



Financial Sector Code

Report
2015

Out of the Ordinary®

 **Investec**

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About our 2015 Financial Sector Code report

This is Investec's third report describing its broad-based black economic empowerment initiatives according to the Financial Sector Code, as gazetted in November 2012 (FS Code). Previously Investec reported according to the Department of Trade and Industry's Codes of Good Practice, as gazetted in 2007 (DTI Codes) and prior to that was a signatory to the Financial Sector Charter (FSC). Investec's previous ratings are summarised below.

Rating period	Description of rating conducted	Rating achieved
1 April 2003 to 31 March 2004	Financial Sector Charter, self assessment	A
1 April 2004 to 31 March 2005	Financial Sector Charter, self assessment	A
1 January 2006 to 31 December 2006	Financial Sector Charter, KPMG	A
1 January 2007 to 31 December 2007	Financial Sector Charter, KPMG	A
1 January 2008 to 31 December 2008	Financial Sector Charter, KPMG	A
1 April 2009 to 31 March 2010	DTI Codes, Empowerlogic	Level 4
1 April 2010 to 31 March 2011	DTI Codes, Empowerdex	Level 3
1 April 2011 to 31 March 2012	DTI Codes, Empowerdex	Level 4
1 April 2012 to 31 March 2013	FS Code, Empowerdex	Level 3
1 April 2013 to 31 March 2014	FS Code, Empowerdex	Level 3
1 April 2014 to 31 March 2015	FS Code, Empowerdex	Level 2

Note:

- This report covers Investec's South African operations only
- All references to black relate to the definitions as set out in the FS Code
- All information relates to the financial year ended 31 March 2015.

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Investec's ongoing commitment to black economic empowerment and transformation in South Africa

Investec remains committed to black economic empowerment. Our approach involves:

- Using our entrepreneurial expertise to foster the creation of new black entrepreneurial platforms
- Serving as a leading source of empowerment financing
- Encouraging internal transformation by bringing about greater representivity in our workplace.

Independent verification of the Financial Sector Code (FS Code) scorecard, Empowerdex (Pty) Ltd

The abridged FS Code information disclosed in this document for the year ended 31 March 2015 is extracted from the Investec Limited scorecard and relating supporting documents, prepared in accordance with the Financial Sector Code as gazetted by the Minister of Trade and Industry in November 2012; and in a manner consistent with the objectives of the B-BBEE Act and South Africa's Economic Transformation – A Strategy for Broad-based Black Economic Empowerment.

The independent verifiers, Empowerdex (Pty) Ltd, conducted their review on the Investec Limited scorecard and related supporting documents in accordance with the requirements of the SANAS R47-02 document and the gazette verification manual. These standards require that we plan and perform the verification process and procedures to obtain reasonable assurance about the B-BBEE status of Investec Limited.

Summary scorecard

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The table below depicts Investec's consolidated position under the FS Code and places it at a level 2 rating for the period 1 April 2014 to 31 March 2015 (2015 in the table). A comparison to the prior year is also included.

Element	Target score	Investec score 2015	Investec score 2014
Ownership	14	15.21	15.21
Management control	8	4.57	4.29
Employment equity	15	9.73	9.56
Skills development	10	9.59	6.88
Preferential procurement	16	13.44	12.45
Enterprise development	5	5.00	2.75
Empowerment financing	15	15.00	13.52
Consumer education	2	2.00	2.00
Corporate social investment	3	3.00	3.00
TOTAL	88	77.54	69.66
Level		2	3

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Direct empowerment

Equity ownership

Employee ownership

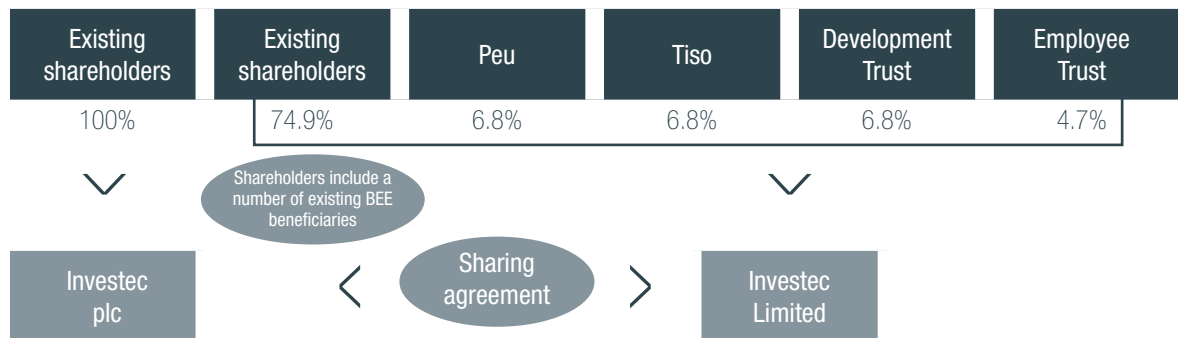
One of our core values relates to employee ownership:

- Management and staff currently own approximately 10% of the group's shares
- Staff across all gender and race groupings participate in the staff share schemes
- All new recruits are allocated equity awards after an initial period
- A share scheme to benefit black employees was established as part of our BEE ownership transaction (refer below).

BEE ownership transaction in 2003

In November 2003, Tiso Group, Peu Investment Group, a broad-based Entrepreneurship Development Trust (EDT) and an Investec Employee Share trust collectively acquired a 25.1% direct stake in the issued share capital of Investec Limited.

The diagram below illustrates the structure of Investec's deal at the time of the announcement in November 2003.



Parties to the original transaction:

Tiso Group

Tiso is a majority black-owned and managed natural resources, financial services and industrial services group created in 2001 by Fani Titi, Nkululeko Sowazi and David Adomakoh, with seed capital from Investec.

Peu Investment Group

Peu is a 100% black-owned and managed investment holding company led by Peter Malungani. The company was incorporated in 1996 and pursues strategic investments in financial services, information technology, fleet management, auto sector, ICT and gaming.

The Entrepreneurship Development Trust

The EDT was created to contribute to social development in South Africa and to ensure that there were benefits from our BEE deal for a broader constituency.

The EDT's key objectives are to promote:

- Entrepreneurial development
- Rural economic development
- Leadership development in both the private and the public sector
- Democracy and governance.

The structure of Investec's BEE transaction was such that the cash flows from unrealised profits from EDT's shareholding were tied up until 2011. Investec as a result provided resources and support to enable the EDT to become an active and credible development vehicle for delivering innovative entrepreneurial activity to contribute to South Africa's economic growth.

Investec Employee Share Trust

100% of the beneficiaries of the Investec Employee Share Trust were black South Africans working for Investec Limited. This was done to ensure that our employees also participated meaningfully in the transaction alongside the BEE companies.

Unwind of BEE ownership transaction in 2011

The ownership structure described above unwound in May 2011. Some of the parties to the BEE transaction agreed to a refinancing of the arrangement which resulted in various transactions in relation to both Investec Limited and Investec plc ordinary shares.

After the conclusion of the refinancing, the Entrepreneurship Development Trust held 23 001 108 Investec Limited ordinary shares; Tiso INL Investments 1 (Pty) Limited (a 100% held company by Kagiso Tiso Holdings Limited) held 7 062 635 Investec Limited ordinary shares and Peu INL Investments 1 (Pty) Limited (a 100% held company by Peu Group Limited) held zero Investec Limited ordinary shares.

All these shares are now freely tradable.

2015 year in review

Equity ownership scorecard

Indicator	Target	Target score	Investec position	Investec points
Voting rights of black people	25.00%	3	27.97%	3.00
Voting rights of black women	10.00%	1	6.59%	0.66
Economic interest of black people	25.00%	3	27.97%	3.00
Economic interest of black women	10.00%	1	6.59%	0.66
Economic interest of designated groups				
Black participants in employee ownership schemes				
Black beneficiaries of broad-based ownership schemes	2.50%	1	1.78%	0.71
Black participants in co-ops				
Direct/indirect ownership in excess of 15%	10.00%	2	12.97%	2.00
Net equity interest	25.00%	3	26.30%	3.00
Bonus points:				
Black new entrants	10.00%	2	17.70%	2.00
Black participants in schemes of ownership	10.00%	1	1.78%	0.18
TOTAL		14 + 3 bonus points		15.21

Management control

We recognise that executive decision-making, management responsibilities, the assumption of risk and other factors relating to those who make major financial decisions are critical to real transformation. As part of our employment equity process, a key objective involves transforming strategic decision-making bodies at all levels of Investec.

2015 year in review

Summary: Investec board of directors and top management

	Black people	Black women
Board members	4/8	2/8
Senior top management/executives*	-	-
Other top management	5/18	1/18

* Investec does not differentiate between senior top management and other top management.

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Direct empowerment (continued)

Investec board of directors - South African members

Name of director	Title	Race	Gender
Stephen Koseff	CEO	White	Male
Glynn Burger	Risk and Finance director	White	Male
Fanit Titi	Independent non-executive chairman	Black	Male
Zarina Bassa	Independent non-executive director	Black	Female
Cheryl Carolus	Independent non-executive director	Black	Female
David Friedland	Independent non-executive director	White	Male
Khumo Shuenyane	Independent non-executive director	Black	Male
Peter Thomas	Independent non-executive director	White	Male

Management control scorecard

Indicator	Target	Target score	Investec position	Investec points
Exercisable voting rights of black board members	50.00%	0.5	50.00%	0.50
Exercisable voting rights of black women board members	25.00%	0.5	25.00%	0.50
Black executive board representation	50.00%	1	0.00%	0
Black women executive board representation	25.00%	1	0.00%	0
Black representation at senior top management	n/a	n/a	n/a	n/a
Black women representation at senior top management	n/a	n/a	n/a	n/a
Black representation at other top management	40.00%	2.5	29.41%	1.84
Black women representation at other top management	20.00%	2.5	5.88%	0.74
Bonus point:				
Black independent non-executive directors	40.00%	1	50.00%	1.00
TOTAL		8 + 1 bonus point		4.57

People and transformation

Investec positions its culture as a strategic differentiator. We prize our 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. We achieve this through:

- Share ownership by employees at all levels of the business
- Building a diverse and equitable workplace driven by the effective implementation of Investec's employment equity plan
- Maximising the potential of employees by fostering a culture of continuous learning.

The people section of the scorecard consists of two sub-sections: employment equity and skills development.

Employment equity

Our promotion of equal opportunity and workplace diversity is not merely a social responsibility but a business advantage. Diversity is essential for any organisation's ability to innovate and adapt in a fast-changing world and is critical to Investec's growth and prosperity.

Recruitment and retention of individuals from designated groups is a key part of our employment equity strategy. Each division has contributed to the group employment equity plan by carefully considering and building targeted numbers for designated groups. Monitoring of progress towards achieving the goals of the employment equity plan is evaluated by the employment equity forum. Furthermore, within each business unit, formal engagements enable tracking towards achieving these goals.

In addition, we focus on employing individuals from designated groups at a "grass roots" level through our graduate recruitment, bursary and learnership programmes and developing these individuals into skilled, strategic thinkers and leaders. Further information on these programmes is provided under the skills development section of the scorecard.

2015 year in review

Employment equity summary

Occupational level	Male				Female				Total
	B	C	I	W	B	C	I	W	
Senior management	42	21	61	621	29	17	46	324	1 161
Professionals, specialists and middle management	135	61	67	345	230	112	189	552	1 691
Skilled workers, supervisors and junior management	76	26	24	26	84	107	42	103	488
Other	158	27	8	19	152	30	19	25	438
TOTAL	411	135	160	1 011	495	266	296	1 004	3 778

Where: B = Black; C = Coloured; I = Indian; W = White

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People and transformation (continued)

Employment equity scorecard

Indicator	Target	Target score	Investec position	Investec points
Black disabled representation	3.00%	0.5	2.35%	0.39
Black female disabled representation	1.50%	0.5	1.48%	0.49
Black representation at senior management	60.00%	3	18.60%	0.93
Black women representation at senior management	30.00%	2	7.92%	0.53
Black representation at middle management	75.00%	3	46.95%	1.88
Black women representation at middle management	37.50%	2	31.40%	1.67
Black representation at junior management	80.00%	2	73.57%	1.84
Black women representation at junior management	40.00%	2	47.75%	2.00
Bonus points:				
Meeting / exceeding EAP targets, senior management	89.37%	1	18.60%	0
Meeting / exceeding EAP targets, middle management	89.37%	1	46.95%	0
Meeting / exceeding EAP targets junior management	89.37%	1	73.57%	0
TOTAL		15 + 3 bonus points		9.73

The divisional employment equity targets were carefully monitored throughout 2014 and executive management held "transformation meetings" with each divisional head and their human resources consultants in order to drive progress towards meeting their respective targets. In terms of numerical targets we have met the 2014 targets for top management. In respect of senior and middle management, whilst the distribution among African, Indian and Coloured employees isn't as set out in our targets, the overall employment equity count exceeds the overall employment equity target. In respect of skilled and semi-skilled employees headcount growth has been less than anticipated and this has impacted the realisation of our targets. In respect of the non-numerical goals, as outlined in our employment equity plan for 2014, all objectives were achieved.

The sector continues to experience a relatively short supply of financial, legal, client relationship, information technology, communication and other aligned skills. We have found that these skills are particularly difficult to source in the senior and middle management categories. In light of this we continue to embrace the notion that "homegrown" talent will ultimately serve the organisation best and in spite of the deficit of graduates coming through South African universities, as well as the huge demand and ongoing war for talent in the financial services sector, we continue to place emphasis on our graduate development, especially in relation to the chartered accountancy programme recruitment initiative. We are mindful of the requirements to up skill and promote black talent and will do so within the context of the economy.

Skills development

The expertise and dedication of our staff is fundamental in meeting our clients' needs and delivering distinctive results. It is vital that we engage, develop and retain a high-value workforce and we do this by investing significantly in learning and development opportunities; both formal and informal, within and outside the workplace; as well as leadership programmes to develop current and future leaders of the group.

The Organisation Development and Learning teams play a critical role in the development of our employees as well as assisting the business units in achieving their learning objectives, which are always aligned to the business strategy and market trends.

Some of the initiatives we have in place that demonstrate our commitment to investing in the development of our employees are detailed below.

The educational bursary scheme

Investec's educational bursary scheme provides employees with focused educational opportunities to enable the acquisition of qualifications for career development within Investec. No prior service is required. The qualification must be attained through a recognised, registered and accredited educational or training institution and needs to be relevant to Investec and the individual's career development. The bursary will cover the full costs of registration, tuition, examination fees and a contribution towards prescribed books.

Performance development reviews

In line with the advancement and development of our people, Investec has a performance development review (PDR) process where all employees are afforded regular performance discussions that inform their individual development and learning requirements. In addition to this, we have introduced team performance reviews and people forums that cover topics such as team expectations and strategy, leader feedback as well as upward management.

Ongoing career discussions as well as post-placement interviews are held as part of the performance development discussion to encourage and facilitate career debates. Forums for young talented individuals are also encouraged and afford employees the opportunity to discuss and debate various topics related to their careers.

The diversity (Zebra Crossing) initiative

Zebra Crossing is a company wide diversity initiative that aims to raise levels of multicultural awareness of staff at Investec. It is an ongoing, evolving initiative using a range of modular interventions and activities to address specific diversity issues and multicultural needs. It also draws on both internal and external expert facilitators and speakers to deliver the various components. Over 2,500 employees have participated in the programme since its inception.

Facilitation of skills-based programmes

The Organisation Development and Learning teams facilitate the development of programmes, offered to all employees, in the fields of information technology, banking, finance, risk, compliance and e-learning. These programmes cover 'hard' skill requirements identified by business units as core to everyday functioning.

Customised learning programmes

Where required, the Organisation Development and Learning teams will design, develop and facilitate customised learning interventions which are team specific. An example of one of these programmes is the Banking Development Journey which was developed to enable bankers to develop internal and external networks, become equipped to structure and present a deal, learn to tailor sales techniques towards a specific audience, become aware of and leverage their personal brand and interact with credit forums and clients.

Coaching

We have numerous development, learning and leadership programmes which employ coaching as part of the programme design. In addition ad hoc executive coaching takes place throughout the business units and is based on individual needs and development requirements.

External learning opportunities

Investec supports employees in pursuing external learning opportunities such as public programmes, conferences, seminars and short courses which will enable them to acquire knowledge and skills necessary for their career development.

Leadership development programmes

The foundation intervention, Developing Leaders programme, is designed to empower leaders through a series of modules. The programme is a practical, focused approach to strategy, people and change. The leadership programme, Initiate, largely covers self-development and team work issues and participants are invited to work on the real-life situations they face in their varied work environments. The Leading in Investec programme, Inculcate, is open to more established leaders and seeks to highlight the specifics of leadership within the Investec context, with reference to input from a number of different external stakeholders as well as our executives.

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People and transformation (continued)

Executive education at international business schools

In an effort to expose senior leaders within the bank to the best of breed thinking Investec has sponsored several executive and senior leaders to attend programmes at international business schools including Harvard University, Insead, the London Business School, Singularity, IMD, Oxford and Cambridge.

Graduate and learnership programmes

Investec's flagship learnership programme is the CA Trainee Programme which has been in operation since 1998. The programme provides students with the practical training for the Chartered Accountant qualification and continues to enable our employment equity imperative through the development of black chartered accountants within the group and ultimately within the financial sector. Forty-two percent (42%) of the current trainees are black.

Examples of some of our other programmes include:

IT graduate programme

This programme offers graduates the opportunity to be part of a programme focused on developing skills in business analysis, systems development, business intelligence and database administration. The programme is underpinned by an internal development strategy that provides specialist structured learning and support to enable individuals to thrive within the Investec environment.

IT learnership programme

During the 2014/2015 financial year Investec ran an IT Learnership programme. Sixty-five (65) learners, all of whom were black and female, participated in the programme and studied towards a "Certificate in Systems Support".

Call centre and business administration learnership

We have recently launched a call centre and business administration learnership. One hundred (100%) percent of the learners are black and approximately fifty percent (50%) are disabled.

The management of technology and innovation (MOTI) learnership

During the 2014/2015 financial year Investec ran a learnership in partnership with the Umuzi photo club, Vega school of brand leadership and the Da Vinci Institute. After 12 months of integrated work and learning the learners received a qualification in management of technology and innovation. The programme piloted in 2014 and is running again in 2015 with sixty learners, all of whom are black.

Client support centre (CSC) masters programme

In March 2015 Investec launched a learnership programme in our client support centre. The Investec CSC is a space where skilled consultants function as private bankers to deliver a distinctive service to local and international clients. As an Investec banker each learner on the programme will gain experience and insight into the business, private banking and the working world. This is an excellent platform to launch a career in an environment that challenges and grows individuals on a daily basis.

This two year learnership will result in a Masters qualification in Science (MSc) in technology and innovation (NQF 9). Approximately fifty percent (50%) of the learners on the programme are black.

2015 year in review

Skills development scorecard

Indicator	Target	Target score	Investec position	Investec points
Skills development spend on black employees as a % of total leviabale amount	3.00%	3	3.59%	3.00
Skills development spend on black female employees as a % of total leviabale amount	1.50%	1.5	2.03%	1.50
Skills development spend on black disabled employees as a % of total leviabale amount	0.30%	0.5	0.12%	0.20
Skills development spend on black female disabled employees as a % of total leviabale amount	0.15%	0.5	0.12%	0.39
Number of black employees participating in category B, C and D programmes / learnerships as a % of total employees	5.00%	3	5.35%	3.00
Number of black female employees participating in category B, C and D programmes / learnerships as a % of total employees	2.50%	1.5	3.16%	1.50
TOTAL		10		9.59

Total skills development spend on black employees amounted to R135 million for the financial year ended 31 March 2015 (2014: R68 million), which represents 3.59% (2014: 2.32%) of the total leviabale amount.

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Indirect empowerment

Preferential procurement

We have implemented a policy of seeking out suppliers who demonstrate favourable BEE ratings. In instances of RFP's (request for proposals), where delivery or price are similar, we have opted to utilise the services of BEE vendors. We tend to offer more RFP's with minimal open tender requests.

Investec utilises the B1SA B-BBEE information management system. All vendors are requested to register and submit information to the B1SA repository where after Investec can begin to monitor vendor information. The DTI portal is no longer active or in use, we now rely more on our external vendor database to manage and track vendors. Investec also made use of the services provided by B1SA for preferential procurement assessment purposes. Verification of suppliers is encouraged and Investec makes every effort to align verification standards to those outlined in the B-BBEE Verification Methodology set by the Department of Trade and Industry.

Our short-to medium-term strategy is to identify and develop more ways in giving our existing and potential suppliers support to further develop and ensure sustainability. We seek to support, procure our goods and service from vendors in the region of operation.

We encourage vendors to become empowered through our enterprise development initiatives. Various forms of incentivisation are directed towards vendors, and these vendors can benefit in the following potential ways:

- Early invoice settlement
- Grants or loans
- Longer term contracts.

2015 year in review

Preferential procurement scorecard

Indicator	Target	Target score	Investec position	Investec points
Total BEE procurement as a % of total measured procurement spend	70.00%	8	70.63%	8.00
Total BEE procurement from QSEs* and EMEs* as a % of total measured procurement spend	15.00%	3	15.46%	3.00
Total unadjusted BEE procurement spend from black owned suppliers as a % of total measured procurement spend	12.00%	2.5	11.21%	2.34
Total unadjusted BEE procurement from black female owned suppliers as a % of total measured procurement spend	8.00%	2.5	0.33%	0.10
TOTAL		16		13.44

* QSEs are qualifying small enterprises and EMEs are emerging micro enterprises.

Total measured procurement spend amounted to R2.6 billion for the financial year ended 31 March 2015. Of this, R1.9 billion (70.63%) was spent with BEE suppliers.

Enterprise development

Raizcorp

Investec and Raizcorp first partnered in 2013 to provide business support and development to young entrepreneurs. This partnership has continued into 2015 and will enable entrepreneurs of black-owned businesses to take part in a two-year programme that facilitates increased profitability in their respective businesses. The partnership is aligned with Investec's strategy to support and develop small business owners with high growth potential.

The Raizcorp Acumen enterprise expansion programme is designed for entrepreneurs to take their business acumen to the next level through a curriculum of entrepreneurial learning and mentorship support. The entrepreneurs selected for the programme are assigned a dedicated team of five trained Raizcorp guides, who focus on key areas from strategy, finance and marketing to sales and personal development. Profitability is said to increase substantially for 95% of participating businesses over the two-year period. In addition, each entrepreneur is assigned a mentor from Investec, usually a private banker, who guides and assists the entrepreneur over the course of the programme. All entrepreneurs and their staff also have access to Raizcorp learning which consists of courses and workshops tailored to the unique needs of entrepreneurs.

Donation of building to The Business Place

Recognising the importance of entrepreneurial activity in stimulating the country's economy, Investec donated one of its buildings to start-up support organisation The Business Place. The Business Place plans to convert the building into a multi-agency one stop shop which will provide financial and non-financial support to small businesses and facilitate various incubation programmes and City of Joburg initiatives.

2015 year in review

Enterprise development scorecard

Indicator	Target	Target score	Investec position	Investec points
Enterprise development contributions	0.2% NPAT, i.e. R3,771,459,224*	5	R10,915,428 (0.29%)	5.00
TOTAL		5		5.00

* Net profit after tax (NPAT) for the financial year ended 31 March 2015.

^ Enterprise development contributions for the financial year ended 31 March 2015.

Investec spent R10.9 million on enterprise development initiatives during the financial year ended 31 March 2015. This equated to 0.29% of net profit after tax. This spend was broken down as follows:

- R3.9 million to Raizcorp
- R7 million donation of a building to The Business Place.

Empowerment financing

The empowerment financing element comprises targeted investments and BEE transaction financing. Investec's targeted investment and BEE transaction financing initiatives are mainly conducted via its Corporate and Institutional Banking as well as its Private Banking businesses.

Targeted investments

Comprise debt financing of, or other forms of credit extension to, or equity investments in South African projects, in areas where gaps or blockages in economic development and job creation have not been adequately addressed. It includes:

- Transformational infrastructure
- Agricultural development
- Affordable housing
- Black SMEs.

BEE transaction financing

The provision of finance for, or investments in, BEE transactions including:

- All transactions for the acquisition, by black people, of direct ownership in an existing or new entity (other than an SME) in the financial or any other sector of the economy, and
- Joint ventures with, debt financing of, or other forms of credit extension to, and equity investments in BEE companies (other than SMEs), which are at least 25% black owned.

2015 year in review

Empowerment financing scorecard

Indicator	Target	Target score	Investec position	Investec points
Targeted investments: <ul style="list-style-type: none"> • Transformational infrastructure • Agricultural development • Affordable housing • Black SME financing 	R3,514,397,597	12	R13,810,559,039	12.00
BEE transaction financing	R2,342,931,731	3	R5,530,108,364	3
TOTAL		15		15.00

Investec spent a total of R19.3 billion on empowerment financing initiatives during the financial year ended 31 March 2015.

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Residual

Consumer education

Consumer education is the process of transferring knowledge and skills to consumers, future consumers and potential consumers for individual well-being and the public good. The target market for consumer education is individuals in the LSM 1-8 group with major emphasis on the LSM 1-5 category.

2015 year in review

Consumer education scorecard

Indicator	Target	Target score	Investec position	Investec points
Consumer education	0.4% of retail NPAT, .i.e. R10,675,701*	2	R11,000,000	2.00
TOTAL		2		2.00

* Retail net profit after tax (NPAT) for the financial year ended 31 March 2015.

Investec spent R11.0 million on consumer education activities during the 2015 financial year. Our contribution was made to the Financial Services Consumer Education Foundation for use on the following projects:

- Trustee education
- Principal Officer's qualification content development
- Investor education for youth in entrepreneurial activities
- Financial literacy youth roadshow for previously disadvantaged tertiary institutions and
- SAICA/Thuthuka face-to-face workshops.

Corporate social investment (CSI)

Our CSI programme is central to Investec's philosophy of making an unselfish contribution to society, and underpins perceptions of Investec as a good corporate citizen. Our approach to CSI focuses on education and entrepreneurship. We believe this to be the most effective way to create opportunities for employment, wealth creation and stimulating socio-economic growth.

Wherever possible, we seek to collaborate with partners, so as to leverage resources and expertise and help ensure a lasting impact as well as long-term sustainability for our projects. In all cases, we look to ensure that projects are enduring, sustainable and replicable (where appropriate) and are guided by strategic intent, rather than philanthropic well-meaning.

Our CSI strategy is to focus on a more clearly defined pipeline of educational and entrepreneurial projects. The strategy is aimed at facilitating the empowerment of talented individuals within a defined continuum of interventions through school and university to the workplace.

Our objectives are twofold:

- To facilitate an increase in the number of entrepreneurially-minded matriculants as well as those with a decent pass in English, Maths and Science and, who have an aspiration to proceed beyond Matric
- To facilitate access to quality tertiary education.

The illustration below shows how various components of our strategy form a pipeline of interventions starting at high school and progressing to the workplace.



A description of our main projects and developments during the 2015 financial year is included below.

Education

Promaths

Our flagship educational programme, Promaths, is aimed at supporting the education system in generating students who are competent in Maths and Science. The programme provides extra tuition in Maths and Science to learners in Grades 10 to 12 at selected schools across the country. Investec currently funds six centres across the country. This year is particularly special as it marks 10 years since the establishment of Promaths in 2005. It is important to note that the programme does not seek to replace the role of Maths and Science educators in schools, but rather to supplement their efforts in order to improve the Maths performance of high-potential learners in their schools.

Bursary, mentorship and alumni programmes

Investec, in partnership with Study Trust, awards young South Africans with academic potential and in financial need the opportunity to study towards financial sector-related degrees at various local universities. The programme's students vary from first-year to honours level. In the 2015 academic year, 23 new bursary recipients joined the programme, bringing the total number of bursary students to 89. As part of the bursary programme, Investec bursary recipients are paired with Investec staff members who volunteer to be their mentor throughout their academic career. In this role, staff members become personal mentors, offering students a sounding board for educational and other decisions or difficulties. In many instances, mentors also draw on the skills and expertise of other colleagues to assist bursary students with particularly challenging university courses.

Career guidance

As part of its education focus, Investec social investments would like to increase the number of learners who not only pass Matric well, but also have an aspiration to proceed with their studies beyond Matric. In response to a broader need around career guidance and an attempt to contribute towards this aspiration, Investec has made career guidance central to its education offerings. In 2014, 155 grade 11 learners were given an opportunity to attend 'A Day at Investec'. This day showcases different careers within the finance sector in a more practical manner and allowed for the opportunity of 'job shadowing' where staff members volunteered to take learners to their work spaces.

Work Readiness programme

University students have limited or no exposure to the world of work and may lack the 'soft skills' needed to get a job, stay employed, and advance whilst employed. In response to this challenge, Investec Social Investments hosts an annual Work Readiness programme. Students travel to Investec's Sandton office for a week-long programme aimed at assisting talented students in their transition from tertiary education to the world of work. Selected students attend this programme to experience our dynamic environment and acquire a unique combination of skills aimed at preparing them for the world of work.

Teacher internship programme

Investec has entered into a partnership with Independent Schools Association of Southern Africa (ISASA) and the Department of Education in an initiative to develop quality teachers of Maths, Science and English, producing a new breed of teachers. This teacher internship model sees students being recruited by ISASA and then being enrolled to complete a four year BEd degree. During these four years, each student is assigned to shadow and learn from the best teachers in one of the independent schools in South Africa. The main focus is on Maths and how to teach it.

The 2015 academic year saw an intake of 60 teacher interns, bringing the number of interns to over 120. The number of ISASA associated schools where teacher interns are placed has grown to over 40 schools across the country.

Entrepreneurship

Junior Achievement South Africa

In a quest to create a meaningful legacy for Investec and the communities within which we operate, we have sought to engage in social investment initiatives that facilitate the opportunity for many up and coming youngsters to become active economic participants in society. In 2014, Investec continued its partnership with Junior Achievement South Africa (JASA) in an entrepreneurship initiative that seeks to stimulate an entrepreneurial mindset as well as life skills amongst grade 10 and 11 learners.

The Mini Enterprise Programme is an entrepreneurship programme run in partnership with JASA, which runs over 11 weeks. The first three weeks consist of a general introduction to small business and covers basic business skills ranging from financial planning to the selling of company shares. During weeks four to eleven, the groups form a mini-company, where they produce a product or provide a service, form proper management structures and run the company to make a profit. In 2014, 368 learners attended and completed the JASA programme and 45 finalists spent four days refining their initial concepts and participating in the Junior Innovators Competition. The winner received a R60 000 bursary for her 'Heating Cooling Bottle', a water bottle that can perform the function of a household kettle without the use of electricity.

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Residual (continued)

Volunteerism

Our experience is that far more can be achieved by using our knowledge, expertise and influence than by limiting our contribution to cash grants. We believe that more can be achieved through successful partnerships with staff hence the effort to encourage our staff members to take keen interest in and participate in some of our initiatives. Over the last 12 months staff have continued to take advantage of the opportunity for them to give time, money or goods in pursuit of making a contribution to society. Initiatives include:

- Mandela Day is a campaign driven across the country by the Nelson Mandela Foundation in which Investec participates. This year, staff members were encouraged to find ways of giving back in the month of July and enter our Mandela Day competition in which they stood a chance to win a donation for their charity. As part of this campaign, R100 000 was distributed to various charities. On Friday the 18 July over 220 staff members across the country dedicated between 67 minutes and 2 hours to making toys from waste
- The Cradle Project is a staff initiated programme which allows staff the opportunity to present their own charitable donation requests to a forum and possibly receive funding for those projects. Investec provides annual capital for this initiative. Staff members who participate in the Cradle Project also volunteer their time in many other charitable causes. Cradle Project allocated R570 303 (2014: R628 298) to a variety of worthy causes.
- Touch by Giving is a programme which offers Investec staff a simple and tax effective way to make a monthly donation, directly from their salaries, to a pre-selected list of charities. Staff contributed R784 633 (2014: 964 910) to worthy causes through this initiative.

2015 year in review

Corporate social investment scorecard

Indicator	Target	Target score	Investec position	Investec points
Corporate social investment contributions	0.70% NPAT, i.e. R3,771,459,224*	3	R33,124,923 (0.88%)	3.00
TOTAL		3		3.00

* NPAT for the financial year ended 31 March 2015.