

Company number: 03633621



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Deeply invested

ANNUAL REPORT 2025

Investec Group annual
financial statements

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Alternative performance measures

We supplement our IFRS® Accounting Standards' figures with alternative performance measures used by management internally and which provide valuable, relevant information. These measures are highlighted with the symbol shown here. The description of alternative performance measures and their calculation is provided in the alternative performance measures section.



Audited information

Denotes information in the risk and remuneration reports that forms part of the Group's audited annual financial statements.



Page references

Refers readers to information elsewhere in this report.



Website

Indicates that additional information is available on our website: www.investec.com



Group sustainability

Refers readers to further information in the Investec Group's 2025 sustainability report which is published and available on our website: www.investec.com



Reporting standard

Denotes our consideration of a reporting standard.

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01

Audited annual financial statements

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Our performance is a testament to the continued execution of our strategy. This section contains Investec Group's annual financial statements.

DIRECTORS' RESPONSIBILITIES

Directors' responsibilities

The following statement, which should be read in conjunction with the auditor's report set out on pages 14 to 35, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the accounts.

The directors are required by the UK Companies Act and South African Companies Act to prepare financial statements for each financial year. Under those laws the directors have elected to prepare the Group financial statements in accordance with UK adopted international accounting standards and with IFRS® Accounting Standards. At 31 March 2025, UK adopted international accounting standards are identical in all material respects to current IFRS® Accounting Standards applicable to the Group, with differences only in the effective dates of certain standards. The parent Company financial statements have been prepared in accordance with UK Accounting Standard FRS 101 Reduced Disclosure Framework and Section 408 of the UK Companies Act 2006. Under Company law the directors must not approve the Group financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group and the Company for that period.

Under the Financial Conduct Authority's (FCA's) Disclosure Guidance and Transparency Rules (DTR), Group financial statements are required to be prepared in accordance with UK adopted international accounting standards and with IFRS® Accounting Standards as issued by the IASB.

In preparing the financial statements the directors are required to:

- Select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information
- Provide additional disclosures when compliance with the specific requirements in IFRS® Accounting Standards, or in respect of the parent Company financial statements, FRS 101, is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance

- In respect of the Group financial statements, state whether the accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- In respect of the parent Company financial statements, state whether applicable UK Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the Company and/or the Group will not continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the Company and the Group financial statements comply with the UK Companies Act and South African Companies Act. They are also responsible for safeguarding the assets of the parent Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report, directors' report, directors' remuneration report and corporate governance statement that comply with that law and those regulations.

The directors are accountable for the maintenance and integrity of the certain corporate and financial information on the Company's website.

Investor Relations, Company Secretarial and Group Sustainability are respectively responsible for the maintenance and integrity of the general corporate, financial, governance, and sustainability-related information as well as any obligations to the various exchanges of Investec Group and its principal subsidiaries on the Investec website.

With regards to specific corporate information, processes are in place within the business units and at a Group level to ensure that all information published on the website is substantively correct, accurate and in line with corporate governance and compliance requirements. Group marketing and various divisions are responsible for the above.

DIRECTORS' RESPONSIBILITIES CONTINUED

Directors' responsibility statement

The directors, whose names and functions are set out on pages 137 to 139 of Investec Group's 2025 integrated and strategic annual report, confirm to the best of their knowledge:

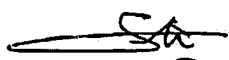
- That the consolidated financial statements, prepared in accordance with UK adopted international accounting standards and with IFRS® Accounting Standards as issued by the IASB, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, Group and the undertakings included in the consolidation taken as a whole
- That the annual report, including the strategic report (as contained in the Investec Group's 2025 integrated and strategic report), includes a fair review of the development and performance of the business and the position of the Company, Group and undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face
- That they consider that the annual report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

Chief Executive and Group Finance Director responsibility statement

Each of the directors, whose names are stated below, hereby confirm that:

- The annual financial statements set out on pages 4 to 175, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS
- To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading
- Internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer
- The internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls
- Where we are not satisfied, we have disclosed to the Audit Committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies
- We are not aware of any fraud involving directors.

Signed by the CEO and the Financial Director



Fani Titi
Chief Executive
20 June 2025



Nishlan Samujh
Group Finance Director
20 June 2025

Financial results

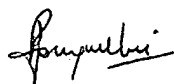
The combined consolidated results of Investec plc and Investec Limited are set out in the annual financial statements and accompanying notes for the year ended 31 March 2025.

The preparation of these combined results was supervised by the Group Finance Director, Nishlan Samujh CA(SA).

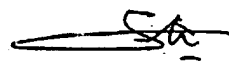
Approval of annual financial statements

The directors' report and the annual financial statements of the companies and the Group, which appear in the Investec Group's 2025 integrated and strategic annual report and the Investec Group's 2025 annual financial statements, respectively were approved by the Board of Directors on 20 June 2025.

Signed on behalf of the Boards of Investec plc and Investec Limited



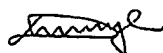
Philip Hourquebie
Chair
20 June 2025



Fani Titi
Chief Executive
20 June 2025

Declaration by the Company secretary

In terms of Section 88(2)(e) of the South African Companies Act, I hereby certify that, to the best of my knowledge and belief, Investec Limited has lodged with the Companies and Intellectual Property Commission, for the financial year ended 31 March 2025, all such returns and notices as are required in terms of the Act and that all such returns and notices are true, correct and up to date.



Niki van Wyk
Company secretary, Investec Limited
20 June 2025

DLC AUDIT COMMITTEE REPORT

**Diane Radley**

Chair of the DLC Audit Committee

Working to embed climate and technology trends into our oversight of controls and reporting.

Introduction and vote of thanks

The DLC Audit Committee (the Committee), as mandated by the DLC Board, is pleased to present its report for the financial year ended 31 March 2025. The Committee has carried out its duties in accordance with its Terms of Reference, guided by the requirements of the applicable laws and regulations, including but not limited to the South African Banks Act, 1990, UK Banking Act, 2009, South African Companies Act, 2008 as amended (Companies Act), the UK Companies Act, 2006, the King Report on Governance for South Africa 2016 (King IV™), the UK Corporate Governance Code 2018 (UK Code), Audit Committees and the External Audit: Minimum Standard as issued by the Financial Reporting Council (FRC), the JSE Listings Requirements, the JSE Debt and Specialist Securities Listings Requirements and the UK Listing Rules.

I extend my gratitude to Zarina Bassa, who stepped down from the Board and as Chair of the Committee in August 2024, for her leadership of and contribution to the Committee.

Role of the Committee

The main role of the Committee is to provide independent challenge and oversight across the Group's financial results, as well as over the disclosure of relevant financial and non-financial information. In doing so, the Committee evaluates the adequacy and effectiveness of accounting policies and satisfies itself that significant estimates and judgements made by management in preparing the financial results are sound and reasonable.

We further scrutinise the financial control environment and assurance processes related to financial reporting and accounting, assessing their effectiveness in supporting accurate and reliable reporting. Through this process we maintain oversight of both the external auditors and internal audit function, ensuring the quality and effectiveness of these functions as well as their independence. The Committee further addresses concerns raised internally or externally, if any, regarding the application of accounting principles and external reporting.

During the 2025 financial year, the Committee oversaw the final rotation of external auditors from Ernst & Young Inc. (EY Inc.) to

Deloitte & Touche and from Ernst & Young LLP (EY LLP) to Deloitte LLP, which proceeded smoothly with no surprises. Early resolution of key estimates and areas of judgement, together with effective communication, assisted in the transition and resulted in minimal restatements arising from differences in technical interpretations of International Financial Reporting Standards (IFRS). The Committee maintains regular engagement with PricewaterhouseCoopers Inc., Deloitte & Touche and Deloitte LLP, independent of management.

EY LLP's audit of Investec DLC's 2024 financial statements was subject to inspection by the UK Audit Quality Review (AQR) team from the UK Financial Reporting Council. The AQR inspection covered three key audit matters (adequacy of the provision for expected credit losses on loans and advances to customers, valuation of fair value instruments with higher risk characteristics and associated income and IT systems and controls impacting financial reporting) as well as three other areas of audit focus (oversight of component teams, journal entry testing, and ethics and independence). The final report from the AQR was received in February 2025. The Committee was pleased to note that there were no key findings and that the AQR called out examples of best practice in EY's work on Investec's audit in relation to expected credit losses, Group oversight of the credit modelling work and Group oversight of the components work in relation to differences in auditing and ethical standards across the Group. One minor area for improvement arose from the inspection, relating to enhancing specific independence documentation, which the Committee discussed with EY. Overall, this was a commendably good outcome.

Investec's Internal Audit (IA) maintains an internal Quality Assurance (QA) function and a QA improvement programme that covers all aspects of Internal Audit activity. This enables continuous monitoring of effectiveness against the Institute of Internal Auditors (IIA) Standards and the Code of Practice, including documented policies and procedures regarding compliance with the ethical requirements of the IIA Code of Ethics and applicable legal and regulatory requirements. The Global IA Standards require the IA function be reviewed at least once every five years by a qualified, independent assessor or assessment team from outside the Group. The function was

DLC AUDIT COMMITTEE REPORT CONTINUED

reviewed by Ernst & Young during the 2025 financial year, with the overall assessment concluding that the activities of Investec IA "Generally Conforms" to the IIA Professional Practice of Internal Auditing; the highest possible rating. The Committee has congratulated the Internal Audit team on this strong result.

In terms of the DLC structure, the Committee oversees and considers Group audit related matters. It has responsibility for those matters common to Investec plc and Investec Limited, and works closely with the Audit Committees mandated by their respective Boards to be the Audit Committees for their respective companies and their subsidiaries, to address all Group reporting. Similarly, the Boards of Investec Wealth & Investment International, Investec Bank plc and Investec Bank Ltd have mandated their respective Audit Committees to be the Audit Committees for their respective companies and subsidiaries. Members of the Committee are present at these subsidiary Audit Committee meetings, as well as the DLC IT Risk and Governance Committee (ITRGC) and the DLC Board Risk and Capital Committee (BRCC), and report back to the Committee regularly.

Key Committee responsibilities include:

- Overseeing and ensuring the integrity of the Group's reporting process, including the effectiveness of accounting policies, financial and other internal control systems and financial reporting processes. We further assess the Group's compliance with applicable legal, regulatory and accounting standards and policies
- Satisfying itself that significant estimates and judgements made by management in reporting the Group's financial results are sound and reasonable
- Providing independent oversight of the Group's assurance functions with a focus on combined assurance including external audit, internal audit, risk, Regulatory compliance and financial control functions
- Reviewing internal audit independence and effectiveness
- Monitoring the independence and objectivity of the external auditor, the effectiveness of the audit process and reviewing the Group's relationship with the external auditor and approving its remuneration.



The Committee's terms of reference can be found at www.investec.com.

Committee Composition and attendance

The Committee is composed of independent non-executive directors, each of whom possesses the necessary financial literacy and skills in addition to expertise in banking and financial services. In May 2025, Vivek Ahuja was appointed to the Committee, following his appointment as a non-executive director to the DLC Board, and I look forward to his contribution. Having reached nine years of service with the Group, Brian Stevenson has not made himself available for re-election to the Board at the 2025 Annual General Meeting (AGM). I would like to thank him for his contribution to the Committee over the last year.

The Group CE, Group FD, Group COO, Group CRO, Heads of Internal Audit, Chief Tax Officer and the External Auditors are all permanent invitees at Committee meetings.

The Committee held 11 meetings during the year, in addition to the annual Trilateral meeting with the South African Prudential Authority (South African PA) which aims to provide feedback on key external and internal audit findings.

2024

April

Audit Quality Sessions – individual audit firms and internal audit

May

Two meetings
2024 year-end financial results

June

Two meetings
2024 annual report

July

Two meetings
Governance meeting – oversight of assurance activities and close out of external audit management letter points.

Sept

Governance meeting – oversight of assurance activities

Nov

Two meetings
2025 interim financial results

2025

March

Governance meeting – oversight of assurance activities

Members	Meetings attended / Eligible to attend
Diane Radley (Chair)	11/11
Vivek Ahuja ¹	0/0
Zarina Bassa ²	7/7
Vanessa Olver	11/11
Philiisiwe Sibiya ³	7/7
Brian Stevenson ⁴	3/5

1. Vivek Ahuja was appointed as a member of the Committee effective 6 May 2025.
2. Zarina Bassa stepped down as a member of the Committee from 8 August 2024.
3. Philiisiwe Sibiya stepped down as a member of the Committee from 8 August 2024.
4. Brian Stevenson was appointed as a member of the Committee effective 26 July 2024. He was unavailable for two meetings due to prior commitments at the time of his appointment.



Further details of the experience of the members can be found in their biographies in the Investec Group's 2025 integrated and strategic annual report.

DLC AUDIT COMMITTEE REPORT CONTINUED

Principal areas of focus in the 2025 financial year

Key matters

Key matters are those areas of focus that, in the view of the Committee, are material in nature, requiring significant exercise of judgement and may be subjective or complex from an accounting or auditing perspective.

The following key matters were the focus of the Committee during the year:

Key matter	What we did
Expected credit losses (ECL) assessment The appropriateness of the allowance for ECL is highly subjective and judgemental.	- Challenged the level of ECL, model methodology and assumptions applied to calculate the ECL provisions held by the Group - Reviewed for reasonableness the benchmarking of macro-economic scenarios, ECLs, Credit Loss Ratio (CLR) and coverage ratios against relevant South African and UK peers - Assessed ECL experienced against forecasts and considered whether the level of ECL was appropriate - Assessed the appropriateness of the ECL provision raised by the Group for large exposures in entities publicly perceived to be in financial distress, in conjunction with BRCC.
Fair value of level 3 instruments and the resulting IFRS® Accounting Standards 13 fair value measurement (IFRS 13) disclosure For level 3 instruments such as unlisted investments in private equity businesses, investment properties, fair value loans and large bespoke derivative structures, high degree of subjectivity surrounds the inputs to the valuations and valuations methodology. With the lack of observable liquid market inputs, determining appropriate valuations continues to be highly judgemental.	- Received presentations on the material investments across the Group, including an analysis of the key judgements, assumptions and valuation methodology applied and approved the valuation adjustments proposed by management for the year ended 31 March 2025 - Challenged and debated significant subjective exposures and assumptions including: - The valuation principles applied for the valuation of level 3 investments (unlisted and private equity investments) and fair value loans - The appropriateness of the IFRS 13 disclosures regarding fair value.
Uncertain tax provisions and other legal matters	- Considered potential legal and uncertain tax matters with a view to ensuring appropriate accounting treatment in the financial statements - Evaluated the appropriateness of the accounting and disclosures regarding the investigation by the Office of the Public Prosecutor in Cologne. Considered guidance provided by external and internal legal counsel regarding the recognition, measurement and disclosure of a provision for this matter. Refer to note 53 of the Investec Group's 2025 annual financial statements for further information - Reviewed a technical memorandum prepared by management regarding the recognition, measurement and disclosure of the motor vehicle finance industry-wide investigation in the UK. Considered guidance provided by external and internal legal counsel regarding the recognition, measurement and disclosure of the provision. Refer to note 53 of the Investec Group's 2025 annual financial statements for further information - Received regular updates from the Group Executive, Group Tax, Group Finance and Group Legal Counsel on uncertain tax and legal matters to enable the Committee to probe and consider the matters and evaluate the basis and appropriateness of the accounting treatment under the International Financial Reporting Interpretations Committee (IFRIC) 23.

DLC AUDIT COMMITTEE REPORT CONTINUED

Execution of responsibilities

Responsibility	What we did
Going concern and the viability statement	• Considered reports and stress testing analyses on the Group's budgets, forecasts, profitability, capital, liquidity and solvency and the impact of legal proceedings, if any, on both going concern and the three-year Viability Statement • Considered the impact of strategic corporate actions on the capital plans and the three-year Viability Statement.
Technology, information security and cyber and data management controls impacting financial reporting	• Received and reviewed reports in respect of IT systems, cyber security and controls impacting financial reporting and feedback from the DLC ITRGC • Received regular reports from internal audit on the effectiveness of IT controls tested as part of the internal audit process • Met with IT external auditors to discuss the results of the audit of IT systems and controls.
External audit and audit quality	• Pre-approved all non-audit services provided by external audit and confirmed the services to be within the approved non-audit services policy • Discussed external audit feedback on the Group's critical accounting estimates and judgements, restatements and the control environment, in the context of the external audit report on the review performed on the interim results and the audit performed on the annual results • Approved the external audit plan, audit fee, engagement letter and the main areas of focus • Assessed the independence and effectiveness of the external auditors before recommending the auditors to the Board for their reappointment at the AGM. This included an assessment of IRBA's firm inspection reports, the Financial Reporting Council's (FRC) reviews, as well as internal quality review reports and processes. Reviewed the external audit process, taking into account the Group Finance assessment of audit effectiveness • Confirmed that no reportable irregularities were identified and reported by the external auditors in terms of the South African Auditing Profession Act 26 of 2005.
Regulatory compliance and reporting	• Received regular reports from the DLC BRCC and maintained membership between it and our own Committee that we were comfortable with the effectiveness of the regulatory compliance processes applied. This included the evaluation of the quality of regulatory reporting, the scope and the integrity of the regulatory compliance process, the adequacy of internal regulatory compliance systems and processes, and the consideration and remediation of any findings of the internal and external auditors and regulators.

DLC AUDIT COMMITTEE REPORT CONTINUED

Responsibility	What we did
Sustainability, including climate risk	- Reviewed reporting and disclosures - Reviewed the CSRD disclosures required in the annual report of Investec Bank plc - Reviewed the scope of the external assurance provided on the sustainability reporting and disclosures - Considered the changing regulatory landscape for all jurisdictions in which the Group operates.
Internal controls Assess the overall control environment, the status of any material control issues with emphasis on the progress of specific remediation plans.	- Attended regular meetings of the DLC BRCC. Based on reports presented at those meetings, evaluated the impact of all financial and non-financial risks - Evaluated and tracked the status of material control issues identified by internal and external audit and tracked the progress of the associated remediation plans against agreed time frames - Reviewed reports from the independent audit committees of the Group's subsidiaries, including entities for which the Group's management is operationally responsible - Evaluated reports on the internal control environment from the internal and external auditors with specific emphasis on culture and conduct elements in the internal audit reports - Attended and received regular reports from the DLC ITRGC regarding the monitoring and effectiveness of the Group's IT controls. Considered updates on key internal and external audit findings with respect to the IT control environment - Reviewed the combined assurance model, ensuring completeness of risks and adequacy and effectiveness of assurance coverage - Reviewed the work performed by Group Finance to support the control attestation made by the Group CE and Group FD as required by the JSE Listings Requirements 3.84(k) that supports the effectiveness of the internal control environment and the combined assurance matrix - Noted internal audit reports and conclusions on internal controls, internal financial controls and the risk management framework for the year under review - Reviewed the year-end conclusions from internal audit on internal controls, the risk management framework and internal financial controls based on their planned and actual audit coverage for the year.

DLC AUDIT COMMITTEE REPORT CONTINUED

Responsibility	What we did
Combined assurance matrix	- Received regular updates on the new Group wide combined assurance model process being undertaken to further enhance the combined assurance model and the alignment of risk taxonomies across the Group - Confirmed that the existing combined assurance models remained applicable for the 2025 financial year, covering the various disciplines of Risk Management, Regulatory compliance, internal audit, external audit and other assurance providers - Confirmed our satisfaction with the levels of assurance and mitigants so that, taken as a whole, there is sufficient and appropriate assurance regarding mitigants for the key risks - Reviewed the results of the Combined Assurance Matrix (CAM) coverage plan at the year-end to assess actual coverage and conclusions relative to planned coverage for the year. Concluded that the CAM formed an appropriate basis for assurance coverage and outcomes.
Fair, balanced and understandable reporting The Group is required by the UK Corporate Governance Code to assess and confirm that its external reporting is fair, balanced and understandable, and consider whether it provides the information necessary for stakeholders to assess the Group's strategy, business model and financial position.	- Undertook an assessment on behalf of the Board, to provide the Board with assurance that it can make the statement. This included a review of the accounting treatment of key judgements, accounting policies applied and the quality of earnings assessment - Obtained input and assurance from the external auditors and considered the level of and conclusion on the summary of audit differences - Took note of the areas highlighted to the Audit Committee by the JSE through its Pro-active Monitoring Process of the AFS of listed companies. Ensured these were appropriately considered in the AFS - Concluded that the processes underlying the preparation of the annual report and financial statements for the financial year ended 31 March 2025 were appropriate in ensuring that those statements were fair, balanced and understandable - Reviewed the process put in place to provide assurance on the Group CE and Group FD attestation as stipulated by the JSE - The annual financial statements for the financial year ended 31 March 2024 were subject to a pro-active monitoring review by the JSE. The review was successfully concluded.

DLC AUDIT COMMITTEE REPORT CONTINUED

Responsibility	What we did
Finance function	- Considered the financial reporting as prepared by Group Finance regarding the interim results for the period ended 30 September 2024 and final results for the 31 March 2025 year end - In a closed session, discussed and concluded that the finance functions of both Investec plc and its subsidiaries and Investec Limited and its subsidiaries were adequately skilled, resourced and experienced to perform the financial reporting for the Group and that appropriate succession was in place for key roles - Concluded that the Group FD, Nishlan Samujh, had the appropriate expertise and experience to meet the responsibilities of the position.
Internal Audit The Committee is responsible for the internal audit plan coverage, tracking of findings, monitoring audit quality, the level of resources, independence and effectiveness of the function.	- Scrutinised and reviewed internal audit plans, risk assessments and methodology and approved the annual plan. The Committee satisfied itself that Internal Audit has the appropriate resources to execute on the annual plan - Reviewed and approved the Group internal audit charter - Provided input into and considered the annual performance, objectives and independence of the Heads of Internal Audit - The Chair met with the Heads of Internal Audit prior to each Committee meeting, without Management being present, to discuss the remit of and reports of internal audit and any issues arising from the internal audits conducted - Monitored delivery of the agreed audit plans, including assessing Internal Audit resources, Continued Professional Development (CPD), succession, core skills development and automation of audit processes - Monitored and followed up internal audit control findings, including IT, and ensured appropriate mitigation and timeous close-out by management - Discussed and considered the internal audit quality assurance programme - Reviewed the use of data analytics in ensuring comprehensive population testing in data sets with a focus on journal entry testing - Reviewed the Investec Limited and Investec plc written assessment of the overall effectiveness of the organisation's governance, risk, and control framework. This included an assessment of internal financial controls, the risk management framework, adherence to the risk appetite and the effectiveness of the overall assurance achieved relative to that planned for the year through the CAM - Confirmed our satisfaction with the independence and performance of the internal audit function - Considered succession and the skills matrix for internal audit - EY performed the external quality assurance review required every five years. The Committee independently reviewed the findings.

DLC AUDIT COMMITTEE REPORT CONTINUED

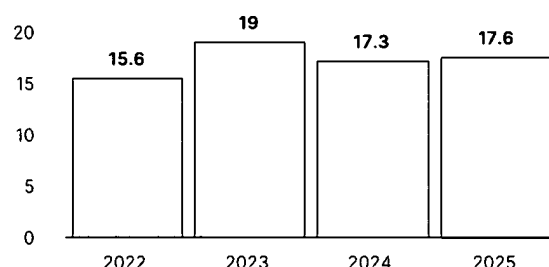
External audit

Non-audit services

Our policy on non-audit services was developed to safeguard auditor objectivity and independence.

Total fees paid for the financial year ended 31 March 2025 amounted to £17.6 million (2024: £17.3 million), of which £4.7 million (2024: £3.8 million) related to the provision of non-audit services. The non-audit services related to services required to be provided by the external auditor, such as, regulatory audits and work to be performed as reporting accountant. Non-audit fees were pre-approved by the Chair of the Committee prior to every assignment.

Total Fees (£m)



Auditor independence, objectivity and audit quality

The Committee critically evaluated audit quality at an engagement and firm level, audit effectiveness and independence, as well as audit rotation requirements applicable to all jurisdictions in which the Group operates.

The Committee was satisfied that in reviewing audit quality and independence, it followed a comprehensive process during which detailed feedback was received and evaluated. Following due consideration, the Committee believes the safeguards as implemented by the Committee are adequate to ensure the objectivity and effectiveness of the audit process and independence of PricewaterhouseCoopers Inc. and Deloitte & Touche (Investec Limited) and Deloitte LLP (Investec plc).

We considered the External Auditors' report with reference to the audit opinion with a specific focus on their key audit matters. We met with the External Auditors during closed sessions to discuss any areas of concern, their working relationship with Management and their assessment of the effectiveness of the finance function. No material concerns were noted.

Re-election of auditors

During the 2024 financial year, a voluntary auditor rotation process commenced whereby the first of Investec Limited's joint auditors were changed from KPMG Inc. to PricewaterhouseCoopers Inc. and the rotation of the second firm from Ernst & Young Inc. (EY Inc.) to Deloitte & Touche was finalised during the 2025 financial year. Similarly, Investec plc processed a mandatory audit firm rotation from Ernst & Young LLP (EY LLP) to Deloitte LLP during the 2025 financial year.

The Board and the Committee are recommending the re-appointment of PricewaterhouseCoopers Inc. and Deloitte & Touche, as joint auditors of Investec Ltd, at the AGM in August 2025 for the financial year ending 31 March 2026. In addition, the Board and the Committee are recommending the re-appointment of Deloitte LLP, as auditors of Investec plc, at its AGM in August 2025 for the financial year ending

31 March 2026. The Committee confirms its satisfaction with the performance and quality of the External Audit function, the External Audit firms and the engagement partners.

Focus for the 2026 financial year

In addition to fulfilling its key responsibilities in line with its Terms of Reference, the Committee will be focusing on:

- Preparation for the UK Corporate Governance Code, 2024 which requires boards to monitor and annually review the company's risk management and internal control framework, including a declaration on the effectiveness of material controls (financial, operational, reporting, and compliance), and reporting on any failures and corrective actions taken
- Implementation of the new Financial Control Framework which embeds additional key controls and ensures that internal control processes remain relevant in a changing world
- Oversight of the revision process for the Combined Assurance model, ensuring that the effective functioning of the Group's financial systems and processes are monitored by a relevant and refreshed model
- Challenging management on key IT general control risks and increasing levels of automation in the financial reporting areas.

Conclusion

The Committee is confident that it has fulfilled its responsibilities effectively and contributed to the Group's overall governance framework. The Committee will continue to work diligently to ensure the integrity of the Group's financial reporting and the internal control environments.

Diane Radley

Chair, DLC Audit Committee

20 June 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESTEC PLC

1. Opinion

In our opinion:

- the combined consolidated financial statements of Investec plc (the 'parent company'), Investec Limited and their subsidiaries (the 'group') give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2025 and of the group's profit for the year then ended;
- the combined consolidated financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB);
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the combined consolidated financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the combined consolidated financial statements which comprise:

Group	Parent Company
The Combined consolidated balance sheet;	The parent company balance sheet;
The Combined consolidated income statement;	The parent company statement of changes in shareholders' equity;
The Combined consolidated statement of total comprehensive income;	The parent company material accounting policy information and the related notes a to j;
The Combined consolidated statement of changes in equity;	
The Combined consolidated cash flow statement;	
The group material accounting policy information and related notes 1 to 63;	
The information identified as 'audited' in the group's Investec Group 2025 risk and governance report;	
The information identified as 'audited' in the groups Investec Group 2025 remuneration report;	
The alternative performance measures identified as 'audited' on pages 178 to 179.	

The financial reporting framework that has been applied in the preparation of the combined consolidated financial statements is applicable law and United Kingdom adopted international accounting standards and IFRS Accounting Standards as issued by the IASB. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the combined consolidated financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to

our audit of the combined consolidated financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the group for the year are disclosed in note 7 to the combined consolidated financial statements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the group or the parent company.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESTEC PLC CONTINUED

3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: • Provision for expected credit losses ("ECL") on loans and advances to customers • Valuation of fair value instruments with higher risk characteristics • Provisions for regulatory and litigation matters In addition to identifying similar key audit matters to the three above, two other key audit matters were identified by the predecessor auditor and described in their audit report for the year ended 31 March 2024. In respect of these items: • The gain on the combination of Investec Wealth & Investments Limited with Rathbones Group plc is not considered as a key audit matter in the current year, as this related to the acquisition that occurred in the prior year. • IT systems and controls impacting financial reporting is not considered to be a key audit matter as it was not one of the areas which had the most significant impact on our overall audit strategy, allocation of resources or direction of efforts of the engagement team. Within this report, key audit matters are identified as follows: ⚠ Newly identified ⬆ Increased level of risk ↔ Similar level of risk ⬇ Decreased level of risk
Materiality	The materiality that we used for the group's combined consolidated financial statements was £43.1 million which was determined on the basis of 5% of profit before taxation from continuing operations.
Scoping	Our audit work was performed on components which represented 95% of group's revenue, 93% of the group's profit before taxation from continuing operations and 98% of the group's net assets.

First year audit transition

This is the first year that we have been appointed as auditors to the group. We undertook a number of transitional procedures to prepare for the audit including establishing our independence from the group. We used the time prior to commencing our audit to meet with group management and non-executive directors to gain an understanding of the business and the environment in which it operates as well as the key priorities and challenges.

Once independent of the group, we commenced our audit planning on 8 September 2023. From that date we attended all Audit Committee meetings, initially in an observer capacity, and continued to meet regularly with group management and non-executive directors.

As part of the transition process, we reviewed the audit file for the 2023 year-end audit and shadowed meetings attended by the former auditor to gain an understanding of the group's processes, their audit risk assessment, and the controls on which they relied for the purposes of issuing their audit opinion. We also considered historical accounting policies and accounting judgements which further informed our risk assessment.

We held regular meetings with audit partners and senior staff who are responsible for undertaking the audits in the most significant divisions and components of the group. The main purpose of these meetings was to outline our audit approach, including discussing possible significant audit risks, and to brief our teams on the group's key processes, systems and structure.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESTEC PLC CONTINUED

4. Conclusions relating to going concern

In auditing the combined consolidated financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the combined consolidated financial statements is appropriate. Because Investec plc and Investec Limited are distinct entities operating in separate jurisdictions without cross-guarantees, despite functioning as a single economic enterprise under a Dual Listed Company structure, we assessed the going concern assumption for each entity and the group.

Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- obtaining an understanding of management's process to arrive at their conclusion to prepare the combined consolidated financial statements on a going concern basis;
- with the involvement of our regulatory specialists:
 - challenging the liquidity and capital adequacy and stress testing assumptions used by management, including consideration of regulatory enquiries and observations, management actions and whether applied stresses were reasonable in the context of the group and parent company's operating environment;
 - assessing emerging operational, regulatory and market risks facing entities within the group and the parent company, including the impact of volatility in global financial markets and management's strategic initiatives;
- evaluating the group's business model and operations;
- assessing the key assumptions supporting the group's and parent company's latest budget forecasts;
- assessing the historical accuracy of forecasts prepared by management; and

- assessing the appropriateness of going concern disclosures made in the notes to the combined consolidated financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the combined consolidated financial statements are authorised for issue.

In relation to the reporting on how the group has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the combined consolidated financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

5. Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the combined consolidated financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the combined consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESTEC PLC CONTINUED

Key audit matter description	How the scope of our audit responded to the key audit matter
5.1 Provision for expected credit losses ("ECL") on loans and advances to customers  The group had loans and advances to customers subject to ECL amounting to £31,686 million (2024: £30,260 million) with a total ECL provision of £257 million (2024: £289 million) as at 31 March 2025, disclosed in note 27. The estimation of ECL provisions in the group's loan portfolios is inherently uncertain and requires significant judgements and estimates. We therefore consider this to be a key audit matter. The ECL is measured both collectively by portfolio and individually for larger exposures in Stage 3. The collective assessment of ECL requires the use of statistical models incorporating loss data and assumptions on the recoverability of customers' outstanding balances. These models use a number of significant judgements to calculate a probability-weighted estimate by applying a probability of default ("PD"), exposure at default ("EAD") and a loss given default ("LGD"), taking account of collateral held or other loss mitigants, discounted using the effective interest rate. Individually assessed provision for Stage 3 exposures include significant judgement, including the valuation of collateral and recovery strategies. We identified three specific areas in relation to ECL that require significant management judgement or relate to assumptions to which the overall ECL provision is particularly sensitive. i. Significant increase in credit risk ("SICR") for loans: The assessment of whether there has been a significant increase in credit risk for loans from the date of origination of the exposure to 31 March 2025 requires management judgement. There is a risk that management's assessment of whether a SICR has occurred is inaccurate or that the SICR criteria is incorrectly applied. ii. Macro-economic scenarios: As indicated in the "key management assumptions" on page 58, the group develops a range of forward-looking probability weighted macro-economic scenarios. Due to its inherent nature, significant judgement is involved in determining the probability weighting of each scenario and the assumptions and characteristics of each scenario applied. iii. The valuation of collateral and determination of other significant cash flows for individually assessed Stage 3 loans: Management either employs collateral valuation experts or applies their own judgement to estimate the recoverability of collateral and other cash flows on a case-by-case basis for individually assessed loans. The use of incorrect or inappropriate assumptions in estimating these recoveries could lead to a material misstatement of the ECL.	We performed the following audit procedures: - obtained a detailed understanding of the financial controls over the ECL provision, focusing on significant management assumptions and judgements within the ECL calculation. This included a thorough review of management's data, methodologies, and assumptions used in the ECL models, and a critical assessment of the model governance framework, encompassing controls over the implementation of new and changes to existing ECL models; - tested the completeness and accuracy of data inputs used in the ECL models. This involved agreeing a sample of data inputs to source information from internal systems and external data providers, and testing data interface controls between these systems. Furthermore, we independently recalculated ECL estimates, including PD, EAD, and LGD parameters, to validate management's assumptions and the appropriateness of judgements applied; - assessed the appropriateness of ECL-related disclosures for exposures in the financial statements for compliance with IFRS 7 Financial Instruments: Disclosures. We also evaluated the consistency between the credit risk disclosures and the ECL information tested during our audit procedures (including data, models, estimates, and macro-economic forecasts); and - performed a comprehensive assessment of the overall reasonableness of the ECL provision and coverage ratio (ECL provision to gross advances), considering the credit quality of the group portfolios, risk profile, and the impact of current economic conditions on the group's customers. This included a detailed analysis at both an overall and stage-specific level. Where available, we supplemented this assessment with peer benchmarking to evaluate staging and provision coverage levels. To challenge the group's SICR assessment, we: - Supported by our credit specialists, evaluated the group's SICR policy and assessed whether it complies with IFRS 9 Financial Instruments ("IFRS 9"); - On a sample basis, tested the completeness and accuracy of the data used in applying the quantitative and qualitative criteria in the SICR assessment to assess whether loans were assigned to the correct stage; and - Performed an independent assessment for a sample of loans in Stage 1 and 2, focusing on higher risk borrowers and borrowers where a stage override had been applied, to determine whether they were appropriately recorded in the correct stage.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESTEC PLC CONTINUED

Key audit matter description continued	How the scope of our audit responded to the key audit matter continued
This key audit matter is discussed in the Audit Committee report on page 8. The financial statement disclosures with respect to this key audit matter are contained in the following notes or reports: - Accounting policies, "Impairment of financial assets held at amortised cost or FVOCI" and "Key management assumptions"; - Note 6, "Expected credit loss impairment charges"; - Note 27, "Loans and advances to customers and other loans and advances"; and "Credit and counterparty risk and asset quality" within the Investec Group 2025 risk and governance report.	To challenge the group's macro-economic scenarios and the probability weightings applied, we: - Supported by our economic specialists, challenged the appropriateness of the macro-economic scenarios and the weightings assigned to them. We assessed the selection of economic variables and forecasts under the scenarios in light of the current economic environment as at 31 March 2025; and - Supported by our credit specialists, assessed methodology and implementation of the models used to translate the economic scenarios and forecasts into expected credit losses, using a combination of recoding and reperformance. To challenge the group's assessment of collateral valuation and other significant cash flows for individually assessed loans, we: - Supported by our property valuation specialists and fair value specialists, tested a sample of collateral valuations for individually assessed loans by reference to available market data; - Evaluated the appropriateness of recovery strategies identified; - Challenged the assumptions relating to the timing of cash flows resulting from the sale of collateral, debt settlement agreements or refinance agreements; and - Independently recalculated the ECL provision.
Key observations	
Based on our audit procedures performed as detailed above, we concluded that the ECL provisions on loans and advances to customers are reasonable and recognised in accordance with the requirements of IFRS 9.	
5.2 Valuation of fair value instruments with higher risk characteristics  Financial instruments are classified as Level 1, 2 or 3 in accordance with IFRS 13 Fair Value Measurement ("IFRS 13"). As indicated in the "key management assumptions" on page 58, Level 2 and 3 measurements, particularly for complex and illiquid instruments (including derivatives, fair value loans to customers, investment properties and unlisted investments included in the investment portfolio), require significant judgement and utilise valuation techniques that are inherently subjective. The economic outlook introduces uncertainty into these estimations. Key inputs are based on the most relevant observable market data, adjusted for specific investment, sector, and market factors. At 31 March 2025, the group reported derivative financial assets of £844 million (2024: £1,031 million), derivative financial liabilities of £1,009 million (2024: £1,078 million), fair value loans and advances to customers of £3,015 million (2024: £2,604 million), and investment properties of £101 million (2024: £106 million). The fair value of the investment portfolio totalled £698 million (2024: £807 million), including Level 3 assets of £468 million (2024: £560 million).	To challenge the group's valuation of fair value instruments, we performed the following audit procedures: - Obtained an understanding of the relevant financial controls over the valuation process; - Engaged technical accounting specialists to assess the appropriateness of the accounting treatment and classification of certain idiosyncratic financial instruments; and - Engaged our valuation specialists to determine an independent valuation range for certain complex instruments and compare it to management's valuation. We have performed specific procedures in relation to the following areas: Valuation techniques: - With the involvement of our valuation specialists, for a sample of the derivatives, fair value loans, investment properties, and unlisted investments and profit-sharing arrangements included within the investment portfolio, we challenged the appropriateness of the valuation methodology by performing independent revaluations and comparing the results to management's output; and

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESTEC PLC CONTINUED

In relation to Investec Limited, we have identified certain of the above assets and liabilities which represent a higher risk of material misstatement due to the estimation uncertainty inherent in valuing these assets and liabilities, specifically:

- Level 2 derivative financial instruments;
- Loans and advances to customers at fair value; and
- Investment properties.

In relation to Investec Limited and Investec plc, we have identified Level 3 investments included in the investment portfolio which require significant management judgement, specifically unlisted equity investments and profit-sharing arrangements which lack observable market information, making fair value determination challenging.

The valuation of the above assets and liabilities has been determined to be a key audit matter in the current year audit as a result of the significant judgement applied and estimation uncertainty involved in the valuation, and the consequent elevation in the risk of material misstatement.

In estimating the valuation of these assets and liabilities, management of the group has exercised their judgement and applied assumptions in the following areas:

- **Valuation techniques:** Fair value measurements utilise a range of techniques, including discounted cash flow analysis, price-earnings multiples, net asset value calculations and complex valuation models. These techniques are applied to various assets and liabilities, such as derivatives, fair value loans, and unlisted investments in the investment portfolio. The selection of appropriate techniques and the inherent subjectivity of inputs (e.g., discount rates, growth rates, earnings multiples) introduce significant estimation uncertainty;
- **Liquidity and market observability:** For certain assets and liabilities, limited market data and low liquidity necessitate significant management judgement in determining appropriate valuation inputs. These inputs include yield curves, discount rates, volatility estimates, sector-specific factors, expected cash flows, capitalisation rates and future earnings projections. The uncertainty inherent in these estimations significantly impacts the overall fair value measurement.

This key audit matter is discussed in the Audit Committee report on page 8. The financial statement disclosures with respect to this key audit matter are contained in the following notes:

- Accounting policies, "Financial Instruments" and "Key management assumptions"; and
- Note 16, "Financial instruments at fair value".

- For a sample of the assets and liabilities, we assessed the reasonableness of the key inputs including cash flows, discount rates, and other significant inputs used in discounted cash flow valuations, referencing relevant industry and market data and comparing them to management's inputs.

Liquidity and market observability:

- For a sample of the assets and liabilities, we compared unobservable inputs used in valuations to alternative data/ input sources. The approach was tailored to the most appropriate method for each asset or liability; and
- With the involvement of our valuation specialists, we independently determined valuations for a sample of instruments, considering independently determined risk factors to establish a range of acceptable fair values. These were compared to management's valuations.

We assessed the appropriateness of the financial statement disclosures in accordance with IFRS 13.

Key observations:

Based on our audit procedures performed as detailed above, we concluded that the valuation of fair value instruments with higher risk characteristics is reasonable and in accordance with IFRS 13.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESTEC PLC CONTINUED

Key audit matter description continued	How the scope of our audit responded to the key audit matter continued
5.3 Provisions for regulatory and litigation matters  The group operates in a regulated environment, inherently facing risks related to litigation, regulatory investigations, and customer remediation. Determining these provisions requires significant judgement under IAS 37, Provisions, Contingent Liabilities and Contingent Assets. Management's estimate of potential outflows of resources embodying economic benefits is inherently subjective and uncertain. This uncertainty is amplified by the evolving nature of these matters. Therefore, the estimation of the valuation of these provisions constitutes a key audit matter. Motor commission review: As at 31 March 2025, the group has recognised a £30 million (2024: £30 million) provision for motor finance commission arrangements. The uncertainty regarding this matter was amplified by the recent Court of Appeal decisions on motor finance commission arrangements, a pending Supreme Court appeal, and an ongoing Financial Conduct Authority ("FCA") review. Historical German dividend tax arbitrage transactions: The group also holds a provision that reflects the estimate of financial outflows that could arise as a result of investigations concerning historical German dividend tax arbitrage transactions. The group's historical involvement in German dividend tax arbitrage transactions (cum-ex) continues to pose a significant risk. Ongoing investigations by the Cologne Public Prosecutor and the German Federal Tax Office create uncertainty around the ultimate financial impact, potentially affecting provisions and disclosures in the financial statements. While the group is cooperating with authorities, the ongoing investigations and potential for civil litigation create significant uncertainty. This key audit matter is discussed in the Audit Committee report on page 8. The financial statement disclosures with respect to this key audit matter are contained in the following notes: - Accounting policies and "Key management assumptions"; and - Note 53, "Contingent liabilities, legal matters and provisions".	Specifically in respect of the motor commission review, we: - obtained an understanding of the group's governance controls that operate over the selection of assumptions and approval of the value of the provision; - assessed whether the methodology, data and significant assumptions used in the valuation of the provision are appropriate in the context of the applicable financial reporting framework; - tested the mathematical accuracy of the model including the completeness and accuracy of data used in the model; - inspected information available for the historical complaints, both supportive and contradictory, the view of independent analysts and the decisions made by the courts; - reviewed correspondence with external legal counsel to support the probability weightings applied; - examined the sensitivity of the reported provision to a range of plausible input assumptions; and - evaluated whether the disclosures made in the financial statements appropriately reflect the facts and key sources of estimation uncertainty. Specifically in respect of the historical German dividend tax arbitrage transactions matter, we: - tested the group's controls over the review of the appropriateness of judgements used to determine a best estimate; - evaluated and challenged management's scenarios and assumptions underpinning the dividend arbitrage provision, verifying these with external legal counsel; - reviewed regulatory correspondence with the Cologne Public Prosecutor and the Federal Tax Office; and - inspected correspondence and made direct inquiry with the group's internal and external legal counsel. Key observations While there is significant judgement required in estimating the timing and value of any settlement that may be required for the historical German dividend tax arbitrage transactions and motor commission review, we are satisfied that the approach to the recognition, estimation and disclosures of these provisions is consistent with the requirements of IFRS Accounting Standards.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESTEC PLC CONTINUED

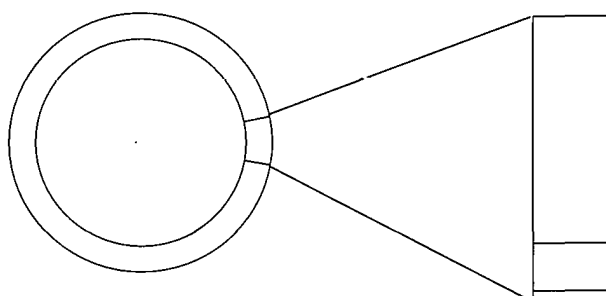
6. Our application of materiality

6.1 Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group combined consolidated financial statements	Parent company financial statements
Materiality	£43.1 million (2024: £42.4 million as determined by the predecessor auditor)	£19.0 million (2024: £7.6 million as determined by the predecessor auditor)
Basis for determining materiality	5% of profit before taxation from continuing operations The predecessor auditor used 5% of operating profit before impairment of goodwill and amortisation of acquired intangibles and strategic actions.	1% of net assets The predecessor auditor used 0.5% of distributable equity.
Rationale for the benchmark applied	Profit before taxation from continuing operations is a key performance indicator for management and shareholders to assess profitability and performance of the group.	Net assets value has been selected as the benchmark, as this an investment holding company of which assets consist of investment in subsidiaries. It is the key benchmark for investors as it determines whether there are sufficient reserves for dividends to be paid out. The percentage we applied to that benchmark reflected our judgement of the size and scale of the company.



PBT	£863m
Group materiality	£43.1m
Component performance materiality range	£0.8m to £9.1m
Audit Committee reporting threshold	£2.00m

6.2 Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group combined consolidated financial statements	Parent company financial statements
Performance materiality	65% (2024: 50% as used by the predecessor auditor) of group materiality	65% (2024: 50% as used by the predecessor auditor) of parent company materiality
Basis for determining performance materiality	In determining performance materiality, we considered the following factors: a. the quality of the control environment and whether we were able to rely on controls, as described in Section 7.2; and b. the results of the previous years' audits performed by EY, including the nature, value and quantum of misstatements (corrected and uncorrected) identified in the previous audit and our expectation of the likelihood of misstatements recurring in the current period.	

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESTEC PLC CONTINUED

6.3 Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £2.0 million (2024: £2.1 million), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the combined consolidated financial statements.

7. An overview of the scope of our audit

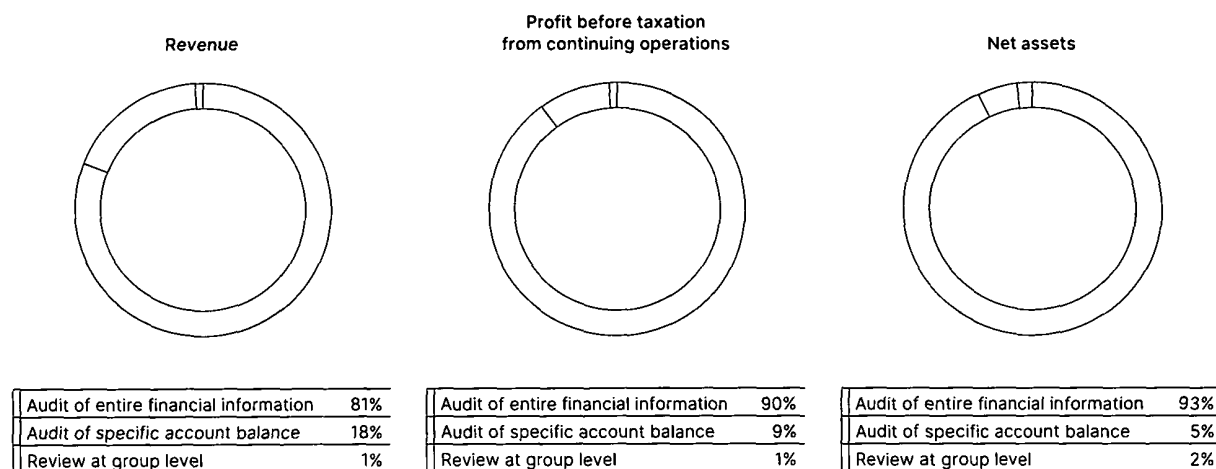
7.1 Identification and scoping of components

Investec plc and Investec Limited operate under the Dual Listed Company structure and for purposes of the group audit, Deloitte UK and Deloitte South Africa are both considered to be the group auditor. Our audit was scoped by obtaining an understanding of the group and its environment and assessing the risks of material misstatement at the group level. We structured our approach to the audit to reflect how the group is organised so that our audit was both effective and risk focused.

In the UK, due to the centralised nature of the business, which includes central management of financial reporting for components, a significant portion of our testing was performed centrally by the UK-based group audit team. The business operations in South Africa are more decentralised, which required more testing to be performed by component audit teams.

Our group audit scoping identified specific classes of transactions and account balances relating to two components in the UK and Europe, and 27 across Southern Africa. Where we identified that certain processes, controls and other financial reporting activities were not centrally managed and were instead performed locally we instructed our component auditors in the UK, Switzerland, South Africa and Mauritius to perform audit work over these specific classes of transactions and account balances. Audit procedures for all other classes of transactions and account balances determined to be within the scope of the group audit were performed by the group auditor. These procedures were performed using component performance materialities ranging from £1.1 million to £9.1 million which are set at a different level to the group and statutory performance materialities as set out in section 6.2.

Our audit work was performed on components which represented 95% of group's revenue, 93% of the group's profit before taxation from continuing operations and 98% of the group's net assets. In addition, we carried out reviews at a group level to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information of the remaining components not subject to audit.



7.2 Our consideration of the control environment

The group relies on several key IT systems and applications for accurate and complete financial transaction recording. These systems, integral to the financial reporting process, include the main financial reporting, trading, deposit, and treasury systems. These systems support various key business cycles, including (but not limited to) revenue recognition, loan initiation and disbursement, deposits, derivative valuation and hedge accounting and journal entry processing. IT specialists within the group audit team obtained an understanding of IT controls managed centrally at the group or divisional level.

With involvement of our IT specialists, we tested the general IT controls (GITCs), including those related to access management and change management. We also tested relevant IT application controls, focusing on the key systems mentioned above.

We planned to rely on IT controls and business controls for the key business cycles. However, due to identified IT control

deficiencies related to application user access management and privileged access accounts, we could not rely on controls for certain customer deposits portfolios and for the derivative valuation and hedge accounting processes. Consequently, we adopted a fully substantive approach for these areas. For all other areas, we were able to rely on controls as planned.

The deficiencies identified above have been reported to the Audit Committee as part of the 31 March 2025 year-end audit and management is working on a remediation plan as disclosed in the Audit Committee report on page 10. All other deficiencies were communicated to management.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESTEC PLC CONTINUED

7.3 Our consideration of climate-related risks

In planning our audit, we considered the potential impact of climate change on the group's business and its combined consolidated financial statements. The group continues to develop its assessment of and response to the potential impacts of environmental, social and governance ("ESG") related risks, including climate change, as outlined in the Sustainability Report and climate related financial disclosures. We held discussions with management to understand the process for identifying climate-related risks, the consideration of mitigating actions and the impact on the group's combined consolidated financial statements which can be found in the Climate-related financial disclosures aligned to the Taskforce on Climate-related Financial Disclosure ("TCFD") requirements on pages 180 to 196 of the Investec Group 2025 integrated and strategic annual report.

Management do not expect any material climate change related financial impact on their business, as disclosed on page 59 to the combined consolidated financial statements. We performed our own qualitative risk assessment of the potential impact of climate change on the group's account balances and classes of transactions based on our understanding of the nature of the group's underlying operations.

We read the climate-related disclosures included in the Investec Group 2025 integrated and strategic annual report and considered whether they are materially consistent with the combined consolidated financial statements and our knowledge obtained in the audit.

7.4 Working with other auditors

Deloitte UK and Deloitte South Africa, in their capacity as the group auditor, worked together whereby Deloitte UK lead the audit of Investec plc and its subsidiaries and Deloitte South Africa lead the audit of Investec Limited and its subsidiaries for purposes of the group's combined consolidated financial statements. The group auditors shared responsibilities to ensure a collaborative and efficient audit process.

Detailed audit instructions were sent to the component auditors in UK, Switzerland, South Africa and Mauritius. These instructions identified the relevant risks of material misstatement for significant account balances, classes of transactions and disclosures, including those that were identified as significant risks. The instructions also set out certain audit procedures to be performed and the information to be reported back to the group audit team, and other matters relevant to the audit.

In addition, the group audit team was involved in the audit work performed by component auditors through a combination of: regular interaction with component teams during the year using video conferencing tools, including planning and closing calls; on site visits by the group engagement partner and other team members to components in UK, Switzerland, South Africa and Mauritius; and review of related component inter-office reporting, their audit files and findings from their work.

8. Other information

The directors are responsible for the other information. The other information comprises the following information:

- Other information included in the document titled "Investec Group 2025 annual financial statements", which includes the directors' report, the DLC Audit Committee report and all other information included in the report that is not marked as audited;
- The other information that is not audited in the "Investec Group 2025 remuneration report";

- The other information that is not audited in the "Investec Group 2025 risk and governance report"; and
- The other information included in the document titled "Investec Group integrated and strategic annual report 2025".

The other information does not include the combined consolidated financial statements, the sections marked as audited in the "Investec Group 2025 risk and governance report" and the "Investec Group 2025 remuneration report" and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the combined consolidated financial statements themselves. 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.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the combined consolidated financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of combined consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined consolidated financial statements, the directors are responsible for assessing the group's and the parent 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 directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the combined consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the combined consolidated 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 ISAs (UK) 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 combined consolidated financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESTEC PLC CONTINUED

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1 Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- the group's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- results of our enquiries of management, internal audit, members of the legal, risk and compliance functions, the directors and the audit committee about their own identification and assessment of the risks of irregularities, including those that are specific to the group's sector;
- any matters we identified having obtained and reviewed the group's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team including component audit teams and relevant internal specialists, including tax, credit, valuations, IT, regulatory and industry specialists regarding how and where fraud might occur in the combined consolidated financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the judgements and estimates used to determine the calculation of expected credit losses and the fair value of instruments with higher risk characteristics. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the group operates in, focusing on provisions

of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the combined consolidated financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Listing Rules, as well as those laws and regulations prevailing in each country in which components were subject to audit procedures, including taxation legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the combined consolidated financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included regulations and supervisory requirements of the Prudential Regulatory Authority, Financial Reporting Council and Financial Conduct Authority regulatory requirements.

11.2 Audit response to risks identified

As a result of performing the above, we identified the provision for expected credit losses on loans and advances to customers and the fair value of instruments with higher risk characteristics as key audit matters related to the potential risk of fraud. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the combined consolidated financial statements;
- enquiring of management, the audit committee and in-house and external legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with regulatory bodies such as the PRA, FCA and HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and component audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESTEC PLC CONTINUED

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the combined consolidated financial statements are prepared is consistent with the combined consolidated financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

13. Corporate Governance Statement

The Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the group's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the combined consolidated financial statements and our knowledge obtained during the audit:

- the directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 163 of the Investec Group integrated and strategic annual report 2025;
- the directors' explanation as to its assessment of the group's prospects, the period this assessment covers and why the period is appropriate set out on page 159 of the Investec Group integrated and strategic annual report 2025;
- the directors' statement on fair, balanced and understandable set out on page 5;

- the board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 159 of the Investec Group integrated and strategic annual report 2025;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 10 of the DLC Audit Committee report; and
- the section describing the work of the audit committee set out on page 6 of the DLC Audit Committee report.

14. Matters on which we are required to report by exception

14.1 Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2 Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made or the part of the directors' remuneration report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESTEC PLC
CONTINUED****15. Other matters which we are required to address****15.1 Auditor tenure**

Following the recommendation of the audit committee, we were appointed by the shareholders at its annual general meeting on 8 August 2024 to audit the combined consolidated financial statements for the year ending 31 March 2025 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is accordingly one year.

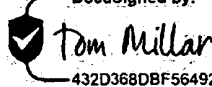
15.2 Consistency of the audit report with the additional report to the audit committee

Our audit opinion is consistent with the additional report to the audit committee we are required to provide in accordance with ISAs (UK).

16. Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.15R – DTR 4.1.18R, these combined consolidated financial statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

DocuSigned by:

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Tom Millar, FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom
20 June 2025

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF INVESTEC LIMITED

To the Shareholders of Investec Limited**Report on the Audit of the Combined Consolidated Financial Statements****Opinion**

In our opinion, the combined consolidated financial statements present fairly, in all material respects, the consolidated financial position of Investec Limited, incorporating Investec plc, and their subsidiaries (the group) as at 31 March 2025, and its consolidated financial performance and consolidated cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

We have audited the combined consolidated financial statements which comprise:

Combined consolidated financial statements	Reference
Combined consolidated income statement	Page 37
Combined consolidated statement of comprehensive income	Page 38
Combined consolidated balance sheet	Page 39
Combined consolidated statement of changes in equity	Pages 40 to 43
Combined consolidated cash flow statement	Page 44
Notes to the combined consolidated financial statements, including material accounting policy information	Pages 45 to 165
The alternative performance measures identified as 'audited'	Pages 178 and 179
Information identified as 'audited' in the Investec Group's 2025 remuneration report	Investec Group 2025 remuneration report
Information identified as 'audited' in the Investec Group's 2025 risk and governance report	Investec Group 2025 risk and governance report

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe

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

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

Final Materiality

We define materiality as the magnitude of misstatement in the combined consolidated financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the nature and extent of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Materiality	£43.1 million
Basis for determining materiality	5% of profit before taxation from continuing operations.
Rationale for the benchmark applied	Profit before taxation from continuing operations is a key performance indicator for management and shareholders to assess profitability and performance of the group and is consistent with quantitative materiality thresholds used for profit-oriented companies in the financial services sector.

Scope of our Audit

Our group audit was scoped by obtaining an understanding of the group and its environment, including the structure and organisation of the group, and assessing the risks of material misstatement at the group level.

We selected components at which audit work in support of the group audit opinion needed to be performed in order to provide an appropriate basis for undertaking audit work to address the risks of material misstatement. Our selection was informed by taking into account the component's contribution to relevant classes of transactions, account balances or disclosures. For the purposes of our audit scope, we defined a component as a single reporting unit for which management prepares a reporting package within the group consolidation.

In the United Kingdom (UK), due to the centralised nature of the business, which includes central management of financial reporting for components, a significant portion of our testing was performed centrally by the UK-based group audit team. The business operations in South Africa are more decentralised, which required more testing to be performed by component audit teams.

Based on our assessment, we performed work at 29 components.

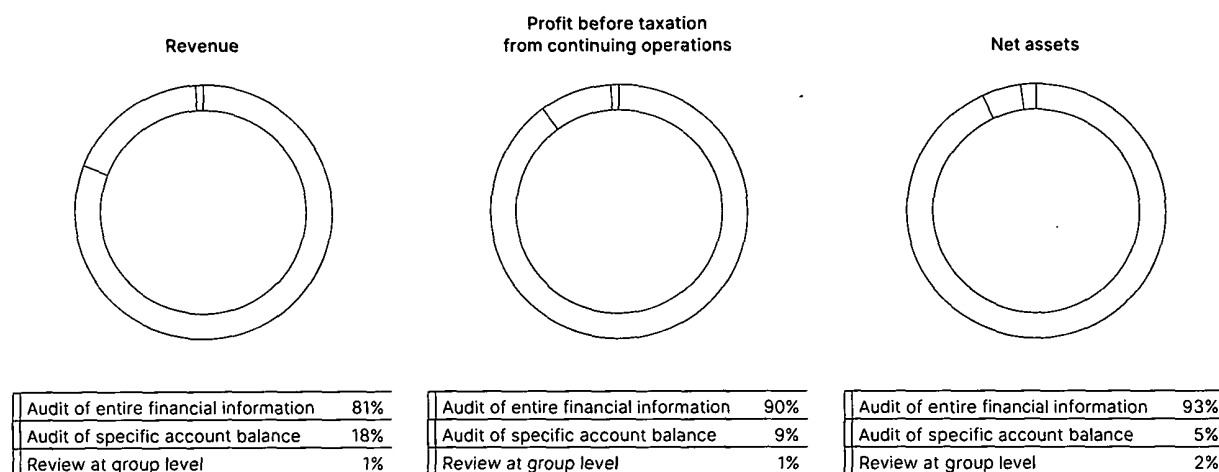
The following audit scoping was applied:

- Five components were selected to perform an audit of the component's financial information; and

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF INVESTEC LIMITED CONTINUED

- 24 components were selected to perform an audit of one or more classes of transactions, account balances or disclosures.

Residual values were addressed by risk assessment and analytical procedures performed at a group level. The components at which work was performed by the component audit teams and the group audit teams contribute 98% of the group's net assets, 99% of the group's revenue and 99% of the group's profit before taxation from continuing operations.



Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the combined consolidated financial statements of the current period. These matters were addressed in the context of our audit of the combined consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF INVESTEC LIMITED

CONTINUED

Key audit matter	How the scope of our audit responded to the key audit matter
Provision for expected credit losses ("ECL") on loans and advances to customers	We performed the following audit procedures: • obtained a detailed understanding of the financial controls over the ECL provision, focusing on significant management assumptions and judgements within the ECL calculation. This included a thorough review of management's data, methodologies, and assumptions used in the ECL models, and a critical assessment of the model governance framework, encompassing controls over the implementation of new ECL models and changes to existing ECL models; • tested the completeness and accuracy of data inputs used in the ECL models. This involved agreeing a sample of data inputs to source information from internal systems and external data providers, and testing data interface controls between these systems. Furthermore, we independently recalculated ECL estimates, including PD, EAD, and LGD parameters, to validate management's assumptions and the appropriateness of judgements applied; • assessed the appropriateness of ECL-related disclosures for exposures in the financial statements for compliance with IFRS 7 Financial Instruments: Disclosures. We also evaluated the consistency between the credit risk disclosures and the ECL information tested during our audit procedures (including data, models, estimates, and macro-economic forecasts); and • performed a comprehensive assessment of the overall reasonableness of the ECL provision and coverage ratio (ECL provision to gross advances), considering the credit quality of the group portfolios, risk profile, and the impact of current economic conditions on the group's customers. This included a detailed analysis at both an overall and stage-specific level. Where available, we supplemented this assessment with peer benchmarking to evaluate staging and provision coverage levels. To challenge the group's SICR assessment, we: • SICR policy and assessed whether it complies with IFRS 9 Financial Instruments ("IFRS 9"); • On a sample basis, tested the completeness and accuracy of the data used in applying the quantitative and qualitative criteria in the SICR assessment to assess whether loans were assigned to the correct stage; and • Performed an independent assessment for a sample of loans in Stage 1 and 2, focusing on higher risk borrowers and borrowers where a stage override had been applied, to determine whether they were appropriately recorded in the correct stage. ECL recoveries could lead to a material misstatement of the
ii. Macro-economic scenarios: As indicated in the "key management assumptions" on page 58, the group develops a range of forward-looking probability weighted macro-economic scenarios. Due to its inherent nature, significant judgement is involved in determining the probability weighting of each scenario and the assumptions and characteristics of each scenario applied. iii. The valuation of collateral and determination of other significant cash flows for individually assessed Stage 3 loans: Management either employs collateral valuation experts or applies their own judgement to estimate the recoverability of collateral and other cash flows on a case-by-case basis for individually assessed loans. The use of incorrect or inappropriate assumptions in estimating these recoveries could lead to a material misstatement of the ECL.	i. Significant increase in credit risk ("SICR") for loans: The assessment of whether there has been a significant increase in credit risk for loans from the date of origination of the exposure to 31 March 2025 requires management judgement. There is a risk that management's assessment of whether a SICR has occurred is inaccurate or that the SICR criteria is incorrectly applied. ii. Macro-economic scenarios: As indicated in the "key management assumptions" on page 58, the group develops a range of forward-looking probability weighted macro-economic scenarios. Due to its inherent nature, significant judgement is involved in determining the probability weighting of each scenario and the assumptions and characteristics of each scenario applied. iii. The valuation of collateral and determination of other significant cash flows for individually assessed Stage 3 loans: Management either employs collateral valuation experts or applies their own judgement to estimate the recoverability of collateral and other cash flows on a case-by-case basis for individually assessed loans. The use of incorrect or inappropriate assumptions in estimating these recoveries could lead to a material misstatement of the ECL.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF INVESTEC LIMITED CONTINUED

Key audit matter continued	How the scope of our audit responded to the key audit matter continued
This key audit matter is discussed in the Audit Committee report on page 8. The financial statement disclosures with respect to this key audit matter are contained in the following notes or reports: - Accounting policies, "Impairment of financial assets held at amortised cost or FVOCI" and "Key management assumptions"; - Note 6, "Expected credit loss impairment charges"; - Note 27, "Loans and advances to customers and other loans and advances"; and "Credit and counterparty risk and asset quality" within the Investec Group 2025 risk and governance report.	To challenge the group's macro-economic scenarios and the probability weightings applied, we: - Supported by our economic specialists, challenged the appropriateness of the macro-economic scenarios and the weightings assigned to them. We assessed the selection of economic variables and forecasts under the scenarios in light of the current economic environment as at 31 March 2025; and - Supported by our credit specialists, assessed methodology and implementation of the models used to translate the economic scenarios and forecasts into expected credit losses, using a combination of recoding and reperformance. To challenge the group's assessment of collateral valuation and other significant cash flows for individually assessed loans, we: - Supported by our property valuation specialists and fair value specialists, tested a sample of collateral valuations for individually assessed loans by reference to available market data; - Evaluated the appropriateness of recovery strategies identified; - Challenged the assumptions relating to the timing of cash flows resulting from the sale of collateral, debt settlement agreements or refinance agreements; and - Independently recalculated the ECL provision. Key observations: Based on our audit procedures performed as detailed above, we concluded that the ECL provisions on loans and advances to customers are reasonable and recognised in accordance with the requirements of IFRS 9.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF INVESTEC LIMITED CONTINUED

Key audit matter continued	How the scope of our audit responded to the key audit matter continued
Valuation of fair value instruments with higher risk characteristics Financial instruments are classified as Level 1, 2 or 3 in accordance with IFRS 13 Fair Value Measurement ("IFRS 13"). As indicated in the "key management assumptions" on page 58, Level 2 and 3 measurements, particularly for complex and illiquid instruments (including derivatives, fair value loans to customers, investment properties and unlisted investments included in the investment portfolio), require significant judgement and utilise valuation techniques that are inherently subjective. The economic outlook introduces uncertainty into these estimations. Key inputs are based on the most relevant observable market data, adjusted for specific investment, sector, and market factors. At 31 March 2025, the group reported derivative financial assets of £844 million (2024: £1,031 million), derivative financial liabilities of £1,009 million (2024: £1,078 million), fair value loans and advances to customers of £3,015 million (2024: £2,604 million), and investment properties of £101 million (2024: £106 million). The fair value of the investment portfolio totalled £698 million (2024: £807 million), including Level 3 assets of £468 million (2024: £560 million). In relation to Investec Limited, we have identified certain of the above assets and liabilities which represent a higher risk of material misstatement due to the estimation uncertainty inherent in valuing these assets and liabilities, specifically: • Level 2 derivative financial instruments; • Loans and advances to customers at fair value; and • Investment properties. In relation to Investec Limited and Investec plc, we have identified Level 3 investments included in the investment portfolio which require significant management judgement, specifically unlisted equity investments and profit-sharing arrangements which lack observable market information, making fair value determination challenging. The valuation of the above assets and liabilities has been determined to be a key audit matter in the current year audit as a result of the significant judgement applied and estimation uncertainty involved in the valuation, and the consequent elevation in the risk of material misstatement.	To challenge the group's valuation of fair value instruments, we performed the following audit procedures: • Obtained an understanding of the relevant financial controls over the valuation process; • Engaged technical accounting specialists to assess the appropriateness of the accounting treatment and classification of certain idiosyncratic financial instruments; and • Engaged our valuation specialists to determine an independent valuation range for certain complex instruments and compare it to management's valuation. We have performed specific procedures in relation to the following areas: Valuation techniques: • With the involvement of our valuation specialists, for a sample of derivatives, fair value loans, investment properties, and unlisted investments and profit-sharing arrangements included within the investment portfolio, we challenged the appropriateness of the valuation methodology by performing independent revaluations and comparing the results to management's output; and • For a sample of the assets and liabilities, we assessed the reasonableness of the key inputs including cash flows, discount rates, and other significant inputs used in discounted cash flow valuations, referencing relevant industry and market data and comparing them to management's inputs. Liquidity and market observability: • For a sample of the assets and liabilities, we compared unobservable inputs used in valuations to alternative data/ input sources. The approach was tailored to the most appropriate method for each asset or liability; and • With the involvement of our valuation specialists, we independently determined valuations for a sample of instruments, considering independently determined risk factors to establish a range of acceptable fair values. These were compared to management's valuations.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF INVESTEC LIMITED CONTINUED

Key audit matter continued	How the scope of our audit responded to the key audit matter continued
In estimating the fair value of these assets and liabilities, management of the group has exercised their judgement and applied assumptions in the following areas: • Valuation techniques: Fair value measurements utilise a range of techniques, including discounted cash flow analysis, price-earnings multiples, net asset value calculations and complex valuation models. These techniques are applied to various assets and liabilities, such as derivatives, fair value loans, investment properties and unlisted investments included in the investment portfolio. The selection of appropriate techniques and the inherent subjectivity of inputs (e.g., discount rates, growth rates, earnings multiples) introduce significant estimation uncertainty; • Liquidity and market observability: For certain assets and liabilities, limited market data and low liquidity necessitate significant management judgement in determining appropriate valuation inputs. These inputs include yield curves, discount rates, volatility estimates, sector-specific factors, expected cash flows, capitalisation rates and future earnings projections. The uncertainty inherent in these estimations significantly impacts the overall fair value measurement. This key audit matter is discussed in the Audit Committee report on page 8. The financial statement disclosures with respect to this key audit matter are contained in the following notes: • Accounting policies, "Financial Instruments" and "Key management assumptions"; and • Note 16, "Financial instruments at fair value".	We assessed the appropriateness of the financial statement disclosures in accordance with IFRS 13. Key observations: Based on our audit procedures performed as detailed above, we concluded that the valuation of fair value instruments with higher risk characteristics is reasonable and in accordance with IFRS 13.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF INVESTEC LIMITED CONTINUED

Key audit matter continued	How the scope of our audit responded to the key audit matter continued
Provisions for regulatory and litigation matters The group operates in a regulated environment, inherently facing risks related to litigation, regulatory investigations, and customer remediation. Determining these provisions requires significant judgement under IAS 37, Provisions, Contingent Liabilities and Contingent Assets. Management's estimate of potential outflows of resources embodying economic benefits is inherently subjective and uncertain. This uncertainty is amplified by the evolving nature of these matters. Therefore, the estimation of the valuation of these provisions constitutes a key audit matter. Motor commission review: As at 31 March 2025, the group has recognised a £30 million (2024: £30 million) provision for motor finance commission arrangements. The uncertainty regarding this matter was amplified by the recent Court of Appeal decisions on motor finance commission arrangements, a pending Supreme Court appeal, and an ongoing Financial Conduct Authority ("FCA") review. Historical German dividend tax arbitration transactions: The group also holds a provision that reflects the estimate of financial outflows that could arise as a result of investigations concerning historical German dividend tax arbitration transactions. The group's historical involvement in German dividend tax arbitration transactions (cum-ex) continues to pose a significant risk. Ongoing investigations by the Cologne Public Prosecutor and the German Federal Tax Office create uncertainty around the ultimate financial impact, potentially affecting provisions and disclosures in the financial statements. While the group is cooperating with authorities, the ongoing investigations and potential for civil litigation create significant uncertainty. This key audit matter is discussed in the Audit Committee report on page 8. The financial statement disclosures with respect to this key audit matter are contained in the following notes: - Accounting policies and "Key management assumptions"; and - Note 53, "Contingent liabilities, legal matters and provisions".	Specifically in respect of the motor commission review, we: - obtained an understanding of the group's governance controls that operate over the selection of assumptions and approval of the value of the provision; - assessed whether the methodology, data and significant assumptions used in the valuation of the provision are appropriate in the context of the applicable financial reporting framework; - tested the mathematical accuracy of the model including the completeness and accuracy of data used in the model; - inspected information available for the historical complaints, both supportive and contradictory, the view of independent analysts and the decisions made by the courts; - reviewed correspondence with external legal counsel to support the probability weightings applied; - examined the sensitivity of the reported provision to a range of plausible input assumptions; and - evaluated whether the disclosures made in the financial statements appropriately reflect the facts and key sources of estimation uncertainty. Specifically in respect of the historical German dividend tax arbitration transactions matter, we: - tested the group's controls over the review of the appropriateness of judgements used to determine a best estimate; - evaluated and challenged management's scenarios and assumptions underpinning the dividend arbitration provision, verifying these with external legal counsel; - reviewed regulatory correspondence with the Cologne Public Prosecutor and the Federal Tax Office; and - inspected correspondence and made direct inquiry with the group's internal and external legal counsel. Key observations: While there is significant judgement required in estimating the timing and value of any settlement that may be required for the historical German dividend tax arbitration transactions and motor commission review, we are satisfied that the approach to the recognition, estimation and disclosures of these provisions is consistent with the requirements of IFRS Accounting Standards.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF INVESTEC LIMITED CONTINUED

Other information

The directors are responsible for the other information.
The other information comprises the following information:

- Other information included in the document titled "Investec Group 2025 annual financial statements", which includes the directors' report, the DLC Audit Committee report and the Declaration by the Company secretary, as required by the Companies Act of South Africa, and all other information included in the report that is not marked as audited;
- The other information that is not audited in the "Investec Group 2025 remuneration report";
- The other information that is not audited in the "Investec Group 2025 risk and governance report"; and
- The other information included in the document titled "Investec Group integrated and strategic annual report 2025".

The other information does not include the combined consolidated financial statements, the sections marked as audited in the "Investec Group 2025 risk and governance report" and the "Investec Group 2025 remuneration report" and our auditor's report thereon.

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

In connection with our audit of the combined consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the combined consolidated 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.

Responsibilities of the Directors for the Combined Consolidated Financial Statements

The directors are responsible for the preparation and fair presentation of the combined consolidated financial statements, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of combined consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined consolidated financial statements, the directors are responsible for assessing the group'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 directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Combined Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined consolidated 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 ISAs 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 combined consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the combined consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the combined consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined consolidated financial statements, including the disclosures, and whether the combined consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the combined consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF INVESTEC LIMITED CONTINUED

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the combined consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The combined consolidated financial statements of the group for the year ended 31 March 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 24 June 2024.

Report on Other Legal and Regulatory Requirements

Audit Tenure

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that Deloitte has been the auditor of Investec Limited for one year.

Signed by:
 **Deloitte & Touche**
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Deloitte & Touche

Registered Auditors

Per: Kevin Black

Partner

20 June 2025

Johannesburg, South Africa

COMBINED CONSOLIDATED INCOME STATEMENT

For the year to 31 March

£'000	Notes	2025	2024 [^]
Interest income	2	4 160 769	4 124 150
Interest income calculated using the effective interest method		3 994 450	3 788 749
Other interest income		166 319	335 401
Interest expense	2	(2 802 663)	(2 785 457)
Net interest income	2	1 358 106	1 338 693
Fee and commission income	3	518 106	456 991
Fee and commission expense	3	(54 265)	(40 804)
Investment income	4	130 716	60 381
Share of post-taxation profit of associates and joint venture holdings	31	40 170	33 694
Profit before amortisation and integration costs		75 797	55 949
Amortisation of acquired intangibles		(6 812)	(12 624)
Acquisition related and integration costs within associate		(28 815)	(9 631)
Trading income arising from			
– customer flow**		130 566	131 712
– balance sheet management and other trading activities		25 615	41 496
Other operating income	5	5 833	1 961
Operating income		2 154 847	2 024 124
Expected credit loss impairment charges	6	(119 230)	(79 113)
Operating income after expected credit loss impairment charges		2 035 617	1 945 011
Operating costs	7	(1 151 399)	(1 120 245)
Amortisation of acquired intangibles	37	—	(1 483)
Closure and rundown of the Hong Kong direct investments business		(47)	(785)
Financial impact of strategic actions		(21 023)	—
Profit before taxation from continuing operations		863 148	822 498
Taxation		(169 818)	(171 187)
Taxation on operating profit before goodwill and acquired intangibles	9	(169 623)	(172 066)
Taxation on acquired intangibles and strategic actions	9	(195)	879
Profit after taxation from continuing operations		693 330	651 311
Profit after taxation and financial impact of strategic actions from discontinued operations	12	—	302 877
Operating profit before non-controlling interests from discontinued operations	12	—	45 824
Financial impact of strategic actions net of taxation from discontinued operations	12	—	257 053
Profit after taxation from total Group		693 330	954 188
Profit attributable to non-controlling interests		152	(1 382)
Profit attributable to non-controlling interests of discontinued operations	12	—	(11 766)
Earnings of total Group attributable to shareholders		693 482	941 040
Earnings attributable to ordinary shareholders		622 932	891 964
Earnings attributable to perpetual preferred securities and other Additional Tier 1 security holders		70 550	49 076

[^] Restated as detailed in note 61.^{**} Included in trading income arising from customer flow, is income of £283.3 million (2024: £241.4 million) and interest expense of £152.8 million (2024: £109.7 million).

Earnings per share

For the year to 31 March	Notes	2025	2024
Basic earnings per share total Group – pence	10	72.8	105.3
Diluted basic earnings per share total Group – pence	10	70.3	101.0
Basic earnings per share continuing operations – pence	10	72.8	71.0
Diluted basic earnings per share continuing operations – pence	10	70.3	68.1
Basic earnings per share discontinued operations – pence	10	—	34.3
Diluted basic earnings per share discontinued operations – pence	10	—	32.9

COMBINED CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME

For the year to 31 March

£'000	Notes	2025	2024
Profit after taxation from continuing operations		693 330	651 311
Other comprehensive income:			
Items that may be reclassified to the income statement			
Fair value movements on cash flow hedges taken directly to other comprehensive income	9	(10 380)	(16 585)
Fair value movements on debt instruments at FVOCI taken directly to other comprehensive income	9	(687)	11 359
Gain on realisation of debt instruments at FVOCI recycled through the income statement	9	(3 409)	(4 789)
Foreign currency adjustments on translating foreign operations		(23)	(194 634)
Items that will not be reclassified to the income statement			
Share of other comprehensive (loss)/income of associates and joint venture holdings		(3 803)	257
Fair value movements on equity instruments at FVOCI taken directly to other comprehensive income	9	(24 019)	(14 415)
Movement in post-retirement benefit liabilities	9	46	(362)
Net (loss)/gain attributable to own credit risk	9	(184)	748
Total comprehensive income from continuing operations		650 871	432 890
Total comprehensive income attributable to ordinary shareholders from continuing operations		580 500	421 238
Total comprehensive loss attributable to non-controlling interests from continuing operations		(179)	(37 424)
Total comprehensive income attributable to perpetual preferred securities and Other Additional Tier 1 security holders from continuing operations		70 550	49 076
Total comprehensive income from continuing operations		650 871	432 890
Profit after taxation from discontinued operations		—	302 877
Other comprehensive income from discontinued operations:			
Items that may be reclassified to the income statement			
Foreign currency adjustments on translating foreign operations		—	55 377
Total comprehensive income from discontinued operations		—	358 254
Total comprehensive income attributable to ordinary shareholders from discontinued operations		—	346 488
Total comprehensive income attributable to non-controlling interests from discontinued operations		—	11 766
Total comprehensive income from discontinued operations		—	358 254
Profit after taxation from total Group		693 330	954 188
Other comprehensive income:			
Items that may be reclassified to the income statement			
Fair value movements on cash flow hedges taken directly to other comprehensive income	9	(10 380)	(16 585)
Fair value movements on debt instruments at FVOCI taken directly to other comprehensive income	9	(687)	11 359
Gain on realisation of debt instruments at FVOCI recycled through the income statement	9	(3 409)	(4 789)
Foreign currency adjustments on translating foreign operations		(23)	(139 257)
Items that will never be reclassified to the income statement			
Share of other comprehensive (loss)/income of associates and joint venture holdings		(3 803)	257
Fair value movements on equity instruments at FVOCI taken directly to other comprehensive income	9	(24 019)	(14 415)
Movement in post-retirement benefit liabilities	9	46	(362)
Net (loss)/gain attributable to own credit risk	9	(184)	748
Total comprehensive income from total Group		650 871	791 144
Total comprehensive income attributable to ordinary shareholders		580 500	767 726
Total comprehensive loss attributable to non-controlling interests		(179)	(25 658)
Total comprehensive income attributable to perpetual preferred securities and Other Additional Tier 1 security holders		70 550	49 076
Total comprehensive income from total Group		650 871	791 144

COMBINED CONSOLIDATED BALANCE SHEET

At 31 March £'000	Notes	2025	2024^	2023^
Assets				
Cash and balances at central banks	19	5 003 272	6 279 088	6 437 709
Loans and advances to banks	20	1 321 060	1 122 036	1 618 580
Non-sovereign and non-bank cash placements		425 375	460 559	466 960
Reverse repurchase agreements and cash collateral on securities borrowed	21	4 290 283	4 376 886	3 993 647
Sovereign debt securities	22	6 090 175	4 943 147	4 404 243
Bank debt securities	23	675 322	596 436	915 686
Other debt securities	24	1 197 741	1 148 147	1 229 392
Derivative financial instruments	25	844 360	1 031 366	1 457 838
Securities arising from trading activities	26	2 005 831	1 661 223	1 854 905
Loans and advances to customers	27	32 026 904	30 645 313	30 112 969
Own originated loans and advances to customers securitised	28	360 488	269 034	272 879
Other loans and advances	27	139 087	117 513	142 726
Other securitised assets	28	—	66 704	103 151
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	29	206 272	154 738	110 891
Investment portfolio	30	697 582	807 030	1 330 907
Interests in associated undertakings and joint venture holdings	31	846 009	858 420	53 703
Current taxation assets		25 751	35 636	34 389
Deferred taxation assets	32	204 971	204 861	211 818
Other assets	33	1 453 429	1 664 745	2 019 026
Property and equipment	34	223 463	238 072	278 561
Investment properties	35	100 841	105 975	722 481
Goodwill	36	74 285	75 367	262 632
Software	37	7 452	9 707	15 401
Other acquired intangible assets	37	—	—	41 136
Non-current assets classified as held for sale	35	32 568	22 270	35 761
		58 252 521	56 894 273	58 127 391
Liabilities				
Deposits by banks		2 752 547	3 643 793	3 699 806
Derivative financial instruments	25	1 009 037	1 078 461	1 677 770
Other trading liabilities	39	1 587 927	1 338 597	1 266 517
Repurchase agreements and cash collateral on securities lent	21	1 157 856	1 006 272	967 077
Customer accounts (deposits)	40	41 164 221	39 531 563	39 607 597
Debt securities in issue	41	1 563 602	1 541 194	1 802 586
Liabilities arising on securitisation of own originated loans and advances	28	257 282	208 571	163 787
Liabilities arising on securitisation of other assets	28	—	71 751	81 609
Current taxation liabilities		50 746	43 955	34 847
Deferred taxation liabilities	32	3 526	5 198	4 329
Other liabilities	42	1 820 820	1 822 981	2 317 398
Liabilities to customers under investment contracts	29	213 594	154 889	110 891
		51 581 158	50 447 225	51 734 214
Subordinated liabilities	43	1 016 703	972 806	1 084 630
		52 597 861	51 420 031	52 818 844
Equity				
Ordinary share capital	44	243	247	247
Ordinary share premium	46	1 394 939	1 394 939	1 412 347
Treasury shares	47	(574 560)	(539 905)	(498 883)
Other reserves	48	(902 381)	(856 111)	(761 947)
Retained income		5 093 194	4 761 508	4 171 117
Ordinary shareholders' equity		5 011 435	4 760 678	4 322 881
Perpetual preference share capital and premium	45	128 072	127 136	136 259
Shareholders' equity excluding non-controlling interests		5 139 507	4 887 814	4 459 140
Other Additional Tier 1 securities in issue	49	516 364	586 103	398 568
Non-controlling interests		(1 211)	325	450 839
Total equity		5 654 660	5 474 242	5 308 547
Total liabilities and equity		58 252 521	56 894 273	58 127 391

^ Restated as detailed in note 61.

Included in 'loans and advances to banks' £48 million (March 24: £19 million); 'sovereign debt securities' £340 million (March 24: £489 million), 'bank debt securities' £57 million (March 24: £81 million), 'other debt securities' £nil (£41 million), 'securities arising from trading activities' £601 million (March 24: £237 million) and 'other loans and advances' £1 million (March 24: £3 million) are assets provided as collateral where the transferee has the right to resell or re-pledge.

COMBINED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

£'000	Ordinary share capital	Ordinary share premium [^]	Treasury shares [^]
At 31 March 2023	247	1 208 161	(564 678)
Restatement	—	204 186	65 795
At 1 April 2023	247	1 412 347	(498 883)
Movement in reserves 1 April 2023 ~ 31 March 2024			
Profit after taxation	—	—	—
Fair value movements on cash flow hedges taken directly to other comprehensive income	—	—	—
Fair value movements on debt instruments at FVOCI taken directly to other comprehensive income	—	—	—
Gain on realisation of debt instruments at FVOCI recycled through the income statement	—	—	—
Fair value movements on equity instruments at FVOCI taken directly to other comprehensive income	—	—	—
Foreign currency adjustments on translating foreign operations	—	—	—
Net gain attributable to own credit risk	—	—	—
Movement in post-retirement benefit liabilities	—	—	—
Share of other comprehensive income of interests in associate undertakings	—	—	—
Total comprehensive income for the year	—	—	—
Issue of Other Additional Tier 1 security instruments	—	—	—
Redemption of Other Additional Tier 1 security instruments	—	—	—
Other equity movements	—	—	—
Gain on Additional Tier 1 security instruments callback	—	—	—
Acquisition of Treasury shares	—	—	(105 746)
Vesting of share-based payments/settlements	—	—	64 724
Share-based payments adjustments	—	—	—
Share buy-back of ordinary share capital	—	(17 408)	—
Transfer from regulatory general risk reserves	—	—	—
Deconsolidation of subsidiary company	—	—	—
Repurchase of perpetual preference share capital	—	—	—
Transaction with equity holders	—	—	—
Net equity impact of non-controlling interest movements	—	—	—
Dividends declared to other equity holders including other Additional Tier 1 security holders	—	—	—
Dividends paid to perpetual preference shareholders included in non-controlling interests and Other Additional Tier 1 security holders	—	—	—
Dividends paid to ordinary shareholders	—	—	—
Dividends paid to non-controlling interests	—	—	—
At 31 March 2024	247	1 394 939	(539 905)

[^] Restated as detailed in note 61.

COMBINED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
CONTINUED

Other reserves												
Capital reserve account^	Fair value reserve	Regulatory general risk reserve	Cash flow hedge reserve	Foreign currency reserves	Own credit risk reserve	Retained income^	Ordinary shareholders' equity	Perpetual preference share, capital and premium	Shareholders' equity excluding non-controlling interests	Other Additional Tier 1 securities in issue	Non-controlling interests	Total equity
(11 315)	(51 968)	46 069	13 518	(770 383)	817	4 452 413	4 322 881	136 259	4 459 140	398 568	450 839	5 308 547
11 315	—	—	—	—	—	(281 296)	—	—	—	—	—	—
—	(51 968)	46 069	13 518	(770 383)	817	4 171 117	4 322 881	136 259	4 459 140	398 568	450 839	5 308 547
—	—	—	—	—	—	941 040	941 040	—	941 040	—	13 148	954 188
—	—	—	(16 585)	—	—	—	(16 585)	—	(16 585)	—	—	(16 585)
—	11 359	—	—	—	—	—	11 359	—	11 359	—	—	11 359
—	(4 789)	—	—	—	—	—	(4 789)	—	(4 789)	—	—	(4 789)
—	(14 415)	—	—	—	—	—	(14 415)	—	(14 415)	—	—	(14 415)
—	—	—	—	(77 730)	—	—	(77 730)	(9 383)	(87 113)	(13 338)	(38 806)	(139 257)
—	—	—	—	—	748	—	748	—	748	—	—	748
—	—	—	—	—	—	(362)	(362)	—	(362)	—	—	(362)
—	—	—	—	—	—	257	257	—	257	—	—	257
—	(7 845)	—	(16 585)	(77 730)	748	940 935	839 523	(9 383)	830 140	(13 338)	(25 658)	791 144
—	—	—	—	—	—	—	—	—	—	382 130	—	382 130
—	—	—	—	—	—	—	—	—	—	(141 892)	—	(141 892)
—	—	—	—	—	—	—	—	—	—	(39 365)	—	(39 365)
—	—	—	—	—	—	1 420	1 420	—	1 420	—	—	1 420
—	—	—	—	—	—	—	(105 746)	—	(105 746)	—	—	(105 746)
—	—	—	—	—	—	(64 724)	—	—	—	—	—	—
—	—	—	—	—	—	68 781	68 781	—	68 781	—	—	68 781
—	—	—	—	—	—	—	(17 408)	—	(17 408)	—	—	(17 408)
—	—	7 248	—	—	—	(7 248)	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	(412 974)	(412 974)
—	—	—	—	—	—	(14)	(14)	260	246	—	—	246
—	—	—	—	—	—	(2 971)	(2 971)	—	(2 971)	—	—	(2 971)
—	—	—	—	—	—	—	—	—	—	—	717	717
—	—	—	—	—	—	(49 076)	(49 076)	10 441	(38 635)	38 635	—	—
—	—	—	—	—	—	—	—	(10 441)	(10 441)	(38 635)	—	(49 076)
—	—	—	—	—	—	(296 712)	(296 712)	—	(296 712)	—	—	(296 712)
—	—	—	—	—	—	—	—	—	—	—	(12 599)	(12 599)
—	(59 813)	53 317	(3 067)	(848 113)	1 565	4 761 508	4 760 678	127 136	4 887 814	586 103	325	5 474 242

COMBINED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY CONTINUED

£'000	Ordinary share capital	Ordinary share premium	Treasury shares
At 1 April 2024	247	1 394 939	(539 905)
Movement in reserves 1 April 2024 – 31 March 2025			
Profit after taxation	—	—	—
Fair value movements on cash flow hedges taken directly to other comprehensive income	—	—	—
Fair value movements on debt instruments at FVOCI taken directly to other comprehensive income	—	—	—
Gain on realisation of debt instruments at FVOCI recycled through the income statement	—	—	—
Fair value movements on equity instruments at FVOCI taken directly to other comprehensive income	—	—	—
Foreign currency adjustments on translating foreign operations	—	—	—
Net gain attributable to own credit risk	—	—	—
Movement in post-retirement benefit liabilities	—	—	—
Share of other comprehensive income of interests in associate undertakings	—	—	—
Total comprehensive income for the year	—	—	—
Issue of Other Additional Tier 1 security instruments	—	—	—
Redemption of Other Additional Tier 1 security instruments	—	—	—
Acquisition of treasury shares	—	—	(69 681)
Vesting of share-based payments/settlements	—	—	35 026
Share-based payments adjustments	—	—	—
Cancellation of special converting shares	(4)	—	—
Transfer to regulatory general risk reserves	—	—	—
Transfer to reserves	—	—	—
Net equity impact of non-controlling interest movements	—	—	—
Net equity movements in associates and joint ventures	—	—	—
Dividends declared to other equity holders including other Additional Tier 1 security holders	—	—	—
Dividends paid to other equity holders including other Additional Tier 1 security holders	—	—	—
Dividends paid to ordinary shareholders	—	—	—
At 31 March 2025	243	1 394 939	(574 560)

COMBINED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY CONTINUED

Other reserves												
Capital reserve account	Fair value reserve	Regulatory general risk reserve	Cash flow hedge reserve	Foreign currency reserves	Own credit risk reserve	Retained income	Ordinary shareholders' equity	Perpetual preference share capital and premium	Shareholders' equity excluding non- controlling interests	Other Additional Tier 1 securities in issue	Non- controlling interests	Total equity
—	(59 813)	53 317	(3 067)	(848 113)	1 565	4 761 508	4 760 678	127 136	4 887 814	586 103	325	5 474 242
—	—	—	—	—	—	693 482	693 482	—	693 482	—	(152)	693 330
—	—	—	(10 380)	—	—	—	(10 380)	—	(10 380)	—	—	(10 380)
—	(687)	—	—	—	—	—	(687)	—	(687)	—	—	(687)
—	(3 409)	—	—	—	—	—	(3 409)	—	(3 409)	—	—	(3 409)
—	(24 019)	—	—	—	—	—	(24 019)	—	(24 019)	—	—	(24 019)
—	—	—	—	(2 537)	—	—	(2 537)	936	(1 601)	1 605	(27)	(23)
—	—	—	—	—	(184)	—	(184)	—	(184)	—	—	(184)
—	—	—	—	—	—	46	46	—	46	—	—	46
—	—	—	—	—	—	(3 803)	(3 803)	—	(3 803)	—	—	(3 803)
—	(28 115)	—	(10 380)	(2 537)	(184)	689 725	648 509	936	649 445	1 605	(179)	650 871
—	—	—	—	—	—	—	—	—	—	25 968	—	25 968
—	—	—	—	—	—	—	—	—	—	(97 312)	—	(97 312)
—	—	—	—	—	—	—	(69 681)	—	(69 681)	—	—	(69 681)
—	—	—	—	—	—	(35 026)	—	—	—	—	—	—
—	—	—	—	—	—	71 531	71 531	—	71 531	—	—	71 531
—	—	—	—	—	—	—	(4)	—	(4)	—	—	(4)
—	—	(5 054)	—	—	—	5 054	—	—	—	—	—	—
—	—	—	—	—	—	(1 566)	(1 566)	—	(1 566)	—	—	(1 566)
—	—	—	—	—	—	1 755	1 755	—	1 755	—	(1 357)	398
—	—	—	—	—	—	(8 449)	(8 449)	—	(8 449)	—	—	(8 449)
—	—	—	—	—	—	(70 550)	(70 550)	11 546	(59 004)	59 004	—	—
—	—	—	—	—	—	—	—	(11 546)	(11 546)	(59 004)	—	(70 550)
—	—	—	—	—	—	(320 788)	(320 788)	—	(320 788)	—	—	(320 788)
—	(87 928)	48 263	(13 447)	(850 650)	1 381	5 093 194	5 011 435	128 072	5 139 507	516 364	(1 211)	5 654 660

COMBINED CONSOLIDATED CASH FLOW STATEMENT

For the year to 31 March £'000	Notes	2025	2024 [^]
Cash flows from operating activities			
Profit before taxation adjusted for non-cash, non-operating items and other required adjustments	51	1 115 023	997 131
Taxation paid		(145 791)	(178 708)
Increase in operating assets	51	(2 570 311)	(2 395 897)
Increase in operating liabilities	51	1 033 287	1 708 927
Net cash (outflow)/inflow from operating activities		(567 792)	131 453
Cash flows from investing activities			
Cash flow on disposal of Group operations*		—	11 870
Cash flow on acquisition of Group operations, net of cash acquired		—	(28 559)
Derecognition of cash on disposal of subsidiaries*		—	(174 953)
Cash outflow on acquisition of associates and joint venture holdings	31	(5 405)	
Cash flow on capital reduction of associates and joint venture holdings	31	605	759
Cash flow on acquisition of property, equipment, software and other intangible assets	35/38	(16 994)	(18 983)
Cash flow on disposal of property, equipment, software and other intangible assets	35/38	32 836	496
Net cash inflow/(outflow) from investing activities		11 042	(209 370)
Cash flows from financing activities			
Dividends paid to ordinary shareholders	11	(320 788)	(296 712)
Dividends paid to other equity holders		(74 417)	(57 808)
Issue of shares to non-controlling interests		310	—
Repurchase of perpetual preference shares		—	246
Proceeds on issue of other Additional Tier 1 securities in issue	49	25 968	382 130
Repayment of other Additional Tier 1 securities in issue	49	(97 312)	(140 472)
Cash flow on acquisition of treasury shares, net of related costs		(69 681)	(96 295)
Share buyback of ordinary share capital		—	(17 408)
Proceeds on subordinated liabilities raised	43	21 059	52 169
Repayment of subordinated liabilities	43	—	(153 688)
Lease liabilities paid	42	(44 365)	(44 218)
Net cash outflow from financing activities		(559 226)	(372 056)
Effects of exchange rates on cash and cash equivalents		559	(95 500)
Net decrease in cash and cash equivalents		(1 115 417)	(545 473)
Cash and cash equivalents at the beginning of the year	51	7 252 177	7 797 650
Cash and cash equivalents at the end of the year	51	6 136 760	7 252 177

[^] Restated as detailed in note 61.

* Includes cash and cash equivalents derecognised from Investec Wealth & Investment Limited balance sheet as a result of the all-share combination with Rathbones Group PLC. There are no other cash flow impacts as a result of this transaction. Includes cash and cash equivalents derecognised from Investec Property Fund Limited (IPF) balance sheet as a result of the sale of IPF management companies and deconsolidation of IPF. There were additional cash flows relating to the IPF transaction included in cash flow on disposal/acquisition of Group operations, net of cash acquired above.

Included within net cash (outflow)/inflow from operating activities is interest received of £4.2 billion (2024: £3.9 billion), interest paid of £2.9 billion (2024: £2.5 billion) and dividends received of £32.6 million (2024: £35.3 million).

Cash flows from discontinued operations for the year to 31 March 2024

Cash inflows from operating activities of £39.1 million, cash outflows from investing activities of £10.2 million and cash outflows from financing activities of £72.9 million were incurred in the year relating to discontinued operations. Cash flows from discontinued operations have been included in the consolidated statement of cash flow above.

ACCOUNTING POLICIES

Basis of presentation

The Group annual financial statements are prepared in accordance with UK adopted international accounting standards and with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS® Accounting Standards) as issued by the International Accounting Standards Board (IASB).

As stated on page 5, the directors consider that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

The accounting policies adopted by the Group are consistent with the prior year and those standards and amendments that became effective in the current year had no material impact on the Group.

The Group annual financial statements have been prepared on a historical cost basis, except otherwise indicated.

Presentation of information

Capital disclosures relating to the nature and extent of risks have been included in sections marked as audited in the risk management report on pages 89 to 97 of the Investec Group's 2025 risk and governance report.

Basis of consolidation

Investec consists of two separate legal entities, being Investec plc and Investec Limited that operate under a dual listed Company (DLC) structure (Group). The effect of the DLC structure is that Investec plc and its subsidiaries and Investec Limited and its subsidiaries operate together as a single economic entity, with neither assuming a dominant role and accordingly are reported as a single reporting entity under IFRS.

All subsidiaries or structured entities are consolidated when the Group controls an investee. The Group controls an investee if it is exposed to, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial results of subsidiaries are included in the consolidated annual financial statements of the Group from the date on which control is obtained until the date the Group can no longer demonstrate control.

The Group performs a reassessment of control whenever there is a change in the substance of the relationship between the Group and an investee. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interests and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Entities, other than subsidiary undertakings, in which the Group exercises significant influence or joint control over operating and financial policies, are treated as interests in associated undertakings and joint venture holdings. Interests in associated undertakings and joint venture holdings held with strategic intention, are accounted for using the equity method from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. These are presented as Interests in associated undertakings and joint venture holdings on the balance sheet. In circumstances where interests in associated undertakings and joint venture holdings arise in which the Group has no strategic intention, these investments are held for capital appreciation and/or investment income and are classified as 'venture capital' holdings and are elected as held at fair value through profit or loss. These are presented within investment portfolio on the balance sheet.

For equity accounted associates and joint venture holdings, the combined consolidated annual financial statements include the attributable share of the results and reserves of associated undertakings and joint venture holdings. The Group's interests in associated undertakings and joint venture holdings are included in the consolidated balance sheet at cost plus the post-acquisition changes in the Group's share of the net assets of the associated undertakings and joint venture holdings.

After application of the equity method, management evaluates if there is objective evidence that its net investment in the associate or joint venture is impaired and therefore that an impairment test is necessary.

Because goodwill forms part of the carrying amount of the net investments in an associate or a joint venture, it is not separately recognised, therefore it is not tested for impairment separately. Instead, the entire carrying amount of the investment is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount.

The consolidated balance sheet reflects the associated undertakings and joint venture holdings net of accumulated impairment losses.

All intergroup balances, transactions and unrealised gains or losses within the Group that do not reflect an impairment to an asset are eliminated in full regarding subsidiaries and to the extent of the interest in associated undertakings and joint venture holdings.

ACCOUNTING POLICIES CONTINUED

Segmental reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, where operating results are reviewed regularly by chief operating decision-makers who are considered to be executive members of the Board and for which discrete financial information is available.

The Group's segmental reporting is presented in the form of a business analysis. The business analysis is presented in terms of the Group's four principal business divisions per geography namely, Wealth & Investment, Private Banking, Corporate and Investment Banking, and Other and Group Investments. Group costs that are disclosed separately largely relate to Group brand and marketing costs and a portion of executive and support functions which are associated with Group-level activities. These costs are not incurred by the operating divisions and are necessary to support the operational functioning of the Group.

A geographical analysis is also presented in terms of the main geographies in which the Group operates representing the Group's exposure to various economic environments.

For further detail on the Group's segmental reporting basis, refer to pages 62 to 87 of the divisional review section of the Investec Group's 2025 integrated and strategic annual report.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at the acquisition date fair value and the amount of any prior non-controlling interests in the acquiree. For each business combination, the Group measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed immediately in the income statement.

When the Group acquires a business, it identifies all assets and liabilities of the business and recognises these at fair value at the time of the acquisition. It also assesses the financial assets and liabilities assumed for appropriate classification and the designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through the income statement.

Any contingent consideration to be transferred by the Group will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, which is deemed to be an asset or liability, will be recognised in accordance with IFRS 9 at fair value through profit or loss. If the contingent consideration is classified as equity, it will not be remeasured until it is finally settled within equity.

Goodwill is initially measured at cost, being the difference between the consideration transferred and the net identifiable assets acquired and liabilities assumed less the amount recognised for non-controlling interests. If this consideration is less than Investec's share of the fair values of the identifiable net assets acquired, the discount on acquisition is recognised directly in the income statement as a gain in the year of acquisition.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. The Group tests goodwill acquired in a business combination for impairment annually, irrespective of whether an indication of impairment exists and in accordance with IAS 36.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination.

Where goodwill forms part of a cash-generating unit, and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.

Goodwill disposed of in these circumstances is measured based on the relative values of the operation disposed of and the portion of the cash-generating units retained.

Discontinued operations

A disposal group qualifies as a discontinued operation if it is a component of an entity that has either been disposed of or is classified as held for sale and represents a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the income statement.

All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise. Additional disclosures are provided in note 12.

Share-based payments to employees

The Group engages in equity-settled and in certain limited circumstances cash-settled share-based payments in respect of services received from employees.

ACCOUNTING POLICIES CONTINUED

The fair value of the services received in respect of equity-settled share-based payments is determined by reference to the fair value of the shares or share options on the date of grant to the employee. The cost of the share-based payment is recognised in the income statement over the period the service conditions of the grant are met, with the amount changing according to the number of awards expected to vest, and a corresponding increase is recognised in equity. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

Fair value measurements are based on option pricing models, taking into account the risk-free interest rate, volatility of the underlying equity instrument, expected dividends and share prices at grant date.

Where the terms of an equity-settled award are modified, the minimum expense recognised in staff costs is the expense as if the terms had not been modified. An additional expense is recognised for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

The liability, in respect of cash-settled share-based payments, is recognised at the current fair value taking into account the terms and conditions on which the share appreciation rights were granted, and the extent to which the employees have rendered the service to date. The change in fair value is recognised in the income statement. Subsequent to vesting the liability is measured at fair value, with gains and losses recognised in the income statement until such time as the liability is settled.

The loss of control of an employing subsidiary of the Group gives rise to an acceleration of the equity-settled share-based payments charge for the related employees and, on loss of control, the Group recognises the amount that would have been recognised for the award if it remained in place on its original terms.

Employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the undiscounted amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The long-term employment benefits liability relates to the obligation of the Investec Group to deliver cash or other financial instruments to employees over a predetermined vesting period. The fair value of this liability is calculated by applying the Black-Scholes option pricing model at each reporting date. The changes in fair value will be recognised as an employee benefit expense. The liability is included in other liabilities on the balance sheet.

The Group operates various defined contribution schemes. In respect of the defined contribution schemes, all employer contributions are charged to the income statement as incurred, in accordance with the rules of the scheme, and included under staff costs.

Foreign currency transactions and foreign operations

The presentation currency of the Group is Pound Sterling, being the functional currency of Investec plc. The functional currency of Investec Limited is South African Rand.

Foreign operations are subsidiaries, interests in associated undertakings and joint venture holdings or branches of the Group, the activities of which are based in a functional currency other than that of the reporting entity. The functional currency of Group entities is determined based on the primary economic environment in which the entity operates.

Foreign currency transactions are translated into the functional currency of the entity in which the transactions arise, based on rates of exchange ruling at the date of the transactions.

At each balance sheet date foreign currency items are translated as follows:

- Monetary items (other than monetary items that form part of the net investment in a foreign operation) are translated using closing rates, with gains or losses recognised in the income statement
- Exchange differences arising on monetary items that form part of the net investment in a foreign operation are determined using closing rates and are initially recognised through other comprehensive income as a separate component of equity (foreign currency reserve) upon consolidation and are reclassified to the income statement upon disposal of the net investment
- Non-monetary items that are measured at historical costs are translated using the exchange rates ruling at the date of the transaction. Non-monetary items that are measured at fair value are translated using the exchange rate at the date of the valuation, with movements due to changes in foreign currency being presented in terms of the accounting policy for changes in the fair value movement of the respective item.

On consolidation, the results and financial position of foreign operations are translated into the presentation currency of the Group, as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet
- Income and expense items are translated at exchange rates ruling at the date of the transaction
- All resulting exchange differences are recognised in other comprehensive income (foreign currency translation reserve)
- Cash flow items are translated at the exchange rates ruling at the date of the transactions.

ACCOUNTING POLICIES CONTINUED

On loss of control or disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation recognised in other comprehensive income is reclassified from equity to profit or loss.

Revenue recognition

Revenue consists of interest income, fee and commission income, investment income, trading income arising from customer flow, trading income arising from balance sheet management and other trading activities, share of post-taxation profit of associates and joint venture holdings and other operating income.

Interest income

Interest income on debt instruments at amortised cost and FVOCI is recognised in the income statement using the effective interest method. Calculation of the effective interest rate takes into account fees payable or receivable that are an integral part of the instruments yield, premiums or discounts on acquisition or issue, early redemption fees and transaction costs.

The effective interest method is based on the estimated life of the underlying instrument and, where this estimate is not readily available, the contractual life. Interest on instruments at fair value through profit or loss are recognised based on the contractual rates.

Fee and commission income

Fee and commission income includes revenue from contracts with customers earned from transactional banking fees, providing advisory services as well as portfolio management and includes rental income from investments (including properties and aircraft) and insurance income.

Revenue from contracts with customers is recognised in accordance with five steps to: identify the contract; identify the performance obligations; determine the transaction price; allocate the transaction price to the performance obligations; and recognise revenue when the performance obligations are satisfied.

Investment advisory and management fees are earned over the period in which the services are provided. Performance fees can be variable and recognition is constrained until such time as it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and the services related to the transactions have been completed under the terms of the contract.

Rental income arises from operating leases and is recognised on a straight-line basis over the lease term.

Insurance income is recognised in terms of the premium allocation approach under IFRS 17 Insurance Contracts.

Rewards programme

The Group has a Rewards programme whereby account cardholders are awarded Rewards points in proportion to eligible transactions and balances. Rewards points may be redeemed at a later stage for cash, other financial instruments or a cash voucher at a variety of lifestyle, shopping, travel, charitable and financial partners. Rewards points earned by clients are considered to be a cash payment to customers as opposed to the provision of a good or service. As a result, the costs to provide cardholders with these rewards are considered to be a reduction to the transaction prices and therefore, a reduction to fee and commission income, with the obligation to settle these points reflected in other liabilities until such time as they are redeemed. Rewards points earned by clients do not have an expiration date.

Investment income

Investment income includes income, other than margin arising on securities held for the purpose of generating interest yield, dividends and capital appreciation. Dividend income is recognised when the Group's right to receive payment is established.

Other sources of income

Trading income arises from customer flow and balance sheet management and other trading activities.

Customer flow trading income includes income from trading activities arising from making and facilitating client activities.

Trading income arising from balance sheet management and other trading activities consists of proprietary trading income and other gains or losses arising from balance sheet management. Trading income includes the profit on trading portfolios, which are marked-to-market daily.

Included in other operating income is incidental rental income, gains on realisation of properties (other than investment properties which is included in investment income), operating lease income, income from assurance activities and revenue from other investments. Operating costs associated with these investments are included in operating costs in the income statement.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of an asset or a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument.

ACCOUNTING POLICIES CONTINUED

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The Group classifies disclosed fair values according to a hierarchy that reflects the significance of observable market inputs.

A transfer is made between the hierarchy levels when the inputs have changed or there has been a change in the valuation method. Transfers are deemed to occur at the end of each semi-annual reporting period.

Financial instruments

Financial instruments are initially recognised at their fair value. For financial assets or financial liabilities not held at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities are included in the initial measurement. All other transaction costs are recorded in the income statement immediately. Regular way purchase and sales transactions in respect of financial assets that require delivery of a financial instrument within the time frame established by market convention are recorded at trade date.

Financial assets are classified as at fair value through profit or loss (FVPL) if they are equity instruments or derivative instruments, while debt instruments are classified based on the business model and characteristics of related cash flows. Financial liabilities are classified as at amortised cost other than trading liabilities and derivative instruments, which are classified as at FVPL.

However, the Group may make the following irrevocable election/designation at initial recognition of a financial asset on an asset-by-asset basis:

- Elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies, in OCI
- A debt instrument that meets the amortised cost or FVOCI criteria as measured at FVPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option)
- Financial liabilities may also be designated as at FVPL when doing so results in more relevant information, because either it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases; or a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis. In addition, where a financial liability contract contains one or more embedded derivatives (which significantly modifies the cash flows that would be required by the contract and is not clearly prohibited from separation from the host contract), the Group may designate the entire hybrid contract as a financial instrument at FVPL.

Debt instruments are typically designated at fair value when they incur interest at a fixed rate. The Group enters into derivatives based on the contractual or behavioural term of the instruments, as appropriate, to protect against movements in market interest rates as an economic hedge, therefore the designation allows for the elimination of an accounting mismatch arising on fair value movements on these derivatives.

Certain financial instruments acquired to back investment policies issued by the Group are required to be measured at fair value through profit or loss. In order to eliminate an accounting mismatch that may arise between these assets and the corresponding liabilities, both these liabilities and assets not required to be measured at fair value are designated as such.

Business model assessment

For financial assets, IFRS 9 requires that a business model assessment is carried out which reflects how the Group manages the assets in order to generate cash flows. The assessment is at a portfolio level, being the level at which a group of investments is managed. Factors considered by the Group in determining the business model for a portfolio include past experience on how the cash flows for these assets were collected, how the assets' performance is evaluated and reported and how risks are assessed and managed.

The standard sets out different types of business models:

- **Hold to collect:** it is intended to hold the asset to maturity to earn interest, collecting repayments of principal and interest from the customer. These assets are accounted for at amortised cost
- **Hold to collect and sell:** this model is similar to the hold to collect model, except that the entity may elect to sell some or all of the assets before maturity to achieve the objectives of the business model. These assets are accounted for at FVOCI
- **Hold to sell/managed on a fair value basis:** the entity originates or purchases an asset with the intention of disposing of it in the short or medium term to benefit from capital appreciation or the portfolio is managed on a fair value basis. These assets are accounted for at FVPL.

ACCOUNTING POLICIES CONTINUED

Solely payments of principal and interest (SPPI)

The Group assesses whether the asset's cash flows represent solely payments of principal and interest (the SPPI test). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement (i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement). Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related asset is classified and measured at FVPL.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Financial instruments measured at amortised cost

Financial assets that are debt instruments are held to collect the contractual cash flows and that contain contractual terms that give rise to cash flows that are solely payments of principal and interest, such as most loans and advances to banks and customers and some debt securities, are measured at amortised cost. In addition, most financial liabilities are measured at amortised cost.

The Group may commit to provide a loan which has not yet been drawn. When the loan that arises from the lending commitment is expected to meet the criteria to be measured at amortised cost, the undrawn commitment is also considered to be and is included in the impairment calculation.

The carrying value of these financial assets at initial recognition includes any directly attributable transaction costs. If the initial fair value is lower than the cash amount advanced, such as in the case of some leveraged finance and syndicated lending activities, the difference is deferred and recognised over the life of the loan through the recognition of interest income, unless the loan is credit impaired.

Financial assets measured at fair value through other comprehensive income (FVOCI)

Financial assets held for a business model that is achieved by both collecting contractual cash flows and selling and that contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest are measured at FVOCI. They are recognised on the trade date when the Group enters into contractual arrangements to purchase and are normally derecognised when they are either sold or redeemed.

They are subsequently remeasured at fair value and changes therein (except for those relating to impairment, interest income and foreign currency exchange gains and losses) are recognised in other comprehensive income until the assets are sold. Upon disposal, the cumulative gains or losses in other comprehensive income are recognised in the income statement in investment income.

Financial assets measured at FVOCI are included in the impairment calculations set out below and impairment is recognised in profit or loss.

The Group measures equity instruments at FVOCI when it considers the investments to be strategic or held for long-term dividend yield. The equity instruments are not held for trading. Gains and losses on financial assets that are equity instruments are never recycled to the income statement. Dividends are recognised in the income statement within investment income when the right of the payment has been established. Equity instruments at FVOCI are not subject to an impairment assessment.

Impairment of financial assets held at amortised cost or FVOCI

At each balance sheet date, each financial asset or portfolio of advances categorised at amortised cost or at FVOCI, issued financial guarantee and loan commitment is measured for ECL impairment.

The costs of loss allowances on assets held at amortised cost and at FVOCI are presented as 'expected credit loss impairment (charges)/release' in the income statement. Allowances in respect of financial guarantees and loan commitments are presented as other liabilities and charges recorded within the same line the income statement. Financial assets held at amortised cost are presented net of allowances, except where the asset has been wholly or partially written off.

Stage 1

Financial assets that are considered performing and have not had a significant increase in credit risk are reported as Stage 1 assets. Stage 1 financial assets have loss allowances measured at an amount equal to a 12-month ECL.

Stage 2

Financial assets are considered to be in Stage 2 when their credit risk has increased significantly since initial recognition. A loss allowance equivalent to a lifetime ECL is required to be held.

The Group's primary indicator for Stage 2 assets are distressed loans, potential problem loans and exposures in arrears that require additional attention and supervision from watchlist committees and are under management review.

Assets in forbearance are considered to be, at a minimum, Stage 2. Forbearance measures refer to concessions such as *modification of the terms and conditions or refinancing* that has been granted to a debtor in financial difficulty. These exposures are assessed on a case-by-case basis to determine whether the proposed modifications will be considered as forbearance. Where the Credit Committee considers it likely that the client will be able to return to perform against the original contractual obligations within a reasonable time frame these assets will be considered performing and in Stage 2. Forbearance is distinguished from commercial renegotiations which take place as part of normal business activity and standard banking practice.

ACCOUNTING POLICIES CONTINUED

In addition to loans under management review, an asset may also move from Stage 1 to Stage 2 if the model calculated probability of default (PD) has significantly increased since origination. This is tested on both a relative and absolute basis to assess whether a significant deterioration in lifetime risk of default has occurred. Currently in the UK, there is a common definition across the Bank's exposures regarding what constitutes a significant PD movement. The test involves both an absolute and relative movement threshold. An asset is considered to have been subjected to a significant increase in credit risk if the appropriate PD has doubled relative to the value at origination and on an absolute basis has increased by more than 1%. Any asset with an original rating that is classified as investment grade will be judged to have had a significant movement if the new PD would classify it as sub-investment grade and the equivalent rating has moved by more than three notches. In South Africa, the change in the lifetime PD from deal origination to the reporting date is monitored monthly. The absolute and relative changes in lifetime PDs are tested against predefined trigger levels. When the change in lifetime PDs exceeds the trigger levels, it is considered a significant increase in credit risk and the exposure is migrated to Stage 2. The trigger levels have been defined for each asset class and are a function of the internal credit rating and the remaining maturity of the exposure.

The Group adopts the view that all financial assets that are more than 30 days past due have experienced a significant increase in credit risk.

Exposures move back to Stage 1 once they no longer meet the criteria above for a significant increase in credit risk and as cure periods (specifically relating to forbore exposures) are met.

Stage 3

Financial assets are included in Stage 3 when there is objective evidence of credit impairment. The Group assesses a loan as Stage 3 when contractual payments of either principal or interest are past due for more than 90 days, the debtor is assessed as unlikely to pay and credit impaired, or the loan is otherwise considered to be in default, for example, due to the appointment of an administrator or the client is in receivership. Forborne loans that are considered non-performing, for example, if a loan is not expected to meet the original contractual obligations in a reasonable time frame, will be classified as Stage 3. Loans which are 90 days or more past due are considered to be in default.

The Group applied the effective interest rate on Stage 3 assets to the amortised cost of the financial asset (i.e. gross carrying amount less ECL allowance) instead of its gross carrying amount and incorporates the impact of the ECLs in estimated future cash flows.

Definition of default

The Group has aligned the IFRS 9 and regulatory definitions of default, credit impaired and non-performing exposure. Assets that are more than 90 days past due, or considered by management as unlikely to pay their obligations in full without realisation of collateral are considered as exposures in default.

ECL

The assessment of credit risk and the estimation of ECL are required to be unbiased, probability-weighted and should incorporate all available information relevant to the assessment, including information about past events, current conditions and reasonable and supportable forecasts of economic conditions at the reporting date. In addition, the estimation of ECL should take into account the time value of money. As a result, the recognition and measurement of impairment is intended to be forward-looking and therefore, potentially volatile.

Write-offs

The Group has developed specific guidelines on write-off aimed at granting full compliance with IFRS 9 and the document 'Guidance to banks on non-performing loans' issued by the European Central Bank.

A loan or advance is written off in full against the related ECL impairment allowance when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is assessed on a case-by-case basis with considerations to indicators such as whether the exposure has been restructured or the given financial position of the borrower and guarantors. Any recoveries of amounts previously written off decrease the amount of impairment losses.

Cured assets

Loans and advances are regularly assessed to determine whether conditions which led to a significant increase in credit risk or impairment still exist. Where applicable, the cured asset will move to the appropriate performing stage which reflects the re-assessed credit risk in line with our Arrears, default and recovery (ADR) policy which is aligned to the applicable Regulatory requirements.

Process to determine ECL

ECL is calculated using three main components:

- A probability of default (PD)
- A loss given default (LGD)
- The exposure at default (EAD).

ACCOUNTING POLICIES CONTINUED

The 12-month and lifetime PDs represent the probability of a default occurring over the next 12 months or the lifetime of the financial exposures, respectively, based on conditions existing at the balance sheet date and future forecast macro-economic conditions that affect credit risk.

The LGD represents losses expected on default, taking into account the mitigating effect of collateral and guarantees that are integral to the instrument, the expected value when realised and the time value of money. The forecast value for the collateral is also affected by the range of forward-looking probability weighted macro-economic scenarios.

The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdown of a committed facility.

The calculation of the 12-month ECL is based on the 12-month PD and LGD along with the EAD and EIR for the asset. Lifetime ECL is calculated using the lifetime PD curve, and the appropriate LGDs and EADs, and discount rates using the EIR for the remaining life of the financial asset.

Expert judgement models or appropriate proxies for PDs are also utilised for certain portfolios where the ECL is found to be minimal, either due to the portfolio's small relative size or the low default nature of these portfolios, such as cash and balances held at central banks.

Management adjustments are made to modelled output to account for situations where additional information and known or expected risk factors have not been captured in the modelling process.

Financial instruments held at fair value through profit and loss

Financial instruments held at fair value through profit or loss include all instruments classified as held for trading, those instruments designated as held at fair value through profit or loss, those financial assets which do not meet the criteria for amortised cost or FVOCI and derivative financial instruments.

Financial instruments classified as FVPL are initially recorded at fair value on the balance sheet with changes in fair value subsequently recognised in the income statement. Financial instruments are classified as held for trading when they are held with the intention of short-term disposal, held with the intention of generating short-term profit, or are derivatives which are not designated as part of effective hedges. Financial instruments designated as held at fair value through profit or loss are designated as such on initial recognition of the instrument and remain in this classification until derecognition.

Changes in fair value of financial liabilities designated at fair value that is attributable to changes in own credit risk is recognised in other comprehensive income. Any other changes in fair value are recognised in the income statement.

Securitisation/credit investment and trading activities exposures

The Group makes use of securitisation vehicles as a source of finance, as a means of risk transfer and to leverage returns through the retention of equity tranches in low default rate portfolios. The Group predominantly focuses on the securitisation of residential and commercial mortgages and lease receivables. The Group also trades in structured credit investments.

The structured entities are consolidated under IFRS 10 Consolidated Financial Statements when the Group has exposure to or rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Loans and advances that are originated are transferred to structured entities, and the structured entities issue debt securities to external investors to fund the purchase of the securitised assets. When the Group consolidates the structured entity, the Group recognises the assets and liabilities on a gross basis. When the Group does not consolidate the structured entity, the securitised assets are derecognised and only any position still held by the Group in the structured entity is reflected.

Day-one profit or loss

When the transaction price differs from the fair value of other observable current market transactions in the same instrument or based on the valuation technique whose variables include only data from observable markets, the difference between the transaction price and fair value is recognised immediately in the income statement. In cases where fair value is determined using data which is not observable, the difference between the transaction price and model value is only recognised in the income statement when the inputs become observable, when the instrument is derecognised or over the life of the transaction only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Derecognition of financial assets and liabilities

A financial asset, or a portion thereof, is derecognised when the Group's rights to cash flows have expired or when the Group has transferred its rights to cash flows relating to the financial assets and either (a) the Group has transferred substantially all the risks and rewards associated with the financial assets or (b) the Group has neither transferred nor retained substantially all the risks and rewards associated with the financial assets but has transferred control of the assets.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

ACCOUNTING POLICIES CONTINUED

The treatment of a renegotiation or modification of the contractual cash flows of a financial asset depends upon whether the modification is considered significant. If they are significant the old asset is derecognised and a new asset recognised.

A financial liability is derecognised when it is extinguished, that is when the obligation is discharged, cancelled or expired. When an existing financial liability is replaced or modified with substantially different terms, such a replacement or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

Reclassification of financial instruments

Financial assets are only reclassified where there has been a change in business model. Certain financial liabilities can be reclassified to equity.

Derivative instruments

All derivative instruments of the Group are recorded on the balance sheet at fair value. Positive and negative fair values are reported as assets and liabilities, respectively.

Derivative positions are entered into either for trading purposes or as part of the Group's asset and liability management activities to manage exposures to foreign currency, interest rate and equity risks. Both realised and unrealised profit or losses arising on derivatives are recognised in the income statement as part of trading income (other than circumstances in which cash flow hedging is applied as detailed in the hedge accounting section below).

Derivative instruments entered into as economic hedges which do not qualify for hedge accounting and derivatives that are entered into for trading purposes are treated in the same way as instruments that are held-for-trading.

Credit derivatives are entered into for trading purposes. Credit derivatives are initially recognised at their fair values, being the transaction price of the derivative. Subsequently the derivatives are carried at fair value, with movements in fair value through the income statement, based on the current market price or remeasured price. The counterparty risk from derivative transactions is taken into account when reporting the fair value of derivative positions. The adjustment to the fair value is known as the credit value adjustment (CVA).

Hedge accounting

When the Group first implemented IFRS 9, it made an election to continue to apply the hedge accounting requirements of IAS 39 as an accounting policy.

The Group applies either fair value, cash flow hedge or hedge of net investments in foreign operations accounting when the transactions meet the specified hedge accounting criteria.

To qualify for hedge accounting treatment, the Group ensures that all of the following conditions are met:

- At inception of the hedge, the Group formally documents the relationship between the hedging instrument(s) and hedged item(s) including the risk management objectives and the strategy in undertaking the hedge transaction. Also at the inception of the hedge relationship, a formal assessment is undertaken to ensure the hedging instrument is expected to be highly effective in offsetting the designated risk in the hedged item. A hedge is expected to be highly effective if the changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated are expected to offset in a range of 80% to 125%
- For cash flow hedges, a forecasted transaction that is the subject of the hedge must be highly probable and must present an exposure to variations in cash flows that could ultimately affect the income statement
- The effectiveness of the hedge can be reliably measured, i.e. the fair value or cash flows of the hedged item that are attributable to the hedged risk and the fair value of the hedging instrument can be reliably measured
- The hedge effectiveness is assessed on an ongoing basis and determined actually to have been highly effective throughout the financial reporting periods for which the hedge was designated.

For qualifying fair value hedges, the change in fair value of the hedging instrument is recognised in the income statement. Changes in fair value of the hedged item that are attributable to the hedged risk are also recognised in the income statement.

For qualifying cash flow hedges in respect of non-financial assets and liabilities, the change in fair value of the hedging instrument relating to the effective portion is initially recognised directly in other comprehensive income in the cash flow hedge reserve and is included in the initial cost of any asset/liability recognised or in all other cases released to the income statement when the hedged firm commitment or forecasted transaction affects net profit. If the forecast transaction or firm commitment is no longer expected to occur, the balance included in other comprehensive income is reclassified to the income statement immediately and recognised in trading income from balance sheet management and other trading activities.

For qualifying cash flow hedges in respect of financial assets and liabilities, the change in fair value of the hedging instrument, which represents an effective hedge, is initially recognised in other comprehensive income and is reclassified to the income statement in the same period during which the relevant financial asset or liability affects the income statement. Any ineffective portion of the hedge is immediately recognised in the income statement.

For qualifying hedges of a net investment in a foreign operation including a hedge of a monetary item that is accounted for as part of the net investment are accounted for in a way similar to cash flow hedges. Changes in the fair value of the hedging instrument

ACCOUNTING POLICIES CONTINUED

relating to the effective portion of the hedge are recognised in other comprehensive income while any gains or losses relating to the ineffective portion are recognised in the income statement. On disposal of the foreign operation, the cumulative value of any such gain or loss recorded in other comprehensive income is reclassified to the income statement.

Hedge accounting is discontinued when it is determined that the instrument ceases to be highly effective as a hedge; when the derivative expires, or is sold, terminated or exercised; when the hedged item matures or is sold or repaid; when a forecasted transaction is no longer deemed highly probable or when the designation as a hedge is revoked.

Sources of hedge ineffectiveness may arise from basis risk, including but not limited to the discount rates used for calculating the fair value of derivatives, hedges using instruments with a non-nil fair value at the date of recognition, and notional and timing differences between the hedged items and hedging instruments.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset when there is both an intention to settle on a net basis (or simultaneously) and a currently enforceable legal right to offset exists.

Issued debt and equity financial instruments

Financial instruments issued by the Group are classified as liabilities if they contain a contractual obligation to deliver cash or another financial asset.

Financial instruments issued by the Group are classified as equity where they confer on the holder a residual interest in the Group, and the Group has no obligation to deliver either cash or another financial asset to the holder. The components of compound issued financial instruments are accounted for separately with the liability component separated first and any residual amount being allocated to the equity component.

Equity instruments issued by subsidiaries of Investec plc or Investec Limited are recorded as non-controlling interests on the balance sheet.

Equity instruments are initially measured net of directly attributable issue costs.

Treasury shares represent issued equity repurchased by the Group which have not been cancelled. Treasury shares are deducted from shareholders' equity and are held at acquisition cost plus related transaction costs. Where treasury shares are subsequently sold or reissued, net proceeds received are included in shareholders' equity.

Dividends on ordinary shares are recognised as a deduction from equity at the earlier of payment date or the date that it is approved by Investec plc (in relation to dividends declared by Investec plc) and Investec Limited (in relation to dividends declared by Investec Limited) shareholders.

Non-sovereign and non-bank cash placements

Non-sovereign and non-bank cash placements relates to overnight deposits placed with large corporate clients contractually callable on demand.

Sale and repurchase agreements (including securities borrowing and lending)

Securities sold subject to a commitment to repurchase, at a fixed price or a selling price plus a lender's return, remain on-balance sheet. Proceeds received are recorded as a liability on the balance sheet under 'repurchase agreements and cash collateral on securities lent'. Securities that are purchased under a commitment to resell the securities at a future date are not recognised on the balance sheet. The consideration paid is recognised as an asset under 'reverse repurchase agreements and cash collateral on securities borrowed'.

Where sovereign debt securities have been purchased at the same time as derivatives with the same counterparty, such that the combined position has the economic substance similar to secured lending, an asset is recognised under 'reverse repurchase agreements and cash collateral on securities borrowed'.

The difference between the sale and repurchase prices is treated as interest expense and is accrued over the life of the agreement using the effective interest method.

Securities borrowing transactions that are not cash collateralised are not included on the balance sheet. Securities lending and borrowing transactions which are cash collateralised are accounted for in the same manner as securities sold or purchased subject to repurchase commitments.

The cash collateral from agency-based scrip lending transactions are presented on a net basis, in accordance with master netting agreements and the intention to settle net.

Insurance contracts

Insurance contracts are those contracts in which the Group assumes significant insurance risk. Reinsurance contracts are insurance contracts issued by a reinsurer to compensate the Group for claims arising from one or more insurance contracts issued by the Group. An assessment of significant insurance risk is made only once, being at contract inception. If a contract is deemed to be within the scope of IFRS 17, it remains an insurance contract until all rights and obligations are extinguished (i.e. discharged, cancelled or expired) or until the contract is derecognised because of a contract modification. Where the terms of an insurance

ACCOUNTING POLICIES CONTINUED

contract are modified, the Group derecognises the original contract and recognises a new contract, applying IFRS 17 or other applicable standard.

Insurance contracts and reinsurance contracts are measured using the Premium Allocation Approach (PAA). This is for contracts with a short boundary, a coverage period of less than 12 months or where it meets the eligibility criteria.

The insurance and reinsurance contract assets or liabilities are determined with reference to what is included in the liability for remaining coverage (LRC) and the liability for incurred claims (LIC). For reinsurance contract assets or liabilities, this is referred to as the asset for remaining coverage (ARC) and the asset recoverable on incurred claims (ARIC). Portfolios that are in an asset position are presented separately from those in a liability position. The Group reduces the LRC and recognises insurance revenue as it provides insurance contract services. The insurance service result, which is the separate recognition of insurance revenue and insurance service expenses is included in the fee and commission income on the income statement.

Financial guarantees

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due, in accordance with the terms of a debt instrument. Financial guarantees issued by the Group are not classified as insurance contracts and are initially recognised at fair value.

Subsequent to initial recognition, the liability under each guarantee is measured at the higher of the amount recognised less cumulative amount of income recognised in accordance with IFRS 15 and the best estimate of expected credit loss calculated for the financial guarantee. Subsequent to initial measurement, all changes in the balance sheet carrying value are recognised in the income statement.

Property and equipment

Property and equipment are recorded at cost less accumulated depreciation and impairments.

Cost is the cash equivalent paid or the fair value of the consideration given to acquire an asset and includes other expenditures that are directly attributable to the acquisition of the asset.

Depreciation is provided on the depreciable amount of each component on a straight-line basis over the expected useful life of the asset.

The depreciable amount related to each asset is determined as the difference between the cost and the residual value of the asset. The residual value is the estimated amount, net of disposal costs that the Group would currently obtain from the disposal of an asset in similar age and condition as expected at the end of its useful life.

The current and comparative annual depreciation rates for each class of property and equipment are as follows:

- Equipment 10% – 33%
 - Furniture and vehicles 10% – 25%
 - Freehold properties 2% – 4%
 - Leasehold property and improvements*
 - Right-of-use assets*
- * Leasehold improvements depreciation rates are determined by reference to the appropriate useful life of its separate components, limited to the period of the lease. Leasehold property and right-of-use asset depreciation rates are determined by reference to the period of the lease.

No depreciation is provided on freehold land. However, similar to other property-related assets, it is subject to impairment testing when an indication of impairment exists.

Routine maintenance and service costs for Group assets are expensed as incurred. Subsequent expenditure is only capitalised if it is probable that future economic benefits associated with the item will flow to the Group.

Property and equipment are derecognised on disposal or when no future economic benefits are expected to be realised.

Investment properties

Properties held for capital appreciation or rental yield are classified as investment properties. Investment properties are initially measured at cost plus transaction costs and subsequently carried at fair value, with fair value gains or losses recognised in the income statement in investment income.

Fair values of investment property is calculated by taking into account the expected rental stream associated with the property, and are supported by market evidence.

Leases

At inception of a contract the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use

ACCOUNTING POLICIES CONTINUED

- The Group has the right to direct the use of the asset.

As a lessee, the Group recognises a right-of-use (ROU) asset and a lease liability at the lease commencement date.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted at the rate implicit in the lease, or, where that is not available, at the Group's incremental borrowing rate.

The lease liability will increase for the accrual of interest, and will result in a constant rate of return throughout the life of the lease, and reduce when payments are made.

The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any indirect costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is subsequently remeasured when there is a change in future lease payments arising from a change in index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

Where the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in the income statement if the carrying amount of the ROU asset has been reduced to zero.

The Group has elected not to recognise ROU assets and lease liabilities for low value assets and short-term leases that have a lease term of 12 months or less. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

When the Group is the lessor, the lease must be classified as either a finance lease or an operating lease. A finance lease is a lease which confers substantially all the risks and rewards of the leased assets on the lessee. An operating lease is a lease where substantially all of the risks and rewards of the leased asset remain with the lessor.

When the lease is deemed a finance lease, the leased asset is not held on the balance sheet; instead a finance lease receivable is recognised representing the minimum lease payments receivable under the terms of the lease, discounted at the rate of interest implicit in the lease.

When the lease is deemed an operating lease, the lease income is recognised on a straight-line basis over the period of the lease unless another systematic basis is more appropriate.

On the balance sheet, the ROU assets are included within property and equipment unless the asset is held for investment purposes, in which case the nature of the investment will determine the presentation. Finance lease receivables are ordinarily included within loans and advances to customers but are included in other assets where the Group holds a head lease and the sublease arrangement with external parties is a finance lease. Lease liabilities are included within other liabilities.

Trading properties

Trading properties are carried at the lower of cost and net realisable value.

Software and other acquired intangible assets

Software and other acquired intangible assets are recorded at cost less accumulated amortisation and impairments. Software and intangible assets with a finite life are amortised over the useful life on a straight-line basis. Amortisation of each asset starts when it becomes available for use. The depreciable amount related to each asset is determined as the difference between the cost and the residual value of the asset.

The current and comparative annual amortisation rates for each class of intangible assets are as follows:

- Client relationships 8 to 20 years
- Acquired software 3 to 7 years
- Internally generated software 5 years

Impairment of non-financial assets

At each balance sheet date, the Group reviews the carrying value of non-financial assets, other than investment property, for indication of impairment. The recoverable amount, being the higher of fair value less cost of disposal and value-in-use, is determined for any assets for which an indication of impairment is identified, and in the case of cash generating units containing goodwill, annually. If the recoverable amount of an asset is less than its carrying value, the carrying value of the asset is reduced to its recoverable amount.

Impairment losses are recognised as an expense in the income statement in the period in which they are identified. Reversals of impairment losses are recognised in income in the period in which the reversals are identified, to the extent that the carrying value of the asset does not exceed the amount that would have been calculated without impairment.

ACCOUNTING POLICIES CONTINUED

Non-current assets held for sale

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Assets in the measurement scope of IFRS 5 are carried at the lower of their carrying amount and fair value less costs to sell.

Trust and fiduciary activities

The Group acts as a trustee or in other fiduciary capacities that result in the holding, placing or managing of assets for the account of and at the risk of clients. As these are not assets of the Group, they are not recognised on the balance sheet but are included at market value as part of third party assets under management.

Taxation and deferred taxation

Current taxation payable is provided for based on the amount expected to be payable on taxable profit at rates that are enacted or substantively enacted and applicable to the relevant period.

Deferred taxation is provided on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base, except where such temporary differences arise from:

- The initial recognition of goodwill
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction has no effect on the income statement or taxable profit
- Temporary differences associated with the investments in subsidiaries and interests in associated undertakings and joint venture holdings, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred taxation assets or liabilities are measured using the taxation rates that have been enacted or substantively enacted at the balance sheet date.

Deferred taxation assets are recognised to the extent that it is probable that future taxable profit will be available against which the deferred taxation asset can be utilised. Items recognised directly in other comprehensive income are net of related current and deferred taxation.

Borrowing costs

Borrowing costs that are directly attributable to property developments which take a substantial period of time to develop are capitalised to qualifying properties.

Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the income statement net of any reimbursement. Contingent assets and contingent liabilities are not recognised on the balance sheet.

Standards and interpretations issued but not yet effective

The following significant standards and interpretations, which have been issued but are not yet effective, are applicable to the Group. These standards and interpretations have not been applied in these annual financial statements. The Group intends to comply with these standards from the effective dates.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes. These new requirements are expected to impact all reporting entities.

IFRS 18 and the consequential amendments to other standards is effective for reporting periods beginning on or after 1 January 2027 and the Group is considering its impact.

Amendments to IFRS 9 Amendments to Classification and Measurement of Financial Instruments and IFRS 7 disclosures

The amendments clarify that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date.

The classification of financial assets with ESG linked features has been clarified via additional guidance on the assessment of contingent features.

Clarifications have been made on non-recourse loans and contractually linked instruments.

ACCOUNTING POLICIES

CONTINUED

Additional disclosures are introduced for financial instruments with contingent features and equity instruments classified at fair value through OCI. The amendments are effective for annual periods starting on or after 1 January 2026 and the Group is considering the impact.

All other standards and interpretations issued but not yet effective are not expected to have a material impact on the Group.

Key management assumptions

In preparation of the annual financial statements, the Group makes estimations and applies judgement that could affect the reported amount of assets and liabilities within the next financial year.

Key areas in which estimates are made include:

- In accordance with IFRS 13 Fair Value Measurement, the Group categorises financial instruments carried on the balance sheet at fair value using a three level hierarchy. Financial instruments categorised as level 1 are valued using quoted market prices and therefore there is minimal judgement applied in determining fair value. However, the fair value of financial instruments categorised as level 2 and, in particular, level 3 are determined using valuation techniques including discounted cash flow analysis, price-earnings multiples, net asset value and complex valuation models. The valuation techniques for level 3 financial instruments involve management judgement and estimates, the extent of which, depends on the complexity of the instrument, counterparty and own credit risk, funding cost, low levels of market liquidity, and the availability of market observable information, in particular, significant uncertainty exists in the valuation of unlisted investments and fair value loans in the private equity and direct investments portfolios. The estimation of fair value is subject to an uncertain economic outlook. Key valuation inputs are based on the most relevant observable market information and can include expected cash flows, yield curves, discounts rates, growth rates, earnings multiples and the underlying assets and liabilities within a business, adjusted where necessary for factors that specifically apply to the individual investments, sector specific factors and recognising market volatility and liquidity. Further details of the Group's level 3 financial instruments, valuation techniques, key valuation inputs applied and the sensitivity of the valuation including the effect of applying reasonably possible alternative assumptions in determining their fair value are set out in note 16.
- Details of unlisted investments can be found in note 30 with further analysis contained in the risk management section on pages 63 and 64 in the Investec Group's 2025 risk and governance report.
- Valuation of investment properties is performed twice annually by qualified internal valuers and at least half of the portfolio is valued by independent external valuers annually. The valuation is performed by capitalising the budgeted net income of the property at the market-related yield applicable at the time.
- The carrying value of investment property can be found in note 35 with further analysis contained on pages 63 and 64 in the Investec Group's 2025 risk and governance report.
- The measurement of ECL has reliance on expert credit judgement. Key judgemental areas are highlighted below and are subject to robust governance processes. Key drivers of measurement uncertainty include:
 - The assessment of staging due to a significant increase in credit risk
 - Adequacy of post model adjustments
 - Assessment of ECL on Stage 3 exposures, including the valuation of collateral, expected timing of cash flows, client industry considerations and recovery strategies
 - The determination of write-off points
 - A range of forward-looking probability weighted macro-economic scenarios
- Estimations of probabilities of default, loss given default and exposures at default using models. Following a detailed review of the outcome of the ECL models, management maintained the level of an overlay provision in the UK. Detail of the approach followed and management's assumptions are set out on page 59 of the Investec Group's 2025 risk and governance report.
- The Group's income tax charge and balance sheet provision are judgemental in nature. This arises from certain transactions for which the ultimate tax treatment can only be determined by final resolution with the relevant local tax authorities. The Group has recognised in its current tax provision certain amounts in respect of taxation that involve a degree of estimation and uncertainty where the tax treatment cannot finally be determined until a resolution has been reached by the relevant tax authority and whether the proposed tax treatment will be accepted by the authorities. The carrying amount of this provision is sensitive to the resolution of issues, which is often dependent on the timetable and progress of discussion and negotiations with the relevant tax authorities, arbitration process and legal proceedings in the relevant tax jurisdictions in which the Group operates. Issues can take many years to resolve and assumptions on the likely outcome would therefore have to be made by the Group in order to determine if an exposure should be measured based on the most likely amount or expected value. In making any estimates, management's judgement has been based on various factors, including:
 - The current status of tax audits and enquiries
 - The current status of discussions and negotiations with the relevant tax authorities
 - The results of any previous claims
 - Any changes to the relevant tax environments.

ACCOUNTING POLICIES CONTINUED

- The Group operates in a legal and regulatory environment that exposes it to litigation risks. As a result, the Group is involved in disputes and legal proceedings which arise in the ordinary course of business. The Group evaluates all facts, the probability of the outcome of legal proceedings, commercial outcomes and advice from internal and external legal counsel when considering the accounting implications. Refer to note 53.
- The Group makes use of reasonable and supportable information to make accounting judgements and estimates related to climate change. This includes information about the observable impact of climate change on the current credit risk of clients and the valuation of assets. Many of the effects arising from climate change will be longer term in nature, with an inherent level of uncertainty and have limited effect on accounting judgements and estimates for the current period.

The following items represent the most significant effects that climate change can have on the shorter term:

- The measurement of ECL considers the ability of borrowers to make contractual payments as and when they become due. Investec performed an assessment of specific sectors that could be most impacted by climate risk in all jurisdictions, specifically focusing on the ability of the clients in these sectors to meet their financing needs. The assessment further included a review of Investec's appetite to fund clients in the respective sectors. While these have not resulted in material impact to ECL, the determination of the impact of these risks into PD, LGD and other inputs into the ECL calculation is ongoing
- The assessment of asset impairment, based on value in use, and the ability to recognise deferred tax assets are based on future expected cash flows. The expected cash flows are based on management's best estimate of the operational results, including the near-term impact of climate risk. The Group did not consider any additional adjustments to the cash flows to account for this risk given the time frame of the cash flows that were considered – The use of market indicators as inputs to fair value is assumed to include current information and knowledge regarding the effect of climate risk.

Key areas in which judgement is applied include:

- In accordance with IFRS 10 Consolidated Financial statements, the Group controls and consolidates an investee where the Group has power over the entity's relevant activities, is exposed to variable returns from its involvement with the investee and has the ability to affect the returns through its power over the entity. Determining whether the Group controls another entity requires judgement by identifying an entity's relevant activities, being those activities that significantly affect the investee's returns, and whether the Group controls those relevant activities by considering the rights attached to both current and potential voting rights, de facto control and other contractual rights including whether such rights are substantive. In the current period, a change in rights in respect of Investec Capital Services (India) Pvt Ltd (ICSI) occurred and, when evaluated against these criteria, the revised rights, which included options over the shares we do not currently hold, were concluded to be protective in nature. As such ICSI was determined to be a joint venture associate.

Details of subsidiaries can be found in note 57 and note 58.

- On the basis of current financial projections and having made appropriate enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence up to 20 June 2026, which is a period of twelve months from the date of issue of the financial statements. Accordingly, the going concern basis is adopted in the preparation of the financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1. Combined consolidated segmental analysis**UK and Other****Wealth & Investment**

Wealth & Investment includes our 41.25% equity accounted earnings of the combined Rathbones Group.

Private Banking

Our Private Banking business in the UK comprises lending (primarily residential mortgages), savings and transactional banking (including international payments) to HNW clients, coupled with bespoke foreign exchange and financing solutions for qualifying HNW clients.

Corporate, Investment Banking and Other

Our Corporate and Investment Banking business comprises business activities that provide lending, advisory and risk management services to growth-orientated corporate clients in the private companies, private equity and listed companies arenas, including specialist sector-focused expertise. This segment also includes our central treasury and liability management channels.

Group Investments

Assets in this segment have been separated from our core banking activities in order to make a more meaningful assessment of the underlying performance and value of the franchise businesses, and at the same time provide transparency of the standalone values of the assets classified as Group Investments.

Group Costs

Group costs are disclosed separately and include executive and support functions which are associated with Group-level activities. These costs are not incurred by the operating divisions and are necessary to support the operational functioning of the Group.

Southern Africa**Wealth & Investment**

Wealth & Investment manages the wealth of high net worth individuals and families in SA, as well as charities and trusts.

Private Banking

Our Private Banking business in Southern Africa targets high-net-worth individuals, high-income professionals, sophisticated investors, emerging and established entrepreneurs, and young professionals looking for bespoke banking services for private clients. We provide transactional banking, bespoke lending (including leverage finance, residential and commercial property finance), travel, insurance, legacy services, investments, trading, and offshore banking to our clients.

Corporate, Investment Banking and Other

Our Corporate and Investment Banking businesses in Southern Africa has franchises across South Africa's corporates, SOEs, public sector bodies, institutions and intermediaries, offering financing, advice and structuring and treasury services. This segment comprises: Corporate and Institutional Banking, Investec for Business, Investment Banking, Investec Property, Investec Life and certain centrally managed activities.

Group Investments

Assets in this segment have been separated from our core banking activities in order to make a more meaningful assessment of the underlying performance and value of the franchise businesses, and at the same time provide transparency of the standalone values of the assets classified as Group Investments.

Group Costs

Group costs are disclosed separately and include executive and support functions which are associated with Group-level activities. These costs are not incurred by the operating divisions and are necessary to support the operational functioning of the Group.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

1. Combined consolidated segmental analysis continued

Management's measure of segmental profit or loss

Management's measure of operating profit, 'adjusted operating profit', is calculated based on pro-forma profit before taxation, adjusted to remove goodwill, acquired intangibles and strategic actions, including such items within equity-accounted earnings, and non-controlling interests.

For the year to 31 March			
£'000		2025	2024
Profit before taxation from continuing operations		863 148	822 498
Amortisation of acquired intangibles		—	1 483
Financial impact of strategic actions*		21 023	—
Closure and rundown of the Hong Kong direct investments business		47	785
Adjustments related to equity accounted earnings		35 627	22 255
Amortisation of acquired intangibles		6 812	12 624
Acquisition related and integration costs within associate		28 815	9 631
Less: profit attributable to non-controlling interests		152	(1 382)
Adjusted operating profit for continuing operations		919 997	845 639
Profit after taxation and before strategic actions from discontinued operations		—	50 633
Profit attributable to non-controlling interests of discontinued operations		—	(11 766)
Adjusted operating profit for total Group		919 997	884 506

* Included within this line in the current year are movements in value on deferred considerations on various transactions, continuing integration costs resulting from the Rathbones deal as well as various capital costs incurred in contemplation of potential transactions. In the prior year, strategic actions largely comprised the Rathbones and Burstone transactions, and thus were included in discontinued operations.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

1. Combined consolidated segmental analysis continued

For the year to 31 March 2025	UK and Other	Southern Africa	Total
£'000			
Segmental geographic analysis – income statement			
Net interest income	767 272	590 834	1 358 106
Net fee and commission income	171 463	292 378	463 841
Investment income	52 717	77 999	130 716
Share of post-taxation profit of associates and joint venture holdings before amortisation and integration costs	75 220	577	75 797
Trading income arising from			
– customer flow	83 750	46 816	130 566
– balance sheet management and other trading activities	14 270	11 345	25 615
Other operating income	5 765	68	5 833
Operating income	1 170 457	1 020 017	2 190 474
Expected credit loss impairment charges	(97 022)	(22 208)	(119 230)
Operating income after expected credit loss impairment charges	1 073 435	997 809	2 071 244
Operating costs	(616 443)	(534 956)	(1 151 399)
Loss/(profit) attributable to non-controlling interests	(12)	164	152
Adjusted operating profit	456 980	463 017	919 997
Equity accounted amortisation of acquired intangibles	(6 313)	(499)	(6 812)
Equity accounted acquisition related and integration costs within associate	(27 987)	(828)	(28 815)
Financial impact of strategic actions	(19 947)	(1 076)	(21 023)
Closure and rundown of the Hong Kong direct investments business	(47)	—	(47)
Earnings attributable to shareholders before taxation	402 686	460 614	863 300
Taxation on operating profit before goodwill, acquired intangibles and strategic actions	(73 733)	(95 890)	(169 623)
Taxation on acquired intangibles and strategic actions	(195)	—	(195)
Earnings of total Group attributable to shareholders	328 758	364 724	693 482
Selected returns and key statistics			
Cost to income ratio	52.7%	52.4%	52.6%
Staff compensation to operating income	36.3%	37.7%	36.9%
Effective operational tax rate	19.3%	20.7%	20.1%
Total assets (£'million)	29 818	28 435	58 253
Total liabilities (£'million)	26 306	26 292	52 598

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

1. Combined consolidated segmental analysis continued

For the year to 31 March 2024 [^]	UK and Other	Southern Africa	Total
£'000			
Segmental geographic analysis – income statement			
Net interest income	802 587	536 106	1 338 693
Net fee and commission income	148 585	267 602	416 187
Investment income	14 319	46 062	60 381
Share of post-taxation profit of associates and joint venture holdings before amortisation and integration costs	55 793	156	55 949
Trading income arising from			
– customer flow	101 060	30 652	131 712
– balance sheet management and other trading activities	27 761	13 735	41 496
Other operating income/(loss)	2 150	(189)	1 961
Operating income	1 152 255	894 124	2 046 379
Expected credit loss impairment (charges)/release	(86 050)	6 937	(79 113)
Operating income after expected credit loss impairment charges	1 066 205	901 061	1 967 266
Operating costs	(645 321)	(474 924)	(1 120 245)
Profit attributable to non-controlling interests	(1 204)	(178)	(1 382)
Adjusted operating profit	419 680	425 959	845 639
Amortisation of acquired intangibles	(940)	(543)	(1 483)
Equity accounted amortisation of acquired intangibles	(12 624)	—	(12 624)
Equity accounted acquisition related and integration costs within associate	(9 631)	—	(9 631)
Closure and rundown of the Hong Kong direct investments business	(785)	—	(785)
Earnings attributable to shareholders before taxation	395 700	425 416	821 116
Taxation on operating profit before goodwill, acquired intangibles and strategic actions	(86 374)	(85 692)	(172 066)
Taxation on acquired intangibles and net gain on distribution of associate to shareholders	727	152	879
Earnings attributable to shareholders from continuing operations	310 053	339 876	649 929
Discontinued operations			
Profit after taxation and financial impact of strategic actions from discontinued operations	389 551	(86 674)	302 877
Operating profit before non-controlling interests from discontinued operations	31 046	14 778	45 824
Financial impact of strategic actions net of taxation from discontinued operations	358 505	(101 452)	257 053
Profit attributable to non-controlling interests of discontinued operations	—	(11 766)	(11 766)
Earnings of total Group attributable to shareholders	699 604	241 436	941 040
Selected returns and key statistics			
Cost to income ratio	54.4%	53.1%	53.8%
Staff compensation to operating income	37.6%	39.1%	38.3%
Effective operational tax rate	23.7%	20.1%	21.8%
Total assets (£'million) [^]	30 000	26 894	56 894
Total liabilities (£'million) [^]	26 501	24 919	51 420

[^] Restated as detailed in note 61.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
CONTINUED

1. Combined consolidated segmental analysis continued

For the year to 31 March 2025 £'000	UK and Other						
	Private Client						
	Wealth & Investment	Specialist Banking			Group Investments	Group Costs	Total
		Private Banking	Corporate, Investment Banking and Other	Total Specialist Banking			
Net interest income/(expense)	—	96 639	670 633	767 272	—	—	767 272
Net fee and commission income	—	960	170 503	171 463	—	—	171 463
Investment income	—	—	41 740	41 740	10 977	—	52 717
Share of post-taxation profit of associates and joint venture holdings before amortisation and integration costs	69 147	—	6 073	6 073	—	—	75 220
Trading income/(loss) arising from							
– customer flow	—	3 018	80 732	83 750	—	—	83 750
– balance sheet management and other trading activities	—	(47)	14 317	14 270	—	—	14 270
Other operating income	—	—	5 765	5 765	—	—	5 765
Operating income	69 147	100 570	989 763	1 090 333	10 977	—	1 170 457
Expected credit loss impairment charges	—	(5 582)	(91 440)	(97 022)	—	—	(97 022)
Operating income after expected credit loss impairment charges	69 147	94 988	898 323	993 311	10 977	—	1 073 435
Operating costs	—	(47 860)	(535 061)	(582 921)	—	(33 522)	(616 443)
Loss/(profit) attributable to non-controlling interests	—	—	(12)	(12)	—	—	(12)
Adjusted operating profit/(loss)	69 147	47 128	363 250	410 378	10 977	(33 522)	456 980
Selected returns and key statistics							
Cost to income ratio	n/a	47.6%	54.1%	53.5%	n/a	n/a	52.7%
Total assets (£'million)	986	5 196	23 502	28 698	134	n/a	29 818
Total liabilities (£'million)	185	26	26 095	26 121	—	n/a	26 306

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED

Southern Africa							
Private Client							
Wealth & Investment	Specialist Banking			Group Investments	Group Costs	Total	Total Group
	Private Banking	Corporate, Investment Banking and Other	Total Specialist Banking				
12 724	291 495	292 480	583 975	(5 865)	—	590 834	1 358 106
128 505	48 669	115 564	164 233	(360)	—	292 378	463 841
421	28 299	35 384	63 683	13 895	—	77 999	130 716
587	20	(30)	(10)	—	—	577	75 797
1 670	—	45 146	45 146	—	—	46 816	130 566
(292)	(481)	12 118	11 637	—	—	11 345	25 615
40	—	28	28	—	—	68	5 833
143 655	368 002	500 690	868 692	7 670	—	1 020 017	2 190 474
(18)	(21 575)	(615)	(22 190)	—	—	(22 208)	(119 230)
143 637	346 427	500 075	846 502	7 670	—	997 809	2 071 244
(100 468)	(191 872)	(226 126)	(417 998)	(3)	(16 487)	(534 956)	(1 151 399)
—	—	164	164	—	—	164	152
43 169	154 555	274 113	428 668	7 667	(16 487)	463 017	919 997
69.9%	52.1%	45.1%	48.1%	n/a	n/a	52.4%	52.6%
252	10 760	17 240	28 000	183	n/a	28 435	58 253
189	930	25 173	26 103	—	n/a	26 292	52 598

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

1. Combined consolidated segmental analysis continued

For the year to 31 March 2024 £'000	UK and Other						
	Private Client						
	Wealth & Investment	Specialist Banking			Group Investments	Group Costs	Total
		Private Banking*	Corporate, Investment Banking and Other*	Total Specialist Banking			
Net interest income/(expense)	—	107 268	695 319	802 587	—	—	802 587
Net fee and commission income	—	773	147 812	148 585	—	—	148 585
Investment income	—	—	2 598	2 598	11 721	—	14 319
Share of post-taxation profit of associates and joint venture holdings before amortisation and integration costs	66 869	—	24 779	24 779	—	—	91 648
Trading income/(loss) arising from							
– customer flow	—	4 869	96 191	101 060	—	—	101 060
– balance sheet management and other trading activities	—	(48)	27 809	27 761	—	—	27 761
Other operating income/(loss)	—	—	2 150	2 150	—	—	2 150
Operating income	66 869	112 862	996 658	1 109 520	11 721	—	1 188 110
Expected credit loss impairment (charges)/ release	—	(4 261)	(81 789)	(86 050)	—	—	(86 050)
Operating income after expected credit loss impairment charges	66 869	108 601	914 869	1 023 470	11 721	—	1 102 060
Operating costs	—	(49 862)	(566 211)	(616 073)	—	(29 248)	(645 321)
Profit attributable to non-controlling interests	—	—	(1 204)	(1 204)	—	—	(1 204)
Adjusted operating profit/(loss)	66 869	58 739	347 454	406 193	11 721	(29 248)	455 535
Selected returns and key statistics							
Cost to income ratio	n/a	44.2%	56.9%	55.6%	n/a	n/a	54.4%
Total assets (£'million)^	963	5 326	23 552	28 878	159	n/a	30 000
Total liabilities (£'million)^	192	42	26 267	26 309	—	n/a	26 501

^ Restated as detailed in note 61.

* Comparative figures have been restated to align with the proforma results, as described above, to align with the way that financial information is reported to the chief operating decision makers. In addition, following a strategic review of our Private Capital business, previously reported as part of our Private Banking segment, the business is now reported in the Corporate, Investment Banking and Other segment. The comparative period has been restated to reflect this change.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED

Southern Africa							
Private Client							
Wealth & Investment	Specialist Banking			Group Investments	Group Costs	Total	Total Group
	Private Banking	Corporate, Investment Banking and Other	Total Specialist Banking				
13 902	259 378	271 433	530 811	(8 607)	—	536 106	1 338 693
107 721	45 048	114 836	159 884	(3)	—	267 602	416 187
871	9 127	27 589	36 716	11 487	—	49 074	63 393
—	113	43	156	—	—	156	91 804
1 917	—	28 735	28 735	—	—	30 652	131 712
(633)	(149)	14 517	14 368	—	—	13 735	41 496
42	4	(235)	(231)	—	—	(189)	1 961
123 820	313 521	456 918	770 439	2 877	—	897 136	2 085 246
5	2 471	4 461	6 932	—	—	6 937	(79 113)
123 825	315 992	461 379	777 371	2 877	—	904 073	2 006 133
(86 852)	(167 837)	(205 053)	(372 890)	(234)	(14 948)	(474 924)	(1 120 245)
—	—	(178)	(178)	—	—	(178)	(1 382)
36 973	148 155	256 148	404 303	2 643	(14 948)	428 971	884 506
70.1%	53.5%	44.9%	48.4%	n/a	n/a	53.1%	53.8%
187	10 087	16 353	26 440	267	n/a	26 894	56 894
108	827	23 984	24 811	—	n/a	24 919	51 420

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

1. Combined consolidated segmental analysis continued

At 31 March 2025

£'000	UK and Other	Southern Africa	Total
Segmental geographic analysis – balance sheet assets and liabilities			
Assets			
Cash and balances at central banks	4 191 750	811 522	5 003 272
Loans and advances to banks	859 222	461 838	1 321 060
Non-sovereign and non-bank cash placements	—	425 375	425 375
Reverse repurchase agreements and cash collateral on securities borrowed	1 640 765	2 649 518	4 290 283
Sovereign debt securities	2 524 702	3 565 473	6 090 175
Bank debt securities	324 179	351 143	675 322
Other debt securities	770 722	427 019	1 197 741
Derivative financial instruments	299 280	545 080	844 360
Securities arising from trading activities	149 912	1 855 919	2 005 831
Loans and advances to customers	16 813 723	15 213 181	32 026 904
Own originated loans and advances to customers securitised	—	360 488	360 488
Other loans and advances	139 087	—	139 087
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	—	206 272	206 272
Investment portfolio	347 590	349 992	697 582
Interests in associated undertakings and joint venture holdings	832 141	13 868	846 009
Current taxation assets	25 382	369	25 751
Deferred taxation assets	120 918	84 053	204 971
Other assets	646 536	806 893	1 453 429
Property and equipment	58 940	164 523	223 463
Investment properties	—	100 841	100 841
Goodwill	67 520	6 765	74 285
Software	4 742	2 710	7 452
Non-current assets classified as held for sale	—	32 568	32 568
	29 817 111	28 435 410	58 252 521
Liabilities			
Deposits by banks	1 456 236	1 296 311	2 752 547
Derivative financial instruments	274 772	734 265	1 009 037
Other trading liabilities	16 242	1 571 685	1 587 927
Repurchase agreements and cash collateral on securities lent	178 202	979 654	1 157 856
Customer accounts (deposits)	21 448 699	19 715 522	41 164 221
Debt securities in issue	1 301 802	261 800	1 563 602
Liabilities arising on securitisation of own originated loans and advances	—	257 282	257 282
Current taxation liabilities	9 023	41 723	50 746
Deferred taxation liabilities	—	3 526	3 526
Other liabilities	938 957	881 863	1 820 820
Liabilities to customers under investment contracts	—	213 594	213 594
	25 623 933	25 957 225	51 581 158
Subordinated liabilities	682 218	334 485	1 016 703
	26 306 151	26 291 710	52 597 861

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

1. Combined consolidated segmental analysis continued

At 31 March 2024[^]

£'000	UK and Other	Southern Africa	Total
Segmental geographic analysis – balance sheet assets and liabilities			
Assets			
Cash and balances at central banks	5 661 623	617 465	6 279 088
Loans and advances to banks	675 926	446 110	1 122 036
Non-sovereign and non-bank cash placements	—	460 559	460 559
Reverse repurchase agreements and cash collateral on securities borrowed	1 140 115	3 236 771	4 376 886
Sovereign debt securities	1 928 134	3 015 013	4 943 147
Bank debt securities	297 255	299 181	596 436
Other debt securities	708 285	439 862	1 148 147
Derivative financial instruments	394 815	636 551	1 031 366
Securities arising from trading activities	157 332	1 503 891	1 661 223
Loans and advances to customers	16 570 313	14 075 000	30 645 313
Own originated loans and advances to customers securitised	—	269 034	269 034
Other loans and advances	117 513	—	117 513
Other securitised assets	66 704	—	66 704
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	—	154 738	154 738
Investment portfolio	405 410	401 620	807 030
Interests in associated undertakings and joint venture holdings	857 247	1 173	858 420
Current taxation assets	31 199	4 437	35 636
Deferred taxation assets	119 730	85 131	204 861
Other assets	722 453	942 292	1 664 745
Property and equipment	72 947	165 125	238 072
Investment properties	—	105 975	105 975
Goodwill	68 669	6 698	75 367
Software	4 571	5 136	9 707
Non-current assets classified as held for sale	—	22 270	22 270
	30 000 241	26 894 032	56 894 273
Liabilities			
Deposits by banks	2 150 251	1 493 542	3 643 793
Derivative financial instruments	409 191	669 270	1 078 461
Other trading liabilities	18 449	1 320 148	1 338 597
Repurchase agreements and cash collateral on securities lent	85 091	921 181	1 006 272
Customer accounts (deposits)	20 783 754	18 747 809	39 531 563
Debt securities in issue	1 273 106	268 088	1 541 194
Liabilities arising on securitisation of own originated loans and advances	—	208 571	208 571
Liabilities arising on securitisation of other assets	71 751	—	71 751
Current taxation liabilities	8 672	35 283	43 955
Deferred taxation liabilities	—	5 198	5 198
Other liabilities	1 032 155	790 826	1 822 981
Liabilities to customers under investment contracts	—	154 889	154 889
	25 832 420	24 614 805	50 447 225
Subordinated liabilities	668 810	303 996	972 806
	26 501 230	24 918 801	51 420 031

[^] Restated as detailed in note 61.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

1. Combined consolidated segmental analysis continued

Segmental geographical and business analysis of pro-forma adjusted operating profit before goodwill, acquired intangibles, non-operating items, taxation and after non-controlling interests.

	Private Client			Group Investments	Group Costs	Total Group
	Specialist Banking		Corporate, Investment Banking and Other			
For the year to 31 March 2025	Wealth & Investment	Private Banking	Corporate, Investment Banking and Other	Group Investments	Group Costs	Total Group
£'000						
UK and Other	69 147	47 128	363 250	10 977	(33 522)	456 980
Southern Africa	43 169	154 555	274 113	7 667	(16 487)	463 017
Total Group adjusted operating profit	112 316	201 683	637 363	18 644	(50 009)	919 997

	Private Client			Group Investments	Group Costs	Total Group
	Specialist Banking		Corporate, Investment Banking and Other			
For the year to 31 March 2024	Wealth & Investment	Private Banking	Corporate, Investment Banking and Other	Group Investments	Group Costs	Total Group
£'000						
UK and Other	66 869	58 739	347 454	11 721	(29 248)	455 535
Southern Africa	36 973	148 155	256 148	2 643	(14 948)	428 971
Total Group adjusted operating profit	103 842	206 894	603 602	14 364	(44 196)	884 506

Refer to note 7 for a segmental analysis of operating costs.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

2. Net interest income

For the year to 31 March 2025 £'000	Notes	UK and Other			Southern Africa			Total	
		Average balance sheet value*	Interest income	Average yield	Average balance sheet value*	Interest income	Average yield	Average balance sheet value	Interest income
Cash, near cash and bank debt and sovereign debt securities	1	9 976 288	464 040	4.79%	8 286 399	585 684	6.91%	18 262 687	1 049 724
Core loans	2	16 727 744	1 334 303	7.98%	15 046 448	1 586 618	10.56%	31 774 192	2 920 921
Private client		5 183 842	258 403	5.44%	10 597 824	1 103 261	10.43%	15 781 666	1 361 664
Corporate, Investment Banking and Other		11 543 902	1 075 900	9.12%	4 448 624	483 357	10.88%	15 992 526	1 559 257
Other debt securities and other loans and advances		795 811	56 535	7.10%	443 804	31 593	7.13%	1 239 615	88 128
Other	3	141 669	91 654	n/a	—	10 342	n/a	141 669	101 996
		27 641 512	1 946 532		23 776 651	2 214 237		51 418 163	4 160 769

For the year to 31 March 2025 £'000	Notes	UK and Other			Southern Africa			Total	
		Average balance sheet value*	Interest expense	Average yield	Average balance sheet value*	Interest expense	Average yield	Average balance sheet value	Interest expense
Deposits by banks and other debt-related securities	4	3 112 165	(114 835)	3.89%	2 550 667	(169 597)	6.66%	5 662 832	(284 432)
Customer accounts (deposits)		21 446 503	(944 449)	4.40%	19 066 256	(1 392 271)	7.28%	40 512 759	(2 336 720)
Subordinated liabilities		690 103	(42 565)	6.17%	320 722	(27 845)	8.70%	1 010 825	(70 410)
Other	5	219 339	(77 411)	n/a	246 949	(33 690)	n/a	466 288	(111 101)
		25 468 110	(1 179 260)		22 184 594	(1 623 403)		47 652 704	(2 802 663)
Net interest income			767 272			590 834			1 358 106
Net interest margin			2.80%			2.45%			

The average balance sheet value and average yield for Southern Africa have been determined in Rands. The average balance sheet values shown above have been translated using the average Rand: Pound Sterling exchange rate for the period of R23.25 (2024: 23.54).

1. Comprises (as per the balance sheet) cash and balances at central banks; loans and advances to banks; non-sovereign and non-bank cash placements; reverse repurchase agreements and cash collateral on securities borrowed; sovereign debt securities; bank debt securities.
2. Comprises (as per the balance sheet) loans and advances to customers; own originated loans and advances to customers securitised.
3. Comprises (as per the balance sheet) other securitised assets, finance lease receivables as well as interest income from derivative financial instruments and off-balance sheet assets where there is no associated balance sheet value.
4. Comprises (as per the balance sheet) deposits by banks; debt securities in issue; repurchase agreements and cash collateral on securities lent.
5. Comprises (as per the balance sheet) liabilities arising on securitisation of own originated loans and advances, lease liabilities as well as interest expense from derivative financial instruments where there is no associated balance sheet value.

* The average balance sheet value is calculated using a straight-line 13 point average.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

2. Net interest income continued

For the year to 31 March 2024 £'000	Notes	UK and Other			Southern Africa			Total	
		Average balance sheet value*	Interest income	Average yield	Average balance sheet value*	Interest income	Average yield	Average balance sheet value	Interest income
Cash, near cash and bank debt and sovereign debt securities	1	8 872 354	415 377	4.82%	8 631 588	621 345	6.98%	17 503 942	1 036 722
Core loans**	2	16 247 191	1 304 525	8.03%	14 176 839	1 559 924	10.89%	30 424 030	2 864 449
Private client		4 955 722	233 093	5%	9 988 597	1 084 691	11%	14 944 319	1 317 784
Corporate, Investment Banking and Other		11 291 469	1 071 432	9%	4 188 242	475 233	11%	15 479 711	1 546 665
Other debt securities and other loans and advances		891 414	66 290	7.44%	446 033	28 671	6.36%	1 337 447	94 961
Other	3	190 123	116 100	n/a	35 460	11 918	n/a	225 583	128 018
		26 201 082	1 902 292		23 289 920	2 221 858		49 491 002	4 124 150

For the year to 31 March 2024 £'000	Notes	UK and Other			Southern Africa			Total	
		Average balance sheet value*	Interest expense	Average yield	Average balance sheet value*	Interest expense	Average yield	Average balance sheet value	Interest expense
Deposits by banks and other debt-related securities^#	4	3 702 896	(144 436)	3.90%	2 229 500	(169 006)	7.48%	5 932 396	(313 442)
Customer accounts (deposits)^		19 743 560	(822 035)	2.02%	19 479 601	(1 453 394)	7.34%	39 223 161	(2 275 429)
Subordinated liabilities #		692 448	(42 697)	6.17%	326 382	(27 155)	8.20%	1 018 830	(69 852)
Other	5	259 387	(90 537)	n/a	117 238	(36 197)	n/a	376 625	(126 734)
		24 398 291	(1 099 705)		22 152 721	(1 685 752)		46 551 012	(2 785 457)
income			802 587			536 106			1 338 693
Net interest margin			3.10%			2.26%			

The average balance sheet value and average yield for Southern Africa have been determined in Rands. The average balance sheet value shown above has been translated using the average Rand: Pound Sterling exchange rate for the period of R23.25 (2024: R23.54).

1. Comprises (as per the balance sheet) cash and balances at central banks; loans and advances to banks; non-sovereign and non-bank cash placements; reverse repurchase agreements and cash collateral on securities borrowed; sovereign debt securities; bank debt securities.
2. Comprises (as per the balance sheet) loans and advances to customers; own originated loans and advances to customers securitised.
3. Comprises (as per the balance sheet) other securitised assets, finance lease receivables as well as interest income from derivative financial instruments and off-balance sheet assets where there is no associated balance sheet value.
4. Comprises (as per the balance sheet) deposits by banks; debt securities in issue; repurchase agreements and cash collateral on securities lent.
5. Comprises (as per the balance sheet) liabilities arising on securitisation of own originated loans and advances, lease liabilities as well as interest expense from derivative financial instruments where there is no associated balance sheet value.

* The average balance sheet value is calculated using a straight-line 13 point average.

** Following a strategic review of our Private Capital business, previously reported as part of our Private Banking segment, the business is now reported in the Corporate, Investment Banking and Other segment. The comparative period has been restated to reflect this change.

^ Interest expense of £60.5 million due to the Bank of England incurred on TFSME was incorrectly classified as expense arising on customer accounts. This has been reclassified to arising on deposits by banks and other debt-related securities.

Interest expense of £9.3 million related to the interest unwind on a £200 million Euro Medium Term Notes (EMTNs) issuance which was incorrectly classified as expense arising on subordinated liabilities. This has been reclassified to arising on deposits by banks and other debt-related securities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

3. Fee and commission income and fee and commission expense

For the year to 31 March 2025 £'000	UK and Other	Southern Africa	Total
Wealth & Investment net fee and commission income	—	128 505	128 505
Fund management fees/fees for funds under management	—	74 026	74 026
Private client transactional fees	—	58 883	58 883
Fee and commission expense	—	(4 404)	(4 404)
Specialist Banking net fee and commission income	171 463	164 233	335 696
Specialist Banking fee and commission income*	184 319	200 878	385 197
Specialist Banking fee and commission expense	(12 856)	(36 645)	(49 501)
Group Investments net fee and commission income	—	(360)	(360)
Group Investments fee and commission income	—	—	—
Group Investments fee and commission expense	—	(360)	(360)
Net fee and commission income	171 463	292 378	463 841
Fee and commission income	184 319	333 787	518 106
Fee and commission expense	(12 856)	(41 409)	(54 265)
Net fee and commission income	171 463	292 378	463 841
Annuity fees (net of fees payable)	27 889	210 446	238 335
Deal fees	143 574	81 932	225 506

For the year to 31 March 2024 [^] £'000	UK and Other	Southern Africa	Total
Wealth & Investment net fee and commission income	—	107 721	107 721
Fund management fees/fees for funds under management	—	68 457	68 457
Private client transactional fees	—	42 885	42 885
Fee and commission expense	—	(3 621)	(3 621)
Specialist Banking net fee and commission income	148 585	159 884	308 469
Specialist Banking fee and commission income*	164 043	181 609	345 652
Specialist Banking fee and commission expense	(15 458)	(21 725)	(37 183)
Group Investments net fee and commission income	—	(3)	(3)
Group Investments fee and commission income	—	(3)	(3)
Group Investments fee and commission expense	—	—	—
Net fee and commission income	148 585	267 602	416 187
Fee and commission income	164 043	292 948	456 991
Fee and commission expense	(15 458)	(25 346)	(40 804)
Net fee and commission income	148 585	267 602	416 187
Annuity fees (net of fees payable)	11 922	189 356	201 278
Deal fees	136 663	78 246	214 909

[^] Restated as detailed in note 61.

* Included in Specialist Banking fee and commission income is operating lease income of £9.0 million (2024: £7.1 million) generated from investment property and £8.4million (2024: £nil) generated from aircraft leasing structures, which is out of the scope of IFRS 15 – Revenue from Contracts with Customers.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

4. Investment income

For the year to 31 March 2025 £'000	Listed equities	Unlisted equities	Fair value investments	Warrants and profit shares	Investment portfolio	Debt securities (sovereign, bank and other)	Investment and trading properties	Other asset and liability categories	Total
UK and Other									
Realised	(2 001)	6 525	—	1 194	5 718	4 899	—	(994)	9 623
Unrealised*	2 541	37 461	—	(451)	39 551	(3 410)	(11 000)	702	25 843
Dividend income	11 230	4 427	—	—	15 657	—	—	75	15 732
Funding and other net related income	—	—	—	—	—	—	1 519	—	1 519
	11 770	48 413	—	743	60 926	1 489	(9 481)	(217)	52 717
Southern Africa									
Realised	4 390	1 376	—	15 121	20 887	9 323	(198)	1 545	31 557
Unrealised*	4 705	2 357	(29)	13 716	20 749	3 100	4 379	(5 047)	23 181
Dividend income	7 983	8 865	—	—	16 848	—	—	5	16 853
Funding and other net related (costs)/income	—	(2 614)	—	—	(2 614)	—	9 022	—	6 408
	17 078	9 984	(29)	28 837	55 870	12 423	13 203	(3 497)	77 999
Investment income/(loss)	28 848	58 397	(29)	29 580	116 796	13 912	3 722	(3 714)	130 716
For the year to 31 March 2024 £'000									
UK and Other									
Realised	(2 742)	38 646	—	287	36 191	831	—	(8 368)	28 654
Unrealised*	2 798	(30 382)	—	450	(27 134)	(253)	(12 500)	12 369	(27 518)
Dividend income	11 722	1 261	—	—	12 983	—	—	200	13 183
Funding and other net related income	—	—	—	—	—	—	—	—	—
	11 778	9 525	—	737	22 040	578	(12 500)	4 201	14 319
Southern Africa									
Realised	(17)	(56 239)	—	4 100	(52 156)	5 254	118	(495)	(47 279)
Unrealised*	2 398	52 639	6 253	1 913	63 203	3 561	(89)	(277)	66 398
Dividend income	5 635	16 441	—	—	22 076	—	—	12	22 088
Funding and other net related (costs)/income	—	(2 223)	—	—	(2 223)	—	7 078	—	4 855
	8 016	10 618	6 253	6 013	30 900	8 815	7 107	(760)	46 062
Investment income/(loss)	19 794	20 143	6 253	6 750	52 940	9 393	(5 393)	3 441	60 381

* In a year of realisation, any prior period mark-to-market gains/(losses) recognised are reversed in the unrealised line item and recognised in the realised line item.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

5. Other operating income

For the year to 31 March £'000	2025	2024
Income from government grants*	4 122	1 361
Losses on realisation of properties	(50)	(32)
Unrealised losses on other investments	(834)	(922)
Income from operating leases	2 595	1 554
	5 833	1 961

* Government grants income includes Research and Development Expenditure Credits.

6. Expected credit loss impairment charges

For the year to 31 March £'000	2025	2024
Expected credit loss impairment charges/(releases) is recognised on the following assets:		
Loans and advances to customers	119 129	85 407
Expected credit loss impairment charges^	124 250	98 406
Post write-off recoveries	(5 121)	(12 999)
Own originated loans and advances to customers securitised	285	(238)
Core loans	119 414	85 169
Other loans and advances	6	(3)
Other balance sheet assets	926	(1 377)
Undrawn commitments and guarantees	(1 116)	(4 676)
	119 230	79 113

^ Included in ECL in the income statement is £6.2 million (2024: £nil million) of reversals in ECL relating to suspended interest.

Post write-off recoveries vary from period to period as a result of recoveries of large single name balances. In the current year two individual assets make up half the recoveries, while in the prior year over half of the recovered amount related to a single asset.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

7. Operating costs

For the year to 31 March
£'000

	2025	2024
Staff costs	809 131	783 030
Salaries and wages [^]	425 481	398 136
Variable remuneration [^]	224 229	233 499
Share-based payments expense [^]	46 740	47 461
Pension and provident fund contributions [^]	41 577	38 516
Other	71 104	65 418
Business expenses [*]	152 993	164 850
Equipment expenses (excluding depreciation)	88 025	85 136
Premises expenses	46 376	44 909
Premises expenses (excluding depreciation)	22 921	22 994
Premises depreciation	23 455	21 915
Marketing expenses	40 863	33 613
Depreciation, amortisation and impairment on property, equipment, intangibles and software ^{**}	14 011	8 707
Total operating costs	1 151 399	1 120 245
The following amounts were paid by the Group to the auditors in respect of the audit of the financial statements and for other services provided to the Group:		
Deloitte 2025 & Ernst & Young 2024 fees		
Total audit fees	9 126	10 812
Audit of the Group's accounts	2 967	3 682
Audit of the Group's subsidiaries	6 159	7 130
Total non-audit fees	3 791	2 753
Audit-related assurance services ¹	1 424	1 527
Other assurance services ²	961	680
Services related to corporate finance transactions ³	60	75
Other non-audit services	1 346	471
Total auditors' remuneration	12 917	13 565
PwC fees		
Total audit fees	3 707	2 762
Fees payable to the group's subsidiary auditor for the audit of the group's accounts	3 707	2 762
Total non-audit fees	945	1 037
Audit-related assurance services ¹	225	718
Other assurance services ²	187	259
Tax compliance and advisory services for Investec plc	48	47
Services related to corporate finance transactions ³	85	13
Other non-audit services for Investec plc	400	—
Total auditors' remuneration	4 652	3 799
Total fees paid for the year ended 31 March	17 569	17 364
Total non-audit fees paid for the year ended 31 March	4 736	3 790

[^] For details of the directors' emoluments, pensions and their interests refer to pages 25 to 44 in the Investec Group's 2025 remuneration report.

^{*} Business expenses mainly comprise insurance costs, consulting and professional fees, travel expenses and subscriptions. In the prior year a provision relating to motor vehicle financing has been included in business expenses. Refer to note 53.

^{**} Included within depreciation charge for the year is £4 million (31 March 2024: £nil) of depreciation expense relating to other assets.

¹ Audit-related assurance services consist of review of interim financial information and reporting accountant services.

² Other assurance services relate to services required by law or regulation (including reporting on regulatory returns, agreed-upon-procedures relating to statutory and regulatory filings and reporting to regulators on client assets).

³ Services related to corporate finance transactions relate to comfort letters on debt issuances.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

7. Operating costs continued

Segmental analysis of operating costs

For the year to 31 March 2025 £'000	Wealth & Investment	Specialist Banking	Group Investments	Group Costs	UK and Other
Staff costs	—	409 941	—	14 405	424 346
Business expenses	—	82 658	—	17 692	100 350
Equipment expenses (excluding depreciation)	—	45 289	—	384	45 673
Premises expenses	—	26 607	—	615	27 222
Marketing expenses	—	12 330	—	426	12 756
Depreciation, amortisation and impairment on property, equipment, intangibles and software	—	6 096	—	—	6 096
	—	582 921	—	33 522	616 443
For the year to 31 March 2025 £'000	Wealth & Investment	Specialist Banking	Group Investments	Group Costs	Southern Africa
Staff costs	64 153	314 654	—	5 978	384 785
Business expenses	14 170	32 109	3	6 361	52 643
Equipment expenses (excluding depreciation)	12 286	29 805	—	261	42 352
Premises expenses	4 217	14 615	—	322	19 154
Marketing expenses	3 747	21 122	—	3 238	28 107
Depreciation, amortisation and impairment on property, equipment, intangibles and software	1 895	5 693	—	327	7 915
	100 468	417 998	3	16 487	534 956
For the year to 31 March 2024 £'000	Wealth & Investment	Specialist Banking	Group Investments	Group Costs	UK and Other
Staff costs	—	420 197	—	13 290	433 487
Business expenses	—	107 332	—	13 285	120 617
Equipment expenses (excluding depreciation)	—	48 162	—	1 218	49 380
Premises expenses	—	28 038	—	813	28 851
Marketing expenses	—	9 337	—	642	9 979
Depreciation, amortisation and impairment on property, equipment, intangibles and software	—	3 007	—	—	3 007
	—	616 073	—	29 248	645 321
For the year to 31 March 2024 £'000	Wealth & Investment	Specialist Banking	Group Investments	Group Costs	Southern Africa
Staff costs	56 000	288 639	—	4 904	349 543
Business expenses	12 890	24 940	234	6 169	44 233
Equipment expenses (excluding depreciation)	11 297	24 214	—	245	35 756
Premises expenses	3 688	12 042	—	328	16 058
Marketing expenses	2 756	17 846	—	3 032	23 634
Depreciation, amortisation and impairment on property, equipment, intangibles and software	221	5 209	—	270	5 700
	86 852	372 890	234	14 948	474 924

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

8. Share-based payments and employee benefits

The Group operates share option and long-term share incentive plans for employees which are on an equity-settled and cash-settled basis.

The purpose of the staff share schemes is to promote an *esprit de corps* within the organisation, create an awareness of the Investec Group performance and provide an incentive to maximise individual business unit and Group performance by allowing all staff to share in the risks and rewards of the Group.

Awards made under the UK share schemes are settled in Investec plc shares (INVP) and those under South African share schemes are settled in Investec Limited shares (INL).

These awards are contingent on the continued employment of employees up to the date of vesting.

Equity-settled awards granted under Investec share plans

The share incentive plans are granted in the following award types, each of which vest in line with the specified parameters.

Forfeitable share awards are shares held in the name of or for the benefit of an employee, for which the employee has dividend and voting rights.

Conditional awards are the right to receive a share at a future date once the service conditions have been met. Employees do not have a right to dividends or voting rights on these grants until vesting.

Nil-cost options are share options in respect of which no option price is payable and where the employee has no dividends or voting rights.

Equity settled share appreciation rights are conditional rights to acquire securities on vesting.

Forfeitable and conditional awards and nil cost options are awarded to employees for no consideration. These are settled by grants from the Group's share scheme trusts, which acquire shares through purchase of shares in one market.

Share appreciation rights are awarded to employees with a strike price. These are settled by grants from the Group's share scheme trusts, through the acquisition of call options from third parties.

Cash-settled awards

Cash settled share appreciation rights are conditional rights to receive cash on vesting.

These rights are awarded to employees with a strike price and are settled by grants from Investec Limited, through the acquisition of call options from third parties.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

8. Share-based payments and employee benefits continued

For the year to 31 March

£'000	2025	2024
Share based payments expense		
UK schemes Equity-settled	23 733	22 989
South African schemes Equity-settled	21 584	19 604
South African schemes Cash-settled	1 423	4 868
	46 740	47 461

For the year to 31 March

£'000	2025	2024
Weighted average fair value of awards granted in the year		
UK schemes	20 992	19 600
South African schemes	26 216	24 714

Equity-settled options

Details of equity-settled awards outstanding during the year	UK schemes				South African schemes			
	2025		2024		2025		2024	
	Number of shares	Weighted average exercise price £	Number of shares	Weighted average exercise price £	Number of shares	Weighted average exercise price R	Number of shares	Weighted average exercise price R
Outstanding at the beginning of the year	27 720 761	—	28 785 417	—	27 670 601	12.01	28 542 307	6.60
Deconsolidation of subsidiary*	—	—	—	—	—	—	(259 286)	7.08
Sale of business^	—	—	(748 335)	—	—	—	—	—
Granted during the year	4 561 496	—	5 525 265	—	5 859 309	21.91	6 952 574	21.54
Exercised during the year	(7 907 686)	—	(5 182 871)	—	(7 829 253)	—	(6 698 245)	—
Awards forfeited during the year	(617 459)	—	(658 715)	—	(584 417)	3.09	(866 749)	4.84
Outstanding at the end of the year	23 757 112	—	27 720 761	—	25 116 240	18.26	27 670 601	12.01
Vested and exercisable at the end of the year	807 309	—	861 064	—	313 804	—	302 228	—

* The Group deconsolidated its existing 24.3% investment in the Investec Property Fund management companies on 6 July 2023.

^ The Group sold its Wealth & Investment business in the UK to Rathbones Group Plc on 21 September 2023, acquiring a 41.25% interest in Rathbones.

The weighted average share price during the year was £5.50 (2024: £4.81) for the UK schemes and R128.20 (2024: R111.30) for the South African schemes.

The weighted average share price for options exercised during the year was £5.35 (2024: £4.58) for the UK schemes and R126.30 (2024: R111.14) for the South African schemes.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

8. Share-based payments and employee benefits *continued*

Equity-settled options (continued)

Additional information relating to awards	UK schemes		South African schemes	
	2025	2024	2025	2024
Long-term incentive options with strike prices				
Exercise price range	n/a	n/a	R93.31 - R124.63	R93.31 - R105.57
Weighted average remaining contractual life	n/a	n/a	1.93 years	2.55 years
Weighted average fair value of options and long-term grants during the period	n/a	n/a	R20.29	R13.86
Long-term incentive shares with no strike price				
Exercise price range	£nil	£nil	Rnil	Rnil
Weighted average remaining contractual life of outstanding awards	1.61 years	1.69 years	1.71 years	1.67 years
Weighted average fair value of options and long-term grants granted during the period	£4.60	£3.55	R122.32	R102.73
The fair values of equity settled share appreciation rights were calculated using the Black-Scholes option pricing model while nil cost share grants were valued at market price, adjusted for relevant terms and conditions as applicable. For shares granted during the period, the inputs were as follows:				
Share price at date of grant	£5.16 - £5.77	£4.25 - £5.13	R121.80 - R131.01	R103.60 - R120.45
Exercise price	£nil	£nil	Rnil, R124.63	Rnil, R105.57
Expected volatility [^]	n/a	n/a	28.17% - 28.26%	29.74% - 29.84%
Option life	0 - 7.01 years	2.00 - 7.01 years	1.00 - 5.01 years	1.00 - 5.03 years
Expected dividend yields	n/a	n/a	7.23% - 7.54%	8.46% - 8.88%
Risk-free rate	n/a	n/a	8.19% - 8.53%	8.89% - 9.29%

[^] The expected volatility is determined by extracting historical volatilities from a trading and risk platform and performing a linear interpolation across strikes and maturities.

The fair value of forfeitable and conditional awards was calculated using market prices, adjusted for certain terms and conditions where applicable.

The fair value of share appreciation rights was calculated using the Black-Scholes pricing model.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

8. Share-based payments and employee benefits continued

Equity-settled options (continued)

	2025		2024	
Year of vesting by share plan and award type	Number of shares outstanding	Year of vesting	Number of shares outstanding	Year of vesting
Investec plc	23 757 112		27 720 761	
Investec 1 Limited Share Incentive Plan	5 909 264		11 522 009	
Conditional awards	45 819	3,4,5	70 571	3,4,5
Forfeitable shares	5 858 445	3,4,5	11 446 438	3,4,5
Nil cost options	5 000	4,5	5 000	4,5
Investec plc Executive Incentive Plan 2013	4 651 586		6 446 810	
Executive Conditional awards	4 641 586	1,2,3 & 3,4,5 & 3,4,5,6,7	6 436 810	1,2,3 & 3,4,5 & 3,4,5,6,7
Nil cost options	10 000	4,5	10 000	4,5
Investec plc Share Incentive Plan 2021	13 196 262		9 751 942	
Conditional awards	572 384	3,4,5	314 045	3,4,5
Executive Conditional awards	2 735 383	1,2,3 & 3,4,5 & 3,4,5,6,7	2 222 905	1,2,3 & 3,4,5 & 3,4,5,6,7
Forfeitable shares	9 888 495	3,4,5	7 214 992	3,4,5
Investec Limited	25 116 240		27 670 601	
Investec Limited Share Incentive plan	4 829 751		12 534 542	
Conditional awards	193 342	3,4,5	359 542	3,4,5
Forfeitable awards	4 636 409	3,4,5	12 175 000	3,4,5
Investec Limited Share Incentive plan 2021	20 286 489		15 136 059	
Conditional awards	46 385	3,4,5	46 385	3,4,5
Share appreciation rights	4 390 684	3,4,5	3 377 933	3,4,5
Forfeitable awards	15 849 420	3,4,5	11 711 741	3,4,5
Outstanding at the end of the year	48 873 352		55 391 362	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

8. Share-based payments and employee benefits continued

Equity-settled options (continued)

	2025		2024	
Summary by share plan	Number of shares outstanding	Maximum award limit per individual	Number of shares outstanding	Maximum award limit per individual
Investec plc	23 757 112		27 720 761	
Investec 1 Limited Share Incentive Plan	5 909 264	10 000 000	11 522 009	10 000 000
Investec plc Executive Incentive Plan 2013	4 651 586	2 500 000	6 446 810	2 500 000
Investec plc Share Incentive Plan 2021	13 196 262	15 000 000	9 751 942	15 000 000
Investec Limited	25 116 240		27 670 601	
Investec Limited Share Incentive plan	4 829 751	10 000 000	12 534 542	10 000 000
Investec Limited Share Incentive plan 2021	20 286 489	15 000 000	15 136 059	15 000 000
Outstanding at the end of the year	48 873 352		55 391 362	

	UK schemes		South African schemes	
Vesting period of outstanding options by financial year	2025	2024	2025	2024
Year to 31 March 2024	—	861 064	—	302 228
Year to 31 March 2025	807 309	7 643 931	313 804	7 875 132
Year to 31 March 2026	8 983 351	9 201 369	7 390 927	7 485 673
Year to 31 March 2027	5 191 751	5 226 958	7 443 404	7 554 943
Year to 31 March 2028	4 973 168	3 743 032	6 158 013	4 395 276
Year to 31 March 2029	3 074 783	625 093	3 765 773	48 072
Year to 31 March 2030	407 529	290 162	44 319	9 277
Year to 31 March 2031	224 179	129 152	—	—
Year to 31 March 2032	95 042	—	—	—
Outstanding at the end of the year	23 757 112	27 720 761	25 116 240	27 670 601

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

8. Share-based payments and employee benefits continued

Cash-settled options

	South African schemes			
	2025		2024	
	Number of options	Weighted average exercise price R	Number of options	Weighted average exercise price R
Details of cash-settled awards outstanding during the year				
Outstanding at the beginning of the year	3 589 768	54.03	3 606 097	54.03
Deconsolidation of subsidiary	—	—	(16 329)	54.03
Exercised during the year	(1 185 677)	54.03	—	—
Outstanding at the end of the year	2 404 091	54.03	3 589 768	54.03
Vested and exercisable at the end of the year	—	—	—	—

The cash-settled award to employees was a once-off award in the 2022 financial year and going forward awards under the Share Appreciation Rights scheme are equity-settled with a strike price.

The liability, which is included in other liabilities on the balance sheet, is valued at £6.5 million (2024: £7.7 million) and an expense of £1.4 million (2024: £4.9 million) has been recognised in share-based payments expense within operating costs in the income statement.

At 31 March	South African schemes	
	2025	2024

The value of the cash-settled liability was calculated by using the Black-Scholes option pricing model:

For the liability calculated the inputs into the model were as follows:

Listed share price at 31 March	R113.97	R124.93
Exercise price	R54.03	R54.03
Expected volatility ^	28.44% - 28.46%	27.85% - 27.96%
Option life	0.16 - 0.83 years	0.42 - 2.08 years
Expected dividend yields	0% - 4.47%	6.40% - 8.45%
Risk-free rate	7.36% - 7.48%	8.05% - 8.26%

^ The expected volatility is determined by extracting historical volatilities from a trading and risk platform and performing a linear interpolation across strikes and maturities.

Vesting period of outstanding options by financial year	South African schemes	
	2025	2024
Year to 31 March 2025	—	1 196 563
Year to 31 March 2026	2 404 091	2 393 205
Outstanding at the end of the year	2 404 091	3 589 768

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

8. Share-based payments and employee benefits continued

In March 2020, as part of the Investec Asset Management Limited demerger, each participant of the Investec share option and long-term share incentive plans, received the right to one Ninety One share award for every two Investec share awards they had. The Ninety One share awards were granted on the same terms and vesting period as the Investec awards they related to.

Investec DLC has an obligation to deliver Ninety One shares to the holders of Investec share awards, accordingly this obligation was classified and measured as an 'other long-term liability' in terms of IAS 19 Employee Benefits (IAS 19). The initial liability of £14.8 million was calculated at the date of demerger for the portion of the awards already vested. The total value of the liability represented was accounted for in retained income. In the current and prior year, the liability was subsequently measured through profit or loss.

Management concluded that the share price used to calculate the liability as at the date of the demerger (13 March 2020) approximated the fair value of the share price to be used to calculate the liability as at 31 March 2020. Management performed procedures to support this assumption.

A further 15% of the Group's shareholding in Ninety One DLC was distributed to ordinary shareholders on 30 May 2022. Each participant of the Investec share option and long-term share incentive plans for employees, received the right to receive 0.13751 Ninety One shares for each Investec share option they had.

In addition, management approved the acceleration of certain remaining Ninety One awards. Participants had 90 days to exercise the acceleration. The acceleration excluded awards made to senior management.

The IAS 19 long-term employment benefit liability movement recognised in the income statement for the year ended 31 March 2025 was a profit of £0.04 million (2024: loss of £0.73 million).

Details of awards outstanding during the year	UK schemes				South African schemes			
	2025		2024		2025		2024	
	Number of shares	Weighted average exercise price £	Number of shares	Weighted average exercise price £	Number of shares	Weighted average exercise price R	Number of shares	Weighted average exercise price R
Outstanding at the beginning of the year	1 615 343	—	2 735 148	—	125 873	—	952 998	—
Granted during the year ^	52 173	—	103 046	—	—	—	26 772	—
Exercised during the year	(591 069)	—	(1 201 482)	—	(88 426)	—	(845 350)	—
Reinstated / (lapsed) during the year	2 046	—	(21 369)	—	—	—	(8 547)	—
Outstanding at the end of the year	1 078 493	—	1 615 343	—	37 447	—	125 873	—
Exercisable at the end of the year	373 739	—	421 724	—	19 123	—	29 545	—

^ The Ninety One shares granted are due to the Group reaching predetermined performance conditions. These awards are aligned with the uptick in Investec shares in the ratio of one Ninety One share for every two Investec shares.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

8. Share-based payments and employee benefits continued

At 31 March	UK schemes		South African schemes	
	2025	2024	2025	2024
The exercise price range and weighted average remaining contractual life for options and shares outstanding were as follows:				
Long-term awards with no strike price				
Exercise price	£nil	£nil	Rnil	Rnil
Weighted average remaining contractual life	1.03 years	1.19 years	0.49 years	0.68 years
The fair value of the liability was calculated by using the Black-Scholes option pricing model				
For the liability calculated the inputs into the model were as follows:				
Listed share price at 31 March	£1.44	£1.71	R34.77	R40.34
Exercise price	£nil	£nil	Rnil	Rnil
Expected volatility ^	32.62% - 33.00%	30.96% - 31.37%	32.49% - 32.52%	31.17% - 31.26%
Option life	0 - 3.41 years	0 - 4.42 years	0.09 - 1.07 years	0.16 - 2.08 years
Expected dividend yields	0% - 11.61%	0% - 5.54%	0% - 11.33%	0% - 10.08%
Risk-free rate	3.91% - 4.28%	3.78% - 5.07%	7.47% - 7.87%	8.24% - 8.82%

^ The expected volatility is determined by extracting historical volatilities from a trading and risk platform and performing a linear interpolation across strikes and maturities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
CONTINUED**9. Taxation**

For the year to 31 March

£'000	2025	2024
Income statement taxation charge		
Current taxation		
UK		
– in respect of the current year	68 247	83 973
– in respect of prior year adjustments	2 077	3 110
Corporation tax before double tax relief	70 324	87 083
– Double taxation relief	(402)	(566)
	69 922	86 517
Southern Africa		
– in respect of the current year	97 342	88 308
– in respect of prior year adjustments	(344)	(8 156)
	96 998	80 152
Europe	8 249	7 383
Australia	106	333
Other*	459	1 338
Withholding taxation on companies	395	362
Total current taxation	176 129	176 085
Deferred taxation		
UK	(5 056)	(9 689)
Southern Africa	(1 504)	5 026
Europe	92	(199)
Other	157	(36)
Total deferred taxation	(6 311)	(4 898)
Total taxation charge for the year	169 818	171 187
Total taxation charge for the year comprises:		
Taxation on operating profit before acquired intangibles and gain on distribution of associate to shareholders	169 623	172 066
Taxation on acquired intangibles and gain on distribution of associate to shareholders	195	(879)
	169 818	171 187

* Where Other largely includes India and North America.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

9. Taxation continued

For the year to 31 March	2025	2024
£'000		
Deferred taxation comprises:		
Origination and reversal of temporary differences	(3 771)	(3 534)
Changes in taxation rates	462	(616)
Adjustment in respect of prior years	(3 002)	(748)
	(6 311)	(4 898)
The deferred taxation movements in the income statement arise from:		
Deferred capital allowance	(10 623)	(3 125)
Income and expenditure accruals	(4 130)	7 732
Asset in respect of unexpired options	4 073	(6 349)
Unrealised fair value adjustments on financial instruments	1 412	1 487
Movement in deferred tax assets related to assessed losses	3 641	(765)
Liability in respect of pension surplus	—	10
Deferred taxation on acquired intangibles	(14)	(367)
Revaluation of investment properties	(824)	(161)
Finance lease accounting	154	(3 359)
Other temporary differences	—	(1)
	(6 311)	(4 898)
The rates of corporation taxation for the relevant years are:	%	%
UK	25%	25%
South Africa	27%	27%
Europe (average)	10%	10%
Australia	30%	30%
Profit before taxation	863 148	822 498
Taxation on profit before taxation	169 818	171 187
Effective taxation rate (%)	19.67%	20.81%
Taxation on profit on ordinary activities before taxation at UK rate of 25% (2024: 25%) and SA rate of 27% (2024: 27%)	224 997	214 136
The standard rate of UK and South African normal taxation has been affected by:		
Non-deductible preference dividends [#]	9 267	10 386
Release of tax liabilities no longer required	(8 028)	—
Taxation adjustments relating to foreign earnings [*]	(9 990)	(26 099)
(Assessed losses not recognised)/utilisation of assessed loss ^{^^}	87	6 955
Bank surcharge	3 558	6 910
Impairment of goodwill and non-operating items	13 748	(298)
Taxation relating to prior years	(1 270)	(5 905)
Share options accounting expense	2 207	(212)
Non-taxable income ^{**}	(47 725)	(25 471)
Net other permanent differences	(5 589)	1 792
Change in tax rate	462	(616)
Tax rate differential on profits of a capital nature	(7 987)	(6 761)
Movement in unrecognised trading losses	(3 919)	(1 797)
Revaluation of investments	—	(1 833)
Total taxation charge as per income statement	169 818	171 187

* Includes Pillar 2 top-up tax of £4.6 million (2024: £nil). The increase predominantly relates to equity accounted earnings of Rathbones.

^^ In the prior year this was included in line item "unrealised capital losses".

** Non-taxable income predominantly consists of equity accounted earnings and non-taxable dividend income.

Non-deductible preference dividends has been included as a comparative as this was omitted in prior year disclosures.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

9. Taxation continued

Global Minimum Tax

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions the Group operates in. From a South African perspective, the Global Minimum Tax Act is deemed to have come into effect on 1 January 2024 and will apply to fiscal years commencing on or after that date. This legislation aims to align with the OECD GloBE Model Rules and Commentary and will be effective for the Group's financial year beginning 1 April 2024. The Group is in scope of the enacted or substantively enacted legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes.

The assessment of the potential exposure to Pillar Two income taxes is based on the most recent tax filings, country-by-country reporting and financial statements for the constituent entities in the Group. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%. However, there are a limited number of jurisdictions (Guernsey, Jersey, Isle of Man and Uruguay) where the transitional safe harbour relief does not apply and the Pillar Two effective tax rate is below 15%. The Group does not expect a material exposure to Pillar Two income taxes in those jurisdictions.

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

We will continue to review the impact of the Pillar Two rules as further guidance is released by the Organisation for Economic Co-operation and Development's (OECD) and additional governments implement this tax regime.

During the current year the Group incurred £4.6 million additional taxation as a result of this legislation. There was no charge in the prior year.

For the year to 31 March

£'000	2025	2024
Other comprehensive income taxation effects		
Fair value movements on cash flow hedges taken directly to other comprehensive income	(10 380)	(16 585)
– Pre-taxation	(14 230)	(12 742)
– Taxation effect	3 850	(3 843)
Gains on realisation of debt instruments at FVOCI recycled through the income statement	(3 409)	(4 789)
– Pre-taxation	(4 677)	(6 340)
– Taxation effect	1 268	1 551
Fair value movements on debt instruments at FVOCI taken directly to other comprehensive income	(687)	11 359
– Pre-taxation	(626)	26 655
– Deferred taxation	(61)	(15 296)
Fair value movements on equity instruments at FVOCI taken directly to other comprehensive income	(24 019)	(14 415)
– Pre-taxation	(23 672)	(14 684)
– Deferred taxation	(347)	269
Net gain/(loss) attributable to own credit risk	(184)	748
– Pre-taxation	(252)	1 008
– Taxation effect	68	(260)
Movement in post retirement benefits liabilities	46	(362)
– Pre-taxation	46	(617)
– Taxation effect	—	255
Statement of changes in equity taxation effects		
Share-based payment IFRS 2 adjustment taxation effect	(559)	6 984
Additional Tier 1 Capital taxation effect	(38 356)	(16 880)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

10. Earnings per share

For the year to 31 March	2025	2024
Total Group		
Earnings from total Group	£'000	£'000
Earnings attributable to shareholders	693 482	941 040
Dividends payable to perpetual preference shareholders and Other Additional Tier 1 security holders (other equity holders)	(70 550)	(49 076)
Gain on repurchase of perpetual preference shares	—	1 406
Earnings and diluted earnings attributable to ordinary shareholders	622 932	893 370
Adjusted earnings from total Group		
Earnings attributable to shareholders	693 482	941 040
Amortisation of acquired intangibles	—	7 907
Equity accounted amortisation of acquired intangibles	6 812	12 624
Equity accounted acquisition related and integration costs	28 815	9 631
Financial impact of strategic actions	21 023	—
Closure and rundown of the Hong Kong direct investments business	47	785
Financial impact of strategic actions of discontinued operations	—	(265 390)
Taxation on acquired intangibles and strategic actions	195	(879)
Taxation on acquired intangibles and strategic actions of discontinued operations	—	6 722
Dividends paid to perpetual preference shareholders and Other Additional Tier 1 security holders (other equity holders)	(70 550)	(49 076)
Accrual adjustment on earnings attributable to other equity holders*	(3 029)	(866)
Adjusted earnings attributable to ordinary shareholders before goodwill, acquired intangibles and non-operating items	676 795	662 498
Headline earnings from total Group		
Earnings attributable to shareholders	693 482	941 040
Financial impact of strategic actions of discontinued operations excluding implementation costs	—	(280 737)
Taxation on strategic actions of discontinued operations	—	8 337
Dividends paid to perpetual preference shareholders and Other Additional Tier 1 security holders (other equity holders)	(70 550)	(49 076)
Property revaluation, net of taxation and non-controlling interests**	(3 196)	(1 958)
Impairment of software**	1 242	—
Gain on repurchase of perpetual preference shares	—	1 406
Headline earnings attributable to ordinary shareholders***	620 978	619 012
Weighted number of shares in issue		
Weighted total average number of shares in issue during the year	991 208 424	992 158 239
Weighted average number of treasury shares held by Investec Limited	(50 920 311)	(50 920 311)
Weighted average number of treasury shares held by share schemes	(84 827 793)	(92 431 241)
Weighted average number of shares in issue during the year	855 460 320	848 806 687
Weighted average number of shares resulting from future dilutive potential shares	31 004 878	35 478 832
Adjusted weighted number of shares potentially in issue	886 465 198	884 285 519
Basic earnings per share – pence	72.8	105.3
Diluted basic earnings per share – pence	70.3	101.0
Adjusted earnings per share – pence	79.1	78.1
Diluted adjusted earnings per share – pence	76.3	74.9
Headline earnings per share – pence***	72.6	72.9
Diluted headline earnings per share – pence***	70.0	70.0

Prior to becoming a subsidiary, the investment in Investec Continental Europe Advisory met the definition of a venture capital investment as defined in the Headline Earnings Circular 1/2023. During the prior period a gain of £4 million was recognised as a result of a stepped acquisition of Investec Continental Europe Advisory from 30% to 60% that required a revaluation of the previously held 30%. This amount was included in headline earnings.

- * In accordance with IFRS® Accounting Standards, dividends attributable to equity holders are accounted for when a constructive liability arises i.e. on declaration by the Board of Directors and approval by the shareholders where required. Investec's preference is to view EPS by adjusting for earnings that are attributed to equity instruments (other than ordinary shares) on an accrual basis and therefore adjusts the paid dividend on such instruments to accrued in arriving at adjusted EPS.
- ** Taxation on property revaluation and impairment of software adjustments amounted to £0.7 million (March 2024: £0.7 million) with no impact on earnings attributable to non-controlling interests.
- *** Headline earnings per share and diluted headline earnings per share have been calculated and is disclosed in accordance with the JSE Listings Requirements, and in terms of Circular 1/2023 issued by the South African Institute of Chartered Accountants.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

10. Earnings per share continued

For the year to 31 March	2025	2024
Continuing operations		
Earnings from continuing operations	£'000	£'000
Earnings attributable to shareholders from continuing operations	693 482	649 929
Dividends payable to perpetual preference shareholders and Other Additional Tier 1 security holders (other equity holders)	(70 550)	(49 076)
Loss on repurchase of perpetual preference shares	—	1 406
Earnings and diluted earnings attributable to ordinary shareholders from continuing operations	622 932	602 259
Adjusted earnings from continuing operations		
Earnings attributable to shareholders from continuing operations	693 482	649 929
Amortisation of acquired intangibles	—	1 483
Equity accounted amortisation of acquired intangibles	6 812	12 624
Equity accounted acquisition related and integration costs	28 815	9 631
Financial impact of strategic actions	21 023	—
Closure and rundown of the Hong Kong direct investments business	47	785
Taxation on acquired intangibles and strategic actions	195	(879)
Dividends paid to perpetual preference shareholders and Other Additional Tier 1 security holders (other equity holders)	(70 550)	(49 076)
Accrual adjustment on earnings attributable to other equity holders*	(3 029)	(866)
Adjusted earnings attributable to ordinary shareholders before goodwill, acquired intangibles and non-operating items from continuing operations	676 795	623 631
Headline earnings from continuing operations		
Earnings attributable to shareholders from continuing operations	693 482	649 929
Dividends paid to perpetual preference shareholders and Other Additional Tier 1 security holders (other equity holders)	(70 550)	(49 076)
Property revaluation, net of taxation and non-controlling interests**	(3 196)	(1 958)
Impairment of software**	1 242	—
Loss on repurchase of perpetual preference shares	—	1 406
Headline earnings attributable to ordinary shareholders from continuing operations***	620 978	600 301
Weighted number of shares in issue		
Weighted total average number of shares in issue during the year	991 208 424	992 158 239
Weighted average number of treasury shares held by Investec Limited	(50 920 311)	(50 920 311)
Weighted average number of treasury shares held by share schemes	(84 827 793)	(92 431 241)
Weighted average number of shares in issue during the year	855 460 320	848 806 687
Weighted average number of shares resulting from future dilutive potential shares	31 004 878	35 478 832
Adjusted weighted number of shares potentially in issue	886 465 198	884 285 519
Basic earnings per share from continuing operations – pence	72.8	71.0
Diluted basic earnings per share from continuing operations – pence	70.3	68.1
Adjusted earnings per share from continuing operations – pence	79.1	73.5
Diluted adjusted earnings per share from continuing operations – pence	76.3	70.5
Headline earnings per share from continuing operations – pence***	72.6	70.7
Diluted headline earnings per share from continuing operations – pence***	70.0	67.9

* In accordance with IFRS® Accounting Standards, dividends attributable to equity holders are accounted for when a constructive liability arises i.e. on declaration by the Board of Directors and approval by the shareholders where required. Investec's preference is to view EPS by adjusting for earnings that are attributed to equity instruments (other than ordinary shares) on an accrual basis and therefore adjusts the paid dividend on such instruments to accrued in arriving at adjusted EPS.

** Taxation on property revaluation and impairment of software adjustments amounted to £0.7 million (March 2024: £0.7 million) with no impact on earnings attributable to non-controlling interests.

*** Headline earnings per share and diluted headline earnings per share have been calculated and is disclosed in accordance with the JSE Listings Requirements, and in terms of Circular 1/2023 issued by the South African Institute of Chartered Accountants.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

10. Earnings per share continued

For the year to 31 March	2025	2024
Discontinued operations		
Earnings from discontinued operations	£'000	£'000
Earnings and diluted earnings attributable to ordinary shareholders from discontinued operations	—	291 111
Adjusted earnings from continuing operations		
Earnings attributable to shareholders from discontinued operations	—	291 111
Financial impact of strategic actions of discontinued operations	—	(265 390)
Taxation on acquired intangibles and strategic actions of discontinued operations	—	6 722
Amortisation of acquired intangibles	—	6 424
Adjusted earnings attributable to ordinary shareholders before goodwill, acquired intangibles and non-operating items from discontinued operations	—	38 867
Headline earnings from discontinued operations		
Earnings attributable to shareholders	—	291 111
Financial impact of strategic actions of discontinued operations excluding implementation costs	—	(280 737)
Taxation on strategic actions	—	8 337
Headline earnings attributable to ordinary shareholders from discontinued operations***	—	18 711
Weighted number of shares in issue		
Weighted total average number of shares in issue during the year	991 208 424	992 158 239
Weighted average number of treasury shares held by Investec Limited	(50 920 311)	(50 920 311)
Weighted average number of treasury shares held by share schemes	(84 827 793)	(92 431 241)
Weighted average number of shares in issue during the year	855 460 320	848 806 687
Weighted average number of shares resulting from future dilutive potential shares	31 004 878	35 478 832
Adjusted weighted number of shares potentially in issue	886 465 198	884 285 519
Basic earnings per share from discontinued operations – pence	—	34.3
Diluted basic earnings per share from discontinued operations – pence	—	32.9
Adjusted earnings per share from discontinued operations – pence	—	4.6
Diluted adjusted earnings per share from discontinued operations – pence	—	4.4
Headline earnings per share from discontinued operations – pence***	—	2.2
Diluted headline earnings per share from discontinued operations – pence***	—	2.1

*** Headline earnings per share and diluted headline earnings per share have been calculated and is disclosed in accordance with the JSE Listings Requirements, and in terms of Circular 1/2023 issued by the South African Institute of Chartered Accountants.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

11. Dividends

	2025		2024	
For the year to 31 March	Pence per share	Total £'000	Pence per share	Total £'000
Ordinary dividend				
Final dividend for prior year	19.0	172 046	17.5	161 086
Interim dividend for current year	16.5	148 742	15.5	135 626
Total dividend attributable to ordinary shareholders recognised in current financial year	35.5	320 788	33.0	296 712

The directors have proposed a final dividend in respect of the financial year ended 31 March 2025 of 20.0 pence per ordinary share.

This will be paid as follows:

- For Investec Limited shareholders, through a dividend payment by Investec Limited of 484.0 cents per ordinary share
- For Investec plc non-South African shareholders, through a dividend paid by Investec plc of 20.0 pence per ordinary share
- For Investec plc South African shareholders, through a dividend payment by Investec Limited on the SA DAS share of 20.0 pence per ordinary share
- The final dividend to shareholders registered on 15 August 2025 is subject to the approval of the members of Investec plc and Investec Limited at the annual general meeting which is scheduled to take place on 7 August 2025 and, if approved, will be paid on 29 August 2025.

For the year to 31 March	2025	2024
£'000		
Perpetual preference dividend*		
Final dividend for prior year	5 727	4 838
Interim dividend for current year	5 819	5 603
Total dividend attributable to perpetual preference shareholders recognised in current financial year	11 546	10 441

* Perpetual preference share dividends from Investec Limited and Investec plc.

The directors have declared a final dividend in respect of the financial year ended 31 March 2025 of 28.55478 pence (Investec plc shares traded on the JSE Limited) and 28.55478 pence (Investec plc shares traded on the International Stock Exchange), 532.26027 cents (Investec plc Rand-denominated shares) and 435.8316 cents (Investec Limited). The final dividend will be payable to shareholders on the register at the close of business on 20 June 2025 for all dividends except for the Investec plc preference shares, which will be paid on 27 June 2025.

Dividend attributable to other Additional Tier 1 securities in issue	59 004	38 635
The dividends paid on other Additional Tier 1 floating rate notes pay dividends on a quarterly basis. Refer to note 49 for detail on rates.		
Total perpetual preference dividends and other Additional Tier 1 securities	70 550	49 076

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

12. Discontinued operations

During the 2024 financial year, the Group had two significant strategic actions which have been reflected as discontinued operations.

The effective date of the combination of Investec Wealth & Investment Limited and Rathbones Group Plc was 21 September 2023, at which point the Group deconsolidated its 100% holding in Investec Wealth & Investment Limited and in return acquired a 41.25% interest in Rathbones Group Plc which is accounted for as an equity investment.

The completion date of the sale of the Investec Property Fund (IPF) management companies was 6 July 2023 at which point the Group deconsolidated its existing c.24.3% investment in IPF.

The Investec Wealth & Investment business and IPF have been disclosed as discontinued operations. The Wealth & Investment business was disclosed in the Wealth & Investment segment in the UK and other geography and the IPF business was disclosed in the Group Investments segment in the Southern Africa geography.

Reconciliation of profit after taxation and financial impact of strategic actions from discontinued operations as disclosed in the income statement to earnings from discontinued operations attributable to shareholders is provided in the tables below

For the year to 31 March	
£'000	2024
Operating profit before strategic actions and non-controlling interests	62 606
Amortisation of acquired intangibles	(6 424)
Taxation on operating profit	(11 973)
Taxation on amortisation of acquired intangibles	1 615
Operating profit before strategic actions and non-controlling interests from discontinued operations	45 824
Financial impact of strategic actions net of taxation	257 053
Financial impact of strategic actions	265 390
Taxation on strategic actions	(8 337)
Profit after taxation and financial impact of strategic actions from discontinued operations	302 877
Profit attributable to non-controlling interests of discontinued operations	(11 766)
Earnings from discontinued operations attributable to shareholders	291 111

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

12. Discontinued operations continued

The table below presents the income statement from discontinued operations included in the total Group income statement for the year to 31 March 2024.

For the year to 31 March 2024

£'000	UK and Other	Southern Africa	Total
Net interest income/(expense)	17 324	(6 194)	11 130
Net fee and commission income	161 610	13 088	174 698
Investment income	—	3 390	3 390
Trading income/(loss) arising from			
– customer flow	—	(9 749)	(9 749)
– balance sheet management and other trading activities	—	17 181	17 181
Total operating income before expected credit loss impairment charges	178 934	17 716	196 650
Expected credit loss impairment charges	—	(267)	(267)
Operating income	178 934	17 449	196 383
Operating costs	(131 106)	(2 671)	(133 777)
Operating profit before strategic actions and non-controlling interests	47 828	14 778	62 606
Profit attributable to non-controlling interests from discontinued operations	—	(11 766)	(11 766)
Operating profit before strategic actions	47 828	3 012	50 840
Amortisation of acquired intangibles	(6 424)	—	(6 424)
Financial impact of strategic actions	359 339	(93 949)	265 390
Profit/(loss) before taxation	400 743	(90 937)	309 806
Taxation on operating profit before strategic actions	(11 973)	—	(11 973)
Taxation on acquired intangibles and strategic action	781	(7 503)	(6 722)
Earnings/(loss) from discontinued operations attributable to shareholders	389 551	(98 440)	291 111

Investec Wealth & Investment Limited

On 21 September 2023, the Investec Group successfully completed the all-share combination of Investec Wealth & Investment Limited and Rathbones Group Plc. On completion Rathbones issued new Rathbones shares in exchange for 100% of Investec Wealth & Investment Limited share capital. Investec Group now owns 41.25% of the economic interest in the enlarged Rathbones Group's share capital, with Investec Group's voting rights limited to 29.9%. The Group's holding in Rathbones Group Plc is equity accounted for as an interest in associated undertakings and joint venture holdings in accordance with IAS 28.

Gain on loss of control of Investec Wealth & Investment Limited

For the year to 31 March

£'000	2024
The gain is calculated as follows:	
Fair value of 41.25 % received in Rathbones Group	779 421
Net asset value of Investec Wealth & Investment previously consolidated (including goodwill)	(405 755)
Gain on the combination of Rathbones Group before taxation	373 666
Implementation costs	(14 327)
Gain on the loss of control of Investec Wealth and Investment UK on the combination with Rathbones Group	359 339
Taxation on gain	(834)
Gain on combination of Rathbones Group net of taxation and implementation costs	358 505

Major classes of assets and liabilities at date of deconsolidation

£'000	2024
Loans and advances to banks	172 595
Goodwill	242 355
Other assets	360 378
Other liabilities	(369 573)
Net asset value of Investec Wealth & Investment previously consolidated (including goodwill)	405 755

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

12. Discontinued operations continued

Remeasurement on deconsolidation of IPF and net of gain on sale of the IPF management business

The completion date of the sale of the IPF management companies was 6 July 2023 at which point the Group deconsolidated its c.24.3% investment in IPF. Historically, IPF has been controlled by the Group because of the power over relevant activities held over the IPF management function which was, until the current period, wholly owned by the Group, further the majority of directors of IPF were associated with the Group. In the prior period, the management companies were sold into the fund, and as a result the Group lost control of both these functions and the executive directors transferred employment from Investec to IPF reducing the number of directors associated with Investec to less than the majority. The investment in IPF is now held as an associate company. In accordance with the Group's accounting policies, associates that are held with no strategic intention should be accounted for at fair value through profit or loss by applying the venture capital exemption as provided in IAS 28. The investment is disclosed in the investment portfolio line on the balance sheet. Investec Limited, through its ordinary course of business has been classified as a venture capital entity and this exemption provided in IAS 28 has been applied.

Loss on sale of IPF asset management function and deconsolidation

For the year to 31 March

£'000	2024
The loss is calculated as follows:	
Fair value of the consideration	34 330
Fair value of investment at 6 July 2023	61 035
Net asset value of IPF previously consolidated (including non-controlling interests)	(545 891)
Non-controlling interest derecognised previously included in the consolidation of IPF at 6 July 2023	412 974
Foreign currency translation reserve recycled to the income statement on sale	(55 377)
Loss before taxation and costs	(92 929)
Implementation costs	(1 020)
Loss before taxation	(93 949)
Taxation (release of deferred taxation)	(7 503)
Loss on sale of IPF management function and deconsolidation net of taxation and implementation costs	(101 452)

Major classes of assets and liabilities at date of deconsolidation

£'000	2024
Investment properties	568 568
Investment portfolio	425 863
Other assets	88 056
Deposits by banks	(258 403)
Debt securities in issue	(208 464)
Other liabilities	(69 729)
Net asset value of IPF previously consolidated (including non-controlling interests)	545 891

13. Operating lease disclosures

For the year to 31 March

£'000	2025	2024
Operating lease income recognised in operating income	9 006	7 115
Operating lease receivables		
Future minimum lease payments receivable under non-cancellable operating leases:		
Less than one year	13 715	9 601
One to two years	13 411	8 823
Two to three years	10 002	8 354
Three to four years	7 570	5 245
Four to five years	6 984	2 439
Greater than five years	35 849	7 745
	87 531	42 207

The Group leases property to third parties under operating lease arrangements. The term of the leases range between three and ten years with annual escalation clauses. The majority of the leases have renewal options. New leases were entered into in the property business during the current year, resulting in the increase in future operating lease income and receivables. In addition to the above, the Group has minimum lease payments of £21 million (2024: £nil) payable within one year, relating to leases of aircraft.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

14. Analysis of income and impairments by category of financial instrument

	At fair value through profit or loss		
	IFRS 9 mandatory		Designated at inception
For the year to 31 March	Trading**	Non-trading**	
£'000			
2025			
Interest income	75 395	100 269	42 846
Interest expense	(69 831)	(44)	(114 977)
Fee and commission income	17 168	23 158	—
Fee and commission expense	—	(1 033)	—
Investment income/(loss)	9 967	68 669	28 270
Share of post-taxation profit of associates and joint venture holdings	—	—	—
Trading income/(loss) arising from			
– customer flow***	275 100	4 059	(3 590)
– balance sheet management and other trading activities	35 546	13 538	(20 082)
Other operating income/(loss)	6	103	—
Operating income	343 351	208 719	(67 533)
Expected credit loss impairment charges	—	8	(2 547)
Operating income after expected credit loss impairment charges	343 351	208 727	(70 080)
2024			
Interest income	114 946	184 036	25 667
Interest expense	(101 443)	(141)	(47 295)
Fee and commission income	24 941	2 278	—
Fee and commission expense	(5 880)	(478)	—
Investment income/(loss)	2 854	41 264	2 009
Share of post-taxation profit of associates and joint venture holdings^	—	—	—
Trading income/(loss) arising from			
– customer flow***	242 649	(1 559)	451
– balance sheet management and other trading activities	17 962	28 265	(7 155)
Other operating income/(loss)	—	81	—
Operating income	296 029	253 746	(26 323)
Expected credit loss impairment charges^^	—	—	(2 360)
Operating income after expected credit loss impairment charges	296 029	253 746	(28 683)

* Includes off-balance sheet items.

** Fair value through profit and loss items have been split as trading and non-trading, as defined by regulatory rules for the trading book and banking book requirements, respectively, other than derivatives, which are all classified as trading. Trading consists of positions held for trading intent or hedge elements of the trading book. Non-trading consists of income and expenses from positions that are expected to be held to maturity.

*** Included in trading income arising from customer flow is income of £283.3 million (2024: £241.4 million) and interest expense of £152.8 million (2024: £109.7 million).

^ Restated as detailed in note 61.

^^ Expected credit loss impairment charges have also been disaggregated to align with the balance sheet IFRS 9 classification of the underlying assets and off-balance sheet items and the prior year has been re-presented.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

At fair value through comprehensive income					
Debt instruments with a dual business model	Equity instruments	Amortised cost	Non-financial instruments	Other fee income and expenses*	Total
370 017	—	3 568 471	3 771	—	4 160 769
—	—	(2 604 210)	(13 601)	—	(2 802 663)
—	—	182 673	17 394	277 713	518 106
(153)	—	(16 983)	(16 610)	(19 486)	(54 265)
7 070	12 393	438	3 601	308	130 716
—	—	—	40 170	—	40 170
1 048	—	(146 784)	—	733	130 566
—	—	(3 009)	(119)	(259)	25 615
1	—	2 654	(140)	3 209	5 833
377 983	12 393	983 250	34 466	262 218	2 154 847
(8 955)	—	(108 913)	—	1 177	(119 230)
369 028	12 393	874 337	34 466	263 395	2 035 617
338 177	—	3 450 571	10 753	—	4 124 150
(154)	—	(2 624 285)	(12 139)	—	(2 785 457)
—	—	210 171	3 595	216 006	456 991
(168)	—	(40 864)	(904)	7 490	(40 804)
6 172	11 843	877	(4 652)	14	60 381
—	—	—	33 694	—	33 694
—	—	(109 653)	—	(176)	131 712
—	—	2 229	139	56	41 496
—	—	1 619	(334)	595	1 961
344 027	11 843	890 665	30 152	223 985	2 024 124
4 649	—	(86 078)	—	4 676	(79 113)
348 676	11 843	804 587	30 152	228 661	1 945 011

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
CONTINUED

15. Analysis of financial assets and liabilities by category of financial instrument

	At fair value through profit and loss		
	IFRS 9 mandatory		
At 31 March 2025 £'000	Trading*	Non-trading*	Designated at initial recognition
Assets			
Cash and balances at central banks	—	—	—
Loans and advances to banks	—	—	—
Non-sovereign and non-bank cash placements	—	—	38 171
Reverse repurchase agreements and cash collateral on securities borrowed	611 621	56 413	—
Sovereign debt securities	—	24 709	—
Bank debt securities	—	23 484	—
Other debt securities	—	85 818	—
Derivative financial instruments	844 360	—	—
Securities arising from trading activities	2 005 831	—	—
Loans and advances to customers	—	633 270	376 839
Own originated loans and advances to customers securitised	—	—	—
Other loans and advances	—	—	—
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	—	—	—
Investment portfolio	13 670	535 363	—
Interests in associated undertakings and joint venture holdings	—	—	—
Current taxation asset	—	—	—
Deferred taxation assets	—	—	—
Other assets	111 713	13 004	—
Property and equipment	—	—	—
Investment properties	—	—	—
Goodwill	—	—	—
Software	—	—	—
Non-current assets classified as held for sale	—	—	—
	3 587 195	1 372 061	415 010
Liabilities			
Deposits by banks	—	—	—
Derivative financial instruments	1 009 037	—	—
Other trading liabilities	1 587 927	—	—
Repurchase agreements and cash collateral on securities lent	679 756	—	—
Customer accounts (deposits)	—	—	2 246 002
Debt securities in issue	—	—	—
Liabilities arising on securitisation of own originated loans and advances	—	—	—
Current taxation liabilities	—	—	—
Deferred taxation liabilities	—	—	—
Other liabilities	41 913	—	—
Liabilities to customers under investment contracts [#]	—	—	—
	3 318 633	—	2 246 002
Subordinated liabilities	—	—	—
	3 318 633	—	2 246 002

* Fair value through profit and loss positions have been split as trading and non-trading, as defined by regulatory rules for the trading book and banking book requirements, respectively, other than derivatives, which are all classified as trading. Trading consists of positions held for trading intent or hedge elements of the trading book.

[#] Included in "liabilities to customers under investment contracts" is £1.4 million insurance liabilities recognised in terms of IFRS 17.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED

At fair value through other comprehensive income			Total instruments at fair value	Amortised cost	Non-financial instruments or scoped out of IFRS 9	Total
Debt instruments with a dual business model	Equity instruments	Financial assets linked to investment contract liabilities				
—	—	—	—	5 003 272	—	5 003 272
—	—	—	—	1 321 060	—	1 321 060
—	—	—	38 171	387 204	—	425 375
—	—	—	668 034	3 622 249	—	4 290 283
2 798 424	—	—	2 823 133	3 267 042	—	6 090 175
427 692	—	—	451 176	224 146	—	675 322
222 863	—	—	308 681	889 060	—	1 197 741
—	—	—	844 360	—	—	844 360
—	—	—	2 005 831	—	—	2 005 831
2 005 308	—	—	3 015 417	29 011 487	—	32 026 904
—	—	—	—	360 488	—	360 488
—	—	—	—	139 087	—	139 087
—	—	206 272	206 272	—	—	206 272
—	148 549	—	697 582	—	—	697 582
—	—	—	—	—	846 009	846 009
—	—	—	—	—	25 751	25 751
—	—	—	—	—	204 971	204 971
—	—	—	124 717	868 692	460 020	1 453 429
—	—	—	—	—	223 463	223 463
—	—	—	—	—	100 841	100 841
—	—	—	—	—	74 285	74 285
—	—	—	—	—	7 452	7 452
—	—	—	—	—	32 568	32 568
5 454 287	148 549	206 272	11 183 374	45 093 787	1 975 360	58 252 521
—	—	—	—	2 752 547	—	2 752 547
—	—	—	1 009 037	—	—	1 009 037
—	—	—	1 587 927	—	—	1 587 927
—	—	—	679 756	478 100	—	1 157 856
—	—	—	2 246 002	38 918 219	—	41 164 221
—	—	—	—	1 563 602	—	1 563 602
—	—	—	—	257 282	—	257 282
—	—	—	—	—	50 746	50 746
—	—	—	—	—	3 526	3 526
—	—	—	41 913	1 179 944	598 963	1 820 820
—	—	213 594	213 594	—	—	213 594
—	—	213 594	5 778 229	45 149 694	653 235	51 581 158
—	—	—	—	1 016 703	—	1 016 703
—	—	213 594	5 778 229	46 166 397	653 235	52 597 861

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

15. Analysis of financial assets and liabilities by category of financial instrument continued

	At fair value through profit and loss		
	IFRS 9 mandatory		Designated at initial recognition
At 31 March 2024 [*] £'000	Trading [*]	Non-trading [*]	
Assets			
Cash and balances at central banks	—	—	—
Loans and advances to banks	—	—	—
Non-sovereign and non-bank cash placements	—	—	12 073
Reverse repurchase agreements and cash collateral on securities borrowed ^{**}	333 948	164 319	—
Sovereign debt securities	—	12 971	—
Bank debt securities	—	—	—
Other debt securities	—	90 919	—
Derivative financial instruments	1 031 366	—	—
Securities arising from trading activities	1 643 615	6 909	10 699
Loans and advances to customers ^{***}	—	705 490	427 236
Own originated loans and advances to customers securitised	—	—	—
Other loans and advances	—	—	—
Other securitised assets	—	—	66 704
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	—	—	—
Investment portfolio	8 818	626 059	—
Interests in associated undertakings and joint venture holdings	—	—	—
Current taxation asset	—	—	—
Deferred taxation assets	—	—	—
Other assets	174 072	102 756	—
Property and equipment	—	—	—
Investment properties	—	—	—
Goodwill	—	—	—
Software	—	—	—
Non-current assets classified as held for sale	—	—	—
	3 191 819	1 709 423	516 712
Liabilities			
Deposits by banks	—	—	—
Derivative financial instruments	1 078 461	—	—
Other trading liabilities	1 338 597	—	—
Repurchase agreements and cash collateral on securities lent	263 043	—	—
Customer accounts (deposits)	—	—	2 583 214
Debt securities in issue	—	—	9 823
Liabilities arising on securitisation of own originated loans and advances	—	—	—
Liabilities arising on securitisation of other assets	—	—	71 751
Current taxation liabilities	—	—	—
Deferred taxation liabilities	—	—	—
Other liabilities ^{****}	34 060	—	—
Liabilities to customers under investment contracts [#]	—	—	—
	2 714 161	—	2 664 788
Subordinated liabilities	—	—	—
	2 714 161	—	2 664 788

* Fair value through profit and loss positions have been split as trading and non-trading, as defined by regulatory rules for the trading book and banking book requirements, respectively, other than derivatives, which are all classified as trading. Trading consists of positions held for trading intent or hedge elements of the trading book.

** £1.1 billion of 'reverse repurchase agreements and cash collateral on securities borrowed' were incorrectly classified as 'non-trading fair value instruments' in the prior year. These balances have been corrected to amortised cost.

*** £183.3 million of 'loans and advances to customers' were incorrectly classified as 'designated at initial recognition' in the prior year. These balances have been corrected to amortised cost.

**** £41.9 million of 'other liabilities' have been restated from 'non-financial instruments or scoped out of IFRS 9' to 'amortised cost'.

Included in "liabilities to customers under investment contracts" is £0.5 million insurance liabilities recognised in terms of IFRS 17.

^ Restated as detailed in note 61.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
CONTINUED

At fair value through other comprehensive income			Total instruments at fair value	Amortised cost	Non-financial instruments or scoped out of IFRS 9	Total
Debt instruments with a dual business model	Equity Instruments	Financial assets linked to investment contract liabilities				
—	—	—	—	6 279 088	—	6 279 088
—	—	—	—	1 122 036	—	1 122 036
—	—	—	12 073	448 486	—	460 559
—	—	—	498 267	3 878 619	—	4 376 886
2 419 328	—	—	2 432 299	2 510 848	—	4 943 147
392 795	—	—	392 795	203 641	—	596 436
230 801	—	—	321 720	826 427	—	1 148 147
—	—	—	1 031 366	—	—	1 031 366
—	—	—	1 661 223	—	—	1 661 223
1 471 371	—	—	2 604 097	28 041 216	—	30 645 313
—	—	—	—	269 034	—	269 034
—	—	—	—	117 513	—	117 513
—	—	—	66 704	—	—	66 704
—	—	154 738	154 738	—	—	154 738
—	172 153	—	807 030	—	—	807 030
—	—	—	—	—	858 420	858 420
—	—	—	—	—	35 636	35 636
—	—	—	—	—	204 861	204 861
—	—	—	276 828	882 561	505 356	1 664 745
—	—	—	—	—	238 072	238 072
—	—	—	—	—	105 975	105 975
—	—	—	—	—	75 367	75 367
—	—	—	—	—	9 707	9 707
—	—	—	—	—	22 270	22 270
4 514 295	172 153	154 738	10 259 140	44 579 469	2 055 664	56 894 273
—	—	—	—	3 643 793	—	3 643 793
—	—	—	1 078 461	—	—	1 078 461
—	—	—	1 338 597	—	—	1 338 597
—	—	—	263 043	743 229	—	1 006 272
—	—	—	2 583 214	36 948 349	—	39 531 563
—	—	—	9 823	1 531 371	—	1 541 194
—	—	—	—	208 571	—	208 571
—	—	—	71 751	—	—	71 751
—	—	—	—	—	43 955	43 955
—	—	—	—	—	5 198	5 198
—	—	—	34 060	1 130 854	658 067	1 822 981
—	—	154 889	154 889	—	—	154 889
—	—	154 889	5 533 838	44 206 167	707 220	50 447 225
—	—	—	—	972 806	—	972 806
—	—	154 889	5 533 838	45 178 973	707 220	51 420 031

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

16. Financial instruments at fair value

The table below analyses recurring fair value measurements for financial assets and financial liabilities. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to the valuation technique used.

The different levels are identified as follows:

Level 1 – quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At 31 March 2025 £'000	Total instruments at fair value	Fair value category		
		Level 1	Level 2	Level 3
Assets				
Non-sovereign and non-bank cash placements	38 171	—	38 171	—
Reverse repurchase agreements and cash collateral on securities borrowed	668 034	—	668 034	—
Sovereign debt securities	2 823 133	2 823 133	—	—
Bank debt securities	451 176	425 552	25 624	—
Other debt securities	308 681	98 332	162 663	47 686
Derivative financial instruments	844 360	—	838 008	6 352
Securities arising from trading activities	2 005 831	1 897 139	108 692	—
Loans and advances to customers	3 015 417	—	408 430	2 606 987
Other securitised assets	—	—	—	—
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	206 272	139 120	40 168	26 984
Investment portfolio	697 582	224 634	5 024	467 924
Other assets	124 717	124 717	—	—
	11 183 374	5 732 627	2 294 814	3 155 933
Liabilities				
Derivative financial instruments	1 009 037	—	1 008 210	827
Other trading liabilities	1 587 927	354 129	1 233 798	—
Repurchase agreements and cash collateral on securities lent	679 756	—	679 756	—
Customer accounts (deposits)	2 246 002	—	2 246 002	—
Other liabilities	41 913	—	41 913	—
Liabilities to customers under investment contracts	213 594	4 229	182 381	26 984
	5 778 229	358 358	5 392 060	27 811
Net financial assets/(liabilities) at fair value	5 405 145	5 374 269	(3 097 246)	3 128 122

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

16. Financial instruments at fair value continued

At 31 March 2024 [^] £'000	Total instruments at fair value	Fair value category		
		Level 1	Level 2	Level 3
Assets				
Non-sovereign and non-bank cash placements	12 073	—	12 073	—
Reverse repurchase agreements and cash collateral on securities borrowed*	498 267	—	498 267	—
Sovereign debt securities	2 432 299	2 432 299	—	—
Bank debt securities	392 795	373 942	18 853	—
Other debt securities	321 720	104 854	157 254	59 612
Derivative financial instruments	1 031 366	—	1 020 795	10 571
Securities arising from trading activities	1 661 223	1 491 067	170 156	—
Loans and advances to customers**	2 604 097	—	478 697	2 125 400
Other securitised assets	66 704	—	—	66 704
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	154 738	91 417	47 569	15 752
Investment portfolio	807 030	244 883	2 510	559 637
Other assets	276 828	276 828	—	—
	10 259 140	5 015 290	2 406 174	2 837 676
Liabilities				
Derivative financial instruments	1 078 461	—	1 077 527	934
Other trading liabilities	1 338 597	291 474	1 047 123	—
Repurchase agreements and cash collateral on securities lent	263 043	—	263 043	—
Customer accounts (deposits)	2 583 214	—	2 583 214	—
Debt securities in issue	9 823	—	9 823	—
Liabilities arising on securitisation of other assets	71 751	—	—	71 751
Other liabilities	34 060	—	34 060	—
Liabilities to customers under investment contracts	154 889	—	139 137	15 752
	5 533 838	291 474	5 153 927	88 437
Net financial assets/(liabilities) at fair value	4 725 302	4 723 816	(2 747 753)	2 749 239

* £1.1 billion of 'reverse repurchase agreements and cash collateral on securities borrowed' were incorrectly classified as fair value instruments. These balances should have been classified as amortised cost instruments have consequently been excluded from 'level 2' instruments.

** £45.7 million of fair value loans in level 2 should have been disclosed as level 3 owing to significant unobservable inputs in their valuation model. Additionally, £183.3 million of 'loans and advances to customers' were incorrectly classified as 'designated at initial recognition' in the prior year, these balances should have been classified as amortised cost and have consequently been excluded from 'level 2' instruments.

*** The level 2 and level 3 'other financial instruments at fair value through profit or loss in respect of liabilities to customers' were previously incorrectly reflected as level 1. Consequently, £15.8 million of the 'liabilities to customers under investment contracts' was also corrected from level 2 to level 3.

[^] Restated as detailed in note 61.

Transfers between level 1 and level 2

There were no material transfers between level 1 and level 2 in the current and prior year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

16. Financial instruments at fair value continued

Measurement of fair value financial assets and liabilities at level 2

The table below sets out information about the valuation techniques used at the end of the reporting period in measuring financial instruments categorised as level 2 in the fair value hierarchy:

	Valuation basis/techniques	Main inputs
Assets		
Non-sovereign and non-bank cash placements	Discounted cash flow model	Yield curves
Reverse repurchase agreements and cash collateral on securities borrowed	Discounted cash flow model, Hermite interpolation, Black-Scholes	Yield curves, discount rates, volatilities
Bank debt securities	Discounted cash flow model	Yield curves
Other debt securities	Discounted cash flow model	Yield curves, NCD curves and swap curves, discount rates, external prices, broker quotes
Derivative financial instruments	Discounted cash flow model, Hermite interpolation, industry standard derivative pricing models including Black-Scholes and Local Volatility	Yield curves, discount rate, risk-free rate, volatilities, forex forward points and spot rates, interest rate swap curves and credit curves
Securities arising from trading activities	Discounted cash flow model	Interest rate curves, implied bond spreads, equity volatilities, yield curves
Loans and advances to customers	Discounted cash flow model	Yield curves
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	Current price of underlying unitised assets	Listed prices
Investment portfolio	Discounted cash flow model, relative valuation model, comparable quoted inputs	Discount rate and fund unit price, net assets
Liabilities		
Derivative financial instruments	Discounted cash flow model, Hermite interpolation, industry standard derivative pricing models including Black-Scholes and Local Volatility	Yield curves, discount rate, risk-free rate, volatilities, forex forward points and spot rates, interest rate swap curves and credit curves
Other trading liabilities	Discounted cash flow model, Hermite interpolation and including Local Volatility	Discount rate, risk-free rates forex forward points and spot rates, interest rate swap curves and credit curves
Repurchase agreements and cash collateral on securities lent	Discounted cash flow model, Hermite interpolation	Yield curves, discount rates
Customer accounts (deposits)	Discounted cash flow model	Yield curves, discount rates
Debt securities in issue	Discounted cash flow model, Hermite interpolation, industry standard derivative pricing models including Local Volatility	Discount rate, risk-free rate, volatilities, forex forward points and spot rates, interest rate swap curves and credit curves
Other liabilities	Discounted cash flow model	Yield curves
Liabilities to customers under investment contracts	Current price of underlying unitised assets	Listed prices

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

16. Financial instruments at fair value continued

Level 3 financial instruments

The following tables show a reconciliation of the opening balances to the closing balances for level 3 financial instruments. All instruments are at fair value through profit or loss.

£'000	Investment portfolio	Loans and advances to customers	Other securitised assets	Other level 3 assets**	Total
Assets					
Balance at 1 April 2023	1 127 964	1 393 607	78 231	121 784	2 721 586
Total gains/(losses)	3 465	183 759	(1 495)	661	186 390
In the income statement	3 465	185 545	(1 495)	661	188 176
In the statement of comprehensive income	—	(1 786)	—	—	(1 786)
Purchases	46 964	2 551 558	—	47 108	2 645 630
Sales	(105 258)	(1 058 680)	—	(14 481)	(1 178 419)
Issues	—	7 083	—	—	7 083
Settlements	(59 236)	(913 115)	(10 032)	(74 870)	(1 057 253)
Discontinued operations	(425 844)	—	—	—	(425 844)
Foreign exchange adjustments	(28 418)	(38 812)	—	5 733	(61 497)
Balance at 31 March 2024	559 637	2 125 400	66 704	85 935	2 837 676
Total gains/(losses)	36 528	233 577	724	11 968	282 797
In the income statement	36 528	214 459	724	11 968	263 679
In the statement of comprehensive income	—	19 118	—	—	19 118
Purchases	27 834	3 201 706	—	6 804	3 236 344
Sales	(10 834)	(1 166 693)	—	(421)	(1 177 948)
Issues	(34 497)	2 142	—	—	(32 355)
Settlements	(110 610)	(1 746 979)	(8 403)	(15 559)	(1 881 551)
Transfers out of level 3	—	(1 825)	—	—	(1 825)
Deconsolidation of subsidiary	—	—	(59 025)	(1 998)	(61 023)
Foreign exchange adjustments	(134)	(40 341)	—	(5 707)	(46 182)
Balance at 31 March 2025	467 924	2 606 987	—	81 022	3 155 933

* Comprises level 3 other debt securities, derivative financial instruments, securities arising from trading activities and other financial instruments at fair value through profit or loss in respect of liabilities to customers.

£'000	Liabilities arising on securitisation of other assets	Other level 3 liabilities**	Total
Liabilities			
Balance at 1 April 2023	81 609	63 232	144 841
Net losses/(gains) in the income statement	1 190	(565)	625
Purchases	—	7 399	7 399
Sales	—	(3 933)	(3 933)
Settlements	(11 048)	(7 608)	(18 656)
Transfers out of level 3	—	(45 387)	(45 387)
Foreign exchange adjustments	—	3 548	3 548
Balance at 31 March 2024	71 751	16 686	88 437
Net gains in the income statement	311	9 865	10 176
Purchases	—	1 326	1 326
Settlements	(7 637)	—	(7 637)
Deconsolidation of subsidiary	(64 425)	(136)	(64 561)
Foreign exchange adjustments	—	70	70
Balance at 31 March 2025	—	27 811	27 811

* Comprises level 3 derivative financial instruments, other liabilities and liabilities to customers under investment contracts.

** Derivatives within 'other balance sheet assets' and 'other balance sheet liabilities' have been restated as per note 61. At 1 April 2023, certain fair value loans within 'loans and advances to customers' with a value of £57.0 million (2024: £45.7 million) were deemed to have significant unobservable inputs in their valuation and therefore were corrected from level 2 to level 3. Additionally, the opening balances were restated by £10.3 million (2024: £15.8 million) to reflect unquoted investments which were previously reflected as level 2 instruments within 'other financial instruments at fair value through profit or loss in respect of liabilities to customers' and 'liabilities to customers under investment contracts' included in 'other balance sheet assets' and 'other balance sheet liabilities' respectively.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

16. Financial instruments at fair value continued

The Group transfers between levels within the fair value hierarchy when the significance of the unobservable inputs change or if the valuation methods change. Transfers are deemed to occur at the end of each semi-annual reporting period.

For the year ended 31 March 2025, there were no significant transfers into or out of level 3. In the prior year there were no significant transfers into or out of level 3.

The following table quantifies the gains or (losses) included in the income statement and statement of other comprehensive income recognised on level 3 financial instruments:

For the year to 31 March			
£'000	Total	Realised*	Unrealised**
2025			
Total gains/(losses) included in the income statement for the year			
Net interest income**	224 967	198 564	26 403
Fee and commission (expense)	—	5	—
Investment income/(loss)***	29 273	(10 338)	39 611
Trading income arising from customer flow	(742)	—	(742)
	253 503	188 231	65 272
Total gains/(losses) included in other comprehensive income for the year			
Gains on realisation on debt instruments at FVOCI recycled through the income statement	268	268	—
Fair value movements on debt instruments at FVOCI taken directly to other comprehensive income	19 118	—	19 118
	19 386	268	19 118
2024^			
Total gains/(losses) included in the income statement for the year			
Net interest income	179 541	161 914	17 627
Investment (loss)/income	10 155	34 133	(23 978)
Trading loss arising from customer flow	(2 145)	—	(2 145)
	187 551	196 047	(8 496)
Total gains/(losses) included in other comprehensive income for the year			
Gains on realisation on debt instruments at FVOCI recycled through the income statement	534	534	—
Fair value movements on debt instruments at FVOCI taken directly to other comprehensive income	(1 786)	—	(1 786)
	(1 252)	534	(1 786)

^ Restated as detailed in note 61.

* Certain fair value loans within 'loans and advances to customers' were restated from level 2 to level 3. The prior year numbers have been restated to include realised interest income of £5.3 million and an unrealised fair value loss of £510k.

** Of the above gains, £221.5 million (2024: £177.3 million) relates to 'loans and advances to customers' and the remainder relates to 'other debt securities'.

*** Of the above gains, £36.6 million (2024: £6.0 million) relates to 'investment portfolio' and the remainder relates to other asset and liability categories..

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

16. Financial instruments at fair value continued

Sensitivity of fair values to reasonably possible alternative assumptions by level 3 instrument type

The fair value of financial instruments in level 3 are measured using valuation techniques that incorporate assumptions that are not evidenced by prices from observable market data. The following table shows the sensitivity of these fair values to reasonably possible alternative assumptions, determined at a transactional level. Reasonable possible changes are determined depending on the nature of the instrument, for example, for credit related inputs, this is a one rating grade movement up or down. In other instances, the extent of a reasonable change is based on market experience.

At 31 March 2025	Balance sheet value £'000	Significant unobservable input changed	Range which unobservable input has been changed	Favourable changes £'000	Unfavourable changes £'000
Assets					
Other debt securities	47 686	Potential impact on income statement		1 918	(3 213)
		Cash flow adjustments	CPR 13.94%	256	(164)
		Underlying asset value ^{^^}	^{^^}	1 361	(2 700)
		Credit spreads	0.36% - 1.5%	57	(105)
		Other	^{^^^}	244	(244)
Derivative financial instruments	6 352	Potential impact on income statement		1 058	(702)
		Volatilities	7.5% - 16.95%	—	(1)
		Underlying asset value ^{^^}	^{^^}	1	(3)
		Other ^{^^^}	^{^^^}	1 057	(698)
Loans and advances to customers	2 606 987	Potential impact on income statement		26 700	(34 457)
		Credit spreads	0.14% - 4.65%	6 263	(14 212)
		Property value	^{^^}	12 750	(15 376)
		Price earnings multiple	4.5x	675	(1 101)
		Underlying asset value ^{^^}	^{^^}	5 455	(2 211)
		Other ^{^^^}	^{^^^}	1 557	(1 557)
		Potential impact on other comprehensive income		17 712	(32 737)
		Credit spreads	0.16% - 5.72%	17 712	(32 737)
Investment portfolio	467 924	Potential impact on income statement		51 449	(70 363)
		Price earnings multiple	1.6x - 7.5x	5 662	(10 660)
		Underlying asset value ^{^^}	^{^^}	9 320	(18 487)
		EBITDA	^{^^}	18 863	(18 668)
		Price earnings multiple	3.3x - 7.8x	2 768	(5 502)
		Cash flows	^{^^}	912	(912)
		Underlying asset value ^{^^}	^{^^}	1 364	(1 821)
		Discount rates	^{^^}	1 472	(458)
		Other ^{^^^}	^{^^^}	11 088	(13 855)
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	26 984	Potential impact on income statement		2 698	(2 698)
		Underlying asset value ^{^^}	^{^^}	2 698	(2 698)
Total level 3 assets	3 155 933			101 535	(144 170)
Liabilities					
Derivative financial instruments	827	Potential impact on income statement		(12)	—
		Volatilities	other	—	—
		Underlying asset value ^{^^}	^{^^}	—	—
		Other		(12)	—
Liabilities to customers under investment contracts	26 984	Potential impact on income statement		(2 698)	2 698
		Underlying asset value ^{^^}	^{^^}	(2 698)	2 698
Total level 3 liabilities	27 811			(2 710)	2 698
Net level 3 assets	3 128 122			98 825	(141 472)

^{^^} Underlying asset values are calculated by reference to a tangible asset, for example property, aircraft or shares.

^{^^^} Other – The valuation sensitivity has been assessed by adjusting various inputs such as expected cash flows, discount rates, probability of recovery, earnings multiples rather than a single input. It is deemed appropriate to reflect the outcome on a portfolio basis for the purposes of this analysis as the sensitivity of the assets cannot be determined through the adjustment of a single input.

^{^^} The EBITDA, cash flows and property values have been stressed on an investment-by-investment and loan-by-loan basis in order to obtain favourable and unfavourable valuations.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
CONTINUED

16. Financial instruments at fair value continued

				Potential impact on the income statement	
	Balance sheet value		Range which unobservable input has been changed	Favourable changes	Unfavourable changes
At 31 March 2024^	£'000	Significant unobservable input changed		£'000	£'000
Assets					
Other debt securities	59 612	Potential impact on income statement		2 192	(3 713)
		Credit spreads	0.75%-0.86%	40	(68)
		Cash flow adjustments	CPR 7.62%-11.08%	214	(160)
		Other	^^^	1 938	(3 485)
Derivative financial instruments	10 571	Potential impact on income statement		801	(894)
		Volatilities	7.5%-19.1%	1	(3)
		Cash flow adjustments	CPR 7.62%	2	(2)
		Underlying asset value	^^	46	(93)
		Other^^^	^^^	752	(796)
Loans and advances to customers ^{##}	2 125 400	Potential impact on income statement		30 940	(46 312)
		Credit spreads	0.16%-37.8%	10 840	(24 697)
		Price earnings multiple	3.8x	2 762	(6 893)
		Underlying asset value	^^	6 308	(2 365)
		Property values	#	10 040	(10 560)
		Other^^^	^^^	990	(1 797)
		Potential impact on other comprehensive income		12 783	(24 177)
		Credit spreads	0.14%-5.0%	12 783	(24 177)
Other securitised assets*	66 704	Potential impact on income statement		770	(1 291)
		Cash flow adjustments	CPR 7.62%	770	(1 291)
Investment portfolio	559 637	Potential impact on income statement		57 968	(85 545)
		Price earnings multiple	3.8x-9x	6 485	(13 200)
		Underlying asset value***	^^	4 545	(8 120)
		EBITDA	**	7 716	(8 747)
		EBITDA	(10%)-10%	17 961	(17 961)
		Cash flows	**	1 997	(1 739)
		Precious and industrial metal prices	(5%)-5%	935	(1 870)
		Underlying asset value	^^	1 192	(2 480)
		Other^*****	^^^	17 137	(31 428)
Other financial instruments at fair value through profit or loss in respect of liabilities to customers ^{##}	15 752	Potential impact on income statement		1 581	(1 581)
		Underlying asset value^^	^^	1 581	(1 581)
Total level 3 assets	2 837 676			107 035	(163 513)
Liabilities					
Derivative financial instruments	934	Potential impact on income statement		(2)	2
		Volatilities	9%-23.3%	(1)	2
		Other	^^^	(1)	—
Liabilities arising on securitisation of other assets*	71 751	Potential impact on income statement		(805)	440
		Cash flow adjustments	CPR 7.62%	(805)	440
Liabilities to customers under investment contracts ^{##}	15 752	Potential impact on income statement		(1 581)	1 581
		Underlying asset value^^	^^	(1 581)	1 581
Total level 3 liabilities	88 437			(2 388)	2 023
Net level 3 assets	2 749 239			104 647	(161 490)

^a Restated as detailed in note 61.^{*} The sensitivity of the fair value of liabilities arising on securitisation of other assets has been considered together with other securitised assets.^{^^} Underlying asset values are calculated by reference to a tangible asset, for example property, aircraft or shares.^{^^^} Other – The valuation sensitivity has been assessed by adjusting various inputs such as expected cash flows, discount rates, earnings multiples rather than a single input. It is deemed appropriate to reflect the outcome on a portfolio basis for the purposes of this analysis as the sensitivity of the assets cannot be determined through the adjustment of a single input.^{**} The EBITDA, cash flows and property values have been stressed on an investment-by-investment and loan-by-loan basis in order to obtain favourable and unfavourable valuations.^{***} Due to the addition of valuation techniques into this disclosure, these lines have been disaggregated.[#] Property values are the significant unobservable input for these valuations. The capitalisation rates have been stressed by 0.25bp when valuing these properties.^{##} These sensitivities have been updated as a consequence of the restatements above within this note.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

16. Financial instruments at fair value continued

In determining the value of level 3 financial instruments, the following are the principal input that can require judgement:

Credit spreads

Credit spreads reflect the additional yield that a market participant would demand for taking exposure to the credit risk of an instrument. The credit spread for an instrument forms part of the yield used in a discounted cash flow calculation. In general a significant increase in a credit spread in isolation will result in a movement in fair value that is unfavourable for the holder of a financial instrument.

Discount rates

Discount rates are used to adjust for the time value of money when using a discounted cash flow valuation method. Where relevant, the discount rate also accounts for illiquidity, market conditions and uncertainty of future cash flows.

Volatilities

Volatility is a key input in the valuation of derivative products containing optionality. Volatility is a measure of the variability or uncertainty in returns for a given derivative underlying. It represents an estimate of how much a particular underlying instrument, parameter or index will change in value over time.

Cash flows

Cash flows relate to the future cash flows which can be expected from the instrument and requires judgement.

EBITDA

The investee's earnings before interest, taxes, depreciation and amortisation. This is the main input into a price earnings multiple valuation method.

Price earnings multiple

The price-to-earnings ratio is an equity valuation multiple. It is a key driver in the valuation of unlisted investments.

Property values and precious and industrial metals

The property value and precious and industrial metals is a key driver of future cash flows on these investments.

Underlying asset value

In instances where cash flows have links to referenced assets, the underlying asset value is used to determine the fair value. The underlying asset valuation is derived using observable market prices sourced from broker quotes, specialist valuers or other reliable pricing sources.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

17. Fair value of financial instruments at amortised cost

For financial assets and financial liabilities that are liquid or have a short-term maturity (less than three months) it is assumed that the carrying amounts approximate their fair value. These assets and liabilities include demand deposits, savings accounts without a specific maturity which are included in customer accounts (deposits) and variable rate instruments.

Financial instruments for which fair value does not approximate carrying value

Differences in amortised cost and fair value occur in fixed-rate instruments. The fair value of fixed-rate financial assets and financial liabilities carried at amortised cost are estimated by comparing spreads earned on the transactions with spreads earned on similar new transactions entered into by the Group. The estimated fair value of fixed interest-bearing deposits is based on discounted cash flows, using prevailing money market interest rates for debts with similar credit risk and maturity. For quoted subordinated debt issued, the fair values are calculated based on quoted market prices. For those notes issued where quoted market prices are not available, a discounted cash flow model is used based on a current interest rate yield curve appropriate for the remaining term to maturity.

At 31 March 2025	Carrying amount	Fair value approximates carrying amount	Balances where fair values do not approximate carrying amounts	Fair value of balances that do not approximate carrying amounts	Level 1	Level 2	Level 3
£'000							
Assets							
Cash and balances at central banks	5 003 272	5 003 272	—	—	—	—	—
Loans and advances to banks	1 321 060	1 321 060	—	—	—	—	—
Non-sovereign and non-bank cash placements	387 204	387 204	—	—	—	—	—
Reverse repurchase agreements and cash collateral on securities borrowed	3 622 249	2 696 837	925 412	925 960	—	925 960	—
Sovereign debt securities	3 267 042	491 101	2 775 941	2 789 425	2 789 425	—	—
Bank debt securities	224 146	12 898	211 248	207 638	207 638	—	—
Other debt securities	889 060	90 779	798 281	800 698	170 762	629 936	—
Loans and advances to customers	29 011 487	14 265 926	14 745 561	14 716 697	—	1 006 893	13 709 804
Own originated loans and advances to customers securitised	360 488	360 488	—	—	—	—	—
Other loans and advances	139 087	90 899	48 188	48 165	—	48 165	—
Other assets	868 692	868 692	—	—	—	—	—
	45 093 787	25 589 156	19 504 631	19 488 583	3 167 825	2 610 954	13 709 804
Liabilities							
Deposits by banks	2 752 547	477 452	2 275 095	2 300 261	—	2 300 261	—
Repurchase agreements and cash collateral on securities lent	478 100	395 634	82 466	82 126	—	82 126	—
Customer accounts (deposits)	38 918 219	24 157 994	14 760 225	14 860 105	—	14 860 105	—
Debt securities in issue	1 563 602	273 171	1 290 431	1 298 278	1 163 921	134 357	—
Liabilities arising on securitisation of own originated loans and advances	257 282	257 282	—	—	—	—	—
Other liabilities	1 179 944	1 179 252	692	189	—	—	189
Subordinated liabilities	1 016 703	334 489	682 214	712 548	712 548	—	—
	46 166 397	27 075 274	19 091 123	19 253 507	1 876 469	17 376 849	189

For the year ended 31 March 2025, gains of £431.4k were made on the derecognition of debt securities held at amortised cost.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

17. Fair value of financial instruments at amortised cost continued

At 31 March 2024			Balances where fair values do not approximate carrying amounts	Fair value of balances that do not approximate carrying amounts			
£'000	Carrying amount	Fair value approximates carrying amount			Level 1	Level 2	Level 3
Assets							
Cash and balances at central banks	6 279 088	6 279 088	—	—	—	—	—
Loans and advances to banks	1 122 036	926 667	195 369	195 531	—	195 531	—
Non-sovereign and non-bank cash placements	448 486	448 486	—	—	—	—	—
Reverse repurchase agreements and cash collateral on securities borrowed*	3 878 619	2 193 581	1 685 038	1 684 862	—	1 684 862	—
Sovereign debt securities	2 510 848	4 253	2 506 595	2 495 777	2 495 777	—	—
Bank debt securities	203 641	4 402	199 239	199 598	199 598	—	—
Other debt securities	826 427	103 705	722 722	726 213	111 413	614 800	—
Loans and advances to customers**	28 041 216	13 113 523	14 927 693	14 728 302	—	982 824	13 745 478
Own originated loans and advances to customers securitised	269 034	269 034	—	—	—	—	—
Other loans and advances	117 513	71 466	46 047	46 167	—	46 167	—
Other securitised assets	—	—	—	—	—	—	—
Other assets	882 561	882 561	—	—	—	—	—
	44 579 469	24 296 766	20 282 703	20 076 450	2 806 788	3 524 184	13 745 478
Liabilities							
Deposits by banks	3 643 793	515 958	3 127 835	3 170 276	—	3 170 276	—
Repurchase agreements and cash collateral on securities lent	743 229	451 943	291 286	292 807	—	292 807	—
Customer accounts (deposits)	36 948 349	19 481 925	17 466 424	17 468 884	—	17 468 884	—
Debt securities in issue	1 531 371	248 430	1 282 941	1 284 837	965 531	319 306	—
Liabilities arising on securitisation of own originated loans and advances	208 571	208 571	—	—	—	—	—
Other liabilities***	1 130 854	1 129 228	1 626	536	—	—	536
Subordinated liabilities	972 806	303 999	668 807	661 143	661 143	—	—
	45 178 973	22 340 054	22 838 919	22 878 483	1 626 674	21 251 273	536

* £1.1 billion of 'reverse repurchase agreements and cash collateral on securities borrowed' were incorrectly classified as fair value instruments and have been reclassified from fair value through profit and loss to amortised cost, with the carrying amount approximating fair value.

** £183.3 million of 'loans and advances to customers' have been corrected from designated at FVPL on initial recognition to amortised cost, with the carrying amount approximating fair value.

*** £41.9 million of 'other liabilities' were corrected from non-financial instruments to amortised cost, with the carrying amount approximating fair value.

For the year ended 31 March 2024, gains of £3.2 million were made on the derecognition of debt securities held at amortised cost.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

17. Fair value of financial instruments at amortised cost continued

The following table sets out the Group's principal valuation techniques used in determining the fair value of its financial assets and financial liabilities at level 2 and level 3:

Loans and advances to banks	Calculation of the present value of future cash flows, discounted as appropriate.
Other debt securities	Priced with reference to similar trades in an observable market.
Reverse repurchase agreements and cash collateral on securities borrowed	Calculation of the present value of future cash flows, discounted as appropriate.
Loans and advances to customers	Calculation of the present value of future cash flows, discounted as appropriate.
Other loans and advances	Calculation of the present value of future cash flows, discounted as appropriate.
Other assets	Calculation of the present value of future cash flows, discounted as appropriate.
Deposits by banks	Calculation of fair value using appropriate funding rates.
Repurchase agreements and cash collateral on securities lent	Calculation of the present value of future cash flows, discounted as appropriate.
Customer accounts (deposits)	Where the deposits are short-term in nature, carrying amounts are assumed to approximate fair value. Where deposits are of longer-term maturities, they are valued using a cash flow model discounted as appropriate.
Debt securities in issue	Where the debt securities are fully collateralised, fair value is equal to the carrying value. Other debt securities are valued using a cash flow model discounted as appropriate to the securities for funding and interest rates.
Other liabilities	Where the other liabilities are short-term in nature, carrying amounts are assumed to approximate fair value.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

18. Financial instruments designated at fair value

		Fair value adjustment		Change in fair value attributable to credit risk*		
At 31 March						Maximum exposure to credit risk
£'000	Carrying value	Current	Cumulative	Current	Cumulative	
Assets						
2025						
Non-sovereign and non-bank cash placements	38 171	391	391	—	—	38 153
Loans and advances to customers	376 839	(3 337)	(11 605)	(3 790)	(15 376)	388 655
	415 010	(2 946)	(11 214)	(3 790)	(15 376)	426 808
2024						
Reverse repurchase agreements and cash collateral on securities borrowed	12 073	80	80	—	—	12 073
Securities arising from trading activities**	10 699	529	1 753	(98)	(161)	10 699
Loans and advances to customers^	427 236	3 702	(14 423)	417	(11 552)	442 439
Other securitised assets***	66 704	(2 747)	(12 648)	(2 747)	(12 648)	66 702
	516 712	1 564	(25 238)	(2 428)	(24 361)	531 913

[^] £183.3 million of 'loans and advances to customers' were incorrectly classified as 'designated at FVPL on initial recognition' in the prior year. The prior year figures have been restated to reflect this change.

At 31 March £'000	Carrying value	Remaining contractual amount to be repaid at maturity	Fair value adjustment		Change in fair value attributable to credit risk*	
			Current	Cumulative	Current	Cumulative
Liabilities						
2025						
Customer accounts (deposits)	2 246 002	2 190 600	27 370	3 102	244	(1 595)
	2 246 002	2 190 600	27 370	3 102	244	(1 595)
2024						
Customer accounts (deposits)	2 583 214	2 471 181	(4 745)	(24 047)	(991)	(1 822)
Debt securities in issue**	9 823	9 969	79	2 217	(106)	(160)
Liabilities arising on securitisation of other assets***	71 751	77 152	567	(4 350)	567	(4 350)
	2 664 788	2 558 302	(4 099)	(26 180)	(530)	(6 332)

* Other than where credit risk is measured using the ECL models, changes in credit risk are determined as the change in the fair value of the financial instrument that is not attributable to changes in other market inputs.

** During the year, the Group sold a residual tranche holding in Landmark Mortgage Securities No. 2 plc structured entity which subsequently resulted in the deconsolidation of the SPV and its related assets and liabilities.

*** During the year, all of the debt securities designated at fair value in the Financial Product's collateralised note issuance programme matured and the corresponding bond positions were sold and hence the balances for 2025 are Enil.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

19. Cash and balances at central banks

At 31 March £'000	2025	2024
Gross cash and balances at central banks	5 003 273	6 279 089
Expected credit loss on amortised cost	(1)	(1)
Net cash and balances at central banks	5 003 272	6 279 088
The country risk of cash and balances at central banks lies in the following geographies:		
South Africa	791 427	599 762
United Kingdom	4 175 093	5 650 258
Europe (excluding UK)	16 657	11 365
Africa (excluding RSA)	20 095	17 703
	5 003 272	6 279 088

20. Loans and advances to banks

At 31 March £'000	2025	2024 [^]
Gross loans and advances to banks	1 321 277	1 122 507
Expected credit loss on amortised cost	(217)	(471)
Net loans and advances to banks	1 321 060	1 122 036
The country risk of loans and advances to banks lies in the following geographies:		
South Africa	54 955	90 845
United Kingdom	428 311	443 279
Europe (excluding UK)	514 452	336 663
North America	128 312	134 827
Africa (excluding RSA)	43 341	85 432
Asia	129 247	14 330
Australia	21 956	16 372
Other	486	288
	1 321 060	1 122 036

[^] Restated as detailed in note 61.

21. Reverse repurchase agreements and cash collateral on securities borrowed and repurchase agreements and cash collateral on securities lent

At 31 March £'000	2025	2024 [^]
Assets		
Gross reverse repurchase agreements and cash collateral on securities borrowed	4 290 337	4 376 976
Expected credit loss on amortised cost	(54)	(90)
Net reverse repurchase agreements and cash collateral on securities borrowed	4 290 283	4 376 886
Reverse repurchase agreements	4 105 359	4 169 399
Cash collateral on securities borrowed	184 924	207 487
	4 290 283	4 376 886
As part of the reverse repurchase and securities borrowing agreements the Group has received securities that it is allowed to sell or re-pledge. £246.7 million (2024: £150.1 million) has been re-sold or re-pledged to third parties in connection with financing activities or to comply with commitments under short sale transactions.		
Liabilities		
Repurchase agreements	953 582	852 495
Cash collateral on securities lent	204 274	153 777
	1 157 856	1 006 272

[^] Restated as detailed in note 61.

The assets transferred and not derecognised in the above repurchase agreements are fair valued at £1.2 billion (2024[^]: £935.7 million). They are pledged as security for the term of the underlying repurchase agreement.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

22. Sovereign debt securities

At 31 March £'000	2025	2024
Gross sovereign debt securities	6 091 102	4 944 417
Expected credit loss on amortised cost	(927)	(1 270)
Net sovereign debt securities	6 090 175	4 943 147
The country risk of the sovereign debt securities lies in the following geographies:		
South Africa	3 156 436	2 559 230
United Kingdom	1 397 693	1 215 320
Europe (excluding UK)	239 778	136 269
North America	1 273 532	1 019 888
Africa (excluding RSA)	22 736	12 440
	6 090 175	4 943 147

23. Bank debt securities

At 31 March £'000	2025	2024
Gross bank debt securities	675 427	596 530
Expected credit loss on amortised cost	(105)	(94)
Net bank debt securities	675 322	596 436
Bonds	596 949	594 339
Floating rate notes	78 373	2 097
	675 322	596 436
The country risk of the bank debt securities lies in the following geographies:		
South Africa	170 292	117 032
United Kingdom	296 355	214 939
Europe (excluding UK)	76 141	109 347
North America	15 115	39 964
Africa (excluding RSA)	15 397	36 990
Australia	102 022	78 184
	675 322	596 436

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

24. Other debt securities

At 31 March		
£'000	2025	2024
Gross other debt securities	1 198 860	1 148 904
Expected credit loss on amortised cost	(1 119)	(757)
Net other debt securities	1 197 741	1 148 147
Bonds	321 222	349 030
Floating rate notes	86 561	100 778
Collective investment schemes	12 535	—
Asset-based securities	753 875	671 267
Other	23 548	27 072
	1 197 741	1 148 147
The country risk of the other debt securities lies in the following geographies:		
South Africa	295 785	274 727
United Kingdom	110 979	133 840
Europe (excluding UK)	113 482	148 488
North America	651 918	555 900
Africa (excl RSA)	—	3 888
Asia	25 577	31 304
	1 197 741	1 148 147

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

25. Derivative financial instruments

The Group enters into various contracts for derivatives both as principal for trading purposes and as customer for hedging foreign exchange, interest rate, equity and commodity exposures. These include financial futures, options, swaps and forward rate agreements. The risks associated with derivative instruments are monitored in the same manner as for the underlying instruments. Risks are also measured across the product range in order to take into account possible correlations.

In the tables that follow notional principal amounts indicate the volume of business outstanding at the balance sheet date and do not represent amounts at risk. The fair value of a derivative financial instrument represents the present value of positive or negative cash flows which would have occurred had the rights and obligations arising from that instrument been closed out by the Group in an orderly market transaction at balance sheet date.

At 31 March £'000	2025			2024 [^]		
	Notional principal amounts	Positive fair value	Negative fair value	Notional principal amounts	Positive fair value	Negative fair value
Foreign exchange derivatives						
Forward foreign exchange contracts	20 616 561	191 089	119 946	17 320 588	123 191	81 367
Currency swaps	7 595 549	68 082	58 526	2 310 130	65 029	40 577
OTC options bought and sold	2 771 342	40 569	45 964	2 187 471	34 248	43 609
Other foreign exchange contracts	66 602	373	280	16 603	742	338
	31 050 054	300 113	224 716	21 834 792	223 210	165 891
Interest rate derivatives						
Caps and floors	11 440 598	29 203	27 313	14 228 034	100 550	100 600
Swaps	134 146 414	242 766	269 319	330 543 529	374 931	412 589
Forward rate agreements	4 240 693	2 256	1 145	29 927 091	4 319	4 608
OTC options bought and sold	234 023	325	903	260 770	822	826
Other interest rate contracts	—	—	—	2 295	608	229
	150 061 728	274 550	298 680	374 961 719	481 230	518 852
Equity and stock index derivatives						
OTC options bought and sold	1 256 238	178 854	452 761	1 134 477	228 402	333 427
Equity swaps and forwards	1 818 400	75 763	59 365	3 683 456	59 804	30 014
OTC derivatives	3 074 638	254 617	512 126	4 817 933	288 206	363 441
Exchange traded futures	46 288	—	—	109 449	—	—
Exchange traded options	1 224 926	12 093	—	4 319 032	63 923	79
	4 345 852	266 710	512 126	9 246 414	352 129	363 520
Commodity derivatives						
OTC options bought and sold	319 445	1 113	1 136	112 685	65	29
Commodity swaps and forwards	52 611 457	44 857	35 587	1 067 363	50 198	54 124
	52 930 902	45 970	36 723	1 180 048	50 263	54 153
Credit derivatives	556 833	6 467	6 061	340 289	1 747	8 973
Other derivatives		4 630	—		4 441	11
Cash collateral		(94)	(15 283)		(51 281)	(2 566)
Effect of on-balance sheet netting		(53 986)	(53 986)		(30 373)	(30 373)
Derivatives per balance sheet		844 360	1 009 037		1 031 366	1 078 461

[^] Restated as detailed in note 61.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

26. Securities arising from trading activities

At 31 March		
£'000	2025	2024 [^]
Bonds	376 926	217 103
Government securities	—	171
Collective investment schemes*	166 328	158 306
Listed equities	1 428 201	1 245 665
Floating rate notes	30 072	28 561
Other	4 304	11 417
	2 005 831	1 661 223

[^] Restated as detailed in note 61.

* In the prior year, these instruments were included in 'other'.

27. Loans and advances to customers and other loans and advances

At 31 March		
£'000	2025	2024 [^]
Gross loans and advances to customers at amortised cost	29 259 544	28 324 181
Gross loans and advances to customers at FVOCI [#]	2 005 308	1 471 371
Gross loans and advances to customers designated at FVPL at inception ^{##}	385 299	433 520
Suspended interest	35 739	30 647
Gross loans and advances to customers subject to expected credit losses	31 685 890	30 259 719
Expected credit losses on loans and advances to customers at amortised cost and FVPL ^{##}	(256 517)	(289 249)
Suspended interest	(35 739)	(30 647)
	31 393 634	29 939 823
Loans and advances to customers at fair value through profit and loss	633 270	705 490
Net loans and advances to customers	32 026 904	30 645 313
Gross other loans and advances	139 106	117 525
Expected credit losses on other loans and advances	(9)	(12)
Net other loans and advances	139 097	117 513

[^] £183.3 million of 'loans and advances to customers' were incorrectly classified as 'designated at FVPL on initial recognition' in the prior year. The prior year figures have been restated to reflect this change.

[#] Expected credit losses above do not include £22.6 million (2024: £13.3 million) ECL held against financial assets held at FVOCI.

^{##} These are fixed rate loans which have passed the sole payments of principal and interest test (SPPI) 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 and advances measured at amortised cost.

In accordance with IFRS 9, interest should only be recognised on the net position (i.e. gross loans and advances less ECL) on positions in Stage 3. Suspended interest relates to interest not recognised relating to the ECL on these loans and advances. Interest is suspended from the time an asset transfers into Stage 3.

At 31 March		
£'000	2025	2024
Expected credit losses on loans and advances to customers at amortised cost and FVPL		
Balance at the beginning of the year	289 249	289 135
Expected credit loss impairment charges to the income statement	120 572	90 451
Utilised	(153 241)	(77 164)
Exchange adjustment	(63)	(13 173)
Balance at the end of the year	256 517	289 249

Of the amounts written off in the current period, £32 million are subject to enforcement activity at the year end (2024: £14 million). The increase was driven by large single name exposures.



For further analysis on loans and advances refer to pages 34 to 47 of the Investec Group's 2025 risk and governance report.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

28. Securitised assets and liabilities arising on securitisation

At 31 March	2025	2024
£'000		
Gross own originated loans and advances to customers securitised	361 385	269 643
Expected credit loss of own originated loans and advances to customers securitised	(897)	(609)
Net own originated loans and advances to customers securitised	360 488	269 034
Other securitised assets are made up of the following categories of assets*:		
Loans and advances to customers	—	66 236
Other debt securities	—	468
Total other securitised assets	—	66 704
The associated liabilities are recorded on-balance sheet in the following line items:		
Liabilities arising on securitisation of own originated loans and advances	257 282	208 571
Liabilities arising on securitisation of other assets*	—	71 751
Expected credit losses on own originated loans and advances to customers securitised at amortised cost		
Balance at the beginning of year	609	920
Expected credit loss impairment charges/(release) to the income statement	285	(238)
Exchange adjustment	3	(73)
Balance at the end of year	897	609

* During the year, the Group sold a residual tranche holding in Landmark Mortgage Securities No. 2 plc structured entity which subsequently resulted in the deconsolidation of the SPV and its related assets and liabilities.

29. Long-term assurance business attributable to policyholders

At 31 March	2025	2024
£'000		
Other financial instruments at fair value through profit or loss in respect of liabilities to customers:		
Investments	206 272	154 738
	206 272	154 738
Investments shown above comprise:		
Interest-bearing securities*	225	209
Stocks, shares and unit trusts*	202 436	151 691
Deposits*	3 611	2 838
	206 272	154 738
Liabilities to customers under investment contracts	213 594	154 889

* Prior year restated for incorrect classification between interest bearing securities, deposits and stocks, shares and unit trusts.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

30. Investment portfolio

At 31 March £'000	2025	2024
Listed equities	224 704	245 062
Unlisted equities	331 680	361 361
Other fair value loans and investments	141 198	200 607
	697 582	807 030

Equity instruments at FVOCI (included in 'listed equities')

At 31 March £'000	2025	2024
Carrying values at 31 March and dividends recognised for the year to 31 March		
Portfolio of perpetual preference shares issued by South African listed banks		
Carrying value	14 219	13 264
Dividends recognised	1 416	1 425
Ninety One plc shares		
Carrying value	134 330	158 889
Dividends recognised	10 977	11 721
Total carrying value of equity instruments at FVOCI	148 549	172 153

Material associate measured at fair value through profit or loss

Included within the investment portfolio is a shareholding of 19.3% (2024: 24.3%) of Burstone Limited, fair valued at £54.1 million (2024: £61.5 million). The Group has significant influence over this investment but makes use of the equity accounting exemption to carry this at FVPL. Dividends of £6.4 million (2024: £4.0 million) were received.

	Burstone Limited	
	2025	2024

Summarised financial information (£'000):

For the year to 31 March

Revenue	86 414	88 259
(Loss)/profit after taxation	(95 652)	9 998
Total comprehensive (loss)/ income after non-controlling interests	(95 901)	9 969

At 31 March

Current assets	88 634	44 284
Non-current assets	693 582	1 034 501
Current liabilities	104 216	136 753
Non-current liabilities	278 606	422 874

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

31. Interests in associated undertakings and joint venture holdings

At 31 March		
£'000	2025	2024
Interests in associated undertakings and joint venture holdings consist of:		
Net asset value	226 086	203 908
Goodwill and intangibles within carrying value	619 923	654 512
Investment in associated undertakings and joint venture holdings	846 009	858 420
Associated undertakings and joint venture holdings comprise listed and unlisted investments		
Analysis of the movement in our share of net assets:		
At the beginning of the year	203 908	47 863
Exchange adjustments	(101)	(131)
Acquisitions*	(62)	119 230
Rathbones measurement period finalisation^^	53 369	—
Disposals	—	(2 123)
Discontinued operations	—	426
Share of post-taxation profits of associates and joint venture holdings	46 982	39 373
Share of other comprehensive income of associates and joint venture holdings	(12 252)	257
Dividends received	(92 988)	(228)
Transfer from investment portfolio^	27 835	—
Capital reduction	(605)	(759)
At the end of the year	226 086	203 908
Analysis of the movement in goodwill and intangibles:		
At the beginning of the year	654 512	5 840
Exchange adjustments	395	(126)
Acquisitions*	19 429	660 191
Derecognition from stepped acquisition	—	(5 714)
Amortisation of acquired intangibles of associates	(6 812)	(5 679)
Rathbones measurement period finalisation^^	(47 601)	—
At the end of the year	619 923	654 512

* In the current year, we acquired a 50% holding in Golden Hind S.A, the Latin America (LatAm) distribution partnership. The purchase price was made up of a cash component and a deferred consideration included in 'other liabilities' that will be settled in future periods. Refer to note 12 for additional information for acquisition in the prior year.

^ Historically, Investec Capital Services (India) Pvt Ltd (ICSI) has been a joint venture, accounted for at fair value and presented within the investment portfolio. During the year, certain of Investec's co-joint venturer's rights lapsed, and as a result, it is no longer appropriate to apply fair value accounting and will be equity accounted going forward from the date of this change.

^^ Following the acquisition of Rathbones, the Group has finalised the purchase price allocation. The acquisition date fair values of identifiable assets, liabilities, and contingent liabilities have been assessed and allocated appropriately to intangible assets and the residual value has been recognised as goodwill. This process resulted in an increase in net assets of £53.4 million and a decrease in goodwill and intangibles of £47.6 million. As the impact on the financial statements was immaterial, these were adjusted for prospectively in the current year.

	Rathbones Group plc	
	2025	2024
Details of material associated undertakings		
Summarised financial information (£'000):		
Operating income*	895 875	436 272
Profit after taxation*	65 398	35 000
Other comprehensive income*	(7 967)	—
Total comprehensive income after non-controlling interests*	57 431	—
Total assets	4 290 034	4 853 534
Total liabilities	2 930 672	3 472 425
Net asset value	1 359 362	1 381 109
Effective interest in issued share capital	41.25%	41.25%
Net asset value at 41.25%	560 737	569 707
Less: Goodwill and intangibles net of deferred tax per Rathbones	(368 604)	—
Add: Goodwill and Investec's share of intangible assets net of deferred tax	600 599	—
Carrying value of interest – equity method ^	792 732	788 437
Fair value of 41.25% interest in Rathbones Group	692 126	779 421

* Income statement and other comprehensive income items are only shown for the period for which they are equity accounted.

^ The difference between the carrying value of Rathbones and the net asset value relates to intangible assets, and goodwill that was recognised in the carrying value as a direct result of the fair value exceeding the fair value of the identifiable assets at 21 September 2023.

Rathbones has a statutory year end of 31 December and the Group now recognises its share of earnings on a three months in arrears basis. The financial information presented above aligns with this reporting date. In the prior year this was not the case and therefore the information on other comprehensive income was not available.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

32. Deferred taxation

At 31 March £'000	2025	2024
Deferred taxation assets	204 971	204 861
Deferred taxation liabilities	(3 526)	(5 198)
Net deferred taxation assets	201 445	199 663
The net deferred taxation assets arise from:		
Deferred capital allowances	73 193	62 164
Income and expenditure accruals	74 529	68 647
Asset in respect of unexpired options	33 072	42 436
Unrealised fair value adjustments on financial instruments	10 765	12 072
Losses carried forward	5 426	9 051
Assets in respect of pensions surplus	362	362
Deferred tax on acquired intangibles	14	5
Revaluation of property	(4 468)	(5 267)
Finance lease accounting	10 078	10 158
Cash flow hedges	—	23
Other temporary differences	(1 526)	12
Net deferred taxation assets	201 445	199 663
Reconciliation of net deferred taxation assets		
At the beginning of the year	199 663	207 489
Recovery to the income statement	6 311	4 898
Recovery directly in other comprehensive income	(5 527)	(1 149)
Arising on acquisitions/(disposals)	—	5 201
Prior year adjustments	574	—
Discontinued operations	—	(5 968)
Exchange adjustments	424	(8 888)
Other	—	(1 920)
At the end of the year	201 445	199 663

Deferred taxation assets are recognised to the extent it is likely that profits will be available in future periods. The assessment of the likelihood of future profits is based on past performance and current projections. Deferred taxation assets are not recognised in respect of capital losses and excess management expenses as crystallisation of capital gains and the eligibility of potential losses is uncertain.

There are trading losses carried forward of £82.7 million (2024: £89.9 million), capital losses carried forward of £186.3 million (2024: £190 million) and excess management expenses of £2.5 million (2024: £2.5 million) on which deferred tax assets have not been recognised due to uncertainty regarding future profits against which these losses can be utilised. Of the £82.7 million trading losses, £1 million will expire in the next four years (2024: £8.5 million).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

33. Other assets

At 31 March £'000	2025	2024 [^]
Gross other assets	1 455 264	1 664 745
Expected credit loss on amortised cost	(1 835)	—
Net other assets	1 453 429	1 664 745
Financial assets		
Settlement debtors	776 956	735 494
Prepayments and accrued income	7 696	6 631
Trading initial margin	94 471	237 896
Other investments	30 247	38 932
Fee debtors	7 122	5 034
Other financial assets	76 917	135 402
Non-financial assets or scoped out of IFRS 9		
Trading properties	107 906	107 478
Prepayments and accrued income	51 319	46 729
Commodities*	106 536	122 566
Finance lease receivables (refer to note 50)	3 584	160 627
Indirect taxation assets receivable	773	80
Aircraft and aircraft related structures**	135 783	—
Other	54 119	67 876
	1 453 429	1 664 745

[^] Restated as detailed in note 61.

* All commodities are classified as level 1 in the fair value hierarchy.

** During the year, a modification in the terms of a finance lease, resulted in a subsequent change of classification to an operating lease and an asset of £136 million being recognised in other assets.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

34. Property and equipment

At 31 March £'000	Freehold properties	Right-of-use assets*	Leasehold improvements	Furniture and vehicles	Equipment	Operating leases**	Total
2025							
Cost							
At the beginning of the year	143 980	125 984	56 698	16 307	45 117	1 296	389 382
Exchange adjustments	1 309	(273)	(15)	31	724	—	1 776
Additions	1 247	2 923	2 336	1 616	6 502	—	14 624
Disposals and modifications	(36)	(1 863)	(1 332)	(614)	(13 833)	(224)	(17 902)
At the end of the year	146 500	126 771	57 687	17 340	38 510	1 072	387 880
Accumulated depreciation							
At the beginning of the year	(20 386)	(54 380)	(30 511)	(9 829)	(35 067)	(1 137)	(151 310)
Exchange adjustments	(43)	141	22	(111)	(513)	—	(504)
Disposals	36	1 113	1 187	598	13 719	198	16 851
Depreciation charge for the year	(4 923)	(12 552)	(5 980)	(1 375)	(4 607)	(17)	(29 454)
At the end of the year	(25 316)	(65 678)	(35 282)	(10 717)	(26 468)	(956)	(164 417)
Net carrying value	121 184	61 093	22 405	6 623	12 042	116	223 463
2024							
Cost							
At the beginning of the year	165 927	149 922	61 348	17 070	62 811	1 431	458 509
Exchange adjustments	(13 973)	(915)	(270)	(798)	(2 434)	—	(18 390)
Additions	760	28 776	7 826	1 627	6 748	53	45 790
Disposals and modifications	(380)	685	(88)	(1 768)	(1 459)	(188)	(3 198)
Acquisition of subsidiary undertakings	—	—	—	506	—	—	506
Write-offs	—	(81)	—	(330)	(6 287)	—	(6 698)
Discontinued operations	(8 354)	(52 403)	(12 118)	—	(14 262)	—	(87 137)
At the end of the year	143 980	125 984	56 698	16 307	45 117	1 296	389 382
Accumulated depreciation							
At the beginning of the year	(22 666)	(61 768)	(34 870)	(10 696)	(48 665)	(1 283)	(179 948)
Exchange adjustments	1 906	734	233	543	1 772	—	5 188
Disposals	15	473	73	1 539	1 351	174	3 625
Acquisition of subsidiary undertakings	—	—	—	(256)	(11)	—	(267)
Depreciation charge for the year	(4 657)	(11 938)	(5 320)	(1 289)	(4 654)	(28)	(27 886)
Depreciation charge for the year - discontinued operations	—	(2 530)	(311)	—	(610)	—	(3 451)
Write-offs	—	81	—	330	4 088	—	4 499
Discontinued operations	5 016	20 568	9 684	—	11 662	—	46 930
At the end of the year	(20 386)	(54 380)	(30 511)	(9 829)	(35 067)	(1 137)	(151 310)
Net carrying value	123 594	71 604	26 187	6 478	10 050	159	238 072

* Right-of-use assets primarily comprises property leases under IFRS 16.

** These are assets held by the Group, in circumstances where the Group is lessor.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

35. Investment properties

At 31 March £'000	2025	2024
At the beginning of the year	105 975	722 481
Additions	3 614	19 597
Disposals	(10 157)	(221)
Discontinued operations (Refer to note 12)	—	(568 568)
Fair value movement	4 379	2 682
Reclassifications*	(4 095)	(7 631)
Exchange adjustments	1 125	(62 365)
At the end of the year	100 841	105 975

* Reclassifications of £32.5 million (2024: £15.9 million) to non-current assets classified as held for sale and a reclassification of £28.6 million (2024: £8.3 million) from trading properties in other assets as there was a change in use of the property.

For total gains and losses on investment properties recognised in the income statement, refer to note 4.

Non-current assets held for sale comprises £32.6 million (2024: £19.0 million) of investment properties and £nil million (2024: £3.3 million) of trading properties. These investment properties are excluded from the measurement scope of IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations and continue to be measured according to the fair value model. The majority of these properties are in the Specialist Banking business segment.

All investment properties are classified as level 3 in the fair value hierarchy.

For all investment property that is measured at fair value, the current use of the property is considered the highest and best use. Properties are valued under the income capitalisation method and discounted cash flow method (DCF).

Under the income capitalisation method a property's fair value is estimated based on the normalised net operating income generated by the property, which is divided by the capitalisation rate.

Under the DCF method a property's fair value is estimated using explicit assumptions about the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This involves the projection of a series of cash flows and, to this, an appropriate market-derived discount rate is applied to establish the present value of the income stream.

Valuation techniques used to derive level 3 fair values

The significant unobservable inputs used to derive the fair value measurements are those relating to the valuation of underlying investment properties. The table below includes the following definitions and relationship between the unobservable inputs and fair value measurement:

Significant unobservable inputs	Definitions
Expected Rental Value (ERV)	The rent at which space could be let in the market conditions prevailing at the date of valuation.
Capitalisation rate (cap rate)	The rate of return that is expected to be generated on the real estate investment property.
Long-term vacancy rate	The ERV of the expected long-term average structural vacant space divided by the ERV of the whole property. Long-term vacancy rate can also be determined based on the percentage of estimated vacant space divided by the total lettable area.
Equivalent Yield Range	The measure used in property valuation to determine the expected return on investment for a property.

Level 3 valuations

At 31 March 2025 Description	Average expected rental value per £/m ²	Equivalent yield range	Weighted average cap rate	Long-term vacancy rates	Change in fair value (£'000) from a 0.25bp increase/ decrease in cap rate	Change in fair value (£'000) from a 5% increase/ decrease in expected rental value
Across South African sectors	4.1	0% – 9.5%	8.6%	2.8%	1 030	1 747
SA Retail	6.5	8.8%	8.8%	1.0%	1 520	2 656
SA Industrial	3.2	7.16% – 9.5%	8.0%	—%	822	1 431
SA Office	7.3	0% – 8.72%	9.1%	11.0%	547	811

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

35. Investment properties continued

At 31 March 2024 Description	Average expected rental value per £/m ²	Equivalent yield range	Weighted average cap rate	Long-term vacancy rates	Change in fair value (£'000) from a 0.25bp increase/ decrease in cap rate	Change in fair value (£'000) from a 5% increase/ decrease in expected rental value
Across South African sectors	4.8	0% – 12.83%	8.5%	10.4%	906	1 636
SA Retail	6.0	7.20% – 10.19%	8.1%	3.0%	1 238	2 306
SA Industrial	3.3	8.74% – 12.83%	8.6%	—%	747	1 259
SA Office	8.1	0% – 9.54%	10.1%	22.0%	103	224

36. Goodwill

At 31 March £'000	2025	2024
Cost		
At the beginning of the year	127 616	316 769
Acquisitions	—	56 268
Adjustment to goodwill on acquisition within the measurement period	—	(200)
Written off	—	(242 354)
Exchange adjustments	(897)	(2 867)
At the end of the year	126 719	127 616
Accumulated impairments		
At the beginning of the year	(52 249)	(54 137)
Exchange adjustments	(185)	1 888
At the end of the year	(52 434)	(52 249)
Net carrying values	74 285	75 367
Analysis of goodwill by line of business and geography:		
UK and Other		
Specialist Banking	67 520	68 669
	67 520	68 669
Southern Africa		
Specialist Banking	6 765	6 698
	6 765	6 698
	74 285	75 367

Goodwill is tested annually for impairment, or more frequently if evidence exists that goodwill might be impaired, by comparing the carrying value to its recoverable amount.

The recoverable amount of goodwill is determined based on expected cash flows within the cash-generating units of the Group to which the goodwill is allocated. Key assumptions within the calculation include discount rates, growth rates in revenue and related expenditure and loan impairment rates.

Discount rates are based on pre-tax rates that reflect current market conditions, adjusted for the specific risks associated with the cash-generating unit. Growth rates are based on industry growth forecasts. Cash flow forecasts are based on the most recent financial budgets for the next financial year and are extrapolated for a period of three to five years, adjusted for expected future events.

The fair value used to determine the recoverable amount is classified as a level 3 valuation.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

36. Goodwill continued

UK and Other

The most significant cash-generating unit giving rise to goodwill is Investec Continental Europe Advisory (previously Capitalmind), with goodwill of £54.8 million. The goodwill has been tested for impairment on the basis of the cash flow projections for the next three years, discounted at 12.77% (2024: 11.62%) which incorporates an expected revenue growth rate of nil in perpetuity (2024: 2%). The valuation is based on value in use of the business.

Southern Africa

Goodwill attributed to the South African operations relates predominantly to Investec for Business (IFB) which has been identified as a separate cash-generating unit. The goodwill relating to IFB has been tested for impairment, taking into account profitability, being the budgeted profits and the future profit growth for the next five years. The valuation is based on management's assessment of appropriate profit forecasts and discount rates to estimate the fair value. A perpetual growth rate of 2% (2024: 2%) and a discount rate of 7.50% (2024: 6.25%) has been applied which is determined using the South African inter-bank lending rate, adjusted for business-specific risk.

Sensitivity analysis has been carried out and it has been concluded that no reasonably possible change in the key assumptions would cause an impairment to be recognised.

Movement in goodwill

There have been no significant movements in goodwill for the current year.

During the prior year, goodwill decreased by £242.4 million as a result of the deconsolidation of Investec Wealth & Investment following the all-share combination with Rathbones Group. For more details refer to note 12.

During the prior year, the increase of £56.3 million is due to the acquisition of Investec Continental Europe Advisory in a stepped acquisition.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

37. Software and other acquired intangibles

At 31 March £'000	Software			Other acquired intangible assets		Total
	Acquired software	Internally generated software	Total	Client relationships	Total	
2025						
Cost						
At the beginning of the year	39 390	—	39 390	27 463	27 463	66 853
Exchange adjustments	(1 519)	—	(1 519)	(4 795)	(4 795)	(6 314)
Additions	1 679	—	1 679	—	—	1 679
Disposals	(4 556)	—	(4 556)	(883)	(883)	(5 439)
Write-offs	(1 752)	—	(1 752)	(17 448)	(17 448)	(19 200)
At the end of the year	33 242	—	33 242	4 337	4 337	37 579
Accumulated amortisation and impairments						
At the beginning of the year	(29 683)	—	(29 683)	(27 463)	(27 463)	(57 146)
Exchange adjustments	1 597	—	1 597	4 795	4 795	6 392
Disposals	4 550	—	4 550	883	883	5 433
Amortisation**	(4 006)	—	(4 006)	—*	—	(4 006)
Write-offs	1 752	—	1 752	17 448	17 448	19 200
At the end of the year	(25 790)	—	(25 790)	(4 337)	(4 337)	(30 127)
Net carrying value	7 452	—	7 452	—	—	7 452
2024						
Cost						
At the beginning of the year	52 767	3 298	56 065	222 873	222 873	278 938
Exchange adjustments	(1 709)	—	(1 709)	(1 584)	(1 584)	(3 293)
Discontinued operations	(8 591)	(3 298)	(11 889)	(194 771)	(194 771)	(206 660)
Additions	1 969	—	1 969	—	—	1 969
Disposals	(383)	—	(383)	—	—	(383)
Write-offs	(4 663)	—	(4 663)	—	—	(4 663)
Acquisition of subsidiary undertakings	—	—	—	945	945	945
At the end of the year	39 390	—	39 390	27 463	27 463	66 853
Accumulated amortisation and impairments						
At the beginning of the year	(39 410)	(1 254)	(40 664)	(181 737)	(181 737)	(222 401)
Exchange adjustments	1 202	—	1 202	1 535	1 535	2 737
Discontinued operations	6 542	1 643	8 185	160 646	160 646	168 831
Disposals	242	—	242	—	—	242
Amortisation	(2 736)	—	(2 736)	(1 483)*	(1 483)	(4 219)
Amortisation - discontinued operations	(186)	(389)	(575)	(6 424)	(6 424)	(6 999)
Write-offs	4 663	—	4 663	—	—	4 663
At the end of the year	(29 683)	—	(29 683)	(27 463)	(27 463)	(57 146)
Net carrying value	9 707	—	9 707	—	—	9 707

* Amortisation of acquired intangibles as disclosed in the income statement £0.0 million (2024: 1.5 million).

** Includes an impairment of £1.7 million. This asset is from the Wealth & Investment segment and has no remaining economic value to the Group.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

38. Acquisitions and disposals

Acquisitions

There were no significant acquisitions during the current year.

During the prior year, the Group completed a stepped acquisition increasing its shareholding in the Investec Continental Europe Advisory associate from 30% to 60% for a total consideration attributable to the increase in shareholding of £29.4 million and therefore as at 31 March 2024 had consolidated these entities as subsidiaries. The non-controlling interest was measured as the proportionate share of the identifiable net assets. Goodwill of £56.3 million, including a deferred taxation liability of £0.2 million and an intangible asset of £0.9 million were recognised as a consequence of this increased shareholding.

The goodwill recognised is the difference between the purchase price for the additional 30% acquired, the fair value of the previously held 30%, the non-controlling interest measured at its proportionate share of 40% of net asset, and the fair value of the identifiable assets and liabilities on transaction date. Goodwill represents the value of acquired intangible assets as of the acquisition date that did not meet the criteria for separate recognition, such as the assembled workforce of partners and potential contracts subject to negotiation.

Goodwill on acquisition is calculated as follows:

£'000	
Consideration*	29 352
Fair value of previously held 30% holding [^]	27 505
	56 857
Fair value of identifiable net assets	452
Intangible assets	945
Less, deferred taxation liability on intangible assets	(236)
Less, non-controlling interests as proportionate share of acquired net assets	(572)
	589
Goodwill	56 268

* Consideration attributable to the purchase of 30% was made up of £20.9 million cash and £8.5 million deferred consideration. Deferred consideration is not contingent on any performance measures.

[^] Included within Investment income in the Income statement is a gain of £4.2 million from the remeasurement of the previously held 30% holding.

£'000	
Fair value of identifiable net assets	
Loans and advances to banks	2 332
Property and equipment	250
Other assets	3 533
Other liabilities	(5 663)
	452

Post-acquisition operating income of £16.6 million and profit after taxation of £2.6 million have been included in the consolidated income statement for the prior reporting period.

In the prior year, as a result of the all-share combination of Investec Wealth & Investment Limited and Rathbones Group Plc, as detailed below, Investec Wealth and Investment Limited ceased to be a subsidiary.

Disposals

There were no significant disposals during the current year.

During the 2024 financial year, the Group had two significant strategic actions which have been reflected as discontinued operations.

Refer to note 12 for further details.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

39. Other trading liabilities

At 31 March £'000	2025	2024 [^]
Structured retail products	853 127	694 858
Deposits	380 674	352 254
Short positions		
– Equities	346 409	273 816
– Gilts	7 717	17 669
	1 587 927	1 338 597

[^] Restated as detailed in note 61.

40. Customer accounts (deposits)

At 31 March £'000	2025	2024 [^]
Transactional	1 427 944	1 335 114
Demand	14 855 756	13 898 431
Notice	9 938 323	7 158 835
Fixed term	14 899 477	17 115 425
Other	42 721	23 758
	41 164 221	39 531 563

[^] Restated as detailed in note 61.

41. Debt securities in issue

At 31 March £'000	2025	2024
Debt securities in issue comprise:		
Floating rate notes	36 795	—
Redeemable preference shares	238 391	222 931
Structured products	132 080	295 576
Senior unsecured notes	1 155 755	964 187
Fixed rate notes	581	58 500
	1 563 602	1 541 194
Repayable in:		
Less than three months	56 360	34 518
Three months to one year	132 620	144 853
One to five years	958 495	1 351 148
Greater than five years	416 127	10 675
	1 563 602	1 541 194

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

42. Other liabilities

At 31 March £'000	2025	2024 [^]
Financial liabilities		
Settlement liabilities	824 185	753 529
Other creditors and accruals	182 563	204 633
Other non-interest-bearing liabilities*	173 740	165 410
Rewards Programme liability*	29 162	27 838
Expected credit loss on undrawn commitments and guarantees	12 207	13 504
Non-financial liabilities or scoped out of IFRS 9		
Other creditors and accruals**	348 617	340 991
Other non-interest-bearing liabilities*	17 463	36 422
Lease liabilities	221 613	267 669
Long service employee benefits liability (refer to note 8)	1 782	2 938
Indirect taxation liabilities payable	9 488	10 047
	1 820 820	1 822 981

[^] Restated as detailed in note 61.

* In the prior year, the 'Rewards Programme liability' of £27.8 million and various other liabilities of £14.1 million have been corrected from 'non-financial instruments or scoped out of IFRS 9' to 'financial liabilities'.

** Included in 'other creditors and accruals' is a provision relating to motor vehicle financing. Refer to note 53 for more detail.

Reconciliation of lease liabilities

At 31 March £'000	2025	2024
At the beginning of the year	267 669	327 384
Deconsolidation of subsidiaries	—	(39 769)
Interest	12 061	12 558
Additional leases	3 396	32 908
Disposals and modifications	(487)	—
Remeasurement of lease liabilities	(1 015)	(3 360)
Repayment of lease liabilities	(56 426)	(56 776)
Capital repayment	(44 365)	(44 218)
Interest repayment	(12 061)	(12 558)
Exchange adjustments	(3 585)	(5 276)
At the end of the year	221 613	267 669

Renewal options are taken into account when determining the term of the lease.

Lease liabilities included in other liabilities are due in:

	2025		2024	
At 31 March £'000	Undiscounted payments	Present value	Undiscounted payments	Present value
Less than one year	163 832	158 151	58 553	55 776
One to two years	17 711	16 571	167 062	153 847
Two to three years	17 782	16 368	17 539	16 173
Three to four years	11 368	9 971	17 115	16 043
Four to five years	5 140	4 123	8 011	6 906
Greater than five years	39 098	16 429	43 484	18 924
	254 931	221 613	311 764	267 669

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

43. Subordinated liabilities

At 31 March £'000	2025	2024
Issued by Investec plc		
Subordinated fixed rate re-set callable medium-term notes	682 218	668 810
Issued by Investec Limited		
INLV07 variable rate subordinated unsecured callable bonds	68 904	68 279
INLV11 variable rate subordinated unsecured callable bonds	16 847	16 694
INLV12 variable rate subordinated unsecured callable bonds	46 329	45 909
INLV14 variable rate subordinated unsecured callable bonds	21 059	20 868
INLV15 variable rate subordinated unsecured callable bonds	31 588	31 302
INLV18 variable rate subordinated unsecured callable bonds	21 059	—
INLIX01 variable rate subordinated unsecured callable bonds	128 699	120 944
	1 016 703	972 806
Remaining maturity*:		
In one year or less, or on demand	68 904	—
In more than one year, but not more than two years	16 847	68 279
In more than two years, but not more than five years	248 734	235 717
In more than five years	682 218	668 810
	1 016 703	972 806
Reconciliation from opening balance to closing balance:		
Opening balance	972 806	1 084 630
Issue of subordinated liabilities	21 059	52 169
Interest accrued on subordinated liabilities [^]	70 410	69 852
Net movements in capitalised interest	(9 088)	(8 825)
Repayment of interest	(61 856)	(60 200)
Transfer of interest accrued to other liabilities at the beginning of the year	1 419	592
Transfer of interest accrued to other liabilities at the end of the year	(884)	(1 419)
Redemption of subordinated liabilities	—	(153 688)
Effective interest rate adjustments and currency adjustments on foreign-denominated bonds [^]	20 217	19 109
Exchange adjustments	2 620	(29 414)
Closing balance	1 016 703	972 806

* Maturities have been determined using the date on which the Company is able to call the bonds.

[^] Refer to note 2 for restatement of interest accrued on subordinated liabilities.

The only potential event of default in relation to the subordinated debt is the non-payment of principal or interest. The only remedy available to the holders of the subordinated debt in the event of default is to petition for the winding up of the issuing entity. In a winding up no amount will be paid in respect of the subordinated debt until all other creditors have been paid in full.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

43. Subordinated liabilities continued

Subordinated fixed rate reset callable medium term notes (denominated in Pounds Sterling)

On 24 July 2018, Investec Bank plc issued £420 000 000 of 4.25% subordinated notes due 2028 at a discount (2028 notes). Interest is paid annually. The notes are listed on the London Stock Exchange. The notes are redeemable at par on 24 July 2028, with a one-time redemption option on the early redemption date 24 July 2023 subject to conditions.

On 6 December 2022, Investec Bank plc completed a tender offer to purchase £350 000 000 aggregate nominal amount of the notes at a cash purchase price of 99.446 pence plus an accrued interest payment. The total value of the debt redeemed was £353 605 000 (excluding interest £347 926 000).

On 24 July 2023, Investec Bank plc exercised the one-time option to early redeem the remaining £70 000 000 aggregate nominal amount of the notes at par plus an accrued interest payment. Including the interest, the total value of the debt redeemed was £72 975 000.

Subordinated callable fixed rate resettable medium-term notes (denominated in Pounds Sterling)

On 4 October 2021, Investec plc issued £350 000 000 of 2.625% subordinated notes due 2032 at a discount (2032 notes). Interest, after the initial short period distribution paid on 4 January 2022, is paid annually commencing on 4 January 2023 and ending on the maturity date. The notes are listed on the London Stock Exchange. The notes will be redeemed at par on 4 January 2032. The issuer may redeem the notes at par on any date in the period from 4 October 2026 to (and including) 4 January 2027 subject to conditions.

Subordinated callable fixed rate resettable medium-term notes (denominated in Pounds Sterling)

On 6 December 2022, Investec plc issued £350 000 000 of 9.125% subordinated notes due 2033 at a discount (2033 Notes). Interest, after the initial short period distribution paid on 6 March 2023, is paid annually commencing on 6 March 2024 and ending on the maturity date. The notes are listed on the London Stock Exchange. The notes will be redeemed at par on 6 March 2033. The issuer may redeem the notes on maturity date at par on the principal amount.

INLV07 variable rate subordinated unsecured callable bonds

R1 636 million Investec Limited issued INLV07 locally registered subordinated unsecured floating rate notes are due in March 2031. Interest is payable quarterly on 9 March, 9 June, 9 September and 9 December at a rate equal to the three-month JIBAR plus 2.60%. The maturity date is 9 March 2031 but the issuer has the option to redeem on 9 March 2026 and on each interest payment date thereafter.

INLV11 variable rate subordinated unsecured callable bonds

R400 million Investec Limited issued INLV11 locally registered subordinated unsecured floating rate notes are due December 2031. Interest is payable quarterly on 22 March, 22 June, 22 September and 22 December at a rate equal to the three-month JIBAR plus 2.10%. The maturity date is 22 December 2031 but the issuer has the option to redeem on 22 March 2027 and on each interest payment date thereafter.

INLV12 variable rate subordinated unsecured callable bonds

R1 100 million Investec Limited issued INLV12 locally registered subordinated unsecured floating rate notes are due March 2032. Interest is payable quarterly on 25 March, 25 June, 25 September and 25 December at a rate equal to the three-month JIBAR plus 2.20%. The maturity date is 25 March 2032 but the issuer has the option to redeem on 25 June 2027 and on each interest payment date thereafter.

INLV14 variable rate subordinated unsecured callable bonds

R500 million Investec Limited INLV14 locally registered subordinated unsecured floating rate notes are due June 2033. Interest is payable quarterly on 30 March, 30 June, 30 September and 30 December at a rate equal to the three-month JIBAR plus 2.00%. The maturity date is 30 June 2033 but the issuer has the option to redeem on 30 September 2028 and on each interest payment date thereafter.

INLV15 variable rate subordinated unsecured callable bonds

R750 million Investec Limited INLV15 locally registered subordinated unsecured floating rate notes are due November 2033. Interest is payable quarterly on 27 February, 27 May, 27 August and 27 November at a rate equal to the three-month JIBAR plus 1.95%. The maturity date is 27 November 2033 but the issuer has the option to redeem on 27 February 2029 and on each interest payment date thereafter.

INLV18 variable rate subordinated unsecured callable bonds

R500 million Investec Limited INLV18 locally registered subordinated unsecured floating rate notes are due 17 December 2034. Interest is payable quarterly on 17 March, 17 June, 17 September and 17 December at a rate equal to the three-month JIBAR plus 1.725%. The maturity date is 17 December 2034 but the issuer has the option to redeem on 17 December 2029 and on each interest payment date thereafter.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

43. Subordinated liabilities continued

INLIX01 variable rate subordinated unsecured callable bonds

\$191 million Investec Limited INLIX01 locally registered subordinated unsecured Tier II callable bonds are due in July 2032 and were issued at an issue price of \$141 million. The notes will automatically convert from zero coupon notes to floating rate notes on the first optional redemption date, being 13 July 2027. The accrual zero coupon yield is 6.1799% up until 13 July 2027. If the issuer does not exercise the option to redeem the notes on 13 July 2027, then interest on the floating rate notes shall commence on 13 July 2027 and is payable annually on 13 July at a rate equal to the SOFR plus 3.16% up to and excluding 13 July 2032. The maturity date is 13 July 2032, but the Company has the option to call the bonds upon regulatory capital disqualification or from 13 July 2027.

44. Ordinary share capital

At 31 March	2025	2024
£'000		
Investec plc		
Issued, allotted and fully paid		
Number of ordinary shares	Number	Number
At the beginning of the year	696 082 618	696 082 618
Issued during the year	—	—
At the end of the year	696 082 618	696 082 618
Nominal value of ordinary shares	£'000	£'000
At the beginning of the year	138	138
Issued during the year	—	—
At the end of the year	138	138
Number of special converting shares	Number	Number
At the beginning of the year	295 125 806	318 904 709
Buyback during the year	—	(23 778 903)
At the end of the year	295 125 806	295 125 806
Nominal value of special converting shares	£'000	£'000
At the beginning of the year	64	64
Cancellation of shares during the year	(4)	—
At the end of the year	60	64
Number of UK DAN shares	Number	Number
At the beginning and end of the year	1	1
Nominal value of UK DAN share	£'000	£'000
At the beginning and end of the year	*	*
Number of UK DAS shares	Number	Number
At the beginning and end of the year	1	1
Nominal value of UK DAS share	£'000	£'000
At the beginning and end of the year	*	*
Number of special voting shares	Number	Number
At the beginning and end of the year	1	1
Nominal value of special voting shares	£'000	£'000
At the beginning and end of the year	*	*

* Less than £1 000.

In accordance with the Companies Act 2006 the Company does not have authorised share capital.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

44. Ordinary share capital continued

At 31 March	2025	2024
Investec Limited		
Authorised	Number	Number
The authorised share capital of Investec Limited is R1 960 002 (2024: R1 960 002), comprising:		
– Ordinary shares of R0.0002 each	450 000 000	450 000 000
– Dividend Access (South African resident) redeemable preference share of R1.00	1	1
– Dividend Access (non-South African resident) redeemable preference share of R1.00	1	1
– Special convertible redeemable preference shares of R0.0002 each (special converting shares)	700 000 000	700 000 000
Issued, allotted and fully paid		
Number of ordinary shares	Number	Number
At the beginning of the year	295 125 806	299 014 115
Buyback during the year [^]	—	(3 888 309)
At the end of the year	295 125 806	295 125 806
Nominal value of ordinary shares	£'000	£'000
At the beginning of the year	46	46
Issued during the year	*	*
At the end of the year	46	46
Number of special converting shares	Number	Number
At the beginning of the year	696 082 618	696 082 618
Issued during the year	—	—
At the end of the year	696 082 618	696 082 618
Nominal value of special converting shares	£'000	£'000
At the beginning of the year	5	5
Issued during the year	*	*
At the end of the year	5	5
Number of SA DAN shares	Number	Number
At the beginning and end of the year	1	1
Nominal value of SA DAS share	£'000	£'000
At the beginning and end of the year	*	*
Number of UK DAS shares	Number	Number
At the beginning and end of the year	1	1
Nominal value of SA DAS share	£'000	£'000
At the beginning and end of the year	*	*
Nominal value of issued, allotted and fully paid called up share capital of Investec plc and Investec Limited	Number	Number
Total called up share capital	249	253
Less: held by Investec Limited	(2)	(2)
Less: held by Investec plc	(4)	(4)
Total called up share capital	243	247

* Less than £1 000.

[^] In the prior year Investec Limited repurchased 3 888 309 ordinary shares, representing 1.30% of the issued share capital.

The Investec Limited shares were issued in South African Rand. The amounts recorded above were calculated by reference to historic Pounds Sterling:Rand exchange rates. In terms of the DLC structure shareholders have common economic and voting rights as if Investec Limited and Investec plc were a single Company. These include equivalent dividends on a per share basis, joint electorate and class right variations. The UK DAS share, UK DAN share, SA DAS share, the SA DAN share and the special converting shares have been issued to achieve this.

The unissued shares are under the control of the directors until the next annual general meeting

Staff share scheme

The Group operates a share option and a share purchase scheme for employees. The number of ordinary shares conditionally allocated to employees is disclosed in note 8.



The directors' and staff interests in the incentive scheme are detailed on pages 34 to 44 in the Investec Group's 2025 remuneration report.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

45. Perpetual preference shares of holding company

At 31 March

£'000	2025	2024
Perpetual preference share capital	31	31
Perpetual preference share premium	128 041	127 105
	128 072	127 136

Issued by Investec Limited

24 835 843 (2024: 24 835 843) non-redeemable, non-cumulative, non-participating preference shares of one cent each, issued at various premiums:

– Perpetual preference share capital	2	2
– Perpetual preference share premium	103 276	102 340

Perpetual preference shareholders will be entitled to receive dividends if declared, at a rate limited to 77.77% of South African prime overdraft rate on R100 being the deemed value of the issue price of the perpetual preference share held. Perpetual preference shareholders receive dividends in priority to any payment of dividends to the holder of any other class of shares in the capital of the Company not ranking prior or pari passu with the perpetual preference shares.

An ordinary dividend will not be declared by Investec Limited unless the perpetual preference dividend has been declared. If declared, perpetual preference dividends are payable semi-annually at least seven business days prior to the date on which Investec Limited pays its ordinary dividends, if any, but shall be payable no later than 120 business days after 31 March and 30 September respectively.

Issued by Investec plc

2 754 587 (2024: 2 754 587) non-redeemable, non-cumulative, non-participating preference shares of £0.01 each, issued at a premium of £8.58 per share.

– Perpetual preference share capital	29	29
– Perpetual preference share premium	23 607	23 607

Perpetual preference shareholders will receive an annual dividend if declared based on the coupon rate (being equivalent to the base rate plus 1%) multiplied by the deemed value on a daily basis and payable in two semi-annual instalments.

An ordinary dividend will not be declared by Investec plc unless the perpetual preference dividend has been declared.

If declared, perpetual preference dividends are payable semi-annually at least seven business days prior to the date on which Investec plc pays its ordinary dividends, if any, but shall be payable no later than 120 business days after 31 March and 30 September respectively.

Issued by Investec plc – Rand-denominated

131 447 (2024: 131 447) non-redeemable, non-cumulative, non-participating perpetual preference shares of R0.001 each, issued at an average premium of R99.999 per share.

– Perpetual preference share capital	*	*
– Perpetual preference share premium	1 158	1 158

Rand-denominated perpetual preference shareholders will receive a dividend if declared based on the coupon rate (being equivalent to South African prime rate multiplied by 95%) multiplied by the deemed value on a daily basis and payable in two semi-annual instalments.

An ordinary dividend will not be declared by Investec plc unless the Rand perpetual preference dividend has been declared.

If declared, perpetual preference dividends are payable semi-annually at least seven business days prior to the date on which Investec plc pays its ordinary dividends, if any, but shall be payable no later than 120 business days after 31 March and 30 September respectively.

128 072 **127 136**

* Less than £1 000.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

46. Share premium

At 31 March £'000	2025	2024 [^]
Share premium – Investec plc	555 812	555 812
Share premium – Investec Limited	839 127	839 127
	1 394 939	1 394 939

[^] Restated as detailed in note 61.

The capital reserve included in Investec plc share premium was transferred to retained earnings on the deconsolidation of Investec Wealth & Investment Limited in respect of a reserve created on the original acquisition by Investec plc.

In the prior year, Investec Limited repurchased 3 888 309 of its ordinary shares and utilised the ordinary share premium in part to fund the share buy-back further reducing ordinary share premium.

47. Treasury shares

At 31 March	2025	2024 [^]
	£'000	£'000
Treasury shares held by subsidiaries of Investec Limited and Investec plc	574 560	539 905
	Number	Number
Investec plc ordinary shares held by subsidiaries	50 175 786	53 401 625
Investec plc ordinary shares held by Investec Limited	50 920 311	50 920 311
Investec Limited ordinary shares held by subsidiaries	37 374 364	42 678 825
Investec plc and Investec Limited shares held by subsidiaries	138 470 461	147 000 761
Reconciliation of treasury shares	Number	Number
At the beginning of the year	147 000 761	142 895 568
Purchase of own shares by subsidiary companies	12 799 251	14 047 000
Purchase of plc ordinary shares by Investec Limited	—	8 434 679
Shares disposed of by subsidiaries	(21 329 551)	(18 376 486)
At the end of the year	138 470 461	147 000 761
Market value of treasury shares	£'000	£'000
Investec plc	484 452	549 383
Investec Limited	179 402	222 528
	663 854	771 911

[^] Restated as detailed in note 61.

Subsidiary companies that hold treasury shares are the staff share trusts that facilitate share-based awards within the Group.

48. Other reserves

Fair value reserve

This comprises all fair value adjustments relating to investments in debt instruments and equity investments that are subsequently measured at FVOCI. When the debt instrument is derecognised, the cumulative gain or loss is reclassified from equity to profit or loss. For investments in equity instruments the cumulative gain or loss is not recycled, but is reclassified within equity on derecognition.

Regulatory general risk reserve

Represents non-distributable reserves transferred from other distributable reserves, to comply with various banking regulations.

Cash flow hedge reserve

This comprises the effective portion of the gain or loss on hedging instruments designated as cash flow hedges and also includes a historic balance related to the hedge of the net investment in Investec Bank (Mauritius) Limited. No hedging of this investment is currently in effect.

Foreign currency reserve

This represents the cumulative foreign exchange differences that arise on the translation of an entity with a different functional currency than the presentation currency of the parent company. The cumulative reserve relating to a subsidiary or associate company or joint venture that is disposed of is included in the determination of profit/loss on disposal of the subsidiary, associate company or joint venture.

Own credit reserve

This comprises changes in fair value attributable to credit risk on financial liabilities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

49. Other Additional Tier 1 securities in issue

At 31 March		
£'000	2025	2024
Issued by Investec Limited		
INLV01 variable rate subordinated unsecured callable bonds		
Investec Limited issued R550 million Other Additional Tier 1 floating rate notes on 12 August 2014. Interest is payable quarterly on 12 August, 12 November, 12 February and 12 May at a rate equal to the three-month JIBAR plus 4.25%. There is no maturity date but the issuer has the option to redeem on 12 August 2024 and on every interest payment date thereafter. Interest is payable at the option of the issuer. These notes were repaid in the current year.	—	22 955
INLV06 variable rate subordinated unsecured callable bonds		
Investec Limited issued R128 million, R45 million and R100 million Other Additional Tier 1 floating rate notes on 22 October 2020, 25 November 2020 and 15 December 2020. Interest is payable quarterly on 22 January, 22 April, 22 July and 22 October at a rate equal to the three-month JIBAR plus 4.85%. There is no maturity date but the issuer has the option to redeem on 22 January 2026 or any interest payment date thereafter. The interest is payable at the option of the issuer.	11 498	11 394
INLV08 variable rate subordinated unsecured callable bonds		
Investec Limited issued R450 million Other Additional Tier 1 floating rate notes on 12 March 2021. Interest is payable quarterly on 12 March, 12 June, 12 September and 12 December at a rate equal to the three-month JIBAR plus 4.80%. There is no maturity date but the issuer has the option to redeem on 12 June 2026 or any interest payment date thereafter. The interest is payable at the option of the issuer.	18 953	18 781
INLV09 variable rate subordinated unsecured callable bonds		
Investec Limited issued R600 million and R177 million Other Additional Tier 1 floating rate notes on 29 July 2021. Interest is payable quarterly on 24 May, 24 August, 24 November and 24 February at a rate equal to the three-month JIBAR plus 4.40%. There is no maturity date but the issuer has the option to redeem on 24 August 2026 or any interest payment date thereafter. The interest is payable at the option of the issuer.	32 725	32 429
INLV10 variable rate subordinated unsecured callable bonds		
Investec Limited issued R500 million and R100 million Other Additional Tier 1 floating rate notes on 6 December 2021 and 8 February 2022. Interest is payable quarterly on 6 March, 6 June, 6 September and 6 December at a rate equal to the three-month JIBAR plus 4.05%. There is no maturity date but the issuer has the option to redeem on 6 March 2027 or any interest payment date thereafter. The interest is payable at the option of the issuer.	25 271	25 041
INLV13 variable rate subordinated unsecured callable bonds		
Investec Limited issued R500 million Other Additional Tier 1 floating rate notes on 28 March 2023. Interest is payable quarterly on 28 March, 28 June, 28 September and 28 December at a rate equal to the three-month JIBAR plus 3.40%. There is no maturity date but the issuer has the option to redeem on 28 June 2028 or any interest payment date thereafter. The interest is payable at the option of the issuer.	21 059	20 868
INLV16 variable rate subordinated unsecured callable bonds		
Investec Limited issued R750 million Other Additional Tier 1 floating rate notes on 14 December 2023. Interest is payable quarterly on 14 March, 14 June, 14 September and 14 December at a rate equal to the three-month JIBAR plus 3.01%. There is no maturity date but the issuer has the option to redeem on 14 March 2029 or any interest payment date thereafter. The interest is payable at the option of the issuer.	31 588	31 302
INLV17 variable rate subordinated unsecured callable bonds		
Investec Limited issued R600 million Other Additional Tier 1 floating rate notes on 30 September 2024. Interest is payable quarterly on 30 March, 30 June, 30 September and 30 December at a rate equal to the three-month JIBAR plus 2.88%. There is no maturity date but the issuer has the option to redeem on 30 December 2029 or any interest payment date thereafter. The interest is payable at the option of the issuer.	25 270	—
Issued by Investec Limited subsidiary		
IV050 variable rate subordinated unsecured callable bonds		
Investec Bank Limited issued R93 million and R17 million Other Additional Tier 1 floating rate notes on 26 March 2019 and 29 March 2019. Interest is payable quarterly on 26 June, 26 September, 26 December and 26 March at a rate equal to the three-month JIBAR plus 4.55%. There is no maturity date but the issuer has the option to redeem on 26 June 2024 and on any interest payment date thereafter. The interest is payable at the option of the issuer. These notes were repaid in the current year.	—	4 590

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

49. Other Additional Tier 1 securities in issue continued

Issued by Investec plc

Fixed Rate Reset Perpetual Additional Tier 1 Write Down Capital Securities

On 5 October 2017, Investec plc issued £250 million Fixed Rate Reset Perpetual Additional Tier 1 Write Down Capital Securities at par. These securities were perpetual and paid a distribution rate on 5 March, June, September and December, commencing from 5 December 2017. The distribution was set at 6.75% per annum until December 2024. On 1 March 2024, the Company bought back £142 million of these securities and redeemed the remaining balance of £108 million on the first optional call date on 5 December 2024.

On 28 February 2024, Investec plc issued £350 million of Fixed Rate Reset Perpetual Additional Tier 1 Write Down Capital Securities at par. These securities are perpetual and pay interest on a semi-annual basis on 28 February and 28 August each year, commencing on 28 August 2024. At each interest payment date, Investec plc can decide whether to pay the coupon, which is non-cumulative, in whole or in part. The interest rate is 10.50% per annum until 28 February 2030; thereafter it resets every subsequent five years to a rate of 6.566% per annum plus the benchmark gilt rate. The securities will be automatically written down and the investors will lose their entire investment in the securities should the CET1 capital ratio of the Investec plc Group, as defined in the PRA's rules, fall below 7%. The securities are redeemable at the option of the Company on any day falling in the period from (and including) 28 August 2029 to (and including) 28 February 2030 or on any day falling in the period of six months prior to (and including) any five-year reset date thereafter. No such redemption may be made without the consent of the PRA.

350 000	418 743
516 364	586 103

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

50. Finance lease disclosures

At 31 March £'000	2025		2024	
	Total future minimum payments	Present value	Total future minimum payments	Present value
Finance lease receivables included in loans and advances to customers				
Lease receivables due in:				
Less than one year	324 068	262 748	308 178	245 275
One to two years	247 590	201 725	219 479	180 020
Two to three years	166 444	137 895	149 336	127 696
Three to four years	93 502	80 290	85 979	76 076
Four to five years	41 857	38 056	35 245	31 987
Greater than five years	9 106	7 840	11 443	10 059
	882 567	728 554	809 660	671 113
Unearned finance income	(154 013)		(138 547)	
Net investment in lease	728 554		671 113	

At 31 March 2025, unguaranteed residual values accruing to the benefit of the Group were £9.8 million (2024: £5.9 million). Finance leases in the Group mainly relate to leases on property, equipment and motor vehicles.

Reconciliation of movement in the year

At 31 March £'000	2025	2024
At the beginning of the year	671 113	660 974
New leases	401 605	378 614
Lease payments received	(354 856)	(358 296)
Interest on finance lease receivables	85 246	74 407
Terminations	(75 627)	(72 494)
Exchange adjustments	1 073	(12 092)
At the end of the year	728 554	671 113

At 31 March £'000	2025		2024 ^a	
	Total future minimum payments	Present value	Total future minimum payments	Present value
Finance lease receivables included in other assets				
Lease receivables due in:				
Less than one year	1 270	1 258	38 116	35 640
One to two years	1 272	1 268	132 412	122 613
Two to three years	1 060	1 058	1 298	1 291
Three to four years	—	—	1 082	1 083
Total undiscounted lease payments receivable	3 602	3 584	172 908	160 627
Unearned finance income	(18)		(12 280)	
Net investment in lease	3 584		160 628	

^a Restated as detailed in note 61.

Included in interest income on the income statement is £48.9 million (2024: £48.4 million) from finance lease receivables.

The reduction in the year is mainly due to a lease modification for aircraft leasing which resulted in the finance lease changing to an operating lease.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

51. Notes to cash flow statement

At 31 March		
£'000	2025	2024 [^]
Profit before taxation adjusted for non-cash, non-operating items and other required adjustments is derived as follows:		
Profit before taxation	863 148	1 144 070
Adjustment for non-cash, non-operating items and other required adjustments included in net income before taxation:		
Financial impact of strategic actions of discontinued operations	—	(280 737)
Amortisation of acquired intangibles	—	7 907
Net gain on step acquisition of subsidiaries	—	(4 063)
Depreciation, amortisation and impairment of property, equipment, intangibles and software	33 087	36 846
Share of post-taxation profit of associates and joint venture holdings	(40 170)	(33 694)
Expected credit loss excluding ECL on cash	119 230	79 113
Dividends received from associates	92 988	228
Share-based payment charges	46 740	47 461
Profit before taxation adjusted for non-cash, non-operating items and other required adjustments	1 115 023	997 131
Increase in operating assets		
Cash and balances at central banks	(39 387)	—
Loans and advances to banks	20 948	96 843
Non-sovereign and non-bank cash placements	40 192	(45 361)
Reverse repurchase agreements and cash collateral on securities borrowed	118 806	(576 300)
Sovereign debt securities	(1 133 805)	(825 540)
Bank debt securities	(77 412)	214 501
Other debt securities	(47 503)	41 452
Derivative financial instruments	173 707	378 800
Securities arising from trading activities	(339 828)	65 946
Loans and advances to customers	(1 442 535)	(1 764 299)
Securitised assets	(21 962)	13 987
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	(51 202)	(54 140)
Investment portfolio	48 189	93 958
Other assets	181 481	(17 656)
Investment properties	—	(18 088)
	(2 570 311)	(2 395 897)
Increase in operating liabilities		
Deposits by banks	(927 494)	312 990
Derivative financial instruments	(99 485)	(472 330)
Other trading liabilities	268 911	92 785
Repurchase agreements and cash collateral on securities lent	145 971	106 602
Customer accounts (deposits)	1 510 552	1 575 080
Debt securities in issue	20 724	(12 489)
Securitised liabilities	(23 956)	49 765
Other liabilities	79 625	2 235
Liabilities to customers under investment contracts	49 762	30 749
Insurance liabilities, including unit-linked liabilities	8 677	23 540
	1 033 287	1 708 927

[^] Restated as detailed in note 61.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

51. Notes to cash flow statement continued

At 31 March		
£'000	2025	2024
Cash and cash equivalents is defined as including^a:		
Cash and balances at central banks	5 003 272	6 279 088
Loans and advances to banks	1 321 060	1 122 036
Less: Cash and balances at central banks not meeting the definition of cash and cash equivalents*	(39 387)	—
Less: Loans and advances to banks not meeting the definition of cash and cash equivalents	(126 117)	(149 419)
Add: Overdraft in 'deposits by banks' meeting the definition of cash and cash equivalents	(22 287)	—
Expected credit loss on cash and cash equivalents	219	472
Cash and cash equivalents at the end of the year	6 136 760	7 252 177

* This relates to the South African deposit insurance scheme.

^a This note has been added in the current period to assist users in reconciling cash and cash equivalents to the balance sheet.

The Group is required to maintain reserve deposits with central banks and other regulatory authorities and these amounted to £513.4 million (2024: £441.5 million). These are included in cash and cash equivalents above.

52. Commitments

At 31 March		
£'000	2025	2024
Undrawn facilities	6 193 918	5 659 797
Other commitments	65 550	34 075
	6 259 468	5 693 872

Expected credit losses (ECL) of £10 million (2024: £10 million) arising on commitments are reported in other liabilities. For further details refer to page 49 of the Investec Group's 2025 risk and governance report.

The Group has entered into forward foreign exchange contracts and loan commitments in the normal course of its banking business for which the fair value is recorded on-balance sheet.

	Carrying amount of pledged assets		Related liability	
At 31 March				
£'000	2025	2024	2025	2024
Pledged assets				
Other loans and advances	501	2 504	935	1 629
Loans and advances to customers	921 737	1 255 309	446 966	745 873
Loans and advances to banks	48 103	19 008	89 736	12 367
Sovereign debt securities	339 812	489 304	126 864	414 507
Bank debt securities	56 838	80 819	49 061	68 039
Other debt securities	—	41 213	—	36 851
Securities arising from trading activities ^a	600 981	247 691	648 247	333 735
Reverse repurchase agreements and cash collateral on securities borrowed	234 628	87 565	234 628	87 565
	2 202 600	2 223 413	1 596 437	1 700 566

^a The carrying amount of pledged assets and related liability for 'securities arising from trading activities' were understated in the prior year by £123.9 million and £211.9 million respectively.

The amounts presented above in respect of 'sovereign debt securities', 'bank debt securities', 'other debt securities' and 'securities arising from trading activities' relate to recognised assets which are provided as collateral where the transferee has the right to resell or re-pledge. These rights also apply to unrecognised collateral backing 'reverse repurchase agreements and cash collateral on securities borrowed' as presented in the table above.

The assets pledged by the Group are strictly for the purpose of providing collateral for the counterparty.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

CONTINUED

53. Contingent liabilities, legal matters and provisions

At 31 March		£'000	
Guarantees and assets pledged as collateral security:		2025	2024
Guarantees and irrevocable letters of credit		1 710 030	1 714 417
		1 710 030	1 714 417

Expected credit losses (ECL) of £2 million (2024: £3 million) arising on contingent liabilities, letters of credit and guarantees are reported in other liabilities. For further details refer to page 49 of the Investec Group's 2025 risk and governance report.

In addition to guarantees, irrevocable letters of credit, credit derivative instruments, undrawn facilities and other commitments, the Group includes in its off-balance sheet exposures for risk management purposes £1.3 billion (2024: £1.1 billion) of potential or revocable exposures and similar arrangements that may arise in future, resulting in additional credit risk.

Guarantees are issued by Investec plc, Investec Limited and other Group companies on behalf of third parties. The guarantees are issued as part of the banking business.

Financial Services Compensation Scheme

The Financial Services Compensation Scheme (FSCS), the UK's statutory fund of last resort, provides compensation to customers of UK authorised financial institutions in the event that an institution which is a participating member of the FSCS is unable, or is likely to be unable, to pay claims against it.

The FSCS raises annual levies from participating members based on their level of participation (in the case of deposits, the proportion that their protected deposits represent to total protected deposits) as at 31 December of the year preceding the scheme year. Investec Bank plc is a participating member of the FSCS.

At the date of these financial statements, it is not possible to estimate whether there will ultimately be additional levies on the industry, the level of Group's market participation or other factors that may affect the amounts or timing of amounts that may ultimately become payable, nor the effect that such levies may have upon operating results in any particular financial period.

Legal and regulatory matters

The Group operates in a legal and regulatory environment that exposes it to legal, regulatory and litigation risks. As a result, the Group is involved in disputes, legal proceedings and is subject to enquiries and examinations, requests for information, audits, investigations and other proceedings by regulators and competition authorities which arise in the ordinary course of business. The Group evaluates all facts, the probability of the outcome of the proceedings and advice from internal and external legal counsel when considering accounting and regulatory implications. At the present time the Group does not expect the ultimate resolution of any of these ongoing regulatory reviews and other matters to have a material adverse effect on its financial position.

Historical German dividend tax arbitration transactions

Investec Bank plc has previously been notified by the Office of the Public Prosecutor in Cologne, Germany, that it and certain of its current and former employees may be involved in possible charges relating to historical involvement in German dividend tax arbitration transactions (known as cum-ex transactions). Investigations are ongoing and no formal proceedings have been issued against Investec Bank plc by the Office of the Public Prosecutor. In addition, Investec Bank plc received certain enquiries in respect of client tax reclaim for the periods 2010 - 2011 relating to the historical German dividend arbitrage transactions from the German Federal Tax Office (FTO) in Bonn. The FTO has provided more information in relation to their claims and Investec Bank plc has sought further information and clarification.

Investec Bank plc is cooperating with the German authorities and continues to conduct its own internal investigation into the matters in question. A provision is held to reflect the estimate of financial outflows that could arise as a result of this matter and is reassessed at each reporting date. There are factual issues to be resolved which may have legal consequences, including financial penalties.

In relation to potential civil claims, whilst Investec Bank plc is not a claimant nor a defendant to any civil claims in respect of cum-ex transactions, Investec Bank plc has received third-party notices in relation to two civil proceedings in Germany and may elect to join the proceedings as a third-party participant. Investec Bank plc has itself served third-party notices on various participants to these historic transactions in order to preserve the statute of limitations on any potential future claims that Investec Bank plc may seek to bring against those parties, should Investec Bank plc incur any liability in the future. Investec Bank plc has also entered into standstill agreements with some third parties in order to suspend the limitation period in respect of the potential civil claims. Whilst Investec Bank plc is not a claimant nor a defendant to any civil claims at this stage, it cannot rule out the possibility of civil claims by or against Investec Bank plc in future in relation to the relevant transactions.

The Group has not provided further disclosure with respect to these historical dividend arbitrage transactions because it has concluded that such disclosure may be expected to seriously prejudice its outcome.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

53. Contingent liabilities, legal matters and provisions continued

Motor commission review

Investec Group (the Group) notes the recent Court of Appeal decisions on Wrench, Johnson and Hopcraft relating to motor commission arrangements and the lender's appeal to the UK Supreme Court which was heard on 1 April to 3 April 2025. Judgement is expected by July 2025.

The Court of Appeal has determined that motor dealers acting as credit brokers owe certain duties to disclose to their customers commission payable to them by lenders, and that lenders may have primary or secondary liability for motor dealers' non-disclosures. This sets a higher bar for the disclosure of and consent to the existence, nature, and quantum of any commission paid than had been understood to be required or applied across the motor finance industry prior to the Court of Appeal ruling. Our approach to compliant disclosure was built on FCA / regulatory guidance and previous legal authorities. These decisions relate to commission disclosures and consent obligations which go beyond the scope of the current FCA motor commissions review. The UK Supreme Court granted relevant lenders permission to appeal the Wrench, Johnson and Hopcraft judgement on 1 April to 3 April 2025, to which we are awaiting the outcome from.

In establishing the provision estimate, the Group has created a number of scenarios to address uncertainties around a number of key assumptions. These include the potential outcomes of the UK Supreme Court appeal, any steps that the FCA may take and outcomes in relation to the extent of harm and remedies. Other key assumptions include applicable commission models, commission rates, time periods, response rates, uphold rates, levels of redress/interest applied and costs to deliver. Based on this approach the Group has concluded that the £30 million provision still remains appropriate based on information currently available.

The Group will continue to assess developments and potential impacts, including the outcome of the appeals, any announcement by the FCA of their next steps, and any action by other regulators or government bodies. Given that there is significant uncertainty across the motor finance industry as to the extent of any misconduct and customer loss that may be identified, and/or the nature, extent and timing of any remediation action that may subsequently be required following the Court of Appeal decision and FCA motor commission review. The Group therefore notes that the ultimate financial impact of the Court of Appeal decision and ongoing FCA investigation into motor commission arrangements could materially vary, pending further guidance from the FCA or the outcome of the appeal to the Supreme Court.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

54. Related party transactions

At 31 March

£'000

2025

2024

Transactions, balances, arrangements and agreements involving directors (including key management personnel) and connected persons:

Particulars of transactions, balances, arrangements and agreements entered into by the Group with directors (including key management personnel and connected persons and companies controlled by them) were as follows:

Directors (including key management personnel) and connected persons and companies controlled by them

Loans

At the beginning of the year	13 496	16 024
Increase in loans	984	3 156
Decrease in loans	(6 394)	(4 343)
Exchange adjustments	194	(1 341)
At the end of the year	8 280	13 496

Guarantees

At the beginning of the year	—	100
Decrease in guarantees	—	(94)
Exchange adjustments	—	(6)
At the end of the year	—	—

Deposits

At the beginning of the year	(8 075)	(10 917)
Increase in deposits	(1 805)	(2 128)
Decrease in deposits	2 590	4 076
Exchange adjustments	(71)	894
At the end of the year	(7 361)	(8 075)

The above transactions were made in the ordinary course of business and on substantially the same terms, including interest rates and security, as for comparable transactions with persons of a similar standing or, where applicable, with other employees. The transactions did not involve more than the normal risk of repayment. None of these loans have been impaired and ECL is immaterial.

Where related parties have investment products (that may be included in funds under management) offered to clients on the same terms and conditions in the ordinary course of business, these have not been included above as the Group does not carry any exposure relating to these transactions (they are at client risk).

Compensation of key management personnel

31 March

£'000

2025

2024

Short-term employee benefits	15 617	20 285
Other long-term employee benefits	7 116	4 592
Share-based payments	2 732	3 673
Total	25 465	28 550

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

54. Related party transactions and balances continued

Transactions with associated undertakings and joint venture holdings

At 31 March

£'000	2025	2024
Amounts due from associates and joint venture holdings and their subsidiaries	31 748	10 541
Amounts due to associates and joint venture holdings and their subsidiaries	25 692	6 729
Interest income from loans to associate and joint venture holdings	—	208
Interest expense on deposits from associates	923	—
Derivatives entered into with associates and joint venture holdings and their subsidiaries	1 017	10 444

For the year to 31 March 2025, the Investec Group paid £2.1 million (2024: £767 000) for services rendered in the course of business and received £26.5 million (2024: £9.5 million) from associated undertakings and joint venture holdings.

The above arose from the ordinary course of business and are on the same terms, including interest rates and security, as for comparable transactions with third-party counterparties.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

55. Hedges

Fair value hedge accounting of interest rate risk

The Group uses interest rate swaps for the management of non-trading interest rate risk in the banking book. Interest rate risk arises from various fixed rate assets and liabilities, such as sovereign, bank and other debt securities, accounted for at either amortised cost or fair value through OCI, and subordinated debt. Interest rate swaps are used to swap fixed interest rates on certain designated assets and liabilities to variable interest rates. Refer to pages 78 and 79 of the Investec Group's 2025 risk and governance report for a detailed description of the management of non-trading interest rate risk.

Where all the relevant criteria are met, interest rate swaps are designated as hedging instruments and hedge accounting is applied to remove the accounting mismatch between the interest rate swaps (hedging instrument) and the designated debt instruments (hedged item). The hedging relationships are designated for fair value variability arising from changes in the benchmark rate component of the underlying interest rate risk. The benchmark rate component of the underlying interest rate risk is measured from the relevant currency's interest rate swap curve.

The Group applies a blended approach whereby hedged items with a fixed interest rate are hedged by either entering into interest rate swaps with substantially matching terms, or substantially matching interest rate risk sensitivities. The economic relationship between the hedged item and hedging instrument is evident from either the extent of the matching of the critical terms such as the currency, nominal, reference rate and maturity of the hedged item and the hedging instrument, or the matching of the interest rate risk sensitivities of the hedging instrument to the hedged item. For relationships with matching terms, the hedge ratio will generally be 1:1 due to the matching of the notional amounts of the hedging instrument and hedged item. For others, the hedge ratio would depend on the terms of the hedging instrument struck to match the interest rate sensitivity of the hedged item.

Ineffectiveness may arise from:

- Differences in the terms of the hedged item and the hedging instrument, such as the reference interest rate, notional amounts, maturity dates, reset/coupon or settlement dates
- The unwinding of the time value of money element relating to the fair value of the hedging instrument on designation date
- The once-off effects of interest rates reforms, as the changes to the reference rates of the hedging instrument and the related hedged item, if applicable, could take effect at different times.

Hedging instruments

At 31 March £'000	Notional value of hedging instrument	Fair value of hedging instrument – Assets	Fair value of hedging instrument – Liabilities	Change in fair value used to measure ineffectiveness for the year
2025				
Hedged assets	4 521 050	111 097	(28 269)	(112 478)
Hedged liabilities	5 078 198	(5 690)	(58 572)	49 135
Interest rate swap[^]	9 599 248	105 407	(86 841)	(63 343)
2024				
Hedged assets	3 856 538	307 154	(19 377)	(49 075)
Hedged liabilities	6 506 673	7 758	(75 811)	32 609
Interest rate swap[^]	10 363 211	314 912	(95 188)	(16 466)

[^] This is the financial instrument designated as a hedging instrument which is included within derivative financial instruments on the balance sheet.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

55. Hedges continued

Hedged items

At 31 March £'000	2025			2024		
	Carrying value	Cumulative fair value adjustments	Change in fair value used to measure ineffectiveness for the year*	Carrying value	Cumulative fair value adjustments	Change in fair value used to measure ineffectiveness for the year*
Assets						
Sovereign debt securities	2 060 920	9 179	63 076	1 376 282	(48 705)	(7 053)
Bank debt securities	214 509	3 491	4 990	37 866	(167)	751
Other debt securities	255 061	2 984	6 520	63 708	(3 005)	(292)
Loans and advances to customers	2 012 683	(73 976)	42 897	2 038 635	(116 872)	2 106
Other assets	—	—	4 328	56 668	(4 328)	2 861
Liabilities						
Customer accounts (deposits)	3 267 390	(1 501)	(12 089)	4 922 286	429	(1 386)
Debt securities in issue	1 148 192	35 145	(1 072)	757 282	(32 440)	99
Subordinated liabilities	828 961	19 401	(37 754)	824 067	(27 968)	3 185

* The changes in the fair value on the hedged items are included in interest income and the changes in the fair value of the hedging instruments are included in trading income arising from customer flow, balance sheet management and other trading income in the income statement, resulting in a net amount of ineffectiveness of a loss of £0.4 million (2024: £3.6 million).

There are no accumulated fair value hedge adjustments for hedged items that have ceased to be adjusted for hedging gains and losses.

Maturity analysis of hedged items

At 31 March £'000	Up to one month	One month to three months	Three months to six months	Six months to one year	One to five years	Greater than five years	Total
2025							
Assets – notionals							
Sovereign debt securities	—	—	19 369	53 712	1 444 475	594 840	2 112 396
Bank debt securities	3 874	16 735	11 868	56 065	115 486	3 874	207 902
Other debt securities	—	6 973	9 437	10 072	238 947	—	265 429
Loans and advances to customers	1 588	15 668	36 388	97 283	1 495 554	366 203	2 012 684
Liabilities – notionals							
Customer accounts (deposits)	139 487	378 265	787 983	1 931 462	20 000	10 193	3 267 390
Debt securities in issue	—	—	—	3 389	739 175	418 409	1 160 973
Subordinated liabilities	—	—	—	—	148 177	700 000	848 177
2024							
Assets – notionals							
Sovereign debt securities	—	—	—	8 000	590 494	842 708	1 441 202
Bank debt securities	—	—	8 347	8 305	22 000	—	38 652
Other debt securities	—	1 878	—	—	72 689	3 164	77 731
Loans and advances to customers	8 901	47 443	74 758	135 433	1 333 782	438 317	2 038 634
Other assets	2 818	5 661	8 566	17 411	22 212	—	56 668
Liabilities – notionals							
Customer accounts (deposits)	—	132 111	1 006 825	2 989 176	787 048	7 125	4 922 285
Debt securities in issue	—	—	—	30	783 366	—	783 396
Subordinated liabilities	—	—	—	—	151 417	700 000	851 417

^ The maturity profile of the hedged items would be materially consistent with the maturity profile of the hedging instruments.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

55. Hedges continued

Cash flow hedges

The change in the benchmark interest rate exposes the Group to cash flow variability risk from both existing and highly probable future transactions. During the year the Group entered into interest rate swap transactions to mitigate the cash flow variability risk.

The aggregate expected cash flows were hedged based on cash flow forecasts with reference to terms and conditions present in the affected contractual arrangements. Changes in fair value were initially recognised in other comprehensive income and reclassified to the income statement when the cash flows affected the income statement.

A reconciliation of the cash flow hedge reserve can be found in the statement of changes in equity.

Hedging instruments and ineffectiveness

At 31 March £'000	2025					
	Carrying Amount			Change in fair value used to calculate hedge ineffectiveness	Gain/(loss) recognised in OCI*	Ineffectiveness (loss) recognised in the income statement
	Notional	Asset	Liability			
Interest rate risk						
Interest rate swaps	350 000	—	(208)	(3 938)	3 913	(25)
	350 000	—	(208)	(3 938)	3 913	(25)

At 31 March £'000	2024					
	Carrying Amount			Change in fair value used to calculate hedge ineffectiveness	Gain/(loss) recognised in OCI*	Ineffectiveness (loss) recognised in the income statement
	Notional	Asset	Liability			
Interest rate risk						
Interest rate swaps	350 000	3 210	—	2 034	2 148	(114)
	350 000	3 210	—	2 034	2 148	(114)

* Included within the Gain/(loss) recognised in OCI are amounts amortised to the income statement where the hedged cash flows are still expected to occur.

Hedged items in cash flow hedges

At 31 March £'000	2025		
	Change in fair value used for calculating hedge ineffectiveness	Balance in reserve for continuing hedges	Balance in reserve where hedge accounting is no longer applied
Loans and advances to customers	3 632	68	(164)
Deposits by banks	281	—	(8 800)
	3 913	68	(8 964)

At 31 March £'000	2024		
	Change in fair value used for calculating hedge ineffectiveness	Balance in reserve for continuing hedges	Balance in reserve where hedge accounting is no longer applied
Loans and advances to customers	(3 781)	(3 563)	(215)
Deposits by banks	1 633	—	(20 755)
	(2 148)	(3 563)	(20 970)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

55. Hedges continued

Impact of cash flow hedges on profit and loss and other comprehensive income

For the year to 31 March £'000	Cash flow hedge reserve	
	2025	2024
Gain recognised in other comprehensive income on effective portion of changes in fair value of hedging instruments	(3 913)	2 148
Other debt securities	(4 857)	(5 250)
Loss reclassified to income statement when hedged item affected net profit	(6 867)	—
Taxation charge relating to cash flow hedges	4 378	(6 869)
Cessation of cash flow hedge accounting in South Africa	879	(6 614)
Total impact on comprehensive income	(10 380)	(16 585)

Hedges of net investments

Included in the hedging reserve is a historic balance related to the hedge of the net investment in Investec Bank (Mauritius) Limited of £11.3 million (2024: £11.3 million). No hedging of this investment is currently in effect.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

56. Liquidity analysis of financial liabilities based on undiscounted cash flows

The balances in the tables below will not agree directly to the balances in the consolidated balance sheet as the table incorporates all cash flows on an undiscounted basis relating to both principal and those associated with all future coupon payments (except for trading liabilities and trading derivatives). Furthermore, loan commitments are generally not recognised on the balance sheet. The cash flow profile of debt securities in issue below considers modelled early redemptions. Trading liabilities and trading derivatives have been included in the 'Demand' time bucket and not by contractual maturity because trading liabilities are typically held for short periods of time.



For an analysis based on discounted cash flows refer to pages 74 and 75 of the Investec Group's 2025 risk and governance report.

At 31 March	Carrying value	Demand	Up to one month	One month to three months	Three months to six months	Six months to one year	One year to five years	Greater than five years	Total
£'000									
2025									
Liabilities									
Deposits by banks	2 752 547	328 517	30 551	26 440	17 253	729 360	1 776 056	—	2 908 177
Derivative financial instruments	1 009 037	737 959	28 980	59 122	51 634	67 749	105 688	14 767	1 065 899
– held for trading	n/a	733 357	—	—	—	—	—	—	733 357
– held for hedging risk	n/a	4 602	28 980	59 122	51 634	67 749	105 688	14 767	332 542
Other trading liabilities	1 587 927	1 587 944	—	—	—	—	—	—	1 587 944
Repurchase agreements and cash collateral on securities lent	1 157 856	884 084	191 484	1 574	1 645	3 196	87 035	—	1 169 018
Customer accounts (deposits)	41 164 221	16 691 142	2 868 946	8 176 245	4 928 037	4 331 893	5 275 800	321 206	42 593 269
Debt securities in issue*	1 563 602	—	31 204	27 697	35 369	138 404	1 113 142	434 770	1 780 586
Liabilities arising on securitisation of own originated loans and advances	257 282	—	2 851	2 516	6 412	12 594	97 877	246 391	368 641
Liabilities arising on securitisation of other assets	—	—	—	—	—	—	—	—	—
Other liabilities	1 221 857	238 926	736 382	55 814	17 613	83 142	78 243	9 113	1 219 233
Liabilities to customers under investment contracts	213 594	28 858	628	—	385	10 392	171 978	1 353	213 594
Subordinated liabilities	1 016 703	—	—	5 098	5 098	121 322	460 187	814 188	1 405 893
Total on-balance sheet liabilities	51 944 626	20 497 430	3 891 026	8 354 506	5 063 446	5 498 052	9 166 006	1 841 788	54 312 254
Contingent liabilities	—	638 350	7 541	96 147	74 411	79 659	743 037	70 885	1 710 030
Commitments	—	3 306 163	629 795	48 555	94 912	303 858	1 557 640	390 359	6 331 282
Total liabilities	51 944 626	24 441 943	4 528 362	8 499 208	5 232 769	5 881 569	11 466 683	2 303 032	62 353 566

* Put options have been issued under which the Group will repurchase, at any time, debt securities in issue of £237 million (2024: £221 million) at the election of the holder. This may result in earlier settlement than the contractual maturity reflected above.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

56. Liquidity analysis of financial liabilities based on undiscounted cash flows continued

At 31 March £'000	Carrying value	Demand	Up to one month	One month to three months	Three months to six months	Six months to one year	One year to five years	Greater than five years	Total
2024[^]									
Liabilities									
Deposits by banks	3 643 793	408 256	32 242	31 772	36 318	125 429	3 354 614	—	3 988 631
Derivative financial instruments	1 078 461	726 640	46 520	56 680	74 249	103 375	154 419	18 315	1 180 198
– held for trading	n/a	723 182	—	—	—	—	—	—	723 182
– held for hedging risk	n/a	3 458	46 520	56 680	74 249	103 375	154 419	18 315	457 016
Other trading liabilities	1 338 597	1 338 611	—	—	—	—	—	—	1 338 611
Repurchase agreements and cash collateral on securities lent	1 006 272	416 826	255 777	44 943	1 888	110 275	206 892	—	1 036 601
Customer accounts (deposits)	39 531 563	15 549 502	3 858 437	5 913 959	4 756 846	5 991 466	4 372 492	166 662	40 609 364
Debt securities in issue*	1 541 194	—	23 864	25 842	82 612	95 253	1 523 926	1 194	1 752 691
Liabilities arising on securitisation of own originated loans and advances	208 571	—	331	6 401	6 624	12 925	87 187	169 696	283 164
Liabilities arising on securitisation of other assets	71 751	—	—	7 154	3 462	6 540	40 251	34 570	91 977
Other liabilities	1 164 914	549 946	320 202	75 045	21 209	102 159	50 854	8 913	1 128 328
Liabilities to customers under investment contracts	154 889	23 207	147	976	—	5 478	124 482	600	154 890
Subordinated liabilities	972 806	—	544	4 854	4 854	50 832	517 046	855 313	1 433 443
Total on-balance sheet liabilities	50 712 811	19 012 988	4 538 064	6 167 626	4 988 062	6 603 732	10 432 163	1 255 263	52 997 898
Contingent liabilities ^{***}	—	545 845	46 288	88 693	20 655	74 535	888 039	50 362	1 714 417
Commitments ^{^^}	—	3 052 832	527 394	32 388	196 253	294 082	1 283 746	384 953	5 771 648
Total liabilities	50 712 811	22 611 665	5 111 746	6 288 707	5 204 970	6 972 349	12 603 946	1 690 578	60 483 963

[^] Restated as detailed in note 61.

^{*} Put options have been issued under which the Group will repurchase, at any time, debt securities in issue of £237 million (2024: £221 million) at the election of the holder. This may result in earlier settlement than the contractual maturity reflected above.

^{^^} The amounts were incorrectly bucketed in the prior period and have been re-bucketed to reflect the earliest possible date on which these may be called.

^{***} The prior year incorrectly included credit default swaps of £244 million.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

57. Principal subsidiaries and associated undertakings – Investec plc

At 31 March	Principal activity	Country of incorporation	Interest	
			2025	2024
Direct subsidiaries of Investec plc				
Investec 1 Limited	Investment holding	England and Wales	100.0%	100.0%
Indirect subsidiaries of Investec plc				
Investec Asset Finance plc	Leasing	England and Wales	100.0%	100.0%
Investec Bank plc	Investment holding	England and Wales	100.0%	100.0%
Investec Bank (Channel Islands) Limited	Banking institution	Guernsey	100.0%	100.0%
Investec Bank (Switzerland) AG	Banking institution and wealth manager	Switzerland	100.0%	100.0%
Investec Group Investments (UK) Limited	Investment holding	England and Wales	100.0%	100.0%
Investec Holdings Australia Pty Limited	Holding company	Australia	100.0%	100.0%
Investec Investments (UK) Limited	Investment holding	England and Wales	100.0%	100.0%
Investec Europe Limited	MiFiD firm	Ireland	100.0%	100.0%
Investec Securities (US) LLC	Financial services	USA	100.0%	100.0%
Investec Capitalmind Investment Limited	Non trading	England and Wales	100.0%	100.0%
Investec Continental Europe Advisory BV	Non trading	Netherlands	60.0%	60.0%
Investec Advisory SAS	Advisory services	France	60.0%	60.0%
Investec Advisory GmbH & Co. KG	Advisory services	Germany	60.0%	60.0%
Investec Advisory B.V	Advisory services	Netherlands	60.0%	60.0%

All of the above subsidiary undertakings are included in the consolidated accounts.

The subsidiaries listed above are only in relation to subsidiary undertakings whose results or financial position, in the opinion of the directors, have a significant impact on the financial statements.

For more details on interests in associated undertakings and joint venture holdings refer to note 31.



A complete list of subsidiary, associated undertakings and joint venture holdings as required by the Companies Act 2006 is included in note j to the Investec plc company accounts on pages 171 to 175.

Consolidated structured entities

Investec plc has no equity interest in the following structured entities, which are consolidated. Typically, a structured entity is an entity in which voting or similar rights are not the dominant factor in deciding control. The judgements to assess whether the Group has control over these structures include assessing the purpose and design of the entity and considering whether the Group or another involved party with power over the relevant activities is acting as a principal in its own right or as an agent on behalf of others.

Name of principal structured entity	Type of structured entity
Cavern Funding 2020 plc	Securitised auto receivables
Landmark Mortgage Securities No. 2 plc [^]	Securitised residential mortgages
Temese Funding 2 plc	Securitised receivables
Gresham Leasing One Limited	Aircraft related
KF Turbo Leasing Limited	Dormant Company
Zebra Aviation Limited	Aircraft leasing
Zebra Capital II Limited	Structured note issuance related

[^] During the year, the Group sold a residual tranche holding in Landmark Mortgage Securities No. 2 plc structured entity which subsequently resulted in the deconsolidation of the SPV and its related assets and liabilities.

For additional detail on the other securitised assets and liabilities arising on securitisation, refer to note 28.



For details of the risks to which the Group is exposed through all of its securitisations are included in the Investec Group's 2025 risk and governance report on pages 65 and 66

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

57. Principal subsidiaries and associated undertakings – Investec plc continued

The key assumptions for the main types of structured entities which the Group consolidates are summarised below:

Securitised residential mortgages

The Group has securitised residential mortgages in order to provide investors with exposure to residential mortgage risk and to raise funding. These structured entities are consolidated due to the Group's holdings of equity notes combined with its control over servicing activities. The Group is not required to fund any losses above those incurred on the notes it has retained; such losses are reflected in any impairment of securitised mortgages as those assets have not been derecognised.

Structured debt and loan portfolios

The Group has structured debt and loan portfolios for the purpose of issuing asset-backed securities. These structured entities are consolidated due to the Group's retention of equity notes and because it continues to act as the collateral manager. The Group is not required to fund any losses above those incurred on the notes it has retained.

Securitised receivables

The Group has securitised portfolios of medium-term lease and hire purchase receivables. These structured entities are consolidated as the Group has retained the equity notes and control over servicing activities. The Group is not required to fund any losses above those incurred on the notes it has retained.

Other structured entities – commercial operations

The Group also consolidates a number of structured entities where control arises from rights attached to lending facilities and similar commercial involvement. These arise primarily in the areas of aircraft funds, where the Group has rights which allow it to maximise the value of the assets held and investments in mining projects due to its exposure to equity like returns and ability to influence the strategic and financial decision-making.

The Group is not required to fund any losses above those which could be incurred on debt positions held or swaps which exist with these structured entities. The risks to which the Group is exposed from these structured entities are related to the underlying assets held in the structures.

Significant restrictions

As is typical for a large group of companies, there are restrictions on the ability of the Group to obtain distributions of capital, access the assets or repay the liabilities of members of the Group due to the statutory, regulatory and contractual requirements of its subsidiaries.

These are considered below:

Regulatory requirements

Subsidiary companies are subject to prudential regulation and regulatory capital requirements in the countries in which they are regulated. These require entities to maintain minimum capital, leverage and exposure ratios restricting the ability of these entities to make distributions of cash or other assets to the parent company. Regulated subsidiaries of the Group are required to maintain liquidity pools to meet PRA and local regulatory requirements. The main subsidiaries affected are: Investec Bank plc, Investec Bank (Channel Islands) Limited and Investec Bank (Switzerland) AG, which must maintain compliance with the regulatory minimum.



Refer to the capital management section within the Investec Group's 2025 risk and governance report on pages 89 to 97.

Statutory requirements

The Group's subsidiaries are subject to statutory requirements not to make distributions of capital and unrealised profits, and generally maintain solvency. These requirements restrict the ability of subsidiaries to remit dividends, except in the case of a legal capital reduction or liquidation.

Contractual requirements

Asset encumbrance – the Group uses its financial assets to raise finance in the form of securitisations and through the liquidity schemes of central banks. Once encumbered, the assets are not available for transfer around the Group. The assets typically affected are disclosed in notes 21 and 60.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

57. Principal subsidiaries and associated undertakings – Investec plc continued

Structured associates

The Group has investments in a number of structured funds specialising in aircraft financing where the Group acts as adviser or fund manager in addition to holding units within the fund. As a consequence of these roles and funding, the Group has significant influence over the fund and therefore the funds are treated as associates.

The Group applies the venture capital exemption to these holdings and, as such, the investments in the funds are accounted for at fair value and held within the investment portfolio on the balance sheet.

Type of structured entity	Nature and purpose	Interest held by the Group/income earned
Aircraft investment funds	To generate fees from managing assets on behalf of third-party investors	Investments in units issued by the fund
	These vehicles are financed through the issue of units to investors	Management fees

The table below sets out an analysis of the carrying amounts of interests held by the Group in structured associate entities.

At 31 March 2025		Carrying value	Maximum exposure	Income earned from	
£'000	Line on the balance sheet	£'000	to loss	structured entity	£'000
Aircraft investment funds	Investment portfolio	22 082	Limited to the carrying value	Investment loss	2 180

At 31 March 2024		Carrying value	Maximum exposure	Income earned from	
£'000	Line on the balance sheet	£'000	to loss	structured entity	£'000
Aircraft investment funds	Investment portfolio	22 108	Limited to the carrying value	Investment loss	226

Unconsolidated structured entities

The Group enters into transactions with unconsolidated structured entities in the normal course of business to facilitate customer transactions and for specific investment opportunities.

Unconsolidated structured entities are those which the Group does not control in line with basis of consolidation as set out in the accounting policies on pages 45 to 59.

The table below describes the types of unconsolidated structured entities the Group has transactions with.

Type of structured entity	Nature and purpose	Interest held by the Group/income earned
Investment funds	To generate fees from managing assets on behalf of third-party investors	Investments in units issued by the fund
	These vehicles are financed through the issue of units to investors	Management fees
Debt funds	To generate a return for investors by providing exposure to residential mortgage risk	Investments in units issued by the fund
	These vehicles are financed through the issue of notes to investors	Interest income/Investment income/ Management fees
Aircraft leasing structures	To generate fees from managing assets on behalf of third-party investors	Investments in units issued by the fund
	These vehicles are financed through the issue of units to investors	Interest income/Investment income

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

57. Principal subsidiaries and associated undertakings – Investec plc continued

The table below highlights the Group's maximum exposure to the unconsolidated structured entities

At 31 March 2025	Investment fund	Debt fund	Aircraft leasing structure	Total
£'000				
Derivatives assets (fair value through profit and loss)	—	—	92	92
Loans and advances (fair value through profit and loss)	—	—	11 011	11 011
Investment portfolio (fair value through profit and loss)	24 639	4 250	1 091	29 980
Other debt securities (fair value through profit and loss)	—	26 819	—	26 819
Total Assets	24 639	31 069	12 194	67 902
Other liabilities (fair value through profit and loss)	—	—	—	—
Total Liabilities	—	—	—	—
Off-balance sheet commitments	—	40 254	2 556	42 810
Maximum exposure at 31 March 2025	24 639	71 323	14 750	110 712

At 31 March 2024	Investment fund	Debt fund	Aircraft leasing structure	Total
£'000				
Loans and advances (fair value through profit and loss)	—	—	11 477	11 477
Investment portfolio (fair value through profit and loss)	24 337	6 395	1 114	31 846
Other debt securities (fair value through profit and loss)	—	32 252	—	32 252
Total Assets	24 337	38 647	12 591	75 575
Other liabilities (fair value through profit and loss)	—	12	—	12
Total Liabilities	—	12	—	12
Off-balance sheet commitments	—	13 485	2 610	16 096
Maximum exposure at 31 March 2024	24 337	52 120	15 201	91 659

Financial support provided to the unconsolidated structured entities

There are no contractual agreements which require the Group to provide any additional financial or non-financial support to these structured entities.

During the year, the Group has not provided any such support and does not have any current intentions to do so in the future.

Sponsoring

The Group considers itself a sponsor of a structured entity when it facilitates the establishment of the structured entity.

Interests in structured entities which the Group has not set up

Purchased securitisation positions

The Group buys and sells interests in structured entities that it has not originated as part of its trading activities, for example, residential mortgage securities, commercial mortgage securities, loans to corporates and resecuritisations. In such cases the Group typically has no other involvement with the structured entity other than the securities it holds as part of its trading activities, and its maximum exposure to loss is restricted to the carrying value of the asset.



Details of the value of these interests are included on pages 65 and 66 of the Investec Group's 2025 risk and governance report.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

58. Principal subsidiaries and associated companies – Investec Ltd continued

At 31 March	Principal activity	Country of incorporation	Interest	
			2025	2024
Material direct subsidiaries of Investec Limited				
Investec Bank Limited	Banking institution	South Africa	100.0%	100.0%
Investec Employee Benefits Holdings Proprietary Limited	Investment holding	South Africa	100.0%	100.0%
Investec International Holdings (Gibraltar) Limited	Investment holding	Gibraltar	100.0%	100.0%
Investec Wealth and Investment International Proprietary Limited (previously Investec Securities Proprietary Limited)	Registered stockbroker	South Africa	100.0%	100.0%
Fedsure International Limited	Investment holding	South Africa	100.0%	100.0%
Investec Property Proprietary Limited	Investment holding	South Africa	100.0%	100.0%
Investec Markets Proprietary Limited	Stockbroking	South Africa	100.0%	100.0%
Investec Investment Platform Proprietary Limited	Investment platform	South Africa	100.0%	100.0%
Investec Investment Management Proprietary Limited	Investment management	South Africa	100.0%	100.0%
Material indirect subsidiaries of Investec Limited				
Investec Bank (Mauritius) Limited	Banking institution	Mauritius	100.0%	100.0%
Investec Life Limited	Long-term insurance	South Africa	100.0%	100.0%

For details on associated undertakings and joint venture holdings refer to note 31.

Consolidation of subsidiaries for accounting and regulatory purposes:

There are no subsidiaries which are consolidated for regulatory, but not for accounting purposes. Investec Employee Benefit Holdings Proprietary Limited, including Investec Life Limited, and its subsidiaries are not consolidated for regulatory purposes.

Burstone Group Limited was deconsolidated from the Group during the prior year. The investment is now held as an associate at fair value through profit or loss applying the venture capital exemption in IAS 28. For further details on the remeasurement and deconsolidation, refer to note 12.

Consolidated structured entities

Investec Limited has residual economic interests in the following structured entities which are consolidated. Typically a structured entity is an entity in which voting or similar rights are not the dominant factor in deciding control. The judgements to assess whether the Group has control over these structures include assessing the purpose and design of the entity, considering whether the Group or another involved party with power over the relevant activities is acting as a principal in its own right or as an agent on behalf of others.

Name of principal structured entity	Type of structured entity
Fox Street 1 (RF) Limited	Securitised residential mortgages
Fox Street 2 (RF) Limited	Securitised residential mortgages
Fox Street 3 (RF) Limited	Securitised residential mortgages
Fox Street 4 (RF) Limited	Securitised residential mortgages
Fox Street 5 (RF) Limited	Securitised residential mortgages
Fox Street 6 (RF) Limited	Securitised residential mortgages
Fox Street 7 (RF) Limited	Securitised residential mortgages
Grayston Drive Autos (RF) Limited	Securitised vehicle instalment sale agreements
Richefond Circle (RF) Limited	Securitised commercial mortgages

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

58. Principal subsidiaries and associated companies – Investec Ltd continued

For additional detail on the assets and liabilities arising on securitisation refer to note 31. Details of the risks to which the Group is exposed through all of its securitisations are included in the Investec Group's 2025 risk and governance report on pages 65 and 66.

The key assumptions for the main types of structured entities which the Group consolidates are summarised below:

Securitised residential mortgages

The Group has securitised residential mortgages in order to provide investors with exposure to residential mortgage risk and to raise funding. These structured entities are consolidated due to the Group's exposure to residual economic risks and benefits. The Group is not required to fund any losses above those incurred on the investments made.

Securitised vehicle instalment sale agreements

The Group has securitised vehicle instalment sale agreements in order to provide investors with exposure to vehicle instalment sale risk and to raise funding. This structured entity is consolidated due to the Group's exposure to residual economic risks and benefits. The Group is not required to fund any losses above those incurred on the investments made.

Securitised commercial mortgages

The Group has securitised commercial mortgages in order to provide investors with exposure to commercial mortgage risk and to raise funding. The relevant structured entity is consolidated due to the Group's exposure to residual economic risks and benefits. The Group is not required to fund any losses above those incurred on the investments made.

Interest in Wealth & Investment Funds

Management has concluded that the majority of investment funds in the Wealth & Investment business do not meet the definition of structured entities as the Group does not hold material interests in these funds and currently does not provide financial support or other support. Support transactions with these funds are conventional customer-supply relationships. Occasionally, the seed capital provided by the Group to new funds result in higher percentage holdings and funds may be controlled for a period. At 31 March 2025, the Group concluded it controlled one fund with a net asset value of £5.8 million through its 28% holding. No material funds were controlled in the prior year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

59. Offsetting

At 31 March £'000	Amounts subject to enforceable netting arrangements					
	Effects of offsetting on-balance sheet			Related amounts not offset ^a		
	Gross amounts	Amounts offset	Net financial assets/liabilities reported on the balance sheet	Financial instruments (including non-cash collateral)	Cash collateral	Net amount
2025						
Assets						
Loans and advances to banks	1 336 343	(15 283)	1 321 060	—	—	1 321 060
Reverse repurchase agreements and cash collateral on securities borrowed	4 332 097	(41 814)	4 290 283	(4 253 626)	(34 542)	2 115
Derivative financial instruments	1 518 189	(673 829)	844 360	(278 950)	(286 345)	279 065
Other assets	881 977	111 432	993 409	—	—	993 409
Liabilities						
Deposits by banks	2 752 641	(94)	2 752 547	—	—	2 752 547
Derivative financial instruments	1 586 623	(577 586)	1 009 037	(278 950)	(102 765)	627 322
Repurchase agreements and cash collateral on securities lent	1 199 670	(41 814)	1 157 856	(1 156 535)	(522)	799

At 31 March £'000	Amounts subject to enforceable netting arrangements					
	Effects of offsetting on-balance sheet			Related amounts not offset ^a		
	Gross amounts	Amounts offset	Net financial assets/liabilities reported on the balance sheet	Financial instruments (including non-cash collateral)	Cash collateral	Net amount
2024^{**}						
Assets						
Loans and advances to banks	1 124 602	(2 566)	1 122 036	—	—	1 122 036
Reverse repurchase agreements and cash collateral on securities borrowed	4 418 405	(41 519)	4 376 886	(4 333 640)	(31 029)	12 217
Derivative financial instruments	2 232 715	(1 201 349)	1 031 366	(529 318)	(348 608)	153 440
Other assets	969 540	189 849	1 159 389	—	—	1 159 389
Liabilities						
Deposits by banks	3 695 071	(51 278)	3 643 793	—	—	3 643 793
Derivative financial instruments	2 041 248	(962 787)	1 078 461	(529 318)	(84 401)	464 742
Repurchase agreements and cash collateral on securities lent	1 047 791	(41 519)	1 006 272	(1 006 272)	—	—

^a Restated as detailed in note 61.

^{*} Restated to limit disclosures to recognised line items subject to enforceable netting arrangements and to include off-balance sheet collateral and omitted derivatives subject to standard master netting arrangements in the event of non payment of default.

^{**} The Group enters into derivatives and repurchase and reverse repurchase agreements with various counterparties which are governed by industry standard master netting agreements. The Group holds and provides cash and securities collateral in respect of derivatives transactions covered by these agreements. The right to set off balances under these master netting agreements or to set off cash and securities collateral only arises in the event of non-payment or default and, as a result, these arrangements do not qualify for offsetting under IAS 32. 'Financial instruments (including non-cash collateral) include financial collateral whether recognised or unrecognised'.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

60. Derecognition

Transfers of financial assets that do not result in derecognition

The Group has been party to securitisation transactions whereby assets continue to be recognised on-balance sheet (either fully or partially) although they have been subject to legal transfer to another entity. Securitisations may, depending on the individual arrangement, result in continued recognition of the securitised assets and the recognition of the debt securities issued in the transaction.

	2025		2024	
	Carrying amount of assets that are continued to be recognised	Carrying amount of associated liabilities	Carrying amount of assets that are continued to be recognised	Carrying amount of associated liabilities
At 31 March				
£'000				
No derecognition achieved				
Loans and advances to customers	1 657 927	—	1 511 765	—
Loans and advances to banks	95 626	—	69 389	—
	1 753 553	—	1 581 154	—

The transferred assets above in both the current and prior year are held within structured entities which are wholly-owned and consolidated by the Group. There are no external parties participating in these vehicles and therefore the Group continues to have full exposure to the risks and rewards associated with the assets and the associated liabilities are eliminated on consolidation. There are no restrictions or limitations on the Group's recourse to the assets held within the structured entities.

For transfer of assets in relation to repurchase agreements see note 21.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

61. Restatements

Income statement restatements

Investec's Rewards programme revenue recognition

Investec's Rewards programme awards cardholders points in proportion to eligible transactions. These points are, in substance, a reduction in fees. Historically, these have been incorrectly reflected as 'fee and commission expense', therefore a restatement has been performed to reduce 'fee and commission income' for the points allocated within the prior period.

Re-presentation of strategic actions and associates

In prior periods, Investec's equity accounted income was split between operating profit and loss and non-operating items such as amortisation of intangibles and profit and loss impacts from strategic actions on the face of the income statement. We have amended the presentation whereby Investec's total share of earnings of associates and joint ventures is now presented as a single line on the face of the income statement. As a consequence, some of the subtotals previously presented are no longer appropriate and have been removed.

These changes had no impact on earnings per share or cash flow statement.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
CONTINUED**61. Restatements** continued

£'000	Year to 31 March 2024 as previously reported	Investec's Rewards programme revenue recognition	Re-presentation of strategic actions and associates	Year to 31 March 2024 restated
Interest income	4 124 150	—	—	4 124 150
Interest expense	(2 785 457)	—	—	(2 785 457)
Net interest income	1 338 693	—	—	1 338 693
Fee and commission income	482 668	(25 677)	—	456 991
Fee and commission expense	(66 481)	25 677	—	(40 804)
Investment income	60 381	—	—	60 381
Share of post-taxation profit of associates and joint venture holdings	55 949	—	(22 255)	33 694
Profit before amortisation and integration costs	55 949	—	—	55 949
Amortisation of acquired intangibles	—	—	(12 624)	(12 624)
Acquisition related and integration costs within associate	—	—	(9 631)	(9 631)
Trading income arising from				
– customer flow	131 712	—	—	131 712
– balance sheet management and other trading activities	41 496	—	—	41 496
Other operating income	1 961	—	—	1 961
Operating income	2 046 379	—	(22 255)	2 024 124
Expected credit loss impairment charges	(79 113)	—	—	(79 113)
Operating income after expected credit loss impairment charges	1 967 266	—	(22 255)	1 945 011
Operating costs	(1 120 245)	—	—	(1 120 245)
Operating profit before goodwill, acquired intangibles and strategic actions	847 021	—	(22 255)	
Amortisation of acquired intangibles	(1 483)	—	—	(1 483)
Amortisation of acquired intangibles of associates	(5 679)	—	5 679	—
Closure and rundown of the Hong Kong direct investments business	(785)	—	—	(785)
Operating profit	839 074	—	(16 576)	
Financial impact of strategic actions	(16 576)	—	16 576	—
Profit before taxation from continuing operations	822 498	—	—	822 498
Taxation	(171 187)	—	—	(171 187)
Taxation on operating profit before goodwill and acquired intangibles	(172 066)	—	—	(172 066)
Taxation on acquired intangibles and net gain on distribution of associate to shareholders	879	—	—	879
Profit after taxation from continuing operations	651 311	—	—	651 311
Profit after taxation and financial impact of strategic actions from discontinued operations	302 877	—	—	302 877
Operating profit before non-controlling interests from discontinued operations	45 824	—	—	45 824
Financial impact of strategic actions net of taxation from discontinued operations	257 053	—	—	257 053
Profit after taxation from total Group	954 188	—	—	954 188
Profit attributable to non-controlling interests	(1 382)	—	—	(1 382)
Profit attributable to non-controlling interests of discontinued operations	(11 766)	—	—	(11 766)
Earnings of total Group attributable to shareholders	941 040	—	—	941 040

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

61. Restatements continued

Balance sheet and statement of changes in equity restatements

Derecognition of derivative assets and liabilities

Post the review of the accounting treatment of an aviation lease structure, it was identified that at March 2024 'derivative financial instruments' assets of £42.4 million (March 2023: £39.7 million) and 'derivative financial instruments' liabilities of £63.4 million (March 2023: £59.0 million) were incorrectly bifurcated from leases in the past. These have now been derecognised in the comparative balances and included in the measurement of associated lease contracts, leading to a reduction in 'other assets' of £14.1 million (March 2023: £13.0 million) and an increase in 'other liabilities' of £6.8 million (March 2023: £6.3 million).

Variation margin balances

Historically, certain variation margin balances were offset against related derivative trades. In the current year, the legal contracts and settlement mechanisms were reconsidered. Because of the gross settlement mechanism, it was concluded that these balances did not qualify for offset. Subsequently, the derivative and margin balances have been grossed up, reflecting margin accounts on the appropriate line items determined based on whether they are to, or from, banking or non-banking counterparties.

Repurchase agreements

Certain equity stock trades entered into at the same time as related forward purchase agreements, in respect of the same assets, were booked as separate trades rather than in line with the true substance of the transaction, as a single repurchase agreement. As a result, trading assets were derecognised or short positions in respect of the same stock were incorrectly recognised within 'other trading liabilities'. To appropriately reflect these transactions, comparatives have been corrected to recognise the repurchase agreements and stock positions, including reducing the short trading securities positions, included in 'other trading liabilities', and the financial instruments, previously recognised as reverse repurchase assets and repurchase liabilities.

Presentation of taxation balances

In prior years, current tax assets and liabilities were incorrectly grossed up. At 31 March 2023, deferred tax assets and liabilities were similarly incorrectly grossed up. The prior year balance sheets have therefore been restated to present the correct amounts.

Reclassification between treasury shares and other reserves

Historically, differences arising on re-issuing treasury shares held in respect of staff share schemes have been inconsistently presented between Group entities. In the current year, we have restated comparatives to align this treatment, with the Group policy of treasury shares held now being reflected at cost and all movements on re-issuing treasury shares when employee awards vest being recognised in equity within 'retained income'. While implementing this change, we elected to transfer the capital reserve account, which housed various historic equity adjustments including those from past restructures to retained income as it does not provide useful information to users. Share premium has also been restated to accurately reflect the legal position, rather than incorporating further capital reserve amounts, which have now instead been incorporated into retained income.

These changes had no impact on the income statement or earnings per share.

The impact of these changes on the 31 March 2024 and 31 March 2023 balance sheets are:

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

61. Restatements continued

£'000	At 31 March 2024 as previously reported	Derecognition of derivative assets and liabilities	Variation margin balances	Repurchase agreements	Presentation of taxation balances	Reclassification between treasury shares and other reserves	At 31 March 2024 restated
Assets							
Loans and advances to banks	1 063 745	—	58 291	—	—	—	1 122 036
Non-sovereign and non-bank cash placements	451 482	—	9 077	—	—	—	460 559
Reverse repurchase agreements and cash collateral on securities borrowed	4 381 520	—	—	(4 634)	—	—	4 376 886
Derivative financial instruments	853 938	(42 439)	219 867	—	—	—	1 031 366
Securities arising from trading activities	1 596 260	—	—	64 963	—	—	1 661 223
Current taxation assets	64 378	—	—	—	(28 742)	—	35 636
Other assets	1 672 582	(14 126)	6 289	—	—	—	1 664 745
Total assets	56 625 727	(56 565)	293 524	60 329	(28 742)	—	56 894 273
Liabilities							
Deposits by banks	3 446 776	—	197 017	—	—	—	3 643 793
Derivative financial instruments	1 069 119	(63 407)	72 749	—	—	—	1 078 461
Other trading liabilities	1 369 332	—	—	(30 735)	—	—	1 338 597
Repurchase agreements and cash collateral on securities lent	915 208	—	—	91 064	—	—	1 006 272
Customer accounts (deposits)	39 507 805	—	23 758	—	—	—	39 531 563
Current taxation liabilities	72 697	—	—	—	(28 742)	—	43 955
Other liabilities	1 816 139	6 842	—	—	—	—	1 822 981
Total liabilities	51 151 485	(56 565)	293 524	60 329	(28 742)	—	51 420 031
Equity							
Ordinary share premium	1 010 066	—	—	—	—	384 873	1 394 939
Treasury shares	(604 994)	—	—	—	—	65 089	(539 905)
Other reserves	(866 739)	—	—	—	—	10 628	(856 111)
Retained income	5 222 098	—	—	—	—	(460 590)	4 761 508
Total equity	5 474 242	—	—	—	—	—	5 474 242

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

61. Restatements continued

£'000	At 31 March 2023 as previously reported	Derecognition of derivative assets and liabilities	Variation margin balances	Repurchase agreements	Presentation of taxation balances	Reclassification between treasury shares and other reserves	At 1 April 2023 restated
Assets							
Loans and advances to banks	1 450 627	—	167 953	—	—	—	1 618 580
Non-sovereign and non-bank cash placements	442 254	—	24 706	—	—	—	466 960
Reverse repurchase agreements and cash collateral on securities borrowed	3 995 190	—	—	(1 543)	—	—	3 993 647
Derivative financial instruments	1 363 912	(39 658)	133 584	—	—	—	1 457 838
Securities arising from trading activities	1 836 327	—	—	18 578	—	—	1 854 905
Current taxation assets	69 322	—	—	—	(34 933)	—	34 389
Deferred taxation assets	234 034	—	—	—	(22 216)	—	211 818
Other assets	2 030 476	(12 997)	1 547	—	—	—	2 019 026
Total assets	57 892 370	(52 655)	327 790	17 035	(57 149)	—	58 127 391
Liabilities							
Deposits by banks	3 617 524	—	82 282	—	—	—	3 699 806
Derivative financial instruments	1 543 140	(58 950)	193 580	—	—	—	1 677 770
Other trading liabilities	1 278 452	—	—	(11 935)	—	—	1 266 517
Repurchase agreements and cash collateral on securities lent	938 107	—	—	28 970	—	—	967 077
Customer accounts (deposits)	39 555 669	—	51 928	—	—	—	39 607 597
Current taxation liabilities	69 780	—	—	—	(34 933)	—	34 847
Deferred taxation liabilities	26 545	—	—	—	(22 216)	—	4 329
Other liabilities	2 311 103	6 295	—	—	—	—	2 317 398
Total liabilities	52 583 823	(52 655)	327 790	17 035	(57 149)	—	52 818 844
Equity							
Ordinary share premium	1 208 161	—	—	—	—	204 186	1 412 347
Treasury shares	(564 678)	—	—	—	—	65 795	(498 883)
Other reserves	(773 262)	—	—	—	—	11 315	(761 947)
Retained income	4 452 413	—	—	—	—	(281 296)	4 171 117
Total equity	5 308 547	—	—	—	—	—	5 308 547

Cash flow restatements

Due to the restatements above, there was a net increase in operating assets and operating liabilities of £5.1 million within the cash flow statement with a net nil impact on operating cash flows.

62. Events after the reporting period

There have been no significant events subsequent to the reporting date that would require adjustment to or disclosure in the financial statements. In the ordinary course of business, events may occur that influence the credit quality of loans and advances. At the date of this report, we have concluded that no changes are required to our ECL provisions or there is insufficient new information available since 31 March 2025 of any conditions which existed at the balance sheet date to reliably estimate any adjustments to these ECL provisions.

63. Investec Limited parent Company accounts

For regulatory compliance purposes the Investec Limited parent Company accounts are presented in the Investec Limited Annual Financial Statements and audited by Deloitte & Touche and PricewaterhouseCoopers Inc. as statutory auditors.

INVESTEC PLC PARENT COMPANY ANNUAL FINANCIAL STATEMENTS

Balance sheet

At 31 March £'000	Notes	2025	2024
Assets			
Fixed assets			
Investments in subsidiary undertakings	b	1 701 193	1 701 774
Securities and subordinated liabilities issued by subsidiary undertaking ^a	c	1 302 743	876 208
Other Additional Tier 1 securities issued by subsidiary undertaking ^a	c	350 000	458 108
Amounts owed by group undertakings	i	566 408	556 753
		3 920 344	3 592 843
Current assets			
Investments in listed equities		134 330	158 889
Taxation		2 124	6 242
Prepayments and accrued income		3 184	4 745
Cash at bank and in hand			
– balances with other banks		465	461
		140 103	170 337
Current liabilities			
Creditors: amounts falling due within one year			
Amounts owed to Group undertakings		23 235	7 356
Other liabilities		1 900	3 351
Accruals and deferred income		9 542	10 700
Net current assets		105 426	148 930
Creditors: amounts falling due after one year			
Debt securities in issue	d	928 915	492 486
Subordinated liabilities	e	701 259	699 940
Net assets		2 395 596	2 549 347
Capital and reserves			
Ordinary share capital	h	198	202
Ordinary share premium	h	555 812	555 812
Capital reserve		173	173
Fair value reserve		(3 011)	21 548
Retained earnings		1 467 630	1 488 710
Ordinary shareholders' equity		2 020 802	2 066 445
Perpetual preference share capital and premium	h	24 794	24 794
Shareholders' equity excluding non-controlling interests		2 045 596	2 091 239
Other Additional Tier 1 securities in issue	h	350 000	458 108
Total capital and reserves		2 395 596	2 549 347

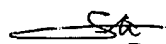
^a The line item 'securities and subordinated liabilities issued by subsidiary undertaking' in the prior year has been disaggregated to present 'other additional tier 1 securities issued by subsidiary undertaking' separately on the balance sheet.

The notes on pages 168 to 175 form an integral part of the financial statements.

The Company's profit for the year, determined in accordance with the Companies Act 2006, was £126,163,024 (2024: £112 679 076).

The Company's distributable reserves as at 31 March 2025 were £1 464 617 665 (2024: £1 510 257 362).

Approved and authorised for issue by the Board of Directors on
20 June 2025 and signed on its behalf by:



Fani Titi

Group Chief Executive

19 June 2025

INVESTEC PLC PARENT COMPANY ANNUAL FINANCIAL STATEMENTS CONTINUED

Statement of changes in shareholders' equity

£'000	Ordinary share capital	Ordinary share premium	Capital reserve	Fair value reserve	Retained earnings	Ordinary shareholders' equity	Perpetual preference share capital and premium	Shareholders' equity excluding non- controlling interests	Other Additional Tier 1 securities in issue	Total equity
At 31 March 2023	202	555 812	180 606	34 943	1 330 990	2 102 553	24 794	2 127 347	250 000	2 377 347
Total comprehensive income	—	—	—	(13 395)	93 784	80 389	—	80 389	—	80 389
Dividends paid to preference shareholders	—	—	—	—	(1 455)	(1 455)	—	(1 455)	—	(1 455)
Dividends paid to ordinary shareholders	—	—	—	—	(94 404)	(94 404)	—	(94 404)	—	(94 404)
Dividends declared to other Additional Tier 1 security holders	—	—	—	—	(20 638)	(20 638)	—	(20 638)	20 638	—
Dividends paid to other Additional Tier 1 security holders	—	—	—	—	—	—	—	—	(20 638)	(20 638)
Issue of Other Additional Tier 1 security instruments	—	—	—	—	—	—	—	—	350 000	350 000
Redemption of Other Additional Tier 1	—	—	—	—	—	—	—	—	(141 892)	(141 892)
Release of capital reserve to retained earnings ^a	—	—	(180 433)	—	180 433	—	—	—	—	—
At 31 March 2024	202	555 812	173	21 548	1 488 710	2 066 445	24 794	2 091 239	458 108	2 549 347
Total comprehensive income	—	—	—	(24 559)	122 958	98 399	—	98 399	—	98 399
Cancellation of special converting shares	(4)	—	—	—	—	(4)	—	(4)	—	(4)
Dividends paid to preference shareholders	—	—	—	—	(1 780)	(1 780)	—	(1 780)	—	(1 780)
Dividends paid to ordinary shareholders	—	—	—	—	(103 901)	(103 901)	—	(103 901)	—	(103 901)
Dividends declared to Other Additional Tier 1 security holders	—	—	—	—	(38 357)	(38 357)	—	(38 357)	38 357	—
Dividends paid to Other Additional Tier 1 security holders	—	—	—	—	—	—	—	—	(38 357)	(38 357)
Redemption of Other Additional Tier 1	—	—	—	—	—	—	—	—	(108 108)	(108 108)
At 31 March 2025	198	555 812	173	(3 011)	1 467 630	2 020 802	24 794	2 045 596	350 000	2 395 596

^a In the prior year, the capital reserve transferred to retained earnings on the deconsolidation of Investec Wealth & Investment Limited is in respect of a reserve created on the original acquisition by Investec plc.

INVESTEC PLC PARENT COMPANY ANNUAL FINANCIAL STATEMENTS CONTINUED

a. Basis of preparation

The parent accounts of Investec plc are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. The Company is incorporated and domiciled in England and Wales and the Company's accounts are presented in Pound Sterling and all values are rounded to the nearest thousand (£'000) except where otherwise indicated.

The accounts have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

The Company has taken advantage of the following disclosure exemptions under FRS 101 where applicable to the Company:

- The requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share-based Payment
- The requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q) (ii), B66 and B67 of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of Investec plc in which the entity is consolidated
- The requirements of paragraph 33(c) of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations
- The requirements of IFRS 7 Financial Instruments: Disclosures
- The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- The requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of: (i) paragraph 79(a)(iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment, (iii) paragraph 118(e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property and (v) paragraph 50 of IAS 41 Agriculture
- The requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 40A to 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- The requirements of IAS 7 Statement of Cash Flows
- The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- The requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a Group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets
- The requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases
- The requirements of paragraph 58 of IFRS 16, provided that the disclosures of details of indebtedness required by paragraph 61(1) of Schedule 1 to the Regulations is presented separated for lease liabilities and other liabilities, and in total
- The requirements of paragraph 24(b) of IFRS 6 Exploration for and Evaluation of Mineral Resources to disclose the

operating and investing cash flows arising from the exploration for and evaluation of mineral resources

- The requirements of paragraph 74A(b) of IAS 16.

Where required, equivalent disclosures are given in consolidated financial statements of the Group.

On the basis of current financial projections and having made appropriate enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence up to 20 June 2026, which is a period of twelve months from the date of issue of the financial statements that aligns with internal budgeting processes. Accordingly, the going concern basis is adopted in the preparation of the financial statements.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into Pound Sterling at exchange rates ruling at the balance sheet date. All foreign currency transactions are translated into Pound Sterling at the exchange rate ruling at the time of the transaction. Forward foreign exchange contracts are revalued at the market rates ruling at the date applicable to their respective maturities. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the income statement.

Investments

Investments in subsidiaries and interests in associated undertakings are stated at cost less any accumulated impairment in value.

Equity instruments measured at FVOCI

The Group measures equity instruments at FVOCI when it considers the investments to be strategic or held for long-term dividend yield. The equity instruments are not held for trading. Gains or losses on the derecognition of these equity securities are not transferred to profit or loss.

Otherwise, equity instruments are measured at fair value through profit or loss (except for dividend income, which is recognised in profit or loss).

Income

Dividends from subsidiaries are recognised when received. Interest is recognised on an accrual basis.

Taxation

Current tax payable is provided on the amount expected to be payable on taxable profit at rates that are enacted or substantively enacted and applicable to the relevant period.

Deferred taxation is provided using the balance sheet method on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base, except where such temporary differences arise from:

INVESTEC PLC PARENT COMPANY ANNUAL FINANCIAL STATEMENTS CONTINUED

a. Basis of preparation continued

- The initial recognition of goodwill
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction has no effect on the income statement or taxable profit
- In respect of temporary differences associated with the investments in subsidiaries and interests in associated undertakings, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future
- Deferred tax assets or liabilities are measured using the tax rates that have been enacted or substantively enacted at the balance sheet date
- Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deferred tax asset can be utilised
- Items recognised directly in other comprehensive income are net of related current and deferred taxation.

b. Investments in subsidiary undertakings

At 31 March

£'000	2025	2024
At the beginning of the year	1 701 774	1 701 774
Disposals	(581)	—
At the end of the year	1 701 193	1 701 774

c. Securities issued by subsidiary undertaking

On 5 October 2017, the company acquired £200 million Fixed Rate Reset Perpetual Additional Tier 1 Write Down Capital Securities issued by Investec Bank plc. The securities were perpetual and paid a distribution rate on 5 March, June, September and December, commencing from 5 December 2017. The distribution rate was 6.75% per annum until 5 December 2024. On 22 January 2019, the company acquired a further £50 million of securities issued by Investec Bank plc which paid a distribution rate of 6.75% per annum quarterly, after the initial short period distribution paid on 5 March 2019. On 1 March 2024, Investec Bank plc bought back £142 million of these securities and redeemed the remaining balance of £108 million on the first optional call date on 5 December 2024.

On 4 October 2021, Investec Bank plc entered into a £350 million subordinated loan with Investec plc at a fixed interest rate of 2.625% (2032 Loan). Interest, after the initial short period distribution paid on 4 January 2022, is paid annually commencing on 4 January 2023 and ending on the maturity date. The loan will mature on 4 January 2032. The borrower may prepay the loan in full on any date in the period from 4 October 2026 to (and including) 4 January 2027 subject to conditions.

Company's own profit and loss account

The Company has taken advantage of the exemption in section 408 of the Companies Act 2006 to not present its own profit and loss account.

Financial assets

Financial assets are recorded at amortised cost applying the effective interest rate method where they are classified as loans and receivables or fair value through profit and loss.

Financial liabilities

Financial liabilities are recorded at amortised cost applying the effective interest rate method.

On 6 December 2022 Investec Bank plc entered into a £350 million loan with Investec plc at a fixed interest rate of 9.125% (2033 Loan). Interest, after the initial short period distribution paid on 6 March 2023, is paid annually commencing on 6 March 2024 and ending on the maturity date. The loan will mature on 6 March 2033. The borrower may prepay the loan in full on any date in the period from 6 December 2027 to (and including) 6 March 2028.

On 13 February 2023 Investec Bank plc entered into a £200 million senior loan with Investec plc at a fixed interest rate of 1.875%. This loan is subordinated to both depositors and unsubordinated creditors of Investec Bank plc. The loan matures on 16 July 2028 and pays interest at a fixed rate annually in arrears. The borrower may prepay the loan in full on 16 July 2027.

On 19 February 2025 Investec Bank plc entered into a €500 million senior loan with Investec plc at a fixed interest rate of 3.625%. This loan is subordinated to both depositors and unsubordinated creditors of Investec Bank plc. The loan matures on 19 February 2031 and pays interest at a fixed rate annually in arrears. The borrower may prepay the loan in full on 19 February 2030.

On 28 February 2024, Investec Bank plc issued £350 million of Fixed Rate Reset Perpetual Additional Tier 1 Write Down Capital Securities which were purchased by the company. These securities are perpetual and pay interest on a semi-annual basis on 28 February and 28 August each year, commencing on 28 August 2024. At each interest payment date, Investec Bank plc can decide whether to pay the coupon, which is non-cumulative, in whole or in part. The interest rate is 10.50% per

INVESTEC PLC PARENT COMPANY ANNUAL FINANCIAL STATEMENTS CONTINUED

annum until 28 February 2030; thereafter it resets every subsequent five years to a rate of 6.566% per annum plus the benchmark gilt rate. The securities will be automatically written down and the company will lose their entire investment in the securities should the Common Equity Tier 1 capital ratio of the Investec Bank plc Group as defined in the PRA's rules fall below 7%. The securities are redeemable at the option of Investec Bank plc on any day falling in the period from (and including) 28 August 2029 to (and including 28 February 2030) or on any day falling in the period of six months prior to (and including any five year reset date thereafter). No such redemption may be made without the consent of the PRA.

d. Debt securities in issue

On 16 July 2021, the company issued £350 million 1.875% Senior Unsecured Notes from its European Medium Term Note programme ('EMTN'). The notes mature on 16 July 2028 and pay interest at a fixed rate annually in arrears. On 13 February 2023 the company issued a further £200 million of the 1.875% Senior Unsecured Notes due 2028, at a discount of 17.4070%, which has been consolidated with and formed a single series with the existing Notes. The issuer may redeem the notes at par on 16 July 2027.

On 19 February 2025, the company issued €500 million 3.625% Senior Unsecured Notes from its European Medium Term Note programme ('EMTN'). The notes mature on 19 February 2031 and pay interest at a fixed rate annually in arrears. The issuer may redeem the notes at par on 19 February 2030.

e. Subordinated liabilities

On 4 October 2021, Investec plc issued £350 million of 2.625% subordinated notes due 2032 at a discount (2032 Notes). Interest, after the initial short period distribution paid on 4 January 2022, is paid annually commencing on 4 January 2023 and ending on the maturity date. The notes are listed on the London Stock Exchange. The notes will be redeemed at par on 4 January 2032. The issuer may redeem the notes at par on any date in the period from 4 October 2026 to (and including) 4 January 2027 subject to conditions.

On 6 December 2022, Investec plc issued £350 million of 9.125% subordinated notes due 2033 at a discount (2033 Notes). Interest, after the initial short period distribution paid on 6 March 2023, is paid annually commencing on 6 March 2024 and ending on the maturity date. The notes are listed on the London Stock Exchange. The notes will be redeemed at par on 6 March 2033. The issuer may redeem the notes at par on any date in the period from 6 December 2027 to (and including) 6 March 2028 subject to conditions.

f. Audit fees

Details of the Company's audit fees are set out in note 7 of the Group financial statements.

g. Dividends

Details of the Company's dividends are set out in note 11 of the Group financial statements.

h. Share capital

Details of the Company's ordinary share capital and ordinary share premium are set out in note 44 and note 46 of the Group financial statements. Details of the perpetual preference shares are set out in note 45 of the Group financial statements. Details of the Additional Tier 1 securities are set out in note 49 of the Group financial statements.

i. Audit opinion

The audit opinion on the financial statements of the Investec plc parent Company is included within the independent auditor's report to the members of Investec plc within the combined consolidated Investec annual financial statements of Investec plc and Investec Limited for the year ended 31 March 2025.

INVESTEC PLC PARENT COMPANY ANNUAL FINANCIAL STATEMENTS CONTINUED

j. Subsidiaries

At 31 March 2025	Principal activity	Interest held
United Kingdom		
Registered office: 30 Gresham Street, London, EC2V 7QP, UK		
Investec 1 Limited*	Investment holding company	100%
Investec Holding Company Limited*	Investment holding company	100%
Investec (UK) Limited	Holding company	100%
Guinness Mahon Group Limited	Dormant	100%
Investec Bank plc	Banking institution	100%
PIF Investments Limited	Investment holding company	100%
EVO Nominees Limited	Dormant	100%
Investec Finance Limited	Dormant	100%
Investec Group Investments (UK) Limited	Investment holding company	100%
Investec Capital Solutions Limited	Lending company	100%
Diagonal Nominees Limited	Nominee	100%
GFT Holdings Limited	Dormant	100%
Investec Investment Trust plc	Debt issuer	100%
Investec Investments (UK) Limited	Investment holding company	100%
Inv-German Retail Ltd	Property company	100%
Investec Securities Limited	Dormant	100%
Technology Nominees Limited	Nominee	100%
Torteval LM Limited	Investment holding company	100%
Torteval Funding LLP	Financing company	100%
Kendals Regeneration Limited (formerly Nars Holdings Limited)	Property company	100%
Evolution Capital Investment Limited	Dormant	100%
Investec Investments Limited	Investment holding company	100%
Investec India Holdco Limited	Investment holding company	86.53%
Investec Alternative Investment Management Limited	Fund management activities	100%
Investec Capitalmind Investment Limited	Non trading	100%
NI (HH) LLP	Property company	93%
HH Farringdon Limited	Nominee	100%

* Directly owned by Investec plc.

INVESTEC PLC PARENT COMPANY ANNUAL FINANCIAL STATEMENTS CONTINUED

j. Subsidiaries continued

At 31 March 2025	Principal activity	Interest held
Registered office: Reading International Business Park, Reading, RG2 6AA, UK		
Mann Island Finance Limited	Leasing company	100%
CF Corporate Finance Limited	Leasing company	100%
MI Vehicle Finance Limited	Leasing company	100%
Quantum Funding Limited	Leasing company	100%
Investec Asset Finance plc	Leasing company	100%
Australia		
Registered office: Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000, Australia		
Investec Holdings Australia Pty Limited	Holding company	100%
Investec Australia Finance Pty Limited	Lending company	100%
Investec Australia Pty Limited	Financial services	100%
British Virgin Islands		
Registered office: Palm Grove House, PO Box 438, Road Town, Tortola, British Virgin Islands		
Finistere Directors Limited	Corporate director	100%
GFT Directors Limited	Corporate director	100%
France		
Registered office: 27 Rue Maurice Flandin – 69003 Lyon Cedex 03, France		
SCI CAP Philippe	Property company	100%
Registered office: 32 rue de Monceau, 75008 Paris, France		
Investec Advisory SAS	Advisory services	60 %
Registered office: 92 Avenue de Wagram, 75017, Paris, France		
Villa Lara Eze SAS	Property company	100 %
Germany		
Registered office: Sonnenberger Straße 16, 65193 Weisbaden, Germany		
Investec Advisory GmbH & Co. KG	Advisory services	60 %
Guernsey		
Registered office: PO Box 188, Glatigny Court, Glatigny Esplanade, St Peter Port, Guernsey, GY1 3LP, Channel Islands		
Investec Asset Finance (Channel Islands) Limited	Leasing company	100%
Registered office: Glatigny Court, Glatigny Esplanade, St Peter Port, Guernsey, GY1 1WR, Channel Islands		
Investec Bank (Channel Islands) Limited	Banking institution	100%
Investec Bank (Channel Islands) Nominees Limited	Nominee	100%
Registered office: PO Box 290, Glatigny Court, Glatigny Esplanade, St Peter Port, Guernsey, GY1 3RP, Channel Islands		
Bayeux Limited	Corporate director	100%
Finistere Limited	Corporate nominee	100%
Finistere Secretaries Limited	Corporate secretary	100%
ITG Limited	Corporate director	100%

INVESTEC PLC PARENT COMPANY ANNUAL FINANCIAL STATEMENTS CONTINUED

j. Subsidiaries continued

At 31 March 2025	Principal activity	Interest held
Guernsey		
Registered office: Heritage Hall, Le Marchant Street, St Peter Port, Guernsey, GY1 4JH, Channel Islands		
Investec Captive Insurance Limited	Captive insurance company	100%
Jersey		
Registered office: 2nd Floor One The Esplanade, St Helier, Channel Islands, Jersey, JE2 3QA		
Appleton Resources (Jersey) Limited	Holding company	100%
Registered office: Aztec Group House, IFC6, The Esplanade, St. Helier, JE4 OQH, Jersey		
REALIS GP Limited	Fund management activities	100 %
India		
Registered office: B Wing, 11th floor, Parinee Crescenzo, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, India		
Investec Credit Finance Private Limited	Lending platform	99%
Registered office: 13th floor, Tower 3, NESCO IT Park, NH 8, NESCO, Goregaon, Mumbai, Maharashtra 400063		
Investec Global Services (India) Private Limited	ITES outsourcing	100%
Ireland		
Registered office: The Harcourt Building, Harcourt Street, Dublin 2, Ireland		
Investec Holdings (Ireland) Limited	Holding company	100%
Investec Ireland Limited	Group Services Company	100%
Investec International Limited	Aircraft leasing Services	100%
Investec Private Finance Ireland Limited	Loan credit servicing	100%
Investec Ventures Ireland Limited	Investment management services	100%
Venture Fund Private Principals Limited	Investment services	100%
Investec Europe Limited	MIFID firm	100%
Registered office: 32 Molesworth Street, Dublin 2, Ireland		
Gresham Leasing 2 Limited	Equipment rental and leasing	100%
Luxembourg		
Registered office: 15 Boulevard Friedrich Wilhelm Raiffeisen L-2411 Luxembourg		
PDF II GP s.a.r.l.	Fund management activities	100%
Netherlands		
Registered office: Reitschweg 49, 5232BX's-Hertogenbosch, the Netherlands		
Investec Continental Europe Advisory BV	Non-trading	60 %
Investec Advisory B.V	Advisory services	60 %
Singapore		
Registered office: 8 Wilkie Road, #03-01 Wilkie Edge, Singapore 228095		
Investec Singapore Pte Limited	Securities services	100%

INVESTEC PLC PARENT COMPANY ANNUAL FINANCIAL STATEMENTS CONTINUED

j. Subsidiaries continued

At 31 March 2025	Principal activity	Interest held
Switzerland		
Registered office: 23 Avenue de France, CH – 1202, Geneva, Switzerland		
Reichmans Geneva SA	Trading company	100%
Registered offices: Löwenstrasse 29, CH-8001 Zurich, Switzerland		
Investec Bank (Switzerland) AG	Banking institution and wealth manager	100%
United States of America		
Registered office: 10 E. 53rd St., 22nd floor, New York, NY 10022, USA		
US Multifamily GP LLC	Investment holding company	100%
Investec USA Holdings Corp	Holding company	100%
Investec Inc	Investment holding company	100%
Fuel Cell IP 1 LLC Investment	Investment holding company	100%
Fuel Cell IP 2 LLC Investment	Investment holding company	100%
Investec Securities (US) LLC	Financial services	100%
Registered office: One Carbon Center-Suite 501, 13905 McCorkle Ave. SE, Chesapeake, WV 25315		
Appleton Coal LLC	Investment holding company	100%

INVESTEC PLC PARENT COMPANY ANNUAL FINANCIAL STATEMENTS CONTINUED

j. Subsidiaries continued

Associated undertakings and joint ventures holdings

At 31 March 2025	Principal activity	Interest held
United Kingdom		
Registered office: 30 Gresham Street, London, England, EC2V 7QN		
Rathbones Group Plc	Financial services	41.25%
Registered office: Capital House, Raynham Road, Bishops Stortford, Hertfordshire, CM23 5TT		
CF Capital Holdings	Holding company	25%
Registered office: 1 Park Row, Leeds, England, LS1 5AB		
Macdui Topco Limited	Holding company	40%
British Virgin Islands		
Registered office: Vistra Corporate Service Centre, Wickhams Cay II, Road Town, Tortola VG1110, British Virgin Islands		
iMarkets (Holdings) Limited	Online trading platform	33%
Registered office: Wattley Building, 2nd Floor, 160 Main Street, PO Box 3410, Road Town, Tortola, British Virgin Islands		
Templewater Holdings Limited	Holding company	50%
India		
Registered office: 32/1. 14th Cross, 9th Main, 6th Sector H.S.R. Layout, Bangalore, Karnataka 560102, India		
JSM Advisers Private Limited	Fund management	55%
Registered office: B Wing, 11th Floor, Parinee Crescenzo, Bandra Kurla Complex, Bandra East, Mumbai-400051		
Investec Capital Services (India) Private Limited	Merchant banking and stock broking	80.3%

01

Annexures

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ALTERNATIVE PERFORMANCE MEASURES



We supplement our IFRS figures with alternative performance measures used by management internally and which provide valuable, relevant information to readers. These measures are used to align internal and external reporting, identify items management believes are not representative of the underlying performance of the business and provide insight into how management assesses period on period performance. A description of the Group's alternative performance measures and their calculation, where relevant, is set out below.

Alternative performance measures are not measures within the scope of IFRS and are not a substitute for IFRS financial measures. Alternative performance measures constitute pro-forma financial information. The pro-forma financial information is the responsibility of the Board of Directors and is presented for illustrative purposes only and because of its nature may not fairly present the Group's financial position, changes in equity, and results in operations or cash flows.

The below information is audited unless indicated otherwise.

Adjusted operating profit	Pro-forma profit before tax, adjusted to remove goodwill, acquired intangibles and strategic actions, including such items within equity accounted earnings, and non-controlling interests Please refer to page 61 for a reconciliation of these items
Adjusted earnings attributable to ordinary shareholders	Earnings attributable to shareholders adjusted to remove goodwill, acquired intangibles, strategic actions, including such items within equity accounted earnings, and earnings attributable to perpetual preference shareholders and Other Additional Tier 1 security holders. Refer to note 10 on page 89 for the reconciliation of earnings attributable to shareholders to adjusted earnings attributable to ordinary shareholders
Adjusted earnings per share	Adjusted earnings attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the year. Refer to note 10 on page 89 for calculation
Core loans	The table below describes the differences between 'loans and advances to customers' as per the balance sheet and gross core loans

£'million	UK and Other		Southern Africa		Total Group	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Loans and advances to customers per the balance sheet	16 814	16 570	15 213	14 075	32 027	30 645
Add: own originated loans and advances to customers per the balance sheet	—	—	360	269	360	269
Add: ECL held against FVOCI loans	(23)	(13)	—	—	(23)	(13)
Net core loans	16 791	16 557	15 573	14 344	32 364	30 901
of which subject to ECL*	16 219	15 916	15 512	14 280	31 731	30 196
Net core loans at amortised cost and FVOCI	16 219	15 916	15 135	13 669	31 354	29 585
Net fixed rate loans designated at FVPL (on which ECL is calculated for management purposes)^	—	—	377	611	377	611
of which FVPL (excluding fixed rate loans above)	572	641	61	64	633	705
Add: ECL	165	187	115	116	280	303
Gross core loans	16 956	16 744	15 688	14 460	32 644	31 204
of which subject to ECL*	16 384	16 103	15 627	14 396	32 011	30 499
of which FVPL (excluding fixed rate loans above)	572	641	61	64	633	705

^ 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. £0.3 billion of the drawn exposure falls into Stage 1 (31 March 2024: £0.6 billion), £1 million in Stage 2 (31 March 2024: £1 million) and the remaining £47 million in Stage 3 (31 March 2024: £42 million). The ECL on the Stage 1 portfolio is £1 million (31 March 2024: £1 million), ECL on the Stage 2 portfolio is £nil (31 March 2024: £nil) and ECL on the Stage 3 portfolio is £8 million (31 March 2024: £5 million).

* Includes portfolios for which ECL is not required for IFRS purposes, but which management evaluates on this basis.

ALTERNATIVE PERFORMANCE MEASURES CONTINUED

Core loans to equity ratio Net core loans divided by total shareholders' equity per the balance sheet

Cost to income ratio Refer to calculation in the table below:

£'000	31 March 2025	31 March 2024
Operating costs (A)	1 151 399	1 120 245
Total operating income before expected credit losses	2 190 474	2 085 246
Less: Profit/loss attributable to other non-controlling interests	152	(1 382)
Total (B)	2 190 626	2 083 864
Cost to income ratio (A/B)	52.6%	53.8%

The below information is unaudited

Coverage ratio	ECL as a percentage of gross core loans subject to ECL
Credit loss ratio	Annualised ECL impairment charges on core loans as a percentage of average gross core loans subject to ECL
Dividend payout ratio	Ordinary dividend per share divided by adjusted earnings per share
Gearing ratio	Total assets excluding assurance assets divided by total equity
Loans and advances to customers as a % of customer deposits	Loans and advances to customers as a percentage of customer accounts (deposits)
Net tangible asset value per share	 Refer to calculation on page 77 of the Investec Group's 2025 year-end results booklet.
Net interest margin	Interest income net of interest expense, divided by average interest-earning assets  Refer to calculation on pages 71 and 72
Return on average ordinary shareholders' equity (ROE)	Adjusted earnings attributable to ordinary shareholders divided by average ordinary shareholders' equity  Refer to calculation on pages 78 to 81 of the Investec Group's 2025 year-end results booklet
Return on average tangible ordinary shareholders' equity	Adjusted earnings attributable to ordinary shareholders divided by average tangible ordinary shareholders' equity  Refer to calculation on pages 78 to 81 of the Investec Group's 2025 year-end results booklet
Return on risk-weighted assets	Adjusted earnings attributable to ordinary shareholders divided by average risk-weighted assets, where risk-weighted assets is calculated as the sum of risk-weighted assets for Investec plc and Investec Limited (converted into Pound Sterling)
Staff compensation to operating income ratio	All staff compensation costs expressed as a percentage of operating income before ECL (net of operating profits or losses attributable to other non-controlling interests)

DEFINITIONS

Cash and near cash

Comprises cash, near cash (which largely includes short-dated trading assets in South Africa and central bank prepositioned collateral in the UK), and central bank cash placements and other HQLA.

Diluted earnings per share

Diluted earnings per share is calculated by dividing the earnings attributable to the ordinary shareholders of Investec plc and Investec Limited, adjusted for the effects of dilutive ordinary potential shares, by the weighted average number of shares in issue during the period plus the weighted average number of ordinary shares that would be issued on conversion of the dilutive ordinary potential shares during the year.

Refer to page 89 for the calculation of diluted earnings per share.

Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to the ordinary shareholders in Investec plc and Investec Limited by the weighted average number of ordinary shares in issue during the year.

Refer to page 89 for the calculation of earnings per share.

Effective operational tax rate

Tax on profit on ordinary activities (excluding non-operating items) divided by operating profit before goodwill and acquired intangibles and excluding share of post-taxation profit of associates and joint venture holdings.

Headline earnings per share

Headline earnings is calculated in accordance with the JSE Listings Requirements and in terms of circular 1/2023 issued by the South African Institute of Chartered Accountants. Headline earnings per share is calculated by dividing the Group's headline earnings by the average number of shares which it had in issue during the accounting period.

Refer to page 89 for the calculation of headline earnings per share.

Interest-bearing liabilities

Deposits by banks, debt securities in issue, repurchase agreements and cash collateral on securities lent, customer accounts (deposits), subordinated liabilities, liabilities arising on securitisation of own originated loans and advances, and finance lease liabilities. Refer to page 71 for calculation.

Interest-earning assets

Cash and near cash, bank debt securities, sovereign debt securities, core loans, other debt securities, other loans and advances, other securitised assets, and finance lease receivables. Refer to page 71 for calculation.

Market capitalisation

Total number of shares in issue (including Investec plc and Investec Limited) excluding treasury shares, multiplied by the closing share price of Investec plc on the London Stock Exchange.

Ninety One and Ninety One Group

All references to Ninety One and Ninety One Group refer to Ninety One plc and its subsidiaries plus Ninety One Limited and its subsidiaries.

Strategic actions

Comprises the closure and rundown of the Hong Kong direct investments business, the demerger of the asset management business and the financial impact of Group restructures.

Subject to ECL

Includes financial assets held at amortised cost and FVOCI as well as designated at FVPL loan portfolios for which ECL is not required for IFRS purposes, but for which management evaluates on this basis.

Total Group

Total Group represents the Group's results including the results of discontinued operations in the prior period.

Weighted number of ordinary shares in issue

The number of ordinary shares in issue at the beginning of the year increased by shares issued during the year, weighted on a time basis for the period during which they have participated in the income of the Group less treasury shares. Refer to calculation on page 89.

GLOSSARY

Abbreviation	Meaning	Abbreviation	Meaning
ADR	Arrears, default and recovery	FIRB	Foundation Internal Ratings-Based
AGM	Annual general meeting	FRC	Financial Reporting Council
ALCO	Asset and Liability Committee	FSB	Financial Services Board
ANC	African National Congress	FSC	Financial Sector Code
AT1	Additional Tier 1	FSCS	Financial Services Compensation Scheme
BCBS	Basel Committee of Banking Supervision	FUM	Funds under management
BIS	Bank for International Settlements	FVOCI	Fair value through other comprehensive income
BoE	Bank of England	FVPL	Fair value through profit and loss
BOM	Bank of Mauritius	GDP	Gross Domestic Product
BSE	Botswana Stock Exchange	GFSC	Guernsey Financial Services Commission
CA	Chartered Accountant	GM	Guinness Mahon
CDO	Collateralised debt obligation	HNW	High net worth
CEO	Chief Executive Officer	IAM	Investec Asset Management
CET1	Common Equity Tier 1	IASB	International Accounting Standards Board
CFO	Chief Financial Officer	IASs	International Accounting Standards
CLF	Committed liquidity facility	IBL	Investec Bank Limited
CLO	Collateralised loan obligation	IBL BRCC	IBL Board Risk and Capital Committee
CMD	Capital Markets Day	IBL ERC	IBL Executive Risk Committee
CMI	Continuous Mortality Investigation	IBP	Investec Bank plc
COO	Chief Operating Officer	IBP BRCC	IBP Board Risk and Capital Committee
CPI	Consumer Price Index	IBP ERC	IBP Executive Risk Committee
CPR	Conditional prepayment rate	IFRIC	International Financial Reporting Interpretations Committee
CRDIV (BASEL III)	Capital Requirements Directive IV	IFRS	International Financial Reporting Standard
CRO	Chief Risk Officer	IIA	Institute of Internal Auditors
CVA	Credit value adjustment	ISAs (UK)	International Standards on Auditing (UK)
DCF	Discounted cash flow	JSE	Johannesburg Stock Exchange
DLC	Dual listed Company	LCR	Liquidity Coverage Ratio
DLC BRCC	DLC Board Risk and Capital Committee	LGD	Loss given default
DLC ITRGC	DLC IT Risk and Governance Committee	LIBOR	London Inter-Bank Offered Rate
DLC Nomdac	DLC Nominations and Directors Affairs Committee	LSE	London Stock Exchange
DLC Remco	DLC Remuneration Committee	MD	Managing Director
DLC SEC	DLC Social and Ethics Committee	MiFID	Markets in Financial Instruments Directive
EAD	Exposure at default	NCI	Non-controlling interests
EBA	European Banking Authority	NSFR	Net Stable Funding Ratio
EBITDA	Earnings before interest, taxes, depreciation and amortisation	NSX	Namibian Stock Exchange
ECB	European central bank	OCI	Other comprehensive income
ECL	Expected credit losses	OECD	Organisation for Economic Co-operation and Development
EPS	Earnings per share	OTC	Over the counter
ESG	Environmental, social and governance	PACCC	Prudential Assurance Conduct and Controls Committee
ERV	Expected rental value	PCCC	Prudential Conduct and Controls Committee
ESMA	European Securities and Markets Authority	PD	Probability of default
EU	European Union	Policy ERRF	Policy Executive Risk Review Forum
FCA	Financial Conduct Authority	PRA	Prudential Regulation Authority
FINMA	Swiss Financial Market Supervisory Authority		

GLOSSARY CONTINUED

Abbreviation	Meaning
PRASA	Passenger Rail Agency of South Africa
ROE	Return on equity
ROU	Right of use asset
RPI	Retail Price Index
S&P	Standard & Poor's
SARS	South African Revenue Service
SDGs	Sustainable Development Goals
SME	Small and Medium-sized Enterprises
SMMEs	Small, Medium & Micro Enterprises
SOFR	Secured Overnight Financing Rate
South African PA	South African Prudential Authority (previously known as the Banking Supervision Division of the South African Reserve Bank)
SOE	State-Owned Enterprise
SPPI	Solely payments of principal and interest
UKLA	United Kingdom Listing Authority
W&I	Wealth & Investment
WACC	Weighted average cost of capital
YES	Youth Employment Service

CORPORATE INFORMATION

Investec plc and Investec Limited**Secretary and registered office****Investec plc**

David Miller
30 Gresham Street
London EC2V 7QP
United Kingdom
Telephone (44) 20 7597 4000

Investec Limited

Niki van Wyk
100 Grayston Drive
Sandown Sandton 2196
PO Box 785700 Sandton 2146
Telephone (27) 11 286 7000
Facsimile (27) 11 286 7966

Website

www.investec.com

Registration number**Investec plc**

Registered in England and Wales
Registration number 3633621

Investec Limited

Registration number 1925/002833/06

Auditors**Investec plc**

Deloitte LLP

Investec Limited

Deloitte & Touche
PricewaterhouseCoopers Inc.

Sponsors

Investec Bank Limited
100 Grayston Drive
Sandown Sandton 2196
PO Box 785700 Sandton 2146

Registrars in the UK

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ
United Kingdom
Telephone (44) 370 707 1077

Transfer secretaries in South Africa

Computershare Investor Services (Pty) Ltd
Rosebank Towers
15 Biermann Avenue
Rosebank 2196
Private Bag X9000
Saxonwold 2132
South Africa
Telephone (27) 11 370 5000

Directorate as at 20 June 2025**Executive directors**

Fani Titi² (Chief Executive)
Nishlan Samujh² (Finance Director)

Non-executive directors

Philip Hourquebie^{1, 2} (Chair)
Henrietta Baldock¹ (Senior Independent Director)
Vivek Ahuja³
Stephen Koseff^{2, 4}
Nicky Newton-King^{1, 2}
Jasandra Nyker²
Vanessa Olver²
Diane Radley²
Brian Stevenson¹

- 1 British
- 2 South African
- 3 Singaporean
- 4 Australian

Zarina Bassa and Philisiwe Sibiya stepped down from the Board on 8 August 2024.

Vivek Ahuja was appointed to the Board on 6 May 2025.

For queries regarding information in this document**Investor Relations**

Telephone (27) 11 286 7070
(44) 20 7597 5546
Email investorrelations@investec.com
Website www.investec.com/en_za/#home/investor-relations