

Out of the Ordinary since 1974

INVESTEC PLC

Q & A fact sheet
November 2024



OVERVIEW OF INVESTEC AND INVESTEC PLC

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 plc is a FTSE 250 company.

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

Investec Bank plc (IBP) is the main banking subsidiary of Investec plc. We provide our clients with specialist banking services and access to a diversified wealth management offering to deliver an extensive depth and breadth of product and services.

On 21 September 2023, Investec Group completed the all-share combination of Investec Wealth and Investment UK (IW&I UK) and Rathbones Group plc creating the UK's leading discretionary wealth manager with £108.8 billion funds under management and administration (FUMA) as at 30 September 2024.

The combination brought together two reputable UK wealth management businesses with closely aligned cultures and operating models and establishes a long-term, strategic partnership which will enhance the client proposition across banking and wealth management services for both groups. The combination represents a significant value creation trajectory for both Investec and Rathbones stakeholders.

Investec plc is regulated by the Prudential Regulation Authority and the Financial Conduct Authority and is a member of the London Stock Exchange.

Key financial statistics

Key financial statistics	30 Sept 2024	30 Sept 2023	% change	31 March 2024
Operating income (£'000)	586 905	568 387	3.3%	1 170 211
Operating costs (£'000)	308 641	325 033	(5.0%)	656 599
Adjusted operating profit (£'000)	224 641	204 287	10.0%	426 413
Earnings attributable to ordinary shareholders (£'000)	155 713	554 641	(71.9%)	706 210
Cost to income ratio (%)	52.7%	57.2%		56.2%
Total capital resources (including subordinated liabilities) (£'000)	4 252 289	3 877 727	9.7%	4 140 427
Total equity (£'000)	3 551 987	3 210 411	10.6%	3 471 617
Total assets (£'000)	30 087 428	29 456 631	2.1%	30 060 887
Net core loans (£'000)	16 746 325	16 270 723	2.9%	16 557 024
Customer accounts (deposits) (£'000)	21 631 432	19 921 545	8.6%	20 790 611
Loans and advances to customers as a % of customer deposits	77.5%	81.7%		79.7%
Cash and near cash balances (£'million)	9 769	8 708	12.2%	9 652
Funds under management (£'million)*	2 675*	1 962*	36.3%	2 130*
Total gearing ratio (i.e. total assets to equity)	8.5x	9.2x		8.7x
Total capital ratio	18.8%	16.7%		18.4%
Tier 1 ratio	15.0%	12.8%		14.6%
Common Equity Tier 1 ratio	12.6%	11.5%		12.1%
Leverage ratio	9.9%	8.6%		10.0%
Leverage ratio (fully loaded)	9.9%	8.6%		9.9%
Stage 3 exposure as a % of gross core loans subject to ECL	3.2%	2.8%		3.3%
Stage 3 exposure net of ECL as a % of net core loans subject to ECL	2.6%	2.2%		2.6%
Credit loss ratio	0.67%^	0.55%^		0.58%

* Funds under management (FUM) reflect the funds managed by Investec Bank (Switzerland) AG (IBSAG).

^ Annualised

FINANCIAL INFORMATION

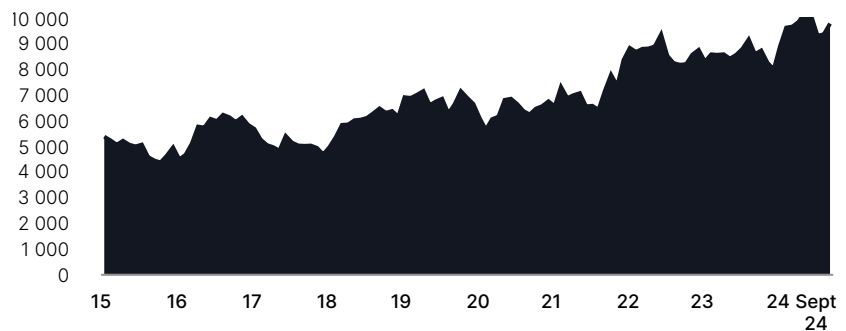
Liquidity and funding

£9.8 billion

cash and near cash

Cash and near cash trend

£million



Investec plc has a liquidity management philosophy that has been in place for many years. The Bank continues to focus on maintaining a high level of readily available high-quality liquid assets targeting a minimum cash to customer deposit ratio of 25%. At 30 September 2024, Investec plc had £9.8 billion of cash and near cash to support its activities, representing approximately 45.2% of customer deposits.

Furthermore, the Bank maintains an appropriate mix of term funding, placing a low reliance on interbank wholesale funding to fund core lending asset growth. Investec plc targets a diversified funding base, avoiding undue concentrations by investor types, maturity and market source, instrument and currency. Customer deposits amounted to £21.6 billion as at 30 September 2024 (31 March 2024: £20.8 billion).

Deposit guarantees

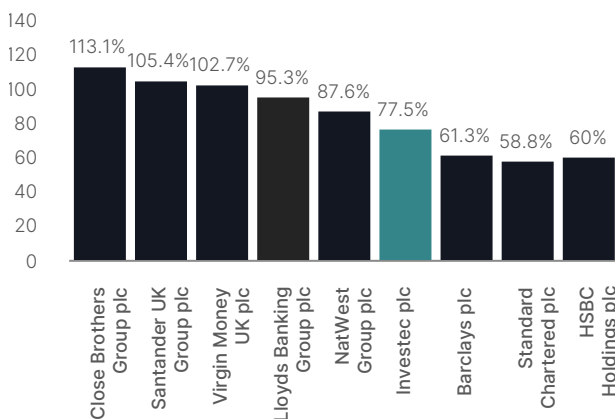
In terms of the Financial Services Compensation Scheme, the UK government guarantees a maximum deposit of £85 000 per individual per institution. Granularity of deposits is a key area of focus and Investec plc has a substantial portion of eligible deposits that are covered by FSCS protection.

Loan to customer deposit ratio

77.5%

Loan to customer deposit ratio

Percentage



Investec plc's loan to customer deposit ratio is conservative in comparison to peers and further illustrates Investec plc's strong liquidity position.

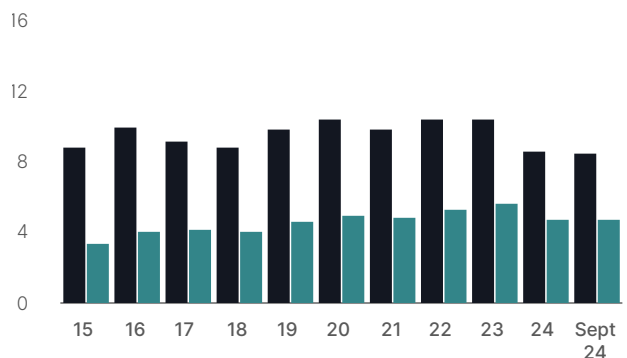
The loan to customer deposit ratio graph is sourced from the latest company interim/annual financial results available as at 22 May 2024 and reflects the balance sheet figures for loans and advances to customers and customer deposits.

Gearing

8.5x

Gearing ratio

Times



Gearing ratio (total assets to total equity)

Core loans to equity ratio

Investec plc is not a highly geared bank. A number of banks that have come into difficulty in the past have been in excess of 40x geared. Investec plc's comparative ratio would be 8.5x.

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

FINANCIAL INFORMATION CONTINUED

Capital adequacy

18.5%

total capital ratio

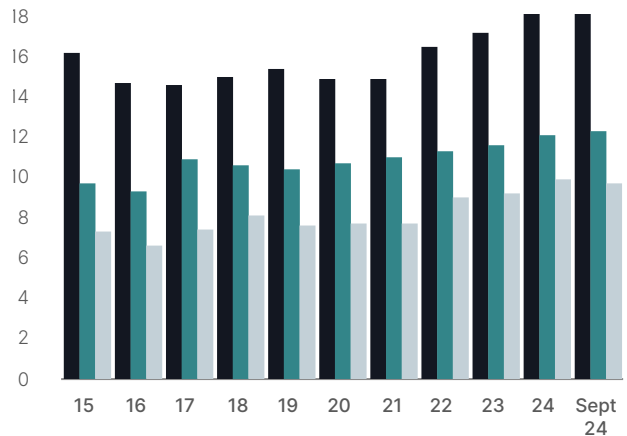
Investec plc holds capital in excess of regulatory requirements and intends to perpetuate this philosophy and ensure that it remains well capitalised. The bank has never required shareholder or government support. As at 30 September 2024, the total capital ratio of Investec plc was 18.5% and the common equity tier 1 ratio was 12.3%.

The bank's anticipated 'fully loaded' Basel III common equity tier 1 ratio and leverage ratio are 12.3% and 9.7%, respectively (where 'fully loaded' assumes full adoption of IFRS 9). These disclosures incorporate the deduction of foreseeable charges and dividends as required by the regulations. Excluding this deduction, the common equity tier 1 ratio would be 29 bps (31 March 2024: 30bps) higher.

We currently apply the Standardised Approach to calculate capital requirements. We continue our efforts to build Internal Ratings Based (IRB) approach models.

Basel capital ratios – standardised approach

Percentage



Total capital ratio

Common equity tier 1 ratio

Leverage ratio

Asset quality and exposures

0.67%

credit loss ratio

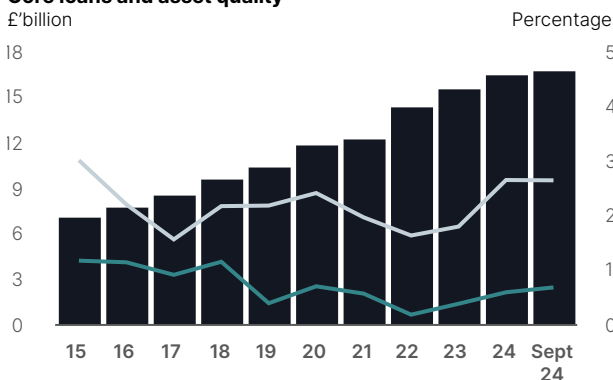
The bulk of Investec plc's credit and counterparty risk arises through its private client and corporate client activities.

The bank lends to high net worth individuals, mid- to large-sized corporates, public sector bodies and institutions. The majority of Investec plc's credit and counterparty exposures reside within its principal operating geography, namely the UK.

The total ECL impairment charges amounted to £52.8 million for the six months ended 30 September 2024 (30 September 2023: £39.3 million). The annualised credit loss ratio is 0.67% at 30 September 2024 (0.58% at 31 March 2024) in line with guidance provided in March 2024.

Stage 3 exposure net of ECL at 30 September 2024 amounted to £426 million (31 March 2024: £420 million). Stage 3 exposure net of ECL as a percentage of net core loans subject to ECL at 30 September 2024 amounted to 2.6% (31 March 2024: 2.6%).

Core loans and asset quality



Net core loans (LHS)

Credit loss ratio (RHS)

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

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

SUSTAINABILITY

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

Our impact SDGs

Net-zero commitments



- Committed to zero coal exposures in our loan book by 31 March 2027
- Coal as a % of loans and advances is 0.00% (Mar-24: 0.05%)
- Fossil fuels as a % of loans and advances is 1.79% (Mar-24: 2.50%).

Equality commitments



- 50% women and 30% 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

- 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
- We provided c.£100 million financing for a renewable energy developer to acquire a biomass renewable plant
- Supporting the transition to zero-emission transportation, we arranged a €65 million financing package for a Dutch electric vehicle (EV) charging business, and co-arranged a \$100 million debt facility for an EV charging infrastructure business in the United States of America
- Our first integrated asset-based and cashflow lending transaction in the Netherlands funded the acquisition of an education business which supports UN SDG 4: Quality Education and UN SDG 10: Reduced Inequalities.

Consistently well-positioned in international ESG rankings and ratings

S&P Global



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

Included in the FTSE4Good Index

Top 30
in the FTSE/JSE Responsible Investment Index

CREDIT RATINGS

Investec plc (holding company)**Moody's**

Long-term Issuer and senior unsecured rating	Baa1
Outlook	Positive

Investec Bank plc (main banking subsidiary)**Moody's**

Long-term deposit rating	A1
Outlook	Stable

Fitch

Long-term Issuer Default rating (IDR)	A-
Outlook	Stable

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