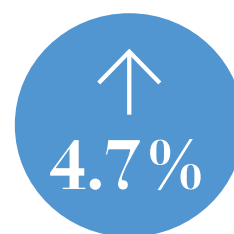
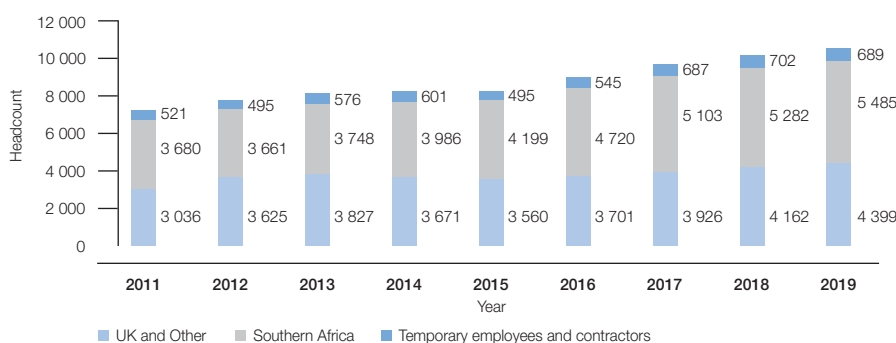
- Learning and development spend as a % of staff costs is 1.5% for the group (target of >1.5%)
- Total staff turnover rate:
 - South Africa: 9.6% (2018: 9.2%)
 - UK: 11.5% (2018: 11.3%)

Create an organisation in which all our people feel valued for what they contribute and are celebrated for who they are

- Our culture of open and honest dialogue promotes immediate and direct performance-related feedback between the leader and the team, to deliver on strategic imperatives and development needs
- Our performance management methodology focuses on aligning individual and team performance to commercial priorities
- We reward people meaningfully for performance and contribution within their teams.

- All staff currently engage in some type of performance discussion and we are transitioning to continuous performance development
- 5% of Investec group's shares continue to be held by staff (excluding non-executive directors' holdings)

Stable increase in headcount



increase in permanent employment
(2018: 4.6% increase)

Internal mobility

8.0% (South Africa)

2.1% (UK)

107
people
participated
in graduate
programmes
across the group

All employees
participate in culture
and values dialogues

Talent attraction, development and retention

Investec has a national and global footprint with diverse businesses and functions. Internal mobility is a valued mechanism for the development and retention of individuals and enhances competitiveness. We enable internal mobility across teams, divisions, regions and geographies, and where required, recruit laterally to address any identified gaps and capitalise on opportunities to attract outstanding talent. Investec Careers in South Africa and the UK forms an integral part of our broader talent management strategy and enables us to source externally and deploy internally.

Our graduate recruitment strategy has seen the attraction of exceptional and diverse talent across the business. We focus on employing graduates and working with them to build skilled, strategic thinkers and leaders. We have several graduate, internship and exposure programmes available across our South African and UK businesses including the IT, CA, analytics, investment banking and marketing graduate programmes.

We invest significantly in a number of opportunities for developing and upskilling employees through bursaries, leadership development, skills programmes, personal mastery, coaching and professional skills.

Our human resources (HR) and organisation development (OD) teams play a critical role in assisting the business to achieve its strategic objectives, which are matched to learning strategies and market trends. They are also involved in group-wide activities such as induction programmes for all new employees, providing learning advice to individuals and facilitating the development of both group-wide and bespoke learning programmes.

Our voluntary staff turnover rate for the past financial year remains at 8.8% in South Africa and is 8.5% in the UK (2018: 8.4%).

5%

of Investec group's
shares continue
to be held by staff
(excluding non-
executive directors'
holdings)

Recognising and rewarding our people

Our remuneration practices comply with local regulations and reward people meaningfully for performance and contribution.

Our reward package supports an innovative and entrepreneurial work environment that encourages and fosters extraordinary performance. In line with our philosophy of employee ownership, all employees across the organisation participate in our staff share awards and have the opportunity to participate in our long-term growth.



Further information is provided on pages 168 to 218 in volume one of the Investec group's 2019 integrated annual report.

All employees
engage in some type of
performance discussion

Performance management

Our culture of open and honest dialogue promotes immediate and direct performance related feedback between the leader and the team. This also enables teams to identify and address their development needs.

Investec is transitioning from an annual performance development review process to a performance management methodology that focuses on aligning individual and team performance. This is a continuous process designed to enhance delivery of key strategies of the organisation and create a greater sense of shared accountability, meaning and value-creation.

Working at Investec

Investec's policies and business practices are outlined in our internal documents which are easily accessible to employees in all of Investec's locations. These are intended to guide conduct and ensure our actions and attitude reflect the group's values and philosophies at all times. We also have a publicly available document, *The way we do business*, which highlights our positioning on various elements of how we conduct ourselves as a business.



The board, along with senior management, are ultimately responsible for the group's culture and conduct risk frameworks. The group has continued to focus over the period on managing conduct risk throughout our business. Continued and ongoing investment in, and enhancement of, our conduct risk framework and a sustained focus on maintaining the highest levels of regulatory compliance throughout our businesses, ensures our commitment to SDG 16 (peace, justice and strong institutions).

10

principles of the
UN Global Compact

Human rights

The Investec group remains committed to the ten principles of the United Nations (UN) Global Compact with respect to human rights, labour, environment and anti-corruption. Our culture and values demonstrate our belief that as an organisation we can have a positive impact on the success and well-being of local communities, the environment and on overall macro-economic stability. We support and respect the protection of internationally proclaimed human rights standards and are not complicit in any human rights abuses. We do not have a formal human rights policy for the group as this would fall within the ambit of our publicly available document, *The way we do business*, which expresses our strong culture and values including unselfishly contributing to society, valuing diversity and respecting others. Furthermore, we adhere to the relevant laws in all our jurisdictions and strive to advance the UN principles within our sphere of influence. The Investec head of sustainability sits on the board of the Global Compact Network South Africa.

We support the international agenda to abolish human trafficking, slavery, forced and child labour and continue to support the UK Modern Slavery Act 2015 (the Act). Our philosophy as an organisation is to respect the dignity and worth of the individual. We uphold the constitutional rights of our employees at all times, do not practice forced or compulsory labour and do not employ children. We are committed to addressing the requirements of the Act and ensuring that our supply chain is compliant with the regulations prescribed therein.

Adhere to relevant
ILO conventions

Freedom of association

We fully support employees' rights to freedom of association. There is no representative trade union for Investec and we are not aware of any employees who are part of a trade union. We do, however, uphold the constitutional rights of the individual to freedom of association, the right to collective bargaining and the right to be a member of a union of choice. We adhere to the relevant International Labour Organisation (ILO) conventions.

3

reported incidents
(2018: 0)

Whistle-blowing policy and protected disclosures

One of Investec's values requires employees to conduct all internal and external dealings with integrity, consistently and uncompromisingly displaying moral strength and behaviour which promotes trust. Integrity and confidentiality are critical to our reputation and sustainability.

Our whistle-blowing policy aims to encourage employees to raise concerns or disclose information about possible fraudulent, unethical, criminal or other improper behaviour or workplace misconduct in total confidentiality and anonymity and without fear of retribution. We seek to protect all employees who disclose unlawful or irregular conduct by the company, its employees or other stakeholders.

We have a number of channels that employees may use to raise concerns including the Investec Integrity Line which is an external, independent helpline to ensure confidentiality of the issue reported and anonymity of the individual. Due to improved monitoring there were three reported incidents of whistle-blowing in the past year.

COMMITMENT TO OUR PEOPLE

(continued)

0.7%

**of employees
retrenched**
(2018: 0.7%)

Retrenchment

Where it becomes necessary for Investec to terminate employment based on policy/operational requirements, the procedure to be followed is in accordance with Investec's retrenchment policy practices which are more favourable than local statutory or regulatory requirements. We conduct consultation for a period which exceeds the minimum prescribed period, during which we attempt to find a suitable alternative position for the affected employee.

31

occupational injuries
(2018: 30)

0

fatalities
(2018: 0)

Health and safety

A group-wide formal health and safety programme identifies and manages all health and safety risks, and carries out regular safety audits. There is a committee that oversees health and safety that meets quarterly to review any concerns raised.

In South Africa, Investec's HIV/AIDS policy is implemented through its HIV/AIDS Management Programme that extends to all permanent employees.

70%

**of employees
in South Africa
participated in one or
more employee well-
being interventions**
(2018: 72%)

**The UK business
relaunched its well-
being intervention in
February 2019**

Employee well-being

Our approach to well-being is all-encompassing and forms part of the greater employee value proposition strategy. We value the physical, financial and psychosocial health, welfare and safety of our people. In both major geographies, employees have access to a comprehensive employee well-being programme, which is an expression of our focus on the care and concern for our employees, and provides personalised interventions including face-to-face counselling and life-coaching sessions. These interventions are provided by a multi-disciplinary team of select health and other professionals who are specialists in their fields. We also host wellness days and well-being events to raise awareness and entrench a practice of healthy living.

Investec is committed to providing disabled employees with a supportive and accommodating working environment. Our policies, including leave entitlement, are regularly reviewed and adjusted to take into consideration the needs and well-being of our employees, our employment obligations and local market practice.

The UK business launched *Investec Be* in February 2019 off the back of the success of the well-being offering in South Africa as well as the global movement towards prioritising wellness. It incorporates four pillars namely: *Be. Healthy, Be. Present, Be. Connected, Be. You* and includes talks, workshops, activities, comprehensive physical and mental healthcare and a dedicated well-being portal. A well-being champion's network has been created across all our regional offices in the UK as well. In the first month that the intervention was launched, 785 employees (20% of staff in the UK Bank and Wealth) attended employee well-being interventions.

**Flexible and
activity-
based working
environment in the
UK head office**

Creating an environment that reflects our culture

The UK bank relocated its London offices over the past year and now shares space with the wealth business. The move incorporated a new way of working that was successfully piloted and includes a flexible and activity-based working arrangement. The space was designed as a more agile environment which has enabled greater collaboration and communication between employees.

Our maternity scheme provides enhanced benefits to parents

Family friendly policies

In line with our commitment to equity in employment and in recognition of the dignity and rights of each employee, we provide an environment supportive of combining parenthood with a career. Our maternity scheme provides enhanced benefits to parents irrespective of their length of service.

Piloting an output-based value project in the South African business

Flexible working policies and practices

We endeavour to create a working environment which encourages high performance and innovation. In line with our commitment to equity in employment and recognition of the dignity and rights of each employee, we provide an environment that supports work-life balance. Flexibility means different things to different people, often involving adjustments to the timing, scope and/or place of work. We believe that it is important to see flexibility in the context of the work itself, the team's purpose and performance commitments, the needs of clients, and the lives of every individual in the team.

Over the past year the South African business has successfully piloted a project that aims to shift employee and manager focus from time-based value to output-based value as a lever to enable high performance and enhance the employee value proposition. Teams and leaders have been encouraged to start incorporating more flexible ways of working into their specific areas. The project looks to impact the constructs around working hours and staff leave and is set to be fully implemented in South Africa in the coming year.

In line with the adoption of flexible working policies, Investec will be empowering employees to make their own choices about the dress code by *Dressing for your day*. This is about choosing clothing that maximises performance while still maintaining a professional image, which at all times, appropriately portrays our brand.

0 incidents of discrimination (2018: 0)

Discrimination



We endeavour to prevent and/or eliminate any form of discrimination based on gender, race, ethnicity, religion, age, disability, nationality, political opinion, sensitive medical conditions and sexual preference. Investec has a formal grievance procedure, and a written policy, to deal appropriately with any incident which may occur. Furthermore, there are several informal avenues for employees who wish to discuss concerns, e.g. organisation development, human resources, employee relations and our independent external consultants in the employee well-being programme. There were no incidents of discrimination for the past financial year. In the UK, there were two allegations of discrimination reported, both which were reviewed through the appropriate internal grievance procedure and were subsequently dismissed by an independent chairperson.

Respecting the dignity and worth of the individual

Grievance resolution

In line with our philosophy of personal empowerment, employees are encouraged to manage their relationships with one another in a respectful manner. In accordance with our core value to 'respect the dignity and worth of the individual', the group is committed to treating all employees with fairness, dignity and compassion ensuring that employees are not discriminated against eliminating any form of harassment or intimidation in the workplace.

If an issue remains unresolved, we encourage staff to contact HR employee relations or our external employee wellness programme for impartial, confidential counselling and advice.

Equity and inclusion

A diverse and inclusive workforce is essential to our ability to be an innovative organisation that is able to adapt and prosper in a fast-changing world.



We strive to foster a workplace that is empowered and representative and through this we are contributing to SDG 10 (reduced inequalities)

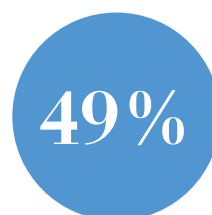
Our approach

The group's approach is to recruit and develop based on aptitude and attitude, with the deliberate intention to build a diverse workforce and to foster an inclusive workplace, which represents the population of the relevant jurisdiction. Our recruitment strategies actively seek to engage minority groups, female and disabled candidates.

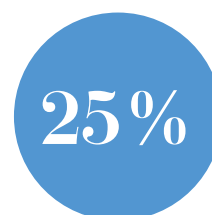
We do not tolerate any form of discrimination based on gender, race, ethnicity, religion, age, disability, marital status, political opinion, sensitive medical conditions, sexual orientation or gender reassignment. People with different abilities are an essential part of a diverse talent pool and every effort is made to facilitate an accessible environment for all.

Diversity commitment

- Investec is a member of the 30% Club in both the UK and South Africa
- We are committed to a goal of 33% women on the board by 2020
- In the UK, we are making good progress towards closing the gender pay gap and the 33% target for women in senior leadership positions in the FTSE 350 by 2020, in line with the recommendations of the Hampton-Alexander Review
- Investec Bank plc and Investec Wealth & Investment UK are signatories to the UK HM Treasury Women in Finance Charter, committing to achieving a target of 30% women in senior leadership roles by 2022
- Investec Asset Management is a signatory to the Diversity Project that aims to accelerate progress towards an inclusive culture in the investment profession.



female employees
(2018: 49%)

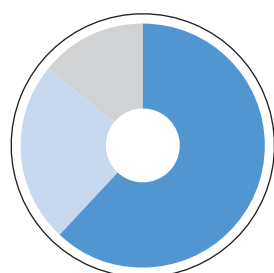


women on group board
(2018: 20%)

Diversity principles

- We believe in the importance and benefits of diversity and we strive to foster a culture that is supportive and inclusive of different perspectives and experiences
- As a global specialist bank and asset 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 flexible work arrangements are encouraged where appropriate
- We work proactively to rebalance our organisation in line with the communities in which we operate through education and entrepreneurship, 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.

Group employee age profile



31 March 2019

62% 30 – 50 years
24% < 30 years
14% > 50 years

Employee gender composition – permanent employees

	Southern Africa			UK and Other			Total		
	Male	Female	Total*	Male	Female	Total*	Male	Female	Total*
31 March 2019									
Executive directors on Investec DLC board	3	–	3	2	1	3	5	1	6
Senior managers**									
Asset Management	150	106	256	110	27	137	260	133	393
Wealth & Investment	105	39	144	151	23	174	256	62	318
Specialist Banking	780	609	1 389	358	100	458	1 138	709	1 847
Total senior management	1 035	754	1 789	619	150	769	1 654	904	2 558
Rest of employees									
Asset Management	270	479	749	221	183	404	491	662	1 153
Wealth & Investment	64	152	216	633	604	1 237	697	756	1 453
Specialist Banking	1 094	1 634	2 728	1 118	868	1 986	2 212	2 502	4 714
Total rest of employees	1 428	2 265	3 693	1 972	1 655	3 627	3 400	3 920	7 320
Total	2 466	3 019	5 485	2 593	1 806	4 399	5 059	4 825	9 884
31 March 2018***									
Executive directors on Investec DLC board	2	–	2	2	–	2	4	–	4
Senior managers**									
Asset Management	165	116	281	89	25	114	254	141	395
Wealth & Investment	101	36	137	145	17	162	246	53	299
Specialist Banking	706	510	1 216	368	83	451	1 074	593	1 667
Total senior managers	972	662	1 634	602	125	727	1 574	787	2 361
Rest of employees									
Asset Management	270	473	743	223	159	382	493	632	1 125
Wealth & Investment	59	144	203	615	568	1 183	674	712	1 386
Specialist Banking	1 079	1 621	2 700	1 029	839	1 868	2 108	2 460	4 568
Total rest of employees	1 408	2 238	3 646	1 867	1 566	3 433	3 275	3 804	7 079
Total	2 382	2 900	5 282	2 471	1 691	4 162	4 853	4 591	9 444

Note:

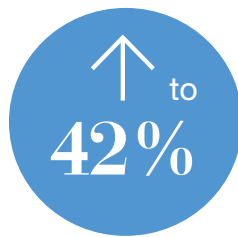
* Headcount per region, per management level and per service line was externally assured.

** The definition of senior management is different for Southern Africa and the UK and Other due to different regulatory guidelines of the respective geographies. The definition for senior management in the UK was reclassified according to our commitment to the Women in Finance Charter. The 2018 data was restated accordingly. Southern Africa use the definition required by the Department of Labour and the Department of Trade and Industry as per our employment equity reporting.

*** 2018 data was restated and reclassified according to our commitment to the Women in Finance Charter.



female senior
management in the group
(2018: 33%)



female senior
management in SA
(2018: 41%)



female senior
management in the UK
(2018: 17%)



The official UK gender pay gap results, required under the UK gender pay gap legislation, are available on our website.

COMMITMENT TO OUR PEOPLE

(continued)

Equity and inclusion programmes

We have various processes to encourage dialogue and celebrate the value of equity and inclusion. Emerging and established leaders participate in discussions around all issues related to talent management and inclusion.



in South Africa
participated in
diversity events over
the past year

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 and enable them to appreciate and celebrate the richness of our diverse population and to take these insights back into the business. *Let's Talk about Race* dialogues have been held with groups of employees in South Africa. 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 also have a number of *Women in Leadership* initiatives where women and men at Investec have the opportunity to 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.



in the UK attended
diversity events over
the past year

Investec Inspire in the UK is the umbrella for Investec's employee-led diversity and inclusion programme, sponsored by senior executives. The first network that was developed under *Inspire* was our gender balance network, recognising that attracting, developing and retaining female talent, is very important at all levels of the business, and helping to ensure that everyone, regardless of gender, can thrive at Investec. It enables the sharing of knowledge and experience as well as to provide inspiration and support for women at Investec. Our *Zebra Crossing* programme was adapted for the UK and launched in 2018 to raise levels of multi-cultural awareness.

Other diversity initiatives in the UK include the establishment of a Lesbian, Gay, Bisexual and Transgender (LGBT+) Network and a Black, Asian and Minority Ethnic (BAME) Network. The UK *Investec Inspire* framework also includes *Inspire YoungMinds*, a network aimed at supporting and inspiring future leaders.

* Some employees attended more than one event.

Although we are not driven by awards and recognition, we are proud to be recognised for our efforts.

- Voted first, second and third in the 2019 Universum awards by law professionals, professionals and students respectively in the business/commerce sector
- Ranked 27th in the world and fourth in the UK for progress in gender equality and reporting by Equileap in 2018
- Recognised by Equileap in the UK for best maternity and paternity leave in 2019
- Signatory to the 30% Club in South Africa and the UK and to the HM Treasury Women in Finance Charter
- Committing to 33% women on the board by 2020.



Learning and development



We invest significantly in a number of opportunities for the development and upskilling of our employees as well as leadership programmes to enable current and future leaders of the group. Employees are encouraged to be the driving force behind their own development and should be proactive in identifying and addressing development needs, allowing them to maximise learning opportunities most relevant to their unique requirements. Through our various learning and development initiatives we are contributing to SDG 4 (quality education).

Investec HR's learning team is mandated to develop and retain people who can perform extraordinarily in support of business objectives in a manner consistent with Investec's culture and values. To achieve this, we employ talented people and then enable their professional and personal growth and development.



We target a minimum of
1.5% learning and development spend as a % of staff costs for the group

In the past year, our learning and development spend was £17.8 million (2018: £22.5 million). The decrease is due to the realignment of current programmes to ensure efficiency and relevance.

Group learning and development spend

	31 March 2019		31 March 2018	
Year ended	£	R	£	R
Southern Africa	12 068 692	217 705 825	16 111 108	277 337 844
UK and Other	5 756 690	103 844 306	6 383 140	109 879 865
Total group learning and development spend	17 825 382	321 550 131	22 494 248	387 217 709
Total group learning and development spend as a % of staff costs	1.5%		1.9%	

10.1%

of employees granted bursaries in the last year

External learning

Investec's external learning includes public programmes, conferences, seminars and courses and provides employees with development opportunities to enable the acquisition of knowledge and skills necessary for career development within Investec. Our educational bursary scheme provides employees in South Africa with focused educational opportunities to enable the acquisition of qualifications.

22

qualified CAs completed the CA programme in the past year and 17 were retained in the business

(2018: 21 CAs qualified; 21 of 21 graduates retained in the business)

Internal learning

Our internal learning programmes include inductions, support for new leaders, personal and interpersonal skills, technical and professional skills, leadership programmes, mentoring and coaching as well as our learnerships and Chartered Accountant (CA) and IT trainee programmes in South Africa. A total of 264 CAs have graduated from the programme since inception. A total of 105 students have completed the IT Graduate Programme since inception in 2013, with 17 students joining the programme in 2019 (2018: 13 students completed the programme). Since inception, 82% of IT graduates have remained with Investec for at least two years after graduating from the programme.

Commitment to transformation

Investec recognises that economic growth and societal transformation is vital to creating a sustainable future for all the communities in which it operates, and that as a financial services provider, it plays a critical role in enabling this.



Through our many transformation initiatives we are contributing to SDG 8 (decent work and economic growth) and SDG 10 (reduced inequalities).

Our approach involves:

- Using our entrepreneurial expertise to foster the creation of new black entrepreneurial platforms and partnerships
- Serving as a leading source of empowerment financing
- Investing significantly in learning and development opportunities for both our employees as well as other South Africans
- Encouraging internal transformation by bringing about greater representivity in our workplace
- Continually striving to achieve greater representation at all levels of the business through the effective implementation of our employment equity plan.

We remain committed to black economic empowerment (BEE) and the Financial Sector Code which commits its participants to actively promoting a transformed, vibrant and globally competitive financial sector that reflects the demographics of South Africa. We are rated level 1 under the Financial Sector Code.

Internal initiatives

Internally, our transformation initiatives are driven through a number of structures set up to debate and monitor our various activities. These efforts are supported by the board and our group management forum in South Africa through the following committees:

- Our Transformation Committee, a sub-committee of the executive team, that ensures our overall transformation objectives are achieved and that we maintain a reasonable rating in terms of the Financial Sector Code. The Transformation Committee is chaired by our joint group CEO, Fani Titi
- Our DLC Social and Ethics Committee (DLC SEC), chaired by Lord Malloch-Brown provides oversight of the group's activities in the fields of transformation, human capital and sustainability.



Refer to page 33 for detail on our commitment to the Youth Empowerment Service (YES) initiative.

Highlights for the year

- Fani Titi was appointed as our joint group CEO on 1 October 2018
- Rated level 1 under the Financial Sector Code
- Placed > 1 200 youth in jobs with 11 of our partners through the YES initiative
- Donated R2mn towards the establishment of the first YES hub in Thembisa, Johannesburg.

Entrepreneurship Development Trust (EDT)

The EDT was one of the original partners in Investec's BEE ownership transaction concluded in 2003. It is a broad-based charitable trust that focuses on educational and entrepreneurial initiatives. The EDT has established itself among the country's leading drivers of transformation and development. By investing in strategic interventions, the EDT provides the necessary bridge between the business sector and communities that need their support. In order to achieve this goal, the trust administers much needed funding to a variety of strategically selected beneficiaries.

Khulasande Capital Partnership

Khulasande Capital, a broad-based black owned and controlled private equity and investment vehicle, is a partnership between Investec and the EDT. Khulasande's aim is to participate in empowerment opportunities that are of benefit to the EDT and that will create value for its beneficiaries. This partnership provides Khulasande with access to an experienced team with an extensive track record ensuring it can add value to its investee companies and help them grow and multiply. Khulasande Capital Partnership III will be launched during the course of 2019.

The Izandla Property Fund

The Izandla Property Fund, launched in 2017 is a majority black-owned property company supported by Investec Property and Investec Property Fund. It aims to create value to fund the initiatives of the EDT, the majority shareholder, by accessing quality real estate assets and providing our property clients with a BEE partner who will own, manage and develop their property assets. Investec Property supports Izandla Property with skills, expertise and knowledge while Investec Property Fund serves as the capital partner of Izandla Property.