

Out of the Ordinary since 1974

INVESTEC BANK LIMITED

Q & A fact sheet
November 2024



OVERVIEW OF INVESTEC AND INVESTEC BANK LIMITED

Investec 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. The group was established in 1974 and currently has approximately 7 700+ employees.

In July 2002, the Investec group implemented a dual listed companies (DLC) structure with linked companies listed in London and Johannesburg.

Investec Limited (housing the Southern African operations) and Investec plc (housing the non-Southern African operations) form a single economic enterprise where shareholders have common economic and voting interests. Creditors, however, are ring-fenced to either Investec Limited or Investec plc as there are no cross guarantees between the companies.

Investec Bank Limited (IBL) is the main banking subsidiary of Investec Limited while Investec Bank (Mauritius) Limited is IBL's main operating subsidiary. IBL is regulated by the South African Prudential Authority.

Key financial statistics

Key financial statistics	30 Sept 2024	30 Sept 2023	% change	31 March 2024
Operating income (R'million)	10 177	9 365	8.7 %	18 347
Operating costs (R'million)	4 686	4 301	9.0 %	8 783
Operating profit before goodwill and acquired intangibles (R'million)	5 213	4 897	6.5 %	9 727
Headline earnings attributable to ordinary shareholders (R'million)	3 848	3 874	(0.7)%	7 718
Cost to income ratio	46.0%	45.9%		47.9%
Total capital resources (including subordinated liabilities) (R'million)	57 117	55 822	2.3 %	56 732
Total equity (R'million)	49 931	47 869	4.3 %	49 449
Total assets (R'million)	610 150	625 818	(2.5)%	611 674
Net core loans and advances (R'million)	344 416	336 074	2.5 %	341 566
Customer accounts (deposits) (R'million)	434 687	460 358	(5.6)%	448 635
Loans and advances to customers as a % of customer accounts (deposits)	77.61%	71.6%		74.7%
Cash and near cash balances (R'million)	170 860	177 700	(3.8)%	160 712
Total gearing ratio (i.e. total assets excluding intergroup loans to equity)	11.5x	12.2x		11.7x
Total capital ratio	21.5%	20.3%		20.5%
Tier 1 ratio	18.7%	17.3%		17.8%
Common Equity Tier 1 ratio	17.2%	16.3%		16.5%
Leverage ratio	7.1%	6.8%		7.1%
Stage 3 as a % of gross core loans subject to ECL	2.7%	3.8%		3.6%
Stage 3 net of ECL as a % of net core loans subject to ECL	2.2%	3.2%		3.0%
Credit loss ratio	0.2%*	0.08%*		(0.04%)
Net Stable Funding Ratio % (NSFR)	122.3%	113.4%		115.0%
Liquidity Coverage Ratio % (LCR)	176.3%	182.9%		159.4%

* Annualised

FINANCIAL INFORMATION

Unless the context indicates otherwise, all comparatives referred to in the financial information relate to the six months ended 30 September 2023 (1H2024). For the six months ended 30 September 2024 (1H2025), IBL reported a decrease in headline earnings attributable to ordinary shareholders of 0.7% to R 3 848 million (30 September 2023: R 3 874 million). IBL has sound capital and liquidity buffers.



Further details on IBL's results can be found on Investec's website at www.investec.com

Capital adequacy

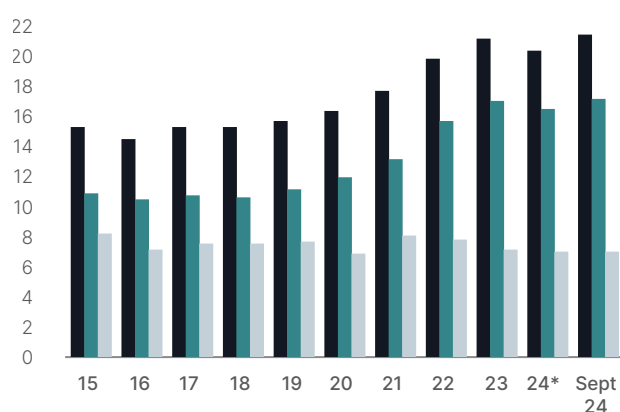
21.5%

Total capital adequacy ratio

IBL holds capital in excess of regulatory requirements and intends to perpetuate this philosophy to ensure that it remains well capitalised. As at 30 September 2024, the total capital adequacy ratio of IBL was 21.5% and the common equity tier 1 ratio (CET1) was 17.2%.

Basel capital ratios

Percentage



Total capital ratio
Common equity tier 1 ratio
Leverage ratio

* Full adoption of the advanced internal ratings based (AIRB) approach

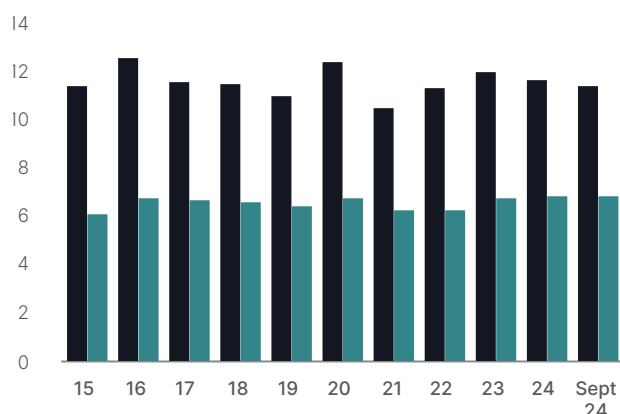
Gearing

11.5x

IBL is not a highly geared bank. A number of banks that have experienced difficulty in the past have been in excess of 40 times geared. IBL's gearing ratio at 30 September 2024 was 11.5x.

Gearing ratio

Times



Gearing ratio (assets excluding intergroup loans to total equity)
Core loans to equity ratio

Note: All information presented in the graphs are as at 30 September 2024 unless otherwise stated.

FINANCIAL INFORMATION CONTINUED

Asset quality and exposures

0.16%

credit loss ratio

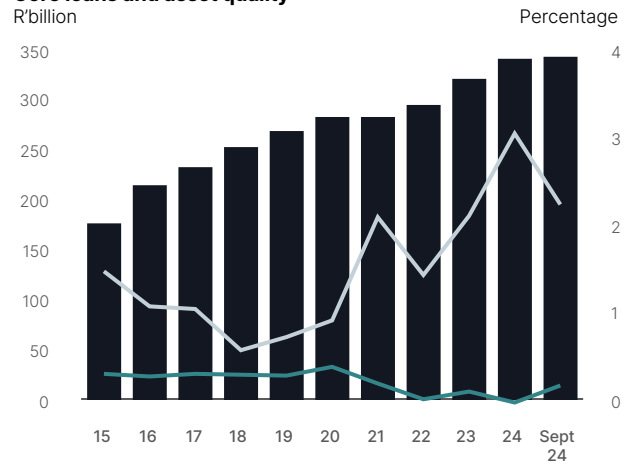
The majority of IBL's credit and counterparty risk arises through its private and corporate client activities in South Africa. The bank lends to high net worth and high income individuals, mid-to large-sized corporates, public sector bodies and institutions.

The total ECL impairment charges amounted to R278 million for the six months ended 30 September 2024 (30 September 2023: R167 million). The annualised credit loss ratio was 0.16% (31 March 2024: (0.04)%).

Stage 3 exposures net of ECL at 30 September 2024 amounted to R7 631 million (31 March 2024: R10 324 million).

Stage 3 exposure net of ECL as a percentage of net core loans subject to ECL as at 30 September 2024 amounted to 2.2% (31 March 2024: 3.0%).

Core loans and asset quality



Net core loans (LHS)

Credit loss ratio (RHS)

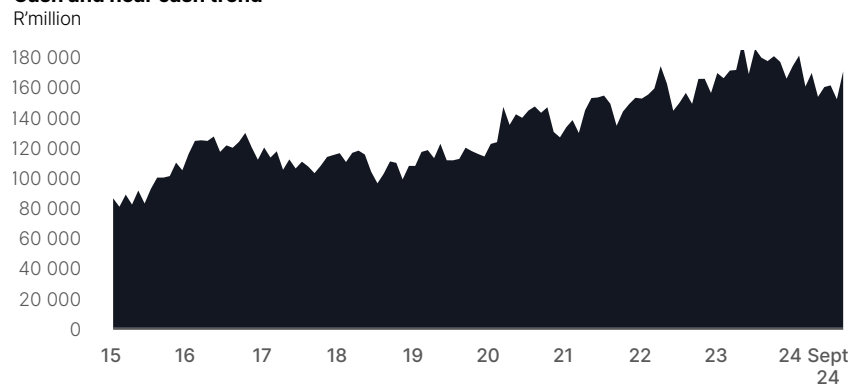
Stage 3 net of ECL as a % of net core loans subject to ECL (RHS)

Liquidity and funding

R170.9 billion

Cash and near cash

Cash and near cash trend



IBL has a liquidity management philosophy that has been in place for many years. The bank continues to focus on maintaining a stock of readily available, high-quality liquid assets targeting a minimum cash to customer deposit ratio of 25%.

As at 30 September 2024, the bank had R170.9 billion of cash and near cash to support its activities. Furthermore, the bank maintains an appropriate mix of term funding, placing a low reliance on interbank wholesale funding to fund core lending asset growth. IBL targets a diversified funding base, avoiding undue concentrations by investor types, maturity and market source, instrument and currency.

Customer deposits decreased by 5.5% to R434.7 billion at 30 September 2024 (31 March 2024: R448.6 billion). The bank's loans and advances to customers as a % of customer accounts (deposits) was 78% as at 30 September 2024 (31 March 2024: 75%).

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

Note: All information presented in the graphs are as at 30 September 2024 unless otherwise stated.

SUSTAINABILITY

Sustainability highlights

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

Our impact SDGs

Net-zero commitments



- Committed to zero thermal coal in our loan book by 31 March 2030
- Coal as a % of loans and advances is 0.13% (Mar-24: 0.11%)
- Fossil fuels as a % of loans and advances is 0.90% (Mar-24: 1.20%^).

Equality commitments



- 56% ethnic diversity and 22% women on our IBL Board
- Level 1 BBBEE.

Sustainable finance

Specialist Banking

- Following our recently enhanced Sustainable and Transition Finance Classification Framework, a primary area of focus has been developing and rigorously testing sustainable and transition finance targets, to drive existing and future sustainable and transition finance activity
- Participated in Pick n Pay's R4.5 billion sustainability-linked loan, incorporating KPIs to reduce food waste (SDG 12) and greenhouse gas emissions (SDG 13) through the use of natural refrigerants.

Wealth & Investment

- Raised \$64mn (since inception) through our Global Sustainable Equity Fund at 30 September 2024
- Launched an ESG and Responsible Investing Guidebook for trustees and investors
- Developed a Responsible Investment Engagement Playbook to advance our ESG integration and stewardship capabilities.

Consistently well-positioned in international ESG rankings and ratings



Top 4%
in the global diversified financial services sector (inclusion since 2006)



Top 8%
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



Top 20%
of the ISS ESG global universe
Rated Prime – best in class



Top 100
Global Sustainable Companies – Corporate Knights



FTSE4Good

Included
in the FTSE4Good Index



Top 30
in the FTSE/JSE Responsible Investment Index

^ Restated

CREDIT RATINGS

IBL's long-term and short-term credit ratings from Fitch, Moody's, Standard & Poor's and GCR are in line with its larger domestic peers and are listed below:

	Fitch	Moody's	Standard & Poors	GCR
Investec Bank Limited				
National long-term rating	AA+(zaf)	Aaa.za	za.AA+	AA+(za)
National short-term rating	F1+(zaf)	P-1.za	za.A-1+	A1+(za)
Foreign currency long-term rating	BB-	Baa3	BB-	BB
Foreign currency short-term rating	B	P-3	B	B
Outlook	Stable	Stable	Positive	Stable

For further information:

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