



— OUT OF THE ORDINARY

Investec Bank (Switzerland) AG

Annual report for the financial year
1 April 2023 to 31 March 2024



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Board of Directors, executive management and auditors

Board of Directors

The Board of Directors ("BoD") of Investec Bank (Switzerland) AG ("Bank"), under the leadership of the Chairman, consists of at least three members as per our Articles of Association. The BoD decides on the strategy of the Bank upon recommendation of the Chief Executive Officer ("CEO") and is responsible for the overall direction, supervision and control of the Bank and its management as well as for supervising compliance with applicable laws, rules and regulations.

The following table provides an overview of the composition of the Board of Directors:

Name	Domicile	Function	Independent	Initial election	Election until
Mark Currie	Johannesburg, South Africa	Chairman	Employed by Investec Bank Ltd	October 2021; Chairman since October 2021	July 2024
Dr. Thomas A. Frick	Zurich, Switzerland	Vice-Chairman	Yes	July 2005; Vice-Chairman since June 2012	July 2024
Peter Gyger	Aargau, Switzerland	Member	Employed as a consultant by Investec Bank (Switzerland)	July 2022	July 2024

Mark Currie, South African, b. 1963

Mark has been in Investment Banking since joining the Investec Group in 1993. Mark has held numerous positions in trading, structuring, debt origination and advisory. He became Group Chief Risk Officer for the Group in September 2020.

Dr. Thomas A. Frick, Swiss, b. 1961

Dr. Thomas Frick is partner in a renowned law firm, Niederer Kraft & Frey, attorneys-at-law, Zurich since 2001, specialising in financial services law. He holds an LL.M. from the London School of Economics.

Peter Gyger, Swiss, b. 1962

Peter Gyger joined the Bank in 2003 as Chief Operating Officer. In 2013, he became CEO of the Bank. Prior to joining the Bank, Peter held several senior positions within the private banking industry including serving as Head of Finance at Consorsbank (Switzerland) and as Chief Operating Officer and Head of IT at Robert Fleming & Co (Switzerland).

Executive management

The Bank operates under a strict dual board structure, as mandated by Swiss banking law. The BoD delegates the management of the daily business to the Executive Management ("EM"). Under the leadership of the CEO, the EM is accountable for the operation of the Bank and its business. It assumes overall responsibility for developing the Bank and the implementation of approved strategies.

The following table provides an overview of the composition of the EM:

Name	Function	In this function since
Shaun Karpelowsky	Chief Executive Officer ("CEO")	October 2021
Melanie Abromowitz	Chief Finance Officer ("CFO")	August 2014
Petra Otten	Chief Risk Officer ("CRO")	July 2010
Annelise Peers	Chief Investment Officer ("CIO")	June 2014

Shaun Karpelowsky, CEO, German, b. 1981

Shaun joined Investec Bank, London in 2008 and has held several senior leadership roles within the Group. Prior to his appointment as CEO, Shaun served as Lead Advisor to the Group's Executive, with responsibility for restructuring and enhancing the performance of several of Investec's banking businesses in Europe and Asia. Shaun holds an MBA from the University of Chicago (Booth).

Melanie Abromowitz, CFO, English, b. 1972

Melanie is responsible for Finance and Reporting, Treasury, Operations, Trading, IT and Projects. She joined the Investec Group in 2001 and held roles as Chief Operating Officer and Chief Financial Officer of Corporate and Institutional Bank (CIB) in the UK until 2014, when she relocated to Switzerland to join the Bank. Melanie holds a Bachelor of Business Science, with first class honours, and a Postgraduate Diploma in Accounting from the University of Cape Town. Melanie is a qualified Chartered Accountant.

Petra Otten, CRO, Swiss, b. 1960

Petra acts as the Bank's chief risk officer, general counsel and responsible officer for US-related client tax matters. She holds a degree in business administration, an EMBA and is a qualified lawyer. Petra worked in the airline and plant construction industry and a well-known law firm before joining the banking industry.

Annelise Peers, CIO, Swiss, b. 1967

Annelise is responsible for overseeing the development and management of the Bank's investment process. Annelise has over 25 years of experience within the investment industry with particular expertise in foreign exchange markets, capital and money markets and fixed income securities. Annelise has a B.A. (Hons) degree in Economics and Mathematics from the University of Pretoria.

Auditors

Ernst & Young Ltd., Zurich, Switzerland

Message from the Board of Directors to shareholders and clients

Dear shareholders and clients,

Market conditions over the past 12 months created a highly challenging operating environment for Swiss banks. This included significant equity and bond market volatility, sustained high interest rates and heightened geopolitical risk across the globe.

Despite this challenging environment, Investec Bank (Switzerland) AG continued executing on its new strategy. In doing so, the Bank has been significantly reshaped and has delivered both pleasing growth and overall profitability.

The Bank has enhanced its value proposition and integrated its investment, wealth and banking businesses into the wider Investec Group. This has allowed the Bank to deliver to its clients all the benefits of an international financial institution, while maintaining the benefits of banking with a boutique Swiss Private Bank.

These achievements, combined with a newly refocused approach to client servicing and business development, has yielded significant growth within our business – with Investec Bank (Switzerland) AG delivering a 20.1% increase in assets under management AUM during the period. This increase was due to net new inflows of 9.1% as well as 11% positive performance on the book. This book growth has resulted in an increase in fee revenue of 11%.

In addition, net interest revenues have shown a 32% increase over the prior year. This can be ascribed to robust treasury management in a materially positive rate environment.

Operating costs were well managed, increasing in line with inflation despite significant business growth.

As such, we are very pleased to report that the Bank recorded a significant profit of CHF 7.6m for the year under review, representing an increase of 86% compared with the prior year.

The Bank maintains a strong prudent balance sheet and exceeds all regulatory requirements. The liquidity of the business has consistently been maintained at levels surplus to requirements, with a quarterly average liquidity coverage ratio of 422% against a regulatory requirement of 100%. With a BIS tier 1 capital ratio of 35.8%, the Bank is well placed to grow its assets under management and further its overall business objectives.

Investec Bank (Switzerland) AG is now well positioned to deliver sustainable growth and profits over the coming years, and I congratulate Shaun Karpelowsky and his team for this performance.

For and on behalf of the Board of Directors,

Mark Currie
Chairman

Comment on business activities

Commission and Service Activities

The Bank's range of services comprises discretionary portfolio management, execution services relating to our client-controlled portfolios, custody services, term deposits and fiduciary transactions. The Bank's main revenue is generated from managing and keeping safe custody of clients' portfolios. It earns an ancillary part of its commission income from securities trading on behalf of clients.

Derivatives contracts concluded with clients are hedged by matching transactions with the Investec Group or with counterparties of high credit standing.

Balance Sheet Activities

The Bank engages in balance sheet transactions primarily linked to investment management business for private clients. The Bank takes deposits as part of client investment business. Lending is primarily offered as an ancillary product to investment management for private clients. The Bank has now broadened its activities to include lending to German and Swiss corporations and investing in lending deals originated by the Investec Group. Interbank business is conducted with group companies and third-party banks as part of cash management. As part of liquidity management, cash balances are placed with the Swiss National Bank and invested in high-quality debt securities.

Trading

The Bank's trading activities consist of foreign exchange and precious metals dealing activities that are limited to execution on behalf of clients and hedging our own balance sheet. The Bank does not engage in any proprietary trading activity.

Outsourcing of Business Activities

The Bank outsourced the printing and dispatch of client statements to Tata Consultancy Services Switzerland Ltd, Zurich ("TCS"). The IT application operation and management of the banking system "TCS BaNCS" is outsourced to TCS and hosting of the banking system, as well as auxiliary applications, is outsourced to Swisscom (Switzerland) Ltd. All applications and data remain in Switzerland under the rules of the Swiss Financial Market Supervisory Authority (FINMA) and strict oversight and control by the Bank. In addition, the Bank continued outsourcing of the SWIFT interbank services to Anasys AG, Zurich, and the document archiving to Kinesys AG, Dübendorf. The outsourcing agreements with these counterparties are documented in writing as required by FINMA and the employees of these service providers are obliged to comply with Swiss banking secrecy in order to ensure full confidentiality.

Employees

As at 31 March 2024, the Bank had 35.20 Full Time Equivalent ("FTE") staff members (including contractors) versus 35.70 in the prior year.

Information on capital and liquidity ratios

Capital and Liquidity ratios according to FINMA Circular 2020/01

	31.03.2024	31.12.2023	30.09.2023	30.06.2023	31.03.2023
Eligible capital (CHFk)					
Common Equity Tier 1 capital (CET1)	66 752				59 162
Common Equity Tier 1 capital without the effects of the transitional provisions for expected losses	–				–
Tier 1 capital (T1)	66 752				59 162
Tier 1 capital without the effects of the transitional provisions for expected losses	–				–
Total capital, total	66 752				59 162
Total capital without the effects of the transitional provisions for expected losses	–				–
Risk-weighted assets (RWA) (CHFk)					
RWA	186 293				235 960
Minimum capital (CHF)	14 903				18 877
Risk-based capital ratios (in % of RWA)					
CET1 ratio (%)	35.8				25.1
CET 1 ratio without the effects of the transitional provisions for expected losses (%)	–				–
Tier 1 capital ratio (%)	35.8				25.1
Tier 1 capital without the effects of the transitional provisions for expected losses (%)	–				–
Total capital ratio (%)	35.8				25.1
Total capital ratio without the effects of the transitional provisions for expected losses (%)	–				–
CET 1 buffer capital requirements (in % of RWA)					
Capital buffer in accordance with Basel Minimum Standards (as of 2019: 2.5%) (%)	2.5				2.5
Countercyclical buffer (Article 44a CAO) in accordance with the Basel Minimum Standards (%)	–				–
Additional capital buffer due to national or international systemic importance (%)	–				–
Overall buffer requirements in accordance with the Basel Minimum Standards in CET1 quality (2%)	2.5				2.5
Available CET1 to cover buffer requirements in accordance with Basel Minimum Standards (after deducting CET1 from the cover of the minimum requirements and possibly to cover the TLAC requirements) (%)	27.8				17.1
Target capital ratios according to Annex 8 CAO (in % of RWA)					
Capital buffer according to Annex 8 CAO (%)	2.5				2.5
Countercyclical buffer (Articles 44 and 44a CAO) (%)	–				–
CET1 target ratio (in %) according to Annex 8 CAO plus countercyclical buffer in accordance with Articles 44 and 44a CAO	7.0				7.0
T1 target ratio (in %) according to Annex 8 CAO plus countercyclical buffer in accordance with Articles 44 and 44a CAO	8.5				8.5
Total capital target ratio (in %) according to Annex 8 CAO plus countercyclical buffer in accordance with Articles 44 and 44a CAO	10.5				10.5
Basel III leverage ratio					
Total exposure (CHFk)	389 761				438 570
Basel III leverage ratio (Tier 1 capital in % of the total exposure) (see footnote)	17.1				13.5
Basel III leverage ratio (Tier 1 capital in % of the total exposure) without the effects of the transitional provisions for expected losses	–				–
Liquidity coverage ratio (LCR)					
LCR numerator: Total high quality liquid assets (HQLA) (CHFk)	70 053	71 083	53 795	57 295	49 237
LCR denominator: Total of net cash outflow (CHFk)	12 385	18 043	14 350	16 134	14 918
LCR (in %)	566	394	375	355	330
Net stable funding ratio (NSFR)					
Available stable refinancing (in CHFk)	233 006				245 871
Required stable refinancing (in CHFk)	135 374				172 992
Net stable funding ratio (NSFR) (in %)	172				142

Annual financial statements



Balance sheet as at 31 March 2024 and 31 March 2023

As at 31 March in CHF	Notes	2024	2023
Assets			
Liquid assets		12 946 502	22 644 570
Amounts due from banks		115 003 676	101 835 682
Amounts due from customers	1	149 711 396	202 194 493
Positive replacement values of derivative financial investments	2, 3, 13	84 813	828 024
Financial investments	4	59 249 574	59 458 037
Accrued income and prepaid expenses		4 244 174	4 345 852
Tangible fixed assets	5	243 930	377 282
Other assets	6, 7	901 658	1 231 841
Total assets	13, 14, 15, 16, 17	342 385 723	392 915 782
Liabilities			
Amounts due to banks		74 625 239	97 668 704
Amounts due in respect of customer deposits		192 842 637	228 719 171
Negative replacement values of derivative financial instruments	2, 3, 13	268 403	161 056
Accrued expenses and deferred income		4 143 214	2 702 029
Other liabilities	6, 8	3 524 783	3 813 109
Provisions	8	229 425	689 867
Total liabilities		275 633 701	333 753 937
Equity			
Share capital	9, 10, 11, 12	83 000 000	83 000 000
Statutory retained earnings reserve		–	4 423 975
Voluntary retained earnings reserve		–	1 300 000
Loss carried forward		(23 838 155)	(33 651 944)
Profit/(loss) (for the period)		7 590 177	4 089 814
Total equity		66 752 021	59 161 845
Total liabilities and equity	13, 14, 17	342 385 723	392 915 782

Off-balance sheet transactions as at 31 March 2024 and 31 March 2023

As at 31 March in CHF	Notes	2024	2023
Contingent liabilities	1, 18	9 774 268	3 162 740
Irrevocable commitments	1, 19	41 240 642	26 545 002

Irrevocable commitments for the year ending 31 March 2024 and 31 March 2023 include undrawn commitments on Corporate Lending loans.

Undrawn commitments on Corporate Lending loans represent CHF 20 120k for the year ending 31 March 2024 compared with CHF 4 190k for the year ending 31 March 2023.

Income statement for the years ending 31 March 2024 and 31 March 2023

As at 31 March in CHF	Notes	2023/2024	2022/2023
Revenues and expenses from ordinary banking activities			
Result from interest operations			
Interest and discount income		18 176 579	11 200 094
Interest and dividend income from financial investments		1 790 803	2 143 814
Interest expense		(6 526 198)	(3 188 685)
Gross result from interest operations		13 441 184	10 155 223
Subtotal net result from interest operations	23	13 441 184	10 155 223
Result from commission business and services			
Commission income from securities trading and investment activities		9 462 209	8 545 070
Commission income from lending activities		84 689	52 544
Commission income from other services		235 506	210 613
Commission expense		(1 017 498)	(794 762)
Subtotal result from commission business and services		8 764 906	8 013 464
Result from trading activities and the fair value option	22	1 538 152	1 460 124
Other result from ordinary activities			
Other ordinary income		1 924	8 767
Subtotal other result from ordinary activities		1 924	8 767
Total revenues		23 746 164	19 637 577
Operating expenses			
Personnel expenses	24	(9 704 755)	(9 702 639)
General and administrative expenses	25	(6 053 314)	(5 298 248)
Subtotal operating expenses		(15 758 068)	(15 000 886)
Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets			
		(133 352)	(366 835)
Changes to provisions and other value adjustments and losses			
		(122 691)	(20 650)
Operating result		7 732 054	4 249 205
Extraordinary expenses	26	–	(17 859)
Taxes	28	(141 877)	(141 532)
Profit/(Loss) for the year		7 590 177	4 089 814

Carrying forward of losses for the years ending 31 March 2024 and 31 March 2023

As at 31 March in CHF	Notes	2023/2024	2022/2023
Carrying forward of losses			
Profit/(Loss) for the year		7 590 177	4 089 814
Loss carried forward		(23 838 155)	(33 651 944)
Offsetting voluntary retained earnings		–	1 300 000
Offsetting statutory retained earnings		–	4 423 975
Accumulated loss		(23 838 155)	(27 927 969)
New amount carried forward		(16 247 978)	(23 838 155)

Pursuant to Art. 674 para. 1 item 2, losses have been offset against voluntary retained earnings. In accordance with Art. 674 para. 1 item 3, the remaining losses are offset against the statutory retained earnings or carried forward.

Statement of changes in equity

In CHF	Share capital	Capital reserve	Retained earnings reserve	Reserves for general banking risks	Currency translation reserves	Voluntary retained earnings reserves and loss carried forward	Own shares	Minority interests	Result of the period	Total
Equity at the start of the current period	83 000 000	–	4 423 975	–	–	(32 351 944)	–	–	4 089 814	59 161 845
Other allocations to (transfers from) other reserves	–	–	–	–	–	4 089 814	–	–	(4 089 814)	–
Profit/(loss) for the year	–	–	–	–	–	–	–	–	7 590 177	7 590 177
Offsetting of Statutory Retained Earnings Reserves against Accumulated losses	–	–	(4 423 975)	–	–	4 423 975	–	–	–	–
Equity at the end of the current period	83 000 000	–	–	–	–	(23 838 155)	–	–	7 590 177	66 752 021

Notes to the financial statements

General business

Investec Bank (Switzerland) AG, whose registered office is in Zürich, is a wholly owned subsidiary of Investec Bank plc, UK, a globally active financial services group. Investec Bank (Switzerland) AG is mainly active in the private banking business including wealth and investment and other related services. The geographic areas covered by the Bank include Switzerland and abroad, in particular UK, Western Europe, Southern Africa and United Arab Emirates.

General principles

Accounting policies and valuation principles are based on provisions according to the Swiss Code of Obligations, the Federal Law on Banks and Saving Banks and its related ordinance, the guidelines of the Swiss Financial Market Supervisory Authority (FINMA), the Bank's articles of association and the statutory regulations. Single positions inherent in any given balance sheet item are valued individually.

Accounting standards

The Bank has implemented the accounting standards per the FINMA Circular 2020/1 – Accounting for Banks effective 1 January 2020. Investec has prepared reliable assessment statutory single-entity financial statements in accordance with Art. 25 para. 1 let. a BO.

Recording of transactions

All transactions are recorded in the financial statements of the Bank on trade date and valued on this date. Spot transactions are recorded based on the trade date principle. Forward and Swap contracts are recorded as off-balance sheet transactions on trade date until expiry date. Between the trade and the execution date the replacement values of Forward and Swap transactions are recorded as separate line in the balance sheet.

Foreign currencies

Transactions in foreign currencies are recorded with the exchange rate of the day they take place. Assets in foreign currencies are converted at the exchange rate of the effective balance sheet date and the valuation differences are taken to the income statement. Exchange rate fluctuations between the trade date and settlement date of a transaction are recorded in the income statement.

Currency	31.03.2024	31.03.2023
USD	0.88899	0.91339
EUR	0.96570	0.99210
GBP	1.12949	1.12977

Liquid assets, amounts due from banks, amounts due from customers, mortgage loans, amounts due to banks, and amounts due in respect of customer deposits

These transactions and balances are recorded at their nominal value. Doubtful accounts receivable, where it is unlikely that the debtor will be able to meet future commitments, are evaluated on an individual basis and any impairment is netted with the respective account in the balance sheet. The impairment is calculated using the difference between the book value of the receivable and the amount expected to be received considering the counterparty risk as well as the net proceeds realisable from the sale of any collateral. There is no provision for general reserves. Interest and commissions outstanding for more than 90 days are considered overdue.

Financial investments

Securities that are not held for trading purposes are valued at the lower of cost or market value, if they are not intended to be held to maturity. Any upward or downward re-measurement of value is taken to "Other ordinary income" or "Other ordinary expenses". If a security's market value has fallen below cost but subsequently rises again, it may only be written up as far as its cost value.

Notes to the financial statements

Tangible fixed assets

Investments in new tangible fixed assets are capitalised and valued at historical cost if they exceed CHF 50 000 and will be used for a period longer than one financial year. Depreciation is recorded on a straight-line basis over the estimated lifetime of the asset.

The tangible fixed assets are reviewed each year, changes in the lifetime or impairments to the net book value are amortised over the remaining lifetime or booked as extraordinary depreciation. Both regular and extraordinary depreciation is recorded in the income statement in the line "Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets". If the reason for extraordinary depreciation no longer exists, the net asset value may be adjusted upwards.

The lifetime of the asset categories have been defined as follows:

– Software, IT and communication equipment	max. 3 years
– Furniture and other office equipment	max. 3 years
– Other fixed assets, including In-house developed software	max. 5 years

Realised profits from divestment of tangible fixed assets are recorded in "Extraordinary income" whereas realised losses are recorded in "Extraordinary expenses".

Accruals and deferrals

Interest income and expenses, commission income and expenses, personnel and other operating expenses are accrued in the respective financial year.

Provisions

In accordance with the principle of prudence, specific provisions and reserves are made for any recognisable risks if an outflow of funds is probable. Existing provisions are reassessed at each balance sheet date. Based on this reassessment, the provisions are increased, left unchanged, or released.

Positions are recorded as follows via the individual items in the income statement:

- Provision for deferred taxes: "Taxes"
- Pension provision: "Personnel expenses"
- Other provisions: "Changes in provisions and other valuation adjustments and losses, except provisions for restructuring"

Provisions are released via the income statement if they are no longer needed on business grounds and cannot be used for other similar purposes at the same time.

Taxes

Taxes on the results of the current accounting period are determined in accordance with local tax laws and recorded as expenses in the relevant financial year.

Pension funds

Liabilities for pension funds are treated according to SWISS GAAP FER 16.

Contingent liabilities, irrevocable commitments, guarantees and other commitments

These positions are stated as off-balance sheet items at their nominal values. In accordance with the principle of prudence, adequate provisions are recorded for known risks.

Derivative financial instruments

Derivative financial instruments are used to limit the currency and interest rate risks on own positions as well as on trades for clients. With the exception of currency swaps and forward contracts, the Bank does not hold any derivative financial instruments on its own account. Derivative financial instruments are valued at fair value. The positive and negative replacement values of the transactions that are open on the balance sheet date are recorded as such in a separate line on the face of the balance sheet. The notional amount is disclosed in the notes to the financial statements. There is no hedge accounting applied by the Bank.

Notes to the financial statements

Cash flow statement

The Bank is exempt from preparing a cash flow statement according to the Art. 25 para. 3 BO as the Bank prepares statutory single-entity financial statements with reliable assessment.

Impact of negative interest rates on the Bank's business

Negative interest on assets is disclosed as a reduction in interest and discount income. Negative interest on deposits is disclosed as a reduction in interest expense.

Events after the balance sheet date

One significant event occurred after the balance sheet date. After 31 March 2024, it has come to management's attention that the Bank's safe in our office will need to be exchanged. The timing, extent and cost of this reorganisation is currently unknown.

Risk management

The risk management and risk control framework

Risk management is a key function of the Bank. It is based on the policies approved by the BoD, which are reviewed annually to ensure that new business activities as well as market, regulatory or other developments are adequately addressed. The BoD regularly reviews the key risks faced by our Bank, including client investment, credit, market, liquidity and operational risks. Key risk indicators, risk mitigation measures and internal controls are in place. Particular emphasis is given to ensuring ongoing monitoring and pro-active management of these risks and accurately determining their impact on the Bank's financial position. The principle of segregation of duties is strictly respected, i.e. the responsibility for risk control is separated from responsibility for trading and other front-office activities.

All corporate bodies responsible as well as the parent bank are regularly informed of the Bank's financial position, liquidity and earnings, and the associated risks.

Client investment risk

Client investment risk is a key risk for the Bank's private banking activities. The Bank and its governing bodies address client investment risks by a systematic identification and assessment of larger asset allocation deviations, risk exposures and client portfolio performance deviations against defined benchmark targets, as well as using key risk indicators.

Credit risk

Credit risk management ensures that controls cover the risk that credit exposures could give rise to a loss if counterparties fail to meet their contractual obligations. Default risk is limited by applying customer and bank limits. Credit approval is subject to quality requirements following internal guidelines. Credit risks are limited and subject to regular analysis and risk-oriented review processes. The credit exposure to clients and companies is assured against collateral or balance sheet assets while applying adequate margins and covenants.

Risks are managed and monitored primarily by valuing collateral at fair market value and monitoring covenants. The principles for determining collateral and margin values are set locally and approved by the Group as well as by our local BoD. The individual loan-to-value ratios for Lombard lending depends on the type of product, its marketability, liquidity, rating, volatility, etc., allowing for customary security margins. Corporate lending debt exposure is monitored in conjunction with Investec Bank plc. Investments into debt instruments are monitored on a regular basis for any indications of credit impairment.

Market risk

Market risk for the Bank arises from executing client trades across our balance sheet. Client trading is limited to foreign exchange forward and swap contracts and precious metals trading. All open client positions are hedged. This is monitored by an independent control unit, which checks the exposure against the relevant exposure limits.

Balance sheet risk

Balance sheet risk management encompasses the independent monitoring and prudential management of the financial risks relating to our asset and liability portfolios. These comprise liquidity risk and non-trading interest rate and foreign exchange risks on the balance sheet.

Liquidity risk is the risk that we have insufficient capacity to fund increase in assets, or are unable to meet our obligations as they fall due, without incurring unacceptable losses. Non-trading interest rate risk is the impact on net interest earnings and sensitivity to economic value as a result of unexpected adverse movements in interest rates.

Liquidity risk metrics and ratios are used to assess potential risks to the liquidity position.

Notes to the financial statements

Non-trading interest rate and foreign exchange risk (and the associated capital requirements) are ascertained using the standardised measurement method. The management of interest rate risk is based on applying interest rate shifts prescribed by FINMA to the interest rate curve to determine the value effect as well as on the income effect on annual income.

Balance sheet risk management, including the long-term investment of the Bank's own capital, is the responsibility of the Asset and Liability Committee ("ALCO") with the treasury function mandated to manage these risks. All limits used to monitor this risk are subject to the approval by the BoD. The Bank also reports into the Investec Bank plc ALCO where oversight is exercised.

The Bank's own capital is invested in product categories predefined by Investec Bank plc Asset and Liability Committee. On the balance sheet date, the Bank's own capital was held at the Swiss National Bank and used to fund the Bank's loan portfolio and other financial investments.

Compliance with all requirements and limits is monitored in a timely manner by independent control unit. The risk reports are discussed every month at ALCO and every quarter at the meetings of the BoD.

Operational risk

Operational risks reflect the probability of direct or indirect loss due to the inadequacy or failure of internal processes, persons or systems or as a result of external events. Given that operational risks may be encountered in all areas, all members of staff and offices involved in a business process are expected to assess and manage the operational risks within their area of responsibility. Of particular importance is the appropriate segregation of duties and the adherence to the four-eyes principle where required. Furthermore, operational risks are mitigated by the use of instruments such as policies and guidelines, definition of approval requirements, organisational charts, job descriptions as well as process and control descriptions. Automation facilitating the transactions processing and controls is also key in order to reduce risks. Effectiveness of controls is regularly evaluated.

In order to foster a proactive approach to the management and control of operational risks, the Bank has implemented an Internal Control Framework to strengthen employees' risk and control awareness. The Risk Controller initiates, oversees and monitors these processes and reports results to the Executive Management Committee, Investec Bank plc Operational Risk and the BoD.

Compliance and legal risk

Compliance risk is defined as the current or prospective risk to earnings and capital arising from violations or non-compliance with laws, rules, regulations, agreements, prescribed practices or ethical standards and can lead to fines, damages and/or the voiding of contracts and can diminish an institution's reputation. Legal risk is the risk of financial or reputational loss that can result from lack of awareness or misunderstanding of, ambiguity in, or reckless indifference to, the way law and regulation apply to our business, our relationships, processes, products and services. The Legal and Compliance department captures, analyses and assesses the Bank's legal, regulatory and financial crime risks and defines mitigating controls.

The department manages these risks through the following:

- Identifying material rules and regulations where non-compliance could lead to endangerment of the Bank's assets;
- Advising and supporting the EM Committee and the Bank's BoD concerning the adherence to material rules and regulations as well as acting to implement effective procedures for compliance with applicable material rules and regulations, and the setup of the corresponding controls;
- Monitoring the coverage of new or changed material rules and regulations by our business including potential implementation plans for appropriate controls;
- Assessing the coverage of all existing material rules and regulations by the bank's business and existence of a corresponding control environment; and
- Reporting regularly to the EM Committee and the Bank's BoD.

The department also ensures, in collaboration with the Risk Management department, that directives and regulations are updated and implemented in line with new legal and regulatory developments.

Training in relation to various compliance topics like cross-border financial services, financial crime and Know Your Client ("KYC") is provided to employees at regular intervals.

Notes to the financial statements

Table 4: Breakdown of financial investments

	Book value 31.03.2024 in CHF	Book value 31.03.2023 in CHF	Fair value 31.03.2024 in CHF	Fair value 31.03.2023 in CHF
Debt securities*	–	28 244 275	–	27 721 658
Swiss Government Bond	59 229 602	31 193 258	59 453 438	30 981 000
	59 229 602	59 437 533	59 453 438	58 702 658
– of which, held until maturity	59 229 602	59 437 533	59 453 438	58 702 658
Equity securities	19 972	20 505	19 972	20 505
– of which, qualified participations	–	–	–	–
Total*	59 249 574	59 458 037	59 473 409	58 723 162
of which, securities eligible for repo transactions in accordance with liquidity requirements	59 229 602	31 193 258	59 453 438	30 981 000

*Debt securities consist of one counterparty which is unrated.

In the prior year, the fair value of the debt securities held until maturity was lower than its book value due to change in market rates.

Table 5: Presentation of tangible fixed assets

	Acquisition cost in CHF	Accumulated depreciation in CHF	Book value 31.03.2023 in CHF	2023/2024					Book value 31.03.2024 in CHF
				Reclass-ification in CHF	Additions in CHF	Disposals in CHF	Depreciation in CHF	Reversals in CHF	
Proprietary or separately acquired software	3 599 950	(3 222 668)	377 282	–	–	–	(133 351)	–	243 930
Other tangible fixed assets	15 550	(15 550)	–	–	–	–	–	–	–
Total tangible fixed assets			377 282	–	–	–	(133 351)	–	243 930

Operating lease commitments	31.03.2024				31.03.2023			
	Less than 1 year in CHF	Greater than 1 year, less than 5 years in CHF	Greater than 5 years in CHF	Total in CHF	Less than 1 year in CHF	Greater than 1 year, less than 5 years in CHF	Greater than 5 years in CHF	Total in CHF
Rental lease commitments for bank premises	444 783	1 186 089	–	1 630 872	440 983	1 549 721	–	1 990 704
– of which are cancellable within 1 year	–	–	–	–	–	–	–	–

Notes to the financial statements

Table 6: Breakdown of other assets and other liabilities

	31.03.2024		31.03.2023	
	Other Assets in CHF	Other Liabilities in CHF	Other Assets in CHF	Other Liabilities in CHF
Compensation account	–	–	–	–
Indirect taxes	377 463	925 032	168 903	546 600
Pension scheme accrual	–	271 578	–	268 402
Miscellaneous assets and liabilities	524 195	2 328 173	1 062 938	2 998 107
Total other assets and liabilities	901 658	3 524 783	1 231 841	3 813 109

Table 7: Disclosures on the economic situation of the pension schemes

Investec Bank (Switzerland) AG does not have its own pension scheme. There are no liabilities relating to the pension scheme of the Bank and no equity instruments of the Bank held by the respective pension scheme. There are no reserves for the contribution to the pension plan by the employer (employer contribution reserves) available.

The Bank's pension scheme is with AXA Foundation for Occupational Benefits since 1 January 2007.

Following the transformation of AXA Foundation for Occupational Benefits from a full insurance model to a semi-autonomous model with pooled assets on 1 January 2019, the longevity and investment risks are no longer re-insured, but borne by the AXA Foundation. This means that since 1 January 2019, nominal value and interest are guaranteed in case of a member leaving the pension scheme (vested rights) or going into retirement only. In all other cases, the longevity and investment risks are borne by the pension fund and its members.

Presentation of the economic benefit/obligation and pension expenses

	Overfunding/ underfunding at end of current year in CHF	Economic interest of the bank/financial group in CHF 31.03.2024	Economic interest of the bank/financial group in CHF 31.03.2023	Change in economic interest (economic benefit/ obligation) versus previous year in CHF	Contributions paid for the current period in CHF	Pension expenses in personnel expenses in CHF 31.03.2024	Pension expenses in personnel expenses in CHF 31.03.2023

Details on the Bank's pension fund is in line with Swiss GAAP FER 16.

Notes to the financial statements

Table 8: Presentation of value adjustments and provisions, reserves for general banking risks and changes therein during the current year

	31.03.2023 in CHF	Use in conformity with designated purpose in CHF	Reclass- ification in CHF	Currency differences in CHF	Past due interest, recoveries in CHF	New creations charged to income in CHF	Releases to income in CHF	31.03.2024 in CHF
Provisions for deferred taxes	-	-	-	-	-	-	-	-
Provisions for pension benefit obligations	-	-	-	-	-	-	-	-
Provisions for default risks	-	-	-	-	-	-	-	-
Provisions for other business risks	-	-	-	-	-	-	-	-
Provisions for restructuring	453 298	(422 729)	-	-	-	-	(30 569)	-
Other provisions	236 568	(7 144)	-	-	-	-	-	229 424
Total provisions	689 867	(429 873)	-	-	-	-	(30 569)	229 424
Reserves for general banking risks	-	-	-	-	-	-	-	-
Value adjustments for default and country risks								
- of which, value adjustments for default risks in respect of impaired loans/receivables	-	-	-	-	-	-	-	-
- of which, value adjustments for latent risks	-	-	-	-	-	-	-	-

Other Provisions

Other provisions consists of CHF 179k for legal costs relating to potential Madoff claim (2009) and CHF 50k for potential Stamp Tax charges.

Litigation

Other than the potential Madoff claim mentioned above, no material litigation is currently ongoing for the Bank.

Notes to the financial statements

Table 9: Presentation of the Bank's capital

Bank's capital	31.03.2024			31.03.2023		
	Total par value in CHF	Number of shares	Capital eligible for dividend in CHF	Total par value in CHF	Number of shares	Capital eligible for dividend in CHF
Share capital	83 000 000	83 000	83 000 000	83 000 000	83 000	83 000 000
- of which, paid up	83 000 000	83 000	83 000 000	83 000 000	83 000	83 000 000
Total Bank's capital	83 000 000	83 000	83 000 000	83 000 000	83 000	83 000 000
Significant shareholder:	31.03.2024		31.03.2023			
	Nominal in CHF	in %	Nominal in CHF	in %		
Investec Bank plc	83 000 000	100%	83 000 000	100%		

The parent company of Investec Bank plc is Investec 1 Limited, which is a 100% subsidiary of Investec plc, a company listed on the London Stock Exchange.

There are neither conditional nor significant shareholders without voting rights.

There are no equity rights or options in Investec Bank (Switzerland) AG held by directors or employees as it is a wholly owned subsidiary of Investec Bank plc.

Table 10: Number and value of equity securities or options on equity securities held by all executive directors and by employees, and disclosures on any employee participation schemes

The Investec Group operates a long-term incentive plan ("LTIP") for employees, the majority of which are on an equity settled basis. The purpose of this staff share scheme is to promote an esprit de corp within the organisation, create an awareness of Investec's performance, and provide an incentive to maximise individual and group performance by allowing all staff to share in the risks and rewards of the Group.

There are two plans: one has a five-year vesting period where 75% of options issued vest after four years and 25% vest after five years; the other plan has a five-year vesting period where 33% of options issued vest in year three, 33% in year four, and 33% in year five.

All LTIPs issued have a zero strike price. For 2023/2024 the amount recognised in the income statement for LTIPs was CHF 218k (2022/2023 CHF 155k).

On 13 March 2020, Investec successfully completed the demerger of Investec Asset Management (IAM). The overall effect of the demerger was to move IAM SA under Ninety One Limited (a South African entity incorporated specifically to act as a holding company for the IAM business going forward) and IAM UK (which together with IAM SA and their respective subsidiaries, comprise the Ninety One Business). Ninety One Plc and Ninety One Limited have then been listed as a Dual Listed Company. This demerger has had an impact on the above-mentioned LTIPs. Employees that are participants in their LTIPs will be entitled to receive the initially awarded Investec LTIPs and will also receive (in proportion to the value) the right to receive one Ninety One option for every two Investec options awarded that will vest over the same remaining vesting period as the original Investec award. The employees will continue to render services to Investec.

The weighted average share price during the year was GBP 6.57/CHF 7.57 (2022/2023 GBP 6.63/CHF 7.63).

The yearly charges are calculated and recharged from Investec Group to the Bank. LTIPs are not related to the Bank's shares but to the shares of Investec plc and Ninety One plc. The amount of equity securities and options with Investec Bank (Switzerland) AG are zero.

Notes to the financial statements

Table 11: Disclosure of amounts due from/to related parties

	31.03.2024		31.03.2023	
	Amounts due from in CHF	Amounts due to in CHF	Amounts due from in CHF	Amounts due to in CHF
Holders of qualified participations	53 780 954	36 505 383	18 222 980	46 695 520
Group companies	–	–	–	–
Linked companies	280 511	46 934 835	29 189 260	66 545 114
Transactions with members of governing bodies	–	–	–	–
Other related parties	–	133 016	–	182 210
Total	54 061 465	83 573 234	47 412 240	113 422 844

Transactions with related parties

The Bank partially undertakes refinancing with affiliated entities and significant shareholders at Market risk.

The Bank had as at 31 March 2024 CHF 10k in current accounts (31 March 2023 CHF 34k). Overnight term deposits amounted to CHF 53 747k (31 March 2023 CHF 17 354k).

As at 31 March 2024, the total amount sub-participated in loans by the group amounted to CHF 82 935k (31 March 2023 CHF 123 789k).

As at 31 March 2024, the total amount of loans sub-participated from the Bank to the Group amounted to CHF 33 482k (31 March 2023 CHF 37 667k).

As at 31 March 2024, off balance sheet currency derivative contract volumes with group entities amounted to CHF 12 447k (31 March 2023 CHF 23 700k).

As at 31 March 2024, positive and negative replacement values with group companies respectively amounted to CHF 0k and CHF 268k (31 March 2023 CHF 835k and CHF 18k).

As of 31 March 2024, there are no transactions with members of governing bodies (31 March 2023 CHF 0k).

All transactions with related parties were executed on the same conditions as would apply for third parties.

Table 12: Disclosure of holders of significant participations

	31.03.2024		31.03.2023	
	Nominal in CHF	% of equity	Nominal in CHF	% of equity
Holders of significant participations and groups of holders of participations with pooled voting rights				
with voting rights				
Investec Bank plc	83 000 000	100%	83 000 000	100%
without voting rights	–	0%	–	0%

Notes to the financial statements

Table 13: Presentation of the maturity structure of financial instruments

	At sight in CHF	Cancellable in CHF	Due				No maturity in CHF	Total in CHF	
			within 3 months in CHF	within 3 to 12 months in CHF	within 12 months to 5 years in CHF	after 5 years in CHF			
Asset/financial instruments									
Liquid assets	12 946 502	–	–	–	–	–	–	12 946 502	
Amounts due from banks	19 765 675	–	95 238 001	–	–	–	–	115 003 676	
Amounts due from securities financing transactions	–	–	–	–	–	–	–	–	
Amounts due from customers	468 163	58 182 366	8 936 435	33 896 776	48 227 655	–	–	149 711 396	
Mortgage loans	–	–	–	–	–	–	–	–	
Trading portfolio assets	–	–	–	–	–	–	–	–	
Positive Replacement values of derivative financial instruments	84 813	–	–	–	–	–	–	84 813	
Other financial instruments at fair value	–	–	–	–	–	–	–	–	
Financial investments	19 972	–	–	–	59 229 602	–	–	59 249 574	
Total	31.03.2024	33 285 125	58 182 366	104 174 436	33 896 776	107 457 257	–	–	336 995 961
	31.03.2023	36 235 101	–	146 371 896	48 244 786	101 632 474	54 476 550	–	386 960 807
Debt capital/ financial instruments									
Amounts due to banks	5 267 727	33 996 011	–	–	35 361 501	7 936 768	–	–	74 625 239
Liabilities from securities financing transactions	–	–	–	–	–	–	–	–	–
Amounts due in respect of customer deposits	144 950 476	35 272 445	5 427 742	7 191 974	–	–	–	–	192 842 637
Trading portfolio liabilities	–	–	–	–	–	–	–	–	–
Negative replacement values of derivative financial instruments	268 404	–	–	–	–	–	–	–	268 404
Liabilities from other financial instruments at fair value	–	–	–	–	–	–	–	–	–
Cash bonds	–	–	–	–	–	–	–	–	–
Bond issues and central mortgage institution loans	–	–	–	–	–	–	–	–	–
Total	31.03.2024	150 486 607	69 268 457	5 427 742	7 191 974	35 361 501	–	–	267 736 281
	31.03.2023	153 582 994	89 629 180	29 923 510	17 414 042	28 062 439	7 936 768	–	326 548 932

Asset pledged	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Book value in CHF	Book value in CHF	Commitments in CHF	Commitments in CHF
Asset pledged	423 672	0	–	–
Contingent liabilities	–	–	847 344	823 840
Total	423 672	0	847 344	823 840

The asset pledged and the contingent liabilities related to it are for the Esisuisse deposit protection insurance scheme.

Notes to the financial statements

Table 14: Presentation of assets and liabilities by domestic and foreign origin in accordance with the domicile principle

	31.03.2024		31.03.2023	
	Domestic in CHF	Foreign in CHF	Domestic in CHF	Foreign in CHF
Assets				
Liquid assets	12 946 502	–	22 644 570	–
Amounts due from banks	18 185 269	96 786 940	17 248 960	84 586 722
Amounts due from securities financing transactions	–	–	–	–
Amounts due from customers	3 882	149 707 513	9 858 875	192 335 618
Mortgage loans	–	–	–	–
Trading portfolio assets	–	–	–	–
Positive replacement values of derivative financial instruments	5 903	78 910	–	828 024
Other financial instruments at fair value	–	–	–	–
Financial investments	49 353 137	9 896 437	31 213 762	28 244 275
Accrued income and prepaid expenses	2 992 022	1 283 619	2 871 558	1 474 294
Participations	–	–	–	–
Tangible fixed assets	243 930	–	377 282	–
Intangible assets	–	–	–	–
Other assets	392 873	508 785	169 656	1 062 185
Capital not paid in	–	–	–	–
Total assets	84 123 518	258 262 204	84 384 664	308 531 118
Liabilities				
Amounts due to banks	85 481	74 539 758	–	97 668 704
Amounts due to securities financing transactions	–	–	–	–
Amounts due in respect of customer deposits	22 526 158	170 316 479	28 925 537	199 793 634
Trading portfolio liabilities	–	–	–	–
Negative replacement values of derivative financial instruments	–	268 403	15 263	145 793
Liabilities from other financial instruments at fair value	–	–	–	–
Cash bonds	–	–	–	–
Bond issues and central mortgage institution loans	–	–	–	–
Accrued expenses and deferred income	3 824 523	318 691	2 278 244	423 785
Other liabilities	2 942 651	582 131	1 337 891	2 475 218
Provisions	229 425	–	689 867	–
Reserves for general banking risks	–	–	–	–
Bank's capital	83 000 000	–	83 000 000	–
Statutory capital reserve	–	–	–	–
Statutory retained earnings reserve	–	–	4 423 975	–
Voluntary retained earnings reserve	–	–	1 300 000	–
Own shares (negative item)	–	–	–	–
Loss carried forward	(23 838 155)	–	(33 651 944)	–
Profit/(loss) for the year	7 590 177	–	4 089 814	–
Total liabilities	96 360 260	246 025 462	92 408 647	300 507 134

Notes to the financial statements

Table 15: Breakdown of total assets by country or group of countries (domicile principle)

	31.03.2024		31.03.2023	
	Absolute in CHF	Share as %	Absolute in CHF	Share as %
Assets				
Europe				
Switzerland	84 043 640	24.5%	85 127 265	21.7%
United Kingdom	113 612 383	33.2%	67 127 188	17.1%
Germany	36 233 851	10.6%	62 183 782	15.8%
Guernsey	5 400 930	1.6%	33 753 085	8.6%
Belgium	15 012 282	4.4%	27 056 819	6.9%
Luxembourg	4 947 595	1.4%	14 015 169	3.6%
Jersey	3 342 718	1.0%	13 825 160	3.5%
Netherlands	19 312 431	5.6%	12 905 758	3.3%
Ireland	8 784 255	2.6%	9 096 894	2.3%
Cyprus	1 083 002	0.3%	1 900 932	0.5%
Isle of Man	1 395 490	0.4%	1 332 578	0.3%
Denmark	6 514	0.0%	283 908	0.1%
France	17 365	0.0%	259 802	0.1%
Greece	97 625	0.0%	101 153	0.0%
Malta	106 449	0.0%	13 205	0.0%
North America				
United States of America	4 247 431	1.2%	7 406 495	1.9%
St Kitts and Nevis	5 790 111	1.7%	6 071 060	1.5%
Other North American countries	2 358 902	0.7%	305 868	0.1%
Asia				
Israel	155 308	0.0%	3 827 910	1.0%
Malaysia	1 412 901	0.4%	796 749	0.2%
Japan	95 250	0.0%	112 372	0.0%
Philippines	4 984 591	1.5%	–	0.0%
Other Asian countries	3 464	0.0%	1 934	0.0%
Central America				
Cayman Islands	5 254 193	1.5%	13 017 327	3.3%
British Virgin Islands	8 059 481	2.4%	8 334 846	2.1%
Bermuda	–	0.0%	4 564 435	1.2%
Panama	65 683	0.0%	351 582	0.1%
Other Central American countries	1 046	0.0%	1 002	0.0%
Africa				
South Africa	11 186 708	3.3%	17 080 474	4.3%
Mauritius	3 535 098	1.0%	508 632	0.1%
Other African countries	–	0.0%	2 728	0.0%
Australasia				
Australia	1 835 836	0.5%	1 303 737	0.3%
New Zealand	3 188	0.0%	245 935	0.1%
Total assets	342 385 723	100%	392 915 782	100%

Notes to the financial statements

Table 16: Breakdown of total assets by credit rating of country groups (risk domicile view)

	31.03.2024		31.03.2023	
	Net foreign exposure in CHF	Net foreign exposure Share as %	Net foreign exposure in CHF	Net foreign exposure Share as %
System Rates				
1	302 092 444	88.2%	342 185 014	87.1%
2	–	0.0%	–	0.0%
3	1 412 901	0.4%	796 749	0.2%
4	8 521 521	2.5%	511 523	0.1%
5	11 252 391	3.3%	17 432 056	4.4%
6	–	0.0%	–	0.0%
7	5 792 790	1.7%	6 073 832	1.5%
Not rated	13 313 675	3.9%	25 916 607	6.6%
	342 385 723	100%	392 915 782	100%

Explanations of the ratings system used

The Bank uses ratings from the FiRE regulatory reporting system, which is similar to the ratings used in the market.

The FiRE's rating scale uses numbers 1 to 7, with 1 considered the best and 7 considered the worst.

Notes to the financial statements

Table 17: Presentation of assets and liabilities broken down by the most significant currencies for the Bank

	Currencies in CHF				
	CHF	USD	EUR	GBP	Other
Assets					
Liquid assets	12 946 502	–	–	–	–
Amounts due from banks	582 951	75 741 514	13 424 972	21 153 559	4 069 212
Amounts due from securities financing transactions	–	–	–	–	–
Amounts due from customers	5 564 971	45 748 965	67 352 735	31 044 722	2
Mortgage loans	–	–	–	–	–
Trading portfolio assets	–	–	–	–	–
Positive replacement values of derivative financial instruments	84 813	–	–	–	–
Other financial instruments at fair value	–	–	–	–	–
Financial investments	59 245 159	4 067	72	–	276
Accrued income and prepaid expenses	3 050 190	371 703	685 166	168 583	–
Participations	–	–	–	–	–
Tangible fixed assets	243 930	–	–	–	–
Intangible assets	–	–	–	–	–
Other assets	392 702	211 914	27 601	259 178	10 263
Capital not paid in	–	–	–	–	–
Total assets shown in balance sheet	82 111 640	122 078 163	81 490 546	52 625 620	4 079 753
Delivery entitlements from spot exchange and forward forex transactions	5 446 797	8 160 304	1 923 380	5 077 253	
Total assets	87 558 438	130 238 467	83 413 926	57 702 873	4 079 753
Liabilities					
Amounts due to banks	87 841	10 605 578	52 141 995	11 789 695	129
Amounts due to securities financing transactions	–	–	–	–	–
Amounts due in respect of customer deposits	14 880 713	109 622 249	23 928 483	40 361 801	4 049 392
Trading portfolio liabilities	–	–	–	–	–
Negative replacement values of derivative financial instruments	268 403	–	–	–	–
Liabilities from other financial instruments at fair value	–	–	–	–	–
Cash bonds	–	–	–	–	–
Bonds issues and central mortgage institution loans	–	–	–	–	–
Accrued expenses and deferred income	3 202 591	118 192	236 498	273 658	312 276
Other liabilities	1 540 085	1 212 729	501 232	262 468	8 267
Provisions	229 425	–	–	–	–
Reserves for general banking risks	–	–	–	–	–
Bank's capital	83 000 000	–	–	–	–
Statutory capital reserve	–	–	–	–	–
Statutory retained earnings reserve	–	–	–	–	–
Voluntary retained earnings reserves	–	–	–	–	–
Own shares (negative item)	–	–	–	–	–
Profit carried forward/(loss carried forward)	(23 838 155)	–	–	–	–
Profit/(loss) (result of the period)	7 590 177	–	–	–	–
Total liabilities shown in the balance sheet	86 961 080	121 558 748	76 808 208	52 687 622	4 370 065
Delivery obligations from spot exchange and forward forex transactions	1 064 450	8 160 304	6 497 039	5 075 553	–
Total liabilities	88 025 530	129 719 052	83 305 247	57 763 176	4 370 065
Net position per currency	(467 092)	519 415	108 679	(60 302)	(290 312)

Notes to the financial statements

Table 18: Breakdown of contingent liabilities and contingent assets

	31.03.2024 in CHF	31.03.2023 in CHF
Guarantees to secure credits and similar	9 774 268	3 162 740
Performance guarantees and similar	–	–
Irrevocable commitments arising from documentary letters of credit	–	–
Other contingent liabilities	–	–
Total contingent liabilities	9 774 268	3 162 740
Contingent assets from tax losses carried forward	–	–
Other contingent assets	–	–
Total contingent assets	–	–

Table 19: Breakdown of irrevocable commitments

	31.03.2024 in CHF	31.03.2023 in CHF
Commitments arising from acceptances	20 273 256	21 530 417
Other credit commitments	20 967 386	5 014 584
Total	41 240 642	26 545 002

The undrawn commitments on corporate lending are included within Other credit commitments.

There were CHF 20 120k for the year ending 31 March 2024 compared with CHF 4 190k for the year ending 31 March 2023.

Table 20: Breakdown of fiduciary transactions

	31.03.2024 in CHF	31.03.2023 CHF
Fiduciary investments with third-party companies	442 486 850	399 677 261
Fiduciary investments with group companies and linked companies	–	–
Total fiduciary transactions	442 486 850	399 677 261

Notes to the financial statements

Table 21: Breakdown of managed assets and presentation of their development

	31.03.2024 In CHFk	31.03.2023 In CHFk
Breakdown of managed assets		
Type of managed assets		
Assets in collective investment schemes managed by the Bank	–	–
Assets under discretionary asset management agreements	659 609	569 975
Other managed assets	2 303 402	1 897 616
Total managed assets (including double counting)	2 963 011	2 467 591
Custody only assets	–	–
Total customer assets	2 963 011	2 467 591
of which, double counting	–	–

	31.03.2024 in CHFk	31.03.2023 in CHFk
Presentation of the development of managed assets		
Total managed assets (including double counting) at the beginning of the year	2 467 591	2 397 594
+/- net new money inflows/(outflows)	223 889	298 357
+/- price gains/(losses), interest, dividends and currency gains/(losses)	271 531	(228 361)
+/- other effects	–	–
Total managed assets (including double counting) at the end of the year	2 963 011	2 467 591

Assets in own-managed collective investment instruments did not exist at the balance sheet date.

Assets with asset management mandates include all client assets for which the bank had been instructed by way of an appropriate asset management mandate (directly or indirectly) to invest the clients' assets in a defined framework on their behalf.

Other managed assets include all client assets for which the bank had been instructed by way of an appropriate administration or advisory mandate (including custody and collection activities).

Custody only assets are custody accounts which are held exclusively for safekeeping/custody purposes.

Net new money comprises the acquisition of new clients, lost clients and inflows and outflows from existing clients.

Performance related changes in assets as such as share price movements, interest and dividend payments, as well as interest charged to clients.

Notes to the financial statements

Table 22: Breakdown of the result from trading activities and the fair value option

	31.03.2024 in CHF	31.03.2023 in CHF
Interest rate instruments (including funds)	–	–
Equity securities (including funds)	–	–
Foreign currencies	1 538 152	1 460 124
Commodities/precious metals	–	–
Total result from trading activities	1 538 152	1 460 124
of which, from fair value option	–	–

The trading result is derived from the wealth management business area as well as market movement of open FX swaps and forwards used for hedging.

Table 23: Disclosure of material refinancing income in the item Interest and discount income as well as material negative interest

	31.03.2024 in CHF	31.03.2023 in CHF
Positive effect of negative interest rates on the income statement	–	(16 017)
Negative effect of negative interest rates on the income statement	–	(141 926)
Net effect of negative interest	–	(157 943)

Table 24: Breakdown of personnel expenses

	31.03.2024 in CHF	31.03.2023 in CHF
Salaries (meeting attendance fees and fixed compensation to members of the Bank's governing bodies, salaries and benefits)	8 246 651	7 645 054
– of which, expenses relating to share-based compensation and alternative forms of variable compensation	2 015 093	1 389 632
Social insurance benefits	1 395 306	1 372 900
Other personnel expenses	62 797	684 684
Total personnel expenses	9 704 755	9 702 639

Notes to the financial statements

Table 25: Breakdown of general and administrative expenses

	31.03.2024 in CHF	31.03.2023 in CHF
General and administrative expenses are to be broken down as follows:		
– Office space expenses	509 527	480 245
– Expenses for information and communications technology	2 865 186	2 530 072
– Expenses for vehicles, equipment, furniture and other fixtures, as well as operating lease expenses	–	–
– Fees of audit firm(s) (Art. 961a no. 2 CO)	233 893	222 348
of which, for financial and regulatory audits	233 893	222 348
of which, for other services	–	–
– Other operating expenses	2 444 708	2 065 584
Total general and administrative expenses	6 053 314	5 298 248

Table 26: Explanations regarding material losses, extraordinary income and expenses as well as material releases of hidden reserves, reserves for general banking risks, and value adjustments and provisions no longer required

In 2023/2024, there were no extraordinary expense items.

In 2022/2023, there was extraordinary expense items of CHF 18k for the SIMBA programme.

Table 27: Presentation of the operating result broken down according to domestic and foreign origin, according to the principle of permanent establishment

Investec Bank (Switzerland) AG does not have any branches abroad or companies that should be consolidated according to Art.34 of the Banking Ordinance.

Table 28: Presentation of current taxes, deferred taxes and disclosure of tax rate

	31.03.2024 in CHF	31.03.2023 in CHF
Income tax	–	–
Capital tax	141 877	141 532
Total current tax	141 877	141 532
Tax rate on capital	0.17%	0.17%

For the years ending 31 March 2024 and 31 March 2023, there was no income tax payable as the Bank used its tax losses from prior years.

As at 31 March 2024, the gross tax losses carried forward was CHF 17 317k compared with CHF 23 618k as at 31 March 2023.

The Bank disclosed the gross tax losses in the current annual report instead of the net tax losses to improve transparency. The prior year figures have been restated.

Report of the statutory auditor on the financial statements



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To the General Meeting of
Investec Bank (Switzerland) AG, Zurich

Zurich, 10 July 2024

Report of the statutory auditor

Report on the audit of the financial statements



Opinion

We have audited the financial statements of Investec Bank (Switzerland) AG (the Company), which comprise the balance sheet as at 31 March 2024, the income statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements comply with Swiss law and the Company's articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework for banks, the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.



Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Licensed audit expert
(Auditor in charge)

Licensed audit expert

Enclosures

- ▶ Financial statements (balance sheet, income statement, statement of changes in equity and notes)

Our services

Wealth Management

- Bespoke discretionary management services
- Execution services on a full range of financial instruments
- Expertise in alternative investments
- Open architecture investment process

Traditional Banking

- Payments and credit cards
- Term and Notice Deposits including fiduciary deposits
- Client online access
- Custody services
- Broking services across all asset classes
- Foreign exchange trading (spot, forwards, swaps) including Non-Deliverable Forwards and precious metals (physical allocated and non-allocated and on account)

Lending and Credit Services

- Lombard and cash-backed lending
- Indemnities/Guarantees
- Corporate lending

