



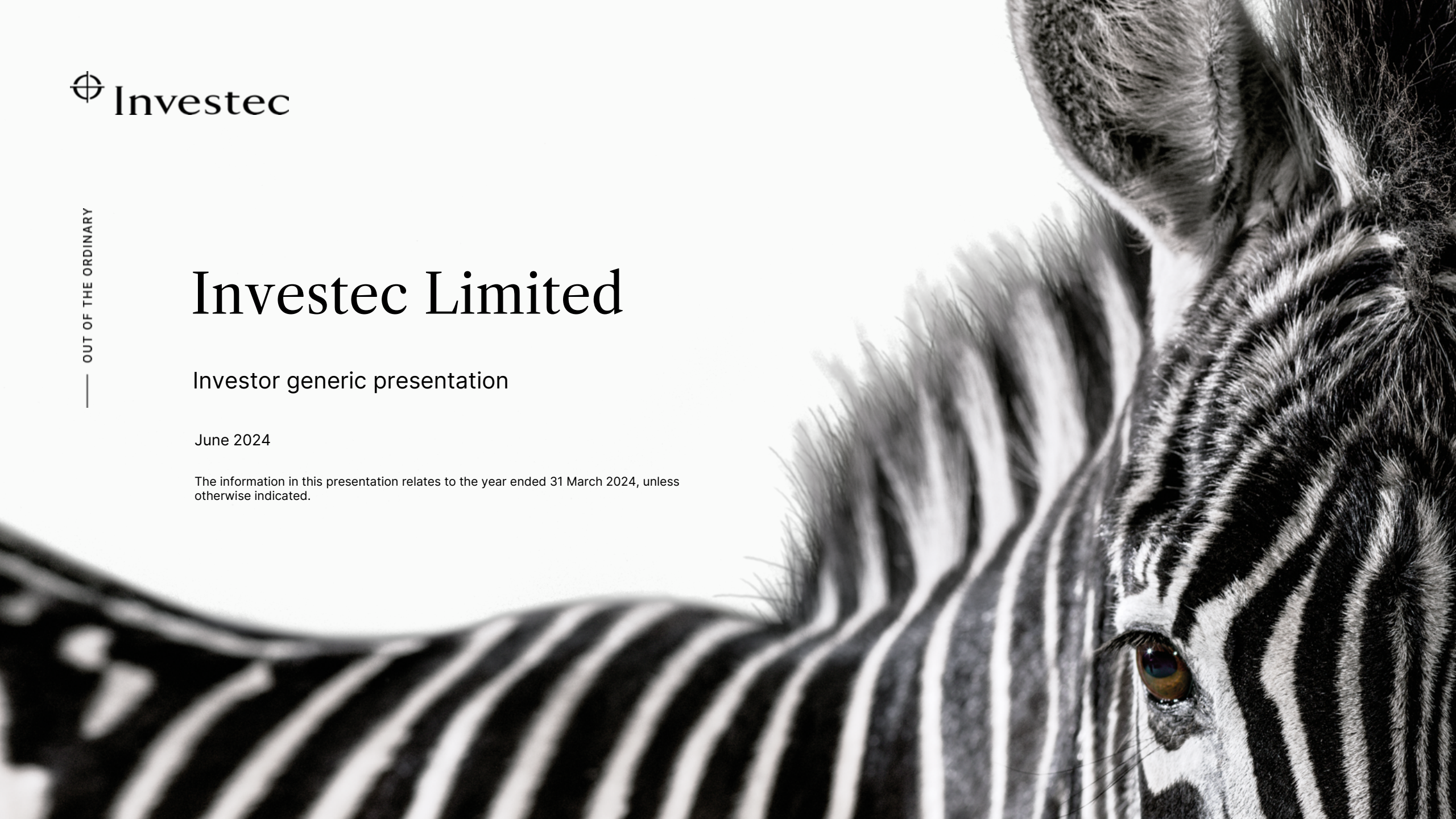
— OUT OF THE ORDINARY

Investec Limited

Investor generic presentation

June 2024

The information in this presentation relates to the year ended 31 March 2024, unless otherwise indicated.



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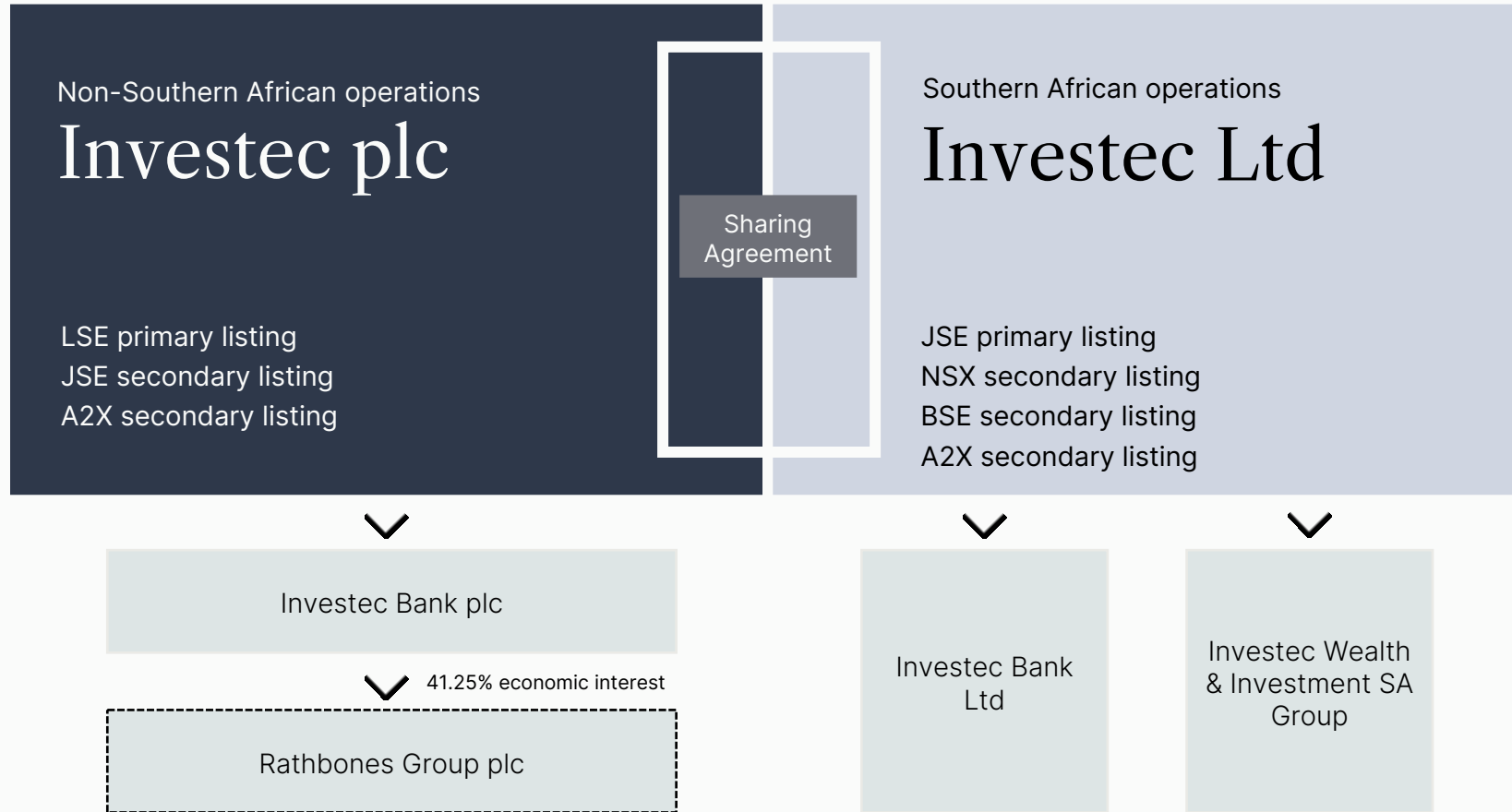


Investec Group at a glance



01

Investec Dual-Listed Company 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**
- Shareholders have **common economic and voting interests** as if Investec plc and Investec Limited were a single company
- **Creditors, however, are ring-fenced** to either Investec plc or Investec Limited as there are **no cross-guarantees** between the companies.

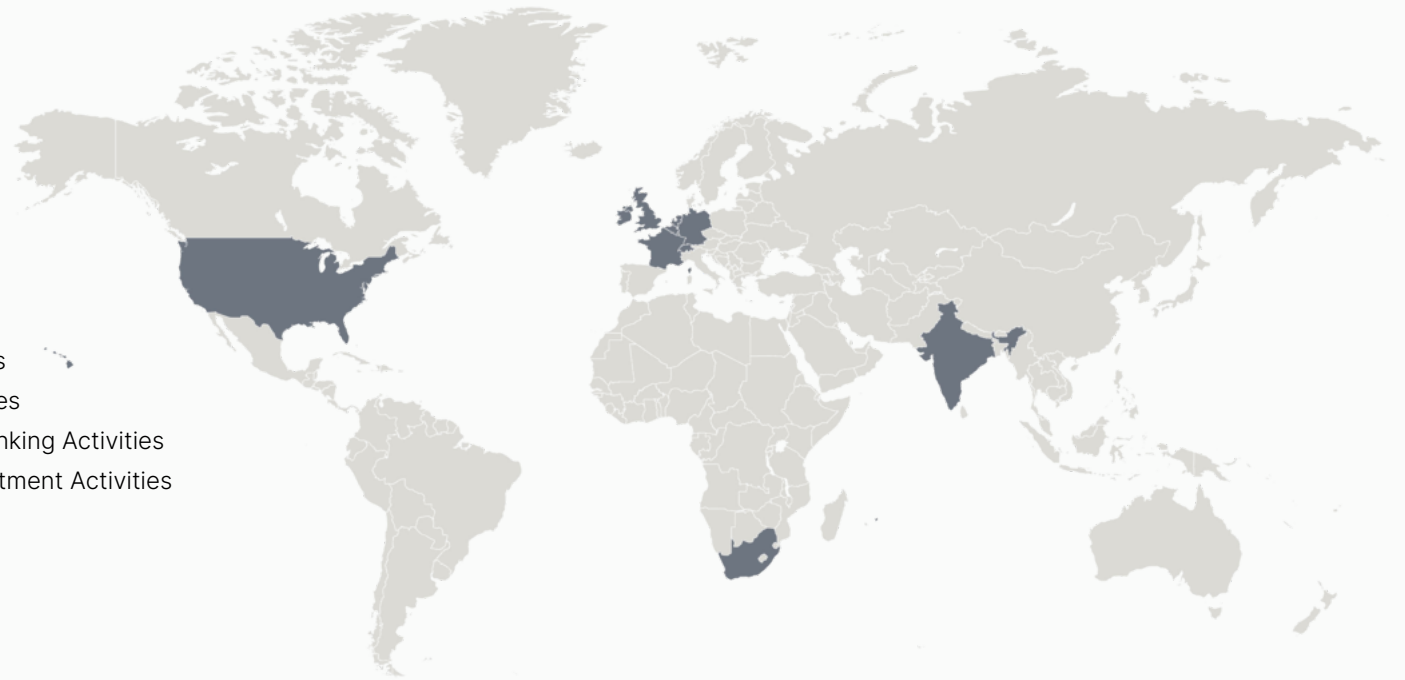
⁴ All shareholdings in the ordinary share capital of the subsidiaries and associates shown are 100% unless otherwise stated. Only main operating subsidiaries and associates are shown.

Our international footprint

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.

- Wealth & Investment Activities
- Private Client Banking Activities
- Corporate and Investment Banking Activities
- Corporate Advisory and Investment Activities
- Property Activities
- Securities



USA

Established a presence in 1998

Energy and Infrastructure Finance, Fund Solutions, Aviation Finance and Institutional Equities business providing research and sales activities

Ireland

Established a presence in 1999

Treasury Risk Solutions and Institutional Equities business

United Kingdom

Established a presence in 1992

Corporate, institutional and private client banking activities Wealth management services offered through our long-term strategic partnership with Rathbones

Channel Islands

Established a presence in Guernsey (1998), Jersey (2007) and Isle of Man (2018)

Private banking, lending and treasury services to private clients and financial intermediaries

Custody and Execution-only services through our independent nominee company

Wealth management services offered through our long-term strategic partnership with Rathbones

Switzerland

Established a presence in 1974

Private banking and Wealth management services offered to private clients, family offices, trusts and corporate service providers

Continental Europe

Established a presence in 2023

Investment banking activities including M&A advisory and corporate lending

South Africa

Established a presence in 1974

Corporate, institutional and private client banking activities Wealth and investment management services with the ability to leverage off the global platform

Mauritius

Established a presence in 1997

Corporate, institutional and private client banking activities Wealth management services

India

Established a presence in 2010

Institutional equities business providing research, sales and trading activities

Sales desk located in Singapore for Indian equities to Singaporean institutional investors

Merchant banking business connecting Indian companies with domestic and international investors

Investment management services in structured credit and other products

One Investec

Our purpose is to create enduring worth.

Our values

Deep client partnerships, built on trust and Out of the Ordinary service, are the bedrock of our business

We uphold cast-iron integrity in all our dealings, consistently displaying moral strength

We seek creative, talented people with passion, energy and stamina, who collaborate unselfishly

We thrive on change and challenge the status quo with courage, constantly innovating and adapting to an ever-changing world

We believe in open and honest dialogue to test decisions, seek consensus and accept responsibility

We pursue diversity and strive to create an environment in which everyone can bring their whole selves

We show care for people, support our colleagues and respect the dignity and worth of the individual

We are committed to living in society, not off it, contributing meaningfully to the communities in which we operate

We embrace our responsibility to the environment and the well-being of our planet

We trust our people to exercise their judgement, promoting entrepreneurial flair and freedom to operate with risk consciousness and unwavering adherence to our values

50 years of
heritage.

Two core
geographies.

One Investec.

Whether you are an individual, a business, or an intermediary acting for clients, our aim is to create and manage your wealth and fuel your business growth.



Investment proposition

Well positioned to pursue long-term growth

1

Well capitalised and highly liquid balance sheet

2

Improved capital allocation - including ongoing strategies to optimise the capital base

3

Diversified mix of earnings by geography and business, with significant annuity income underpin from leading wealth business

4

Clear growth opportunities through reinforcement of existing linkages across geography and business and new profit pool strategies which are underway

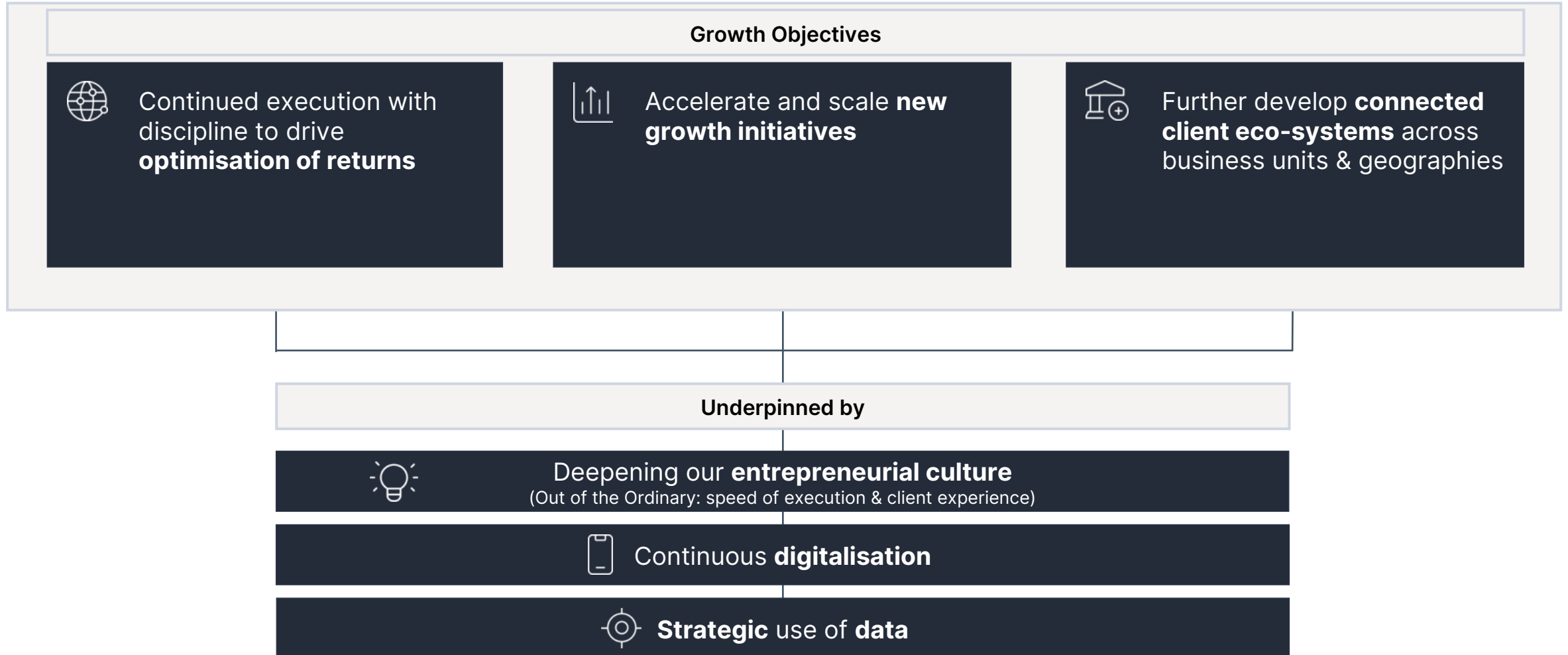
5

Resilient clients through difficult macro environments

6

Cost discipline remains a priority whilst investing for future growth

Fuelling a robust growth agenda



SA sustainability highlights

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

PROGRESS MADE ON OUR IMPACT SDGs



Net-zero commitments

Commitment to have **zero coal exposures** in our loan book by **31 March 2030**

Completed a **pro-climate assessment** to identify improvement areas towards our net-zero goals

Thermal coal as a % of loans and advances is 0.08% (Mar 23: 0.10%)

Fossil fuels (as a % of loans and advances) is 1.41% (Mar 23: 1.19%)



Equality commitments

50% ethnic diversity and **55% women** on our Group Board

R454mn procurement from black women-owned suppliers in SA

4th in the 2022 Universum employer of choice survey by professionals in South Africa

Specialist Banking

Ranked 7th

In the **Sustainable Banking Revenues Ranking** in the Corporate Knights The Banker survey, 2022 (out of an initial pool of 91 banks)

Sustainable finance project

Implemented a project to **calculate the amount of our sustainable finance lending and investments** and understand the impact on our priority SDGs

0.10%

Thermal coal exposure (R310mn) as a percentage of gross core loans (Mar-22: 0.15%)

Investec Limited committed to zero thermal coal exposure in our loan book by 31 March 2030

Highlights



R2.82bn

Ranked 1st

Wealth & Investment

Signatory to Climate **Action 100+**

Raised through the launch of two managed charity portfolios in South Africa

Best Private Bank and Wealth Manager in Africa for philanthropy services, 2022 (Financial Times)

Incorporating sustainability in the way we do business and creating innovative, impactful solutions

Focused on doing well and doing good – SA

Other highlights

Specialist banking

- We have introduced a comprehensive **Sustainable and Transition Finance Classification Framework** to serve as a guiding principle for our future business activities, aligning with our commitment to reach **net-zero emissions by 2050**
- We are currently developing and testing targets that align with our strategic commitments across all aspects of our business. These targets will be aligned with executive key performance indicators (KPIs), showcasing our commitment to driving sustainable outcomes and ensuring leadership accountability. We aim to finalise and release these **targets by the end of 2024**, reinforcing our **steadfast dedication to achieving our sustainability objectives**
- We remain focused in our efforts to enhance the **quality and accuracy of our scope 3 financed emissions**. While we recognise that this is just the beginning, we acknowledge the need for further progress through active client engagement and advocating for improved data quality and sustainability practices. We remain committed to driving positive change as we continuously seek opportunities to enhance our environmental impact and promote sustainable practices within our industry
- Our **Sustainable Solutions team** within the Private Bank provides bespoke solutions - including lending products and access to credible partners - to improve business resilience and ensure the uninterrupted supply of energy and water.

Wealth & Investment

- The Investec Global Sustainable Equity fund has continued to grow. The fund received the prestigious **'5 globes' sustainability rating** from Morningstar, placing it in the top 10% of its peer group in terms of its effective ESG risk management
- We have partnered with an industry expert in responsible investing to upskill our investment management team, to **advance our ESG integration and stewardship capabilities**
- Representatives from our investment management team attended the **UN Principles for Responsible Investment (PRI) conference** in Japan in October 2023 with others completing the pilot programme of the **CFA UK Certificate in Impact Investing**
- We submitted our **annual PRI report** for the year ended 31 March 2023. The 2024 submission will take place by July 2024
- We are focusing on advancing our capabilities to comply with **Sustainable Finance Disclosure Regulation (SFDR) requirements** as part of **re-domiciling our Protected Cell Company (PCC) funds to UCITS for future growth**
- We initiated a **Sustainable Finance Community** across divisions in SA to enable learning, sharing of insights across business areas and to support the active community of colleagues across the spectrum of sustainable finance.

Overview of Investec Limited



02

Overview of Investec Limited

Investec Limited is a **distinctive specialist bank** and **investment manager** with primary business in **Southern Africa**.

We focus on delivering distinct profitable solutions for our clients in two core areas of activity, namely: **Specialist Banking and Wealth & Investment**

Total assets
R646.0bn

Net core loans
R343.7bn

Total equity
R55.1bn

Customer deposits
R448.5bn

Total FUM
R450.3bn

Well established franchise

- **Established in 1974** in the Republic of South Africa
- Regulated by the South African Prudential Authority
- Obtained a banking licence in 1980 and listed on the Johannesburg Stock Exchange in 1986
- Since inception, we have expanded through a combination of substantial organic growth and a series of strategic acquisitions
- Today, efficient integrated business platform employing **4 700+*** permanent employees
- **5th largest banking group** in South Africa (by assets)
- Top wealth manager and part of a global platform
- **Leading position** in corporate and institutional and private client banking activities.

* Excluding temporary employees and contractors

Specialist Banking

We have a specialised niche offering to a select target market



- **Invested in our business,** sustainably growing our client base and franchise



- Strong technology and digital platforms underpin **our high-touch and high-tech offering**
- Continuous investment to maintain leading position (One Place, Investec Life, Transactional Banking)



- **Deepening** our existing client **relationships** and **client acquisition** through the collaboration of product offerings
- We have a number of **growth initiatives**



- Our growth initiatives and strong franchise support our **solid revenue base**



- **Maintaining cost efficiency** with low cost to income ratios



- Maintaining sound capital ratios and low credit loss ratios through varying market conditions
- Enhancing our capital light revenue base
- Disciplined capital allocation
- **We remain focused on improving ROE**

Specialist Banking: Private Banking

A full-service Private Banking offering integrated into One Place™

Ambition

- To be a leading domestic and international Private Bank

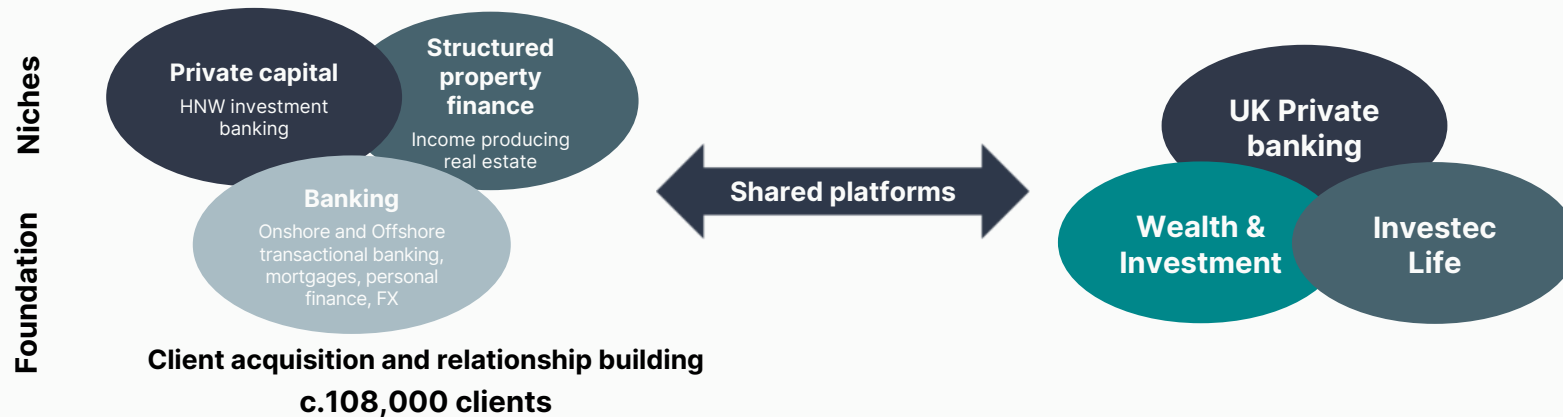
Clear target market

- High net worth individuals, high-income professionals, sophisticated investors, emerging and established entrepreneurs, and young professionals across multiple disciplines

Value proposition

- Bank, borrow, save and invest in One Place

Business model



Offering



Channels

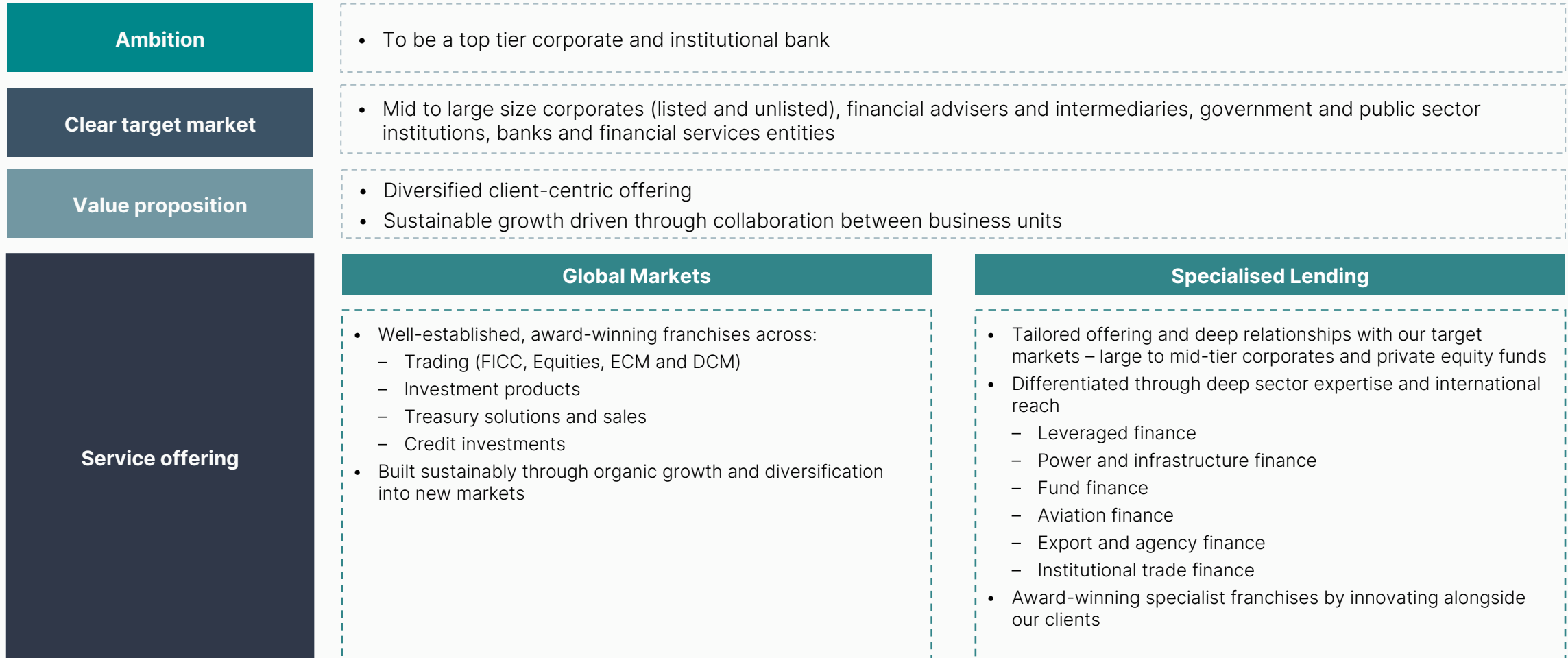


Client numbers as of 31 March 2024

* Global client service centre.

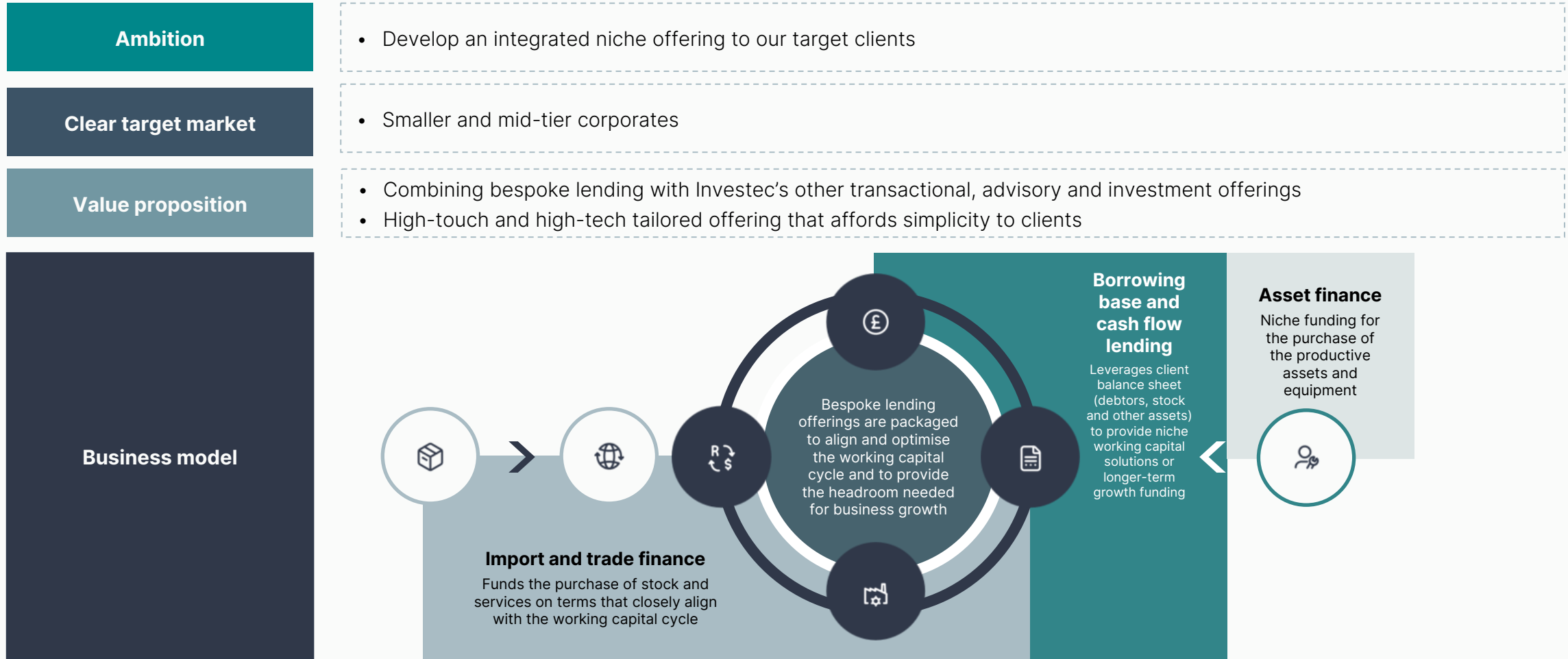
Specialist Banking: Corporate and Institutional Banking

Strong franchise value and leading market position in our niche markets



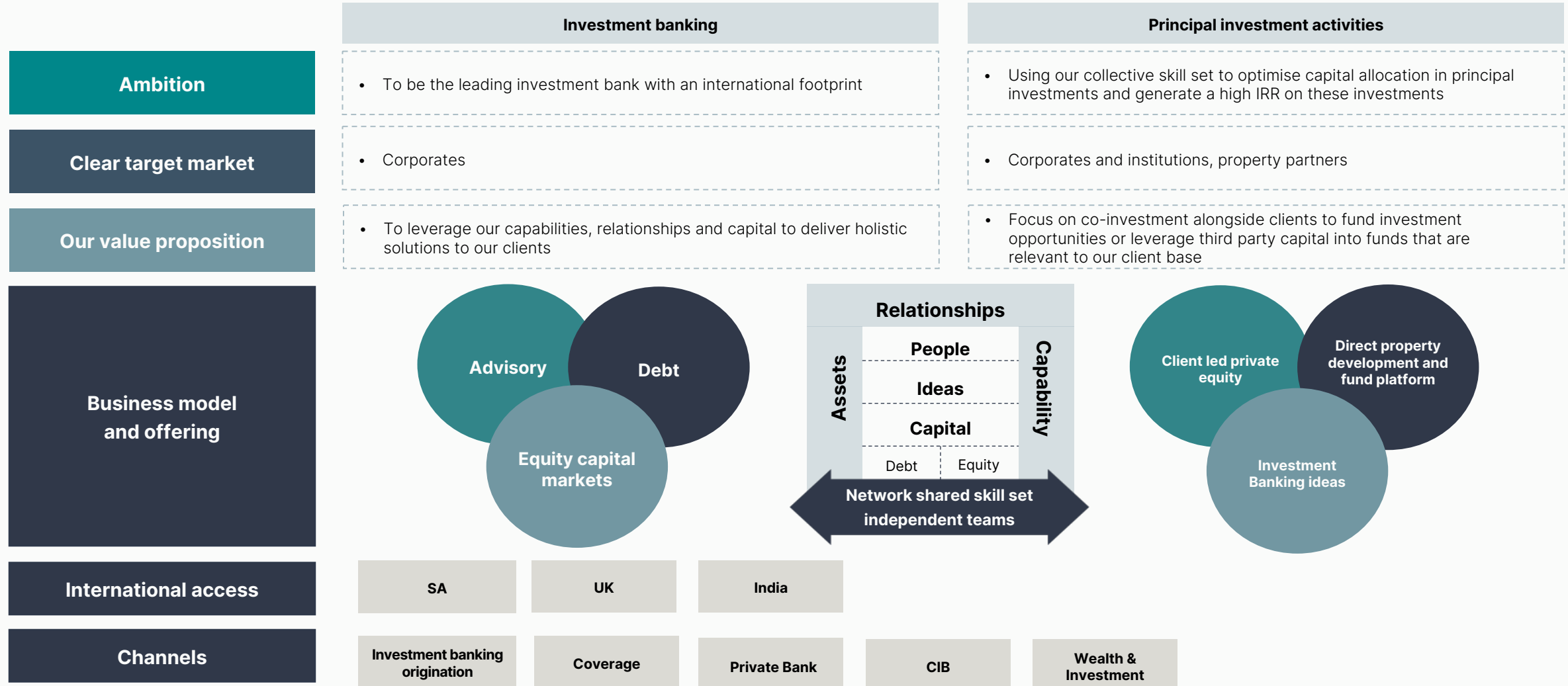
Specialist Banking: Investec for Business

Bespoke lending offerings for working capital optimisation and business growth



Specialist Banking: Investment Banking and Principal Investments

Delivering holistic investment solutions to clients

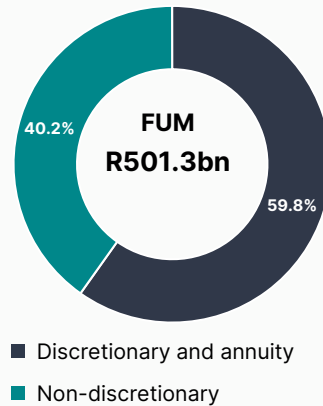


Wealth & Investment SA

Uniquely positioned for SA HNW private clients seeking a holistic, international wealth management service

Key facts*

Total FUM	501.3
% discretionary and annuity	59.8%
% of disc. and annuity offshore	40.2%
Operating margin	29.9%
Average yield disc. and annuity	0.86%
Target client	> R5mn
# of clients	c.40,000
# of offices	11
# of investment managers	115



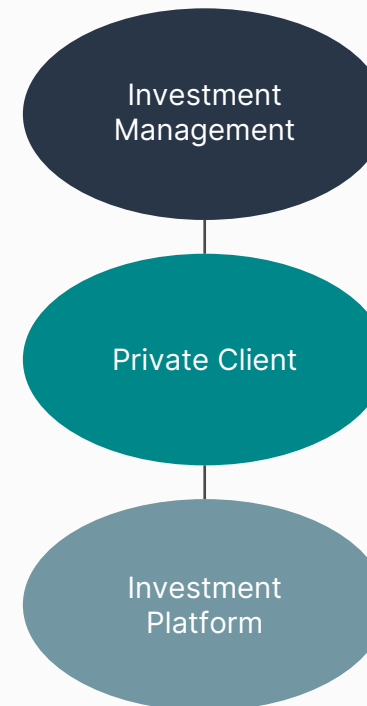
Market factors

- A unique proposition for an ever-changing market
- Growing appetite for ESG considerations and sustainable investment opportunities
- Consistent demand for offshore investments and global opportunities, in traditional and alternative investments
- Increasing demand for holistic advisory wealth management services, including discretionary portfolio management, estate planning and fiduciary services
- Providing distinctive banking and wealth services, domestically and offshore, all in One Place™.

Future growth drivers

Embed the Group's purpose and revised values within our business and to our clients through our core business activities and Philanthropic capabilities

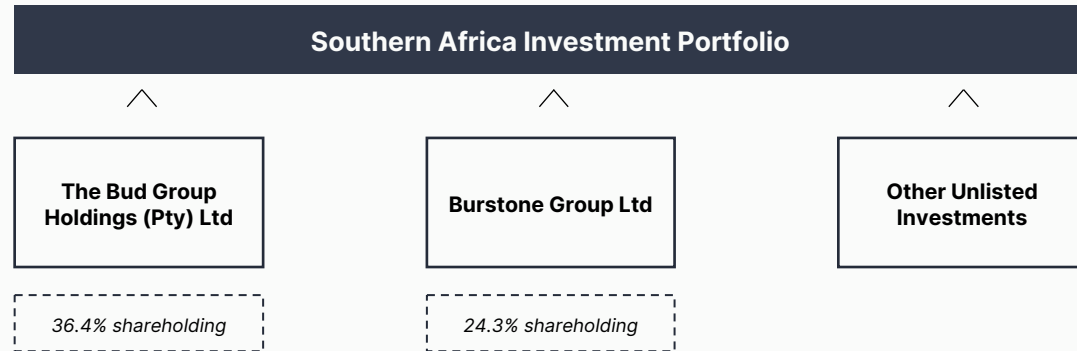
SA & International growth across:



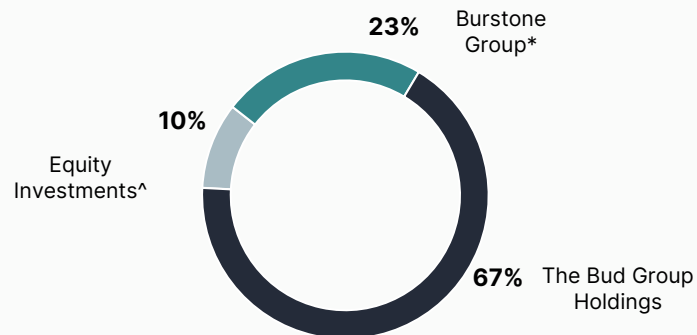
- Implement a distribution agreement within Latin America to enable the distribution of our investment offering
- Providing alternative investment solutions and special opportunities to our clients
- Drive national acquisition strategies and delivering objectives aligned to our client proposition with Investec Bank
- Evolve our wealth management philosophy to connect clients' values and goals to their investment solutions as well as refining our international ultra high net worth value proposition
- Pursue strategic growth initiatives in Switzerland and continued integration within SA
- Enhance our multi-currency, multi-asset class investment platform
- Focus on automation across business to drive business efficiencies.

Group Investments overview

The Group Investments segment consists of equity investments held outside the Group's banking activities



SA Total Equity Exposure %
As at 31 March 2024



^ Does not include equity investments residing in our corporate and private client businesses.
* The Group's investment holding of 24.3% in the Burstone Group at market value at 31 March 2024.

Bud Group Holdings (Pty) Ltd

- The Bud Group Holdings (previously Investec Equity Partners (IEP)) is an investment holding company that was born out of the Investec Private Equity portfolio, which was sold to IEP in January 2016. Investec retained an interest in IEP as a shareholder. IEP has a wholly-owned subsidiary, being the Bud Group Proprietary Limited (Bud Group)
- Bud Group shareholders approved and implemented a restructure in order to facilitate an exit by certain IEP shareholders, including Investec, by way of a share buy-back. The restructure entailed the transfer of certain assets, including an interest in Assupol, a company in the financial services industry, to a Newco (of which Investec has a c.59% economic interest), to facilitate the orderly disposal of those assets
- As a result of the restructure, c. R529m cash proceeds were received by Investec Limited during the reporting period. A material portion of Newco's assets are subject to sales processes, some of which are well advanced. In this respect, Assupol and Sanlam Life Insurance Limited (Sanlam) have announced the proposed disposal of Assupol to Sanlam, which transaction is subject to regulatory approval. Investec's share of Assupol proceeds is estimated to be c.R1.75 billion (c.£73 million) (subject to an agreed price adjustment based on the transaction closing date)
- Investec ceased equity accounting for its 47.4% stake in The Bud Group Holdings on 30 November 2022 and the investment is accounted for at fair value through profit and loss with a value of R4.3 billion at 31 March 2024.

Burstone Group Limited (Burstone)

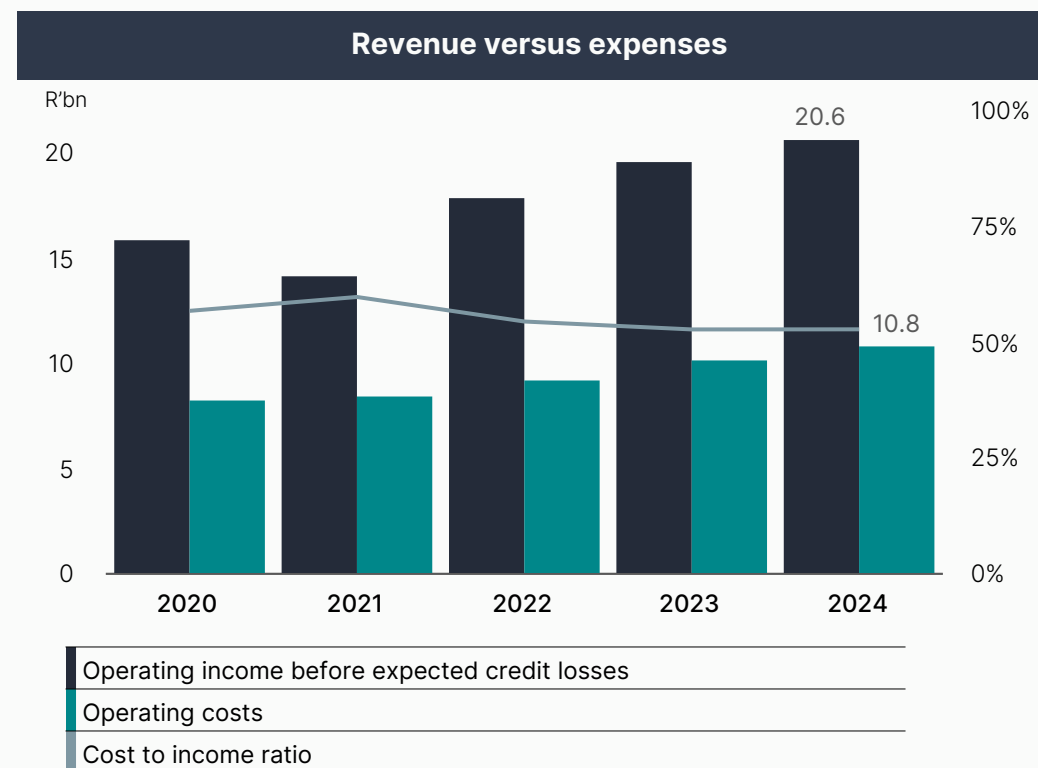
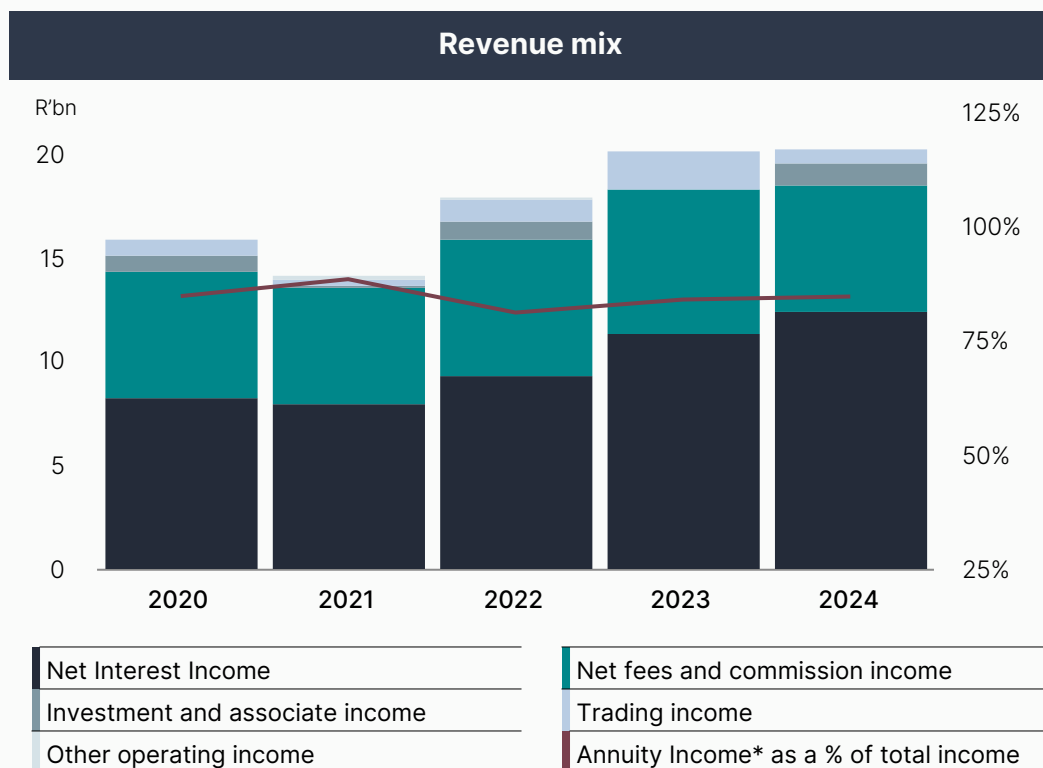
- Burstone (previously Investec Property Fund (IPF)) is a fully integrated international real estate business listed on the JSE since 2011. It has a strong management track record of more than 30 years operating in both South African and international markets
- In March 2023, Burstone concluded an agreement for the internalisation of its asset management business across South Africa and Europe, which were previously undertaken by Investec Limited. The transaction was approved by shareholders on 17 May 2023 and finalised in July 2023.
- Investec has a 24.3% shareholding in Burstone and had previously consolidated the Fund with a net asset value of R13 billion at 31 March 2023. Subsequent to the disposal of the management companies, Investec's shareholding is now held as an investment at fair value through profit and loss with a fair value of R1.5bn at 31 March 2024.

Investec Limited operating fundamentals

03



Revenue supported by resilient franchises



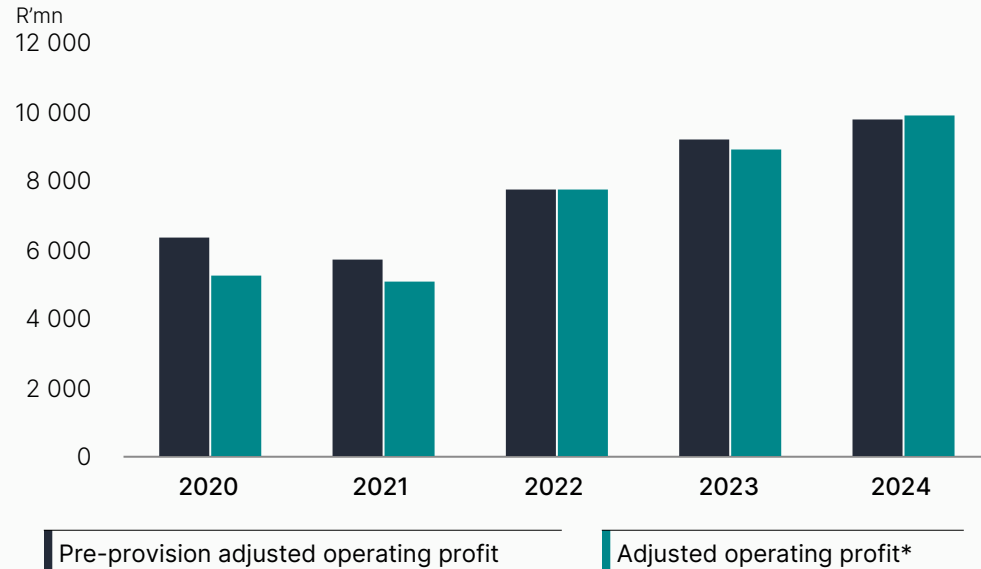
- A diversified business model continues to support a **large annuity income* base** comprising net interest income and net annuity fees, representing 84.5% of revenue for the year ended 31 March 2024
- Growth in total revenue between 2020 and 2024 has largely been driven by increased lending activities and a broadening of our client franchise.

- We are maintaining a **disciplined approach to cost control** while building for the future
- The cost to income ratio was 52.6% for the year ended 31 March 2024 (31 March 2023: 52.1%).

* Where annuity income is net interest income and annuity fees.

Revenue supported by resilient franchises (cont.)

Impact of impairments on adjusted operating profit

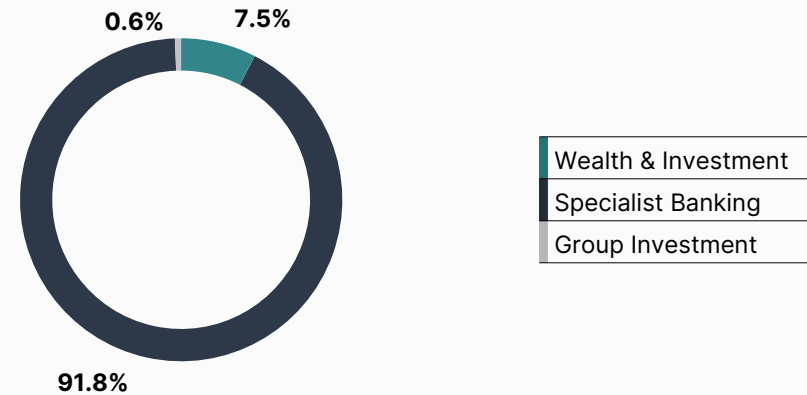


- Adjusted operating profit* for the year ended 31 March 2024 increased 11% year on year to R9 935 million
- ECL impairment charges were a release of R163 million from a R289 million charge in the prior year. The ECL charge was positively impacted by recoveries on previously impaired loans and model driven ECL releases from updated macro-economic scenarios and model recalibration.

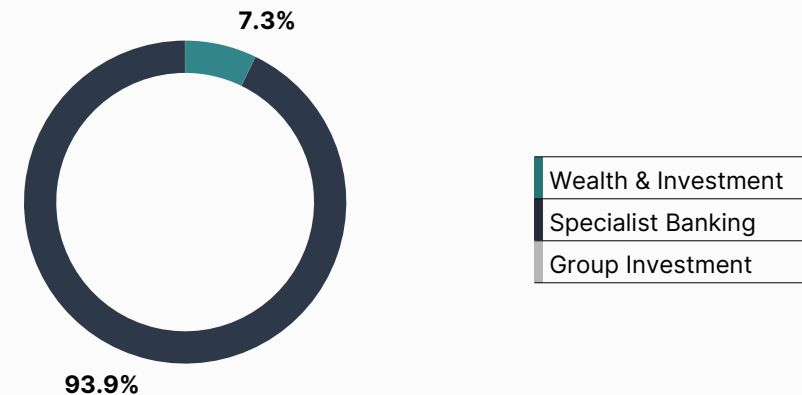
* Operating profit before goodwill, acquired intangibles, taxation and after non-controlling interests.

Contribution to adjusted operating profit

At 31 March 2024

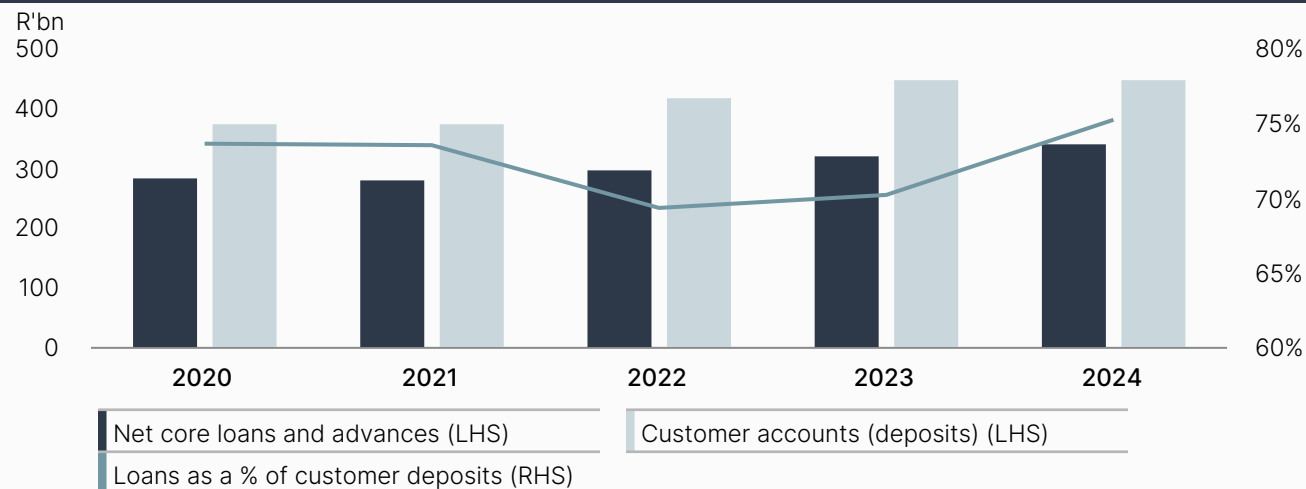


At 31 March 2023



Healthy loan to deposit ratio, stable customer deposit base

Fully self funded from customer deposits: healthy loan to deposit ratio



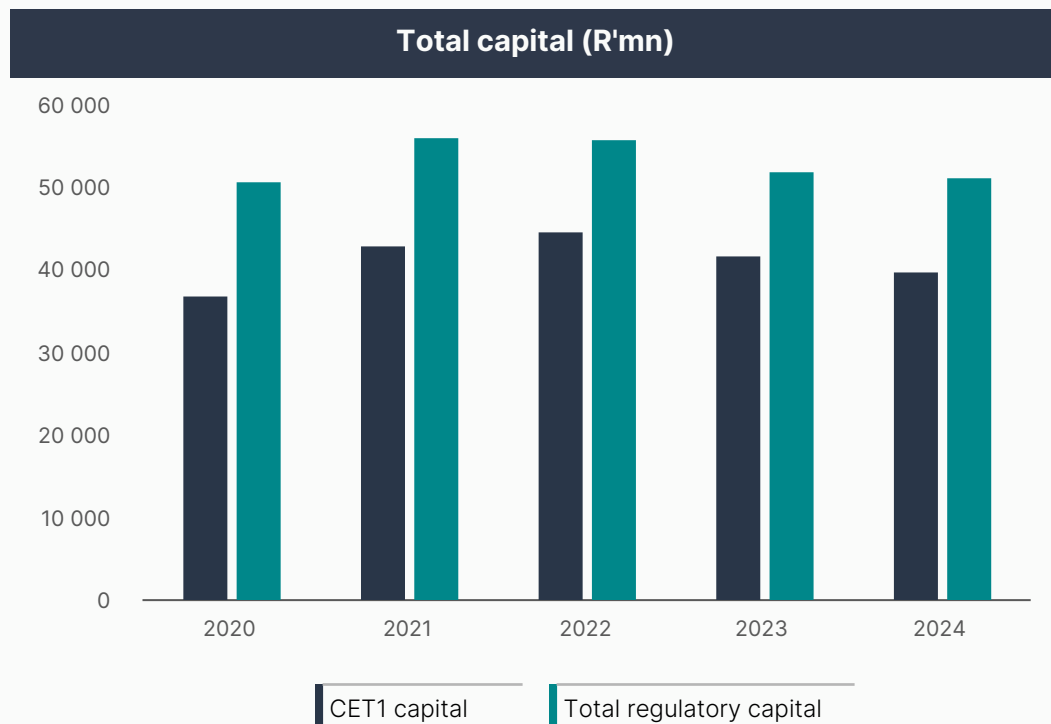
- Customer deposits **have grown by 19.4% (c.4.5% CAGR) since March 2020 to R448.5bn** at 31 March 2024
- Loans and advances as a percentage of customer deposits **amounts to 75.2%.**

Total deposits: stable customer deposit base

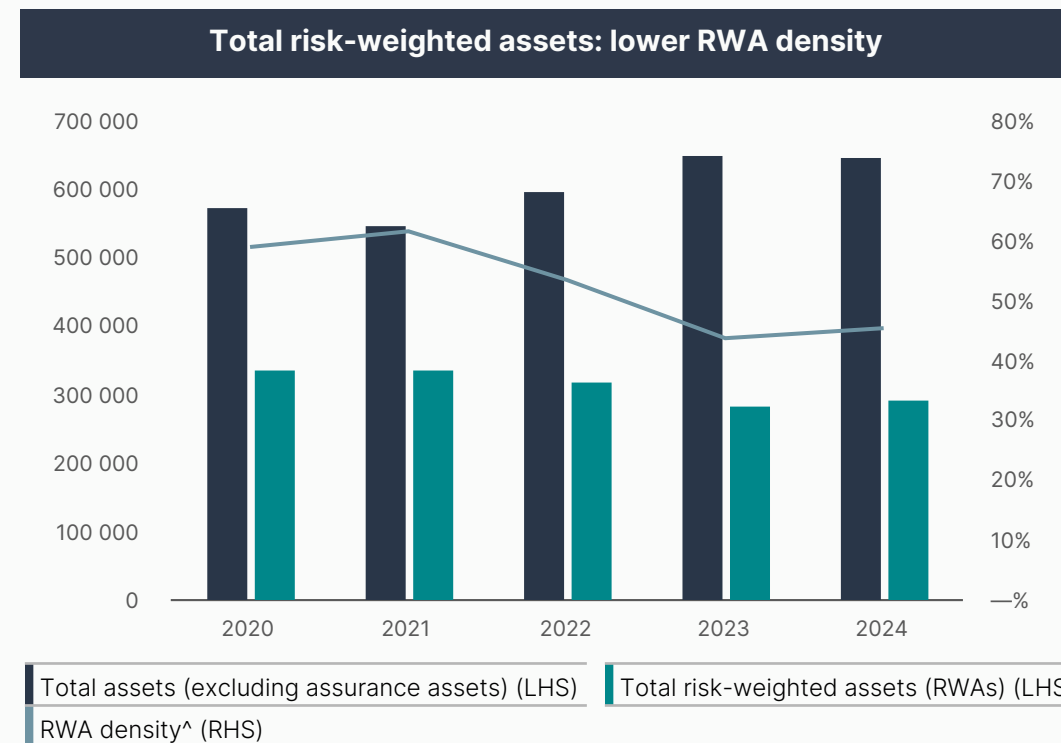


- We also have strong relationships with our institutional clients and our wholesale funding is diversified by product and tenor
- **Fixed and notice customer deposits** have continued to display a strong **'stickiness'** with continued willingness from clients to reinvest in our suite of term and notice products.

Sound capital base and capital ratios



- Our strong capital generation, and optimisation through the adoption of AIRB, has enabled us to return excess capital to shareholders
- CET1 capital decreased by R2.0 billion to R39.8 billion, largely affected by:
 - The execution of R6.8 billion of the R7 billion DLC share buyback programme
 - Positive post-tax earnings
 - Ordinary dividend distribution to shareholders
 - Reclassification of fair value hedges.



- **Risk-weighted assets (RWAs) increased** by 3.0% to R292.2 billion (31 March 2023: R283.6 billion), predominantly driven by credit risk RWAs
- **RWA density^** increased to 45.2% (31 March 2023: 43.6%)
- Investec Limited uses the Internal Ratings Based (IRB) Approach to quantify credit RWA. As at 31 March 2024, 54% of the portfolio applies the AIRB approach, 26% applies the FIRB approach, with the remaining balance of 20% remaining on the standardised approach.

[^] RWA density: Risk-weighted assets as a % of total assets (excl. assurance assets)

Sound capital ratios and capital ratios (cont.)

Capital ratios[^]

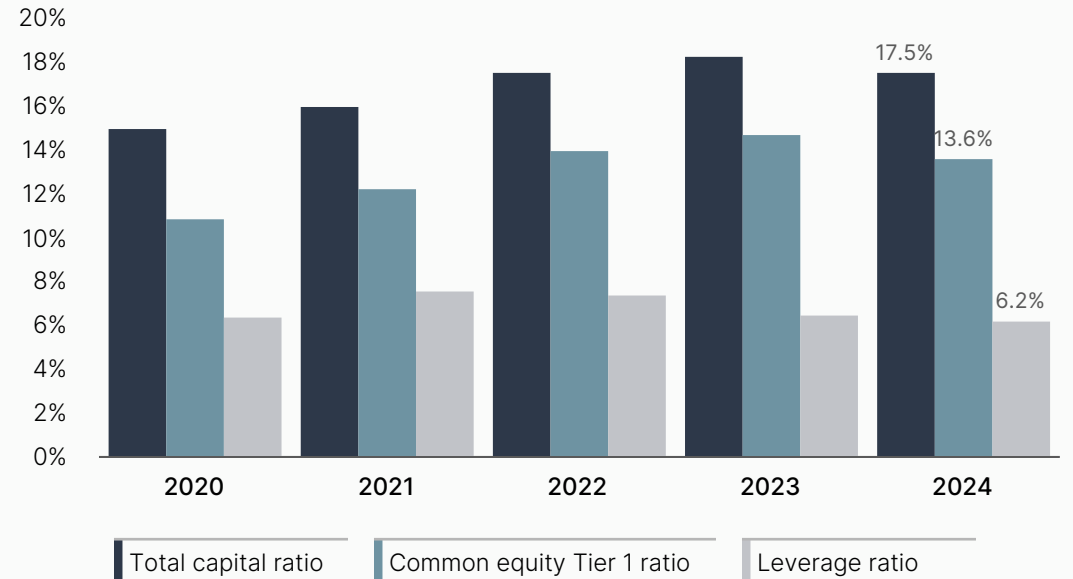
	IRB Scope*	
	31 March 2024 ^{^^}	31 March 2023 [^]
Common Equity Tier 1	13.6%	14.7%
Tier 1 ratio	15.0%	15.9%
Total capital ratio	17.5%	18.3%
Leverage ratio **	6.2%	6.5%

[^] Investec Limited's capital information includes unappropriated profits. If unappropriated profits are excluded from capital information, Investec Limited's CET1 ratio would be 111bps (31 March 2023: 117bps) lower. The leverage would be 48bps (31 March 2023: 49bps) lower.

* Investec Limited uses the Internal Ratings Based (IRB) Approach to quantify credit RWA. As at 31 Mar 24, 54% (Mar 23: 53%) of the portfolio applies the AIRB approach, 26% (Mar 23: 28%) applies the FIRB approach and the remaining 20% (Mar 23: 19%) of the portfolio is subject to the standardised approach.

** The leverage ratios are calculated on an end-quarter basis

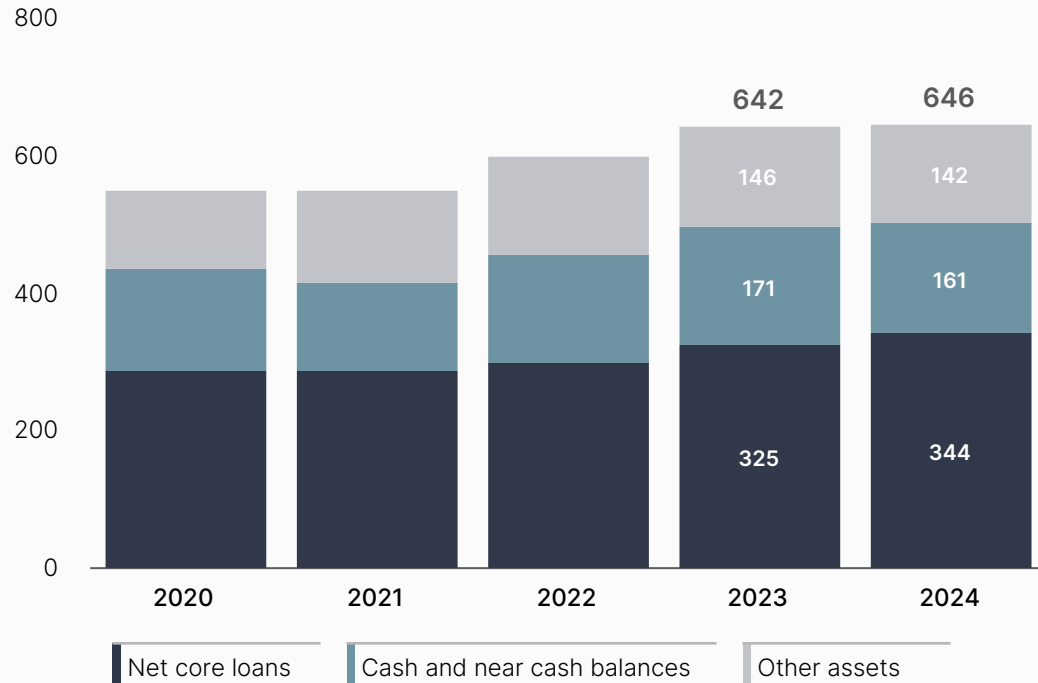
Capital ratios[#]



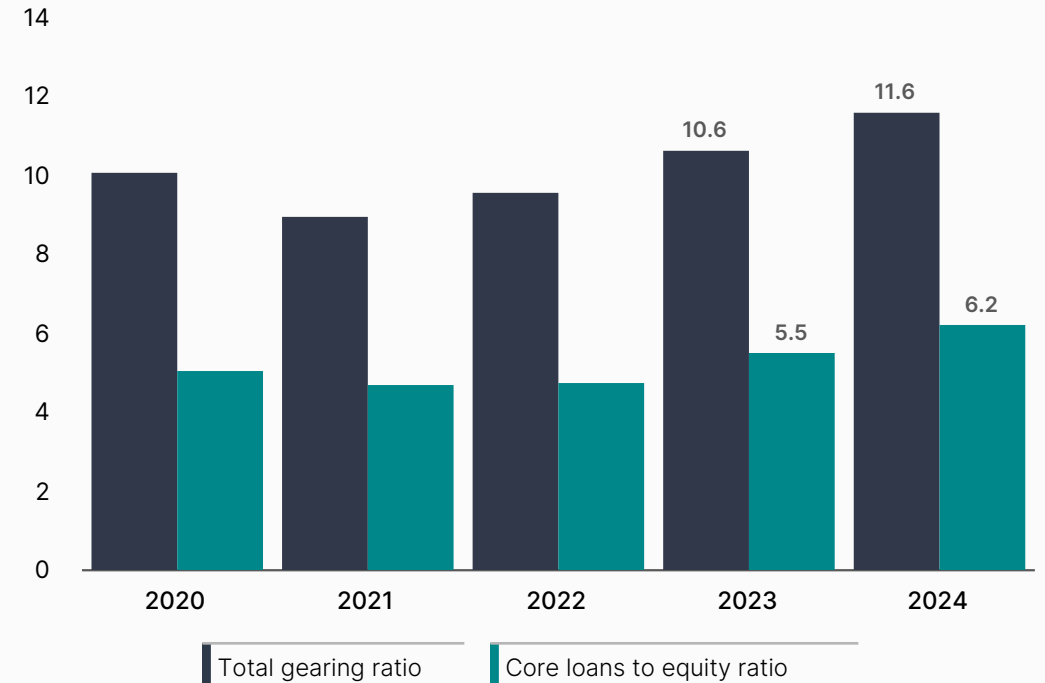
- Investec Limited has always held capital in excess of regulatory requirements and intends to perpetuate this philosophy to ensure that it remains well capitalised
- At 31 March 2024, a total capital ratio of 17.5% and a common equity tier 1 ratio of 13.6% was achieved.

Consistent asset growth, gearing ratios remain low

Total assets composition (R'bn)



Gearing remains low*



- We have reported a CAGR of 19.0% in net core loans since 2020 driven by increased activity across our target client base, as well as growth in our core client franchises
- In addition, we have seen solid growth in cash and near cash balances over the same period.

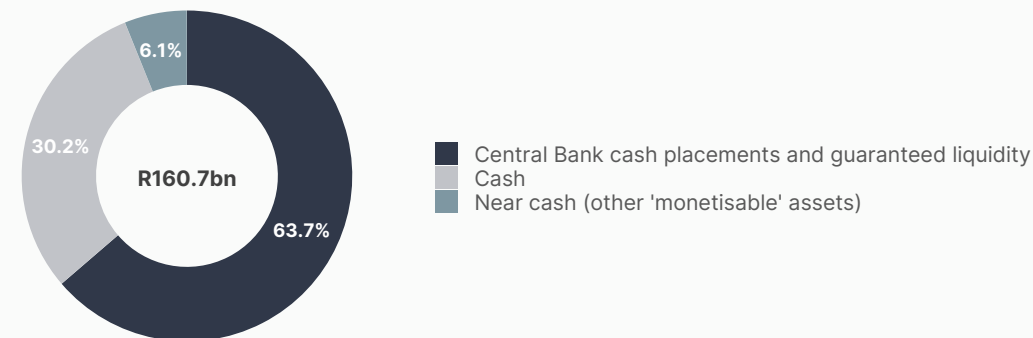
- We have maintained low gearing ratios* with total gearing at 11.6x and an average of 9.6x since March 2020.

* Gearing ratio calculated as total assets (excluding assurance assets) divided by total equity.

Substantial surplus liquidity

- We maintain a high level of readily available, high quality liquid assets, targeting a minimum cash to customer deposit ratio of 25%. Cash and near cash balances have increased significantly since 31 March 2014 (7% CAGR) to R160.7bn at 31 March 2024 (representing 36% of customer deposits)
- We delivered liquidity ratios well in excess of regulatory requirements. At 31 March 2024, INL's (consolidated Group) three-month average Liquidity Coverage Ratio (LCR)* was 159.4%.
- Investec Limited's Net Stable Funding Ratio (NSFR) was 115.0% (ahead of minimum requirements of 100%)

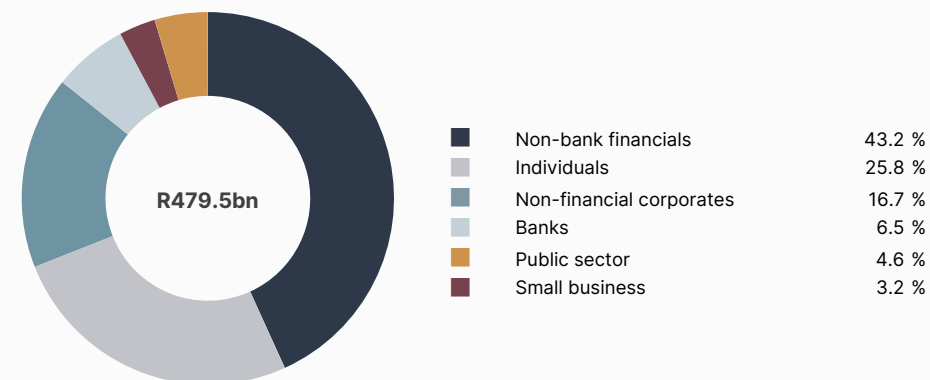
Cash and near cash balances



Cash and near cash balances



Depositor concentration by type at 31 March 2023



* In 2020, part of the Prudential Authority's response to the expected negative impact of COVID-19 on liquidity in financial markets was to reduce the LCR requirement for banks from 100% to 80%. On 1 September 2021, the Prudential Authority communicated that the LCR requirement will increase to 90% on 1 January 2022 and back to 100% on 1 April 2022.

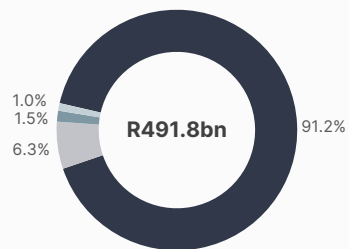
Diversified funding strategy

- Investec's funding consists **primarily of customer deposits**
- Investec adopts a **conservative and prudent funding strategy**

Conservative and prudent funding strategy

- 1 Maintaining a high base of high-quality liquid assets
- 2 Diversifying funding sources
- 3 Limiting concentration risk
- 4 Minimum cash of at least 25% of customer deposits on an on-going basis
- 5 Low reliance on wholesale funding
- 6 Maintaining a stable retail deposit franchise
- 7 Each geographic entity must be self-sufficient from a funding and liquidity standpoint

Select funding sources



R'mn	31 March 2024
Customer deposits	448 458
Deposits by banks	31 065
Subordinated liabilities	7 283
Securitisation liabilities	4 997
Total	491 803

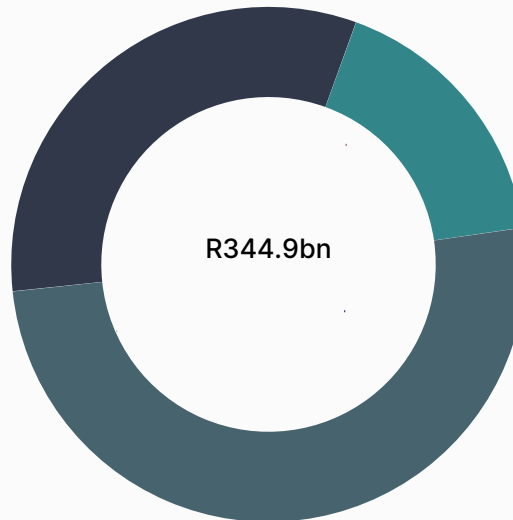
- Customer deposits account for 91.2% of selected funding sources as at 31 March 2024
- Customer deposits are supplemented by deposits from banks (6.3%), subordinated debt (1.5%) and securitisation liabilities (1.0%)
- We do not place reliance on any single deposit channel, nor do we overly rely on interbank funding
- Core loans are funded from customer deposits and interbank (dollar) funding supplements cash and near cash balances

Exposures in a select target market

- **Credit and counterparty exposures are to a select target market:**
 - high net worth and high-income clients
 - mid to large sized corporates
 - government, public sector bodies and institutions
- We typically originate loans with the intent of holding these assets to maturity, and thereby developing a 'hands-on' and long-standing relationship with our clients
- **The majority of the bank's credit and counterparty exposures reside within its principal operating geographies, namely South Africa and Mauritius**

Gross core loans* by risk category

Corporate and other lending	32%
Corporate and acquisition finance	22.3%
Fund Finance	3.8%
Power and infrastructure finance	1.8%
Aviation finance	1.6%
Financial institutions and governments	1.0%
Small ticket asset finance	1.6%

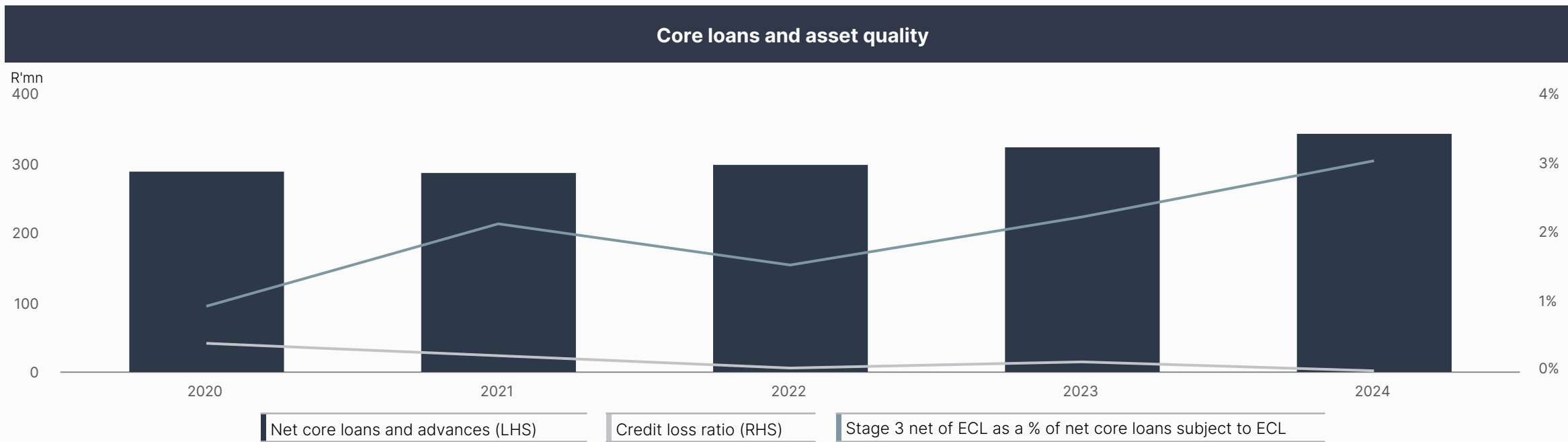


Lending collateralised by property	17%
Commercial real estate investment	14.5%
Commercial real estate development	0.6%
Commercial vacant land and planning	0.2%
Residential real estate investment	0.7%
Residential real estate development	1.0%
Residential vacant land and planning	0.3%

High net worth and other private clients	51%
HNW and private client - mortgages	28.2%
HNW and specialised lending	22.5%

* Gross core loans subject to ECL

Asset quality

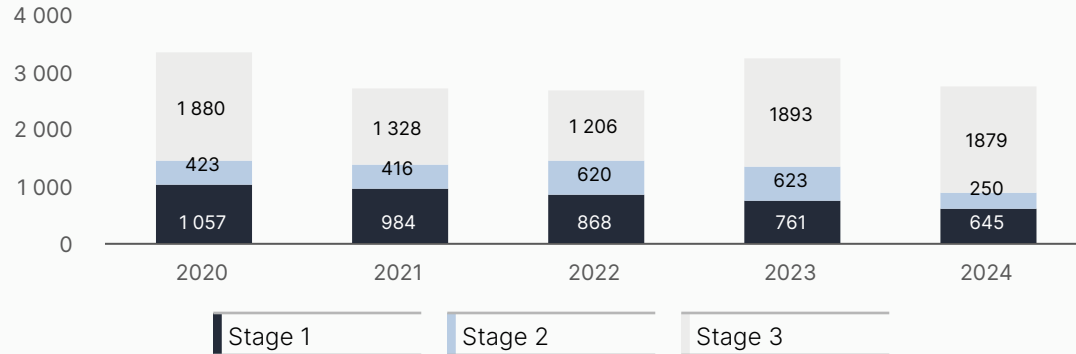


Credit quality metrics on core loans for the year ended 31 March 2024:

- The **credit loss ratio** decreased slightly to approximately (0.04)% at 31 March 2024 from 0.09% at 31 March 2023, driven primarily by:
 - Recoveries on previously impaired loans
 - Model driven releases following updated macro-economic scenarios and model recalibration
 - Partially offset by Stage 3 ECL charges
- For the year ended 31 March 2024, **Stage 3 gross core loans subject to ECL** amounted to R12 203 million
- **Stage 3 net of ECL as a percentage of net core loans subject to ECL** was 3.0% for 31 March 2024 (31 March 2023: 2.2%)

Asset quality metrics

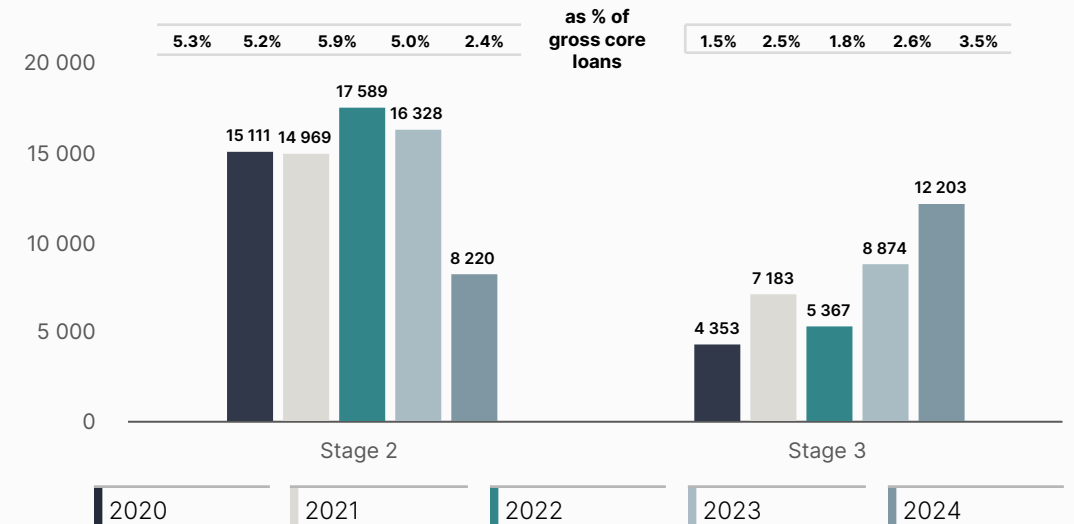
Provision build
R'mn



ECL coverage ratio	FY 2021	FY 2022	FY 2023	FY 2024
Stage 1	0.38%	0.31%	0.25%	0.20%
Stage 2	2.8%	3.5%	3.8%	3.0%
Stage 3	18.5%	21.4%	21.3%	15.4%

- **Stage 1** provisions increased 1.4% from R761mn at 31 March 2023 to R645mn at 31 March 2024. As a result, Stage 1 ECL coverage ratio decreased slightly from 0.3% to 0.2%
- **Stage 2** provisions decreased 36.3% from R623mn at 31 March 2023 to R250mn at 31 March 2024. Stage 2 ECL coverage ratio decreased from 3.8% to 3.0%
- **Stage 3** provisions increased 27.5% from R1 893mn at 31 March 2023 to R1 879mn at 31 March 2024. Stage 3 ECL coverage ratio decreased from 21.3% to 15.4%.

Gross core loans by stage
R'mn



- **Stage 2** exposures decreased to 2.4% of gross core loans subject to ECL at 31 March 2024 (31 March 2023: 5.0%)
- **Stage 3** exposures increased to R12.2 billion or 3.5% of gross core loans subject to ECL at 31 March 2024 (2.7% at 31 March 2023) and is attributable to single name exposures migrating from Stage 2 and Stage 3.

Credit ratings

Current credit ratings of Investec Limited	
Fitch	Rating
Foreign currency long-term rating	BB-
Foreign currency short-term rating	B
National long-term rating	AA+(zaf)
National short-term rating	F1+(zaf)
Viability rating	bb-
Outlook	Stable

Historical credit ratings of Investec Limited			
Long-Term Foreign Currency Issuer Default Rating	Nov-20* / current	Mar-20*	Apr-17*
Fitch	BB-	BB	BB+

* Changes reflect downgrades of the sovereign credit rating of South Africa.

- Investec Limited’s ratings have remained stable over many years **reflecting the financial soundness** of the bank over a long period of time
- Past ratings adjustments have largely been associated with changes in views by the rating agencies of the **credit worthiness of the South African sovereign**
- It is generally accepted that **a bank cannot have a higher rating than the sovereign of the country in which it operates**, unless it is largely foreign-owned and the foreign holding company is domiciled in a country with a higher rating than South Africa.

Appendices

05



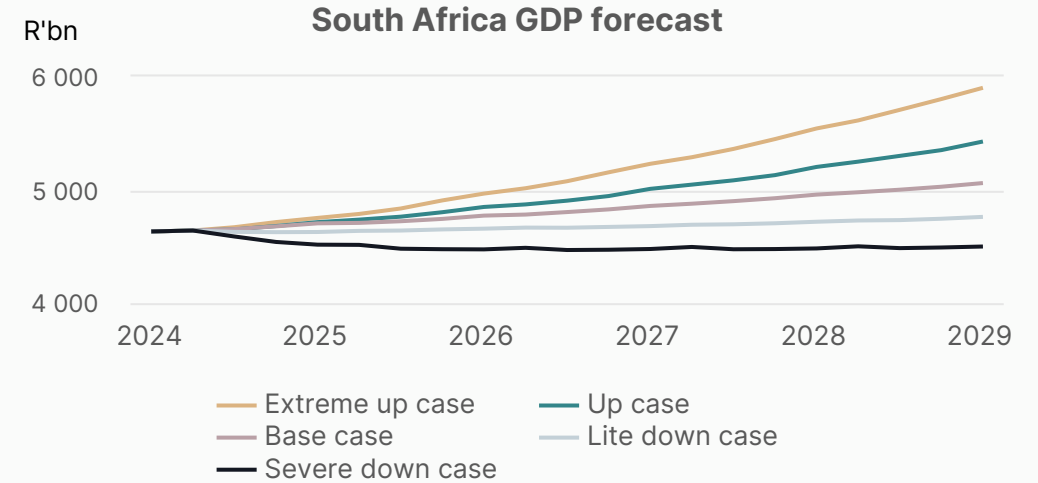
Macroeconomic scenarios – 31 March 2024

Key judgements at 31 March 2024

The measurement of ECL requires the use of multiple economic scenarios to calculate a probability weighted forward-looking estimate. These scenarios are updated at least twice a year, or more frequently if there is a macro-economic shock or significant shift in expectations. CL measurement.

A number of forecast economic scenarios are considered for capital planning, stress testing (including Investec-specific stress scenarios) and IFRS 9 ECL measurement.

For Investec Limited, five macro-economic scenarios are used in the measurement of ECL. These scenarios incorporate a base case, two upside cases and two downside cases. The table below shows the key factors that form part of the South African macro-economic scenarios and their relative applied weightings as well as annual averages of economic factors for the base case over a five-year period based on the economic forecasts in place as at 31 March 2024.



South Africa	Macro-economic scenarios	At 31 March 2024 average 2024 – 2029					At 31 March 2023 average 2023 – 2028				
		Extreme up case %	Up case %	Base case %	Lite down case %	Severe down case %	Extreme up case %	Up case %	Base case %	Lite down case %	Severe down case %
	GDP growth	4.8	3.1	1.7	0.5	(0.6)	4.2	2.8	1.5	0.4	(0.5)
	Repo rate	5.3	5.8	7.0	9.1	10.3	5.0	5.7	6.8	8.2	10.3
	Bond yield	9.1	9.8	10.6	11.7	12.6	9.2	9.7	10.3	11.4	12.5
	CPI Inflation	3.1	3.8	4.5	5.5	6.5	3.2	4.0	4.6	5.6	6.4
	Residential property price growth	6.6	5.5	4.1	2.7	1.6	5.8	4.8	3.7	2.6	1.5
	Commercial property price growth	4.4	2.7	1.4	(0.6)	(2.5)	3.5	2.0	0.9	(0.8)	(2.6)
	Exchange rates (South African Rand : US Dollar)	14.5	16.0	18.1	19.7	21.9	14.6	15.7	17.0	18.6	20.6
	Scenario weightings	1	2	45	43	9	1	1	48	40	10

Investec Limited: salient financial features

Key financial statistics	31 March 2024	31 March 2023 [^]	% change
Operating income	20 625	19 263	7.1 %
Operating costs (R'million)	10 849	10 028	8.2 %
Operating profit before goodwill and acquired intangibles (R'million)	9 939	8 946	11.1 %
Headline earnings attributable to ordinary shareholders (R'million)	7 269	6 581	10.5 %
Cost to income ratio	52.6%	52.1%	
Total capital resources (including subordinated liabilities) (R'million)	62 392	68 746	(9.2)%
Total equity (R'million)	55 109	60 998	(9.7)%
Total assets (R'million)	645 964	651 165	(0.8)%
Net core loans and advances (R'million)	343 678	325 139	5.7 %
Customer accounts (deposits) (R'million)	448 458	447 864	0.1 %
Loans and advances to customers as a % of customer accounts (deposits)	75.2%	71.3%	
Cash and near cash balances (R'million)	160 712	171 400	(6.2)%
Funds under management (R'million)	450 273	398 371	13.0 %
Total gearing ratio (i.e. total assets excluding assurance assets to equity)	11.6x	10.6x	
Total capital ratio	17.5%	18.3%	
Tier 1 ratio	15.0%	15.9%	
Common Equity Tier 1 ratio	13.6%	14.7%	
Leverage ratio	6.2%	6.5%	
Stage 3 as a % of gross core loans subject to ECL	3.5%	2.7%	
Stage 3 net of ECL as a % of net core loans subject to ECL	3.0%	2.2%	
Annualised credit loss ratio	(0.04)%	0.09%	
Net Stable Funding Ratio % (NSFR)	115.0%	116.4%	
Liquidity Coverage Ratio % (LCR)	159.4%	153.6%	

[^] Restated

Investec Limited: income statement

R'million	31 March 2024	31 March 2023
Interest income	51 459	37 635
Interest expense	(39 048)	(26 322)
Net interest income	12 411	11 313
Fee and commission income	7 306	6 620
Fee and commission expense	(1 196)	(872)
Investment income	1 086	201
Share of post-taxation profit of associates and joint venture holdings	4	339
Trading income/(loss) arising from		
– customer flow	675	1 679
– balance sheet management and other trading activities	344	27
Other operating income/(loss)	(5)	(44)
Total operating income before expected credit loss impairment charges	20 625	19 263
Expected credit loss impairment charges	163	(289)
Operating income	20 788	18 974
Operating costs	(10 849)	(10 028)
Operating profit before goodwill and acquired intangibles	9 939	8 946
Impairment of goodwill	–	(2)
Amortisation of acquired intangibles	(13)	(51)
Operating profit	9 926	8 893
Implementation costs on distribution of investment to shareholders	–	(6)
Profit before taxation	9 926	8 887
Taxation on operating profit before acquired intangibles	(2 022)	(2 121)
Taxation on acquired intangibles and strategic actions	4	301
Profit after taxation from continuing operations	7 908	7 067
(Loss)/profit after taxation and financial impact of strategic actions from discontinued operations	(758)	189
Profit after taxation of total Group	7 150	7 256
Profit attributable to non-controlling interests	(4)	(17)
Profit attributable to non-controlling interests of discontinued operations	(273)	(185)
Earnings of total Group attributable to shareholders	6 873	7 054
Earnings attributable to ordinary shareholders	6 235	6 583
Earnings attributable to perpetual preferred securities and Other Additional Tier 1 securities	638	471

^ Restated

Investec Limited: balance sheet

R'million	31 March 2024	31 March 2023 [^]
Assets		
Cash and balances at central banks	14 795	22 761
Loans and advances to banks	9 217	12 323
Non-sovereign and non-bank cash placements	10 818	9 705
Reverse repurchase agreements and cash collateral on securities borrowed	77 665	58 291
Sovereign debt securities	72 241	69 833
Bank debt securities	8 301	15 499
Other debt securities	10 539	11 676
Derivative financial instruments	9 984	16 025
Securities arising from trading activities	34 477	37 495
Loans and advances to customers	337 232	319 151
Own originated loans and advances to customers securitised	6 446	5 988
Other loans and advances	–	1
Other securitised assets	–	–
Other financial instruments at fair value through profit or loss in respect of liabilities to customers**	3 708	2 433
Investment portfolio**	16 053	22 675
Interests in associated undertakings and joint venture holdings	28	30
Current taxation assets	106	1
Deferred taxation assets	2 040	2 220
Other assets	23 078	23 999
Property and equipment	3 956	3 457
Investment properties	2 539	15 853
Goodwill	171	171
Software	123	131
Other acquired intangible assets	–	13
Non-current assets classified as held for sale	534	785
Total assets	644 051	650 517

[^] Restated

Investec Limited: balance sheet (cont.)

R'million	31 March 2024	31 March 2023 [^]
Liabilities		
Deposits by banks	31 065	31 789
Derivative financial instruments	14 293	18 473
Other trading liabilities	32 368	27 434
Repurchase agreements and cash collateral on securities lent	19 890	17 967
Customer accounts (deposits)	448 458	447 864
Debt securities in issue	6 715	7 747
Liabilities arising on securitisation of own originated loans and advances	4 997	3 594
Current taxation liabilities	845	647
Deferred taxation liabilities	375	95
Other liabilities	18 942	23 727
	577 949	579 336
Liabilities to customers under investment contracts	3 711	2 378
Insurance liabilities, including unit-linked liabilities	378	55
	583 572	581 768
Subordinated liabilities	7 283	7 748
Total liabilities		589 516
Equity		
Ordinary share capital	1	1
Ordinary share premium	4 474	4 885
Treasury shares	(3 652)	(3 854)
Other reserves	6 313	4 428
Retained income	41 573	40 521
Ordinary shareholders' equity	48 709	45 982
Perpetual preference share capital and premium	2 451	2 445
Shareholders' equity excluding non-controlling interests	51 160	47 866
Other Additional Tier 1 securities in issue	4 010	3 260
Non-controlling interests	(61)	9 872
Total equity	55 109	60 998
Total liabilities and equity	645 964	650 514

[^] Restated

Investec Limited: asset quality

R'million	31 March 2024	31 March 2023**
Gross core loans	346 452	328 416
Of which FVPL (excluding fixed rate loans)	1 540	1 641
Gross core loans to customers subject to ECL*	344 912	326 775
Stage 1	324 489	301 573
Stage 2	8 220	16 328
of which past due greater than 30 days	671	747
Stage 3	12 203	8 874
ECL	(2 774)	(3 277)
Stage 1	(645)	(761)
Stage 2	(250)	(623)
Stage 3	(1 879)	(1 893)
Coverage ratio		
Stage 1	0.20%	0.25%
Stage 2	3.0%	3.8%
Stage 3	15.4%	21.3%
Credit loss ratio	(0.04)%	0.09%
ECL impairment charges on core loans	123	(272)
Average gross core loans subject to ECL	335 844	313 176
An analysis of Stage 3 gross core loans subject to ECL		
Stage 3 net of ECLs	10 325	6 981
Aggregate collateral and other credit enhancements on Stage 3	12 873	8 340
Stage 3 as a % of gross core loans subject to ECL	3.5%	2.7%
Stage 3 net of ECL as a % of net core loans subject to ECL	3.0%	2.2%

* Includes portfolios for which ECL is not required for IFRS purposes, but which management evaluates on this basis. These are fixed rate loans which have passed the solely payments of principal and interest (SPPI) test and are held in a business model to collect contractual cash flows but have been designated at FVPL to eliminate accounting mismatches (interest rate risk is being economically hedged). The underlying loans have been fair valued and management performs an ECL calculation in order to obtain a reasonable estimate of the credit risk component. The portfolio is managed on the same basis as gross core loans measured at amortised cost. R14.0 billion of the drawn exposure falls into Stage 1 (31 March 2023: R13.3 billion), R16.4 million falls in Stage 2 (31 March 2023: R27.5 million) and the remaining R1.0 billion falls into Stage 3 (31 March 2023: R956.0 million). The ECL on the Stage 1 portfolio is R30.9 million (31 March 2023: R37.4 million), ECL on Stage 2 is R0.4 million (31 March 2023: R0.1 million) and the ECL on Stage 3 portfolio is R119.3 million (31 March 2023: R248.6 million).

** Restated as a result of a change in classification between non-sovereign and non-bank cash placements and loans and advances to customers.

Investec Limited: capital structure and capital adequacy

	IRB Scope*	
	31 March 2024^	31 March 2023^
Common Equity Tier 1	13.6%	14.7%
Tier 1 ratio	15.0%	15.9%
Total capital ratio	17.5%	18.3%
Risk-weighted assets (R'million)	292 179	283 600
Leverage exposure measure (R'million)	705 807	696 319
Leverage ratio	6.2%	6.5%

* Investec Limited uses the Internal Ratings Based (IRB) Approach to quantify credit RWAs. 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, with the remaining balance of 20% (31 March 2023: 19%) remaining on the standardised approach.

^ Investec Limited's capital information includes unappropriated profits. If unappropriated profits are excluded from capital information, Investec Limited's CET 1 ratio would be 111bps lower (31 March 2023: 117bps lower). The leverage ratio would be 48bps lower (31 March 2023: 49bps).

Investec Limited: capital structure and capital adequacy (cont.)

R'million	IRB Scope*	
	31 March 2024	31 March 2023 [^]
Shareholders' equity	46 524	45 929
Shareholders' equity per balance sheet	48 975	48 374
Perpetual preference share capital and share premium	(2 451)	(2 445)
Non-controlling interests	-	-
Non-controlling interests per balance sheet	(61)	9 872
Non-controlling interests excluded for regulatory purposes	61	(9 872)
Regulatory adjustments to the accounting basis	(333)	1 054
Prudent valuation adjustment	(276)	(280)
Gains or losses on liabilities at fair value resulting from changes in our credit standing	(32)	(15)
Cash flow hedging reserve	(25)	1 349
Deductions	(8 526)	(5 173)
Goodwill and intangible assets net of deferred tax	(294)	(315)
Investment in financial entity	(237)	(456)
Shortfall of eligible provisions compared to expected loss	(306)	(18)
Amount of deductions exceeding 15% threshold ^{^^}	(1 004)	-
Other regulatory adjustments ^{^^^}	(6 685)	(4 384)
Common equity tier 1 capital	39 850	41 810
Additional Tier 1 capital	3 964	3 212
Additional tier 1 instruments	4 010	3 260
Non-qualifying surplus capital attributable to non-controlling interest	(46)	(48)
Tier 1 capital	43 814	45 022
Tier 2 capital	7 449	6 963
Collective impairment allowances	166	365
Tier 2 instruments	7 283	7 563
Investment in capital of financial entities above 10% threshold	-	(114)
Non-qualifying surplus capital attributable to non-controlling interests	-	(851)
Total regulatory capital	51 263	51 985
Risk-weighted assets	292 179	283 600

* Investec Limited uses the Internal Ratings Based (IRB) Approach to quantify credit RWAs. 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, with the remaining balance of 20% (31 March 2023: 19%) remaining on the standardised approach.

[^] Investec Limited's capital information includes unappropriated profits. If unappropriated profits are excluded from capital information, Investec Limited's CET 1 ratio would be 111bps lower (31 March 2023: 117bps lower). The leverage ratio would be 48bps lower (31 March 2023: 49bps).

^{^^} Approval was obtained from the South African Prudential Authority effective 30 September 2023, to apply the deduction methodology to the Burstone investment (formerly Investec Property Fund), which was previously proportionately consolidated.

^{^^^} Approval was obtained from the South African Prudential Authority effective 31 March 2023, to deduct the full Plc investment against CET1 capital.