FirstRand

remuneration report

FOR THE YEAR ENDED 30 JUNE 2022

contents

Remuneration report

letter from the chairman of the remuneration committee to stakeholders

LOUIS VON ZEUNER
Chairman

In the year under review, FirstRand delivered normalised earnings growth of 23% and ROE of 20.6%. The group produced R10.1 billion of economic profit or net income after cost of capital (NIACC), which is the group's key performance measure.

FirstRand's performance is testament to the quality of the business and, importantly, the disciplined execution on certain strategies implemented during the pandemic. These strategies were tightly managed through the group's financial resource management (FRM) process. The key objectives of these strategies were to:

> carefully price for financial resources;

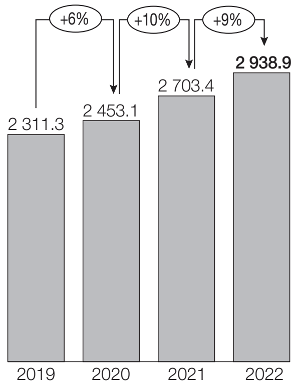
> appropriately provide against lending portfolios;

> strengthen and appropriately tilt the balance sheet to the macro environment; and

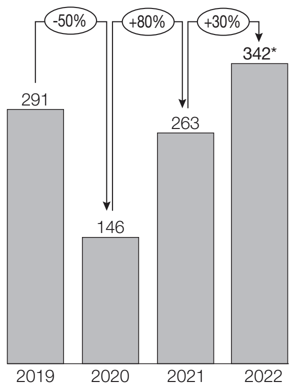
> accrete capital and net asset value.

The above deliverables were closely anchored to management key performance indicators (KPIs) and effective execution has shaped material shareholder value creation during the period under review. Not only have earnings fully recovered – and are significantly above peak 2019 levels – NIACC has more than doubled since the prior period. The ROE remains well situated in the target range of 18% to 22%. In addition the group has delivered sustained growth in net asset value (NAV). The Common Equity Tier 1 (CET1) ratio increased to 13.9% (2021: 13.5%), which enabled the board to approve the highest annual dividend in the group's history. This amounts to a dividend of 342 cents per share and a special dividend of 125 cents per share, resulting in a total distribution to shareholders of R26.2 billion.

NAV per share
Cents



Dividend per share
Cents



* *Excludes special dividend of 125 cents per share.*

Remuneration pool

FirstRand's performance management framework is anchored to NIACC and is viewed over a six-year business cycle. This focus on NIACC recognises that performance measurement should begin after charging earnings for the cost of the capital utilised in generating those earnings.

The 2022 short-term incentive (STI) pool increased 26% compared to the prior year. This outcome was driven in particular by:

> The 23% increase in normalised earnings.
> Positive NIACC of R10 112 million in the current year (compared to R4 857 million in the prior year).
> An improvement in ROE from 18.4% to 20.6%.

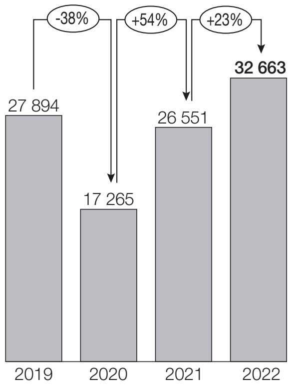
Ultimately the demonstration that shareholders continue to do better than management in the previous and current year lies in the following:

> For the year to June 2020 the STI pool reduced 43%, more than the decline in earnings of 38%.
> For the year to June 2021 the STI pool grew 45%, less than the increase in earnings of 54%, as both earnings and ROE had not fully recovered. This is further reflected in the fact that the 2022 allocated STI pool was lower than the 2019 STI pool level.
> The higher growth in STI relative to earnings in 2022 is a result of the recovery in NIACC (more than double the value of 2021) to over R10 billion and takes into account the prior year's lag on STI growth. However, the absolute allocated pool has not fully recovered to 2019 levels as NIACC has not fully recovered.

For executive directors and prescribed officers STIs increased 23% overall. This is below the total pool growth of 26% due to the consequences of the operational event at MotoNovo for the CEO and CFO. The executive scorecards are covered on pages 35 to 42, and the remuneration outcomes on pages 43 to 59.

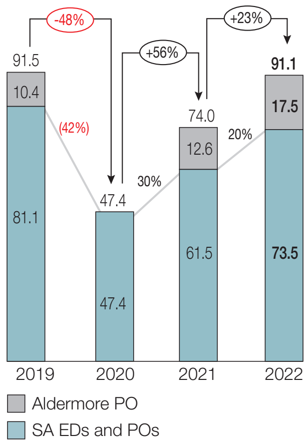
Normalised earnings

R million



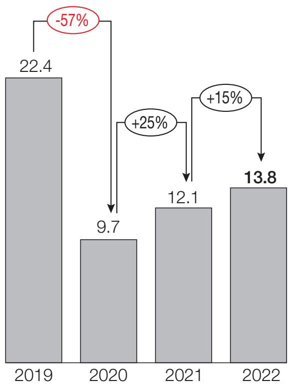
Executive STI

R million



CEO STI

R million



Shareholder engagement

The remuneration policy and implementation reports for the year to June 2021 were tabled at FirstRand's annual general meeting (AGM) in December 2021 for separate non-binding advisory votes by shareholders. The results (shown below) did not meet the 75% threshold set by the listings requirements.

Remuneration policy	For	Against
2021	74.11%	25.89%

Implementation report	For	Against
2021	48.75%	51.25%

The group is encouraged by the above, in particular regarding the remuneration policy outcome. Non-support from one large shareholder impacted the overall vote, however, excluding this shareholder 94.9% of voting shareholders supported the policy. The group reads this result positively because it demonstrates that the vast majority of its shareholders acknowledged the efforts made by the remuneration committee (Remco) to deal with a number of significant issues previously raised, and have indicated their support of these efforts.

The vote outcome on remuneration implementation was triggered in the main by two issues.

> Treatment of retirees (*ex gratia* payment for failed 2017 and 2018 LTIs).

> Lack of support from some shareholders for the Covid-19 award.

The *ex gratia* payment to retirees was a one-off event and Remco continues to strongly believe that it was the right decision. The Covid-19 award will also not be repeated.

During the year, Remco engaged with shareholders on several issues, in line with obligations under the King IV Code and JSE Listings Requirements. These meetings continue to be highly constructive in nature and feedback was taken directly into the committee's deliberations. The committee members aim to ensure that the group's shareholders are fully appraised of remuneration policies and their implementation, as well as to fully understand the concerns of shareholders.

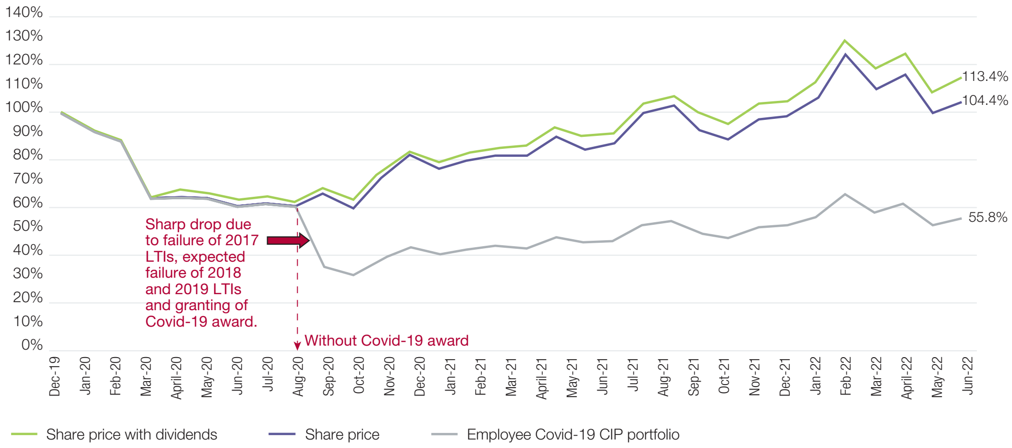
During the year, the following engagements were held:

Date	Engagement
October 2021 (pre-AGM)	The chairman of the board and the chairman of Remco hosted a virtual environmental, social and governance (ESG) roadshow with FirstRand's largest international and local shareholders.
31 January 2022	The 2021 non-binding advisory vote did not meet the 75% support threshold. Remco invited shareholders to provide feedback via teleconference.
June – July 2022	A subcommittee of Remco hosted a virtual roadshow for FirstRand's largest international and local shareholders to provide insight into Remco's response to shareholder concerns, and to elicit additional feedback.

It is worth noting that ongoing non-support for the Covid-19 instrument may continue to impact the implementation vote, given that the award vests over three years (to 2023). However, Remco is strongly of the view that the Covid-19 award allocated in 2020 achieved its objectives, as outlined in the table below.

1.	Management retention	Ninety per cent of the 480 award recipients were retained over the past three years.
2.	Management was incentivised to steer the group through the crisis and ensure it was well positioned for a recovery.	The group's earnings have well exceeded those of 2019, one year earlier than expected. All commitments made were achieved.
3.	Shareholders continue to do better than management, maintaining a long track record in this undertaking.	Shareholders recovered 100%, while management received 50%, as illustrated in the graph below.

Impact of Covid-19 on employee CIP (share price linked) portfolio vs equivalent shareholder portfolio (based to 100)



An employee conditional incentive plan (CIP) portfolio awarded. This number of CIPs compared to equivalent number of shares held by a shareholder. CIP portfolio adjusted for CIP forfeits and granting of the Covid-19 CIP instrument.

Portfolio index valued using market price since 31 Dec 2019

Key shareholder feedback

Shareholder feedback	Remco response
Appropriateness of LTI targets	> The group believes that LTI targets drive shareholder alignment, as vesting conditions reference ROE AND earnings growth over a three-year period. > FirstRand has applied performance targets for both these indicators rather than assigning weightings to each target. This means both conditions must be met simultaneously, as opposed to individual performance conditions being met. > The group has consistently stated its intention to first and foremost protect ROE and will not "chase" growth at the expense of returns. As such ROE minimum targets must be met for any vesting to occur. If the ROE condition is not met earnings growth is not considered. **By way of example, to demonstrate that shareholder alignment is fully anchored to the group's performance conditions: the 2019 award failed due to the average ROE condition not being achieved despite the strong recovery in earnings.**
The executive scorecard needs to be refined for better transparency on pay for performance, with enhanced emphasis on ESG.	The schematic below demonstrates STI determination calibrated to scorecards. Appropriate ESG weightings are incorporated in the executive scorecards on pages 35 to 42.
Not all LTIs are subject to performance conditions.	All LTIs issued from 2021 are subject to performance conditions.

STI determination to scorecards

1 **Step 1 = GATE**

> If annual financial targets and NIACC (measured through the six-year cycle) are not met, there is NO bonus pool or a reduced bonus pool (dependent on extent of targets not met), and therefore NO or a reduced STI.

> In addition, segment pool growth influences STI growth for prescribed officers (POs).

2 Executive directors' and prescribed officers' scorecards

Rating implication for STI calculation	
≤2	Does not qualify for STI
>2 to 3	Reduction to flat year-on-year STI change
>3 to 5	Increase in bonus compared to prior year considering personal performance, pool growth and STI ranges per rating band

3 Remco judgement (increase/decrease) where required

4 Constrained by STI caps (unlikely to get there)

5 STI quantum

Charges implemented during the year

No significant changes were made to the group remuneration policy and practices during the year.

Remco also reviewed several other remuneration features, as explained below.

Benchmarking of executive directors and prescribed officers

During the year, executive directors' and prescribed officers' total remuneration was benchmarked by PwC using JSE-listed banking peers, namely Standard Bank, Absa, Nedbank, Capitec and Investec. This informed Remco's review of executive remuneration outcomes.

Other independent consultants were also engaged during the year, as detailed on page 11, to benchmark other jurisdictions and roles.

Minimum shareholding requirement

With effect from 1 September 2017, executive directors and prescribed officers were required to hold FirstRand shares to the value of at least 50% of their last three years' annual post-tax LTI vesting.

Given the failure of the 2017 and 2018 LTI vestings, this policy was revised in 2021. The shareholding requirements are set relative to guaranteed pay and are outlined in detail on page 24. The effective date is September 2022 or five years from the date on which the relevant executive was appointed, whichever is the later. The Aldermore CEO has an effective date seven years from joining to comply with the minimum shareholding requirement.

Fair and responsible remuneration

Remco is cognizant of the criticality of fair and responsible remuneration. Its approach is explained in detail in the *Policy* and *Implementation* sections of this report, including the rectification of any pay gaps emanating from arbitrary criteria such as gender or race.

Future focus areas

Remco seeks to ensure all remuneration practices are aligned with the strategic objectives of the group. The following remain important focus areas:

> Regular engagement with shareholders on remuneration matters.

> Continued refinement of executive scorecards to remain aligned to changes in the market, including ESG outcomes.

> Consideration of including ESG deliverables in LTIs as the current position includes ESG KPIs only in STI.

> Ongoing research and evaluation of remuneration best practices.

> Ensuring appropriate remuneration mix across all staff levels.

> Ensuring that FirstRand's fair and responsible pay practices appropriately evolve to remain relevant to both business requirements and market changes.

In conclusion

FirstRand employees delivered a highly positive outcome for shareholders in a challenging operating environment. This performance naturally reflects in the growth of short-term incentive awards to employees, and the group continues to demonstrate that employees are appropriately rewarded for delivering to shareholders. To this end, Remco believes that the remuneration policy has achieved its stated objectives.

Remco will continue to work with stakeholders to ensure remuneration practices deliver sustainable and appropriate outcomes.

LOUIS VON ZEUNER ~ Chairman

remuneration governance

FirstRand's remuneration practices are governed by the FirstRand remuneration committee, which is a subcommittee of the main group board of directors. This committee met six times during the financial year. It is assessed annually for its skills, independence and efficacy by the company secretary and by an independent external service provider every second year. No concerns were raised during the assessment for the period. The committee draws on several other bodies in the group, including separate remuneration committees for each segment and subsidiary, which all consider individual awards within prescribed threshold levels. These committees all have non-executive director members who can feed back and escalate any issues to the group Remco. The group Remco is solely responsible for determining remuneration of executive directors and prescribed officers, and reviews all employees earning above a threshold, in line with King IV and Banks Act regulations.

Remco is also mindful of the various regulatory and governance requirements in each jurisdiction where it operates. As set out in various sections of this report, there are some differences in remuneration policies that apply specifically in UK operations, reflecting different requirements in that jurisdiction as well as the legacy remuneration schemes that were in operation when some businesses were acquired.

Remco membership	Meeting attendance
LL von Zeuner (chairman)*	6/6
GG Gelink*	6/6
RM Loubser*	4/6
WR Jardine*	6/6
JP Burger**	6/6

* *Independent non-executive director.*
** *Non-executive director.*

overview of the remuneration policy

Scope

The remuneration committee's mandate and policy extend across all subsidiaries and businesses in the FirstRand group.

Remuneration regulation

The group applies the following remuneration governance frameworks: the requirements of section 64C of the Banks Act, the Financial Stability Board's Principles for Sound Compensation Practices and its Implementation Standards, Basel Committee on Banking Supervision (BCBS) Pillar 3 disclosure requirements standard (March 2017) and Directive 1/2018 issued by the Prudential Authority (PA), and the recommended practices of King IV, where appropriate. The group's UK operations apply the UK Prudential Regulatory Authority requirements.

The remuneration disclosure requirements of King IV and Pillar 3 are disclosed in this remuneration report.

Remuneration philosophy

The FirstRand founders embedded the view that remuneration must align with shareholder value. This ethos has shaped the group's remuneration philosophy and performance management framework.

The group adopts the principles of an outcomes-based remuneration philosophy, which it believes to be appropriate given the diverse nature of the businesses that make up its portfolio.

rem gov

The group's remuneration philosophy is founded on the following principles
Attracting and retaining talent – FirstRand aims to attract and retain the best talent in the market, through competitive reward packages, to execute on strategy and deliver on its promises to stakeholders.
Aligning with shareholders – Management should not do better than shareholders. The group's key performance measure, NIACC, ensures that employees only receive variable pay after all obligations are met, including "paying" shareholders for their equity first. The growth in management remuneration should not exceed the growth in accumulated net asset value and dividends over an economic cycle (currently six years).
Sustainable business – Management also has a responsibility to other stakeholders: regulators, customers, deposit holders, employees and wider society. In determining and assessing remuneration, Remco aims to ensure that the group delivers sustainable long-term growth for the benefit of all stakeholders.
Pay for performance – Variable pay is subject to financial and non-financial performance criteria aligned to the company's strategic objectives. To reinforce a culture of sustainable outperformance, the targeted remuneration mix offered to key talent is deliberately weighted towards variable pay (short- and long-term incentives).
Fair and responsible remuneration – FirstRand promotes equal pay for work of equal value and does not tolerate discrimination based on race, gender or any other arbitrary characteristic.

Pay for performance

FirstRand's remuneration approach has three objectives:

1. Incentivise employees to meet agreed key performance indicators.
2. Be competitive.
3. Reward sustainable value creation.

These objectives are realised through both short-term and long-term incentives. Group remuneration is anchored in the multi-year budget process, which considers strategy, risk appetite and the allocation of the group's financial resources. ROE targets are set at an appropriate level above the cost of equity to deliver economic profits or NIACC, the group's key performance measure. The targets are set to ensure an appropriate balance between earnings growth/returns and risk/volatility.

Fair and responsible remuneration

FirstRand applies the principle of equal pay for work of equal value (internal equity) across all levels of the group's employees. The group aims to ensure there is an even distribution of income between employees who do similar work, irrespective of race or gender.

In a performance-based culture, supported by rigorous evaluation, it is inevitable that pay gaps will emerge. In fact, it is important that employees know that outperformance can and will be rewarded. However, inequalities of pay can never be based on arbitrary grounds. The group has robust processes that identify and correct any arbitrary inequalities in pay. These processes compare employees on objective criteria such as performance, skills and experience. The group's process is validated through an internal annual review which identifies and assesses cases of potential income differentials.

Principles that underpin the group's commitment to fair and responsible remuneration include:

Fair

> The principle of equal pay for work of equal value is applied across all job roles.

> Remuneration practices are impartial and not affected by self-interest and prejudice on arbitrary grounds including race and gender.

> Employee remuneration is fairly differentiated for performance, skills or expertise, and where unjustifiable income differentials are identified they are corrected.

Responsible

> Remuneration outcomes are aligned with group strategy and sustainable value creation.

> Incentives are based on corporate performance conditions and individual performance criteria.

> Incentive schemes do not promote excessive risk-taking.

> A separate risk remuneration committee ensures remuneration and STI pool assessments include a risk perspective.

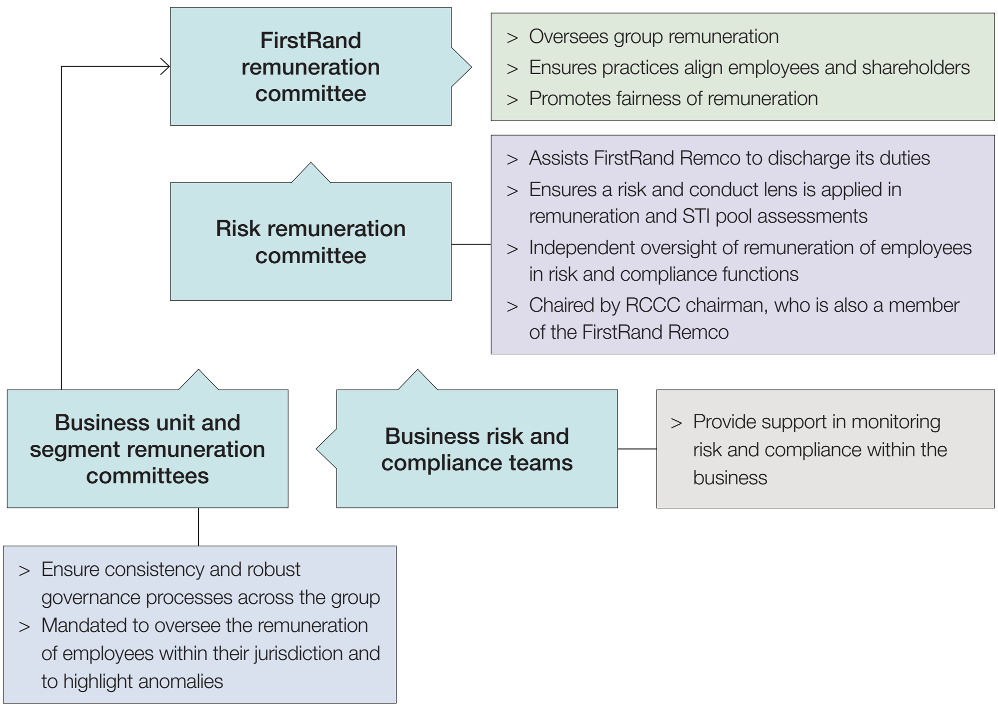
- The risk remuneration committee ensures that compliance and risk teams are rewarded for not overlooking excessive risk-taking or risky behaviour, even where it may lead to short-term gain.
- Variable remuneration is subject to malus and clawback.

Practices that underpin the group's commitment to fair and responsible remuneration include:

- Adhering to legislative requirements relevant to remuneration and benefits.
- Setting salary ranges per role (based on role evaluations and benchmarking) for recruitment and the annual reviewing of salaries. New employees are placed within the salary range based on their skills, qualifications and experience in the role.
- Reviewing the remuneration of all employees at least annually, which considers employees' performance in their roles as well as market benchmarks.
- Annually reviewing and adjusting for internal income differentials, when required.

Remuneration governance and risk

An important principle of the remuneration approach is that it should properly factor risk into remuneration outcomes. FirstRand has adopted the Financial Stability Board Principles and Standards for sound compensation practices, which were introduced to reduce incentivisation of excessive risk-taking that may arise from the structure of compensation schemes. The risk remuneration committee provides a risk perspective that feeds into the group Remco. It is chaired by **the risk, capital management and compliance committee (RCCC)** chairman and members include the group executive directors and corporate governance and risk heads. It ensures that a risk and conduct lens is applied in assessing remuneration and that STI pools are adjusted downwards for risk and conduct events. Parallel risk remuneration committees operate alongside the business unit Remcos to ensure parity across business units and that remuneration outcomes reflect risk events at all levels.



Aligning remuneration to group risk appetite

The FirstRand remuneration process ensures that actions outside of risk appetite are not rewarded and that incentive pools are appropriately adjusted for risk and compliance events.

The risk and compliance process interacts with the remuneration process at two levels:

1. The chief risk officer (CRO) of each of the business segments, in conjunction with the group CRO, prepares a risk profile document that outlines an independent assessment of risks and the risk management processes. This assessment informs the overall submission to each segment remuneration committee. This ensures that each business segment's remuneration pool appropriately incorporates the risk and compliance features of the year, and that these features are incorporated when reward pools are considered.

2. To align the executive directors' and prescribed officers' remuneration scorecards to risk and compliance features, the group CRO, with input by the segment CROs, head of enterprise risk management and head of compliance, makes recommendations on the risk components of scorecards used by Remco in setting the remuneration of the executive directors and prescribed officers.

Remuneration of risk and compliance functions

To ensure that risk and compliance employees' remuneration is aligned to the outcome of the control functions they fulfil, the risk remuneration committee reviews such employees' remuneration when above an agreed threshold. This takes account of the overall risk profile of the segment they operate in, as well as risk and compliance profile changes during the year, including material risk and compliance events. The remuneration of these employees is based on the achievement of risk management objectives and conduct outcomes and is reviewed and benchmarked annually. The group CRO, together with the head of enterprise risk management and head of compliance, provides input into the compensation levels of risk and compliance managers and officers across the group. The risk remuneration committee then provides independent oversight.

Malus and clawback

Further mechanisms ensure employees operate within the group's risk appetite including malus and clawback provisions for both LTIs and STIs. Malus (the ability to reduce or cancel an award that has not yet vested) and clawback (the ability to claw back the proceeds of awards already vested and settled) ensure that any serious risk events can lead to consequences for award participants. The deferral of short-term incentives and the use of forward-looking LTI performance and vesting periods effectively extend the malus and clawback periods. Malus or clawback therefore aligns the behaviour of employees to the delivery of sustainable risk-adjusted performance.

Benchmarking of remuneration

The group undertakes a comprehensive external benchmarking process to ensure fair and competitive remuneration. The reward philosophy is based on sound principles aimed at attracting, retaining and motivating employees whilst ensuring compliance with institutional policies.

Guaranteed pay

Whilst the market median is the target for guaranteed pay for skills that are in high demand, high-performing employees may be paid at or near the upper end of the market range.

The objective is to reward employees equitably and fairly, based on both market data and internal comparators. By using market data obtained from reliable surveys, a pay range for each role in the market and position in this pay range is determined based on:

> Scarcity of skill
> Critical skill sets and roles
> Market placement

This approach ensures that guaranteed pay is competitive, enabling the business to attract and retain the best talent in the market. Benchmarking is conducted as part of the annual review cycle as well as on an *ad hoc* basis to ensure that the group remains competitive. If it is identified that an employee's remuneration is out of line with the market, a recommendation can be made for an interim adjustment. Alternatively an adjustment can be made during the annual salary review. All interim adjustments have strict approval mandates for governance purposes.

External market benchmarking

FirstRand consults with independent service providers to benchmark market data pertaining to guaranteed remuneration. *Ad hoc* surveys are also conducted if significant shifts in market practices occur. Local peer comparisons are also performed for executive directors and prescribed officers.

During annual salary reviews, the information is used by Remco to ensure appropriate pay levels and that the executive directors' and prescribed officers' total remuneration is aligned with the market.

PwC benchmarking

Executive directors' and prescribed officers' total remuneration is benchmarked by PwC using JSE-listed banking peers. This ensures that executive pay is competitive against peers and that the roles compared are of comparable scope and complexity. Where a comparable match is not available in the peer annual reports, data is sourced from Remchannel. This data is supplemented by banking peers' market-disclosed remuneration information.

Remchannel

Remchannel performs a comprehensive remuneration survey of guaranteed pay and short-term incentives in South Africa. It currently has 539 participating companies across all industries, ranging from small to large corporates and includes all the JSE Top 40-listed companies. It further provides comparator circles to ensure that benchmarking is done against industry peers at the correct level.

It also provides data for Namibia, Botswana and Eswatini.

Mercer

The Mercer Top Executive Remuneration Survey provides a thorough analysis of top executive pay amongst large corporations in South Africa. The survey includes all major financial services organisations.

Mercer applies multiple factors when assessing executive roles to arrive at what is known as an international position evaluation (IPE) level. Once ascertained, companies are benchmarked against the comparator group at the same level. The factors used to determine IPE levels include:

> annual turnover;

> assets under management;

> headcount across all jurisdictions; and

> multinational vs national operations.

The Mercer survey covers all elements of guaranteed pay, including payments in respect of short-term incentive schemes as well as the expected value of long-term incentives. It also provides a pay mix analysis across these three elements for executive remuneration.

AON McLagan Investment Banking Survey (for RMB)

The AON McLagan Investment Banking Survey includes the major investment banking firms. Participants in the South African remuneration survey include the international banks operating in South Africa and large local banks. The library of roles is appropriately aligned with RMB's business, especially front office roles.

Emergence Growth (for broader Africa subsidiaries)

Emergence Growth provides market data for the remuneration of executives and general staff which is used for benchmarking in the majority of the subsidiaries in broader Africa. The company conducts surveys that cover all elements of remuneration including guaranteed pay, short-term incentive schemes and long-term incentives, with strong financial sector cover. Additional *ad hoc* data is provided based on specific needs.

Aldermore benchmarking

Aldermore uses PwC, Willis Towers Watson and FIT Remuneration Consultants to individually benchmark senior roles.

Junior employee role pay ranges are reviewed annually.

Ad hoc surveys

In circumstances where it appears that pay for certain skills has fluctuated rapidly owing to factors such as scarcity of skills, a bespoke survey may be commissioned.

Components of remuneration

To deliver on its remuneration philosophy and principles, FirstRand's remuneration structure emphasises variable components with short-term incentives based on group, segment and individual performance. Long-term incentives calibrate to three-year, forward-looking group performance conditions. These overlay a guaranteed package that is competitive in the market, reflecting the role, skills and experience of the individual employee. The greater the influence of the individual on overall risk and returns of the group, the higher the proportion of long-term incentives awarded. LTIs also act as retention mechanisms, with deferred payments subject to continued performance and employment. The diagram below illustrates the different components of fixed and variable pay.

			Eligibility							
			AE	MM	SM	E	Not deferred and paid in year	Deferred for six months – one year	Deferred for two years	Deferred/vesting after three years
Guaranteed package	Increases are informed by inflation, market changes and individual performance	**Cash package**	✓				Cash package			
		Benefits > Retirement contribution > Medical aid and life/disability cover contribution	✓				Benefits			
Short-term incentives	Pool is based on financial and non-financial measures. Individual allocation linked to individual performance	**Cash award**	✓				Cash award			
		Deferred cash award	✓					Deferred cash award**		
		Deferred bonus award (share price linked)		✓	✓	✓			Deferred bonus award (share price linked)**	
	Allocation informed by pool increases and individual performance	**Deferred annual incentive bonus (DIP)**		✓	✓					Deferred incentive plan (share price linked)
Long-term incentives	Allocation is linked to pool increases, individual performance and prospective delivery. The vesting of all awards is subject to three-year corporate performance targets.	**Rand-based conditional incentive plan:** Share price linked plan based on achieving group performance targets.			✓	✓				Rand-based – conditional incentive plan
		Pound-based UK LTI:# 50% share price linked award and 50% deferred cash award.	✓*							GBP-based – UK LTIP

AE: all employees; MM: middle management; SM: senior management; E: executives.

* *All UK-based employees.*

** *For deferral thresholds, refer to diagram on page 15.*

LTIs, only awarded to executives (i.e. Aldermore exco).

Each of these components is based on pools that are set using the methods described in the table below:

Guaranteed package (GP) and benefits	Increases are linked to current inflation statistics, promotions and benchmarking.
Short-term incentives	**Annual bonus award** The STI pool is based on: > Unionised staff: based on a percentage of GP and annually reset with reference to the group's earnings performance. > Managerial: determined against financial and non-financial performance, with financial linked to earnings growth and NIACC. The outcome is adjusted for risk. **Deferred incentive plan** The pool growth will consider increases in guaranteed packages and changes in headcount (both reductions and increases).
Long-term incentives	The pool growth is linked to inflation and adjusted for strategic headcount growth at management level.

Guaranteed package and benefits

Cash package (based on cost-to-company)

The group has a cost-to-company (CTC) approach designed to attract and retain talent in line with the scope, nature and skills requirement of the role. CTC is generally market-related and reflects the responsibilities of the role as well as the expertise and skills of the individual employee.

Benefits are compulsory but employees can choose from various options.

Retirement contribution

All employees are contractually obliged to contribute to appropriate retirement savings vehicles. The group has a dedicated forum that works with these entities to improve retirement outcomes by maximising investment returns and minimising costs.

Medical aid and life/disability cover contribution

All employees are contractually obliged to belong to a medical aid and to have life and disability cover.

Short-term incentives

STIs reward both group and individual performance achieved during the year. STIs that exceed a certain threshold are deferred into cash and share price linked awards.

Pool determination

Remuneration is anchored to a multi-year budget process, which considers strategy, risk appetite and financial resource allocation. Specific qualitative and quantitative targets are core to the remuneration assessment. Quantitative targets include earnings growth and ROE targets, which are set to deliver positive NIACC. Normalised earnings are adjusted for the impact of impairments of intangible assets (as these are not part of headline earnings) and the STI pool will therefore reduce accordingly.

Remco will adjust STI pools downwards for material risk and conduct-related events. To do so, Remco assesses the following: control environment, internal and external audit results, compliance with risk policies and processes, and platform maturity. Conduct is also assessed in respect of employees, clients and the business and financial markets, as well as regulatory compliance.

Remco considers formal submissions from the main businesses through the Risk Remco as described in the *Remuneration governance* section above.

Operating business STI pool determined bottom-up

STI pools for the group's various operating businesses are calculated bottom-up against the performance framework, subjected to oversight by the office of the financial director and thereafter presented to the Remcos of operating businesses and group Remco for challenge and approval. The calculation of STI pools is determined using both financial and non-financial performance measures. The sum of all these pools is constrained by the overall group pool increase.

Qualifying criteria

For an operating business to qualify for an STI pool, the business has to produce earnings and meet bespoke/individualised ROE hurdle rates which are either equal to or greater than group ROE hurdles. These hurdle rates are set considering the underlying activities and complexity of earnings generated. In the event that ROE hurdles are not met for any given year, the overall ROE profile over six years is considered, ensuring NIACC is cumulatively positive. In this event, the pool will grow lower than earnings growth.

For support areas, a bottom-up approach is applied based on individual and overall group performance as well as industry benchmarks.

For new business initiatives which do not yet meet group hurdle rates, the bottom-up approach includes measurement of the progress of business strategy and execution against targets.

Differentiated STI range

Remco applies a rate to qualifying pre-incentive pre-tax profits to determine the STI pool per operating business.

Range – Firstly, Remco determines an STI pool range as a percentage of pre-incentive profits allocated to the various operating businesses. These ranges are based on the nature and complexity of the relevant business's underlying activities and revenue streams and consider industry reward practices. More complex, diversified businesses are rewarded with a higher rate than monoline businesses.

Annual rate – Remco applies certain qualitative factors such as quality of earnings, progress against strategic objectives, risk and control, and ESG measures as captured in the scorecards to determine the appropriate rate within this range. It then applies this rate to qualifying pre-incentive pre-tax profits to determine the bottom-up STI pool.

Remco also considers non-financial measures in the determination of STI pools. Remco applies judgement and may make adjustments from a business's calculated STI pool for performance against these non-financial measures. These would include:

> diversification and quality of earnings;

> execution on strategic objectives;

> risk and control measures; and

> ESG measures, e.g. organisational culture, transformation and climate.

Risk adjustment – Appropriate risk-taking is factored into STI awards with pools adjusted downwards for sanctions and penalties due to risk or regulatory events, or an undesirable risk profile in an area, as described in the *Remuneration governance* section, above.

Final pool allocation

The bottom-up pool determination is constrained by the overall group STI pool calculation and adjusted accordingly. In determining the group STI pool, shareholders must do better than management.

1 FirstRand pool determination

Financial measures
- > **Top-down:** group performance (including earnings and NIACC over the business cycle), industry benchmarking
- > **Bottom-up:** business unit growth rate in profit before tax, NIACC, volatility over six-year business cycle
- > New business initiatives

−

Downward adjustments
- > Risk assessment with penalties for risk and compliance events

±

Non-financial measures
- > diversification and quality of earnings;
- > execution on strategic objectives;
- > risk and control measures; and
- > ESG measures, e.g. organisational culture, transformation, climate.

=

STI % rate applied to pre-tax profit to determine the FirstRand pool

2 Segment/operating business pool allocation

Qualification requirements:
- > ROE hurdle rates through the cycle met
- > NIACC evaluated

STI pool →

Proportional allocation to business units informed by:
- > Nature and complexity of the business
- > Activities and revenue streams
- > Industry reward practices
- > Business unit performance

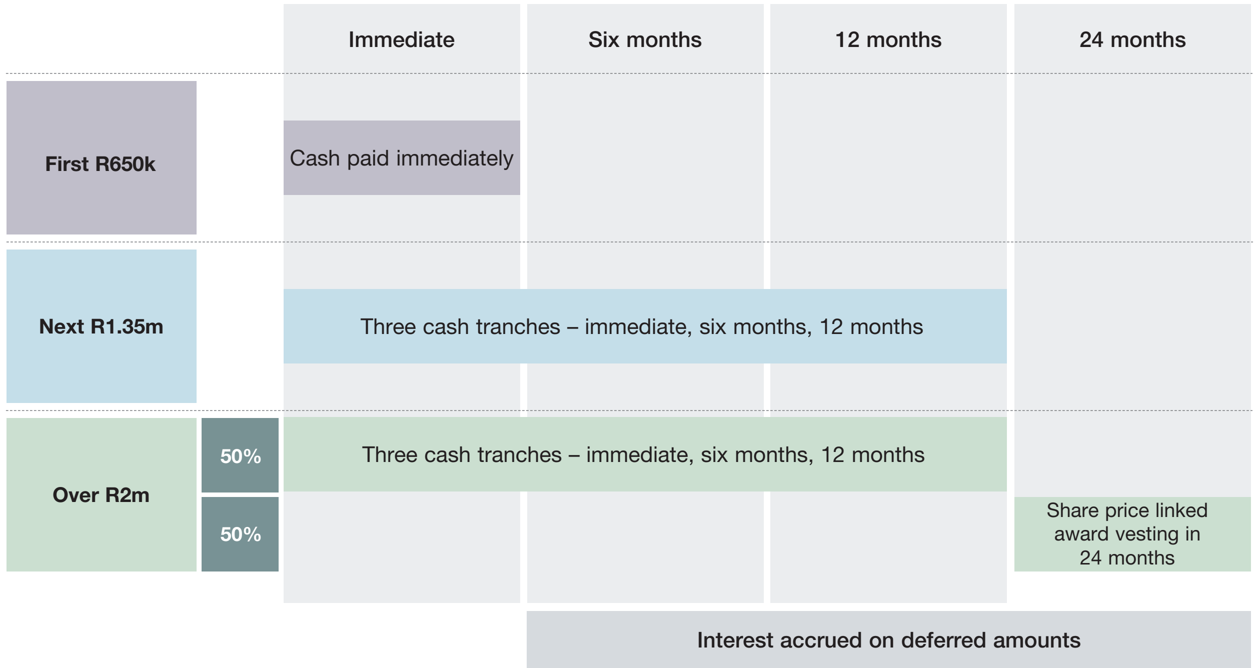
Bonus deferral

In terms of good remuneration practice and to drive retention of senior employees, STIs above certain thresholds are deferred. Deferrals consist of both cash deferrals and share price linked deferrals where eventual payments are linked to the share price.

> **Up to R650 000:** paid in full in August.

> **Above R650 000 up to R2 million:** paid in three tranches – in August, December and the following June. The second and third tranches include interest.

> **Above R2 million:** half paid in three tranches – in August, December and the following June. The remaining half is deferred in a deferred bonus award, linked to the FirstRand share price, which vests after two years (for certain senior managers the deferral is 30% while deferral for executive directors and prescribed officers is 50%).



Deferred incentive plan

The DIP is a deferred bonus designed to drive high performance and ensure retention. Key professionals who are high performers with scarce skills **who do not receive LTIs** are eligible for a deferred bonus through the DIP. **Executive directors and prescribed officers are not eligible for the DIP.** These awards are allocated based on the individual's performance rating for the previous 12 months as part of the annual salary review cycle. Specific allocation guidelines are provided to businesses to inform awards. The award is only forfeited if the individual performance requirements are not met over the three-year vesting period or the individual is no longer employed by the group.

Alignment to shareholders is maintained as the final award value is anchored to FirstRand's share price and vests after three years, when employees are settled in cash. The change in the share price for these awards is hedged, ensuring there is no additional cost to the shareholder for share price changes.

The pool for these awards is developed bottom-up and moderated by considering inflation and strategic headcount growth.

Executive directors' and prescribed officers' STI

STI caps for executive directors and prescribed officers

Caps are set relative to the guaranteed packages of the executive directors and prescribed officers. The maximum will only be reached under very exceptional circumstances, with considerable outperformance on the scorecard metrics which would result in significant shareholder value creation.

	STI caps
CEO	300% of guaranteed package
CFO, COO and PO: Retail and commercial (R&C)	250% of guaranteed package
PO: Corporate and institutional (C&I)	350% of guaranteed package
PO: Aldermore	180% of salary

In the case of South Africa-based executive directors and prescribed officers their guaranteed package is their cost-to-company. In the case of the Aldermore prescribed officer (PO), the STI cap is applied on base salary excluding market-adjusted allowance and retirement contributions or other allowances. The lower STI cap for Aldermore reflects market dynamics in Europe where there are various remuneration-related regulations.

Executive directors' and prescribed officers' scorecards

After the group STI pool has been determined, Remco considers STIs for executive directors and prescribed officers using a scorecard. The STI scorecard categories and hurdles are only considered if STI pools are available for the year, i.e. the financial metrics have been met. As explained on page 14, STI pool determination is based on financial metrics (earnings and NIACC through the cycle). As such achievement of financial metrics is a first requirement before the below scorecards are considered for individual STI allocations.

STI determination to scorecards

1

Step 1 = GATE

> If annual financial targets and NIACC (measured through the six-year cycle) are not met, there is NO bonus pool or a reduced bonus pool (dependent on extent of targets not met), and therefore NO or a reduced STI.

> In addition, segment pool growth influences STI growth for prescribed officers (POs).

2

Executive directors' and prescribed officers' scorecards

Rating implication for STI calculation	
≤2	Does not qualify for STI
>2 to 3	Reduction to flat year-on-year STI change
>3 to 5	Increase in bonus compared to prior year considering personal performance, pool growth and STI ranges per rating band

3

Remco judgement (increase/decrease) where required

4

Constrained by STI caps (unlikely to get there)

5

STI quantum

The structure of executive scorecards fully incorporates ESG measures into the main scorecard, resulting in four high-level sections that each contains several categories of metrics that determine executive directors' and prescribed officers' STIs. Remco further refined executive scorecards in the year under review. Some of the changes made to the FY22 scorecards are the following:

> Aligned strategic section of scorecard to updated strategic framework on page 20.

> Moved the delivery against purpose category (referred to as shared value in the 2021 scorecard) from the ESG to the strategic section of scorecard. To maintain the effective weightings of the other categories in the strategic section, the financial performance section's weighting was reduced to 25% (2021: 30%).

> The ESG section weighting was maintained at 20%. Ensuring health of organisational culture and good corporate governance was split into two separate categories. Social investing has been added as a category in the ESG section of the scorecard.

The scorecard sections, weightings and examples of KPIs are shown below. Weightings for the various sections are aligned to the relevant executive's portfolio of responsibility and differ for each executive.

Section	Weight	Category	Examples of KPIs
Financial	25%	Group financial performance (executive directors and prescribed officers) and business performance (prescribed officers)	Long-term normalised earnings growth target: **Real GDP+CPI+ >0% to 3%** Short-term target: **annual budgeted earnings**. *(Based on group financial performance for EDs and weighted between own operating business/segment and group financial performance for POs.)*
			Long-term ROE target range: **18% to 22%** Short-term target: **annual budgeted ROE and NIACC** *(Based on group financial performance for EDs and weighted between own operating business/segment and group financial performance for POs.)*
Strategic	30% – 35%	Grow business at macro+ (more customers, more to customers, more efficiently)	Target **increase in FNB's active retail/commercial customer base and net increase in primary-banked relationships at RMB.**
			Increase in cross-sell ratio for FNB. Target: **annual budgeted advances and deposits.**
			Target: **annual budgeted operating expenses.**
		Broaden financial services offering	**Insurance KPIs:** growth in **EV, VNB, lives covered, APE, PBT and penetration of FNB** customer base relative to annual budget. Qualitative measure includes tracking of short-term insurance relative to business case. Investment management KPIs: growth in **AUM, AUA, trade values, account base and PBT relative to annual budget.**
		Build competitive advantage and scale broader Africa portfolio to deliver economic profit and dividends	Growth in **PBT, ROE, customers, advances, deposits, expenses relative to annual budget.**
		Modernise, digitise and scale to a more valuable UK business that delivers economic profit and dividends	> **Aldermore Group KPIs:** delivery of the financial plan (ROE and NIACC), good-quality loan book growth, complaints (days to allocation), collections, group employee net promoter score, representation of women in senior roles. > FirstRand's **return on investment (ROI) KPI:** CAGR since investment **must exceed weighted average cost of capital.**
		Enabled by digital platforms	Progress measured against **build, utilise, migrate** and **decommission** components of platform journey.
		Delivery against purpose (shared prosperity)	> Meaningful **progress against phased approach to deliver shared prosperity (purpose).** > Progressive **embedment of shared-prosperity enablement in group frameworks** (FRM, measurement and reporting, governance, performance) and cascaded into segment/operating business frameworks. > Purpose (strategy and measurement) discussed at relevant board and management **committees**. > **Initial quantification of shared prosperity impacts** (metrics). > **Incorporate UN principles for responsible banking in external reporting** (report to society).
		Disciplined management of financial resources	> **Exceed minimum prudential requirements within internal targets** – active management and optimisation of funding/liquidity and capital stack. > **Actively manage and tilt balance sheet to reflect economic cycle** to enhance return profile on risk-adjusted basis and improve financial metrics. Management of financial resources that **does not introduce additional risk above natural risk profile.** Optimise **pricing of financial resources to ensure economic cost of resources appropriately transmitted to business.** > Target **highest credit counterparty rating in SA banking sector on standalone basis.** > **FRM frameworks and pricing** of resources **incorporate shared prosperity objectives.**

Section	Weight	Category	Examples of KPIs
Risk and control	20% – 25%	Control environment Market and business conduct Risk appetite and volatility Credit loss/impairments Operational, market and investment risks	> Notable decrease in number of "significant improvement required" and "unacceptable" audit findings. > No significant group compliance concerns raised at group risk committees. > Material improvement and/or near industry-leading customer complaints statistics. > No material regulatory fines/adverse feedback. Training statistics of key areas, e.g. anti-money laundering (AML) training, at ≥98% completion rates. > Within earnings volatility tolerances and top two in industry in terms of key risk and volatility metrics and clearly articulated segment-level risk appetite frameworks actively applied in budget process. > Impairments aligned to/better than peer group, with strong coverage levels (taking different accounting practices into consideration). > Credit, operational, market and investment risks within risk appetite and limits/thresholds.
ESG	20%	Ensuring the health of organisational culture	> Deep understanding of organisational culture and health, and associated drivers. > Strong leadership and focus on the FirstRand Promises and people matters in the business, as well as focus on providing leadership and resources to FirstRand employees such that they can perform optimally. > Commitment and openness to organisational and people diagnostics and appropriate responses to the results of these diagnostics. Results from organisational diagnostics indicate healthy levels of trust, engagement and low culture risk.
		Good corporate governance	Significant integration of governance considerations into policies, business processes and frameworks – evidenced and supported by documentation and reporting showing significant improvement year-on-year in prioritised governance metrics and frameworks and resultant scoring by ESG rating agencies from a governance perspective.
		Health of key relationships (customers, regulators, investors, rating agencies)	Qualitative assessment of frequency and quality of engagements with and feedback received from shareholders, debt holders, rating agencies and regulators for executive directors. Qualitative assessment of health of client relationships for POs – factors considered include brand health, customer loyalty, customer satisfaction/complaints and net promoter scores.
		Corporate social investing (CSI)	> Leverage group skills, resources, intellectual property (IP) and partnerships to accelerate the delivery of the foundations' mandate at scale (i.e. create multiplier effect). > Deep understanding of the group's purpose by the corporate foundation trustee board with clear focus areas where the foundation can work alongside FirstRand. > Segment and operating businesses provide rapid and effective response to disasters/crises using discretionary (non-foundation) funds (e.g. FNB Disaster Fund) and resources. > Effective operating model for social investing activities working with trustees of the different foundations.

Section	Weight	Category	Examples of KPIs
ESG	20%	Climate	> Compliance with and progress made in line with FirstRand's climate roadmap. > Active and embedded segment/operating business climate programmes. > Established reporting on climate risk profile. > Engagement with target clients (e.g. consumer education and engagement with material corporate clients in climate-sensitive sectors). > Incorporation of climate risk into credit risk models and/or underwriting criteria. > Broad-based awareness of and training on climate risk.
		Transformation	Measure progress on improvement in diversity at senior and top management level, taking consideration of the group's employment equity (EE) plans and targets.
		Talent management and succession planning	Ensure appropriate succession for critical roles (emergency, "ready now" and medium- to long-term). Appropriate processes in place to identify and develop diverse pool of candidates. Effective retention strategies for top talent. Evidence of growing talent internally.
Total	100%		

List of abbreviations used in table above:

ED: Executive director

EV: Embedded value

VNB: Value of new business

APE: Annual premium equivalent

PBT: Profit before tax

AUM: Assets under management

AUA: Assets under administration

CAGR: Compound annual growth rate

UN: United Nations

Group strategic framework on which the FY22 scorecards were based:

FirstRand commits to building a future of SHARED PROSPERITY through enriching the lives of its customers, employees and the societies it serves. This is the foundation to a sustainable future and will preserve the group's enduring promise to create long-term value and superior returns for its shareholders.

Diversified portfolio with unique strategies:

SOUTH AFRICA	BROADER AFRICA	UK
Platform-enabled integrated financial services providing ecosystems that create long-term value for clients and shareholders	Build competitive advantage and scale to deliver economic profit and dividends	Modernise, digitise and scale to a more valuable UK business that delivers economic profit and dividends

Enabled by digital platforms

Disciplined management of financial resources (capital, funding, liquidity and risk capacity) to deliver on financial commitments

Committed, accountable and empowered people key to delivering continued outperformance

Long-term incentives

Long-term incentives are granted each year to executives and senior managers with conditions tied to the compounded performance of the group over three years. Those who are in decision-making positions that affect the overall performance of the group and delivery of value to shareholders are eligible. These awards are designed both as incentives to create shareholder value and to retain participants through deferred vesting.

The LTI award is linked to the FirstRand share price and has a three-year vesting period. Vesting is subject to performance conditions being met. It is then settled in cash or, at the election of the participant, with shares purchased in the open market.

Objectives of the LTI award

> Remco aims to use long-term incentives to align employees to shareholder requirements of sustainability, quality earnings growth, superior returns and the creation of long-term franchise value. This is based on a graded vesting structure, where vesting levels are directly linked to performance outcomes, to give effect to the principle of paying for performance.

> The final value delivered is based on the group's share price, resulting in further alignment between employees and shareholders.

> The deferred vesting supports retention of critically important executives and senior managers.

Governance of the LTI awards and structure

> Remco annually approves:
  - the principles governing the LTI awards;
  - the total LTI award pool for the group;
  - the LTI awards made to executive directors and prescribed officers;
  - changes to eligibility policies for the awarding of LTIs to participants; and
  - the performance conditions for new awards, after assessment of the business priorities, forecasts and the prevailing and expected macroeconomic environment.

The operation of the LTI

The diagram below sets out the key features of the in-flight awards and current design features of LTIs.

Key element	Policy and eligibility
Geographical differences	The LTI plans differ for South African and UK employees. > South African and broader Africa employees: The FirstRand CIP is denominated in South African rand and linked to the FirstRand share price. > UK employees: The UK LTI is denominated in British pound. For Aldermore and MotoNovo employees 50% is linked to the FirstRand share price and the balance is deferred in cash.
Award allocation	The allocation of this pool to the operating businesses is determined by considering: > the franchise value created; and > the sustainability of the operating businesses' contribution to shareholder value. The allocation to individuals is driven by eligibility criteria and the guaranteed package of the individual. Awards are made annually but no one is guaranteed an annual allocation. Allocation depends on the total pool available per operating business, the role of the individual and each individual's performance.
Vesting value	All LTI awards are subject to forward-looking performance conditions linked to group outcomes and are settled in cash based on the underlying value of FirstRand shares or in market-procured shares based on election. Therefore, participants are fully exposed to fluctuations in the group's share price over the vesting period.
Shareholder protection	FirstRand protects shareholders from dilution as it does not issue shares to settle awards. As such, the group does not require a dilution limit to protect shareholders from excessive dilution. When shares are required to settle a participant on vesting, these shares are acquired in the market at the prevailing price. FirstRand also protects shareholders against future volatility in the share price and the potential for higher cost arising from a higher share price at vesting by hedging the outstanding awards. The hedge costs are taken through earnings and all performance criteria are measured including these costs. Shareholders only bear the award value at cost.
LTI award vesting period	The performance conditions for all awards are measured over three years. The awards vest three years from the award date to the extent that the conditions have been met.
Performance conditions	The section below provides detail regarding the performance conditions selected. From 2021, 100% of LTI awards are subject to performance conditions as professional staff were no longer eligible for LTI awards, and participate only in the DIP. For Aldermore group and MotoNovo employees, the performance conditions are linked 20% to FirstRand group in the same way as the FirstRand LTI instrument and 80% to Aldermore performance conditions using a balanced scorecard of growth in earnings, ROE and conduct assessment for Aldermore group. These are set for each annual award.
Vesting ranges	The group introduced graded vesting to its LTI awards in 2019. In the graded vesting structure, minimum performance conditions are set to achieve each vesting level: threshold vesting, on-target (100% vesting level) and a range of stretch targets. If the performance conditions for threshold vesting have not been met, the vesting outcome will be zero and the award will lapse. For 2019 and 2020, threshold vesting was 70% and decreased to 50% from 2021. ROE **and** earnings growth conditions are set for each vesting level.
Maximum LTI vesting level	Graded vesting applied to LTIs since 2019 include stretch targets for vesting above 100% of the LTI award. The LTI awards can vest at a level of up to a maximum of 150%. This level of vesting will correlate with exceptional value for shareholders based on the performance conditions set for these levels of vesting.
In-flight awards	Current in-flight awards were made in September 2019 (which have failed), September 2020 and September 2021. Awards for 2022 will be made in September 2022.

Key element	Policy and eligibility
Changes to conditions of in-flight awards	Remco does not: > amend in-flight awards' conditions once issued; > reprice share incentive awards for changes in the share price; or > re-test performance conditions or delay measurement of performance conditions.
Downward adjustments	In circumstances where the performance conditions have been met, Remco can apply downward adjustment on the vesting outcome based on specified criteria, including compliance with the group's climate roadmap (from 2021).
Dividends	Dividends are not accrued on LTI awards over the vesting period.
Settlement at vesting	At vesting, the employee will receive the vesting value, based on the share price at the end of the vesting period. Settlement is in cash or shares on election.
Change in employment before award vests	Refer to *termination treatment and malus provisions* below.
Provisions for clawback (post vesting) of awards	Refer to clawback provisions below.
Change of control	In the event of a change of control there will not be automatic early or accelerated vesting of awards. Directors may adjust, replace or convert awards, or take any such action they deem appropriate in the event of a change of control, to protect the interests of both the acquirer and participants and ensure that they are placed in a substantially similar financial position. The intention is to not prejudice the employee or the acquirer.

Measures selected as LTI performance conditions

In line with FirstRand's stated commitments to shareholders, the group continues to use ROE **AND** earnings growth as its key performance conditions. An important feature of the group's approach is that both ROE and earnings growth targets must be achieved for the awards to vest. This makes the vesting more onerous compared to typical market practice.

Remco sets the ROE targets with reference to cost of equity. This means that the awards drive delivery of NIACC, reflecting economic value added for shareholders. In addition, strong earnings growth delivery will support capital levels, NAV growth and dividend growth. These measures drive shareholder returns. The group further believes that growth should not be achieved at the expense of ROE and this has been strongly embedded in the risk return and FRM frameworks.

After Remco has evaluated delivery relative to the performance conditions and determined the vesting outcome, it considers non-financial measures and can adjust the vesting outcome downwards by a maximum of 20%. This could be exercised if material negative outcomes for the business occur that were within management control. These could include:

> issues that materially damaged the group's franchise, including its reputation;

> material enterprise-wide risk and control issues, as recommended to it by the risk, capital management and compliance committee;

> concerns regarding adherence to the liquidity and capital management strategies in place; and

> lack of compliance with the group's climate roadmap over the three-year period (included from 2021).

Remco does not assign weightings to each separate performance condition, as this would create separate instruments which could drive behaviour where the one condition is favoured at the cost of the other. The vesting outcome is determined by plotting actual earnings growth against the various vesting ranges (see chart on page 30). This outcome is then constrained by the ROE requirement that is set as a minimum for any of the vesting ranges. This approach ensures that management does not chase growth at the expense of ROE, thereby ensuring that economic value is generated by the business.

Remco typically considers the following factors in setting performance conditions for LTI awards and followed this approach in setting conditions for the 2022 award, with the outcome disclosed in the implementation report.

> The group's ROE projections and the stated long-term through-the-cycle ROE range of 18% to 22%.

> The group's long-term earnings growth target of South African real GDP plus CPI plus 0% to 3%, which is set after reviewing:

- the size of its South African earnings base and balance sheet and the challenge of growing these materially above system growth given its relative market share;
- required investment in platforms and new business development for future growth strategies, given the group's preference to expense and not capitalise where possible;
- the outcomes of the budget process as well as scenario analyses on the budgets with incorporation of risk and stressed views;
- the macroeconomic outlook together with the probabilities assigned to the different scenarios; and
- the requirement to protect the return profile and not incentivise earnings growth at the expense of returns.

ROE is based on reported net asset value and not decreased for items such as goodwill.

Executive contracts and policies

There are no contractual entitlements to payments on termination and no special termination arrangements or golden-parachute agreements in place. Contractual notice and accrued leave are paid out where legally required. Unvested deferred STI awards or unvested LTI awards are dealt with in accordance with the rules of the applicable scheme. Malus and clawback provisions apply to STI and LTI as detailed below.

Notice periods for executive directors and prescribed officers

All executive directors and prescribed officers in South Africa have a notice period of one month which can be extended by mutual consent. In the UK, Steven Cooper has a notice period of six months. Executives have no guaranteed termination payments.

Buy-out awards and sign-on bonuses

FirstRand differentiates between buy-out awards and sign-on bonuses.

Buy-out awards

The group uses buy-out awards when recruiting employees to compensate them for incentive awards they will lose on leaving their previous roles. For example, these are done:

> when the business is heavily reliant on high-demand scarce skills;

> to replace prospective employees' current benefits; and

> to remain attractive and competitive in the market.

Buy-out awards can be made in cash, deferred awards or LTIs, and will mirror the value, nature and time period attached to the incentive that is being bought out with a cash payment subject to clawback in the event that the employee leaves. LTI awards are subject to the respective performance conditions. Furthermore, the buy-out is subject to FirstRand leaver forfeiture provisions and remains subject to malus and clawback in line with policy.

Sign-on bonuses

Sign-on bonuses are rarely paid to attract employees to join the group. These may occur in exceptional circumstances, however, these awards require specific executive approval and are subject to FirstRand leaver forfeiture provisions and malus and clawback in line with policy. Executives are not eligible for sign-on bonuses. These bonuses are generally funded from the business's STI pool.

Termination categories

The following conditions apply to outstanding STI and LTI awards upon termination of employment:

	STI	LTI
Resignation and fault terminations		
Resignation or dismissal	Employees who resign or are dismissed before the vesting or payment date of cash or share price linked awards will forfeit these awards.	Employees who resign or are dismissed before the vesting date of the outstanding LTIs will forfeit these awards.
No-fault terminations		
Retirement	The cash and share price linked awards of employees who retire in terms of the group's retirement policy continue for the duration of the vesting period and remain subject to the applicable rules.	The LTI awards of employees who retire in terms of the group's retirement policy continue for the duration of the performance period and remain subject to the applicable rules and performance conditions.
Death, retrenchment, injury, disability or ill health	The cash and share price linked awards of employees are retained and settled within 30 days in terms of the applicable rules.	The awards are pro-rated for the remaining vesting period and adjusted for the performance conditions, which are tested against the roll-forward conditions to date and settled within 30 days in terms of the applicable rules.

Malus and clawback

Malus and clawback are applied to all variable pay and can be invoked upon the occurrence of trigger events and applied as follows:

> Malus is applicable to awards that have not yet vested or settled, allowing for them to be cancelled on the occurrence of a trigger event.

> Clawback applies once an award has vested upon the occurrence of a trigger event. Remco has the discretion to claw back any variable remuneration in the event of the trigger events detailed below. The clawback applies for three years after payment.

A trigger event may include, *inter alia*:

> the discovery of a material misstatement of performance that resulted in a variable reward made, with the board being satisfied that the employee has contributed to and is responsible for said misstatement;

> the discovery that the assessment upon which the award was made was based on erroneous, inaccurate or misleading information;

> any action or conduct which, in the reasonable opinion of the board, amounts to dishonesty, fraud or misconduct;

> the discovery of a material failure in risk management to which the employee had contributed and is responsible for; and/or

> the discovery that performance related to financial or non-financial targets was misrepresented and that such misstatement led to the over-payment of incentives.

Minimum shareholding requirement

With effect from 1 September 2017, executive directors and prescribed officers were required to hold FirstRand shares to the value of at least 50% of their last three years' annual post-tax LTI vesting.

Given the failure of the 2017 and 2018 LTI vestings, this policy was revised in 2021. The shareholding requirements are set relative to guaranteed pay and are outlined in the table below. The effective date is September 2022 or five years from the date on which the relevant executive was appointed, whichever is the latter. The Aldermore CEO has an effective date seven years from joining to comply with the minimum shareholding requirement (MSR), given the newly introduced deferral requirements under the Capital Requirements Directive V (CRD V).

Minimum shareholding requirements from the effective date	CEO	SA prescribed officers and executive directors	Aldermore prescribed officer*
	300% of GP	200% of GP	100% of salary*

* *Aldermore requirement is lower given the higher level of guaranteed pay in the UK relative to South Africa.*

Remco monitors compliance with the policy through quarterly disclosure to the board and annually through the shareholding disclosure in the annual integrated report.

Non-executive director fee principles

> The group chairman's fee covers the chairmanship and/or membership of and attendance at the board and all board subcommittee meetings.

> Non-executive directors are paid an annual fee (quarterly in arrears) for their board membership.

> Members of board committees are paid an annual fee (quarterly in arrears) for attendance at committee meetings scheduled during the cycle. Members are not paid for meetings that they do not attend during the governance cycles.

> Chairs of committees are paid a premium, being twice the standard membership fee.

In setting the fees for non-executive directors the following factors are considered:

> Internal benchmark exercises against the fees paid by peer banks (using same comparator group used for executive remuneration benchmarking).

> External benchmark data provided by PwC.

> General increases applied to employees (executives and senior management) within the organisation.

> Any other relevant factors (e.g. considerations during the pandemic).

Non-binding advisory vote

The 2022 remuneration policy and implementation report will be tabled for a separate non-binding advisory vote by shareholders at the AGM. Remco commits to engage with shareholders in the event that either the remuneration policy or the implementation report, or both, are approved by less than 75% of the votes exercised. If this is the case, Remco will invite dissenting shareholders to engage.

implementation report

Changes made during the period

No significant changes were made to group remuneration practices.

Adherence to the remuneration policy

Remco is satisfied that the remuneration policy was appropriately implemented during the year, with no material deviations. Remco implemented the remuneration policy as set out below.

Employment contracts

During the period, no termination payments were made to executive directors or prescribed officers.

Malus and clawback

No malus or clawback was applied during the period.

Buy-out awards

There were no buy-out awards for executive directors or prescribed officers during the current year. Also, their roles are not eligible for sign-on awards.

Fair and responsible remuneration

As described in the policy overview, the group undertakes annual benchmarking and income differential analysis to ensure equal pay for equal work. The group complied with a collective agreement with unionised employees. The staff assistance trust provided extensive support to eligible staff.

Income differentials

The 2022 review identified and addressed unjustifiable income differential cases representing 104 employees. This is 0.3% (2021: 0.6%) of the total workforce. These were adjusted as part of the annual salary review and the cost of aligning the affected individuals' guaranteed packages was at R2.3 million (2021: R7.6 million). The adjustment was lower than the prior year, indicating progress in adjusting income differentials.

Unionised employees

FirstRand is party to a collective bargaining agreement that covers most employees. The agreement ensures that employees are paid at least a minimum salary in line with their respective levels of employment and salary bands, and are awarded performance bonus payments in line with their performance outcomes. Any employee with acceptable performance levels earning a salary below the minimum for their role or band has their salary automatically raised to the minimum. The group ensures that people are paid fairly for their work and that no employee is paid less than a living wage.

Outcomes-based compensation programmes have been implemented for areas in the group requiring large volumes of clerical or procedural work. Employee development plans help employees who show potential to add more value to the group.

In South Africa, the group has in place 16 (2021: 18) outcomes-based remuneration (OBR) schemes affecting around 3 210 (2021: 3 930) employees. These schemes provide employees with the opportunity to earn variable pay for performance and have significantly assisted the group in narrowing internal pay gaps, while further entrenching a culture of "pay for performance". Employees who are members of OBR schemes do not form part of the bargaining unit, as each scheme is designed to reward employees against very specific deliverables and some schemes have no guaranteed pay.

Executive director and prescribed officer benchmarking

During the year, executive directors' and prescribed officers' total remuneration was benchmarked by PwC using JSE-listed banking peers, namely Standard Bank, Absa, Nedbank, Capitec and Investec. This informed Remco's review of executive remuneration outcomes.

Guaranteed pay

Remco approved the following increases in GP, applicable from August 2022:

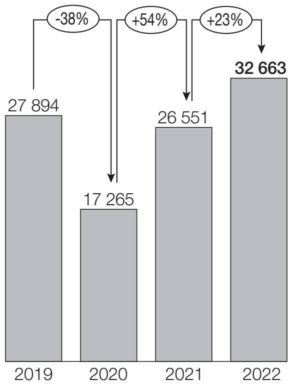
Region	Employee group	Increases applicable from August 2022
South African employees	Executives (including executive directors and prescribed officers)	Increase of 6% (except for specified adjustments based on benchmarking).
	Senior managers, middle managers and professionals	Increase of 6% with differentiation based on performance and benchmarking.
	Unionised employees based in South Africa	> Increases of 6.5% overall. > Employees within the bargaining unit would have qualified for at least 6% up to at least 7.5% increases for employees with the highest performance ratings. > The percentages applied are based on the outcome of the settlement with the union.
Broader Africa	All	> Country increase mandates are proposed by management and are approved by the relevant country remuneration committee. > Increases in the broader Africa portfolio followed inflation with additional mandates approved for market adjustments. > The level of market adjustments was dependant on the country market positioning.
Aldermore and MotoNovo (UK)	All	> Increases of 4% to 5.5% were approved.

Short-term incentives

Following a strong performance by the group there was a significant increase in the STI pool over the comparable period.

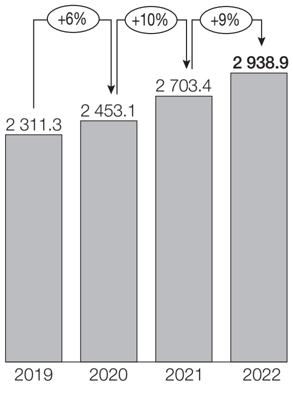
Normalised earnings

R million



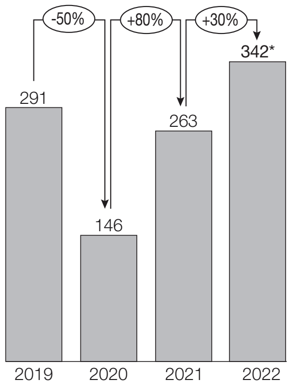
NAV per share

Cents



Dividend per share

Cents



* *Excludes special dividend of 125 cents per share.*

FirstRand's performance management framework is anchored to NIACC and is viewed over a six-year business cycle. This focus on NIACC recognises that performance measurement should begin after charging earnings for the cost of the capital utilised in generating those earnings.

The 2022 short-term incentive (STI) pool increased 26% compared to the prior year. This outcome was driven in particular by:

> The 23% increase in normalised earnings.

> Positive NIACC of R10 112 million in the current year (compared to R4 857 million in the prior year).

> An improvement in ROE from 18.4% to 20.6%.

Ultimately the demonstration that shareholders continue to do better than management in the previous and current year lies in the following:

> For the year to June 2020 the STI pool reduced 43%, more than the decline in earnings of 38%.

> For the year to June 2021 the STI pool grew 45%, less than the increase in earnings of 54%, as both earnings and ROE had not fully recovered. This is further reflected in the fact that the 2022 allocated STI pool was lower than the 2019 STI pool level.

> The higher growth in STI relative to earnings in 2022 is a result of the recovery in NIACC (more than double the value of 2021) to over R10 billion and takes into account the prior year's lag on STI growth. However, the absolute allocated pool has not fully recovered to 2019 levels as NIACC has not fully recovered.

Long-term incentives

Only executives and senior managers receive LTIs.

LTI award pool

The total LTI award pool for the group considers overall headcount growth for executives and senior managers, as well as inflation increases. The allocation of this pool to the operating businesses is determined by considering the franchise value created and the sustainability of the operating businesses' contributions to shareholder value.

Variable pay expenditure

	2022	2021	% change
Short-term incentive	**5 220**	4 418	18
Share price linked incentive payments	**1 766**	1 321	34
Variable staff expenditure	**6 986**	**5 739**	**22**

The above table details the total cost to the business for both STI and share price linked incentive payments for the years ended June 2021 and 2022. The STI expense growth of 18% is below the overall pool growth of 26%, given that the various accounting treatments (particularly the fact that deferred bonus (including DIP) cost is accrued over a deferral period) and lagged timing impacts. Further, the share price linked incentive payments are impacted by a number of factors. The 2018 and 2019 LTI awards with performance conditions did not vest, however, the current year releases were lower due to the Covid-19 award retention scheme. This resulted in the 34% increase, which is above overall pool growth.

LTI awards

There are currently three open LTI awards: the 2020, 2021 and 2022 awards (to be issued in September 2022). The 2019 LTI awards with performance conditions will not vest during September 2022.

2019 LTI awards

The 2019 LTI awards for all executives were subject to performance conditions and will not vest. Remco viewed this as an appropriate outcome. For other participants who received these LTIs, 50% of the award was linked to individual performance and employment conditions aimed at driving retention. This portion of the award will vest if the participant remains employed by the group.

The vesting levels of the 2019 award were based on graded vesting. The following table sets out the performance conditions for the 2019 awards, measured over the period 1 July 2019 to 30 June 2022.

		Performance conditions (both must be met)		
	Vesting level	**ROE target***	**Normalised earnings per share growth requirement (3-year CAGR)**	**Comments**
Threshold	70%	≥20%	Real GDP** + CPI *CAGR requirement was >4.3%#*	Below this level, the vesting outcome will be zero
	70.1% – 99.9%		Real GDP** + CPI to Real GDP** + CPI + <1.5% *CAGR** requirement was >4.3% to <5.8%*	Linear grading based on growth
On-target	100%	≥20.5%	Real GDP** + CPI + 1.5% to + <3% *CAGR requirement was 5.8% to <7.3%*	100% vesting for any of these growth outcomes
	100.1% – 119.9%		Real GDP** + CPI + 3% to + 5% *CAGR requirement was 7.3% to 9.3%*	Linear grading based on growth
Stretch	120%	≥21%	Real GDP** + CPI + >5% to + <7% *CAGR requirement was >9.3% to <11.3%*	120% vesting for any of these growth outcomes
Super stretch	120.1% – 150%	≥22%	Real GDP** + CPI + 7% to + 10% *CAGR requirement was 11.3% to 14.3%*	Linear grading based on growth

* *The ROE target is measured as the average over the three-year performance period. The ROE calculation is based on NAV taking into consideration adjustments (if required) resulting from, for example, material dividend policy changes, regulatory changes, IFRS changes or changes in volatile reserves.*

** *If real GDP growth is negative, target will be CPI.*

\# *CPI was applied as the compound growth rate as real GDP over the three-year period was negative.*

Threshold vesting of 70% for the 2019 award required the group to deliver average ROE over the three years of at least 20% and normalised earnings per share growth of more than the three years' cumulative growth in annual real GDP plus CPI, which is at least 4.3% compound growth.

Average ROE delivered was at 17.3%, therefore the **ROE condition was not met.** For the earnings growth condition, threshold vesting required normalised earnings at 30 June 2022 of 564.2 cents per share, with 582.3 cents delivered. This amounts to an actual compound rate of 5.4%. Since both ROE **AND** earnings conditions have to be met, the award did not vest and lapsed. The onerous vesting requirement stipulating simultaneous delivery of both ROE and earnings growth is clearly demonstrated by the 2019 awards failing. Had the criteria been separate, the portion relating to earnings growth could have vested. For 100% vesting, normalised earnings per share of 588.9 cents per share was required at 30 June 2022. With reported normalised earnings per share at 582.3 cents, approximately 92% of the earnings growth condition was achieved.

2020 LTI awards

The Covid-19 crisis made the forecasts of earnings, ROE, macroeconomic variables and the cost of equity extremely fluid, especially as performance conditions were set during August 2020. At the time, Remco determined that the 2020 LTI conditions should align to the deliverables asked of management in the face of the crisis. The group embarked on a strategy to strengthen and protect the balance sheet to enable the group to weather the situation and emerge from the crisis with limited vulnerabilities, well positioned to capitalise on the recovery. In line with this strategy, Remco introduced minimum requirements for the liquidity coverage ratio (LCR) and CET1 ratios for the period. It also required both earnings and returns to be restored to 2019 levels by June 2023.

The metrics Remco will consider for minimum vesting are liquidity and capital ratios, earnings and ROE. The growth requirements are not set relative to economic variables as has been the practice. Remco emphasised that vesting above 100% would only be possible once the group exceeded the 30 June 2019 earnings level and ROE was back within or above the group's targeted range of 18% to 22% at June 2023. To achieve minimum vesting of 70%, the group must exceed the liquidity and capital targets set by the board and measured at 31 March 2023. If the conditions set for 70% vesting are not met, the award lapses (i.e. zero vesting). For vesting above 70%, the ROE and earnings growth conditions noted below apply.

The 2020 award performance conditions and relevant vesting levels, measured over the period 1 July 2020 to 30 June 2023, are described below. Where the performance conditions set for the threshold level have not been met, the award will lapse with zero vesting.

	Vesting level	Performance conditions (both must be met) ROE target	Normalised earnings growth requirement (3-year CAGR)	Normalised EPS required at 30 June 2023	Comments
Threshold	70%	N/A	N/A	N/A	CET1 and LCR requirements as noted above
	70.1% – 94.9%	N/A	Earnings growth of 4.3% to <12%	EPS between 349.2 cents and <432.4 cents	Linear grading based on growth
	95% – 99.9%	ROE ≥COE*	Earnings growth of 12% to <13.4%	EPS between 432.4 cents and <448.9 cents	Linear grading based on growth
On-target	100%	ROE ≥COE*	Earnings growth of 13.4% to <17.5%	EPS between 448.9 cents and <499.3 cents	100% vesting for any of these outcomes
	100.1% – 119.9%	≥18%	Earnings growth of 17.5% to <22%	EPS between 499.3 cents and <558.9 cents	Linear grading based on growth
Stretch	120%	≥20%	Earnings growth of 22%	EPS of 558.9 cents	120% vesting if both these measures met
Super stretch	120.1% – 150%	≥22%	Earnings growth of >22% up to 28.2%	Earnings >558.9 cents. Measured up to EPS of 648.5 cents for 150% vesting after which 150% will apply to all levels	Linear grading based on growth

* *Set as cost of equity (COE) of 15.5% at award date.*

The ROE target is measured as at 30 June 2023. The earnings growth requirement is a three-year compound annual growth rate of normalised earnings per share. The diagram below sets out the 2020 LTI award's performance conditions graphically:

* *ROE of >20% required for 120% vesting.*

2021 LTI awards

The table below sets out the performance conditions and relevant vesting levels for the 2021 award, measured over the period 1 July 2021 to 30 June 2024. Where the performance conditions set for the threshold level have not been met, the award will lapse with zero vesting. For the 2021 LTI awards, Remco simplified the vesting schedule as set out below. Remco also changed the level of threshold vesting from 70% to 50% to achieve closer alignment with South African market practice.

Remco views the conditions for the 2021 LTI awards as sufficiently challenging, and is of the opinion that achievement of these conditions would deliver strong shareholder value creation. Remco considered it appropriate for the threshold vesting ROE condition to be below the target ROE range of 18% to 22%, as it is still well above the group's cost of equity and this period is still part of the post-pandemic recovery phase. Combined with earnings growth ahead of the economy, it contributes to shareholder value creation (i.e. positive NIACC). For on-target vesting of 100%, the conditions are more demanding, with earnings growth significantly above the economy and ROE within the group's target range of 18% to 22%.

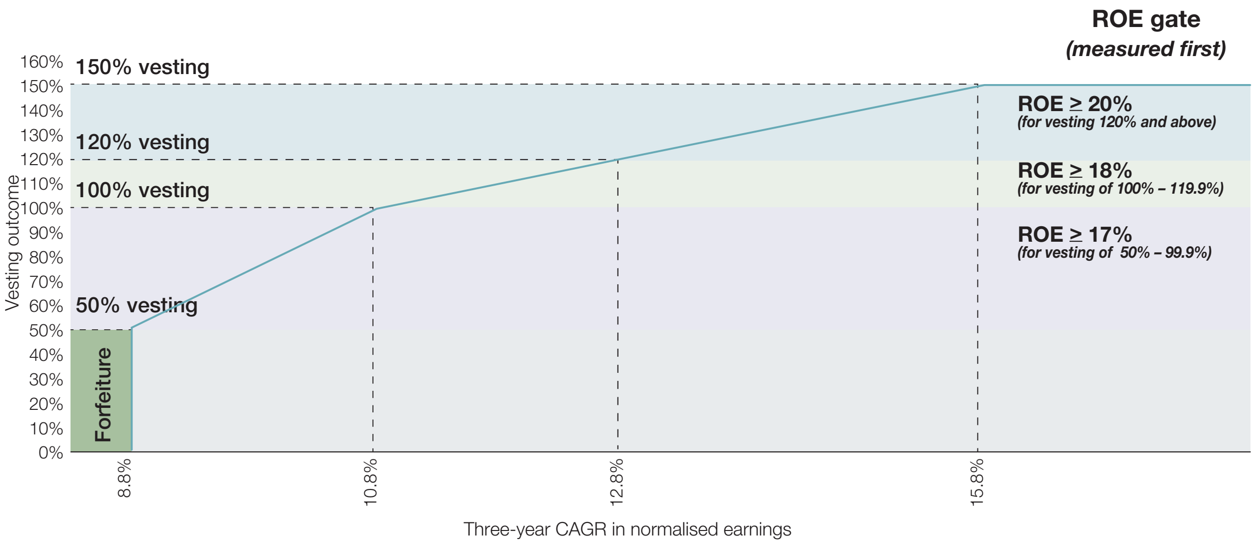
		Performance conditions (both must be met)		
	Vesting level	ROE target*	Normalised earnings per share growth requirement (3-year CAGR)**,#	Comments
Threshold	50%	≥17%	8.8% (2021: 7.6%) (real GDP+CPI+1%)	Below this level, the vesting outcome will be zero (ROE and earnings growth both required)
On-target	100%	≥18%	10.8% (2021: 9.6%) (real GDP+CPI+3%)	100% vesting requirement if both conditions have been met
Stretch	120%	≥20%	12.8% (2021: 11.6%) (real GDP+CPI+5%)	For vesting at 120% or above, ROE ≥ 20% is required. The vesting level between 120% and 150% will be determined through linear grading linked to the earnings growth CAGR
Super stretch	150%		15.8% (2021: 14.6%) (real GDP+CPI+8%)	

* *The ROE target is **measured as ROE as at 30 June 2024**. The ROE calculation is based on NAV taking into consideration adjustments (if required) resulting from, for example, material dividend policy changes, regulatory changes, IFRS changes or changes in volatile reserves.*

** *If real GDP growth is negative, the target will be CPI.*

The CAGRs in the table reflect current forecasts of real GDP plus CPI which amount to 7.8% (2021: 6.6%).

As both conditions have to be met, either could constrain the vesting level described. The diagram below sets out the 2021 LTI award's performance conditions graphically:



LTI awards to be made

2022 LTI awards

The table below sets out the performance conditions and relevant vesting levels for the 2022 award, measured over the period 1 July 2022 to 30 June 2025. Where the performance conditions set for the threshold level have not been met, the award will lapse with zero vesting.

Remco views the conditions for the 2022 LTI awards as challenging, and achievement would deliver strong shareholder value creation. The ROE requirement is directly linked to the group's through-the-cycle ROE target range of 18% to 22%. This, combined with earnings growth linked to the group's long-term earnings growth target of South African real GDP plus CPI plus 0% to 3%, will contribute to strong cumulative NIACC growth.

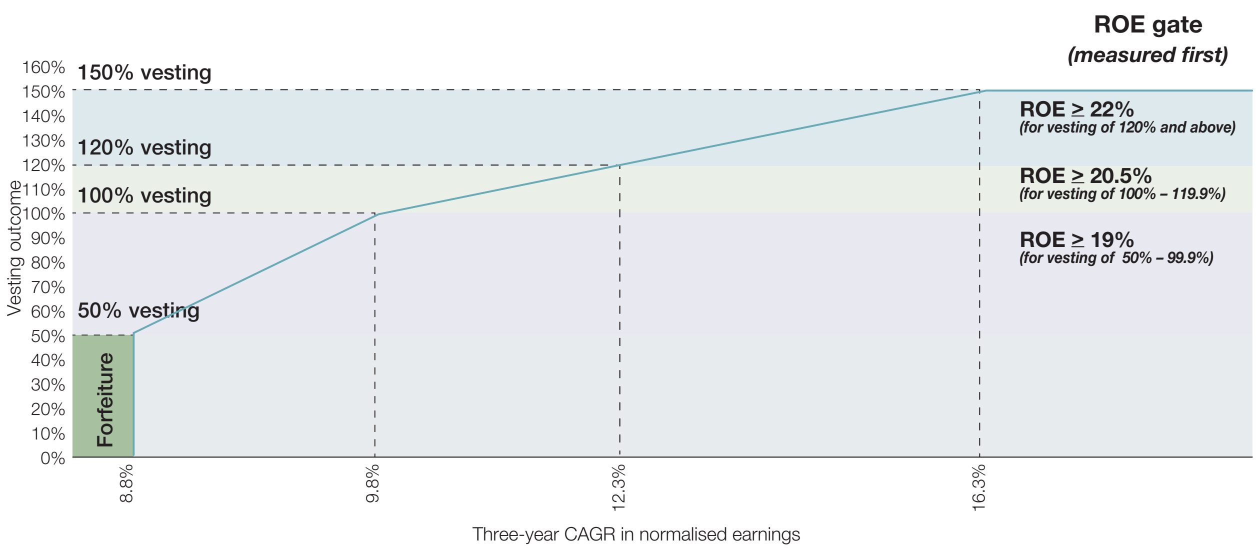
		Performance conditions (both must be met)		
	Vesting level	ROE target*	Normalised earnings per share growth requirement (3-year CAGR)**,#	Comments
Threshold	50%	≥19%	8.8% (real GDP+CPI**+1.5%**)	Below this level, the vesting outcome will be zero (ROE and earnings growth both required)
On-target	100%	≥20.5%	9.8% (real GDP+CPI**+2.5%**)	100% vesting requirement if both conditions have been met
Stretch	120%	≥22%	12.3% (real GDP+CPI**+5.0%**)	For vesting at 120% or above, ROE ≥ 22% is required. The vesting level between 120% and 150% will be determined through linear grading linked to the earnings growth CAGR
Super stretch	150%		16.3% (real GDP+CPI**+9%**)	

* *The ROE target is measured* ***as the average over the three-year performance period****. The ROE calculation is based on NAV taking into consideration adjustments (if required) resulting from, for example, material dividend policy changes, regulatory changes, IFRS changes or changes in volatile reserves.*

** *The earnings growth performance conditions have been set with reference to real GDP plus CPI over the three-year period as well as the group's long-term earnings growth target range of real GDP plus CPI plus 0% to 3%. If real GDP growth is negative, target will be CPI.*

The CAGRs in the table reflect current forecasts of real GDP plus CPI which amount to 7.3%.

The diagram below sets out the 2022 LTI award's performance conditions graphically:



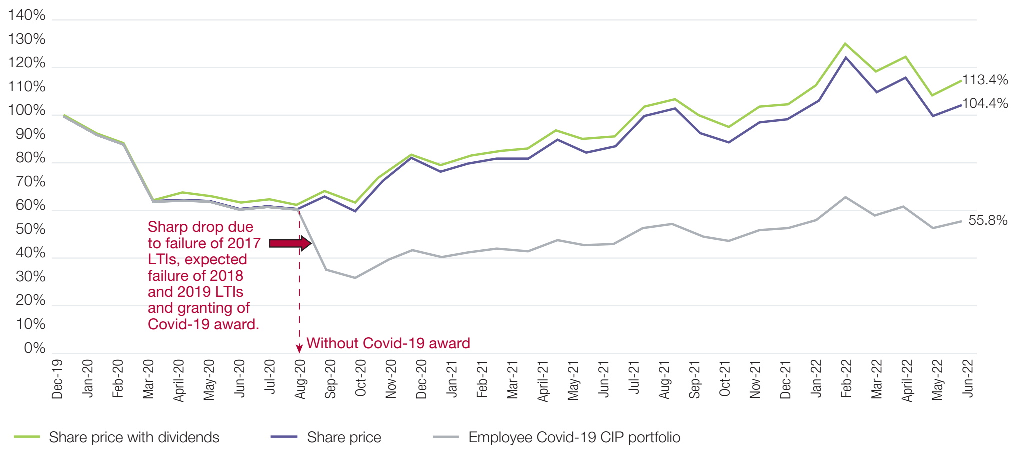
Covid-19 award

As a result of the Covid-19 crisis and its economic impact, the 2017, 2018 and 2019 LTI did not vest. The failed LTIs affected over 4 000 employees. This made FirstRand an outlier in the market, given that other banks' retention instruments are not allocated to such a large employee cohort, which presented talent retention risk for the group. In response, Remco introduced a one-off Covid-19 instrument in 2020 for employees considered critical to the ongoing sustainability of the business. The value of the Covid-19 instrument was struck at half of the original grant value of the 2018 and 2019 awards and appropriately did not consider 2017 award failure. There is no additional cost to shareholders (funded by failed awards).

The award achieved its objectives:

1	Management retention was achieved.	Ninety per cent of the 480 award recipients were retained over the past three years.
2	Management was incentivised to steer the group through the crisis and ensure it was well positioned for the recovery.	The group's earnings have exceeded those of 2019, one year earlier than expected and all commitments made were achieved.
3	Management did not break its promise that shareholders will do better than management.	Shareholders recovered 100% while management received 50%, as illustrated in the graph below.

Impact of Covid-19 on employee CIP (share price linked) portfolio vs equivalent shareholder portfolio (based to 100)



An employee conditional incentive plan (CIP) portfolio awarded. This number of CIPs compared to equivalent number of shares held by a shareholder. CIP portfolio adjusted for CIP forfeits and granting of the Covid-19 CIP instrument.

Portfolio index valued using market price since 31 Dec 2019

The award has distinct elements to cater for different levels of seniority.

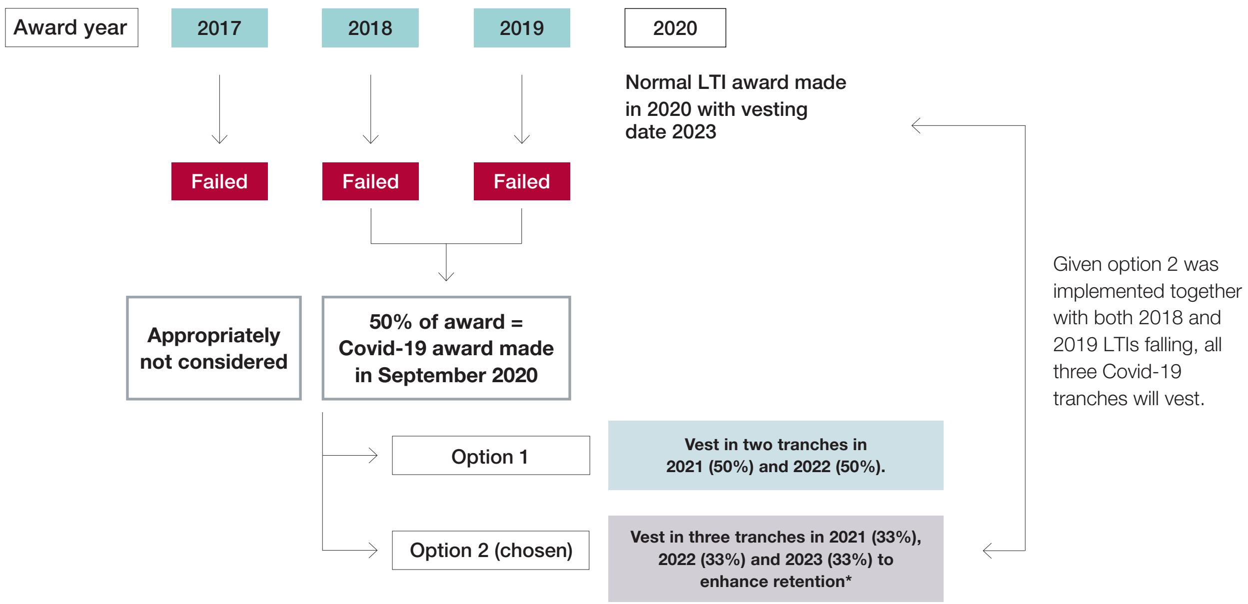
Senior employees

For eligible senior employees, the award was made in September 2020, vesting in three equal tranches over the three years, subject to the following conditions:

- If the employee leaves the group within 12 months of a particular tranche vesting, the full value of the vested tranche is clawed back and the unvested portion of the award is forfeited. This results in potential clawback until September 2024.
- As the 2018 LTI has failed, the first tranche of the Covid-19 instrument vested in September 2021.
- As the 2019 LTI has failed, the second tranche of the Covid-19 instrument will vest in September 2022.
- The third tranche will vest in September 2023, together with the outcome of the 2020 award issuance.

Remco did consider vesting over two years (in September 2021 and 2022) aligned to the failing awards, but deliberately extended the vesting and clawback period to promote retention. Remco also wanted to align the vesting to the point in time when it estimated that 2019 earnings would be reached. This was Remco's priority, rather than avoiding an overlap with the 2020 LTI award vesting in 2023.

2020 LTI and Covid-19 award: vesting outcomes will track shareholder value creation



* *Due to clawback for one year after payment, the effective retention period is four years.*

To further ensure that shareholders are not prejudiced by the award, the following approach has been followed:

> Remco set a floor for the pricing of the award to avoid excessive value generation due to a depressed share price – this floor was not reached.

> Share price appreciation is hedged as part of the normal LTI hedging programme.

> Similar to LTI awards, the issuance is linked to the share price.

> No shares were/will be issued to settle the award as it will be cash settled.

Executive directors and prescribed officers

In 2021, in response to previous shareholder feedback, Remco introduced performance conditions for executive directors and prescribed officers for all three tranches of the instrument, including both financial and risk elements.

> The financial condition is linked to the group's ROE target range of 18% to 22%. The condition requires the group to deliver an average ROE of at least 18% over the three years to June 2024 (the ROE at the time was 12.9%). If in any year the ROE delivered is below 18%, but not lower than 17.5%, as long as the average ROE over the three years of at least 18% is met, the tranche will vest. If these conditions are not met the vested value of the affected tranche will be clawed back. No conditions were specified for 2021 as more than six months of the period had elapsed before the conditions were added. Remco considered it inappropriate to implement vesting criteria that incorporate hindsight. Consequently the clawback performance underpin period commenced on 1 July 2021 and has to be sustained until 30 June 2024.

> The risk condition requires the group to exceed the liquidity and capital targets set by the board, measured over the period up to 31 March 2023, and to comply with its risk policies as assessed by Remco after seeking input from the risk committee.

Executive directors' and prescribed officers' remuneration

Information relating to each executive director's and prescribed officer's remuneration for the year under review, and details of share awards and dealings in FirstRand shares, are set out in the following section. The analysis provides a view of executive directors' and prescribed officers' single-figure emoluments and outstanding incentives as required by King IV.

The analysis also includes the quantitative disclosures required by Regulation 43 of the Banks Act and the Prudential Authority (PA) directive to incorporate Basel Pillar 3 remuneration requirements.

FirstRand defines its prescribed officers as the group's executive directors, the CEOs of the group's Retail and Commercial and Corporate and Institutional segments, and the CEO of the Aldermore group. These officers are members of the group strategic executive committee and attend board meetings.

Executive scorecard outcomes

Key performance indicators

The key performance indicators for the various scorecard categories are outlined below. The group continues to refine the measures for the various scorecard categories, with quantitative measures used where possible, however, certain categories reflect a qualitative assessment where quantitative measures are not applicable.

Category	Section		KPIs
Financial	Normalised earnings growth		Long-term normalised earnings growth target: **Real GDP+CPI+ >0% to 3%** Short-term target: **FY22 budgeted earnings**. *(Based on group financial performance for EDs and weighted between own operating business/segment and group financial performance for POs.)*
	ROE		Long-term ROE target range: **18% to 22%** Short-term target: **FY22 budgeted ROE and NIACC** *(Based on group financial performance for EDs and weighted between own operating business/segment and group financial performance for POs.)*
Strategic	Grow business at macro+	More customers	Target **increase in FNB's active retail/commercial customer base and net increase in primary banked relationships at RMB.**
		More to customers	**Increase in cross-sell ratio** for FNB. Target: **FY22 budgeted advances and deposits.**
		More efficiently	Target: **FY22 budgeted operating expenses.**
	Broaden financial services offering		**Insurance KPIs:** Growth in **EV, VNB, lives covered, APE, PBT and penetration of FNB** customer base relative to FY22 budget. Qualitative measure includes tracking of short-term insurance relative to business case. Investment management KPIs: growth in **AUM, AUA, trade values, account base and PBT relative to FY22 budget.**
	Build competitive advantage and scale broader Africa portfolio to deliver economic profit and dividends		Growth in **PBT, ROE, customers, advances, deposits and expenses relative to FY22 budget.**
	Modernise, digitise and scale to a more valuable UK business that delivers economic profit and dividends		> **Aldermore group KPIs** (delivery of the financial plan (ROE and NIACC), good-quality loan book growth, complaints (days to allocation), collections, group employee net promoter score, representation of women in senior roles). > FirstRand's **ROI KPI** – CAGR since investment **must exceed weighted average cost of capital.**
	Enabled by digital platforms		Progress measured against **build, utilise, migrate and decommission** components of platform build-out.
	Delivery against purpose		> Meaningful **progress against phased approach to deliver shared prosperity (purpose).** > Progressive **embedment of shared prosperity enablement in group frameworks** (FRM, measurement and reporting, governance, performance) and cascaded into segment/operating business frameworks. > Purpose (strategy and measurement) discussed at relevant board and management **committee meetings**. > **Initial quantification of shared prosperity impacts** (metrics). > **Incorporate UN principles for responsible banking in external reporting** (report to society).
	Disciplined management of financial resources		> **Exceed minimum prudential requirements within internal targets** – active management and optimisation of funding/liquidity and capital stack. > **Actively manage and tilt balance sheet to reflect economic cycle** to enhance return profile on risk-adjusted basis and improve financial metrics. > Management of financial resources **does not introduce additional risk above natural risk profile.** Optimise **pricing of financial resources to ensure economic cost of resources appropriately transmitted to business.** > Target **highest credit counterparty rating in SA banking sector on standalone basis.** > **FRM frameworks and pricing** of resources **incorporate shared prosperity objectives.**

Executive scorecard outcomes continued

Key performance indicators continued

Section	Category	KPIs
Risk and control	Control environment Market and business conduct Risk appetite and volatility Credit losses/impairments Operational, market and investment risks	> Notable decrease in number of "significant improvement required" and "unacceptable" audit findings. > No significant group compliance concerns raised at group risk committee meetings. > Material improvement and/or near industry-leading customer complaints statistics. > No material regulatory fines/adverse feedback. Training statistics of key areas, e.g. AML training, at ≥98% completion rates. > Within earnings volatility tolerances and top two in industry in terms of key risk and volatility metrics and clearly articulated segment-level risk appetite frameworks actively applied in budget process. > Impairments aligned to/better than peer group, with strong coverage levels (taking different accounting practices into consideration). > Credit, operational, market and investment risks within risk appetite and limits/thresholds.
ESG	Ensuring the health of organisational culture	> Deep understanding of organisational culture and health, and associated drivers. > Strong leadership and focus on the FirstRand Promises, people matters in the business and a focus on providing leadership and resources to our employees in such away that they can perform optimally. > Commitment and openness to organisational and people diagnostics and appropriate responses to the results of these diagnostics. Results from organisational diagnostics indicate healthy levels of trust and engagement, and low culture risk.
	Good corporate governance	Significant integration of governance considerations into policies, business processes and frameworks – evidenced and supported by documentation and reporting showing significant improvement year-on-year in prioritised governance metrics and frameworks and resultant scoring by ESG rating agencies from a governance perspective.
	Health of key relationships	Qualitative assessment of frequency and quality of engagements with and feedback received from shareholders, debt holders, rating agencies and regulators for executive directors. Qualitative assessment of health of client relationships for POs – factors considered include brand health, customer loyalty, customer satisfaction/complaints and net promoter scores.
	CSI	> Leverage group skills, resources, IP and partnerships to accelerate the delivery of the foundations' mandate at scale (i.e. create multiplier effect). > Deep understanding of the group's purpose by the corporate foundation trustee board with clear focus areas where the foundation can work alongside FirstRand. > Segment and operating businesses provide rapid and effective response to disasters/crises using discretionary (non-foundation) funds (e.g. FNB Disaster Fund) and resources. > Effective operating model for social investing activities working with trustees of the different foundations.
	Climate	> Compliance with and progress made in line with FirstRand's climate roadmap. > Active and embedded segment/operating business climate programmes. > Established reporting on climate risk profile. > Engagement with target clients (e.g. consumer education and engagement with material corporate clients in climate-sensitive sectors). > Incorporation of climate risk into credit risk models and/or underwriting criteria. > Broad-based awareness of and training on climate risk.
	Transformation	Measure progress on improvement in diversity at senior and top management level, taking consideration of the group's EE plans and targets.
	Talent management and succession planning	Ensure appropriate succession for critical roles (emergency, "ready now" and medium-to long-term). Appropriate processes in place to identify and develop diverse pool of candidates. Effective retention strategies for top talent. Evidence of growing talent internally.

	CEO: FIRSTRAND (Alan Pullinger)				COO: FIRSTRAND (Mary Vilakazi)				CFO: FIRSTRAND (Harry Kellan)					
	Category weight	Overall category score	Measure weight	KPI score	Category weight	Overall category score	Measure weight	KPI score	Category weight	Overall category score	Measure weight	KPI score	Category	
Financial	25%	5.0	50%	5.0	25%	5.0	50%	5.0	25%	5.0	50%	5.0	Normalised earnings growth	FirstRand group earnings and returns
			50%	5.0			50%	5.0			50%	5.0	ROE	
Strategic	35%	3.7	12.5%	3.8	35%	3.7	10%	3.8	35%	3.7	12.5%	3.8	More customers	Grow business at macro+
			12.5%	3.4			10%	3.4			12.5%	3.4	More to customers	
			12.5%	3.0			12.5%	3.0			15%	3.0	More efficiently	
			5%	3.8			15%	3.8			5%	3.8	Broaden financial services offering	
			10%	4.0			15%	4.0			10%	4.0	Build competitive advantage and scale broader Africa portfolio to deliver economic profit and dividends	
			10%	4.0			5%	4.0			10%	4.0	Modernise, digitise and scale to a more valuable UK business that delivers economic profit and dividends	
			12.5%	3.8			10%	3.8			10%	3.8	Enabled by digital platforms	
			10%	3.5			10%	3.8			10%	3.5	Delivery against purpose	
			15%	4.0			12.5%	4.1			15%	4.0	Disciplined management of financial resources	
Risk and control	20%	3.7	20%	3.7	20%	3.7	20%	3.7	20%	3.7	20%	3.7	Control environment	
			20%	3.8			20%	3.8			20%	3.8	Market and business conduct	
			15%	4.0			20%	4.0			20%	4.0	Risk appetite and volatility	
			20%	4.2			20%	4.2			20%	4.2	Credit loss/impairments	
			25%	3.0			20%	3.4			20%	3.0	Operational, market and investment risks (MotoNovo's operational event impacted the CEO's and CFO's score)	
ESG	20%	3.7	15%	3.5	20%	3.7	15%	3.5	20%	3.7	10%	3.5	Ensuring the health of organisational culture	
			10%	4.0			10%	4.0			15%	4.0	Corporate governance	
			15%	4.1			15%	4.1			15%	4.1	Health of key relationships	
			20%	3.9			10%	3.9			20%	3.9	Climate	
			15%	3.8			25%	4.0			15%	3.8	CSI	
			15%	3.3			15%	3.3			15%	3.3	Transformation	
			10%	3.3			10%	3.3			10%	3.3	Talent management and succession planning	
Overall rating		4.0				4.1				4.0				

Prescribed officer scorecards

	FNB/R&C PRESCRIBED OFFICER (Jacques Celliers)				RMB/C&I PRESCRIBED OFFICER (James Formby)					
	Section weight	Section score	Category weight	Category score	Section weight	Section score	Category weight	Category score	Category	
Financial	25%	5.0	20%	5.0	25%	3.8	20%	5.0	**Group performance:**	
			10%	5.0			10%	5.0	Normalised earnings growth	FirstRand group earnings and returns
			10%	5.0			10%	5.0	ROE	
			80%	5.0			80%	3.5	**Operating business:**	
			40%	5.0			40%	3.0	Normalised PBT growth	Operating business PBT and returns
			40%	5.0				4.0	ROE	
Strategic	30%	3.6	15%	3.8	30%	3.5	15%	3.8	More customers	Grow business at macro+
			15%	3.5			15%	3.1	More to customers	
			17.5%	3.0			17.5%	3.0	More efficiently	
			10%	3.7			7.5%	3.9	Broaden financial services offering	
			10%	4.0			12.5%	4.0	Build competitive advantage and scale broader Africa portfolio to deliver economic profit and dividends	
			10%	3.8			10%	3.0	Delivery against purpose	
			12.5%	3.8			7.5%	3.8	Enabled by digital platforms	
			10%	3.8			15%	3.6	Disciplined management of financial resources	
Risk and control	25%	3.8	20%	3.7	25%	3.8	20%	3.7	Control environment	
			25%	3.7			20%	4.0	Market and business conduct	
			15%	4.0			15%	4.0	Risk appetite and volatility	
			20%	4.2			20%	4.2	Credit loss/impairments	
			20%	3.4			25%	3.4	Operational, market and investment risks	
ESG	20%	3.7	15%	3.5	20%	3.7	15%	3.5	Ensuring the health of organisational culture	
			10%	4.0			10%	4.0	Good corporate governance	
			20%	4.0			15%	4.0	Health of customer relationships	
			20%	3.8			25%	4.0	Climate	
			10%	4.0			10%	3.5	CSI	
			15%	3.4			15%	3.0	Social investing	
			10%	3.2			10%	3.4	Talent management and succession planning	
Overall rating		4.0				3.7				

Aldermore prescribed officer

Aldermore follows the UK-regulated approach where a scorecard is developed for the entire business and a targeted maximum STI pool is developed called AIP (annual incentive plan), which is thereafter translated as pay out as a % of salary.

The Aldermore group strategic pillars informed the assessment of Steven Cooper's scorecard, with weightings and targets focused on:

Section	KPI
Nimble, lean and strong (60%)	Delivery of strategy and the financial plan (PBT, ROE and NIACC)
	Good-quality loan book growth
	Modernising systems and processes
	Risk appetite
Compelling customer experience (30%)	Complaints management (days to allocation)
	Collections
Transformative partnership and community (10%)	Group employee net promoter score (eNPS)
	Representation of women in senior roles

Link between executive scorecards and allocation of short-term incentives

The calculation of the short-term incentive component for South African executives takes the following into account:

> external benchmarking (guaranteed package, STI, LTI and total remuneration);

> calculated pool growth (refer to pages 13 to 14); and

> individual performance scorecards, considering overall and category performance ratings and the STI ranges per rating band (see table below).

Overall rating classifications for executive directors and prescribed officers:

Overall rating	Rating classification	FY22 STI ranges per rating band (% of guaranteed package)	Rating implication for STI calculation	
1	Unacceptable		≤2	Does not qualify for STI.
2	Underperformance		>2 to 3	Reduction to flat year-on-year STI change.
3	Meets core performance and delivery expectations	CEO: 100% – 300% COO, CFO: 100% – 250% FNB CEO: 100% – 250% RMB CEO: 100% – 350%	>3 to 5	Increase in bonus compared to prior year considering personal performance, pool growth and STI ranges per rating band.
4	Performance and delivery expectations exceeded			
5	Exceptional performance and delivery			

The linkage of the above is detailed individually for each executive director and prescribed officer on pages 43 to 59.

Executive scorecards for the year ended 30 June 2022

Individual performance reviews

This section includes summarised performance reviews per executive director and prescribed officer. They demonstrate the link between the STI award and performance rating, benchmarking, overall pool growth and changes in reward mix.

The STIs for all executive directors and prescribed officers are below the caps disclosed in the *Policy* section.

Executive director or prescribed officer	2022 STI as % of GP	STI cap as % of GP
Alan Pullinger (Group CEO)	**144%**	300%
Mary Vilakazi (Group COO)	**136%**	250%
Harry Kellan (Group CFO)	**138%**	250%
Jacques Celliers (FNB and R&C segment CEO)	**203%**	250%
James Formby (RMB and C&I CEO)	**291%**	350%
Steven Cooper (Aldermore CEO)	**83%**	180%*

* *Aldermore STI cap is a percentage of salary excluding allowances. Given CRD V regulation, Steven's remuneration mix was revised with STI maximum increasing from 125% to 180% and LTI maximum decreasing from 135% to 67.5% of salary.*

remuneration outcomes

FirstRand CEO

Alan Pullinger

Alan has demonstrated highly effective leadership as the group continued its long track record of delivering growth and superior returns through effective execution on its core strategies and the disciplined allocation of financial resources.

This year's performance, and the level and quality of value delivered to shareholders, reflect ongoing execution against certain strategic objectives set:

- carefully price for financial resources;
- appropriately provide against lending portfolios;
- strengthen and appropriately tilt the balance sheet to the macro environment; and
- accrete capital and net asset value.

Alan has ensured adherence to these objectives, the outcomes of which have shaped shareholder value creation during the period under review. Earnings continued to recover, with strong NIACC generation and attractive returns. The group delivered sustained growth in NAV and the CET1 ratio increased to 13.9% (2021: 13.5%). The strength of the balance sheet means that the group has maintained provisioning and coverage at appropriate levels.

Alan is a strong advocate of the ESG agenda, in particular of the development of business and FRM strategies to support the group's response to climate change. Another ESG topic that Alan has been fully engaged on is the health of the group's customer relationships. He continues to drive the group's platform strategy, proactively engaging business on progress and competitive positioning.

Alan continues to be accessible to investors, recognising the need to engage regularly given the prevailing macro uncertainties in many of the jurisdictions where the group operates. The composition of the strategic executive committee (Stratco) table has also been a focus for Alan, with two recent appointments resulting in a meaningful shift in diversity around the "top" table.

Alan is an active participant in important industry bodies and has constructive relationships with the group's key regulators.

As indicated in the scorecard, Alan's overall score was 4.0. His STI award increased only 15%, significantly lower than the STI pool growth of 26%. This reflected a decision by Remco to adjust Alan's remuneration downwards due to the operational event at MotoNovo (described below), given his position as the shareholder representative on the Aldermore board and his ultimate accountability as group CEO. His guaranteed package, effective August 2022, and LTI award both increased 6%.

MotoNovo's pre-provision operating profit was impacted by an operational event relating to non-compliance with the UK Consumer Credit Act, whereby notices of sums in arrears (NOSIAs) were not correctly issued to qualifying customers as a result of a system coding error. This event was identified during the Covid-19 pandemic period, but extends back a number of years and, as a result, certain interest and fees amounting to £23.8 million are required to be refunded to customers.

R thousand	**2022**	2021	% change
Guaranteed package	**9 622**	9 450	2%
STI	**13 824**	12 063	15%
Cash payment	**5 491**	4 905	
Cash deferred	**2 421**	2 126	
Share price linked	**5 912**	5 032	
LTI award*	**24 840**	24 000	4%
Total	**48 286**	45 513	6%

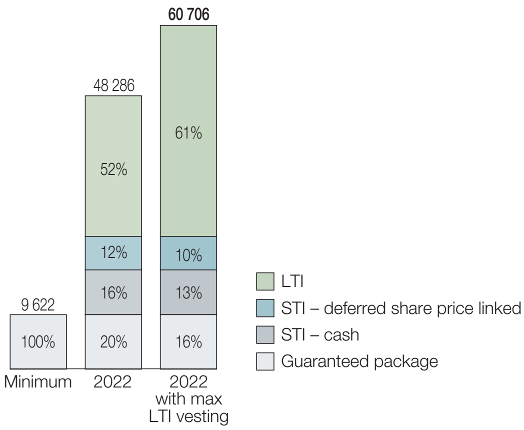
* *LTI award values at award date (September 2020 and 2021).*

2022 remuneration mix and maximum vesting outcome

The following graph provides an illustration of the remuneration outcome relative to 2022 should maximum vesting on the LTI occur in three years' time. It also provides the mix of the current year remuneration package.

CEO

%



Numbers are shown in R'000.

Basis of graph preparation:

The remuneration outcome graphs included with each of the executives' remuneration tables below are prepared with the following inputs:

> The guaranteed package of 2022 is reflected as the minimum remuneration.

> The 2022 remuneration reflects the total remuneration received during 2022. The LTI is the grant value of the award made during the year, i.e. the September 2021 issuance.

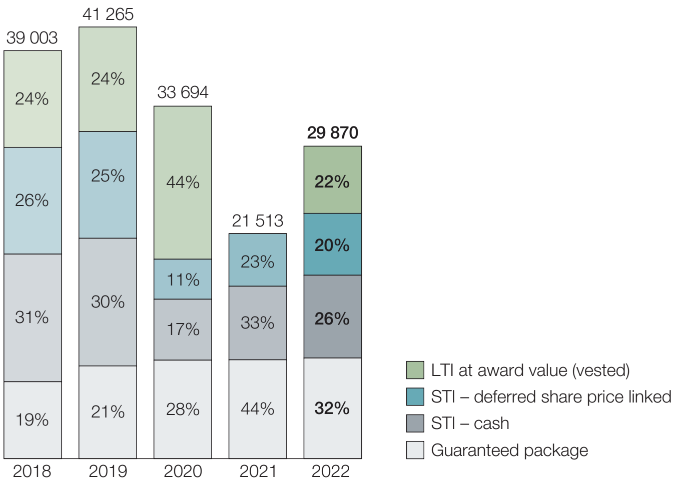
> The 2022 remuneration with maximum LTI vesting provides the 2022 remuneration, with the LTI at the maximum potential vesting outcome of 150%, in three years. This vesting level will only be achieved if exceptional performance has been delivered, with the performance conditions requiring an ROE higher than 20% combined with a compounded annual growth rate in earnings of 15.8 % (real GDP plus CPI plus 8%) over the three years. The value excludes any share price change. There is no additional cost to the group because the share price changes have been hedged.

Single-figure (five-year) view

The following graph provides the total remuneration mix over a five-year period. It has been prepared in accordance with King IV requirements, therefore the LTI reflected is the award settled in the financial year. For the year ended June 2021, the 2018 LTI (award of R18.5 million) failed due to performance conditions not being met. Therefore the 2022 LTI value reflects the settlement of the first tranche (R6.4 million) of the Covid-19 award.

CEO

R thousand



Awards for 2023 – outcome of annual salary review in August 2022

> Alan benchmarks well in the industry.
> His guaranteed pay increased by 6% in line with other executives, following a 2% increase in the prior year.
> An LTI of R26.3 million that could vest in 2025 if performance conditions are met represents an increase of 6%, in line with the pool growth for all eligible employees.

Vesting outcomes in 2023

The LTI of R20 million awarded in 2019, which was due to vest in September 2022, has lapsed because the ROE target was not met for the three years to June 2022. As such, the second tranche of the Covid-19 retention instrument with award value of R6.4 million will vest in September 2022. The full value of the tranche will be clawed back if the performance conditions to June 2023 are not met. Given the failure of both 2018 and 2019 LTIs, the third Covid-19 tranche will vest in September 2023.

FirstRand COO

Mary Vilakazi

In her role as group COO, Mary is an integral member of the executive team, working closely with the CEO and CFO in the execution of strategy and the management of the financial, risk and control elements of the business. The executive team collectively took accountability for the ongoing execution of certain strategic objectives:

> carefully price for financial resources;
> appropriately provide against lending portfolios;
> strengthen and appropriately tilt the balance sheet to the macro environment; and
> accrete capital and net asset value.

The outcomes of these objectives have shaped shareholder value creation during the period under review. Earnings continued to recover, with strong NIACC generation and attractive returns. The group delivered sustained growth in NAV. The CET1 ratio increased to 13.9% (2021: 13.5%). The strength of the balance sheet means that the group has maintained provisioning and coverage at appropriate levels.

Mary oversees the growth strategies of insurance and wealth and investment management, which are critical to the group's ambition to diversify sources of non-interest revenue and deliver integrated financial services. Profits from FNB's insurance activities increased 76%, driven by a strong performance from FNB with good premium income, reduced claims ratios and required reserving. FNB Life is now the third-largest long-term insurance product provider in the FNB client base as measured by debit order statistics. Ashburton Investments, the group's asset management business, become profitable in the year under review.

Mary has ultimate oversight of the broader Africa portfolio which, despite the macroeconomic challenges across all jurisdictions, grew customers, transactional volumes and deposits.

Mary is a strong advocate of FirstRand's social licence to operate. As chair of the sustainability and governance executive committee she demonstrates excellent leadership with regard to ensuring that the group's purpose to deliver shared prosperity is anchored across strategy, operations and governance. Mary works closely with the social investing team and group foundations to better integrate corporate social investment (CSI) activities with broader business activities.

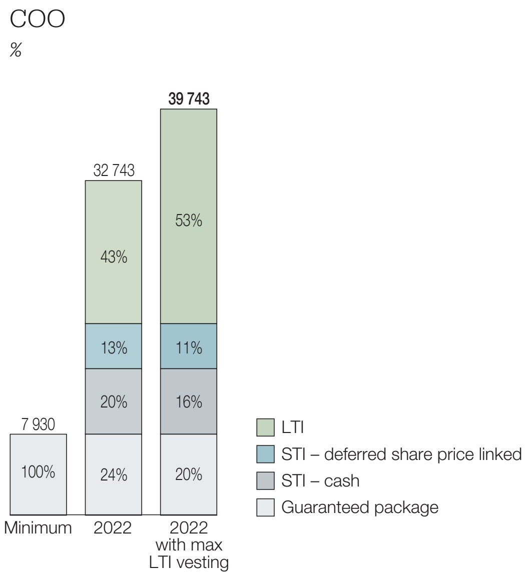
As indicated in the scorecard, Mary's overall rating was 4.1. Her guaranteed package increased 6%, effective August 2022. The 8% growth in Mary's LTI was higher than pool growth (+6%), and the 25% increase in STI was marginally below the overall pool growth (+26%). This reflects a slight rebalancing of long-term and short-term incentive awards.

R thousand	2022	2021	% change
Guaranteed package	**7 930**	7 155	11%
STI	**10 813**	8 650	25%
Cash payment	**4 488**	3 767	
Cash deferred	**1 919**	1 558	
Share price linked	**4 406**	3 325	
LTI award*	**14 000**	11 184	25%
Total	**32 743**	26 989	21%

* *LTI award values at award date (September 2020 and 2021).*

2022 remuneration mix and maximum vesting outcome

The following graph provides an illustration of the remuneration outcome relative to 2022 should maximum vesting on the LTI occur in three years' time. It also provides the mix of the current year remuneration package.



Numbers are shown in R'000.

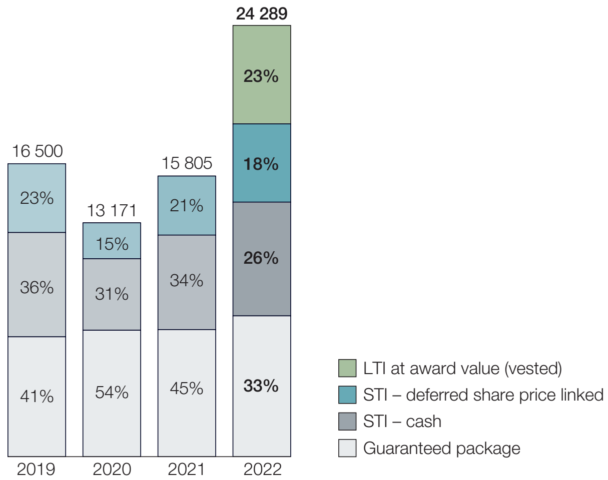
Refer to page 44 for graph assumptions.

Single-figure (four-year) view

The following graph provides the total remuneration mix over a four-year period. It has been prepared in accordance with King IV requirements, therefore the LTI reflected is the award settled in the financial year. For the year ended June 2021, the 2018 LTI (award of R8.5 million) failed due to performance conditions not being met. Therefore the 2022 LTI value reflects the settlement of the first tranche (R5.5 million) of the Covid-19 award.

COO

R thousand



Awards for 2023 – outcome of annual salary review in August 2022

> Mary benchmarks well in the industry.

> Her guaranteed pay increased by 6% in line with other executives, following a 11.8% increase in the prior year to align her GP with local peer benchmarks.

> An LTI of R15.1 million that could vest in 2025 if performance conditions are met represents an increase of 8%, higher than pool growth (+6%), reflecting a slight rebalancing of long-term and short-term incentive awards.

Vesting outcomes in 2023

The LTI of R10.8 million awarded in 2019, which was due to vest in September 2022, has lapsed because the ROE target was not met for the three years to June 2022. As such, the second tranche of the Covid-19 retention instrument with award value of R5.5 million will vest in September 2022. The full value of the tranche will be clawed back if the performance conditions to June 2023 are not met. Given the failure of both 2018 and 2019 LTIs, the third Covid-19 tranche will vest in September 2023.

FirstRand CFO

Harry Kellan

In his role as group CFO, Harry is an integral member of the executive team, working closely with the CEO and COO in the day-to-day execution of strategy and the management of the financial, risk and control elements of the business. The executive team collectively took accountability for the ongoing execution of certain strategic objectives:

- carefully price for financial resources;
- appropriately provide against lending portfolios;
- strengthen and appropriately tilt the balance sheet to the macro environment; and
- accrete capital and net asset value.

The outcomes of these objectives have shaped shareholder value creation during the period under review. Earnings continued to recover, with strong NIACC generation and attractive returns. The group delivered sustained growth in NAV. The CET1 ratio increased to 13.9% (2021: 13.5%). The strength of the balance sheet means that the group has maintained provisioning and coverage at appropriate levels.

Harry worked in partnership with risk and financial resource management on credit appetite parameters and capital allocation, which resulted in a disciplined approach to origination. He is the group's custodian of the performance measurement framework.

Harry continues to be accessible to investors and regulators, recognising the need to engage regularly given the prevailing global climate of uncertainty.

As indicated in the scorecard, Harry's overall rating for the year was 4.0. His STI award increased 23%, which is lower than the STI pool growth of 26%. This reflected a decision by Remco to adjust Harry's remuneration downwards due to the NOSIA operational event at MotoNovo, given his position as CFO and shareholder representative on the Aldermore board. Harry's guaranteed package, effective August 2022, and LTI award both increased 6%.

R thousand	2022	2021	% change
Guaranteed package	**8 442**	7 791	8%
STI	**11 675**	9 500	23%
Cash payment	**4 775**	4 050	
Cash deferred	**2 062**	1 700	
Share price linked	**4 838**	3 750	
LTI award*	**16 000**	13 950	15%
Total reward including LTIs	**36 117**	31 241	16%

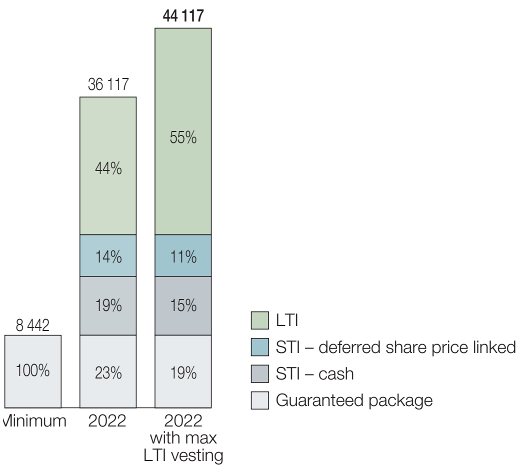
* *LTI award values at award date (September 2020 and 2021).*

2022 remuneration mix and maximum vesting outcome

The following graph provides an illustration of the remuneration outcome relative to 2022 should maximum vesting on the LTI occur in three years' time. It also provides the mix of the current year remuneration package.

CFO

%



Numbers shown in R'000

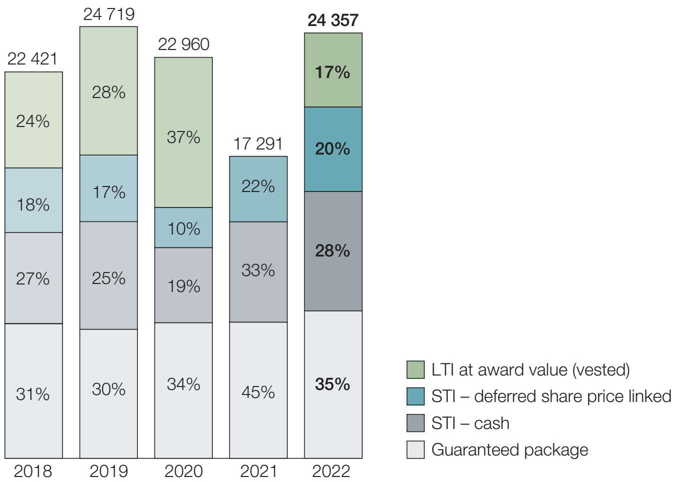
Refer to page 44 for graph assumptions.

Single-figure (five-year) view

The following graph provides the total remuneration mix over a five-year period. It has been prepared in accordance with King IV requirements, therefore the LTI reflected is the award settled in the financial year. For the year ended June 2021, the 2018 LTI (award of R12 million) failed due to performance conditions not being met. Therefore the 2022 LTI value reflects the settlement of the first tranche (R4.2 million) of the Covid-19 award.

CFO

R thousand



Awards for 2023 – outcome of annual salary review in August 2022

> Harry benchmarks well in the industry.

> His guaranteed pay increased by 6% in line with other executives following a 9.1 % increase in the prior year to align his GP with local peer benchmarks.

> An LTI of R17.0 million that could vest in 2025 if performance conditions are met represents an increase of 6%, in line with the pool growth for all eligible employees.

Vesting outcomes in 2023

The LTI of R13.4 million awarded in 2019, which was due to vest in September 2022, has lapsed because the ROE target was not met for the three years to June 2022. As such, the second tranche of the Covid-19 retention instrument with award value of R4.2 million will vest in September 2022. The full value of the tranche will be clawed back if the performance conditions to June 2023 are not met. Given the failure of both 2018 and 2019 LTIs, the third Covid-19 tranche will vest in September 2023.

FNB CEO and CEO of retail and commercial segment

Jacques Celliers

Jacques Celliers is CEO of FNB and the total retail and commercial segment (which includes WesBank).

Jacques demonstrated highly effective leadership as FNB delivered solid revenue and balance sheet growth whilst ensuring superior returns. FNB's NIACC was up strongly as the business focused on protecting the customer franchise and growing sensibly into the post-pandemic recovery.

Anchored to the group's overall balance sheet strategy, retail new business origination focused on low-risk customers. This resulted in muted year-on-year growth in advances. However, the focus on core customers ensured that the transactional franchise performed well, underpinned by active customer acquisition, growth in customer activity and higher transactional volumes. FNB commercial delivered strong growth in advances as a direct result of the focus on deploying the balance sheet tactically in those sectors showing above-cycle growth and which are expected to perform well even in a high-inflation environment. FNB delivered good growth in deposits across its retail, commercial and broader Africa portfolios.

FNB's operational performance continued to benefit from its strategy to be a platform-enabled provider of integrated financial services. This is demonstrated by the improvement in the cross-sell ratio.

Jacques continues to drive FNB's ecosystem offering, which is scaling strongly. Digitally active customers grew 14% off an already high base. Purchases and execution on platform of non-banking offerings such as electricity and mobile amounted to R17.4 billion.

In terms of ESG topics, Jacques has been particularly focused on improving customer service outcomes. FNB is a leader in financial inclusion offerings, demonstrated by the success of the eWallet platform and accessibility on its digital interfaces.

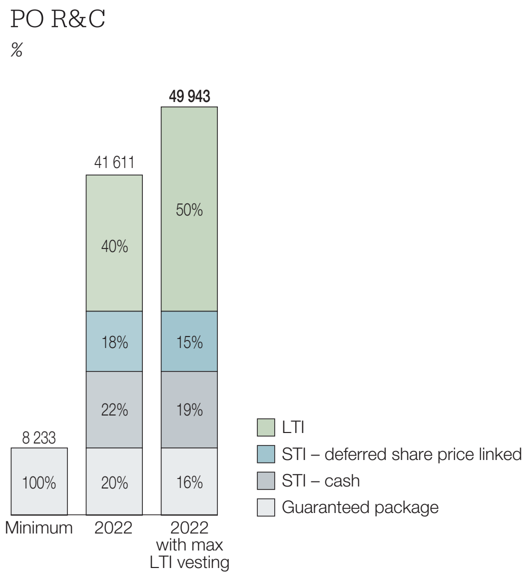
As indicated in the scorecard, Jacques's overall rating was 4.0. His STI grew 22%. His guaranteed package, effective August 2022, and LTI award increased 6%.

R thousand	**2022**	2021	% change
Guaranteed package	**8 233**	8 085	2%
STI	**16 714**	13 700	22%
Cash payment	**6 455**	5 450	
Cash deferred	**2 902**	2 400	
Share price linked	**7 357**	5 850	
LTI award*	**16 664**	16 100	4%
Total reward including LTIs	**41 611**	37 885	10%

* *LTI award values at award date (September 2020 and 2021).*

2022 remuneration mix and maximum vesting outcome

The following graph provides an illustration of the remuneration outcome relative to 2022 should maximum vesting on the LTI occur in three years' time. It also provides the mix of the current year remuneration package.



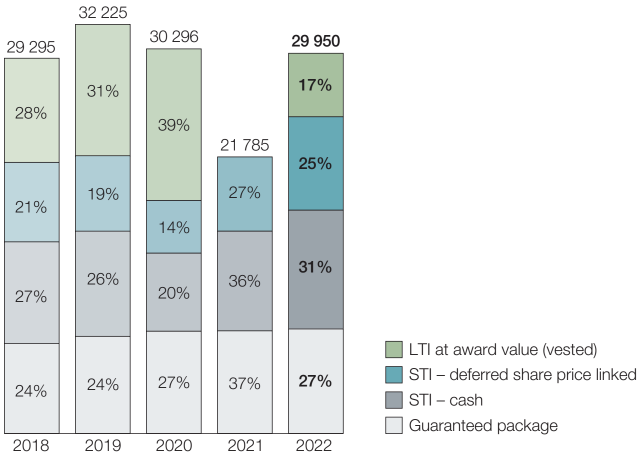
Numbers are shown in R'000.
Refer to page 44 for graph assumptions.

Single-figure (five-year) view

The following graph provides the total remuneration mix over a five-year period. It has been prepared in accordance with King IV requirements, therefore the LTI reflected is the award settled in the financial year. For the year ended June 2021, the 2018 LTI (award of R14.5 million) failed due to performance conditions not being met. Therefore 2022 LTI value reflects the settlement of the first tranche (R5 million) of the Covid-19 award.

FNB CEO and CEO of retail and commercial segment

R thousand



Awards for 2023 – outcome of annual salary review in August 2022

- Jacques benchmarks well in the industry.
- His guaranteed pay increased by 6% in line with other executives following a 2% increase in the prior year.
- An LTI of R17.7 million that could vest in 2025 if performance conditions are met, represents an increase of 6%, in line with the pool growth for all eligible employees.

Vesting outcomes in 2023

The LTI of R15.5 million awarded in 2019, which was due to vest in September 2022, has lapsed because the ROE target was not met for the three years to June 2022. As such, the second tranche of the Covid-19 retention instrument with award value of R5 million will vest in September 2022. The full value of the tranche will be clawed back if the performance conditions to June 2023 are not met. Given the failure of both 2018 and 2019 LTIs, the third Covid-19 tranche will vest in September 2023.

RMB CEO and CEO of corporate and institutional segment

James Formby

James Formby is CEO of RMB and the corporate and institutional segment.

James demonstrated highly effective leadership as RMB continued to capitalise on the economic recovery taking place. In line with overall group strategic objectives, RMB continued to implement key financial resource management principles in the business to ensure superior returns are delivered, exercising a disciplined approach to capital and funding allocation. Testament to this is the strong rebound in RMB's NIACC whilst maintaining healthy balance sheet provisioning.

RMB's strong performance was also the result of the strength of its diversified portfolio and ongoing execution on its strategy to be an integrated corporate and investment bank with compelling propositions for corporate and institutional clients.

Investment banking benefited from strong advances growth of 18% and resilient fee income. Corporate transactional banking produced 9% growth in average deposits, winning significant primary-banked clients in a highly competitive environment. The markets business was solid in a difficult and volatile macro environment underpinned by strong client flows. The private equity portfolio delivered particularly strong growth in annuity income and benefited from impairment releases.

In 2021 James recruited a new a new sustainable finance team to assist in providing clients with ESG solutions. This business unit has performed exceptionally well, delivering a number of innovative deals in the year under review.

James has also successfully transitioned his successor during the year. Effective 1 October 2022 he will no longer be CEO of RMB.

As indicated in the scorecard below, James's overall rating was 3.7. His STI increased 17%, which is lower than the group pool, because RMB's NIACC remained below budget despite a strong rebound. His guaranteed package, effective August 2022, grew 6%.

R thousand	2022	2021	% change
Guaranteed package	**7 058**	6 604	7%
STI	**20 516**	17 550	17%
Cash payment	**7 722**	6 733	
Cash deferred	**3 536**	3 042	
Share price linked	**9 258**	7 775	
LTI award*	**13 000**	12 150	7%
Total	**40 574**	36 304	12%

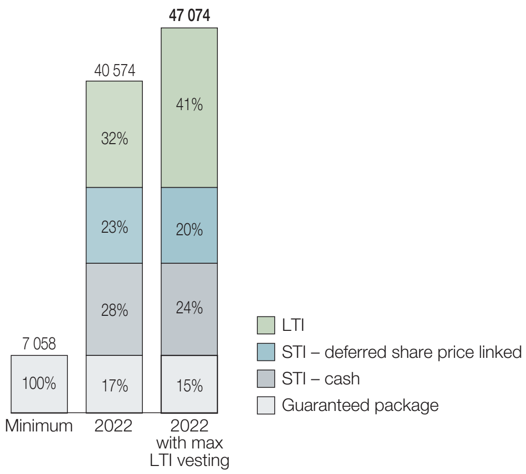
* *LTI award values at award date (September 2020 and 2021).*

2022 remuneration mix and maximum vesting outcome

The following graph provides an illustration of the remuneration outcome relative to 2022 should maximum vesting on the LTI occur in three years' time. It also provides the mix of the current year remuneration package.

PO C&I

%



Numbers are shown in R'000.

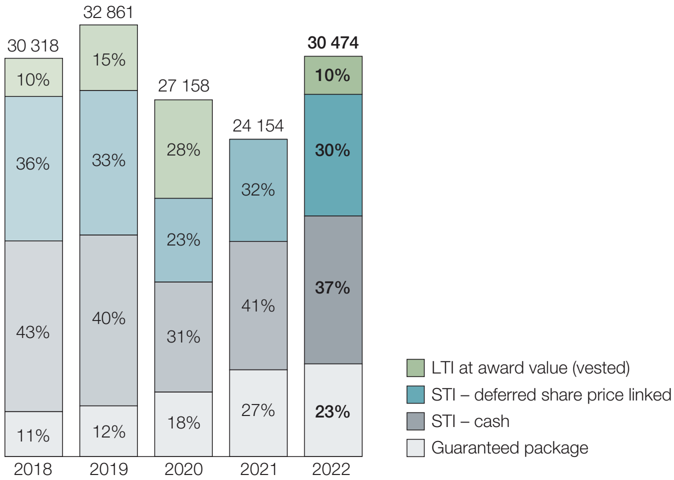
Refer to page 44 for graph assumptions.

Single-figure (five-year) view

The following graph provides the total remuneration mix over a five-year period. It has been prepared in accordance with King IV requirements, therefore the LTI reflected is the award settled in the financial year. For the year ended June 2021, the 2018 LTI (award of R8.3 million) failed due to performance conditions not being met. Therefore the 2022 LTI value reflects the settlement of the first tranche (R2.9 million) of the Covid-19 award.

RMB CEO and CEO of corporate and institutional segment

R thousand



Awards for 2023 – outcome of annual salary review in August 2022

- James benchmarks well in the industry.
- His guaranteed pay increased by 6% in line with other executives, following a 5% increase in the prior year.
- James was not allocated an LTI award that could vest in 2025 given his role change and the fact that he no longer is a prescribed officer.

Aldermore CEO

Steven Cooper

The year under review is Steven Cooper's first full annual review, because he had been in the position of CEO for only two months in the previous year.

Steven has demonstrated excellent leadership over the past 12 months. Despite dealing with a number of operational challenges, including the operational event at MotoNovo which dates back a number of years, Steven executed on a number of key strategic actions designed to set the business up to deliver on its objectives to deliver sustainable growth in earnings and returns. These objectives include:

- focusing on property finance, structured and specialised finance, auto loans and savings, all of which represent deep profit pools in the UK market. Currently Aldermore's market share in most of these asset classes (other than auto loans) remains small;
- exiting certain subscale business lines;
- modernising technology/platforms;
- continuing to further embed group FRM disciplines; and
- significantly strengthening the Aldermore leadership over the past 12 months.

These changes are starting to impact the business positively, as can be seen in the performance in the year under review. Notwithstanding the impact of the NOSIA operational event at MotoNovo, UK operations' PBT grew 12% to £203 million (2021: £181 million) as loan balances and net interest margins increased.

£ thousand	2022	2021	% change*
Guaranteed package	**1 048**	155	>100%
STI	**867**	97	>100%
Cash payment	**276**	65	
Cash deferred	**–**	–	
Share-linked	**591**	32	
LTI award (on-target value at 55%)**	**542**	–	100%
Total	**2 457**	252	>100%
Buy-out award paid in cash	**–**	997	

* *Steven was in the employ of the group for only two months last year.*

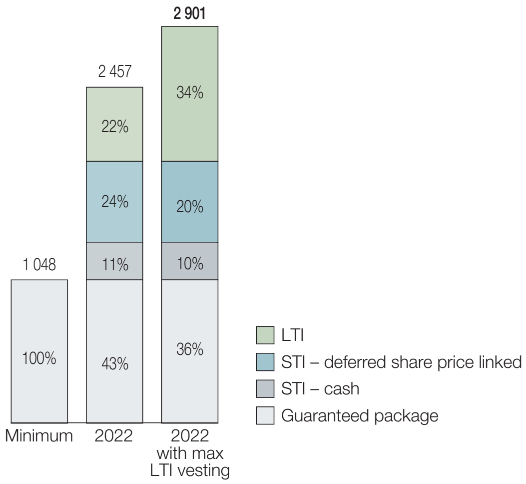
** *LTI award values at award date (September 2020 and 2021).*

2022 remuneration mix and maximum vesting outcome

The following graph provides an illustration of the remuneration outcome relative to 2022 should maximum vesting on the LTI occur in three years' time. It also provides the mix of the current year remuneration.

Aldermore CEO

£ thousand



Single-figure (five-year) view

A graph showing the total remuneration mix over a five-year period is not provided for Steven, as he has only been in the employ of the group for two years and none of his LTIs have vested.

Awards for 2023 – outcome of annual salary review in August 2022

> Steven's remuneration mix was revised given CRD V changes. This included his STI maximum increasing from 125% to 180% and his LTI maximum decreasing from 135% to 67.5%.

> His guaranteed pay increased by 4% in line with that of other executives.

> An LTI of £326 000 (assuming 67% on-target) that could vest in 2025 if performance conditions are met.

Vesting outcomes in 2023

> Steven joined the group in the 2021 financial year. As such his first LTI will vest only in September 2024 if performance conditions are met.

remuneration tables

Single figure

Cash package, retirement contributions and other allowances reflect what was paid to the prescribed officers during the year ended 30 June 2022. The FirstRand annual remuneration cycle runs from 1 August to 31 July.

The following analysis provides two amounts per individual to accommodate the King IV alternative single-figure view. For King IV single-figure reporting, the value presented is the LTI settled in the financial year at original award value.

Item	Explanation
Cash package paid during the year	Salary
Retirement contributions paid during the year	Contributions to retirement savings
Other allowances	Medical aid, disability cover, life cover, dread disease cover
Performance-related STI: Cash	Variable compensation (STI) paid in cash in respect of performance in the year ended June is paid in three tranches during the following year ending on 30 June, i.e. August, December and June (with interest on the deferred payments).
Performance-related STI: Share price linked deferred over three years	A portion of variable compensation (STI) is deferred as share price linked awards and vests after two years, based on continued employment and good standing. Referred to as the BCIP (bonus conditional incentive plan).
Reporting approach: **Long-term conditional share price linked incentive plan** **Value of LTI allocated during the year**	Long-term incentive awards are made annually under the CIP and vesting is dependent on certain corporate performance targets being met on a cumulative basis over three years. Refer to note 25 in the annual financial statements. The value presented in the table is the LTI award allocated during the financial year (i.e. September) reflecting award value at grant date.
King IV reporting approach: **Long-term conditional share price linked incentive plan** **Value of LTI settled during the year**	The value presented in the table is the LTI award that has vested and settled during the financial year, (i.e. award made three years prior) at original award value. The value in the table is shown as the original award value at grant date and not settlement value. The economic risk of share price fluctuation is borne by the employee as FirstRand hedges the risk. As such the group does not incur additional costs above the award value at grant date and FirstRand shareholders are not diluted. If a person is an executive director or a prescribed officer when the LTI award is settled, it is disclosed in the single-figure table in the financial year of settlement.
Covid-19 retention award	The Covid-19 retention instrument was awarded in September 2020. The award is linked to the FirstRand share price and vests in three equal proportions (tranches) over three years (September 2021, 2022 and 2023), if performance conditions are met. In September 2021 the first Covid-19 tranche vested as the 2018 LTI award failed. In September 2022, the second Covid-19 tranche will vest as the 2019 LTI has failed. As the award was equally split over three years, the third tranche will vest in September 2023 because both the 2018 and 2019 LTI failed.

EXECUTIVE DIRECTORS' AND PRESCRIBED OFFICERS' EMOLUMENTS

R thousand	2022	2021	2020	2019	2018
AP Pullinger (group CEO)¹					
Cash package paid during the year	9 137	8 995	8 971	8 493	7 050
Retirement contributions paid during the year	191	177	179	167	139
Other allowances	294	278	264	205	164
Guaranteed package	**9 622**	**9 450**	**9 414**	**8 865**	**7 353**
Performance-related STI:					
Cash	7 912	7 031	5 825	12 200	12 200
– Within 6 months²	5 491	4 905	–	8 350	8 350
– Within 1 year	2 421	2 126	5 825	3 850	3 850
Share price linked – deferred 2 years (BCIP)³	5 912	5 032	3 825	10 200	10 200
Variable pay	**13 824**	**12 063**	**9 650**	**22 400**	**22 400**
Total guaranteed and variable pay	**23 446**	**21 513**	**19 064**	**31 265**	**29 753**
Value of LTI awards allocated during the financial year under the CIP4	24 840	24 000	20 046	18 500	15 550
Total reward including LTIs	**48 286**	**45 513**	**39 110**	**49 765**	**45 303**
Value of LTI awards allocated during the financial year under the Covid-19 scheme⁵	–	19 273	–	–	–
Single-figure reporting					
Total guaranteed and variable pay	23 446	21 513	19 064	31 265	29 753
Value of LTI awards settled during the financial year under the CIP⁶	–	–	14 630	10 000	9 250
Value of LTI awards settled during the financial year under the Covid-19 scheme⁷	6 424	–	–	–	–
Total reward including settled LTIs (single-figure)	**29 870**	**21 513**	**33 694**	**41 265**	**39 003**
M Vilakazi (group COO)¹					
Cash package paid during the year	7 596	6 849	6 816	6 468	–
Retirement contributions paid during the year	141	124	132	125	–
Other allowances	193	182	173	157	–
Guaranteed package	**7 930**	**7 155**	**7 121**	**6 750**	**–**
Performance-related STI:					
Cash	6 407	5 325	4 025	5 875	–
– Within 6 months²	4 488	3 767	–	4 133	–
– Within 1 year	1 919	1 558	4 025	1 742	–
Share price linked – deferred 2 years (BCIP)³	4 406	3 325	2 025	3 875	–
Variable pay	**10 813**	**8 650**	**6 050**	**9 750**	**–**
Total guaranteed and variable pay	**18 743**	**15 805**	**13 171**	**16 500**	**–**
Value of LTI awards allocated during the financial year under the CIP⁴	14 000	11 184	10 775	8 500	–
Total reward including LTIs	**32 743**	**26 989**	**23 946**	**25 000**	**–**
Value of LTI awards allocated during the financial year under the Covid-19 scheme⁵	–	16 638	–	–	–
Appointment buy-out award					
Buy-out cash bonus	–	–	–	7 500	–
Buy-out LTI award	–	–	–	14 000	–
Total appointment award	–	–	–	21 500	–
Single-figure reporting					
Total guaranteed and variable pay	18 743	15 805	13 171	16 500	–
Buy-out cash bonus	–	–	–	7 500	–
Value of LTI awards settled during the financial year under the CIP⁶	–	–	–	–	–
Value of LTI awards settled during the financial year under the Covid-19 scheme⁷	5 546	–	–	–	–
Total reward including settled LTIs (single-figure)	**24 289**	**15 805**	**13 171**	**24 000**	**–**

Refer to footnotes on page 64.

EXECUTIVE DIRECTORS' AND PRESCRIBED OFFICERS' EMOLUMENTS

R thousand	2022	2021	2020	2019	2018
HS Kellan (group financial director)[1]					
Cash package paid during the year	8 182	7 548	7 526	7 175	6 727
Retirement contributions paid during the year	67	61	61	54	51
Other allowances	193	182	173	156	143
Guaranteed package	**8 442**	**7 791**	**7 760**	**7 385**	**6 921**
Performance-related STI:					
Cash	6 837	5 750	4 300	6 167	6 000
– Within 6 months[2]	4 775	4 050	–	4 328	4 217
– Within 1 year	2 062	1 700	4 300	1 839	1 783
Share price linked – deferred 2 years (BCIP)[3]	4 838	3 750	2 300	4 167	4 000
Variable pay	**11 675**	**9 500**	**6 600**	**10 334**	**10 000**
Total guaranteed and variable pay	**20 117**	**17 291**	**14 360**	**17 719**	**16 921**
Value of LTI awards allocated during the financial year under the CIP[4]	16 000	13 950	13 440	12 000	9 500
Total reward including LTIs	**36 117**	**31 241**	**27 800**	**29 719**	**26 421**
Value of LTI awards allocated during the financial year under the Covid-19 scheme[5]	–	12 720	–	–	–
Single-figure reporting					
Total guaranteed and variable pay	20 117	17 291	14 360	17 719	16 921
Value of LTI awards settled during the financial year under the CIP[6]	–	–	8 600	7 000	5 500
Value of LTI awards settled during the financial year under the Covid-19 scheme[7]	4 240	–	–	–	–
Total reward including settled LTIs (single-figure)	**24 357**	**17 291**	**22 960**	**24 719**	**22 421**
J Celliers (CEO FNB)[1]					
Cash package paid during the year	7 838	7 765	7 742	7 364	6 830
Retirement contributions paid during the year	149	138	138	131	122
Other allowances	246	182	173	156	143
Guaranteed package	**8 233**	**8 085**	**8 053**	**7 651**	**7 095**
Performance-related STI:					
Cash	9 357	7 850	6 150	8 287	8 000
– Within 6 months[2]	6 455	5 450	–	5 741	5 550
– Within 1 year	2 902	2 400	6 150	2 546	2 450
Share price linked – deferred 2 years (BCIP)[3]	7 357	5 850	4 150	6 287	6 000
Variable pay	**16 714**	**13 700**	**10 300**	**14 574**	**14 000**
Total guaranteed and variable pay	**24 947**	**21 785**	**18 353**	**22 225**	**21 095**
Value of LTI awards allocated during the financial year under the CIP[4]	16 664	16 100	15 515	14 500	12 850
Total reward including LTIs	**41 611**	**37 885**	**33 868**	**36 725**	**33 945**
Value of LTI awards allocated during the financial year under the Covid-19 scheme[5]	–	15 008	–	–	–
Single-figure reporting					
Total guaranteed and variable pay	24 947	21 785	18 353	22 225	21 095
Value of LTI awards settled during the financial year under the CIP[6]	–	–	11 943	10 000	8 200
Value of LTI awards settled during the financial year under the Covid-19 scheme[7]	5 003	–	–	–	–
Total reward including settled LTIs (single-figure)	29 950	21 785	30 296	32 225	29 295

Refer to footnotes on page 64.

EXECUTIVE DIRECTORS' AND PRESCRIBED OFFICERS' EMOLUMENTS

R thousand	2022	2021	2020	2019	2018
J Formby (CEO RMB)[1]					
Cash package paid during the year	6 793	6 281	4 644	3 607	3 174
Retirement contributions paid during the year	88	98	74	60	55
Other allowances	177	225	190	194	189
Guaranteed package	**7 058**	**6 604**	**4 908**	**3 861**	**3 418**
Performance-related STI:					
Cash	11 258	9 775	8 375	13 000	13 000
– Within 6 months[2]	7 722	6 733	–	8 883	8 883
– Within 1 year	3 536	3 042	8 375	4 117	4 117
Share price linked – deferred 2 years (BCIP)[3]	9 258	7 775	6 375	11 000	11 000
Variable pay	**20 516**	**17 550**	**14 750**	**24 000**	**24 000**
Total guaranteed and variable pay	**27 574**	**24 154**	**19 658**	**27 861**	**27 418**
Value of LTI awards allocated during the financial year under the CIP[4]	13 000	12 150	9 100	8 300	7 900
Total reward including LTIs	**40 574**	**36 304**	**28 758**	**36 161**	**35 318**
Value of LTI awards allocated during the financial year under the Covid-19 scheme[5]	–	8 700	–	–	–
Single-figure reporting					
Total guaranteed and variable pay	27 574	24 154	19 658	27 861	27 418
Value of LTI awards settled during the financial year under the CIP[6]	–	–	7 500	5 000	2 900
Value of LTI awards settled during the financial year under the Covid-19 scheme[7]	2 900	–	–	–	–
Total reward including settled LTIs (single-figure)	**30 474**	**24 154**	**27 158**	**32 861**	**30 318**

Refer to footnotes on page 64.

EXECUTIVE DIRECTORS' AND PRESCRIBED OFFICERS' EMOLUMENTS

£ thousand	2022	2021	2020	2019	2018
S Cooper (Aldermore CEO)[1,8]					
Cash package paid during the year	730	143	–	–	–
Retirement contributions paid during the year	50	10	–	–	–
Other allowances	268	2	–	–	–
Guaranteed package	**1 048**	**155**	**–**	**–**	**–**
Performance-related STI:					
Cash	276	65	–	–	–
– Within 6 months[10]	276	65	–	–	–
– Within 1 year	–	–	–	–	–
Share price linked – deferred [11]	591	32	–	–	–
Variable pay	**867**	**97**	**–**	**–**	**–**
Total guaranteed and variable pay	**1 915**	**252**	**–**	**–**	**–**
Value of LTI awards allocated during the financial year under the CIP[4,12]	542	–	–	–	–
Total reward including LTIs	**2 457**	**252**	**–**	**–**	**–**
Buy-out award paid in cash[9]	–	997	–	–	–
Single-figure reporting					
Total guaranteed and variable pay	1 915	252	–	–	–
Value of LTI awards settled during the financial year under the CIP[6]	–	–	–	–	–
Total reward including settled LTIs (single-figure)	**1 915**	**252**	**–**	**–**	**–**

1. *FirstRand defines its prescribed officers as the group's executive directors, and the CEOs of the group's Retail and Commercial and Corporate and Institutional segments, and the CEO of the Aldermore Group. These officers are members of the group strategic executive committee and attend board meetings.*
2. *Variable compensation (STI), paid in cash in respect of the year ended June, is paid in three tranches during the following year ending on 30 June, i.e. August, December and June (with interest on the deferred payments).*
3. *A portion of variable compensation is deferred as share price linked awards and vests after two years. Previously vesting was equally split over two and three years for the executive directors and prescribed officers (2019 and 2020) .*
4. *Long-term incentive awards are made annually under the CIP and vesting is subject to performance conditions and targets on a cumulative basis over three years. The value presented in the table is the LTI allocated in the financial year and is reflected at award value at grant date.*
5. *The Covid-19 retention instrument was awarded in September 2020. The award is linked to the FirstRand share price and vests in three equal proportions (tranches) over three years (September 2021, 2022 and 2023), if performance conditions are met.*
6. *For King IV single-figure reporting, the value presented in the table is the LTI vested and settled in the financial year at original award value. It is zero if conditions are not met and awards are forfeited.*
7. *For King IV single-figure reporting, the value presented in the table under the Covid-19 scheme is the LTI vested and settled in the financial year at original award value. It is zero if conditions are not met and awards are forfeited.*
8. *Steven Cooper was Aldermore CEO effective May 2021.*
9. *A buy-out bonus was paid in cash to Steven Cooper to compensate for forfeited incentives from his previous employer.*
10. *The Aldermore performance-related STI cash component is paid in full in August.*
11. *The Aldermore performance-related STI share price linked component is released in equal annual tranches over the deferral period required by CRD V regulations.*
12. *Aldermore LTI allocated amount is the on-target value assumed at 55% of maximum. The LTI is a 50% share price linked award and 50% deferred cash award.*

Outstanding incentives

The outstanding incentive disclosure has been prepared in the format required by King IV. King IV reporting requires the number of units of outstanding incentive schemes, the value of outstanding incentive schemes and value on settlement.

The following table summarises the basis of preparation of the remuneration tables:

<table>
<tr><th>Item</th><th colspan="2">Explanation</th></tr>
<tr><td rowspan="2">Settlement value</td><td colspan="2">Settlement value is the actual amount paid during the year.</td></tr>
<tr><td>For the deferred share price linked STI awards this includes:
> growth in share price; and
> interest earned.</td><td>For the LTI awards this includes:
> growth in share price.</td></tr>
<tr><td>Deferred share price linked STI award (BCIP)</td><td colspan="2">Reflected in the year accrued for past performance. Vesting occurs after two years based on continued employment and good standing.</td></tr>
<tr><td>LTI awards under the CIP</td><td colspan="2">Reflected in the year allocated, i.e. allocation occurs in September each year and is disclosed in the outstanding incentive table in the corresponding financial year. The LTI award is a long-term retention incentive for future performance and vesting is dependent on certain corporate performance targets being met on a cumulative basis over three years.</td></tr>
<tr><td>Unvested awards at year end</td><td colspan="2">Deferred share price linked STI
Deferred share-linked STI vesting depends on continued employment over two years.
LTIs
FirstRand does not apply graded vesting to LTI awards allocated before September 2019, with awards thereafter having graded vesting. For these incentive schemes, LTI vesting depends on performance conditions and targets being met on a cumulative basis over three years. The group does not apply a probability of vesting to the unvested awards. The assumption is 100% vesting up until the final remuneration committee decision, given the current environment and uncertainty in quantifying the probability of vesting.
For information purposes, the maximum possible value of the unvested awards as at June 2022 is the market value of the total number of share price linked units at R62.37 per share on the last trading day of the financial year (30 June 2022).
Covid retention instrument
The Covid-19 retention instrument was awarded in September 2020. The award is linked to the FirstRand share price and vests in three equal proportions (tranches) over three years (September 2021, 2022 and 2023), if performance conditions are met. In September 2021 the first Covid-19 tranche vested as the 2018 LTI award failed. In September 2022 and September 2023, the second and third Covid-19 tranches will vest respectively as the 2019 LTI has failed.</td></tr>
<tr><td>Unpaid cash tranches</td><td colspan="2">The cash award to be paid within the next 12 months has not been included in the outstanding incentive table.</td></tr>
</table>

Outstanding incentives (audited)

	Issue date	Value at grant date R thousand	Settlement date	Units: Opening balance	Units: Awards made during year[1]	Units: Number of awards settled in year	Units: Number of awards forfeited in year	Units: Closing number of awards[2,3] 30 Jun 2022	Value on settlement in 2022[4] R thousand
AP Pullinger									
Deferred share price linked STI awards									
2019 (2-year deferral)	September 2019	5 100	September 2021	78 221	–	(78 221)	–	–	5 291
2019 (3-year deferral)	September 2019	5 100	September 2022	78 221	–	–	–	78 221	–
2020 (2-year deferral)	September 2020	1 912	September 2022	48 738	–	–	–	48 738	–
2020 (3-year deferral)	September 2020	1 913	September 2023	48 738	–	–	–	48 738	–
2021 (2-year deferral)	September 2021	5 032	September 2023	81 658	–	–	–	81 658	–
2022 (2-year deferral)	September 2022	5 912	September 2024	–	–	–	–	–	–
Balance deferred share price linked STIs		**24 969**		335 576	–	(78 221)	–	257 355	5 291
LTI awards under the CIP[5,6]									
2018	September 2018	18 500	September 2021	277 688	–	–	(277 688)	–	–
2019	September 2019	20 046	September 2022	307 455	–	–	(307 455)	–	–
2020	September 2020	24 000	September 2023	611 621	–	–	–	611 621	–
2021	September 2021	24 840	September 2024	–	403 156	–	–	403 156	–
Balance LTIs		**87 386**		1 196 764	403 156	–	(585 143)	1 014 777	–
LTI awards under the Covid-19 scheme[7]									
2020	September 2020	6 424	September 2021	163 719	–	(163 719)	–	–	10 087
2020	September 2020	6 424	September 2022	163 719	–	–	–	163 719	–
2020	September 2020	6 425	September 2023	163 719	–	–	–	163 719	–
Balance Covid-19 award		**19 273**		491 157	–	(163 719)	–	327 438	10 087
M Vilakazi									
Deferred share price linked STI awards									
2019 (2-year deferral)	September 2019	1 937	September 2021	29 716	–	(29 716)	–	–	2 010
2019 (3-year deferral)	September 2019	1 938	September 2022	29 716	–	–	–	29 716	–
2020 (2-year deferral)	September 2020	1 012	September 2022	25 802	–	–	–	25 802	–
2020 (3-year deferral)	September 2020	1 013	September 2023	25 802	–	–	–	25 802	–
2021 (2-year deferral)	September 2021	3 325	September 2023	53 965	–	–	–	53 965	–
2022 (2-year deferral)	September 2022	4 406	September 2024	–	–	–	–	–	–
Balance deferred share price linked STIs		**13 631**		165 001	–	(29 716)	–	135 285	2 010
LTI awards under the CIP[5,6]									
2018	September 2018	8 500	September 2021	127 586	–	–	(127 586)	–	–
2019	September 2019	10 775	September 2022	165 261	–	–	(165 261)	–	–
2020	September 2020	11 184	September 2023	285 015	–	–	–	285 015	–
2021	September 2021	14 000	September 2024	–	227 221	–	–	227 221	–
Balance LTIs		**44 459**		577 862	227 221	–	(292 847)	512 236	–
LTI awards under the Covid-19 scheme[7]									
2020	September 2020	5 546	September 2021	141 331	–	(141 331)	–	–	8 708
2020	September 2020	5 546	September 2022	141 331	–	–	–	141 331	–
2020	September 2020	5 546	September 2023	141 331	–	–	–	141 331	–
Balance Covid-19 award		**16 638**		423 993	–	(141 331)	–	282 662	8 708

Refer to footnotes on page 72.

Outstanding incentives (audited)

	Issue date	Value at grant date R thousand	Settlement date	Units: Opening balance	Awards made during year[1]	Number of awards settled in year	Number of awards forfeited in year	Closing number of awards[2,3] 30 Jun 2022	Value on settlement in 2022[4] R thousand
HS Kellan									
Deferred share price linked STI awards									
2019 (2-year deferral)	September 2019	2 083	September 2021	31 959	–	(31 959)	–	–	2 162
2019 (3-year deferral)	September 2019	2 084	September 2022	31 959	–	–	–	31 959	–
2020 (2-year deferral)	September 2020	1 150	September 2022	29 306	–	–	–	29 306	–
2020 (3-year deferral)	September 2020	1 150	September 2023	29 306	–	–	–	29 306	–
2021 (2-year deferral)	September 2021	3 750	September 2023	60 863	–	–	–	60 863	–
2022 (2-year deferral)	September 2022	4 838	September 2024	–	–	–	–	–	–
Balance deferred share price linked STIs		**15 055**		183 393	–	(31 959)	–	151 434	2 162
LTI awards under the CIP[5,6]									
2018	September 2018	12 000	September 2021	180 122	–	–	(180 122)	–	–
2019	September 2019	13 440	September 2022	206 136	–	–	(206 136)	–	–
2020	September 2020	13 950	September 2023	355 530	–	–	–	355 530	–
2021	September 2021	16 000	September 2024	–	259 682	–	–	259 682	–
Balance LTIs		**55 390**		741 788	259 682	–	(386 258)	615 212	–
LTI awards under the Covid-19 scheme[7]									
2020	September 2020	4 240	September 2021	108 053	–	(108 053)	–	–	6 658
2020	September 2020	4 240	September 2022	108 053	–	–	–	108 053	–
2020	September 2020	4 240	September 2023	108 053	–	–	–	108 053	–
Balance Covid-19 award		**12 720**		324 159	–	(108 053)	–	216 106	6 658
J Celliers									
Deferred share price linked STI awards									
2019 (2-year deferral)	September 2019	3 143	September 2021	48 217	–	(48 217)	–	–	3 261
2019 (3-year deferral)	September 2019	3 144	September 2022	48 217	–	–	–	48 217	–
2020 (2-year deferral)	September 2020	2 075	September 2022	52 880	–	–	–	52 880	–
2020 (3-year deferral)	September 2020	2 075	September 2023	52 880	–	–	–	52 880	–
2021 (2-year deferral)	September 2021	5 850	September 2023	94 946	–	–	–	94 946	–
2022 (2-year deferral)	September 2022	7 357	September 2024	–	–	–	–	–	–
Balance deferred share price linked STIs		**23 644**		297 140	–	(48 217)	–	248 923	3 261
LTI awards under the CIP[5,6]									
2018	September 2018	14 500	September 2021	217 647	–	–	(217 647)	–	–
2019	September 2019	15 515	September 2022	237 961	–	–	(237 961)	–	–
2020	September 2020	16 100	September 2023	410 296	–	–	–	410 296	–
2021	September 2021	16 664	September 2024	–	270 458	–	–	270 458	–
Balance LTIs		**62 779**		865 904	270 458	–	(455 608)	680 754	–
LTI awards under the Covid-19 scheme[7]									
2020	September 2020	5 003	September 2021	127 485	–	(127 485)	–	–	7 855
2020	September 2020	5 003	September 2022	127 485	–	–	–	127 485	–
2020	September 2020	5 003	September 2023	127 484	–	–	–	127 484	–
Balance Covid-19 award		**15 009**		382 454	–	(127 485)	–	254 969	7 855

Refer to footnotes on page 72.

Outstanding incentives (audited)

				Units[9]					
	Issue date	Value at grant date R thousand	Settlement date	Opening balance	Awards made during year[1]	Number of awards settled in year	Number of awards forfeited in year	Closing number of awards[2,3] 30 Jun 2022	Value on settlement in 2022[4] R thousand
J Formby									
Deferred share price linked STI awards									
2019 (2-year deferral)	September 2019	5 500	September 2021	84 356	–	(84 356)	–	–	5 706
2019 (3-year deferral)	September 2019	5 500	September 2022	84 356	–	–	–	84 356	–
2020 (2-year deferral)	September 2020	3 187	September 2022	81 230	–	–	–	81 230	–
2020 (3-year deferral)	September 2020	3 188	September 2023	81 230	–	–	–	81 230	–
2021 (2-year deferral)	September 2021	7 775	September 2023	126 189	–	–	–	126 189	–
2022 (2-year deferral)	September 2022	9 258	September 2024	–	–	–	–	–	–
Balance deferred share price linked STIs		**34 408**		457 361	–	(84 356)	–	373 005	5 706
LTI awards under the CIP[5,6]									
2018	September 2018	8 300	September 2021	124 584	–	–	(124 584)	–	–
2019	September 2019	9 100	September 2022	139 571	–	–	(139 571)	–	–
2020	September 2020	12 150	September 2023	309 633	–	–	–	309 633	–
2021	September 2021	13 000	September 2024	–	210 991	–	–	210 991	–
Balance LTIs		**42 550**		573 788	210 991	–	(264 155)	520 624	–
LTI awards under the Covid-19 scheme[7]									
2020	September 2020	2 900	September 2021	73 904	–	(73 904)	–	–	4 554
2020	September 2020	2 900	September 2022	73 904	–	–	–	73 904	–
2020	September 2020	2 900	September 2023	73 905	–	–	–	73 905	–
Balance Covid-19 award		**8 700**		221 713	–	(73 904)	–	147 809	4 554
S Cooper (£ thousand)									
Deferred share price linked STI awards[8]									
2021 (3-year deferral)	September 2021	32	September 2024	–	–	–	–	–	–
2022 (7-year deferral)	September 2022	591	September 2025	–	–	–	–	–	–
Balance deferred share price linked STIs		**623**		–	–	–	–	–	–
LTI awards under the CIP									
2020	September 2020	–	September 2022 – 2024	–	–	–	–		–
2021	September 2021	542	September 2023 – 2025	–	–	–	–	–	–
Balance LTIs		**542**		–	–	–	–	–	–

Refer to footnotes on page 72.

1. FirstRand share price linked schemes are determined on monetary value and not on the number of shares. The allocation of deferred share price linked STI awards is determined after year end, using the average three-day volume-weighted average price (VWAP) eight days after the results announcement. This means that the number of deferred shared-linked STI award units allocated in 2022 is only calculated after the annual financial statements are issued.
2. Deferred share price linked STI awards vesting depends on continued employment over two years. Previously vesting was equally split over two and three years for the executive directors and prescribed officers (2019 and 2020) .
3. FirstRand does not apply graded vesting to LTI awards allocated before September 2019, with awards thereafter having graded vesting. For these incentive schemes, LTI vesting depends on performance conditions and targets being met on a cumulative basis over three years. The group does not apply a probability of vesting to the unvested awards and the assumption is 100% vesting up until the final remuneration committee decision, given the current environment and uncertainty in quantifying the probability of vesting. For information purposes, the maximum possible value of the unvested awards as at June 2022 is the market value of the total number of shares at R62.37 per share on the last trading day of the financial year (30 June 2022).
4. The values at settlement date include share price growth and interest earned (deferred share price linked STI awards) from grant date.
5. The 2018 LTIs failed based on the performance conditions not being met on a cumulative three-year basis, up to 30 June 2021. As such the first tranche of the Covid-19 instrument vested and was settled in September 2021, with the performance conditions being tested as at June 2022 (clawback was not applied as the Covid-19 award performance conditions were met).
6. The 2019 LTIs failed based on the performance conditions not being met on a cumulative three-year basis, up to 30 June 2022. As such the second tranche of the Covid-19 instrument will vest and be settled in September 2022, with the performance conditions being tested as at June 2023. Clawback could be applicable if the Covid-19 award performance conditions are not met. Similarly the third tranche will vest in September 2023 with performance conditions being tested as at June 2024.
7. The Covid-19 retention instrument was awarded in September 2020. The value was converted to share-linked instruments on the award date and will vest in equal proportions (tranches) over three years (September 2021, 2022 and 2023) if the performance conditions are met. In the event that the 2018 and 2019 LTI awards do vest, only the higher of the Covid-19 instrument vesting tranche or the outstanding LTI awards will vest (not both).
8. The Aldermore performance-related STI share price linked component is released in equal annual tranches over the deferral period required by CRD V regulations.
9. Aldermore incentive awards are not convertible into units.

Long-term executive management retention scheme

LTEMRS[1] participation award made in December 2016	
Designation	Awards (thousand)
Executive directors	
AP Pullinger	188
HS Kellan	563
Prescribed officers	
J Celliers	469
J Formby	938

1 In addition to the group's existing long-term incentive plan, and in order to better align executive interests with those of the group's shareholders, the group introduced a long-term executive management retention scheme (LTEMRS) in December 2016. The scheme is a five-year scheme, where members of the group's strategic committee are eligible to participate, on a voluntary basis, by purchasing a predetermined fixed number of participation awards. Participants paid an upfront cash deposit of 10% for their predetermined fixed amount of participation awards, with the balance being funded by the group through a facilitated mechanism. The fixed amount for each participant was converted into a number of participation awards, determined by the share price of R53.33, being the three-day volume weighted-average price of the FirstRand share price at the date of award, being 15 December 2016. The scheme and the funding mechanism ensure that participants have full risk and potential reward of their participation awards (downside risk and upside potential). Continued employment is a condition for vesting of the cash settled scheme. Early termination before the expiry of three full years of service carries the full cost of early termination, including a full forfeit of any potential benefit, with a sliding scale of forfeiture being applied in years four and five. There is no cost to the group associated with the LTEMRS as the scheme is economically hedged. In the 2020 financial year, Remco approved the extension of the scheme for two years from the original vesting date of September 2021 to September 2023. If the participant leaves after September 2020 but before the amended vesting date of September 2023, the participant will forfeit 20% of the upside of the scheme and carry 100% downside risk in line with the scheme. The extension of the scheme is considered an amendment of terms and therefore an increased rate, linked to the real interest rate, has been applied to the outstanding funding.

LTEMRS participation award realised in September 2021		
Designation	Number of participation awards realised (thousand)	Participation award value realised (R thousand)
Previous executive director		
JP Burger*	188	744

** As disclosed in the annual integrated report for the year to 30 June 2020, Remco approved a two-year extension to the scheme for executive directors and prescribed officers. JP Burger retired as CEO in March 2018 and was therefore not eligible for this extension. He was required to close out his participation rights at the original date of September 2021. The outcome of this termination is detailed in the table above.*

Note: Chris de Kock was a prescribed officer at the time of the extension. He continues to be employed by the group and therefore remains a participant in the scheme.

Co-investment scheme

This scheme terminated on 30 June 2021 and all participants were settled for their investment during September 2021. Previously eligible prescribed officers invested in the scheme. Profit share, as shown in the table below, was based on a capital contribution placed at risk by participants. There was no cost to the group associated with the co-investment scheme as all capital invested and all risk related were for the account of the individuals.

R thousand	**2022**	2021
JR Formby	–	6 073
AP Pullinger	–	3 442

Minimum shareholding requirement

With effect from 1 September 2017, executive directors and prescribed officers were required to hold FirstRand shares to the value of at least 50% of their last three years' annual post-tax LTI vesting. The first compulsory assessment was September 2022.

Given the failure of the 2017 and 2018 LTI vestings, this policy was revised in 2021. The revised shareholding requirements are set relative to guaranteed pay and are outlined below. The effective date remained September 2022 or five years from the date on which the relevant executive was appointed, whichever is the later. The Aldermore CEO has an effective date seven years from joining to comply with the MSR given the newly introduced deferral requirements under CRD V.

THE LEVEL OF COMPLIANCE WITH THE MINIMUM SHAREHOLDING REQUIREMENT AND EFFECTIVE DATE IS OUTLINED IN THE TABLE BELOW

Executive directors and prescribed officers	Effective date	Minimum shareholding requirement	Period since appointment as executive director or prescribed officer	Level of compliance
AP Pullinger	September 2022	300% of GP	>5 years	Compliant ahead of target date
HS Kellan	September 2022	200% of GP	>5 years	Compliant ahead of target date
M Vilakazi	September 2023	200% of GP	>4 years	New to role and group, compliance required by target date
J Celliers	September 2022	200% of GP	>5 years	Compliant ahead of target date
J Formby	September 2022	200% of GP	>5 years	Compliant ahead of target date
S Cooper	September 2028	100% of salary	>1 years	New to role and group, compliance required by target date

Beneficial ownership and number of shares are outlined below.

DIRECTORS' AND PRESCRIBED OFFICERS' INTEREST IN ORDINARY SHARES IN FIRSTRAND LIMITED

	30 June 2022					
	Direct beneficial (thousands)	Indirect beneficial (thousands)	Held by associates (thousands)	**Total 2022 (thousands)**	Total 2021 (thousands)	Percentage holding %
Executive directors and prescribed officers						
A Pullinger	5 629	–	108	**5 737**	5 258	0.10
HS Kellan*	1 179	552	153	**1 884**	1 702	0.03
J Celliers	377	49	–	**426**	357	0.01
JR Formby	711	749	–	**1 460**	1 409	0.03
Non-executive directors						
JP Burger	–	6 764	124	**6 888**	7 741	0.13
GG Gelink	102	–	–	**102**	102	0.00
WR Jardine	11	232	4	**247**	247	0.00
RM Loubser	–	1 810	2	**1 812**	1 812	0.03
Z Roscherr	659	–	–	**659**	659	0.01
T Winterboer	15	–	–	**15**	15	0.00
L von Zeuner	5	3	–	**8**	8	0.00
PM Naidoo**	–	–	–	**–**	–	–
F Knoetze#	–	–	–	**–**	–	–
Total	8 688	10 159	391	**19 238**	19 310	0.34

* *Mr HS Kellan has 2 000 000 debt securities in FirstRand Bank Limited which do not form part of this calculation.*

** *Appointed April 2022.*

Resigned December 2021.

Directors' interests remained unchanged from the end of the financial year to the date of this report (including those of directors who have retired and resigned). None of these directors' holdings have been pledged as security, collateral or as a guarantee.

Basel Pillar 3 remuneration tables

The remuneration disclosure requirements of Regulation 43 of the Banks Act and Basel Pillar 3 are disclosed below. The definition of senior management and material risk-takers (MRTs) for the purposes of this regulatory reporting are in line with the SARB Guidance Note 4 of 2020.

In the absence of local remuneration regulations that define an MRT, the group has referenced both the Bank of England Prudential Authority (PRA) and CRD IV (the European Regulations) to arrive at a definition of MRT for FirstRand. This approach ensures alignment with the PA's guidance. This definition was used to identify affected individuals, for the purpose of Guidance Note 4 of 2020 and for the purposes of Basel Pillar 3 remuneration reporting.

The definition of senior management and MRTs is as follows:

Qualitative criteria

> Senior management: FirstRand executive directors and prescribed officers, and business executive committees responsible for banking activities, i.e. FNB, RMB, Centre and Aldermore executive committees.

> Other material risk-takers: Staff whose individual actions have a material impact on the risk exposure of the group based on the ability to:

- commit a significant amount of the group's risk capital;
- significantly influence the group's overall liquidity position; or
- significantly influence other material risks.

> Heads of risk, compliance, audit, legal, finance and IT (control functions).

> Senior managers in terms of BA020.

Quantitative criteria

> Any individual with total reward in 2022 of >R10 million.

> The highest paid 0.3% of all staff.

REM1: REMUNERATION AWARDED DURING THE FINANCIAL YEAR

		2022	
R million		Senior management	Other material risk-takers
Fixed/guaranteed remuneration	Number of employees	54	46
	Total fixed remuneration	273	157
	Of which: cash-based[1]	All	All
Variable remuneration and LTIs	Total variable remuneration and LTI	455	336
	Of which: cash-based		
	Of which: deferred[2]	207	182
	Of which: share price linked instruments		
	Of which: deferred[3,4]	248	154
Total		728	493

1. Fixed remuneration is cash based and is not deferred.
2. Variable compensation (STI) paid in cash in respect of the year ended June is paid in three tranches during the following year ending on 30 June, i.e. August, December and June (with interest on the deferred payments).
3. Variable compensation for performance in the current year deferred as a share price linked award vests two years after the award date, based on continued employment and good standing. Referred to as BCIP.
4. Long-term incentive awards are made annually under CIP and vesting is dependent on certain corporate performance targets being met on a cumulative basis over three years. The value presented in the table is LTI-settled in the financial year at original award value. During the 2022 financial year, the 2018 LTIs failed based on performance conditions not being met. As such, the first tranche of the Covid-19 instrument vested and was settled in September 2021.

REM2: SPECIAL PAYMENTS

	2022					
	Guaranteed bonus[1]		Buy-out awards[2]		Severance payments[3]	
£/R million	Number of employees	Total amount	Number of employees	Total amount	Number of employees	Total amount
Senior management – South Africa (R)	–	–	2	12	1	3
Senior management – Aldermore (£)	–	–	–	–	1	0.8
Other material risk-takers	–	–	–	–	–	–

1. FirstRand does not pay guaranteed bonuses to management.
2. Value of lump sum payments made to employees in the month of joining during the financial year.
3. Aggregate rand value of severance payments/allocations related to retrenchment and company-initiated early retirement during the financial year.

REM3: DEFERRED REMUNERATION

R million	2022				
	Total amount of outstanding deferred remuneration at year end[1]	Of which: total amount of outstanding deferred and retained remuneration exposed to ex post explicit and/or implicit adjustment[2]	Total amount of amendment during the year due to ex post explicit adjustments[3]	Total amount of amendment during the year due to ex post implicit adjustments[4]	Total amount of deferred remuneration paid out in the financial year[5,7]
Senior management					
– Cash	207	207	–	2	160
– Share price linked instruments[6]	898	898	–	4	215
Other material risk-takers					
– Cash	182	182	–	2	181
– Share price linked instruments	476	476	–	10	125
Total	1 763	1 763	–	18	681

1. *Deferred remuneration is in the form of cash and share-linked instruments (LTIs and deferred share-linked STIs).*
2. *Full amount of deferred remuneration is subject to malus and clawback, share price fluctuations and performance conditions.*
3. *Ex post explicit adjustments are direct adjustment clauses (for instance, subject to malus, clawbacks or similar reversals or downward revaluations of awards).*
4. *Ex post implicit adjustments reflect changes in the share price growth and interest earned on the awards paid out (settled) in the financial year.*
5. *The values at settlement date include share price growth and interest earned from grant date.*
6. *Deferred share price linked STI award vesting depends on continued employment over two years. FirstRand does not apply graded vesting to LTI awards allocated before September 2019, with awards thereafter having graded vesting. For these incentive schemes, LTI vesting depends on performance conditions and targets being met on a cumulative basis over three years. The group does not apply a probability of vesting to the unvested awards and the assumption is 100% vesting up until the final remuneration committee decision, given the current environment and uncertainty in quantifying the probability of vesting.*
7. *During the 2022 financial year, the 2018 LTIs failed based on performance conditions not being met. As such, the first tranche of the Covid-19 instrument vested and was settled in September 2021.*

Non-executive directors' remuneration

	2022			2021		
	Services as directors			Services as directors		
R thousand	FirstRand	Group	Total	FirstRand	Group	Total
Independent non-executive directors						
WR Jardine	7 056	293	7 349	7 060	289	7 349
MS Bomela (resigned at 2020 AGM)	–	–	–	649	–	649
G Gelink	2 621	1 394	4 015	2 630	1 814	4 444
RM Loubser	2 907	1 907	4 814	3 051	2 407	5 458
TS Mashego	1 502	304	1 806	1 403	348	1 751
PD Naidoo (appointed 1 April 2022)	239	–	239	–	–	–
AT Nzimande (resigned at 2020 AGM)	–	–	–	871	–	871
L von Zeuner	2 647	723	3 370	2 655	608	3 263
T Winterboer	1 726	929	2 655	1 758	642	2 400
Z Roscherr	1 738	952	2 690	1 672	886	2 558
SP Sibisi (appointed 1 April 2021)	1 668	86	1 754	196	–	196
Non-executive directors						
JP Burger	2 341	877	3 218	2 287	1 053	3 340
F Knoetze (resigned at 2021 AGM)	761	502	1 263	1 559	823	2 382
Total non-executive directors	25 206	7 967	33 173	25 791	8 870	34 661

An inflationary 3% increase was applied to the 2022 non-executive directors' fees.

An internal and external (PwC) benchmarking exercise against industry peers was performed to inform the inflationary 6% increase for the 2023 non-executive director fees that will be proposed at the annual general meeting.

FirstRand

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