



Investment Firm Prudential Regime ("IFPR") Disclosures

Ninety One UK Limited

Ninety One plc

2024



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1. Overview

Introduction

Ninety One UK Limited (“Ninety One UK” or “the Company”) is a specialist, active investment manager and is subject to supervision by the Financial Conduct Authority (“FCA”). Ninety One UK’s ultimate holding company is Ninety One plc, a public company incorporated in England and Wales under the UK Companies Act 2006, and which is subject to consolidated supervision by the FCA.

Ninety One plc and Ninety One Limited, a public company incorporated in South Africa under the South African Companies Act 71 of 2008, operate as a dual-listed company (“DLC”) under a DLC structure. Under the DLC structure, Ninety One plc and Ninety One Limited, together with their direct and indirect subsidiaries, effectively form a single economic enterprise (“Ninety One”) in which the economic and voting rights of ordinary shareholders of the companies are maintained in equilibrium relative to each other.

This document sets out the Investment Firm Prudential Regime (“IFPR”) public disclosures as required in respect of Governance, Risk Management, Own Funds, Own Funds Requirements and Remuneration in accordance with the FCA Prudential Sourcebook for Investment Firms (“MIFIDPRU”).

Scope of application

Disclosures are made in respect of Ninety One UK (Governance, Risk Management, Own Funds and Own Funds Requirements) and Ninety One plc (Remuneration) and in accordance with the Ninety One Market Communication and Disclosure Policy. The disclosures are made as at 31 March 2024, which is the accounting reference date for both entities. In accordance with regulations, the information is not subject to external audit, and has been produced solely for the purposes of satisfying the disclosure requirements.

Frequency

Disclosures will be updated annually, or more frequently if there are significant changes to the business. These disclosures are published on the Ninety One website (www.ninetyone.com).

2. Governance arrangements

Board oversight

MIFIDPRU investment firms must ensure that the board defines, oversees and is accountable for the implementation of governance arrangements that ensure effective and prudent management of the firm, including the segregation of duties in the organisation and the prevention of conflicts of interest, and in a manner that promotes the integrity of the market and the interests of clients.

The Ninety One UK board (the “UK Board”) is vested with powers to act in the name of the Company and to take any actions necessary or useful to fulfil the Company’s purpose, except for the powers reserved by law or by the Company’s articles to the general meeting of shareholders.

In accordance with principles of good corporate governance, the UK Board adopts a formal schedule of matters reserved to it for decision. Decisions include, amongst others, those in respect of statutory appointments, strategic decisions, policies, governance and financial controls and assurance. The UK Board provides leadership for the Company within a framework of prudent and effective controls which enables risk to be assessed and managed. It also reviews management performance.

Potential conflicts of interest are managed appropriately in accordance with Ninety One’s internal policies.

UK Board composition

Ninety One UK is required, under MIFIDPRU 8.3.1R(3) read with SYSC 4.3A.7, to disclose the number of directorships held by each member of the UK Board.

Director	UK Board designation	Number of directorships ¹
Grant Cameron	Executive Director	2
John Green	Non-Executive Director	1
John McNab	Executive Director	1
Kevin Alcock	Chair, Non-Executive Director ²	5
Kim McFarland	Executive Director	1
Nigel Smith	Chief Executive, Executive Director	1
Sandy Welthagen	Executive Director	1

1. As per SYSC 4.3A.7R(2) executive or non-executive directorships held within the same group count as a single directorship.

2. The FCA has granted a modification of SYSC 4.3A.6R(1)(b), allowing Mr. Alcock to hold more than four (one additional) non-executive directorships.

Summary of Diversity Policy

Ninety One UK recognises and embraces the benefits of having a diverse board which reflects its business. It sees increasing diversity at board level as an essential element of improving decision making, perspective, governance, and good leadership. A diverse board will include and make good use of differences in the skills, regional and industry experience, cultural background, race, gender, and other distinctions between members of the board. The composition of and appointments to the UK Board are made on merit and with an ambition to be diverse in terms of academic qualifications, expertise, skills, experience, as well as other characteristics including nationality, age, race, and gender.

Risk Committee

Ninety One UK is not subject to MIFIDPRU 7.3.1R which requires non-SNI MIFIDPRU investment firms to establish a risk committee. Refer to section 3 below for further information on the risk governance structures in place to mitigate against identified risks and harms.

3. Risk management

The UK Board has ultimate responsibility for risk management within Ninety One UK, the supporting system of internal controls, and for reviewing their effectiveness. Per the global operating model of Ninety One, and to assist the UK Board in discharging its responsibilities, Ninety One UK utilises the Ninety One group’s risk management and internal control framework as many of the stakeholders and key individuals are the same.

The risk management and internal control framework has clearly defined responsibilities and is designed to identify, assess, monitor, and report current and emerging risks, to ensure that the business is resilient and operates within acceptable tolerances as defined by its risk appetite. This is further enhanced through an additional Ninety One UK governance layer (see below).

The risk framework is designed to manage rather than eliminate the risk of failure to achieve its business objectives, and to ensure the firm remains operationally resilient. It can only provide reasonable and not absolute assurance against material misstatement or loss.

Risk culture

The concept of “doing the right thing” is a key cultural attribute at Ninety One and the culture and values are embedded in its approach to risk management. Ninety One advocates a risk aware, open culture where all employees contribute to effective risk management and are responsible for the maintenance of an effective internal control environment.

To ensure that the Ninety One’s culture and values permeate throughout the organisation, various policies are in place that provide clear guidance on what employees should and should not do, while similarly, all external third-party service providers are briefed on the standards to which they are expected to adhere.

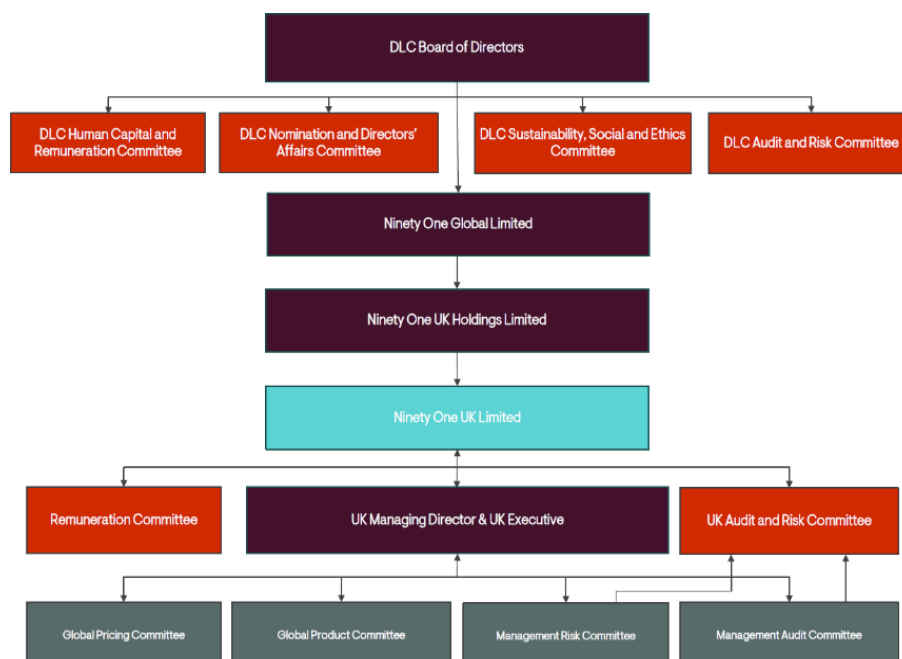
Risk appetite

Risk appetite sets the “tone from the top” and provides parameters within which Ninety One’s business can operate. Risk appetite statements cover key risks, that are aligned to the Ninety One’s business model and strategy. Risk appetite statements are underpinned by limits prescribed in Ninety One’s Risk Appetite Policy, where both qualitative and quantitative factors are considered when assessing new and emerging risk materiality and determining the treatment and appropriate escalation.

Risk appetite provides a mechanism for treating risks that exceed risk appetite and ensuring the DLC Board and key committees are appropriately informed. Risk appetite statements and corresponding key risks are maintained in an aggregate risk register, where the appropriateness of risk profiles applied are monitored on an ongoing basis by the Ninety One Management Risk Committee (“MRC”).

Risk governance structure

The UK Board utilises its own risk and governance structure with dedicated Senior Management Functions under the UK’s Senior Managers and Certification Regime, but also utilises the group’s structure as the UK Board ultimately feeds into the DLC Board of Directors (as indicated in the diagram below). The UK and DLC Boards have delegated the responsibility for risk oversight to the DLC Audit and Risk Committee (‘ARC’) which is responsible for the overall adequacy and effectiveness of the firm’s risk management and internal controls. The ARC is supported by a Management Audit Committee (“MAC”) and Management Risk Committee, and specialised risk sub-committees, comprising subject matter experts from across the business. Ninety One UK has its own ARC (“UK ARC”) which is responsible for providing oversight and advice to the UK Board on risk-related matters. This model ensures that material risks are escalated to the relevant governance forum, and any relevant levels of that risk are formally evaluated.



Risk management framework

The risk management framework is utilised by all entities within the Ninety One group. The framework employs tools including risk assessments, key indicators, stress and scenario tests and learnings from internal and external events. This informs business decisions, including the deployment of resources, and helps to ensure that the firm is appropriately capitalised. Current and emerging risks are evaluated against risk appetite to aid prioritisation and determine appropriate treatment and escalation.

The firm is exposed to risks from internal factors, such as poor control design or operation, inadequate technology or development, inadequate resourcing, or poor product design (i.e., ‘controllable’ risks). The firm is also exposed to external factors such as market behaviour and other macroeconomic factors, changes in regulation, and investor sentiment (i.e., ‘uncontrollable’ risks) that may require a different response plan compared to controllable risks. Different risk management techniques and treatments are employed through the risk framework.



Risk Management Process

There are four stages to the risk management process:

- **Identify** - Risks are identified through continual assessment and monitoring changes and events in the internal and external environment.
- **Evaluate** - Risks are evaluated in line with risk appetite and actions agreed with the appropriate authority.
- **Manage** - Treatments are agreed and monitored to completion. These may be tactical changes such as new controls or more strategic projects.
- **Monitor and escalate** - Risks are evaluated against risk appetite and reported via the governance structure as appropriate.

Treating risk

Since not all risks Ninety One faces can be prevented, Ninety One applies four main approaches to risk treatment:

- **Reduce Likelihood** - Where risks are deemed “controllable”, efforts are made to reduce the likelihood of occurrence through a robust internal control environment that is under continual review by Ninety One’s management and subject to challenge by the risk, compliance, and internal audit teams.
- **Transfer** - Where more efficient or cost effective, or the risk is too great to accept, it may be “transferred” to third parties with more capacity or specific skillsets. However, risk transfer techniques do not dilute management accountability.
- **Reduce Impact** - Where risks cannot be controlled, measures may be taken to reduce the impact of risk, e.g., through diversification or hedging techniques.
- **Eliminate** - Where risks are deemed or anticipated to breach risk tolerance, the risk must be eliminated.

Own funds requirements, concentration, liquidity requirements

Ultimately, the risk management framework is designed to ensure that Ninety One meets its stakeholders' (clients, employees, shareholders, and society and environment) expectations and objectives and that the firm lives up to its commitment to do the right thing.

Under MIFIDPRU 8.2.1 (R), Ninety One UK is required to disclose its risk management objectives and policies for its own funds requirements, concentration risk, and liquidity requirements.

Through its management and governance structure, Ninety One has defined clear lines of accountability and escalation for each of the risks and harms inherent in its business and operating environment. Ninety One assesses its exposure to each of the identified risks and harms, including those under MIFIDPRU 8.2.1 (R) through the general operation of the risk management framework and as part of the annual capital adequacy assessment process.

Own funds requirements

As a minimum, a firm's own funds should equal that of its own funds requirements. However, not all elements of a firm's capital may be used to meet its own funds requirements. The policies and approach to the calculation and assessment of Ninety One UK's own funds and own funds requirements are included under section 4 below.

Under the own funds requirements assessment, Ninety One UK considers the following risks, and the harms they could cause, as part of the annual capital adequacy process:

- Credit risk

Credit (counterparty) risk considers the risk that a party will not meet its obligations under a financial instrument or trading contract leading to a financial loss in operating activities. This category includes credit concentration risk.

Direct exposure to credit risk mainly arises from own funds on deposit, fees accrued from clients and funds, and a further exposure in credit risk from the requirement to account for lease agreements as right-of-use assets. Credit exposure is regularly monitored and there has been no history of significant defaults from these exposures. Where inter-company transactions do arise, amounts due between companies are settled on a timely basis.

- Market risk

Market risk considers the risks that arise from fluctuations in values of (or income from) assets or in interest or exchange rates.

Ninety One UK is primarily exposed to market risk by way of currency and concentration risk. Currency risk is assumed on amounts receivable from and payable to third parties, as well as cash and cash equivalents, whilst concentration risk is assumed on debtors. Outstanding amounts are regularly monitored and settled to mitigate exposures. Foreign exchange exposure in relation to receivables is generally short term in nature and is not actively hedged.

- Operational risk

Operational risk considers the risk of loss or earnings volatility resulting from inadequate or failed internal processes, people and systems or external events.

Several tools and practices are employed to effectively assess and monitor risk profiles across the business and are highlighted in the risk management framework above. The framework is designed to enable the firm to identify risks inherent in each business unit and the processes undertaken, and to measure the current profile of each risk against risk appetite. Ninety One UK mitigates operational risks through the design and implementation of strong processes and effective controls.

Concentration risk

Concentration risk considers the risk arising from concentration to a single counterparty, sector, or country.

Ninety One UK does not engage in proprietary trading (i.e., for its own account); therefore, it has no direct exposure to concentration risk. However, elements of concentration risk may arise in other areas such as credit risk.

The activities and investments of the portfolios it manages present a significant business risk as they directly affect revenue and the capital planning process. As such, Ninety One UK ensures that it has a diverse product range that serves as a 'natural hedge' against adverse market conditions. Diversification also comes in other forms, including client geography and client profiles. As such Ninety One UK is not reliant on revenue from a single source or a small number of clients.

The last form of concentration risk is against its own funds' deposits. Ninety One UK takes great care to manage this by depositing funds predominantly in highly liquid money market instruments where assets are custodied under client money arrangements and therefore protected from an institutional failure. This also provides diversification by way of its underlying investment profile (i.e., the securities in which it in turn invests).

Liquidity requirements

Liquidity risk considers the risk that a firm, although solvent, either does not have available sufficient financial resources to enable it to meet its obligations as they fall due or can secure such resources only at excessive cost.

Ninety One UK is exposed to liquidity risks to the degree that it cannot meet its liabilities as they fall due, because of any assets not being sufficiently liquid as to allow funds to be drawn down to meet business expenditure.

Monitoring the firm's liquidity levels may identify the need to assess any short term needs to meet any liabilities which might fall due, and to assess if assets are sufficiently liquid as to allow funds to be drawn down to meet business expenditure.

The adequacy of liquid assets is further assessed as part of the annual capital adequacy process.

Key risk management policies

The following policies have been implemented and embedded in to underpin a culture of good risk management and governance.

All key policies are subject to review and approval at the Ninety One Global Policies Committee. Policies are considered global and applicable to all entities unless otherwise specified. All policies are assigned an owner and compliance with policies is monitored through the oversight functions.

In addition to the policies below, the code of ethics is called 'Do the Right Thing' and has been developed to delineate what is acceptable personal and professional behaviour for all employees, as well as to set out certain legal and regulatory requirements with which all employees must comply. If all employees conduct themselves by 'doing the right thing', the firm will go a long way to ensuring the correct outcomes for clients and the markets in which Ninety One operate. All staff are required to attest to the fact that they have read the document and understand it.

Non-compliance with policies is seen as material and such instances are reported to the MRC, or alternatively to senior management (e.g., where they may be of a confidential nature). Material or persistent breaches of policies by an individual may result in disciplinary action.

Policy	Scope and purpose
Conflicts of Interest	As a global investment manager, Ninety One recognises that various jurisdictional standards may apply to some of its employees. Generally, when there is a difference between policies and the laws of the jurisdictions in which Ninety One conducts business, the more restrictive requirement will prevail. This policy ensures that Ninety One and Ninety One UK avoids or mitigates conflicts of interest with its clients.
Risk Appetite	The policy describes Ninety One's risk appetite and tolerance, using examples of undesirable outcomes (expressed in either qualitative or quantitative terms) for different types of risk that can be understood and applied by teams in the business to their own assessments. It outlines criteria against which risks must be measured to determine the materiality of the risk, relative to the risk appetite, and details the required escalation of events or exposures identified.
Operational Risk	The policy sets out rules and guidance designed to promote sound practices for effective management of operational risks that may exist within the business.
Secure and Acceptable Usage	The policy sets out rules and guidance designed to promote sound practices to protect Ninety One's information assets.
Information and Cyber Security	The policy sets out rules and guidance designed to promote sound IT operational governance and practices in order to achieve reliability, security, and continuity.

4. Own funds and own funds requirements

As a MIFIDPRU investment firm, Ninety One UK is required to disclose the composition of its own funds, how these own funds reconcile to the statement of financial position in its audited financial statements, and to provide details on its own funds requirements.

Own funds

The table below details the composition of Ninety One UK's regulatory own funds post audit of its financial statements for the year ended 31 March 2024.

Composition of regulatory own funds

Item	31/03/2024 £'000	Source based on reference numbers/letters of the statement of financial position in the audited financial statements
1 Own funds	60,489	
2 Tier 1 capital	60,489	
3 Common equity tier 1 capital	60,489	
4 Fully paid up capital instruments	11,860	11
5 Share premium	2,232	
6 Retained earnings	62,949	
7 Accumulated other comprehensive income	-	
8 Other reserves	-	
9 Adjustments to CET1 due to prudential filters	-	
10 Other funds	-	
11 (-) Total deductions from common equity tier 1	(16,552)	
19 CET1: Other capital elements, deductions, and adjustments	(16,552)	8, 18
20 Additional tier 1 capital	-	
21 Fully paid up, directly issued capital instruments	-	
22 Share premium	-	
23 (-) Total deductions from additional tier 1	-	
24 Additional Tier 1: Other capital elements, deductions, and adjustments	-	
25 Tier 2 capital	-	
26 Fully paid up, directly issued capital instruments	-	
27 Share premium	-	
28 (-) Total deductions from tier 2	-	
29 Tier 2: Other capital elements, deductions, and adjustments	-	

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The table below provides details of Ninety One UK's statement of financial position along with cross references to the composition of Ninety One UK's regulatory own funds detailed above.

Own funds: reconciliation of regulatory own funds to the statement of financial position in the audited financial statements

	Statement of financial position as in published/audited financial statements 31/03/2024 £'000	Cross reference to template OF1	
Assets - Breakdown by asset classes according to the statement of financial position in the audited financial statements			
1	Property and equipment	17,392	
2	Right-of-use assets	49,975	
3	Pension fund asset	2,651	19
4	Deferred tax asset	13,901	19
5	Trade receivables	31,642	
6	Other receivables	10,948	
7	Investments	5,211	
8	Cash and cash equivalents	81,875	
9	Income tax receivable	8,959	
10	Amounts receivable from group companies	9,889	
	Total assets	232,443	
Liabilities - Breakdown by liability classes according to the statement of financial position in the audited financial statements			
1	Lease liabilities	(69,044)	
2	Other liabilities	(9,171)	
3	Trade and other payables	(71,911)	
4	Amounts payable to group companies	(2,106)	
5	Income tax payable	(3,170)	
	Total liabilities	(155,402)	
Shareholders' equity			
1	Share capital	11,860	4
2	Share premium	2,232	5
3	Retained earnings	62,949	6
	Total shareholders' equity	77,041	

Own funds: main features of own instruments issued by the firm.

Own funds consist of retained earnings and issued and paid up share capital.

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Own funds requirements

Ninety One UK's own funds requirements are determined with reference to the rules under MIFIDPRU 4.3. This is the minimum capital required to be held by the Company. The own funds requirements per the Prudential Sourcebook are calculated as the greater of:

- **The permanent minimum requirement ("PMR")**

This is a fixed amount determined by the activities of the firm.

- **The sum of the K-factors**

Formulaic 'K-factors' are the drivers used to determine the own funds that a firm must hold, with reference to the activities of the firm. The purpose of the K-factors is to cover 'potential harms' arising from conducting various activities.

- K-AUM is based on the assets under management of the firm over a rolling 12-month period calculated 3 months in arrears.
- K-COH is based on the client orders handled by the firm but excludes those handled in respect of amounts already recognised under K-AUM.

- **The fixed overhead requirement**

This is normally one quarter of the firm's annual *relevant* expenditure. Certain items that form part of total expenditure for accounting purposes are not included in the expenditure used to calculate the fixed overhead requirement.

A summary of these requirements for Ninety One UK as at, 31 March 2024 is shown below.

Detail	£'000
Permanent minimum requirement (A)	75
Sum of the K-factors (B)	9,754
- K-AUM	7,842
- K-COH	1,912
Fixed overhead requirement (C)	41,367
Own funds requirements (higher of A, B and C)	41,367

Assessing the adequacy of own funds

The adequacy of the own funds of Ninety One UK is assessed as part of the assessment of Ninety One plc through an Internal Capital Adequacy and Risk Assessment ("ICARA"). The ICARA is subject to the ongoing scrutiny of Ninety One's Management Risk Committee, challenged and approved by the Ninety One Audit and Risk Committee, and approved by the Ninety One plc board.

Under the ICARA process, a reasonable estimate is made of the own funds needed to comply with the FCA's Own Funds Adequacy Rule ("OFAR"). The OFAR requires the firm to hold adequate own funds to ensure that:

- the firm can remain financially viable throughout its ongoing operations, with the ability to address any potential material harms that may result from these activities; and
- the firm's business can be wound down in an orderly manner.

The results of the most recent ICARA have determined that Ninety One UK holds sufficient own funds to comply with and meet the overall financial adequacy requirement.

5. Remuneration

Ninety One UK and Ninety One plc are subject to consolidated supervision by the FCA and subject to the FCA's MIFIDPRU Remuneration Code. The remuneration disclosures for Ninety One are provided below.

The below disclosures satisfy the MIFIDPRU remuneration disclosures for the year ended 31 March 2024 and should be read together with the Directors' Remuneration Policy set out in the Ninety One 2024 Integrated Annual Report and the Ninety One Remuneration Policy ('Remuneration Policy') that applies to the wider workforce, available on the Ninety One website.

i. Approach to remuneration

Our approach to remuneration is that it is an important part of our employee value proposition – designed to attract, retain, and motivate staff and to reinforce the behaviours needed to support our culture and values over the short, medium, and longer term in a risk conscious manner. Integral to the determination of remuneration levels is the commitment to our culture in the pursuit of excellence for our clients within an effective risk management environment.

Our remuneration policies, plans, procedures, and practices are clear and transparent. They are designed and implemented to align employee interests with those of all stakeholders including our shareholders and clients, and to support the long-term success of our business.

Remuneration policies, plans, procedures, and practices:

- are gender and race neutral: we are committed to zero variance in remuneration on a like-for-like basis and we aim to ensure that all our employees are paid fairly and equitably relative to their role, skills, and experience. As a result, gender neutrality is a core feature of our policies and practices, in support of equal pay for work of equal value;
- ensure that performance-based remuneration is paid over a period which considers the business cycle and its associated risks;
- are consistent with and promote sound and effective risk management and do not encourage risk taking that exceeds the level of risk tolerance of the business;
- are in line with Ninety One's business strategy, objectives, and long-term interests, including Ninety One's risk appetite, culture, and values and the long-term effect of investment decisions;
- are not inconsistent with the risk profiles of the funds and strategies that we manage; and
- do not impair Ninety One's compliance with our duty to act in the best interests of the funds and strategies we manage.

Components of remuneration

The remuneration for all employees (including Material Risk Takers¹) includes fixed remuneration, pension contributions (where applicable) and other local employee benefits. Fixed remuneration is reviewed annually and is designed to reflect the relative skills and experience of, and contribution made, by each employee.

Remuneration may also include the following elements:

- annual discretionary variable remuneration which may comprise both cash and deferred elements;
- staff shares may also be awarded on an exceptional basis (such awards are typically retention-related); and
- in a small number of instances, alternative remuneration structures such as commission and carried interest, where this is important to remain competitive in specific locations or for specific roles.

Variable remuneration

In respect of the annual discretionary variable remuneration, Ninety One operates an annual discretionary cash bonus scheme and typically employees are eligible to be considered for a cash bonus under the scheme, although this does not mean that they will automatically receive one. Ninety One also operates an annual discretionary deferred bonus scheme and participation in the deferred bonus scheme is determined on an annual basis at the discretion of Ninety One, based on the roles of individual employees.

- Firm performance criteria

The primary determinant of the variable remuneration pool available for distribution is operating profit. A fixed percentage of operating profit allocated to the variable remuneration pool has been set in accordance with an agreed and long-standing practice that has served the business successfully through numerous market cycles. As our business aims to meet the long-term objectives of our clients, profit (and therefore the variable remuneration pools) has historically been aligned.

Any variable remuneration paid or awarded is at the discretion of Ninety One and based on several factors including multi-year performance and non-financial metrics such as compliance and consideration of current and likely future risks inherent in the business (see ex-ante risk adjustment section for further details). Financial performance is measured for Ninety One as a whole. Where Ninety

¹ A material risk taker is a staff member at a non-SNI MIFIDPRU investment firm whose professional activities have a material impact on the risk profile of the firm or of the assets that the firm manages.

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One's financial performance is subdued, or negative, total variable remuneration would be contracted in line with weaker financial results, considering both current remuneration and potential reductions in pay-outs of amounts previously earned. Ninety One's total variable remuneration should therefore not limit its ability to strengthen its capital base as it is paid out of profits. The remuneration committees also consider the capital and liquidity position of Ninety One in setting the variable remuneration pools.

- Business unit performance criteria

Investment and financial performance are measured where applicable for each relevant business unit/team.

- Individual performance criteria

Both qualitative and quantitative factors are integral to determining individual discretionary variable remuneration levels. Specific factors considered include the following:

- Scope of responsibility and individual contribution to firm and business unit performance;
- Business conduct that is responsible and consistent with our culture and values;
- Attitude and behaviour of employees towards risk consciousness, internal controls, risk management and regulatory compliance;
- Specific input from risk and compliance functions regarding concerns about the behaviour of individual employees;
- Market sector norms and peer group comparisons;
- Quality and level of leadership and collaboration, and the development of self and others; and
- The ability to grow and develop business and client relationships while ensuring good outcomes for those clients.

While both financial and non-financial measures are integral to determining individual remuneration levels, there is no set weighting between these measures.

ii. Objectives of financial incentives and performance criteria

The objectives of our financial incentives are to retain key employees, provide better alignment of their interests with both clients and the business, and to manage potential, currently unknown, future risks.

The payment of variable remuneration is at our discretion and is only paid if it is sustainable according to the financial situation of Ninety One as a whole and justified based on overall performance of the business and that of the division and the individual concerned.

iii. Risk adjustment, guaranteed variable remuneration and severance pay

Ex-ante risk adjustment

Ex-ante risk adjustment is not managed through a formal policy but forms an important part of our wider remuneration policy and is specifically considered in setting variable remuneration levels.

Variable remuneration pools are calculated considering input from the Chair of the MRC and the Heads of Compliance to ensure that these are at an appropriate level given the current and likely future risks inherent in the business (including both financial and non-financial risks). Should pools require risk adjustment, the relevant remuneration committee shall determine at what level the adjustment is appropriate (i.e., division, team or individual). Pools are divided between business divisions based on considerations of both financial and non-financial performance. The remuneration committee considers the liquidity and capital position of Ninety One when setting and approving variable remuneration pools.

Ex-post risk adjustment

Ninety One has a group-wide procedure covering ex-post risk adjustment. This procedure can apply to all staff.

Variable remuneration awarded to Material Risk Takers is subject to forfeiture prior to payment/vesting (malus). Malus applies for the period from award to payment/vesting. Amounts may also be repayable after vesting/payment or any post-vesting retention period, if applicable (clawback). The clawback period shall apply for the same length of time as the vesting period, plus any post-vesting retention period – subject to the overall clawback period being no shorter than three years.

Where there is a case where malus and/or clawback could be applied, this will be considered with input from all relevant parties. Where it is agreed that malus and/or clawback should be applied then the Global Head of Human Capital will make a recommendation to the relevant Board or Committee or Director/s that oversees the operation of the scheme. In making decisions relating to ex-post risk adjustment, the relevant body shall always act in good faith.

Guaranteed variable remuneration

Guaranteed bonuses are only ever awarded to new joiners in the context of hiring and only where: (i) it is exceptional; (ii) limited to the first year of service; and (iii) the firm has a strong capital base. Any such guarantees may include deferral under the deferred bonus scheme and will be required to be linked to future performance and the effective management of relevant risk conditions.

Any guaranteed bonuses paid to Material Risk Takers shall be subject to both malus and clawback, in line with the standard malus and clawback terms.

Severance awards

Severance pay is at Ninety One's absolute discretion, subject to local statutory requirements.

Any payments related to early termination of employment contracts will reflect performance achieved over time and will be designed in a way that does not reward failure. Severance awards to senior employees (including Material Risk Takers) shall be subject to clawback for a period of three years following payment.

There is no contractual severance policy, but a number of criteria are taken into account when determining any severance pay including:

- length of service;
- individual contribution; and
- legal risk.

iv. Decision-making process for determining the remuneration policy and practice

The Ninety One Dual Listed Company Human Capital and Remuneration Committee (the "DLC RemCo") has been appointed and empowered by the Board of Directors of Ninety One plc to serve as the remuneration committee for Ninety One. The DLC RemCo's delegated authority to act on behalf of the board is set out in its written terms of reference, which is reviewed annually. The DLC RemCo comprises three independent Non-Executive Directors. The DLC RemCo has appointed Deloitte LLP as its independent advisors.

Further remuneration committees may be required from time to time to comply with applicable regulations. Such committees would function as the remuneration committees for the relevant subsidiary entities, with input from the DLC RemCo where relevant.

The remuneration committees are responsible for periodically reviewing the principles of the remuneration policy. The remuneration committees arrange, on an annual basis, for a central and independent review of the implementation of the remuneration policy pertaining to Material Risk Takers. The remuneration committees are also responsible for determining those individuals who have a material impact on the risk profile of Ninety One, and approving remuneration for these individuals.

In considering the remuneration policy, the remuneration committees seek to ensure that remuneration structures are designed in a way that supports the attraction, retention, and motivation of staff in a way that reinforces the behaviours needed to support our culture and values over the short, medium, and longer term in a risk conscious manner.

v. Identification of Material Risk Takers

Material Risk Takers have been identified in accordance with the criteria, guidance and expectations set out in the MIFIDPRU Remuneration Code. In addition to those criteria, Ninety One also identified staff as Material Risk Takers if they were Senior Managers identified under the Senior Managers and Certification Regime and would not otherwise be identified as Material Risk Takers.

For the year ended 31 March 2024, 57 individuals were identified as Material Risk Takers by Ninety One and approved by the relevant remuneration committee.

The list of Material Risk Takers is reviewed throughout the year to consider any individuals who may require identification as a Material Risk Taker due to any role or structural changes. Any new identified Material Risk Takers shall be subject to approval by the relevant remuneration committee.

vi. Quantitative remuneration disclosures (£m)

Total remuneration awarded to Material Risk Takers and all staff

	Senior management	Other Material Risk Takers	Other staff	Total (all staff)
Fixed Remuneration	1.7	9.5	73.1	84.3
Variable Remuneration	6.9	36.9	61.8	105.6
Total Remuneration	8.6	46.4	134.9	189.9

Total amount of guaranteed remuneration awarded to Material Risk Takers

	Senior management	Other Material Risk Takers
Guaranteed Variable Remuneration	-	0.1

Total amount of severance payments awarded to Material Risk Takers

No severance payments were awarded to Material Risk Takers.

