FirstRand

REMUNERATION REPORT

for the year ended 30 June 2024

contents

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All reported data is for the year ended 30 June 2024, unless indicated otherwise.

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Letter from the chairman of the remuneration committee to stakeholders

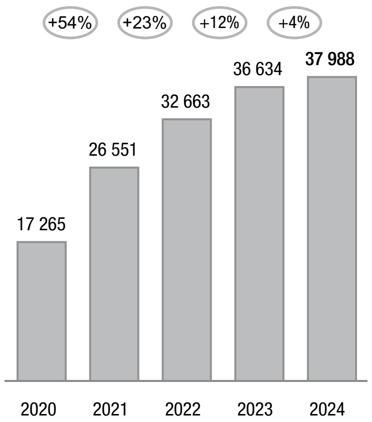
Despite the challenging macroeconomic backdrops in the jurisdictions where the group operates, given the quality of the group's customer-facing franchises, the consistent approach to new business origination and ongoing discipline in the allocation of financial resources, FirstRand delivered a strong operational performance. This was particularly evident in the second six months of the financial year.

Relative to FirstRand's expectations in the first half of the year, the group's portfolio has outperformed. This reflects execution on strategies designed to maximise shareholder value, tightly managed through the group's financial resource management (FRM) process. The material completion of the UK notice of sums in arrears (NOSIA) remediation process also made a meaningful contribution. This performance enabled the group to absorb the impact of a R3.0 billion (£127.4 million) pre-tax accounting provision relating to the previously disclosed ongoing investigation by the UK's Financial Control Authority (FCA) with regards to dealer commissions in the motor finance sector. In addition, approximately R300 million (£12.7 million) of legal and professional fees were incurred in relation to the investigation. The total pre-tax impact of these two items relating to the UK motor commission matter is R3.3 billion (£140.1 million).

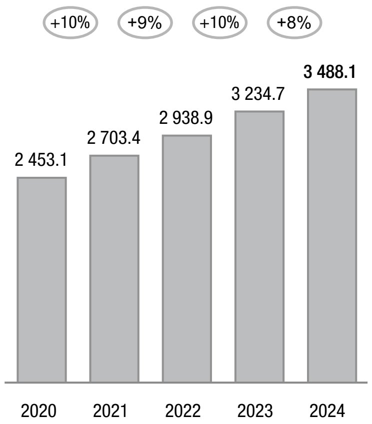
Despite this impact, normalised earnings increased 4%, the group delivered a normalised ROE of 20.1% (which remains well within the group's stated range of 18% to 22%), R10 billion of net income after cost of capital (NIACC) and net asset value (NAV) growth of 8%. The group is pleased to deliver 8% growth in dividend per share, despite absorbing the impact of the UK motor commission matter. The capacity to grow the dividend significantly above normalised earnings is mainly an outcome of the group's strong operational performance, high ROE and ongoing capital generation.

Excluding the impact of the motor commission matter normalised earnings increased 10% and the ROE of 21.3% moved to the top of the group's stated range.

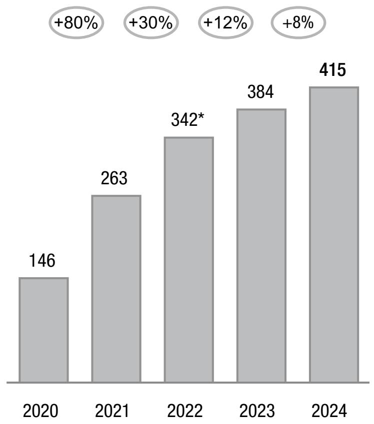
Normalised earnings
(R million)



Normalised net asset value per share
(cents)

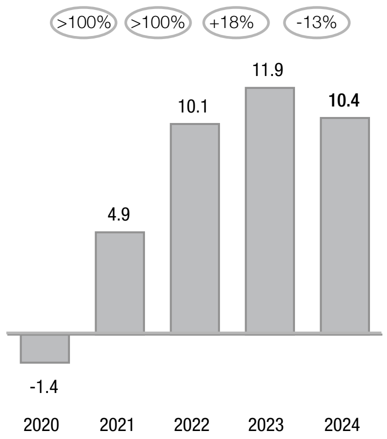


Ordinary dividend per share
(cents)



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

NIACC
(R billion)



Remuneration committee treatment of UK motor commission matter

The remuneration committee (Remco) considered the impact of the UK motor commission matter on the short-term incentive (STI) and long-term incentive (LTI) as follows.

STI bonus pool impact

The bottom-up business units' bonus pools were not affected as the matter was not attributed to them.

FirstRand's performance management framework that informs STI outcomes is anchored to the delivery of NIACC over a six-year business cycle. This focus on NIACC means that variable remuneration can only be determined after the cost of equity in generating earnings has been recovered.

ROE and NIACC targets were both met, including the impact of the UK motor commission matter. As such there is no impact on the current year STI pool. However, to align to the group's long-standing philosophy of management and shareholder alignment, Remco has reduced the level of growth in STIs for group executive directors and several strategic executive committee (Stratco) members by the percentage decrease in STI pool growth attributed to the UK motor commission matter, which is correlated to the NIACC impact for the group.

2021 LTI awards

The 2021 LTI award will vest in September 2024, as the performance conditions measured over the period 1 July 2021 to 30 June 2024 have been met, including the impact of the UK motor commission provision.

The ROE and earnings growth gates were achieved for 100% (on target) vesting of the 2021 LTI awards. In addition, Remco made the decision to exclude the impact of the provision from the graded vesting outcomes for the LTI participants, resulting in a vesting level of 144.6%. However, for executive directors in the role pre-April 2024, the vesting outcome was impacted by the provision, resulting in a lower vesting outcome (123.2%).

The MotoNovo executives who were part of the leadership team during the majority of the period covered by the FCA review are no longer employed by the group, nor do they hold any unvested LTIs.

Remco believes that it could not penalise all participants for an accounting provision given the nuanced and uncertain nature of the event. Other Remco considerations include the fact that:

- the investigation covers historical practices;
- the FCA has announced that the review has been delayed and is now targeting May 2025 for a further update, therefore significant uncertainty remains;
- the group remains of the view that it broke no laws or regulations; and
- the majority of court cases (>70%) have been found in favour of MotoNovo.

Remco is comfortable that alignment with shareholders remains during this period of uncertainty, given:

- STI reduction for executive directors and several Stratco members;
- LTI vesting reduction for executive directors (in the role pre April 2024); and
- the fact that consistent treatment will be followed, i.e. if the provision unwinds, the increase to normalised earnings will be excluded from the STI bonus pool and LTI vesting outcome. Likewise, for the executive directors and Stratco members affected by the provision, Remco will evaluate the potential impact on their remuneration outcomes if this provision is reversed.

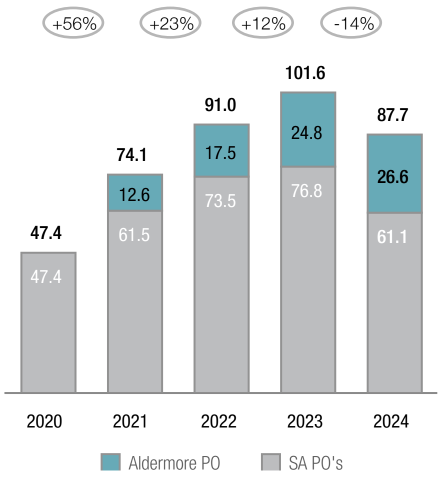
The treatment is appropriate for the known facts, and Remco will review as new details emerge. Whilst the judgement exercised on LTI vesting is technically outside policy, Remco believes this is an appropriate response to ensure the sustainability of the business and therefore is in the best interests of shareholders.

Executive director and prescribed officer STI

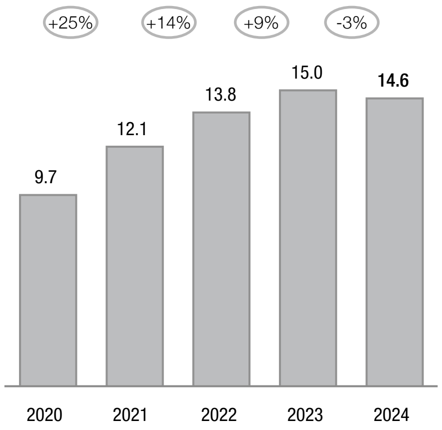
The overall decrease in the South African executive directors' and prescribed officers' STIs is 20%. This is due to a decline in the number of executive directors receiving an STI (i.e. the group chief operating officer role was not replaced), the various role changes in leadership, the STI reduction related to the UK motor commission matter and a risk event at Ashburton. Including the Aldermore CEO's STI, overall executive and prescribed officers' STI decreased by 14%. Whilst the Aldermore CEO's STI reduced 3% in pound terms, the conversion to rand results in a rand increase of 7%.

The executive scorecards are covered on pages 36 to 43, and the remuneration outcomes on pages 44 to 53.

Executive STI
(R million)



CEO STI
(R million)



Changes implemented during the year

During the year, one change was made to the group remuneration policy.

Change in the deferred bonus employee share schemes

The current funding and hedging of the share scheme (total return swap) has been fit for purpose, because alternative solutions did not offer a better economic outcome for shareholders. However, the risk-adjusted funding structure of all deferred incentives is becoming more expensive, with the trend likely to continue. As such, Remco sought an alternative solution.

It approved the implementation of the bonus share ownership plan (BSOP) and the deferred share ownership plan (DSOP) to replace the bonus deferred incentive plan (BCIP) and the deferred incentive plan (DIP), respectively. The new awards were allocated in the 2024 reward cycle (August 2024). The eligibility criteria, quantum, deferral periods and performance conditions for the deferred bonuses are unchanged under the new solution. Only the delivery method has been altered.

The key objectives are to improve shareholder economics and drive greater retention of shares by employees post vestings.

The solution is enabled by a trading platform built by FNB, which allows for unvested schemes to be funded directly and loaded onto a “restricted” share trading account on the JSE. The shares are in the employee’s name, with immediate share ownership, allowing for payment of dividends after the first twelve months.

The shares awarded in the DSOP and BSOP will be purchased in the market on the participant’s behalf, protecting the shareholder from dilution. The group is not affected by possible fluctuations in the share price since the award value is fixed (settled in the equivalent FirstRand shares equal to the award value), with the shares loaded into a restricted share trading account in the participant’s name. As such, these shares are not part of the group’s hedging programme and the only cost to the shareholder is the award value on allocation.

The shares are still only tradeable on vesting.The aim of the ownership plan is to illustrate the value of share ownership through employees' experience of share price growth and annuity value unlock through dividends, thereby encouraging share ownership on vesting as opposed to cashing the shares out. If an employee does not meet the performance and employment conditions of the deferred bonus, the unvested shares will be forfeited and will return to FirstRand.

Shareholder benefit of new scheme:

- Less friction cost of hedging, allows for group resources to fund the structure.
- Lowers funding cost with no additional capital requirements.
- NIACC benefit as funded using cheaper on-balance sheet financial resources (and timing benefit of funding mechanism).

Shareholder engagement

The remuneration policy and implementation reports for the year to June 2023 were tabled at FirstRand’s annual general meeting (AGM) in November 2023 for separate non-binding advisory votes by shareholders. Both votes received support from shareholders, passing remuneration policy and implementation report.

	Remuneration policy	Implementation report
2023*	94.02%	95.92%
2022*	93.09%	93.44%
2021	74.11%	48.75%

* *The results met the 75% threshold set by the JSE Limited Listings Requirements.*

Each year, Remco proactively engages with shareholders. Aligned with this practice, in August 2024, a subcommittee of Remco hosted a virtual roadshow for FirstRand’s largest international and local shareholders to provide insight into Remco’s current year policy change (BSOP and DSOP) and the treatment of the provision relating to the UK motor commission matter in remuneration, in particular growth in STI and LTI vesting grading.

Future focus areas

Remco seeks to ensure that 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 respond to changes in the markets and to align with changing business priorities.
- Ongoing research and evaluation of remuneration best practices to remain competitive with pay practices for various talent populations.
- Compliance with the new Companies Amendment Act requirements on remuneration reporting.
- Ensuring that FirstRand’s pay practices evolve appropriately to promote fair and responsible pay outcomes.
- Encouraging increased share retention by all management levels.

In conclusion

FirstRand employees produced growth and returns for shareholders in a challenging operating environment. This performance aligns to the growth of short-term incentive awards, and the group continues to believe its employees are appropriately rewarded. To this end, Remco believes that the remuneration policy has achieved its stated objectives. Remco will continue to work with stakeholders to ensure that remuneration practices deliver sustainable and appropriate outcomes.

LOUIS VON ZEUNER ~ Chairman

REMUNERATION COMMITTEE

FirstRand's remuneration practices are governed by Remco, which is a subcommittee of the group board of directors.

This committee met four times during the financial year. The company secretary assesses it annually for its skills, independence and efficacy. An independent external service provider assesses it every second year, with an assessment done in the prior year. No concerns were raised during the period's assessment.

Remco draws on several other bodies in the group, including the separate remuneration committees of each segment and subsidiary, which all consider individual awards within prescribed threshold levels. These committees all have non-executive director members who can provide feedback and escalate any issues to Remco. Remco is solely responsible for determining the 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. These may differ from South African requirements and have been explained in the relevant sections of this report.

Remco membership	Attendance
LL von Zeuner (chairman)*	4/4
GG Gelink*	4/4
J Burger*	4/4
RM Loubser**	4/4
WR Jardine#	2/4

* *Independent non-executive director.*
** *Retired in December 2023.*
\# *Resigned in December 2023.*

OVERVIEW OF THE REMUNERATION POLICY

Scope

Remco'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, 1990 (Act No. 94 of 1990);
- the JSE Listing Requirements;
- the Financial Stability Board's Principles for Sound Compensation Practices and its Implementation Standards;
- the Basel Committee on Banking Supervision (BCBS) Pillar 3 disclosure requirements – consolidated and enhanced framework (March 2017) and Directive 1/2018 issued by the Prudential Authority (PA);
- the Companies Act remuneration disclosure requirements;
- the Prudential Authority standards on the governance of insurers; and
- the recommended practices of King IV.

The group's UK operations apply the UK Prudential Regulatory Authority requirements. The broader Africa subsidiaries comply with local legislative and regulatory 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.

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, targeted at the market median for the role.
- **Aligning with shareholders** – Management should not do better than shareholders. The group's key performance measure, net income after cost of capital (NIACC), ensures that employees only receive variable pay after all obligations have been 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).
- **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).
- **Sustainable business** – Management also has a responsibility to other stakeholders: regulators, customers, deposit holders, employees and broader society. In determining remuneration, Remco aims to ensure that the group delivers sustainable long-term growth for the benefit of all stakeholders.
- **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.

Fair and responsible remuneration

The group aims to ensure there is equitable pay amongst 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 in place to 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 annual internal review which identifies and assesses cases of potential income differentials.

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

Fairness

- 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 or prejudice on arbitrary grounds, including race and gender.

Responsibleness

- 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 provides Remco with an independent risk report on material events to be considered in ensuring that actions outside of risk appetite are not rewarded and that incentive pools are appropriately adjusted for risk.
- Variable remuneration is subject to malus and clawback.

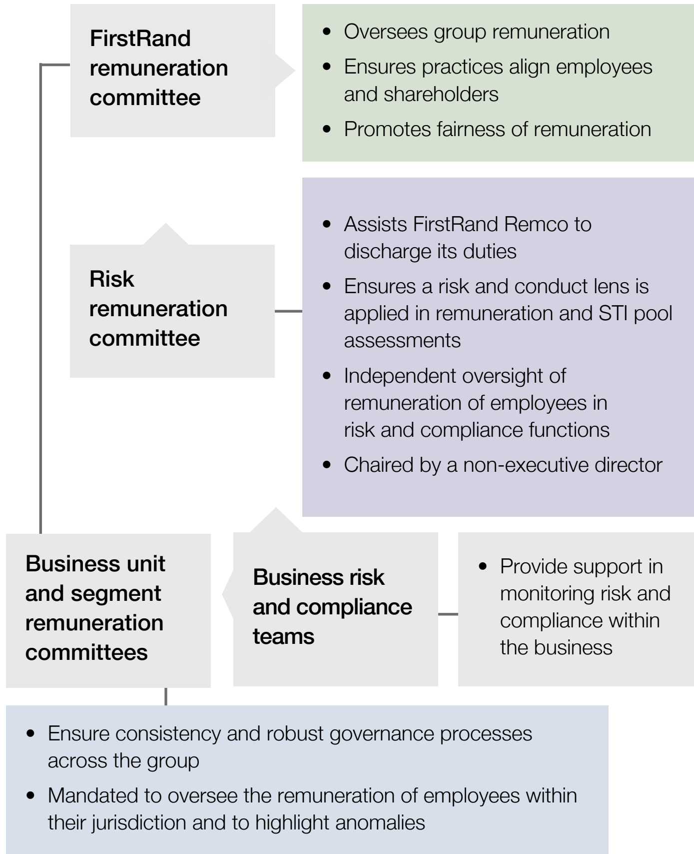
Practices that underpin the group's commitment to fair and responsible remuneration include:

- 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.
- Performing an annual remuneration review of each employee, which considers their performance in their roles as well as market benchmarks as a minimum requirement.
- Annually reviewing and adjusting for internal income differentials, when required.
- Continually monitoring for pay gaps based on race and gender.
- Monitoring the minimum salary bands to ensure employees receive a salary that is competitive in the market and also offers a decent standard of living.

Remuneration governance and risk

FirstRand has adopted the Financial Stability Board Principles and Standards for sound compensation practices, which were introduced to reduce the 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 Remco. It is chaired by a non-executive director. Members include the group executive directors and corporate governance and risk heads. The risk perspective ensures that actions outside of risk appetite are not rewarded and that incentive pools are appropriately adjusted for risk and conduct events. Business unit risk and compliance teams provide input into business unit remuneration committees to ensure parity across business units, and that remuneration outcomes reflect risk events at all levels.



Aligning remuneration to group risk appetite

Risk and compliance interact with the remuneration process at three levels:

1. **Business segment short-term incentive (STI) pools**: The group chief risk officer (CRO), together with the business segment CROs, prepare an independent risk profile document which is submitted to the segment remuneration committees. This ensures each business segment's STI pool is appropriately adjusted for risk and conduct factors.
2. **Executive directors' and prescribed officers' remuneration scorecards**: The group CRO, with input from the segment CROs, the head of Enterprise Risk Management and head of compliance, makes recommendations on the risk and compliance components of the scorecards used by Remco in setting the STIs of the executive directors and prescribed officers.
3. **Remuneration of risk, credit and compliance functions**

   The remuneration of risk and compliance employees is based on the achievement of risk management objectives and conduct outcomes. The following governance process is followed to ensure this:

- Risk, credit and compliance employees' remuneration is reviewed and benchmarked annually.
- The group CRO and group head of compliance provide input into the compensation levels of risk and compliance managers and officers across the group. The risk remuneration committee then provides independent oversight.
- The risk remuneration committee conducts individual remuneration reviews for all risk and compliance employees earning above a set remuneration threshold. This review considers the following in the allocation of individual remuneration awards:
  - the outcome of a comprehensive performance assessment for each risk function (segments and group functions); and
  - material risk and compliance events.

Malus and clawback

Malus and clawback provisions for STIs and long-term incentives (LTIs) align employee behaviour to the delivery of sustainable risk-adjusted performance by ensuring that any serious risk event can lead to consequences for award participants. The deferral of short-term incentives and the use of forward-looking LTI performance and vesting periods extend the malus and clawback periods.

Application

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 vesting.

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.

Benchmarking of remuneration

The group conducts annual external benchmarking to ensure fair and competitive remuneration for all employee levels. *Ad hoc* surveys are also conducted if significant shifts in market practices occur. By using market data points, a pay range for each role is determined, which is anchored to the market median. Employee positioning in the pay range is based on:

- Employee experience and competence
- Scarcity of skill
- Employee performance in the role

Benchmarking of executive directors' and prescribed officers' remuneration

Remco benchmarks the remuneration of executive directors and prescribed officers against those of JSE-listed peers in the banking and financial services sector. Remco uses benchmark information from external service providers and internal analysis for annual salary reviews. This ensures the total remuneration of executive directors and prescribed officers is market-aligned and competitive.

Components of remuneration

To deliver on its remuneration philosophy and principles, FirstRand's remuneration structure consists of:

- **Fixed pay:** A guaranteed package (GP) that is competitive in the market, reflecting the role, skills and experience of the individual employee.
- **Variable pay:**
  - STIs based on group, segment and individual performance.
  - LTIs calibrated to three-year, forward-looking group performance conditions. 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 and deferred STI payments also act as retention mechanisms.

Components of remuneration *continued*

The diagram below illustrates the different components of fixed and variable pay.

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

		Eligibility: AE	Eligibility: MM	Eligibility: SM	Eligibility: E	Not deferred and paid in year	Deferred for six months – one year	Deferred for two years	Deferred/vesting after three years
Guaranteed package	Cash package	✓				Cash package			
Guaranteed package	**Benefits** • Retirement contribution • Medical aid and life/ disability cover contribution	✓				Benefits			
Short-term incentives	**Cash award**	✓				Cash award			
Short-term incentives	**Deferred cash award**	✓					Deferred cash award*		
Short-term incentives	**Deferred bonus award/ Bonus share ownership plan (BSOP)**		✓	✓	✓			Deferred bonus award/BSOP (restricted shares)	
Short-term incentives	**Deferred annual incentive bonus (DIP)/ Deferred share ownership plan(DSOP)****		✓	✓					DIP (share price linked) DSOP (restricted shares)
Long-term incentives	**Rand-based conditional incentive plan:** Share price linked plan based on achieving group performance targets.			✓	✓				Rand-based – conditional incentive plan (share price linked)
Long-term incentives	**Pound-based UK LTI:** Share price linked award			✓	✓				Pound-based – UK LTI

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

* *For deferral thresholds, refer to diagram on page 13.*

** *Inaugural DSOP awards to be made in September 2024.*

Components of remuneration *continued*

GP and benefits	Increases are informed by inflation, benchmarking and/or union negotiations.	
Short-term incentives	**Annual bonus award** The STI pool is based on: • Unionised staff: Based on a percentage of GP and annually reset 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. Individual allocation is based on individual performance.	**Deferred incentive plan and Deferred share ownership plan** The pool growth considers 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 appropriate headcount growth at management level. 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.	

Guaranteed package

The guaranteed package consists of a cash package and benefits. The cash package is 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. 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. All employees are contractually obliged to belong to a medical aid/healthcare plan 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 restricted share awards (Aldermore and the UK share price linked deferral do not qualify for restricted shares). Deferral drives retention, aligns senior employees with shareholders, and is a key consideration in the management of remuneration risk.

Deferral thresholds:

- **Up to R1 million:** Paid in full in August.
- **Above R1 million 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:** A portion is paid in three tranches – in August, December and the following June. The second and third tranches include interest.The remaining portion (50% for executive directors and prescribed officers and 30% for business exco members) is deferred in restricted shares (BSOP), which vest after two years. Restricted shares will qualify for dividends as declared.

		Immediate	Six months	Twelve months	Twenty four months
First R1m		Cash paid immediately			
Next R1m		Cash – tranche 1	Cash – tranche 2	Cash – tranche 3	
Over R2m	50%/ 70%	Cash – tranche 1	Cash – tranche 2	Cash – tranche 3	
	50%/ 30%	Restricted share award vesting in 24 months			

- Interest accrued on deferred cash amounts
- Dividends earned on restricted share portion

Short-term incentives *continued*

Short-term incentive pool determination

1 *FirstRand pool determination*

Financial measures

- **Top-down**: group performance (including earnings and NIACC over the six-year business cycle)
- **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

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Non-financial measures

- diversification and quality of earnings;
- execution on strategic objectives;
- risk and control measures; and
- environmental and social imperatives, organisational culture, transformation, and 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

Top-down overall group pool determination

STI pool determination is anchored to a multi-year budget process, which considers strategy, risk appetite and financial resource allocation. 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), reducing the STI pool accordingly.
- **Qualitative targets**: Remco will adjust STI pools downwards for events related to material risk and conduct. This involves consideration of:
  - The control environment, internal and external audit results, compliance with risk policies and processes, and platform maturity.
  - Employee, client, business and financial markets conduct.
  - Regulatory compliance.

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

Short-term incentives *continued*

Operating business STI pool determined bottom-up

STI pools for the group's various operating businesses are calculated bottom-up against the performance framework, subject to oversight by the office of the financial director. They are thereafter presented to the Remcos of operating businesses, and the group Remco for challenge and approval.

An operating business must qualify to participate in the STI pool (see qualifying criteria below). STI pool calculations use both financial and non-financial performance measures. The sum of all these pools is constrained by the overall group pool increase.

Differentiated STI range

Range: First, 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 considers non-financial qualitative factors 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 per operating business.

These non-financial factors include:

- diversification and quality of earnings;
- execution on strategic objectives;
- risk and control measures; and
- progress against strategic environmental and social governance 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.

Qualifying criteria

For an operating business to qualify for an STI pool, the business must produce earnings and meet 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. If ROE hurdles are not met for any given year, the overall ROE profile over six years is considered to determine if NIACC is cumulatively positive. In this event, the pool will grow at a lower rate 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.

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.

Deferred incentive plan

The deferred incentive plan (DIP) is a deferred bonus designed to drive high performance and ensure retention. Key professional staff who are high performers, with scarce skills, but 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 reward 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 if the individual is no longer employed by the group. Alignment to shareholders is maintained since 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.

From the 2024 reward cycle, the DIP will be replaced by the deferred share ownership plan (DSOP). The 2022 and 2023 in-flight DIP awards will be settled in line with DIP rules when they vest after the deferral period.

Short-term incentives *continued*

Deferred share ownership

The DIP will be replaced by the deferred share ownership plan (DSOP) from September 2024. Whereas the DIP was share price linked, the DSOP will be awarded as a restricted share instrument, with participants qualifying for dividends when they are declared. Alignment to shareholders is maintained since the award comprises FirstRand shares and vests after a three-year deferral period. The DSOP aims to increase employee ownership through experiencing annuity value unlock through dividends and seeing share price growth. Specific allocation guidelines are provided to business to inform awards.

The diagram below sets out the key features of the DSOP awards:

Key element	Policy and design features
Eligibility	• The DSOP aims to drive high performance and ensure retention of key talent with scarce skills. • Executive directors, prescribed officers, UK and Aldermore employees are not eligible for a DSOP award.
Pool determination	The pool for these awards is allocated bottom-up and moderated by considering inflation and strategic headcount growth. The allocation of this pool to the operating businesses is determined by considering: • Increases in packages; and • Strategic headcount growth Awards are made annually, but no one is guaranteed an annual allocation. The allocation to individuals is driven by eligibility criteria which include talent classification, scarcity of skills and performance.
Vesting value	The shares will be restricted until vesting date and cannot be traded or pledged until restrictions are lifted. The vesting value is the value of the shares at the vesting date, less any taxes. The vested shares are transferred to the participant’s unrestricted share portfolio.
Shareholder protection	• Shares awarded in the DSOP will be purchased in the market on the participant’s behalf, protecting the shareholder from dilution. • The group is not affected by possible fluctuations in the share price since the award value is fixed (settled in the equivalent FirstRand shares equal to the award value), with the shares loaded into a restricted share trading account in the participant’s name. As such, these shares are not part of the group’s hedging programme and the only cost to the shareholder is the award value on allocation.
DSOP award vesting period and conditions	The awards will vest three years after award date. Vesting is dependent on the participant remaining in the employ of the group and meeting individual performance requirements.
In-flight awards	Inaugural awards will be made in September 2024.
Dividends	Participants qualify for dividends as and when they are declared during the vesting period. Participants outside South Africa receive a notional dividend.
Settlement at vesting	At vesting, the shares will become unrestricted and the employee can either retain or sell the shares. Participants outside South Africa are settled in cash.
Change in employment before award vests	Refer to termination treatment below.
Provisions for malus and clawback	Malus and clawback will apply in terms of the policy on remuneration risk and governance.

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 exceptional circumstances, entailing considerable outperformance on the scorecard metrics that would result in significant shareholder value creation.

	STI caps
Group CEO	300% of guaranteed package
Group CFO FNB CEO	250% of guaranteed package
RMB CEO	350% of guaranteed package
Aldermore CEO	180% of salary

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

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). The achievement of financial metrics is a first requirement before the 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 STI pool or a reduced STI pool (dependent on extent of targets not met
- In addition, segment pool growth influences STI growth for prescribed officers.

2

Executive directors' and prescribed officers' scorecard assessment and rating

Assessment	Rating implication for STI calculation
Targets missed by significant margin	Does not qualify for STI
Targets missed by small margin	Reduction to flat year-on-year STI change
Targets met or exceeded	Increase in STI compared to prior year considering personal performance, pool growth and STI ranges per rating band

3 Remco judgement to decrease where required

4 Constrained by STI caps

5 STI quantum*

* *For performance key refer to page 40.*

Executive directors' and prescribed officers' STI *continued*

The executive scorecards have three high-level sections, these being financial (weighting 25%), strategic (50% – 55%) and risk and control (20% – 25%). The strategic section of the scorecard is aligned to the group strategic framework. Each section contains several categories of metrics that determine executive directors' and prescribed officers' STIs. Weightings for the various sections are aligned to the relevant executive's portfolio of responsibility and differ for each executive.

No changes were made to the scorecard categories in FY24. A key change made to the FY23 scorecards was that the environmental, social and governance topics were elevated as strategic imperatives, with adjustments made to relative weightings, e.g. climate weighting aligned with other material growth strategies.

Group strategic framework on which the FY24 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 to eligible executives and senior managers (where Remco determines such awards are appropriate), with conditions tied to the compound 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. LTIs are settled in cash or, at the election of the participant, with shares purchased in the open market. Awards granted from 2024 will only be settled in shares that will be purchased in the open market.

Objectives of the LTI awards

- Remco uses LTIs to align employees to appropriate and positive shareholder outcomes of sustainable and high-quality earnings growth, superior returns and the creation of long-term franchise value. These outcomes are enabled through a graded vesting structure where vesting levels are directly linked to performance outcomes. This demonstrates the group's commitment to pay for performance.
- The final value delivered is based on the group's share price, resulting in further alignment between employees and shareholders.
- Deferred vesting supports retention of critically important executives and senior managers.

Governance of the LTI awards

Remco annually approves the:

- principles governing the LTI awards;
- total LTI award pool for the group;
- LTI awards made to executive directors, prescribed officers, senior executives, and material risk takers.
- changes to LTI eligibility policies and scheme rules where required; and
- performance conditions for new awards, after assessment of the business priorities, forecasts and the prevailing and expected macroeconomic environment.

LTI performance conditions

FirstRand's LTI vesting conditions reference the group's performance targets of ROE AND earnings growth over a three-year vesting period. The two metrics drive shareholder value, specifically:

- ROE targets are set with reference to cost of equity. This means the awards drive delivery of NIACC, reflecting economic value added for shareholders.
- Strong earnings growth delivery supports capital generation, NAV accretion and dividend payout.

Three-year vesting period		
Vesting conditions: performance targets		
ROE	**AND**	Earnings growth

← Gate/constraint →

FirstRand applies both these performance targets and does not assign weightings to each target. The "AND" is a constraint to LTI vesting:

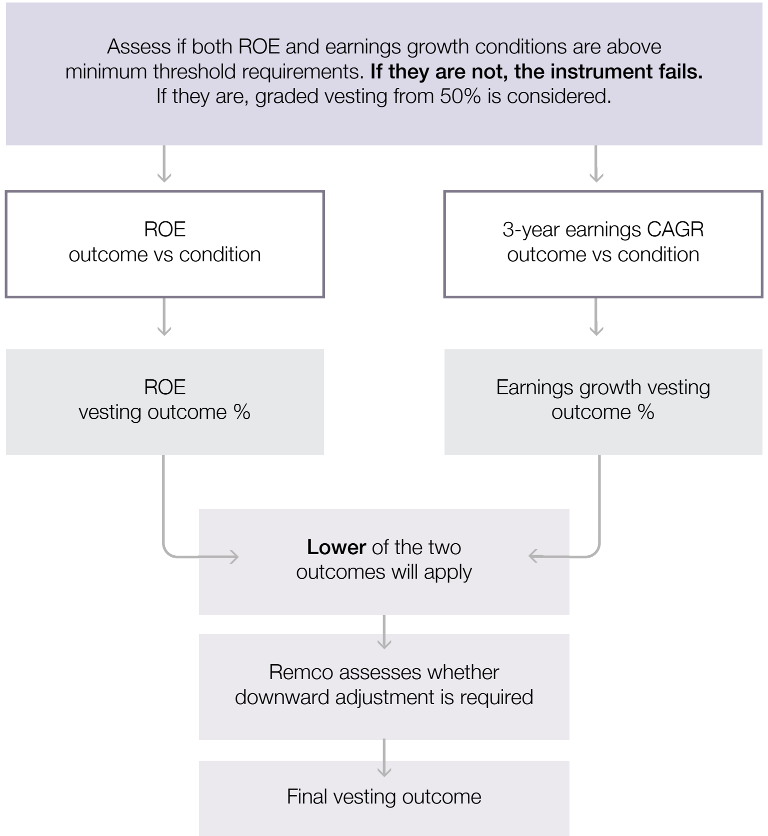
- If the minimum target of either metric is not met, this results in zero vesting;
- If both targets are met, the vesting result will be set at the lower vesting outcome of the two (a further constraint); and
- This requirement is more onerous than that followed by the market and peers where weightings are assigned.

If separate weightings were imposed, it would create separate instruments, potentially driving behaviour where the one condition is favoured at the cost of the other. The AND approach ensures that management does not favour growth at the expense of ROE. This ensures economic value is generated for the shareholder.

Remco can reduce the vesting outcome with a downward adjustment of up to 20% for materially negative outcomes within management control. For example:

- issues that materially damaged the group's franchise, including its reputation;
- material enterprise-wide risk and control issues, as recommended by the risk, capital management and compliance committee (RCCC);
- concerns regarding adherence to the liquidity and capital management strategies in place; and
- lack of progress against the group's climate roadmap over the three-year period.

Mechanics of LTI performance conditions



Remco typically considers the following factors in setting LTI performance conditions:

- The group's ROE projections and the stated long-term through-the-cycle ROE range of 18% to 22%.
- The group's forecast earnings and the group's long-term earnings growth target of South African real GDP plus consumer price index (CPI) plus 0% to 3%, which considers the following:
  - the size of the South African earnings base and balance sheet, and the challenge of growing these materially above system growth given the size of 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.

Remco followed this approach in setting the 2024 LTI award conditions (disclosed in the implementation report on page 30).

Long-term incentives *continued*

The operation of the LTI awards

The table below sets out the key features of the LTIs.

Key element	Policy and design features
Eligibility	LTI's are granted to executives and senior managers, who are in decision-making positions that affect overall group performance and delivery of value to shareholders.
Award allocation	The creation and 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. The allocation to individuals is driven by eligibility criteria which include seniority, talent classification, ability to influence strategy and individual performance. Awards are generally made annually, but no one is guaranteed an annual allocation.
Geographical differences	The LTI plans differ for South Africa, broader Africa and UK employees. • **South Africa and broader Africa employees:** The FirstRand LTI is denominated in South African rands and is linked to the FirstRand share price. • **UK and Aldermore employees**: The LTI is denominated in British pounds and is linked to the FirstRand share price.
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-purchased shares, if so elected by the participant. Therefore, participants are fully exposed to fluctuations in the group's share price over the vesting period. Awards granted from 2024 onwards will be settled only with FirstRand shares purchased in the market. Employees outside of South Africa will be cash settled.
Shareholder protection	FirstRand protects shareholders from dilution as it does not issue new shares to settle awards. When shares are required to settle a participant on vesting, these shares are purchased 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. The hedging strategy is currently under review and going forward, starting with the 2024 LTI awards, may involve purchasing treasury shares to hedge the exposure partially or fully.
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.

Long-term incentives *continued*

Key element	Policy and design features
Performance conditions	The section above provides detail regarding the performance condition requirements. From 2021, 100% of LTI awards is subject to performance conditions as professional staff are no longer eligible for LTI awards, and participate only in the DIP or DSOP. Up to the 2023 issue, Aldermore employees' performance conditions are 20% linked to FirstRand group, in the same way as the FirstRand LTI instrument is, and 80% to Aldermore performance conditions. These are set for each annual award. Awards granted from 2024 onwards will have the same performance conditions as the rest of the group.
Vesting ranges	The vesting of LTI awards is based on a graded vesting structure, where minimum performance conditions are set to achieve each vesting level, namely threshold vesting (50% vesting level), on-target vesting (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. ROE and earnings growth conditions are set for each vesting level, with the earnings growth outcome determining the graded vesting percentage.
Maximum LTI vesting level	Graded vesting includes stretch and super stretch targets for vesting above 100%. 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 2021, September 2022 and September 2023. Awards for 2024 will be made in September 2024.
Changes to performance conditions of in-flight awards	Remco does not: • amend the performance conditions of in-flight awards once issued; • reprice share incentive awards for changes in the share price; or • re-test performance conditions or delay measurement of performance conditions.
Downward adjustment	In circumstances where the performance conditions have been met, Remco can reduce the vesting outcome, with a downward adjustment of up to 20% for materially negative outcomes within management control and for a lack of climate roadmap progress. This allows Remco to ensure that financial targets are not achieved by compromising on risk, compliance and conduct, or climate progress.
Dividends	Dividends or notional 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 market-purchased shares on election. Awards granted from 2024 onwards will be settled with FirstRand shares purchased in the market. Employees outside of South Africa will be cash settled.
Change in employment before award vests	Refer to termination treatment below.
Provisions for malus and clawback	Malus and clawback will apply in terms of the policy on remuneration risk and governance.
Change of control	In the event of a change of control, early or accelerated vesting of awards will not automatically apply. Directors may adjust, replace or convert awards, or take any such action as 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 to the position they would have been in if the change of control had not taken place. The intention is to not prejudice the participant or the acquirer.

Other governance matters

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 awards.

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 forfeit upon 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 be similar to the value, nature and time period attached to the incentive that is being bought out, subject to clawback in the event that the employee leaves. LTI awards are subject to their respective applicable performance conditions. Furthermore, the buy-out is subject to FirstRand leaver forfeiture provisions (refer to termination categories overleaf) 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..

Termination categories for outstanding STI and LTI awards

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 restricted share 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 restricted share 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.
Injury, disability or ill health	The cash and restricted share awards of employees who are terminated due to injury, disability or ill health, in terms of the group's policy continue for the duration of the vesting period and remain subject to the applicable rules.	The LTI awards of employees who are terminated due to injury, disability or ill health, in terms of the group's policy continue for the duration of the performance period and remain subject to the applicable rules and performance conditions.
Death or retrenchment	Vesting for the cash and restricted share awards of employees is accelerated and pro-rated where appropriate in line with scheme 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 in order to determine probability of vesting. Thereafter vesting of the pro-rated awards are accelerated.

Minimum shareholding

The shareholding requirements are set relative to guaranteed pay and are outlined in the table below. The effective date was 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 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*

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

Remco monitors compliance with the policy and publishes annual disclosures in the remuneration implementation report.

Non-executive directors fee principles

- The group chairman's fee covers 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 a reputable survey company.
- General increases applied to employees (executives and senior management) within the organisation.

Shareholder vote on remuneration

The 2024 remuneration policy and implementation report will be tabled for a vote by shareholders at the annual general meeting, in terms of the current King IV non-binding advisory vote regime.

Remco commits to engage with shareholders if either the remuneration policy or the implementation report, or both, are voted against by 25% or more of the votes exercised. If this is the case, Remco will invite dissenting shareholders to engage.

IMPLEMENTATION REPORT

The implementation report provides an account of how the remuneration policy was implemented during the year.

The following topics can be found on the referenced pages:

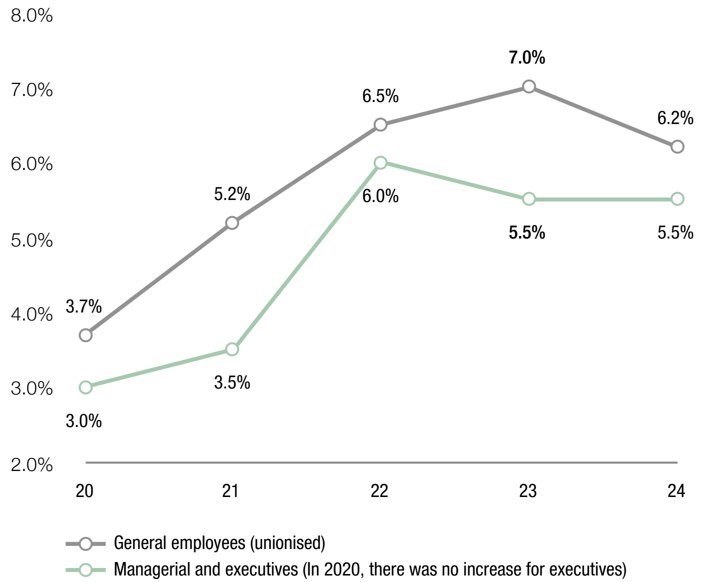
The table below summarises King IV considerations and current year updates:

Element	Current year update
Remuneration policy changes made during the period	The deferred bonus awards and the deferred incentive plan awards for South African participants were changed from share price-linked awards to restricted share awards, with the settlement option changed from cash or shares to shares only.
Adherence to the remuneration policy	Remco is satisfied that the remuneration policy was appropriately implemented during the year. Remco made the decision to exclude the impact of the UK motor commission provision from the graded vesting outcomes for the 2021 LTI participants, resulting in a vesting level of 144.6%. However, for executive directors, in the role pre-April 2024, the vesting outcome was impacted by the provision, resulting in a lower vesting outcome (123.2%)
Downward adjustment	Aligned with the group's approach to risk-adjusted remuneration, Remco reduced the STI awards of the executive directors and several stratco members in respect of the current year impact of the UK motor commission matter. In addition, the STIs of the group CEO, RMB CEO and previous group CFO were also reduced for a risk event at Ashburton.
Termination payments made to executive directors and/or prescribed officers	During the period, no termination payments were made to executive directors or prescribed officers,including those that retired.
Malus and clawback applied to executive directors and/or prescribed officers	No malus or clawback was applied during the period for executive directors or prescribed officers.
Buy-out awards	No buy-out awards were made to executive directors or prescribed officers during the current year. Their roles are not eligible for sign-on awards.
Executive director and prescribed officer benchmarking	During the year, executive directors' and prescribed officers' total remuneration was benchmarked by Bowmans Reward Advisory Services using JSE-listed banking peers, namely Standard Bank, Absa, Nedbank, Capitec and Investec. This informed Remco's review of executive remuneration outcomes. Non-executive director fees were benchmarked by Remchannel.
Guaranteed pay increases from August 2024	Remco approved the following increases in GP, applicable from August 2024: **South Africa:** • Managerial: 5.5% • Non-managerial: 6.2% **Broader Africa** Increases are approved by country remuneration committees, taking into account inflation, market positioning and affordability. **Aldermore** • 4%

The graph below reflects the average GP increases for South African employees over the past four years. The increases for non-managerial employees have remained higher than those for managers and executives. This differentiated approach mitigates the erosion of buying power and reduction of disposable salaries for non-managerial employees in light of inflationary and interest rate pressures.

The group's minimum salaries are intended to provide employees with a decent standard of living. The group distinguishes between the minimum salaries for banking and non-banking roles. The former comprise roles involved in banking operations and the latter roles are not involved in any banking operations, for example, catering staff and drivers.

The new minimum guaranteed package for banking roles is R215 000 per annum with effect from 1 August 2024 and the new minimum for non-banking roles is R185 000 per annum. Both amounts exclude performance-related variable pay, medical aid subsidy and school fee assistance for eligible employees.



Fair and responsible remuneration

As described in the policy overview, the group undertakes annual benchmarking and income differential analysis to ensure equal pay for work of equal value.

The 2024 review identified and addressed cases of unjustifiable income differentials. These were not significant, either individually or in aggregate, and have been adjusted as part of the annual salary review.

Regular reports on the management of horizontal pay gaps are provided to both Remco and the social ethics and transformation committee.

The group is preparing to report on the vertical pay gap in terms of the Companies Amendment Act, 2024, from the date the legislation takes effect. However, beyond legislative compliance, the group acknowledges a social responsibility to ensure that lower earning employees have a decent standard of living. This is achieved through offering fixed pay packages competitive with the market, opportunities to participate in variable pay schemes, subsidies for medical aid, assistance with children's school expenses, and preferential rates on financial services products.

For the 2024 school cycle the staff assistance trust supported 5 780 employees with their children's school expenses (tuition fees and stationery), to the value of R48.7 million. This represents a fulfilment rate of 92% of total staff applications. The qualifying income threshold, below which employees are eligible for this benefit was an annual salary of R350 000.

Eligible employees are provided a medical aid subsidy of up to R76 176 per annum per employee. In 2023, the group supported employees with subsidies totalling R5.01 million.

Unionised employees

In South Africa, FirstRand is party to a collective bargaining agreement that covers most employees. The agreement ensures that employees are paid 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. Should any employee with acceptable performance levels earn a salary below the minimum for their role or band, their salary is 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.

Outcome-based remuneration programmes

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

In South Africa, the group has in place 22 outcomes-based remuneration (OBR) schemes affecting approximately 4 550 employees. These schemes provide employees with the opportunity to earn variable pay for performance. They have significantly assisted the group in narrowing internal pay gaps.

Variable pay expenditure

The following table details the total cost to the business for both STI and share price linked incentive expenses for the years ended June 2023 and 2024.

The STI expense growth of 7% is below the growth in normalised earnings of 10% (adjusted for the UK motor commission matter impact). Remco considers the earnings growth as well as the group's NIACC delivery over the business cycle. Share price linked incentive payments decreased slightly year-on-year, impacted by the following factors:

- Base effects in prior year due to the vesting of the third tranche of the Covid 19 award and the graded vesting of 120% described below.
- **Graded vesting at 120% for LTI awards issued in 2020 and vested in September 2023**: In 2019, the group introduced graded vesting to its LTI awards. In the graded vesting structure, minimum performance conditions are set to achieve each vesting level from threshold vesting up to a range of stretch targets. Despite the compound annual growth in earnings achieved to June 2023 meeting the super stretch vesting target (at 150%), this was constrained by the ROE target only meeting the stretch target (120%). This vesting was constrained to the lower outcome.

R million	**2024**	2023	% change
STI	**6 161**	5 772	7%
Share price linked incentive payments	**2 550**	2 568	(1%)
Variable staff expenditure	**8 711**	8 340	4%

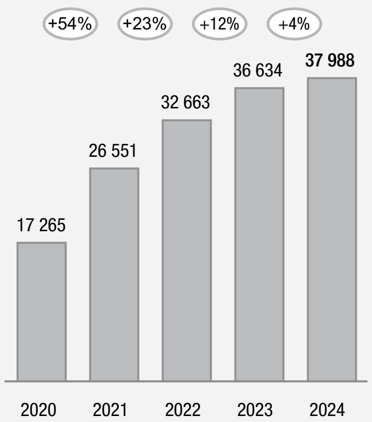
Current year STI pool considerations

FirstRand's performance management framework is anchored to NIACC and is viewed over a six-year business cycle. This focus on NIACC recognises that variable remuneration can only be determined after the cost of equity in generating earnings has been recovered.

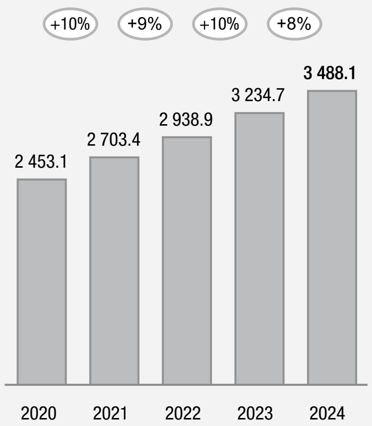
The 2024 STI pool increased 7% compared to the prior year. This outcome was driven by the following results:

- Normalised earnings increased by 4%. However, after adjusting for the UK motor commission matter, earnings increased by 10%.
- Positive NIACC of R10.4 billion in the current year and, after adjusting for the UK motor commission matter, R12.6 billion compared to R11.9 billion in the prior year.
- An ROE of 20.1%, and after adjusting for the UK motor commission matter, an improvement in ROE from 21.1% to 21.3%.

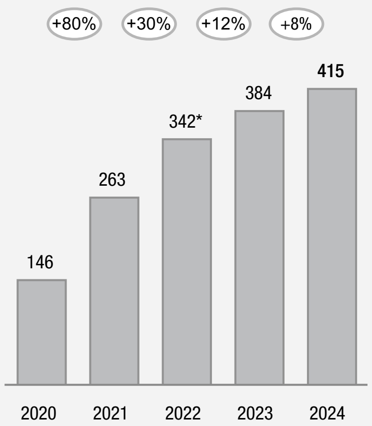
Normalised earnings
(R million)



Normalised net asset value per share
(cents)

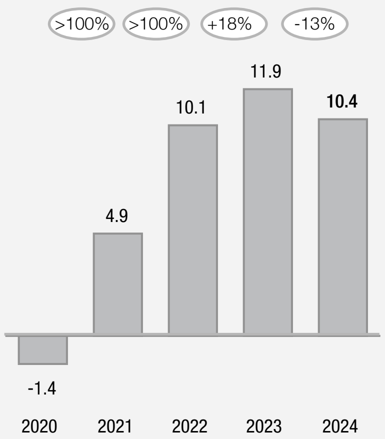


Ordinary dividend per share
(cents)



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

NIACC
(R billion)



Long-term incentives

Only executives and senior managers receive LTIs.

In-flight LTI awards

There are currently three open LTI awards, namely the 2022, 2023 and 2024 awards (to be issued in September 2024).

LTI awards to be issued

2024 LTI awards

Context for 2024 LTI performance conditions and vesting thresholds:

- The ROE requirement is directly linked to the group's through-the-cycle ROE target range of 18% to 22%. The award will fail with zero vesting if the average ROE over the three-year period is below 19.5% (4.85% above the group's current cost of equity). For 100% vesting, the ROE should be 20.5% or above.
- This, combined with earnings growth for 100% on-target vesting in a range of South African real GDP plus CPI plus 2.5% to 4% is at the upper end and above the group's long-term earnings growth target range of real GDP plus CPI plus 0% to 3%. Vesting above 100% only commences once the business delivers compound earnings growth above real GDP plus CPI plus 4%, together with an average ROE above 20.5%.

The table sets out the performance conditions and relevant vesting levels for the 2024 award, measured over the period 1 July 2024 to 30 June 2027. The normalised earnings per share at 30 June 2024 of 720.3 cents, as adjusted for the UK motor commission provision and fees will be referenced as the base year value in the CAGR calculation.

Where the performance conditions set for the threshold level have not been met, the award will lapse with zero vesting.

2024 awards: performance metrics

3-year average ROE	**Vesting level**					
		Threshold*	**On target**		**Stretch**	**Super stretch**
	0%	50%	100%	100.1%-119.9%	120%	150%
ROE – minimum requirement**	Zero vesting for ROE below 19.5%, regardless of earnings growth delivery.	≥19.5%	≥20.5%	>20.5%	≥21.5%	≥21.5%
AND#						
3-year earnings CAGR	**Vesting level**					
	0%	50%	100%	100.1%-119.9%	120%	150%
Normalised earnings per share growth requirement (3-year CAGR)†	Real GDP plus CPI plus <1.5%	Real GDP plus CPI plus 1.5%	Real GDP plus CPI plus 2.5% to 4%	Real GDP plus CPI plus >4% to <6%	Real GDP plus CPI plus 6%	Real GDP plus CPI plus 9%
Growth requirement on current outlook of real GDP plus CPI‡	Zero vesting for earnings growth delivery below real GDP plus CPI plus 1.5%, regardless of ROE delivery (i.e. <7.7%)	7.7%	8.7% to 10.2%	>10.2% to <12.2%	12.2%	15.2%
		Linear grading between each growth anchor from 50% threshold to 150% maximum vesting				

* *Below threshold zero vesting will apply.*

** *ROE is measured as the average over the three-year 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 (including the foreign currency translation reserve).*

After measuring the ROE outcome and growth outcome separately, the lower of either will become the vesting level. Both conditions must be met for vesting at any level to occur. Thereafter, Remco will assess if any downwards adjustment is necessary for the factors listed on page 19.

† *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 6.2%.*

LTI awards to vest

2021 LTI awards

The 2021 LTI awards will vest in September 2024. Context for 2021 LTI performance conditions and vesting thresholds:

- Remco decreased threshold vesting from 70% to 50% to achieve closer alignment with South African market practice.
- At the time of setting the 2021 award conditions, Remco considered it appropriate for the threshold vesting ROE condition to be below the target ROE range of 18% to 22%. It is still well above the group's cost of equity and this period was still part of the post-pandemic recovery phase.
- Combined with earnings growth ahead of the economy, the conditions were set to contribute to shareholder value creation (i.e. positive NIACC). For on-target vesting of 100%, the conditions were more demanding, with earnings growth significantly above that of the economy and ROE within the group's target range of 18% to 22%.
- As both conditions must be met, either could constrain the vesting level.

The table sets out the performance conditions and relevant vesting levels for the 2021 award, measured over the period 1 July 2021 to 30 June 2024.

2021 awards: performance metrics

ROE	Vesting level				
		Threshold*	On target	Stretch	Super stretch
	0%	50%	100%	120%	150%
ROE – minimum requirement**	Zero vesting for ROE below 17%, regardless of earnings growth delivery	≥17%	≥18%	≥20%	≥20%
AND#					
3-year earnings CAGR	**Vesting level**				
	0%	50%	100%	120%	150%
Normalised earnings per share growth requirement (3-year CAGR)†	Real GDP plus CPI <1%	Real GDP plus CPI plus 1%	Real GDP plus CPI plus 3%	Real GDP plus CPI plus 5%	Real GDP plus CPI plus 8%
Growth requirement based on real GDP plus CPI for the period‡	Zero vesting for earnings growth delivery below real GDP plus CPI plus 1%, regardless of ROE delivery (i.e. <8.4%)	8.4%	10.4%	12.4%	15.4%
		Linear grading between each growth anchor from 50% threshold to 150% maximum vesting			

* *Below threshold zero vesting will apply.*

** *ROE is measured 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.*

After measuring the ROE outcome and growth outcome separately, the lower of either will become the vesting level. Both conditions must be met for vesting to occur at any level. Thereafter, Remco will assess if a downward adjustment is necessary for the factors listed on page 19.

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

‡ *The CAGRs in the tables reflect real GDP plus CPI which amount to 7.4% for the three-year period.*

Vesting outcome

The ROE and earnings growth conditions were met for 100% vesting of the 2021 LTI, even when including the UK motor commission provision. As explained in the chairman's letter, Remco excluded the UK motor commission provision from the calculation of the graded vesting level for all participants other than the executive directors (in the role pre-April 2024). The outcomes were as follows (excluding the UK motor commission provision):

- The ROE at 30 June 2024 was delivered at the upper end of the group's target ROE range, at 21.2%. The ROE outcome was delivered at the 150% vesting level and therefore the lower vesting outcome relating to the compound growth in normalised earnings per share determined the final vesting level. Normalised earnings per share at 30 June 2024 was 716.4 cents, and delivered a three-year compound annual growth rate of 14.8%. This growth was 7.4% above real GDP plus CPI measured over the three-year period.
- The combination of the ROE at 21.2% and the strong earnings growth performance resulted in the vesting level of 144.6%, as the group delivered on its outperformance targets.

For the executive directors (in the role pre-April 2024), the vesting outcome is 123.2%.

After considering the non-financial measures, as disclosed on page 19, Remco concluded that no downward adjustment of the vesting outcome was necessary.

In-flight awards

2022 LTI awards

Context for 2022 LTI performance conditions and vesting thresholds:

- The ROE requirement is directly linked to the group's through-the-cycle ROE target range of 18% to 22% (if the group achieves an average ROE above this range, the vesting level could be above 120%, if earnings growth is delivered above the 120% vesting level requirement).
- This, combined with earnings growth linked to the group's long-term earnings growth target range of South African real GDP plus CPI plus 0% to 3%, will contribute to strong cumulative NIACC delivery.

The table 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.

2022 awards: performance metrics

3-year average ROE	**Vesting level**				
		Threshold*	**On target**	**Stretch**	**Super stretch**
	0%	50%	100%	120%	150%
ROE – minimum requirement**	Zero vesting for ROE below 19%, regardless of earnings growth delivery	≥19%	≥20.5%	≥22%	≥22%
AND[#]					
3-year earnings CAGR	**Vesting level**				
	0%	50%	100%	120%	150%
Normalised earnings per share growth requirement (3-year CAGR)[†]	Real GDP plus CPI plus <1.5%	Real GDP plus CPI plus 1.5%	Real GDP plus CPI plus 2.5%	Real GDP plus CPI plus 5%	Real GDP plus CPI plus 9%
Growth requirement on current outlook of real GDP plus CPI[‡]	Zero vesting for earnings growth delivery below real GDP plus CPI plus 1.5%, regardless of ROE delivery (i.e. <8.4%)	8.4%	9.4%	11.9%	15.9%
		Linear grading between each growth anchor from 50% threshold to 150% maximum vesting			

* *Below threshold zero vesting will apply.*

** *ROE is measured as the average over the three-year 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.*

After measuring the ROE outcome and growth outcome separately, the lower of either will become the vesting level. Both conditions must be met for vesting at any level to occur. Thereafter, Remco will assess if any downward adjustment is necessary for the factors listed on page 19.

† *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 6.9%.*

In-flight awards *continued*

2023 LTI awards

Context for 2023 LTI performance conditions and vesting thresholds:

- The ROE requirement is directly linked to the upper end of the group's through-the-cycle ROE target range of 18% to 22%. The award will fail with zero vesting if the average ROE over the three-year period is below 20%, the midpoint of the group's target range.
- This, combined with earnings growth for 100% vesting at South African real GDP plus CPI plus 4%, is above the group's long-term earnings growth target range of real GDP plus CPI plus 0% to 3%.

The table below sets out the performance conditions and relevant vesting levels for the 2023 award, measured over the period 1 July 2023 to 30 June 2026.

Where the performance conditions set for the threshold level have not been met, the award will lapse with zero vesting.

2023 awards: performance metrics

3-year average ROE	**Vesting level**				
		Threshold*	**On target**	**Stretch**	**Super stretch**
	0%	50%	100%	120%	150%
ROE – minimum requirement**	Zero vesting for ROE below 20%, regardless of earnings growth delivery.	≥20%	≥21%	≥22%	≥22%
AND#					
3-year earnings CAGR	**Vesting level**				
	0%	50%	100%	120%	150%
Normalised earnings per share growth requirement (3-year CAGR)†	Zero vesting for earnings growth delivery below real GDP plus CPI, regardless of ROE delivery (<6.0%)	Real GDP plus CPI	Real GDP plus CPI plus **4%**	Real GDP plus CPI plus **6.5%**	Real GDP plus CPI plus **10.5%**
Growth requirement on current outlook of real GDP plus CPI‡		6.0%	10.0%	12.5%	16.5%
		Linear grading between each growth anchor from 50% threshold to 150% maximum vesting			

* *Below threshold zero vesting will apply.*

** *ROE is measured as the average over the three-year 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 (including the foreign currency translation reserve).*

\# *After measuring the ROE outcome and growth outcome separately, the lower of either will become the vesting level. Both conditions must be met for vesting at any level to occur. Thereafter, Remco will assess if any downwards adjustment is necessary for the factors listed on page 19.*

† *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 6.0%.*

Covid-19 award

As a result of the Covid-19 crisis and its economic impact, three years of LTIs (2017, 2018 and 2019) did not vest. The failed LTIs affected more than 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 and presented a 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. Although the value was struck with reference to two years' vesting, the settlement was extended over three years to enhance the retention objective of the instrument. There is no additional cost to shareholders, as the instrument is funded by the failed awards and the share price exposure is hedged.

The third and final tranche of the Covid-19 award vested in September 2023 with the instrument having successfully retained upwards of 85% of recipients over its three-year vesting period.

Employees who leave the group within 12 months of a particular tranche vesting must repay the full value of the vested tranche. Under this condition, the clawback period lapses in September 2024.

Remco included performance conditions for executive directors and prescribed officers for all three tranches of the instrument, including both financial and risk elements. All performance conditions were met in June 2024.

For further detail on the instrument, refer to the 2023 remuneration report page 38-39.

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 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 directors' and prescribed officers' remuneration

Executive directors' and prescribed officers' remuneration *continued*

Executives scorecard outcomes

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: **FY24 budgeted normalised earnings/PBT.** *(Based on group normalised earnings for EDs and weighted between own operating business/segment normalised PBT and group normalised earnings for POs.)*
	ROE		Long-term ROE target range: **18% to 22%** Short-term target: **FY24 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 total and primary-banked clients at RMB.**
		More to customers	• **Increase in cross-sell** measured through VSI for FNB and the increase in clients banked across markets, corporate transactional banking and investment banking for RMB. • Growth in core lending advances and the deposit franchise. Target: **FY24 budgeted core lending advances and deposits.**
		More efficiently	Target: **FY24 budgeted operating expenses.**
	Broaden financial services offering		**Insurance KPIs (FNB):** Growth in **EV, VNB, lives covered, in-force APE, APE sold, number of short-term insurance policies, PBT and penetration of FNB customer base** (for life and short-term insurance) relative to FY24 budget. RMB's insurance rating is based on a qualitative assessment of progress. **Investment management KPIs (FNB)**: growth in **AUM, net inflows, trade values, account base and PBT relative to FY24 budget. RMB KPIs** include growth in **AUM and PBT relative to FY24 budget,** and **investment performance** (relative to benchmarks).
	Build competitive advantage and scale broader Africa portfolio to deliver economic profit and dividends		• Growth in **normalised PBT/earnings, ROE, NIACC, customers, cross-sell, core lending advances, deposit franchise and operating expenses relative to FY24 budget.** • Other KPIs include **diversification, progress on digitisation and platform journey,** and **adherence to FRM guidelines.**
	Modernise, digitise and scale to a more valuable UK business that delivers economic profit and dividends		• **Aldermore group KPIs** include delivery of the financial plan (PBT, ROE, NIACC, costs), risk and control (CET1, ILAAP ratio limit, credit risk stress loss limit, earnings volatility, risk culture), people (employee engagement, attrition), implementation of technology strategy, customer (implementation of Consumer Duty) and delivery on sustainability plan. • FirstRand's **ROI KPI** – compare CAGR since investment to opportunity cost of investing capital at 3-month Jibar over the period.

List of abbreviations used in the table:

VSI:	Vertical sales index
EV:	Embedded value
VNB:	Value of new business
APE:	Annual premium equivalent
PBT:	Profit before tax
AUM:	Assets under management
CAGR:	Compound annual growth rate
Jibar:	Johannesburg Interbank Average Rate

Executive directors' and prescribed officers' remuneration *continued*

Category	Section	KPIs
Strategic	Shared prosperity – delivery against purpose	• Meaningful **progress against phased approach to deliver shared prosperity (purpose).** • Deep understanding of shared prosperity and associated drivers. • All large business units and enablers move into Phase 3. • Broader Africa onboarded, with clear understanding of shared prosperity benefits by boards and senior leadership. • Establishment of shared prosperity focused business areas and clear articulation of strategy to maximise positive impacts and minimise negative impacts.
	Enabled by digital platforms	• Key platform capabilities modernisation/build-out prioritised, sufficient resources allocated and oversight over progress effectively managed. • Appropriate balance between client-facing and product solutions capability renewal to ensure overall platform progress. • Effective oversight in place to ensure enterprise capabilities are designed and built to support all segments/franchises/countries and tactical solutions accommodated to ensure balance between time to modernise enterprise platforms and business needs in specific segments/countries/operating businesses. • Clear guidance provided on how segments/operating businesses must consume enterprise platform capabilities to ensure support of business strategies.
	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. • Ensure that 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.**
	Climate	• Progress against climate roadmap. • Active screening of climate-sensitive transactions. • 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. • Business unit strategies articulated and product developed for client set.
	Human capital	• Deep understanding of organisational culture and health, and associated drivers. Conduct employee experience surveys to assess employee engagement and identify areas for improvement. • Strong leadership and focus on the FirstRand Promises, people matters in the business and a focus on providing leadership and resources to employees in such a way that they can perform optimally. • Ongoing commitment to talent management and succession planning. Ensure appropriate succession for critical roles. Appropriate processes in place to identify and develop a diverse pool of candidates. Effective retention strategies for top talent. Evidence of growing talent internally. • Create a culture of high performance and a good talent experience.

Executive directors' and prescribed officers' remuneration *continued*

<table>
<tr><th>Category</th><th>Section</th><th>KPIs</th></tr>
<tr><td rowspan="3">Strategic</td><td>Transformation</td><td>• Measure progress on improvement in diversity at senior and top management level, taking consideration of the group's EE plans and targets.
• B-BBEE scorecard (preferential procurement, empowerment financing, skills development, consumer education, access to financial services, etc.)</td></tr>
<tr><td>Stakeholder management</td><td>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 complaints and client satisfaction surveys.</td></tr>
<tr><td>Social investing (CSI)</td><td>• 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.
• Effective operating model for social investing activities working with trustees of the different foundations.</td></tr>
<tr><td rowspan="6">Risk and control</td><td>Good corporate governance</td><td rowspan="6">• 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. Also reflected in scoring by ESG rating agencies from a governance perspective.
• Control environment rating considers the year-on-year trend in number of "significant improvement required" and "unacceptable" audit findings as well as significant group compliance concerns raised at group risk committee meetings.
• The market and business conduct rating considers the effectiveness of risk identification mechanisms, levels of conduct outcomes and success of conduct initiatives, as well as trends in customer complaints statistics (absolute and relative to peers), conflict of interest management, product suitability, feedback from regulators, effectiveness of AML/customer desirability management, training statistics, etc.
• The risk appetite and volatilty rating assesses whether the risk appetite framework is effectively embedded across the business (i.e. clearly articulated segment-level risk appetite frameworks actively applied in budget process) and whether group is operating within earnings volatility tolerances (absolute and relative to industry).
• Rating for credit losses/impairments considers performance relative to the articulated credit strategy, the effectiveness of the various credit oversight structures, whether origination remains within prudential risk appetite measures and that the impairment charge is within the group's earnings volatility range. It also assesses performance relative to the peer group, with strong coverage levels (taking different accounting practices into consideration).
• Operational, market and investment risks rating considers actual net operating losses against operational risk appetite limits, the effectiveness of the management of cyber security and resilience, including staff training, management of project and change risk, as well as that market risk and investment risk exposures remain within applicable risk appetite limits/thresholds.</td></tr>
<tr><td>Control environment</td></tr>
<tr><td>Market and business conduct</td></tr>
<tr><td>Risk appetite and volatility</td></tr>
<tr><td>Credit losses/impairments</td></tr>
<tr><td>Operational, market and investment risks</td></tr>
</table>

Executive directors' and prescribed officers' remuneration *continued*

Aldermore prescribed officer

In the UK, Aldermore is subject to the CRD V banking regulation. Aldermore follows UK market practice, where a balanced scorecard determines an STI pool called the annual incentive plan (AIP), which is subject to company performance and then individual performance to determine incentive awards as a percentage of salary.

Section	KPI
Financial (60%)	Delivery of the strategy and financial plan (PBT and NIACC)
Risk (20%)	Risk appetite
	Highest standards of risk management practices and behaviours
Non-financial (20%)	Employee engagement and attrition
	Consumer duty, technology strategy and ESG

Executive directors' and prescribed officers' remuneration *continued*

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 page 29); and
- individual performance scorecards, considering overall and category performance ratings and the STI ranges per rating band.

Overall rating classifications for executive directors and prescribed officers:

Overall rating	Rating classification	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	>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 44 to 53.

Individual performance reviews for the year ended 30 June 2024

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.

Ratings have been attributed to the different roles, with a weighted rating applied to individuals who experienced a role change within the year.

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

Executive director or prescribed officer	2024 STI as % of GP	STI cap as % of GP
Mary Vilakazi (group COO from 1 July 2023 to 31 March 2024; group CEO from 1 April 2024 to 30 June 2024)	155%	300%
Markos Davias (FNB CFO from 1 July 2023 to 31 March 2024; group CFO from 1 April 2024 to 30 June 2024)	164%	250%
Harry Kellan (group CFO from 1 July 2023 to 31 March 2024; FNB CEO from 1 April 2024 to 30 June 2024)	156%	250%
Emrie Brown (RMB CEO)	245%	350%
Steven Cooper (Aldermore CEO)	97%	180%*

* *The Aldermore STI cap is a percentage of salary excluding allowances. Given CRD V regulation with extended deferrals, Steven's remuneration mix was revised in 2022, with the STI maximum increasing from 125% to 180% and LTI maximum decreasing from 135% to 67.5% of salary.*

FY24 executive director scorecards

			CEO: FIRSTRAND *Alan Pullinger (1 July 2023 to 31 March 2024)* *Mary Vilakazi (1 April 2024 to 30 June 2024)*					COO: FIRSTRAND *Mary Vilakazi (1 July 2023 to 31 March 2024)*					CFO: FIRSTRAND *Harry Kellan (1 July 2023 to 31 March 2024)* *Markos Davias (1 April 2024 to 30 June 2024)*				
			Category weight	**Measure weight**	**Effective weighting**	**Overall category score**	**KPI score**	**Category weight**	**Measure weight**	**Effective weighting**	**Overall category score**	**KPI score**	**Category weight**	**Measure weight**	**Effective weighting**	**Overall category score**	**KPI score**
Financial	**Category**	**Measure**		**100%**	**25%**				**100%**	**25%**				**100%**	**25%**		
	FirstRand group earnings and returns	Normalised earnings	25%	50%	12.5%	3.2	3.5	25%	50%	12.5%	3.2	3.5	25%	50%	12.5%	3.2	3.5
		ROE		50%	12.5%		2.8		50%	12.5%		2.8		50%	12.5%		2.8
Strategic	**Category**	**Measure**		**100%**	**55%**				**100.0%**	**50%**				**100.0%**	**50%**		
	Grow business at macro+ (more customers, more to customers, all done more efficiently)	Customer growth	55%	10%	5.5%	3.8	4.0	50%	7.5%	3.75%	3.8	4.0	50%	10.0%	5.0%	3.8	4.0
		Cross-sell, deposit franchise growth, core lending advances growth from targeted origination strategies in line with risk appetite		10%	5.5%		3.5		7.5%	3.75%		3.5		10.0%	5.0%		3.5
		Cost management, optimisation		10%	5.5%		4.0		7.5%	3.75%		4.0		10.0%	5.0%		4.0
	Broaden financial services offering	Growth in insurance and asset management businesses		5%	2.75%		3.3		12.5%	6.25%		3.3		5%	2.5%		3.3
	Build competitive advantage and scale broader Africa portfolio to deliver economic profit and dividends	Manage overall broader Africa portfolio to sustainable NIACC positive position; growth in PBT, ROE, customers, advances, deposits, cost management		10%	5.5%		4.4		12.5%	6.25%		4.4		10%	5.0%		4.4
	Modernise, digitise and scale to a more valuable UK business that delivers economic profit and dividends	Financial performance (normalised earnings growth and ROE), ROI		10%	5.5%		3.1		5%	2.5%		3.1		12.5%	6.25%		3.1
	Enabled by digital platforms	Progress on platform deliverables (modernisation/build-out, enterprise capabilities)		5%	2.75%		3.5		5%	2.5%		3.5		5%	2.5%		3.5
	Shared prosperity – delivery against purpose	Adherence to shared value principles, progress on implementation		5%	2.75%		4.0		7.0%	3.5%		4.0		5%	2.5%		4.0
	Disciplined management of financial resources	Adherence to FRM guidelines, optimisation, prudential compliance, enablement of strategies		12.5%	6.88%		3.8		12.5%	6.25%		3.8		12.5%	6.25%		3.8
	Climate	Active screening of transactions, client engagement, product development, incorporation in credit underwriting/models		10%	5.5%		4.1		10%	5.0%		4.1		10.0%	5.0%		4.1
	Human capital	Organisational culture, talent management and succession planning		5%	2.75%		3.5		2.5%	1.25%		3.5		2.5%	1.25%		3.5
	Transformation	Employment equity, B-BBEE scorecard		5%	2.75%		3.8		5.0%	2.5%		3.8		5.0%	2.5%		3.8
	Stakeholder management	Health of key relationships (customers, investors, regulators)		2.5%	1.37%		4.3		2.5%	1.25%		4.3		2.5%	1.25%		4.3
	Social investing (CSI)	Effectively leveraging group resources; alignment of corporate foundation with group purpose.		0%	0%		n/a		3%	1.5%		3.5		0%	0%		n/a
Risk and control	**Category**			**100%**	**20%**				**100%**	**25%**				**100%**	**25%**		
	Control environment		20%	20%	4.0%	3.7	3.6	25%	20%	5.0%	3.7	3.6	25%	20%	5.0%	3.8	3.6
	Market and business conduct			20%	4.0%		3.5		20%	5.0%		3.5		15%	3.75%		3.5
	Risk appetite and volatility			15%	3.0%		4.0		15%	3.75%		4.0		17.5%	4.4%		4.0
	Credit loss/impairments			20%	4.0%		4.2		20%	5.0%		4.2		22.5%	5.6%		4.2
	Operational, market and investment risks			20%	4.0%		3.4		20%	5.0%		3.4		20%	5.0%		3.4
	Corporate governance			5%	1.0%		3.8		5%	1.25%		3.8		5%	1.25%		3.8
Total score/rating for executive director			**100%**				**3.6**	**100%**				**3.6**	**100%**				**3.6**

FY24 prescribed officer scorecard (CEO: R&C/FNB)

FNB/R&C PRESCRIBED OFFICER
Jacques Celliers (1 July 2023 to 31 March 2024))
Harry Kellan (1 April 2024 to 30 Jun 2024)

			Category weight	Measure weight	Effective weighting	Overall category score	KPI score
Financial	**Category**	**Measure**		**100%**	**25%**		
	Earnings and returns	**GROUP PERFORMANCE:**	25%	**20%**	**5%**	2.6	
		Normalised earnings		10%	2.5%		3.5
		ROE		10%	2.5%		2.8
		OPERATING BUSINESS:		**80%**	**20%**		
		Normalised PBT		40%	10%		3.0
		ROE		40%	10%		2.0
Strategic	**Category**	**Measure**		**100%**	**50%**		
	Grow business at macro+ (more customers, more to customers, all done more efficiently)	Growth in active customers	50%	10%	5.0%	3.9	4.0
		Cross-sell, deposit franchise growth, advances growth from targeted origination strategies in line with risk appetite		10%	5.0%		3.6
		Cost management, optimisation		12%	6.0%		4.5
	Broaden financial services offering	Growth in insurance and asset management business		10%	5.0%		3.3
	Build competitive advantage and scale broader Africa portfolio to deliver economic profit and dividends	Manage overall broader Africa portfolio to sustainable NIACC positive position; growth in PBT, ROE, customers, advances, deposits, cost management		10%	5.0%		4.5
	Shared prosperity – delivery against purpose	Adherence to shared value principles, progress on implementation		5%	2.5%		4.0
	Enabled by digital platforms	Progress on platform deliverables (modernisation/build-out, enterprise capabilities)		10%	5.0%		3.5
	Disciplined management of financial resources	Adherence to FRM guidelines, optimisation, prudential compliance, enablement of strategies		10%	5.0%		3.7
	Climate	Active screening of transactions, client engagement, product development, incorporation in credit underwriting/models		8%	4.0%		4.0
	Human capital	Organisational culture, talent management and succession planning		5%	2.5%		3.5
	Transformation	Employment equity, B-BBEE scorecard		5%	2.5%		3.8
	Health of customer relationships	Brand health, customer satisfaction/loyalty, complaints		5%	2.5%		4.0
Risk and control	**Category**			**100%**	**25%**		
	Control environment		25%	20%	5.0%	3.8	3.8
	Market and business conduct			25%	6.25%		3.7
	Risk appetite and volatility			10%	2.5%		3.9
	Credit loss/impairments			20%	5.0%		4.1
	Operational risk			20%	5.0%		3.5
	Corporate governance			5%	1.25%		3.8
Total score/rating for R&C/FNB prescribed officer			**100%**			**3.5**	

FY24 prescribed officer scorecard (CEO: RMB/C&I)

RMB/C&I PRESCRIBED OFFICER
(Emrie Brown)

	Category	Measure	Category weight	Measure weight	Effective weighting	Overall category score	KPI score
Financial	**Category**	**Measure**		**100%**	**25%**		
	Earnings and returns	**GROUP PERFORMANCE:**	25%	**20%**	**5%**	3.0	
		Normalised earnings		10%	2.5%		3.5
		ROE		10%	2.5%		2.8
		OPERATING BUSINESS:		**80%**	**20%**		
		Normalised PBT		40%	10%		3.0
		ROE		40%	10%		3.0
Strategic	**Category**	**Measure**		**100%**	**37%**		
	Grow business at macro+ (more customers, more to customers, all done more efficiently)	Growth in total and primary-banked clients	50%	10%	5.0%	3.6	4.0
		Cross-sell, deposit franchise growth, core lending advances growth from targeted origination strategies in line with risk appetite		10%	5.0%		3.3
		Cost management, optimisation		12%	6.0%		2.8
	Broaden financial services offering	Growth in insurance and asset management business		7.5%	3.75%		3.0
	Build competitive advantage and scale broader Africa portfolio to deliver economic profit and dividends	Manage overall broader Africa portfolio to sustainable NIACC positive position; growth in PBT, ROE, customers, advances, deposits, cost management		12.5%	6.25%		4.3
	Shared prosperity – delivery against purpose	Adherence to shared value principles, progress on implementation		5%	2.5%		4.0
	Enabled by digital platforms	Progress on platform deliverables (modernisation/build-out, enterprise capabilities)		5%	2.5%		3.5
	Disciplined management of financial resources	Adherence to FRM guidelines, optimisation, prudential compliance, enablement of strategies		12%	6.0%		3.2
	Climate	Active screening of transactions, client engagement, product development, incorporation in credit underwriting/models		11%	5.5%		4.3
	Human capital	Organisational culture, talent management and succession planning		5%	2.5%		3.4
	Transformation	Employment equity, procurement, B-BBEE scorecard		5%	2.5%		3.3
	Health of client relationships	Client satisfaction survey		5%	2.5%		4.0
Risk and control	**Category**			**100%**	**24%**		
	Control environment		25%	15%	3.75%	3.6	3.4
	Market and business conduct			20%	5.0%		3.2
	Risk appetite and volatility			15%	3.75%		4.0
	Credit loss/impairments			20%	5.0%		4.3
	Operational, market and investment risks			25%	6.25%		3.3
	Corporate governance			5%	1.25%		3.8
Total score/rating for C&I/RMB prescribed officer			**100%**			**3.5**	

MARY VILAKAZI | *FirstRand CEO*

Mary has transitioned successfully into the role of group CEO from her previous role as group COO. In her new role, Mary will lead the executive team in the execution of strategy, partnering closely with the group CFO and the segment CEOs.

Mary's annual performance rating and STI award are pro-rated to reflect her nine months as group COO and three months as group CEO.

Both the group CEO and COO roles received an overall scorecard rating of 3.6, with components scored as follows: financial 3.2, strategy 3.8, and risk and control 3.7.

The STI award is reflected post the reduction for the UK motor commission matter and a risk event at Ashburton.

Her guaranteed package, effective August 2023, increased 6.5%, reflecting the adjustment to her executive director responsibilities and oversight for the insurance, investment and broader Africa businesses.

Her LTI award allocated in September 2023 was based on her previous role as group COO.

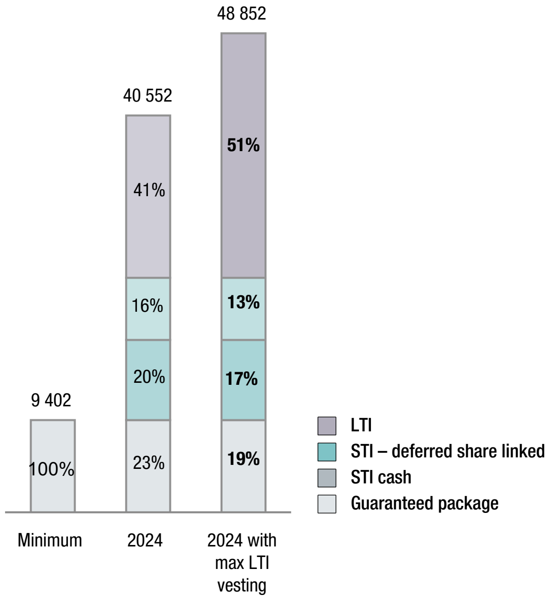
R thousand	**2024**	2023	% change
Guaranteed package	**9 402**	8 440	11%
STI	**14 550**	11 825	23%
Cash payment	**5 850**	4 942	18%
Cash deferred	**2 425**	1 971	23%
Share price linked	**6 275**	4 912	28%
LTI award*	**16 600**	15 120	10%
Total	**40 552**	35 385	15%

* *LTI award values at award date (September 2022 and 2023).*

2024 remuneration mix and maximum vesting outcome

The following graph provides an illustration of the remuneration outcome relative to 2024, should maximum vesting of the LTI occur in three years' time. It also provides the mix of the current year remuneration package. The LTI is reflected at the grant value of the award made during the year, i.e. the September 2023 issuance.

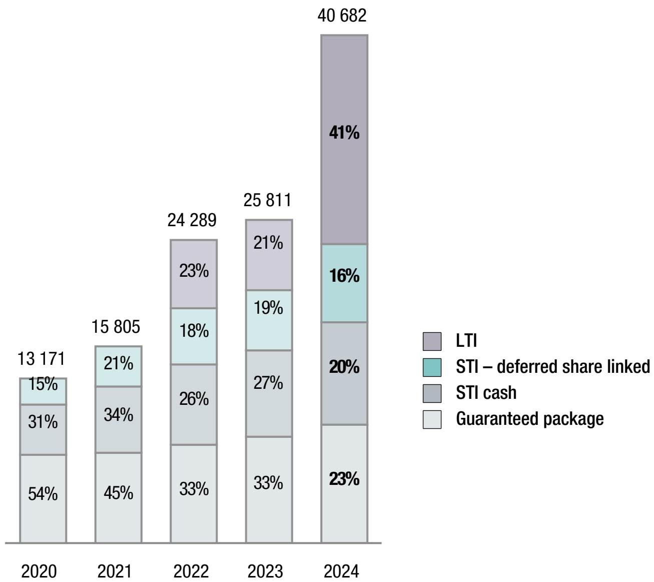
CEO
(R thousand)



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. The 2022 and 2023 LTI values reflect the first and second Covid-19 Tranche, as the three LTI awards (2017, 2018 and 2019) failed to vest due to performance conditions not being met. In the 2024 financial year the 2020 LTI award as well as the third and final tranche of Covid-19 award is reflected.

CEO
(R thousand)



Awards for 2025 – outcome of annual salary review in August 2024

- Mary's guaranteed pay was set relative to the industry peer group. She was awarded a 5.4% increase in August 2024, bringing her new salary to R11.25 million, following an interim adjustment made on appointment to the role of group CEO.
- Her STI of R14.55 million was pro-rated between the two roles she held during the year. The number reflected is post the reduction for the UK motor commission matter and a risk event in Ashburton.
- Her LTI of R24 million reflects the responsibilities of the new role and will vest in 2027 if performance conditions are met.

Vesting outcomes in FY25

- An LTI of R14 million awarded in 2021 will vest in September 2024 due to performance conditions for the three years to June 2024 having been met. The vesting outcome for Mary takes into account the impact of the UK motor commission provision and will therefore be at 123.2%.

MARKOS DAVIAS | *FirstRand CFO*

In another demonstration of the group's effective approach to succession planning, Markos took over as group CFO from Harry Kellan in April 2024. In a very short space of time Markos has had a positive impact on the role and has taken effective control of the management of the group's finances, proving to be a valued partner to the group CEO.

Markos's annual performance rating and STI award are pro-rated to reflect his nine months as FNB CFO and three months as group CFO.

The group CFO role received an overall scorecard rating of 3.6, with components scored as follows: financial 3.2, strategy 3.8, and risk and control 3.8.

The STI award is reflected post the reduction for UK motor commission matter.

Markos's guaranteed package, effective August 2023, increased 5%.

His LTI award allocated in September 2023 was based on his previous role as FNB CFO.

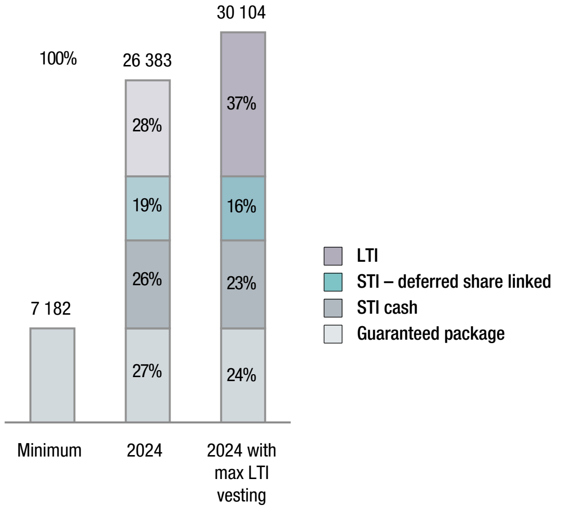
	2024*
Guaranteed package	**7 182**
STI	**11 760**
Cash payment	**4 920**
Cash deferred	**1 960**
Share price linked	**4 880**
LTI award**	**7 441**
Total	**26 383**

* *Markos was appointed group CFO effective 1 April 2024.*
** *LTI award values at award date (September 2023).*

2024 remuneration mix and maximum vesting outcome

The following graph provides an illustration of the remuneration outcome relative to 2024, should maximum vesting on the LTI occur in three years' time. It also provides the mix of the current year remuneration package. The LTI is reflected at the grant value of the award made during the year, i.e. the September 2023 issuance.

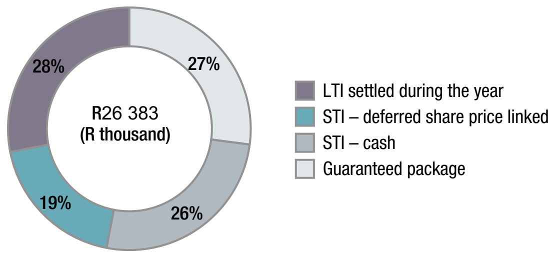
CFO
(R thousand)



Single-figure (five-year) view

This is Markos's first year as group CFO. The graph alongside provides his total remuneration mix, prepared in accordance with King IV requirements. Therefore, the LTI reflected is the award settled in the financial year, being the 2020 LTI award as well as the third and final tranche of the Covid-19 award.

CFO
(%)



Awards for 2025 – outcome of annual salary review in August 2024

- Markos's guaranteed pay was set relative to the industry peer benchmark. He was awarded a 5.4% increase in August 2024, taking his new salary to R8.85 million following an interim adjustment made on his appointment to the role of group CFO.
- His STI award of R11.76 million was pro-rated between the two roles he held during the course of the year.The number reflected is post the reduction for the UK motor commission matter.
- His LTI award of R16.6 million reflects the responsibilities of his new role and will vest in 2027 if performance conditions are met.

Vesting outcomes in FY25

- An LTI of R6.5 million awarded in 2021 will vest in September 2024 due to performance conditions for the three years to June 2024 having been met.

HARRY KELLAN | *FNB CEO*

With the benefit of having previously held the role of group CFO, Harry has transitioned seamlessly into the role of FNB CEO and continues to work with the group's senior executive team in the execution of the group's strategy.

Harry's annual performance rating and STI award are pro-rated to reflect his nine months as group CFO and three months as FNB CEO.

The group CFO role received an overall scorecard rating of 3.6, with components scored as follows: financial 3.2, strategy 3.8, and risk and control 3.8.

The FNB CEO role received an overall scorecard rating of 3.5, with components scored as follows: financial 2.6, strategy 3.9, and risk and control 3.8.

The STI award is reflected post the reduction for the UK motor commission matter and a risk event at Ashburton.

Harry's guaranteed package, effective August 2023, increased 5%.

His LTI award allocated in September 2023 was based on his previous role as group CFO.

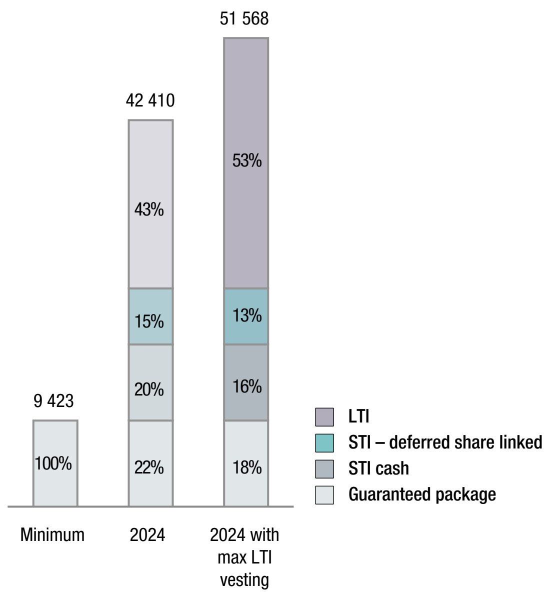
R thousand	**2024**	2023	% change
Guaranteed package	**9 423**	8 968	5%
STI	**14 670**	12 725	15%
Cash payment	**5 890**	5 241	12%
Cash deferred	**2 445**	2 121	15%
Share price linked	**6 335**	5 363	18%
LTI award*	**18 317**	16 960	8%
Total	**42 410**	38 653	10%

* *LTI award values at award date (September 2022 and 2023).*

2024 remuneration mix and maximum vesting outcome

The following graph provides an illustration of the remuneration outcome relative to 2024, should maximum vesting on the LTI occur in three years' time. It also provides the mix of the current year remuneration package. The LTI is reflected at the grant value of the award made during the year, i.e. the September 2023 issuance.

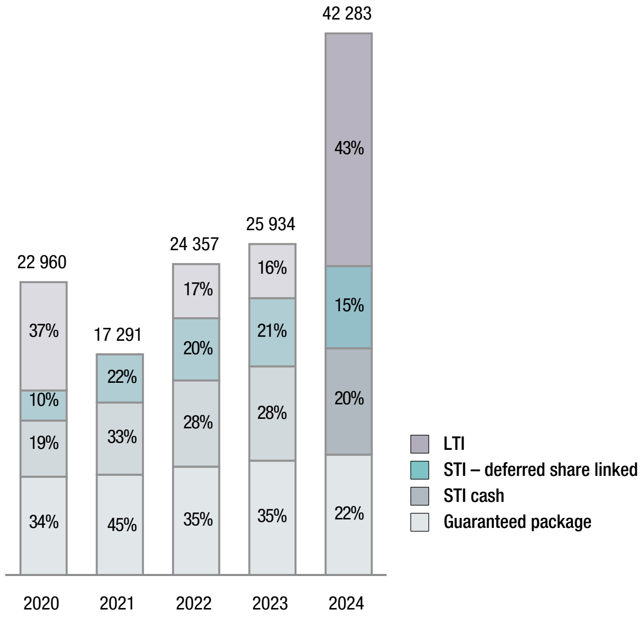
FNB CEO
(R thousand)



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. The 2022 and 2023 LTI values reflect the first and second Covid-19 tranche, as the three LTI awards (2017, 2018 and 2019) failed to vest due to performance conditions not being met. The 2020 LTI award, as well as the third and final tranche of the Covid-19 award, is reflected in the 2024 financial year.

FNB CEO
(R thousand)



Awards for 2025 – outcome of annual salary review in August 2024

- Harry's guaranteed pay was assessed against the industry peer group and determined to be competitive, therefore no salary increase was awarded for August 2024.
- His STI award of R14.67 million was pro-rated between the two roles he held during the period. The number reflected is post the reduction for the UK motor commission matter and a risk event in Ashburton.
- An LTI award of R19.2 million reflects the responsibilities of his new role and will vest in 2027 if performance conditions are met.

Vesting outcomes in FY25

- An LTI of R16 million awarded in 2021 will vest in September 2024 because performance conditions for the three years to June 2024 have been met. The vesting outcome takes into account the impact of the UK motor commission provision and will therefore be at 123.2%.

EMRIE BROWN | *RMB CEO*

As CEO of RMB and the corporate and institutional segment, Emrie is a valuable member of the senior executive team and plays an effective role in implementing the FirstRand strategy for improved collaboration between RMB and other group segments.

The RMB CEO role received an overall scorecard rating of 3.5, with components scored as follows: financial 3, strategy 3.6, and risk and control 3.6.

The STI award is reflected post the reduction for the UK motor commission matter and a risk event at Ashburton.

Emrie's guaranteed package, effective August 2023, increased 13.7%, reflecting an adjustment to align with the industry peer group. Emrie's total remuneration mix was adjusted accordingly, with her LTI award allocated in September 2023 increasing by 10%, and her 2024 STI award growing by 5%, trailing RMB pool growth of 9%. As a result, her total remuneration increased 8%.

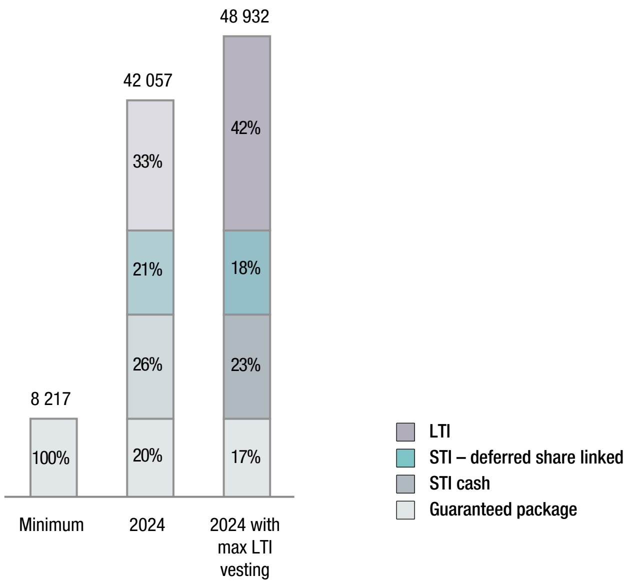
R thousand	**2024**	2023	% change
Guaranteed package	**8 217**	7 202	14%
STI	**20 090**	19 100	5%
Cash payment	**7 696**	7 367	4%
Cash deferred	**3 349**	3 183	5%
Share price linked	**9 045**	8 550	6%
LTI award*	**13 750**	12 500	10%
Total	**42 057**	38 802	8%

* *LTI award value at award date (September 2022 and September 2023).*

2024 remuneration mix and maximum vesting outcome

The following graph provides an illustration of the remuneration outcome relative to 2023, should maximum vesting on the LTI occur in three years' time. It also provides the mix of the current year remuneration package. The LTI is reflected at the grant value of the award made during the year, i.e. the September 2023 issuance.

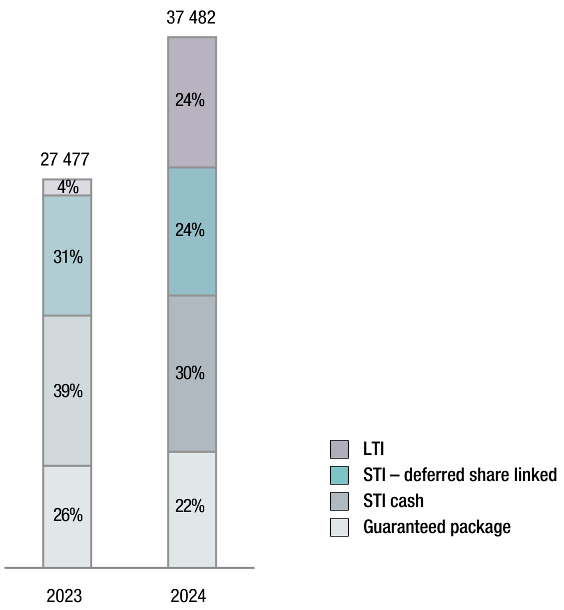
RMB CEO
(R thousand)



Single-figure (five-year) view

This is Emrie's second financial year as RMB CEO. The following graph provides her total remuneration mix prepared in accordance with King IV requirements. The LTI reflected is the award settled in the financial year. The 2023 LTI value reflects the settlement of the second Covid-19 tranche, as the 2019 LTI failed due to performance conditions not being met. The 2020 LTI award, as well as the third and final tranche of the Covid-19 award, is reflected in the 2024 financial year.

RMB CEO
(%)



Awards for 2025 – outcome of annual salary review in August 2024

- Emrie's guaranteed pay increased by 6%, reflecting the mix change in order to align with local peer benchmarks given her new role.
- Her STI of R20.09 million is linked to RMB performance. The number reflected is post the reduction for the UK motor commission matter and a risk event in Ashburton.
- An LTI of R15 million, which could vest in 2027 if performance conditions are met, represents an increase of 10% to cater for mix adjustment for higher exposure to long-term incentives.

Vesting outcomes in FY25

- The LTI of R8.4 million awarded in 2021 will vest in September 2024 because performance conditions for the three years to June 2024 have been met.

STEVEN COOPER | *ALDERMORE CEO*

Steven is a valuable member of the senior executive team. He executed on strategic actions designed to set Aldermore up to meet its objectives to deliver sustainable growth in earnings and returns.

Steven was rated as "performing" against the Aldermore scorecard.

The STI of £1.13 million awarded reflects the upper quartile of the "performing" range.

Steven's guaranteed package, effective August 2023, increased 7%.

His LTI award allocated in September 2023 remained flat year on year.

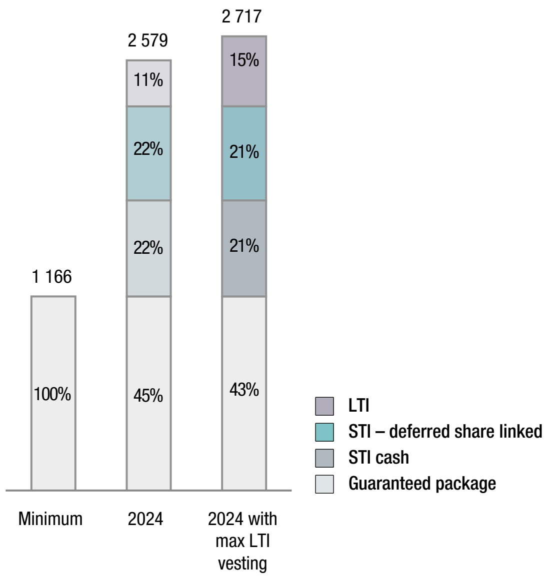
£ thousand	**2024**	2023	% change
Guaranteed package	**1 166**	1 086	7
STI	**1 131**	1 162	(3)
Cash payment	**334**	335	–
Cash deferred	**232**	246	
Share price linked	**566**	581	(3)
LTI award*	**282**	282	–
Total	**2 579**	2 530	2

* *LTI award values at award date (September 2022 and 2023) are reflected at 55% of maximum, being the on-target expectation.*

2023 remuneration mix and maximum vesting outcome

The following graph provides an illustration of the remuneration outcome relative to 2023 should maximum vesting on the LTI occur in three years' time. It also provides the mix of the current year remuneration. The LTI is reflected at the grant value of the award made during the year, i.e. the September 2023 issuance.

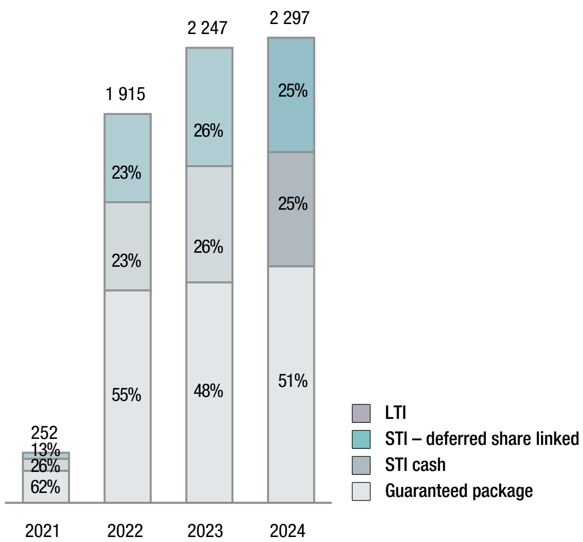
Aldermore CEO
(£ thousand)



Single-figure (five-year) view

Steven has only been in the employ of the group since May 2021.

Aldermore CEO
(£ thousands)



Awards for 2025 – outcome of annual salary review in August 2024

- Steven's remuneration mix is aligned with CRD V regulation. His STI maximum is 180% of his salary and his LTI maximum is 67.5%.
- His guaranteed package increased by 2.5%.
- An STI of £1.13 million was awarded, reflecting business performance and Steven's contribution.
- An LTI of £359 833 (assuming 67% on-target vesting) could vest in 2027 if performance conditions are met.

Vesting outcomes in FY25

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 2024. 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 two 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). From 2024, the BCIP is replaced by a restricted share award.
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. 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.
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 and 2022 the first and second Covid-19 tranche vested as the 2018 and 2019 LTI award failed, respectively. As the award was equally split over three years, the third and final tranche vested in September 2023.

Remuneration tables *continued*

R thousand	2024	2023	2022	2021	2020
AP Pullinger[1,8]					
Cash package paid during the year	**10 084**	9 639	9 137	8 995	8 971
Retirement contributions paid during the year	**229**	211	191	177	179
Other allowances	**372**	320	294	278	264
Guaranteed package	**10 685**	10 170	9 622	9 450	9 414
Performance-related STI:					
Cash	**10 800**	8 476	7 912	7 031	5 825
– Within 6 months[2]	**7 533**	5 984	5 491	4 905	–
– Within 1 year	**3 267**	2 492	2 421	2 126	5 825
Share linked- deferred 2 and 3 years (BCIP)[3]	**8 800**	6 476	5 912	5 032	3 825
Variable pay	**19 600**	14 952	13 824	12 063	9 650
Total guaranteed and variable pay	**30 285**	25 122	23 446	21 513	19 064
Value of LTI awards allocated during the financial year under the CIP[4]	**28 000**	26 330	24 840	24 000	20 046
Total reward including LTIs	**58 285**	51 452	48 286	45 513	39 110
Value of LTI awards allocated during the financial year under the Covid-19 scheme[5]	**–**	–	–	19 273	–
Single-figure reporting					
Total guaranteed and variable pay	**30 285**	25 122	23 446	21 513	19 064
Value of LTI awards settled during the financial year under the CIP[6]	**24 000**	–	–	–	14 630
Value of LTI awards settled during the financial year under the Covid-19 scheme[7]	**6 425**	6 424	6 424	–	–
Total reward including settled LTIs (single figure)	**60 710**	31 546	29 870	21 513	33 694

R thousand	2024	2023	2022	2021	2020
M Vilakazi (group CEO)[1,9]					
Cash package paid during the year	**8 973**	8 069	7 596	6 849	6 816
Retirement contributions paid during the year	**187**	162	141	124	132
Other allowances	**242**	209	193	182	173
Guaranteed package	**9 402**	8 440	7 930	7 155	7 121
Performance-related STI:					
Cash	**8 275**	6 913	6 407	5 325	4 025
– Within 6 months[2]	**5 850**	4 942	4 488	3 767	–
– Within 1 year	**2 425**	1 971	1 919	1 558	4 025
Share linked- deferred 2 and 3 years (BCIP)[3]	**6 275**	4 912	4 406	3 325	2 025
Variable pay	**14 550**	11 825	10 813	8 650	6 050
Total guaranteed and variable pay	**23 952**	20 265	18 743	15 805	13 171
Value of LTI awards allocated during the financial year under the CIP[4]	**16 600**	15 120	14 000	11 184	10 775
Total reward including LTIs	**40 552**	35 385	32 743	26 989	23 946
Value of LTI awards allocated during the financial year under the Covid-19 scheme[5]	**–**	–	–	16 638	–
Single-figure reporting					
Total guaranteed and variable pay	**23 952**	20 265	18 743	15 805	13 171
Value of LTI awards settled during the financial year under the CIP[6]	**11 184**	–	–	–	–
Value of LTI awards allocated during the financial year under the Covid-19 scheme[5]	**5 546**	5 546	5 546	–	–
Total reward including settled LTIs (single figure)	**40 682**	25 811	24 289	15 805	13 171

Refer to footnotes on page 58.

Remuneration tables *continued*

R thousand	**2024**	2023	2022	2021	2020
M Davias (group CFO)[1,10]					
Cash package paid during the year	**6 770**	–	–	–	–
Retirement contributions paid during the year	**134**	–	–	–	–
Other allowances	**278**	–	–	–	–
Guaranteed package	**7 182**	–	–	–	–
Performance-related STI:					
Cash	**6 880**	–	–	–	–
– Within 6 months[2]	**4 920**	–	–	–	–
– Within 1 year	**1 960**	–	–	–	–
Share linked- deferred 2 and 3 years (BCIP)[3]	**4 880**	–	–	–	–
Variable pay	**11 760**	–	–	–	–
Total guaranteed and variable pay	**18 942**	–	–	–	–
Value of LTI awards allocated during the financial year under the CIP[4]	**7 441**	–	–	–	–
Total reward including LTIs	**26 383**	–	–	–	–
Value of LTI awards allocated during the financial year under the Covid-19 scheme[5]	**–**	–	–	–	–
Single-figure reporting					
Total guaranteed and variable pay	**18 942**	–	–	–	–
Value of LTI awards settled during the financial year under the CIP[6]	**6 000**	–	–	–	–
Value of LTI awards settled during the financial year under the Covid-19 scheme[7]	**2 008**	–	–	–	–
Total reward including settled LTIs (single figure)	**26 950**	–	–	–	–

R thousand	**2024**	2023	2022	2021	2020
HS Kellan (CEO FNB)[1,11]					
Cash package paid during the year	**9 083**	8 661	8 182	7 548	7 526
Retirement contributions paid during the year	**74**	71	67	61	61
Other allowances	**266**	236	193	182	173
Guaranteed package	**9 423**	8 968	8 442	7 791	7 760
Performance-related STI:					
Cash	**8 335**	7 363	6 837	5 750	4 300
– Within 6 months[2]	**5 890**	5 242	4 775	4 050	–
– Within 1 year	**2 445**	2 121	2 062	1 700	4 300
Share linked- deferred 2 and 3 years (BCIP)[3]	**6 335**	5 363	4 838	3 750	2 300
Variable pay	**14 670**	12 726	11 675	9 500	6 600
Total guaranteed and variable pay	**24 093**	21 694	20 117	17 291	14 360
Value of LTI awards allocated during the financial year under the CIP[4]	**18 317**	16 960	16 000	13 950	13 440
Total reward including LTIs	**42 410**	38 654	36 117	31 241	27 800
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	**24 093**	21 694	20 117	17 291	14 360
Value of LTI awards settled during the financial year under the CIP[6]	**13 950**	–	–	–	8 600
Value of LTI awards settled during the financial year under the Covid-19 scheme[7]	**4 240**	4 240	4 240	–	–
Total reward including settled LTIs (single figure)	**42 283**	25 934	24 357	17 291	22 960

Refer to footnotes on page 58.

Remuneration tables *continued*

R thousand	**2024**	2023	2022	2021	2020
J Celliers[12]					
Cash package paid during the year	**8 629**	8 249	7 838	7 765	7 742
Retirement contributions paid during the year	**181**	165	149	138	138
Other allowances	**332**	287	246	182	173
Guaranteed package	**9 142**	8 701	8 233	8 085	8 053
Performance-related STI:					
Cash	**10 218**	10 109	9 357	7 850	6 150
– Within 6 months[2]	**7 145**	7 073	6 455	5 450	–
– Within 1 year	**3 073**	3 036	2 902	2 400	6 150
Share linked- deferred 2 and 3 years (BCIP)[3]	**8 217**	8 109	7 357	5 850	4 150
Variable pay	**18 435**	18 218	16 714	13 700	10 300
Total guaranteed and variable pay	**27 577**	26 919	24 947	21 785	18 353
Value of LTI awards allocated during the financial year under the CIP[4]	**18 918**	17 664	16 664	16 100	15 515
Total reward including LTIs	**46 495**	44 583	41 611	37 885	33 868
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	**27 577**	26 919	24 947	21 785	18 353
Value of LTI awards settled during the financial year under the CIP[6]	**16 100**	–	–	–	11 943
Value of LTI awards settled during the financial year under the Covid-19 scheme[7]	**5 002**	5 003	5 003	–	–
Total reward including settled LTIs (single figure)	**48 679**	31 922	29 950	21 785	30 296

R thousand	**2024**	2023	2022	2021	2020
E Brown (CEO RMB)[1,13]					
Cash package paid during the year	**8 009**	7 025			
Retirement contributions paid during the year	**139**	116			
Other allowances	**69**	61			
Guaranteed package	**8 217**	7 202	–	–	–
Performance-related STI:			–	–	–
Cash	**11 045**	10 550			
– Within 6 months[2]	**7 696**	7 367			
– Within 1 year	**3 349**	3 183			
Share linked- deferred 2 and 3 years (BCIP)[3]	**9 045**	8 550	–	–	–
Variable pay	**20 090**	19 100	–	–	–
Total guaranteed and variable pay	**28 307**	26 302			
Value of LTI awards allocated during the financial year under the CIP[4]	**13 750**	12 500	–	–	–
Total reward including LTIs	**42 057**	38 802			
Value of LTI awards allocated during the financial year under the Covid-19 scheme[5]	**–**	–			
Single-figure reporting					
Total guaranteed and variable pay	**28 307**	26 302	–	–	–
Value of LTI awards settled during the financial year under the CIP[6]	**8 000**	–			
Value of LTI awards settled during the financial year under the Covid-19 scheme[7]	**1 175**	1 175			
Total reward including settled LTIs (single figure)	**37 482**	27 477	–	–	–

Refer to footnotes on page 58.

Remuneration tables *continued*

£ thousand	**2024**	2023	2022	2021	2020
S Cooper (Aldermore CEO)[1]					
Cash package paid during the year	**796**	757	730	143	–
Retirement contributions paid during the year	**80**	52	50	10	–
Other allowances	**290**	277	268	2	–
Guaranteed package	**1 166**	1 086	1 048	155	–
Performance-related STI:					
Cash	**565**	581	433	65	–
– Within 6 months[14]	**334**	335	276	65	–
- More than one year (in line with CRD V regulations)[17]	**231**	246	157	–	–
Share linked- deferred[15]	**566**	581	434	32	–
Variable pay	**1 131**	1 162	867	97	–
Total guaranteed and variable pay	**2 297**	2 248	1 915	252	–
Value of LTI awards allocated during the financial year under the CIP[4,16]	**282**	282	542	–	–
Total reward including LTIs	**2 579**	2 530	2 457	252	–
Buy-out award paid in cash	**–**	–	–	997	
Single-figure reporting					
Total guaranteed and variable pay	**2 297**	2 248	1 915	252	–
Value of LTI awards settled during the financial year under the CIP[6]	**–**	–	–	–	–
Total reward including settled LTIs (single figure)	**2 297**	2 248	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, as well as 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 split equally 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. 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 at original award value in the financial year. It is zero if conditions are not met and awards are forfeited.*

8 *Alan Pullinger stepped down as group CEO on 31 March 2024 and retired on 30 June 2024. His guaranteed package is reflected for the full year.*

9 *Mary Vilakazi was appointed group CEO on 1 April 2024, having previously held the role of group COO.*

10 *Markos Davias was appointed group CFO on 1 April 2024, having previously held the role of FNB CFO. His guaranteed package is reflected for the full year.*

11 *Harry Kellan was appointed as CEO FNB on 1 April 2024, having previously held the role of group CFO.*

12 *Jacques Celliers stepped down as CEO FNB on 31 March 2024. His guaranteed package is reflected for the full year.*

13 *Emrie Brown was RMB CEO effective 1 October 2022.*

14 *The Aldermore performance-related STI cash component is paid in full in August.*

15 *The Aldermore performance-related STI share price linked component is released in equal annual tranches over the deferral period required by Capital Requirements Directive 5 (CRD V) regulations.*

16 *The 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.*

17 *The Aldermore performance-related STI deferred cash component is paid in equal tranches over the deferral period required by Capital Requirements Directive 5 (CRD V) regulations.*

Remuneration tables *continued*

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.
• Adjustment for vesting percentage based on performance against targets</td></tr>
<tr><td>Deferred share price linked STI award</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
LTI vesting depends on performance conditions and targets being met on a cumulative basis over three years. The assumption is 100% vesting up until the final vesting date, when the final vesting percentage will be determined.
For information purposes, the maximum possible value of the unvested awards as at June 2024 is the market value of the total number of share price linked units at R76.90 per share on the last trading day of the financial year (28 June 2024).
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 and 2022 the first and second Covid-19 tranche vested as the 2018 and 2019 LTI award failed, respectively. As the award was equally split over three years, the third and final tranche vested in September 2023.</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>

Remuneration tables *continued*

	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 2024	Value on settlement in 2024[4] R thousand
M Vilakazi									
Deferred share price linked STI awards									
2020 (3-year deferral)	September 2020	1 013	September 2023	25 802	—	(25 802)	—	—	1 841
2021 (2-year deferral)	September 2021	3 325	September 2023	53 965	—	(53 965)	—	—	3 914
2022 (2-year deferral)	September 2022	4 406	September 2024	70 977	—	—	—	70 977	—
2023 (2-year deferral)	September 2023	4 912	September 2025	75 737	—	—	—	75 737	—
2024 (2-year deferral)	September 2024	6 275	September 2026	—	—	—	—	—	—
Balance deferred share price linked STIs		**19 931**		226 481	—	(79 767)	—	146 714	5 755
LTI awards under the CIP									
2020	September 2020	11 184	September 2023	285 015	—	(285 015)	—	—	22 183
2021	September 2021	14 000	September 2024	227 221	—	—	—	227 221	—
2022	September 2022	15 120	September 2025	243 557	—	—	—	243 557	—
2023	September 2023	16 600	September 2026	—	255 936	—	—	255 936	—
Balance LTIs		**56 904**		755 793	255 936	(285 015)	—	726 714	22 183
LTI awards under the Covid-19 scheme5									
2020	September 2020	5 546	September 2023	141 331	—	(141 331)	—	—	9 167
Balance Covid-19 award		**5 546**		141 331	—	(141 331)	—	—	9 167

Remuneration tables *continued*

	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 2024	Value on settlement in 2024[4] R thousand
MG Davias									
Deferred share price linked STI awards									
2021 (2-year deferral)	September 2021	2 400	September 2023	38 952	–	(38 952)	–	–	2 825
2022 (2-year deferral)	September 2022	3 250	September 2024	52 352	–	–	–	52 352	–
2023 (2-year deferral)	September 2023	3 640	September 2025	56 121	–	–	–	56 121	–
2024 (2-year deferral)	September 2024	4 880	September 2026	–	–	–	–	–	–
Balance deferred share price linked STIs		**14 170**		147 425	–	(38 952)	–	108 473	2 825
LTI awards under the CIP									
2020	September 2020	6 000	September 2023	152 905	–	(152 905)	–	–	11 901
2021	September 2021	6 500	September 2024	105 496	–	–	–	105 496	–
2022	September 2022	6 890	September 2025	110 986	–	–	–	110 986	–
2023	September 2023	7 441	September 2026	–	114 727	–	–	114 727	–
Balance LTIs		**26 831**		369 387	114 727	(152 905)	–	331 209	11 901
LTI awards under the Covid-19 scheme[5]									
2020	September 2020	2 008	September 2023	51 180	–	(51 180)	–	–	3 320
Balance Covid-19 award		**2 008**		51 180	–	(51 180)	–	–	3 320

Remuneration tables *continued*

	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 June 2024	Value on settlement in 2024[4] R thousand
HS Kellan									
Deferred share price linked STI awards									
2020 (3-year deferral)	September 2020	1 150	September 2023	29 306	–	(29 306)	–	–	2 091
2021 (2-year deferral)	September 2021	3 750	September 2023	60 863	–	(60 863)	–	–	4 414
2022 (2-year deferral)	September 2022	4 838	September 2024	77 924	–	–	–	77 924	–
2023 (2-year deferral)	September 2023	5 362	September 2025	82 678	–	–	–	82 678	–
2024 (2-year deferral)	September 2024	6 335	September 2026	–	–	–	–	–	–
Balance deferred share price linked STIs		**21 435**		250 771	–	(90 169)	–	160 602	6 505
LTI awards under the CIP									
2020	September 2020	13 950	September 2023	355 530	–	(355 530)	–	–	27 672
2021	September 2021	16 000	September 2024	259 682	–	–	–	259 682	–
2022	September 2022	16 960	September 2025	273 196	–	–	–	273 196	–
2023	September 2023	18 317	September 2026	–	282 405	–	–	282 405	–
Balance LTIs		**65 227**		888 408	282 405	(355 530)	–	815 283	27 672
LTI awards under the Covid-19 scheme[5]									
2020	September 2020	4 240	September 2023	108 053	–	(108 053)	–	–	7 008
Balance Covid-19 award		**4 240**		108 053	–	(108 053)	–	–	7 008

Remuneration tables *continued*

	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 June 2024	Value on settlement in 2024[4] R thousand
E Brown									
Deferred share price linked STI awards									
2021 (2-year deferral)	September 2021	6 350	September 2023	103 061	–	(103 061)	–	–	7 475
2022 (2-year deferral)	September 2022	8 375	September 2024	134 907	–	–	–	134 907	–
2023 (2-year deferral)	September 2023	8 550	September 2025	131 822	–	–	–	131 822	–
2024 (2-year deferral)	September 2024	9 045	September 2026	–	–	–	–	–	–
Balance deferred share price linked STIs		**32 320**		369 790	–	(103 061)	–	266 729	7 475
LTI awards under the CIP									
2020	September 2020	8 000	September 2023	203 874	–	(203 874)	–	–	15 868
2021	September 2021	8 400	September 2024	136 333	–	–	–	136 333	–
2022	September 2022	12 500	September 2025	201 353	–	–	–	201 353	–
2023	September 2023	13 750	September 2026	–	211 995	–	–	211 995	–
Balance LTIs		**42 650**		541 560	211 995	(203 874)	–	549 681	15 868
LTI awards under the Covid-19 scheme5									
2020	September 2020	1 175	September 2023	29 944	–	(29 944)	–	–	1 942
Balance Covid-19 award		**1 175**		29 944	–	(29 944)	–	–	1 942
S Cooper (£ thousand)									
Deferred share price linked STI awards6									
2021 (3-year deferral)	September 2021	32	September 2022-2024	–	–	–	–	–	11
2022 (7-year deferral)	September 2022	434	September 2023-2030	–	–	–	–	–	288
2023 (7-year deferral)	September 2023	581	September 2024-2031	–	–	–	–	–	–
2024 (7-year deferral)	September 2024	566	September 2025-2032	–	–	–	–	–	–
Balance deferred share price linked STIs		**1 613**		–	–	–	–	–	299
LTI awards under the CIP[7]									
2021	September 2021	542	September 2024	–	–	–	–	–	–
2022	September 2022	282	September 2025-2030	–	–	–	–	–	–
2023	September 2023	282	September 2026-2031	–	–	–	–	–	–
Balance LTIs		**1 106**		–	–	–	–	–	–

Remuneration tables *continued*

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 share price linked STI award units allocated in 2024 is only calculated after the annual financial statements are issued. From 2024 these awards will be made in restricted shares.

2 Deferred share price linked STI awards vesting depends on continued employment as well as personal and business unit performance requirements over two years. Previously vesting was split equally 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 as well as continued employment. For 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 2024 is the market value of the total number of shares at R76.90 per share on the last trading day of the financial year (28 June 2024).

4 The values at settlement date include share price growth and interest earned (deferred share price linked STI awards) from grant date.

5 The Covid-19 retention instrument was awarded in September 2020. The value was converted to share price 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. The third and final tranche of the Covid-19 instrument vested and was settled in September 2023, with the performance conditions being tested as at June 2024 (clawback was not applied, as the Covid-19 award performance conditions were met).

6 The Aldermore performance-related STI share price linked component is released in equal annual tranches over the deferral period required by CRD V regulations, 2022 and 2023 have been restated to only reflect equity linked deferrals.

7 Aldermore incentive awards are not convertible into units.

Remuneration tables *continued*

Long-term executive management retention scheme

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.

This is a five-year scheme in which members of the group's strategic committee were 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 number of participation awards, with the balance funded by the group through a facilitated mechanism. The fixed number 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. No cost to the group is associated with the LTEMRS as the scheme is economically hedged.

In the 2020 financial year, Remco approved a two-year extension of the scheme, 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.

This scheme vested and terminated in September 2023.

LTEMRS participation award realised in September 2023

Designation	**Number of participation awards realised (Thousands)**	**Participation award value realised (R Thousand)**
Previous Executive Director		
AP Pullinger	**188**	**2 203**
Prescribed Officer		
HS Kellan	**563**	**4 617**
JC Celliers	**469**	**3 847**

Minimum shareholding requirement

The shareholding requirements are set relative to guaranteed pay and are outlined in the adjacent table. 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 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	Target date for compliance	Minimum shareholding requirement	Period since appointment into current as executive director or prescribed officer role	Level of compliance
M Vilakazi	1 April 2029	300% of GP	<1 year	New to role, compliance required by target date
M Davias	1 April 2029	200% of GP	<1 year	New to role, compliance required by target date
HS Kellan	1 April 2029	200% of GP	<1 year	Compliant
E Brown	October 2028	200% of GP	>1 year	Compliant
S Cooper	September 2028	100% of salary	>3 years	New to role and group, compliance required by target date

Beneficial ownership and number of shares are outlined on page 67.

Minimum shareholding requirement *continued*

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

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).

	30 June 2024					
	Direct beneficial (thousands)	Indirect beneficial (thousands)	Held by associates (thousands)	**Total 2024 (thousands)**	Total 2023 (thousands)	Percentage holding %
Executive directors and prescribed officers						
A Pullinger (resigned CEO effective 31/3/2024)	6 971	–	108	**7 079**	6 041	0.13
HS Kellan* (resigned CFO effective 31/3/2024; appointed PO effective 1/4/2024)	1 693	712	154	**2 559**	2 165	0.05
M Vilakazi** (appointed CEO 1/4/2024, previously COO)	463	–	–	**463**	252	0.01
MG Davias** (appointed CFO 1/4/2024)	28	–	4	**32**	–	0.00
J Celliers (resigned PO effective 31/3/2024)	807	49	–	**856**	496	0.02
S Cooper**	35	89	–	**124**	89	0.00
JR Formby**,#	–	–	–	**–**	1 601	0.00
EA Brown	661	–	–	**661**	418	0.01
Non-executive directors						
JP Burger	–	5 012	124	**5 136**	6 036	0.09
GG Gelink**	102	–	–	**102**	102	0.00
WR Jardine** (resigned 30/11/2023)	11	232	4	**247**	247	0.00
RM Loubser (retired 30/11/2023)	–	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
TC Isaacs**	–	4	–	**4**	4	0.00
Total	11 450	7 911	396	**19 757**	19 945	0.35

* *Has 2 000 000 debt securities in FirstRand Bank Ltd which do not form part of this calculation.*
** *Percentage is insignificant in relation to total issued share capital.*
# *Resigned effective 30 September 2022.*

Basel Pillar 3 remuneration tables

The remuneration disclosure requirements of Regulation 43 of the Banks Act and Basel Pillar 3 are disclosed below.

In the absence of local remuneration regulations that define a material risk taker (MRT), the group has referenced both the Bank of England Prudential Regulation Authority (PRA) and CRD V (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 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, subsidiary CEO's 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).

Quantitative criteria

- Any individual with total reward in 2024 of >R14 million.

R Million		2024 Senior management	2024 Other material risk takers
Fixed/Guaranteed remuneration	Number of employees1	**77**	**71**
	Total fixed remuneration	**408**	**264**
	Of which: cash based 1	**All**	**All**
Variable remuneration	Number of employees		
	Total variable remuneration	**862**	**561**
	Of which: cash based		
	Of which: Deferred 2	**311**	**269**
	Of which: shares or share-linked instruments	**All**	**All**
	Of which: Deferred 3,4	**551**	**292**
Total remuneration		**1 270**	**825**

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. From 2024 this will be awarded in restricted shares.*
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 2024 financial year the the 2020 LTI award that vested as well as the third and final tranche of Covid-19 award is reflected.*

Basel Pillar 3 remuneration tables *continued*

REM2: SPECIAL PAYMENTS

	2024				
£/ R Million	Total amount	Number of employees	Total amount	Number of employees	Total amount
Senior management 1 (South Africa) (ZAR)	–	–	–	2	16
Senior management (Aldermore) (GBP)	–	4	0.3	–	–
Other material risk takers (ZAR)	–	–	–		

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

	2024				
R Million	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	311	311	—	5	222
Shares or share-linked instruments[6]	1 474	1 474	1	268	700
Other material risk takers					
Cash	269	269	—	8	260
Shares or share-linked instruments	798	798	1	137	356
Total	**2 851**	**2 851**	**2**	**418**	**1 538**

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. 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 2023 financial year, the 2019 LTIs failed based on performance conditions not being met. As such, the second tranche of the Covid-19 instrument vested and was settled in September 2022.

Incorporation of climate considerations into remuneration practices

Delivery against climate risk and opportunity management objectives has been incorporated into the remuneration scorecards for executive directors and prescribed officers, key environmental and social risk (ESR) teams and teams focused on sustainable finance.

The following teams and individuals have climate-related objectives that affect their variable remuneration packages:

Executive directors

- Manage approach to climate risks and opportunities
- Manage delivery against the group's climate change roadmap
- Facilitate board and external stakeholder engagement

Prescribed officers
(CEOs of RMB and FNB)

- Development of client segment-specific climate strategies
- Optimisation of business activity relative to climate transition pathways
- Fostering broad-based awareness of climate risks and opportunities and associated strategies

Sustainable finance executives

- Client engagement and education on climate change and transition plans
- Product development to facilitate climate opportunities
- Delivery on advances growth and revenue targets for sustainable and transition finance offerings

Risk teams
(including group, RMB and FNB CROs)

- Overall coordination of climate risk programme
- Building climate risk internal capacity
- Development and deployment of tools and methodologies for climate risk identification, quantification, management, monitoring and reporting, and building capacity

FirstRand's executive director and prescribed officer scorecards contain a climate category in the strategy section. The strategy section makes up 50% – 55% of the overall scorecard weighting. Within the strategy weighting, progress on climate change constitutes between 8% and 11%, depending on the executive's portfolio of responsibility. Climate's weighting is aligned with other material growth strategies for the group. Refer to climate scorecard outcomes on page 37 and pages 41 to 43.

Non-executive directors' remuneration

	2024			2023		
	Services as directors			Services as directors		
R thousand	**FirstRand**	**Group**	**Total**	FirstRand	Group	Total
Independent non-executive directors						
WR Jardine (resigned 30 November 2023)	**3 756**	**204**	**3 960**	7 355	396	7 751
G Gelink	**2 632**	**1 936**	**4 568**	2 871	1 501	4 372
RM Loubser (resigned 30 November 2023)	**1 544**	**1 158**	**2 702**	3 176	2 204	5 380
PD Naidoo	**1 252**	**261**	**1 513**	1 081	74	1 155
L von Zeuner	**2 931**	**1 148**	**4 079**	2 686	720	3 406
T Winterboer	**1 943**	**1 579**	**3 522**	1 820	1 235	3 055
Z Roscherr	**2 375**	**1 982**	**4 357**	2 334	865	3 199
SP Sibisi	**1 847**	**1 251**	**3 098**	2 141	572	2 713
TC Isaacs (appointed 22 June 2023)	**1 474**	**—**	**1 474**	—	—	—
Non-executive directors						
JP Burger (appointed chairman 1 December 2023)	**5 064**	**997**	**6 061**	2 281	937	3 218
F Knoetze (resigned at 2021 AGM)	**—**	**—**	**—**	—	—	—
Total non-executive directors	**24 819**	**10 515**	**35 334**	26 413	8 925	35 338

An inflationary 5.5% increase was applied to the 2024 non-executive directors' fees.

An internal and external (Remchannel) benchmarking exercise against industry peers was performed to inform the inflationary 5% increase of the 2025 non-executive director fees that will be proposed at the annual general meeting.

FirstRand

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