



Pillar 3 Disclosures

Ninety One plc

31 March 2021



Table of contents

1.	Overview	3
2.	Risk governance and risk management framework	4
3.	Capital resources and adequacy	9
4.	Remuneration	13

1. Overview

Introduction

Ninety One plc ('Ninety One') is a specialist, active investment manager and is subject to consolidated supervision by the Financial Conduct Authority ('FCA'). Ninety One operates under a single, global, operational structure. It provides a range of domestic and international portfolio management services, largely to institutional investors and asset platforms, and the clients they serve.

This document sets out the Pillar 3 disclosures on risk management and capital adequacy in relation to Ninety One in accordance with the FCA Prudential Sourcebook for Banks, Building Societies, and Investment Firms, BIPRU 11 ('Pillar 3').

Purpose of Pillar 3

The Capital Requirements Directive ('CRD') represents the European Union's interpretation and application of the proposals arising from the Basel Committee. This was implemented in the UK through changes to the FCA Handbook of Rules and Guidance, and specifically through the creation of the General Prudential Sourcebook and the Prudential Sourcebook for Banks, Building Societies, and Investment Firms ('BIPRU'). Pillar 3 aims to complement the minimum capital requirements (Pillar 1) and the supervisory review process (Pillar 2).

The CRD sets out a 'three Pillar' framework:

- Pillar 1 sets out a rules-based minimum capital standard that firms are required to meet for credit, market and operational risk;
- Pillar 2 requires firms, and their regulators, to take a view through their internal capital adequacy assessment process on whether additional capital should be held against capital risks not covered by Pillar 1; and
- Pillar 3 requires firms to publish certain details of their capital resources, risks and risk management process, and remuneration process, and is intended to enhance market discipline.

Scope of application

Disclosures are made in respect of Ninety One on a consolidated basis and on behalf of significant subsidiaries on a standalone basis.

Two subsidiaries are authorised and regulated by the FCA: Ninety One UK Limited ('Ninety One UK') and Ninety One Fund Managers UK Limited ('Ninety One UK FM').

The disclosures in this document are made in accordance with Ninety One's Market Communication and Disclosure Policy. The disclosures are made as at 31 March 2021, which is Ninety One's accounting reference date. In accordance with regulations, the information is not subject to audit, and has been produced solely for the purposes of satisfying the Pillar 3 regulatory requirements.

The rules provide that a firm is not required to disclose information which is not material, or which is considered to be proprietary or confidential. Where a disclosure is considered to be immaterial, this has been stated.

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. Risk governance and risk management framework

The DLC Board of Directors (“the Board”) has ultimate responsibility for risk management. It approves Ninety One’s risk framework and appetite annually and oversees the operation of the framework. Ninety One’s risk management framework is not designed to eliminate risk entirely, but to reduce uncertainty by identifying and managing current and emerging risks to acceptable levels and to harness risk management tools and techniques to optimise performance and inform business decisions.

Creating and nurturing good culture and conduct

The concept of “doing the right thing” is a key cultural attribute at Ninety One and our culture and values permeate throughout the organisation.

Ninety One takes great care to hire the right people who share our values and nurture an environment where good behaviours are demonstrated. This culture is displayed in the actions of employees and the construction of our policies and processes, as well as the design of our products.

Ninety One operates a risk-aware, open culture where all employees contribute to effective risk management.

Approach to risk management

Risk appetite

Risk appetite sets the “tone from the top” and provides parameters within which the business can operate. Risk appetite provides a mechanism for treating risks that exceed appetite and ensuring the Board and key committees are appropriately informed. Risk appetite considers qualitative and quantitative impacts affecting all stakeholders. Ninety One’s risk appetite is approved annually by the Board.

Risk governance

The Board has delegated the responsibility for risk oversight to the DLC Audit and Risk Committee (“ARC”). The ARC is supported by a Management Audit Committee (“MAC”), Management Risk Committee (“MRC”) and specialised risk subcommittees, comprising subject matter experts from across the business. This model ensures that material risks are escalated to the ARC (or Board, where appropriate), and any relevant levels of that risk are regularly and formally evaluated.

Ninety One risk governance structure



The “three lines of defence”

Combined assurance is about effectively coordinating the three lines of defence through the encouragement of collaboration and development of a holistic view of Ninety One’s risk universe to most effectively and efficiently manage risk. Ninety One has implemented a Governance Risk and Compliance (“GRC”) technology solution that is used by all three lines of defence. The GRC is a single repository of risks and controls from which each team’s own risk assessments are administered, evaluated and challenged. GRC facilitates a more structured and cohesive approach to managing risk within the business.

Ninety One’s employees are the first line of defence against risk

Ninety One believes that good risk management is achieved by empowering its employees to identify risk. Individual risk management responsibilities also form a key part of the annual employee performance review process. Line managers are the first point of escalation, as their detailed understanding of Ninety One’s processes make them best placed to assess and manage risk in line with Ninety One’s risk appetite.

The second line of defence comprises the risk management and compliance teams

Ninety One’s risk management teams design the risk management framework and are a trusted partner who advise on risk-management matters and challenge the first line’s assessment of risk. Risk management separates into two specialist areas tasked with assessing and overseeing investment risks (within portfolios) and operational risks, respectively. Regulatory risk is overseen by a dedicated Compliance team.

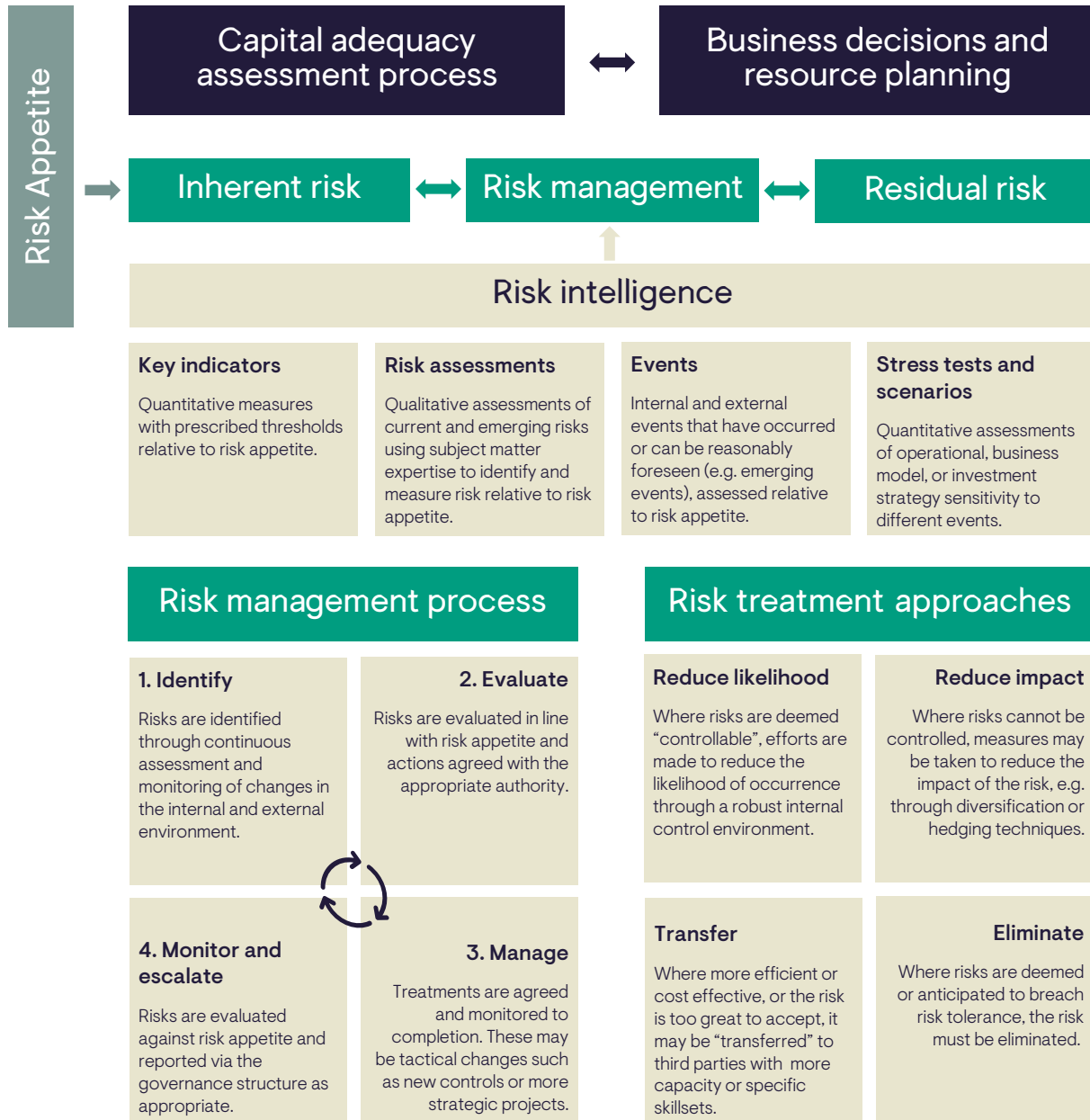
The third line of defence is an independent internal audit team

Internal Audit operates a risk-based audit review programme to provide independent assurance to the Board (via the ARC) that the risk management framework and control environment are suitability designed and properly operated and governed.

Risk management framework

The risk management framework is utilised across all categories of risk within Ninety One and 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 Ninety One is appropriately capitalised. Current and emerging risks are evaluated against risk appetite to aid prioritisation and determine appropriate treatment and escalation.

Ninety One is exposed to risks from internal factors, such as poor control design or operation, inadequate technology or development and inadequate resourcing or poor product design – these are deemed “controllable” risks. Ninety One is also exposed to external factors such as market behaviour and other macroeconomic factors, changes in regulation and investor sentiment; these are deemed “uncontrollable” risks. Different risk management techniques (“treatments”) are employed.



Key risk management policies

The following policies have been implemented and embedded in Ninety One's business to underpin our culture of good risk management and governance.

All key policies are subject to review and approval at the Global Policies Committee. All policies are assigned an owner and compliance with policies is monitored through the oversight functions.

Policy	Scope and purpose
Code of Ethics	The Global Code of Ethics ('Code') 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 within the letter and spirit of the Code, the firm will go a long way to ensuring the correct outcomes for clients and the markets in which we operate.
Conflicts of Interest	As a global investment manager, Ninety One recognises that various jurisdictional standards may apply to some of its employees. As a general rule, 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 avoids or mitigates conflicts of interest with its clients.
Operational Risk	Sets out rules and guidance designed to promote sound practices for effective management of operational risks that may exist within the business.
Risk Appetite	Describes the firm's 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. Outlines criteria against which risks must be measured in order to determine the materiality of the risk, relative to the firm's Risk Appetite, and details the required escalation of events or exposures identified.

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.

Types of risks considered

Ninety One assesses its exposure to each of the risk categories described and outlined in the regulations as part of its internal capital adequacy assessment process ('ICAAP').

As an investment firm that does not trade on its own account, Ninety One does not have direct exposure to many of the risks outlined in the regulations; however indirect exposures may manifest predominantly through failings in its own policies and procedures and these are therefore categorised as operational risks.

Ninety One is exposed to the risk categories listed below (as described in the FCA Handbook), but risks on a more granular basis are considered in the daily operations and internal reporting requirements. Ninety One also considers its exposure to conduct risk and reputational risk.

A number of further risk types outlined in the regulations have been considered as part of the ICAAP (such as interest rate and securitisation) but have either been deemed to be immaterial or not applicable as they relate to activities in which Ninety One does not engage.

Risk category	Risk description
Business and strategic risk	Business and strategic risk considers the risk that Ninety One fails to deliver on its strategy or achieve good stakeholder outcomes. Business and strategic risks can manifest through a failure to foresee and respond to the changing needs of our clients and other stakeholders, lack of resilience and ability to adapt to changes in our operating environment, or an inability to attract or retain the right talent to deliver good stakeholder outcomes.
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 Ninety One's own funds on deposit and fees accrued from clients and funds. In addition, as a result of the implementation of IFRS 16, a further exposure and increase in credit risk arises from the requirement to account for Ninety One's lease agreements as right-of-use assets.

Market risk	<p>Market risk considers the risks that arise from fluctuations in values of (or income from) assets or in interest or exchange rates.</p> <p>Ninety One 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 currently actively hedged.</p>
Liquidity risk	<p>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.</p> <p>Ninety One is exposed to liquidity risk to the degree that it cannot meet its liabilities as they fall due, as a result of any assets not being sufficiently liquid as to allow funds to be drawn down to meet business expenditure.</p>
Operational risk	<p>Operational risk considers the risk of loss or earnings volatility resulting from inadequate or failed internal processes, people and systems or external events.</p> <p>Operational risk is one of Ninety One's primary direct risk exposures and is sub-divided into numerous sub-categories (such as legal risk and regulatory risk) to allow for granular analysis and classification of events.</p>
Pension obligation risk	<p>Pension obligation risk considers the risk to a firm caused by its contractual or other liabilities to or with respect to a pension scheme.</p> <p>Ninety One is exposed to pension obligation risk through a defined benefit non-contributory pension scheme in which certain employees participate.</p>
Conduct risk	<p>Conduct risk is broadly defined as any action of a regulated firm or individual that leads to client detriment or has an adverse effect on market stability or effective competition.</p> <p>A key consideration in the design of Ninety One's governance structure and risk management framework is the management of conduct risk. Conduct risk results from any action or inaction by the firm (or an individual) that could lead to financial detriment or non-financial disadvantage to customers, clients and counterparties or undermine market integrity.</p> <p>Conduct risks are monitored and managed within the wider risk management framework under the business and strategic, investment, and operational risk categories.</p>
Reputational risk	<p>Reputational risk is defined as the risk of loss or other adverse impact arising from the unfavourable perception of the firm on the part of clients, counterparties, employees, regulators, shareholders, other stakeholders, the media, or the general public. Ninety One treats reputational risk as a potential impact from risk incidents which are classified under the risk categories above and not a separate risk category. Damage to Ninety One's reputation will give direct rise to Business Risk.</p> <p>Ninety One recognises the importance of its brand and reputation to its ability to create value for stakeholders.</p> <p>The corporate communications team monitor press coverage and social media comment. Issues relating to the firm are escalated as appropriate. Where required, a response will be drafted by the corporate communications team, working with the executive directors and Disclosure Committee where appropriate.</p>

3. Capital resources and adequacy

Ninety One assesses the capital adequacy of its consolidated and subsidiaries' capital positions with the aim of maintaining a level of capital that would meet both regulatory capital requirements and the working capital needs of the business, on an ongoing basis. Longer term assessments of capital under various conditions (stresses), and the subsequent impacts on Pillar 1 and Pillar 2 capital requirements, including an assessment of possible wind-down costs, are considered as part of the Ninety One plc ICAAP.

This section sets out the available capital resources and composition of the Pillar 1 capital requirements for Ninety One, and its significant subsidiaries, as at 31 March 2021.

Pillar 2 capital requirements are addressed through the ICAAP which quantifies each of the identified key risks. These results have been compared to the calculated Pillar 1 requirements in order to determine the overall capital requirement but are considered proprietary and therefore not disclosed herein. The most recent ICAAP was approved by the Board in June 2021.

Capital resources and capital requirements

Ninety One is funded through Tier 1 capital. This consists of permanent share capital, retained profits and other reserves. Figures are stated post audit of profits for the year ended 31 March 2021 and highlighted below:

	31/03/21
Capital resources	£'000
Permanent share capital	92
Retained profits and other reserves	161,862
Deductions	(13,254)
Total capital resources	148,700

	31/03/21
Pillar 1 capital requirement	£'000
Fixed overhead requirement (A)	43,330
Credit risk requirement	26,660
Market risk requirement	4,327
Sum of credit and market risk requirements (B)	30,987
Pillar 1 requirements (higher of A and B)	43,330
Individual capital guidance (144.6%)	19,325
Total requirement	62,655

The constituents of the credit risk requirement are:

Asset class (£'000)	UK	Europe ex-UK	Asia-Pacific	North America	Rest of world	Total Risk Weighted Assets ('RWA')	Credit risk requirement (8% of RWA)
Claims on Institutions with a residual maturity of less than three months	16,197	10,839	2,858	1,808	-	31,702	2,536
Collective Investment Scheme Undertakings	39,046	34,967	277	1,224	2,862	78,376	6,270
Corporates and non-commercial undertakings*	24,303	22,031	10,003	12,869	12,536	81,742	6,540
Other items**	110,451	3,914	8,493	18,566	-	141,424	11,314
Total	189,997	71,751	21,631	34,467	15,398	333,244	26,660

*Includes fees due and accrued in respect of clients that are Institutions

**Other items RWA include property & equipment and right-of-use assets of £113.8 million.

The constituents of the market risk requirement are:

Market risk component (£'000)	RWA	Market risk requirement (RWA * 8%)
Foreign currency position risk requirement	54,092	4,327
Total	54,092	4,327

Ninety One calculates Pillar 1 capital requirements for all companies in accordance with current regulations. This is considered to be the minimum capital required to be held for each company. Ninety One's dividend policy requires that adequate allowance is made for anticipated changes in capital requirements and the assessment against this policy is submitted to each company board as part of the dividend approval process.

The Pillar 1 capital requirements of the business are measured on a solo and consolidated basis. The consolidated capital requirements are calculated as the greater of:

- The sum of market risk and credit risk requirements; and
- the fixed overhead requirement.

Fixed overhead requirement ('FOR')

The FOR is calculated as one quarter of the fixed overhead costs of the preceding year.

Credit risk

The credit risk capital requirement for Pillar 1 is calculated under the standardised approach by multiplying risk weighted assets by 8%.

Additional considerations under credit risk include:

- Past due and impaired assets

Items are considered to be past due once the contractual settlement date for payment has passed. Items are considered to be impaired once the realisable value is believed to be less than the carrying value of the assets.

At the reporting date there were no amounts past due that were considered to be impaired.

Where applicable, ratings used in determining credit quality steps are based on publicly available information from Standard & Poor's.

- Credit risk mitigation and items not subject to credit risk

In accordance with BIPRU 5, risk exposure amounts relating to the following assets have been adjusted:

- Investments held in respect of deferred compensation and associated deferred compensation liabilities on behalf of staff; and
- Amounts due as a result of transactions in underlying funds.

Market risk

The market risk capital requirement for Pillar 1 is calculated under the standardised approach by multiplying risk weighted assets by 8%.

Capital adequacy

At 31 March 2021, Ninety One's capital resources of £148.7 million exceeded its capital requirements of £62.7 million on a consolidated basis.

Significant subsidiaries

Ninety One UK and Ninety One UK FM have been identified as significant subsidiaries of Ninety One plc for the purpose of this disclosure. This is determined with reference to a combination of factors including the functions which they perform and the values of their capital requirements. Below are the disclosures for those companies on a solo, unconsolidated basis. Figures are stated post audit of profits for year ended 31 March 2021.

At 31 March 2021, on a solo basis, all of Ninety One's subsidiaries held capital resources in excess of their capital requirements.

Ninety One UK

	31/03/21 £'000
Capital resources	
Permanent share capital	18,091
Retained profits and other reserves	74,994
Total capital resources	93,085

	31/03/21 £'000
Pillar 1 capital requirement	
Fixed overhead requirement (A)	28,552
Credit risk requirement	15,156
Market risk requirement	2,305
Sum of credit and market risk requirements (B)	17,461
Pillar 1 requirements (higher of A and B)	28,552
Individual capital guidance (144.6%)	12,734
Total requirement	41,286

The constituents of the credit risk requirement are:

Asset class (£'000)	UK	Europe ex-UK	Asia- Pacific	North America	Rest of world	Total RWA (8% of RWA)	Credit risk requirement (8% of RWA)
Claims on Institutions with a residual maturity of less than three months	6,978	-	-	-	-	6,978	558
Collective Investment Scheme Undertakings	9,533	3,727	-	815	-	14,075	1,126
Corporates and non-commercial undertakings*	21,362	17,622	5,397	3,947	10,201	58,529	4,682
Other items**	109,867	-	-	-	-	109,867	8,790
Total	147,740	21,349	5,397	4,762	10,201	189,449	15,156

*Includes fees due and accrued in respect of clients that are Institutions

**Other items RWA include property & equipment and right-of-use assets of £101.2 million.

The constituents of the market risk requirement are:

Market risk component (£'000)	RWA	Market risk requirement (RWA * 8%)
Foreign currency position risk requirement	28,816	2,305
Total	28,816	2,305

Ninety One UK FM

Capital resources	31/03/21 £'000
Permanent share capital	4,000
Retained profits and other reserves	11,814
Total capital resources	15,814

Pillar 1 capital requirement	31/03/21 £'000
Fixed overhead requirement (A)	863
Credit risk requirement	3,811
Market risk requirement	48
Sum of credit and market risk requirements (B)	3,859
Other requirements (C)	2,458
Pillar 1 requirements (higher of A, B and C)	3,859
Total requirement	3,859

The constituents of the credit risk requirement are:

Asset class (£'000)	UK	Europe ex-UK	Asia- Pacific	North America	Rest of world	Total RWA	Credit risk requirement (8% of RWA)
Claims on Institutions with a residual maturity of less than three months	1,088	-	-	-	-	1,088	87
Collective Investment Scheme Undertakings	27,417	592	-	130	-	28,139	2,251
Corporates and non-commercial undertakings*	15,664	2,124	19	21	-	17,828	1,426
Other items	581	-	-	-	-	581	47
Total	44,750	2,716	19	151	-	47,636	3,811

*Includes fees due and accrued in respect of clients that are Institutions

The constituents of the market risk requirement are:

Market risk component (£'000)	RWA	Market risk requirement (RWA * 8%)
Foreign currency position risk requirement	601	48
Total	601	48

4. Remuneration

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

The below disclosures satisfy the Pillar 3 remuneration disclosures for the year ended 31 March 2021 and should be read together with the Directors' Remuneration Policy set out in the Ninety One 2021 Integrated Annual Report and the Ninety One Remuneration Policy ('Remuneration Policy') that applies to the wider workforce, available on the Ninety One website.

i) Decision-making process for determining the remuneration policy

The Ninety One Dual Listed Company ('DLC') Human Capital & Remuneration Committee (the 'Committee') has been appointed and empowered by the Boards of Directors (the 'Boards') of Ninety One and its subsidiaries (the 'Group') to serve as the Remuneration Committee for the Group. The Committee's delegated authority to act on behalf of the Boards is set out in its written terms of reference, which are reviewed annually. The Committee comprises three independent Non-Executive Directors.

The Committee is responsible, amongst other things, for periodically reviewing the principles of the remuneration policies and reviewing their implementation. The Committee is 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 Committee seeks 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.

In formulating these policies, the Committee has also been mindful of corporate governance codes in both the United Kingdom and South Africa and will continue to take these into account in fulfilling its duties in relation to remuneration for the Executive Directors and for the wider workforce. These structures have been designed and implemented to align employee interests with those of shareholders and clients while supporting the long-term sustainability of the business.

The Committee will give careful consideration to feedback from clients, shareholders and regulators to ensure these policies remain aligned with their interests.

The Committee received advice from Deloitte LLP during the year ended 31 March 2021.

ii) Link between pay and performance & performance criteria

Remuneration for all employees (including Identified/Code Staff) includes fixed remuneration, pension contributions (where applicable) and other local employee benefits. 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, we make use of alternative remuneration structures such as commission, where this is important to remain competitive in specific locations or for specific roles.

Annual variable remuneration is based on a number of factors including firm, team, and individual multi-year performance and non-financial metrics such as compliance and risk awareness. The primary determinant of the variable remuneration pool available for distribution is annual profit. A fixed percentage of 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. Pools are calculated taking into account input from the Chair of the Management Risk Committee 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.

Where 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.

Variable remuneration for members of the Compliance, Operational Risk and Internal Audit teams are determined with primary reference to functional performance and not company financial performance and the Committee oversees the remuneration outcomes for senior staff in these functions.

Deferred variable compensation awards are subject to malus and clawback provisions.

Specific factors considered when determining remuneration include the following:

- Overall Group profit and divisional performance;
- current and likely future risks inherent in the business;
- multi-year investment and financial performance of specific business units;
- behaviour consistent with our culture and values;
- scope of responsibility and individual contribution to the performance of the business;

- 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; and
- quality and level of leadership and collaboration, the ability to grow and develop business and client relationships, and the development of self and others.

iii) Design characteristics of the remuneration system

Fixed remuneration, pension contributions and employee benefits

Fixed remuneration is reviewed annually and is designed to reflect the relative skills and experience of, and contribution made by, each employee. In addition, fixed remuneration as a proportion of overall remuneration levels is considered in setting the balance between fixed remuneration and variable remuneration.

Where applicable, employee benefits typically include:

- Life and permanent health insurances and medical cover, which vary according to local market norms; and
- employer pension contributions, which are based on annual salary only and not on any other element of remuneration. No discretionary pension benefits are paid.

Variable remuneration

Ninety One operates an annual discretionary cash bonus scheme and an annual discretionary deferred bonus scheme.

a) Cash bonus scheme

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. Any payments made under the scheme are at Ninety One's discretion.

b) Deferred bonus scheme

Participation in the deferred bonus scheme is determined on an annual basis at Ninety One's discretion, based on the roles of individual employees. The purpose of the deferred bonus scheme is to retain key employees, provide better alignment of their interests with both clients and the business, and to manage potential, currently unknown, future risks.

Deferred bonus awards are made in the form of a combination of investments into:

- Investment funds managed by Ninety One, with specific allocations (normally 50%) for portfolio managers and analysts into the funds for which they are responsible; and
- listed shares in Ninety One (normally allocations of at least 25%).

The deferral period is just over three years and awards are only paid out under specific conditions. The awards do not accrue to the employee until the end of the deferral period.

In certain circumstances and on invitation only, deferred bonus awards may be used, following vesting, to purchase participations in the Marathon Trust (Ninety One's long-term employee collective ownership vehicle).

Employees forfeit their allocations if they resign or their employment terminates prior to the vesting date unless discretion is otherwise exercised by Ninety One.

c) Staff shares

As part of our commitment to building a long-term, sustainable business and living our owner-led culture, Ninety One operates a number of staff share schemes. Share awards are subject to appropriate deferral periods.

Ninety One also operates an HMRC approved share incentive plan, which allows UK employees to purchase shares in Ninety One plc, subject to annual limits and with some tax advantages.

iv) Identification of Code/Identified staff and material risk takers

Identified/Code Staff are defined in accordance with relevant regulations under the BIPRU Remuneration Code.

The methodology applied to determine Identified/Code Staff and the register of Identified/Code Staff is maintained by the Human Capital team, in close consultation with the Heads of Compliance. Both the methodology and the register are subject to approval by the Committee annually.

For the year ended 31 March 2021, nine individuals fell within the material risk taker ('MRT') identification criteria under the BIPRU Remuneration Code, as identified by Ninety One and approved by the Committee.

v) Quantitative remuneration disclosures

As a fully integrated asset manager, we regard the Ninety One DLC group to be a single business area. Total remuneration of MRTs split by Senior Management and Other MRTs is as follows:

Year ended 31 March 2021	Senior Management (£'000)	Other MRTs (£'000)
Fixed remuneration	£1,039	£630
Variable remuneration	£10,197	£3,463
Total remuneration	£11,236	£4,093

The remuneration disclosed above was awarded in respect of the year ended 31 March 2021 and includes fixed and variable remuneration for that year. Variable remuneration includes cash and deferred bonuses granted in respect of the 2021 performance year. Deferred awards are included based on their value as at the date of grant and assume 100% vesting. As the MRTs fulfil global roles across the Ninety One DLC group, the amounts disclosed above have been pro-rated to reflect the proportion of their remuneration considered to be related to Ninety One.