Investec | OUT OF THE ORDINARY SINCE 1974

# *Out of the Ordinary* since 1974

INVESTEC GROUP

Q & A fact sheet
for the year ended 31 March 2024

OVERVIEW OF INVESTEC

Investec (comprising Investec Limited and Investec plc) partners with private, institutional and corporate clients, offering international banking, investments and wealth management services in two principal markets, South Africa and the UK, as well as certain other countries. In the UK, wealth management services are offered through our strategic long-term partnership with Rathbones.

## We are a domestically relevant, internationally connected banking and wealth & investment group.

**Our purpose** is to create enduring worth.

The Group was established in 1974 and currently has approximately

# 7500+ employees.

Since inception, we have expanded through a combination of substantial organic growth and a series of strategic acquisitions. Our focus today is on growth in our chosen markets.

## Our journey so far

**1974**
Founded as a leasing company in Johannesburg

**1980**
We acquired a banking licence

**1986**
We were listed on the Johannesburg Stock Exchange in South Africa

**2002**
In July 2002, we implemented a dual listed companies (DLC) structure with linked companies listed in London and Johannesburg

**2003**
We concluded a significant empowerment transaction in which our empowerment partners collectively acquired a 25.1% stake in the issued share capital of Investec Limited

**2020**
We successfully completed the demerger of Investec Asset Management which separately listed as Ninety One in March 2020

**2022**
The Board approved a proposed share purchase and a share buyback programme of up to R7 billion (c.£350 million) to be executed over a period of 18 months from November 2022. We also distributed 15% of our shareholding in Ninety One

**2023**
We successfully completed the all-share combination of Investec Wealth & Investment Limited UK and Rathbones Group to create the UK's leading discretionary wealth manager with Investec Group holding a 41.25% economic interest in Rathbones.

In June 2023, we increased our shareholding in Capitalmind to c.60%, from the 30% position which we acquired in 2021.

**2024**
Today, we are a simplified and focused business, well-positioned to pursue identified growth opportunities, supported by our One Investec strategy.

OVERVIEW OF INVESTEC
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# Overall Group performance for the year ended 31 March 2024

### Fani Titi, Group Chief Executive commented:

“The Group has delivered strong financial performance notwithstanding the uncertain operating environment that prevailed throughout the financial year. This performance demonstrates the continued success in our client acquisition strategies which underpinned the increased client activity and loan book growth, supported by the tailwind from the high interest rate environment. This performance underwrites our commitment to create enduring worth for all our stakeholders through our market-leading client franchises in our chosen markets. Our balance sheet remains strong and highly liquid, positioning us well to support our clients in navigating the uncertain macroeconomic backdrop.

Today we announce new medium-term targets, resulting from the structural improvement in Group performance following the execution of the strategy announced at the February 2019 Capital Markets Day (CMD)"

### Significant strategic actions include

- Combination of Investec Wealth & Investment UK (IW&I UK) with the Rathbones Group, reflected as a discontinued operation in line with applicable accounting standards, notwithstanding the strategic shareholding in Rathbones. Following the successful completion of the combination in September 2023, the investment in Rathbones has been equity accounted for as an associate
- Completion of approximately R6.8 billion or c.£300 million share buy-back and share repurchase programme, in line with the Group’s strategy to optimise capital in South Africa
- Disposal of the property management companies to Burstone Group Limited (formerly known as Investec Property Fund (IPF)) and consequent deconsolidation of IPF and reflection of IPF as a discontinued operation. From July 2023, Burstone is accounted for at fair value through profit and loss
- The restructure of Bud Group Holdings (formerly known as IEP) in the prior year to facilitate Investec’s orderly exit
- The distribution of a 15% shareholding in Ninety One in the prior year.

Investec released its year-end results on 23 May 2024.

### Key financial metrics

| £'millions | Revenue | Cost to income | CLR | Adjusted operating profit | Adjusted EPS | HEPS | ROE | ROTE | DPS (pence) | NAV per share (pence) | TNAV per share (pence) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| FY2024 | 2 085.2 | 53.8% | 28bps | 884.5 | 78.1 | 72.9 | 14.6% | 16.5% | 34.5 | 563.9 | 477.5 |
| FY2023 | 1 986.3 | 54.7% | 23bps | 818.7 | 68.9 | 66.8 | 13.7% | 14.7% | 31.0 | 507.3 | 471.6 |
| % change in £ | 5.0% | | | 8.0% | 13.4% | 9.1% | | | 11.3% | 11.2% | 1.3% |
| % change in Rands | 20.9% | | | 24.6 % | 30.8% | 22.7% | | | 13.6% | 21.4% | 10.5% |

Totals and variance determined in £’000 which may result in rounding differences.

### Group financial summary:

- Revenue growth was underpinned by the strong performance from the corporate client franchises in both geographies and Investec Wealth & Investment in South Africa. Net interest income (NII) benefitted from growth in average lending books and higher average interest rates. Non-interest revenue (NIR) growth reflects the diversified nature of the Group’s revenue streams. NIR growth was underpinned by continued client acquisition, increased client activity levels and higher trading income. NIR also benefitted from the first-time consolidation of Capitalmind as the Group seeks to extend its footprint into Continental Europe and increase the proportion of capital-light revenues. Revenue growth was negatively impacted by the effect of strategic actions, comprising the cessation of equity accounting of Ninety One post distribution and Bud Group Holdings following the restructure in 2022, forgone interest income on funds utilised to execute the share buy-back programme and the deconsolidation of IPF.
- The cost to income ratio improved to 53.8% (FY2023: 54.7%), in line with our guidance of less than 55% as revenue grew ahead of costs. Total operating costs increased by 3.2%, including the provision of £30 million for the potential financial impact of the recently announced industry-wide Financial Conduct Authority (FCA) review into historical motor finance commission arrangements and sales in the UK. Fixed operating expenditure excluding the motor finance provision remained flat, benefitting from a weaker average Rand/Pound Sterling exchange rate which offset cost increases from inflationary pressures and continued investment in people and technology. Variable remuneration increased in line with business performance.
- Pre-provision adjusted operating profit increased 7.1% to £963.6 million (FY2023: £899.6 million), supported by the strength and diversity of our client franchises as well as continued success in the Group's strategic execution.
- Credit loss ratio (CLR) on core loans was 28bps (FY2023: 23bps), at the bottom end of the Group’s through-the-cycle (TTC) range of 25bps to 35bps. Expected credit loss (ECL) impairment charges decreased to £79.1 million (FY2023: £80.9 million). Asset quality remained solid with exposures well covered by collateral.
- Return on equity (ROE) of 14.6% (FY2023: 13.7%) is above the midpoint of the Group’s 12% to 16% target range, despite the increase in the closing equity base resulting from the net gain recognised on completion of the combination of IW&I UK with Rathbones. Return on tangible equity (ROTE) was 16.5% (FY2023: 14.7%).
- Net asset value (NAV) per share increased to 563.9p (31 March 2023: 507.3p), reflecting the strong earnings generation in the current year and the net gain recognised on completion of the IW&I UK combination with Rathbones. Tangible net asset value (TNAV) per share was 477.5p, increasing from 471.6p at 31 March 2023. TNAV reflects our decision to adjust the carrying value of our strategic

OVERVIEW OF INVESTEC
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investment in the Rathbones Group to reflect our proportionate share of tangible equity in Rathbones, resulting in an intangible net asset value of c.77p per share.

## Key drivers

- Net core loans increased 1.7% to £30.9 billion (31 March 2023: £30.4 billion) and grew by 6.1% on a neutral currency basis; primarily driven by corporate lending in both core geographies and private client lending in South Africa. Customer deposits remained constant at £39.6 billion (31 March 2023: £39.6 billion), neutral currency growth was 4.4%, driven by strong growth in non-wholesale and retail deposits in both geographies.
- Funds under management (FUM) in Southern Africa increased by 5.5% to £20.9 billion (31 March 2023: £19.8 billion), driven by discretionary net inflows of R16.6 billion, market levels and FX translation gains on dollar denominated portfolios and partly offset by non-discretionary net outflows of R6.8 billion.
- Investec Wealth & Investment UK FUM is now reported as part of the Rathbones Group following the completion of the combination in September 2023. Rathbones Funds Under Management and Administration (FUMA) totalled £107.6 billion at 31 March 2024. Investec owns 41.25% of Rathbones

## Balance sheet strength and strategic execution:

The Group maintained strong capital levels in both our anchor geographies, with Investec Limited reporting a CET1 ratio of 13.6% measured on the Advanced Internal Ratings-Based approach and the Investec plc CET1 at 12.4% measured on a standardised approach. Our capital generation is strong and gives us the ability to continue to support our clients, invest in the business, and make distributions to our shareholders. Liquidity levels remained strong and well-ahead of board-approved minimums.

- The Group completed the all-share combination of IW&I UK with Rathbones plc, creating the UK's leading discretionary wealth manager and reaffirmed the Group's commitment to the strategically attractive UK wealth management sector.
- The Group is committed to its strategic priority to optimise shareholder returns. The optimisation of the South African capital base is substantially complete, we are at the early stages in the journey to migrate the UK capital measurement from a standardised to the internal ratings-based approach. Bud Group Holdings announced the proposed disposal of Assupol to Sanlam. Assupol is a significant asset within the group of assets earmarked to facilitate Investec's and other shareholders' exit from Bud Group Holdings
- The Board has proposed a final dividend of 19.0p per share (FY2023: 17.5p), resulting in a total dividend of 34.5p per share for the year (FY2023: 31.0p), translating to a 44.2% payout ratio and within the Group's current 30% to 50% payout policy.

## Medium-term targets - financial year ending March 2027

The Rathbones combination resulted in a reduction of c.100 bps in ROE given the higher equity base, technically adjusting the current ROE target range of 12%-16% to 11%-15%.

Strategic execution over the last five years has resulted in a structural improvement in the Group performance, leading us to revise our post Rathbones combination ROE targets by 200bps. The Group's commitment to generating returns above its cost of capital underwrites our purpose to create enduring worth for all our stakeholders.

**Group revised medium-term targets**

**Group** ROE of 13% – 17% and ROTE of 14% – 18%, with the following geographic targets:

- Investec Limited targets ROE/ROTE of 16% – 20%, reflecting the strong returns generated by our client franchises and the optimisation of the SA capital base since the CMD 2019.
- Investec Plc targets ROTE of 13% – 17% and ROE of 10%-14%, reflecting the increasing scale and relevance of our unique corporate mid-market position within the UK and other markets we operate in.

**Cost to income ratio less than 57%,** we continue to invest in the business to achieve operational efficiencies and pursue identified growth initiatives. The deconsolidation of IW&I UK and the equity accounting for the investment in Rathbones resulted in a 400bps technical reduction in cost to income ratio. Investec Limited targets a cost to income ratio of less than 55%, while Investec Plc targets a cost to income ratio of less than 58%.

**Through-the-cycle (TTC)** range for credit loss ratio of 25bps-35bps has been revised to 25bps-45bps, reflecting the mix and the seasoning of our books. For Investec Limited, the new TTC range is 15bps-35bps, reflecting our exposures' bias to high-net-worth and high-income private clients, large corporates and secured lending books; and 35bps-55bps for Investec Plc which reflects our distinctive mid-market positioning and secured lending portfolios

**Dividend payout policy** revised to 35% to 50% of adjusted earnings per share.

## FY2025 Outlook

Revenue momentum is expected to continue, underpinned by book growth, stronger client activity levels and success in our client acquisition strategies; partly offset by expected cuts in interest rates.

The Group currently expects:

- Group ROE to be c.14% and ROTE to be c.16%. Southern Africa is expected to report ROE of c.18.5%, and UK & Other is expected to report ROTE of c.14%
- Overall costs to be well managed in the context of inflationary pressures and continued investment in the business, with cost to income ratio expected to be c.54.0%
- The credit loss ratio to be within the through-the-cycle range of 25bps to 45bps. Southern Africa is expected to be close to the lower end of the TTC range of 15bps to 35bps. UK & Other credit loss ratio is expected to remain elevated between 50bps and 60bps in the short-term.

The Group remains well positioned to continue to support its clients amidst the uncertain macro-economic outlook. We have strong capital and liquidity levels to navigate the current environment and pursue our identified growth initiatives in our chosen markets.

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Exchange rates between local currencies and Pounds Sterling have fluctuated over the period. The most significant impact arises from the volatility of the Rand. The average Rand: Pound Sterling exchange rate over the period has depreciated by 15.1% against the comparative year ended 31 March 2024, and the closing rate has depreciated by 9.2% since 31 March 2023. The following tables provide an analysis of the impact of the Rand on our reported numbers.

| | **Results in Pounds Sterling** | | | | | **Results in Rands** | | |
|---|---|---|---|---|---|---|---|---|
| **Total Group** | **Year to 31 March 2024** | Year to 31 March 2023* | % change | **Neutral currency^ Year to 31 March 2024** | Neutral currency % change | **Year to 31 March 2024** | Year to 31 March 2023* | % change |
| Adjusted operating profit before taxation (million) | £896 | £836 | 7.2% | £962 | 15.1% | R21 102 | R17 057 | 23.7% |
| Earnings attributable to shareholders (million) | £941 | £805 | 16.9% | £994 | 23.5% | R22 150 | R16 376 | 35.3% |
| Adjusted earnings attributable to shareholders (million) | £662 | £614 | 7.8% | £710 | 15.6% | R15 587 | R12 524 | 24.5% |
| Adjusted earnings per share | 78.1p | 68.9p | 13.4% | 83.6p | 21.3% | 1836c | 1404c | 30.8% |
| Basic earnings per share | 105.3p | 85.8p | 22.7% | 111.0p | 29.4% | 2477c | 1745c | 41.9% |
| Headline earnings per share | 68.1p | 76.0p | (56.3%) | 31.7p | 83.2% | 532c | 333c | |
| | 72.9p | 66.8p | 9.1% | 79.4p | 18.9% | 1716c | 1398c | 22.7% |

| | **Results in Pounds Sterling** | | | | | **Results in Rands** | | |
|---|---|---|---|---|---|---|---|---|
| | **At 31 March 2024** | At 31 March 2023 | % change | **Neutral currency^^ At 31 March 2024** | Neutral currency % change | **At 31 March 2024** | At 31 March 2023 | % change |
| Net asset value per share | 563.9p | 507.3p | 11.2% | 573.1p | 13.0% | 13 511c | 11 132c | 21.4% |
| Tangible net asset value per share | 477.5p | 471.6p | 1.3% | 486.7p | 3.2% | 11 441c | 10 348c | 10.6% |
| Total equity (million) | £5 474 | £5 309 | 3.9% | £5 699 | 7.3% | R132 118 | R116 494 | 13.4% |
| Total assets (million)* | £56 698 | £57 892 | (2.0%) | £59 201 | 2.3% | R1 359 751 | R1 270 311 | 7.0% |
| Core loans (million) | £30 901 | £30 381 | 1.7% | £32 220 | 6.1% | R740 400 | R666 633 | 11.1% |
| Cash and near cash balances (million) | £16 359 | £16 361 | —% | £16 976 | 3.8% | R391 978 | R359 006 | 9.2% |
| Customer accounts (deposits) (million) | £39 508 | £39 556 | 0.1% | £41 309 | 4.4% | R948 352 | R867 968 | 9.3% |

^ For income statement items we have used the average Rand: Pound Sterling exchange rate that was applied in the prior period, i.e. 20.45.
^^ For balance sheet items we have assumed that the Rand: Pound Sterling closing exchange rate has remained neutral since 31 March 2023.
* Restated.

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# Funding and liquidity

Customer deposits remained flat at £39.6 billion (31 March 2023: £39.6 billion) and increased by 4.4% in neutral currency. Customer deposits increased by 8.7% to £20.8 billion for Investec plc and increased by 0.4% to R450.4 billion for Investec Limited since March 2023.

Cash and near cash of £16.4 billion (£9.7 billion in Investec plc and R160.7 billion in Investec Limited) at 31 March 2024 represent approximately 41.3% of customer deposits (46.4% for Investec plc and 35.7% for Investec Limited). Loans and advances to customers as a percentage of customer deposits was 74.9% (FY2023: 71.2%) for Investec Limited and 79.7% (FY2023: 81.4%) for Investec plc.

The Group comfortably exceeds Board-approved internal targets and Basel liquidity requirements for the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR)

- Investec Bank Limited (consolidated Group) reported LCR of 159% and an NSFR of 115% at 31 March 2024
- Investec plc reported a LCR of 453% and a NSFR of 146% at 31 March 2024.

# Capital adequacy and leverage ratios

Capital and leverage ratios remain sound, ahead of regulatory requirements. The CET1 and leverage ratio were 13.6% and 6.2% for Investec Limited (Advanced Internal Ratings Based scope) and 12.4% and 10.2% for Investec plc (Standardised approach) respectively.

# A summary of capital adequacy and leverage ratios

| | **Standardised** | | **IRB scope^^** | | **Standardised** | | **IRB scope^^** | |
|---|---|---|---|---|---|---|---|---|
| | **Investec plc[v]*** | IBP[v]* | **Investec Limited*^** | IBL*^ | **Investec plc[v]*** | IBP[v]* | **Investec Limited*^** | IBL*^ |
| | **31 March 2024** | | | | **31 March 2023** | | | |
| Common Equity Tier 1 ratio** | 12.4% | 13.7% | 13.6% | 16.5% | 12.0% | 12.9% | 14.7% | 17.1% |
| Common Equity Tier 1 ratio (fully loaded)*** | 12.3% | 13.6% | 13.6% | 16.5% | 11.7% | 12.6% | 14.7% | 17.1% |
| Tier 1 ratio** | 14.9% | 16.2% | 15.0% | 17.8% | 13.4% | 14.3% | 15.9% | 18.2% |
| Total capital ratio** | 18.7% | 20.2% | 17.5% | 20.5% | 17.5% | 18.7% | 18.3% | 21.2% |
| Risk weighted assets (million)** | 18 509 | 18 054 | 292 179 | 273 185 | 17 767 | 17 308 | 283 600 | 261 263 |
| Leverage exposure measure (million) | 27 015 | 26 746 | 705 807 | 684 313 | 25 216 | 24 945 | 696 319 | 662 702 |
| Leverage ratio | 10.2% | 11.0% | 6.2% | 7.1% | 9.4% | 9.9% | 6.5% | 7.2% |
| Leverage ratio (fully loaded)*** | 10.1% | 10.9% | 6.2% | 7.1% | 9.2% | 9.8% | 6.5% | 7.2% |

* Where: IBP is Investec Bank plc consolidated and IBL is Investec Bank Limited. The information for Investec plc includes the information for IBP. The information for Investec Limited includes the information for IBL.

** For Investec plc and IBP the Common Equity Tier 1 (CET1), Tier 1 and total capital adequacy ratios and RWAs are calculated applying the IFRS 9 transitional arrangements.

*** For Investec plc and IBP the CET1 ratio (fully loaded) and the leverage ratio (fully loaded) assumes full adoption of IFRS 9.

v The capital adequacy and leverage disclosures follow Investec's normal basis of presentation so as to show a consistent basis of calculation across the jurisdictions in which the Group operates. For Investec plc and IBP this does not include the deduction of foreseeable charges and dividends when calculating the CET1 ratio and leverage ratio as required under the Capital Requirements Regulation (CRR). The impact of this deduction totalling £56 million (31 March 2023: £55 million) for Investec plc and £62 million (31 March 2023: £36 million) for IBP would lower the CET1 ratio by 30bps (31 March 2023: 31bps) and 34bps (31 March 2023: 21bps) respectively. The leverage ratio would be 21bps (31 March 2023: 22bps) and 23bps (31 March 2023: 4bps) lower respectively.

^ Investec Limited's and IBL's capital information includes unappropriated profits. If unappropriated profits are excluded from capital information, Investec Limited's and IBL's CET1 ratio would be 111bps (31 March 2023: 117bps) and 118bps (31 March 2023: 164bps) lower respectively. The leverage would be 48bps (31 March 2023: 49bps) and 47bps (31 March 2023: 65bps) lower respectively.

^^ Investec Limited uses the Internal Ratings Based (IRB) Approach to quantify credit RWA. As at 31 March 2024, 54% (31 March 2023: 53%) of the portfolio applies the AIRB approach, 26% (31 March 2023: 28%) applies the FIRB approach and the remaining 20% (31 March 2023: 19%) of the portfolio is subject to the standardised approach.

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# Deposit guarantees

Investec does not guarantee client deposits, however, deposit guarantee schemes do exist in some of the geographies in which the Group operates:

### UK and Other

- In terms of the Financial Services Compensation Scheme, the UK government guarantees a maximum deposit of £85 000 per individual per institution.
- Investec Bank (Channel Islands) Limited is a participant in both the Guernsey and Jersey Banking Deposit Compensation schemes. These schemes offer protection for 'qualifying deposits/eligible deposits' up to £50 000, subject to certain limitations. The maximum total amount of compensation is capped at £100 million in any five-year period. Further details are available on request or alternatively on the Guernsey Scheme's website: www.dcs.gg, or on the Jersey States website which will also highlight the banking groups covered.

### South Africa

The Corporation for Deposit Insurance became fully operational from 1 April 2024.

# Asset quality and exposures

- The bulk of Investec's credit and counterparty risk arises through its private client and corporate client activities. The Group lends to high net worth and high income individuals, mid- to large-sized corporates, public sector bodies and institutions
- We have a preference for primary exposure in the Group's two main operating geographies, South Africa and the UK, and specific countries where we have subsidiaries or branches
- The majority of our credit and counterparty exposures reside within our two core geographies, namely the UK and South Africa
- Credit and counterparty risk is always assessed with reference to the aggregate exposure to a single counterparty or group of related parties to avoid or minimise over exposure and concentration risk
- Our assessment of our clients includes consideration of their character and integrity, core competencies, track record and financial strength. A strong emphasis is placed on historical and ongoing stability of income and cash flow streams generated by the clients. Our primary assessment method is therefore the ability of the client to meet their payment obligations. Furthermore we have little appetite for unsecured debt and require that good quality collateral is provided in support of obligations.
- We are client-centric in our approach and originate loans with the intent of holding these assets to maturity, thereby developing a 'hands-on' and long-standing relationship with our clients. In certain instances we may elect to sell certain assets down and/or securitise them
- Total ECL impairment charges increased to £79.1 million (FY2023: £46.3 million) and the Group's annualised credit loss ratio increased to 0.28% (31 March 2023: 0.23%). Asset quality remains within Group appetite limits, with exposures to a carefully defined target market well covered by collateral. The decrease in the ECL impairment charges was primarily driven by net recoveries from previously written off exposures in South Africa, in-model ECL release due to updated macroeconomic scenarios and model recalibration, as well as release of overlays as anticipated ECLs have occurred. This was partially offset by higher specific impairments on exposures that migrated into Stage 3.
- In South Africa, Stage 3 exposures increased to 3.5% of gross core loans subject to ECL at 31 March 2024 (31 March 2023: 2.7%%) mainly due to a few single name exposures migrating from both Stage 1 and Stage 2. There has been a decrease in Stage 2 to 2.4% of gross core loans subject to ECL at 31 March 2024 (31 March 2023: 5.0%), mainly due to various corporate exposures which have improved post COVID-19 as well as the Stage 3 migration mentioned above
- In the UK, Stage 3 exposures total £531.0 million at 31 March 2024 or 3.3% of gross core loans subject to ECL (31 March 2023: 2.3%). The underlying loan portfolios continue to perform well with no evident signs of deteriorating trends in specific sectors.

### Property-related exposure

- Investec does have property-related lending exposures.
- For the most part Investec's exposure to the property markets arises from collateral that we have taken through our various activities in the structured property finance and growth and acquisition finance areas
- Investec has a strong client-centric focus with a credit assessment process that focuses not only on the value of the underlying property but also the client's ability to repay and the sustainability of income through the cycle.

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## Investec's DLC structure

- Investec plc and Investec Limited are separate legal entities and listings, but are bound together by contractual agreements and mechanisms
- Investec operates as if it is a single unified economic enterprise. Both companies have the same boards of directors and management
- Shareholders have common economic and voting interests as if Investec Limited and Investec plc were a single company:
  - equivalent dividends on a per share basis
  - joint electorate and class right voting
- Creditors are, however, ring-fenced to either Investec Limited or Investec plc as there are no cross-guarantees between the companies.

| Rating agency | Investec Limited | IBL A subsidiary of Investec Limited | Investec plc | IBP A subsidiary of Investec plc |
|---|---|---|---|---|
| **Fitch** | | | | |
| **Long-term ratings** | | | | |
| Foreign currency | BB- | BB- | | A- |
| National | AA+(zaf) | AA+(zaf) | | |
| **Short-term ratings** | | | | |
| Foreign currency | B | B | | F2 |
| National | F1+(zaf) | F1+(zaf) | | |
| **Outlook** | Stable | Stable | | Stable |
| **Moody's** | | | | |
| **Long-term ratings** | | | | |
| Foreign currency | | Baa3 | Baa1 | A1 |
| National | | Aaa.za | | |
| **Short-term ratings** | | | | |
| Foreign currency | | P-3 | P-2 | P-1 |
| National | | P-1.za | | |
| **Outlook** | | Stable | Positive | Stable |
| **S&P** | | | | |
| **Long-term ratings** | | | | |
| Foreign currency | | BB- | | |
| National | | za.AA | | |
| **Short-term ratings** | | | | |
| Foreign currency | | B | | |
| National | | za.A-1+ | | |
| **Outlook** | | Positive | | |
| **Global Credit Ratings** | | | | |
| **Long-term ratings** | | | | |
| International scale, local currency | | BB | | |
| National scale | | AA+(za) | | |
| **Short-term ratings** | | | | |
| International scale, local currency | | B | | |
| National scale | | A1+(za) | | |
| **Outlook (International scale)** | | Stable | | |
| **Outlook (National scale)** | | Stable | | |

Further information on Investec's credit ratings may be found on our website.

STRATEGIC DIRECTION

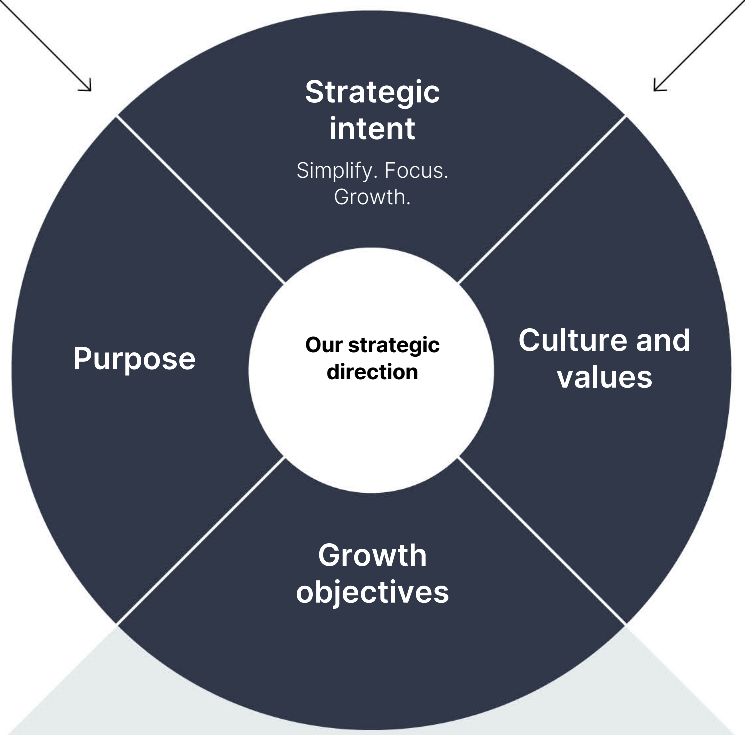
Our strategy defines the **strategic choices we make in** pursuit of our purpose of **creating enduring worth**.

We have formulated our strategy with a balanced consideration of our stakeholders' needs and priorities.

**Our stakeholders**

- Clients
- People
- Communities
- Planet
- Shareholders
- Government and Regulators
- Suppliers

**Further integrating sustainability into our business strategy**




## Our growth objectives

- **Continued execution with discipline to drive optimisation of returns**
- **Accelerate and scale growth initiatives**
- **Further develop connected client ecosystems across business units and geographies**

## Underpinned by

- **Deepening our entrepreneurial culture** (Out of the ordinary: speed of execution & client experience)
- **Continuous digitalisation**
- **Strategic use of data**

SUSTAINABILITY

# Sustainability highlights

## Operate responsibly, finance and invest for a sustainable future and maintain our competitive sustainability position

## Our impact SDGs

### Net-zero commitments

13 CLIMATE ACTION

- Committed to zero thermal coal exposures in our loan book by 31 March 2030
- Coal as a % of loans and advances is 0.08% (Mar-23: 0.11%^)
- Fossil fuels as a % of loans and advances is 1.98% (Mar-23: 1.84%).

### Equality commitments

10 REDUCED INEQUALITIES

- 58% women and 42% ethnic diversity on our Group Board
- Awarded best FTSE 250 strategy award at the INSEAD Alumni Balance in Business Initiative Awards 2024 recognising our commitment to achieving greater gender balance.

## Sustainable finance

### Specialist Banking

- Evolving and developing our Sustainable and Transition Finance Classification Framework has been a primary area of focus and will help to drive existing and future sustainable finance activity
- We ranked 52nd among the top 100 companies globally in the Corporate Knights most sustainable companies.

### Wealth & Investment

- Signatory to Climate Action 100+
- Raised $54.4mn (since inception) through our Global Sustainable Equity Fund at 31 March 2024
- Ranked 1st for Best Private Bank and Wealth Manager in Africa for philanthropy services 2023, by the Financial Times.

## Consistently well-positioned in international ESG rankings and ratings

| S&P Global | SUSTAINALYTICS RATED | MSCI ESG RATINGS AAA | CDP |
|---|---|---|---|
| Top 4% in the global diversified financial services sector (inclusion since 2006) | Top 7% of diversified banks and included in the Global Sustainability Leader Index | Top 2% in the financial services sector in the MSCI Global Sustainability Index | Score A- against an industry average of B |

| ISS ESG Corporate ESG Performance Prime | GLOBAL 100 2024 | FTSE4Good | JSE FTSE Russell |
|---|---|---|---|
| Top 20% of the ISS ESG global universe<br><br>**Rated Prime – best in class** | Top 100 Global Sustainable Companies – Corporate Knights | Included in the FTSE4Good Index | Top 30 in the FTSE/JSE Responsible Investment Index |

^ Restated

## For further information: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