

# Extract of the directors' remuneration report



## ANNUAL REPORT ON REMUNERATION

# Annual report on remuneration

Please refer to pages 152 to 195 of volume one of the Investec group's 2021 integrated annual report to view the full directors' remuneration report. This is available on the Investec website.

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### Remuneration overview for the year

Shareholders approved a revised Directors' Remuneration Policy in August 2020. Key features of that revised policy included:

- a 25% reduction in fixed remuneration, paid in cash;
- a similar percentage reduction in on-target and maximum remuneration potential;
- delivering all variable remuneration in shares; and
- a 50% increase in the shareholding and post-termination shareholding requirements for executive directors.

In addition, the fees for non-executive directors were reduced by between 10% and 20%.

For the financial year ending 31 March 2021, these policy changes resulted in a 25% reduction in fixed remuneration for the executive directors. The 2021 remuneration single figure increased by 41.1% from 2020, however it reduced by 12.3% from the 2019 financial year, being the last financial year not impacted by the COVID-19 pandemic. In addition, the following actions impacted the 2020 remuneration outcomes:

- the two executive directors who remained following the demerger of Ninety One (Fani Titi and Nishlan Samujh) rescinded their 2020 Short-term incentive (STI), at their own request, to recognise the experience of their colleagues and our shareholders; and
- the Remuneration Committee exercised downward discretion to remuneration outcomes in three places.

Note that the 2021 STI "pool of profit" automatically adjusted downwards in line with the adjusted operating profit for the financial year. Adjusted operating profit from continuing operations of £377.6 million is 9.9% behind the prior year (2020: £419.2 million). The overall 2021 STI "pool of profit" has reduced 35% compared to 2020 predominantly due to the demerger of the Ninety One business.

Our executive and non-executive directors donated a portion of their remuneration/fees via salary sacrifice during the year to COVID-19 causes, including the Solidarity Fund in South Africa.

The Remuneration Committee believes that the executive directors have performed very well in what has been an extremely challenging year, and therefore that the remuneration outcomes are reflective of the overall financial and non-financial performance for the year.

The following page shows the single total figure of remuneration table for the 2021 financial year.

ANNUAL REPORT ON REMUNERATION  
CONTINUEDSingle total figure of remuneration (Audited) 

Executive directors	Year	Fixed remuneration cash £'000	Taxable benefits £'000	Retirement benefits £'000	Fixed remuneration shares £'000	Total fixed remuneration £'000	Short-term incentive £'000	Long-term incentive vested £'000	Value of long-term incentive vested due to share price appreciation £'000	Total variable remuneration £'000	Total remuneration £'000
Fani	2021	930	12	33	–	975	905	–	–	905	1 880
Titi	2020	612	12	42	666	1 332	– <sup>1</sup>	–	–	–	1 332
Nishlan	2021	411	9	61	–	481	452	–	–	452	933
Samujh	2020	272	11	50	333	666	– <sup>1</sup>	–	–	–	666
David van der Walt <sup>2,3</sup>	2021	86	3	8	95	192	–	–	–	–	192
	2020	–	–	–	–	–	–	–	–	–	–
Richard Wainwright <sup>2,3</sup>	2021	406	5	18	–	429	380	–	–	380	809
	2020	–	–	–	–	–	–	–	–	–	–
Ciaran Whelan <sup>2</sup>	2021	678	23	63	–	764	708	–	–	708	1 472
	2020	–	–	–	–	–	–	–	–	–	–

- Short-term incentive awards for 2020 for Fani Titi and Nishlan Samujh were rescinded at the recipients' request to align with their colleagues and our shareholders' experience.
- 2020 remuneration not disclosed for David van der Walt, Richard Wainwright and Ciaran Whelan as they were not executive directors in 2020.
- Pro rata 2021 remuneration disclosed for David van der Walt and Richard Wainwright to reflect the period of the year they were executive directors.

**Salary and fixed remuneration**

This represents the value of salary earned and paid during the financial year. The fixed pay detailed above may appear lower than that contained within the Directors' Remuneration Policy as any amounts of fixed remuneration that were donated via salary sacrifice directly to COVID-19 causes have been removed from the fixed pay totals detailed above. Fixed pay was reduced by 25% for all executive directors in the 2021 year.

**Taxable benefits**

The executive directors pay for benefits which may include; life, disability and personal accident insurance; and medical cover. These amounts are funded out of gross remuneration and are as elected by each director.

**Retirement benefits**

The executive directors receive pension benefits. None of the directors belong to a defined benefit pension scheme and all are members of one of the defined contribution pension or provident schemes. The amounts reflected in the table above represent the contribution to these schemes payable by the company. These amounts are funded out of gross remuneration, and there is no additional company contribution for the executive directors.

**Short-term incentive**

Represents the total value of the short-term incentives awarded for the 2020/2021 performance year. Pages 178 and 179 of the Investec group's 2021 integrated annual report outline in detail the basis on which the awards were determined, and the breakdown of the awards in up-front and deferred shares.

**Long-term incentive vested**

Represents the value of long-term incentive awards that were subject to performance conditions and vested during the year. No executive directors had awards granted in respect of service as an executive director vesting to them during the year.