THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART IV OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE UK COMPANIES ACT 2006. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS DOCUMENT OR WHAT ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK YOUR OWN INDEPENDENT FINANCIAL OR LEGAL ADVICE IMMEDIATELY FROM YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER DULY AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED) IF YOU ARE RESIDENT IN THE UK OR, IF NOT, FROM ANOTHER APPROPRIATELY AUTHORISED FINANCIAL ADVISER.

If you have sold or otherwise transferred all of your Investec plc Shares and/or Investec Limited Shares (or beneficial entitlement to such Investec plc Shares and/or Investec Limited Shares), please forward this document and the accompanying documents (but not the personalised Forms of Proxy) as soon as possible to the purchaser or transferee or to the bank, stockbroker, CSDP, or other agent through or to whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. Any person (including, without limitation, custodians, nominees and trustees) who may have a contractual or legal obligation or may otherwise intend to forward this document to any jurisdiction outside the UK, the United States, South Africa, Namibia and Botswana should seek appropriate advice before taking any action.

This document does not constitute a prospectus or prospectus equivalent document. This document does not constitute an offer or an invitation to any person to subscribe for or to purchase any securities in Investec plc, Investec Limited, Ninety One plc or Ninety One Limited.

Out of the Ordinary®

Investec

Investec plc

(incorporated in England and Wales
with registered number 3633621)
LSE share code: INVP
JSE share code: INP
ISIN: GB00B17BBQ50

Out of the Ordinary®

Investec

Investec Limited

(incorporated in South Africa
with registered number 1925/002833/06)
JSE share code: INL
NSX share code: IVD
BSE share code: INVESTEC
ISIN: ZAE000081949

Recommended proposals for the Demerger of Ninety One

Circular to Investec Ordinary and Preference Shareholders including a scheme of arrangement under Part 26 of the UK Companies Act 2006 and Explanatory Statement under section 897 of the UK Companies Act 2006 and Notices of General Meetings and Court Meeting

---

The Ninety One Shares have not been, and will not be, registered under the US Securities Act of 1933 (the **"US Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the Ninety One Shares may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into the United States absent registration under the US Securities Act or an exemption therefrom. The Ninety One plc Shares to be issued in connection with the UK Demerger will be issued in reliance on the exemption from the registration requirements of the US Securities Act provided by section 3(a)(10) thereof. The Ninety One Limited Shares to be issued in connection with the SA Demerger will only be issued in the United States to persons who are reasonably believed to be "qualified institutional buyers" ("**QIBs**") as defined in Rule 144A ("**Rule 144A**") under the US Securities Act. It is anticipated that US shareholders of Investec Limited who are not able to receive Ninety One Limited Shares in the SA Demerger may, in lieu of Ninety One Limited Shares, receive a cash amount corresponding to net proceeds from the sale of Ninety One Limited Shares which they otherwise would have been entitled to receive. Investec Shareholders who are "affiliates" (within the meaning of Rule 405 of the US Securities Act) of Investec plc, Investec Limited, Ninety One plc or Ninety One Limited as at the UK Demerger Effective Time or the SA Demerger Effective Time will be subject to certain United States transfer restrictions relating to the Ninety One Shares received in connection with the Demerger. Reference should also be made to paragraph 11 of Part IV of this document.

The Ninety One Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or determined the adequacy or accuracy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States.

The availability of the Ninety One Shares to persons who are not resident in the UK, South Africa, Namibia or Botswana may be affected by the laws of the relevant jurisdiction in which they are located. Persons who are not resident in the UK, South Africa, Namibia or Botswana should inform themselves of, and observe, any applicable requirements. The Ninety One Shares have not been, and will not be, registered under the applicable securities laws of any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. Accordingly, the Ninety One Shares may not be offered, sold, delivered or transferred, directly or indirectly, in, into or from any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction or to or for the account or benefit of any national, resident or citizen of any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction.

Investec Shareholders should read the whole of this document and the information incorporated by reference. In addition, this document should be read in conjunction with the enclosed or attached blue, green, white, pink and yellow Forms of Proxy. Definitions in this document are set out in Part XVIII of this document. Your attention is drawn to the letter from the Chairman of Investec set out in Part I of this document, which contains the unanimous recommendation of the Directors that you vote in favour of the Scheme at the Court Meeting and in favour of the Resolutions to be proposed at the General Meetings. An Explanatory Statement from J.P. Morgan Cazenove and Fenchurch Advisory explaining the Scheme and the Demerger is set out in Part IV of this document.

Your attention is also drawn to Part VI of this document, which sets out and describes certain risks that Investec Shareholders should consider carefully when deciding whether or not to vote in favour of the Scheme at the Court Meeting and in favour of the Resolutions to be proposed at the General Meeting.

Notices of the General Meetings and the Court Meeting, each of which is to be held on 10 February 2020, are set out at the end of this document. The General Meetings will start at 10.30 a.m. (London time) / 08.30 a.m. (Johannesburg time) and the Court Meeting will start at 11.00 a.m. (London time) (or as soon thereafter as the General Meetings shall have concluded or been adjourned). The Investec plc General Meeting and the Court Meeting will be held at 30 Gresham Street, London EC2V 7QP, UK and the Investec Limited General Meeting will be held at 100 Grayston Drive, Sandown, Sandton 2196, Republic of South Africa.

The actions to be taken in respect of the Meetings are set out in Part II and also in paragraph 14.3 of Part IV of this document. A blue Form of Proxy for use by any Investec plc Shareholders in connection with the Investec plc General Meeting, a white Form of Proxy for use by any Investec plc Ordinary Shareholders in connection with the Court Meeting and a pink Form of Proxy for use by any Investec plc Preference Shareholders in connection with the Investec plc General Meeting, are enclosed with this document. A green Form of Proxy for use by any Investec Limited Shareholders who hold their Investec Limited Shares in Certificated Form or in Uncertificated Form with "own-name" registration in connection with the Investec Limited General Meeting and a yellow Form of Proxy for use by any Investec Limited Preference Shareholders in connection with the Investec Limited General Meeting are attached within this document.

Whether or not you intend to attend the Meetings in person, please complete and sign each of the Forms of Proxy in accordance with the instructions printed thereon and return them to Investec's Registrars, at the applicable return address or via CREST, as soon as possible and, in any event, so as to be received no later than 48 hours (excluding any part of a day that is not a business day) before the time appointed for the relevant Meeting. If the relevant Form of Proxy is not returned by the above time, it may be handed to the Chairman or, for the Court Meeting and the Investec plc General Meeting, the UK Registrar or, for the Investec Limited General Meeting, the SA Registrar at the relevant Meeting at any time before the proxy exercises any rights of the shareholder at that Meeting. The completion and return of a Form of Proxy will not prevent you from attending and voting in person at the General Meetings or the Court Meeting or any adjournments thereof, if you so wish and are so entitled.

If you hold your Investec plc Shares in Uncertificated Form through CREST, you may appoint a proxy using the CREST voting service in accordance with the procedures set out in the CREST Manual (please also refer to the notes for the notices of the General Meetings and the Court Meeting (as applicable) set out in Part XIX, Part XX and Part XXI, respectively, of this document). Proxy appointments through CREST (under CREST participant 3RA50) must be received by the UK Registrar by no later than 10.30 a.m. (London time) on 6 February 2020 in the case of the General Meetings and by no later than 11.00 a.m. (London time) on 6 February 2020 in the case of the Court Meeting (or, in the case of an adjourned meeting, not less than 48 hours (excluding any part of a day that is not a business day) prior to the time and date set for the adjourned meeting).

Application will be made for: (i) all of the Ninety One plc Shares to be admitted to the premium listing segment of the UK Official List and to trading on the London Stock Exchange's main market for listed securities and for the secondary inward listing and admission to trading of all of the Ninety One plc Shares on the main board of the Johannesburg Stock Exchange; and (ii) the primary listing and admission to trading of all of the Ninety One Limited Shares on the main board of the Johannesburg Stock Exchange. It is expected that Admission will become effective and that: (i) dealings in the Ninety One plc Shares will commence on the London Stock Exchange at 8.00 a.m. (London time) on 16 March 2020; and (ii) dealings in the Ninety One Limited Shares and the Ninety One plc Shares will commence on the Johannesburg Stock Exchange at 9.00 a.m. (Johannesburg time) on 16 March 2020.

Fenchurch Advisory, which is authorised and regulated in the UK by the FCA, is acting as joint financial adviser to Investec and for no one else in connection with the Proposals and will not be responsible to anyone other than Investec for providing the protections afforded to clients of Fenchurch Advisory, nor for providing advice in relation to the Proposals or any other matter or arrangement referred to in this document. This statement does not seek to limit or exclude responsibilities or liabilities which may arise under FSMA or the regulatory regime established thereunder.

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CORPORATE INFORMATION PAGE

Investec plc and Investec Limited

Secretary and registered office	***Investec plc***
	Registration number 3633621 David Miller 30 Gresham Street London EC2V 7QP United Kingdom Telephone (+44) 20 7597 4000 Facsimile (+44) 20 7597 4491
	Investec Limited
	Registration number 1925/002833/06 Niki van Wyk 100 Grayston Drive Sandown Sandton 2196 PO Box 785700 Sandton 2146 Republic of South Africa Telephone (+27) 11 286 7000 Facsimile (+27) 11 286 7966
Directors	
Chairman (non-executive director)	Perry Crosthwaite (Chairman)
Executive directors	Fani Titi (Joint Chief Executive Officer), Hendrik du Toit (Joint Chief Executive Officer), Kim McFarland, Nishlan Samujh
Non-executive directors	Henrietta Baldock, Zarina Bassa, David Friedland, Philip Hourquebie, Charles Jacobs, Ian Kantor, Lord Malloch-Brown KCMG, Khumo Shuenyane, Philisiwe Sibiya
UK Sponsor	J.P. Morgan Securities plc (which conducts its UK investment banking activities as J.P. Morgan Cazenove) 25 Bank St London E14 5JP United Kingdom
South African Sponsor	J.P. Morgan Equities South Africa Proprietary Limited 1 Fricker Road Corner Hurlingham Road Illovo 2196 Republic of South Africa
Auditors	Ernst & Young LLP 1 More London Place London SE1 2AF United Kingdom
	Ernst & Young Inc. 102 Rivonia Rd Dennehof Sandton 2196 Republic of South Africa
	KPMG Inc. 85 Empire Road Parktown 2193 Republic of South Africa

Reporting Accountants	Ernst & Young LLP 1 More London Place London SE1 2AF United Kingdom Ernst & Young Inc. 102 Rivonia Rd Dennehof Sandton 2196 Republic of South Africa KPMG Inc. 85 Empire Road Parktown 2193 Republic of South Africa
Registrars in the UK	Computershare Investor Services plc The Pavilions Bridgwater Road Bristol BS13 8AE United Kingdom Telephone (+44) 370 702 0003
Transfer secretaries in South Africa	Computershare Investor Services Proprietary Limited Rosebank Towers 15 Biermann Avenue Rosebank 2196 PO Box 61051 Marshalltown 2107 Republic of South Africa Telephone (+27) 11 370 5000

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LETTER FROM THE CHAIRMAN OF INVESTEC

Investec plc *(Incorporated and registered in England and Wales with registered number 3633621*)

Investec Limited (*Incorporated and registered in South Africa with registration number 1925/002833/06*)

Directors:

(1) Perry Crosthwaite (Chairman)
(2) Fani Titi (Joint Chief Executive Officer)
(3) Hendrik du Toit (Joint Chief Executive Officer)
(4) Kim McFarland
(5) Nishlan Samujh
(6) Henrietta Baldock
(7) Zarina Bassa
(8) David Friedland
(9) Philip Hourquebie
(10) Charles Jacobs
(11) Ian Kantor
(12) Lord Malloch-Brown KCMG
(13) Khumo Shuenyane
(14) Philisiwe Sibiya

Registered offices:

30 Gresham Street
London
EC2V 7QP
United Kingdom

100 Grayston Drive
Sandown, Sandton 2196
Republic of South Africa

29 November 2019

To: *Investec plc Ordinary Shareholders, Investec Limited Ordinary Shareholders, Investec plc Preference Shareholders, Investec Limited Preference Shareholders and, for information only, persons with information rights*

Dear Shareholder

Recommended proposals for the Demerger of Ninety One

1. INTRODUCTION

Investec Group currently comprises three principal business units, the Specialist Banking Business, the Wealth & Investment Business and the Asset Management business, the latter being known as the "**Ninety One Business**".

On 14 September 2018, the Boards of Investec plc and Investec Limited (the "**Investec Boards**") announced that the long-term interests of Investec Shareholders, clients, employees and other stakeholders would be best served by separating and listing the global Ninety One Business. On 7 August 2019, the Investec Boards further announced that all key regulatory approvals required in order to proceed with the demerger of the Ninety One Business had been received and that the Ninety One Business would be separately listed using a dual-listed company ("**DLC**") structure.

The separation will be implemented by way of a demerger of the Ninety One Business to a new DLC, comprising Ninety One plc, a company incorporated in England and Wales, and Ninety One Limited, a company incorporated in South Africa. Ninety One plc is expected to have a premium listing on the London Stock Exchange and a secondary inward listing on the Johannesburg Stock Exchange and Ninety One Limited is expected to have a primary listing on the Johannesburg Stock Exchange.

Following the Demerger of the Ninety One Business, the Investec Group will primarily comprise the Investec Specialist Banking Business and the Investec Wealth & Investment Business (together, "**Investec Bank and Wealth**"). This is expected to enhance returns for shareholders through greater focus, simplicity and disciplined growth. Investec Bank and Wealth will continue to be held under Investec Group's current DLC structure and the listings of Investec plc and Investec Limited will be retained.

In this document:

- full details of the Proposals to implement the Demerger and certain related steps will be provided;
- your support to vote in favour of the Proposals will be sought; and
- the reasons why the Investec Boards unanimously support and recommend that you vote in favour of the Proposals will be explained.

Details of the specific actions you need to take to vote on the Proposals can be found in Part II and in paragraph 14.3 of Part IV of this document.

Approximately 55% of the combined total issued share capital of Ninety One will be distributed to Investec Ordinary Shareholders through the Demerger. As part of the Demerger, it is expected that up to approximately 10% of Ninety One's combined total issued share capital will be sold to new/existing institutional and certain other investors (see paragraph 3.5 of this Part I), approximately 15% is expected to be retained by Investec and approximately 20% will be held by Forty Two Point Two (owned by the Marathon Trust, an investment trust in which management and directors of the Ninety One Business, including Hendrik du Toit and Kim McFarland, participate). [1]

The Proposals require both Investec Shareholder and Court approvals.

If the Proposals are so approved, Investec plc Ordinary Shareholders will receive one Ninety One plc Share for every two Investec plc Ordinary Shares that they hold and Investec Limited Ordinary Shareholders will receive one Ninety One Limited Share for every two Investec Limited Ordinary Shares that they hold.

Investec plc Ordinary Shareholders will retain their existing shareholding in Investec plc and Investec Limited Ordinary Shareholders will retain their existing shareholding in Investec Limited.

If the number of Investec plc Ordinary Shares or Investec Limited Ordinary Shares held is not divisible by two, an entitlement to a fraction of a Ninety One plc Share or Ninety One Limited Share will arise. For example, if: (i) an Investec plc Ordinary Shareholder holds three Investec plc Ordinary Shares at the Demerger Record Time (expected to be 6.00 p.m. (London time) on 13 March 2020), such Investec plc Ordinary Shareholder will receive one Ninety One plc Share, plus an entitlement to a ½ fraction of a Ninety One plc Share; or (ii) an Investec Limited Ordinary Shareholder holds three Investec Limited Ordinary Shares at the Demerger Record Time (expected to be 6.00 p.m. (London time) on 13 March 2020), such Investec Limited Ordinary Shareholder will receive one Ninety One Limited Share, plus an entitlement to a ½ fraction of a Ninety One Limited Share. Where such individual fractional entitlements to Ninety One Shares arise on the Demerger, the relevant Investec Ordinary Shareholder will be entitled to receive a cash equivalent to the fraction, as is more fully described in paragraphs 3.1 and 3.2 of Part XIII of this document.

If Investec Ordinary Shareholders sell or otherwise transfer their Investec plc Ordinary Shares or Investec Limited Ordinary Shares before the Demerger Record Time, they will not receive any Ninety One plc Shares or Ninety One Limited Shares.

The Investec Shareholder meetings to approve the Proposals (the General Meetings and the Court Meeting) will be held on 10 February 2020. The Court will consider the Scheme at a hearing on 4 March 2020. If the Proposals are approved by the relevant Investec Shareholders at the General Meetings and the Court Meeting and by the Court, admission of the Ninety One plc Shares to the London Stock Exchange is expected to take place at 8.00 a.m. (London time) on 16 March 2020 and admission of the Ninety One Limited Shares and the Ninety One plc Shares to the Johannesburg Stock Exchange is expected to take place at 9.00 a.m. (Johannesburg time) on 16 March 2020.

2. BACKGROUND TO, AND REASONS FOR, THE PROPOSALS

2.1 History

Founded in 1974 as a leasing and financing company in South Africa, Investec Group has expanded through a combination of organic growth and strategic acquisitions to become an international specialist bank and asset manager, trusted to manage £178 billion of clients' funds and £60 billion of on-balance sheet assets.

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1 Subject to any acquisition of Ninety One Shares by Forty Two Point Two, as further described in paragraph 3.5 of this Part I.

Investec Group gained a banking licence in 1980, allowing it to expand its activities beyond leasing to areas such as corporate and professional banking, treasury, corporate finance and project finance. Investec Group subsequently entered the UK banking market in 1992 through its acquisition of London-based Allied Trust Bank Limited. Since then, Investec Group has significantly extended its specialist banking operations in both South Africa and the UK.

Having first established its stockbroking business in South Africa in 1995 through the acquisition of Solms & Company Inc., Investec Group established its international wealth management footprint in 1996 with the acquisition of London-based stockbroker and private client portfolio management company, Carr Sheppards Limited. The Wealth & Investment Business has since grown organically and through several transactions, including its reverse merger into Rensburg Sheppards plc in 2005 and the enlarged group's subsequent re-acquisition by Investec Group in 2010.

The Ninety One Business was established in South Africa in 1991, before expanding into the UK in 1998. The business has since delivered strong growth across market cycles through a combination of internationalising its distribution and diversifying its investment capabilities. In 2013, the senior management team of the Ninety One Business acquired a 15% stake from Investec Group, which has subsequently increased to 20% (less 1 share) through further acquisitions, including most recently the acquisition of a 2% stake (less 1 share) on 14 December 2018.

Having first listed on the Johannesburg Stock Exchange, Investec Group listed on the London Stock Exchange under its current DLC structure in 2002.

Today, Investec Group comprises three principal business units:

- **Specialist Banking:** Market-leading specialist corporate and institutional banking, investment and private banking activities in South Africa and the UK with £25 billion in core loans and advances and £32 billion in customer deposits as at 30 September 2019.
- **Wealth & Investment:** One of the leading UK and South African private client investment managers with over £56 billion in funds under management as at 30 September 2019.
- **Ninety One:** A leading global active asset manager with £121 billion in assets under management as at 30 September 2019, well diversified by asset class and region.

2.2 Management succession and strategic review

Following Investec Group's announcement on management succession made in February 2018, the new joint CEOs, Fani Titi and Hendrik du Toit, have been working closely with the Investec Boards and new, current and previous members of Investec Group's executive team (Stephen Koseff, Bernard Kantor, Glynn Burger, Nishlan Samujh and Kim McFarland) in order to ensure a smooth transition of leadership.

In conjunction with this process, the Investec Boards, with the support of the executive team, conducted a comprehensive strategic review of Investec Group to ensure that it remains well positioned to serve the long-term interests of Investec Shareholders, clients, employees and other stakeholders. Through the strategic review, the Investec Boards concluded the following:

- Investec Group comprises a number of successful businesses operating across two core and various other geographies, with distinct capital requirements and growth trajectories;
- there are compelling current and potential linkages between the Specialist Banking Business and Wealth & Investment Business, which operate in common geographic and client segments;
- there are limited synergies between the Ninety One Business and the rest of Investec Group;
- the divergent growth trajectories of the business units, geographic exposures, target client segments and capital regimes have resulted in a complex group structure; and
- a sharper focus on the core client base, product and service offering for each part of Investec Group should result in improved resource allocation, better operational performance and higher long-term growth.

After considering the full range of options, including alternative restructuring options across both geographic and business lines, the Investec Boards further concluded that Investec Group should be simplified through demerging and publicly listing the Ninety One Business, with both the Specialist Banking Business and Wealth & Investment Business remaining under the ownership of Investec Limited and Investec plc as part of Investec Group's current DLC structure.

2.3 **Benefits for Investec Bank and Wealth**

For Investec Bank and Wealth, the Demerger:

- Allows the Specialist Banking Business and Wealth & Investment Business greater focus and simplicity, which should enhance the returns for shareholders and enable the businesses to grow with discipline. The Investec Bank and Wealth business currently has five key areas of focus:
  - **Capital discipline:** A more disciplined approach to capital allocation, particularly where businesses are non-core to the overall long-term growth and capital strategy. Investec Bank and Wealth is particularly focused on managing down the proportion of capital tied up in the non-core equity investments portfolio in South Africa, which currently reduces and introduces additional volatility to return on equity.
  - **Clearly identified growth initiatives:** A clear set of opportunities has been identified to deliver further growth for the Investec Bank and Wealth business:
    - Extend the specialist banking proposition through delivering a more holistic, client-centric offering to mid-sized corporates through Investec for Business in South Africa and the Corporate Bank in the UK;
    - UK Private Bank shift from platform build to client growth, with focus on client acquisition and retention following a period of significant investment; and
    - Further develop Investec Wealth & Investment's offering, particularly through the expansion of its financial planning capabilities in the UK and its fiduciary capabilities in South Africa.
  - **Cost management:** There will be improved management of Investec Bank and Wealth's cost base, with a focus on reducing the overall cost to income ratio. This will be delivered through a combination of top line growth, moderating investment spend and cost savings across the business (including central Investec Group costs). Investec Group is targeting an overall cost to income ratio of less than 63% to be achieved by the financial year ending 31 March 2022.
  - **Greater connectivity:** Provides an opportunity to build on the compelling existing linkages between the Specialist Banking Business and Wealth & Investment Business. Although there is already well-established connectivity in certain areas of the business, the Investec Boards believe this can be further developed across both business units and geographies.
  - **Digitalisation:** Investec Bank and Wealth aims to further develop its digital capabilities which it views as a key business enabler. This will drive an enhanced client proposition, promote greater connectivity and improved efficiency across all businesses.
- Provides Investec Shareholders with a clear and transparent valuation for Investec Bank and Wealth's retained stake in the Ninety One Business by virtue of Ninety One's public listing.

2.4 **Benefits for the Ninety One Business**

For the Ninety One Business, the Demerger:

- **Enhances positioning:** Establishes Ninety One as a truly independent global asset management business, better positioned to achieve its growth ambitions.
- **Strategic flexibility:** Provides the Ninety One Boards with the strategic freedom and flexibility to create value over the long-term.
- **Talent acquisition and retention:** Enhances Ninety One's ability to attract and retain the best talent in a competitive global market.
- **Attractiveness for clients:** Raises Ninety One's profile with both existing and prospective clients and improves ability for greater alignment with client objectives.
- **Financial flexibility:** Reduces some of the capital constraints placed on the Ninety One Business through being part of Investec Group and, against a backdrop of continuing industry consolidation, provides the Ninety One Business with a listed currency in the form of the Ninety One Shares.

2.5 **Benefits for Investec Shareholders**

For the reasons outlined above, the Investec Boards strongly believe that implementing the Demerger simplifies the businesses and focuses them on their respective growth paths, which will enhance the long-term prospects of both businesses for the benefit of Investec Shareholders, clients, employees and other stakeholders. Specifically, the Investec Bank and Wealth management

team have committed to deliver improved returns on equity with an Investec Bank and Wealth target of 12% to 16% to be achieved by the financial year ending 31 March 2022 (compared to 10.7% achieved by Investec Bank and Wealth for the six months ended 30 September 2019), alongside detailed financial targets for each of the underlying businesses, whilst Ninety One will remain focused on delivering profitable growth over the long-term.

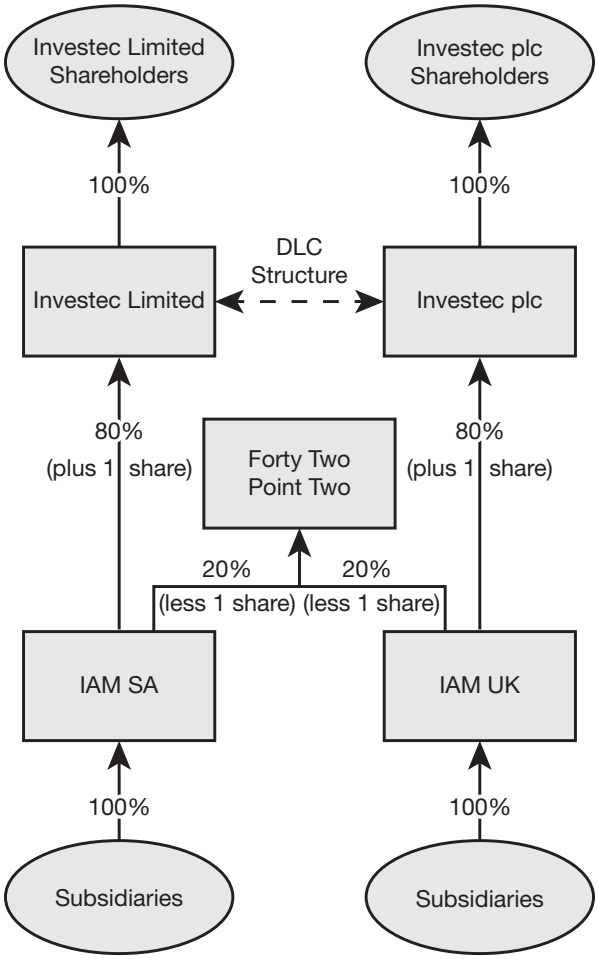
The Investec Boards believe Investec Shareholders should benefit from value creation over the medium term through direct ownership of two separately listed companies as the businesses successfully deliver their strategies.

Following the Demerger, the combined dividend capacity of Investec Bank and Wealth and Ninety One is expected to be unchanged. Based on the proposed dividend policies of Investec Bank and Wealth and Ninety One, the Investec Boards expect that the aggregate level of dividends received by Investec Ordinary Shareholders from their two shareholdings will initially be comparable to the level of dividends they would have received if the Demerger did not happen.

In taking the decision to separate the Ninety One Business, the Investec Boards considered the importance of Investec Group to South Africa, and its continued commitment to South Africa and its development. Ninety One Limited will have a primary listing on the Johannesburg Stock Exchange and Ninety On plc will have a premium listing on the London Stock Exchange and a secondary inward listing on the Johannesburg Stock Exchange to ensure South African resident shareholders are treated equally with non-resident shareholders and can benefit from the expected future growth in Ninety One. Ninety One considers South Africa and the rest of Africa as important markets for its future and is committed to continue to invest and grow its business in these markets.

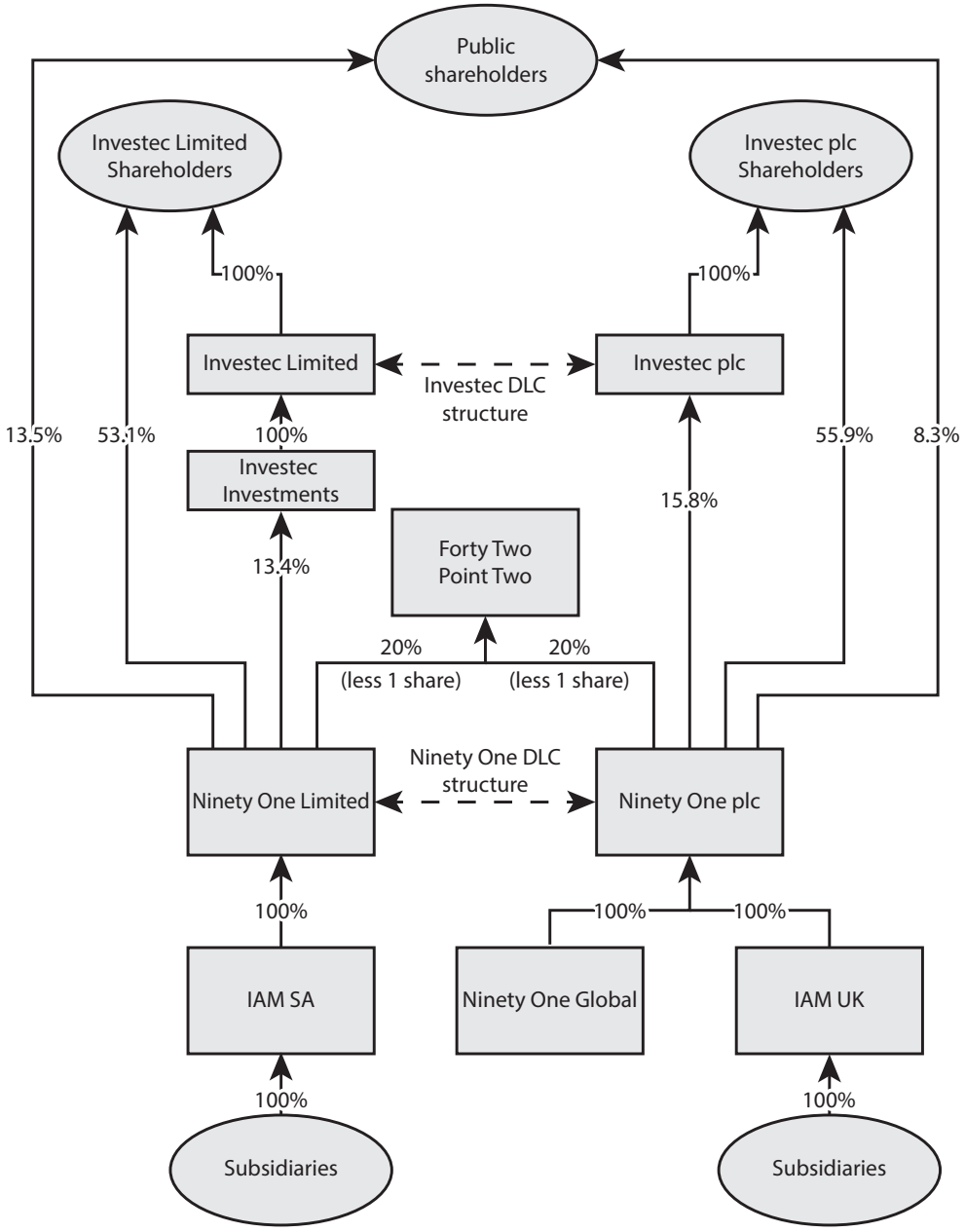
3. PROPOSED IMPLEMENTATION OF THE PROPOSALS

3.1 Current holding structure of the Ninety One Business[2]



2 Investec plc currently holds its 80% (plus 1 share) holding in IAM UK indirectly through Investec 1 Limited, a wholly owned subsidiary.

3.2 **Expected holding structure of the Ninety One Business immediately after implementation of the Proposals**[3, 4, 5, 6]



3 *Shareholding percentages shown are indicative and may be subject to change. Structure assumes that the Ninety One Share Sale occurs.*

4 *At the same time as the Ninety One Share Sale, Investec may also sell a number of Ninety One Shares to certain of the Ninety One Directors, the Ninety One EBT and other management-controlled vehicles, including Forty Two Point Two, which, for the purposes of this diagram, would then be public shareholders.*

5 *Investec Limited will hold its 13.4% holding in Ninety One Limited indirectly through Investec Investments, a wholly owned subsidiary of Investec Limited.*

6 *Investec plc's and Investec Limited's holding of the combined total issued share capital of Ninety One is expected to be approximately 15%.*

3.3 **Overview of Proposals**

As set out in the diagrams above, the overall effect of the Proposals is to move IAM SA under Ninety One Limited (a South African entity incorporated specifically to act as a holding company for the Ninety One Business in Southern Africa) and IAM UK under Ninety One plc (a UK entity incorporated specifically to act as a holding company for the Ninety One Business outside Southern Africa) and for Ninety One Limited and Ninety One plc to then be listed as a DLC structure. This, together with certain ancillary actions, will be implemented through a number of sequential steps as summarised below. These steps will only be implemented if the requisite approvals, including approval by Investec Shareholders, are obtained. It is currently expected that the majority of these steps will occur over the weekend immediately preceding Monday, 16 March 2020.

- The first step is the transfer by Investec 1, a wholly owned subsidiary of Investec plc, of its 80% (plus 1 share) holding in IAM UK to Investec plc.
- The second step involves the transfer by Investec Limited of a portion of the shares it holds in IAM SA to Investec Investments, a wholly owned subsidiary of Investec Limited.
- The third step is the UK Demerger, which involves the separation of IAM UK from Investec plc by way of a reduction of capital demerger implemented through a Court sanctioned process known as a scheme of arrangement, pursuant to which Investec plc will transfer a portion of the shares held by it in IAM UK to Ninety One plc in exchange for Ninety One plc issuing shares to Investec plc Ordinary Shareholders on a pro rata basis.
- The fourth step involves the transfer of the remaining shares in IAM SA held by Investec Limited to Ninety One Limited in exchange for Ninety One Limited issuing shares to Investec Limited.
- The fifth step is the demerger by Investec Limited of all of the shares held by it in Ninety One Limited to Investec Limited Ordinary Shareholders. This will result in the physical distribution of the Ninety One Limited Shares by Investec Limited on the day following the record date for Johannesburg Stock Exchange settlement purposes (which is expected to be Wednesday 18 March 2020).
- The sixth step involves the transfer of the remaining IAM UK shares held by Investec plc to Ninety One plc in exchange for Ninety One plc issuing shares to Investec plc.
- The seventh step involves the transfer of the IAM SA shares held by Investec Investments to Ninety One Limited in exchange for Ninety One Limited issuing shares to Investec Investments.
- The eighth step is the roll-up of Forty Two Point Two's interest in IAM UK for an equivalent interest of approximately 20% in Ninety One plc through a share for share exchange. Certain members of the Ninety One Business' management team participate in the Marathon Trust (a long-term Ninety One Business employee share ownership vehicle) that, in turn, wholly owns Forty Two Point Two. The participants comprise senior managers and employees of the Ninety One Business.
- The ninth step involves the creation of the Ninety One DLC Structure, as set out in Part V of this document, which will become effective upon Admission.
- The tenth step involves the listing of Ninety One plc and Ninety One Limited as a DLC followed by the Ninety One Share Sale, as set out in paragraph 3.5 of this Part I. As part of, or at the same time as, the Ninety One Share Sale, Investec plc and / or Investec Investments may also sell a number of Ninety One Shares to certain of the Ninety One Directors, the Ninety One EBT and other management-controlled vehicles, including Forty Two Point Two.
- The eleventh step is the roll-up of Forty Two Point Two's interest in IAM SA for an equivalent interest of approximately 20% in Ninety One Limited through a share for share exchange.

Following the steps above and assuming the Ninety One Share Sale proceeds as currently expected, it is expected that:

- approximately 55.9% of the total issued share capital of Ninety One plc, representing approximately 37.7% of the combined total issued share capital of Ninety One, will be held by Investec plc Ordinary Shareholders;
- approximately 53.1% of the total issued share capital of Ninety One Limited representing approximately 17.3% of the combined total issued share capital of Ninety One, will be held by Investec Limited Ordinary Shareholders;
- up to approximately 8.3% of the total issued share capital of Ninety One plc and up to approximately 13.5% of the total issued share capital of Ninety One Limited, representing up

to approximately 10% of the combined total issued share capital of Ninety One, will be held by new / existing institutional and certain other investors;

- approximately 15.8% of the total issued share capital of Ninety One plc, representing approximately 10.7% of the combined total issued share capital of Ninety One, will be held by Investec plc;
- approximately 13.4% of the total issued share capital of Ninety One Limited, representing approximately 4.3% of the combined total issued share capital of Ninety One, will be held by Investec Limited (through its wholly owned subsidiary, Investec Investments) and;
- approximately 20% of the total issued share capital of Ninety One plc and approximately 20% of the total issued share capital of Ninety One Limited, representing approximately 20% of the combined total issued share capital of Ninety One, will be held by Forty Two Point Two.[7]

As a founding shareholder of the Ninety One Business, Investec and Ninety One believe that it would be appropriate for the Investec Group to retain a shareholding in the business following Admission, allowing the Investec Group to participate in future value creation by Ninety One. The Ninety One Share Sale is expected to support an orderly listing of Ninety One by: (i) broadening the investor base of Ninety One; and (ii) giving management and staff of Ninety One a further opportunity to increase their shareholding. The partial realisation of the Investec Group's shareholding in Ninety One through the implementation of the Proposals is expected to have a positive impact on the CET1 ratios of Investec plc and Investec Limited.

As part of the Proposals, each Investec Limited Ordinary Shareholder and each Investec plc Ordinary Shareholder will retain their shareholdings in Investec plc and/or Investec Limited, as applicable, and will receive one Ninety One plc Share for every two Investec plc Ordinary Shares held and/or one Ninety One Limited Share for every two Investec Limited Ordinary Shares.

If the number of Investec plc Ordinary Shares or Investec Limited Ordinary Shares held is not divisible by two, an entitlement to a fraction of a Ninety One plc Share or Ninety One Limited Share will arise. Fractional entitlements will be rounded down to the nearest whole number and the aggregated excess fractions of the Ninety One Shares to which such Investec Ordinary Shareholder would otherwise be entitled will not be issued to them but, will instead be sold in the market as soon as practicable after Admission, and the relevant Investec Ordinary Shareholder will be entitled to receive a cash equivalent to the fraction, as set out in paragraphs 3.1 and 3.2 of Part XIII of this document.

3.4 Listings and index inclusion

Ninety One plc is incorporated in England and Wales and application will be made for the Ninety One plc Shares to be admitted to the premium listing segment of the UK Official List and admitted to trading on the London Stock Exchange's main market and for Ninety One plc to have a secondary inward listing on the main board of the Johannesburg Stock Exchange. Inward listed shares on the Johannesburg Stock Exchange traded and settled in Rand are classified as domestic for South African exchange control purposes. South African investors will therefore be able to acquire and hold Ninety One plc Shares on the Johannesburg Stock Exchange without affecting foreign portfolio investment allowances or foreign exposure limits.

Ninety One Limited is incorporated in South Africa and application will be made for the Ninety One Limited Shares to have a primary listing on the main board of the Johannesburg Stock Exchange. Following Admission, Ninety One Limited may apply for listing on the Namibia Stock Exchange and the Botswana Stock Exchange.

Index inclusion as a result of the Admission will be determined by the index providers' specific rules. It is expected that the indices in which Ninety One will be included will be announced shortly before the date of Admission and that these will include the FTSE UK Index Series, but there can be no certainty of this as at the date of this Circular.

3.5 The Ninety One Share Sale

The Directors believe that the Ninety One Share Sale, which is expected to be carried out on the same day as Admission, will support the development of an active and liquid market in Ninety One Shares on the London Stock Exchange and the Johannesburg Stock Exchange and broaden the investor base of Ninety One by allowing new / existing institutional and certain other investors to participate in the listing of Ninety One, as well as generating proceeds for Investec. The net proceeds

7 Subject to any acquisition of Ninety One Shares by Forty Two Point Two, as further described in paragraph 3.5 of this Part 1.

of the Ninety One Share Sale will be determined by reference to the final price per share of the Ninety One Share Sale, the number of shares to be sold by Investec plc and / or Investec Investments as part of the Ninety One Share Sale and the costs and other expenses to be deducted from such amounts. The net proceeds of the Ninety One Share Sale will be retained by Investec plc and Investec Limited (through Investec Investments) strengthening the overall capital position of Investec Bank and Wealth, supporting its growth plans, funding tax liabilities arising as a result of the Ninety One Share Sale and costs arising as a result of the Proposals.

It is intended that, pursuant to the Ninety One Share Sale, up to approximately 10% of the combined total issued share capital of Ninety One plc and Ninety One Limited (calculated on the basis of the Proposals being fully implemented) will be sold by way of a secondary cash placing of Ninety One Shares by Investec plc and Investec Investments to new / existing institutional and certain other investors. The Ninety One Share Sale is currently expected to comprise the sale by Investec Investments of a portion of the shares it holds in Ninety One Limited, representing up to approximately 13.4% of the total issued share capital of Ninety One Limited and up to approximately 4.4% of the combined total issued share capital of Ninety One, and the sale by Investec plc of a portion of the shares it holds in Ninety One plc, representing up to approximately 8.3% of the total issued share capital of Ninety One plc and up to approximately 5.6% of the combined total issued share capital of Ninety One, each to institutional and certain other investors (all figures calculated on the basis of the Proposals being fully implemented). Any South African resident institutional investors participating in the Investec plc portion of the Ninety One Share Sale will be required to utilise their foreign investment allowance (and will not fall within the investor's domestic investment allowance).

Investec plc and Investec Investments may, in their sole discretion, increase or decrease the Ninety One Share Sale to sell an amount above or below 10% of the combined total issued share capital of Ninety One plc and Ninety One Limited or may elect to proceed with the Demerger but without undertaking the Ninety One Share Sale or may proceed with the Demerger but only partially undertake the Ninety One Share Sale, including only undertaking the Investec plc or Investec Investments portion of the Ninety One Share Sale. If Investec plc and/or Investec Investments chooses not to proceed with the Ninety One Share Sale or chooses to proceed with a partial Ninety One Share Sale, after implementation of the Proposals, Investec plc will retain up to approximately 24.1% of the total issued share capital of Ninety One plc, representing up to approximately 16.3% of the combined total issued share capital of Ninety One, and Investec Limited (through Investec Investments) will retain up to 26.9% of the total issued share capital of Ninety One Limited, representing up to approximately 8.7% of the combined total issued share capital of Ninety One, with Investec's aggregate holding in Ninety One being up to approximately 25%. Each of Investec plc and Investec Investments may seek to sell those retained Ninety One Shares after the Demerger, having regard to market conditions and subject to the customary lock-up provision in the Underwriting Agreement which imposes a six-month period following Admission during which Investec plc and Investec Investments each consent not to sell or otherwise dispose of its Ninety One Shares (subject to certain limited exceptions, including that: (i) if the Ninety One Share Sale does not proceed or there is a partial Ninety One Share Sale, no lock up shall apply to such number of Ninety One Shares that would have otherwise been sold by Investec plc and Investec Investments if the Ninety One Share Sale had been undertaken in full; and (ii) the lock-up shall not apply to any sale of Ninety One Shares by Investec plc or Investec Investments to Forty Two Point Two, the Ninety One EBT and/or certain Ninety One Directors where such Ninety One Shares are sold at the same time as the Ninety One Share Sale).

As part of, or at the same time as, the Ninety One Share Sale, Investec plc and / or Investec Investments may also sell a number of Ninety One Shares to certain of the Ninety One Directors, the Ninety One EBT and other management-controlled vehicles, including Forty Two Point Two. These Ninety One Shares will be sold by Investec plc and / or Investec Investments at the same price as they sell shares to institutional investors as part of the Ninety One Share Sale and will result in a proportionate reduction in the number of Ninety One Shares available to other investors as part of the Ninety One Share Sale. The Ninety One EBT and Forty Two Point Two may also acquire Ninety One Shares directly from the Investec EBT, which will receive Ninety One Shares pursuant to the Demerger that it does not require. The participation of Forty Two Point Two or any other management-controlled vehicle in the sale of Ninety One Shares will be subject to receipt of applicable regulatory approvals and the requirements of the UK Listing Rules and the JSE Listings Requirements (including in respect of related party transactions). The Ninety One Shares acquired by the Ninety One EBT will be used by the Ninety One EBT in due course to satisfy options and awards

to be granted under the Ninety One Share Plans, including the awards of free shares to be granted to Ninety One employees upon Admission. The precise number of Ninety One Shares to be sold to the Ninety One EBT will be determined in due course and will be based on the number of Ninety One Shares required by it to satisfy options and awards.

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, Ninety One Shares in any jurisdiction where such offer or solicitation is unlawful.

The Ninety One Shares have not been, and will not be, registered under the US Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. The full terms of the Ninety One Share Sale will be contained in the Ninety One Prospectus. Investec Shareholders and any other investors who wish to participate in the Ninety One Share Sale should read the further details that will be contained in the Ninety One Prospectus.

3.6 Conditionality of the steps in the implementation of the Proposals

The requisite approval for the Proposals has been obtained from the South African National Treasury Department, the SARB, the South African Minister of Finance and the South African competition authority, each on terms and subject to conditions customary to international transactions of this nature. As at 22 November 2019 (being the latest practicable date prior to publication of this document), filings have also been made with the Namibian and Botswanan competition authorities, the SARB PA, the SA FSCA, Securities and Futures Commission of Hong Kong and the Monetary Authority of Singapore and their decisions are awaited.

Certain other regulators have also been notified of the Proposals as required.

Full details of the conditions to the Admission, the Ninety One Share Sale, the Scheme and other parts of the Proposals are set out in paragraph 3 of Part IV of this document.

4. GOVERNANCE

Following the implementation of the Proposals, the Investec Boards will continue to have responsibility for the governance of the Investec Group (which will comprise Investec Bank and Wealth) and the Ninety One Boards will have responsibility for the governance of the Ninety One Group.

4.1 Investec Boards

Upon completion of the implementation of the Proposals, Hendrik du Toit and Kim McFarland will leave the Investec Boards and join the Ninety One Boards. Fani Titi will continue on the Investec Boards as sole Chief Executive Officer and Nishlan Samujh will continue as Finance Director.

It is expected that all of the Non-Executive Directors will remain on the Investec Boards. Investec Bank and Wealth expects to appoint further Executive Directors to the Investec Boards following completion of the implementation of the Proposals.

Further information on the composition of the Investec Boards following completion of the Proposals is set out in paragraph 6 of Section B of Part VIII of this document.

4.2 Ninety One Boards

The Ninety One Boards will comprise Gareth Penny as independent Non-Executive Chairman, Colin Keogh as Senior Independent Director, Hendrik du Toit as Chief Executive Officer and Kim McFarland as Finance Director, as well as Idoya Basterrechea Aranda, Victoria Cochrane, Busisiwe Mabuza and Fani Titi as Non-Executive Directors. Idoya Basterrechea Aranda, Victoria Cochrane and Busisiwe Mabuza will be independent Non-Executive Directors, while Fani Titi will be appointed by Investec.

Further information on the Ninety One Boards is set out in paragraph 7 of Section B of Part VII of this document.

5. FINANCIAL EFFECTS OF IMPLEMENTING THE PROPOSALS

The implementation of the Proposals is expected to have a positive impact on the CET1 ratio of Investec plc, improving by circa 1.3% to 12.0% (as at 30 September 2019 on a pro forma basis before the deduction of foreseeable dividends). The implementation of the Proposals is expected to have a positive impact on the CET1 ratio of Investec Limited, improving by circa 0.6% to 12.3% (as at 30 September 2019 on a pro forma basis including unappropriated profits). The derivation of the pro forma CET1 ratios is set out in Section A of Part XII of this document.

In order to facilitate the Proposals, Investec Group will incur a number of transaction costs arising from the re-organisation and listing, which are estimated to be at least £56.54 million (excluding VAT or equivalent tax outside the UK), comprising:

- tax costs of implementing the Proposals, which are estimated to be at least £19.47 million. This estimate is sensitive to how the Investec Group executes the Proposals; and
- advisory costs, underwriting fees and transaction expenses to implement the Proposals, which are estimated to be £37.07 million (excluding VAT or equivalent tax outside the UK).

These transaction costs are expected to facilitate long-term value creation for Investec Shareholders as described in paragraph 2.5 of this Part I.

See also the pro forma financial information set out in Part XII of this document for further information on the expected financial effects of implementing the Proposals.

6. INFORMATION ON NINETY ONE

6.1 General

The Ninety One Group will comprise the Ninety One Business, a founder-led independent global asset manager, established in South Africa in 1991. Today, it operates with £121 billion in assets under management, primarily offering a range of high conviction, active strategies to its sophisticated global client base with over 1 600 employees across the world.

The leadership team that founded the Ninety One Business has played a central role in the firm's growth over the last 28 years and continues to manage the Ninety One Business today. Through Forty Two Point Two, the Ninety One Business' management participate in a 20% (less 1 share) stake in the business (which may increase following the implementation of the Proposals), providing exceptional alignment with Ninety One's long-term development. Ninety One's clear purpose is to be a better investment firm, delivering better investment outcomes and helping to build a better world through the positive impact of its active investment activities. Ninety One's highly differentiated employee ownership culture and its purpose-led investment proposition therefore remain at the core of its approach to investing, with strategic principles centred around patient and organic growth, driven by long-term client demand and alignment with stakeholders. Ninety One's investment proposition for clients centres on its range of differentiated strategies managed by its specialist investment teams, providing access to a diverse range of asset classes and regions globally. Founded as an emerging market-focused South African asset management business, the Ninety One Business now operates and invests globally and has established a long-term growth track record, reflecting a resilient ability to grow through market cycles across both emerging and established markets.

Today, the Ninety One Business serves its client base via five regional teams (known as "**Client Groups**") – Africa, the United Kingdom, Asia Pacific, the Americas and Europe, altogether covering a global client base. Clients are served across two distribution channels: Institutional and Advisor. Institutional clients include some of the world's largest private and public sector pension funds, sovereign wealth funds, insurers, corporates, foundations and central banks, while Advisor clients include large retail groups, wealth managers, private banks and intermediaries serving individual investors. With this diverse investor base, the Directors believe Ninety One is well-positioned to participate in the future rebalancing of investment assets globally as pools of capital in developed markets flow increasingly into international and emerging markets.

The Ninety One Business has 21 offices in 13 countries, with its largest offices in London and Cape Town. Other locations include New York, Hong Kong, Singapore, Windhoek and Gaborone.

Further information on Ninety One is provided in Part VII of this document.

6.2 Trading and prospects

The Ninety One Business experienced a solid six months ending 30 September 2019, with £3.2 billion of net inflows. This supported growth of 6.3% in operating profit to £97.3 million from £91.5 million over the prior period.

The Ninety One Business has continued to trade in line with the Directors' expectations since the period ended 30 September 2019 against a backdrop of increasing volatility in global markets. Whilst the global asset management industry continues to face commercial pressures, the Directors believe Ninety One's distinctive positioning as a specialist and diversified active manager enhances the prospects of ongoing success over the long-term.

Ninety One expects to publish the Ninety One Registration Document, with details of the Admission, on or about 31 January 2020.

6.3 Dividend policy

It is Ninety One's policy to declare dividends in line with the trend in profitability. Subject to the approval of the Ninety One Boards, Ninety One is expected to target an ordinary dividend payout ratio of at least 50% of operating earnings adjusted for tax.

Further, Ninety One is expected to only retain after tax earnings sufficient to meet current or expected changes in its regulatory capital requirements and investment needs, as well as a reasonable buffer to protect against fluctuations in those requirements. Subject to the approval of the Ninety One Boards, it is expected that the remaining balance of after tax earnings, after taking into account any specific events, would be returned to Ninety One Shareholders through payment of a special dividend.

Ninety One's first dividend following Admission is expected to be an interim dividend for the period from Admission to 30 September 2020.

This policy is in line with the current Ninety One Group's dividend policy prior to the demerger.

7. INFORMATION ON INVESTEC BANK AND WEALTH

7.1 General

Investec was founded in South Africa in 1974 and has expanded both domestically and internationally through a combination of substantial organic growth and strategic acquisitions. Investec Bank and Wealth comprises a specialist bank and wealth manager, with an attractive mix of client franchises and a sound balance sheet. Investec Bank and Wealth has an efficient integrated international business platform, offering all its core activities in the UK and South Africa. At 30 September 2019, Investec Bank and Wealth had customer deposits of £32 billion, core loans and advances of £25 billion, third party assets under management of £56 billion and employed approximately 8,300 people.

Clients are at the core of Investec Bank and Wealth's business, with a focus on providing differentiated and superior quality of service by being nimble, flexible and innovative. Investec Bank and Wealth serves select market niches, providing tailored solutions that are relevant to its clients. These solutions include lending, transactional banking, treasury services, advisory, investment activities and deposit raising activities within the Specialist Banking business and discretionary wealth management, investment advisory services, financial planning and stock broking within the Wealth & Investment Business.

Investec Bank and Wealth's long-term strategy has been to build a diversified portfolio of businesses and geographies to support clients through varying markets and economic cycles. As a result, Investec Bank and Wealth has a balanced mix of income and profit across geographies, business lines and income streams.

Investec Bank and Wealth's strategic goals and objectives are based on the aspiration to be recognised as a distinctive bank and wealth manager and this distinction is embodied in our entrepreneurial culture, which is balanced by a strong risk-management discipline and client-centric approach. The Investec Bank and Wealth business has 43 offices in 12 countries, with its largest offices in London and Johannesburg. Other locations include Australia, the Channel Islands, Hong Kong, India, Ireland, Mauritius and New York. The business will continue to focus on enhancing its existing position in principal businesses and geographies.

A more detailed description of the business of Investec Bank and Wealth is provided in Part VIII of this document.

7.2 **Trading and prospects**

Investec Bank and Wealth's business model provides a defensive balance between revenue earned from capital light businesses and revenue earned from balance sheet driven businesses. This ensures that Investec Bank and Wealth is not over reliant on any one part of its business to sustain its activities and that it has a large recurring revenue base that should enable it to navigate through varying cycles and support Investec Bank and Wealth's long-term growth objectives.

For the six months ending 30 September 2019, Investec Bank and Wealth reported adjusted operating profit amounting to £276 million, a decrease of 4.2% over the prior period. The businesses have performed well in challenging market conditions. Costs have been well contained down 3.1% on the prior period.

The Bank and Wealth business remains fully committed to delivering on its targets for the 2022 financial year which include an ROE of 12% – 16% and a cost to income ratio of less than 63%.

7.3 **Dividend policy**

Following the implementation of the Proposals, Investec Bank and Wealth is expected to target a dividend payout ratio of 30% to 50% of the consolidated Investec Group's adjusted earnings per share in pounds sterling.

8. IMPACT ON INVESTEC SHAREHOLDERS

Under the Proposals, Investec Shareholders will be treated equally, regardless of whether they hold shares in Investec plc or Investec Limited.

Following the implementation of the Proposals, the Investec Ordinary Shareholders will:

- retain their shareholdings in Investec plc and/or Investec Limited, as applicable, and receive one Ninety One plc Share for every two Investec plc Ordinary Shares held and/or one Ninety One Limited Share for every two Investec Limited Ordinary Shares held, such that they will hold shares in two publicly listed companies which will have enhanced long-term prospects as a result of the Demerger; and
- receive dividends from two companies on a go-forward basis:
  - with Ninety One expecting to target, subject to approval of the Ninety One Boards, an ordinary dividend payout ratio of at least 50% of operating earnings adjusted for tax. In addition, Ninety One is expected to retain only after tax earnings sufficient to meet current or expected changes in its regulatory capital requirements and investment needs, as well as a reasonable buffer to protect against fluctuations in those requirements. Subject to approval of the Ninety One Boards, it is expected that the remaining balance of after tax earnings, after taking into account any specific events, would be returned to Ninety One Shareholders through payment of a special dividend; and
  - with Investec Bank and Wealth targeting a dividend payout ratio of 30% to 50% of the consolidated Investec Group's adjusted earnings per share in pounds sterling.

The transaction structure is expected to be as tax efficient as practicable for Investec Ordinary Shareholders from a UK and South African tax perspective. Further information in relation to tax is contained in Part XIV of this document, which provides a general description of certain tax consequences of the Proposals relevant to Investec Ordinary Shareholders who are resident for tax purposes in the UK, the United States, South Africa, Namibia or Botswana.

9. ACTIONS TO BE TAKEN BY INVESTEC SHAREHOLDERS

The actions required from Investec Shareholders are set out in Part II and in paragraph 15 of Part IV of this document.

10. INVESTEC SHAREHOLDER AND COURT APPROVALS REQUIRED

In order for the Proposals to be finalised, Investec Shareholder approval will be sought at a general meeting of Investec plc Shareholders and a general meeting of Investec Limited Shareholders (the "**General Meetings**"), which will be followed by a separate meeting of Investec plc Ordinary Shareholders convened pursuant to an order of the Court (the "**Court Meeting**") in respect of the UK Demerger. Although it is convened pursuant to an order of the Court, the Court Meeting is similar in format to any other shareholder meeting of Investec plc, save that it is not a DLC meeting.

In particular:

- as a result of its size relative to Investec plc, the UK Demerger constitutes a Class 1 transaction (as defined in the UK Listing Rules) and Investec Shareholders will therefore be asked to approve the UK Demerger (as an Investec Joint Electorate Action), together with the rest of the Proposals, at the General Meetings; and
- in order to facilitate the UK Demerger, it will be necessary to obtain Investec plc Ordinary Shareholder approval at the Court Meeting.

A detailed description of the Proposals is set out in Part IV of this document. The Proposals can be finalised only if they receive sufficient support from Investec Shareholders at each of the Meetings.

Notices convening the General Meetings and the Court Meeting at which the approvals for the implementation of the Proposals will be sought from relevant Investec Shareholders are set out in Part XIX, Part XX and Part XXI, respectively, of this document. All three Meetings will be held on 10 February 2020, with the General Meetings beginning at 10.30 a.m. (London time) and the Court Meeting beginning at 11.00 a.m. (London time) (or, if later, immediately following the conclusion or adjournment of the General Meetings). The Investec plc General Meeting and the Court Meeting will be held at 30 Gresham Street, London EC2V 7QP, United Kingdom and the Investec Limited General Meeting will be held at 100 Grayston Drive, Sandown, Sandton 2196, Republic of South Africa.

11. ADDITIONAL INFORMATION

11.1 Risk factors

Your attention is drawn to the risk factors set out in Part VI of this document. Investec Shareholders should consider fully and carefully the risk factors relating to the Proposals, Ninety One, Investec, the Investec plc Shares, the Investec Limited Shares, the Ninety One Share Sale, the Ninety One plc Shares and the Ninety One Limited Shares, some of which Investec Shareholders are already exposed to in respect of their current shareholding in Investec.

11.2 Share Plans

11.2.1 Treatment of awards under the Investec Share Plans

Information on the effect of the Proposals on the Investec Share Plans is set out in paragraph 8 of Part IV of this document.

11.2.2 New Ninety One Share Plans

It is intended that Ninety One will adopt the Ninety One Share Plans with effect from Admission. These plans will be used to incentivise, attract and retain employees. The principal terms of the Ninety One Share Plans are set out in paragraph 8 of Part XVI of this document. The Ninety One Share Plans will not have a facility to use new issue Ninety One Shares and the Ninety One Executive Directors will be excluded from receiving awards until Ninety One Shareholders approve the participation of the Ninety One Executive Directors except (i) awards made on an all-employee basis; and (ii) the Ninety One portion of the Investec STI award prorated to 29 February 2020, referred to in paragraph 8.2 of Part IV of this document at the cost of Investec. Therefore the approval of Investec Ordinary Shareholders is not being sought for the Ninety One plc LTIP.

11.3 Taxation

Investec Ordinary Shareholders should read Part XIV of this document, which provides a general description of certain tax consequences of the Proposals relevant to Investec Shareholders who are resident for tax purposes in the UK, South Africa, Namibia, Botswana and the United States. **If you are in any doubt as to your tax position, you should contact your professional adviser immediately**.

11.4 Overseas Shareholders

If you are a citizen, resident or national of a jurisdiction outside the UK, the United States or South Africa, your attention is drawn to paragraph 11 of Part IV of this document for further details concerning the Proposals.

11.5 **Explanatory Statement**

Your attention is drawn to the letter from J.P. Morgan Cazenove and Fenchurch Advisory set out in Part IV of this document which gives further details about the Proposals, the terms of the Scheme which are set out in full in Part XV of this document, the additional information set out in Part XVI of this document and the definitions in Part XVIII of this document. Please note that the information contained in this letter is not a substitute for reading the remainder of this document.

12. **RECOMMENDATION**

The Investec Boards consider the Proposals to be in the best interests of the Investec Shareholders as a whole.

In reaching this recommendation the Investec Boards have received and considered financial advice from each of J.P. Morgan Cazenove and Fenchurch Advisory in connection with the Proposals. In providing financial advice to the Investec Boards, each of J.P. Morgan Cazenove and Fenchurch Advisory have relied on the Investec Boards' commercial assessment of the Proposals.

The Investec Boards unanimously recommend Investec Shareholders vote in favour of the Resolutions to approve the Proposals, as the Directors intend to do so in respect of their own beneficial holdings of Investec Shares (as set out in paragraph 5 of Part XV of this document).

The Investec Boards urge you to complete, sign and return the Forms of Proxy as soon as possible and, in any event, by no later than 10.30 a.m. (London time) on 6 February 2020 for the General Meetings and 11.00 a.m. (London time) on 6 February 2020 for the Court Meeting. If the relevant Form of Proxy is not returned by the above time, it may be handed to the Chairman of the relevant Meeting or, for the Court Meeting and the Investec plc General Meeting, the UK Registrar or, for the Investec Limited General Meeting, the SA Registrar, at the relevant Meeting at any time before the proxy exercises any rights of the shareholder at that Meeting.

Yours sincerely

Perry Crosthwaite
Group Chairman

for and on behalf of Investec

ACTION TO BE TAKEN

What you need to do in respect of the Meetings

(1) Read this document in full

You should read this document in full before making any decision on how to vote on the Resolutions at the General Meetings or the Scheme at the Court Meeting. This document sets out the advantages, disadvantages and risks of the Proposals.

(2) Consider, complete and return Forms of Proxy

Investec plc Ordinary Shareholders – Investec plc General Meeting and Court Meeting

Certificated and CREST Investec plc Ordinary Shareholders

If you are an Investec plc Ordinary Shareholder who holds Investec plc Ordinary Shares in Certificated Form or through CREST, you will find enclosed a blue Form of Proxy, for use in connection with the Investec plc General Meeting.

If you are an Investec plc Ordinary Shareholder who holds Investec plc Ordinary Shares in Certificated Form or through CREST, you will find enclosed a white Form of Proxy, for use in connection with the Court Meeting.

Investec plc Ordinary Shareholders who are CREST members may use the CREST electronic proxy appointment service in accordance with the procedures set out in the notice for the Investec plc General Meeting and the Court Meeting.

Whether or not you intend to be present at the Investec plc General Meeting and/or the Court Meeting, you are requested to complete and return the Investec plc Forms of Proxy (blue, for Investec plc Ordinary Shareholders in connection with the Investec plc General Meeting, and white, for Investec plc Ordinary Shareholders in connection with the Court Meeting) in accordance with the instructions printed thereon and as set out in the Notice of Investec plc General Meeting in Part XXI of this document and the Notice of the Court Meeting in Part XXI of this document. Completed forms should be sent:

In the case of Investec plc Ordinary Shareholders on the South African branch register:

By post to:

Computershare Investor Services Proprietary Limited
PO Box 61051
Marshalltown 2107
Republic of South Africa

By hand to:

Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank 2196
Republic of South Africa

In the case of Investec plc Ordinary Shareholders on the UK share register:

By post to:

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZY
UK

By hand to:

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS13 8AE
UK

The completion and return of the Investec plc Forms of Proxy (blue, for Investec plc Ordinary Shareholders in connection with the Investec plc General Meeting, and white, for Investec plc Ordinary Shareholders in connection with the Court Meeting) will not preclude Investec plc Ordinary Shareholders from attending the Investec plc General Meeting and Investec plc Ordinary Shareholders from attending the Court Meeting, and voting in person at the applicable Meeting should they wish to do so.

Investec plc Ordinary Shareholders holding Investec plc Ordinary Shares through a CSDP

Investec plc Ordinary Shareholders on the Investec plc SA Register who have dematerialised their Investec plc Ordinary Shares must NOT complete the Investec plc Forms of Proxy (white and blue) but instead must inform their CSDP or broker of their intention to attend the Investec plc General Meeting and the Court Meeting, and request their CSDP or broker to issue them with the necessary authorisation to attend the Investec plc General Meeting and the Court Meeting in person or provide their CSDP or broker with their voting instructions should they not wish to attend the Investec plc General Meeting and the Court Meeting in person. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature. If your CSDP or broker does not obtain instructions from you, they will be obliged to act in terms of the mandate furnished to them by you.

Investec plc Preference Shareholders – Investec plc General Meeting

If you are an Investec plc Preference Shareholder, you will find attached a pink Form of Proxy for use in connection with the Investec plc General Meeting.

Whether or not you intend to be present at the Investec plc General Meeting, you are requested to complete and return the Investec plc Form of Proxy (pink) in accordance with the instructions printed thereon and as set out in the Notice of Investec plc General Meeting in Part XIX of this document. Completed forms should be sent:

By post to:

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZY
UK

By hand to:

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS13 8AE
UK

The completion and return of the Investec plc Form of Proxy (pink) will not preclude Investec plc Preference Shareholders from attending the Investec plc General Meeting and voting in person at the Investec plc General Meeting should they wish to do so.

Investec Limited Ordinary Shareholders – Investec Limited General Meeting

Certificated and own-name Uncertificated Investec Limited Ordinary Shareholders

If you are an Investec Limited Ordinary Shareholder who holds Investec Limited Ordinary Shares in Certificated Form, or in Uncertificated Form with "own-name" registration, you will find attached a green Form of Proxy, for use in connection with the Investec Limited General Meeting.

Whether or not you intend to be present at the Investec Limited General Meeting, you are requested to complete and return the Investec Limited Form of Proxy (green) in accordance with the instructions printed thereon and as set out in the Notice of Investec Limited General Meeting in Part XX of this document. Completed forms should be sent:

By post to:

Computershare Investor Services
Proprietary Limited
PO Box 61051
Marshalltown 2107
Republic of South Africa

By hand to:

Computershare Investor Services
Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank 2196
Republic of South Africa

The completion and return of the Investec Limited Form of Proxy (green) will not preclude Investec Limited Shareholders from attending the Investec Limited General Meeting and voting in person should they wish to do so.

Uncertificated Investec Limited Ordinary Shareholders

Investec Limited Ordinary Shareholders who hold their Investec Limited Ordinary Shares in Uncertificated Form and do not have "own-name" registration must NOT complete an Investec Limited Form of Proxy (green) but instead must inform their CSDP or broker of their intention to attend the Investec Limited General Meeting and request their CSDP or broker to issue them with the necessary authorisation to

attend the Investec Limited General Meeting in person or provide their CSDP or broker with their voting instructions should they not wish to attend the Investec Limited General Meeting in person. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature. If your CSDP or broker does not obtain instructions from you, they will be obliged to act in terms of the mandate furnished to them by you.

Investec Limited Preference Shareholders – Investec Limited General Meeting

If you are an Investec Limited Preference Shareholder you will find attached a yellow Form of Proxy, for use in connection with the Investec Limited General Meeting.

Whether or not you intend to be present at the Investec Limited General Meeting, you are requested to complete and return the Investec Limited Form of Proxy (yellow) in accordance with the instructions printed thereon and as set out in the Notice of Investec Limited General Meeting in Part XX of this document. Completed forms should be sent:

By post to:

Computershare Investor Services Proprietary Limited
PO Box 61051
Marshalltown 2107
Republic of South Africa

By hand to:

Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank 2196
Republic of South Africa

The completion and return of the Investec Limited Form of Proxy (yellow) will not preclude Investec Limited Preference Shareholders from attending the Investec Limited General Meeting and voting in person should they wish to do so.

(3) Further actions

Apart from completing and returning the Forms of Proxy, you need take no further action. The return of the Forms of Proxy will not prevent you from attending the Meetings and voting in person if you so wish and are so entitled.

If you hold your Investec plc Shares in Uncertificated Form through CREST, you may appoint a proxy using the CREST voting service in accordance with the procedures set out in the CREST Manual (please also refer to the notes for the notices of the General Meetings and the Court Meeting (as applicable) set out in Part XX, Part XIX and Part XXI, respectively, of this document). Proxy appointments through CREST (under CREST participant 3RA50) must be received by the UK Registrar by no later than 10.30 a.m. (London time) on 6 February 2020 in the case of the General Meetings and by no later than 11.00 a.m. (London time) on 6 February 2020 in the case of the Court Meeting (or, in the case of an adjourned meeting, not less than 48 hours (excluding any part of a day that is not a business day) prior to the time and date set for the adjourned meeting) provided that in respect of the Investec Limited General Meeting, the Form of Proxy may be handed to the Chairman or the SA Registrar, at the relevant meeting at any time before the proxy exercises any rights of the shareholder at that Meeting.

The Investec Boards unanimously recommend that you vote in favour of the Resolutions and the Scheme and urge you to complete, sign and return the Forms of Proxy as soon as possible and, in any event, by no later than 10.30 a.m. (London time) on 6 February 2020 for the General Meetings and by no later than 11.00 a.m. (London time) on 6 February 2020 for the Court Meeting. If the relevant Form of Proxy is not returned by the above time, it may be handed to the Chairman of the relevant Meeting or, for the Court Meeting and the Investec plc General Meeting, the UK Registrar or, for the Investec Limited General Meeting, the SA Registrar, at the relevant meeting at any time before the proxy exercises any rights of the shareholder at that Meeting.

If you are a participant in the Investec Share Plans, you will receive a separate communication in due course explaining the implications of the Proposals for your options and awards.

Helpline

If you have any questions relating to this document or the completion and return of the Forms of Proxy, please contact the relevant Registrar using the following contact details:

- UK – Computershare (as UK Registrar) on telephone number: 0370 707 1077 (if calling from the UK) or +44 370 707 1077 (from overseas)
- South Africa – Computershare (as SA Registrar) on telephone number: 011 370 5000 (if calling from South Africa) or +27 11 370 5000 (from overseas)

Lines are open Mondays to Fridays from 8.30 a.m. to 5.30 p.m. (London time) for the UK Registrar and from 8.00 a.m. to 4.30 p.m. (local time) for the SA Registrar, except on public holidays. Please note that, for legal reasons, the Helpline cannot provide advice on the merits of the Proposals to finalise the Proposals or give any legal, tax or financial advice. Calls to +44 370 707 1077 from outside the UK or to +27 11 370 5000 from outside South Africa will be charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and randomly monitored for security and training purposes.

Appointment of multiple proxies

You are entitled to appoint a proxy in respect of some or all of your Investec Shares. You are also entitled to appoint more than one proxy. A space has been included in the Form of Proxy to allow you to specify the number of Investec Shares in respect of which that proxy is appointed.

If you wish to appoint more than one proxy in respect of your Investec Shares, you should contact the relevant Registrar to obtain further Forms of Proxy or photocopy the Forms of Proxy as required. You may appoint more than one proxy in relation to each Meeting, provided that each proxy is appointed to exercise the rights attached to a different Investec Share or Investec Shares (or a beneficial entitlement thereto, as applicable) held. The following principles shall apply in relation to the appointment of multiple proxies:

(a) Investec will give effect to the intentions of Investec Shareholders and include votes wherever and to the fullest extent possible.

(b) Where a proxy does not state the number of Investec Shares to which it applies (a "**blank proxy**"), then, subject to the following principles where more than one proxy is appointed, that proxy is deemed to have been appointed, in the case of registered Investec Shareholders, in relation to the total number of Investec Shares registered in the name of the appointing Investec Shareholder (the "**Investec Shareholder's entire holding**"). In the event of a conflict between a blank proxy and a proxy which does state the number of Investec Shares to which it applies (a "**specific proxy**"), Investec shall deal with such conflict in a manner that it, in its absolute discretion, sees fit.

(c) Where there is more than one proxy appointed, and the total number of Investec Shares in respect of which proxies are appointed is no greater than the Investec Shareholder's entire holding of Investec Shares, it is assumed that proxies are appointed in relation to different Investec Shares, rather than that conflicting appointments have been made in relation to the same Investec Shares. That is, there is only assumed to be a conflict where the aggregate number of Investec Shares in respect of which proxies have been appointed exceeds the Investec Shareholder's entire holding of Investec Shares.

(d) Subject to paragraph (b) above, when considering conflicting proxies, later proxies will prevail over earlier proxies and a later proxy will be determined on the basis of which proxy is the last sent (or, if Investec is unable to determine which is the last sent, the last received). Proxies in the same envelope will be treated as sent and received at the same time to minimise the number of conflicting proxies.

(e) If conflicting proxies are sent or received at the same time in respect of (or deemed to be in respect of) an Investec Shareholder's entire holding of Investec Shares, none of them will be treated as valid.

(f) Where the aggregate number of Investec Shares (or beneficial entitlements thereto, as applicable) in respect of which proxies are appointed exceeds an Investec Shareholder's entire holding of Investec Shares, and it is not possible to determine the order in which they were sent or received, Investec shall determine the number of votes attributed to each proxy form in its absolute discretion.

(g) Where the application of paragraph (f) above gives rise to fractions of Investec Shares, such fractions will be rounded down.

(h) If an Investec plc Shareholder appoints a proxy or proxies and then decides to attend the Investec plc General Meeting or the Court Meeting (as applicable) in person and vote using his or her poll card or an Investec Limited Shareholder appoints a proxy or proxies and then decides to attend the Investec Limited General Meeting in person and vote using his or her poll card, then the vote in person will override the proxy vote(s). If the vote in person is in respect of the Investec Shareholder's entire holding, then all proxy votes will be disregarded.

(i) In relation to paragraph (h) above, in the event that an Investec Shareholder does not specifically revoke proxies, it will not be possible for Investec to determine the intentions of the Investec Shareholder in this regard. However, in light of the aim to include votes wherever and to the fullest extent possible, it will be assumed that earlier proxies should continue to apply to the fullest extent possible.

IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY AS SOON AS POSSIBLE.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Expected timetable of principal events[9]

Event	Time (London time) and/or date[10]
Publication of this document	**Friday, 29 November 2019**
Last day to trade on the Investec plc SA Register for Investec plc Ordinary Shareholders that hold Investec plc Ordinary Shares through a CSDP in order to participate in the Investec plc General Meeting	Tuesday, 28 January 2020
Last day to trade on the Investec Limited SA Register for Investec Limited Shareholders to participate in the Investec Limited General Meeting	Tuesday, 28 January 2020
Publication of the Ninety One Registration Document	Friday, 31 January 2020
SA Voting Record Time for Investec Limited Shareholders in respect of the Investec Limited General Meeting	6.00 p.m. on Friday, 31 January 2020
Latest time and date for receipt of blue and pink Forms of Proxy for the Investec plc General Meeting[11]	**10.30 a.m. on Thursday, 6 February 2020**
Latest time and date for appointing a proxy for the Investec plc General Meeting by way of CREST Proxy Instruction	10.30 a.m. on Thursday, 6 February 2020
Latest time and date for receipt of green and yellow Forms of Proxy for the Investec Limited General Meeting[12]	**10.30 a.m. on Thursday, 6 February 2020**
Latest time and date for receipt of white Forms of Proxy for the Court Meeting[13]	**11.00 a.m. on Thursday, 6 February 2020**
Latest time and date for appointing a proxy for the Court Meeting by way of CREST Proxy Instruction	11.00 a.m. on Thursday, 6 February 2020
UK Voting Record Time for Investec plc Shareholders in respect of the Investec plc General Meetings and the Court Meeting	6.00 p.m. on Thursday, 6 February 2020
General Meetings	**10.30 a.m. on Monday, 10 February 2020**
Court Meeting	**11.00 a.m.[14] on Monday, 10 February 2020**
Publication of the Ninety One Prospectus	Monday, 2 March 2020
Scheme Court Hearing to sanction the Scheme and confirm the Investec plc reduction of capital required to effect the UK Demerger	Wednesday, 4 March 2020

9 *The expected timetable of principal events has been approved by the London Stock Exchange and the Johannesburg Stock Exchange. The expected dates and times listed in the expected timetable of principal events may be subject to change.*

10 *All references to time in this timetable are to London time. The time in South Africa will be two hours ahead of London time.*

11 *The blue and pink Forms of Proxy may be handed to the Chairman of the Investec plc General Meeting or the UK Registrar at any time before the proxy exercises any rights of the shareholder at the meeting.*

12 *The green and yellow Forms of Proxy may be handed to the Chairman of the Investec Limited General Meeting or the SA Registrar at any time before the proxy exercises any rights of the shareholder at the meeting.*

13 *The white Form of Proxy may be handed to the Chairman of the Court Meeting or the UK Registrar at the commencement of the meeting.*

14 *Court Meeting to commence at 11.00 a.m. (London time) or, if later, immediately after the conclusion or adjournment of the General Meetings.*

Event	Time (London time) and/or date
Announcement expected to be released on SENS and RNS regarding finalisation	Thursday, 5 March 2020
Last date for transfers between the Investec plc Registers by Investec plc Ordinary Shareholders prior to the UK Demerger Effective Time	Thursday, 12 March 2020
Last date for transfers between the Investec Limited Registers by Investec Limited Ordinary Shareholders prior to the SA Demerger Effective Time	Thursday, 12 March 2020
Last day to trade on the Investec plc SA Register for Investec plc Ordinary Shareholders that hold Investec plc Ordinary Shares through a CSDP in order to participate in the UK Demerger[15]	Friday, 13 March 2020
Last day to trade on the Investec Limited SA Register for Investec Limited Ordinary Shareholders that hold Investec Limited Ordinary Shares through a CSDP in order to participate in the SA Demerger[16]	Friday, 13 March 2020
Strate Nominee Share Transfers take place[17]	5.30 p.m. on Friday, 13 March 2020
Demerger Record Time	6.00 p.m. on Friday, 13 March 2020
UK Demerger Effective Time	7.00 p.m. on Friday, 13 March 2020
SA Demerger Effective Time	7.00 p.m. on Friday, 13 March 2020
Investec Limited Ordinary Shares trade "ex" entitlement on the Investec Limited SA Register to receive the Ninety One Limited Shares pursuant to the SA Demerger[18]	Monday, 16 March 2020
Admission of the Ninety One plc Shares and the Ninety One Limited Shares to the Johannesburg Stock Exchange and commencement of unconditional dealings in Ninety One plc Shares and Ninety One Limited Shares on the Johannesburg Stock Exchange	**7.00 a.m. on Monday, 16 March 2020**
Admission of the Ninety One plc Shares to the London Stock Exchange and commencement of unconditional dealings in Ninety One plc Shares on the London Stock Exchange	**8.00 a.m. on Monday, 16 March 2020**
Crediting of Ninety One plc Shares to CREST accounts	As soon as possible after 8.00 a.m. on Monday, 16 March 2020
SENS announcement confirming the cash proceeds payable in respect of fractional entitlements	By 12:00 p.m. on Tuesday, 17 March 2020
Record date for Johannesburg Stock Exchange settlement purposes	Wednesday, 18 March 2020
Crediting of Ninety One plc Shares and Ninety One Limited Shares and fractional entitlement to CSDP or broker accounts in the Strate System	Thursday, 19 March 2020

15 *Investec plc Ordinary Shareholders should anticipate their holdings of Investec plc Shares at the Demerger Record Time by taking into account all unsettled trades concluded on or before the last day to trade which are due to be settled on or before the record date for Johannesburg Stock Exchange settlement purposes.*

16 *Investec Limited Ordinary Shareholders should anticipate their holdings of Investec Limited Shares at the Demerger Record Time by taking into account all unsettled trades concluded on or before the last day to trade which are due to be settled on or before the record date for Johannesburg Stock Exchange settlement purposes.*

17 *Investec plc Ordinary Shareholders who hold Investec plc Shares in Certificated Form on the Investec plc SA Register will be subject to the Strate Nominee Share Transfers, which are described in further detail in Part XIII of this document.*

18 *Share certificates may not be dematerialised into Uncertificated Form or rematerialised into Certificated Form between Monday, 16 March 2020, and Wednesday, 18 March 2020, both days inclusive.*

Event	Time (London time) and/or date
Transfers between the Investec plc Registers by Investec plc Ordinary Shareholders re-opened	Thursday, 19 March 2020
Transfers between the Investec Limited Registers by Investec Limited Ordinary Shareholders re-opened	Thursday, 19 March 2020
Crediting fractional entitlement to CREST accounts	Thursday, 19 March 2020
Despatch of cheques or electronic transfer in respect of fractional entitlements for shareholders without a CSDP or broker account	As soon as practicable after Thursday,19 March 2020
Despatch of share certificates for Ninety One Shares	by Friday, 20 March 2020

The expected dates and times listed above may be subject to change.

The General Meetings and the Court Meeting will be held at 10.30 a.m. (London time) / 12.30 p.m. (Johannesburg time) and 11.00 a.m.[19] (London time) / 1.00 p.m. (Johannesburg time), respectively, on 10 February 2020. The Investec plc General Meeting and the Court Meeting will be held at 30 Gresham Street, London, EC2V 7QP, United Kingdom and the Investec Limited General Meeting will be held at 100 Grayston Drive, Sandown, Sandton, 2196, Republic of South Africa.

19 *Court Meeting to commence at 11.00 a.m. (London time) or, if later, immediately after the conclusion or adjournment of the General Meetings.*

EXPLANATORY STATEMENT

(Explanatory Statement in compliance with the provisions of s.897 of the UK Companies Act)

29 November 2019

To: *Investec Shareholders and, for information only, persons with information rights*

Dear Investec Shareholder

Recommended proposals for the demerger of the Ninety One Business

1. INTRODUCTION

We are writing to you on behalf of Investec to explain the Proposals.

Your attention is drawn to the letter from the Chairman of Investec in Part I of this document, which outlines the reasons for the Proposals and contains the unanimous recommendation of the Investec Boards to vote in favour of the Resolutions to be proposed at the General Meetings and the Scheme at the Court Meeting. The letter from the Chairman forms part of this Explanatory Statement.

The Investec Boards have received and considered financial advice from each of J.P. Morgan Cazenove and Fenchurch Advisory in connection with the Proposals. In providing financial advice to the Investec Boards, each of J.P. Morgan Cazenove and Fenchurch Advisory have relied on the Investec Boards' commercial assessment of the Proposals. We have been authorised by the Investec Boards to write to you on their behalf to explain the terms of the Proposals and to provide you with other relevant information. The terms of the Scheme are set out in full in Part XV of this document. The Notices of General Meeting at which the Resolutions will be proposed and the Notice of Court Meeting at which approval for the Scheme will be sought are set out in Part XIX, Part XX and Part XXI, respectively, of this document.

The Proposals require Investec Shareholder and Court approvals. If the Proposals are so approved, Investec plc Ordinary Shareholders will receive one Ninety One plc Share for every two Investec plc Ordinary Shares that they hold and Investec Limited Ordinary Shareholders will receive one Ninety One Limited Share for every two Investec Limited Ordinary Shares that they hold.

If the number of Investec plc Ordinary Shares or Investec Limited Ordinary Shares held is not divisible by two, an entitlement to a fraction of a Ninety One plc Share or Ninety One Limited Share will arise. For example, if: (i) an Investec plc Ordinary Shareholder holds three Investec plc Ordinary Shares at the Demerger Record Time (expected to be 6.00 p.m. (London time) on 13 March 2020), such Investec plc Ordinary Shareholder will receive one Ninety One plc Share, plus an entitlement to a ½ fraction of a Ninety One plc Share; or (ii) an Investec Limited Ordinary Shareholder holds three Investec Limited Ordinary Shares at the Demerger Record Time (expected to be 6.00 p.m. (London time) on 13 March 2020), such Investec Limited Ordinary Shareholder will receive one Ninety One Limited Share, plus an entitlement to a ½ fraction of a Ninety One Limited Share. Where such individual fractional entitlements to Ninety One Shares arise on the Demerger, they will instead be sold in the market, and the relevant Investec Ordinary Shareholder will be entitled to receive such proceeds thereof, as is more fully described in paragraphs 3.1 and 3.2 of Part XIII of this document.

If Investec Ordinary Shareholders sell or otherwise transfer their Investec plc Ordinary Shares or Investec Limited Ordinary Shares before the Demerger Record Time, they will not receive any Ninety One Shares.

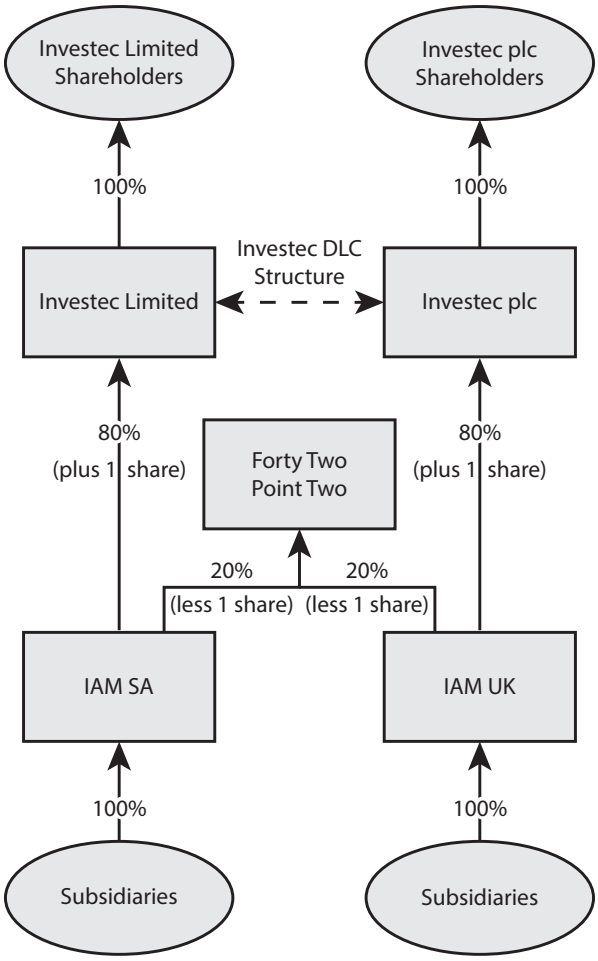
The Investec Shareholder meetings to approve the Proposals (the General Meetings and the Court Meeting) will be held at 10.30 a.m. and 11.00 a.m. (London time), respectively, on 10 February 2020. The Court will consider the Scheme at a hearing on 4 March 2020. If the Proposals are approved by the relevant Investec Shareholders at the General Meetings and the Court Meeting and by the Court, admission of the Ninety One plc Shares to the London Stock Exchange is expected to take place at 8.00 a.m. (London time) and admission of Ninety One Limited Shares and the Ninety One plc Shares to the Johannesburg Stock Exchange is expected to take place at 9.00 a.m. (Johannesburg time) on 16 March 2020.

If the Proposals are implemented, Investec Ordinary Shareholders will receive any new Ninety One Shares to which they are entitled as follows:

- In respect of Investec Ordinary Shareholders who are subject to the Strate Nominee Share Transfers or who, at the Demerger Record Time, hold Investec plc Ordinary Shares in CREST or Investec Limited Ordinary Shares in the Strate System, their CREST account or their CSDP broker or own-name account, respectively, is expected to be credited in respect of the Ninety One Shares to which they are entitled as soon as possible after 8.00 a.m. (London time) on 16 March 2020.
- In respect of Investec Ordinary Shareholders who at the Demerger Record Time, hold Investec plc Shares in Certificated Form on the Investec plc UK Register, their Ninety One plc Share certificates are expected to be despatched by no later than 20 March 2020.

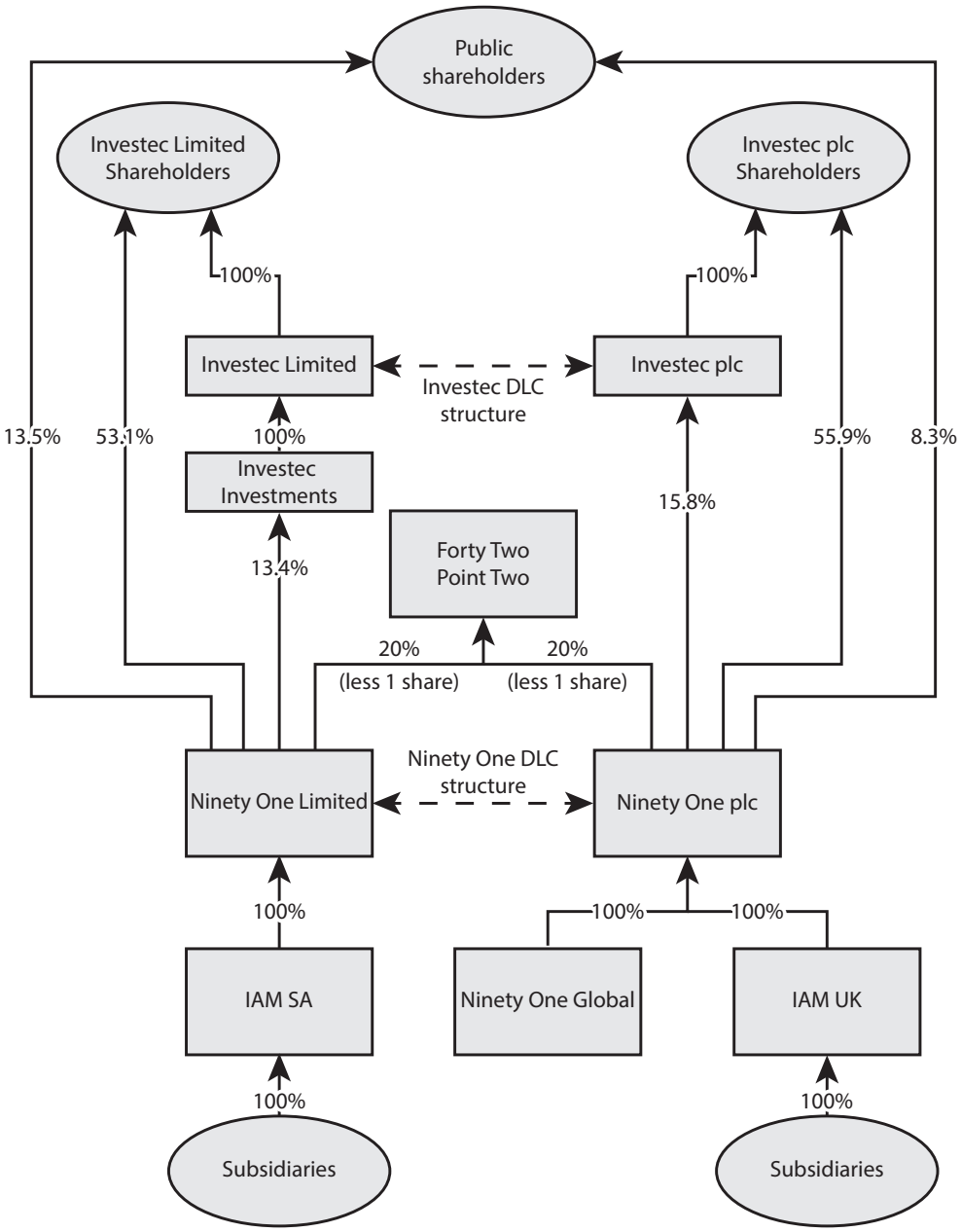
2. PROPOSED IMPLEMENTATION OF THE PROPOSALS

2.1 Current holding structure of the Ninety One Business[20]



20 Court Meeting to commence at 11.00 a.m. (London time) or, if later, immediately after the conclusion or adjournment of the General Meetings.

2.2 **Expected holding structure of the Ninety One Business following implementation of the Proposals**[21, 22, 23, 24]



2.3 **Overview of Proposals**

As set out in the diagrams above, the overall effect of the Proposals is to move IAM SA under Ninety One Limited (a South African entity incorporated specifically to act as a holding company for the Ninety One Business) and IAM UK (which together with IAM SA and their respective subsidiaries, comprise the Ninety One Business) under Ninety One plc (a UK entity incorporated specifically to act as a holding company for the Ninety One Business) and for Ninety One Limited and Ninety One plc to then be listed as a DLC. This, together with certain ancillary actions, will be implemented through a number of sequential steps as summarised below. These steps will only be implemented if the requisite approvals, including approval by Investec Shareholders, are obtained. It is currently

21 Shareholding percentages shown are indicative and may be subject to change. Structure assumes that the Ninety One Share Sale occurs and the Over-allotment Option is fully exercised.

22 At the same time as the Ninety One Share Sale, Investec plc and / or Investec Investments may also sell a number of Ninety One Shares to certain of the Ninety One Directors, the Ninety One EBT and other management-controlled vehicles, incuding Forty Two Point Two, which, for the purposes of this diagram, would then be public shareholders.

23 Investec Limited will hold its 13.4% holding in Ninety One Limited indirectly through Investec Investments, a wholly owned subsidiary of Investec Limited.

24 Investec plc's and Investec Limited's holding of the combined total issued share capital of Ninety One is expected to be approximately 15%.

expected that all but the first of these steps will be made effective over the weekend immediately preceding Monday 16 March 2020.

- The first step is the transfer by Investec 1, a wholly owned subsidiary of Investec plc, of its 80% (plus 1 share) holding in IAM UK to Investec plc.
- The second step involves the transfer by Investec Limited of a portion of the shares it holds in IAM SA to Investec Investments, a wholly owned subsidiary of Investec Limited.
- The third step is the UK Demerger, which involves the separation of IAM UK from Investec plc by way of a reduction of capital demerger implemented through a Court sanctioned process known as a scheme of arrangement, pursuant to which Investec plc will transfer a portion of the shares held by it in IAM UK to Ninety One plc in exchange for Ninety One plc issuing shares to Investec plc Ordinary Shareholders on a pro rata basis.
- The fourth step involves the transfer of the remaining shares in IAM SA held by Investec Limited to Ninety One Limited in exchange for Ninety One Limited issuing shares to Investec Limited.
- The fifth step is the demerger by Investec Limited of all of the shares held by it in Ninety One Limited to Investec Limited Ordinary Shareholders. This will result in the physical distribution of the Ninety One Limited Shares by Investec Limited on the day following the record date for Johannesburg Stock Exchange settlement purposes (which is expected to be Wednesday 18 March 2020).
- The sixth step involves the transfer of the remaining IAM UK shares held by Investec plc to Ninety One plc in exchange for Ninety One plc issuing shares to Investec plc.
- The seventh step involves the transfer of the IAM SA shares held by Investec Investments to Ninety One Limited in exchange for Ninety One Limited issuing shares to Investec Investments.
- The eighth step is the roll-up of Forty Two Point Two's interests in IAM UK for an equivalent interest of approximately 20% in Ninety One plc through a share for share exchange. Certain members of the Ninety One Business management team participate in the Marathon Trust (a long-term Ninety One Business employee share ownership vehicle) that, in turn, wholly owns Forty Two Point Two. The participants comprise senior managers and employees of the Ninety One Business.
- The ninth step involves the creation of the Ninety One DLC Structure, as set out in paragraph 3.7 of this Part IV, which will become effective upon Admission.
- The tenth step involves the listing of Ninety One plc and Ninety One Limited as a DLC and the Ninety One Share Sale, as set out in paragraph 3.8 of this Part IV. As part of, or at the same time as, the Ninety One Share Sale, Investec plc and / or Investec Investments may also sell a number of Ninety One Shares to certain of the Ninety One Directors, the Ninety One EBT and other management-controlled vehicles, including Forty Two Point Two.
- The eleventh step is the roll-up of Forty Two Point Two's interest in IAM SA for an equivalent interest of approximately 20% in Ninety One Limited through a share for share exchange.

Following the steps above and assuming the Ninety One Share Sale proceeds as currently expected, it is expected that:

- approximately 55.9% of the total issued share capital of Ninety One plc, representing approximately 37.7% of the combined total issued share capital of Ninety One, will be held by Investec plc Ordinary Shareholders;
- approximately 53.1% of the total issued share capital of Ninety One Limited representing approximately 17.3% of the combined total issued share capital of Ninety One, will be held by Investec Limited Ordinary Shareholders;
- up to approximately 8.3% of the total issued share capital of Ninety One plc and up to approximately 13.5% of the total issued share capital of Ninety One Limited, representing up to approximately 10% of the combined total issued share capital of Ninety One, will be held by new / existing institutional and certain other investors;
- approximately 15.8% of the total issued share capital of Ninety One plc, representing approximately 10.7% of the combined total issued share capital of Ninety One, will be held by Investec plc;

- approximately 13.4% of the total issued share capital of Ninety One Limited, representing approximately 4.3% of the combined total issued share capital of Ninety One, will be held by Investec Limited (through its wholly owned subsidiary, Investec Investments); and
- approximately 20% of the total issued share capital of Ninety One plc and approximately 20% of the total issued share capital of Ninety One Limited, representing approximately 20% of the combined total issued share capital of Ninety One, will be held by Forty Two Point Two.[25]

As a founding shareholder of Ninety One, Investec and Ninety One believe that it would be appropriate for Investec Group to retain a shareholding in the business following Admission, allowing Investec Group to participate in future value creation by Ninety One. The Ninety One Share Sale is expected to support an orderly listing of Ninety One by broadening the investor base and giving management and staff of Ninety One a further opportunity to increase their shareholding. The partial realisation of Investec Group's shareholding in Ninety One through the implementation of the Proposals is expected to have a positive impact on the CET1 ratios of Investec plc and Investec Limited.

2.4 Listings and index inclusion

Ninety One plc is incorporated in England and Wales and application will be made for the Ninety One plc Shares to be admitted to the premium listing segment of the UK Official List and admitted to trading on the London Stock Exchange's main market and for Ninety One plc to have a secondary inward listing on the main board of the Johannesburg Stock Exchange. Inward listed shares on the Johannesburg Stock Exchange traded and settled in Rand are classified as domestic for South African exchange control purposes. South African investors will therefore be able to acquire and hold Ninety One plc Shares on the Johannesburg Stock Exchange without affecting foreign portfolio investment allowances or foreign exposure limits.

Ninety One Limited is incorporated in South Africa and application will be made for the Ninety One Limited Shares to have a primary listing on the main board of the Johannesburg Stock Exchange. Following Admission, Ninety One Limited may apply for listing on the Namibia Stock Exchange and the Botswana Stock Exchange.

Index inclusion as a result of the Admission will be determined by the index providers' specific rules. It is expected that the indices in which Ninety One will be included will be announced shortly before the date of Admission and that these will include the FTSE UK Index Series, but there can be no certainty of this as at the date of this Circular.

3. DETAILED TERMS AND CONDITIONS OF THE PROPOSALS

3.1 The UK Demerger

The UK Demerger will be implemented by way of a scheme of arrangement (including a reduction of capital), which is a process requiring Court approval under the UK Companies Act. Under the Scheme, Investec plc's share premium account will be reduced by £855,926,402 and part of the shares in IAM UK held by Investec plc representing approximately 55.9% of the issued share capital of IAM UK will be transferred to Ninety One plc in exchange for Ninety One plc issuing to Investec plc Ordinary Shareholders one Ninety One plc Share for every two Investec plc Ordinary Shares held at the Demerger Record Time. Any excess amount arising from the amount of the reduction of share premium account exceeding the value of IAM UK, which will be informed by the price per share of the Ninety One Share Sale (or, if there is no Ninety One Share Sale, on the basis of an independent valuation), will be retained by Investec plc and available for future distributions and other purposes.

The UK Demerger will only be implemented if the conditions to the Scheme as set out in paragraph 4 of this Part IV are satisfied.

The Ninety One plc Shares issued to Investec plc Ordinary Shareholders pursuant to the UK Demerger will rank equally in all respects with all other Ninety One plc Shares in issue or issued at the same time, including for all dividends and other distributions (if any) declared, made or paid.

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25 Subject to any acquisitions of Ninety One shares by Forty Two Point Two, as further described in paragraph 3.8 of this Part IV.

If the number of Investec plc Ordinary Shares held by Investec plc Ordinary Shareholders is not divisible by two, an entitlement to a fraction of a Ninety One plc Share will arise. Fractional entitlements will be rounded down to the nearest whole number and the aggregated excess fractions of the Ninety One plc Shares to which such Investec plc Ordinary Shareholder would otherwise be entitled will not be issued to them but will instead be sold in the market as soon as practicable after Admission, and the relevant Investec plc Ordinary Shareholder will be entitled to receive a cash equivalent to the fraction, as set out in paragraphs 3.1 and 3.2 of Part XIII of this document.

The Demerger Record Time is expected to be 6.00 p.m. (London time) on Friday 13 March 2020. Investec plc Ordinary Shareholders on the Investec plc Register at this time will participate in the UK Demerger.

The UK Demerger Effective Time is expected to be 7.00 p.m. (London time) on Friday 13 March 2020. At this time, Investec plc will transfer part of the IAM UK shares held by it to Ninety One plc and Ninety One plc will issue new Ninety One plc Shares to Investec plc Ordinary Shareholders as described above.

3.2 **Transfer of shares in IAM SA held by Investec Limited to Ninety One Limited**

Investec Limited will transfer part of the shares it holds in IAM SA representing approximately 64.9% of the total issued share capital of IAM SA to Ninety One Limited in exchange for Ninety One Limited issuing shares to Investec Limited.

The transfer referred to in this paragraph is expected to be completed before the Demerger Effective Time.

3.3 **The SA Demerger**

The SA Demerger will be implemented by way of a distribution of Ninety One Limited Shares in terms of article 121 of the Investec Limited MoI and section 46(1)(a)(ii) of the South African Companies Act as an "unbundling transaction" in terms of section 46 of the South African Income Tax Act and out of Investec Limited as a "return of capital" (as such term is defined under the South African Income Tax Act). Investec Limited will distribute all of its Ninety One Limited Shares to Investec Limited Ordinary Shareholders on the Investec Limited Register at the record date for Johannesburg Stock Exchange settlement purposes.

Each Investec Limited Ordinary Shareholder will receive one Ninety One Limited Share for every two Investec Limited Ordinary Shares held by them.

The Ninety One Limited Shares distributed to Investec Limited Ordinary Shareholders pursuant to the SA Demerger will, on and from Admission, rank equally in all respects with Ninety One Limited Shares in issue or issued at the same time, including for all dividends and other distributions (if any) declared, made or paid.

If the number of Investec Limited Ordinary Shares held by Investec Limited Ordinary Shareholders is not divisible by two, an entitlement to a fraction of a Ninety One Limited Share will arise. Fractional entitlements will be rounded down to the nearest whole number and the aggregated excess fractions of the Ninety One Limited Shares to which such Investec Limited Ordinary Shareholder would otherwise be entitled will not be transferred to them but will instead be sold in the market as soon as practicable after Admission, and the relevant Investec Limited Ordinary Shareholder will be entitled to receive a cash equivalent to the fraction, as is more fully described in paragraphs 3.1 and 3.2 of Part XIII of this document. The SA Demerger Effective Time is expected to be 7.00 p.m. (London time) on Friday 13 March 2020. At this time, Investec Limited will declare an unconditional distribution in respect of all of the Ninety One Limited Shares that it will hold at the record date for Johannesburg Stock Exchange settlement purposes to Investec Limited Ordinary Shareholders as described above.

The record date for Johannesburg Stock Exchange settlement purposes is expected to be Wednesday 18 March 2020. Investec Limited Ordinary Shareholders on the Investec Limited Register at this time will participate in the SA Demerger.

3.4 **Transfer of remaining shares in IAM UK held by Investec plc to Ninety One plc**

The remaining IAM UK shares held by Investec plc, representing approximately 24.1% of the total issued share capital of IAM UK, will be transferred to Ninety One plc in exchange for Ninety One plc issuing shares to Investec plc. This step is expected to be completed at least one day after the UK Demerger Effective Time but prior to Admission.

3.5 **Transfer of shares in IAM SA held by Investec Investments to Ninety One Limited**

The IAM SA shares held by Investec Investments, representing approximately 15.1% of the total issued share capital of IAM SA, will be transferred to Ninety One Limited in exchange for Ninety One Limited issuing shares to Investec Investments. This step is expected to be completed after the SA Demerger Effective Time but prior to Admission.

3.6 **Roll-up of Ninety One Business management**

Forty Two Point Two currently has a shareholding of 20% (less 1 share) in each of IAM UK and IAM SA. Certain members of the Ninety One Business' management team participate in the Marathon Trust that, in turn, wholly owns Forty Two Point Two. The participants comprise senior managers and employees of the Ninety One Business.

Investec Limited, Investec plc, Investec 1, Forty Two Point Two, IAM SA and IAM UK are currently party to the Ninety One Shareholders' Agreement, which regulates the respective rights of IAM SA's and IAM UK's shareholders. The Ninety One Shareholders' Agreement contains, among other things, (i) customary minority protections in favour of Forty Two Point Two; and (ii) provisions setting out the distribution policy applicable to IAM SA and IAM UK.

Immediately following the above steps, Forty Two Point Two will transfer its shares in IAM UK to Ninety One plc in exchange for Ninety One plc issuing shares to Forty Two Point Two.

On the second day after the record date for Johannesburg Stock Exchange settlement purposes, currently expected to be Friday 20 March 2020, Forty Two Point Two will transfer its shares in IAM SA to Ninety One Limited in exchange for Ninety One Limited issuing shares to Forty Two Point Two.

The overall effect of these transactions is to exchange Forty Two Point Two's current shareholdings of 20% (less 1 share) in each of IAM SA and IAM UK for an equivalent shareholding in Ninety One, which will amount to a shareholding of 19.9999% in each of Ninety One plc and Ninety One Limited.

Following Admission:

- the Ninety One Shareholders' Agreement will be terminated; and
- the Ninety One dividend agreement will be terminated.

Pursuant to a lock-up deed expected to be entered into prior to Admission by Forty Two Point Two in favour of the Global Co-ordinator, it is expected that Forty Two Point Two's shareholding in Ninety One shall be subject to a lock-up for a period of 365 days following Admission. During such time, Forty Two Point Two consents not to sell or otherwise dispose of its Ninety One Shares (subject to certain limited exceptions). Pursuant to the Underwriting Agreement, Hendrik du Toit and Kim McFarland shall also each be subject to a lock-up for a period of 365 days following Admission in respect of any Ninety One Shares that they will hold directly following Admission.

3.7 **The Ninety One DLC Structure**

On or before Admission, the Ninety One DLC Agreements, which implement the Ninety One DLC Structure, will come into effect. Information on the Ninety One DLC Structure is set out in Part V of this document.

3.8 **The Ninety One Share Sale**

The Directors believe that the Ninety One Share Sale, which is expected to be carried out on the same day as Admission, will support the development of an active and liquid market in Ninety One Shares on the London Stock Exchange and the Johannesburg Stock Exchange and will broaden the investor base of Ninety One by allowing new / existing institutional and certain other investors to participate in the listing of Ninety One, giving management and staff of Ninety One a further opportunity to increase their shareholding as well as generating proceeds for Investec. The net

proceeds of the Ninety One Share Sale will be determined by reference to the final price per share of the Ninety One Share Sale, the number of shares to be sold by Investec plc and / or Investec Investments as part of the Ninety One Share Sale and the costs and other expenses to be deducted from such amounts. The net proceeds of the Ninety One Share Sale will be retained by Investec plc and Investec Limited (through Investec Investments) strengthening the overall capital position of Investec Bank and Wealth, supporting its growth plans, funding tax liabilities arising as a result of the Ninety One Share Sale and costs arising as a result of the Proposals.

Investec Investments and Investec plc are expected to each sell a portion of the shares they will hold in Ninety One following the steps set out above by way of a secondary cash placing of Ninety One Shares by Investec plc and Investec Investments to institutional and certain other investors, up to approximately 10% of the combined total issued ordinary shares in Ninety One (calculated on the basis of the Proposals being fully implemented). The Ninety One Share Sale is currently expected to comprise the sale by Investec Investments of a portion of the shares it holds in Ninety One Limited, representing up to approximately 13.5% of the total issued share capital of Ninety One Limited and approximately 4.4% of the combined total issued share capital of Ninety One and the sale by Investec plc of a portion of the shares it holds in Ninety One plc, representing up to approximately 8.3% of the total issued share capital of Ninety One plc and approximately 5.6% of the combined total issued share capital of Ninety One each to institutional and certain other investors (all figures calculated on the basis of the Proposals being fully implemented). Any South African resident institutional investors participating in the Investec plc portion of the Ninety One Share Sale will be required to utilise their foreign investment allowance (and will not fall within the investor's domestic investment allowance).

Investec plc and Investec Investments may, in their sole discretion, increase or decrease the Ninety One Share Sale to sell an amount above or below 10% of the combined total issued share capital of Ninety One plc and Ninety One Limited or may elect to proceed with the Demerger but without undertaking the Ninety One Share Sale or may proceed with the Demerger but only partially undertake the Ninety One Share Sale, including only undertaking the Investec plc or Investec Investments portion of the Ninety One Share Sale. If Investec plc and / or Investec Investments chooses not to proceed with the Ninety One Share Sale or chooses to proceed with a partial Ninety One Share Sale, after implementation of the Proposals, Investec plc will retain up to approximately 24.1% of the total issued share capital of Ninety One plc, representing up to approximately 16.3% of the combined total issued share capital of Ninety One, and Investec Limited (through Investec Investments) will retain up to 26.9% of the total issued share capital of Ninety One Limited, representing up to approximately 8.7% of the combined total issued share capital of Ninety One, with Investec's aggregate holding in Ninety One being up to approximately 25%. Each of Investec plc and Investec Investments may seek to sell those retained Ninety One Shares after the Demerger, having regard to market conditions and subject to the customary lock-up provision in the Underwriting Agreement which imposes a six-month period following Admission during which Investec plc and Investec Investments each consent not to sell or otherwise dispose of its Ninety One Shares (subject to certain limited exceptions, including that: (i) if the Ninety One Share Sale does not proceed or there is a partial Ninety One Share Sale, no lock up shall apply to such number of Ninety One Shares that would have otherwise been sold by Investec plc and Investec Investments if the Ninety One Share Sale had been undertaken in full; and (ii) the lock-up shall not apply to any sale of Ninety One Shares by Investec plc or Investec Investments to Forty Two Point Two, the Ninety One EBT and/or certain Ninety One Directors where such Ninety One Shares are sold at the same time as the Ninety One Share Sale).

If the Ninety One Share Sale proceeds, Investec plc and / or Investec Investments may, as part of, or at the same time as, the Ninety One Share Sale also sell a number of Ninety One Shares to certain of the Ninety One Directors, the Ninety One EBT and other management-controlled vehicles, including Forty Two Point Two. These Ninety One Shares will be sold by Investec plc and / or Investec Investments at the same price as they sell shares to institutional investors as part of the Ninety One Share Sale and will result in a proportionate reduction in the number of Ninety One Shares available to other investors as part of the Ninety One Share Sale. The Ninety One EBT and Forty Two Point Two may also acquire Ninety One Shares directly from the Investec EBT, which will receive Ninety One Shares pursuant to the Demerger that it does not require.

The participation of Forty Two Point Two or any other management-controlled vehicle in the sale of Ninety One Shares will be subject to receipt of applicable regulatory approvals, consideration of the

application of the UK Listing Rules and the JSE Listings Requirements (including in respect of related party transactions) and FCA analysis. If the Ninety One Share Sale does not otherwise proceed, then, consequently, the sale of Ninety One Shares by Investec plc and / or Investec Investments to the Ninety One EBT or other management-controlled vehicles will also not proceed. If the Ninety One Share Sale does not otherwise proceed, then, consequently, the sale of Ninety One Shares by Investec plc and / or Investec Investments to Forty Two Point Two or other management-controlled vehicles will also not proceed. However, the Ninety One EBT and Forty Two Point Two may still acquire Ninety One Shares directly from the Investec EBT.

The Ninety One Shares acquired by the Ninety One EBT will be used by the Ninety One EBT in due course to satisfy options and awards to be granted under the Ninety One Share Plans, including the awards of free shares to be granted to Ninety One employees upon Admission. The precise number of Ninety One Shares to be sold to the Ninety One EBT will be determined in due course and will be based on the number of Ninety One Shares required by it to satisfy options and awards. If the Ninety One Share Sale does not otherwise proceed, the sale of Ninety One Shares to the Ninety One EBT will also not proceed and the Ninety One EBT will source any Ninety One Shares it requires from market purchases.

The precise number of Ninety One Shares to be sold to Ninety One Directors will be determined in due course.

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, Ninety One Shares in any jurisdiction where such offer or solicitation is unlawful.

The Ninety One Shares have not been, and will not be, registered under the US Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. The full terms of the Ninety One Share Sale will be contained in the Ninety One Prospectus when published. Investec Shareholders and any other investors who wish to participate in the Ninety One Share Sale should read the further details contained in the Ninety One Prospectus once available.

3.9 The Ninety One Reduction of Capital

Following Admission, Ninety One plc will effect a court approved reduction of capital, reducing Ninety One plc's share premium account in order to create distributable reserves for future distributions.

4. CONDITIONS TO THE PROPOSALS

The Demerger is conditional upon the following conditions having been satisfied (or, in respect of paragraph (e) below, waived):

(a) the Scheme having been approved by a majority in number of those Investec plc Ordinary Shareholders who are present and vote, either in person or by proxy, at the Court Meeting and who represent 75% or more in value of the Investec plc Ordinary Shares voted by such Shareholders;

(b) the Demerger Resolution, as set out in the Notices of General Meeting, having been passed by the requisite majority of Investec Ordinary Shareholders at the General Meetings;

(c) the Scheme having been sanctioned by the Court and the reduction of capital required to effect the UK Demerger having been confirmed by the Court;

(d) (i) the SARB having approved the primary listing of the Ninety One Limited Shares and the secondary inward listing of the Ninety One plc Shares on the Johannesburg Stock Exchange on conditions acceptable to Ninety One; (ii) JSE Limited having acknowledged to Ninety One or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of the Ninety One Limited Shares and the Ninety One plc Shares to the Johannesburg Stock Exchange List has been approved and the listing will be granted and become effective; (iii) the FCA having acknowledged to Ninety One or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of the Ninety One plc Shares to the UK Official List with a premium listing has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject ("**FCA listing conditions**") will become effective as soon as a dealing notice has been issued by the FCA and any FCA listing conditions have been satisfied; (iv) the London Stock Exchange having acknowledged to Ninety One or its agent (and such acknowledgement not having been withdrawn) that the Ninety One plc Shares will be admitted to trading; and (v) JSE Limited having acknowledged to Ninety One or its agent (and such acknowledgement not having been withdrawn) that the Ninety One Limited Shares and the Ninety One plc Shares will be admitted to trading;

(e) the Demerger Agreements (as described more fully, in paragraph 5 of this Part IV) having been entered into and none of them having been terminated in accordance with their respective terms;

(f) a copy of the Scheme Court Order having been delivered to the Registrar of Companies;

(g) a resolution approved by the requisite majority of the board of directors of Investec Limited authorising the distribution of the relevant Ninety One Limited Shares to give effect to the SA Demerger (as contemplated in paragraph 3.3 of this Part IV) in accordance with the provisions of the South African Companies Act; and

(h) the following specific regulatory approvals being obtained unconditionally or on conditions satisfactory to Investec and Ninety One Limited:

(i) the Namibian and Botswanan competition authorities;

(ii) the SARB PA;

(iii) the SA FSCA;

(iv) Securities and Futures Commission of Hong Kong; and

(v) the Monetary Authority of Singapore.

The Directors will not take the necessary steps to implement the Scheme and the Demerger unless and until the above conditions have been or will be satisfied (or, where permitted, waived) and, at the relevant time, the Directors consider that it continues to be in the best interests of the Investec Shareholders that the Scheme and the Demerger be implemented.

The requisite approval for the Proposals has been obtained from the South African Department of National Treasury, the SARB and the South African Minister of Finance on terms and subject to conditions customary to international transactions of this nature. As set out in condition (h) above, at the latest practicable date, filings have also been made with the Namibian and Botswanan competition authorities, the SARB PA, the SA FSCA, Securities and Futures Commission of Hong Kong and the Monetary Authority of Singapore and their decisions are awaited.

Certain other regulators have also been notified of the Proposals as required.

5. THE DEMERGER AGREEMENTS

The Demerger Agreements, as described further in this paragraph 5, will be entered into on or before the date of this Circular, the Transitional Services Agreement, the Transitional Trade Mark Licence Agreement and the Relationship Agreement are each conditional on Admission occurring not later than 8:00 a.m. (London) on 30 June 2020 (or such later date as may be agreed in writing between the parties to the applicable agreements) and will take effect upon Admission. Following Admission, the Demerger Agreements will govern the relationship between Ninety One and Investec on the basis set out below.

5.1 Separation Agreement

Overview of the Separation Agreement

The Separation Agreement is entered into between Ninety One plc, Ninety One Limited, Investec plc, Investec Limited, IAM UK and IAM SA. The Separation Agreement sets out the principal steps necessary to effect the Demerger and other provisions to govern certain aspects of Ninety One's relationship with Investec after the Demerger.

Allocation of liabilities and wrong pockets

Subject to any allocation of liabilities provisions contained in the other Demerger Agreements, the Separation Agreement provides that, following the Demerger: (i) any liability that arises in a company in the Investec Group owing to a third party shall remain with that company unless such liability principally relates to the Ninety One Business as carried on prior to Admission, in which case such liability shall be novated to, or the relevant company shall be indemnified by, a company in the Ninety One Group; and (ii) any liability that arises in a company in the Ninety One Group owing to a third party shall remain with that company unless such liability principally relates to a business which is not within the perimeter of the Ninety One Business as carried on prior to Admission, in which case such liability shall be novated to, or the relevant company shall be indemnified by, Investec or one of its subsidiaries.

Following the Demerger, if any property, right or asset relating principally to the business of either the Investec Group or the Ninety One Group is found to be owned or held by the other in error, Investec or Ninety One, as applicable, shall procure that the relevant property, right or asset be transferred to the other as soon as reasonably practicable.

Tax matters

The Separation Agreement contains provisions relating to, among other things, the allocation of tax liabilities between the Ninety One Group and the Investec Group, the manner in which the groups will prepare and agree tax computations and returns, the basis on which certain claims and elections can be made, the conduct of negotiations and disputes with the tax authorities, the exchange of information relating to their tax affairs and certain other administrative matters. The two general principles underlying the tax provisions are that: (i) each company in the Ninety One Group and the Investec Group will be responsible for its own tax liabilities; and (ii) the Ninety One Group and the Investec Group will co-operate in relation to any tax matter or issue which affects both the Ninety One Group and the Investec Group.

Other matters

The Separation Agreement also includes provisions relating to: (i) the sharing of information to permit Ninety One and Investec to comply with their respective financial or tax reporting obligations; (ii) the administration of the Investec share plans in which Ninety One Group employees participate; and (iii) the separation mechanics with respect to the pension arrangements as they relate to Ninety One Group employees. In addition, for up to seven years following the Demerger, the Investec Group shall not conduct its business using certain names related to the Ninety One Business. However, without prejudice to this restriction, nothing in the Separation Agreement restricts or restrains any party from carrying on, being engaged in, or being economically interested in, any business or undertaking of any nature.

5.2 **Transitional Services Agreement**

Overview of the Transitional Services Agreement

The Transitional Services Agreement is entered into between Ninety One plc, Ninety One Limited, Investec plc and Investec Limited. Pursuant to the Transitional Services Agreement, the Investec Group will continue to provide certain IT, operational and other services to the Group for a transitional period in order to assist the Ninety One Group in continuing the Ninety One Business following the Demerger.

Scope

The services provided under the Transitional Services Agreement will each have a specified service term and the Transitional Services Agreement will terminate when the last service terminates unless otherwise agreed by the parties. A service term may only be extended by agreement of the parties to the Transitional Services Agreement. The services to be provided will generally be, in terms of performance levels and efficiency, of similar quality to those that were provided to the Ninety One Group by the Investec Group prior to the Demerger.

Service charges

The service charges for services provided under the Transitional Services Agreement are either fixed fees or are calculated by reference to the cost incurred in providing the service, market price or previously agreed charging mechanisms. Charges are calculated on a broadly similar basis to those currently paid for similar services.

Termination

The Transitional Services Agreement can be terminated by either Ninety One or Investec if: (i) there is a change of control (i.e. material change in ownership, influence or voting rights) of the other party; (ii) the other party becomes insolvent; or (iii) the other party commits a material breach of its obligations under the Transitional Services Agreement. Ninety One may also terminate a service provided under the Transitional Services Agreement at any time on 30 days prior written notice.

5.3 **Transitional Trade Mark Licence Agreement**

Overview of the Transitional Trade Mark Licence Agreement

The Transitional Trade Mark Licence Agreement is entered into between Ninety One Limited, Ninety One plc and Investec Bank Limited (a subsidiary of Investec plc). The Transitional Trade Mark Licence Agreement provides that, among other things, the Investec Group will license certain Investec trade marks (the "**Investec Trade Marks**") to Ninety One for a transitional period in order to assist the Ninety One Group in continuing the Ninety One Business following the Demerger.

Scope

Pursuant to the Transitional Trade Mark Licence Agreement, the Investec Group will grant a non-exclusive, fully paid-up and royalty-free licence to Ninety One to use the Investec Trade Marks for a transitional period following the Demerger. Ninety One is required to commence using its new replacement brand as its primary brand by no later than nine months after Admission (the "**Rebranding Date**") and must use commercially reasonable endeavours to cease all use of the Investec Trade Marks as soon as reasonable practicable after the Rebranding Date, but no later than 24 months following Admission. The use of the Investec Trade Marks is limited to use in relation to existing products of the Ninety One Business and shall comply with the Investec brand guidelines. Ninety One Limited and Ninety One plc are permitted to sub-license the Investec Trade Marks to other members of the Ninety One Group.

Term and termination

The Transitional Trade Mark Licence Agreement will terminate at the earlier of 24 months after Admission and the date on which the Ninety One (and their sub-licensees) cease all use of the Investec Trade Marks, subject to Investec Group's right to terminate the Transitional Trade Mark Licence Agreement in its entirety with immediate effect on written notice if: (i) Ninety One plc or Ninety One Limited commits a material breach of the Transitional Trade Mark Licence Agreement and such breach is not remedied within 30 days of written notice of the breach; (ii) Ninety One plc or Ninety One Limited or a member of the Ninety One Group challenges the ownership, validity or enforceability of the Investec Trade Marks, any copyright subsisting in them or the goodwill or reputation associated with them; (iii) Ninety One plc or Ninety One Limited or a member of the Ninety One Group brings the Investec Trade Marks into disrepute; (iv) Ninety One plc or Ninety One Limited or a member of the Ninety One Group undergoes an insolvency event; or (v) control of Ninety One plc or Ninety One Limited is acquired by one or more financial institutions or asset managers, other than a member of the Investec Group.

5.4 **Relationship Agreement**

Overview of the Relationship Agreement

The Relationship Agreement is entered into between Ninety One plc, Ninety One Limited, Investec plc and Investec Limited. The Relationship Agreement regulates aspects of the ongoing relationship between Investec and Ninety One.

Term and termination

The Relationship Agreement will terminate upon the earlier of: (i) as it relates to Ninety One plc, the Ninety One plc Shares ceasing to be listed on the UK Official List and traded on the London Stock Exchange's main market for listed securities and the Ninety One plc Shares ceasing to be secondary inward listed and traded on the main board of the Johannesburg Stock Exchange; (ii) as it relates to Ninety One Limited, the Ninety One Limited Shares ceasing to be listed and traded on the main board of the Johannesburg Stock Exchange; and (iii) Investec ceasing to own or control (directly or indirectly) in aggregate 7% or more of Ninety One's combined issued ordinary share capital of (or which carries 7% or more of the aggregate voting rights in Ninety One (on a combined basis) from time to time).

Independence

The Relationship Agreement contains, among others, undertakings from Investec that: (i) all transactions and arrangements between Investec and/or its associates with any member of the Ninety One Group are conducted at arm's-length and on normal commercial terms; (ii) neither Investec nor any of its associates shall take any action that would have the effect of preventing Ninety One plc from complying with its obligations under the UK Listing Rules; and (iii) neither Investec nor

any of its associates shall propose or procure the proposal of a shareholder resolution of Ninety One plc or Ninety One Limited which is intended or appears to be intended to circumvent the proper application of the UK Listing Rules.

Investec Directors

Under the Relationship Agreement, which (i) provides Investec Bank and Wealth with the right for so long as it has an aggregate interest in the combined total issued share capital of Ninety One: (I) greater than 25%, to appoint up to two Non-Executive Directors to the Ninety One Boards; and (II) equal to or less than 25% but equal to or greater than 7%, to appoint one Non-Executive Director to the Ninety One Boards; and (ii) ensures that Ninety One is capable of operating independently of Investec Bank and Wealth for the purposes of the UK Listing Rules and the JSE Listings Requirements.

Transfers

Under the Relationship Agreement, Investec undertakes to: (i) inform Ninety One in advance of any disposal or transfer of an aggregate interest in 2% or more of Ninety One plc or Ninety One Limited's combined issued ordinary share capital from time to time (or which carries 2% or more of the aggregate voting rights in Ninety One from time to time) by it to a third party or third parties; and (ii) consult with Ninety One thereafter as to the timing and manner of such proposed transfer.

Other matters

Nothing in the Relationship Agreement restricts or restrains any party from carrying on, being engaged in, or being economically interested in, any business or undertaking of any nature.

6. TIMETABLE

6.1 The Meetings

The General Meetings have been convened for 10.30 a.m. (London time) on 10 February 2020. At the General Meetings, or at any adjournment thereof, Investec Shareholders will consider and, if thought fit, pass the Resolutions. The Investec plc General Meeting will be held at 30 Gresham Street, London, EC2V 7QP, United Kingdom and the Investec Limited General Meeting will be held at 100 Grayston Drive, Sandown, Sandton 2196, Republic of South Africa.

The Court Meeting has been convened pursuant to an order of the Court for 11.00 a.m. (London time) on 10 February 2020 (or, if later, immediately following the conclusion or adjournment of the General Meetings). At the Court Meeting Investec plc Ordinary Shareholders will consider and, if thought fit, approve the Scheme. The Court Meeting will be held at 30 Gresham Street, London EC2V 7QP, United Kingdom.

6.2 Scheme Court Hearing

The Scheme Court Hearing, at which the Court will be asked to sanction the Scheme and confirm the reduction of capital required to effect the UK Demerger pursuant to the UK Companies Act, is expected to be held on 4 March 2020. Investec plc Ordinary Shareholders have the right to attend the Scheme Court Hearing and to appear in person or be represented by counsel to support or oppose the sanctioning of the Scheme and the confirmation of the reduction of capital required to effect the UK Demerger.

If the Scheme is sanctioned and the reduction of capital required to effect the UK Demerger is confirmed at the Scheme Court Hearing, and the other conditions to the Scheme (as outlined in paragraph 4 of this Part IV) have been satisfied, the UK Demerger Effective Time is expected to occur at 7.00 p.m. (London time) on 13 March 2020.

The Scheme will not become effective unless the Court sanctions the Scheme and confirms the reduction of capital required to effect the UK Demerger, and a copy of the Scheme Court Order is delivered to the Registrar of Companies.

If the Scheme becomes effective, it will be binding on all Investec plc Ordinary Shareholders, irrespective of whether or not they attended or voted in favour of the Scheme at the Court Meeting or in favour of the Resolutions at the General Meetings.

7. DIRECTORS AND THE EFFECT OF THE SCHEME AND THE PROPOSALS ON THEIR INTERESTS

Details of the interests of the Directors in Investec Shares are set out in paragraph 4.1 of Part XVI of this document and details of the interests of the Directors in options and awards over Investec Shares are set out in paragraph 4.2 of Part XVI of this document.

Investec Shares held by each of the Directors at the Demerger Record Time will be subject to the Scheme and the Proposals.

The effect of the Proposals on options and awards held by certain Directors, in common with other participants in the Investec Share Plans, is described in paragraphs 8.1 and 8.2 of this Part IV.

Details of the service contracts and letters of appointment of the Directors are set out in paragraph 6 of Part XVI of this document. Hendrik du Toit and Kim McFarland will enter into new service contracts with Ninety One that will be effective upon Admission, at which time their service contracts with Investec will end by mutual agreement. They will not receive notice monies or severance payment in respect of the termination of their service contracts with Investec. Details of the remuneration arrangements for these Directors are set out in paragraph 8.3 of this Part IV.

Save as set out or referenced above, the effect of the Scheme and the Proposals on the interests of the Directors does not differ from its effect on the like interest of any other Investec Ordinary Shareholder.

8. EFFECTS OF THE DEMERGER ON THE INVESTEC SHARE PLANS AND EXECUTIVE DIRECTORS' REMUNERATION

8.1 Treatment of awards under the Investec Share Plans

Investec uses the Investec Share Plans to provide share incentives over Investec Ordinary Shares to selected employees of Investec Group. Share awards are in the form of forfeitable shares, conditional awards or options. The effect of the Demerger and the Scheme on outstanding awards and options held by participants in the Investec Share Plans is set out below.

Share awards will continue after the Demerger over a combination of Investec Ordinary Shares and Ninety One Shares in the same ratio as received by the holders of Investec Ordinary Shares. If a participant in the Investec SIP does not want Ninety One Shares, then their award would continue over Investec Shares, but the number of Investec Shares would not be adjusted for the loss of value caused by the Demerger. Participants employed by the Ninety One Group will not be treated as leavers on the Demerger but if they subsequently leave the Ninety One Group then the Ninety One Human Capital and Remuneration Committee will decide on the treatment of their awards under the leaver provisions of the relevant Investec Share Plan. Administrative amendments will be made to the Investec Share Plans to reflect the fact that awards will be over both Investec Ordinary Shares and Ninety One Shares after the Demerger. If a corporate event occurs to either Investec or Ninety One after the Demerger, then the remuneration committee of the affected company will decide on the treatment of the awards over that company's shares in accordance with the rules of the relevant Investec Share Plan.

The arrangements described in this paragraph 8.1 may be modified to take account of local securities laws, tax and other regulations, provided that the modified arrangements are not significantly more favourable to participants.

8.2 Changes to Executive Directors' Remuneration

Investec Group's Executive Directors' remuneration policy, as approved by Investec Shareholders in August 2018, will remain in force. The remuneration of the Executive Directors, including those remaining with Investec (the **"Remaining Executive Directors"**) and those becoming Executive Directors of Ninety One (the **"Departing Executive Directors"**), will be treated as outlined in the 2019 Annual Report for the financial year that commenced on 1 April 2019, with certain technical adjustments as outlined below. Other than these, there will be no further changes to the Executive Directors' remuneration, including but not limited to the terms relating to retention periods, malus and clawback, and vesting periods.

Fixed pay shares

(a) The share component of the annual fixed pay of the Departing Executives shall be granted to them on or around 29 February 2020. These awards shall be in respect of Investec shares and the value of each such award shall be prorated to 29 February 2020. The Remaining Executive Directors shall receive the share component of fixed pay at the usual time.

Investec STI

(a) There will continue to be three financial measures applicable to the Investec STI, return on risk-weighted assets, return on equity and the combined operating margin of the Ninety One business and the Wealth & Investment Business. The achievement levels and weightings of each measure will remain unchanged.

(b) The Investec STI awards shall be determined using the final audited results of Investec. For the Departing Executive Directors, these Investec STI awards will be prorated to 29 February 2020. The Remaining Executive Directors will receive the same treatment and, in respect of the final month of the financial year, they will receive the balance of the Investec STI award as determined by the Investec DLC Remuneration Committee, in line with Investec Group's Executive Directors' remuneration policy. The Investec STI awards to both the Departing and Remaining Executives will be made at the usual time.

(c) The mandatory deferral component of the Investec STI awards shall, in the case of each Departing Executive Director, consist of an award in respect of Investec shares (to be granted by Investec) and an award in respect of Ninety One shares (to be granted by Ninety One, but at the cost of Investec). The relative value of such awards will be granted in the same ratio as that received by the holders of Investec Ordinary Shares under the Demerger

(d) The mandatory deferral component of the Investec STI awards shall, in the case of each Remaining Executive Director, consist of an award in respect of Investec shares only.

2020 Investec LTI

(a) The 2020 Investec LTI awards for the Departing Executive Directors shall be granted to them on or around 29 February 2020. These awards shall be in respect of Investec shares and the value of each such award shall be prorated to 29 February 2020. The Remaining Executive Directors shall receive the 2020 Investec LTI awards at the usual time.

(b) The performance conditions applicable to the 2020 Investec LTI awards for the Departing Executive Directors shall be based on the three-year forward-looking performance of Ninety One, and will be set by the Ninety One Human Capital and Remuneration Committee in consultation with the Investec DLC Remuneration Committee.

(c) The performance conditions applicable to the 2020 Investec LTI awards for the Remaining Executive Directors will have performance conditions which reflect the proposed business of Investec Group after the Demerger and will be substantially the same as performance conditions applying to existing Investec LTI awards.

Unvested Investec LTI

(d) In respect of any unvested Investec LTI granted prior to the Demerger, the existing financial measures, growth in tangible net asset value per share and return on risk-weighted assets, will continue but the performance targets will be adjusted prospectively from the date of the Demerger to reflect the financial impact of Ninety One no longer forming part of Investec. The future vesting of these awards will be based on a combined assessment of results relative to these pre- and post-Demerger performance targets.

8.3 **Remuneration Arrangements for the Departing Executive Directors following Admission**

In accordance with UK Companies Act requirements, Ninety One will propose for approval by its shareholders at its first annual general meeting, a remuneration policy, which shall include both short-term and long-term remuneration arrangements for each of the Departing Executive Directors (as defined in paragraph 8.2 of this Part IV). The Ninety One Registration Document and the Ninety One Prospectus will describe in detail the remuneration arrangements to be put in place for the Departing Executive Directors following Admission, the approval and implementation thereof being the responsibility of the remuneration committee of the newly established Ninety One Boards (the "**Ninety One Human Capital and Remuneration Committee**").

9. THE NINETY ONE BOARDS AND THE INVESTEC BOARDS

Information on the Ninety One Boards is set out in paragraph 7 of Section B of Part VII of this document. Information on the Investec Boards is set out in paragraph 6 of Section B of Part VII of this document.

10. AUTHORITIES RELATING TO THE SHARE CAPITAL OF NINETY ONE

10.1 Authorities relating to the share capital of Ninety One plc

Prior to the Demerger, Ninety One plc will obtain approval for resolutions of Ninety One plc which, among other matters, grant authorities to the Ninety One plc Directors to allot Ninety One plc Shares and to make purchases of Ninety One plc Shares, in each case subject to and conditional upon Admission becoming effective and calculated on the basis that the Ninety One Reduction of Capital has become effective. The authorities sought are generally consistent with the approach previously taken by Investec when seeking such authorities, taking into account the views of Investec Shareholders. Additional information on the expected form of such authorities is set out below:

(a) the Ninety One plc Directors are to be generally and unconditionally authorised, in accordance with section 551 of the UK Companies Act, to exercise all powers of Ninety One plc to allot and to grant rights to subscribe for, or to convert any security into, up to an aggregate nominal amount (within the meaning of sections 551(3) and (6) of the UK Companies Act) of:

(i) £12,452.49 in respect of Ninety One plc Shares, being 10% of the nominal share capital in respect of the issued Ninety One plc Shares as at Admission; and

(ii) £6,001.79 in respect of Ninety One plc Special Converting Shares, being 10% of the nominal share capital in respect of the issued Ninety One plc Special Converting Shares as at Admission,

such authority to expire at the conclusion of the annual general meeting of Ninety One plc to be held in 2021 or, if earlier, at the close of business on 30 September 2021;

(b) that Ninety One plc be generally and unconditionally authorised to make market purchases within the meaning of section 693 of the UK Companies Act of Ninety One plc Shares on such terms and in such manner as the directors of Ninety One plc may determine, such authority being limited:

(i) to a maximum number of 62,262,462 Ninety One plc Shares;

(ii) by the condition that the maximum price which may be paid for any Ninety One plc Share purchased under this authority (exclusive of expenses payable by Ninety One plc in connection with the purchase) may not be more than the higher of:

(A) an amount equal to 105% of the average of the middle market prices shown in the quotations for the Ninety One plc Shares in the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that Ninety One plc Share is purchased; and

(B) an amount equal to the higher of the price of the last independent trade of a Ninety One plc Share and the highest current independent bid for a Ninety One plc Share on the trading venue where the purchase is carried out; and

(iii) by the condition that the minimum price which may be paid shall be the nominal value of such share at the time of purchase exclusive of expenses payable by Ninety One plc in connection with the purchase,

such authority to expire at the conclusion of the annual general meeting of Ninety One to be held in 2021 or, if earlier, at the close of business on 30 September 2021; and

(c) that, in accordance with section 366 of the UK Companies Act, Ninety One plc and all companies that are subsidiaries of Ninety One plc at any time during the period for which this resolution has effect be authorised to:

(i) make political donations to political parties or independent election candidates;

(ii) make political donations to political organisations other than political parties; and

(iii) incur political expenditure,

provided that the aggregate amount of any such donations and expenditure shall not exceed £100,000 during the period beginning with the date of the passing of this resolution and ending on 30 September 2021 or, if sooner, the conclusion of the annual general meeting of Ninety One plc to be held in 2021.

For the purpose of this resolution the terms "political donations", "political parties", "independent election candidates", "political organisations" and "political expenditure" have the meanings given in sections 363 to 365 of the UK Companies Act.

Except as disclosed in this document, there is no contract or arrangement, nor has any been proposed, whereby an option or preferential right of any kind has been or will be given to any person to subscribe for any shares in Ninety One plc or its subsidiaries.

10.2 **Authorities relating to the share capital of Ninety One Limited**

Prior to the Demerger, Ninety One Limited will obtain approval for resolutions of Ninety One Limited which, among other matters, grant authorities to the Ninety One Limited Directors to allot and issue Ninety One Limited Shares and to make purchases of Ninety One Limited Shares, in each case (unless otherwise stated) subject to and conditional upon Admission becoming effective and calculated, where applicable, on the basis of the SA Demerger becoming effective. The authorities sought are generally consistent with the approach previously taken by Investec when seeking such authorities, taking into account the views of Investec Shareholders. Additional information on such authorities is set out below:

(a) the Ninety One Limited Directors are authorised, as they in their discretion think fit, to allot and issue up to a total of:

(i) 30,008,945 Ninety One Limited Shares, being 10% of the issued Ninety One Limited Shares as at Admission (for which purposes any shares approved to be issued by the company in terms of any share plan or incentive scheme for the benefit of employees shall be excluded); and

(ii) 62,262,462 Ninety One Limited Special Converting Shares, being 10% of the issued Ninety One Limited Special Converting Shares as at Admission,

such authority to endure until the next annual general meeting of Ninety One Limited to be held in 2021 or, if earlier, at the close of business on 30 September 2021;

(b) as a general authority provided for in the JSE Listings Requirements, which authority shall be valid until Ninety One Limited's next annual general meeting to be held in 2021, or, if earlier, at the close of business on 30 September 2021, that the acquisition by Ninety One Limited or any of its subsidiaries from time-to-time of the issued Ninety One Limited Shares, upon such terms and conditions and in such amounts as the directors of Ninety One Limited or its subsidiaries may from time-to-time decide, be approved, but subject to the provisions of the South African Companies Act and the JSE Listings Requirements, it being recorded that, as at 29 November 2019, the JSE Listings Requirements provide, inter alia, that:

(i) any such acquisition of ordinary shares shall be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement;

(ii) an announcement containing full details of such acquisitions will be published as soon as Ninety One Limited or any of its subsidiaries has acquired ordinary shares constituting, on a cumulative basis, 3% of the number of ordinary shares in issue, as the case may be, when the authority is granted and for each 3% in aggregate acquired thereafter;

(iii) acquisitions of shares in aggregate in any one financial year may not exceed 20% of Ninety One Limited's issued ordinary share capital in any one financial year;

(iv) in determining the price at which ordinary shares issued by Ninety One Limited are acquired by it, or any of its subsidiaries, in terms of this general authority, the maximum price at which such ordinary shares may be acquired will be 10% above the weighted average of the market value at which such ordinary shares are traded on the JSE as determined over the five business days immediately preceding the date of acquisition of such ordinary shares, as the case may be, by Ninety One Limited or any of its subsidiaries;

(v) at any point in time, Ninety One Limited may only appoint one agent to effect any acquisition on Ninety One Limited's behalf;

(vi) a resolution is passed by the board of directors that it has authorised the acquisition, that Ninety One Limited and its subsidiaries have passed the solvency and liquidity test and that, since the test was performed, there have been no material changes to the financial position of the group; and

(vii) neither Ninety One Limited nor its subsidiaries may acquire any shares during a prohibited period as defined by the JSE Listings Requirements unless there is in place a repurchase programme where dates and quantities of shares to be traded during the prohibited period are fixed and full details of the programme have been submitted to the JSE Limited prior to the commencement of the prohibited period; and

(c) to the extent required by the South African Companies Act, the board of directors of Ninety One Limited may, subject to compliance with the requirements of Ninety One Limited's Memorandum of Incorporation (if any), the South African Companies Act and the JSE Listings Requirements, authorise Ninety One Limited to provide direct or indirect financial assistance by way of loan, guarantee, the provision of security or otherwise to:

(i) any of its present or future subsidiaries and/or any other company or entity that is or becomes related or interrelated to Ninety One Limited, for any purpose or in connection with any matter, including, but not limited to, any option, or any securities issued or to be issued by Ninety One Limited or a related or interrelated company or entity, or for the purchase of any securities of Ninety One Limited or a related or interrelated company or entity; and/or

(ii) any of the present or future directors or prescribed officers of Ninety One Limited or of a related or interrelated company or entity (or any person related to any of them or to any company or corporation related or interrelated to any of them), or to any other person who is a participant in any of Ninety One Limited's present or future share or other employee incentive schemes, for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by Ninety One Limited or a related or interrelated company or entity, or for the purchase of any securities of Ninety One Limited or a related or interrelated company or entity, where such financial assistance is provided in terms of any such scheme, such authority to endure until the next annual general meeting of Ninety One Limited to be held in 2021 or, if earlier, at the close of business on 30 September 2021.

11. OVERSEAS SHAREHOLDERS

11.1 General

This document does not constitute or form part of any offer or invitation to purchase, subscribe for, sell or issue, or any solicitation of any offer to purchase, subscribe for, sell or issue, Ninety One Shares or any other securities in Ninety One.

The distribution of this document and the distribution or issue of Ninety One Shares in jurisdictions other than the UK or South Africa, may be restricted by law.

No action has been taken by Investec or Ninety One to obtain any approval, authorisation or exemption to permit the distribution or issue of the Ninety One Shares or the possession or distribution of this document (or any other publicity material relating to the Ninety One Shares) in any jurisdictions other than the UK, the United States or South Africa.

The implications of the Proposals for Overseas Shareholders may be affected by the laws of jurisdictions outside the UK or South Africa. Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements. It is the responsibility of any Overseas Shareholders to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, compliance with other necessary formalities and the payment of any issue, transfer or other taxes or duties or payments due in such jurisdiction. Any failure to comply with such restrictions or requirements may constitute a violation of the securities laws of any such jurisdiction.

This document has been prepared for the purposes of complying with English and South African law, the rules of the London Stock Exchange, the UKLA Rules and the JSE Listings Requirements and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside England and Wales and South Africa.

If, in respect of any Overseas Shareholder, Investec is advised that the distribution or issue of Ninety One Shares would or may infringe the laws of any jurisdiction outside the UK or South Africa, or would or may require Investec plc, Investec Limited or Ninety One to comply with any governmental or other consent or any registration, filing or other formality with which Investec plc, Investec Limited, or Ninety One is unable to comply or compliance with which Investec regards as unduly onerous: (i) the Scheme allows Investec plc, in its sole discretion, to elect that, upon the UK Demerger Effective Time; and (ii) the Investec Limited MoI allows Investec Limited to elect that, upon the SA Demerger Effective Time, the Ninety One Shares to which such Overseas Shareholder is entitled shall be sold with the net proceeds of sale being remitted to such Overseas Shareholder.

11.2 The United States

11.2.1 UK Demerger

The Ninety One plc Shares to be distributed or issued in connection with the Scheme have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. Such Ninety One plc Shares will be distributed or issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by section 3(a)(10) thereunder.

The Ninety One plc Shares generally should not be treated as "restricted securities" within the meaning of Rule 144(a)(3) under the US Securities Act and persons who receive Ninety One plc Shares in connection with the Scheme (other than "affiliates" within the meaning of Rule 405 of the US Securities Act as described in the paragraph below) may resell them without restriction under the US Securities Act.

Under the United States securities laws, persons who are deemed to be "affiliates" of Investec or Ninety One as at the UK Demerger Effective Time or the SA Demerger Effective Time may not resell the Ninety One plc Shares received pursuant to the Demerger without registration under the US Securities Act, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Whether a person is an "affiliate" of a company for such purposes depends upon the circumstances, but "affiliates" of a company can include certain officers and directors and significant shareholders. Investec plc Ordinary Shareholders who believe they may be "affiliates" for the purposes of the US Securities Act should consult their own legal advisers prior to any resale of Ninety One plc Shares received pursuant to the Scheme.

For the purposes of qualifying for the exemption from the registration requirements of the US Securities Act pursuant to section 3(a)(10) thereunder, Investec will advise the Court through counsel that its sanctioning of the Scheme will be relied upon by Ninety One plc and Investec Bank and Wealth as an approval of the Scheme following a hearing on their fairness to Investec Shareholders, at which hearing all Investec plc Ordinary Shareholders are entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all Investec plc Ordinary Shareholders.

11.2.2 SA Demerger

US Investors

This Circular is not an offer of securities for sale in the United States. The Ninety One Limited Shares have not been and will not be registered under the US Securities Act, or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered, sold, exercised, transferred or delivered, directly or indirectly, in or into the United States at any time except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state and other securities laws of the United States. The Ninety One Limited Shares will be distributed pursuant to the SA Demerger in the United States only to QIBs in reliance on an exemption from, or transaction not subject to, registration under the US Securities Act.

Accordingly, the Ninety One Limited Shares will be distributed to Investec Limited Shareholders with a registered address in the United States ("**US Investec Limited Shareholders**") only if such US Investec Limited Shareholders have demonstrated to their relevant CSDP, broker, custodian or nominee (as applicable) that they are QIBs and agree to certain transfer restrictions applicable to the Ninety One Limited Shares delivered to QIBs. Each US Investec Limited Shareholder that wishes to receive Ninety One Limited Shares in terms of the SA Demerger will be required to execute an investor letter in a form to be provided by (i) Investec Limited to Strate for distribution by Strate to all CSDPs and (ii) the SA Registrar to all US Investec Limited Shareholders holding Investec Limited Shares in Certificated Form (the "**US Investor Letter**"). The US Investor Letter must be returned by the SA Demerger Effective Time to Investec Limited directly either by email to the following email address: Niki.VanWyk@investec.co.za, or by courier to Investec Limited, 100 Grayston Drive, Sandown, Sandton 2196, Republic of South Africa marked for the attention of Niki van Wyk (Company Secretary), with a copy to the relevant CSDP, broker, custodian or nominee in the case of Uncertificated Investec Limited Shareholders and the SA Registrar (to the following email address: Maria.Gomes@Computershare.co.za) in the case of Investec Limited Shareholders that hold their Investec Limited Shares in Certificated Form.

Any US Investec Limited Shareholder that is not a QIB or does not deliver a US Investor Letter will be deemed to be an "**Excluded US Investec Limited Shareholder**" and shall be treated as set out under paragraph 11.1 above.

The Ninety One Limited Shares delivered to QIBs will be "restricted securities" within the meaning of Rule 144(a)(3) under the US Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 under the US Securities Act ("**Rule 144**") for resale of any Ninety One Limited Shares. For so long as the Ninety One Limited Shares are restricted securities, such Ninety One Limited Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only: (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; (ii) in accordance with Rule 144 (if available); (iii) in accordance with another applicable exemption from the registration requirements of the US Securities Act; or (iv) in an offshore transaction complying with the provisions of Regulation S under the US Securities Act (including, for the avoidance of doubt, a bona fide sale on the Johannesburg Stock Exchange), in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

The Ninety One Limited Shares have not been and will not be listed on a US securities exchange or quoted on any inter-dealer quotation system in the United States. Neither Investec nor Ninety One intends to take any action to facilitate a market in the Ninety One Limited Shares in the United States. Consequently, it is unlikely that an active trading market in the United States will develop for the Ninety One Limited Shares.

The Ninety One Limited Shares have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed comment upon, or endorsed the merit of, the Proposals or the accuracy or the adequacy of this announcement. Any representation to the contrary is a criminal offence in the United States.

US Investec Limited Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the SA Demerger in their particular circumstances.

Notice to CSDPs, brokers, custodians and nominees holding Investec Limited Shares on behalf of US Investec Limited Shareholders

Each US Investec Limited Shareholder that wishes to receive Ninety One Limited Shares will be required to execute a US Investor Letter in a form to be provided by (i) Investec to Strate for distribution by Strate to all CSDPs and (ii) the SA Registrar to all US Investec Limited Shareholders holding Investec Limited Shares in Certificated Form, and must deliver such letter by the SA Demerger Effective Time to Investec directly either by email to the following email address: Niki.VanWyk@investec.co.za, or by courier to Investec Limited, 100 Grayston Drive, Sandown, Sandton 2196, Republic of South Africa marked for the attention of Niki van Wyk (Company Secretary), with a copy to the relevant CSDP, broker, custodian or nominee (as applicable) in the case of Uncertificated Investec Limited Shareholders and the SA Registrar (to the following email address: Maria.Gomes@Computershare.co.za) in the case of Investec Limited Shareholders that hold their Investec Limited Shares in Certificated Form. Any US Investec Limited Shareholder that does not deliver a valid US Investor Letter will be deemed to be an Excluded US Investec Limited Shareholder.

12. TAXATION

Investec Ordinary Shareholders should read Part XIV of this document, which contains a general description of certain tax consequences of the Proposals for Investec Shareholders who are resident for tax purposes in the UK, the United States, South Africa, Namibia or Botswana, but all Investec Shareholders are advised to consult a professional adviser with regard to the tax consequences of the Proposals.

13. SETTLEMENT AND LISTINGS

Settlement of the issuance or distribution to which any Investec Ordinary Shareholder is entitled under the Demerger will be effected in the manner set out in Part XIII of this document, which forms part of this Explanatory Statement. That section sets out the way in which Investec Ordinary Shareholders will receive their Ninety One Shares (or beneficial entitlement to such shares), including fractional entitlements, and the way in which such Ninety One Shares will be traded and settled on the relevant stock exchange. As such, Part XIV of this document is important and requires your particular attention.

It is the responsibility of Investec Ordinary Shareholders to satisfy themselves as to the full observance of applicable laws and regulatory requirements, including the obtaining of any governmental, exchange control or other consents that may be required in order for them, their nominee, custodian or trustee, as relevant, to receive and hold the Ninety One Shares.

All documents, certificates, cheques or other communications sent by or to Investec Ordinary Shareholders, or as such persons shall direct, will be sent at the Investec Ordinary Shareholders' own risk and will be sent to a holder's address as set out on the Investec Register at the Demerger Record Time (or, in the case of joint holders, to the holder whose name stands first in the Investec Register in respect of the joint holding concerned).

14. MEETINGS

Implementation of the Proposals requires the passing of the Demerger Resolution by Investec Ordinary Shareholders and the Reduction Resolution by Investec Shareholders at the General Meetings and the approval by Investec plc Ordinary Shareholders of the Scheme at the Court Meeting.

Notices of the General Meetings and the Court Meeting are set out in Part XIX, Part XX and Part XXI, respectively, of this document.

(a) All Investec plc Ordinary Shareholders whose names appear on the Investec Register at the Voting Record Time will be entitled to attend and vote at the Investec plc General Meeting in respect of the number of Investec plc Ordinary Shares registered in their names at such time.

(b) All Investec Limited Ordinary Shareholders whose names appear on the Investec Register at the Voting Record Time will be entitled to attend and vote at the Investec Limited General Meeting in respect of the number of Investec Limited Ordinary Shares registered in their names at such time.

(c) All Investec plc Ordinary Shareholders whose names appear on the Investec Register at the Voting Record Time will be entitled to attend and vote at the Court Meeting in respect of the number of Investec plc Ordinary Shares registered in their names at such time;

(d) All Investec plc Preference Shareholders whose name appear on the Investec Register at the Voting Record Time will be entitled to attend and vote on the Reduction Resolution at the Investec plc General Meeting in respect of the number of Investec plc Preference Shares registered in their names at such time.

(e) All Investec Limited Preference Shareholders whose name appear on the Investec Register at the Voting Record Time will be entitled to attend and vote on the Reduction Resolution at the Investec Limited General Meeting in respect of the number of Investec Limited Preference Shares registered in their names at such time.

14.1 The Investec plc General Meeting

The Investec plc General Meeting has been convened for 10.30 a.m. (London time) on 10 February 2020 to consider and, if thought fit, pass the following resolutions:

(a) the Demerger Resolution, which approves the Proposals generally and specifically the Demerger, the Ninety One Share Sale and the Demerger Agreements; and

(b) the Reduction Resolution, which:

(i) approves the reduction of the share premium account of Investec plc by £855,926,402 and the repayment of such amount, which shall be satisfied by Investec plc transferring, or procuring the transfer of, such number of ordinary shares of £1.00 each in the capital of IAM UK as may be determined by the Directors, up to a maximum of 670,789, to Ninety One plc in consideration for the allotment and issue by Ninety One plc to the Investec plc Ordinary Shareholders at the Demerger Record Time of one Ninety One plc Share for every two Investec plc Ordinary Shares held by them;

(ii) approves the proposed Ninety One Reduction of Capital;

(iii) authorises the directors of Investec to take the necessary actions to carry the Scheme into effect; and

(iv) approves amendments to the Investec plc Articles in connection with paragraph (i) above.

The Reduction Resolution is proposed as a special resolution and requires votes in favour representing 75% or more of the votes cast by Investec Shareholders at the Investec plc General Meeting and the Investec Limited General Meeting in order to be passed. The Demerger Resolution will be proposed as an ordinary resolution and requires votes in favour representing more than 50% of the votes cast by Investec Ordinary Shareholders at the Investec plc General Meeting and the Investec Limited General Meeting in order to be passed.

Voting on the Resolutions at the Investec plc General Meeting will be by way of poll and not on a show of hands and each Investec plc Shareholder present in person or by proxy will be entitled to one vote for every Investec plc Share held.

All of the Resolutions at the Investec plc General Meeting are Investec Joint Electorate Actions (as described in paragraph 5 of Part VIII of this document) and, therefore, the results of the vote at the Investec plc General Meeting will be aggregated with the votes cast at the Investec Limited General Meeting to determine the result.

You will find the Notice of Investec plc General Meeting set out in Part XIX of this document. The quorum for the Investec plc General Meeting will be two or more Investec plc Shareholders present in person or by proxy. The Investec plc General Meeting will be held at 30 Gresham Street, London, EC2V 7QP, United Kingdom.

You are strongly urged to complete your blue or pink Form of Proxy for use at the Investec plc General Meeting or appoint a proxy as soon as possible and, in any event, by no later than 10.30 a.m. (London time) on 6 February 2020 (or, in the case of an adjourned meeting, not less than 48 hours, excluding any part of a day that is not a business day, prior to the time and date set for the adjourned meeting). If the blue or pink Form of Proxy for the Investec plc General Meeting is not returned by the above time, it may be handed to the Chairman of the Investec plc General Meeting or the UK Registrar at the Investec plc General Meeting at any time before the proxy exercises any rights of the shareholder at the Investec plc General Meeting. Detailed instructions on the actions to be taken are set out in paragraph 15 of Part IV of this document.

14.2 **The Investec Limited General Meeting**

The Investec Limited General Meeting has been convened for 10.30 a.m. (London time) on 10 February 2020 to consider and, if thought fit, pass the following resolutions:

(a) the Demerger Resolution, which approves the Proposals generally and specifically the Demerger, the Ninety One Share Sale and the Demerger Agreements; and

(b) the Reduction Resolution, which;

(i) approves the reduction of the share premium account of Investec plc by £855,926,402 and the repayment of such amount, which shall be satisfied by Investec plc transferring, or procuring the transfer of, such number of ordinary shares of £1.00 each in the capital of IAM UK as may be determined by the Directors, up to a maximum of 670,789, to Ninety One plc in consideration for the allotment and issue by Ninety One plc to the Investec plc Ordinary Shareholders at the Demerger Record Time of one Ninety One plc Share for every two Investec plc Ordinary Shares held by them;

(ii) approves the proposed Ninety One Reduction of Capital;

(iii) authorises directors of Investec to take the necessary actions to carry the Scheme into effect; and

(iv) approves amendments to the Investec plc Articles in connection with paragraph (i) above.

The Reduction Resolution requires votes in favour representing 75% or more of the votes cast at the Investec Limited General Meeting and the Investec plc General Meeting in order to be passed by Investec Shareholders. The Demerger Resolution will be proposed as an ordinary resolution and requires votes in favour representing more than 50% of the votes cast by Investec Ordinary Shareholders at the Investec Limited General Meeting and the Investec plc General Meeting in order to be passed. The approval sought by the Demerger Resolution is in accordance with the JSE Listings Requirements.

Voting on the Resolutions at the Investec Limited General Meeting will be by way of poll and not on a show of hands and each Investec Limited Shareholder present in person or by proxy will be entitled to one vote for every Investec Limited Share held.

All of the Resolutions at the Investec Limited General Meeting are Investec Joint Electorate Actions (as described in paragraph 5 of Part VIII of this document) and, therefore, the results of the vote at the Investec Limited General Meeting will be aggregated with the votes cast at the Investec plc General Meeting to determine the result.

You will find the Notice of the Investec Limited General Meeting set out in Part XX of this document. The quorum for the Investec Limited General Meeting will be two or more Investec Limited Shareholders present in person or by proxy. The General Meeting will be held at 100 Grayston Drive, Sandown, Sandton 2196, Republic of South Africa.

You are strongly urged to complete and return your green or yellow Form of Proxy for use at the Investec Limited General Meeting as soon as possible and in any event by no later than 10.30 a.m. (London time) on 6 February 2020 (or, in the case of an adjourned meeting, not less than 48 hours, excluding any part of a day that is not a business day, prior to the time and date set for the adjourned meeting). If the green or yellow Form of Proxy for the Investec Limited General Meeting is not returned by the above time, it may be handed to the Chairman of the Investec Limited General Meeting or the SA Registrar at the Investec Limited General Meeting at any time before the proxy exercises any rights of the shareholder at the Investec Limited General Meeting. Detailed instructions on the actions to be taken are set out in paragraph 15 of Part IV of this document.

14.3 **The Court Meeting**

The Court Meeting is being held pursuant to an order of the Court to seek the approval of Investec plc Ordinary Shareholders for the Scheme (with or without modification). Further information on the time and location of the Court Meeting is set out in Part I of this document.

At the Court Meeting, voting will be by way of poll and not on a show of hands and each Investec plc Ordinary Shareholder present, either in person or by proxy, will be entitled to one vote for each Investec plc Ordinary Share held. The Scheme must be approved by a majority in number of those Investec plc Ordinary Shareholders who are present and vote, either in person or by proxy, at the Court Meeting and who represent 75% or more in value of the Investec plc Ordinary Shares voted by such Investec plc Ordinary Shareholders. The result of the poll will be posted on Investec plc's website.

It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Investec plc Ordinary Shareholder opinion.

You will find the Notice of Court Meeting set out in Part XXI of this document. The quorum for the Court Meeting will be two or more Investec plc Ordinary Shareholders present in person or by proxy.

You are strongly urged to complete and return your white Form of Proxy for use at the Court Meeting as soon as possible and in any event by no later than 11.00 a.m. (London time) on 6 February 2020 for the Court Meeting (or, in the case of an adjourned meeting, not less than 48 hours, excluding any part of a day that is not a business day, prior to the time and date set for the adjourned meeting). If the white Form of Proxy for the Court Meeting is not returned by the above time, it may be handed to the chairman of the Court Meeting or the UK Registrar at the Court Meeting before the start of the Court Meeting. Detailed instructions on the actions to be taken are set out in paragraph 15 of this Part IV of this document.

15. **ACTION TO BE TAKEN**

The following documents are attached within or enclosed with this document:

(a) a blue Form of Proxy for use by Investec plc Ordinary Shareholders in connection with the Investec plc General Meeting;

(b) a green Form of Proxy for use by Investec Limited Ordinary Shareholders in connection with the Investec Limited General Meeting;

(c) a white Form of Proxy for use by Investec plc Ordinary Shareholders in connection with the Court Meeting;

(d) a pink Form of Proxy for use by Investec plc Preference Shareholders in connection with the Investec plc General Meeting; and

(e) a yellow Form of Proxy for use by Investec Limited Preference Shareholders in connection with the Investec Limited General Meeting.

Whether or not you intend to attend the General Meetings and/or the Court Meeting, you are requested to complete and sign the blue, the green, the white, the pink and/or the yellow Forms of Proxy (as applicable) and return them in accordance with the instructions printed on them and as set out in the notes to the Notice of General Meetings in Part XIX and Part XX, respectively, of this document, and in the Notice of Court Meeting in Part XXI of this document.

Completed Forms of Proxy should be returned to the Registrars at the applicable return address and CREST electronic proxy appointments should be made as soon as possible and, in any event, so as to be received by no later than 10.30 a.m. (London time) on 6 February 2020 for the General Meetings and by no later than 11.00 a.m. (London time) on 6 February 2020 for the Court Meeting (or, in the case of an adjourned meeting, not less than 48 hours, excluding any part of a day that is not a business day, prior to the time and date set for the adjourned meeting). If the relevant Form of Proxy is not returned by the above time, for the Court Meeting it may be handed to the Chairman of the Court Meeting or, for the Court Meeting or the Investec plc General Meeting, the UK Registrar or, for the Investec Limited Meeting, the SA Registrar, at the relevant Meeting at any time before the proxy exercises any rights of the shareholder at that Meeting.

Returning the blue, the green, the white, the pink and/or the yellow Forms of Proxy (as applicable) will enable your votes to be counted at the Meetings in your absence. If the relevant Form of Proxy is not returned by the above time, it may be handed to the Chairman of the relevant Meeting or the UK Registrar or SA Registrar, as applicable, at the relevant Meeting at any time before the proxy exercises any rights of the shareholder at that Meeting.

The completion and return of a Form of Proxy will not prevent you from attending and voting in person at the Court Meeting or the General Meetings or any adjournments thereof, if you so wish and are so entitled.

If you hold your Investec plc Shares in Uncertificated Form through CREST, you may appoint a proxy using the CREST voting service in accordance with the procedures set out in the CREST Manual (please also refer to the notes for the notices of the General Meetings and the Court Meeting (as applicable) set out in Part XX, Part XIX and Part XXI, respectively, of this document). Proxy appointments through CREST (under CREST participant 3RA50) must be received by the UK Registrar by no later than 10.30 a.m. (London time) on 6 February 2020 in the case of the General Meetings and by no later than 11.00 a.m. (London time) on 6 February 2020 2019 in the case of the Court Meeting (or, in the case of an adjourned meeting, not less than 48 hours (excluding any part of a day that is not a business day) prior to the time and date set for the adjourned meeting).

Investec Shareholders are entitled to appoint a proxy in respect of some or all of their Investec Shares. Investec Shareholders are also entitled to appoint more than one proxy, provided each proxy is appointed to exercise rights attached to different Investec Shares. A space has been included in the Forms of Proxy to allow Investec Shareholders entitled to attend and vote at the Court Meeting or the General Meetings (as applicable) to specify the number of Investec Shares in relation to which that proxy is appointed.

Investec Shareholders who wish to appoint more than one proxy in respect of their shareholding should complete a separate Form of Proxy for each proxy appointed. Such Investec Shareholders should read the information regarding the appointment of multiple proxies set out in Part II of this document and the related notes contained in the Forms of Proxy and contact the Registrar via the Helpline.

It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Investec plc Ordinary Shareholder opinion. You are therefore strongly urged to complete, sign and return your Forms of Proxy as soon as possible.

Notices convening the General Meetings and the Court Meeting are set out in Part XIX, Part XX and Part XXI, respectively, of this document.

16. **HELPLINE**

If you have any questions relating to this document or the completion and return of the Forms of Proxy or other documentation provided to you with this document, please contact the Registrar of the share register on which your Investec Shares are held using the following contact details:

- UK – Computershare (as UK Registrar) on telephone number: 0370 707 1077 (if calling from the UK) or +44 370 707 1077 (from overseas)
- South Africa – Computershare (as SA Registrar) on telephone number: 011 370 5000 (if calling from South Africa) or +27 11 370 5000 (if calling from overseas)

Lines are open Monday to Friday from 8.30 a.m. to 5.30 p.m. (London time) for the UK Registrar and from 8.00 a.m. to 4.30 p.m. (local time) for the SA Registrar, except on public holidays. Please note that, for legal reasons, the helpline cannot provide advice on the merits of the Proposals or give any legal, tax or financial advice. Calls to +44 370 707 1077 from outside the UK or to +27 11 370 5000 from outside South Africa will be charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and randomly monitored for security and training purposes.

Additional information

Your attention is drawn to the letter from the chairman of Investec set out in Part I of this document and to the terms of the Scheme which are set out in full in Part XV of this document. Your attention is also drawn to the further information contained in this document which forms part of this Explanatory Statement. An electronic version of this document is available to Investec Shareholders, subject to applicable securities laws, at www.investec.com/demerger.

Yours sincerely

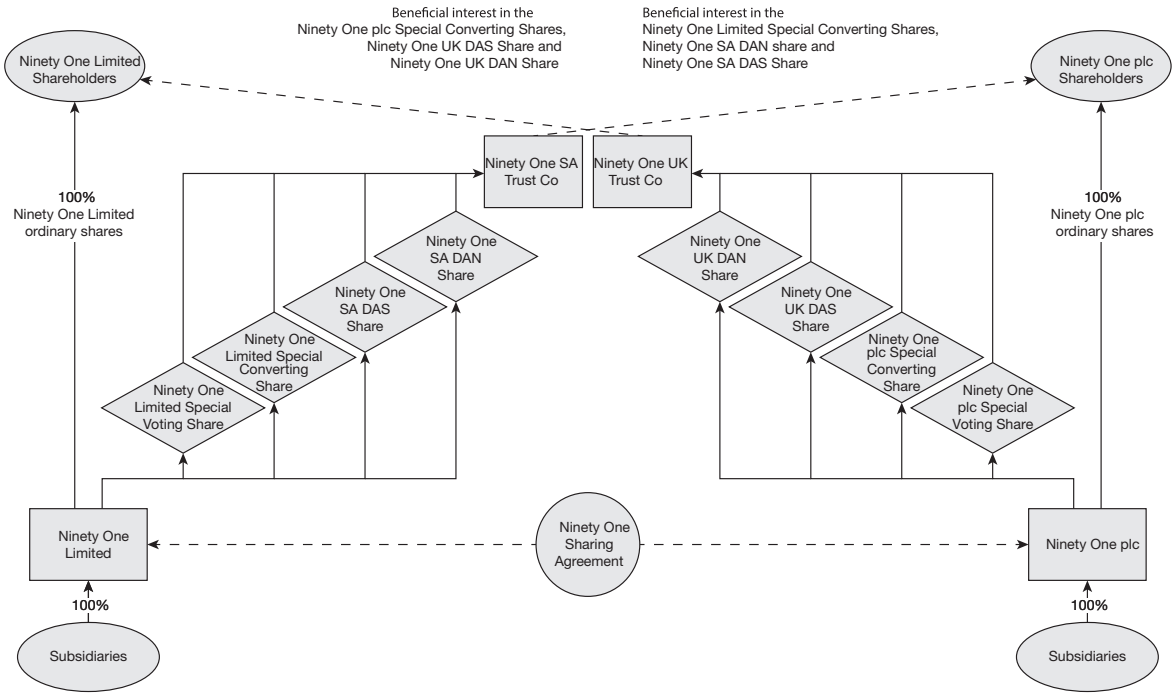
J.P. Morgan Cazenove **Fenchurch Advisory**

DETAILS OF THE NINETY ONE DLC STRUCTURE

A summary of the Ninety One DLC Structure, as it will exist and operate following establishment of the structure, and the Ninety One DLC Agreements, is set out in this Part V.

1. ILLUSTRATION OF THE NINETY ONE DLC STRUCTURE

The following is a simplified illustration of the Ninety One DLC Structure:



2. KEY FEATURES OF THE NINETY ONE DLC STRUCTURE

2.1 Separate entities and listings

Ninety One plc and Ninety One Limited will have separate corporate identities and separate stock exchange listings.

Following Admission, Ninety One plc will be eligible for inclusion in the FTSE indices. In South Africa it is expected that Ninety One plc and Ninety One Limited will be considered together, as a single enterprise, for the purposes of index inclusion.

2.2 Holdings of ordinary shares in Ninety One plc and Ninety One Limited

Following implementation of the Ninety One DLC Structure, any ordinary share held in either Ninety One plc or Ninety One Limited gives the holder an equivalent effective economic interest in the Ninety One Group.

2.3 Unified boards and management

Ninety One will operate as a single corporate group. As Ninety One plc and Ninety One Limited will be separate corporate entities, they will each continue to have a board of directors, but the Ninety One plc Board and Ninety One Limited Board will be comprised of the same persons. The Ninety One plc Board and the Ninety One Limited Board will, in addition to their duties to the respective companies, have regard to the interests of both the Ninety One plc Shareholders and the Ninety One Limited Shareholders as if the two companies were a single economic enterprise.

Details of the proposed membership of the Ninety One Boards are set out in paragraph 7 of Section B of Part VII of this document.

2.4 Equivalent economic interests

Both Ninety One plc Shareholders and Ninety One Limited Shareholders will have equivalent economic and voting interests in Ninety One. The economic and voting interests represented by an ordinary share in one company relative to the economic and voting interests of an ordinary share in the other company will be determined by reference to a ratio known as the "**Ninety One Equalisation Ratio**".

Following the Demerger, the economic and voting interests attached to each Ninety One plc Share and each Ninety One Limited Share are the same, on the basis that the initial Ninety One Equalisation Ratio is 1:1.

This means, for example, that the amount of any cash dividend paid in respect of each Ninety One plc Share will normally be matched by an equivalent cash dividend in respect of each Ninety One Limited Share, and vice versa. To facilitate such matching dividends being paid, Ninety One plc and Ninety One Limited will each issue Ninety One Dividend Access Shares to Ninety One UK Trust Co and Ninety One SA Trust Co, respectively.

For further information in relation to equalisation, and the payment of dividends, see paragraphs 5 and 6 of this Part V.

2.5 Voting arrangements

Under the terms of the Ninety One DLC Agreements, the Ninety One plc Articles and the Ninety One Limited MoI, special voting arrangements are in place so that the ordinary shareholders of both companies effectively vote together as a single decision-making body on matters affecting the shareholders of each company in similar ways ("**Ninety One Joint Electorate Actions**", which are described in paragraph 7.2 of this Part V). For so long as the Ninety One Equalisation Ratio remains 1:1, each Ninety One plc Share will effectively have the same voting rights as each Ninety One Limited Share on Ninety One Joint Electorate Actions.

In the case of certain actions in relation to which the two bodies of Ninety One Shareholders may have divergent interests ("**Ninety One Class Rights Actions**" which are described in paragraph 7.3 of this Part V), the company wishing to carry out the Ninety One Class Rights Action would require the prior approval of the Ninety One Shareholders in the other company voting separately and the approval of its own Ninety One Shareholders voting separately.

These voting arrangements will be secured through the constitutional documents of the two companies, the Ninety One Sharing Agreement, the Ninety One Voting Agreement and the rights attaching to the specially created special voting shares ("**Ninety One Special Voting Shares**") issued by Ninety One plc and Ninety One Limited, respectively, and held, in each case, by the relevant Ninety One Trust Company.

For more information about the voting arrangements, see paragraph 7 of this Part V.

2.6 Restrictions on takeovers of one company only

The Ninety One plc Articles and the Ninety One Limited MoI ensure that a person cannot gain control of one company without having made an offer to the shareholders of the other company on equivalent terms.

Further details in relation to these provisions are set out in paragraph 11 of this Part V.

2.7 Termination

On termination of the Ninety One DLC Structure (for whatever reason), it will be necessary to ensure the structure is unwound so that, immediately following termination of the Ninety One DLC Structure, the economic interest of a holder of one Ninety One plc Share relative to the economic interest of a holder of one Ninety One Limited Share is in proportion to the Ninety One Equalisation Ratio at the moment of termination of the Ninety One DLC Structure.

To ensure that this is the case, each of Ninety One plc and Ninety One Limited will issue to Ninety One UK Trust Co and Ninety One SA Trust Co, respectively, a new class of special converting shares

("**Ninety One Special Converting Shares**"). Prior to termination of the Ninety One DLC Structure, the Ninety One Special Converting Shares will have only limited rights. The Ninety One Special Converting Shares issued by Ninety One plc will be held on trust for the Ninety One Shareholders in Ninety One Limited, and vice versa. Following termination of the Ninety One DLC structure (and save for in specific circumstances set out in the Ninety One Sharing Agreement), the Ninety One Special Converting Shares will be redesignated as ordinary shares in the relevant company, with the same rights as the existing ordinary shares in that company, and the Ninety One Shareholders that are the beneficiaries of the trust arrangements, with certain exceptions, will be entitled to have the converted shares transferred to them.

Further details on termination of the Ninety One DLC Structure, and the Ninety One Special Converting Shares and the transfer thereof, are set out in paragraph 13 of this Part V.

2.8 The Ninety One Trust Companies

As set out above, Ninety One UK Trust Co holds the Ninety One plc Special Voting Share, the Ninety One plc Special Converting Shares, the Ninety One UK DAN Share and the Ninety One UK DAS Share; and Ninety One SA Trust Co holds the Ninety One Limited Special Voting Share, the Ninety One Limited Special Converting Shares, the Ninety One SA DAN Share and the Ninety One SA DAS Share. Further details of the Ninety One UK DAN Share, the Ninety One UK DAS Share, the Ninety One SA DAN Share and the Ninety One SA DAS Share are set out in paragraph 6.4 of this Part V.

Ninety One SA Trust Co holds the Ninety One SA DAN Share and the Ninety One SA DAS Share on trust for the benefit of the non-South African resident Ninety One plc Shareholders and the South African resident Ninety One plc Shareholders, respectively. The Ninety One Limited Special Converting Shares are also held on trust for the Ninety One plc Shareholders.

Ninety One UK Trust Co holds the Ninety One UK DAN Share and the Ninety One UK DAS Share on trust for the benefit of the non-South African resident Ninety One Limited Shareholders and the South African resident Ninety One Limited Shareholders, respectively. The Ninety One plc Special Converting Shares are also held on trust for the Ninety One Limited Shareholders.

Ninety One UK Trust Co also holds a "special rights share" in Ninety One plc and Ninety One SA Trust Co holds a "special rights share" in Ninety One Limited. The purpose of these shares, which carry limited other rights, is to facilitate the issue to the relevant Ninety One Trust Company of Ninety One plc Special Converting Shares or Ninety One Limited Special Converting Shares, as applicable, including in the event of any such Ninety One Special Converting Shares being required to be issued in the future in order to ensure the Ninety One plc Equivalent Number or the Ninety One Limited Equivalent Number, as the case may be, is in issue, and to facilitate the issue of the Ninety One Dividend Access Shares. Further details in relation to the Ninety One Special Rights Shares are set out in paragraph 6.6 of this Part V.

The rights and obligations of the Ninety One Trust Companies in relation to these shares are set out in the Ninety One DLC Agreements (see paragraph 9 of this Part V), the Ninety One plc Articles and the Ninety One Limited MoI (see paragraph 8 of this of this Part V).

Ninety One UK Trust Co will be incorporated in England and Wales and Ninety One SA Trust Co will be incorporated in South Africa. The shares in the Ninety One Trust Companies will be held by the Trust Corporation.

The Trust Corporation will have responsibility for the administration of the Ninety One Trust Companies pursuant to the Ninety One Administration Agreement (which is summarised in paragraph 10 of this Part V).

3. NINETY ONE DLC STRUCTURE PRINCIPLES

The Ninety One Sharing Agreement provides that the relationship between Ninety One plc and Ninety One Limited will be underpinned by the Ninety One DLC Structure Principles which are as follows:

(a) the Ninety One plc group and the Ninety One Limited group must operate as if they were a single corporate group, with Ninety One plc and Ninety One Limited having boards of directors comprised of the same individuals;

(b) the directors of Ninety One plc and Ninety One Limited will, in addition to their duties to the company concerned, have regard to the interests of Ninety One plc Shareholders and Ninety One Limited Shareholders as if the two companies were a single unified economic enterprise and, for that purpose, the directors of each company will take into account, in the exercise of their powers, the interests of the Ninety One Shareholders of the other company; and

(c) the Ninety One DLC Equalisation Principles (see paragraph 5 of this Part V) must be observed.

In the Ninety One Sharing Agreement, Ninety One plc and Ninety One Limited agree, subject to applicable regulation (including the FinSurv conditions set out in paragraph 14 of this Part V), to pursue the Ninety One DLC Structure Principles.

4. NINETY ONE MANAGEMENT

Each of Ninety One plc and Ninety One Limited has a board of directors and each board comprises the same individuals.

4.1 Board meetings

The Ninety One plc Board and the Ninety One Limited Board will hold regularly scheduled meetings each year. Board meetings will generally be combined meetings of the Ninety One plc Board and the Ninety One Limited Board. Meetings of either the Ninety One plc Board or the Ninety One Limited Board on a stand-alone basis to discuss matters relating specifically to the business of either Ninety One plc or Ninety One Limited (as the case may be) will be held from time to time as required. It is expected that the two companies will be managed such that Ninety One plc is resident in the United Kingdom and Ninety One Limited is resident in South Africa. This will impact the location of board meetings.

Resolutions of the Ninety One plc Board and/or the Ninety One Limited Board may, provided that the Ninety One Directors consider that it is consistent with preserving the tax residence status of each of Ninety One plc and Ninety One Limited, be effected by way of written resolution of the Ninety One Directors.

4.2 Board responsibility

The Ninety One plc Board and the Ninety One Limited Board will, respectively, pursue the Ninety One DLC Structure Principles (see paragraph 3 of this Part V).

Meetings which comprise meetings of both the Ninety One plc Board and the Ninety One Limited Board, or (where the Ninety One Directors consider it necessary in order to preserve the tax residence status of Ninety One plc and Ninety One Limited) separate meetings of the Ninety One plc Board and the Ninety One Limited Board at which matters which do not relate specifically to the business of the company concerned are discussed, will consider the overall direction of the businesses of the Ninety One Group including major policy and strategic decisions of the Ninety One Group. For example, the following types of matters which would affect Ninety One will be considered at such meetings:

(a) setting overall strategy and direction of the businesses;

(b) taking decisions on integrating or separating major businesses on a global scale;

(c) approving acquisitions and disposals and debt financing;

(d) declaring dividends; and

(e) approving the Ninety One Group accounts and appointing and removing the auditors of the Ninety One Group.

Where, in the circumstances described above, separate meetings of the Ninety One plc Board and the Ninety One Limited Board consider the overall direction of the business of the Ninety One Group, the Ninety One Directors present at each of such meetings will take decisions acting only in the capacity as Ninety One Directors of the relevant Ninety One Board, although, consistent with the Ninety One DLC Structure Principles, in taking such decisions they will have regard to the interests of the Ninety One Shareholders as a whole. For practical reasons, having regard to the different locations of such separate meetings, at each such meeting the individual Ninety One Directors present may not in all respects be identical, although the Ninety One Directors do not believe that this would result in any departure from the application of the Ninety One DLC Structure Principles.

Meetings which comprise meetings of either the Ninety One plc Board only or the Ninety One Limited Board only will (in addition to the circumstances where such separate meetings are required to be held, as described in paragraph 4.1 of this Part V) be responsible amongst other things for taking decisions regarding corporate and administrative functions relating exclusively to that company.

4.3 Board members

The composition of the Ninety One plc Board and the Ninety One Limited Board following implementation of the Ninety One DLC Structure is set out in paragraph 7 of Section B of Part VII of this document.

5. EQUALISATION OF VOTING AND ECONOMIC RIGHTS

5.1 Ninety One DLC Equalisation Principles

The principles to be observed in relation to the rights of the Ninety One plc Shares and the Ninety One Limited Shares are set out below:

(a) The Ninety One Equalisation Ratio will define the economic benefits of one Ninety One plc Share relative to one Ninety One Limited Share (and vice versa) and the relative voting rights of one Ninety One plc Share and one Ninety One Limited Share on Ninety One Joint Electorate Actions so that:

(i) where the Ninety One Equalisation Ratio is 1:1, a holder of one Ninety One plc Share and a holder of one Ninety One Limited Share will, as far as practicable:

(A) receive equivalent economic benefit (as to capital and dividends);

(B) enjoy equivalent rights as to voting in relation to Ninety One Joint Electorate Actions; and

(ii) where the Ninety One Equalisation Ratio is not 1:1, such economic benefits and such voting rights as between a Ninety One plc Share and a Ninety One Limited Share will be in proportion to the prevailing Ninety One Equalisation Ratio.

For the purposes of the Ninety One DLC Equalisation Principles, the economic benefit of a Ninety One plc Share or a Ninety One Limited Share will include any rights or benefits accruing to the Ninety One Shareholders by way of payments made or other actions taken in respect of the Ninety One Dividend Access Shares, being any distribution or any action affecting the amount or nature of or economic benefit derived from issued equity share capital, including any cash dividend, distribution *in specie*, offer by way of rights, bonus issue or capitalisation issue, repayment or reduction of capital, sub-division or consolidation, share buy-back or amendment of the rights of any shares or a series of one or more of such actions, but excluding any change in the Ninety One Equalisation Ratio (a "**Ninety One Action**").

(b) If Ninety One plc or Ninety One Limited undertakes a Ninety One Action which, having regard to the prevailing Ninety One Equalisation Ratio, would have a disproportionate economic effect on the holders of ordinary shares in one company relative to its effect on the holders of ordinary shares in the other company, then, subject to paragraphs 5.2 and 5.3 of this Part V, an appropriate adjustment to the Ninety One Equalisation Ratio will be made unless:

(i) a matching action, being, in relation to a Ninety One Action in respect of either of Ninety One plc Shareholders or Ninety One Limited Shareholders (the "**Ninety One Initial Action**"), a Ninety One Action in respect of the Ninety One Shareholders in the other company in relation to which the Ninety One plc Board and the Ninety One Limited Board resolve that it has, as far as is practicable, an economic effect on the Ninety One Shareholders of such other company equivalent, but not necessarily identical, to the economic effect of the Ninety One Initial Action on the Ninety One Shareholders of the company undertaking the Ninety One Initial Action (a "**Ninety One Matching Action**") that has been or is to be undertaken; or

(ii) such Ninety One Action has received approval as a Ninety One Class Rights Action.

(c) The Ninety One plc Equivalent Number of Ninety One plc Special Converting Shares will at all times be in issue and the Ninety One Limited Equivalent Number of Ninety One Limited Special Converting Shares will at all times be in issue.

5.2 **Ninety One Actions which do not have a disproportionate economic effect**

The following Ninety One Actions will not be considered to have a disproportionate economic effect on the Ninety One Shareholders in one company relative to its effect on the shareholders in the other company:

(a) any allotment and issue of shares or the granting of rights over shares by either Ninety One plc or Ninety One Limited at a price not less than the prevailing market value on the date of grant, pursuant to any employee share scheme;

(b) any allotment and issue of shares in either Ninety One plc or Ninety One Limited which is not an issue on a pre-emptive basis;

(c) any buy-back, repurchase or redemption of any ordinary shares of either company (including a share cancellation in connection with a reduction of capital):

(i) on market in compliance with the rules of the relevant stock exchange and listing rules; or

(ii) at or below market value; and

(iii) pursuant to a general offer to shareholders in both Ninety One plc and Ninety One Limited which (applying the Ninety One Equalisation Ratio) is made on equivalent terms;

(d) any allotment and issue of shares *in lieu* of the payment of the whole or any part of a cash dividend where (on a per ordinary share basis) the quantum of the discount offered to the Ninety One Shareholders in respect of the subscription price for further ordinary shares in the issuing company is less than the greater of (x) 5% of the market value of an ordinary share of the issuing company at the date of declaration of the relevant dividend and (y) the tax that would be saved by the issuing company by effecting such issue rather than paying a cash dividend;

(e) arrangements entered into by Ninety One plc or Ninety One Limited for the purchase of Ninety One Shares under a dividend re-investment plan, the costs of which will be borne by the shareholder; and

(f) any suspension or curtailment of the dividend, voting or other rights of any shareholder of Ninety One plc and/or Ninety One Limited pursuant to any provision of the Ninety One plc Articles or Ninety One Limited MoI.

5.3 **Ninety One Unadjusted Actions**

In addition to the above, there is no requirement for an adjustment to the Ninety One Equalisation Ratio, a Ninety One Matching Action or approval as a Ninety One Class Rights Action where a Ninety One Action (a "**Ninety One Unadjusted Action**") is taken in circumstances where the Ninety One Boards consider that the effect of such Ninety One Action upon a Ninety One plc Shareholder relative to its effect on a Ninety One Limited Shareholder is not material. For this purpose, an effect is taken to be "not material" if:

(a) the costs to Ninety One plc and Ninety One Limited of taking a Ninety One Matching Action or seeking approval as a Ninety One Class Rights Action would be, in the opinion of the Ninety One Boards, disproportionate to the economic benefit conferred by such Ninety One Action upon the Ninety One plc Shareholders or Ninety One Limited Shareholders (as the case may be) for whose benefit a Ninety One Matching Action would otherwise (in the absence of an adjustment to the Ninety One Equalisation Ratio or approval as a Ninety One Class Rights Action) be required; and

(b) the adjustment that would be required to be made to the Ninety One Equalisation Ratio would result in an adjustment to the relevant element of the Ninety One Equalisation Ratio of less than 0.5%.

However, in considering the application of the Ninety One DLC Equalisation Principles to any subsequent Ninety One Actions, the Ninety One plc Board and the Ninety One Limited Board will take into account the effect of all prior Ninety One Unadjusted Actions in deciding whether a Ninety One Matching Action, an adjustment to the Ninety One Equalisation Ratio or approval as a Ninety One Class Rights Action is appropriate.

5.4 **Tax, exchange rates and market fluctuations**

In relation to any Ninety One Action, when calculating any economic effect on Ninety One Limited Shareholders or Ninety One plc Shareholders:

(a) any tax payable by or on behalf of, or tax benefit arising to, such Ninety One Shareholders will be disregarded; and

(b) in relation to any cash dividend, the amount of such dividend will be calculated before the deduction of any withholding taxes (and paid net of any such withholding taxes) and no account will be taken of any obligation on the company making such distribution to pay any tax in relation to such distributions (such tax being payable in addition to the dividend).

The Ninety One plc Board and the Ninety One Limited Board will not be required to take into account any fluctuations in exchange rates or in the market value of any securities or any other changes in circumstances arising after the date on which they make a determination as to the form and value of any Ninety One Matching Action or the calculation of any adjustment to the Ninety One Equalisation Ratio.

5.5 **Timing of Ninety One Action and Ninety One Matching Action**

A Ninety One Matching Action will be implemented as soon as practicable after or, if possible, simultaneously with the Ninety One Action giving rise thereto.

5.6 **Applicable regulation**

Ninety One plc and Ninety One Limited must not take any Ninety One Action which would cause any Ninety One entity to be in breach of any applicable regulation.

5.7 **Suspension of rights**

There will be no need to make any adjustment to the Ninety One Equalisation Ratio or to do or omit to do any other thing as a result of the dividend, voting or other rights of any Ninety One Shareholder being suspended or curtailed pursuant to any provision of the Ninety One plc Articles or the Ninety One Limited MoI.

6. CASH DIVIDENDS

6.1 **Currency**

Ninety One plc will declare and pay its dividends and other distributions in pounds sterling. Ninety One plc Shareholders will receive dividends in pounds sterling. Ninety One Limited will declare and pay its dividends and other distributions in Rand. If Ninety One plc is to pay a dividend to the Ninety One Limited Shareholders via its Ninety One Dividend Access Shares, the Ninety One Limited Shareholders will be paid such dividend in Rand, and if Ninety One Limited is to pay a dividend to the Ninety One plc Shareholders via its Ninety One Dividend Access Shares, the Ninety One plc Shareholders will be paid such dividend in pounds sterling as appropriate.

6.2 **Ninety One matching dividends**

If it is proposed that the Ninety One Shareholders of one company should receive a cash dividend, then (subject to paragraph 6.3 of this Part V) the Ninety One Shareholders of the other company must receive, as nearly as practicable to the same time, a matching cash dividend (a "**Ninety One Matching Dividend**") of an equivalent cash amount per Ninety One Share having regard to the then prevailing Ninety One Equalisation Ratio and the applicable exchange rate. The applicable exchange rate used in applying the Ninety One Equalisation Ratio will be the average of the ZAR/GBP buying and selling spot rates quoted by Bloomberg at 11.00 a.m. (South African time) on the date on which a dividend is declared by the later of Ninety One plc and Ninety One Limited to do so. The Ninety One Boards have the power to agree a different basis for the exchange rate.

To effect the payment of Ninety One Matching Dividends, Ninety One plc and Ninety One Limited will make payments on either their ordinary shares or their Ninety One Dividend Access Shares or both. To enable payments to be made on their respective ordinary shares and Ninety One Dividend Access Shares, Ninety One plc and Ninety One Limited will be entitled to enter into such transactions with each other or third parties as the Ninety One Boards agree to be necessary or desirable and/or to arrange for payments to be made on the Ninety One Equalisation Shares (if issued).

For further information in relation to Ninety One Dividend Access Shares, see paragraph 6.4 of this Part V, and for further information on the Ninety One Equalisation Shares, see paragraph 6.5 of this Part V.

The payment of Ninety One Matching Dividends will not restrict either company's ability to offer to its Ninety One Shareholders the ability to elect to subscribe for further shares of such company *in lieu* of the whole or any part of a cash dividend.

6.3 No matching dividend to be paid

If Ninety One plc or Ninety One Limited is prohibited by applicable regulation or is otherwise unable to declare, pay or otherwise make all or any portion of such a Ninety One Matching Dividend or the directors of Ninety One plc and Ninety One Limited decide that it is not practicable or desirable to declare or pay a Ninety One Matching Dividend, then Ninety One plc and Ninety One Limited will, so far as it is practicable to do so, take some other form of Ninety One Matching Action and the Ninety One DLC Equalisation Principles will apply.

6.4 Ninety One Dividend Access Shares

To facilitate the payment of Ninety One Matching Dividends, dividend access trust arrangements will be established as part of the Ninety One DLC Structure.

Ninety One plc will issue two Ninety One Dividend Access Shares, the Ninety One UK DAS Share and the Ninety One UK DAN Share to Ninety One UK Trust Co. Ninety One UK Trust Co will hold the Ninety One UK DAS Share and the Ninety One UK DAN Share separately on trust for the benefit of the South African resident Ninety One Limited Shareholders and the non-South African resident Ninety One Limited Shareholders, respectively. Ninety One plc will undertake, on behalf of Ninety One UK Trust Co, the distribution of any dividend payments, made by Ninety One plc, to such Ninety One Shareholders.

Similarly, Ninety One Limited will issue two Ninety One Dividend Access Shares, the Ninety One SA DAS Share and the Ninety One SA DAN Share to Ninety One SA Trust Co. Ninety One SA Trust Co holds the Ninety One SA DAS Share and the Ninety One SA DAN Share separately on trust for the benefit of the South African resident Ninety One plc Shareholders and the non-South African resident Ninety One plc Shareholders, respectively. Ninety One Limited will undertake, on behalf of Ninety One SA Trust Co, the distribution of any dividend payments, made by Ninety One Limited, to such Ninety One Shareholders.

The Ninety One Dividend Access Shares enable, therefore, each company to pay dividends to the Ninety One Shareholders in the other company. For example, in respect of any dividend declared or announced by the companies, a South African resident Ninety One plc Shareholder may receive part of his or her dividend entitlement via a payment made on his or her Ninety One plc Shares and the remainder via a payment on the Ninety One SA DAS Share. This facility may be used by the Ninety One Boards to address imbalances in the distributable reserves of Ninety One and/or to address the effect of South African exchange controls and/or if they otherwise consider it necessary or desirable.

6.5 Ninety One Equalisation Shares

The Ninety One Sharing Agreement provides that a share (a "**Ninety One Equalisation Share**") may be allotted and issued by a member of each company's group to a member of the other company's group. Distributions may be made on these Ninety One Equalisation Shares if the Ninety One Boards consider it necessary or desirable, which may include a distribution to enable the payment of Ninety One Matching Dividends. There is no current intention to issue such shares.

6.6 Ninety One Special Rights Shares

To facilitate the issue of Ninety One plc Special Converting Shares following the Demerger, Ninety One plc will issue the Ninety One plc Special Rights Share to Ninety One UK Trust Co. The Ninety One plc Special Rights Share will not have any rights to vote, except on a resolution either to vary the rights attached to such share or on a winding-up of Ninety One plc, nor any right to receive any dividend or other distribution by Ninety One plc. The Ninety One Directors may, however, capitalise any sum standing to the credit of any of Ninety One plc's reserve accounts or any sum standing to the credit of the profit and loss account in circumstances where any such sum is appropriated to the

holder of the Ninety One plc Special Rights Share and applied on behalf of such holder in or toward paying up in full unissued Ninety One plc Special Converting Shares if the issue of such Ninety One plc Special Converting Shares to the holder of the Ninety One plc Special Rights Share is necessary and expedient in order to maintain the Ninety One plc Equivalent Number.

To facilitate the issue of the Ninety One Limited Special Converting Shares, the SA DAN Share, the SA DAS Share and the Ninety One Limited Special Voting Share, Ninety One Limited will issue the Ninety One Limited Special Rights Share to Ninety One SA Trust Co. The Ninety One Limited Special Rights Share will not have any rights to vote, except on a resolution either to vary the rights attached to such share or on a winding-up of Ninety One Limited, nor any right to receive any dividend or other distribution by Ninety One Limited. The Ninety One Directors may, however, capitalise any sum standing to the credit of any of Ninety One Limited's reserve accounts or any sum standing to the credit of the profit and loss account in circumstances where any such sum is appropriated to the holder of the Ninety One Limited Special Rights Share and applied on behalf of such holder in or toward paying up in full:

(a) unissued Ninety One Limited Special Converting Shares if the issue of such Ninety One Limited Special Converting Shares to the holder of the Ninety One Limited Special Rights Share is necessary and expedient in order to maintain the Ninety One Limited Equivalent Number; and/or

(b) the Ninety One SA DAS Share and the Ninety One SA DAN Share.

7. SHAREHOLDER VOTING RIGHTS

7.1 Categories of shareholder decisions

There will be four categories of matters or actions requiring Ninety One Shareholder decisions:

(a) Ninety One Joint Electorate Actions (described in paragraph 7.2 of this Part V);

(b) Ninety One Class Rights Actions (described in paragraph 7.3 of this Part V);

(c) other actions: any action which is neither a Ninety One Class Rights Action nor a Ninety One Joint Electorate Action, but which, under applicable regulation, or under the Ninety One plc Articles or the Ninety One Limited MoI, requires Ninety One Shareholder approval. Such actions require only the approval of the Ninety One Shareholders of the company proposing to take the relevant action, unless the Ninety One Boards decide that such action should be treated as a Ninety One Joint Electorate Action or Ninety One Class Rights Action; and

(d) procedural resolutions: procedural resolutions, where considered at a Ninety One Shareholders' meeting at which the holder of the Ninety One plc Special Voting Share and/or the holder of the Ninety One Limited Special Voting Share is entitled to vote, may be voted on by the relevant holder either in person in accordance with the directions of the chair of the meeting or by proxy given to the chair of the meeting, who will cast such votes as he or she thinks fit.

7.2 Ninety One Joint Electorate Actions

The Ninety One plc Shareholders and the Ninety One Limited Shareholders will vote together as a joint electorate on matters affecting them in similar ways ("**Ninety One Joint Electorate Actions**"). The special voting procedure in respect of Ninety One Joint Electorate Actions is described below.

7.2.1 Matters which require approval as Ninety One Joint Electorate Actions

Matters which will require approval as a Ninety One Joint Electorate Action are as follows:

(a) the appointment, removal or re-election of any director of Ninety One plc or of Ninety One Limited, or both of them;

(b) the receipt or adoption of the annual accounts of Ninety One plc or of Ninety One Limited, or both of them, or accounts prepared on a combined basis;

(c) a change of name by Ninety One plc or Ninety One Limited, or both of them;

(d) the appointment or removal of the auditors of Ninety One plc or of Ninety One Limited, or both of them;

(e) any proposed acquisition, disposal or other transaction of the kinds referred to in the JSE Listings Requirements or the UK Listing Rules which (in any case) is required under those regulations to be authorised by holders of ordinary shares in either company;

(f) any matter considered at an annual general meeting of Ninety One plc or Ninety One Limited (or at a general meeting convened on the same day as an annual general meeting); and

(g) any other matter which the Ninety One Boards decide (either in a particular case or generally) should be approved as a Ninety One Joint Electorate Action.

7.2.2 **Voting procedures for Ninety One Joint Electorate Actions**

Ninety One Joint Electorate Actions must be submitted to both the Ninety One plc Shareholders and the Ninety One Limited Shareholders for approval at separate meetings but acting as a joint electorate. Parallel Ninety One Shareholders' meetings will be held on the same date or as close together in time as practicable.

Procedure for Ninety One Joint Electorate Actions

The Ninety One plc meeting

- At the Ninety One plc Shareholders' meeting, voting will be on a poll which will (as regards the Ninety One plc Special Voting Share) remain open for sufficient time to allow the parallel Ninety One Limited Shareholders' meeting to be held and for the votes attaching to the Ninety One plc Special Voting Share to be ascertained and cast on the poll.

On the poll:

- each fully paid Ninety One plc ordinary share (other than those that are subject to voting restrictions in respect of the relevant resolution) will have one vote; and
- Ninety One UK Trust Co, as holder of the Ninety One plc Special Voting Share, will cast (if the Ninety One Equalisation Ratio is 1:1) the same number of votes as were validly cast for and against the equivalent resolution at the parallel Ninety One Limited Shareholders' meeting, (rounded up, if necessary to the nearest whole number).
- Under the Ninety One Voting Agreement, Ninety One UK Trust Co will be obliged to cast these votes for and against the relevant resolution in accordance with the votes cast for and against the equivalent resolution by Ninety One Limited ordinary shareholders on the poll at the parallel Ninety One Limited Shareholders' meeting.

The Ninety One Limited meeting

- At the corresponding Ninety One Limited Shareholders' meeting, voting will be on a poll which will (as regards the Ninety One Limited Special Voting Share) remain open for sufficient time to allow the parallel Ninety One plc Shareholders' meeting to be held and for the Ninety One Limited Special Voting Share votes to be ascertained and cast on the poll.

On the poll:

- each Ninety One Limited ordinary share (other than those that are subject to voting restrictions in respect of the relevant resolution) will have one vote; and
- Ninety One SA Trust Co, as holder of the Ninety One Limited Special Voting Share, will cast (if the Ninety One Equalisation Ratio is 1:1) the same number of votes as were validly cast for and against the equivalent resolution at the parallel Ninety One plc Shareholders' meeting (rounded up, if necessary, to the nearest whole number).
- Under the Ninety One Voting Agreement, Ninety One SA Trust Co will be obliged to cast these votes for and against the relevant resolution in accordance with the votes cast for and against the equivalent resolution by Ninety One plc ordinary shareholders on the poll at the parallel Ninety One plc Shareholders' meeting.

- Through this mechanism, the votes of the Ninety One Limited ordinary shareholders at the Ninety One Limited Shareholders' meeting will be reflected at the Ninety One plc meeting by Ninety One UK Trust Co casting the votes on the Ninety One plc Special Voting Share precisely to reflect voting at the parallel Ninety One Limited Shareholders' meeting.
- Through this mechanism, the votes of the Ninety One plc ordinary shareholders at the Ninety One plc Shareholders' meeting will be reflected at the Ninety One Limited Shareholders' meeting by Ninety One SA Trust Co casting the votes on the Ninety One Limited Special Voting Share precisely to reflect voting at the parallel Ninety One plc Shareholders' meeting.

The results of the Ninety One Joint Electorate Action will be announced after both polls have closed.

If the Ninety One Equalisation Ratio at any stage ceases to be 1:1, the number of Ninety One Limited Special Converting Shares allotted and issued and the number of votes attaching to the Ninety One plc Special Voting Share will be adjusted to reflect the then prevailing Ninety One Equalisation Ratio so as to ensure that each Ninety One plc Share and each Ninety One Limited Share carries appropriate voting rights in relation to Ninety One Joint Electorate Actions.

7.2.3 **Voting threshold for Ninety One Joint Electorate Actions**

A Ninety One Joint Electorate Action will be taken to have been approved if it is approved by:

(a) an ordinary resolution (or a special resolution if required by applicable regulation or the Ninety One plc Articles) of the Ninety One plc Shareholders and Ninety One UK Trust Co (as holder of the Ninety One plc Special Voting Share), voting as a single class; and

(b) an ordinary resolution (or a special resolution if required by applicable regulation or the Ninety One Limited MoI) of the Ninety One Limited Shareholders and Ninety One SA Trust Co (as holder of the Ninety One Limited Special Voting Share), voting as a single class.

In this paragraph 7 of this Part V, ordinary resolution means any resolution of shareholders which requires a simple majority of votes cast to be in favour in order to be approved, and special resolution means any resolution which requires a 75% majority of votes cast to be in favour in order to be approved or such other affirmative vote or quorum prescribed by applicable regulation, the Ninety One plc Articles or the Ninety One Limited MoI which is greater than or different from that required for an ordinary resolution.

7.3 **Ninety One Class Rights Actions**

Ninety One Class Rights Actions are normally those matters on which Ninety One plc Shareholders and Ninety One Limited Shareholders may have divergent interests or which involve an amendment either to the Ninety One DLC Agreements or the Ninety One DLC Structure-specific provisions ("**entrenched provisions**") in either the Ninety One plc Articles or the Ninety One Limited MoI.

7.3.1 **Matters which require approval as Ninety One Class Rights Actions**

Matters which will require approval as a Ninety One Class Rights Action are as follows:

(a) the amendment or termination of the Ninety One Sharing Agreement, the Ninety One Voting Agreement, the Ninety One SCS Trust Deeds or the Ninety One DAT Deeds other than:

(i) any amendment which is formal or technical in nature and which would not be materially prejudicial to the interests of the Ninety One Shareholders of either company or is necessary to correct any inconsistency or manifest error; or

(ii) any amendment to conform the terms of the Ninety One Voting Agreement, the Ninety One SCS Trust Deeds or the Ninety One DAT Deeds with the terms of the Ninety One Sharing Agreement,

in each case, as agreed between the Ninety One Boards;

(b) the amendment to, removal or alteration of the effect of (including the ratification of any breach of) any entrenched provision in the Ninety One plc Articles or the Ninety One Limited MoI other than:

(i) any amendment which is formal or technical in nature and would not be materially prejudicial to the interests of any Ninety One Shareholders of either company or is necessary to correct any inconsistency or manifest error; or

(ii) any amendment to conform such provisions with the Ninety One Sharing Agreement,

in each case, as agreed between the Ninety One Boards;

(c) any Ninety One Action by one company which, having regard to the prevailing Ninety One Equalisation Ratio, has a disproportionate economic effect on the Ninety One Shareholders of one company, but in respect of which neither a Ninety One Matching Action is to be taken nor an adjustment to the Ninety One Equalisation Ratio made; and

(d) any action or matter which the Ninety One Boards agree (either in a particular case or generally) should be treated as a Ninety One Class Rights Action.

If a particular matter falls both within the list of matters which constitute Ninety One Joint Electorate Actions (see paragraph 7.2 of this Part V) and the list of matters which constitute Ninety One Class Rights Actions, such matter will be treated as a Ninety One Class Rights Action.

7.3.2 **Voting threshold for Ninety One Class Rights Actions**

A Ninety One Class Rights Actions of a kind described in:

(a) paragraphs 7.3.1(a) and 7.3.1(b) of this Part V, will require approval by special resolution;

(b) paragraph 7.3.1(c) of this Part V, will require approval by ordinary resolution unless either applicable regulation imposes a requirement on either company for a special resolution, in which case that company will require a special resolution; and

(c) paragraph 7.3.1(d) of this Part V, will require approval by ordinary resolution, unless either applicable regulation imposes a requirement on either company for a special resolution, in which case that company will require a special resolution, or the Ninety One Boards decide that it requires a special resolution.

The majority vote in favour required to approve such resolutions will be referred to as the "**Required Majority**".

Ninety One Class Rights Actions will require approval by:

(d) an ordinary resolution or a special resolution (as the case may be) of the Ninety One plc Shareholders and Ninety One UK Trust Co (as holder of the Ninety One plc Special Voting Share) voting as a single class; and

(e) an ordinary resolution or a special resolution (as the case may be) of the Ninety One Limited Shareholders and Ninety One SA Trust Co (as holder of the Ninety One Limited Special Voting Share), voting as a single class.

7.3.3 **Voting procedures for Ninety One Class Rights Actions**

The following voting arrangements apply in relation to Ninety One Class Rights Actions:

Procedure for Ninety One Class Rights Actions requiring approval of both companies

Ninety One plc

- Ninety One plc ordinary shareholder and the holder of the Ninety One plc Special Voting Share will vote as a single class at the general meeting of Ninety One plc. Voting will be on a poll with each fully paid Ninety One plc ordinary share (other than those that are subject to voting restrictions in respect of the relevant resolution) having one vote per share.

Ninety One Limited

- The Ninety One Limited Shareholders' meeting will be held as close in time to the corresponding meeting of Ninety One plc ordinary shareholders as is practicable. The relevant resolution will be put to the Ninety One Limited ordinary shareholders and the holder of the Ninety One Limited Special Voting Share, voting as a single class at a general meeting of Ninety One Limited. Voting will be on a poll with each Ninety One Limited ordinary share (other than those that are subject to voting restrictions in respect of the relevant resolution) having one vote per share.

- Ninety One UK Trust Co, as holder of the Ninety One plc Special Voting Share, will not vote unless the proposed action has not been approved by the Required Majority of the Ninety One Limited ordinary shareholders at the parallel Ninety One Limited Shareholders' meeting at the close of the poll at that meeting, in which case Ninety One UK Trust Co will vote to defeat the resolution at the Ninety One plc meeting (and the Ninety One plc Special Voting Share will, as a result of the rights attached thereto, carry sufficient votes to effect such defeat).
- Ninety One SA Trust Co, as holder of the Ninety One Limited Special Voting Share, will not vote unless the proposed action has not been approved by the Required Majority of the Ninety One plc ordinary shareholders at the parallel Ninety One plc Shareholders' meeting at the close of the poll at that meeting, in which case Ninety One SA Trust Co will vote to defeat the resolution at the Ninety One Limited meeting (and the Ninety One Limited Special Voting Share will, as a result of the rights attached thereto, carry sufficient votes to effect such defeat).

7.4 **The Ninety One Trust Companies**

The Ninety One Trust Companies are obliged pursuant to the Ninety One Voting Agreement, the Ninety One plc Articles and the Ninety One Limited MoI to exercise the votes attaching to the Ninety One plc Special Voting Share and the Ninety One Limited Special Voting Share so as to give effect to the voting arrangements set out above.

8. CONSTITUTIONAL DOCUMENTS

8.1 **Ninety One plc Articles and Ninety One Limited MoI**

A summary of the provisions of the Ninety One plc Articles and Ninety One Limited MoI is set out in paragraph 10 of Section B of Part VII of this document.

8.2 **Ninety One Trust Companies**

The articles of association of Ninety One UK Trust Co and memorandum of incorporation of Ninety One SA Trust Co will authorise the respective Ninety One Trust Companies to enter into, and exercise their powers and perform their obligations under, the Ninety One Voting Agreement, the Ninety One DAT Deeds and the Ninety One SCS Trust Deeds.

9. NINETY ONE DLC AGREEMENTS

The following comprise the Ninety One DLC Agreements which come into effect on or before Admission and govern the ongoing relationship between Ninety One plc and Ninety One Limited and establish the relationship between Ninety One plc, Ninety One Limited and the Ninety One Trust Companies:

(a) the Ninety One Sharing Agreement;

(b) the Ninety One Voting Agreement;

(c) the Ninety One plc SCS Trust Deed;

(d) the Ninety One Limited SCS Trust Deed;

(e) the Ninety One UK DAS Share Trust Deed;

(f) the Ninety One UK DAN Share Trust Deed;

(g) the Ninety One SA DAS Share Trust Deed; and

(h) the Ninety One SA DAN Share Trust Deed.

The Ninety One DLC Agreements are summarised below. Each Ninety One DLC Agreement other than the Ninety One SA DAS Share Trust Deed, the Ninety One SA DAN Share Trust Deed and the Ninety One Limited SCS Trust Deed (which are governed by South African law) are governed by English law.

9.1 The Ninety One Sharing Agreement

The Ninety One Sharing Agreement will be entered into between Ninety One plc and Ninety One Limited and is the primary agreement regulating the ongoing relationship of Ninety One plc and Ninety One Limited as dual listed companies.

9.1.1 Regulation of the Ninety One DLC Structure

Among other things, the Ninety One Sharing Agreement regulates the following aspects of the Ninety One DLC Structure:

(a) the Ninety One DLC Structure Principles (see paragraph 3 of this Part V, for further details);

(b) the Ninety One DLC Equalisation Principles (see paragraph 5 of this Part V, for further details);

(c) the circumstances under which the Ninety One Equalisation Ratio may be adjusted (see paragraph 5.1 of this Part V for further details);

(d) the circumstances under which Ninety One Matching Actions may not be required (see paragraphs 5.2 and 5.3 of this Part V for further details);

(e) the declaration and payment of cash dividends (see paragraph 6 of this Part V for further details);

(f) the scope of, and procedure in relation to, Ninety One Class Rights Actions (see paragraph 7.3 of this Part V for further details);

(g) the scope of, and procedure in relation to, Ninety One Joint Electorate Actions (see paragraph 7.2 of this Part V for further details);

(h) the obligation on each of Ninety One plc and Ninety One Limited to enforce the change of control provisions in their constitutional documents (see paragraph 11.5 of this Part V for further details);

(i) the issue of the Ninety One Equalisation Shares (see paragraph 6.5 of this Part V for further details); and

(j) the obligations on each of Ninety One plc and Ninety One Limited in relation to the Ninety One Special Converting Shares including an obligation not to take any Ninety One Action unless the Ninety One plc Equivalent Number and Ninety One Limited Equivalent Number (as the case may be) are maintained and the requirement to make an application for listing following a Ninety One Conversion Event (see paragraph 13.2.2 of this Part V for further details).

9.1.2 Termination and amendment

The circumstances in which the Ninety One Sharing Agreement may be terminated are set out in paragraph 13 of this Part V. The circumstances in which it may be amended are set out in paragraph 7.3 of this Part V.

9.1.3 Relationship to the Ninety One plc Articles and Ninety One Limited MoI

If there is a conflict between the Ninety One Sharing Agreement on the one hand and either (i) the Ninety One plc Articles or (ii) the Ninety One Limited MoI on the other hand, Ninety One plc and Ninety One Limited are required to use their best endeavours to ensure that any required amendment to the Ninety One plc Articles or the Ninety One Limited MoI, as appropriate, is proposed at general meetings of Ninety One plc and/or Ninety One Limited in order to conform them with the provisions of the Ninety One Sharing Agreement.

9.1.4 Other transactions

Subject to applicable regulation, the Ninety One Sharing Agreement also obliges Ninety One plc and Ninety One Limited to enter into such further transactions or arrangements, and do such acts and things, as the other may reasonably require from time to time in the furtherance of the common interests of the Ninety One plc Shareholders and Ninety One Limited Shareholders or to give effect to the Ninety One DLC Agreements.

9.2 **Ninety One Voting Agreement**

The Ninety One Voting Agreement will be entered into by Ninety One plc, Ninety One Limited, Ninety One UK Trust Co (as holder of the Ninety One plc Special Voting Share) and Ninety One SA Trust Co (as holder of the Ninety One Limited Special Voting Share).

9.2.1 **Voting procedures and the Ninety One Trust Companies**

The Ninety One Voting Agreement sets out, among other things, the following obligations:

(a) Notification obligations

The obligations of Ninety One plc and Ninety One Limited, respectively, to notify the Ninety One Trust Companies:

- of the votes cast by Ninety One plc Shareholders and Ninety One Limited Shareholders at general meetings (in the case of Ninety One Joint Electorate Actions); and
- whether or not any resolution in relation to Ninety One Class Rights Actions was passed by the Required Majority (as defined in paragraph 7.3.2 of this Part V) of Ninety One plc Shareholders or Ninety One Limited Shareholders.

(b) Voting obligations

The obligations of each of Ninety One UK Trust Co and Ninety One SA Trust Co to attend meetings and to vote, respectively, the Ninety One plc Special Voting Share and the Ninety One Limited Special Voting Share. Such obligations are to be carried out in accordance with the notification received from Ninety One plc or Ninety One Limited pursuant to paragraph (a) above.

(c) Restrictions on transfer of the Ninety One plc Special Voting Share and the Ninety One Limited Special Voting Share

There is a prohibition on the Ninety One Trust Companies dealing in any way with the Ninety One plc Special Voting Share and the voting rights attaching to Ninety One Limited Special Voting Share or interests in or rights attaching to such shares unless approved as a Ninety One Class Rights Action. Ninety One UK Trust Co and Ninety One SA Trust Co may, respectively, transfer the Ninety One plc Special Voting Share and the Ninety One Limited Special Voting Share by giving not less than 90 days' notice provided that the transferee has been approved by Ninety One plc and Ninety One Limited, has agreed to be bound by the terms of the Ninety One Voting Agreement and, in the case of a transfer by Ninety One SA Trust Co, has agreed to be successor trustee under the Ninety One Limited SCS Trust Deed.

(d) Provision of information

The obligations of Ninety One plc and Ninety One Limited to provide each of the Ninety One Trust Companies with such information as they reasonably require (other than information which is of a price-sensitive nature and not generally available) for the purpose of discharging the powers, duties and discretion vested in them under the Ninety One Voting Agreement.

(e) Confidentiality

The obligation of the Ninety One Trust Companies to maintain the confidentiality of such information provided to it.

(f) Remuneration of the Ninety One Trust Companies

The remuneration, which will be agreed between the parties from time to time, and expenses payable to the Ninety One Trust Companies.

(g) Powers and discretions of the Ninety One Trust Companies

The Ninety One Trust Companies will have:

- all requisite powers to take actions contemplated by the Ninety One Voting Agreement, the Ninety One plc Articles and the Ninety One Limited MoI; and
- absolute uncontrolled discretion as to the exercise of such powers.

(h) Exclusion of responsibilities

Exclusion of responsibility on the part of the Ninety One Trust Companies:

- in respect of the exercise of their voting rights where Ninety One plc and/or Ninety One Limited have failed to comply in all material respects with their obligations to provide notification as regards the convening of, the matters to be considered at, and the results of, any general meeting at which the Ninety One Trust Companies are required to vote;
- in respect of any discretion exercised reasonably and honestly;
- in respect of actions taken by them on the opinion or advice of or on information obtained from any lawyer, valuer, banker, accountant, the share registrars of Ninety One plc or Ninety One Limited or other expert;
- in circumstances where they have acted upon or have implemented or given effect to any resolution purporting to have been passed either as a resolution of Ninety One plc Shareholders or of Ninety One Limited Shareholders; and
- in respect of them having accepted or acted or relied upon notices given to them by Ninety One plc or Ninety One Limited.

Neither Ninety One Trust Company is required to take steps to ascertain whether any breach of the Ninety One Voting Agreement has occurred and the Ninety One Trust Companies may refrain from acting if they have not been supplied with all information they consider reasonably necessary to perform their obligations having requested the same.

(i) Indemnities

Subject to certain exceptions (such as fraud, gross negligence or wilful default), indemnities in favour of the Ninety One Trust Companies (and their directors, officers, employees, etc.) against all liabilities or expenses incurred by them in the execution of their obligations under the Ninety One Voting Agreement.

9.2.2 **Amendments**

The Ninety One Voting Agreement may be amended by all the parties to it agreeing in writing.

The Ninety One Trust Companies are generally required to concur with Ninety One plc and Ninety One Limited in amending the Ninety One Voting Agreement provided the amendments are:

(a) formal or technical amendments which the Ninety One Boards certify do not materially prejudice the interests of either Ninety One plc Shareholders or Ninety One Limited Shareholders;

(b) amendments necessary to correct manifest errors or inconsistencies between the Ninety One Voting Agreement and the Ninety One Sharing Agreement; or

(c) amendments approved by Ninety One plc Shareholders and Ninety One Limited Shareholders as a Ninety One Class Rights Action, provided such amendments do not affect the obligations or rights of the Ninety One Trust Companies.

9.2.3 **Termination**

The Ninety One Voting Agreement will terminate if:

(a) the Ninety One Sharing Agreement is terminated; or

(b) Ninety One UK Trust Co has transferred the Ninety One plc Special Voting Share and Ninety One SA Trust Co has transferred the Ninety One Limited Special Voting Share, provided that, if only one of the Ninety One Trust Companies has made such a transfer, the other Ninety One Trust Company, Ninety One plc and Ninety One Limited will continue to be bound by the terms of the Ninety One Voting Agreement.

9.3 **Ninety One Limited SCS Trust Deed**

The Ninety One Limited SCS Trust Deed has been entered into between Ninety One plc, Ninety One Limited and Ninety One SA Trust Co and governs the rights and obligations of the parties thereto in respect of the Ninety One Limited Special Converting Shares prior to and following the occurrence of a Ninety One Conversion Event.

Among other things, the Ninety One Limited SCS Trust Deed sets out the following:

9.3.1 **Trust funds**

Ninety One SA Trust Co is to hold the Ninety One Limited Special Converting Shares on trust for the benefit of the Ninety One plc Shareholders. Each Ninety One plc Shareholder will be entitled to such proportion of the issued Ninety One Limited Special Converting Shares as corresponds to the proportion of the Ninety One Limited Shares in issue held by such Ninety One plc Shareholders (referred to as an "**Entitlement**").

9.3.2 **Distribution of the converted Ninety One Limited Special Converting Shares following the occurrence of a Ninety One Conversion Event**

(a) Ninety One Limited will inform Ninety One SA Trust Co of the occurrence of a Ninety One Conversion Event, provide details (including names, addresses, shareholdings and Entitlements) of each Ninety One plc Shareholder as at the Ninety One Conversion Date and confirm whether or not Ninety One SA Trust Co is to undertake the distribution or sale of the converted Ninety One Limited Special Converting Shares. The circumstances in which Ninety One Limited will confirm that no distribution or sale is to take place are likely to be where Ninety One Limited is the subject of a Ninety One Liquidation Event or a Ninety One Insolvency Event.

(b) Ninety One SA Trust Co will procure that the Ninety One plc Shareholders are notified of the occurrence of the Ninety One Conversion Event and their Entitlement as at the Ninety One Conversion Date.

(c) If Ninety One SA Trust Co is to effect a distribution and/or sale of the converted Ninety One Limited Special Converting Shares, it will (unless Ninety One Limited notifies it to the contrary) cause to be sent to each of the Ninety One plc Shareholders a form of certification. By completing and returning the form of certification, the Ninety One plc Shareholders will confirm whether or not they reside in a Restricted Jurisdiction.

(d) Once the Ninety One plc Special Converting Shares have been listed:

- in respect of any Ninety One plc Shareholder who has returned a form of certification confirming that he does not reside in a Restricted Jurisdiction (or if no form of certification is required), Ninety One SA Trust Co will transfer to him or her his or her Entitlement as at the Ninety One Conversion Date (less any shares which are sold to meet all fees, costs, taxes, duties and expenses arising out of the transfer); and
- in respect of any Ninety One plc Shareholder who has returned a form of certification confirming that he does reside in a Restricted Jurisdiction, Ninety One SA Trust Co will sell, or procure the sale of, the converted Ninety One Special Converting Shares of such Ninety One plc Shareholder and remit the proceeds (less any fees, commissions, costs, taxes and duties payable in relation to such sale).

If, after the Ninety One Conversion Date, a Ninety One plc Shareholder requests the transfer of the Ninety One Special Converting Shares to which he or she is entitled, Ninety One SA Trust Co shall be under no obligation to effect such transfer until such Ninety One Shareholder has put Ninety One SA Trust Co in funds for all fees, commissions, costs, taxes or duties relevant to such transfer.

9.3.3 **Dividends following a Ninety One Conversion Event**

Where a dividend falls to be paid by Ninety One Limited in respect of the converted Ninety One Limited Special Converting Shares on or after the Ninety One Conversion Date but before all such shares have been transferred or sold by Ninety One SA Trust Co, Ninety One Limited will, on behalf of Ninety One SA Trust Co, pay or procure the payment of such dividend to the relevant Ninety One plc Shareholders.

9.3.4 **Untraced shareholders**

If there are converted Ninety One Limited Special Converting Shares which have not been sold or distributed by Ninety One SA Trust Co within 12 years of the Ninety One Conversion Date, Ninety One SA Trust Co will request that Ninety One Limited places an advertisement in a national daily newspaper and a newspaper circulating in the area of the last known registered

address of the relevant Ninety One plc Shareholders stating the intention to sell the shares. If any such shareholders have not made contact within three months of such advertisement being published, Ninety One SA Trust Co will be entitled to sell the shares. The proceeds of sale will be paid to Ninety One Limited, Ninety One SA Trust Co will be entered as a creditor in the Ninety One Limited books and the right to receive payment will become the trust property and will be held in trust for the relevant shareholders.

9.3.5 **Delegation of operation**

Ninety One plc and Ninety One Limited agree as a term of the trust that the trustee has delegated to Ninety One Limited and/or Ninety One plc responsibility for:

(a) the establishment of the identity of the Ninety One plc Shareholders and their Entitlements;

(b) the making of distributions on the Ninety One Limited Special Converting Shares and the mechanics of such distributions; and

(c) obtaining directions from Ninety One plc Shareholders.

In addition, the trustee shall have no responsibility for any funds paid or property delivered as part of a distribution to Ninety One plc Shareholders. Such funds or property will not be segregated or marked as belonging to the trustee or the shareholders and that the trustee shall have no responsibility for monitoring such funds. Neither the trustee nor the shareholders shall have any entitlement to interest or income arising from such funds or property pending their application.

The trustee may require that any amounts paid as detailed above are held to its order and applied as it directs or that such amounts are paid to it directly. The trustee is entitled to apply any such amounts to pay any sums owed under the indemnity described in paragraph 9.3.12 of this Part V.

9.3.6 **Voting obligations**

Prior to the occurrence of a Ninety One Conversion Event, the Ninety One Limited Special Converting Shares will only have voting rights in respect of variations of the rights attaching to such shares or on a winding-up of Ninety One Limited (see paragraph 13.2.2 of this Part V). If such a resolution is proposed, Ninety One SA Trust Co must, if due notification has been given, vote in favour of or give its written consent to the resolution, where such resolution has been approved either as a Ninety One Class Rights Action or a Ninety One Joint Electorate Action (as the case may be), or vote against, or withhold its consent to, a resolution, where such resolution has been defeated as a Ninety One Class Rights Action or a Ninety One Joint Electorate Action (as the case may be).

9.3.7 **Restriction on dealings with the Ninety One Limited Special Converting Shares**

A prohibition on Ninety One SA Trust Co from dealing with the Ninety One Limited Special Converting Shares other than in accordance with the provisions of the Ninety One Limited SCS Trust Deed.

9.3.8 **Furnishing of information**

The obligation of Ninety One SA Trust Co to furnish Ninety One plc and/or Ninety One Limited with such information regarding the affairs of the trust as they may require. Ninety One SA Trust Co will keep such books and records as are necessary or appropriate, commensurate with its duties in relation to the trust.

9.3.9 **Variations**

Ninety One SA Trust Co will concur with Ninety One plc and Ninety One Limited in making changes to the Ninety One Limited SCS Trust Deed, provided that those changes:

(a) are formal or technical amendments which the Ninety One Boards have certified are not materially detrimental to the interests of the Ninety One plc Shareholders;

(b) are necessary to correct any manifest error in the Ninety One Limited SCS Trust Deed or inconsistencies between its provisions and those of the Ninety One Sharing Agreement; or

(c) have been approved by Ninety One plc Shareholders and Ninety One Limited Shareholders as a Ninety One Class Rights Action.

9.3.10 **Redemption proceeds and the trustee's remuneration and expenses**

If the trustee receives the proceeds of the redemption of Ninety One Limited Special Converting Shares, it will retain such sums in a non-interest bearing account. The trustee may use such sums to reimburse Ninety One plc and Ninety One Limited for any fees and expenses paid or to be paid by Ninety One plc and Ninety One Limited to the trustee for performing its services in relation to the trust. The fees of the trustee shall be agreed in writing between the parties. If any amounts remain in the bank account on the winding-up of the trust, these sums shall be paid to the trustee as a bonus payment.

9.3.11 **Liability of the trustee**

The exclusion of Ninety One SA Trust Co's liability for any loss to any person as a result of any exercise of its power or discretion pursuant to the Ninety One Limited SCS Trust Deed, unless such loss results from its own fraud, wilful default or negligence.

9.3.12 **Indemnity**

An indemnity in favour of Ninety One SA Trust Co (and its directors, officers, employees etc.), given by Ninety One plc and Ninety One Limited, against all liabilities (excluding those which arise from its own fraud, wilful default or negligence or that of its directors, officers, employees etc.) incurred in the execution of its obligations under the Ninety One Limited SCS Trust Deed.

9.3.13 **Change of trustee**

Ninety One Limited has the power to appoint new and/or additional trustees and the transfer of such powers in full to Ninety One plc if Ninety One Limited goes into liquidation and Ninety One SA Trust Co has the right to retire in accordance with the provisions of the Ninety One Limited SCS Trust Deed. Ninety One Limited may remove Ninety One SA Trust Co as trustee if Ninety One SA Trust Co has breached any term of the Ninety One Limited SCS Trust Deed or such removal has been approved as a Ninety One Class Rights Action.

9.3.14 **Powers of the trustee**

Ninety One SA Trust Co will be entitled to deal with the Ninety One Limited Special Converting Shares for the purposes of achieving the objects of the trust in accordance with the terms set out in the Ninety One Limited SCS Trust Deed and to do all such things lawful to facilitate the administration of the trust.

9.3.15 **Exclusion of responsibilities**

Ninety One SA Trust Co will not be responsible for, amongst other things, the following:

(a) actions taken by it on the opinion or advice of or any information obtained from any lawyer, valuer, banker, accountant or other expert;

(b) anything done having accepted or acted or relied upon notices given to it from Ninety One plc and/or Ninety One Limited;

(c) failure to fulfil any duties or obligations which are not expressly specified in the Ninety One Limited SCS Trust Deed;

(d) incurring any financial liability in connection with the performance of its rights and obligations where it has reasonable grounds to believe that reimbursement of such financial liability is not guaranteed;

(e) actions of agents it has appointed;

(f) actions of any person it has delegated duties to;

(g) the validity or suitability of the Ninety One Limited SCS Trust Deed or any other document or any liability to any person because of the invalidity or unsuitability of such documents; and

(h) any liabilities arising from the exercise of its functions provided that such liabilities do not result from its own wilful default, fraud or negligence.

9.3.16 **Trustee discretion**

Ninety One SA Trust Co will have an absolute and uncontrolled discretion as to the exercise of its functions.

9.3.17 **Unlawful action**

Ninety One SA Trust Co has the right to refrain from doing anything that it reasonably believes to constitute an unlawful action or otherwise render it liable to any person and to do anything necessary to comply with any legal requirement.

9.4 **Ninety One plc SCS Trust Deed**

The Ninety One plc SCS Trust Deed contains corresponding provisions to the Ninety One Limited SCS Trust Deed.

9.5 **Ninety One UK DAS Share Trust Deed**

The Ninety One UK DAS Share Trust Deed has been entered into between Ninety One plc, Ninety One Limited and Ninety One UK Trust Co (as holder of the Ninety One UK DAS Share) for the purposes of facilitating the payment of dividends by Ninety One plc to South African resident Ninety One Limited Shareholders through Ninety One UK Trust Co, in circumstances where Ninety One Limited will not be paying such Ninety One Shareholders the required dividend in full. Ninety One UK Trust Co is to hold the Ninety One UK DAS Share on trust for each South African resident Ninety One Limited Shareholder. Each South African resident Ninety One Limited Shareholder will be entitled to such amount of the dividend as would bear the same proportion to the total dividend as the number of Ninety One Limited Shares he holds bears to the aggregate number of Ninety One Limited Shares held by South African Ninety One Limited Shareholders (in each case, as at the record date) (an "**Entitlement**").

Among other things, the Ninety One UK DAS Share Trust Deed sets out the following:

9.5.1 **Payment of dividends**

Following a declaration by Ninety One plc of a dividend on the Ninety One UK DAS Share:

(a) Ninety One plc will notify Ninety One UK Trust Co of such declaration; and

(b) Ninety One plc will, on behalf of Ninety One UK Trust Co, effect the distribution of such dividends to the South African resident Ninety One Limited Shareholders, in accordance with their respective Entitlements.

Ninety One plc will hold all cash dividends in separate bank accounts and all non-cash dividends to the order of Ninety One UK Trust Co. Ninety One plc may at any time convert a non-cash dividend into cash and hold it in a separate bank account.

9.5.2 **Delegation of operation**

Ninety One plc and Ninety One Limited agree, as a term of the trust, that the trustee has delegated to Ninety One plc and Ninety One Limited responsibility for:

(a) the establishment of the identity of the Ninety One Limited members and their Entitlements; and

(b) the payment or delivery of dividends and the mechanics for effecting such payment or delivery.

In addition, the trustee shall have no responsibility for funds paid or property delivered to Ninety One Limited members. Such funds or property will not be segregated or marked as belonging to the trustee or shareholders and the trustee shall have no responsibility for monitoring such funds. Neither the trustee nor the shareholders shall have any entitlement to interest or income arising from such funds or property.

9.5.3 **Unclaimed dividends**

If any part of a dividend has not been paid within 12 years from the date it was declared or became due for payment, the Entitlements of the relevant Ninety One Limited Shareholders to such dividends will be forfeited in accordance with the Ninety One plc Articles.

9.5.4 **Voting**

The Ninety One UK DAS Share only has voting rights in respect of variations of the rights attaching to such share or on a winding-up of Ninety One plc. In relation to any such resolution, Ninety One UK Trust Co must, if due notification has been given, exercise the votes attaching to the Ninety One UK DAS Share in favour of or give its written consent to the resolution, where such resolution has been approved as either a Ninety One Class Rights Action or a Ninety One Joint Electorate Action (as the case may be) and exercise the votes against or withhold its consent to the resolution, where such resolution has been defeated either as a Ninety One Class Rights Action or a Ninety One Joint Electorate Action (as the case may be).

9.5.5 **Other provisions**

The Ninety One UK DAS Share Trust Deed contains provisions corresponding to those under the Ninety One Limited SCS Trust Deed detailed under paragraphs 9.3.6 to 9.3.17 of this Part V.

9.6 **Ninety One UK DAN Share Trust Deed**

The Ninety One UK DAN Share Trust Deed has been entered into between Ninety One plc, Ninety One Limited and Ninety One UK Trust Co (as holder of the Ninety One UK DAN Share) for the purposes of facilitating the payment of dividends by Ninety One plc to non-South African resident Ninety One Limited Shareholders through Ninety One UK Trust Co, in circumstances where Ninety One Limited will not be paying such Ninety One Shareholders the required dividend in full.

The Ninety One UK DAN Share Trust Deed contains corresponding provisions to the Ninety One UK DAS Share Trust Deed.

9.7 **Ninety One SA DAS Share Trust Deed**

The Ninety One SA DAS Share Trust Deed has been entered into between Ninety One plc, Ninety One Limited and Ninety One SA Trust Co (as holder of the Ninety One SA DAS Share) for the purposes of facilitating the payment of dividends by Ninety One Limited to South African resident Ninety One plc Shareholders through Ninety One SA Trust Co, in circumstances where Ninety One plc will not be paying such Ninety One Shareholders the required dividend in full.

The Ninety One SA DAS Share Trust Deed contains corresponding provisions to the Ninety One UK DAS Share Trust Deed but is governed by South African law and the voting rights attaching to the Ninety One SA DAS Share will be subject to the statutory rights to vote pursuant to the South African Companies Act and all disputes will be referred to arbitration.

9.8 **Ninety One SA DAN Share Trust Deed**

The Ninety One SA DAN Share Trust Deed has been entered into between Ninety One plc, Ninety One Limited and Ninety One SA Trust Co (as holder of the Ninety One SA DAN Share) for the purposes of facilitating the payment of dividends by Ninety One Limited to the non-South African resident Ninety One plc Shareholders through Ninety One SA Trust Co, in circumstances where Ninety One plc will not be paying such Ninety One Shareholders the required dividend in full.

The Ninety One SA DAN Share Trust Deed contains corresponding provisions to the Ninety One UK DAS Share Trust Deed but is governed by South African law and the voting rights attaching to the Ninety One SA DAN Share will be subject to the statutory rights to vote pursuant to the South African Companies Act and all disputes will be referred to arbitration.

10. **NINETY ONE ADMINISTRATION AGREEMENT**

The Ninety One Administration Agreement will be entered into between Ninety One plc, Ninety One Limited and the Trust Corporation. The agreement imposes the following obligations:

(a) DLC Agreements – The Trust Corporation is to procure compliance of the Ninety One Trust Companies with their respective obligations under the Ninety One Voting Agreement, the Ninety One DAT Deeds and the Ninety One SCS Trust Deeds and ensure that the only activities the Ninety One Trust Companies perform are those necessary or expedient in order for such Ninety One Trust Companies to fulfil such obligations.

(b) Ninety One Trust Company administration – The Trust Corporation is to maintain the accounts and corporate records for the Ninety One Trust Companies and ensure that all necessary filings are made in relation thereto and arrange for the filing of all tax returns.

(c) Ninety One Trust Company directors – The Trust Corporation is to appoint suitable persons to act as directors of the Trust Companies.

(d) Ninety One Trust Company shares – The Trust Corporation is not to transfer or otherwise deal with the shares in the Ninety One Trust Companies unless otherwise agreed by Ninety One plc and Ninety One Limited (such agreement not to be unreasonably withheld or delayed).

(e) Indemnities – Ninety One plc and Ninety One Limited indemnify the Trust Corporation, and officers of the Trust Corporation and the Ninety One Trust Companies against all liabilities arising in respect of holding the shares in the Trust Companies or holding office in relation to the Ninety One Trust Companies (in the absence of fraud, wilful default or negligence).

(f) Limitation of liability – The obligations of the Trust Corporation are corporate obligations and recourse shall not be sought against its employees, officers or shareholders.

11. TAKEOVERS REGULATION OF THE NINETY ONE DLC STRUCTURE

11.1 Background

Ninety One plc and Ninety One Limited will be separate listed companies and will be subject to the takeover laws and rules in the United Kingdom and South Africa, respectively. Provisions have been included in the Ninety One plc Articles and the Ninety One Limited MoI which are intended to have the effect of:

(a) recognising the substantive effect of the Ninety One DLC Structure, which is that Ninety One should be regarded as a single corporate group;

(b) allowing the two regulatory systems to work together harmoniously and sensibly;

(c) respecting United Kingdom takeover rules and South Africa takeover laws, respectively; and

(d) avoiding any unintended impediment to any takeover of Ninety One.

11.2 Key thresholds

Under the Ninety One plc Articles and the Ninety One Limited MoI:

(a) there is a limit which prevents a person (and concert parties) from exceeding (except as a result of a permitted acquisition as described in paragraph 11.3 of this Part V) a voting power threshold of 30%, in relation to Ninety One plc on a stand alone basis, that is calculated as if there were no Ninety One plc Special Voting Share and only counting Ninety One plc Shares;

(b) there is a separate limit which prevents a person (and concert parties) from exceeding a voting power threshold of 30%, in relation to Ninety One plc, calculated having regard to all the voting power on a joint electorate basis, i.e. calculated on Ninety One plc Shares and on the voting power in Ninety One plc derived through the Ninety One plc Special Voting Share by holding or controlling Ninety One Limited Shares; this limit effectively treats all Ninety One Shares, together with the Ninety One plc Special Voting Share and the Ninety One Limited Special Voting Share, as voting shares and sets a 30% limit on control of this joint electorate voting power;

(c) there is a limit which prevents a person (and concert parties) from exceeding a voting power threshold of 30%, in relation to Ninety One Limited on a stand alone basis, that is calculated as if there was no Ninety One Limited Special Voting Share and only counting Ninety One Limited Shares; and

(d) there is a separate limit which prevents a person (and concert parties) from exceeding a voting power threshold of 30%, in relation to Ninety One Limited, calculated having regard to all the voting power on a joint electorate basis, i.e. calculated on Ninety One Limited Shares and on the voting power in Ninety One Limited derived (through the Ninety One Limited Special Voting Share) by holding or controlling Ninety One plc Shares; this limit effectively treats all Ninety One

Shares, together with the Ninety One plc Special Voting Share and the Ninety One Limited Special Voting Share, as voting shares and sets a 30% limit on control of this joint electorate voting power.

The principal requirement for exceeding a limit is for all Ninety One Shareholders in both companies to be treated in an equivalent manner and sanctions may be imposed for breaches of these provisions.

11.3 **Equivalent offers on equivalent terms**

The Ninety One plc Articles and the Ninety One Limited MoI provide, in effect, that a person may only exceed any of these limits if an equivalent offer is made to both Ninety One plc Shareholders and Ninety One Limited Shareholders on equivalent terms. In summary, this would require:

(a) an equivalent procedure which:

(i) is undertaken for both Ninety One plc Shares and Ninety One Limited Shares at or about the same time; and

(ii) applies to both the Ninety One plc Shares and the Ninety One Limited Shares;

(b) that each procedure complies with the Ninety One plc Articles, the Ninety One Limited MoI and all applicable regulations including the takeover laws and rules in the United Kingdom (as regards the offer for the Ninety One plc Shares) and in South Africa (as regards the offer for the Ninety One Limited Shares); and

(c) an offer of equivalent consideration, terms, information, conditions and time to consider to the Ninety One plc Shareholders and the Ninety One Limited Shareholders, both in relation to an initial offer and any increases or extensions.

Due to the variety of takeover procedures and the different takeover regimes applying in the United Kingdom and South Africa, the concept of equivalence cannot be defined prescriptively. It is expected that a combination of the Ninety One plc Board and the Ninety One Limited Board, the UK Takeover Panel and/or the South African Takeover Regulation Panel will have a role in determining and achieving equivalence in a particular case.

With equivalent treatment in terms of the opportunities afforded to each group of Ninety One Shareholders, each such group of Ninety One Shareholders will make its own decision as to whether the relevant offer is to be accepted.

11.4 **Breach of limits**

Under the Ninety One plc Articles and the Ninety One Limited MoI, if a person breaches a shareholding limit without making equivalent offers to both groups of Ninety One Shareholders on equivalent terms, then the Ninety One plc Articles and the Ninety One Limited MoI give the Ninety One plc Board and the Ninety One Limited Board power to impose certain sanctions on the relevant Ninety One Shareholders. The Ninety One plc Board and the Ninety One Limited Board, each has power to deny dividend rights in respect of that number of Ninety One plc Shares or Ninety One Limited Shares (as the case may be) which results in the threshold being exceeded ("**excess shares**"), and power to dispose of the excess shares. The relevant Ninety One plc Board or the Ninety One Limited Board also has power to deny voting rights, or the exercise of voting rights, as the case may be, in respect of the excess shares.

11.5 **Ninety One Sharing Agreement**

Under the Ninety One Sharing Agreement, Ninety One plc and Ninety One Limited have agreed to co-operate with each other in the enforcement of the restrictions in the Ninety One plc Articles and the Ninety One Limited MoI respectively, described in paragraphs 11.2 and 11.4 of this Part V.

12. **FINANCIAL REPORTING**

Ninety One plc and Ninety One Limited intend to publish a single primary set of combined financial statements, denominated in GBP and prepared in accordance with IFRS. Ninety One plc and Ninety One Limited will furthermore also prepare any other financial information needed to meet their respective local requirements.

13. TERMINATION

13.1 Termination of the Ninety One Sharing Agreement

The Ninety One Sharing Agreement will be terminated:

(a) if either Ninety One plc or Ninety One Limited serves notice on the other at any time after either of them has become a subsidiary of the other or where both Ninety One plc and Ninety One Limited have become subsidiaries of a third party;

(b) by the approval of the Ninety One plc Shareholders and the Ninety One Limited Shareholders as a Ninety One Class Rights Action. However, such approval may only be sought if the Ninety One Boards have agreed terms for the termination and, so far as practicable, such terms are equitable to the Ninety One plc Shareholders and Ninety One Limited Shareholders;

(c) if a Ninety One Liquidation Event occurs in respect of either Ninety One plc or Ninety One Limited and:

  (i) the company whose group is not directly affected by the Ninety One Liquidation Event serves notice on the other company terminating the agreement; or

  (ii) the order or resolution or appointment constituting the Ninety One Liquidation Event is not revoked or rescinded within 30 days or such longer period as applicable regulation may allow; or

(d) if a Ninety One Insolvency Event occurs in respect of Ninety One plc or Ninety One Limited and:

  (i) the company whose group is not directly affected by the Ninety One Insolvency Event serves notice on the other company terminating the agreement; or

  (ii) a proposal not to terminate the agreement has not been approved as a Ninety One Class Rights Action within 90 days of the date on which the Ninety One Insolvency Event occurs or such longer period as the Ninety One plc Board and the Ninety One Limited Board may agree.

Termination will not affect any accrued rights of Ninety One plc and Ninety One Limited or their respective obligations to seek a listing for their Ninety One Special Converting Shares (see paragraph 13.2.1 of this Part V).

13.2 Effect of Termination

Under the Ninety One Sharing Agreement, the Ninety One plc SCS Trust Deed, the Ninety One Limited SCS Trust Deed, the Ninety One plc Articles and the Ninety One Limited MoI, the provisions described below apply on termination of the Sharing Agreement ("**Ninety One Conversion Event**"), save to the extent specifically provided in the Ninety One Sharing Agreement. These provisions are intended to ensure that, as far as practicable, the Ninety One Shareholders are treated equitably in the event of insolvency of either or both companies, having regard to the Ninety One Equalisation Ratio.

13.2.1 Ninety One Special Converting Shares

Equality of treatment on termination for both sets of Ninety One Shareholders will be achieved through the issue of Ninety One Special Converting Shares by both companies save in specific circumstances (namely where either Ninety One plc or Ninety One Limited has become a subsidiary of the other company such that there is no need for the Ninety One Special Converting Shares to convert in order to give the Ninety One Shareholders direct ownership of both entities).

Ninety One plc will issue the Ninety One plc Equivalent Number of Ninety One plc Special Converting Shares. Ninety One UK Trust Co will hold these shares on trust for the benefit of the Ninety One Limited Shareholders. The proportion of the Ninety One plc Special Converting Shares to which each Ninety One Limited Shareholder is entitled corresponds to the proportion of Ninety One Limited Shares in issue held by such Ninety One Shareholders.

Similarly, Ninety One Limited will issue the Ninety One Limited Equivalent Number of Ninety One Limited Special Converting Shares. Ninety One SA Trust Co will hold these shares on trust for the benefit of the Ninety One plc Shareholders. The proportion of the Ninety One Limited Special Converting Shares to which each Ninety One plc Shareholder is entitled corresponds to the proportion of Ninety One plc Shares in issue held by such Ninety One Shareholders.

Under the Ninety One Sharing Agreement, each of Ninety One plc and Ninety One Limited have agreed not to take a Ninety One Action unless, as the case may be, the Ninety One Limited Equivalent Number or the Ninety One plc Equivalent Number of Ninety One Special Converting Shares can be maintained. In the event of the occurrence of a Ninety One Conversion Event, the Ninety One Special Converting Shares will automatically convert into ordinary shares (see paragraph 13.2.2 of this Part V). Ninety One plc will use its best endeavours to seek admission of the resulting Ninety One plc Shares to the UK Official List and to trading on the London Stock Exchange and the Johannesburg Stock Exchange. Ninety One Limited will similarly use its best endeavours to obtain a listing on the Johannesburg Stock Exchange for the Ninety One Limited Shares resulting from the conversion. If the relevant shares are admitted to listing, the relevant Ninety One Trust Company will distribute them to the relevant Ninety One Shareholders unless such Ninety One Shareholder resides in a Restricted Jurisdiction, in which case his shares will be sold and the proceeds (less all fees, commissions, costs, taxes and duties in respect of such sale) remitted to such Ninety One Shareholder.

Where converted Ninety One Special Converting Shares are distributed to Ninety One Shareholders, the Ninety One Shareholders shall bear the costs of all fees, commissions, costs, taxes and duties associated with such distribution.

13.2.2 **Rights of Ninety One Special Converting Shares**

(a) Prior to a Conversion Event

(i) The Ninety One plc Special Converting Shares will have the following rights as set out in the Ninety One plc Articles:

- no voting rights except in relation to a resolution proposing the variation of the rights attaching to such shares or a resolution proposing the winding-up of Ninety One plc; and
- no rights to dividends.

The Ninety One plc Special Converting Shares may, prior to the occurrence of a Ninety One Conversion Event, be redeemed at the discretion of the Ninety One plc Board if it is necessary or expedient in order to ensure the Ninety One plc Equivalent Number is in issue.

(ii) The Ninety One Limited Special Converting Shares will (subject to section 37 of the South African Companies Act) have the following key rights as set out in the Ninety One Limited MoI:

- no voting rights except in relation to a resolution proposing the variation of the rights attaching to such shares or a resolution proposing the winding-up of Ninety One Limited; and
- no rights to dividends.

The Ninety One Limited Special Converting Shares may, prior to the occurrence of a Ninety One Conversion Event, be redeemed at the discretion of the Ninety One Limited Board if it is necessary or expedient in order to ensure the Ninety One Limited Equivalent Number is in issue.

(b) After a Ninety One Conversion Event

Upon the occurrence of a Ninety One Conversion Event, each Ninety One Special Converting Share of both companies will have the same rights as an ordinary share issued by the relevant company and will rank pari passu in all respects with the ordinary shares of that company.

For a summary of the principal provisions of the Ninety One plc SCS Trust Deed and the Ninety One Limited SCS Trust Deed, see paragraph 9 of this Part V.

14. NINETY ONE DLC FINSURV CONDITIONS

The South African National Treasury Department, the SARB and the South African Minister of Finance has granted approval for the Ninety One DLC Structure subject to a number of Exchange Control conditions. The Ninety One Directors intend to comply fully with these conditions.

These Exchange Control conditions, as set out in letters dated 7 August 2019 and 21 August 2019 from FinSurv to the Joint CEOs of Investec, are replicated in full below (and for these purposes "SA NewCo (IAM)" refers to Ninety One Limited and "UK NewCo (IAM)" refers to Ninety One plc):

(a) The listings of SA NewCo (IAM) and UK NewCo (IAM) on the JSE and LSE must take place simultaneously.

(b) The classification of the secondary inward listed UK NewCo (IAM) ordinary shares will be regarded as a domestic investment on the JSE.

(c) The South African shareholders in UK NewCo (IAM) must hold/trade their securities on the JSE in terms of the Currency and Exchanges Manual for Authorised Dealers issued by FinSurv.

(d) Any dividends funded from a South African source due to South African shareholders must be paid locally in order to avoid the gross flow of funds from South Africa.

(e) Any utilisation of inward listed UK NewCo (IAM) securities as acquisition currency in the purchase of common monetary area assets, as well as any future capital raising exercise undertaken by UK NewCo (IAM) on a South African Exchange by means of a new issue, rights offer or similar transaction, will be subject to prior approval by FinSurv and the Prudential Authority.

(f) SA NewCo (IAM) (including its subsidiaries) and UK NewCo (IAM) (including its subsidiaries) shall not issue any blanket cross-guarantees between themselves.

(g) UK NewCo (IAM) (including its subsidiaries) shall not buy or sell any shares in SA NewCo (IAM) (including its subsidiaries) without the prior written approval of FinSurv.

(h) SA NewCo (IAM) (including its subsidiaries) shall not, directly or indirectly, provide any assets, finance or capital to UK NewCo (IAM) (including its subsidiaries) or to non-resident shareholders without the prior written approval of FinSurv.

(i) All other conditions, in line with the Currency and Exchanges Manual for Authorised Dealers remain extant.

RISK FACTORS

The attention of Investec Shareholders is drawn to certain risks that could materially affect the implementation of the Proposals, Investec or Ninety One or their respective groups. In addition to all of the other information set out in this document, Investec Shareholders should carefully consider the risk factors set out below and form their own views prior to making any investment decision.

Section A sets out risks relating to the Proposals, including risks relating to the separation and demerger of the Ninety One Group. Section B sets out specific risks relating to the Ninety One Group's business and the industries in which it operates. Section C sets out specific risks relating to Investec Bank and Wealth's business and the industries in which it operates. Section D sets out risks relating to the Ninety One Share Sale and the Ninety One Shares. Investec Shareholders are exposed to some of these risks in respect of their current shareholding in Investec.

The Directors believe that the factors described below represent the current material risks of the Proposals and for the Ninety One Group and Investec Bank and Wealth resulting therefrom; however, the business, financial condition, results, operations and/or share price of each of Ninety One and Investec Bank and Wealth may be materially and adversely affected by other factors which are currently not known to Investec.

You should consult a legal adviser, a duly authorised independent financial adviser or a tax adviser for legal, financial or tax advice.

SECTION A: RISKS RELATING TO THE PROPOSALS

1. THE PROPOSALS ARE SUBJECT TO A NUMBER OF CONDITIONS PRECEDENT AND THERE IS THEREFORE NO GUARANTEE THAT THEY WILL BE IMPLEMENTED

Completion of the Proposals is subject to the satisfaction (or, where permitted, waiver) of a number of conditions precedent (including the approval of the Proposals by the Investec Shareholders at the General Meetings and the approval of the Scheme at the Court Meeting) and successful completion of each of the individual steps of the Proposals. If the Investec Shareholders do not approve the Demerger Resolution or the Reduction Resolution at the General Meetings or the Investec plc Ordinary Shareholders do not approve the Scheme at the Court Meeting, or the Court fails to sanction the Scheme (including the reduction of capital) to effect the UK Demerger, the Proposals will not be implemented. If the Proposals are not implemented in whole or in part, then the benefits the Investec Boards expect Investec Shareholders to derive from the Proposals may be delayed or may not be realised. In particular, key members of senior management and the Investec Boards may decide to leave Investec, thereby weakening Investec Group's businesses, significant one-off costs already incurred or committed in relation to the Proposals may be lost and additional costs may need to be incurred to reverse steps already taken in anticipation of the Proposals. Accordingly, the value of Investec Group could diminish and the ability of the businesses of Investec Group to implement their strategies may be constrained. For more information on the conditions to the Proposals, see paragraph 4 of Part IV of this document.

2. IN CERTAIN CIRCUMSTANCES, THE PROPOSALS MAY BE IMPLEMENTED ON A DELAYED TIMETABLE

In certain circumstances (for example, extreme adverse market conditions or a delay in obtaining Court approval for the Scheme), it may be necessary to delay the timetable for implementing the Proposals. If the Proposals are not implemented on the anticipated timetable, the benefits that the Investec Boards expect to realise from the Proposals can only be achieved on a delayed basis. Therefore, additional costs may need to be incurred to implement transitional measures.

3. **SOME OR ALL OF THE ANTICIPATED BENEFITS OF THE PROPOSALS MAY NOT BE REALISED**

There can be no guarantee that the anticipated benefits of the Proposals will materialise in full or in part or in a timely manner. There can also be no guarantee that unforeseen adverse consequences for the Ninety One Group and/or Investec Bank and Wealth will not emerge as a result of the Proposals. For example, the costs of finalising the Proposals may be greater than anticipated, and future regulatory change may diminish the anticipated regulatory benefits of the Proposals. If the benefits of the Proposals are not realised as expected and/or Ninety One and/or Investec Bank and Wealth incurs significant costs in realising them, this could have a material adverse impact on their respective results.

4. **THE NINETY ONE SHARE SALE MAY NOT PROCEED OR MAY NOT PROCEED IN FULL**

The Demerger is not conditional on the Ninety One Share Sale proceeding. Therefore, the Demerger may occur even if the Ninety One Share Sale does not proceed. If the Ninety One Share Sale does not proceed or does not proceed in full, Investec plc will retain up to 24.1% of Ninety One plc and Investec Limited will indirectly retain up to approximately 26.9% of Ninety One Limited and will not receive, or will not receive in full, the anticipated net proceeds from the Ninety One Share Sale. Further, if the Ninety One Share Sale does not proceed or does not proceed in full, the expected positive impact of the implementation of the Proposals on the CET1 ratios of Investec plc and Investec Limited will not be fully achieved.

5. **THE PROPOSALS WILL NOT BE CONDITIONAL ON THE NINETY ONE SHARES BEING ADMITTED TO LISTING OR TRADING ON THE NAMIBIA STOCK EXCHANGE OR THE BOTSWANA STOCK EXCHANGE**

Following Admission, Ninety One may apply for listing on the Namibia Stock Exchange and the Botswana Stock Exchange. Therefore, although Namibian Shareholders and Botswana Shareholders will receive entitlements to Ninety One Shares through the Demerger, the Ninety One Shares will not be admitted to listing or trading on the Namibia Stock Exchange or the Botswana Stock Exchange at the time of Admission. The registered interest in such Ninety One Shares will be held on the Ninety One SA Register in the name of the Strate Nominee, which will allow the Ninety One Shares to be held in a form that can be traded on the Johannesburg Stock Exchange through the Strate System via the Strate Nominee, the Computershare Nominee and Computershare Proprietary Limited's CSDP. The Strate Nominee will hold the registered interest in the Ninety One Shares on behalf of the Computershare Nominee, the nominee of Computershare Proprietary Limited's CSDP, who will hold the beneficial entitlement to such Ninety One Shares on behalf of Namibian Shareholders and Botswanan Shareholders. Please see Part XIII of this document for further information. This may affect the liquidity and marketability of, and increase the cost of dealing and holding, the underlying Ninety One Shares for the Namibian Shareholders and Botswanan Shareholders and may result in adverse tax consequences due to the Ninety One Shares being held on the Ninety One SA Register.

6. **SOME SHAREHOLDERS MAY NOT WISH (OR MAY NOT BE PERMITTED) TO HOLD NINETY ONE SHARES**

Following the implementation of the Proposals, some Shareholders may not wish to hold Ninety One Shares (or may not be permitted to do so under the terms of their investment mandates or securities laws applicable to them). Such sales are commonly referred to as "flowback". Resulting sales of Ninety One Shares could create short-term selling pressure on Ninety One Shares. This may impact the market price of the Ninety One Shares, and the market price of the Ninety One Shares may fall.

7. **IMPLEMENTATION OF THE PROPOSALS MAY CRYSTALLISE A TAX LIABILITY FOR INVESTEC SHAREHOLDERS IN CERTAIN JURISDICTIONS OR GIVE RISE TO OTHER UNANTICIPATED TAX CONSEQUENCES**

Investec has undertaken tax due diligence to identify the likely tax treatment of the Proposals for Investec Shareholders in key jurisdictions and has sought to minimise any identified adverse tax consequences where reasonably practicable to do so and material in the context of the Proposals. However, implementation of the Proposals (or parts of it) may crystallise a tax charge for Investec Shareholders in certain jurisdictions. Further, tax law and practice can be subject to differing interpretations and, in some jurisdictions, the tax authorities are entitled to exercise discretion in how the tax law should be applied in certain cases. Consequently, Investec is not able to guarantee that the tax authorities in each jurisdiction in which Investec Shareholders may be subject to tax will interpret or apply the relevant tax law and practice in a favourable way and this may give rise to adverse consequences. Details of the anticipated tax treatment of Investec Shareholders in the UK, the United States, South Africa, Namibia and Botswana arising from the Demerger are set out in the sections entitled "UK Taxation", "United States Taxation", "South Africa Taxation", "Namibia Taxation" and "Botswana Taxation" in Part XIV of this document.

SECTION B: RISKS RELATING TO NINETY ONE

1. THE NINETY ONE GROUP IS SUBJECT TO RISKS ARISING FROM GENERAL MACRO-ECONOMIC CONDITIONS IN SOUTH AFRICA, THE UK AND GLOBALLY.

The Ninety One Group is subject to risks arising from a variety of factors that affect general macro-economic conditions in the countries in which it operates, in particular South Africa and the United Kingdom, as well as global economic conditions in other significant markets, such as the United States. Economic conditions in the countries in which the Ninety One Group operates have been negatively impacted by a number of global macro-economic trends, including ongoing concerns surrounding the significant sovereign debts and fiscal deficits of several countries in Europe, global trade concerns, a weakening of the Chinese economy, uncertainty regarding growth of the US economy, protectionist trends in global trade (for example, trade disputes between China and the United States) and significant volatility in global commodity prices such as crude oil. Similarly, factors such as rapid rises and falls in currency exchange rates, changes in inflation expectations, levels of investment capital long-term low, negative or increasing interest rates and bond yields, and investor sentiment generally have in the past and may in the future adversely affect the economic performance of the primary markets in which the Ninety One Group operates. Furthermore, the Ninety One Group is subject to the risk of volatility or deterioration in economic conditions in countries in which it does not have operations, given linkages across the global economy and financial markets.

South Africa is a core market for the Ninety One Group, representing 31% of the Ninety One Group's assets under management as at 30 September 2019. South Africa's domestic economic outlook has deteriorated significantly in recent years amid low commodity prices, heightened financial market volatility, diminished consumer and business confidence and weak investment, severe drought, severe strike action, electricity supply constraints, political uncertainty and concern over governance and debt levels of state-owned entities. South Africa's real GDP growth rate has decreased from 3.3% in 2011 to 0.8% in 2018 and it remained volatile in the first half of 2019. Although the South African government has announced its intention to pursue a series of economic and fiscal reform initiatives, there can be no assurance that such initiatives will achieve or maintain the necessary political support in the short or long-term, or if sufficient fiscal resources will be provided given the challenging fiscal environment. In addition, there has been substantial political and media scrutiny regarding corruption in the South African government (both at a national and local level) and with respect to key state-owned entities. Improving economic and fiscal conditions and fighting corruption have been key policy platforms of the current president, and a failure to adequately address these issues could have a negative impact on South Africa's economic growth as well as investor confidence. It is not certain what, if any, political, economic or social impacts the current government will have on economic or market conditions in South Africa, and there can be no assurance that measures to rebuild confidence and to return public finances to a sustainable path will be maintained or successful.

The Ninety One Group's other core market is the United Kingdom, which represented 20% of the Ninety One Group's assets under management as at 30 September 2019. Since a significant portion of the Ninety One Group's revenue is derived from clients based in the UK, it is also particularly exposed to the condition of the UK economy, including matters that impact investor sentiment and corporate profitability. While economic indicators in the UK have stabilised in recent years, the UK economy has been characterised by extended periods of modest GDP growth and uncertainty following the vote in June 2016 to leave the European Union, as further described below, as well as market declines and strained political conditions in recent years. Economic and political conditions in the UK will likely continue to be affected by these factors, and significant changes in government policies, legislation or regulatory interpretation applicable to the Ninety One Group or the industries in which its clients operate, whether due to a change of government or otherwise, could have a material adverse effect on the Ninety One Group.

Although the Ninety One Group undertakes the majority of its operations in the UK and South Africa, it also has a material presence in a number of other markets. These operations expose the Ninety One Group to additional risks, including in relation to local political, economic, regulatory and business challenges that may affect the demand for the Ninety One Group's products and services, its reputation or the amount of the Ninety One Group's assets under management in those markets.

Any further adverse economic developments in the countries in which the Ninety One Group operates or, more generally, in the global economy could have a material adverse effect on its business, operating results, financial condition and prospects.

2. **THE NINETY ONE GROUP'S ASSETS UNDER MANAGEMENT AND, AS A RESULT, ITS PROFITABILITY ARE EXPOSED TO VOLATILITY IN GLOBAL FINANCIAL MARKETS AND TO OTHER ADVERSE FINANCIAL, ECONOMIC, POLITICAL AND MARKET FACTORS THAT AFFECT INVESTOR SENTIMENT.**

The Ninety One Group earns fixed fees levied as a percentage of assets under management, as well as variable performance fees. Accordingly, its operating results are influenced by fluctuations in the market value of assets under management and the amounts of assets invested by its clients.

As at 30 September 2019, 45% of the Ninety One Group's total assets under management comprised equities. Therefore, its fee income is vulnerable to fluctuations in equity markets since a reduction in the value of equities would contribute to a reduction in the value of assets under management, and therefore a reduction in fee income. In the recent past, a combination of stable growth and accommodative monetary policies supported extended periods of low volatility across financial markets. However, as the Federal Reserve and the European Central Bank began in 2018 to normalise monetary policy by gradually increasing interest rates and discontinuing accommodative monetary policies, the Federal Reserve has reduced the target range for the federal funds rate three times in 2019 and global equities markets have been significantly more volatile and the world's leading equity markets, as well as the emerging markets in which the Ninety One Group operates, experienced significant declines in 2018. Although the majority of the investment mandates for the Ninety One Group's clients are based on a long-term approach to investment through market cycles, significant volatility in securities markets may result in equities and equity funds becoming less attractive investments for the Ninety One Group's clients.

As at 30 September 2019, approximately 57% of the Ninety One Group's total assets under management were invested in emerging markets. Investing in emerging markets carries particular risks, including in relation to volatile domestic political or economic conditions, as well as vulnerabilities to external shocks, from regional trading partners to more general ''contagion'' effects affecting emerging market economies globally and exchange rate fluctuations. As a result, securities markets in emerging economies have historically experienced periods of higher volatility than in more established markets. The Ninety One Group's fee income from these investments can be particularly volatile from period to period, whether due to changes in the value of assets under management or investor decisions to reduce exposure to these markets during downturns.

A deterioration or significant volatility in equity or other securities markets may therefore make it harder for the Ninety One Group to attract new clients and/or could potentially result in clients withdrawing a portion or all of the assets in their portfolios the occurrence of any of which could have a material adverse effect on the Ninety One Group's business, operating results, financial condition and prospects.

3. **THE NINETY ONE GROUP IS EXPOSED TO POLITICAL, SOCIAL AND MACRO-ECONOMIC RISKS RELATING TO THE UK'S POTENTIAL EXIT FROM THE EU.**

In March 2017, the UK gave notice of its intention to leave the EU under Article 50 of the Treaty on European Union. The notice provided for the UK to exit the EU on 29 March 2019 (the "**Exit Date**"). The Exit Date has been changed to 31 January 2020, contingent on certain requirements.

In November 2018, a withdrawal agreement (the "**Withdrawal Agreement**") setting out the terms of the UK's exit from the EU, and a political declaration on the framework for the future relationship between the UK and the EU (the "**Political Declaration**") were agreed between the UK and EU governments. Since that time, there has been significant uncertainty whether or not the Withdrawal Agreement and Political Declaration will be approved by the UK Parliament or on what timing, including as a result of amendments to the Withdrawal Agreement in October 2019 and a decision to call a UK general election for 12 December 2019. As a result, there remains heightened uncertainty regarding whether the Exit Date will be further postponed or on what terms, if any, the UK will seek to leave the EU.

As currently agreed, the Withdrawal Agreement includes the terms of a transition or "standstill" period until 31 December 2020, during which the UK will have formally withdrawn from the EU but will still be treated for most purposes as a EU member state. This transition period may be extended (by agreement before July 2020) until the end of 2021 or 2022. During the transition period, the UK would be subject to EU laws as well as benefit from them but would have very limited involvement in EU decision-making processes and institutions. The Withdrawal Agreement also provides that the EU will notify third-party countries that the UK should be treated as a member of the EU, but third-party countries may not be legally bound to treat the UK as such.

For the Withdrawal Agreement to become effective, both the EU Parliament and the UK House of Commons must vote to approve it and the Political Declaration. The Withdrawal Agreement would also need to be implemented into UK law by the UK Parliament. If the Withdrawal Agreement does not become effective, unless the UK revokes the notice of its intention to leave the EU, or the Exit Date is postponed with the unanimous agreement of the remaining EU member states, the UK will leave the EU on 31 January 2020 with no transitional period.

The prospective withdrawal of the UK from the EU continues to create significant political, social and macro-economic uncertainty, which has affected and is likely to continue to affect financial markets, consumer sentiment and corporate profitability. As a result of this uncertainty, the pound sterling : U.S. dollar exchange rate fell to its lowest levels since the 1980s, with one pound sterling equal to US$1.20 in January 2017, a decrease of 18.6% compared to 23 June 2016, and it has remained significantly below the 23 June 2016 level since that time. In addition, Moody's Investors Service downgraded the outlook of the UK government's bond rating from stable to negative, Fitch downgraded the UK government's credit rating from AA+ (stable) to AA (negative) and Standard & Poor's Ratings Services downgraded the UK government's credit rating from AAA (negative) to AA (negative), in each case warning that the country's economic growth and fiscal strength are likely to be lower in the event the UK exits the EU.

If the UK leaves the EU with no withdrawal agreement in place, the result may be significant macro-economic deterioration, including, but not limited to, further decreases in global stock exchange indices, trade wars, increased foreign exchange volatility (in particular a further weakening of the pound sterling and the euro against other leading currencies), decreased GDP in the UK, EU or other markets in which the Ninety One Group operates, and further sovereign credit downgrades.

In particular, there is a risk that the UK's exit from the EU, other political developments or developments otherwise affecting market confidence may result in outflows of assets from investment portfolios with exposure to the UK. Due to the size and importance of the UK economy in the global economy, particularly with respect to the UK financial services market, as well as the uncertainty and unpredictability concerning the UK's legal, political, financial and economic relationship with the EU after the UK's withdrawal from the EU, there may continue to be instability in the national and international financial markets, significant currency fluctuations and otherwise adverse effects on consumer confidence for the foreseeable future, including beyond the date of the UK's withdrawal from the EU.

The Ninety One Group includes financial institutions authorised and regulated in the UK. The regulatory environment that applies to such entities is in large part derived from EU financial services legislation. While the UK is currently required to implement and apply such legislation, this may no longer be the case following its departure from the EU. This may have a significant impact on UK financial services legislation and the regulatory environment in which the Ninety One Group operates, which may in turn have a material adverse effect on the Ninety One Group's business, financial condition, operating results and prospects.

It is also unclear how the UK's withdrawal from the EU will affect UK financial institutions and businesses with assets or operations (including branches) in the EU (and vice versa), which could impact matters from regulatory classifications, delegation of activities and operational processes within the Ninety One Group to applicable tax regimes and the mobility of personnel. At present, EU legislation grants passporting rights to certain categories of financial institution, including insurers, investment firms, Undertakings for Collective Investment in Transferable Securities ("**UCITS**") management companies and Alternative Investment Fund Managers ("**AIFMs**"). EU legislation also facilitates mutual rights of access to EU market infrastructure such as payment and settlement systems. Once the UK ceases to be a member state of the EU, the current passporting arrangements may cease to be effective, as may the current mutual rights of access to market infrastructure. The Ninety One Group contains entities that rely on such passporting arrangements and market infrastructure. In addition, as of 30 September 2019, the Ninety One Group had one office and employed 438 people in the UK and had six offices and employed 20 people in the remaining EU member states. A number of the Ninety One Group's employees in the UK are citizens of other EU member states, and a number of employees in the EU are UK citizens. Depending on the contours of the agreement reached between the UK and the EU on migration and immigration (if any), the UK's exit from the EU could result in restrictions on mobility of personnel and could create difficulties for the Ninety One Group in recruiting and retaining qualified employees.

As a result of the foregoing, the UK's departure from the EU may have material adverse effect on the Ninety One Group's business, financial condition, operating results and prospects.

4. **EXCHANGE CONTROL REGULATIONS IN SOUTH AFRICA MAY HAVE A NEGATIVE IMPACT ON THE NINETY ONE GROUP'S BUSINESS.**

South African exchange control regulations provide for a common monetary area ("**CMA**") consisting of South Africa, Namibia, Lesotho and Swaziland. Transactions between South African residents and non-CMA residents are subject to South African exchange control regulations. The purpose of exchange controls is to mitigate the decline of foreign capital reserves in South Africa. South African residents, including companies, are generally not permitted to export capital from the CMA or to hold foreign currency for longer than specified periods without the approval of the Financial Surveillance Department of the South African Reserve Bank, and restrictions are imposed on their foreign investments. The Ninety One Group's South African businesses will continue to be bound by such restrictions.

Since 1995, certain exchange controls in South Africa have been relaxed. The extent to which the South African Government may further relax such exchange controls cannot be predicted with certainty, although the South African Government has committed itself to a gradual approach of relaxation. Relaxation or abolition of exchange controls may change the capital flows to and from South Africa. If changes to exchange controls result in large capital outflows, the Ninety One Group's South African business could be adversely affected, which could in turn have a material adverse effect on the Ninety One Group's business, operating results, financial condition and prospects.

5. **FLUCTUATIONS IN EXCHANGE RATES COULD HAVE AN ADVERSE IMPACT ON THE NINETY ONE GROUP'S OPERATING RESULTS.**

The Ninety One Group's reporting currency is British pounds sterling. The operating results and the financial position of each Ninety One Group company are reported in the local currencies of the countries in which they are domiciled, including British pounds sterling, South African rand, Australian dollars, euros and U.S. dollars. These results are then translated, as relevant, into pounds sterling at the applicable foreign currency exchange rates for inclusion in the Ninety One Group's consolidated financial statements. In the case of the income statement, the weighted average rate for the relevant period is applied and, in the case of the balance sheet, the relevant closing rate is used. To the extent that any of these currencies depreciate against the British pound sterling, it will negatively impact the Ninety One Group's reported profitability for the period. This impact might be material during periods when depreciation in one or more local currencies relative to the British pound sterling is significant.

The Ninety One Group is also exposed to risks related to mismatches between the currencies in which it incurs expenses and those in which it receives fee revenues in a given period. Where possible, the Ninety One Group manages this foreign currency risk by matching the same currency revenues to the same currency expenses in the countries in which it operates, in particular, in its South African operations. However, it is not always able to do so. For example, the Ninety One Group earns significant fee revenue in U.S. dollars from operations in countries outside the United States, where expenses are incurred in the local currency. If the Ninety One Group's revenue and expense matching fails to adequately hedge its currency exchange risk, it could be exposed to foreign exchange losses that could adversely affect its operating results.

6. **THE ASSET MANAGEMENT INDUSTRY IN WHICH THE NINETY ONE GROUP OPERATES IS INTENSELY COMPETITIVE AND HIGHLY REGULATED.**

The investment solutions and asset management markets in the UK, South Africa and internationally are competitive, and the Ninety One Group expects such competition to intensify in response to competitor behaviour, consumer preferences, technological changes, the impact of consolidation, regulatory actions and other factors. The Ninety One Group faces the risk that advisers and clients do not prefer the Ninety One Group's service offerings to those of competitors, or that preferences change significantly away from its services, either of which could reduce the Ninety One Group's client base or assets under management.

The Ninety One Group's principal competitors are pure asset management firms that operate internationally and domestically in its chosen markets, including the UK and South Africa. The factors affecting the Ninety One Group's ability to sell its products and services and achieve continued profitability include investment management performance, financial strength and ratings, range of product lines and product and service quality, choice of distributor and distribution method, client perception of the Ninety One Group's offering, brand strength, innovation of competitors, developing demographic trends and client

appetite for certain investment products. In addition, the Ninety One Group competes on the basis of the fees that it charges for its services.

Furthermore, the asset management industry has experienced periods of significant consolidation as numerous asset management firms have either been acquired by other financial services firms or ceased operations. This has resulted in the Ninety One Group having to compete with larger and potentially better capitalised firms offering more comprehensive suites of products and services. If the Ninety One Group's clients and potential clients decide to use the services of its competitors, this could result in a slowdown in the growth in the Ninety One Group's assets or in net client outflows. Any of the foregoing factors could have a material adverse effect on the Ninety One Group's business, operating results, financial condition and prospects.

The imposition of new regulations in the asset management industry may force Ninety One to modify its business and operating model, causing Ninety One to incur additional costs. This could result in adverse financial effects for Ninety One.

The Ninety One Group views technology as a key business enabler and therefore continues to invest in this area. However, there is the risk that Ninety One invests in technologies that are unable to compete with those of competitors, or is unable to keep pace with industry change that may arise as a result of alternative intelligence developments, industry disruptors or otherwise.

7. **POOR INVESTMENT PERFORMANCE RELATIVE TO COMPETITORS AND APPLICABLE BENCHMARKS OR A DETERIORATION IN THE NINETY ONE GROUP'S SERVICES COULD LEAD TO A LOSS OF ASSETS UNDER MANAGEMENT AND A DECLINE IN OPERATING PROFIT.**

Investment performance is an important factor for the maintenance and growth of the Ninety One Group's assets under management. If the Ninety One Group were to experience poor investment performance over a prolonged period, affected clients (or clients generally) might decide to reduce their investments or withdraw funds altogether in favour of better performing services or competing investment managers, which would lead to a direct reduction in the level of the Ninety One Group's assets under management and, as a result, lower fee income. Furthermore, during a period of significant poor investment performance, the Ninety One Group's reputation and brand, which have in part been built around its strong investment performance, may deteriorate. As a result, its ability to attract funds from existing and new clients might diminish, particularly given the competitive nature of the asset management market. A limited portion of the Ninety One Group's revenues relate to performance fees, which could also decline during a period of poor investment performance.

In addition to the Ninety One Group's investment performance, its relationships with clients are important to the maintenance and growth of its assets under management. The Ninety One Group's investment managers are central to these relationships, and play a key role in enabling the Ninety One Group to earn the long-term trust of its client base. However, client complaints regarding dissatisfaction with the services they receive from their investment managers or the Ninety One Group generally, including in relation to general administration of their investments, could ultimately lead to the withdrawal of client investments and a reduction in the Ninety One Group's assets under management.

The occurrence of any of the foregoing could have a material adverse effect on the Ninety One Group's business, operating results, financial condition and prospects.

8. **THE NINETY ONE GROUP'S CLIENTS MAY WITHDRAW THEIR ASSETS UNDER MANAGEMENT AT SHORT OR WITH NO NOTICE.**

The Ninety One Group's arrangements with its clients are generally terminable without cause and at short or no notice. Additionally, under most client contracts, clients may withdraw significant amounts of assets quickly or entirely prior to any such termination. Clients may decide to withdraw a portion or all of the assets managed by the Ninety One Group, for various reasons, including crystallisation of any of the other risks described in this Part VI. In particular, if interest rates rise or stock markets decline in a rapid and / or unexpected manner, or the Ninety One Group's investment performance underperforms significantly during periods of volatility, the pace of withdrawals could accelerate. A reduction in the value of assets under management would adversely affect the Ninety One Group's fee income and operating profit. Significant withdrawals of assets under management could have a material adverse effect on the Ninety One Group's fee income, as well as its business, operating results, financial condition and prospects.

9. **THE ASSET CLASSES OR INVESTMENT STRATEGIES UNDERLYING THE PORTFOLIOS MANAGED BY THE NINETY ONE GROUP MAY BECOME LESS ATTRACTIVE TO CLIENTS OR THEIR ADVISERS.**

The Ninety One Group is reliant on its ability to offer products, across a number of asset classes, that meet clients' needs so that advisers will continue to recommend investment solutions that are managed or administered by the Ninety One Group. If these asset classes or investment strategies were to become unsuitable for clients or if there were to be a further significant shift towards investors investing through competing products, such as passive or index-based investment products, or investment vehicles representing asset classes that the Ninety One Group does not offer, there may be reduced sales or increased redemptions from the Ninety One Group's services.

In addition, an adviser may make judgements as to investment products and services on the basis of suitability for its clients by considering, among other things, its clients' tolerance for risk and the prospects for future investment returns in light of the product offering, the Ninety One Group's past investment performance, perceived financial strength and stability, credit and other ratings (if applicable), the quality of the service, price and technical support provided by the Ninety One Group, and other product features. There can be no assurance that advisers that currently recommend the Ninety One Group's products or services will continue to do so or that additional advisers will recommend them in the future.

These developments could have a material adverse effect on the Ninety One Group's business, financial condition, operating results and prospects.

10. **NEW PRODUCTS AND SERVICES INTRODUCED BY THE NINETY ONE GROUP MAY NOT ACHIEVE ACCEPTANCE IN THE MARKET.**

The Ninety One Group depends on its ability to develop new products and services that achieve a sufficient level of acceptance in the market to challenge its competitors. There can be no assurance that it will be able to develop new products or services that will appeal to clients in its Institutional or Advisor distribution channels, or any new channel, or that its competitors will not introduce more successful products or services or successfully copy the products and services introduced by the Ninety One Group. New product and service launches involve a significant investment by the Ninety One Group and future initiatives may also require substantial expenditures and commitment of human resources. If the products and services introduced by the Ninety One Group do not achieve the anticipated level of acceptance, or it is unsuccessful in any new distribution channel, the Ninety One Group could lose clients or be required to incur substantial costs in order to maintain its client base. Additionally, if the processes to design, develop and launch new products and services are inadequate, it may result in the Ninety One Group investing development resources inappropriately, launching products or services that are incapable of achieving their stated goals, or failing to achieve its business objectives. The inability to effectively develop and successfully launch new products and services could have a material adverse effect on its business, operating results, financial condition and prospects.

11. **CHANGES IN DISTRIBUTION CHANNELS, IN PARTICULAR IN RELATION TO INSTITUTIONAL INVESTMENT CONSULTANTS OR FINANCIAL ADVISERS, MAY HAVE A MATERIAL ADVERSE EFFECT ON THE NINETY ONE GROUP'S BUSINESS.**

The Ninety One Group provides investment management services to a range of private and public sector pension funds, sovereign wealth funds, insurers, corporates, foundations, central banks, large retail groups, wealth managers, private banks and intermediaries serving individual investors through its core Institutional and Advisor distribution channels. As a result, changes to how its clients procure investment management services, or an inability on the part of the Ninety One Group to anticipate and respond to the development of new distribution channels, could result in a loss of clients and assets under management or the inability to win new clients.

In particular, the Ninety One Group relies on institutional investment consultants and advisory platforms, who may retain responsibility for specific aspects of the overall service provided to the client, such as the recording of "know your customer" information and the suitability of the investment mandate. Although the Ninety One Group has undertaken various steps to expand and deepen its investment consultant and advisory relationships and networks, there can be no assurance that its efforts will continue to be successful. As the Ninety One Group's competitors work to expand and deepen their own investment consultant relationships and networks, its competition may expand resulting in the Ninety One Group

being unable to maintain its key relationships or grow the amount of new business it generates from these channels.

The Ninety One Group also faces risks arising from the evolution of distribution channels, including changing client demand trends in existing distribution channels, the growth of new distribution channels and the emergence of new types of intermediaries. Although the Ninety One Group continuously evaluates its distribution channels across the range of its existing client and intermediary relationships, market trends are constantly evolving. New distribution trends, such as channel convergence between Institutional and Advisor clients and the emergence of new channels, including investment consultants, fiduciary advisers, multi-managers and outsourced investment management providers, require agility to meet client demands. In addition, the Ninety One Group must ensure that its product and service offerings meet evolving client needs in these new and growing channels. For example, certain Institutional clients, particularly insurers, are required to invest based on defined investment objectives, and the Ninety One Group must ensure that its product and service offerings are aligned to suit these types of client needs, which are subject to change. If the Ninety One Group is unable to identify changes in distribution channels, or to align its product and service offerings with evolving distribution trends, it may face a loss of clients or assets under management.

The Ninety One Group is also exposed to the risk that advisers may change their business models in ways that affect whether or how they recommend the Ninety One Group's products or services, either in response to changing business priorities or as a result of shifts in regulatory supervision or potential changes in applicable laws and regulations. This may concern, for instance, requirements and standards applicable to the distribution of the Ninety One Group's products or services, as well as changes in distribution trends. Each of these factors may result in advisers ceasing to recommend the Ninety One Group's products or services, or recommending fewer of the Ninety One Group's products or services, or clients seeking asset management products and services from other providers.

12. **BREACHES BY THE NINETY ONE GROUP OF INVESTMENT MANDATES COULD HAVE A MATERIAL ADVERSE EFFECT ON ITS BUSINESS, FINANCIAL CONDITION, OPERATING RESULTS AND PROSPECTS.**

The Ninety One Group is generally required to invest in accordance with specific investment mandates or objectives established for the particular portfolio or product. If investments are made or managed in breach of an investment mandate, including with regard to the use of benchmark indices, the Ninety One Group could be required to unwind the relevant transactions, could suffer reputational and brand damage and likely would be liable for any losses suffered by an affected party in doing so. Losses could be significant and exceed amounts recoverable under the Ninety One Group's insurance policies, if any. The potential reputational and brand damage and the obligation to compensate for such losses could have a material adverse effect on the Ninety One Group's business, financial condition, operating results and prospects.

13. **CHANGES IN REGULATORY CAPITAL REQUIREMENTS MAY LEAD TO A REDUCTION IN DIVIDENDS.**

The prudential capital requirements for the Ninety One Group apply both on a solo basis (i.e. to an authorised firm based on its own situation) and on a consolidated, or group, basis. Broadly, this means that the regulated entity which triggers the consolidation requirement must also comply with capital requirements based on the consolidated situation of its consolidation group. It is expected that on a Demerger the Ninety One Group will have two separate consolidation groups (one, largely comprising companies within the sub-group held by Ninety One plc, and one largely comprising companies within the sub-group held by Ninety One Limited).

Solo and consolidated capital requirements typically comprise two elements, the more formulaic Pillar 1 element and the more discretionary and institution (or group) specific Pillar 2 element. Currently a large part of the Ninety One Group Pillar 2 consolidation capital requirement is held by the key Ninety One Group regulated entity / entities in each consolidated group. Changes in regulation that impact the quantum or quality of regulatory capital required (whether Pillar 1 and/or Pillar 2) for the Ninety One Group, or changes in regulatory approach which mean a greater proportion of the Pillar 2 regulatory capital element must be held at the solo (i.e. legal entity) level instead of by the key regulated entities at the consolidated group level, could lead to more onerous regulatory capital requirements overall.

The consolidated Pillar 1 regulatory capital element for the Ninety One Group is, in part, a function of fixed overheads. Therefore increases in fixed costs impact the applicable regulatory capital requirement. In addition, a large portion of the Pillar 2 capital element is determined through operational risk scenario modelling and so can be influenced by key components of that modelling such as changes in business model, client base, product mix and concentration, and volatility in financial markets. Pillar 2 capital requirements can also be mandated through individual capital guidance from the regulator. In more extreme market conditions, Pillar 2 credit risk capital requirements could be affected by a deterioration in credit ratings at banks where own funds are deposited (either directly or through money market funds).

A new prudential regime for investment firms is expected to be adopted at the EU level later this year with the majority of the provisions being applicable from mid-2021. Even assuming it is applicable in the UK in the event of a hard Brexit and so would apply to certain UK and EU Ninety One Group companies, the current expectation is that the impact would not be material at the Ninety One Group level.

Accordingly, where any of the factors noted above applies and results in an increase in the quantum or quality of regulatory capital required for the Ninety One Group, one impact is that the Ninety One Group's ability to pay out dividends, and the quantum of any dividends payable, may be reduced.

14. **OPERATIONAL RISK MAY DISRUPT THE NINETY ONE GROUP'S BUSINESS OR RESULT IN REGULATORY ACTION.**

Operational risk is defined as any instance where there is potential or actual impact to the Ninety One Group resulting from inadequate or failed internal processes, people or systems or from external events. Operational losses can result, for example, from errors or misconduct by employees, failure to document transactions properly or to obtain proper authorisation, failure to comply with regulatory requirements and conduct of business rules, equipment failures, natural disasters or the failure of systems and controls, including those of the Ninety One Group's suppliers or counterparties. The Ninety One Group is also exposed to risk from potential non-compliance by its staff with policies, employee misconduct or negligence and fraud, which could result in regulatory sanctions and serious reputational or financial harm.

Although the Ninety One Group maintains a global business continuity management capability, and substantial resources are devoted to developing efficient and well controlled procedures, reporting systems and to staff training, it is not possible to be certain that such actions have been or will be effective in controlling each of the operational risks faced by the Ninety One Group or prevent or detect employee misconduct. Given the Ninety One Group's high volume of transactions, fraud or errors may be repeated or compounded before they are discovered and rectified. Any operational failure may cause serious reputational or financial harm and could have a material adverse effect on the Ninety One Group's business, operating results, financial condition and prospects.

15. **THE NINETY ONE GROUP IS SUBJECT TO VARIOUS RISKS RELATING TO THE OUTSOURCING OF SERVICES TO THIRD-PARTY CONTRACTORS, SUPPLIERS, AGENTS AND OTHER SERVICE PROVIDERS.**

The Ninety One Group relies on third parties to supply a variety of services, technologies and equipment that are central to significant portions of its operational and administrative and support processes. These include administrative and support and fund accounting services, which are provided under an agreement with State Street Bank & Trust Co., as well as transfer agent services to process retail investor applications and manage fund shareholder registers. In addition, the Ninety One Group currently receives and will, following the Demerger, receive services from Investec Bank and Wealth, including (i) certain IT, operational and other services pursuant to the Transitional Services Agreement for a transitional period in order to assist the Ninety One Group in continuing the Ninety One Business following the Demerger; and (ii) a licence under the Transitional Trade Mark Licence Agreement pursuant to which the Ninety One Group will have the right to use certain Investec trade marks for a transitional period of up to 24 months following the Demerger. While the Ninety One Group has contractual protections in place with its third-party service providers, the Ninety One Group does not have operational or financial control over them, and the Ninety One Group has limited or no influence with respect to the manner in which they conduct their business. Since certain of these services are only available from a limited number of providers, the Ninety One Group could also experience difficulties identifying alternative service providers on a timely basis, on comparable terms or at all, and it could suffer disruption as a result of the transition of functions to the new service provider.

In addition, since the Ninety One Group's operations rely on a day-to-day basis on the continued provision of these services, it is also exposed to risks associated with the conduct of these third parties, in particular with respect to cybercrime and fraud, as well as risks in relation to third-party contractor handling of client money. If these third parties fail to provide their services, technologies or equipment in accordance with relevant requirements, on a timely basis, the Ninety One Group's clients may be impacted and the Ninety One Group may ultimately be held liable for any client loss or regulatory breach. Any failure by third parties to provide their products and services could also result in reputational damage to the Ninety One Group, a requirement to pay compensation to clients or regulatory action or fines. The Ninety One Group may be unable to recover losses from these third parties, for example in the event of a provider's financial distress or limitations on liability.

If the Ninety One Group does not effectively develop and implement its outsourcing and procurement strategies and its internal capability to manage such strategies, or third-party providers do not perform as anticipated, its business, operating results, financial condition and prospects could be materially adversely affected.

16. **THE NINETY ONE GROUP'S RISK MANAGEMENT POLICIES AND PROCEDURES MAY LEAVE IT EXPOSED TO RISKS WHICH HAVE NOT BEEN IDENTIFIED BY SUCH POLICIES OR PROCEDURES.**

The Ninety One Group devotes significant resources to developing its risk management policies and procedures and expects to continue to do so in the future. Nonetheless, its risk management techniques may not be fully effective in mitigating its risk exposure in all market environments or against all types of risk. Some of the Ninety One Group's methods of managing risk will be based upon its use of observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be significantly greater than historical measures indicate. Other risk management methods depend upon evaluation of information regarding the markets in which the Ninety One Group operates, its clients or other matters that are publicly available or otherwise accessible by the Ninety One Group. This information may not be accurate, complete, up-to-date or properly evaluated in all cases. Any failure of the Ninety One Group's risk management techniques may have a material adverse effect on its business, operating results, financial condition and prospects.

17. **THE NINETY ONE GROUP IS DEPENDENT UPON THE PROPER AND CONTINUED FUNCTIONING OF ITS IT SYSTEMS.**

The Ninety One Group relies on the proper functioning of its information technology systems, which may be compromised as a result of hardware, software, power or telecommunications failures, as well as data security breaches. Any significant degradation, failure or lack of capacity of the Ninety One Group's information systems or other related systems in its trading processes, in particular, could cause it to fail to complete transactions on a timely basis. The occurrence of any of the foregoing events could give rise to adverse regulatory and reputational consequences for the Ninety One Group's business and have a material adverse effect on the Ninety One Group's business, operating results, financial condition and prospects.

In addition, the Ninety One Group's continued success will depend in part on its ability to respond to changing technologies and demands of the market place, and its inability to upgrade its information and communications systems on a timely or cost-effective basis could damage its relationships with its clients and counterparties.

18. **THE NINETY ONE GROUP MAY BE UNABLE TO RECRUIT, RETAIN AND MOTIVATE KEY PERSONNEL.**

The Ninety One Group's performance is largely dependent on the talents and efforts of key personnel, many of whom have been employed by the Ninety One Group for a substantial period of time and have developed with the business. Competition in the financial services industry for qualified employees is intense. Further, the Ninety One Group's ability to implement its strategy depends on the ability and experience of its senior management and other key employees. The loss of the services of certain key employees, particularly to competitors, could have a negative impact on the Ninety One Group's business.

The Ninety One Group's continued ability to compete effectively and further develop its business depends on its ability to retain, remunerate and motivate its existing employees and to attract new employees and qualified personnel particularly for investment roles. A number of the Ninety One Group's competitors

are private partnerships or private entities, in which key employees have significant partnership interests or equity holdings as a material component of their compensation arrangements. In an increasingly competitive environment for attracting and retaining talented employees, these compensation arrangements are very attractive for individuals and are competitive in the market.

If the Ninety One Group is unable to recruit, retain and motivate key personnel, or if it is required to incur additional costs to retain such personnel, its business, operating results, financial conditions and prospects could be materially adversely affected.

19. **THE NINETY ONE GROUP IS RELIANT ON THE SUCCESS OF ITS BRAND.**

The success of the Ninety One Group's strategy going forward will rely significantly on the appeal of its brand. Since being founded in 1991, the Ninety One Group established itself and its brand as a part of the broader Investec Group. During that time, the Directors believe that the Ninety One Group's growth and the success of its product and service offerings have allowed it to differentiate itself from competitors and provided a key competitive advantage in the countries and markets where it operates.

The Ninety One Group is currently dependent on a single brand. On and from the Demerger, the Ninety One Group will establish a new brand, which may be more costly than planned or less successful in supporting the Ninety One Group's operations than anticipated. An inability to manage the risks associated with its brand could have a material adverse effect on the Ninety One Group's business, operating results, financial condition and prospects.

20. **THE NINETY ONE GROUP FACES RISKS ASSOCIATED WITH THE IMPLEMENTATION OF ITS STRATEGY.**

The Ninety One Group faces risks associated with the implementation of its strategy. The Ninety One Group's ability to implement its strategy successfully is subject to execution risks, including those relating to attracting client demand into growth areas and the management of its relationship with Investec Bank and Wealth, management of its cost base and limitations in its management or operational capacity, as well as the effectiveness of new reporting lines and management structures following the Demerger. These risks may be exacerbated by a number of external factors, including a downturn in global and significant national economies, increased competition in the financial services industry and/or significant or unexpected changes in the regulation of the financial services sector in the countries where the Ninety One Group operates. If the Ninety One Group is unable to implement its business strategy, its business, operating results, financial condition and prospects could be materially adversely affected.

21. **THE NINETY ONE GROUP'S HISTORICAL FINANCIAL PERFORMANCE MAY NOT, IN ALL RESPECTS, BE INDICATIVE OF ITS FUTURE PERFORMANCE.**

The Ninety One Group's historical financial information presented in Part X of this document has been prepared on a basis that combines the historical financial results and assets and liabilities of the companies constituting the Ninety One Group. During the period covered by the historical financial information, the Ninety One Group's business was managed as part of Investec and, as a result, some of its operating and back-office functions were integrated with Investec's business and subject to central charging processes. These factors are reflected in the operating and funding cost bases shown in the historical financial information set out in Part X of this document. The Ninety One Group's core operations and back-office functions have now been substantially developed on an independent basis. Therefore, the historical financial information presented in Part X of this document may not be indicative of the Ninety One Group's future performance.

22. **THE NINETY ONE GROUP MAY NOT BE ABLE TO ADEQUATELY INSURE AGAINST SPECIFIC RISKS.**

The Ninety One Group's business entails the risk of liability related to litigation from clients, shareholders, employees or third-party service providers and actions taken by regulatory agencies, which may not be adequately covered by insurance or at all. Specifically, there is a risk that claims may arise in relation to damage resulting from the Ninety One Group's employees' or service providers' operational errors or negligence, or misconduct or misrepresentation by its employees, agents and other operational personnel. There can be no assurance that a claim or claims will be covered by insurance or, if covered, that any such

claim will not exceed the limits of available insurance coverage or that any insurer will meet its obligations to insure. There can also be no assurance that insurance coverage with sufficient limits will continue to be available at a reasonable cost. Renewals of insurance policies or claims under existing policies may expose the Ninety One Group to additional costs through higher premiums or the assumption of higher deductibles or co-insurance liability. A significant increase in the costs of maintaining insurance cover or the costs of meeting liabilities not covered by insurance could have a material adverse effect on the Ninety One Group's business, financial condition, operating results and prospects.

23. **THE NINETY ONE GROUP'S REGULATED BUSINESSES MAY BREACH THE REGULATIONS WHICH IT IS SUBJECT TO.**

The Ninety One Group is subject to extensive regulation in each of the jurisdictions in which it conducts business. The Ninety One Group is also obliged to complete extensive and complex disclosures relating to assets held within the Ninety One Group to meet UK, South African and international regulations. Regulatory agencies have broad regulatory and administrative powers over many aspects of financial services businesses such as the Ninety One Group, which may include governance, systems and controls requirements, conduct of business requirements (including marketing and selling practices, advertising, client documentation and service standards), market conduct, product authorisation and governance, solvency, liquidity, intra-group transactions, risk concentration, management of conflicts of interest and permitted investments.

The Ninety One Group's UK business is subject to regulation by the FCA. The FCA has broad powers, including the authority to grant, vary the terms of or cancel a regulated firm's authorisation, to investigate marketing and sales or advice practices and to require the maintenance of adequate financial resources. The FCA has the power to take a range of investigative, disciplinary or enforcement actions, including public censure, client restitution, fines or sanctions and (in practice) to require compensation. The FCA may make enquiries of the companies that it regulates regarding compliance matters and, like all UK regulated financial services firms, the Ninety One Group faces the risk that the FCA could find that it has failed to comply with applicable regulations or has not undertaken corrective action as required. The FCA also has temporary product intervention powers, which enable it to restrict certain products, product features or their promotion in the UK for up to 12 months without consultation.

In South Africa, the recently enacted Financial Sector Regulation Act, 2017 has put international "Twin Peaks" regulation into effect. As a result, the Ninety One Group's business is now subject to regulation by the SA FSCA and the SARB PA. The SARB PA is responsible for regulating, among others, banks, insurers, financial institutions and financial services providers. Within the SARB PA's competency is the regulation of the Ninety One Group's business in respect of prudential and capital requirements, risk, anti-money laundering and combatting the financing of terrorism. The SA FSCA launched on 1 April 2018, as successor to the South African Financial Services Board. The SA FSCA regulates, on the other hand, financial market conduct, including licensing, oversight of treatment of financial clients, efficiency and integrity in financial markets and financial stability. The SARB PA and the SA FSCA have broad powers to gather information, conduct supervisory on-site inspections and investigations, to question individuals and require production of documents and search premises. For enforcement purposes, the SARB PA and the SA FSCA can issue directives to regulated entities and/or key individuals directing that specified action be taken in furtherance of regulatory powers. In serious cases the SARB PA and the SA FSCA can remove individuals from their positions with regulated entities, commence high court proceedings against regulated entities and debar individuals from working within regulated industries. Like all South African regulated financial services firms, the Ninety One Group faces the risk that the SARB PA or the SA FSCA could find that it has failed to comply with applicable regulations or has not undertaken corrective action as required.

Outside the UK and South Africa, the Ninety One Group's businesses are regulated by local domestic and supranational regulators that often have similar powers to the FCA, the SARB PA and SA FSCA. These authorities can apply a wide range of sanctions to firms (and individuals working for firms) found to be operating in breach of their regulations, or in a manner deemed to pose a significant risk to their statutory obligations, including public or private censure, fines, regulatory proceedings and, in extreme cases, suspension or withdrawal of authorisation to operate particular parts of their business or prosecution. Additionally, defending itself in proceedings and the cost of any applicable sanctions may involve significant expense. Enforcement or other action taken by regulators against the Ninety One Group could also have a detrimental impact on its reputation, which could undermine client confidence and reduce

demand for the Ninety One Group's products and services. Any of these matters may have a material adverse effect on the Ninety One Group's business, financial condition, operating results and prospects.

24. **THE NINETY ONE GROUP'S BUSINESSES ARE SUBJECT TO THE RISK OF ADVERSE CHANGES IN THE LAWS AND REGULATIONS IN THE MARKETS IN WHICH THEY OPERATE.**

The Ninety One Group is subject to extensive regulation by governmental and other regulatory organisations in the jurisdictions in which it operates, and the financial services industry continues to be the focus of significant regulatory change and scrutiny. Financial services laws, regulations and regulatory requirements currently affecting the Ninety One Group may change at any time in ways that could negatively impact the Ninety One Group. It is difficult for the Ninety One Group to accurately predict the timing, scope or form of future regulatory initiatives, although it is widely expected that there will continue to be a substantial amount of regulatory change and a high degree of supervisory oversight of regulated financial services firms. In addition, under certain principles-based rules and regulations, there may be different industry views about how to achieve particular outcomes. Regulators may from time to time have different views about how market participants should meet regulatory outcomes and interpretations may differ from generally accepted market practice.

The Ninety One Group will not always be able to predict accurately the impact of future legislation or regulations or changes in the interpretation or operation of existing legislation or regulations on its business, financial condition, operating results and prospects, but it expects that the asset management industry will continue to be subject to high levels of regulatory scrutiny in the future. Changes in government policy, legislation or regulatory interpretation that applies to companies in financial services industries in any of the markets in which the Ninety One Group operates, including, in particular, in the UK and South Africa, which may be applied retrospectively, may limit the Ninety One Group's activities or otherwise adversely affect the Ninety One Group's service offering, distribution channels, capital requirements, results and financing requirements. For example, the Ninety One Group may be unable to sell, or may decide not to sell, products or solutions in certain jurisdictions if regulations or interpretations change. In addition, the Ninety One Group may face regulatory action on products or solutions that were designed to meet legislation in force at the time of design or sale that has subsequently been amended. Such changes may also result in increased compliance costs due to the need to establish additional compliance controls, or if investor demand is affected by changes to tax regulation or enforcement in their home jurisdictions or the countries where the Ninety One Group operates.

In the UK, the FCA has recently confirmed new rules which apply to certain types of open-ended fund investing in inherently illiquid assets such as property. The FCA's new rules impose additional requirements about the management and disclosure to investors of liquidity risks and the circumstances in which investors' access to their funds may be restricted. The FCA is assessing how funds' redemption terms might be better aligned with the liquidity of their assets in order to minimise financial stability risks, and provide appropriate protection to investors.

The FCA continues to explore other areas of regulation. For example, the FCA will extend the Senior Managers & Certification Regime to all UK-authorised firms from 9 December 2019, which would allow enforcement or other action to be taken against key individuals, including senior management at the relevant entity. Any such actions may last a number of years and could divert management's attention from the day-to-day running of the Ninety One Group's business, result in increased employee turnover if senior staff elect to leave the Ninety One Group due to exposure, and involve considerable cost and expense.

Financial regulation in the EU Member States in which the Ninety One Group operates is primarily based on EU directives, which are required to be implemented into national law. Due to differences in the way EU Member States may implement EU directives, and their discretion to impose more stringent requirements in certain areas, financial regulation is not fully harmonised across the EU. Different approaches to implementing EU directives in the EU Member States in which the Ninety One Group operates may increase compliance costs and place the Ninety One Group's business at a competitive disadvantage to financial services groups operating in fewer or certain other EU jurisdictions. Regulatory divergence also increases the risk of the Ninety One Group failing to comply with certain regulations.

As a result of the foregoing factors, significant regulatory change could have a material adverse effect on the Ninety One Group's business, operating results, financial condition and prospects.

25. **THE NINETY ONE GROUP MAY BE VULNERABLE TO ATTACKS ON OR BREACHES OF ITS SECURITY SYSTEMS.**

The secure transmission of confidential information is a critical element of the Ninety One Group's operations. The Ninety One Group's networks and systems may be vulnerable to unauthorised access and other security problems. In particular, as a financial institution, the Ninety One Group is subject to a heightened risk that it will be the target of criminal activity, including fraud, theft or cybercrime. There also can be no assurance that the Ninety One Group's systems will not be subject to attack by cybercriminals, including through denial of service attacks, which could significantly disrupt the Ninety One Group's operations. The Ninety One Group cannot be certain that its existing security measures will prevent security breaches, including break-ins, viruses or disruptions. Persons that circumvent the security measures could use the Ninety One Group's or its clients' confidential information wrongfully which could expose it to a risk of loss, adverse regulatory consequences or litigation.

Any failure by the Ninety One Group to maintain effective security systems, or to implement upgrades on a timely or cost-effective basis, could damage its relationships with its clients and counterparties and result in adverse regulatory consequences, which could have a material adverse effect on its business, operating results, financial conditions and prospects.

26. **THE NINETY ONE GROUP MUST COMPLY WITH COMPLEX DATA PROTECTION AND PRIVACY LAWS.**

The Ninety One Group is subject to regulations and heightened regulatory scrutiny in the jurisdictions in which it operates regarding the use of personal data. As data privacy concerns have increased in recent years, a number of jurisdictions have implemented, or commenced exploration into the introduction of, new regulations on the treatment and protection of client data. The Ninety One Group collects and processes personal data (including name, address, age, bank and credit card details and other personal data) from its clients, third party claimants, business contacts and employees as part of the operation of its business, and therefore it must comply with data protection and privacy laws. Those laws generally impose certain requirements on the Ninety One Group in respect of the collection, retention, deletion, use and processing of such personal data. Failure to operate effective data collection controls could potentially lead to regulatory censure, fines, reputational and financial costs as well as result in potential inaccurate rating of policies or overpayment of claims. The Ninety One Group seeks to ensure that procedures are maintained to comply with the relevant data protection regulations by its employees and any third-party service providers, and also implement security measures to help prevent cyber-theft. Notwithstanding such efforts, the Ninety One Group is exposed to the risk that this data could be wrongfully appropriated, lost or disclosed, stolen or processed in breach of data protection laws. In addition, the Ninety One Group may not have the appropriate controls in place today and may be unable to invest on an ongoing basis to ensure such controls are current and keep pace with the growing threat.

In the UK, data protection law has been subject to material change in recent years. The European Commission, European Parliament and the Council of Ministers agreed the General Data Protection Regulation ("**GDPR**") on 15 December 2015, and from 25 May 2018 the GDPR has applied, replacing the UK Data Protection Act 1998 (and the equivalent laws in other EU and EEA Member States). In addition, the UK Data Protection Act 2018, supplementing the obligations in the GDPR, came into effect on 25 May 2018. The GDPR and the UK Data Protection Act have increased the regulatory burden on the Ninety One Group in processing personal client, employee and other data in the conduct of its business and may also increase the potential sanctions for breach as the GDPR includes significant financial penalties of up to 4% of the annual worldwide turnover of company groups. The Ninety One Group has undertaken a detailed programme to develop and implement further data protection policies and procedures designed to comply with the GDPR. In addition, a new ePrivacy Regulation ("**ePR**") is expected in 2020. Once in force, this will introduce new rules around, among other things, confidentiality of online communications, the use of cookies and direct marketing, again increasing the regulatory burden on the Ninety One Group in conducting its business and impacting the way it markets its products and services.

In South Africa, the Protection of Personal Information Act (No. 4 of 2013) (the "**POPI Act**") was signed in 2013 and although enacted, it is not yet fully in force. Only certain administrative provisions, namely those relating to the establishment of the information regulator and the making of regulations, came into force on 11 April 2014. Regulations relating to the administrative aspects of the POPI Act were published on 14 December 2018 ("**POPI Regulations**") and despite being in final form, the commencement date of the POPI Regulations has not yet been announced. It is expected that the commencement date of the

POPI Regulations will be aligned with the commencement date of the remaining provisions of the POPI Act. If the remaining provisions of the POPI Act come into force, there will be a one year transitional period to allow for organisations to become compliant with the provisions of the POPI Act before penalties for non-compliance are enforced. The POPI Act imposes a range of obligations, including restrictions on direct marketing and on cross-border transfers of personal information and an obligation to keep personal information secure. The POPI Act empowers the information regulator to impose administrative fines of up to R10 million where a data controller such as the Ninety One Group fails to comply with an enforcement notice. Non-compliance with an enforcement notice is also a criminal offence. It should be noted that in terms of the POPI Act (once in force), legal entities will enjoy the same rights as individuals (where appropriate in the circumstances). In this regard, the POPI Act is different to the GDPR, the UK Data Protection Act and ePR.

In addition, the Ninety One Group expects data privacy to remain a focus area for regulators in many of the other jurisdictions where it operates and that new data protection requirements will continue to be introduced in the future.

If the Ninety One Group or any of the third-party service providers on which it relies (including non-subsidiary affiliates of the Ninety One Group) fails to comply with existing data protection laws or fails to adapt to new or amended data protection laws, including the GDPR, the UK Data Protection Act, ePR (once in force) or the POPI Act (once in force), due to any failure to store or transmit client information in a secure manner or any loss or wrongful processing of personal data, the Ninety One Group could be subject to investigative and enforcement action by relevant regulatory authorities, claims or complaints from the individuals or juristic persons (as applicable) to whom the data relates or could face liability under data protection laws. Any of these events could also result in the Ninety One Group suffering reputational damage as well as the loss of new or repeat business, which could have a material adverse effect on the Ninety One Group's business, financial condition, operating results and prospects.

27. **THE NINETY ONE GROUP MAY FAIL TO DETECT OR PREVENT MONEY LAUNDERING AND OTHER FINANCIAL CRIME ACTIVITIES.**

The Ninety One Group is required to comply with applicable anti-money laundering, anti-terrorism, sanctions, anti-tax evasion, anti-fraud, anti-bribery and corruption, insider dealing and other laws and regulations in the jurisdictions in which it operates, including the UK Bribery Act 2010, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the UK Criminal Finances Act 2017, South African anti-bribery and corruption legislation, such as the Financial Intelligence Centre Act 2001 (including amendments under the Financial Intelligence Centre Amendment Act 2017) and Money Laundering and Terrorist Financing Control Regulations, and the extra-jurisdictional reach of international laws such as the US Foreign Corrupt Practices Act. These laws and regulations require the Ninety One Group to, among other things, conduct client due diligence regarding fiscal evasion, anti-money laundering, sanctions and politically exposed persons screening, keep client and supplier account and transaction information up to date and implement effective financial crime policies and procedures. Where applicable, these laws restrict or prohibit transactions with certain countries and with certain companies and individuals identified on lists maintained by the US government, the EU, various EU Member States, other governments and the UN Security Council. As such, future changes could impact existing investments or limit future investment strategies.

Financial crime has become the subject of enhanced scrutiny and supervision by regulators globally. Anti-money laundering, anti-bribery and anti-corruption, and insider dealing and economic sanctions laws and regulations are increasingly complex and detailed and have become the subject of enhanced regulatory supervision, requiring businesses to invest in improved systems, sophisticated monitoring and skilled compliance personnel. The FCA, the FCSA and other regulatory authorities may from time to time make enquiries of companies within their respective jurisdictions regarding compliance with regulations governing the operation of a regulated business (including the degree and sufficiency of supervision of the business) or conduct investigations when it is alleged that regulations have been breached. Responding to such enquiries may be time-consuming and expensive.

Financial crime is continually evolving, and the expectations of regulators are increasing. This requires similarly proactive and adaptable responses from the Ninety One Group so that it is able to effectively deter threats and criminality, in particular in certain of the emerging markets jurisdictions where the Ninety One Group operates and undertakes investment activities. Even known threats can never be fully eliminated, and there may in the future be instances where the Ninety One Group may be used by other parties to

engage in money laundering and other illegal or improper activities. In addition, the Ninety One Group relies on its employees, external administrators and certain other third-party service providers to identify and report such activities. There is a risk that they will fail to do so or otherwise fail to comply with or implement the Ninety One Group's policies and procedures relating to financial crime.

Where the Ninety One Group is unable to comply with applicable laws, regulations and expectations, regulators and relevant law enforcement agencies have the ability and authority to impose significant fines and other penalties, including requiring a complete review of business systems, day-to-day supervision by external consultants and ultimately the revocation of regulatory authorisations and licences. Globally, anti-money laundering and financial crime compliance is expected to remain a key regulatory priority from a supervisory and enforcement perspective. The reputational damage to the Ninety One Group's business and global brand could be severe if it were found to have breached anti-money laundering or sanctions requirements. The Ninety One Group's financial position and reputation could also suffer if it were unable to protect clients or prevent the business from being used by criminals for illegal or improper purposes.

The Ninety One Group cannot guarantee that its current policies and procedures are sufficient to completely prevent situations of fiscal evasion, money laundering, bribery, fraud or corruption, including actions by the Ninety One Group's employees, for which the Ninety One Group might be held responsible. Any such event may have severe consequences, including sanctions, fines and reputational consequences, which could have a material adverse effect on the Ninety One Group's business, financial condition, operating results and prospects.

28. **REGULATORY AUTHORITIES OR CLIENTS MAY ATTEMPT TO SEEK REDRESS AGAINST THE NINETY ONE GROUP WHERE IT IS ALLEGED THAT PRODUCTS WERE MISREPRESENTED, MIS-SOLD OR OTHERWISE FAILED TO MEET REGULATORY REQUIREMENTS OR CLIENT EXPECTATIONS.**

The Ninety One Group is exposed to the risk of regulatory action or claims from clients regarding misleading information. For example, regulators or clients could allege that the terms and conditions of relevant products or solutions, the nature of the products or solutions, or the circumstances under which the products or solutions were recommended, were misrepresented or the products otherwise mis-sold to them.

Complaints may also arise if clients feel that they have not been treated reasonably or fairly, or that the duty of care which they are owed has been breached.

These issues or disputes arising in relation to private individuals that cannot be resolved privately may be resolved ultimately by an enforcement action involving the relevant regulatory body, including the Financial Ombudsman Service or the FCA in the UK or the SA FSCA in South Africa, or by litigation. The relevant regulator may intervene directly where larger groups or matters of public policy are concerned. There have been several industry-wide financial product mis-selling issues in the past in which the regulator in the UK has intervened directly, including the sale of personal pensions, the sale of mortgage-related endowments, investments in split capital investment trusts and the sale of payment protection insurance. Certain designated consumer bodies are also empowered under the FSMA to make "super-complaints" to the FCA in relation to issues causing detriment to large numbers of consumers.

The Ninety One Group may be exposed, in particular, to risks relating to "vulnerable customers". In the UK, the FCA has defined these customers as persons who, due to their personal circumstances, are especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care. The FCA has noted that vulnerability can affect consumers across all financial products and services. The FCA has recently consulted on the fair treatment of vulnerable customers, and further regulatory guidance is expected to be provided in 2020. In South Africa, the SA FSCA also emphasised fair customer treatment and ensuring financial customers are informed in their decisions as two of its strategic priorities in its regulatory release statement covering the period October 2018 to September 2021. In South Africa, Treating Customers Fairly ("**TCF**") was launched in 2011 and is an outcomes based regulatory and supervisory approach designed to ensure that specific, clearly articulated fairness outcomes for financial services consumers are delivered by regulated financial firms. Some of the TCF outcomes had already been included in existing legislation, with which the Ninety One Group has to comply in South Africa, such as the Financial Advisory and Intermediary Services Act, 37 of 2002 General Code which requires financial service providers to render services honestly, fairly, with due skill, care and diligence and in the interest of the client and the integrity of the financial services industry. Failure to identify customer vulnerability could lead to poor customer outcomes and detriment, including if a client is not able to fully understand products

or services or if information is not provided in an appropriate format for the client's needs. If the Ninety One Group does not have adequate policies to identify vulnerable clients, or if such policies are not embedded in a way that promotes the fair treatment of all clients, the Ninety One Group could fall below regulatory expectations in this area, which could result in regulatory action.

Failure to comply with these regulatory requirements could lead to enforcement or other actions being brought against the Ninety One Group, which could have a material adverse effect on its business, financial condition, operating results and prospects.

29. **THE NINETY ONE GROUP MAY BE SUBJECT TO REGULATORY ACTION OR FINANCIAL PENALTIES IF IT FAILS TO COMPLY WITH THE CASS RULES.**

As Investec Fund Managers Limited ("**IFML**") can hold client money and Investec Asset Management Limited ("**IAML**") can control, but not hold, client money, Both IFML and IAML (members of the Ninety One Group) must comply with the FCA's Client Asset sourcebook ("**CASS**") rules. Additionally, the Ninety One Group contracts with certain third-party transfer agent service providers that perform the administration of client money, which could create indirect risks in relation to compliance with the CASS rules. The CASS requirements help to protect clients' assets and money when a firm is responsible for them and helps to ensure that client assets and money could be returned within a reasonable timeframe in the event of a firm's insolvency. Client money and asset protection remains at the core of the FCA's agenda, and firms classified in CASS terms as "medium" (such as IFML) or "large" are therefore required to submit monthly Client Money and Asset Returns to the FCA to provide key data in relation to CASS processing. This enables the FCA to oversee firms' CASS processing and to discuss any potential areas of concern. Adherence to CASS requirements relies on a number of complex operational processes and systems, both internal and external, resulting in a high inherent risk of non-compliance. All CASS breaches are reported to the FCA annually as part of firms' external CASS audit, and the FCA would be immediately notified of any material breaches. There are also risks that the Ninety One Group could be held responsible for a breach of CASS requirements by a third-party service provider acting on behalf of the Ninety One Group. If any such breaches were not fully remediated, or the FCA concluded that IFML or IAML or, where relevant, the Ninety One Group did not have sufficient regard for the protection of clients' assets and money, it may be subject to regulatory action or financial penalties, which could also result in adverse publicity and reputational damage to the Ninety One Group, and ultimately have a material adverse effect on the Ninety One Group's business, financial condition, operating results and prospects.

30. **THE NINETY ONE GROUP FACES COMPLIANCE RISKS AND POTENTIAL LIABILITY IN RELATION TO MIFID II.**

The second Markets in Financial Instruments Directive (2014/65/EU) ("**MiFID II**") forms the legal framework governing the requirements applicable to investment firms, trading venues, data reporting service providers and third-country firms providing investment services or activities in the European Union. The framework, which came into force on 3 January 2018, imposes additional requirements in respect of transparency in trades and product manufacturing and distribution, establishes a harmonised EU regime for non-discriminatory access to trading venues, clearing counterparties and benchmarks for trading and clearing purposes. The framework has increased the role and supervisory powers of regulators and establishes powers to prohibit or restrict the marketing and distribution of certain financial products. In 2020, the European Securities and Markets Authority is scheduled to review MiFID II to identify prospective developments or amendments where future change may occur (this review is not expected to introduce changes in 2020), including in relation to consistency in the application of MiFID II for secondary markets, the performance and cost of retail investment products, and the application of requirements in relation to investor protection and intermediaries. Increased oversight could give rise to unforeseen compliance costs for the Ninety One Group. The continued development of market practice and interpretation of certain requirements, has led to an increase in administrative and compliance costs related to activities within the scope of MiFID II and a reduction in income. Failure to comply with MiFID II requirements could lead to enforcement action by the FCA, which could have a material adverse effect on the Ninety One Group's business, financial condition, operating results and prospects.

31. **THE AGREEMENTS ENTERED OR TO BE ENTERED INTO BY THE NINETY ONE GROUP WITH INVESTEC BANK AND WEALTH IN CONNECTION WITH THE PROPOSALS EXPOSE THE NINETY ONE GROUP TO COUNTERPARTY RISK.**

In anticipation of, and in connection with, the Proposals, the Ninety One Group has entered into the Demerger Agreements with Investec Bank and Wealth, including:

- the Separation Agreement;
- the Transitional Services Agreement;
- the Transitional Trade Mark Licence Agreement; and
- the Relationship Agreement.

If Investec Bank and Wealth fails to meet its obligations under these agreements or fails to provide the services and other information in a timely manner or as required under the relevant agreement, such failure could negatively impact the Ninety One Group's operations or the orderly implementation of the Demerger. This could, in turn, have a material adverse effect on the Ninety One Group's business, operating results, financial condition and prospects.

32. **AS A RESULT OF THE PROPOSALS, THE NINETY ONE GROUP'S ABILITY TO ATTRACT AND RETAIN CLIENTS MAY BE NEGATIVELY IMPACTED, THIRD PARTIES MAY RE-PRICE, MODIFY OR TERMINATE THEIR RELATIONSHIPS WITH THE NINETY ONE GROUP AND THE NINETY ONE GROUP MAY BE FORCED TO LOWER THE PRICES OF ITS SERVICES.**

The Proposals could change clients' perception of the Ninety One Group and adversely affect its ability to attract and retain clients, which could result in reduced sales of its products. In addition, the Proposals may prompt some third parties to re-price, modify or terminate their distribution or other relationships with the Ninety One Group. The Ninety One Group may be required to lower the prices of its services, change long-term selling and marketing agreements and take other action to maintain its relationships with its clients and third-party distributors. Should any of the consequences set out above occur, individually or in combination with others, they could have a material adverse effect on the Ninety One Group's business, financial condition, operating results and prospects.

33. **THE NINETY ONE DLC STRUCTURE IS COMPLEX.**

The governance and administration arrangements that are involved in the Ninety One DLC Structure are more complex and onerous than those under which the Ninety One Group currently operates. In addition, the South African Ministry of Finance has imposed certain conditions in relation to the Ninety One DLC Structure; see paragraph 14 of Part V of this document. There can also be no assurance that the conditions imposed on the Ninety One Group, in connection with the Ninety One DLC Structure, might not be amended or varied.

34. **THE NINETY ONE DLC STRUCTURE MAY AFFECT THE GROUP'S ABILITY TO PAY DIVIDENDS.**

The Ninety One Group's operating results and financial condition are entirely dependent on the trading performance of members of the Ninety One Group. Similarly to the existing Investec Group structure, the ability of each of Ninety One Limited and Ninety One plc to pay dividends will depend upon the level of distributions, if any, received from their operating subsidiaries and interests, any amounts received on asset disposals, the level of cash balances and in certain circumstances distributions received from Ninety One Limited and Ninety One plc (as the case may be) as a result of the operation of the equalisation arrangements which form part of the Ninety One DLC Structure as described further in Part V. Ninety One Limited and certain of its and Ninety One plc's subsidiaries and associated companies may, from time to time, be subject to restrictions on their ability to make distributions, including as a result of exchange control restrictions, earnings, levels of statutory reserves and capitalisation of such subsidiaries or associated companies, and other regulatory restrictions or agreements with the other shareholders of such subsidiaries or associated companies which may restrict the Ninety One Group's ability to comply with its dividend policy. As applicable regulation may restrict the ability of the companies to make such payments, it may not be possible for Ninety One Shareholders to receive their full entitlement in cash. If Ninety One Shareholders are not to receive a cash dividend in full, another form of Ninety One Matching Action may be taken and reference should be made to paragraph 36 in Section B of this Part VI.

35. **FUTURE CHANGES IN THE LEGAL AND REGULATORY ENVIRONMENT MAY MEAN THAT THE NINETY ONE DLC STRUCTURE WILL NO LONGER BE VIABLE.**

The Ninety One DLC Structure has been developed on the basis of existing laws and policies of regulatory authorities in the UK and South Africa. The governance and administration arrangements arising out of the Ninety One DLC Structure are complex and onerous. Changes to the laws or policies (including changes in tax law or policy) related to the Ninety One DLC Structure may result in the Ninety One DLC Structure no longer being viable, which may affect the ability of Ninety One's operations to continue in their current form and may affect Ninety One's results in the future.

36. **NINETY ONE MATCHING ACTIONS ARE EQUIVALENT BUT NOT NECESSARILY IDENTICAL.**

Under the Ninety One DLC Equalisation Principles, as described in paragraph 5 of Part V of this document if either Ninety One Limited and Ninety One plc takes a Ninety One Action which, having regard to the prevailing Ninety One Equalisation Ratio, has a disproportionate economic effect on the relevant Ninety One Shareholders, then, subject to certain exceptions, the Ninety One Equalisation Ratio will be adjusted or a Ninety One Matching Action will be undertaken to provide an equivalent economic benefit to the Ninety One Shareholders of the other company. A Ninety One Matching Action is, therefore, equivalent in economic terms, but not necessarily identical. The combination of a Ninety One Action or a Ninety One Matching Action may, therefore, result in the voting interests of the Ninety One plc Shareholders (as a whole) relative to the Ninety One Limited Shareholders (as a whole) in respect of Ninety One Joint Electorate Actions being altered. In addition, the form and value of a Ninety One Matching Action will be determined by the Ninety One Boards having regard to, among other things, the prevailing market prices of the Ninety One plc Shares and the Ninety One Limited Shares, the prevailing exchange rates and (where relevant) the market price of shares in any demerged entity at or around the time such Ninety One Action is taken. Following their decision, the Ninety One Boards will not be required to have regard to any fluctuations in such factors which may favour either the Ninety One plc Shareholders or the Ninety One Limited Shareholders.

37. **THE MARKET PRICE OF NINETY ONE PLC SHARES MAY BE DIFFERENT FROM THE MARKET PRICE OF NINETY ONE LIMITED SHARES AND GIVE RISE TO THE POSSIBILITY OF ARBITRAGE BETWEEN THE SHARES.**

Following Admission and as a result of the Ninety One DLC Structure, Ninety One plc will have a primary listing on the London Stock Exchange together with a secondary listing on the Johannesburg Stock Exchange and Ninety One Limited will have a primary listing on the Johannesburg Stock Exchange. There can be no assurance that the market price of the Ninety One plc Shares and the Ninety One Limited Shares on these different exchanges will equate. Any disparity between such market prices will give rise to the possibility of arbitrage between the Ninety One plc Shares and the Ninety One Limited Shares which could adversely affect the market price of the Ninety One plc Shares and/or the Ninety One Limited Shares, as the case may be.

38. **DIVIDENDS RECEIVED UNDER THE DIVIDEND ACCESS ARRANGEMENTS MAY HAVE A DIFFERENT TAX TREATMENT.**

Dividends received by Ninety One plc Shareholders from Ninety One plc on the Ninety One plc Shares will constitute UK source dividends for UK taxation purposes. Any dividends received by Ninety One plc Shareholders from Ninety One Limited pursuant to the dividend access arrangements, however, are likely to constitute non-UK source dividends for UK taxation purposes. Dividends paid by Ninety One Limited pursuant to the dividend access arrangements may be paid after deduction of South African dividend withholding tax.

Dividends received by Ninety One Limited Shareholders from Ninety One Limited on the Ninety One Limited Shares will constitute local dividends for South African taxation purposes. Any dividends received by Ninety One Limited Shareholders from Ninety One plc pursuant to the dividend access arrangements, however, are likely to constitute foreign dividends for South African taxation purposes. Assuming that any dividends declared by Ninety One plc must be on-distributed by Ninety One UK Trust Co to the South African resident Ninety One Limited Shareholders in the same year of assessment that any dividend accrues to the Ninety One UK Trust Co – foreign dividends received by South African resident Ninety One Limited Shareholders in relation to the dividend access arrangements will be exempt from normal tax in the hands of such shareholders, only to the extent that such shareholders hold at least 10% of the equity

shares and voting rights in the company declaring the dividend (i.e. Ninety One plc), which is unlikely to ever be the case. However, such dividend may be partially exempt from normal tax in the hands of the South African resident Ninety One Limited Shareholders in certain circumstances. No dividends tax should arise in relation to dividends declared in relation to such shares.

Having regard to the above, for some classes of Ninety One Limited Shareholders who are resident for tax purposes in South Africa (such as South African companies), the receipt of non-South Africa source dividends from Ninety One plc pursuant to the dividend access arrangements could be less tax efficient than the receipt of South Africa source dividends from Ninety One Limited on the Ninety One Limited Shares.

39. **THE TAX RESIDENCE POSITION OF NINETY ONE PLC AND NINETY ONE LIMITED IS COMPLEX AND COULD HAVE ADVERSE TAX CONSEQUENCES BOTH FOR THE NINETY ONE GROUP AND THE NINETY ONE SHAREHOLDERS.**

The Ninety One DLC Structure will be established with the intention that Ninety One plc is and will remain resident in the UK for tax purposes and that Ninety One Limited is and will remain resident only in South Africa for tax purposes. Considerations of tax residence may also place constraints on where Board meetings of Ninety One PLC and Ninety One Limited can be held, and may result in additional complexities and costs, as well as possible inefficiencies in the decision making processes of the Ninety One Group. It is intended that the management of Ninety One plc, Ninety One Limited, and the Ninety One Group will be carried out so as to ensure that this residence status of Ninety One plc and Ninety One Limited is preserved. However, if Ninety One plc were to cease to be resident in the UK and/or Ninety One Limited were to cease to be resident in South Africa for tax purposes (including as a result of changes in law or in HMRC and/or SARS practice), this could have adverse tax consequences both for the Ninety One Group and the Ninety One Shareholders.

40. **POOR MANAGEMENT OF PORTFOLIO CHARACTERISTICS, SUCH AS LIQUIDITY PROFILE, MAY LEAD TO REGULATORY CENSURE, INVESTOR HARM, AND REPUTATIONAL HARM TO THE NINETY ONE GROUP.**

The characteristics of portfolios managed by the Ninety One Group can have a significant impact on the ability of investors to invest in, or divest from, the investment products it manages.

In particular, poor management of a portfolio's investment liquidity profile can lead to a mismatch between a fund's liquidity needs (i.e. its ability to service subscriptions and redemptions) and the ability of the investment manager to liquidate or invest in assets to service those liquidity needs, without adversely impacting the price at which assets must be bought or sold, or breaching the fund's investment parameters.

Where liquidity constraints do lead to assets being bought or sold at adverse prices in order to generate necessary liquidity, this will also impact remaining investors in the fund by devaluing the fund's assets and therefore the value of the remaining investor's holdings.

The occurrence of any of the foregoing could result in regulatory censure, investor harm (where redemptions cannot be met), or investor discontent, ultimately damaging the reputation of Ninety One Group and leading to a further loss of clients.

SECTION C: RISKS RELATING TO INVESTEC BANK AND WEALTH

1. INVESTEC BANK AND WEALTH IS SUBJECT TO RISKS ARISING FROM GENERAL MACRO-ECONOMIC CONDITIONS IN THE UK, SOUTH AFRICA AND GLOBALLY.

Investec Bank and Wealth is subject to risks arising from a variety of factors that affect general macro-economic conditions in the countries in which it operates, in particular, the UK and South Africa, as well as global conditions in other significant markets, such as the United States. Economic conditions in the countries in which Investec Bank and Wealth operates have been negatively impacted by a number of global macro-economic trends, including ongoing concerns surrounding the significant sovereign debts and fiscal deficits of several countries in Europe, global trade concerns, a weakening of the Chinese economy, uncertainty regarding growth of the US economy, trade disputes between China and the United States, protectionist trends in global trade and significant volatility in global commodity prices such as crude oil. Similarly, factors such as rapid rises and falls in currency exchange rates, changes in inflation expectations, levels of investment capital. long-term low, negative or increasing interest rates and bond yields, and investor sentiment generally have in the past and may in the future adversely affect the economic performance of the primary markets in which Investec Bank and Wealth operates. Furthermore, Investec Bank and Wealth is subject to the risk of volatility or deterioration in economic conditions in countries in which it does not have operations, given linkages across the global economy and financial markets.

South Africa is a core market for Investec Bank and Wealth. South Africa's domestic economic outlook has deteriorated significantly in recent years amid low commodity prices, heightened financial market volatility, diminished consumer and business confidence and weak investment, severe drought, severe strike action, electricity supply constraints, political uncertainty and concern over governance and debt levels at state-owned entities. South Africa's real GDP growth rate has decreased from 3.3% in 2011 to 0.8% in 2018. Although the South African government has announced its intention to pursue a series of economic and fiscal reform initiatives, there can be no assurance that such initiatives will achieve or maintain the necessary political support in the short or long-term or if sufficient fiscal resources will be available given the challenging fiscal environment in South Africa. In addition, there has been substantial political and media scrutiny regarding corruption in the South African government (both at a national and local level) and with respect to key state-owned entities. Improving economic and fiscal conditions and fighting corruption have been key policy platforms of President Ramaphosa, and failure to adequately address such issues could have a negative impact on South Africa's economic growth as well as investor confidence. It is not certain what, if any, political, economic or social impacts the newly elected government will have on economic or market conditions in South Africa, and there can be no assurance that measures to rebuild confidence and to return public finances to a sustainable path will be successful.

Since a significant portion of Investec Bank and Wealth's operating profit is derived from customers based in the UK, it is also particularly exposed to the condition of the UK economy, including matters that impact investor sentiment and corporate profitability. While economic indicators in the UK have stabilised in recent years, the UK economy has been characterised by extended periods of modest GDP growth and uncertainty following the vote in June 2016 to leave the European Union, as further described below, as well as market declines and strained political conditions in recent years. Economic and political conditions in the UK will likely continue to be affected by these factors, and significant changes in government policies, legislation or regulatory interpretation applicable to Investec Bank and Wealth or the industries in which it operates, whether due to a change of government or otherwise, could have a material adverse effect on the operations of Investec Bank and Wealth.

Although Investec Bank and Wealth undertakes a significant portion of its operations in the UK and South Africa, it also has a presence in a number of other markets. These operations expose Investec Bank and Wealth to additional risks, including in relation to local political, economic, regulatory and business challenges that may affect the demand for Investec Bank and Wealth's products and services, its reputation or the amount of Investec Bank and Wealth's assets under management in those markets.

Any further adverse economic developments in the countries in which Investec Bank and Wealth operates or, more generally, in the global economy could have a material adverse effect on its business, operating results, financial condition and prospects.

2. **INVESTEC BANK AND WEALTH'S PROFITABILITY IS EXPOSED TO VOLATILITY IN GLOBAL FINANCIAL MARKETS AND TO OTHER ADVERSE FINANCIAL, ECONOMIC, POLITICAL AND MARKET FACTORS THAT AFFECT INVESTOR SENTIMENT.**

Within its Wealth & Investment Business, Investec Bank and Wealth earns investment management fees levied as a percentage of assets under management as well as commissions earned for executing transactions for clients. Accordingly, its operating results are influenced by fluctuations in the market value of assets under management and the amounts of assets invested by its customers. Fee and commission income from the Wealth & Investment Business is vulnerable to fluctuations in equity markets since a reduction in the value of equities would contribute to a reduction in the value of assets under management, and therefore a reduction in fee and commission income. Although the majority of the investment mandates for Investec Bank and Wealth's clients are based on a long-term approach to investment through market cycles, significant volatility in securities markets may result in equities and equity funds becoming less attractive investments for Investec Bank and Wealth's clients.

A significant portion of Investec Bank and Wealth's total assets under management are invested in emerging markets. Investing in emerging markets carries particular risks, including in relation to volatile domestic political or economic conditions, as well as vulnerabilities to external shocks, from regional trading partners to more general ''contagion'' effects affecting emerging market economies globally. As a result, emerging market equity and debt securities markets have historically experienced periods of higher volatility than in more established markets. Investec Bank and Wealth's fee income from these investments can be particularly volatile from period to period, whether due to changes in the value of assets under management or investor decisions to reduce exposure to these markets during downturns.

A deterioration or significant volatility in equity or other securities markets may therefore make it harder for Investec Bank and Wealth to attract new clients or could potentially result in clients withdrawing a portion or all of the assets in their portfolios. In the recent past, a combination of stable growth and accommodative monetary policies supported extended periods of low volatility across financial markets. However, as the Federal Reserve and the European Central Bank began in 2018 to normalise monetary policy by gradually increasing interest rates and discontinuing accommodative monetary policies, the Federal Reserve has reduced the target range for the federal funds rate three times in 2019 and global equities markets have been significantly more volatile and the world's leading equity markets, as well as the emerging markets in which Investec Bank and Wealth operates experienced significant declines in 2018.

Investec Bank and Wealth also maintains trading and investment positions in various financial and other assets, including equity, fixed income, currency and related derivative instruments and real estate. At any point in time these positions could be either long positions, such that Investec Bank and Wealth will benefit from upward movements in the market prices of these assets, or short positions, such that it will benefit from downward movements in the market prices of these assets. Fluctuations in the value of equities, fixed income, currency and related derivative instruments and real estate, either absolutely or relative to other asset classes, could also adversely affect investor sentiment. These financial markets are sometimes subject to significant stress conditions where steep falls in perceived or actual asset values are accompanied by severe reductions in market liquidity. In dislocated markets, hedging and other risk management strategies may not be as effective as they are in normal market conditions. Market instability of this nature could result in Investec Bank and Wealth incurring losses. As a result of the foregoing factors, market volatility may have a material adverse effect on Investec Bank and Wealth's business, operating results, financial condition and prospects.

Revenues from Investec Bank and Wealth's Specialist Banking Business are also sensitive to market volatility. Deterioration in the financial markets has in the past affected, and will continue to affect levels of private client activity. Investec Bank and Wealth's investment banking and corporate banking income is directly related to the number and size of the transactions in which Investec Bank and Wealth participates and general corporate and institutional activity. Accordingly, any reduction in the number and/or size of such transactions and a slowdown in corporate activity, whether occasioned by market volatility or otherwise, will adversely affect its operating results. Moreover, some of Investec Bank and Wealth's Specialist Banking Business income is derived from direct or principal investments or from the management of private equity portfolios. This income is dependent upon the performance of the underlying investments and the ability to realise value upon exit from the investments and, as such, revenues, returns and profitability may fluctuate, impacting Investec Bank and Wealth's operating results.

As a result of the foregoing factors, market volatility may have a material adverse effect on Investec Bank and Wealth's business, operating results, financial condition and prospects.

3. **INVESTEC BANK AND WEALTH FACES RISKS ASSOCIATED WITH INTEREST RATE LEVELS AND VOLATILITY.**

Interest rates, which are impacted by factors outside Investec Bank and Wealth's control, including the fiscal and monetary policies of the UK and South African governments and central banks in those countries, as well as UK, South African and international political and economic conditions, affect Investec Bank and Wealth's operating results, profitability and return on capital in three principal areas: margins and income, cost and availability of funding and impairment levels.

In recent years, the UK has experienced historically low, sustained interest rates. The Bank of England's base rate was raised in August 2018 from 0.5% to 0.75%, but prior to that had remained at 0.5% for nine years at a record low and it may be decreased again in the future. In the 30 years preceding December 2007, the lowest level of the base rate was 3.5%. This low interest rate environment has put pressure on net interest margin throughout the UK banking industry. The sustained period of low interest rates has resulted in relatively low spreads being realised by Investec Bank and Wealth between the rate it pays on customer deposits and the rate received on the loans, reducing Investec Bank and Wealth's net interest income and net interest margin. Low interest rates may also reduce incentives for consumers to save and, therefore, could reduce Investec Bank and Wealth's customer deposits, its principal source of funding. Investec Bank and Wealth's business and financial performance and net interest income and margin may continue to be adversely affected by the continued low interest rate environment.

Interest rates in South Africa are comparable to those in other emerging markets, but higher than economies in North America and Western Europe. South Africa has an inflation targeting regime, with a target band of between 3% and 6%. In 2018, inflation fell within the target band at 4.7% having declined from 5.3% in 2017, with a further decline to 4.1% in the year to September 2019. The volatile nature of interest rates in South Africa has resulted in continued maturity of hedging and management practices to ensure these strategies maintain risk exposures within risk management thresholds. Although Investec Bank and Wealth will continue to manage interest rate risk, it may not hedge such exposure effectively in the future. If Investec Bank and Wealth is unable to effectively hedge its exposure to changes in interest rates, such changes may have a material adverse effect on Investec Bank and Wealth's operating results.

Increases in interest rates could also adversely affect Investec Bank and Wealth. In an increasing interest rate environment, Investec Bank and Wealth may be more exposed to re-pricing of its liabilities than competitors with higher levels of term deposits. In the event of sudden large or frequent increases in interest rates, Investec Bank and Wealth also may not be able to re-price its floating rate assets and liabilities at the same time, giving rise to re-pricing gaps in the short term, which, in turn, could negatively affect its net interest margin and income.

Changes in interest rates could also impact Investec Bank and Wealth's impairment loss levels and customer affordability. A rise in interest rates, without sufficient improvement in customer earnings or employment levels, could, for example, lead to an increase in default rates among customers with variable rate loans who can no longer afford their repayments, in turn leading to increased impairment charges and lower profitability for Investec Bank and Wealth. A high interest rate environment also reduces demand for loan products generally, as individuals are less likely or less able to borrow when interest rates are high. In addition, there is a risk that a sudden rise in interest rates, or an expectation thereof, could encourage significant demand for fixed rate products. High levels of movement between products in a concentrated time period could put considerable strain on Investec Bank and Wealth's business and operational capability, and it may not be willing or able to price its fixed rate products as competitively as others in the market. This could lead to high levels of customer attrition and, consequently, a negative impact on Investec Bank and Wealth's profitability.

Investec Bank and Wealth also has exposure to interest rate risk in relation to its trading book, which encompasses positions in financial instruments that are held with trading intent or in order to hedge positions held with trading intent. This risk relates to both customer flows and balance sheet management undertaken by Investec Bank and Wealth.

If Investec Bank and Wealth is unable to manage its exposure to interest rate volatility, whether through hedging, product pricing or by other means, its business, operating results, financial condition and prospects could be materially adversely affected.

4. **GOVERNMENT SUPPORT OF THE FINANCE AND BANKING INDUSTRY MAY HAVE A DISPROPORTIONATE EFFECT ON SOME AND AN UNINTENDED EFFECT ON OTHER PARTICIPANTS IN THAT INDUSTRY.**

The actions of some governments, providing support to certain participants in the finance and banking industry (whether explicitly or implicitly), have had and will continue to have a fundamental effect on the finance and banking industry. Whether such actions have had a positive effect on the industry as a whole and/or the wider economy, there is a risk that those participants in the industry who have not received such government support, including Investec Bank and Wealth, may have been and may continue to be disadvantaged. For example, it is possible that those banks which have not received the support of governments may be perceived by potential customers as lacking stability. Such a perception may lead to a loss of customers by smaller participants in the industry, including Investec Bank and Wealth, if customers, for example, take deposits to an institution perceived to be more secure. If this were to occur, Investec Bank and Wealth's business, operating results, financial condition and prospects may be adversely affected.

5. **INVESTEC BANK AND WEALTH IS EXPOSED TO POLITICAL, SOCIAL AND MACRO-ECONOMIC RISKS RELATING TO THE UK'S POTENTIAL EXIT FROM THE EU.**

In March 2017, the UK gave notice of its intention to leave the EU under Article 50 of the Treaty on European Union. The notice provided for the UK to exit the EU on 29 March 2019 (the "**Exit Date**"). The Exit Date has been changed to 31 January 2020, contingent on certain requirements.

In November 2018, the Withdrawal Agreement setting out the terms of the UK's exit from the EU, and the Political Declaration on the framework for the future relationship between the UK and the EU were agreed between the UK and EU governments. Since that time, there has been significant uncertainty whether or not the Withdrawal Agreement and Political Declaration will be approved by the UK Parliament or on what timing , including as a result of amendments to the Withdrawal Agreement in October 2019 and a decision to call a UK general election for 12 December 2019. As a result, there remains heightened uncertainty regarding whether the Exit Date will be further postponed or on what terms, if any, the UK will seek to leave the EU.

As currently agreed, the Withdrawal Agreement includes the terms of a transition or "standstill" period until 31 December 2020, during which the UK will have formally withdrawn from the EU but will still be treated for most purposes as an EU member state. This transition period may be extended (by agreement before July 2020) until the end of 2021 or 2022. During the transition period, the UK would be subject to EU laws as well as benefit from them but would have very limited involvement in EU decision-making processes and institutions. The Withdrawal Agreement also provides that the EU will notify third-party countries that the UK should be treated as a member of the EU, but third-party countries may not be legally bound to treat the UK as such.

For the Withdrawal Agreement to become effective, both the EU Parliament and the UK House of Commons must vote to approve it and the Political Declaration. The Withdrawal Agreement would also need to be implemented into UK law by the UK Parliament. If the Withdrawal Agreement does not become effective, unless the UK revokes the notice of its intention to leave the EU, or the Exit Date is postponed with the unanimous agreement of the remaining EU member states, the UK will leave the EU on 31 January 2020 with no transitional period.

The prospective withdrawal of the UK from the EU continues to create significant political, social and macro-economic uncertainty, which has affected and is likely to continue to affect financial markets, consumer sentiment and corporate profitability. As a result of this uncertainty, the pound sterling : U.S. dollar exchange rate fell to its lowest levels since the 1980s, with one pound sterling equal to US$1.20 in January 2018, a decrease of 18.6% compared to 23 June 2016, and it has remained significantly below the 23 June 2016 level since that time. In addition, Moody's Investors Service downgraded the outlook of the UK government's bond rating from stable to negative, Fitch downgraded the UK government's credit rating from AA+ (stable) to AA (negative) and Standard & Poor's Ratings Services downgraded the UK government's credit rating from AAA (negative) to AA (negative), in each case warning that the country's economic growth and fiscal strength are likely to be lower in the event the UK exits the EU.

If the UK leaves the EU with no withdrawal agreement in place, the result may be significant macro-economic deterioration, including, but not limited to, further decreases in global stock exchange indices, trade wars, increased foreign exchange volatility (in particular a further weakening of the pound sterling and the euro against other leading currencies), decreased GDP in the UK, EU or other markets in which Investec Bank and Wealth operates, and further sovereign credit downgrades.

In particular, there is a risk that the UK's exit from the EU, other political developments or developments otherwise affecting market confidence may result in outflows of assets from investment portfolios with exposure to the UK, which could include multi-asset portfolios held by Investec Bank and Wealth. Due to the size and importance of the UK economy in the global economy, particularly with respect to the UK financial services market, as well as the uncertainty and unpredictability concerning the UK's legal, political, financial and economic relationship with the EU after the UK's exit from the EU, there may continue to be instability in the national and international financial markets, significant currency fluctuations and otherwise adverse effects on consumer confidence for the foreseeable future, including beyond the date of the UK's withdrawal from the EU.

Investec Bank and Wealth includes financial institutions authorised and regulated in the UK. The regulatory environment that applies to such entities is in large part derived from EU financial services legislation. While the UK is currently required to implement and apply such legislation, this may no longer be the case following its departure from the EU. This may have a significant impact on UK financial services legislation and the regulatory environment in which Investec Bank and Wealth operates, which may in turn have a material adverse effect on Investec Bank and Wealth's business, financial condition, operating results and prospects.

It is also unclear how the UK's withdrawal from the EU will affect UK financial institutions and businesses with assets or operations (including branches) in the EU (and vice versa), which could impact matters from regulatory classifications, delegation of activities and operational processes within Investec Bank and Wealth to applicable tax regimes and the mobility of personnel. At present, EU legislation grants passporting rights to certain categories of financial institution, including insurers, investment firms, UCITS management companies and AIFMs. EU legislation also facilitates mutual rights of access to EU market infrastructure such as payment and settlement systems. Once the UK ceases to be a member state of the EU, the current passporting arrangements may cease to be effective, as may the current mutual rights of access to market infrastructure. Investec Bank and Wealth contains entities that rely on such passporting arrangements and market infrastructure. In addition, as of 30 September 2019, Investec Bank and Wealth had 16 offices and employed approximately 3,260 permanent employees in the UK. A number of Investec Bank and Wealth's employees in the UK are citizens of other EU member states. Depending on the contours of the agreement reached between the UK and the EU on migration and immigration (if any), the UK's exit from the EU could result in restrictions on mobility of personnel and could create complexities for Investec Bank and Wealth in recruiting and retaining qualified employees.

As a result of the foregoing, the UK's departure from the EU may have material adverse effects on Investec Bank and Wealth's business, financial condition, operating results and prospects.

6. **FLUCTUATIONS IN EXCHANGE RATES COULD HAVE AN ADVERSE IMPACT ON INVESTEC BANK AND WEALTH'S OPERATING RESULTS.**

Investec Bank and Wealth's reporting currency is British pounds sterling. The operating results and the financial position of each Investec Bank and Wealth company are reported in the local currencies of the countries in which they are domiciled, including British pounds sterling, South African rand, Australian dollars, Euros and U.S. dollars. These results are then translated, as relevant, into pounds sterling at the applicable foreign currency exchange rates for inclusion in Investec Bank and Wealth's consolidated financial statements. In the case of the income statement, the weighted average rate for the relevant period is applied and, in the case of the balance sheet, the relevant closing rate is used.

Where possible, Investec Bank and Wealth manages foreign currency risk by matching same currency revenues to same currency expenses in the countries where it operates, in particular in its South African operations. However, it is not always able to do so. For example, Investec Bank and Wealth earns significant fee revenue in U.S. dollars from operations in countries outside the United States, where expenses are incurred in the local currency. If Investec Bank and Wealth fails to adequately hedge its currency exchange risk, it could be exposed to foreign exchange losses that could adversely affect its operating results.

Exchange rates between local currencies in countries where Investec Bank and Wealth operates and pounds sterling have fluctuated significantly during recent periods. The most significant impact arises from the volatility of the South African rand. For example, the rand: pound sterling average exchange rate depreciated markedly by 16% and 22% during the years ended 31 March 2016 and 31 March 2015, respectively. These fluctuations have had an adverse impact on Investec Bank and Wealth's operating results during the periods under review. Any further fluctuations in the exchange rates between local currencies and pounds sterling could have a material adverse effect on Investec Bank and Wealth's business, operating results, financial condition and prospects.

7. **EXCHANGE CONTROL REGULATIONS IN SOUTH AFRICA MAY HAVE A NEGATIVE IMPACT ON INVESTEC BANK AND WEALTH'S BUSINESS.**

South African exchange control regulations provide for a CMA consisting of South Africa, Namibia, Lesotho and Swaziland. Transactions between South African residents and non-CMA residents are subject to South African exchange control regulations. The purpose of exchange controls is to mitigate the decline of foreign capital reserves in South Africa. South African residents, including companies, are generally not permitted to export capital from the CMA or to hold foreign currency for longer than specified periods without the approval of the Financial Surveillance Department of the South African Reserve Bank, and restrictions are imposed on their foreign investments. Investec Bank and Wealth's South African business will continue to be bound by such restrictions.

Since 1995, certain exchange controls in South Africa have been relaxed. The extent to which the South African Government may further relax such exchange controls cannot be predicted with certainty, although the South African Government has committed itself to a gradual approach of relaxation. Relaxation or abolition of exchange controls may change the capital flows to and from South Africa. If changes to exchange controls result in large capital outflows, Investec Bank and Wealth's South African business could be adversely affected, which could in turn have a material adverse effect on Investec Bank and Wealth's business, operating results, financial condition and prospects.

8. **THE RESPONSE OF GOVERNMENTS AND REGULATORS TO INSTABILITY IN THE GLOBAL FINANCIAL MARKETS MAY NOT BE EFFECTIVE.**

In times of economic instability, governments and regulators are faced with pressure from a variety of sources, including market participants, the media, investor organisations and others, to reform the existing financial and regulatory system. There can be no guarantee that the response of governments and regulators in the jurisdictions in which Investec Bank and Wealth operates, and the reforms proposed thereby, will be effective or that the timing of responses (which might otherwise have been effective) will be appropriate. In addition, any such measures taken may negatively impact Investec Bank and Wealth's business even when they achieve their policy goals.

In the past, governments and regulators in some jurisdictions have responded to pressure of the kind referred to above by greatly increasing regulation. Reforms which increase the compliance and reporting burdens of role-players in the financial markets space can have unintended effects on the environment within which such role-players operate. There can be no guarantee that the governments and regulators in the jurisdictions in which Investec Bank and Wealth operates will not make policy decisions to implement reforms which increase the burdens faced by Investec Bank and Wealth in relation to compliance and reporting. This could increase the costs Investec Bank and Wealth has to devote to compliance and reporting and, in turn, could have a negative effect on Investec Bank and Wealth's financial condition and operating results.

9. **THE BANKING INDUSTRY IN WHICH INVESTEC BANK AND WEALTH OPERATES IS INTENSELY COMPETITIVE.**

The banking industry is intensely competitive and Investec Bank and Wealth faces substantial competition in all aspects of its Specialist Banking Business. Given that its activities are focused on niche areas within the banking industry, the Specialist Banking Business does not have any peers that have a directly comparable business model. However, it faces competition within these areas from large high street banks, as well as providers of private banking for the ultra-high net worth market. These banks may have greater resources, broader product offerings and more extensive distribution networks than Investec Bank and Wealth. Investec Bank and Wealth also faces competition in the UK from new entrants to the market, including from banking businesses developed by large non-financial companies. Increasing pressure faced by Investec Bank and Wealth from these banks, as well as mainstream banks returning to the market, could adversely affect its margins. If Investec Bank and Wealth is unable to manage this competition, its ability to retain its customers and continue to attract deposits may be compromised, which could have a material adverse effect on Investec Bank and Wealth's business, operating results, financial condition and prospects.

Investec Bank and Wealth views digitalisation as a key business enabler and therefore continues to invest in digital capabilities. However, there is the risk that Investec Bank and Wealth invests in technologies that are unable to compete with those of competitors, or is unable to keep pace with industry change that may arise as a result of alternative intelligence developments, industry disruptors or otherwise.

10. **THE WEALTH MANAGEMENT INDUSTRY IN WHICH INVESTEC BANK AND WEALTH OPERATES IN IS INTENSELY COMPETITIVE.**

The financial advice, investment solutions, platforms and wealth management markets in the UK, South Africa and internationally are competitive, and Investec Bank and Wealth expects such competition to intensify in response to competitor behaviour, consumer preferences, technological changes, the impact of consolidation, regulatory actions and other factors. Investec Bank and Wealth faces the risk that advisers and customers do not prefer Investec Bank and Wealth's solutions or service offerings to those of competitors, or that preferences change significantly away from its services.

The factors affecting Investec Bank and Wealth's ability to sell its products and services and achieve continued profitability include investment management performance, price and yields offered, financial strength and ratings, range of product lines and product and service quality, quality of advice, customer perception of Investec Bank and Wealth's multi-channel (advised and open market) offering, brand strength, innovation of competitors, developing demographic trends and customer appetite for certain savings products. Some of Investec Bank and Wealth's competitors have proprietary products and distribution channels that make it more difficult for Investec Bank and Wealth to compete with them.

Furthermore, the wealth management industry has experienced periods of significant consolidation as numerous wealth management firms have either been acquired by other financial services firms or ceased operations. This has resulted in Investec Bank and Wealth having to compete with larger and potentially better capitalised firms with more efficient operating models. Furthermore, a number of entrants, including commercial banks and foreign entities, have made investments in and acquired wealth management firms. If Investec Bank and Wealth's customers and potential customers decide to use the services of its competitors, this could result in growth in Investec Bank and Wealth's assets under management slowing or in net customer outflows. Any of the foregoing factors could have a material adverse effect on Investec Bank and Wealth's business, operating results, financial condition and prospects.

Investec Bank and Wealth views digitalisation as a key business enabler and therefore continues to invest in digital capabilities. However, there is the risk that Investec Bank and Wealth invests in technologies that are unable to compete with those of competitors, or is unable to keep pace with industry changes that may arise as a result of alternative intelligence developments, industry disruptors or otherwise.

11. **POOR INVESTMENT PERFORMANCE RELATIVE TO COMPETITORS AND APPLICABLE BENCHMARKS OR A DETERIORATION IN INVESTEC BANK AND WEALTH'S SERVICES COULD LEAD TO A LOSS OF ASSETS UNDER MANAGEMENT AND A DECLINE IN OPERATING PROFIT.**

Investment performance is an important factor for the maintenance and growth of Investec Bank and Wealth's assets under management across its Wealth & Investment Business. If Investec Bank and Wealth were to experience poor investment performance over a prolonged period, affected clients (or clients generally) might decide to reduce their investments or withdraw funds altogether in favour of better performing services or competing investment managers, which would lead to a direct reduction in the level of Investec Bank and Wealth's assets under management and, as a result, lower fee and commission income. Furthermore, during a period of significant poor investment performance, Investec Bank and Wealth's reputation and brand, which have in part been built around its strong investment performance, may deteriorate. As a result, its ability to attract funds from existing and new clients might diminish, particularly given the competitive nature of the wealth management market.

In addition to Investec Bank and Wealth's investment performance, its relationships with clients are important to the maintenance and growth of its assets under management. Investec Bank and Wealth's investment managers are central to these relationships, and play a key role in enabling Investec Bank and Wealth to earn the long-term trust of its client base. However, client complaints regarding dissatisfaction with the services they receive from their investment managers or Investec Bank and Wealth generally, including in relation to general administration of their investments, could ultimately lead to the withdrawal of client investments and a reduction in Investec Bank and Wealth's assets under management.

The occurrence of any of the foregoing could have a material adverse effect on Investec Bank and Wealth's business, operating results, financial condition and prospects.

12. **INVESTEC BANK AND WEALTH'S CUSTOMERS MAY WITHDRAW THEIR ASSETS UNDER MANAGEMENT AT SHORT OR WITH NO NOTICE.**

Investec Bank and Wealth's arrangements with its Wealth & Investment Business customers are generally terminable without cause and at any time without notice. Customers may decide to withdraw a portion or all of the assets managed by Investec Bank and Wealth, for various reasons, including crystallisation of any of the other risks described in this Part VI. In particular, if interest rates rise or stock markets decline in a rapid and/or unexpected manner, or Investec Bank and Wealth's investment performance underperforms significantly during periods of volatility, the pace of withdrawals could accelerate. A reduction in the value of assets under management would adversely affect Investec Bank and Wealth's fee and commission income and operating profit. Significant withdrawals of assets under management would have a material adverse effect on Investec Bank and Wealth's fee income, as well as its business, operating results, financial condition and prospects.

13. **NEW PRODUCTS AND SERVICES INTRODUCED BY INVESTEC BANK AND WEALTH MAY NOT ACHIEVE ACCEPTANCE IN THE MARKET.**

Investec Bank and Wealth depends on its ability to develop new products and services that achieve a sufficient level of acceptance in the market to challenge its competitors. There can be no assurance that it will be able to develop new products or services that will appeal to clients, or that its competitors will not introduce more successful products or services or successfully copy the products and services introduced by Investec Bank and Wealth. New product and service launches involve a significant investment and commitment of human resources by Investec Bank and Wealth. If the products and services introduced by Investec Bank and Wealth do not achieve the anticipated level of acceptance, or it is unsuccessful in any new distribution channel, Investec Bank and Wealth could lose customers or be required to incur substantial costs in order to maintain its customer base. Additionally, if the processes to design, develop and launch new products and services are inadequate, it may result in Investec Bank and Wealth investing development resources inappropriately, launching products or services that are incapable of achieving their stated goals, or failing to achieve its business objectives. The inability to effectively develop and successfully launch new products and services could have a material adverse effect on its business, operating results, financial condition and prospects.

14. **INVESTEC BANK AND WEALTH IS SUBJECT TO RISKS CONCERNING CUSTOMER AND COUNTERPARTY CREDIT QUALITY.**

Broadly, credit and counterparty risk is the risk arising from an obligor's (typically a customer's or counterparty's) failure to meet certain obligations under terms of any agreement. Credit and counterparty risk arises for example when funds are extended, committed, invested, or otherwise exposed through contractual agreements, whether reflected on– or off-balance sheet.

Credit and counterparty risk arises primarily from three types of transactions:

- Lending transactions through loans and advances to customers and counterparties creates the risk that an obligor will be unable or unwilling to repay capital and/or interest on loans and advances granted to them. This category includes bank placements, where Investec Bank and Wealth has placed funds with other financial institutions.
- Issuer risk on financial instruments where payments due from the issuer of a financial instrument will not be received.
- Trading transactions, giving rise to settlement and replacement risks, which are collectively referred to here as counterparty risk. Settlement risk is the risk that the settlement of a transaction does not take place as expected. Replacement risk is the financial cost of having to enter into a replacement contract with an alternative market counterparty following default by the original counterparty.

Investec Bank and Wealth's credit risk arises primarily in relation to its Specialist Banking Business, through which it offers products such as private customer mortgages and high net worth lending to private customers and a range of lending products to corporate customers, including corporate loans, asset based lending, fund finance, asset finance, power and infrastructure finance, resource finance and corporate debt securities. Within its Wealth & Investment Business, Investec Bank and Wealth is subject to relatively limited settlement risk which can arise due to undertaking transactions in an agency capacity on behalf of customers.

Credit and counterparty risks can be impacted by country risk where cross-border transactions are undertaken. This can include geopolitical risks, transfer and convertibility risks and the impact on the borrower's credit profile due to local and economic political conditions.

In accordance with policies overseen by its Central Credit Management department, Investec Bank and Wealth makes provision for specific impairments and calculates the appropriate level of portfolio impairments in relation to the credit and counterparty risk to which it is subject. This process requires complex judgements, including forecasts of how changing macro-economic conditions might impair the ability of customers to repay their loans. Investec Bank and Wealth may fail to adequately identify the relevant factors or accurately estimate the impact and/or magnitude of identified factors. Further, despite Investec Bank and Wealth having conducted an accurate assessment of customer credit quality, customers may be unable to meet their commitments as they fall due as a result of customer-specific circumstances, macro-economic disruptions or other external factors. The failure of customers to meet their commitments as they fall due may result in higher impairment losses. A deterioration in customers' credit quality and the consequent increase in impairments could have a material adverse impact on Investec Bank and Wealth's business, operating results, financial condition and prospects.

15. **CONCENTRATION OF CREDIT RISK OR INVESTMENT RISK COULD INCREASE INVESTEC BANK AND WEALTH'S POTENTIAL FOR SIGNIFICANT LOSSES.**

Investec Bank and Wealth is subject to concentration risk, which arises when large exposures exist to a single customer or counterparty, group of connected counterparties or to a particular geography, asset class or industry. Concentration risk can also exist where a portfolio of loan maturities is clustered within a single period of time. While Investec Bank and Wealth's loan book and investment portfolio remain well diversified, geographical concentration may pose risks. In the event of a disruption to the credit markets in the geographies in which Investec Bank and Wealth operates (particularly the UK and South Africa) or the emergence of adverse economic conditions in any of those geographies, including in relation to interest rates and unemployment levels, this concentration of credit or investment risk could cause Investec Bank and Wealth to experience greater losses than its competitors. While Investec Bank and Wealth regularly monitors its loan book and investment portfolio to assess potential concentration risk, efforts to divest, diversify or manage these portfolios against concentration risks may not be successful and could result in an adverse effect on its business, operating results, financial condition and prospects.

16. **INVESTEC BANK AND WEALTH IS SUBJECT TO LIQUIDITY RISK, WHICH MAY IMPAIR ITS ABILITY TO FUND ITS OPERATIONS.**

Liquidity risk is the risk that Investec Bank and Wealth has insufficient capacity to fund increases in its assets, or that it is unable to meet its payment or other financial obligations as they fall due, without incurring unacceptable losses. This includes repaying depositors and repayments of wholesale debt. While Investec Bank and Wealth's regulatory liquidity ratios are comfortably above its respective requirements in both the UK and South Africa, this risk is inherent in all banking operations and can be impacted by a range of institution-specific and market-wide events. Liquidity risk can be further broken down into:

- funding liquidity, which relates to the risk that Investec Bank and Wealth will be unable to meet current and/or future cash flow or collateral requirements in the normal course of its business, without adversely affecting its financial position or reputation; and
- market liquidity, which relates to the risk that Investec Bank and Wealth may be unable to trade in specific markets or that it may only be able to do so with difficulty due to market disruptions or a lack of market liquidity.

Sources of liquidity risk include:

- unforeseen withdrawals of deposits;
- restricted access to new funding with appropriate maturity and interest rate characteristics;
- inability to liquidate a marketable asset in a timely manner with minimal risk of capital loss;
- unpredicted customer non-payment of loan obligations; and
- a sudden increased demand for loans in the absence of corresponding funding inflows of appropriate maturity.

Investec Bank and Wealth relies on its customer deposit base as the principal source of stable funding for its risk assets – its primary source of funding is customer deposits. Therefore in order to appropriately manage liquidity risk, growth in Investec Bank and Wealth's lending activities will in part depend on the availability of customer deposit funding on acceptable terms, for which there may be increased competition, which is dependent on a variety of factors outside Investec Bank and Wealth's control. These factors include general macro-economic conditions and market volatility and confidence of retail depositors in the economy. Increases in the cost of customer deposit funding will adversely affect Investec Bank and Wealth's net interest margin and a lack of availability of customer deposit funding could have a material adverse effect on Investec Bank and Wealth's growth. Whilst Investec Bank and Wealth does not expect this risk to materialise in either the short or long-term, there remains a possibility that it could materialise due to low probability but high impact factors outside of Investec Bank and Wealth's control which, while not currently envisaged to arise, are a feature of operating in this sector and therefore could occur in the long-term.

While Investec Bank and Wealth does not currently rely heavily on interbank funding (i.e. borrowing from other banks), it may need to access these funding channels where there is a residual funding requirement over and above funds held from customer deposits. If the interbank funding markets were to be fully or partially closed, it is likely that interbank funding would prove more difficult to obtain on commercial terms, which could have a material adverse effect on Investec Bank and Wealth's growth. Significant curtailments of central bank liquidity to the financial markets in connection with other market stresses might also have a material adverse effect on Investec Bank and Wealth's financial position depending on Investec Bank and Wealth's liquidity position at that time.

The Capital Requirements Directive IV 2013/36/EU (as implemented in the UK through applicable regulatory rules set out in the Prudential Regulation Authority ("**PRA**") Rulebook and other PRA publications) and the Capital Requirements Regulation (together, "**CRD IV**") and the Basel III South African Banking regulations (effective 1 January 2013) requires Investec Bank and Wealth to meet targets set for the Basel III liquidity related ratios. These include the liquidity coverage ratio ("**LCR**"), which requires banks to have sufficient high quality liquid assets to withstand a 30-day stressed funding scenario, and the net stable funding ratio ("**NSFR**"), which is a long-term structural ratio designed to address liquidity mismatches between a bank's funding profile and its assets and off balance sheet items. Investec Bank and Wealth's regulatory ratios are comfortably above its respective requirements in both the UK and South Africa. Any failure to manage its liquidity position or to meet the LCR and NSFR requirements could have a material adverse effect on Investec Bank and Wealth's business, operating results, financial condition and prospects. The Directors of Investec Bank and Wealth are required to assess, and make an annual viability statement, with regard to a three year view of Investec Bank and Wealth's capital and liquidity position.

17. **INVESTEC BANK AND WEALTH IS EXPOSED TO DEPOSITOR CONCENTRATION RISK IN SOUTH AFRICA.**

Due to exchange controls in South Africa, individuals and corporates are limited from making deposits outside South Africa. This has led to large deposits in banks in South Africa being made by corporates and in particular by the local South African fund managers. The principal South African fund managers are the largest depositors in the South African banking market, making deposits on behalf of their customers to benefit from high interest rates available to wholesale depositors. Investec Bank and Wealth in South Africa, in line with other South African banks, obtains a large percentage of its deposits from such fund managers and thus has a high reliance on wholesale funding. Legislation in South Africa restricts the exposure that the fund managers can have to an individual bank and the fund managers are required to spread their deposits amongst banks. However, given the impact of exchange controls, Rand liquidity is contained within the Rand system, thus significantly reducing the potential liquidity risks in South Africa compared to other more open financial systems. Notwithstanding this, Investec Bank and Wealth believes that its level of access to domestic and international inter-bank and capital markets and its liquidity risk management policy allows, and will continue to allow, it to meet its short-term and long-term liquidity needs.

18. **INVESTEC BANK AND WEALTH'S BORROWING COSTS AND ITS ACCESS TO THE DEBT CAPITAL MARKETS DEPEND SIGNIFICANTLY ON ITS CREDIT RATINGS.**

Rating agencies, which will determine Investec Bank and Wealth's own credit ratings and thereby influence Investec Bank and Wealth's cost of funds, will take into consideration management effectiveness and the success of Investec Bank and Wealth's risk management processes. Rating agencies have, in the past, altered their ratings of all or a majority of the participants in a given industry as a result of the risks affecting that industry irrespective of an industry participant's individual position. While a reduction in Investec Bank and Wealth's long– or short-term credit ratings could increase its borrowing costs, limit its access to the capital markets and trigger additional collateral requirements in derivative contracts and other secured funding arrangements, Investec Bank and Wealth would be able to manage such additional costs and funding requirements. Credit ratings are also important to Investec Bank and Wealth when competing in certain markets, such as longer-term over-the-counter derivatives. Any downward changes in the credit ratings of Investec Bank and Wealth could negatively impact the volume and pricing of Investec Bank and Wealth's funding, which could in turn have a material adverse effect on its business, operating results, financial condition and prospects.

Over the past few years, Investec Bank and Wealth's business in the UK has received credit rating upgrades. Investec Bank and Wealth's business in South Africa has received rating downgrades over the past two years. These are not associated with a change in the risk profile of Investec Bank and Wealth's business, but relate to downgrades of the credit ratings of the South African Sovereign, which result in an automatic downgrade of Investec Bank and Wealth's ratings (and the ratings of institutions across the banking industry in South Africa).

19. **INVESTEC BANK AND WEALTH MAY HAVE INSUFFICIENT CAPITAL IN THE FUTURE AND MAY BE UNABLE TO SECURE ADDITIONAL FINANCING WHEN IT IS REQUIRED.**

The prudential regulatory capital and liquidity requirements applicable to banks have increased significantly over the last decade, largely in response to the financial crisis that commenced in 2008 but also as a result of continuing work undertaken by regulatory bodies in the financial sector, subject to certain global and national mandates. These prudential requirements are likely to increase further in the short term, not least in connection with ongoing implementation issues as noted further below, and it is possible that further regulatory changes may be implemented in this area in any event.

Within Investec Bank and Wealth, Investec Limited is regulated by the SARB PA. Investec Limited calculates capital resources and requirements using the Basel III framework, as implemented in Southern Africa by the SARB PA in accordance with the Regulations relating to Banks, Gazette No. 35950, 12 December 2012 – (The Regulations), Banks Act of South Africa, 1990 (Act No. 94 of 1990) – (The Act) and relevant published Banks Act Circulars, Guidance notes and Directives. Investec plc is authorised by the PRA and is regulated by the FCA and the PRA on a consolidated basis. Investec plc calculates capital resources and requirements using the Basel III framework, as implemented through CRD IV. Various subsidiaries of Investec Limited and Investec plc are subject to additional regulation covering various activities or implemented by local regulators in other jurisdictions.

Investec Bank and Wealth sets its internal target amount of capital and liquidity based on an assessment of its risk profile, market expectations and regulatory requirements in relation to both capital and liquidity. Investec Bank and Wealth may experience a depletion of its capital resources through increased costs or liabilities incurred as a result of the crystallisation of any of the other risks described elsewhere in this Part VI. If, for example, market expectations as to capital levels increase, driven by, for example, the capital levels or targets among peer banks, or if new regulatory requirements are introduced, Investec Bank and Wealth may experience pressure to increase its capital ratios.

If Investec Bank and Wealth fails to meet its minimum regulatory capital or liquidity requirements, it may be subject to administrative actions or sanctions. In addition, a shortage of capital or liquidity could affect Investec Bank and Wealth's ability to pay liabilities as they fall due, pay future dividends and distributions, and could affect the implementation of its business strategy, impacting future growth potential. If, in response to any capital shortage, Investec Bank and Wealth raises additional capital through the issuance of share capital or capital instruments, Investec Shareholders may experience a dilution of their holdings or reduced profitability and returns. Any inability of Investec Bank and Wealth to maintain its regulatory capital or liquidity requirements, or any legislative changes that limit Investec Bank and Wealth's ability to manage its capital effectively, may have a material adverse effect on Investec Bank and Wealth's business, operating results, financial condition and prospects.

Investec Limited and Investec plc hold capital in excess of relevant capital minima and capital buffer requirements. Investec Bank and Wealth's regulatory ratios are comfortably above its respective requirements in both the UK and South Africa.

20. **BREACHES BY INVESTEC BANK AND WEALTH OF INVESTMENT MANDATES COULD HAVE A MATERIAL ADVERSE EFFECT ON ITS BUSINESS, FINANCIAL CONDITION, OPERATING RESULTS AND PROSPECTS.**

Investec Bank and Wealth is generally required to invest in accordance with specific investment mandates or objectives established for the particular portfolio or product. If investments are made or managed in breach of an investment mandate, including with regard to the use of benchmark indices, Investec Bank and Wealth could be required to unwind the relevant transactions, could suffer reputational and brand damage and likely would be liable for any losses suffered by an affected party in doing so. Losses could be significant and exceed amounts recoverable under Investec Bank and Wealth's insurance policies, if any. The potential reputational and brand damage and the obligation to compensate for such losses could have a material adverse effect on Investec Bank and Wealth's business, financial condition, operating results and prospects.

21. **INVESTEC BANK AND WEALTH'S RISK MANAGEMENT POLICIES AND PROCEDURES MAY LEAVE IT EXPOSED TO RISKS WHICH HAVE NOT BEEN IDENTIFIED BY SUCH POLICIES OR PROCEDURES.**

Investec Bank and Wealth devotes significant resources to developing its risk management policies and procedures, particularly in connection with credit, liquidity, market and other banking risks, and expects to continue to do so in the future. Nonetheless, its risk management techniques may not be fully effective in mitigating its risk exposure in all market environments or against all types of risk. Some of Investec Bank and Wealth's methods of managing risk will be based upon its use of observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be significantly greater than historical measures indicate. Other risk management methods depend upon evaluation of information regarding the markets in which Investec Bank and Wealth operates, its customers or other matters that are publicly available or otherwise accessible by Investec Bank and Wealth. This information may not be accurate, complete, up-to-date or properly evaluated in all cases. Any failure of Investec Bank and Wealth's risk management techniques may have a material adverse effect on its business, operating results, financial condition and prospects.

22. **INVESTEC BANK AND WEALTH MAY BE VULNERABLE TO THE FAILURE OF ITS INFORMATION AND OPERATING SYSTEMS.**

Investec Bank and Wealth relies on the proper functioning of its information and operating systems which may fail as a result of hardware or software failure or power or telecommunications failure. The occurrence of such a failure may not be adequately covered by its business continuity planning. Any significant degradation, failure or lack of capacity of Investec Bank and Wealth's information systems or any other systems in the trading process could therefore cause it to fail to complete transactions on a timely basis, could have an adverse effect on its business, operating results, financial condition and prospects or could give rise to adverse regulatory and reputational consequences for Investec Bank and Wealth's business.

Investec Bank and Wealth's future success will depend in part on its ability to respond to changing technologies and demands of the market place. Investec Bank and Wealth's failure to upgrade its information and communications systems on a timely or cost-effective basis could damage its relationships with its clients and counterparties and could have a material adverse effect on its business, operating results, financial conditions and prospects.

23. **INVESTEC BANK AND WEALTH MAY BE VULNERABLE TO ATTACKS ON OR BREACHES OF ITS SECURITY SYSTEMS.**

The secure transmission of confidential information is a critical element of Investec Bank and Wealth's operations. Investec Bank and Wealth's networks and systems may be vulnerable to unauthorised access and other security problems. In particular, as a financial institution, Investec Bank and Wealth is subject to a heightened risk that it will be the target of criminal activity, including fraud, theft or cybercrime. There can also be no assurance that Investec Bank and Wealth's systems will not be subject to attack by cybercriminals, including through denial of service attacks, which could significantly disrupt Investec Bank

and Wealth's operations. Investec Bank and Wealth cannot be certain that its existing security measures will prevent security breaches, including break-ins, viruses or disruptions. Persons that circumvent the security measures could use Investec Bank and Wealth's or its customers' confidential information wrongfully, which could expose it to a risk of loss, adverse regulatory consequences, reputational damage or litigation.

Any failure by Investec Bank and Wealth to maintain effective security systems, or to implement upgrades on a timely or cost-effective basis could damage its relationships with its customers and counterparties and result in adverse regulatory consequences, which could have a material adverse effect on its business, operating results, financial conditions and prospects.

24. **INVESTEC BANK AND WEALTH MAY BE UNABLE TO RECRUIT, RETAIN AND MOTIVATE KEY PERSONNEL.**

Investec Bank and Wealth's performance is largely dependent on the talents and efforts of key personnel, many of whom have been employed by Investec Bank and Wealth for a substantial period of time and have developed with the business. In addition, while Investec Bank and Wealth is covered by a general director's and officer's insurance policy, it does not maintain any "key man" insurance in respect of any management employees. Competition in the financial services industry for qualified employees is intense. Further, Investec Bank and Wealth's ability to implement its strategy depends on the ability and experience of its senior management and other key employees. The loss of the services of certain key employees, particularly to competitors, could have a negative impact on Investec Bank and Wealth's business.

Investec Bank and Wealth's continued ability to compete effectively and further develop its business depends on its ability to retain, remunerate and motivate its existing employees and to attract new employees and qualified personnel competitively with its peers. Many of Investec Bank and Wealth's peers within the industry have pursued remuneration structures that involve higher base salaries and a relatively lower proportion of performance-related pay (or bonuses). Investec Bank and Wealth's remuneration policies and practices tend to emphasise the importance of performance and, as such, the proportion of employees' pay packages which are variable may be higher than that of its competitors. It is possible that employees perceive higher base salaries, albeit coupled with lower levels of performance-related bonuses, as an attractive proposition, which may affect Investec Bank and Wealth's ability to retain key personnel. Alternatively, Investec Bank and Wealth may be forced to raise base salaries to attract and retain key personnel. The effect of this would be to increase Investec Bank and Wealth's fixed cost base, which would impact its budget and make it more difficult for it to lower its cost base in reaction to adverse markets or other circumstances when required and would have a corresponding impact on its regulatory capital requirements. If Investec Bank and Wealth is unable to recruit, retain and motivate key personnel, or if it is required to incur additional costs to retain such personnel, its business, operating results, financial conditions and prospects could be materially adversely affected.

25. **INVESTEC BANK AND WEALTH MAY BE ADVERSELY AFFECTED IF ITS REPUTATION IS HARMED.**

Investec Bank and Wealth is subject to the risk of loss due to customer or staff misconduct. Investec Bank and Wealth's ability to attract and retain customers and employees and raise appropriate financing or capital may be adversely affected to the extent its reputation is damaged. If it fails to deal with various issues that may give rise to reputational risk, its reputation and in turn its business prospects may be harmed. These issues include, but are not limited to, appropriately dealing with potential conflicts of interest, legal and regulatory requirements, customer management and communication, discrimination issues, money-laundering, privacy, record-keeping, sales and trading practices, and the proper identification of the legal, reputational, credit, liquidity and market risks inherent in its business. Failure to address these issues appropriately could give rise to litigation and regulatory risk to Investec Bank and Wealth.

There have been a number of highly publicised cases involving fraud or other misconduct by employees of financial services firms in recent years. Investec Bank and Wealth's reputation could be damaged by an allegation or finding, even where the associated fine or penalty is not material. Misconduct could include hiding unauthorised activities from Investec Bank and Wealth, improper or unauthorised activities on behalf of customers, improper use of confidential information or use of improper marketing materials. Investec Bank and Wealth has systems and controls in place to prevent and detect misconduct; however, the risks posed by misconduct may not be entirely eliminated through controls.

26. **INVESTEC BANK AND WEALTH FACES RISKS ASSOCIATED WITH THE IMPLEMENTATION OF ITS STRATEGY.**

Investec Bank and Wealth's ability to implement its strategy successfully is subject to execution risks, including management of its cost base and any limitations in its management or operational capacity which may arise. These risks may be exacerbated by a number of external factors, including a downturn in the UK, South African, European or global economy, increased competition in the financial services industry and/or significant or unexpected changes in the regulation of the financial services sector in the UK, South Africa or Europe. If Investec Bank and Wealth is unable to implement its business strategy, its business, operating results, financial condition and prospects could be material adversely affected.

27. **INVESTEC BANK AND WEALTH FACES RISKS RELATED TO VOLATILITY IN THE VALUE OF UK AND SOUTH AFRICAN REAL ESTATE.**

UK and South African house prices influence the value of Investec Bank and Wealth's mortgage portfolio in the UK and South Africa. A decline in house prices in the UK and South Africa could lead to a reduction in the recovery value of real estate assets held as collateral in the event of a customer default, and could lead to higher impairment losses, which could reduce Investec Bank and Wealth's capital and profitability as well as its ability to engage in lending and other income-generating activities. A significant increase in house prices over a short period of time could also have a negative impact on Investec Bank and Wealth by reducing the affordability of homes for buyers, which could lead to a reduction in demand for new mortgages. Sustained volatility in house prices could also discourage potential homebuyers from committing to a purchase, thereby limiting Investec Bank and Wealth's ability to grow its mortgage portfolio.

In the UK the government's intervention into the housing market, both directly through, for example, buyer assistance schemes and indirectly through the provision of liquidity to the banking sector under, for example, the Bank of England and HM Treasury's Funding for Lending scheme and Term Funding scheme, may also contribute to volatility in house prices. This could occur, for example, as a result of any sudden end to buyer assistance schemes in the future, which could lead to a decrease in house prices, or due to their continuation, which would maintain excess funding liquidity in the mortgage market which has supported a low mortgage interest rate environment, and which could lead to inflation in house prices. The impact of these and any other initiatives on the UK housing market and other regulatory changes, tax changes or UK Government programme changes is difficult to predict. Volatility in the UK housing market occurring as a result of these changes, or for any other reason, could have a material adverse effect on Investec Bank and Wealth's business, operating results, financial condition and prospects.

28. **CHANGES IN DISTRIBUTION CHANNELS, IN PARTICULAR IN RELATION TO FINANCIAL ADVISERS, MAY HAVE A MATERIAL ADVERSE EFFECT ON INVESTEC BANK AND WEALTH'S BUSINESS.**

Financial intermediaries are one of the distribution channels for Investec Bank and Wealth's Wealth & Investment Business. In particular, it relies on independent financial advisers, who may retain responsibility for specific aspects of the overall service provided to the customer, such as the recording of "know your customer" information and the suitability of the investment mandate. Although Investec Bank and Wealth has undertaken various steps to expand and deepen its financial adviser relationships and networks, there can be no assurance that its efforts will be successful. In particular, many of Investec Bank and Wealth's competitors are working to expand and deepen their own financial adviser relationships and networks. As competition expands among asset and wealth management firms for business from financial adviser introductions, Investec Bank and Wealth may be unable to maintain its key relationships or grow the amount of new business it generates from them.

Changes in distribution channels may also lead to the emergence of new competitors. For example, the increasing popularity of internet investing systems and platforms in recent years has led to the growth of wealth managers offering simplified investment management services to the mass affluent investor market, often targeting self-directed investors. In recent years, this trend towards self-directed investments in certain segments of the market has intensified. In many cases, wealth managers have focused their services on the development of low-cost, simplified investment models in order to target this segment of the investor market. There can be no assurance that any efforts by Investec Bank and Wealth to compete effectively with these entrants for new customers will be successful or that Investec Bank and Wealth's customers will not transfer their investments to these types of investment management firms.

A loss of Investec Bank and Wealth's relationships with particular intermediaries, or the emergence of competitors through new or developing distribution channels, could result in a reduction in Investec Bank and Wealth's assets under management and could have a material adverse effect on its business, operating results , financial condition and prospects.

29. **THE INABILITY OF INVESTEC BANK AND WEALTH TO ADEQUATELY INSURE AGAINST SPECIFIC RISKS COULD HAVE A MATERIAL ADVERSE EFFECT ON ITS BUSINESS, FINANCIAL CONDITION, OPERATING RESULTS AND PROSPECTS.**

Investec Bank and Wealth's business entails the risk of liability related to litigation from customers, shareholders, employees or third-party service providers and actions taken by regulatory agencies, which may not be adequately covered by insurance or at all. Specifically, there is a risk that claims may arise in relation to damage resulting from Investec Bank and Wealth's employees' or service providers' operational errors or negligence, or misconduct or misrepresentation by its employees, agents and other operational personnel. There can be no assurance that a claim or claims will be covered by insurance or, if covered, that any such claim will not exceed the limits of available insurance coverage or that any insurer will meet its obligations to insure. There can also be no assurance that insurance coverage with sufficient limits will continue to be available at a reasonable cost. Renewals of insurance policies or claims under existing policies may expose Investec Bank and Wealth to additional costs through higher premiums or the assumption of higher deductibles or co-insurance liability. A significant increase in the costs of maintaining insurance cover or the costs of meeting liabilities not covered by insurance could have a material adverse effect on Investec Bank and Wealth's business, financial condition, operating results and prospects.

30. **CERTAIN FINANCIAL INSTRUMENTS ARE RECORDED AT FAIR VALUE UNDER RELEVANT ACCOUNTING RULES. TO DETERMINE FAIR VALUE, INVESTEC BANK AND WEALTH USES FINANCIAL MODELS WHICH REQUIRE IT TO MAKE CERTAIN ASSUMPTIONS AND JUDGEMENTS AND ESTIMATES WHICH MAY CHANGE OVER TIME.**

Under IFRS, Investec Bank and Wealth is required to carry certain financial instruments on its balance sheet at fair value, including, among others, trading assets (which include certain retained interests in loans that have been securitised) and derivatives. Generally, in order to establish the fair value of these instruments, Investec Bank and Wealth relies on quoted market prices or internal valuation models that utilise observable market data. In certain circumstances and over the last year in particular, however, the ability of Investec Bank and Wealth and other financial institutions to establish fair values has been influenced by the lack of readily available observable market prices and data and the fact that the availability or reliability of such information has diminished due to market conditions. Furthermore, in common with other financial institutions, Investec Bank and Wealth's processes and procedures governing internal valuation models are complex and require Investec Bank and Wealth to make assumptions, judgements and estimates in relation to matters that are inherently uncertain, such as expected cash flows from a particular asset class, the ability of borrowers to service debt, house price appreciation and depreciation, and relative levels of defaults and deficiencies. Such assumptions, judgements and estimates may need to be updated to reflect changing trends in relation to such matters. To the extent Investec Bank and Wealth's assumptions, judgements or estimates change over time in response to market conditions or otherwise, the resulting change in the fair value of the financial instruments reported on Investec Bank and Wealth's balance sheet could have a material adverse effect on Investec Bank and Wealth's earnings.

Financial instruments are valued differently under relevant applicable accounting rules depending upon how they are classified. In addition, financial institutions may use different valuation methodologies which may result in different fair values for the same instruments.

Accordingly, Investec Bank and Wealth's carrying value for an instrument may be materially different from another financial institution's valuation of that instrument or class of similar instruments.

Furthermore, a fair value determination does not necessarily reflect the value that can be realised for a financial instrument on a given date. As a result, assets and liabilities carried at fair value may not actually be able to be sold or settled for that value. If such assets are ultimately sold or settled for a lower or greater value, the difference would be reflected in a write-down or gain. The difference between the fair value determined at a particular point in time and the ultimate sale or settlement value can be more pronounced in volatile market conditions or during periods when there is only limited trading of a particular asset class from which to establish fair value. This can result in a significant negative impact on Investec Bank and Wealth's financial condition and operating results due to an obligation arising to revalue assets at a fair value significantly below the value at which Investec Bank and Wealth believes it could ultimately be realised.

31. **INVESTEC BANK AND WEALTH'S REGULATED BUSINESSES ARE SUBJECT TO EXTENSIVE REGULATION.**

Investec Bank and Wealth is subject to extensive regulation in each of the jurisdictions in which it conducts business. Investec Bank and Wealth is also obliged to complete extensive and complex disclosures relating to assets held within Investec Bank and Wealth to meet UK, South African and international regulations. Regulatory agencies have broad regulatory and administrative powers over many aspects of financial services businesses such as Investec Bank and Wealth, which may include governance, systems and controls requirements, conduct of business requirements (including marketing and selling practices, advertising, customer documentation and service standards), market conduct, product authorisation and governance, solvency, liquidity, intra-group transactions, risk concentration, management of conflicts of interest and permitted investments.

Investec Bank and Wealth's UK business is subject to regulation by the FCA and the PRA. The FCA and the PRA have broad powers, including the authority to grant, vary the terms of or cancel a regulated firm's authorisation, to investigate marketing and sales or advice practices and to require the maintenance of adequate financial resources. The FCA and the PRA have the power to take a range of investigative, disciplinary or enforcement actions, including public censure, customer restitution, fines or sanctions and (in practice) to require compensation. The FCA and the PRA may make enquiries of the companies that they regulate regarding compliance matters and, like all UK regulated financial services firms, Investec Bank and Wealth faces the risk that the FCA or the PRA could find that it has failed to comply with applicable regulations or has not undertaken corrective action as required. The FCA also has temporary product intervention powers, which enable it to restrict certain products, product features or their promotion in the UK for up to 12 months without consultation.

Further, the United Kingdom's potential exit from the European Union brings uncertainty to the future regulatory landscape for financial services firms that operate in the United Kingdom, their ability to service European clients and has a macroeconomic impact on the wider UK economy. By withdrawing from the EU single market (and subject to any future and/or transitional arrangement between the United Kingdom and the European Union on market access), UK-based financial firms will lose the benefit of passporting rights to access EU markets and investors. Additional risks related to regulatory change in connection with the United Kingdom's vote to leave the European Union are described in "The Ninety One Group is exposed to political, social and macro-economic risks relating to the UK's potential exit from the EU" above.

In South Africa, the recently enacted Financial Sector Regulation Act, 2017 has put international "Twin Peaks" regulation into effect. As a result, Investec Bank and Wealth's business is now subject to regulation by the SA FSCA and the SARB PA. The SARB PA is responsible for regulating, amongst others, banks, insurers, financial institutions and financial service providers. Within the SARB PA's competency is the regulation of Investec Bank and Wealth's business in respect of prudential and capital requirements, risk, anti-money laundering and combatting the financing of terrorism. The SA FSCA launched on 1 April 2018, as successor to the South African Financial Services Board. The SA FSCA regulates, on the other hand, financial market conduct, including licensing, oversight of treatment of financial customers, efficiency and integrity in financial markets and financial stability. The SARB PA and the SA FSCA have broad powers to gather information, conduct supervisory on-site inspections and investigations, to question individuals and require production of documents and search premises. For enforcement purposes the SARB PA and the SA FSCA can issue directives to regulated entities and/or key individuals directing that specified action be taken in furtherance of regulatory powers. In serious cases the SARB PA and the SA FSCA can remove individuals from their positions with regulated entities, commence high court proceedings against regulated entities and debar individuals from working within regulated industries. Like all South African regulated financial services firms, Investec Bank and Wealth faces the risk that the SARB PA or the SA FSCA could find that it has failed to comply with applicable regulations or has not undertaken corrective action as required.

Outside the UK and South Africa, Investec Bank and Wealth's businesses are regulated by local domestic and supranational regulators that often have similar powers to the FCA or PRA or the SARB PA and SA FSCA, including: Securities Exchange Commission, Financial Industry Regulatory Authority and Commodity Futures Trading Commission in the United States; the Bank of Mauritius; the Securities and Futures Commission in Hong Kong; the Australian Securities and Investments Commission and the Australian Prudential Regulation Authority; the Swiss Financial Market Supervisory Authority; the Monetary Authority of Singapore; the Central Bank of Ireland; the European Securities and Markets Authority and the European Banking Authority ("**EBA**") in the EU and the Guernsey Financial Services Commission.

These authorities can apply a wide range of sanctions to firms (and individuals working for firms) found to be operating in breach of their regulations, or in a manner deemed to pose a significant risk to their statutory obligations, including public or private censure, fines, regulatory proceedings and, in extreme cases, suspension or withdrawal of authorisation to operate particular parts of their business or prosecution. Additionally, defending itself in proceedings and the cost of any applicable sanctions may involve significant expense. Enforcement or other action taken by regulators against Investec Bank and Wealth could also have a detrimental impact on its reputation, which could undermine customer confidence and reduce demand for Investec Bank and Wealth's products and services. Any of these matters may have a material adverse effect on Investec Bank and Wealth's business, financial condition, operating results and prospects.

32. **INVESTEC BANK AND WEALTH'S BUSINESSES ARE SUBJECT TO THE RISK OF ADVERSE CHANGES IN THE LAWS OR REGULATIONS IN THE MARKETS IN WHICH THEY OPERATE.**

Investec Bank and Wealth is subject to extensive regulation by governmental and other regulatory organisations in the jurisdictions in which it operates, and the financial services industry continues to be the focus of significant regulatory change and scrutiny. Financial services laws, regulations and regulatory requirements currently affecting Investec Bank and Wealth may change at any time in ways that could negatively impact Investec Bank and Wealth. It is difficult to accurately predict the timing, scope or form of future regulatory initiatives, although it is widely expected that there will continue to be a substantial amount of regulatory change and a high degree of supervisory oversight of regulated financial services firms. In addition, under certain principles-based rules and regulations, there may be different industry views about how to achieve particular outcomes. Regulators may from time to time have different views about how market participants should meet regulatory outcomes and interpretations may differ from generally accepted market practice.

Investec Bank and Wealth will not always be able to predict accurately the impact of future legislation or regulations or changes in the interpretation or operation of existing legislation or regulations on its business, financial condition, operating results and prospects. Changes in government policy, legislation or regulatory interpretation that applies, to companies in financial services industries in any of the markets in which Investec Bank and Wealth operates, including in particular in the UK and South Africa, which may be applied retrospectively, may limit Investec Bank and Wealth's activities or otherwise adversely affect Investec Bank and Wealth's service offering, distribution channels, capital requirements, results and financing requirements. For example, Investec Bank and Wealth may be unable to sell, or may decide not to sell, products or solutions in certain jurisdictions if regulations or interpretations change. In addition, Investec Bank and Wealth may face regulatory action on products or solutions that were designed to meet legislation in force at the time of design or sale that has subsequently been amended. Such changes may also result in increased compliance costs due to the need to establish additional compliance controls, or if investor demand is affected by changes to tax regulation or enforcement in their home jurisdictions or the countries where Investec Bank and Wealth operates.

Financial regulation in the EU Member States in which Investec Bank and Wealth operates is primarily based on EU directives, which are required to be implemented into national law. Due to differences in the way EU Member States may implement EU directives, and their discretion to impose more stringent requirements in certain areas, financial regulation is not fully harmonised across the EU. Different approaches to implementing EU directives in the EU Member States in which Investec Bank and Wealth operates may increase compliance costs and place Investec Bank and Wealth's business at a competitive disadvantage to financial services groups operating in fewer or certain other EU jurisdictions. Regulatory divergence also increases the risk of Investec Bank and Wealth's ability to comply with certain regulations.

Investec Bank and Wealth faces significant compliance challenges because the regulatory environment is evolving rapidly and supervisory authorities around the world are assuming an increasingly active and assertive role in introducing, interpreting and enforcing regulations in the jurisdictions in which Investec Bank and Wealth operates. For example, in the UK, the regulator has, in recent years, had a renewed focus on the way in which financial services providers provide investment advice or sell and administer insurance policies, investment solutions and other financial products.

As a result of the foregoing factors, significant regulatory change could have a material adverse effect on Investec Bank and Wealth's business, operating results, financial condition and prospects.

33. **INVESTEC BANK AND WEALTH MUST COMPLY WITH COMPLEX DATA PROTECTION AND PRIVACY LAWS.**

Investec Bank and Wealth is subject to regulations and heightened regulatory scrutiny in the jurisdictions in which its operates regarding the use of personal data. As data privacy concerns have increased in recent years, a number of jurisdictions have implemented, or commenced exploration into the introduction of, new regulations on the treatment and protection of client data. Investec Bank and Wealth collects and processes personal data (including name, address, age, bank and credit card details and other personal data) from its customers, third-party claimants, business contacts and employees as part of the operation of its business, and therefore it must comply with data protection and privacy laws. Those laws generally impose certain requirements on Investec Bank and Wealth in respect of the collection, retention, deletion, use and processing of such personal data. Failure to operate effective data collection controls could potentially lead to regulatory censure, fines, reputational and financial costs as well as result in potential inaccurate rating of policies or overpayment of claims. Investec Bank and Wealth seeks to ensure that procedures are in place to comply with the relevant data protection regulations by its employees and any third-party service providers, and also implement security measures to help prevent cyber-theft. Notwithstanding such efforts, Investec Bank and Wealth is exposed to the risk that this data could be wrongfully appropriated, lost or disclosed, stolen or processed in breach of data protection laws. In addition, Investec Bank and Wealth may not have the appropriate controls in place today and may be unable to invest on an ongoing basis to ensure such controls are current and keep pace with the growing threat.

In the UK, data protection law has been subject to material change in recent years. The European Commission, European Parliament and the Council of Ministers agreed the GDPR on 15 December 2015, and from 25 May 2018 the GDPR has applied, replacing the UK Data Protection Act 1998 (and the equivalent laws in other EU and EEA Member States). In addition, the UK Data Protection Act, supplementing the obligations in the GDPR, came into effect on 25 May 2018. The GDPR and the UK Data Protection Act have increased the regulatory burden on Investec Bank and Wealth in processing personal customer, employee and other data in the conduct of its business and may also increase the potential sanctions for breach as the GDPR includes significant financial penalties of up to 4% of the annual worldwide turnover of company groups. Investec Bank and Wealth has undertaken a detailed programme to develop and implement further data protection policies and procedures designed to comply with the GDPR.

In addition, ePR is expected in 2020. Once in force, this will introduce new rules around, amongst other things, confidentiality of online communications, the use of cookies and direct marketing, again increasing the regulatory burden on Investec Bank and Wealth in conducting its business and impacting the way it markets its products and services.

In South Africa, the POPI Act was signed in 2013 and although enacted, it is not yet fully in force. Only certain administrative provisions namely, those relating to the establishment of the information regulator and the making of regulations came into in force on 11 April 2014. The POPI Regulations relating to the administrative aspects of the POPI Act were published on 14 December 2018 and despite being in final form, the commencement date of the POPI Regulations has not yet been announced. It is expected that the commencement date of the POPI Regulations will be aligned with the commencement date of the remaining provisions of the POPI Act. Once the remaining provisions of the POPI Act come into force, there will be a one year transitional period to allow for organisations to become compliant with the provisions of the POPI Act before penalties for non-compliance are enforced. The POPI Act imposes a range of obligations, including restrictions on direct marketing and on cross-border transfers of personal information and an obligation to keep personal information secure. The POPI Act empowers the information regulator to impose administrative fines of up to R10 million where a data controller such as Investec Bank and Wealth fails to comply with an enforcement notice. Non-compliance with an enforcement notice is also a criminal offence. It should be noted that in terms of the POPI Act (once in force), legal entities will enjoy the same rights as individuals (where appropriate in the circumstances). In this regard, the POPI Act is different to the GDPR, the UK Data Protection Act and ePR.

In addition, Investec Bank and Wealth expects data privacy to remain a focus area for regulators in many of the other jurisdictions where it operates and that new data protection requirements will continue to be introduced in the future.

If Investec Bank and Wealth or any of the third-party service providers on which it relies (including non-subsidiary affiliates of Investec Bank and Wealth) fails to comply with existing data protection laws or fails to adapt to new or amended data protection laws, including the GDPR, UK Data Protection Act, ePR (once in force) or the POPI Act (once in force), due to any failure to store or transmit customer information in a secure manner or any loss or wrongful processing of personal data, Investec Bank and Wealth could

be subject to investigative and enforcement action by relevant regulatory authorities, claims or complaints from the individuals to whom the data relates or could face liability under data protection laws. Any of these events could also result in Investec Bank and Wealth suffering reputational damage as well as the loss of new or repeat business, which could have a material adverse effect on Investec Bank and Wealth's business, financial condition, operating results and prospects.

34. **INVESTEC BANK AND WEALTH MAY FAIL TO DETECT OR PREVENT MONEY LAUNDERING AND OTHER FINANCIAL CRIME ACTIVITIES.**

Investec Bank and Wealth is required to comply with applicable anti-money laundering, anti-terrorism, sanctions, anti-tax evasion, anti-fraud, anti-bribery and corruption, insider dealing and other laws and regulations in the jurisdictions in which it operates, including the UK Bribery Act 2010, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the UK Criminal Finances Act 2017, South African legislation such as the Financial Intelligence Centre Act 2001 (including amendments under the Financial Intelligence Centre Amendment Act 2017) and Money Laundering and Terrorist Financing Control Regulations, and the extra-jurisdictional reach of international laws such as the US Foreign Corrupt Practices Act. These laws and regulations require Investec Bank and Wealth, among other things, to conduct customer due diligence regarding fiscal evasion, anti-money laundering, sanctions and politically exposed persons screening, keep customer and supplier account and transaction information up to date and implement effective financial crime policies and procedures. Where applicable, these laws restrict or prohibit transactions with certain countries and with certain companies and individuals identified on lists maintained by the US government, the EU, various EU Member States and other governments. As such, future changes could impact existing investments or limit future investment strategies. With regard to its South African operations in particular, Investec Bank and Wealth will be subject to the provisions of FICA which, broadly speaking, requires so-called "accountable institutions" to implement a range of anti-money laundering measures (including the need for risk-based customer due diligence procedures) and to report so-called "suspicious and unusual transactions" as well as the provisions of the Prevention and Combating of Corrupt Activities Act, 12 of 2004, which is South Africa's principal anti-corruption statute and the Prevention of Organised Crime Act, 121 of 1998 which is designed to combat organised crime and racketeering activities, and the Protection of Constitutional Democracy Against Terrorist and Related Activities Act, 33 of 2004 (as amended) which aims to provide measures to prevent and combat terrorist and related activities.

Financial crime has become the subject of enhanced scrutiny and supervision by regulators globally. Anti-money laundering, anti-bribery and anti-corruption, and insider dealing and economic sanctions laws and regulations are increasingly complex and detailed and have become the subject of enhanced regulatory supervision, requiring businesses to invest in improved systems, sophisticated monitoring and skilled compliance personnel. The FCA, the SARB and other regulatory authorities may from time to time make enquiries of companies within their respective jurisdictions regarding compliance with regulations governing the operation of a regulated business (including the degree and sufficiency of supervision of the business) or conduct investigations when it is alleged that regulations have been breached. Responding to such enquiries may be time-consuming and expensive.

Financial crime is continually evolving, and the expectations of regulators are increasing. This requires similarly proactive and adaptable responses from Investec Bank and Wealth so that it is able to effectively deter threats and criminality, in particular in certain of the emerging markets jurisdictions where Investec Bank and Wealth operates and undertakes investment activities. Even known threats can never be fully eliminated, and there may in the future be instances where Investec Bank and Wealth may be used by other parties to engage in money laundering and other illegal or improper activities. In addition, Investec Bank and Wealth relies on its employees, external administrators and certain other third-party service providers to identify and report such activities. There is a risk that they will fail to do so or otherwise fail to comply with or implement Investec Bank and Wealth's policies and procedures relating to financial crime.

Where Investec Bank and Wealth is unable to comply with applicable laws, regulations and expectations, regulators and relevant law enforcement agencies have the ability and authority to impose significant fines and other penalties, including requiring a complete review of business systems, day-to-day supervision by external consultants and ultimately the revocation of regulatory authorisations and licences. Globally, anti-money laundering and financial crime compliance is expected to remain a key regulatory priority from a supervisory and enforcement perspective. In the EU, the Fifth Money Laundering Directive came into effect on 9 July 2018 and must be transposed by EU member states by 10 January 2020. The directive introduces amended requirements relating to the identification of politically exposed persons and the ongoing monitoring of existing customers. South Africa and the UK adopts a risk-based approach to anti-

money laundering obligations. Accordingly, the level of customer due diligence to be conducted as well as the internal controls and policies of Investec Bank and Wealth will be dependent upon the particular financial crimes risks applicable to Investec Bank and Wealth's business operations. Such risk and probability of occurrence must be accurately determined. Similar regulatory principles apply in other jurisdictions in which Investec Bank and Wealth operates. The reputational damage to Investec Bank and Wealth's business and global brand could be severe if it were found to have breached anti-money laundering or sanctions requirements. Investec Bank and Wealth's financial position and reputation could also suffer if it were unable to protect customers or prevent the business from being used by criminals for illegal or improper purposes.

Investec Bank and Wealth cannot guarantee that its current policies and procedures are sufficient to completely prevent situations of fiscal evasion, money laundering, bribery, fraud or corruption, including actions by Investec Bank and Wealth's employees, for which Investec Bank and Wealth might be held responsible. Any such event may have severe consequences, including sanctions, fines and reputational consequences, which could have a material adverse effect on Investec Bank and Wealth's business, financial condition, operating results and prospects.

35. **INVESTEC BANK AND WEALTH IS SUBJECT TO THE RISK OF CHANGES IN TAX LAW OR THE INTERPRETATION OF TAX LAW.**

Tax risk is the risk associated with changes in tax law or in the interpretation of tax law. It also includes the risk of changes in tax rates and the risk of consequences arising from failure to comply with procedures required by tax authorities. Failure to manage tax risks could lead to increased tax charges, including financial or operating penalties, for not complying as required with tax laws. Action by governments to increase tax rates or to impose additional taxes would reduce the profitability of Investec Bank and Wealth. Revisions to tax legislation or to its interpretation might also result in higher tax liability. If Investec Bank and Wealth's tax liability increases, as a result of actions by governments, the introduction of new legislation or otherwise, its business, operating results, financial condition and prospects could be materially adversely affected.

36. **INVESTEC BANK AND WEALTH FACES RISKS ARISING FROM COMPLIANCE WITH FATCA.**

Under sections 1471 through 1474 of the US Internal Revenue Code of 1986, as amended (the "**Revenue Code**") commonly referred to as the Foreign Account Tax Compliance Act ("**FATCA**"), Investec Bank and Wealth is subject to the FATCA reporting regime, which may lead to a compliance risk. Some countries (including the UK and South Africa) have entered into, and other countries are expected to enter into, intergovernmental agreements with the United States to facilitate the reporting of information required under FATCA. Intergovernmental agreements often require financial institutions in those countries to report information on their US account-holders to the taxing authorities of those countries, which will then pass the information on to the US Internal Revenue Service (the "**IRS**"). Various companies in Investec Bank and Wealth are financial institutions for purposes of FATCA and the intergovernmental agreement between the United States and the UK. While the Directors believe Investec Bank and Wealth has taken all necessary steps to comply with FATCA and any legislation implementing the intergovernmental agreement between the United States and the UK, if Investec Bank and Wealth is deemed not to be FATCA compliant, it could face certain withholding penalties, which may lead to reputational damage, regulatory fines, loss of market share, financial losses and legal risk.

37. **REGULATORY AUTHORITIES OR CUSTOMERS MAY ATTEMPT TO SEEK REDRESS AGAINST INVESTEC BANK AND WEALTH WHERE IT IS ALLEGED THAT PRODUCTS WERE MISREPRESENTED, MIS-SOLD OR OTHERWISE FAILED TO MEET REGULATORY REQUIREMENTS OR CUSTOMER EXPECTATIONS.**

Investec Bank and Wealth is exposed to the risk of regulatory action or claims from customers regarding misleading information. For example, regulators or customers could allege that the terms and conditions of relevant products or solutions, the nature of the products or solutions, or the circumstances under which the products or solutions were recommended, were misrepresented or the products otherwise mis-sold to them.

Complaints may also arise if customers feel that they have not been treated reasonably or fairly, or that the duty of care which they are owed has been breached. For example, regulators or clients could allege that investment decisions for discretionary portfolios do not properly match investments to objectives

or adequately balance risk against performance, leading to inappropriate risk exposure for customers, financial loss or reputational damage.

These issues or disputes arising in relation to private individuals that cannot be resolved privately may be resolved ultimately by an enforcement action involving the relevant regulatory body, including the Financial Ombudsman Service or the FCA in the UK or the FSCA in South Africa, or by litigation. The relevant regulator may intervene directly where larger groups or matters of public policy are concerned. There have been several industry-wide financial product mis-selling issues in the past in which the regulator in the UK has intervened directly, including the sale of personal pensions, the sale of mortgage-related endowments, investments in split capital investment trusts and the sale of payment protection insurance. Certain designated consumer bodies are also empowered under FSMA to make "super-complaints" to the FCA in relation to issues causing detriment to large numbers of consumers.

Investec Bank and Wealth may be exposed, in particular, to risks relating to "vulnerable customers". In the UK, the FCA has defined these customers as persons who, due to their personal circumstances, are especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care. The FCA has noted that vulnerability can affect consumers across all financial products and services. The FCA has recently consulted on the fair treatment of vulnerable customers, and further regulatory guidance is expected to be provided in 2020. In South Africa, the SA FSCA also emphasised fair customer treatment and ensuring financial customers are informed in their decisions as two of its strategic priorities in its regulatory release statement covering the period October 2018 to September 2021. Failure to identify customer vulnerability could lead to poor customer outcomes and detriment, including if a customer is not able to fully understand products or services or if information is not provided in an appropriate format for the customer's needs. If Investec Bank and Wealth does not have adequate policies to identify vulnerable customers, or if such policies are not embedded in a way that promotes the fair treatment of all customers, Investec Bank and Wealth could fall below regulatory expectations in this area, which could result in regulatory action.

Failure to comply with regulatory requirements could lead to enforcement or other actions being brought against Investec Bank and Wealth, which could have a material adverse effect on its business, financial condition, operating results and prospects.

38. **NEGLIGENT OR FRAUDULENT ACTIONS BY INVESTEC BANK AND WEALTH'S PERSONNEL COULD LEAD TO REGULATORY CLAIMS OR REPUTATIONAL DAMAGE.**

Investec Bank and Wealth is exposed to risk from potential non-compliance by its staff with policies, employee misconduct or negligence and fraud, which could result in regulatory sanctions and serious reputational or financial harm. In recent years, a number of financial institutions have suffered material losses due to the actions of "rogue traders" and other employees. Although Investec Bank and Wealth takes precautions to prevent and detect misconduct by its employees, such as hiding unauthorised activities, carrying out improper or unauthorised activities on behalf of customers or improper use of confidential information or funds, it is not always possible to deter or prevent employee misconduct, and the precautions Investec Bank and Wealth takes to detect and prevent these activities may not always be effective. Given Investec Bank and Wealth's high volume of transactions, fraud or errors may be repeated or compounded before they are discovered and rectified. Failure by Investec Bank and Wealth to identify, prevent or manage employee misconduct, or any inadequacy of Investec Bank and Wealth's internal processes or systems in detecting or containing such risks, could adversely affect Investec Bank and Wealth's reputation and have a material adverse effect on its business, financial condition, operating results and prospects.

39. **INVESTEC BANK AND WEALTH MAY BE SUBJECT TO REGULATORY ACTION OR FINANCIAL PENALTIES IF IT FAILS TO COMPLY WITH THE CASS RULES.**

As part of the UK Investec Bank and Wealth business holds and controls client money and safe custody assets, it must comply with the FCA's CASS rules. The CASS requirements help to protect clients' assets and money when a firm is responsible for them and helps to ensure that client assets and money could be returned within a reasonable timeframe in the event of a firm's insolvency. Client money and asset protection remains at the core of the FCA's agenda, and larger firms (such as those within Investec Bank and Wealth) are therefore required to submit monthly Client Money and Asset Returns to the FCA to provide key data in relation to CASS processing. This enables the FCA to oversee firms' CASS processing and to discuss any potential areas of concern. Adherence to CASS requirements relies on a number of

complex operational processes and systems, both internal and external, resulting in a high inherent risk of non-compliance. Any CASS breaches are reported to the FCA, including as part of the firms' annual external CASS audit, and the FCA would be immediately notified of any material breaches. If any such breaches were not fully remediated, or the FCA considered Investec Bank and Wealth does not have sufficient regard for the protection of clients' assets and money, Investec Bank and Wealth may be subject to regulatory action or financial penalties, which could also result in adverse publicity and reputational damage, and ultimately have a material adverse effect on Investec Bank and Wealth's business, financial condition, operating results and prospects.

40. **LEVIES UNDER THE FINANCIAL SERVICES COMPENSATION SCHEME COULD BE INCREASED.**

The UK 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 to meet its management expenses and compensation costs. Individual participating members make payments based on their level of participation (in the case of deposits, the proportion that their protected deposits represent of total protected deposits) at 31 December of the year preceding the scheme year. Investec Bank plc is a participating member of the FSCS and the bank accrues for its share of levies that will be raised by the FSCS.

At the date of this document, it is not possible to estimate whether there will ultimately be additional levies on the industry, the level of Investec'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.

41. **INVESTEC BANK AND WEALTH FACES COMPLIANCE RISKS AND POTENTIAL LIABILITY IN RELATION TO MIFID II.**

MiFID II forms the legal framework governing the requirements applicable to investment firms, trading venues, data reporting service providers and third-country firms providing investment services or activities in the European Union. The framework, which came into force on 3 January 2018, imposes additional requirements in respect of transparency in trades and product manufacturing and distribution and establishes a harmonised EU regime for non-discriminatory access to trading venues, clearing counterparties and benchmarks for trading and clearing purposes. The framework has increased the role and supervisory powers of regulators and establishes powers to prohibit or restrict the marketing and distribution of certain financial products. In 2020, the European Securities and Markets Authority is scheduled to review MiFID II to identify prospective developments or amendments where future change may occur (this review is not expected to introduce changes in 2020), including in relation to consistency in the application of MiFID II for secondary markets, the performance and cost of retail investment products, and the application of requirements in relation to investor protection and intermediaries. As a result of this increased oversight, and the continued development of market practice and interpretation of certain requirements, there is a risk that activities under MiFID II could give rise to unforeseen compliance costs for Investec Bank and Wealth. Such changes have led to an increase in administrative and compliance costs and a reduction in income. In addition, failure to comply with MiFID II requirements could lead to enforcement action by the FCA, which could have a material adverse effect on Investec Bank and Wealth's business, financial condition, operating results and prospects.

42. **FAILING INFRASTRUCTURE SYSTEMS MAY NEGATIVELY IMPACT THE ECONOMY GENERALLY AND THE BUSINESS AND OPERATING RESULTS OF INVESTEC BANK AND WEALTH.**

Events such as electricity supply failures, the shut-down of transport systems due to inclement weather (such as snow, flash floods, cyclones or extreme heat) or postal, transport or other strikes have a negative impact on the ability of most role-players, including Investec Bank and Wealth, to do business. The regular occurrence of such events or timing of the occurrence of such events could have an adverse effect on Investec Bank and Wealth's operations.

43. **INVESTEC BANK AND WEALTH'S BUSINESS PERFORMANCE COULD BE AFFECTED IF ITS CAPITAL RESOURCES AND LIQUIDITY ARE NOT MANAGED EFFECTIVELY.**

Investec Bank and Wealth's capital and liquidity is critical to its ability to operate its businesses, to grow organically and to take advantage of strategic opportunities. Investec Bank and Wealth mitigates capital and liquidity risk by careful management of its balance sheet through, for example, capital and other fund-raising activities, disciplined capital allocation, maintaining surplus liquidity buffers and diversifying its funding sources. Investec Bank and Wealth is required by regulators in jurisdictions in which it undertakes regulated activities, to maintain adequate capital and liquidity. The maintenance of adequate capital and

liquidity is also necessary for Investec Bank and Wealth's financial flexibility in the face of any turbulence and uncertainty in the global economy.

Extreme and unanticipated market circumstances may cause exceptional changes in Investec Bank and Wealth's markets, products and other businesses. Any exceptional changes, including, for example, substantial reductions in profits and retained earnings as a result of write-downs or otherwise, delays in the disposal of certain assets or the ability to access sources of liquidity, including customer deposits and wholesale funding, as a result of these circumstances, or otherwise, that limit Investec Bank and Wealth's ability effectively to manage its capital resources could have a material adverse impact on Investec Bank and Wealth's profitability and results. If such exceptional changes persist, Investec Bank and Wealth may not have sufficient financing available to it on a timely basis or on terms that are favourable to it to develop or enhance its businesses or services, take advantage of business opportunities or respond to competitive pressures while continuing to comply with its capital and liquidity requirements.

44. **FUTURE CHANGES IN THE LEGAL AND REGULATORY ENVIRONMENT MAY MEAN THAT THE INVESTEC DLC STRUCTURE WILL NO LONGER BE VIABLE.**

Investec's DLC Structure has been developed on the basis of existing law and policies of regulatory authorities in the UK and South Africa. Changes to the laws or policies (including changes in tax law or policy) related to the Investec DLC Structure may result in the Investec DLC Structure no longer being viable, which may affect the ability of Investec Bank and Wealth's operations to continue in their current form and may affect Investec Bank and Wealth's results in the future.

45. **INVESTEC BANK AND WEALTH MAY NOT BE ABLE TO DECLARE AND MAKE DIVIDEND PAYMENTS NOW OR IN THE FUTURE.**

Investec Bank and Wealth may not be able to, or may decide not to, pay dividends at a level anticipated by its shareholders, which could reduce investors' return on shares.

Investec Bank and Wealth's results could fluctuate and its ability to pay dividends is dependent on, among other things, Investec Bank and Wealth achieving sufficient post-tax profits and free cash flow. Investec Bank and Wealth may not pay dividends if the Directors believe this would cause Investec Bank and Wealth to be less than adequately capitalised or that there are otherwise insufficient distributable reserves or for various other reasons. The payment of dividends is at the discretion of the Directors and will be subject to, among other things, applicable law, regulations, restrictions in Investec Bank and Wealth's financing arrangements, financial position, regulatory capital requirements, working capital requirements, finance costs, general economic conditions and other factors the Directors deem significant from time to time.

Investec Bank and Wealth's ability to pay dividends in the future is affected by a number of factors, principally Investec Bank and Wealth's ability to receive sufficient dividends from its subsidiaries. The payment of dividends by subsidiaries is, in turn, subject to restrictions, including regulatory non-objection or approval, the existence of sufficient distributable reserves and cash in those subsidiaries as well as certain restrictions in Investec Bank and Wealth's debt financing arrangements. These restrictions could limit or prohibit the payment of dividends to Investec Bank and Wealth by its subsidiaries, which could restrict Investec Bank and Wealth's ability to pay dividends to its shareholders.

Investec Bank and Wealth's ability to pay a dividend may also be affected by the Investec DLC Structure.

SECTION D: RISKS RELATING TO THE NINETY ONE SHARE SALE AND THE NINETY ONE SHARES

1. **THERE IS NO EXISTING MARKET FOR THE NINETY ONE SHARES AND AN ACTIVE TRADING MARKET FOR THE NINETY ONE SHARES MAY NOT DEVELOP OR BE SUSTAINED.**

   There is currently no active public trading market for the Ninety One Shares. Although the Ninety One Shares are expected to be listed on various exchanges pursuant to the Admission, there is no guarantee that an active trading market for the Ninety One Shares will develop, or if it does develop, that it will be maintained. If no active trading in the Ninety One Shares develops or continues after Admission, this could have a material adverse effect on the liquidity and the market price of the Ninety One Shares.

   The trading price of the Ninety One Shares may be subject to wide fluctuations in response to many factors, including short-term selling pressures, equity market fluctuations, general economic conditions and regulatory changes which may adversely affect the market price of the Ninety One Shares, regardless of Ninety One's actual performance or conditions in its key markets.

   The Ninety One Share Sale Price will be determined by Investec plc and Investec Investments as the selling shareholders in consultation with the Global Coordinator, on behalf of the underwriters of the Ninety One Share Sale, taking into account a number of factors which may not be indicative of the future performance or the market price of the Ninety One Shares after Admission.

   The Ninety One Share Sale Price may be higher than the maximum price in the indicative price range in respect of the Ninety One Share Sale and the market price of the Ninety One Shares may fall below the Ninety One Share Sale Price. The market price of the Ninety One Shares may also fluctuate substantially due to various factors, some of which may be specific to Ninety One, and some of which may be related to the financial services industry and equity markets in general. Ninety One cannot guarantee that investors will be able to (re)sell their Ninety One Shares at or above the Ninety One Share Sale Price, or at all.

   If an active and liquid trading market does not develop or is not sustained, the liquidity and trading price of the Ninety One Shares could be materially and adversely affected and investors and shareholders may have difficulty selling their Ninety One Shares.

2. **THE MARKET PRICE OF THE NINETY ONE SHARES MAY BE VOLATILE AND IS SUBJECT TO FLUCTUATIONS, INCLUDING SIGNIFICANT DECREASES, DUE TO FLOWBACK.**

   The market price of the Ninety One Shares could be volatile and subject to significant fluctuations due to a variety of factors, some of which do not relate to the financial performance of the Ninety One Group. These include changes in general market conditions, the general performance of the exchanges on which the Ninety One Shares are listed and traded, changes in sentiment in the market regarding the Ninety One Shares (or securities similar to them), potential or actual sales of Ninety One Shares in the market by Ninety One Shareholders either voluntarily or in forced transactions as a result of restrictions on the types of securities they can hold in their portfolios, regulatory changes affecting the Ninety One Group's operations, variations in the Ninety One Group's operating results, business developments for the Ninety One Group or their competitors, the operating and share price performance of other companies in the industries and markets in which the Ninety One Group operate, exchange rate fluctuations, perceptions of economic and political risk or speculation about the Ninety One Group's business in the press, media or the investment community. The sale of shares in such circumstances is commonly known as "flowback". The price and liquidity of the Ninety One Shares may also vary between the exchanges on which they are listed, including as a result of differences in the rates of applicable transfer taxes. Furthermore, the Ninety One Group's operating results and prospects from time to time may be below the expectations of market analysts and investors. Any of these events or others could result in a decline in the market price of the Ninety One Shares. Investors may not be able to sell their Ninety One Shares at or above the Ninety One Share Sale Price, and shareholders may earn a negative or no return on their investment in Ninety One.

3. **NINETY ONE MAY NOT BE ABLE TO DECLARE AND MAKE DIVIDEND PAYMENTS NOW OR IN THE FUTURE.**

   Ninety One may not be able to, or may decide not to, pay dividends at a level anticipated by its shareholders on the Ninety One Shares, which could reduce investors' return on shares.

   Ninety One's results could fluctuate and its ability to pay dividends is dependent on, among other things, Ninety One achieving sufficient post-tax profits and free cash flow. Ninety One may not pay dividends

if the Ninety One Directors believe this would cause Ninety One to be less than adequately capitalised or that there are otherwise insufficient distributable reserves or for various other reasons. The payment of dividends is at the discretion of the Ninety One Directors and will be subject to, among other things, applicable law, regulations, restrictions in the Ninety One Group's financing arrangements, financial position, regulatory capital requirements, working capital requirements, finance costs, general economic conditions and other factors the Ninety One Directors deem significant from time to time.

As a holding company, Ninety One's ability to pay dividends in the future is affected by a number of factors, principally Ninety One's ability to receive sufficient dividends from its subsidiaries. The payment of dividends by subsidiaries is, in turn, subject to restrictions, including regulatory non-objection or approval, the existence of sufficient distributable reserves and cash in those subsidiaries as well as certain restrictions in Ninety One's debt financing arrangements. These restrictions could limit or prohibit the payment of dividends to Ninety One by its subsidiaries, which could restrict Ninety One's ability to pay dividends to its shareholders. Reference should be made to paragraph 34 in Section B of this Part VI.

4. **FUTURE SALES OR NEW ISSUANCES OF SUBSTANTIAL NUMBERS OF NINETY ONE SHARES, OR THE PERCEPTION THAT SUCH SALES OR ISSUES COULD OCCUR, COULD ADVERSELY AFFECT THEIR MARKET VALUE.**

Other than the proposed issue of Ninety One Shares pursuant to the Proposals, Ninety One has no current plans for an offering of Ninety One Shares. In particular, Ninety One may be subject to restrictions on the issue of new Ninety One Shares from the date of the Ninety One Prospectus until a certain date after Admission.

It is possible that Ninety One may decide to issue additional Ninety One Shares in the future and, if Ninety One Shareholders do not take up any offer or are not eligible to participate, their proportionate ownership and voting interests in Ninety One will be reduced and the percentage that their Ninety One Shares will represent of the total share capital of Ninety One will be reduced accordingly. A future equity issue, or significant sale of Ninety One Shares by major Ninety One Shareholders could have a material adverse effect on the market price of the Ninety One Shares as a whole.

The issue or sale of a substantial number of Ninety One Shares in the public market after the lock-up restrictions in the Underwriting Agreement expire (or are waived by the Global Coordinator), or the perception that such an issue may occur, may depress the market price of the Ninety One Shares and could impair the Ninety One Group's ability to raise capital through the potential sale of additional equity securities.

5. **DIFFERENCES IN EXCHANGE RATES MAY HAVE A MATERIAL ADVERSE EFFECT ON THE VALUE OF SHAREHOLDINGS OR DIVIDENDS PAID.**

The Ninety One plc Shares are, and any dividends to be paid in respect of them will be, denominated in pounds sterling. The Ninety One Limited Shares are, and any dividends to be paid in respect of them will be, denominated in Rand. An investment in Ninety One plc Shares by an investor whose principal currency is not pounds sterling, or an investment in Ninety One Limited Shares by an investor whose principal currency is not Rand, exposes the relevant investor to foreign currency exchange rate risk. Any depreciation of pounds sterling or Rand (as relevant) in relation to such foreign currency will reduce the value of the investment in the relevant Ninety One Shares or any dividends in foreign currency terms.

6. **THE ISSUANCE OF ADDITIONAL NINETY ONE SHARES IN CONNECTION WITH FUTURE ACQUISITIONS, ANY SHARE INCENTIVE OR SHARE OPTION PLAN OR OTHERWISE MAY DILUTE ALL OTHER SHAREHOLDINGS.**

Ninety One may seek to raise financing to fund future acquisitions and other growth opportunities, invest in its business, or for general corporate purposes. Ninety One may, for these and other purposes, such as in connection with share incentive and share option plans, issue additional equity or convertible equity securities. As a result, Ninety One's existing shareholders may suffer dilution in their percentage ownership and the price of the Ninety One Shares may be adversely affected.

7. **PAYMENT OF DIVIDEND TO NINETY ONE PLC'S SOUTH AFRICAN SHAREHOLDERS MUST COMPLY WITH SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS.**

In terms of the inward listing approval by FinSurv in relation to the secondary listing of Ninety One plc on the Johannesburg Stock Exchange, all dividends and any other distributions declared and paid by Ninety One plc to its South African shareholders are required to be remitted by Ninety One to a specially designated account in South Africa and paid to South African shareholders in Rand, at the then prevailing exchange rate.

Any requests to issue Ninety One plc Shares or other foreign securities to South African shareholders of Ninety One plc *in lieu* of a cash dividend will be subject to the prior approval of FinSurv, and if such prior approval is not obtained, then Ninety One plc South African shareholders may not be entitled to participate in any such issue of Ninety One Shares or other foreign securities.

8. **NINETY ONE SHAREHOLDERS OUTSIDE THE UK MAY NOT BE ABLE TO PARTICIPATE IN FUTURE EQUITY OFFERINGS.**

The Ninety One Articles provide for pre-emptive rights to be granted to shareholders in Ninety One, unless these rights are disapplied by a shareholder resolution. However, securities laws of certain jurisdictions may restrict Ninety One's ability to allow participation by shareholders in future offerings. In particular, shareholders in the United States may not be entitled to exercise these rights unless either the rights and the Ninety One Shares are registered under the US Securities Act, or the rights and Ninety One Shares are offered pursuant to an exemption from, or the transaction is not subject to, the registration requirements of the US Securities Act.

Ninety One plc and Ninety One Limited expect to be classified as passive foreign investment companies ("**PFICs**") for US federal income tax purposes for their current taxable year and are likely to be so classified in future taxable years. Such classification could result in adverse US federal income tax consequences to US investors.

INFORMATION ON NINETY ONE

This Part VII contains forward-looking statements that involve risks and uncertainties. The Ninety One Group's actual results could differ materially from those anticipated in these forward-looking statements as a result of such risks and uncertainties. You should read Part VI of this document for a discussion of the risks and uncertainties related to these statements and Part IX of this document for information on presentation of financial and other information in this document.

SECTION A: Description of the Ninety One Business

1. OVERVIEW

The Ninety One Group comprises the Ninety One Business, a founder-led independent global asset manager, established in South Africa in 1991. As at 30 September 2019, it operated with £121 billion in assets under management, primarily offering a range of high conviction, active strategies to its sophisticated global client base with over 1 600 employees across the world.

The Ninety One Business' investment proposition for clients centres on its range of differentiated strategies managed by its specialist investment teams, providing access to a diverse range of asset classes and regions globally. Founded as an emerging market-focused South African asset management business, the Ninety One Group now operates and invests globally and has established a long-term growth track record, reflecting a resilient ability to grow through market cycles across both emerging and established market investments.

Today, Ninety One serves its client base via five regional teams (known as "**Client Groups**") – Africa, the United Kingdom, Asia Pacific, the Americas and Europe. Clients are served across two distribution channels: Institutional and Advisor. Institutional clients include some of the world's largest private and public sector pension funds, sovereign wealth funds, insurers, corporates, foundations and central banks, while Advisor clients include large retail groups, wealth managers, private banks and intermediaries serving individual investors.

The Ninety One Group has 21 offices in 13 countries, with its largest offices in London and Cape Town. Other locations include New York, Hong Kong, Singapore, Windhoek and Gaborone.

The Ninety One Business has grown assets under management from £40 million in 1991 to £121 billion as at 30 September 2019, with approximately £83.3 billion managed on behalf of non-South African clients. For the six months ended 30 September 2019, the Ninety One Business had net flows of £3.2 billion in assets under management and operating profit before non-controlling interests of £97.3 million.

The leadership team that founded the Ninety One Business has played a central role in the firm's growth over the last 28 years and continues to manage the Ninety One Group today. As a result, the Ninety One Group's employee ownership culture and purpose-led investment proposition remain at the core of its approach to investing, with strategic principles centred around patient and organic growth, driven by long-term client demand and alignment with stakeholders.

2. HISTORY

Ninety One plc was incorporated in the UK on 4 October 2019 and Ninety One Limited was incorporated in South Africa on 18 October 2019. As part of the Demerger, the historical operations of the Ninety One Business will be acquired by Ninety One prior to Admission, through the acquisition of IAM UK (and its subsidiaries) by Ninety One plc and the acquisition of IAM SA (and its subsidiaries) by Ninety One Limited, to form the Ninety One Group.

Investec's senior management established the Ninety One Business in South Africa in 1991, as part of Investec Group. The business has expanded primarily through organic growth since that time, together with the acquisitions of Guinness Flight Hambro Asset Management in 1998 (based in London) and the asset management business of Fedsure Holdings Limited in 2001 (which owned several asset management entities in Africa).

The Ninety One Business opened offices in New York, Sydney and Singapore in 2006, 2008 and 2012, respectively, to meet growing demand in the Americas and the Asia Pacific regions.

Until 2013, the Ninety One Business was 100% owned by Investec. In 2013, the senior management of the Ninety One Business acquired a 15% equity shareholding in the Ninety One Business (through shareholdings in each of IAM UK and IAM SA), with an option to acquire a further 5% (less 1 share) of the business over time. These options have subsequently been exercised in full, with completion of the share transfer for the options in respect of the final 2% (less 1 share) taking place on 14 December 2018, taking the total shareholding to 20% (less 1 share).

3. KEY STRENGTHS

3.1 Unique employee ownership and culture

Over the last 28 years, the Ninety One Business has built upon a foundation of entrepreneurship, and it continues to operate with this founder-owner mindset. This unique culture is evidenced by the significant experience of the senior leadership team, with an average tenure of the Executive Committee members of approximately 20 years, as at 30 September 2019. The Ninety One Business has been further strengthened by significant experience throughout its business, including an average tenure of approximately 17 years for operations heads (including the Finance Director), 15 years for investment heads (including Chief Investment Officers), and 14 years for Client Group heads, in each case, as at 30 September 2019.

The business seeks to reinforce its culture and values through the commitment of its employees and by rewarding their passion, energy and dedication to support longevity and stability. As a result, the Ninety One Business had an average tenure of 7 years across the business, comprising 250 personnel in investment and investment support roles, 402 personnel in Client Group roles and 495 personnel in operations roles, as at 30 September 2019. The longevity of its personnel across the organisation reinforces the Ninety One Group's entrepreneurial, collaborative and team-oriented culture.

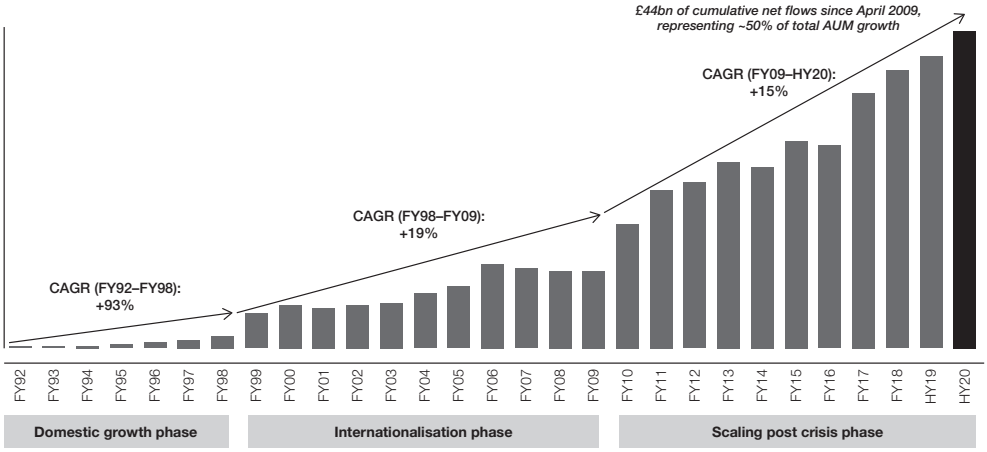
As described above, through their participation in the Marathon Trust (a long-term Ninety One employee share ownership vehicle which in turn wholly owns Forty Two Point Two), certain senior management and key employees collectively have a shareholding of 20% (less 1 share) in the business. As part of, or at the same time as, the Ninety One Share Sale, Investec plc and/or Investec Investments may also sell a number of Ninety One Shares to the Ninety One EBT and other management-controlled vehicles, including Forty Two Point Two which, if such sale were to occur, would increase the shareholding of management and key employees in the business. Accordingly, this form of employee ownership will continue to remain an important feature of the Ninety One Group's future, supporting long-term stability and alignment among its leadership, personnel, shareholders and clients.

3.2 Organically and sustainably built

The Ninety One Business has established a long-term track record in growing assets under management in a largely organic manner and across market cycles, broadly corresponding to the following three phases:

- a domestic growth phase up to March 1998, during which the business was primarily focused on activities in South Africa and grew assets under management by a compound annual growth rate ("**CAGR**") of approximately 93%;
- an internationalisation phase through March 2009, during which the business expanded operations in the United Kingdom, Asia Pacific, the Americas and Europe and grew assets under management by a CAGR of approximately 19%; and
- a scaling phase following the global financial crisis, during which the business was able to gain significant market share and grew assets under management by a CAGR of approximately 15%. From April 2009 through 30 September 2019, the business generated approximately £44 billion of cumulative net flows, representing approximately 50% of its total growth in assets under management over that period.

The following chart shows the Ninety One Business' growth in assets under management during these periods:

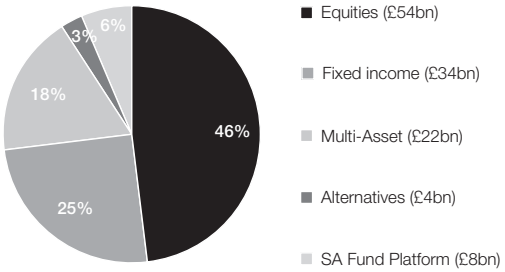


The Ninety One Business' approach to growth has always emphasised sustainability, which it seeks to achieve by prioritising medium- to long-term client demand rather than pursuing short-term trends in investment preferences. This long-term outlook has underpinned the Ninety One Business' sustainable business model since inception.

3.3 Distinctive specialist active strategies

The Ninety One Business has developed a differentiated and diversified set of sustainably built active investment strategies with a long-term focus. These strategies have been developed organically and support a suite of investment solutions that appeal to sophisticated investors and meet long-term client demand for specialist / high alpha and outcome-based products.

This long-term approach is integral to the investment philosophy across the Ninety One Business' four core asset class offerings, with £54 billion invested in Equities, £34 billion invested in Fixed Income, £22 billion invested in Multi-Asset and £4 billion invested in Alternatives, as at 30 September 2019, each as described below.



The Ninety One Group operates three investment strategies within the Equities asset class, (4Factor, Quality and Value) and dedicated investment strategies for each of Fixed Income, Multi-Asset and Alternatives.

In addition to the assets that it manages on a discretionary basis across these four asset classes, the Ninety One Group also operates a South African fund platform, Investec investment Management Services (IMS), for intermediary clients. IMS had approximately £8 billion of assets under administration (which excludes the Ninety One Group's products on the platform), as at 30 September 2019.

The Ninety One Business' investment expertise has delivered robust, long-term investment performance for its clients, with a consistent track record of investment outperformance across multiple market cycles. The percentage of the Ninety One Business' strategies which have outperformed their benchmarks are as follows:

- over the ten-year period to 30 September 2019: 93%.
- over the five-year period to 30 September 2019: 64%.

- over the three-year period to 30 September 2019: 75%.
- over the one-year period to 30 September 2019: 54%.

The Ninety One Group aims to continue to deliver long-term sustainable investment performance for its clients, underpinned by a committed and focused investment team.

3.4 Emerging market heritage underpins growth and credentials as an emerging markets investor

According to the IMF, between 1991 and 2017, GDP per capita grew at a CAGR of approximately 6% in emerging markets and developing economies compared to approximately 3% in advanced economies. However, developed market institutional allocations to emerging markets are typically underweight relative to global market capitalisation and global indices. The Ninety One Group believes that its heritage provides it with an ideal position to help clients face the structural flow of capital from developed to emerging markets. In addition, the Ninety One Business has deliberately developed a range of global investment capabilities and sought to diversify its client base by seeking similar clients across many jurisdictions. As a result, the Ninety One Group is now a diversified global business, with emerging markets remaining both an important investment strategy and a significant source of client assets. Of the Ninety One Business' £121 billion of assets under management, approximately 57% represents investments in emerging market strategies, as at 30 September 2019.

3.5 Superior global reach given scale

The Ninety One Group is geographically well-diversified, with increasing local penetration in its chosen markets. The business has grown in recent years, broadening its reach across markets worldwide while maintaining experienced and well-established local teams. This strategy has led to growth in assets under management in each geography where the Ninety One Group operates.

The following table shows the Ninety One Business' assets under management growth by region as compared to the relevant industry average, for the period 2010 to 2018 and headcount supporting its operating activities.

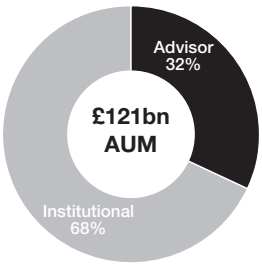
	Ninety One Business assets under management[1]	Ninety One Business Client Group headcount[1]	Assets under management CAGR 2010-2018	
			Ninety One Business[2]	Regional Industry[2]
	(£ billions)		(%)	
Africa	43.2	231[3]	2	2
Americas	17.0	28	30	6
Asia Pacific	20.7	26	22	8
Europe	15.8	21	20	5
United Kingdom	24.1	31	8	4
Total	120.8	337	10	6

Notes:

(1) As at 30 September 2019, excluding marketing and support staff included in total Client Group headcount.
(2) Source: company information.
(3) This figure includes the Investec investment Management Services headcount.

3.6 **Sophisticated Institutional and Advisor client base**

The Ninety One Business has built a diversified client base across its two core distribution channels, comprising Institutional clients, which accounted for 68% of assets under management, and Advisor clients, which accounted for 32% of assets under management, as at 30 September 2019, as set out below:



Within its Institutional clients, the Ninety One Business' largest client category is pension funds, which together made up 39% of assets under management from Institutional clients, followed by public bodies (including sovereign wealth funds), which made up 21% of assets under management from Institutional clients, as at 30 September 2019. The remainder of Institutional clients were broadly split between insurers, corporates and institutional investors invested in mutual funds, which made up 14%, 12% and 12%, respectively, of assets under management from Institutional clients as at that date, with the 1% remainder of clients categorised as "other".

The Ninety One Business' assets under management from Advisor clients are predominantly from large retail groups and from wealth managers and private banks, which comprised 35% and 38% of assets under management from Advisor clients, respectively, as at 30 September 2019. The Advisor channel is an important area of growth for the Ninety One Group as it brings diversity to the client base and supports attractive margins.

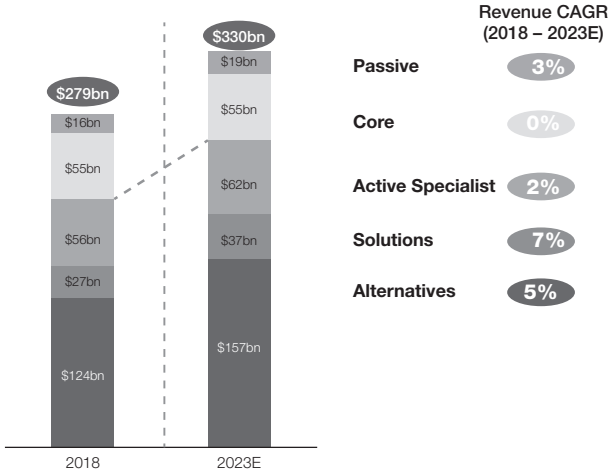
Deep-rooted relationships across this diverse client base support the continued growth of the Ninety One Group. There is very limited reliance on Investec for client relationships, with less than 2% of assets under management having been sourced from Investec, as at 30 September 2019.

3.7 **Significant growth potential across existing investment strategies**

The global investment management industry has been characterised by growth in recent years, which has led to increases in global assets under management and revenues, and these trends are projected to continue going forward. Global revenue growth is projected to be strongest in active specialist, solutions and alternative asset classes (source: Boston Consulting Group). This is expected to continue to provide an attractive market for future growth potential.

The following chart shows projected industry growth by asset class for the periods indicated (source: company information):

Global industry revenue by asset class



Note:

(1) "Core" includes actively managed domestic large cap equity, domestic government and corporate debt, money market and structured products.

(2) "Active Specialist" includes equity specialties (foreign, global, emerging market, small– and mid-capitalisation, sectors) and fixed income specialties (emerging market, global, high yield, convertibles).

(3) "Solutions" includes target dated, global asset allocation, flexible, income, liability driven investment ("**LDI**") and traditional balanced.

(4) "Alternatives" includes hedge funds, private equity, real estate, infrastructure and commodity funds, liquid alternative mutual funds (e.g. absolute returns, long/short, market neutral, volatility). Private equity and hedge fund revenues exclude performance fees.

Source: Boston Consulting Group.

The Ninety One Group's established investment capabilities provide it with a stable platform to continue serving clients and targeting increases in assets under management within these high-growth asset classes. In particular, the Ninety One Group has a well-established position in active management strategies with over 240 investment professionals across these strategies, as at 30 September 2019.

The Ninety One Group anticipates continuing to leverage its existing investment strategies to meet the growing demand across its Institutional and Advisor relationships and to continue to support its diversity of revenues in the coming years.

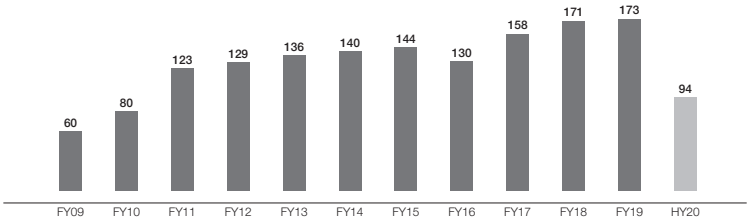
3.8 Attractive financial profile with track record of strong cash generation

The Ninety One Business has a long track record of profitable growth, driven by increases in assets under management and cost discipline. Between 31 March 2009 and 30 September 2019, the Ninety One Business has grown its assets under management at a CAGR of 15%, from £29 billion to £121 billion, which has, alongside relative stability in management fee levels, supported operating revenue growth from £190 million in the year ended 31 March 2009 to £541 million in the year ended 31 March 2019.

The Ninety One Business has adopted a single global operating platform, underpinned by stable outsourcing relationships and supported by a globally integrated operations team. The outsourcing business model, along with a focus on cost discipline, has improved the Ninety One Business' operating leverage, laying the foundation to support enhanced scale.

During this period, the Ninety One Business has achieved stable operating margins of between approximately 31% and 37%, leading to consistent growth in operating profit (before non-controlling interests, net interest income, profits from its wholly owned South African fund administration business, Silica and exceptional costs) from £60 million in the year ended 31 March 2009 to £173 million in the year ended 31 March 2019, as well as £94 million for the six months to 30 September 2019, as shown in the following chart:

Operating profit before non-controlling interests, net interest income and Silica profit



This operating model has supported high cash conversion across the Ninety One Business, which has facilitated paying out a high proportion of earnings as dividends, with approximately £1.3 billion paid in dividends during the eleven-year period ended 30 September 2019. The Ninety One Business has also delivered consistently high returns on equity, generating a pre-tax return on adjusted average ordinary shareholders' equity of 90.7%, 91.0% and 87.3% for the years ended 31 March 2017, 2018, and 2019 respectively.

4. STRATEGY

The Ninety One Group operates according to the following core strategic principles:

- offering organically-developed investment capabilities through active segregated mandates or mutual funds to sophisticated clients;
- operating globally in both the Institutional and Advisor space through five geographically defined Client Groups; and
- having an approach to growth that is driven by structural medium- to long-term client demand and competitive investment performance.

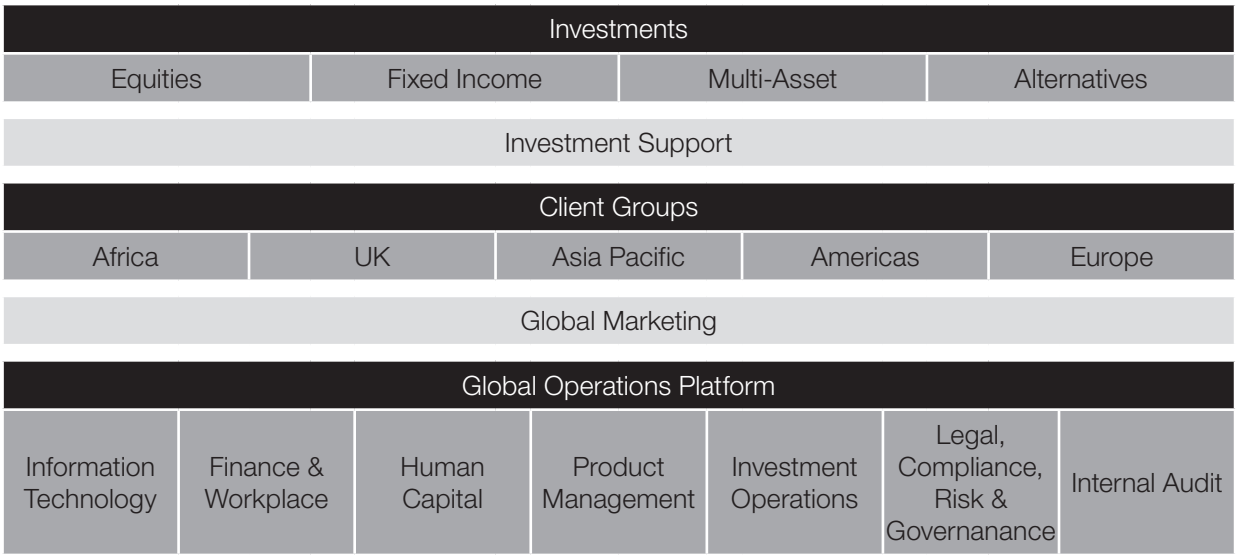
The Ninety One Group aims to deliver long-term, profitable growth guided by four strategic priorities:

- **Capture the growth inherent in Ninety One's current capability set** – Ninety One's specialist skillsets are aligned with global trends. Industry AUM and revenue pools across Ninety One's capabilities, including active specialist, solutions and alternatives strategies, are expected to see continued structural growth. Ninety One's diversified, competitive and client-relevant investment capabilities across global and regional equities, fixed income, multi-asset and alternatives asset classes provide a platform for further growth potential.
- **Develop differentiated strategies, anticipating client needs** – Ninety One has a demonstrable track record of expanding its product offering across asset classes to meet future client demand. For example, the development of the 4Factor and Quality equities platforms and the early provision of dedicated emerging markets fixed income strategies, resulting in a substantial position in emerging markets local currency strategies.
- **Focus on growth in professionally intermediated channels (Advisor and Institutional)** – Ninety One has two core distribution channels, serving both large institutional and sophisticated advisory clients, and the Ninety One Group's client base is increasingly diversified across these channels. In the Advisor channel, Ninety One has access to key portfolio assemblers and financial institutions across all its Client Groups, and its outcomes-based offerings (such as multi-asset) are ideally positioned to capture flows from intermediaries and end investors who increasingly seek solutions products. In the Institutional channel, Ninety One's differentiated emerging markets capabilities and strong traction with investment consultants enable unique entry to globalising capital pools, with investors in large markets, such as the US, increasingly seeking more specialist international products. Europe and Asia also remain important Institutional markets for Ninety One.
- **Ensure sustainability is at the core of its business** – The rising importance of the sustainability agenda for society, investors and business places an obligation on investment managers. Ninety One is an active steward of capital with ESG and sustainability factors integrated across its strategies, helping to mitigate risks and enhance value for clients. Continuous progress in this area is core to its organisational purpose. More recently the firm has a launched dedicated positive-inclusion strategies such as Global Environment. It is also building within the impact space on the back of its well-proven infrastructure credit offering.

In addition to growing its assets under management and developing its client reach through these strategic growth drivers, the Ninety One Group is committed to improving efficiency to meet the challenges of a maturing and ever-more competitive industry. To deliver consistent profitability across market cycles, Ninety One aims to maintain its simple business model, with high cash conversion, no long-term debt on the balance sheet, and by avoiding capital intensive activities. Ninety One's platform is long-established and well-invested to support continued AUM growth, led by client demand. Ninety One's intention is to use the strength of this business model and internal discipline to deliver consistent dividends to Ninety One Shareholders.

5. NINETY ONE GROUP OPERATIONAL STRUCTURE

The following chart sets out Ninety One's operational structure following the Admission:



SECTION B: Additional information on Ninety One

6. INCORPORATION, REGISTERED OFFICE AND ACTIVITY

The business of Ninety One plc and Ninety One Limited, and their principal activities, is to act as the ultimate holding companies of the Ninety One Group.

6.1 Ninety One plc

Ninety One plc was incorporated as a public company limited by shares in England and Wales, under the UK Companies Act, on 4 October 2019 with registered number 12245293. It is expected that the company will change its name from Investec Asset Management UK Group plc to align with the Ninety One brand before Admission.

Ninety One Global was incorporated as a private company limited by shares in England and Wales under the UK Companies Act, on 17 December 2018 with registered number 11730926. The company changed its name from Bethany Global HoldCo Limited to Investec Asset Management Global Limited on 22 March 2019 and changed its name to Ninety One Global Limited on 20 November 2019. Ninety One Global is a wholly owned subsidiary of Ninety One plc.

Ninety One International was incorporated as a private company limited by shares in England and Wales under the UK Companies Act, on 17 December 2018 with registered number 11731068. The company changed its name from Bethany RoW HoldCo Limited to Investec Asset Management International Limited on 22 March 2019 and changed its name to Ninety One International Limited on 20 November 2019. Ninety One International is a wholly owned subsidiary of Ninety One Global.

The principal legislation under which Ninety One plc operates and under which the Ninety One plc Shares have been created is the UK Companies Act and regulations made thereunder.

Ninety One plc is domiciled in England and Wales. The address of its registered and head office is One Silk Street, London EC2Y 8HQ, United Kingdom. Following Admission, Ninety One plc's

principal place of business will be Woolgate Exchange, 25 Basinghall Street, London EC2V 5HA, United Kingdom.

The transfer secretary of Ninety One plc in the UK is Computershare Investor Services PLC, with registered number 3498808, whose registered office is The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom and in South Africa is Computershare Investor Services Proprietary Limited, with company registration number 2004/003647/07, whose registered office is Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, Republic of South Africa.

6.2 Ninety One Limited

Ninety One Limited was incorporated as a public company limited by shares in South Africa, under the South African Companies Act, on 18 October 2019 with registration number 2019/526481/06. It is expected that the company will change its name from Investec Asset Management SA Group Limited to align with the Ninety One brand before Admission.

The principal legislation under which Ninety One Limited operates and under which the Ninety One Limited Shares have been created is the South African Companies Act and regulations made thereunder.

Ninety One Limited is domiciled in South Africa. The address of its registered and head office is 36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa. Following Admission, Ninety One Limited's principal place of business will be 36 Hans Stijdom Avenue, Foreshore, Cape Town 8001, South Africa.

The transfer secretary of Ninety One Limited in South Africa is Computershare Investor Services Proprietary Limited whose registered office is Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, Republic of South Africa.

6.3 Auditors

KPMG LLP, whose registered office is 15 Canada Square, London E14 5GL, United Kingdom, and KPMG Inc. whose registered office is 85 Empire Road, Parktown, 2193, Republic of South Africa will be the auditors of Ninety One at the dual-listed company level.

6.4 FTSE ICB classification

Following Admission, Ninety One's FTSE Industry Classification Benchmark is currently expected to be 8777 (Investment Services).

7. NINETY ONE BOARDS

The following table sets out information relating to each of the Ninety One Directors, each of whose business address is Woolgate Exchange, 25 Basinghall Street, London EC2V 5HA, United Kingdom, as at the date of this document:

Name	Position	Date appointed
Gareth Penny	Chairman[(3*)(4)]	19 November 2019
Colin Keogh	Senior Independent Director[(1)(2*)]	19 November 2019
Hendrik du Toit	Chief Executive Officer[(3)(4)]	4 October 2019
Kim McFarland	Finance Director	4 October 2019
Idoya Basterrechea Aranda	Non-Executive Director[(1)(2)(3)]	19 November 2019
Victoria Cochrane	Non-Executive Director[(1*)]	19 November 2019
Busisiwe Mabuza	Non-Executive Director[(2)(4*)]	19 November 2019
Fani Titi[27]	Non-Executive Director	19 November 2019

(1) Member of the Ninety One Audit and Risk Committee.
(2) Member of the Ninety One Human Capital and Remuneration Committee.
(3) Member of the Ninety One Nomination and Directors Affairs Committee.
(4) Member of the Ninety One Sustainability, Social and Ethics Committee.
Chairs of the Ninety One Board Committees are indicated by an asterisk*.

27 *Appointed by Investec pursuant to the Relationship Agreement. Fani Titi will not be considered to be an independent Non-Executive Director.*

Information on the business experience and principal business activities performed outside Ninety One by the Ninety One Directors will be described in the Ninety One Prospectus.

8. NINETY ONE DIVIDEND POLICY

It is Ninety One's policy to declare dividends in line with the trend in profitability. Subject to approval of the Ninety One Boards, Ninety One is expected to target an ordinary dividend payout ratio of at least 50% of operating earnings adjusted for tax.

Further, Ninety One is expected only to retain after tax earnings sufficient to meet current or expected changes in its regulatory capital requirements and investment needs, as well as a reasonable buffer to protect against fluctuations in those requirements. Subject to approval of the Ninety One Boards, it is expected that the remaining balance of after tax earnings, after taking into account any specific events, would be returned to Ninety One Shareholders through payment of a special dividend.

Ninety One's first dividend following Admission is expected to be an interim dividend for the period from Admission to 30 September 2020.

9. NINETY ONE SHARE CAPITAL

Immediately prior to the publication of this document, the share capital of Ninety One plc was one ordinary share of £0.0001 and 50,000 redeemable shares of £1.00 each. The 50,000 redeemable shares will be redeemed prior to Admission. Further ordinary shares will be issued as set out in Part IV of this document.

10. SUMMARY OF THE NINETY ONE PLC ARTICLES AND NINETY ONE LIMITED MOI

A summary of the intended Ninety One plc Articles and Ninety One Limited MoI to be adopted from Admission is set out below:

10.1 Background

Ninety One plc and Ninety One Limited will be separate listed companies and will be subject to the takeover laws and rules in the United Kingdom and South Africa, respectively. Provisions have been included in the Ninety One plc Articles and the Ninety One Limited MoI which are intended to have the effect of:

(a) recognising the substantive effect of the Ninety One DLC Structure, which is that Ninety One should be regarded as a single corporate group;

(b) allowing the two regulatory systems to work together harmoniously and sensibly;

(c) respecting United Kingdom takeover rules and South Africa takeover laws, respectively; and

(d) avoiding any unintended impediment to any takeover of Ninety One.

10.2 Key thresholds

Under the Ninety One plc Articles and the Ninety One Limited MoI:

(a) there is a limit which prevents a person (and concert parties) from exceeding (except as a result of a permitted acquisition as described in paragraph 10.3 of this Part VII) a voting power threshold of 30%, in relation to Ninety One plc on a stand-alone basis, that is calculated as if there were no Ninety One plc Special Voting Share and only counting Ninety One plc Shares;

(b) there is a separate limit which prevents a person (and concert parties) from exceeding the mandatory offer limit set out in Rule 9 of the City Code which imposes a voting power threshold of 30%, in relation to Ninety One plc, calculated having regard to all the voting power on a joint electorate basis, i.e. calculated on Ninety One plc Shares and on the voting power in Ninety One plc derived through the Ninety One plc Special Voting Share by holding or controlling Ninety One Limited Shares; this limit effectively treats all Ninety One Shares, together with the Ninety One plc Special Voting Share and the Ninety One Limited Special Voting Share, as voting shares and sets a 30% limit on control of this joint electorate voting power;

(c) there is a limit which prevents a person (and concert parties) from exceeding a voting power threshold of 30%, in relation to Ninety One Limited on a stand alone basis, that is calculated as

if there was no Ninety One Limited Special Voting Share and only counting Ninety One Limited Shares; and

(d) there is a separate limit which prevents a person (and concert parties) from exceeding a voting power threshold of 30%, in relation to Ninety One Limited, calculated having regard to all the voting power on a joint electorate basis, i.e. calculated on Ninety One Limited Shares and on the voting power in Ninety One Limited derived (through the Ninety One Limited Special Voting Share) by holding or controlling Ninety One plc Shares; this limit effectively treats all Ninety One Shares, together with the Ninety One plc Special Voting Share and the Ninety One Limited Special Voting Share, as voting shares and sets a 30% limit on control of this joint electorate voting power.

The principal requirement for exceeding a limit is for all Ninety One Shareholders in both companies to be treated in an equivalent manner and sanctions may be imposed for breaches of these provisions.

10.3 **Equivalent offers on equivalent terms**

The Ninety One plc Articles and the Ninety One Limited MoI provide, in effect, that a person may only exceed any of these limits if an equivalent offer is made to both Ninety One plc Shareholders and Ninety One Limited Shareholders on equivalent terms. In summary, this would require:

(a) an equivalent procedure which:

(i) is undertaken for both Ninety One plc Shares and Ninety One Limited Shares at or about the same time; and

(ii) applies to both the Ninety One plc Shares and the Ninety One Limited Shares;

(b) that each procedure complies with the Ninety One plc Articles, the Ninety One Limited MoI and all applicable regulation, including the takeover laws and rules in the United Kingdom (as regards the offer for the Ninety One plc Shares) and in South Africa (as regards the offer for the Ninety One Limited Shares); and

(c) an offer of equivalent consideration, terms, information, conditions and time to consider to the Ninety One plc Shareholders and the Ninety One Limited Shareholders, both in relation to an initial offer and any increases or extensions.

Due to the variety of takeover procedures and the different takeover regimes applying in the United Kingdom and South Africa, the concept of equivalence cannot be defined prescriptively. It is expected that a combination of the Ninety One plc Board and the Ninety One Limited Board, the UK Takeover Panel and/or the South African Takeover Regulation Panel will have a role in determining and achieving equivalence in a particular case.

With equivalent treatment in terms of the opportunities afforded to each group of Shareholders, each such group of Shareholders will make its own decision as to whether the relevant offer is to be accepted.

10.4 **Breach of limits**

Under the Ninety One plc Articles and the Ninety One Limited MoI, if a person breaches a shareholding limit without making equivalent offers to both groups of Ninety One Shareholders on equivalent terms, then Ninety One plc or Ninety One Limited (as applicable) may (following the giving of notice of the same to the defaulting Ninety One Shareholder) effect the transfer of the number of Ninety One plc Shares or Ninety One Limited Shares (as the case may be) which results in the threshold being exceeded ("**excess shares**") to the excess shares trustee. The defaulting Shareholder shall, immediately after the breach of the shareholding limit, cease to have any rights whatsoever in respect of the excess shares (including dividend and voting rights) and the relevant Ninety One Board shall have the power to direct the excess shares trustee to sell the excess shares to such person or persons as Ninety One plc or Ninety One Limited (as applicable) shall nominate.

10.5 **Ninety One Sharing Agreement**

Under the Ninety One Sharing Agreement, Ninety One plc and Ninety One Limited have agreed to co-operate with each other in the enforcement of the restrictions in the Ninety One plc Articles and the Ninety One Limited MoI, respectively, described in paragraphs 10.2 and 10.4 of this Part VII.

11. MANDATORY TAKEOVER BIDS AND COMPULSORY ACQUISITION RULES RELATING TO THE NINETY ONE PLC SHARES

The description of the rules and provisions relating to mandatory bids and compulsory acquisition rules relating to the Ninety One plc Shares are as follows:

11.1 Mandatory bids and compulsory acquisition rules relating to ordinary shares

Other than as provided by the City Code on Takeovers and Mergers (the "**City Code**") and Chapter 28 of the UK Companies Act, there are no rules or provisions relating to mandatory bids and/or squeeze-out and sell-out rules relating to Ninety One plc.

11.2 Rule 9 of the City Code

11.2.1 The City Code applies to Ninety One plc.

11.2.2 Rule 9.1 of the City Code states that, except with the consent of the UK Takeover Panel, when:

(a) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30% or more of the voting rights of a company; or

(b) any person, together with persons acting in concert with him or her, is interested in shares which in the aggregate carry not less than 30% of the voting rights of a company, but does not hold shares carrying more than 50% of such voting rights, and such person, or any persons acting in concert with him or her, acquires an interest in any other shares which increases the percentage of the shares carrying voting rights in which he or she is interested, such person shall extend offers, on the basis set out in Rules 9.3, 9.4 and 9.5 of the City Code, to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights. Offers for different classes of equity share capital must be comparable and the UK Takeover Panel should be consulted in advance in such cases.

11.2.3 "Interests in shares" is defined broadly in the City Code. A person who has long economic exposure, whether absolute or conditional, to changes in the price of shares will be treated as interested in those shares. A person who only has a short position in shares will not be treated as interested in those shares.

11.2.4 "Voting rights" means for these purposes, all the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting. Persons acting in concert (and concert parties) comprise persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of a company or to frustrate the successful outcome of an offer for a company. Certain categories of people are deemed under the City Code to be acting in concert with each other unless the contrary is established.

11.3 Authority of Ninety One plc to redeem or purchase its own shares

11.3.1 When a company redeems or purchases its own voting shares, under Rule 37 of the City Code any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9 of the City Code. Rule 37 of the City Code provides that, subject to prior consultation, the UK Takeover Panel will normally waive any resulting obligation to make a general offer if there is a vote of independent shareholders and ensure a procedure along the lines of that set out in Appendix 1 to the City Code is followed. Appendix 1 to the City Code sets out the procedure which should be followed in obtaining that consent of independent shareholders. Under Note 1 on Rule 37 of the City Code, a person who comes to exceed the limits in Rule 9.1 in consequence of a company's purchase of its own shares will not normally incur an obligation to make a mandatory offer unless that person is a director, or the relationship of the person with any one or more of the Directors is such that the person is, or is presumed to be, concert parties with any of the Directors. However, there is no presumption that all the Directors (or any two or more directors) are concert parties solely by reason of a proposed purchase by a company of its own shares, or the decision to seek shareholders' authority for any such purchase.

11.3.2 Under Note 2 on Rule 37 of the City Code, the exception in Note 1 on Rule 37 described above will not apply, and an obligation to make a mandatory offer may therefore be imposed, if a person (or any relevant member of a group of persons acting in concert) has acquired

an interest in shares at a time when they had reason to believe that such a purchase of their own shares by the company would take place. Note 2 will not normally be relevant unless the relevant person knows that a purchase for which requisite shareholder authority exists is being, or is likely to be, implemented (whether in whole or in part).

11.3.3 The UK Takeover Panel must be consulted in advance in any case where Rule 9 of the City Code might be relevant. This will include any case where a person or group of persons acting in concert is interested in shares carrying 30% or more but do not hold shares carrying more than 50% of the voting rights of a company, or may become interested in 30% or more on full implementation of the proposed purchase by Ninety One plc of its own shares. In addition, the UK Takeover Panel should always be consulted if the aggregate interests in shares of the directors and any other persons acting in concert, or presumed to be acting in concert, with any of the directors amount to 30% or more, or may be increased to 30% or more on full implementation of the proposed purchase by Ninety One plc of its own shares.

11.4 Squeeze-out rules

Under the UK Companies Act, if a "takeover offer" (as defined in section 974 of the UK Companies Act) is made by an offeror to acquire all of the shares in Ninety One plc not already owned by it and the offeror were to acquire, or unconditionally contract to acquire, not less than 90% in value of the shares to which such offer relates, the offeror could then compulsorily acquire the remaining shares. The offeror would do so by sending a notice to the outstanding members informing them that it will compulsorily acquire their shares and, six weeks later, it would deliver a transfer of the outstanding shares in its favour to Ninety One plc which would execute the transfers on behalf of the relevant members, and pay the consideration for the outstanding shares to Ninety One plc which would hold the consideration on trust for the relevant members. The consideration offered to the members whose shares are compulsorily acquired under this procedure must, in general, be the same as the consideration that was available under the original offer unless a member can show that the offer value is unfair.

11.5 Sell-out

The UK Companies Act also gives minority members a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the shares in Ninety One plc and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90% in value of the shares and not less than 90% of the voting rights carried by the shares in Ninety One plc, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares. The offeror would be required to give any member notice of his or her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority members to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, three months from the date on which notice is served on members notifying them of their sell-out rights. If a member exercises his or her rights, the offeror is entitled and bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

12. MANDATORY TAKEOVER BIDS AND COMPULSORY ACQUISITION RULES RELATING TO THE NINETY ONE LIMITED SHARES

12.1 Mandatory offer under the South African Companies Act

12.1.1 Under the South African Companies Act, a mandatory offer applies if:

(a) either:

(i) a company re-acquires any of its voting securities in terms of a scheme of arrangement or otherwise; or

(ii) a person acting alone has, or two or more related or inter-related persons, or two or more persons acting in concert, have, acquired a beneficial interest in voting rights attached to any securities issued by a company;

(b) before the acquisition, a person was, or persons contemplated in paragraph 12.1.1(a)(i) above together were, able to exercise less than 35% of all the voting rights attached to securities of that company; and

(c) as a result of that acquisition, together with any other securities of the company already held by the person or persons contemplated in paragraph 12.1.1(a)(ii) above, they are able to exercise at least 35% of all the voting rights attached to securities of that company.

12.1.2 Within one business day of the date of the acquisition contemplated above, the person or persons in whom 35%, or more, of the voting rights beneficially vests must give notice in the prescribed manner to the holders of the remaining securities, including in that notice:

(a) a statement that they are in a position to exercise at least 35% of all the voting rights attached to the securities of that company; and

(b) offering to acquire any remaining such securities on terms determined in accordance with the South African Companies Act and the Takeover Regulations.

12.1.3 Within one month of giving the notice in paragraph 12.1.1 above, the aforementioned person or persons contemplated in paragraph 12.1.2 above must deliver a written offer to the holders of the remaining shares in the company, offering to acquire those securities on the terms contemplated in the South African Companies Act and South African Companies Regulations.

12.2 **Squeeze-out rules under the South African Companies Act**

12.2.1 If, within four months of the date of an offer for the acquisition of any class of securities of a company, that offer has been accepted by the holders of at least 90% of that class of securities, other than any such securities held before the offer by the offeror, a related or inter related person, persons acting in concert, or a nominee or a subsidiary of any such person or persons:

(a) within two further months, the offeror may notify the holders of the remaining securities of the class:

(i) that the offer has been accepted; and

(ii) that the offeror desires to acquire all the remaining securities of that class; and

(b) after giving notice in terms of paragraph 12.2.1(a)(i), the offeror is entitled, and bound, to acquire the securities concerned on the same terms that apply to securities whose holders accepted the original offer, subject to the right of a person to apply to court for an order that the offeror is not entitled to acquire the applicant's securities.

12.3 **Sell-out rules under the South African Companies Act**

12.3.1 If an offer for the acquisition of any class of securities of a company has resulted in the acquisition by the offeror, or a nominee or subsidiary of the offeror, or a related or interrelated person of any of them, individually or in the aggregate, of sufficient securities of that class such that, together with any other securities of that class already held by that person, or those persons in aggregate, they then hold at least 90% of the securities of that class:

(a) the offeror must notify the holders of the remaining securities of the class that the offer has been accepted to that extent;

(b) within three months of receiving a notice in terms of paragraph 12.3.1(a), a person may demand that the offeror acquires all of the person's securities of the class concerned; and

(c) after receiving a demand in terms of paragraph 12.3.1(b), the offeror is entitled, and bound, to acquire the securities concerned on the same terms that applied to securities whose holders accepted the original offer.

12.4 **Ninety One Limited MoI**

Under the Ninety One Limited MoI, a person (the "**Third Party**") cannot acquire 30% or more of the voting rights of Ninety One plc unless: (i) the Ninety One Limited Board consents; or (ii) the acquisition is pursuant to a procedure that applies to both Ninety One Limited Shares and Ninety One plc Shares in accordance with the South African Companies Act and the City Code (as applicable) whereby the Ninety One Limited Shareholders and the Ninety One plc Shareholders are afforded equivalent treatment. Any Ninety One Limited Shares acquired by a Third Party in contravention of this provision of the Ninety One Limited MoI will be transferred to a trustee and Ninety One Limited may then direct the trustee to sell such Ninety One Limited Shares with the net sale of proceeds being paid to the Third Party.

INFORMATION ON INVESTEC BANK AND WEALTH

SECTION A: Description of the Investec Bank and Wealth business

1. OVERVIEW

Investec Bank and Wealth will continue to comprise two holding companies, Investec plc and Investec Limited, which will continue to operate under the existing DLC structure. Investec plc will remain listed on the London Stock Exchange with a secondary listing on the Johannesburg Stock Exchange and Investec Limited will remain listed on the Johannesburg Stock Exchange. Investec plc and Investec Limited are holding companies of several legal entities, which focus on two core activities, namely, the Specialist Banking Business and the Wealth & Investment Business, together "**Investec Bank and Wealth**", which are detailed below.

Investec Bank and Wealth is a distinctive specialist bank and wealth manager, facilitating the creation and management of wealth, with a 40 year track record of sustained performance and consistent growth in loan book and funds under management. Investec Bank and Wealth is driven by a commitment to its core values and philosophies: dedicated partnerships; client focus; cast-iron integrity; and distinctive performance. Investec Bank and Wealth has a client-centric, high-tech, high-touch approach – differentiating it in its ability to be nimble, flexible and innovative, and to provide a high level of client service.

Clients are therefore at the core of Investec Bank and Wealth's business. Investec Bank and Wealth strives to build business depth and enhance its current position by strengthening existing, and creating new, client relationships – through the provision of a differentiated and superior quality of service. It serves specifically selected market niches providing tailored solutions to its clients. These solutions include lending, transactional banking, treasury services, advisory, investment activities and deposit raising activities within the Specialist Banking Business and discretionary wealth management, investment advisory services, financial planning and stockbroking within the Wealth & Investment Business. Investec Bank and Wealth provides these services through its SA and UK franchise businesses, such as the Corporate and Investment Bank or Private Bank, the Wealth business as well as through its global specialist client franchises such as infrastructure and fund finance.

Investec Bank and Wealth's strategy for the past 20 years has been to build a diversified portfolio of businesses and geographies to support clients through varying markets and economic cycles. As a result, Investec Bank and Wealth has a balanced mix of income and profit across geographies, business lines and income streams. With respect to the latter, Investec Bank and Wealth focuses on maintaining an appropriate balance between revenue earned from capital light businesses and revenue earned from capital intensive businesses. For the six months to 30 September 2019, capital light income as a percentage of total operating income for Investec Bank and Wealth amounted to 42%.

Investec Bank and Wealth seeks to attract and retain highly talented professionals by maintaining a working environment that stimulates high performance and encourages a creative and entrepreneurial culture.

Investec Bank and Wealth has an experienced and stable senior management team that has a long tenure working at Investec Bank and Wealth. Operationally, Investec Bank and Wealth is split into the SA Specialist Bank, UK Specialist Bank and Wealth & Investment Business.

1.1 SA Specialist Bank

1.1.1 Overview

The SA Specialist Bank operates with a specialised niche offering to clients in South Africa and Mauritius, providing a high quality specialist banking solution to corporate, institutional and private clients. The SA Specialist Bank focuses on four key areas of activity: Corporate and Institutional Banking; Private Banking; Investec for Business; and Investment Banking and Principal Investments. It has c.4,065 employees across the banking divisions, and, at 30 September 2019, had R274 billion of loans and R349 billion of customer deposits.

The South Africa Corporate and Institutional Banking division is a strong franchise with a leading market position in its niches. It provides a wide range of specialist products, services and solutions to select corporate clients, public sector bodies and institutions. The division broadly undertakes two types of operations: global markets (trading, investment products, treasury solutions and sales and credit investments); and specialised lending (lending to large and mid-tier corporates and private equity funds, including specialist expertise in leveraged finance, supplier finance, power and infrastructure finance, fund finance, aviation finance and export and agency finance).

The South Africa Private Banking division positions itself as the "investment bank for private clients". Its offering to clients comprises lending, transactional banking, savings and investments – and these are primarily aimed at high net worth individuals, emerging entrepreneurs and professionals. It has around 77,000 clients and is recognised in South Africa as one of the leading global private banks.

Investec Bank and Wealth recently created Investec for Business, which focuses on the provision of products and services to the smaller and mid-sized corporate market segment in South Africa. Investec for Business combines bespoke lending with Investec's other transactional, advisory and investment offerings to give clients a high-touch and high-tech tailored service.

The Investment Banking and Principal Investments businesses complement one another in their target market of corporate clients. The Investment bank is able to leverage Investec Bank and Wealth's capabilities, relationships and capital to deliver holistic solutions to clients, while the Principal Investments business focuses on co-investing alongside clients to fund investment opportunities, or leverage third-party capital.

1.1.2 **Competitive strengths**

The SA Specialist Bank benefits from the following key strengths:

- Strong franchise value and leading market position in its niche markets.
- Diversified client-centric, high-touch and high-tech offering with a focus on delivering superior customer service.
- Sustainable growth driven through collaboration between its various businesses – both geographically, but also divisionally (for example, between the Corporate and Institutional Bank and the Private Bank).
- Differentiated through deep sector expertise and international reach.
- Award-winning specialist franchises by driving innovation for the benefit of clients.
- Ability to provide international services to clients via our integrated offshore businesses.

1.2 **UK Specialist Bank**

1.2.1 **Overview**

The UK Specialist Bank focuses largely on two key areas of activity: Corporate and Investment banking activities and Private Banking activities. Across the bank there are c.2,462 employees and, at 30 September 2019, the bank had £11 billion of loans and £13 billion of customer deposits.

The UK Corporate and Investment Banking division is a client-centric business with a tailored offering, focused on UK mid-market corporates, financial sponsors and specialist international franchises.

The Corporate Bank delivers a "private banking" experience with investment banking quality of advice and service – focussed on small to mid-sized UK corporates (approximately £10 million to £100 million in revenue) with a high probability of corporate activity or growth. The Investment bank aims to be a premier UK mid-market investment bank by offering a combination of boutique service and bulge bracket capability in addition to having specialist international franchises with deep relevance in its chosen sectors. It serves larger mid-market UK corporates (approximately £100 million to £1 billion revenue) and the financial sponsors that also operate in that space. Additionally, it maintains specialist international franchises with a focus on: aviation, fund finance, power and infrastructure finance and resource finance.

The UK private banking division delivers a high-tech and high-touch private client offering providing day-to-day banking, savings and financing solutions tailored to suit clients' needs. Its target market includes high net worth individuals, wealthy entrepreneurs, high-income professionals, owner managers in mid-market companies and sophisticated investors.

In addition, the bank in the UK provides capital to entrepreneurs and management teams to allow them to further their growth ambitions. Investments are assessed on a case-by-case basis, with the aim of delivering returns on a risk-adjusted basis.

1.2.2 Competitive strengths

The UK Specialist Bank benefits from the following key strengths:

- Agile, personalised service, tailored to meet the needs of its select client base – and an ability to deal with complexities and execute quickly.
- Boutique service with "Bulge Bracket" capability and award winning franchises.
- The bank's specialist international franchises sector businesses are differentiated by its deep expertise and relationships and its ability to innovate alongside the bank's clients.
- Highly successful origination and distribution capability.
- Strong connectivity – both geographically, but also divisionally (for example, between the Corporate and Investment Bank and the Private Bank).

1.3 Wealth & Investment Business

1.3.1 Overview

Investec Wealth & Investment ("**IW&I**") has been built organically and via the acquisition and integration of businesses over a long period of time, with well-established platforms in the UK, South Africa, Switzerland and the Channel Islands. The business has leading market positions in both the UK and South Africa, managing £56 billion of funds on behalf of clients.

IW&I's core proposition focuses on wealth management and discretionary investment management, encompassing both the construction of suitable portfolios for clients as well as the provision of holistic financial and estate planning advice. Clients are mainly private individuals (including ultra-high net worth customers in South Africa), as well as charities and trusts.

The business has four distinct distribution channels: direct; intermediaries; charities; and international. The majority of IW&I's relationships are held directly with the client.

IW&I has a strong track record of consistent growth and has increased funds under management from £29 billion in 2011 to £56 billion today, with over 40% of this increase driven by net inflows.

1.3.2 Competitive strengths

IW&I is differentiated from its UK and South African peers in a number of ways:

- The business operates a single global investment process, delivering tailor-made and innovative solutions across jurisdictions.
- Truly international offering while remaining domestically relevant, providing clients with access to global investment opportunities across a broad investment universe.
- Recognised international brand and balance sheet strength attracts investment managers and supports client acquisition.
- IW&I's size allows it to be agile but with the scale and strength to compete successfully.
- Relationship-driven approach to serving clients, including working in partnership with Investec's Private Bank in the UK and South Africa to address clients' needs.
- Experienced leadership team with proven ability to execute M&A successfully, ensuring the business is well placed for expected industry consolidation.
- IW&I is well positioned for evolving domestic market trends (e.g. financial planning).

1.3.3 **Investec Wealth & Investment UK & Europe ("IW&I UK & Europe")**

IW&I UK & Europe provides bespoke discretionary investment management and financial planning services to a high-end mass affluent and increasingly high net worth client base.

The business is a leading private client investment manager in the UK, operating from 15 offices. The European operations are conducted through offices in the Channel Islands and in Switzerland. With combined funds under management of over £41 billion as at 30 September 2019, the UK business accounts for c.90% of these funds under management. Regulatory approval in relation to the disposal of the wealth business in Ireland, which accounts for c.6% of the funds under management at 30 September 2019, was obtained in October 2019.

From the c. 60,000 clients that are serviced by the UK business, private individuals represent the majority of the client base, with the business holding the relationship directly with the client in most cases. A typical private client portfolio would be £250,000 upwards in value and principally comprise investments into equities and fixed interest securities supplemented by exposure to property and alternative asset classes.

1.3.4 **Investec Wealth & Investment SA ("IW&I SA")**

IW&I SA is one of the leading private client managers in South Africa with R286 billion in funds under management (as at 30 September 2019). The business operates across 10 offices with over 100 investment managers providing domestic and offshore wealth management services to predominantly high net worth clients in South Africa.

In South Africa, over R140 billion of funds under management are managed on a discretionary and annuity basis. IW&I SA has significantly grown its discretionary and annuity funds under management in recent years (by a CAGR of approximately 14% over the past 10 years) as the business has reshaped its client base from predominantly stockbroking into increasingly discretionary and annuity mandates.

IW&I SA has approximately 27,000 clients. A typical private client portfolio would be R5 million and upwards in value and comprises investments in equities, bonds and cash (both domestic and non-domestic), although clients are increasingly diversifying their portfolios into other asset classes, particularly in alternatives.

IW&I SA is well connected with Investec's Private Bank in South Africa, particularly through the award-winning One Place proposition which provides clients with seamless, integrated access to banking and investment services, both locally and internationally.

2. STRATEGY

Investec Bank and Wealth strives to be a distinctive specialist bank and wealth manager, driven by a commitment to its core philosophies and values. Investec Bank and Wealth has expanded through a combination of substantial organic growth and a series of strategic acquisitions. It now has an efficient integrated international business platform, offering all its core activities in the UK and South Africa. Going forward, Investec Bank and Wealth is focused on a number of strategic priorities to enhance shareholder returns.

2.1 Disciplined approach to capital management

Investec Bank and Wealth will continue to maintain a disciplined approach to capital allocation, particularly where businesses are non-core to the overall long-term strategy. Investec Bank and Wealth has taken substantial action in order to simplify and de-risk the business, including the sale of non-core businesses and running off legacy loan books. The composition of the loan book has changed over time, for instance in the UK from property development to corporate lending, and hence the risk profile of the overall loan book is much lower today. A specific part of these businesses that does consume significant capital is principal investing in the banking businesses. Given the more volatile nature of the return profile, Investec Bank and Wealth is striving to manage down non-core equity investments particularly within the South African banking business.

Investec Bank and Wealth has always held capital in excess of regulatory requirements and intends to perpetuate this philosophy and ensure that it remains well capitalised. Sound internal capital generation supports investment for future growth and dividends. Investec Bank and Wealth will

continue to focus on the efficient management and allocation of capital to maximise returns. For the six months to 30 September 2019, the return on equity of Investec Bank and Wealth amounted to 10.7%.

2.2 Initiatives to drive growth

Investec Bank and Wealth has identified a clear set of opportunities to drive revenue growth going forward. In South Africa, this involves, for example, extending the Specialist Banking offering into the mid-market corporate space through Investec for Business and growing Investec Life. In the UK Specialist Bank, the focus is on continuing to grow the Corporate Bank, while the business is also set to reap the benefits from the recent investment made in the Private Bank. The strategy in the UK Private Bank business has now shifted from a platform building phase to a client acquisition phase. Within the Wealth & Investment Business, Investec Bank and Wealth anticipates to expand fiduciary capabilities in South Africa and financial planning in the UK. There is also a great emphasis on increasing collaboration with the Investec Private Bank platform.

2.3 Focus on cost management

Investec Bank and Wealth is looking to achieve improved management of the aggregate cost base, with increased focus and benefits to be gained through simplicity post demerger. Investec Bank and Wealth aims to ensure that costs are contained and is targeting a cost to income ratio of below 63% to be achieved by the financial year ending 31 March 2022. Investec Bank and Wealth, notably in the UK, saw a narrowing in its jaws ratio over the two years to 31 March 2019, as Investec Bank and Wealth focused on growing a number of its businesses, which resulted in an increase in headcount, business and IT infrastructure costs. The Directors believe that this investment was required to support future growth in the business, and it is now largely complete. For the six months to 30 September 2019, the cost to income ratio of Investec Bank and Wealth amounted to 66.9%.

To achieve the cost to income ratio target, in addition to growing the revenue base, Investec Bank and Wealth has identified a number of opportunities to decrease costs, a material portion of which will come from a reduction in Investec Bank and Wealth Group costs.

2.4 Driving greater connectivity and linkages through the organisation

Connectivity between business units is an important area of focus for Investec Bank and Wealth, and this connectivity is already particularly strong in South Africa in the way the high net worth client base is served. A key opportunity lies in achieving greater collaboration between the Corporate and Investment Bank and the Private Bank. Shared digital platforms such as One Place, the potential for shared operational linkages and the provision of alternative investment products offer the opportunity to drive this further. There is also scope to now enhance the connection between UK Specialist Banking and the Wealth & Investment Business.

Investec Bank and Wealth is well positioned to capture opportunities between the developed and the emerging worlds, and connectivity is a key enabler in this regard. Investec Bank and Wealth has an ability to leverage international cross-border platforms, while remaining domestically relevant. Investec Bank and Wealth has several integrated global niche specialist businesses within the Specialist Banking Business e.g. aviation, fund finance, power and infrastructure and a competitive global investment strategy and process within the Wealth & Investment Business.

2.5 Digitalisation

Investec Bank and Wealth strives to maintain a client-centric offering, providing a high-touch personalised service to its clients. At the same time, Investec Bank and Wealth views digitalisation as a key business enabler. Investec Bank and Wealth aims to service the needs of its clients innovatively with high levels of service and strong digital capabilities. By continuing to invest in digital capabilities, this serves to create a better proposition for clients and ultimately promotes efficiency.

As a digitally enabled bank, Investec Bank and Wealth has always invested significantly in technology to deliver enhanced offerings for clients. Technology drives a myriad of benefits for Investec Bank and Wealth, including an improvement in the quality of personalised services and offerings to clients, promotes greater connectivity and, lastly, will help Investec Bank and Wealth achieve long-term, sustainably improved efficiency across all businesses.

3. FINANCIAL OBJECTIVES

Investec Bank and Wealth has a set of financial objectives that it aspires to achieve over the medium to long-term and through varying market conditions. Investec Bank and Wealth benchmarks itself against these targets regularly and updates the investment community of its progress towards these targets at least semi-annually. The current set of financial targets at the Investec Bank and Wealth level which underpin its objectives and which Investec Bank and Wealth aims to deliver on by 31 March 2022 are:

- Investec Bank and Wealth return on equity (ROE) of 12% to 16% in pounds sterling. At a geographic and divisional level, it is targeting the following ROE:
  - For the total UK business (post Investec Bank and Wealth central costs): 11% to 15%.
  - For the total UK Specialist Banking business: 10% to 13%.
  - For the total South African business (post Investec Bank and Wealth central costs and in Rand): 15% to 18%.
  - For the total SA Specialist Banking business (in Rand): 14% to 16%.
- Investec Bank and Wealth cost to income ratio of below 63% in pounds sterling. At the divisional level it is targeting the following cost to income ratios:
  - For UK Specialist Banking: below 65%.
  - For IW&I UK & Europe: 73% to 77%.
  - For SA Specialist Banking (in Rand): 49% to 52%.
  - For IW&I SA (in Rand): below 70%.
- A capital adequacy ratio of between 14% to 17%, a minimum tier 1 ratio of in excess of 11% and a common equity tier 1 ratio of above 10%.
- Investec Bank and Wealth dividend payout ratio of 30% to 50% of the consolidated Investec Bank and Wealth's adjusted earnings per share in pounds sterling.

SECTION B: Additional information on Investec Bank and Wealth

4. INCORPORATION, REGISTERED OFFICE AND ACTIVITY

4.1 Investec Limited

Investec Limited was incorporated and registered in the Republic of South Africa on 10 December 1925, with registration number 1925/002833/06. The company's registered office is 100 Grayston Drive, Sandown, Sandton 2196, Republic of South Africa and its telephone number is (+27) 11 286 7000. The principal legislation under which Investec Limited operates and under which the Investec Limited Shares have been created is the South African Companies Act and the South African Companies Regulations.

The transfer secretary of Investec Limited in South Africa is Computershare Investor Services Proprietary Limited whose registered office is Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, Republic of South Africa.

4.2 Investec plc

Investec plc was incorporated and registered in England and Wales on 17 September 1998 under the UK Companies Act 1985 with number 3633621 as a private company limited by shares with the name of Regatta Services Limited. On 24 November 2000, Regatta Services Limited's name was changed to "Investec Limited" and, on 7 December 2000, Investec Limited (previously Regatta Services Limited) was re-registered as a public limited company to become Investec plc. Its legal entity identifier is 2138007Z3U5GWDN3MY22.

The registered office of Investec plc is 30 Gresham Street, London EC2V 7QP, United Kingdom and its telephone number is +44 (0)20 7597 4000. The principal laws and legislation under which Investec plc operates are the UK Companies Act and the regulations made thereunder. Investec plc's website is www.investec.com. The information on the website does not form part of this document unless that information is incorporated by reference into this document.

The transfer secretary of Investec plc in the UK is Computershare Investor Services plc, with registered number 3498808, whose registered office is The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom and in South Africa is Computershare Investor Services Proprietary Limited, with company registration number 2004/003647/07, whose registered office is Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, Republic of South Africa.

4.3 Auditors

Ernst & Young LLP whose registered office is 1 More London Place, London, SE1 2AF, United Kingdom and Ernst & Young Inc. (Ernst & Young) whose registered office is 102 Rivonia Rd, Dennehof, Sandton 2196, Republic of South Africa are the auditors of Investec at the dual-listed company level. Ernst & Young and KPMG Inc. whose registered office is 85 Empire Road, Parktown, 2193, Republic of South Africa are joint auditors of Investec Limited and Ernst & Young LLP are the auditors of Investec plc. Ernst & Young have been Investec Group's auditors since Investec's listing on the London Stock Exchange in 2002.

4.4 FTSE ICB classification

Investec Group's current FTSE Industry Classification Benchmark is 8777 (Investment Services). Following the implementation of the Proposals, Investec Bank and Wealth's FTSE Industry Classification Benchmark will be 8775 (Specialty Finance).

5. INVESTEC DLC STRUCTURE

5.1 Investec Joint Electorate Actions

As a result of the Investec DLC Structure, implemented in July 2002, the Proposals have certain implications for all Investec Shareholders. The Resolutions required to give effect to the Demerger constitute Investec Joint Electorate Actions for the purposes of the Investec DLC Structure agreements and accordingly are submitted to all Investec Ordinary Shareholders for approval at the respective General Meetings, with the votes of the two meetings being aggregated to determine the result.

5.2 Investec Equalisation Ratio

Both Investec Limited Ordinary Shareholders and Investec plc Ordinary Shareholders have economic and voting interests in Investec. The economic and voting interests represented by an ordinary share in one company relative to the economic and voting interests of an ordinary share in the other company are determined by reference to a ratio known as the "Investec Equalisation Ratio". The Investec Equalisation Ratio is currently 1:1. If either Investec Limited or Investec plc undertakes an action, which, having regard to the prevailing Investec Equalisation Ratio, may have a disproportionate economic effect on the holders of ordinary shares of one company, relative to its effect on the holders of ordinary shares of the other company, then an appropriate adjustment to the Investec Equalisation Ratio will be made unless: (i) an Investec Matching Action has been, or is to be, undertaken; or (ii) such Investec Action has received approval as an Investec Class Rights Action. The Proposals will not have a disproportionate economic effect and therefore the Resolutions will be approved as Investec Joint Electorate Actions.

6. INVESTEC BOARDS

The following table sets out information relating to each of the Directors, who will continue to sit on the boards of Investec plc and Investec Limited, whose business address is 30 Gresham Street, London, EC2V 7QP, United Kingdom, as at the date of this document:

Name	Position	Date appointed	
		Investec plc	Investec Limited
Peregrine Kenneth Oughton Crosthwaite	Chairman	18 June 2010	18 June 2010
Fani Titi	Chief Executive Officer	30 January 2004	30 January 2004
Henrietta Caroline Baldock	Independent Non-Executive Director	9 August 2019	9 August 2019
Zarina Bibi Mahomed Bassa	Senior Independent Director	1 November 2014	1 November 2014
David Friedland	Independent Non-Executive Director	1 March 2013	1 March 2013
Philip Alan Hourquebie	Independent Non-Executive Director	14 August 2017	14 August 2017
Charles Richard Jacobs	Independent Non-Executive Director	8 August 2014	8 August 2014
Ian Robert Kantor	Non-Executive Director	26 June 2002	30 July 1980
Lord George Mark Malloch-Brown KCMG	Independent Non-Executive Director	8 August 2014	8 August 2014
Nishlan Andre Samujh	Finance Director	1 April 2019	1 April 2019
Khumo Lesego Shuenyane	Independent Non-Executive Director	8 August 2014	8 August 2014
Philisiwe Guglethu Sibiya	Independent Non-Executive Director	9 August 2019	9 August 2019

7. INVESTEC BANK AND WEALTH DIVIDEND POLICY

Investec Bank and Wealth targets a dividend payout ratio of 30% to 50% of the consolidated Investec Bank and Wealth's adjusted earnings per share in pounds sterling.

8. SUMMARY OF THE INVESTEC PLC ARTICLES

The summary of the Investec plc Articles is set out on pages 10 to 12 of Volume 3 of the 2019 Annual Report which has been incorporated by reference.

9. SUMMARY OF THE INVESTEC LIMITED MOI

The provisions set out below comprise a high-level summary of the features of the Investec Limited MoI which, in the view of the Investec Boards, are salient.

To the extent that Investec Shareholders require a more full review and understanding of the provisions of the Investec Limited MoI, Investec Shareholders are urged to review the full Investec Limited MoI, a copy of which is available for inspection as contemplated in paragraph 19 of Part XVI of this document.

9.1 Securities

9.1.1 All securities of a class shall rank pari passu in all respects. The rights, terms, preferences and limitations attaching to each class of shares are detailed in the Investec Limited MoI and the Investec Shareholders are referred to the full Investec Limited MoI for a review of same.

9.1.2 All new securities shall be subject to the provisions of the applicable statutes, the JSE Listings Requirements and the provisions of the Investec Limited MoI with reference to allotment, transfer, transmission and otherwise.

9.1.3 Subject to the provisions of statutes amongst other things, and the requisite prior approval of the South African Registrar of Banks, Investec Limited may by special resolution of the Investec Limited Ordinary Shareholders approving the amendment of the Investec Limited MoI:

(a) consolidate and divide all or any part of its share capital into shares of a larger amount than its existing shares;

(b) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person;

(c) subdivide its shares, or any of them, into shares of a smaller amount than is fixed by the memorandum of incorporation; and

(d) convert any of its shares, whether issued or not, into shares of another class.

9.1.4 Subject to and except as otherwise provided for in the provisions of the JSE Listings Requirements, no fraction of a share may be issued and, accordingly, fractions will be rounded down to the nearest whole number resulting in allocations of whole shares and a cash payment for the fraction.

9.2 **Income and capital rights of shareholders**

9.2.1 Prior to the time and date of termination of the Investec Sharing Agreement in accordance with its terms ("**Investec Conversion Date**"):

(a) available profits for distribution among the Investec Limited Ordinary Shareholders, the Investec SA DAS Share and the Investec SA DAN Share shall be distributed to ensure Investec Limited will have complied with its obligations under the Investec Sharing Agreement; and

(b) the Investec Limited Special Converting Shares shall have no right to receive any dividends or other distributions.

9.2.2 On and from the Investec Conversion Date:

(a) subject to the remaining provisions of the Investec Limited MoI, the profits available for distribution and resolved to be distributed shall be distributed among the Investec Limited Ordinary Shareholders; and

(b) the Investec SA DAN Share and Investec SA DAS Share shall have no right to receive any dividends or other distributions.

9.2.3 On a winding-up of Investec Limited, the remaining assets of Investec Limited shall be distributed:

(a) first to the Investec Limited Shareholders holding any shares in Investec Limited capital ranking in priority to the Investec Limited Ordinary Shares, the Investec SA DAS Share and the Investec SA DAN Share;

(b) subject to paragraph 9.2.3(a) above, to the Investec Limited Shareholders holding the Investec SA DAS Share and the Investec SA DAN Share subject, in each case, to a maximum of the par value of such shares; and

(c) subject to paragraph 9.2.3(a) and (b) above, to the Investec Limited Ordinary Shareholders.

9.3 **Redemption of Redeemable Shares**

9.3.1 Investec Limited shall have the right to redeem:

(a) at any time prior to the Investec Conversion Date, any or all of the Investec Limited Special Converting Shares in issue if, in the opinion of the Investec Boards, such redemption is necessary or expedient in order to maintain the Investec Limited Equivalent Number (being such number as equals the number of Investec plc Ordinary Shares then in issue multiplied by the Investec Equalisation Fraction then applicable); and

(b) at any time on or after the Investec Conversion Date, the Investec SA DAN Share and the Investec SA DAS Share. The exercise of this right shall be at the discretion of the Investec Boards.

9.4 **Variation of rights**

9.4.1 No special rights, privileges and/or conditions for the time being attached to any class of shares, nor any interest of that class of shares, may (unless otherwise provided by the terms of allotment and issue of the shares of that class) be varied in any manner adverse to the holders of that class of shares, nor may any variations be made to the special rights, privileges or conditions of any class of shares, such that the interests of another class of shares is adversely effected, unless a special resolution of Investec Limited sanctioning such variation has been passed by the shareholders of that adversely effected class of shares with the support of at least 75% of the voting rights exercised on the resolution at a separate meeting of the holders of that class, or the consent in writing of the holders of not less than 75% of the issued shares of the adversely effected class has been obtained, but not otherwise, and may be so varied either whilst Investec Limited is a going concern or during or in contemplation of a winding-up.

9.4.2 Prior to the Investec Conversion Date, any Investec Class Rights Action shall be deemed to be a variation of the rights of the Investec Limited Special Converting Shares and shall accordingly only be effective with the consent in writing of the holders of the Investec Limited Special Converting Shares and, without such consent, shall not be done or caused or permitted to be done.

9.5 **Annual and General Meetings**

9.5.1 The Investec Limited MoI contains customary provisions relating to convening and holding annual and general meetings which align with the South African Companies Act and the JSE Listings Requirements, such as:

(a) an annual general meeting shall be held once in every year, at such time within a period of not more than six months from the day following Investec Limited's financial year end and not more than 15 months after the holding of the last preceding annual general meeting, at a place as may be determined by the Directors of Investec Limited. All other meetings shall be called general meetings;

(b) the quorum necessary for the commencement of a general meeting shall be sufficient persons present in person or represented by proxy at the general meeting to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the general meeting but the general meeting may not begin unless, in addition, at least three persons entitled to vote are present in person or represented by proxy at the meeting; and

(c) the Chairman of the Directors (or, one of the joint chairmen of directors, where more than one), failing whom a Deputy Chairman, shall preside as chairman at a general meeting. If there is no such Chairman or Deputy Chairman, or, if at any meeting neither is present within five minutes of the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number or, if no Director is present or if all the Directors present decline to take the chair, the holders present and entitled to vote shall choose one of their number, to be Chairman of the meeting.

9.6 **Shareholder voting arrangements**

9.6.1 Certain matters affecting the Investec Ordinary Shareholders constitute Investec Joint Electorate Actions, and accordingly are submitted to all Investec Ordinary Shareholders for approval at the respective general meetings, with the votes of the two meetings being aggregated to determine the result.

9.6.2 In respect of certain matters which constitute Investec Class Rights Actions, the company wishing to carry out the Investec Class Rights Action between Investec Limited and Investec plc requires the prior approval of both the shareholders in the other company voting separately and the approval of its own shareholders voting separately. Depending on the type of Investec Class Right Action, the threshold of the requisite approval shall vary.

9.6.3 If a matter falls within the ambit of both an Investec Class Rights Action and an Investec Joint Electorate Action, it shall be treated as, and required to be approved as, an Investec Class Rights Action.

9.7 **Votes attaching to shares**

9.7.1 On a poll, the holder of the Investec Limited Special Converting Shares shall have a specified number of votes based on whether a resolution relates to an Investec Joint Electorate Action, a procedural resolution put to a general meeting at which an Investec Joint Electorate Action is to be considered or if a resolution relates to any other matter.

9.7.2 The Investec Limited Special Converting Shares shall not entitle the holder to vote on any show of hands.

9.7.3 Holders of the Investec SA DAS Share and the Investec SA DAN Share shall have right to attend general meetings but not vote except if:

(a) a resolution is proposed to abrogate, vary or modify any rights or privileges of the Investec SA DAS Share and/or the Investec SA DAN Share or otherwise affect their rights or interest or if a resolution is proposed to wind up Investec Limited; and

(b) any dividend or part dividend or redemption payment remains in arrears and unpaid for a period of six months.

9.7.4 The total voting rights of the holders of all securities, other than the Investec Limited Ordinary Shares, the Investec Limited Special Converting Shares and any special shares created for the purpose of Black Economic Empowerment, may not exceed 24.99% of the total voting rights of all persons entitled to vote at such meeting.

9.8 **Shareholding limits**

9.8.1 Subject to the relevant provisions of the Investec Limited MoI, a person must not acquire Investec Limited Ordinary Shares or voting control over Investec Limited Ordinary Shares if such acquisition would result in such person (either alone or with entities controlled by such person or acting in concert with such person) being able to exercise 30% or more of the voting rights of Investec Limited, except if the Investec Limited board consents to the relevant acquisition or if the acquisition is pursuant to a procedure applying to or undertaken for both the Investec Limited Ordinary Shares and the Investec plc Ordinary Shares in terms of the Investec Limited MoI.

9.9 **Board and Board meetings**

9.9.1 The Directors shall not be less than four, nor more than 20, in number.

9.9.2 The Investec Limited MoI contains customary provisions relating to board meetings and powers of Directors which align with the South African Companies Act as regards the manner in which meetings may be convened and held and the treatment and procedure of conflicted directors at meetings.

9.9.3 Questions arising at any meeting of the Directors shall be determined by a majority of votes. In the case of an equality of votes, and provided a quorum is three or more Directors, the Chairman of the meeting shall have a second or casting vote.

9.9.4 Directors may delegate their powers to committees of the board. Any such committee shall, unless the Directors otherwise resolve, have power to sub-delegate to sub-committees any of the powers or discretions delegated to it. Any such committee or sub-committee shall consist of two or more Directors and, if thought fit, one or more other named person or persons to be co-opted.

9.10 **Board's powers and obligations in relation to the Investec DLC Agreements**

Directors are authorised and directed, subject to applicable regulation, to carry into effect the provisions of the Investec DLC Agreements and any other agreements or arrangements contemplated by or relating to such agreements and nothing done by any Director in good faith pursuant to such authority and obligations shall constitute a breach of such Director's fiduciary duties to Investec Limited or its holders.

10. MANDATORY TAKEOVER BIDS,AND SQUEEZE-OUT AND SELL-OUT RULES RELATING TO INVESTEC PLC

The description of the rules and provisions relating to mandatory bids and compulsory acquisition rules relating to Investec plc are as follows:

10.1 Mandatory bids and compulsory acquisition rules relating to ordinary shares

Other than as provided by the City Code on Takeovers and Mergers (the "**City Code**") and Chapter 28 of the UK Companies Act or as set out below, there are no rules or provisions relating to mandatory bids and/or squeeze-out and sell-out rules relating to Investec plc.

10.2 Rule 9 of the City Code

10.2.1 The City Code applies to Investec plc.

10.2.2 Rule 9.1 of the City Code states that, except with the consent of the UK Takeover Panel, when:

(a) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons acting in concert with him or her are interested) carry 30% or more of the voting rights of a company; or

(b) any person, together with persons acting in concert with him or her, is interested in shares which in the aggregate carry not less than 30% of the voting rights of a company, but does not hold shares carrying more than 50% of such voting rights, and such person, or any persons acting in concert with him, acquires an interest in any other shares which increases the percentage of the shares carrying voting rights in which he is interested, such person shall extend offers, on the basis set out in Rules 9.3, 9.4 and 9.5 of the City Code, to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights. Offers for different classes of equity share capital must be comparable and the UK Takeover Panel should be consulted in advance in such cases.

10.2.3 "Interests in shares" is defined broadly in the City Code. A person who has long economic exposure, whether absolute or conditional, to changes in the price of shares will be treated as interested in those shares. A person who only has a short position in shares will not be treated as interested in those shares.

10.2.4 "Voting rights" means for these purposes all the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting. Persons acting in concert (and concert parties) comprise persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of a company or to frustrate the successful outcome of an offer for a company. Certain categories of people are deemed under the City Code to be acting in concert with each other unless the contrary is established.

10.3 Authority of Investec plc to redeem or purchase its own shares

10.3.1 When a company redeems or purchases its own voting shares, under Rule 37 of the City Code any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9 of the City Code. Rule 37 of the City Code provides that, subject to prior consultation, the UK Takeover Panel will normally waive any resulting obligation to make a general offer if there is a vote of independent shareholders and a procedure along the lines of that set out in Appendix 1 to the City Code is followed. Appendix 1 to the City Code sets out the procedure which should be followed in obtaining that consent of independent shareholders. Under Note 1 on Rule 37 of the City Code, a person who comes to exceed the limits in Rule 9.1 in consequence of a company's purchase of its own shares will not normally incur an obligation to make a mandatory offer unless that person is a director, or the relationship of the person with any one or more of the Directors is such that the person is, or is presumed to be, concert parties with any of the Directors. However, there is no presumption that all the Directors (or any two or more directors) are concert parties solely by reason of a proposed purchase by a company of its own shares, or the decision to seek shareholders' authority for any such purchase.

10.3.2 Under Note 2 on Rule 37 of the City Code, the exception in Note 1 on Rule 37 described above will not apply, and an obligation to make a mandatory offer may therefore be imposed, if a person (or any relevant member of a group of persons acting in concert) has acquired an interest in shares at a time when they had reason to believe that such a purchase of their own shares by the company would take place. Note 2 will not normally be relevant unless the relevant person knows that a purchase for which requisite shareholder authority exists is being, or is likely to be, implemented (whether in whole or in part).

10.3.3 The UK Takeover Panel must be consulted in advance in any case where Rule 9 of the City Code might be relevant. This will include any case where a person or group of persons acting in concert is interested in shares carrying 30% or more but do not hold shares carrying more than 50% of the voting rights of a company, or may become interested in 30% or more on full implementation of the proposed purchase by Investec plc of its own shares. In addition, the UK Takeover Panel should always be consulted if the aggregate interests in shares of the directors and any other persons acting in concert, or presumed to be acting in concert, with any of the directors amount to 30% or more, or may be increased to 30% or more on full implementation of the proposed purchase by Investec plc of its own shares.

10.3.4 Subject to certain limits, Investec plc has authority to purchase ordinary shares under the terms of a shareholder resolution (the "**Buyback Authority**"). The maximum aggregate number of Ordinary Shares authorised to be purchased under the Buyback Authority is 10% of Investec plc's issued share capital. The Buyback Authority is due to expire at the conclusion of the annual general meeting of Investec plc to be held in 2020, but so that Investec plc may, before the expiry of the Buyback Authority, enter into a contract to purchase Investec Shares which will or may be executed wholly or partly after the expiry of such Buyback Authority

10.4 **Squeeze-out rules**

Under the UK Companies Act, if a "takeover offer" (as defined in section 974 of the UK Companies Act) is made by an offeror to acquire all of the shares in Investec plc not already owned by it and the offeror were to acquire, or unconditionally contract to acquire, not less than 90% in value of the shares to which such offer relates, the offeror could then compulsorily acquire the remaining shares. The offeror would do so by sending a notice to the outstanding members informing them that it will compulsorily acquire their shares and, six weeks later, it would deliver a transfer of the outstanding shares in its favour to Investec plc which would execute the transfers on behalf of the relevant members, and pay the consideration for the outstanding shares to Investec plc which would hold the consideration on trust for the relevant members. The consideration offered to the members whose shares are compulsorily acquired under this procedure must, in general, be the same as the consideration that was available under the original offer unless a member can show that the offer value is unfair.

10.5 **Sell-out**

The UK Companies Act also gives minority members a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the shares in Investec plc and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90% in value of the shares and not less than 90% of the voting rights carried by the shares in Investec plc, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares. The offeror would be required to give any member notice of his or her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority members to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, three months from the date on which notice is served on members notifying them of their sell-out rights. If a member exercises his or her rights, the offeror is entitled and bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

10.6 **Investec plc Articles**

Under the Investec plc Articles, a person (the "**Third Party**") cannot acquire 30% or more of the voting rights or Investec plc unless, (i) the Investec plc Board consents; or (ii) the acquisition is pursuant to a procedure that applies to both Investec plc Ordinary Shares and Investec Limited Ordinary Shares in accordance with the City Code and the South African Companies Act (as applicable) and whereby the Investec plc Ordinary Shareholders and the Investec Limited Ordinary Shareholders are afforded equivalent treatment. Any Investec plc Ordinary Shares acquired by a Third Party in contravention of this provision of the Investec plc Articles will be transferred to a trustee and Investec plc may then direct the trustee to sell such Investec plc Ordinary Shares with the net sale of proceeds being paid to the Third Party.

11. MANDATORY TAKEOVER BIDS, AND SQUEEZE-OUT AND SELL-OUT RULES RELATING TO INVESTEC LIMITED

11.1 Mandatory offer under the South African Companies Act

11.1.1 Under the South African Companies Act, a mandatory offer applies if:

(a) either:

(i) a company re-acquires any of its voting securities in terms of a scheme of arrangement or otherwise; or

(ii) a person acting alone has, or two or more related or inter-related persons, or two or more persons acting in concert, have, acquired a beneficial interest in voting rights attached to any securities issued by a company;

(b) before the acquisition, a person was, or persons contemplated in paragraph 11.1.1(a)(i) above together were, able to exercise less than 35% of all the voting rights attached to securities of that company; and

(c) as a result of that acquisition, together with any other securities of the company already held by the person or persons contemplated in paragraph 11.1.1(a)(ii) above, they are able to exercise at least 35% of all the voting rights attached to securities of that company.

11.1.2 Within one business day of the date of the acquisition contemplated above, the person or persons in whom 35%, or more, of the voting rights beneficially vests must give notice in the prescribed manner to the holders of the remaining securities, including in that notice:

(a) a statement that they are in a position to exercise at least 35% of all the voting rights attached to the securities of that company; and

(b) offering to acquire any remaining such securities on terms determined in accordance with the South African Companies Act and the Takeover Regulations.

11.1.3 Within one month of giving the notice in paragraph 11.1.2 above, the aforementioned person or persons contemplated in paragraph 11.1.2 above must deliver a written offer to the holders of the remaining shares in the company, offering to acquire those securities on the terms contemplated in the South African Companies Act and South African Companies Regulations.

11.2 Squeeze-out rules under the South African Companies Act

11.2.1 If, within four months of the date of an offer for the acquisition of any class of securities of a company, that offer has been accepted by the holders of at least 90% of that class of securities, other than any such securities held before the offer by the offeror, a related or inter related person, or persons acting in concert, or a nominee or subsidiary of any such person or persons:

(a) within two further months, the offeror may notify the holders of the remaining securities of the class:

(i) that the offer has been accepted; and

(ii) that the offeror desires to acquire all the remaining securities of that class; and

(b) after giving notice in terms of paragraph 11.2.1(a), the offeror is entitled, and bound, to acquire the securities concerned on the same terms that apply to securities whose holders accepted the original offer, subject to the right of a person to apply to court for an order that the offeror is not entitled to acquire the applicant's securities.

11.3 Sell-out rules under the South African Companies Act

11.3.1 If an offer for the acquisition of any class of securities of a company has resulted in the acquisition by the offeror, or a nominee or subsidiary of the offeror, or a related or interrelated person of any of them, individually or in the aggregate, of sufficient securities of that class, such that, together with any other securities of that class already held by that person, or those persons in aggregate, they then hold at least 90% of the securities of that class:

(a) the offeror must notify the holders of the remaining securities of the class that the offer has been accepted to that extent;

(b) within three months of receiving a notice in terms of paragraph 11.3.1(a), a person may demand that the offeror acquire all of the person's securities of the class concerned; and

(c) after receiving a demand in terms of paragraph 11.3.1(b), the offeror is entitled, and bound, to acquire the securities concerned on the same terms that applied to securities whose holders accepted the original offer.

11.4 Investec Limited MoI

Under the Investec Limited MoI, a person (the "**Third Party**") cannot acquire 30% or more of the voting rights of Investec plc unless: (i) the Investec Limited Board consents; or (ii) the acquisition is pursuant to a procedure that applies to both Investec Limited Ordinary Shares and Investec plc Ordinary Shares in accordance with the South African Companies Act and the City Code (as applicable) whereby the Investec Limited Ordinary Shareholders and the Investec plc Ordinary Shareholders are afforded equivalent treatment. Any Investec Limited Ordinary Shares acquired by a Third Party in contravention of this provision of the Investec Limited MoI will be transferred to a trustee and Investec Limited may then direct the trustee to sell such Investec Limited Ordinary Shares with the net sale of proceeds being paid to the Third Party.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

1. GENERAL

This document and the accompanying documents do not constitute an offer or form part of any offer or invitation to purchase, subscribe for, sell or issue, or a solicitation of any offer to purchase, subscribe for, sell or issue, any securities pursuant to this document or otherwise in any jurisdiction in which such offer or solicitation is unlawful. This document does not constitute a prospectus or a prospectus equivalent document.

The statements contained herein are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set forth herein since such date or to any implication that any change in such facts since such date will be published except insofar as this is required to be done by the UKLA Rules or the JSE Listings Requirements. Nothing contained in this document shall be deemed to be a forecast, projection or estimate of the future financial performance of Investec Bank and Wealth or Ninety One or their respective groups except where otherwise stated.

Apart from the responsibilities and liabilities, if any, which may be imposed on J.P. Morgan Cazenove or Fenchurch Advisory by FSMA or the regulatory regime established thereunder, none of J.P. Morgan Cazenove or Fenchurch Advisory or any person affiliated with either of them accepts any responsibility whatsoever nor makes any representation or warranty, express or implied, in respect of the contents of this document and/or any information incorporated by reference, including its accuracy, completeness or verification or for any other statement made or purported to be made by any of them, or on behalf of any of them, in connection with Investec, Ninety One and/or their respective groups and/or the Proposals, the Proposals or its constituent parts and nothing in this document is or shall be relied upon as a promise or representation in this respect, whether as to the past, present or future. J.P. Morgan Cazenove and Fenchurch Advisory accordingly disclaim, to the fullest extent permitted by applicable law, all and any responsibility and liability whatsoever, whether arising in tort, delict, contract or otherwise (save as referred to above), which either might otherwise have in respect of this document.

The contents of this document are not to be construed as legal, business or tax advice. You should consult your own legal adviser, financial adviser or tax adviser for advice.

Investors should only rely on the information contained in this document and any document incorporated into this document by reference. Without limitation to the foregoing, reliance should not be placed on any information in announcements released by Investec or any other person prior to the date hereof, except to the extent that such information is repeated or incorporated by reference into this document. No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised. Subject to the UKLA Rules and the JSE Listings Requirements, the publication of this document shall not, in any circumstances, create any implication that there has been no change in the affairs of Investec or any member of Investec, including Ninety One, since the date of this document or that the information in it and incorporated by reference herein is correct as of any subsequent date. Ninety One will comply with its obligation to publish a supplementary prospectus containing further updated information required by law or by any regulatory authority, but assumes no further obligation to publish additional information.

2. PRESENTATION OF FINANCIAL INFORMATION

Unless otherwise indicated, financial information in this document has been prepared in accordance with IFRS, and in pounds sterling. Unless otherwise indicated, all unaudited financial information in this document has been extracted without material adjustment from Investec's accounting records. Prospective investors should ensure that they read the whole of this document and do not just rely on key information or information summarised within it.

3. CURRENCIES

All references to "pounds", "pounds sterling", "sterling", "£", "GBP", "pence", "penny" and "p" are to the lawful currency of the UK, and all references to "US dollars", "$", "US$", "US cents" or "US c" are to the lawful currency of the United States. All references to "Euro" are to the single currency of the member states of the European Union participating in the third stage of economic and monetary union pursuant to the Treaty of Rome of 25 March 1957 establishing the European Economic Community, as amended and supplemented from time to time. All references to "South African Rand", "Rand", "R", "R cents", "R c" and "ZAR" are to the lawful currency of South Africa.

4. ROUNDING

Certain data in this document, including financial, statistical and operating information has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100%.

5. NO INCORPORATION OF WEBSITE INFORMATION

Except as otherwise stated, the contents of Investec Group's websites do not form part of this document.

6. DEFINITIONS AND GLOSSARY

Certain terms used in this document, including all capitalised terms and certain technical and other items, are defined and explained in Part XVIII of this document.

7. INFORMATION NOT CONTAINED IN THIS DOCUMENT

No person has been authorised to give any information or make any representation other than those contained in this document and, if given or made, such information or representation must not be relied upon as having been so authorised. Neither the delivery of this document nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Investec since the date of this document or that the information in this document is correct as of any time subsequent to the date hereof.

8. CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "anticipates", "believes", "estimates", "expects", "intends", "may", "plans", "projects", "should" or "will", or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include, but are not limited to, statements regarding Investec Bank and Wealth's and/or Ninety One's and their respective groups' intentions, beliefs or current expectations concerning, amongst other things, operating results, prospects, growth, strategies and expectations of their respective businesses.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of Investec and/or Ninety One and their respective groups' operations and the development of the markets and the industries in which they operate or are likely to operate may differ materially from those described in, or suggested by, the forward-looking statements contained in this document. In addition, even if the operating results and the development of the markets and the industries in which Investec Bank and Wealth and/or Ninety One and their respective groups operate are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, general economic and business conditions, political conditions, industry trends, competition, changes in regulation, currency fluctuations or advancements in research and development and the other factors discussed in Part VI of this document and elsewhere in this document.

Forward-looking statements may, and often do, differ materially from actual results. Any forward-looking statements in this document reflect Investec's and/or Ninety One's and their respective groups' current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to Investec plc and/or Ninety One and/or their respective groups' operations, operating results and growth strategy. Investec Shareholders should specifically consider the factors identified in this document which could cause actual results to differ before making a decision on the Proposals.

None of Investec Bank and Wealth, Ninety One nor any member of their respective groups undertakes or is subject to any obligation to update the forward-looking statements to reflect actual results or any change in events, conditions or assumptions or other factors unless otherwise required by the UKLA Rules, the JSE Listings Requirements or the Market Abuse Regulation.

Investec Shareholders should note that the contents of these paragraphs relating to forward-looking statements are not intended to qualify the statements made as to sufficiency of working capital in this document.

9. INVESTEC AND NINETY ONE SHARES

The number of Ninety One plc Shares for which applications have been made to the FCA for listing on the premium listing segment of the UK Official List and to the London Stock Exchange for admission to trading on its main market for listed securities and to JSE Limited and the SARB for secondary listing and admission to trading on the main board of the Johannesburg Stock Exchange has been calculated on the basis of 696,082,618 Investec plc Ordinary Shares in issue on 22 November 2019 (being the latest practicable date prior to the publication of this document).

The number of Ninety One Limited Shares for which application have been made to JSE Limited and the SARB for primary listing and admission to trading on the main board of the Johannesburg Stock Exchange has been calculated on the basis of 318,904,709 Investec Limited Ordinary Shares in issue on 22 November 2019 (being the latest practicable date prior to the publication of this document).

Statements relating to percentage interests in the issued share capital of Investec and Ninety One are calculated on the basis of 1,014,987,327 Investec Ordinary Shares in issue on 22 November 2019 (being the latest practicable date prior to the publication of this document).

HISTORICAL FINANCIAL INFORMATION OF THE NINETY ONE BUSINESS

For the purposes of this Part X, the presentation of historical financial information is consistent with Investec's historical presentation of financial information, which differs to that utilised for the historical financial information of the Ninety One Business presented as a standalone business, as shown in Part XVII of this document, which is presented in a manner consistent with market practice for asset management businesses.

The following historical financial information relating to the Ninety One Business has been extracted without material adjustment from the consolidation schedules that underlie Investec Group's audited consolidated financial statements for the financial years ended 31 March 2017, 31 March 2018 and 31 March 2019 and the unaudited consolidated interim financial information for the six-month period ended 30 September 2019.

The historical financial information in this Part X for the financial years ended 31 March 2017, 31 March 2018 and 31 March 2019 and the six-month period ended 30 September 2019 has been prepared applying the IFRS accounting principles used to prepare Investec Group's latest consolidated financial statements for the year ended 31 March 2019, noting that:

(I) Investec Group adopted IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers, effective 1 April 2018, and, as permitted under the standards, applied the standards by recognising the cumulative effects of the initial application as adjustments to the opening balance of equity as of 1 April 2018. The adoption of these standards did not necessitate the restatement of comparative periods; and

(II) Investec Group adopted IFRS 16 Leases, effective 1 April 2019 and, as permitted under this standard, applied the standard by recognising the cumulative effect of the initial application as an adjustment to the opening balance of equity as of 1 April 2019. The adoption of this standard did not necessitate the restatement of comparative periods.

The financial information contained in this Part X does not constitute statutory accounts within the meaning of section 434 of the UK Companies Act.

The audited consolidated statutory statements of Investec Group in respect of the years ended 31 March 2017, 31 March 2018 and 31 March 2019 have been delivered to the UK Registrar of Companies. The auditors' reports in respect of those statutory accounts for the three years ended 31 March 2019 were unqualified and did not contain statements under section 498(2) or (3) of the UK Companies Act. Ernst & Young LLP were the auditors of Investec Group in respect of the three years ended 31 March 2019.

Investec Shareholders should read the whole of this document and not rely solely on the summarised financial information set out in this Part X.

1. UNAUDITED INCOME STATEMENTS OF THE NINETY ONE BUSINESS FOR THE FINANCIAL YEARS ENDED 31 MARCH 2017, 31 MARCH 2018 AND 31 MARCH 2019 AND THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER 2019

	Year ended 31 March			Six months ended 30 September
	2017	2018	2019	2019
	(£'000)			
Interest income	5,315	5,493	5,683	2,386
Interest expense	(197)	(22)	–	(1,391)
Net interest income	5,118	5,471	5,683	995
Net fee and commission income	484,872	537,134	556,901	299,375
Investment income/(loss)	143	(15)	25	(150)
Share of post tax operating profit of associates	–	–	–	–
Trading income/(loss) arising from				
– client flow	–	–	–	–
– balance sheet management and other trading activities	2,213	(5,077)	5,058	3,959
Other operating income	5,644	2,165	5,395	4,406
Total operating income before impairment losses on loans and advances	497,990	539,678	573,062	308,585
Expected credit loss impairment release	–	–	6	–
Operating income	497,990	539,678	573,068	308,585
Operating costs	(333,166)	(361,633)	(393,706)	(211,256)
Depreciation on operating leased assets	–	–	–	–
Operating profit before goodwill, acquired intangibles and strategic actions	164,824	178,045	179,362	97,329
Impairment of goodwill	(1,614)	–	–	–
Amortisation of acquired intangibles	–	–	–	–
Operating profit	163,210	178,045	179,362	97,329
Non-operational costs	–	–	(951)	(5,386)
Profit before taxation	163,210	178,045	178,411	91,943
Taxation on operating profit before goodwill, acquired intangibles and strategic actions	(35,577)	(37,857)	(38,652)	(19,665)
Taxation on goodwill, acquired intangibles and strategic actions	–	–	357	–
Profit after taxation	127,633	140,188	140,116	72,278
Profit attributable to other non-controlling interests	(20,291)	(23,817)	(25,658)	(15,172)
Earnings attributable to shareholders	107,342	116,371	114,458	57,106

Notes:

1 *The income statements presented above are unaudited.*

2 *Intercompany transactions between entities within the Ninety One Business have been eliminated in the income statements.*

3 *Revenue earned from and costs incurred from transactions between the Ninety One Business and other entities within Investec Group have not been eliminated in the income statements, as they reflect trading between the Ninety One Business and Investec Group historically.*

4 *The income statements do not reflect any allocation of Investec Group costs to the Ninety One Business , other than such costs that are directly attributable to the Ninety One Business to reflect services provided by Investec Group to the Ninety One Business. The results of the Ninety One Business may have been different had the Ninety One Business operated as a separate group during the periods presented.*

2. UNAUDITED STATEMENTS OF FINANCIAL POSITION OF THE NINETY ONE BUSINESS AS AT 31 MARCH 2019 AND 30 SEPTEMBER 2019

	As at 31 March 2019	As at 30 September 2019
	(£'000)	
Assets		
Cash and balances at central banks	2	3
Loans and advances to banks	275,384	233,198
Non-sovereign and non-bank cash placements	–	–
Reverse repurchase agreements and cash collateral on securities borrowed	–	–
Sovereign debt securities	–	–
Bank debt securities	–	–
Other debt securities	–	–
Derivative financial instruments	–	–
Securities arising from trading activities	–	–
Investment portfolio	1,238	2,226
Loans and advances to clients	–	–
Own originated loans and advances to clients securitised	–	–
Other loans and advances	–	–
Other securitised assets	–	–
Interests in associated undertakings	37	37
Deferred taxation assets	25,409	21,956
Other assets	265,243	267,360
Property and equipment	7,710	91,228
Investment properties	–	–
Goodwill	88,045	88,045
Intangible assets	–	–
Total assets	663,068	704,053
Other financial instruments at fair value through profit or loss in respect of liabilities to clients	8,187,952	8,621,376
Total assets	8,851,020	9,325,429
Liabilities		
Deposits by banks	11,535	12,163
Derivative financial instruments	–	–
Other trading liabilities	–	–
Repurchase agreements and cash collateral on securities lent	–	–
Client accounts (deposits)	–	–
Debt securities in issue	–	–
Liabilities arising on securitisation of own originated loans and advances	–	–
Liabilities arising on securitisation of other assets	–	–
Current taxation liabilities	11,598	3,783
Deferred taxation liabilities	105	97
Other liabilities	356,140	397,589
	379,378	413,632
Liabilities to clients under investment contracts	8,187,952	8,621,376
Insurance liabilities, including unit-linked liabilities	–	–
	8,567,330	9,035,008
Subordinated liabilities	–	–
Total liabilities	8,567,330	9,035,008
Net assets	283,690	290,421

Notes:

1 *The statements of financial position presented above are unaudited.*

2 *Intercompany balances between entities within the Ninety One Business have been eliminated in the statement of financial position.*

3 *Balances between the Ninety One Business and other entities within Investec Group have not been eliminated.*

4 *The statement of financial position above includes goodwill in relation to the Ninety One Business , which results from consolidation at the Investec Group level. This goodwill will be derecognised upon deconsolidation of the Ninety One Business from Investec.*

HISTORICAL FINANCIAL INFORMATION OF INVESTEC BANK AND WEALTH

The following historical financial information relating to Investec Bank and Wealth has been extracted without material adjustment from the consolidation schedules that underlie Investec Group's audited combined consolidated financial statements for the financial years ended 31 March 2017, 31 March 2018 and 31 March 2019 and the unaudited combined consolidated interim results for the six-month period ended 30 September 2019.

The historical financial information in this Part XI for the financial years ended 31 March 2017, 31 March 2018 and 31 March 2019 and the six-month period ended 30 September 2019 has been prepared applying the IFRS accounting principles used to prepare Investec Group's latest consolidated financial statements for the year ended 31 March 2019, save that:

(I) Investec Group adopted IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers, effective 1 April 2018 and, as permitted under the standards, applied the standards by recognising the cumulative effects of initial application as adjustments to the opening balance of equity as of 1 April 2018. The adoption of these standards did not necessitate the restatement of comparative periods;

(II) Investec Group adopted IFRS 16 Leases, effective 1 April 2019, and, as permitted under this standard, applied the standard by recognising the cumulative effect of initial application as an adjustment to the opening balance of equity as of 1 April 2019. The adoption of this standard did not necessitate the restatement of comparative periods; and

(III) for the six-month period ended 30 September 2019, Investec Group has restated certain income statement line items for (a) the reclassification of certain items of income and expense in relation to group restructuring; and (b) the impact of amendments to IAS 12 Income Taxes. The historical financial information set out in this Part XI for Investec Bank and Wealth for the period ended 31 March 2019 is presented on both original and restated bases.

The financial information contained in this Part XI does not constitute statutory accounts within the meaning of section 434 of the UK Companies Act. The audited combined consolidated statutory financial statements of Investec Group in respect of the years ended 31 March 2017, 31 March 2018 and 31 March 2019 have been delivered to the UK Registrar of Companies. The auditor's reports in respect of those statutory accounts for the three years ended 31 March 2019 were unqualified and did not contain statements under section 498(2) or (3) of the UK Companies Act. Ernst & Young LLP were the auditors of Investec Group in respect of the three years ended 31 March 2019.

Investec Shareholders should read the whole of this document and not rely solely on the summarised financial information set out in this Part XI.

1. UNAUDITED INCOME STATEMENTS OF INVESTEC BANK AND WEALTH FOR THE FINANCIAL YEARS ENDED 31 MARCH 2017, 31 MARCH 2018 AND 31 MARCH 2019 AND THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER 2019

	Year ended 31 March				Six months ended 30 September
	2017	2018	2019	2019 (restated)	2019
			(£'000)		
Interest income	2,225,450	2,485,516	2,636,243	2,636,246	1,379,676
Interest expense	(1,550,673)	(1,730,589	(1,826,499)	(1,819,597)	(954,027)
Net interest income	674,777	754,927	809,744	816,649	425,649
Fee and commission income	815,914	855,202	858,603	831,663	422,133
Fee and commission expense	(29,262)	(31,129)	(41,952)	(39,005)	(26,408)
Investment income	136,060	130,063	49,960	107,819	57,079
Share of post tax operating profit of associates	18,890	46,823	68,317	68,167	17,754
Trading income arising from – customer flow	158,001	138,226	120,662	120,662	62,771
– balance sheet management and other trading activities	6,005	770	36,908	36,829	(2,318)
Other operating income	7,839	8,950	11,036	11,036	2,609
Total operating income before impairment losses on loans and advances	1,788,224	1,903,832	1,913,278	1,953,820	959,269
Expected credit loss impairment charges	–	–	(66,458)	(66,458)	(31,021)
Impairment losses on loans and advances	(111,454)	(148,556)	–	–	–
Operating income	1,676,770	1,755,276	1,846,820	1,887,362	928,248
Operating costs	(1,180,065)	(1,271,107)	(1,301,306)	(1,274,517)	(622,247)
Depreciation on operating leased assets	(2,169)	(2,421)	(2,157)	,(2,157)	(845)
Operating profit before goodwill, acquired intangibles and strategic actions	494,536	481,748	543,357	610,688	305,156
Impairment of goodwill	(3,135)	–	(155)	(155)	–
Amortisation of acquired intangibles	(17,197)	(16,255)	(15,816)	(15,816)	(7,954)
Closure and run down of the Hong Kong direct investments business	–	–	–	(65,593)	(49,469)
Operating profit	474,204	465,493	527,386	529,124	247,733
Financial impact of group restructures	–	(6,039)	(17,995)	(20,330)	9,564

	Year ended 31 March				Six months ended 30 September
	2017	2018	2019	2019 (restated)	2019
			(£'000)		
Profit before taxation	474,204	459,454	509,391	508,794	257,297
Taxation on operating profit before goodwill, acquired intangibles and strategic actions	(82,911)	(21,242)	(39,915)	(49,128)	(42,709)
Taxation on goodwill, acquired intangibles and strategic actions	4,070	3,253	5,622	18,399	13,328
Profit after taxation	395,363	441,465	475,098	478,065	227,916
Profit attributable to other non-controlling interests	(60,239)	(52,288)	(58,192)	(58,192)	(28,863)
Earnings attributable to shareholders	335,124	389,177	416,906	419,873	199,053

Notes:

1 *The income statements presented above are unaudited.*

2 *Intercompany transactions between entities within Investec Bank and Wealth have been eliminated in the income statements.*

3 *Revenue earned and costs incurred from transactions between Investec Bank and Wealth and entities within the Ninety One Group have not been eliminated in the income statements, as they reflect trading between Investec Bank and Wealth and the Ninety One Group historically.*

4 *The income statements reflect the allocation of all Investec Group costs to Investec Bank and Wealth, as such costs are attributable to Investec Bank and Wealth. The results of Investec Bank and Wealth may have been different had Investec Bank and Wealth operated as a separate group, excluding the Ninety One Group, during the periods presented.*

5 *For the six-month period ended 30 September 2019, Investec Group amended the presentation of certain income statement line items for: (a) the reclassification of certain items of income and expense in relation to group restructuring; and (b) the impact of amendments to IAS 12 (Income Taxes). The historical financial information for the period ended 31 March 2019 is presented on both original and restated bases. The historical financial information for the six-month period ended 30 September 2019 is presented on the amended basis only.*

2. UNAUDITED BALANCE SHEETS OF INVESTEC BANK AND WEALTH AS AT 31 MARCH 2019 AND 30 SEPTEMBER 2019

	As at 31 March 2019	As at 30 September 2019
	(£'000)	
Assets		
Cash and balances at central banks	4,992,818	3,988,829
Loans and advances to banks	2,047,437	2,009,676
Non-sovereign and non-bank cash placements	648,547	678,717
Reverse repurchase agreements and cash collateral on securities borrowed	1,768,748	1,621,424
Sovereign debt securities	4,538,223	5,987,916
Bank debt securities	717,313	619,328
Other debt securities	1,220,651	1,234,781
Derivative financial instruments	1,034,166	1,256,794
Securities arising from trading activities	1,859,254	1,762,831
Investment portfolio	1,027,738	944,273
Loans and advances to customers	24,534,753	25,065,947
Own originated loans and advances to customers securitised	407,869	378,171
Other loans and advances	195,693	145,034
Other securitised assets	133,804	133,523
Interests in associated undertakings	387,713	407,706
Deferred taxation assets	223,484	238,810
Other assets	1,470,713	2,125,988
Property and equipment	253,940	393,131
Investment properties	994,645	1,000,603
Goodwill	278,825	272,083
Intangible assets	107,237	99,266
Total assets	48,843,571	50,364,831
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	29,621	36,503
Total assets	48,873,192	50,401,334
Liabilities		
Deposits by banks	3,004,771	2,917,017
Derivative financial instruments	1,277,233	1,729,053
Other trading liabilities	672,405	700,611
Repurchase agreements and cash collateral on securities lent	1,105,063	983,895
Customer accounts (deposits)	31,307,107	32,039,291
Debt securities in issue	3,073,427	2,936,598
Liabilities arising on securitisation of own originated loans and advances	91,522	79,667
Liabilities arising on securitisation of other assets	113,711	116,544
Current taxation liabilities	150,850	162,699
Deferred taxation liabilities	23,485	23,097
Other liabilities	1,409,402	2,001,417
	42,228,976	43,689,889
Liabilities to customers under investment contracts	26,682	28,709
Insurance liabilities, including unit-linked liabilities	2,939	7,794
	42,258,597	43,726,392
Subordinated liabilities	1,647,271	1,594,961
Total liabilities	43,905,868	45,321,353
Net assets	4,967,324	5,079,981

Notes:

1 *The net asset statements presented above are unaudited.*

2 *Intercompany balances between entities within Investec Bank and Wealth have been eliminated in the net asset statements.*

3 *Balances between Investec Bank and Wealth and entities within the Ninety One Group have not been eliminated.*

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF INVESTEC

SECTION A: Unaudited Pro Forma Financial Information of Investec

The unaudited pro forma information set out below (the "**Pro Forma Financial Information**") has been prepared to illustrate the impact of:

- the Demerger; and
- the Ninety One Share Sale,

(together, the "**Transactions**") on: (i) the unaudited combined consolidated balance sheet of Investec Group as at 30 September 2019 as if the Transactions had taken place on 30 September 2019; and (ii) the unaudited combined consolidated income statement of Investec Group for the six months ended 30 September 2019 as if the Transactions had taken place on 1 April 2019.

The Pro Forma Financial Information has been prepared for the purposes of, and in accordance with, both the JSE Listings Requirements and Annex 20 of the Commission Delegated Regulation (EU) 2019/980 as applied by UK Listing Rule 13.3.3R. Whilst the basis of preparation under these two regimes differs (as set out below), it has not resulted in any differences to the preparation of the Pro Forma Financial Information.

- For the purposes of Annex 20 of the Commission Delegated Regulation (EU) 2019/980 as applied by UK Listing Rule 13.3.3R, the Pro Forma Financial Information has been compiled on a basis consistent with the accounting policies of Investec Group that will be used to prepare the combined consolidated financial statements of Investec Group for the year ended 31 March 2020 and in accordance with Annex 20 of the Commission Delegated Regulation (EU) 2019/980 and Listing Rule 13.3.3R and on the basis of the notes to the Pro Forma Financial Information.
- For the purposes of the JSE Listings Requirements, the Pro Forma Financial Information has been prepared using the accounting policies of Investec Group, which comply with IFRS and are consistent with those applied in the reviewed combined consolidated financial results of Investec Group for the six months ended 30 September 2019.

In compiling the unaudited pro forma combined consolidated balance sheet of Investec Group as at 30 September 2019, pro forma adjustments denominated in South African Rand have been translated into Sterling at the exchange rate prevailing at 30 September 2019 (£1 = R18.6875). Pro forma adjustments made to the unaudited combined consolidated income statement that are denominated in South African Rand have been translated into Sterling at the exchange rate prevailing at 1 April 2019 (£1 = R18.7984), except for the adjustment to deconsolidate the results of IAM SA, which have been removed at the historical exchange rates that was applied when prepared.

The Pro Forma Financial Information has been prepared for illustrative purposes only and, because of its nature, may not fairly represent Investec Group's financial position, changes in equity, operating results or cash flows.

The Pro Forma Financial Information has been prepared for illustrative purposes only and because of its nature addresses a hypothetical situation and, therefore, does not represent Investec Group's actual financial position or results.

The reporting requirements under which the reporting accountants' reports are prepared for the purposes of the JSE Listings Requirements and the Commission Delegated Regulation (EU) 2019/980 as applied by UK Listing Rule 13.3.3R are different, necessitating the issuance of the following reports:

- for the purposes of section 3 of Annex 20 of the Commission Delegated Regulation (EU) 2019/980 as applied by UK Listing Rule 13.3.3R, Ernst & Young LLP's report on the Pro Forma Financial Information is set out in Section B of this Part XII; and
- for the purposes of the JSE Listings Requirements, Ernst & Young Inc.'s independent reporting accountant's report on the Pro Forma Financial Information is set out in Section C of this Part XII.

The Directors of Investec plc and Investec Limited are responsible for the Pro Forma Financial Information included in this Section A of this Part XII.

Investec Shareholders should read the whole of this Circular and not rely solely on the Pro Forma Financial Information contained in this Section A of this Part XII.

The Investec results for the half year ended 30 September 2019 were subject to a review performed by the external auditors Ernst & Young LLP and Ernst & Young Inc. The respective review opinions were issued on 20 November 2019.

1. UNAUDITED PRO FORMA COMBINED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2019

		Adjustments			
£'000	**Investec Group as at 30 Sept 2019 Reviewed**	**Demerger Pro forma**	**Ninety One Share Sale Pro forma**	**Combined balance sheet of IAM UK and IAM SA as at 30 Sept 2019 Pro forma**	**Investec Group after Pro Forma Adjustments Pro forma**
	Note 1.	Note 2.	Note 3.	Note 4.	Note 11.
Assets					
Cash and balances at central banks	3,988,832	–	–	(3)	3,988,829
Loans and advances to banks	2,242,874	(34,594)	176,854	(233,198)	2,151,936
Non-sovereign and non-bank cash placements	678,717	–	–	–	678,717
Reverse repurchase agreements and cash collateral on securities borrowed	1,621,424	–	–	–	1,621,424
Sovereign debt securities	5,987,916	–	–	–	5,987,916
Bank debt securities	619,328	–	–	–	619,328
Other debt securities	1,234,781	–	–	–	1,234,781
Derivative financial instruments	1,256,794	–	–	–	1,256,794
Securities arising from trading activities	1,762,831	–	–	–	1,762,831
Investment portfolio	946,499	–	357,945	(2,226)	1,302,218
Loans and advances to customers	25,065,947	–	–	–	25,065,947
Own originated loans and advances to customers securitised	378,171	–	–	–	378,171
Other loans and advances	145,034	–	–	–	145,034
Other securitised assets	133,523	–	–	–	133,523
Interests in associated undertakings	407,743	547,032	(547,032)	(37)	407,706
Deferred taxation assets	260,766	–	–	(21,956)	238,810
Other assets	2,393,348	3,358	–	(267,360)	2,129,346
Property and equipment	484,359	–	–	(91,228)	393,131
Investment properties	1,000,603	–	–	–	1,000,603
Goodwill	360,128	–	–	(88,045)	272,083
Intangible assets	99,266	–	–	–	99,266
	51,068,884	515,796	(12,233)	(704,053)	50,868,394
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	8,657,879	–	–	(8,621,376)	36,503

£'000	Investec Group as at 30 Sept 2019 Reviewed	Adjustments: Demerger Pro forma	Adjustments: Ninety One Share Sale Pro forma	Adjustments: Combined balance sheet of IAM UK and IAM SA as at 30 Sept 2019 Pro forma	Investec Group after Pro Forma Adjustments Pro forma
	Note 1.	Note 2.	Note 3.	Note 4.	Note 11.
	59,726,763	515,796	(12,233)	(9,325,429)	50,904,897
Liabilities					
Deposits by banks	(2,929,180)	–	–	12,163	(2,917,017)
Derivative financial instruments	(1,729,053)	–	–	–	(1,729,053)
Other trading liabilities	(700,611)	–	–	–	(700,611)
Repurchase agreements and cash collateral on securities lent	(983,895)	–	–	–	(983,895)
Customer accounts (deposits)	(32,039,291)	–	–	–	(32,039,291)
Debt securities in issue	(2,936,491)	–	–	–	(2,936,491)
Liabilities arising on securitisation of own originated loans and advances	(79,667)	–	–	–	(79,667)
Liabilities arising on securitisation of other assets	(116,544)	–	–	–	(116,544)
Current taxation liabilities	(166,482)		–	3,783	(162,699)
Deferred taxation liabilities	(23,194)	(27,328)	12,233	97	(38,192)
Other liabilities	(2,399,113)	(32,947)	–	397,589	(2,034,471)
	(44,103,521)	(60,275)	12,233	413,632	(43,737,931)
Liabilities to customers under investment contracts	(8,650,085)	–	–	8,621,376	(28,709)
Insurance liabilities, including unit-linked liabilities	(7,794)	–	–	–	(7,794)
	(52,761,400)	(60,275)	12,233	9,035,008	(43,774,434)
Subordinated liabilities	(1,594,961)	–	–	–	(1,594,961)
	(54,356,361)	(60,275)	12,233	9,035,008	(45,369,395)
Equity					
Ordinary share capital	(247)	–	–	–	(247)
Perpetual preference share capital	(31)	–	–	–	(31)
Share premium	(2,531,324)	1,182,690	–	–	(1,348,634)
Treasury shares	284,430	–	–	–	284,430
Other reserves	557,009	(22,556)	–	–	534,453
Retained income	(2,730,044)	(1,388,269)	–	–	(4,118,313)
Shareholders' equity excluding non-controlling interests	(4,420,207)	(228,135)	–	–	(4,648,342)
Other Additional Tier 1 securities in issue	(304,047)	–	–	–	(304,047)
Non-controlling interests	**(646,148)**	**63,035**	**–**	**–**	**(583,113)**
– Perpetual preferred securities issued by subsidiaries	(82,101)	–	–	–	(82,101)

£'000	Investec Group as at 30 Sept 2019 Reviewed	Adjustments: Demerger Pro forma	Adjustments: Ninety One Share Sale Pro forma	Adjustments: Combined balance sheet of IAM UK and IAM SA as at 30 Sept 2019 Pro forma	Investec Group after Pro Forma Adjustments Pro forma
	Note 1.	Note 2.	Note 3.	Note 4.	Note 11.
– Non-controlling interests in partially held subsidiaries	(564,047)	63,035	–	–	(501,012)
Total equity	(5,370,402)	(165,100)	–	–	(5,535,502)
Total liabilities and equity	(59,726,763)	(225,375)	12,233	9,035,008	(50,904,897)
Net Asset Value (NAV) (note 10)	4,420,207	228,135	–	–	4,648,342
Net Tangible Asset Value (NTAV) (note 10)	3,784,118	228,135	–	88,045	4,100,298
NAV per Investec Ordinary Share as at 30 September 2019 (pence)	448.3	24.2	–	–	472.5
NTAV (including software) per Investec Ordinary Share as at 30 September 2019 (pence)	401.5	24.2	–	9.3	435.0

Notes to the unaudited pro forma combined consolidated balance sheet:

1 The financial information relating to Investec Group has been extracted without adjustment from the unaudited combined consolidated Investec Group interim financial results for the six-month period ended 30 September 2019.

2 The steps required to effect the Demerger include:

- *internal group restructuring to move IAM SA under Ninety One Limited, an SA entity incorporated specifically to act as the JSE-listed company in the Ninety One DLC Structure, and to move IAM UK under Ninety One plc, a UK entity incorporated specifically to act as the London-listed company in the Ninety One DLC;*
- *the distribution of approximately 55%. of each of Ninety One plc and Ninety One Limited's total equity from Investec Group's total holding of 80%, in each case to the ordinary shareholders of Investec plc and Investec Limited respectively, resulting in the deconsolidation of Ninety One from Investec Group;*
- *the distributions are effected by way of capital reductions in both Investec plc and Investec Limited. Investec Group retains approximately 25%. holdings in each of Ninety One plc and Ninety One Limited (prior to the Ninety One Share Sale, see Note 3. below, and excluding holdings by the Investec employee trusts ("EBT"));*
- *roll-up of Forty Two Point Two's 20% holdings in each of IAM UK and IAM SA into Ninety One plc and Ninety One Limited, respectively; and*
- *tax effects as a result of the group restructuring and the distributions, and capital reductions in Investec plc and Investec Limited.*

The pro forma adjustments to the unaudited combined consolidated balance sheet as a result of these steps are set out below:

(i) The adjustment to Loans and advances to banks relates to the cash paid to settle transaction costs and stamp taxes incurred in connection with both the Demerger and the Ninety One Share Sale subsequent to 30 September 2019 of £34.594 million (including irrecoverable VAT, where incurred). The total transaction cost incurred in connection with the Demerger and Ninety One Share Sale are £46.658 million, with £12.064 million incurred and paid prior to 30 September 2019.

(ii) The adjustment to Interests in associated undertakings reflects the recognition of the value of Investec plc's remaining c.27% holding in Ninety One plc (c.3% of which is through Investec plc's EBT) and Investec Limited's remaining c.33% holding in Ninety One Limited (c.6% of which is through Investec Limited's EBT). The investments in Ninety One plc and Ninety One Limited as associated undertakings are recognised at fair value of £343.612 million and £203.420 million respectively. The fair value is calculated on the basis of Investec Group's valuation of the Ninety One businesses as at 25 October 2019 by applying a price earnings ratio valuation methodology. The actual valuation will only be determined at the point of the Demerger and subsequent listings of Ninety One, which may result in materially different values to those shown.

(iii) The adjustment of £27.328 million to Deferred taxation liabilities relates to a deferred tax liability recognised by Investec Limited at the point of recognition of the investment in an associated undertaking in Ninety One Limited, in relation to this holding in Ninety One Limited. The tax impact is based on relevant tax legislation in the United Kingdom and South Africa.

(iv) Share awards outstanding at the date of the demerger as issued under the Investec Share Plans will continue after the Demerger, modified such that the awards are over a combination of Investec Ordinary Shares and Ninety One Shares, in the same ratio as received by the holders of Investec Ordinary Shares. As a result of this change to the Investec Share Plans, the part of the awards that relate to Ninety One Shares, in either Ninety One plc or Ninety One Limited is accounted for as a liability under the requirements

of IAS 19 Employee Benefits. The liability of £32.947 million reflects the fair value of all unvested options, calculated on the basis of Investec Group's valuation of the Ninety One businesses as at 25 October 2019. The actual valuation will only be determined at the point of the Demerger and subsequent listings of Ninety One, which may result in a materially different value to that shown.

(v) *The adjustment to Share premium of £1,182.690 million relates to capital reductions by Investec plc and Investec Limited to effect the distribution of c.56% of Ninety One plc's total equity and c.53% of Ninety One Limited's total equity from the total 80% of Investec Group's holding in each, to the ordinary shareholders of Investec plc and Investec Limited's respectively. The fair value of Investec Group's holdings in Ninety One plc and Ninety One Limited to be distributed, is calculated on the basis of Investec Group's valuation of the Ninety One businesses as at 25 October 2019 to be £713.284 million for Ninety One plc (c.56% of £1,276 million) and £326.750 million for Ninety One Limited (c.53% of £615 million. The actual valuation will only be determined at the point of the Demerger and subsequent listings of Ninety One, which may result in a materially different capital reduction amounts to the adjustments shown.*

The remaining adjustment of £142.656 million to Share premium reflects 20% of the fair value of c.56% of Ninety One plc based on the valuation of Ninety One plc of £1,276 million. This amount is transferred from Share premium to Retained income to ensure that sufficient distributable reserves headroom is available to facilitate the distribution to shareholders.

(vi) *The £22.556 million adjustment to Other reserves relates to the recycling of the foreign currency translation reserve and the acceleration of vesting of share options. The adjustment of £19.198 million relates to recycling of foreign currency translation reserves for Ninety One entities due to the deconsolidation of these entities by Investec Group. The adjustment only relates to the portion of foreign currency translation reserve attributable to Investec Group, excluding the portion attributable to any non-controlling interest. The remaining adjustment of £3.358 million relates to the acceleration of vesting of share options granted to Investec Group employees whose employment will be transferred to Ninety One upon the Demerger. Ninety One will refund Investec Group for this amount, resulting in the corresponding adjustment to other assets. There is no income statement impact in connection with the acceleration of vesting of these share options due to the refund.*

(vii) *The adjustment to Non-controlling interests represents the de-recognition of £63.035 million of non-controlling interest balances relating to Ninety One which was previously reflected in the Investec Group results in connection with Forty Two Point Two's 20% (less 1 share) holdings of IAM UK and IAM SA.*

(viii) *The adjustment to Retained income of £1,388.269 million reflects the net effect of the impact of transaction costs of £34.594 million, deferred taxation expense of £27.328 million, the part of the capital reduction in Investec plc of £142.656 million credited to Retained income, the Investec Share Plan adjustment of £32.947 million and the gain on the loss of control of Ninety One £1,340.483 million. The gain on the loss of control of Ninety One, is set out below:*

	Note	**£'000**
Fair value of the distributions	*2.(v.)*	*1,040,034*
Net asset value of Ninety One derecognised previously consolidated at 30 September 2019 (including Goodwill)	*2.(ix.)*	*(290,420)*
Non-controlling interest derecognised previously included in the consolidation of Ninety One at 30 September 2019	*2.(vii.)*	*63,035*
Foreign currency translation reserve recycled at 30 September 2019	*2.(vi.)*	*(19,198)*
Investment in associate measured at fair value (including holdings by Investec EBTs)	*2.(ii.)*	*547,032*
Gain on the distribution of Ninety One shares (before tax)		*1,340,483*

The Fair value of the distribution and the Investment in associate measured at fair value is calculated on the basis of Investec Group's valuation of the Ninety One businesses as at 25 October 2019 by applying a price earnings ratio valuation methodology. The actual valuation will only be determined at the point of the Demerger and subsequent listings of Ninety One, which may result in a materially different gain on distribution of Ninety One shares to the adjustment shown.

(ix) *The loss of control of Ninety One will result in the deconsolidation of Ninety One assets, liabilities and the income statement components previously consolidated by Investec Group, on a line-by-line basis. The impact of the deconsolidation of Ninety One is separately illustrated, see Note 4. below.*

3 *Following the Demerger, Investec Group expects to divest c.10% of the total issued share capital of Ninety One by way of a secondary cash placing of c.8% of Ninety One plc and c.13% of Ninety One Limited with institutional investors (collectively the Ninety One Share Sale).*

The adjustment to Loans and advances to banks reflects the estimated gross proceeds of £189.087 million as a result of the Ninety One Share Sale, calculated on the basis of the valuations of the Ninety One businesses as at 25 October 2019 of £1,276 million) for Ninety One plc and £615 million for Ninety One Limited. The actual value of the proceeds of the Ninety One Share Sale will only be determined at the point of the Demerger and subsequent listings of Ninety One, which may be materially different to the adjustment shown.

The adjustment to Loan and advances to banks also includes a £12.233 million payment of capital gains tax in connection with the sale of shares in Ninety One Limited, with the corresponding deferred tax liability derecognised.

As set out in Note 2ii., upon deconsolidation of Ninety One from Investec Group, Investec Group will retain a c.27% holding in Ninety One plc (c.3% of which is through Investec plc's EBT) and c.33% holding in Ninety One Limited (c.6% of which is through Investec Limited's EBT), each carried at fair value. For the purposes of the pro forma, it has been assumed that the gross proceeds from the Ninety One Share Sale is equal to the carrying value of that holding in Ninety One plc and Ninety One Limited by Investec Group, resulting in no profit or loss from the Ninety One Share Sale.

Transaction costs incurred in connection with the Ninety One Share Sale (including irrecoverable VAT, where incurred) are included with the total transaction costs presented as part of the Demerger adjustments, as set out in Note 7ii. below.

The adjustment to Interests in associated undertakings and Investment portfolio line items reflects the reclassification of Investec Group's remaining holdings in Ninety One plc and in Ninety One Limited (c.14% in Ninety One plc and c.10% in Ninety One Limited each including holdings through Investec EBTs), subsequent to the Ninety One Share Sale to be classified as an investment held at fair value.

At the same time as the Ninety One Share Sale, the Ninety One EBT may purchase shares to satisfy options and awards to be granted under the Ninety One Long-Term Incentive Plan including the awards of free shares to be granted to Ninety One employees upon completion of the Demerger. The precise number of Ninety One Shares to be sold to the Ninety One EBT will be determined in due course, based on the number of Ninety One Shares required by it to satisfy options and awards. For the purposes of the pro forma adjustments, it has been assumed that no Ninety One Shares are purchased by the Ninety One EBT.

4 *The adjustment represents the deconsolidation of the results of the Ninety One Business from the unaudited combined consolidated Investec Group interim financial results for the six-month period ended 30 September 2019 resulting from the loss of control of Ninety One.*

The financial information relating to the Ninety One Business has been extracted without adjustment from the consolidation schedules underlying the unaudited combined consolidated interim financial results of Investec Group for the six-month period ended 30 September 2019.

5 *The adjustments to the unaudited pro forma combined consolidated balance sheet as at 30 September 2019 impact Investec Group Common Equity Tier 1 ratios. The tables below shows the effect of the Transactions on the Common Equity Tier 1 ratios of each of Investec plc and Investec Limited.*

Investec plc			**Adjustments**			
£'million	**Notes**	**Investec plc as at 30 Sept 2019**	**Demerger**	**Ninety One share sale**	**Balance sheet of IAM UK as at 30 Sept 2019**	**Investec plc after Pro Forma Adjustments**
		Note i.	***Note ii.***	***Note iii.***	***Note iv.***	
Common Equity Tier 1 Capital		1,644	38	129	–	1,811
Risk Weighted Assets		15,713	372	59	(739)	15,405
CET1 Capital ratio	Note v	10.5%				11.8%
CET1 Capital ratio (excluding foreseeable dividends)	Note vi	10.7%				12.0%

Notes:

(i) The Common Equity Tier 1 ("CET1") capital and Risk Weighted Assets ("RWA") amounts have been computed based on the Regulation (EU) 575/2013 (referred to as "CRR"). The CET1 capital amount is based on the unaudited combined consolidated interim financial results of Investec plc for the period ended 30 September 2019 after (i) inclusion of profits for this period (£81.9 million), after verification by the statutory auditor, and (ii) deduction of proposed and foreseeable dividends (£37.0 million).

(ii) Adjustments have been made to CET1 Capital and RWA as a result of the Demerger steps as follows:

- *(a) A deduction of £158.9 million from CET1 Capital in accordance with CRR Article 48, as a result of IAM UK no longer being part of the Investec Group through the demerger and therefore treated as a Significant Investment under this Article.*
- *(b) Recognition of fair value gain on sale of investment of £286.8 million, profit on Investec EBT Assets of £36.1 million and goodwill reduction of £88.0 million in the income statement based on the assumption that such amounts are audited and accordingly eligible for inclusion as CET1 capital.*
- *(c) An adjustment of £528.0 million has been made to reduce RWA for Operational Risk RWA related to Ninety One plc on the assumption that PRA approves the reduction. Also, due to demerger, the portion of investment in Ninety One plc not deducted from CET1 capital has been risk weighted at 250% in accordance with CRR Article 48 and accordingly RWA has increased by £371.6 million.*
- *(d) The net impact on CET1 Capital of £38.0 million is on account of reversal of goodwill (£88.0 million) deducted from CET1 capital when IAM UK was part of the Investec plc consolidation group, reduction of £93.8 million in share premium as a result of the deconsolidation, reduction of non-controlling interests of £17.3 million and Investec EBT Assets of £16.7 million.*

(iii) As part of the Ninety One Share Sale, Investec plc is expected to sell a c.8.3% stake in Ninety One plc, which has the following effects:

- *(a) The classification of Investec plc's remaining holding in Ninety One plc remains as "significant" and accordingly considered for deduction in accordance with CRR Article 48. This has resulted in the reduction of £105.9 million in the CET1 capital. The resultant significant investment deduction has reduced from £158.9 million to £52.9 million.*
- *(b) The RWA impact on significant investment has gone up by £58.7 million due to increase in the CET1 threshold resulting in lower deduction from CET1 capital.*

(iv) This adjustment represents the impact on RWA as a result of the transfer of a portion of Investec plc's holding in IAM UK to Ninety One plc in exchange for Ninety One plc issuing shares to Investec plc ordinary shareholders, resulting in the deconsolidation of IAM UK from Investec plc.

(v) The CET1 Capital ratio has been calculated based on the Capital Requirement Regulatory 575/2013 (CRR) as CET1 Capital divided by Risk Weighted Assets.

(vi) The measure "CET1 Capital ratio (excluding foreseeable dividends)" has been calculated by adding back proposed and foreseeable dividend of £37.0m to CET1 Capital and dividing by Risk Weighted Assets.

Investec Limited		Adjustments			
R'million	Investec Limited as at 30 Sept 2019	Demerger	Ninety One Limited share sale	Balance sheet of IAM SA as at 30 Sept 2019	Investec Limited after Pro Forma Adjustments
	Note i.	*Note ii.*	*Note iii.*	*Note iv.*	*Note v.*
Common Equity Tier 1 Capital	36,211	3,167	–	(964)	38,414
Risk Weighted Assets	324,752	13,330	(6,322)	(6,180)	325,850
CET1 Capital ratio (excluding unappropriated profits)	11.2%				11.8%
CET1 Capital ratio (including unappropriated profits)	11.6%				12.3%

(i) *The Common Equity Tier 1 ("CET1") capital and Risk Weighted Assets ("RWA") amounts have been computed based on Gazette No.35950, 12 December 2012 and the Bank Act of South Africa, 1990 (Act No. 94 of 1990). The CET1 capital amount is based on the consolidated interim financial results of Investec Limited for the period ended 30 September 2019.*

(ii) *As a result of the Demerger, all equity movements flow through this column and accordingly the following adjustments have been made to CET1 Capital:*

- (a) *Recording the Ninety One Limited investment R9,194 million, net of tax and transaction costs the Ninety One Limited investment value is R8,704 million.*
- (b) *Distribution to shareholders of R5,694 million.*
- (c) *As a result of the recognition of Ninety One Limited Shares owned by Investec employee trusts on the balance sheet of Investec Limited and changes to the Investec Share Plans, a net positive adjustment of R439 million was recognised in equity due to the recognition of an asset for Ninety One Limited to be received of R742 million and a liability to be recognised of R303 million for share awards.*

(iii) *As a result of the proposed Ninety One Share Sale of 6%, Investec Investments' remaining share holding reduces to 3.9%:*

- (a) *Net impact on CET1 capital of 0.4%. Net impact on assets is nil as the proceeds on the sale of 6% equal the carrying value of the investment sold.*
- (b) *Decrease in RWA of R6,322 million due to a lower shareholding held.*

(iv) *This adjustment represents the deconsolidation of IAM SA's assets and liabilities resulting in the following decreases in RWAs (i) R1,827 million of credit risk; (ii) R22 million to equity risk; and (iii) R4,331 million to reflect the reduction in operational risk.*

(v) *The CET1 Capital Ratio is calculated as Investec Limited's CET1 Capital divided by the total of Investec Limited's Risk Weighted Assets.*

2. UNAUDITED PRO FORMA COMBINED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

		Adjustments			
£'000	Investec Group for the six months ended 30 Sept 2019 Reviewed	Demerger Pro forma	Ninety One share sale Pro forma	Combined income statement of IAM UK and IAM SA for the six months ended 30 Sept 2019 Pro forma	Investec Group after Pro Forma Adjustments Pro forma
	Note 6.	Note 7.	Note 8.	Note 9.	Note 11.
Interest income	(1,382,062)	–	–	2,387	(1,379,675)
Interest expense	955,418	–	–	(1,391)	954,027
Net interest income	(426,644)	–	–	996	(425,648)
Fee and commission income	(818,827)	–	–	299,375	(519,452)
Fee and commission expense	123,727	–	–	–	123,727
Investment income	(56,929)	–	–	(150)	(57,079)
Share of post-tax operating profit of associates and joint venture holdings	(17,754)	–	–	–	(17,754)
Trading income/(loss) arising from – customer flow	(62,771)	–	–	–	(62,771)
– balance sheet management and other trading activities	(1,641)	–	–	3,959	2,318
Other operating income	(7,015)	–	–	4,406	(2,609)
Total operating income before expected credit loss impairment charges	(1,267,854)	–	–	308,587	(959,267)
Expected credit loss impairment charges	31,021	–	–	–	31,021
Operating income	(1,236,833)	–	–	308,587	(928,246)
Operating costs	833,503	(112)	–	(211,256)	622,135
Depreciation on operating leased assets	845	–	–	–	845
Operating profit before goodwill, acquired intangibles and strategic actions	(402,485)	(112)	–	97,331	(305,266)
Impairment of goodwill	–	–	–	–	–
Amortisation of acquired intangibles	7,954	–	–	–	7,954
Closure and run down of the Hong Kong direct investments business	49,469	–	–	–	49,469

		Adjustments			
£'000	Investec Group for the six months ended 30 Sept 2019 Reviewed	Demerger Pro forma	Ninety One share sale Pro forma	Combined income statement of IAM UK and IAM SA for the six months ended 30 Sept 2019 Pro forma	Investec Group after Pro Forma Adjust-ments Pro forma
	Note 6.	Note 7.	Note 8.	Note 9.	Note 11.
Operating profit	(345,062)	(112)	–	97,331	(247,843)
Gain on loss of control of Ninety One	–	(1,338,961)	–	–	(1,338,961)
Additional costs on implementation of Ninety One demerger	–	34,594	–	–	34,594
Financial impact of group restructures	(4,178)	–	–	(5,386)	(9,564)
Profit before taxation	(349,240)	(1,304,479)	–	91,943	(1,561,776)
Taxation on operating profit before goodwill, acquired intangibles and strategic actions	62,374	–	–	(19,665)	42,709
Taxation on goodwill, acquired intangibles and strategic actions	(13,328)	27,184	–	–	13,856
Profit after taxation	(300,194)	(1,277,295)	–	72,278	(1,505,211)
Profit attributable to other non-controlling interests	28,863	–	–	–	28,863
Profit attributable to other Asset Management non-controlling interest	15,172	–	–	(15,172)	–
Earnings attributable to shareholders	(256,159)	(1,277,295)	–	57,106	(1,476,348)
Earnings per share (pence)					
– Basic	24.7	134.6	–	(6.0)	153.3
– Diluted	23.8	129.8	–	(5.8)	147.8
Headline earnings per share (pence) *(Note 10)*					
– Basic	22.7	–	–	(6.0)	16.7
– Diluted	21.9	–	–	(5.8)	16.1
Number of weighted average shares – (million) *(Note 10)*	948.3	–	–	–	948.3
Headline earnings reconciliation:					
Earnings attributable to shareholders	256,159	1,277,295	–	(57,106)	1,476,348
Preference dividends paid	(22,353)	–	–	–	(22,353)
Property revaluation, net of taxation and non-controlling interests	196	–	–	–	196

£'000	Investec Group for the six months ended 30 Sept 2019 Reviewed	Adjustments: Demerger Pro forma	Adjustments: Ninety One share sale Pro forma	Adjustments: Combined income statement of IAM UK and IAM SA for the six months ended 30 Sept 2019 Pro forma	Investec Group after Pro Forma Adjustments Pro forma
	Note 6.	Note 7.	Note 8.	Note 9.	Note 11.
Remove the impact of the unbundling (excluding transaction cost and the resulting employment benefit)	–	(1,277,183)	–	–	(1,277,183)
Financial impact of group restructures	(18,959)	–	–	–	(18,959)
Headline earnings	215,043	112	–	(57,106)	158,049
Adjusted earnings per share (pence) *(Note 10)*					
– Basic	28.9	–	–	(6.6)	22.3
– Diluted	27.8	–	–	(6.4)	21.4
Adjusted earnings reconciliation:					
Earnings attributable to shareholders	256,159	1,277,295	–	(57,106)	1,476,348
Amortisation of acquired intangibles	7,954	–	–	–	7,954
Fair value gain on holding in Ninety One following partial demerger	–	(1,338,961)	–	–	(1,338,961)
Additional costs on implementation of Ninety One demerger	–	34,594	–	–	34,594
Closure and run down of the Hong Kong direct investments business	49,469	–	–	–	49,469
Financial impact of group restructures	(4,178)	–	–	(5,386)	(9,564)
Taxation on acquired intangibles and implementation of Ninety One demerger	–	27,184	–	–	27,184
Taxation on acquired intangibles and acquisition/disposal/ integration of subsidiaries	(13,328)	–	–	–	(13,328)
Preference dividends paid	(22,353)	–	–	–	(22,353)
Accrual adjustment on earnings attributable to other equity holders	(111)	–	–	–	(111)
Adjusted earnings	273,612	112	–	(62,492)	(211,232)

Notes to the unaudited pro forma combined consolidated income statement:

6 *The financial information relating to Investec Group has been extracted without adjustment from the unaudited combined consolidated Investec Group interim financial results for the six-month period ended 30 September 2019.*

7 *The steps required to effect the Demerger include:*

- *internal group restructuring to move IAM SA under Ninety One Limited, an SA entity incorporated specifically to act as the JSE-listed company in the Ninety One DLC Structure, and to move IAM UK under Ninety One plc, a UK entity incorporated specifically to act as the London listed company in the Ninety One DLC;*
- *the distribution of approximately 55% of each of Ninety One plc and Ninety One Limited's total equity from Investec Group's total holding of 80% in each to the ordinary shareholders of Investec plc and Investec Limited respectively, resulting in the deconsolidation of IAM from Investec Group;*
- *the distributions are effected by way of capital reductions in both Investec plc and Investec Limited. Investec Group retains approximately 25% holdings in each of Ninety One plc and Ninety One Limited (prior to the Ninety One Share Sale, see Note 3. above, and excluding holdings by the Investec EBTs);*
- *roll-up of Forty Two Point Two's 20% holdings in each of IAM UK and IAM SA into Ninety One plc and Ninety One Limited, respectively; and*
- *tax effects as a result of the group restructuring and the distributions, and capital reductions in Investec plc and Investec Limited.*

The pro forma adjustments to the unaudited pro forma income statement as a result of these steps are set out below:

(i) *Unvested share awards at the date of the demerger as issued under the Investec Share Plans will continue after the Demerger, modified such that the awards are over a combination of Investec Ordinary Shares and Ninety One Shares in the same ratio as received by the holders of Investec Ordinary Shares. As a result of this change to the Investec Share Plans, the part of the awards that relate to Ninety One Shares is accounted for as a liability under the requirements of IAS 19 Employee Benefits. The adjustment of £0.112 million reflects the share based payment expense for unvested options for the six-month period to 30 September 2019. This employment related expense is expected to have a continuing impact.*

(ii) *The adjustment to Additional costs on implementation of Ninety One demerger relate to transaction costs and stamp taxes to be incurred after 30 September 2019 in connection with both the Demerger and the Ninety One Share Sale, of £34.594 million (including irrecoverable VAT, where incurred). The total transaction costs incurred in connection with the Demerger and Ninety One Share Sale are £46.658 million, with £12.064 million incurred prior to 30 September 2019. Transaction costs will not have a continuing impact.*

(iii) *The adjustment of £1,338.961 million to Gain on the loss of control of Ninety One relates to the gain recognised upon loss of control of Ninety One was lost in accordance with the principles of IFRS 10 Consolidated Financial Statements. This gain is calculated as follows:*

	£'000
Fair value of the distributions	*1,040,034*
Net asset value of Ninety One derecognised previously consolidated at 1 April 2019 (including Goodwill)	*(283,688)*
Non-controlling interest derecognised previously included in the consolidation of Ninety One at 1 April 2019	*54,787*
Foreign currency translation reserve recycled at 1 April 2019	*(19,204)*
Investment in associate measured at fair value (including holdings by Investec EBTs)	*547,032*
Gain on the distribution of Ninety One shares (before tax)	*1,338,961*

The Fair value of the distribution and the Investment in associate measured at fair value is calculated on the basis of Investec Group's valuation of the Ninety One businesses as at 25 October 2019. The actual valuation will only be determined at the point of the Demerger and subsequent listings of Ninety One, which may result in a materially different profit on distribution of Ninety One Shares to the adjustment shown.

The adjustment of £19.204 million relates to recycling of foreign currency translation reserves for Ninety One entities due to the deconsolidation of these entities by Investec Group. The adjustment only relates to the portion of foreign currency translation reserve attributable to Investec Group, excluding the portion attributable to any non-controlling interest.

The adjustment of £54.787 million represents the de-recognition of non-controlling interest balances relating to Ninety One previously reflected in Investec Group results in connection with Forty Two Point Two's 20% holdings of IAM UK and IAM SA.

The gain on distribution of Ninety One Shares will not have a continuing impact.

8 *Transaction costs incurred in connection with the Ninety One Share Sale (including irrecoverable VAT, where incurred) are part of the total transaction costs presented as part of the Demerger adjustments, as set out in Note 7.ii. above. Transaction costs will not have a continuing impact.*

9 *The adjustment represents the deconsolidation of the Ninety One results from the unaudited combined consolidated Investec Group interim financial results for the six-month period ended 30 September 2019 resulting from the loss of control of Ninety One.*

The financial information relating to the Ninety One Business has been extracted without adjustment from the consolidation schedules underlying the unaudited combined consolidated interim financial results of Investec Group for the six-month period ended 30 September 2019.

10 *In addition to basic earnings per share Investec Group also disclosed adjusted earnings per share and headline earnings per share in its financial results for the six-month period ended 30 September 2019, calculated on the following basis:*

(i) *Basic earnings are calculated on earnings attributable to the Investec Shareholders as per IFRS.*

(ii) *Adjusted earnings are calculated on earnings before goodwill, acquired intangibles and non-operating items attributable to the Investec Shareholders.*

(iii) *Headline earnings are calculated in accordance with the definition in the Institute of Investment Management Research Statement of Investment Practice No. 1 "The Definition of Headline Earnings" and are disclosed in accordance with the JSE Listings Requirements and in terms of the circular issued by the South African Institute of Chartered Accountants.*

The number of Investec Ordinary Shares used in the calculations above is presented in the table below (the number and weighted average number of Investec Ordinary Shares in issue have been stated net of treasury shares):

Millions of shares	***Investec Group as at 30 Sept 2019***	***Adjustments***	***Investec Group after Pro Forma Adjustments***
Weighted average number of ordinary shares used in Basic and diluted EPS	*948.3*	*–*	*948.3*
Weighted average number of ordinary shares (in millions) used in Adjusted EPS	*948.3*	*–*	*948.3*
Weighted average number of ordinary shares (in millions) used in Headline EPS	*948.3*	*–*	*948.3*
Number of ordinary shares (in millions) used in NAV per share	*942.5*	*–*	*942.5*
Number of ordinary shares (in millions) used in NTAV per share	*942.5*	*–*	*942.5*

Investec Group's net asset value and tangible net asset value is reflected in the table below:

£'000	***Investec Group as at 30 Sept 2019***	***Adjustments***	***Investec Group after Pro Forma Adjustments***
Total net asset value	*5,370,401*	*165,100*	*5,535,501*
Non-controlling interest	*(646,148)*	*63,035*	*(583,113)*
Other Additional Tier 1 securities in issue	*(304,047)*	*–*	*(304,047)*
Shareholders' equity	*4,420,206*	*228,135*	*4,648,341*
Less: perpetual preference shares issued by the holding companies	*(195,162)*	*–*	*(195,162)*
Net asset value (excluding NCI and other Tier 1 securities)	*4,225,044*	*228,135*	*4,453,179*
Less: goodwill and intangible assets (excluding software)	*(440,928)*	*88,045*	*(352,883)*
Net tangible asset value (including software)	*3,784,116*	*316,180*	*4,100,296*

The adjustments to each of Shareholders' equity, Net asset value and Net tangible asset value is comprised of a £228.135 million increase in connection with the Demerger steps, as set out in Note 2. above.

The adjustment to net tangible asset value also includes the adjustment to goodwill and intangible assets adding back the Ninety One goodwill of £88.045 million already eliminated in the total net asset value.

		Adjustments			
	Investec Group as at 30 Sept 2019	***Demerger***	***Ninety One share sale***	***Combined balance sheet of IAM UK and IAM SA as at 30 Sept 2019***	***Investec Group after Pro Forma Adjustments***
NAV per Share as at 30 September 2019 (pence)	*569.8*	*17.5*	*–*	*–*	*587.3*
NAV (excluding NCI and other Tier 1 securities) per Investec Ordinary Share as at 30 September 2019 (pence)	*448.3*	*24.2*	*–*	*–*	*472.5*
NTAV per Share as at 30 September 2019 (pence)	*523.0*	*17.5*	*–*	*9.3*	*549.9*
NTAV (excluding NCI and other Tier 1 securities) per Investec Ordinary Share (including software) as at 30 September 2019 (pence)	*401.5*	*24.2*	*–*	*9.3*	*435.0*

[11] *No account has been taken of changes to the financial position or trading results of the Investec Group or IAM UK or IAM SA since 30 September 2019.*

SECTION B: Accountant's Report in respect of the Unaudited Pro Forma Financial Information of Investec for the purposes of the UK Listing Rules

The Board of Directors
Investec plc
30 Gresham Street
London, EC2V 7QP
United Kingdom

The Board of Directors
Investec Limited
100 Grayston Drive
Sandown
Sandton, 2196
South Africa

29 November 2019

Dear Sirs

We report on the pro forma financial information (the "**Pro Forma Financial Information**") set out in Section A of Part XII of the circular dated 29 November 2019, which has been prepared on the basis described in the notes to the Pro Forma Financial Information, for illustrative purposes only, to provide information about how the demerger of Investec Asset Management Holdings (Pty) Ltd and Investec Asset Management Limited and their subsidiaries and the sale of shares in Ninety One plc and Ninety One Limited (together the "**Transactions**") might have affected the financial information presented on the basis of the accounting policies to be adopted by Investec plc and Investec Limited (together, "**Investec**") in preparing the financial statements for the period ended 31 March 2020. This report is required by Listing Rule 13.3.3R and is given for the purpose of complying with that rule and for no other purpose.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to ordinary shareholders as a result of the inclusion of this report in the circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Listing Rule 13.4.1R (6), consenting to its inclusion in the circular.

Responsibilities

It is the responsibility of the directors of Investec to prepare the Pro Forma Financial Information in accordance with Listing Rule 13.3.3R.

It is our responsibility to form an opinion, as required by Listing Rule 13.3.3R as to the proper compilation of the Pro Forma Financial Information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the UK. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the directors of Investec.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of Investec.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- the Pro Forma Financial Information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of Investec.

Yours faithfully

Ernst & Young LLP

SECTION C: Independent Reporting Accountant's Assurance Report on the compilation of the Pro Forma Financial Information of Investec for the purposes of the JSE Listings Requirements

The Board of Directors
Investec Limited
100 Grayston Drive
Sandown
Sandton, 2196
South Africa

The Board of Directors
Investec plc
30 Gresham Street
London, EC2V 7QP
United Kingdom

27 November 2019

Dear Sirs,

Independent Reporting Accountant's Assurance Report on the compilation of the Pro Forma Financial Information included in a Circular

The Directors of Investec Limited and Investec plc

Introduction

We have completed our assurance engagement to report on the compilation of Pro Forma Financial Information of Investec Limited and Investec plc (collectively "**Investec**") and their respective subsidiaries (collectively the "**Group**") by the directors of Investec.

The pro forma financial information, as set out in Section A of Part XII on pages 164 to 175 of the circular consists of the unaudited pro forma combined consolidated income statement for the six months ending 30 September 2019, unaudited pro forma combined consolidated balance sheet as at 30 September 2019 and related notes (collectively the "**Pro forma Financial Information**"). The applicable criteria on the basis of which the directors have compiled the *Pro forma Financial Information* are specified in the JSE Limited ("**JSE**") Listings Requirements described in Section A of Part XII on pages 164 to 175 of the circular.

The Pro forma Financial Information has been compiled by the directors to illustrate the impact of the corporate actions or events on the Group's unaudited combined consolidated balance sheet as at 30 September 2019 and the unaudited combined consolidated income statement for the six months ending 30 September 2019, as if the corporate action or event had taken place at 30 September 2019 and for the period then ended. As part of this process, information about the Group's financial position and financial performance has been extracted by the directors from the Group's financial statements for the period ended 30 September 2019, on which an auditor's review opinion was issued on 20 November 2019.

Directors' Responsibility for the Pro forma Financial Information

The directors are responsible for compiling the Pro forma Financial Information on the basis of the applicable criteria specified in the JSE Listings Requirements, and described in Section A of Part XII on pages 164 to 175 of the circular.

Our Independence and Quality Control

We are independent of the Group in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together, **the** "**IRBA Codes**") and other independence requirements applicable to performing audits of financial statements of the Group and in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits of the Group and in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("**IESBA code**") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively.

The firm applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibility

Our responsibility is to express an opinion about whether the Pro forma Financial Information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listings Requirements and described in Section A of Part XII on pages 164 to 175 of the circular based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a Prospectus*, which is applicable to an engagement of this nature, issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Pro forma Financial Information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro forma Financial Information.

The purpose of Pro forma Financial Information included in a circular is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the Group as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the corporate action or event at 30 September 2019 would have been as presented. A reasonable assurance engagement to report on whether the Pro forma Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Pro forma Financial Information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the Group, the corporate actions or events in respect of which the Pro forma Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the Pro forma Financial Information.

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

Opinion

In our opinion, the Pro forma Financial Information has been compiled, in all material respects, on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Section A of Part XII on pages 164 to 175 of the circular.

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Ernst & Young Inc.
Director: Gail Moshoeshoe
Chartered Accountant (SA)
Registered Auditor, Reporting Accountant

SHAREHOLDER PARTICIPATION IN THE PROPOSALS AND ENTITLEMENT TO RECEIVE THE NINETY ONE SHARES

1. ENTITLEMENT TO RECEIVE NINETY ONE SHARES

1.1 Strate Nominee Transfers

As Ninety One plc is not a South African incorporated company, in order for Investec plc Ordinary Shareholders who hold Investec plc Ordinary Shares on the Investec plc SA Register to receive Ninety One Shares in a form that can lawfully be held and be traded on the Johannesburg Stock Exchange, those Ninety One plc Shares will be immobilised and registered in Certificated Form in the name of the Strate Nominee on the Ninety One plc SA Register. Such Investec plc Ordinary Shareholders will obtain a beneficial entitlement to such Ninety One plc Shares as set out in the relevant section within paragraph 2 of this Part XIII. This is the same approach currently taken by Investec plc to allow trading on the Johannesburg Stock Exchange of Investec plc Ordinary Shares on the Investec plc SA Register.

In addition, as Ninety One Limited may not have a listing on the Botswana Stock Exchange or Namibia Stock Exchange as at Admission, Investec Limited Ordinary Shareholders who hold Investec Limited Ordinary Shares on the Investec Limited Botswanan Register or Investec Limited Namibian Register will also receive Ninety One Limited Shares in a form that can be traded on the Johannesburg Stock Exchange.

In order to facilitate the above arrangements, Investec plc Ordinary Shareholders who hold Investec plc Ordinary Shares in Certificated Form will have their Investec plc Ordinary Shares transferred to the Strate Nominee ahead of the Demerger Record Time, pursuant to the Strate Nominee Share Transfers described in the relevant section of paragraph 2 of this Part XIII.

1.2 Demerger Record Time

Investec Ordinary Shareholders registered on the applicable Register as at the Demerger Record Time will be eligible to receive Ninety One Shares pursuant to the UK Demerger or the SA Demerger (as applicable).

Please see paragraph 1.4 below for details of how dealings in Investec Ordinary Shares prior to the Demerger Record Time (or, in the case of Investec Ordinary Shares subject to the Strate Nominee Share Transfers, prior to the Strate Nominee Share Transfer Time) will be treated.

The way in which Investec Ordinary Shareholders will receive their Ninety One Shares (or beneficial entitlement to such shares) will depend on how they hold their Investec Ordinary Shares on the applicable Register as at the Demerger Record Time, and is summarised in paragraph 2 below. The Demerger Record Time is expected to be 6.00 p.m. (London time) on 13 March 2020 and the Strate Nominee Share Transfer Time is expected to be 5.30 p.m. (London time) on 13 March 2020. The Demerger Record Time applies to all Investec Ordinary Shareholders regardless of the Investec Register on which their Investec Ordinary Shares are held and regardless of whether they will participate in the UK Demerger or the SA Demerger.

1.3 Overseas Shareholders

If, in respect of any Overseas Shareholder, Investec plc or Investec Limited is advised that the issue or distribution of Ninety One Shares would or may infringe the laws of any jurisdiction outside the UK or South Africa or would or may require Investec plc, Investec Limited, Ninety One plc or Ninety One Limited to comply with any governmental or other consent or any registration, filing or other formality with which Investec plc, Investec Limited, Ninety One plc or Ninety One Limited is unable to comply or compliance with which Investec plc and Investec Limited regards as unduly onerous, (i) Clause 2 of the Scheme allows Investec plc, in its sole discretion, to elect; and (ii) the Investec Limited MoI allows Investec Limited to elect, that such Ninety One Shares shall not be issued to such Overseas

Shareholder but shall instead be sold with the net proceeds of sale being remitted to such Overseas Shareholder, as soon as practicable following the UK Demerger Effective Time or the SA Demerger Effective Time (as applicable).

Any such sale shall be carried out at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of such sale) shall be paid to the relevant Investec Ordinary Shareholder by sending a cheque as soon as reasonably practicable after the nominee receives such proceeds.

The payment of the proceeds from the sale of the relevant Ninety One Shares to Overseas Shareholders in accordance with the arrangements described above will be in full satisfaction of the rights of such Overseas Shareholders to receive Ninety One Shares.

1.4 **Dealings in Investec Ordinary Shares as at the Demerger Record Time or the Strate Nominee Transfer Time**

For the purposes of determining which Investec Ordinary Shareholders are eligible to participate in the UK Demerger or the SA Demerger (as applicable) and receive Ninety One Shares, dealings in Investec Ordinary Shares will be recognised only if:

(a) in the case of Investec plc Ordinary Shareholders registered on the Investec plc UK Register and whose Investec plc Ordinary Shares are held in Uncertificated Form through CREST, the transferee is registered on the Investec plc UK Register as the holder of the relevant Investec plc Ordinary Shares as at the Demerger Record Time (or registered before the Demerger Record Time and remains registered at that time);

(b) in the case of Investec plc Ordinary Shareholders registered on the Investec plc SA Register whose Investec Ordinary Shares are held in dematerialised form through the Strate System, the transferee is registered on the Strate Nominee Register as the holder of the beneficial entitlement of the relevant Investec plc Shares as at the Demerger Record Time;

(c) in the case of Investec Limited Ordinary Shareholders registered on the Investec Limited SA Register whose Investec Limited Ordinary Shares are held in Uncertificated Form through the Strate System, the transferee is registered on the Uncertificated section of the Investec Limited SA Register as the holder of the beneficial entitlement of the relevant Investec Limited Shares as at the Demerger Record Time;

(d) in the case of Investec Limited Ordinary Shareholders registered on the Investec Limited Botswana Register whose Investec Limited Ordinary Shares are held in Uncertificated Form through the Botswana CSD, the transferee is registered on the Uncertificated section of the Investec Limited Botswanan Register as the holder of the beneficial entitlement of the relevant Investec Limited Ordinary Shares as at the Demerger Record Time;

(e) in the case of Investec plc Ordinary Shareholders whose Investec plc Ordinary Shares are held in Certificated Form on the Investec plc SA Register, registrable transmission applications or transfers (as applicable) in respect of those Investec plc Ordinary Shares are received by the SA Registrar before the Strate Nominee Share Transfer Time with sufficient time to allow for registration of the transferee by such time and to be subject to the Strate Nominee Transfers; or

(f) in the case of Investec Ordinary Shareholders whose Investec Ordinary Shares are held in Certificated Form (other than on the Investec plc SA Register), registrable transmission applications or transfers (as applicable) in respect of those Investec Ordinary Shares are received by the relevant Registrar before the Demerger Record Time with sufficient time to allow for registration of the transferee by the Demerger Record Time such that the transferee is, and continues to be, on the Investec Register as the holder of the relevant Investec Ordinary Shares at the Demerger Record Time.

Based on the current timetable, in order for transferees to be registered in accordance with the timings listed above (and noting certain trading and settlement requirements in South Africa), the last day of dealings in Investec Ordinary Shares is expected to be 13 March 2020 on the London Stock Exchange and the Johannesburg Stock Exchange, though depending on individual circumstances, the local requirements of brokers in the relevant jurisdictions and other potential delays in processing a trade, dealings may need to be made earlier than these dates in order for transfers of Investec Ordinary Shares to be registered in accordance with the timings above.

2. **RECEIPT OF NINETY ONE SHARES**

The way in which Investec Ordinary Shareholders will receive their Ninety One Shares (or beneficial entitlement to such Ninety One Shares) will depend on how they hold their Investec Ordinary Shares on the applicable Register as at the Demerger Record Time, as summarised below. Further details are set out in paragraph 3 below.

It is the responsibility of Investec Ordinary Shareholders to satisfy themselves as to the full observance of applicable laws and regulatory requirements, including the obtaining of any governmental, exchange control or other consents that may be required in order for them, their nominee, custodian or trustee, as relevant, to receive and hold the Ninety One Shares as set out below.

Manner in which Investec Ordinary Shares are held as at the Demerger Record Time	**Manner in which Ninety One Shares (or the beneficial entitlement to Ninety One Shares) will be held on Admission**	**Form of confirmation**
UK		
On the Investec plc UK Register in Uncertificated Form through CREST	On the Ninety One plc UK Register in Uncertificated Form through CREST	The relevant CREST account will be credited as soon as possible after 8.00 a.m. (London time) on 16 March 2020 following Admission
On the Investec plc UK Register in Certificated Form	On the Ninety One plc UK Register in Certificated Form	Ninety One plc Share certificates will be despatched, at the Ninety One plc Shareholder's risk, by 20 March 2020
South Africa		
On the Investec Limited SA Register in Uncertificated Form in a CSDP or broker account	A beneficial entitlement to Ninety One Limited Shares that is credited to the same CSDP, broker or "own-name" account in which the holder's Investec Limited Ordinary Shares are held	The relevant CSDP or broker account will be credited as soon as possible after 9.00 a.m. (Johannesburg time) on 16 March 2020 following Admission
On the Investec Limited SA Register in Certificated Form	On the Ninety One Limited Register in Certificated Form	Ninety One Limited Share certificates will be despatched, at the Ninety One Limited Shareholder's risk, by 20 March 2020
On the Investec plc SA Register through the Strate Nominee Register in dematerialised form in a CSDP or broker account or on the Investec Limited SA Register in Uncertificated Form in a CSDP or broker account	A beneficial entitlement to Ninety One plc Shares that is recorded on the Strate Nominee Register in Dematerialised or Uncertificated Form and credited to the same CSDP, broker or "own-name" account in which the holder's Investec plc Ordinary Shares are held	The relevant CSDP or broker account will be credited as soon as possible after 9.00 a.m. (Johannesburg time) on 16 March 2020 following Admission

Manner in which Investec Ordinary Shares are held as at the Demerger Record Time	Manner in which Ninety One Shares (or the beneficial entitlement to Ninety One Shares) will be held on Admission	Form of confirmation
On the Investec plc SA Register in Certificated Form	A beneficial entitlement to Ninety One plc Shares that is recorded on the Strate Nominee Register in Dematerialised or Uncertificated Form and credited to Computershare Proprietary Limited's CSDP account in the name of the Computershare Nominee	Computershare Proprietary Limited's CSDP account will be credited as soon as possible after 9.00 a.m. (Johannesburg time) on 16 March 2020 following Admission
Namibia		
On the Investec Limited Namibian Register in Certificated Form	A beneficial entitlement to Ninety One Limited Shares that is credited to Computershare Proprietary Limited's CSDP account in the name of the Computershare Nominee	Computershare Proprietary Limited's CSDP account will be credited as soon as possible after 9.00 a.m. (Johannesburg time) on 16 March 2020 following Admission
Botswana		
On the Investec Limited Botswanan Register in Uncertificated Form	A beneficial entitlement to Ninety One Limited Shares that is credited to Computershare Proprietary Limited's CSDP account in the name of the Computershare Nominee	Computershare Proprietary Limited's CSDP account will be credited as soon as possible after 9.00 a.m. (Johannesburg time) on 16 March 2020 following Admission
On the Investec Limited Botswanan Register in Certificated Form	A beneficial entitlement to Ninety One Limited Shares that is credited to Computershare Proprietary Limited's CSDP account in the name of the Computershare Nominee	Computershare Proprietary Limited's CSDP account will be credited as soon as possible after 9.00 a.m. (Johannesburg time) on 16 March 2020 following Admission

3. EXPLANATION OF NINETY ONE ARRANGEMENTS

3.1 Trading and settlement of the Ninety One plc Shares on the London Stock Exchange

An application will be made to the FCA for the admission of the Ninety One plc Shares to the premium listing segment of the UK Official List and to the London Stock Exchange for the Ninety One plc Shares to be admitted to trading on the London Stock Exchange's main market for listed securities.

It is expected that Admission will become effective and that dealings in the Ninety One plc Shares on the London Stock Exchange will commence at 8.00 a.m. (London time) on 16 March 2020. This date may be deferred if it is necessary to adjourn any of the Meetings or if there is any delay in obtaining the Court's sanction of the Scheme.

3.1.1 ***Trading and settlement of Ninety One plc Shares by Investec plc Ordinary Shareholders who hold their Investec plc Ordinary Shares on the Investec plc UK Register in Uncertificated Form (that is, in CREST) and whose Investec plc Ordinary Shares are traded on the London Stock Exchange***

Prior to Admission, Ninety One plc will apply for the Ninety One plc Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in Ninety One plc Shares following Admission may take place in Uncertificated Form within the CREST system.

CREST is a paperless settlement system which allows securities to be transferred from one person's CREST account to another electronically without the need to use share certificates or written instruments of transfer.

In the case of Investec plc Ordinary Shareholders whose Investec plc Ordinary Shares are registered on the Investec plc UK Register and held in Uncertificated Form as at the Demerger Record Time, the Ninety One plc Shares to which such Investec plc Ordinary Shareholders are entitled will be distributed in Uncertificated Form through CREST upon Admission. Ninety One plc will procure that Euroclear is instructed to credit these Investec plc Ordinary Shareholders' stock accounts in CREST, as relevant, with the applicable number of Ninety One plc Shares upon Admission.

Trading on the London Stock Exchange and settlement of trades in the Ninety One plc Shares through CREST will take place in the same way as for Investec plc Ordinary Shares held through CREST.

If the number of Investec plc Ordinary Shares held by an Investec plc Ordinary Shareholder is not divisible by two, an entitlement to a fraction of a Ninety One plc Share will arise. No entitlements to a fraction of a Ninety One plc Share shall be allotted or issued to an Investec plc Ordinary Shareholder. The aggregated number of Ninety One plc Shares to which Investec plc Ordinary Shareholders are entitled will first be rounded down to the nearest whole number of Ninety One plc Shares, resulting in allocations of whole numbers of Ninety One plc Shares, and the aggregated excess fractions of Ninety One plc Shares to which such Investec plc Ordinary Shareholders would otherwise be entitled to will not be transferred to them but will instead be sold in the market, and the relevant Investec plc Ordinary Shareholder will be entitled to receive a cash payment equivalent to the fraction to which they otherwise would have been entitled. The cash payment due to the Investec plc Ordinary Shareholder shall be determined with reference to the Rand amount announced on SENS on the second Business Day following the date of Admission as converted into Sterling using the Rand : Sterling spot rate given on the Bank of England website for the date of Admission.

Investec will procure that Euroclear is instructed to create an assured payment obligation in favour of the payment bank of the Investec plc Ordinary Shareholders entitled to such cash payments in accordance with CREST's assured payment arrangements, provided that Investec reserves the right to make payment of the said sums by cheque as set out above if, for reasons outside its reasonable control, it is not able to effect such settlement in this manner.

The London Stock Exchange ISIN for the Ninety One plc Shares will be GB00BJHPLV88. Ninety One plc Shares will be eligible for settlement in Uncertificated Form through CREST.

3.1.2 ***Trading and settlement of Ninety One plc Shares by Investec Shareholders who hold their Investec plc Ordinary Shares on the Investec plc UK Register in Certificated Form and whose Investec plc Ordinary Shares are traded on the London Stock Exchange***

In the case of Investec plc Shareholders whose Investec plc Ordinary Shares are registered on the Investec plc UK Register and held in Certificated Form as at the Demerger Record Time, the Ninety One plc Shares to which such Investec Shareholders are entitled will be issued in Certificated Form.

If the number of Investec plc Ordinary Shares held by an Investec plc Ordinary Shareholder is not divisible by two, an entitlement to a fraction of a Ninety One plc Share will arise. No entitlements to a fraction of a Ninety One plc Share shall be allotted or issued to an Investec plc Ordinary Shareholder. The aggregated number of Ninety One plc Shares to which Investec

plc Ordinary Shareholders are entitled will first be rounded down to the nearest whole number of Ninety One plc Shares, resulting in allocations of whole numbers of Ninety One plc Shares, and the aggregated excess fractions of Ninety One plc Shares to which such Investec plc Ordinary Shareholders would otherwise be entitled to will not be transferred to them but will instead be sold in the market, and the relevant Investec plc Ordinary Shareholders will be entitled to receive a cash payment equivalent to the fraction which they otherwise would have been entitled. The cash payment due to the Investec plc Ordinary Shareholder shall be determined with reference to the Rand amount announced on SENS on the second Business Day following the date of Admission as converted into Sterling using the Rand : Sterling spot rate given on the Bank of England website for the date of Admission. Investec shall procure the despatch to the Investec plc Ordinary Shareholders of cheques for the cash proceeds payable to them. Any such cheques in respect of cash proceeds shall, in the case of Investec plc Shareholders who hold Investec plc Ordinary Shares in Certificated Form on the Investec plc UK Register at the Demerger Record Time, be paid in Sterling by cheque drawn on a branch of a clearing bank in the United Kingdom.

To the extent that any payments are to be made by way of cheque, delivery of such cheques shall be effected by sending the same, in respect of Investec plc Shareholders who hold Investec plc Ordinary Shares in Certificated Form on the Investec plc UK Register at the Demerger Record Time, by first class post (or international standard post, if overseas), in each case, in pre-paid envelopes addressed to the persons entitled thereto at their respective addresses as appearing in the Investec plc UK Register as at the Demerger Record Time (and, in the case of joint Holders, at the address of one of the joint Holders whose name stands first in the Investec plc UK Register at the Demerger Record Time).

None of Investec, Ninety One nor any person appointed by Investec or Ninety One nor their directors, employees, representatives, officers, nominee(s) nor their respective agents shall be responsible for any loss or delay in the transmission or delivery of any cheques or electronic payments sent or made in accordance with this paragraph 3.1.2, which shall be sent at the risk of the persons so entitled.

Definitive share certificates for the Ninety One plc Shares are expected to be despatched by no later than 20 March 2020. Pending the despatch of share certificates for Ninety One Shares, transfers of Ninety One plc Shares by Investec plc Ordinary Shareholders whose Ninety One plc Shares are held in Certificated Form will be certified against the Ninety One plc UK Register. Temporary documents of title will not be issued in respect of the Ninety One plc Shares held in this manner.

Investec plc reserves the right to distribute Ninety One plc Shares to any or all Investec plc Ordinary Shareholders who hold Investec plc Ordinary Shares in Uncertificated Form as at the Demerger Record Time in Certificated Form and vice versa if, for reasons outside its reasonable control, it is not able to effect settlement as anticipated.

3.2 Trading and settlement of the Ninety One plc Shares and Ninety One Limited Shares on the Johannesburg Stock Exchange

An application will be made to the Johannesburg Stock Exchange for a secondary inward listing by way of introduction of all the issued Ninety One plc Shares on the main board of the Johannesburg Stock Exchange under the abbreviated name provisionally expected to be “Ninety One” and share code provisionally expected to be “N91 SJ”. An application will also be made to the Johannesburg Stock Exchange for a primary listing by way of introduction of all the issued Ninety One Limited Shares on the main board of the Johannesburg Stock Exchange under the abbreviated name provisionally expected to be “Ninety One” and share code provisionally expected to be “NY1 SJ”.

It is expected that Admission will become effective and that dealings in the Ninety One plc Shares and Ninety One Limited Shares on the Johannesburg Stock Exchange will commence at 9.00 a.m. (Johannesburg time) on 16 March 2020. This date may be deferred if it is necessary to adjourn any of the Meetings required to approve the Resolutions or if there is any delay in obtaining the Court’s sanction of the Scheme.

Strate has approved the admission of the Ninety One plc Shares and the Ninety One Limited Shares to the Strate System with effect from Admission. Accordingly, settlement of transactions in Ninety One plc Shares and Ninety One Limited Shares following Admission may take place in Dematerialised or Uncertificated Form within the Strate System.

The Strate System is the authorised central securities depositary for the electronic settlement of all financial instruments listed on the Johannesburg Stock Exchange. Shares that are not represented by documents of title and that have been replaced with electronic records of ownership are referred to as being Dematerialised or held in Uncertificated Form. Shares that are evidenced by share certificates or other documents of title are referred to as Certificated shares or shares held in Certificated Form. CSDPs are authorised by Strate to perform custody, administration and/or settlement services and accordingly Strate maintains central securities accounts for the CSDPs who are appointed by market participants. CSDPs administer securities accounts and are the only market participants who can liaise directly with the Strate System.

Under the Strate System, there are two types of clients, controlled and non-controlled. Controlled clients elect to receive their shares or cash in the custody of their broker, and therefore, indirectly, the broker's chosen CSDP. Controlled clients deal directly and exclusively with their broker. Non-controlled clients appoint their own CSDP. Non-controlled clients receive share statements directly from their CSDP.

3.2.1 ***Trading and settlement of Ninety One plc Shares by Investec plc Ordinary Shareholders who hold their Investec plc Ordinary Shares on the Investec plc SA Register in dematerialised form through the Strate System and whose Investec Ordinary Shares are traded on the Johannesburg Stock Exchange***

In order to facilitate the holding and trading on the Johannesburg Stock Exchange through the Strate System of the Ninety One plc Shares held by Investec plc Ordinary Shareholders who hold their Investec plc Ordinary Shares on the Investec plc SA Register in dematerialised form as at the Demerger Record Time, at the UK Demerger Effective Time or SA Demerger Effective Time (as applicable), such Ninety One plc Shares will be immobilised and registered in Certificated Form in the name of the Strate Nominee on Ninety One plc's SA Register. This will not, however, affect the operation of the Strate System. The beneficial holders of such Ninety One plc Shares will be Underlying Shareholders and have their beneficial entitlement to such Ninety One plc Shares recorded in accounts maintained by each CSDP, and transfer and settlement of such beneficial title to the Ninety One plc Shares will be effected through the Strate System and in accordance with the Strate System Rules. This is the same way as settlement of trades occurs in respect of the Investec plc Ordinary Shares held on the Investec plc SA Register by Investec plc Ordinary Shareholders.

Underlying Shareholders whose Ninety One plc Shares are held in dematerialised form through the Strate System (or their nominees, if such Underlying Shareholders have put in place underlying nominee arrangements) are required to maintain an account with a CSDP or broker and should instruct their CSDP or broker regarding voting in respect of their Ninety One plc Shares and other matters in accordance with the mandate entered into between such beneficial holders and their CSDP or broker. If such Underlying Shareholders wish to attend a Ninety One plc shareholder meeting in person, they (or their nominee, where applicable) will need to request a proxy or voting instruction form from their CSDP or broker or appointed nominee, who will then make arrangements to obtain a proxy or voting instruction form from the Strate Nominee via Strate. Payments (for example, of dividends paid by Ninety One plc) by CSDPs or brokers to Underlying Shareholders (or their nominees, where applicable) will be made in accordance with the terms of the mandate entered into between such Underlying Shareholders and their CSDP or broker or nominee, and Underlying Shareholders can contact their CSDP or broker or nominee for further information in this regard.

Ninety One plc will procure that the SA Registrar is instructed to make the appropriate arrangements to credit the applicable Investec Ordinary Shareholders' CSDP accounts (or that of their nominee, where applicable) with the entitlement to the relevant Ninety One plc Shares on Admission.

If the number of Investec Ordinary Shares held by an Investec Ordinary Shareholder is not divisible by two, an entitlement to a fraction of a Ninety One plc Share will arise. No entitlements to a fraction of a Ninety One plc Share shall be allotted or issued to an Investec Ordinary Shareholder. The aggregated number of Ninety One plc Shares to which Investec Ordinary Shareholders are entitled will first be rounded down to the nearest whole number of Ninety One plc Shares, resulting in allocations of whole numbers of Ninety One plc Shares and the aggregated excess fractions of Ninety One plc Shares to which such Investec plc Ordinary

Shareholders would otherwise be entitled will not be transferred to them but will instead be sold in the market, and the relevant Investec plc Ordinary Shareholder will be entitled to receive a cash payment in respect of the fraction to which they otherwise would have been entitled. The cash payment due to the Investec Ordinary Shareholder shall be determined with reference to the volume-weighted average price in Rand of the Ninety One plc Shares traded on the Johannesburg Stock Exchange on the date of Admission (expected to be 16 March 2020), less 10% of such volume-weighted average price, which amount will be announced on SENS on the second Business Day following the date of Admission.

Investec will procure that the SA Registrar, taking into account any applicable requirements of the South African Exchange Control Regulations, is instructed to create an assured payment obligation in favour of the payment bank of the relevant CSDPs or brokers in accordance with the Strate system assured payment arrangements for the sums payable, provided that Investec reserves the right to make payment of the said sums by cheque if, for reasons outside its reasonable control, it is not able to effect such settlement in this manner.

Payments by CSDPs or brokers to the Investec Ordinary Shareholders entitled to the relevant cash payments will, taking into account any applicable requirements of the South African exchange control regulations, be made in accordance with the terms of the relevant custody agreement and other mandates entered into between the Investec Ordinary Shareholders and their CSDP or broker. Investec Ordinary Shareholders can contact their CSDP or broker for further information in this regard. None of Investec nor Ninety One nor their respective agents shall have any liability to Investec Ordinary Shareholders in the event that an Investec Ordinary Shareholder does not receive payment from their CSDP or broker and the creation of an assured payment obligation in accordance with the Strate System assured payment arrangements will be a complete discharge of Investec's payment obligations in respect of such Investec Ordinary Shareholders.

3.2.2 ***Trading and settlement of Ninety One Limited Shares held by Investec Limited Ordinary Shareholders who hold their Investec Limited Ordinary Shares on the Investec Limited SA Register in Uncertificated Form through the Strate System and whose Investec Ordinary Shares are traded on the Johannesburg Stock Exchange***

In order to facilitate the holding and trading on the Johannesburg Stock Exchange through the Strate System of the Ninety One Limited Shares held by Investec Limited Ordinary Shareholders who hold their Investec Limited Ordinary Shares on the Investec Limited SA Register in Uncertificated Form, as at the Demerger Record Time, at the UK Demerger Effective Time or SA Demerger Effective Time (as applicable), such Ninety One Limited Shares will be immobilised and registered in Certificated Form in the name of the Strate Nominee on Ninety One Limited's Register. This will not, however, affect the operation of the Strate System. The beneficial holders of such Ninety One Limited Shares will be Underlying Shareholders and have their beneficial entitlement to such Ninety One Limited Shares recorded in accounts maintained by each CSDP, and transfer and settlement of such beneficial title to the Ninety One Limited Shares will be effected through the Strate System and in accordance with the Strate System Rules. This is the same way as settlement of trades occur in respect of the Investec plc Ordinary Shares held on the Investec plc SA Register by Investec plc Ordinary Shareholders.

Underlying Shareholders whose Ninety One Limited Shares are held in dematerialised form through the Strate System (or their nominees, if such Underlying Shareholders have put in place underlying nominee arrangements) are required to maintain an account with a CSDP or broker and should instruct their CSDP or broker regarding voting in respect of their Ninety One Limited Shares and other matters in accordance with the mandate entered into between such beneficial holders and their CSDP or broker. If such Underlying Shareholders wish to attend a Ninety One Limited shareholder meeting in person, they (or their nominee, where applicable) will need to request a proxy or voting instruction form from their CSDP or broker or appointed nominee, who will then make arrangements to obtain a proxy or voting instruction form from the Strate Nominee via Strate. Payments (for example, of dividends paid by Ninety One) by CSDPs or brokers to Underlying Shareholders (or their nominees, where applicable) will be made in accordance with the terms of the mandate entered into between such Underlying Shareholders and their CSDP or broker or nominee, and Underlying Shareholders can contact their CSDP or broker or nominee for further information in this regard.

Ninety One will procure that the SA Registrar is instructed to make the appropriate arrangements to credit the applicable Investec Ordinary Shareholders' CSDP accounts (or that of their nominee, where applicable) with the entitlement to the relevant Ninety One Limited Shares on Admission.

If the number of Investec Ordinary Shares held by an Investec Ordinary Shareholder is not divisible by two, an entitlement to a fraction of a Ninety One Limited Share will arise. No entitlements to a fraction of a Ninety One Limited Share shall be allotted or issued to an Investec Ordinary Shareholder. The aggregated number of Ninety One Limited Shares to which Investec Ordinary Shareholders are entitled will first be rounded down to the nearest whole number of Ninety One Limited Shares, resulting in allocations of whole numbers of Ninety One Limited Shares and the aggregated excess fractions of Ninety One Limited Shares to which such Investec Limited Ordinary Shareholders would otherwise be entitled, will not be transferred to them but will instead be sold in the market, and the relevant Investec Limited Ordinary Shareholder will be entitled to receive a cash payment in respect of the fraction to which they otherwise would have been entitled. The cash payment due to the Investec Ordinary Shareholder shall be determined with reference to the volume-weighted average price in Rand of the Ninety One Shares traded on the Johannesburg Stock Exchange on the date of Admission (expected to be 16 March 2020), less 10% of such volume-weighted average price (as prescribed by an approved deviation from the JSE Listings Requirements), which amount will be announced on SENS on the second Business Day following the date of Admission.

Investec will procure that the SA Registrar, taking into account any applicable requirements of the South African Exchange Control Regulations, is instructed to create an assured payment obligation in favour of the payment bank of the relevant CSDPs or brokers in accordance with the Strate System assured payment arrangements for the sums payable, provided that Investec reserves the right to make payment of the said sums by cheque if, for reasons outside its reasonable control, it is not able to effect such settlement in this manner.

Payments by CSDPs or brokers to the Investec Ordinary Shareholders entitled to the relevant cash payments will, taking into account any applicable requirements of the South African exchange control regulations, be made in accordance with the terms of the relevant custody agreement and other mandates entered into between the Investec Ordinary Shareholders and their CSDP or broker. Investec Ordinary Shareholders can contact their CSDP or broker for further information in this regard. None of Investec nor Ninety One nor their respective agents shall have any liability to Investec Ordinary Shareholders in the event that an Investec Ordinary Shareholder does not receive payment from their CSDP or broker and the creation of an assured payment obligation in accordance with the Strate System assured payment arrangements will be a complete discharge of Investec's payment obligations in respect of such Investec Ordinary Shareholders.

3.2.3 ***Trading and settlement of Ninety One plc Shares by Investec plc Ordinary Shareholders who hold their Investec plc Ordinary Shares on the Investec plc SA Register in Certificated Form and whose Investec plc Ordinary Shares are traded on the Johannesburg Stock Exchange***

In the case of Investec plc Ordinary Shareholders who hold their Investec plc Ordinary Shares on the Investec plc SA Register in Certificated Form as at the Strate Nominee Share Transfer Time, such Investec plc Ordinary Shares will be subject to the Strate Nominee Share Transfers and transferred to the Strate Nominee. As the Strate Nominee will be the registered shareholder of the Investec plc Ordinary Shares at the Demerger Record Time, it will receive the relevant Ninety One plc Shares pursuant to the Demerger.

The Strate Nominee Share Transfers are required as the Ninety One plc Shares which Investec plc Ordinary Shareholders are eligible to receive, pursuant to the Demerger, are not able to be issued in Certificated Form due to restrictions under the South African FMA. The Strate Nominee Share Transfers will allow such Investec plc Ordinary Shareholders to receive their interests in Ninety One plc Shares pursuant to the Demerger in a form that can be traded and settled on the Johannesburg Stock Exchange.

The Strate Nominee will hold the registered interest in the relevant Investec plc Ordinary Shares and Ninety One plc Shares on behalf of the Computershare Nominee, the nominee of Computershare Proprietary Limited who will hold the beneficial entitlement to such Investec plc Ordinary Shares and Ninety One plc Shares on behalf of the former holder of the Investec plc Ordinary Shares. The Investec plc Ordinary Shareholders who are subject to the Strate Nominee Share Transfers shall be bound, in respect of their beneficial entitlements to both the Investec plc Ordinary Shares and Ninety One plc Shares by the provisions of the Strate System Rules, as read with the South African FMA and directives and be deemed to have agreed to the terms of the custody agreement with Computershare Proprietary Limited, which establishes a business relationship between Computershare Proprietary Limited and each former shareholder to which this arrangement applies. A copy of the custody agreement is available on Computershare's website at computershare.com/za/Pages/JSE-listed-securities.aspx.

The Strate Nominee Share Transfers shall be effected by means of a form or forms of transfer or other instrument(s) or instruction(s) of transfer and, to give effect to such transfer(s), any person may be appointed by Investec as agent and attorney on behalf of the relevant Investec plc Ordinary Shareholder (and shall be authorised to execute and deliver as transferor form(s) of transfer or other instrument(s) or instruction(s) of transfer and to give such instructions and to do all other things which he or she may consider necessary or expedient in connection with any such transfer, and every form, instrument or instruction of transfer so executed shall be as effective as if it had been executed by the relevant Investec plc Ordinary Shareholder. In the absence of bad faith or wilful default, neither Investec nor the Computershare Nominee shall have any liability for any determination made in connection with the Strate Nominee Share Transfers or for any loss or damage arising as a result of the timing or terms of such transfer.

The Strate Nominee Share Transfers will have no effect on the economic and voting interests which former registered shareholders in Investec will have in Investec or Ninety One plc following the Demerger.

If the number of Investec plc Ordinary Shares held by an Investec plc Ordinary Shareholder is not divisible by two, an entitlement to a fraction of a Ninety One plc Share will arise. No entitlements to a fraction of a Ninety One plc Share shall be allotted or issued to an Investec plc Ordinary Shareholder. The aggregated number of Ninety One plc Shares to which Investec plc Ordinary Shareholders are entitled will first be rounded down to the nearest whole number of Ninety One plc Shares, resulting in allocations of whole numbers of Ninety One plc Shares and the aggregated excess fractions of Ninety One plc Shares to which such Investec plc Ordinary Shareholders would otherwise be entitled will not be transferred to them but will instead be sold in the market, and the relevant Investec plc Ordinary Shareholder will be entitled to receive a cash payment in respect of the fraction to which they otherwise would have been entitled. The cash payment due to the Investec plc Ordinary Shareholder shall be determined with reference to the volume-weighted average price in Rand of the Ninety One plc Shares traded on the Johannesburg Stock Exchange on the date of Admission (expected to be 16 March 2020), less 10% of such volume-weighted average price (as prescribed by an approved deviation from the JSE Listings Requirements), which amount will be announced on SENS on the second Business Day following the date of Admission.

Investec will procure that Computershare Nominee and/or Computershare Proprietary Limited, taking into account any applicable requirements of the South African Exchange Control Regulations, is instructed to make payment to the relevant Investec plc Shareholders in accordance with the terms of the custody agreement and other mandates entered into between the Investec plc Ordinary Shareholders and the Computershare Nominee and/or Computershare Proprietary Limited. None of Investec nor Ninety One nor their respective agents shall have any liability to Investec plc Ordinary Shareholders in the event that an Investec plc Ordinary Shareholder does not receive payment from the Computershare Nominee and/or Computershare Proprietary Limited.

However, to be able to take any action in respect of the Ninety One plc Shares or the Investec plc Ordinary Shares to which they are entitled (for example, trading, voting and/or receiving dividends or re-materialisation), such Investec plc Ordinary Shareholders will need to take further action. They will need to contact the Computershare Nominee to complete certain "know your customer" checks that must be carried out by the Computershare Nominee to satisfy legal and regulatory requirements.

3.2.4 ***Trading and settlement of Ninety One Limited Shares by Investec Limited Ordinary Shareholders who hold their Investec Limited Ordinary Shares on the Investec Limited SA Register or Investec Limited Namibian Register in Certificated Form, or on the Investec Limited Botswanan Register in either Certificated Form or Uncertificated Form***

In the case of Investec Limited Ordinary Shareholders who hold their Investec Limited Ordinary Shares on the Investec Limited SA Register in Certificated Form as at the Demerger Record Time, the Ninety One Limited Shares to which such Investec Limited Ordinary Shareholders are entitled will be distributed to the Strate Nominee.

This distribution of Ninety One Limited Shares to the Strate Nominee is required as the Ninety One Limited Shares which Investec Limited Ordinary Shareholders are eligible to receive pursuant to the Demerger are not able to be issued in Certificated Form due to restrictions under the South African FMA. This arrangement will allow such Investec Limited Ordinary Shareholders to receive their interests in Ninety One Limited Shares pursuant to the Demerger in a form that can be traded and settled on the Johannesburg Stock Exchange.

The Strate Nominee will be the registered holder of the relevant Ninety One Limited Shares and will hold the registered interest in such Ninety One Limited Shares on behalf of the Computershare Nominee, the nominee of Computershare Proprietary Limited who will hold the beneficial entitlement to such Ninety One Limited Shares on behalf of the holders of the relevant Investec Limited Ordinary Shares. The relevant Investec Limited Ordinary Shareholders shall, in respect of the relevant Ninety One Limited Shares to which it has a beneficial entitlement, be bound by the provisions of Strate's rules, process which, inter alia, regulates the business relationship between Computershare Proprietary Limited and each former shareholder to which this arrangement applies.

These arrangements will have no effect on the economic and voting interests which former registered shareholders in Investec will have in Investec or Ninety One following the Demerger.

If the number of Investec Limited Ordinary Shares held by an Investec Limited Ordinary Shareholder is not divisible by two, an entitlement to a fraction of a Ninety One Limited Share will arise. No entitlements to a fraction of a Ninety One Limited Share shall be allotted or issued to an Investec Limited Ordinary Shareholder. The aggregated number of Ninety One Limited Shares to which Investec Limited Ordinary Shareholders are entitled will first be rounded down to the nearest whole number of Ninety One Limited Shares, resulting in allocations of whole numbers of Ninety One Limited Shares and the aggregated excess fractions of Ninety One plc Shares to which such Investec plc Ordinary Shareholders would otherwise be entitled will not be transferred to them but will instead be sold in the market, and the relevant Investec plc Ordinary Shareholder will be entitled to receive a cash payment in respect of the fraction to which they otherwise would have been entitled. The cash payment due to the Investec Limited Ordinary Shareholder shall be determined with reference to the volume-weighted average price in Rand of the Ninety One Limited Shares traded on the Johannesburg Stock Exchange on the date of Admission (expected to be 16 March 2020), less 10% of such volume-weighted average price (as prescribed by an approved deviation from the JSE Listings Requirements), which amount will be announced on SENS on the second Business Day following the date of Admission.

Investec will procure that Computershare Nominee and/or Computershare Proprietary Limited, taking into account any applicable requirements of the South African Exchange Control Regulations, is instructed to make payment to the relevant Investec Limited Ordinary Shareholders in accordance with the terms of the custody agreement and other mandates entered into between the Investec Limited Ordinary Shareholders and the Computershare Nominee and/or Computershare Proprietary Limited. None of Investec nor Ninety One nor their respective agents shall have any liability to Investec Limited Ordinary Shareholders in the event that an Investec Limited Ordinary Shareholder does not receive payment from the Computershare Nominee and/or Computershare Proprietary Limited.

However, to be able to take any action in respect of the Ninety One Limited Shares to which they are entitled (for example, trading, voting and/or receiving dividends or re-materialisation), such Investec Limited Ordinary Shareholders will need to take further action. They will need to contact the Computershare Nominee to complete certain "know your customer" checks that must be carried out by the Computershare Nominee to satisfy legal and regulatory requirements.

TAXATION

SECTION A: UK Taxation

UK Tax Considerations

The following is a general summary of material UK tax considerations for Investec Ordinary Shareholders relating to the UK Demerger and the SA Demerger and the creation of the Ninety One DLC Structure. The comments set out below are based on current UK tax law as applied in England and Wales and what is understood to be the practice of HMRC (which may not be binding on HMRC) as at the date of this document, both of which are subject to change, possibly with retrospective effect. They are intended as a general and non-exhaustive guide to certain UK tax consequences of the UK Demerger and the SA Demerger and the creation of the Ninety One DLC Structure and, save in relation to the section below headed "UK Stamp Duty and Stamp Duty Reserve Tax" and except insofar as express reference is made to the treatment of non-UK residents, apply only to Investec Ordinary Shareholders resident and, in the case of an individual, domiciled or deemed domiciled for tax purposes in the UK and to whom "split year" treatment does not apply who hold Investec Ordinary Shares as an investment and who are, or are treated as, the absolute beneficial owners thereof. The discussion does not address all possible tax consequences relating to the Proposals or an investment in Ninety One Shares. Certain categories of Investec Ordinary Shareholders, including those carrying on certain financial activities, those subject to specific tax regimes or benefiting from certain reliefs or exemptions, those connected with Investec or Investec Group and those for whom the Investec Ordinary Shares are employment related securities may be subject to special rules and this summary does not apply to such shareholders.

The comments set out below do not constitute legal or tax advice. Investec Ordinary Shareholders who are in any doubt as to their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the UK, should consult their own professional advisers immediately. In particular, Investec Ordinary Shareholders should be aware that the tax legislation of any jurisdiction where an Investec Ordinary Shareholder is resident or otherwise subject to taxation may also have an impact on the tax consequences of an investment in Ninety One Shares.

Investec Ordinary Shareholders and, following the implementation of the Proposals, Ninety One Shareholders, are also referred to the Ninety One Prospectus (for which Ninety One and Ninety One Directors are responsible) which will contain a summary of material UK tax considerations relating to holding and disposing of Ninety One Shares.

Investec plc Ordinary Shareholders: Receipt of Ninety One plc Shares pursuant to the UK Demerger

No UK income tax should arise to a UK resident Investec plc Ordinary Shareholder as a result of receiving Ninety One plc Shares pursuant to the UK Demerger.

A UK resident Investec plc Ordinary Shareholder who does not hold (either alone or together with persons connected with him) more than 5% of, or of any class of, shares in or debentures of Investec plc, will not be treated as having made a disposal of his Investec plc Ordinary Shares as a result of receiving Ninety One plc Shares pursuant to the UK Demerger. Instead, the Ninety One plc Shares will be treated as the same asset as the Investec plc Ordinary Shares acquired at the same time and for the same consideration as those shares.

Any such Investec plc Ordinary Shareholder who holds (either alone or together with persons connected with him) more than 5% of, or of any class of, shares in or debentures of Investec is advised that clearance has been obtained from HMRC under section 138 of the Taxation of Chargeable Gains Act 1992, in respect of the UK Demerger. As a result, any such holder will be treated in the manner described in the preceding paragraph.

The base cost of a UK resident Investec plc Ordinary Shareholder in his Investec plc Ordinary Shares will need to be apportioned following the UK Demerger between his Investec plc Ordinary Shares and his Ninety One plc Shares acquired pursuant to the UK Demerger, on the basis of the respective quoted market values of such shareholdings following the UK Demerger.

If an Investec plc Ordinary Shareholder receives cash in respect of a fractional entitlement to Ninety One plc Shares and the amount of cash received is small in comparison with the value of his Investec plc Ordinary Shares (which is expected to be the case, on the basis that under current HMRC practice, any cash payment of £3,000 or less will generally be treated as small for this purpose), the Investec plc Ordinary Shareholder will

not be treated as having disposed of the shares in respect of which the cash was received. Instead, an amount equal to the amount of such cash will be deducted from the base cost of his Investec plc Ordinary Shares.

Investec plc Ordinary Shareholders: Receipt of interests in respect of Ninety One Limited special shares

The receipt by UK resident Investec plc Ordinary Shareholders of certain interests in the Ninety One Limited Special Converting Shares and the Ninety One SA DAN Share is not expected to give rise to a charge to UK tax on income or chargeable gains, on the basis that those interests are not expected to have any value on the date of acquisition (the value of their rights being reflected in the value of the Ninety One plc Shares).

The issue by Ninety One plc of the Ninety One plc Special Shares should not be treated as a part disposal by UK resident Investec plc Ordinary Shareholders of either their Investec plc Ordinary Shares or their Ninety One plc Shares acquired pursuant to the UK Demerger.

Investec Limited Ordinary Shareholders: Receipt of Ninety One Limited Shares pursuant to the SA Demerger

The receipt of Ninety One Limited Shares pursuant to the SA Demerger by UK resident Investec Limited Ordinary Shareholders will be a taxable event for UK tax purposes for such Shareholders. The nature of any tax charge will depend on whether the distribution of Ninety One Limited Shares pursuant to the SA Demerger is regarded as a dividend (or other income distribution) or capital distribution for UK tax purposes. The position is not clear but Investec expects that it should be treated as a capital distribution.

Provided that this is the case, and save as described below, UK resident Investec Limited Ordinary Shareholders should be treated as making a part disposal of the Investec Limited Ordinary Shares held by them which may, depending on individual circumstances (including the availability of exemptions, reliefs and allowable losses), give rise to a liability to UK tax on capital gains.

However, where an Investec Limited Ordinary Shareholder receives Ninety One Limited Shares (and/or cash in respect of fractional entitlements) and the value of the Ninety One Limited Shares (and/or cash) received is small in comparison with the value of his Investec Limited Ordinary Shares, the Investec Limited Ordinary Shareholder will not be treated as making a part disposal of the Investec Limited Ordinary Shares (unless the value of the Ninety One Limited Shares received by the Investec Limited Ordinary Shareholder exceeds his base cost in his Investec Limited Ordinary Shares, in which case different rules apply). Instead, an amount equal to the value of such Ninety One Limited Shares will be deducted from the base cost of his Investec Limited Ordinary Shares.

Under current HMRC practice, Ninety One Limited Shares with a value of £3,000 or less or (if greater) a value which is 5% or less of the market value of an Investec Limited Ordinary Shareholder's holding of Investec Limited Ordinary Shares will generally be treated as small for these purposes.

A UK resident Investec Limited Ordinary Shareholder should obtain a base cost in the Ninety One Limited Shares acquired pursuant to the SA Demerger equal to the market value of those Ninety One Limited Shares.

Investec Limited Ordinary Shareholders: Receipt of interests in respect of Ninety One plc Special Shares

The receipt by UK resident Investec Limited Ordinary Shareholders of certain interests in the Ninety One plc Special Converting Shares and the Ninety One UK DAS Share is not expected to give rise to a charge to UK tax on income or chargeable gains, on the basis that those interests are not expected to have any value on the date of acquisition (the value of their rights being reflected in the value of the Ninety One Limited Shares).

UK Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

No UK stamp duty or SDRT will be payable by Investec Ordinary Shareholders in respect of the receipt of the Ninety One plc Shares or Ninety One Limited Shares pursuant to the Proposals.

SECTION B: South African Taxation

The paragraphs set out below summarise the South African income tax treatment for:

(a) an Investec Limited Ordinary Shareholder that is a South African resident company, or a non-South African resident company with a permanent establishment in South Africa that holds Investec Shares as capital assets, not as trading stock. For the purposes of this Section B of this Part XIV, the term Investec Limited Ordinary Shareholders must be construed accordingly; and

(b) an Investec plc Ordinary Shareholder, i.e. a South African tax resident shareholder, or a non-South African resident company with a permanent establishment in South Africa, which holds Investec plc Ordinary Shares listed on the Johannesburg Stock Exchange as capital assets, not as trading stock. For the purposes of this Section B of this Part XIV, the term Investec plc Ordinary Shareholders must be construed accordingly.

The discussion does not address all possible tax consequences relating to an investment in the Investec Limited Ordinary Shares or the Investec plc Ordinary Shares. Certain categories of Investec Limited Ordinary Shareholders and Investec plc Ordinary Shareholders, including those carrying on certain financial activities, those subject to specific tax regimes or benefiting from certain reliefs or exemptions, those connected with Investec or Investec Group and those for whom the Investec Limited Ordinary Shares or the Investec plc Ordinary Shares are employment related securities, may be subject to special rules and this summary does not apply to such shareholders.

These paragraphs are based on South African income tax law and practice in force as at the date of this document, which are subject to change occasioned by future legislative amendments and court decisions, including changes that could have a retrospective effect.

The paragraphs are general and non-exhaustive commentary in relation to certain South African tax consequences of the Demerger and are intended to be used only as a general guide and do not constitute legal or tax advice. If you are in any doubt as to your tax position, you should consult an independent professional adviser immediately.

1. **THE DEMERGER**

Investec Limited Ordinary Shareholders: Receipt of Ninety One Limited Shares pursuant to the unbundling transaction in terms of section 46 of the South African Income Tax Act

Section 46 of the South African Income Tax Act enables the shareholders of an unbundling company such as Investec Limited, to acquire equity shares held by such company (i.e. the Ninety One Limited Shares), by way of a distribution *in specie* without such distribution being subject to income tax or capital gains tax ("**CGT**") in the hands of Investec Limited.

Pursuant to the application of section 46 of the South African Income Tax Act, upon the acquisition of the Ninety One Limited Shares, the Investec Limited Ordinary Shareholders must allocate a portion of the base cost of their shares in Investec Limited to the Ninety One Limited Shares as calculated in terms of section 46(3)(a)(i) and (v) of the South African Income Tax Act. This will effectively result in a reduction of the Investec Limited Ordinary Shareholder's base cost in its Investec Limited Ordinary Shares and the allocation of such base cost to its Ninety One Limited Shares.

The allocated portion of the base cost of the Investec Limited Ordinary Shares is an amount which bears to such base cost the same ratio that the market value of the Ninety One Limited Shares bears to the sum of the market values of (i) the Ninety One Limited Shares and (ii) the Investec Limited Ordinary Shares. The Ninety One Limited Shares are deemed to have been acquired on the same date as the original acquisition date of the Investec Limited Ordinary Shares by the Investec Limited Ordinary Shareholders.

The base cost of the Ninety One Limited Shares will only be relevant for non-South African tax resident Investec Limited Ordinary Shareholders who have a permanent establishment in South Africa.

The *in specie* distribution in the form of Ninety One Limited Shares received is disregarded for dividends tax purposes. Therefore, no dividends tax will arise.

Upon the acquisition of the Ninety One Limited Shares, a portion of the contributed tax capital ("**CTC**"), (as such term is defined under the South African Income Tax Act), in relation to the Investec Limited

Ordinary Shares, must be allocated to the Ninety One Limited Shares with reference to the formula as set out in section 46(3A)(b) of the South African Income Tax Act. This will result in a reduction of the CTC attributable to Investec Limited Ordinary Shares.

South African tax resident Investec plc Ordinary Shareholders with Ordinary Shares listed on the Johannesburg Stock Exchange Receipt of Ninety One plc Shares

The distribution *in specie* of the Ninety One plc Shares to Investec plc Ordinary Shareholders pursuant to the Demerger will, for South African tax purposes, be treated as a foreign return of capital received by Investec plc Ordinary Shareholders.

The market value of the Ninety One plc Shares received, would reduce the existing base cost in the Investec plc Ordinary Shares held by Investec plc Ordinary Shareholders in terms of paragraph 76B of the Eighth Schedule to the South African Income Tax Act. To the extent that the market value of the Ninety One plc Shares received by the Investec plc Ordinary Shareholders exceeds the base cost of the Investec plc Ordinary Shares, that excess is treated as a taxable capital gain realised, which must be included in that Investec plc Ordinary Shareholder's taxable income at the effective rate of 22.4% (being 80% of 28%) for companies and a maximum effective rate of 18% (being a maximum of 40% of 45%) for individuals.

To the extent that any portion of the distribution *in specie* is not a foreign return of capital, it will constitute a foreign dividend exempt from income tax if the shareholder is a South African tax resident company in terms of section 10B(2)(e) of the South African Income Tax Act. Where the shareholder is any person other than a South African tax resident company (for example, an individual or trust), a portion (determined in terms of a formula) of the market value of the Ninety One plc Shares would be included in the income of the shareholder in terms of section 10B(3) of the South African Income Tax Act. Non-resident shareholders would not be subject to income tax on such foreign dividends since they do not arise from a source within South Africa. No dividends tax would arise in relation to the distribution *in specie* of the Ninety One plc Shares in relation to the Investec plc Ordinary Shares, on the basis that the distribution of the Ninety One plc Shares constitutes a distribution of an asset *in specie*, per the definition of a dividend in section 64D of the South African Income Tax Act.

The base cost going forward, of the Ninety One plc Shares in the hands of the Investec plc Ordinary Shareholders for CGT purposes, will be equal to the market value of such shares on the date of the distribution, in terms of paragraph 75 of the Eighth Schedule to the South African Income Tax Act.

2. **SECURITIES TRANSFER TAX**

The transfer of the unbundled Ninety One Limited Shares to Investec Limited Ordinary Shareholders will be exempt from Securities Transfer Tax ("**STT**").

No STT should become payable pursuant to the transfer of Ninety One plc Shares to Investec plc Ordinary Shareholders in terms of the Demerger, on the basis that such transfer will take place prior to Admission of the Ninety One plc Shares on the JSE.

SECTION C: Namibia Taxation

The paragraphs set out below summarise the Namibian income tax treatment for an Investec Limited Ordinary Shareholder that is a Namibian resident individual or Namibian resident company that holds its shares as capital assets, not as trading stock (a "**Namibian Ordinary Shareholder**").

These paragraphs are based on Namibian income tax law and practice in force as at the date of this document. The paragraphs are intended as a general guide only and do not constitute legal or tax advice. If you are in any doubt as to your tax position, you should consult an independent professional adviser immediately.

1. **THE DEMERGER**

In terms of current Namibian tax legislation, the distribution *in specie* of Ninety One Limited Shares (as a return of capital) to Namibian tax resident shareholders of Investec Limited Ordinary Shares listed on the Namibia Stock Exchange, pursuant to the Demerger, should not be subject to Namibian income tax or any other Namibian taxes on the basis that Namibia does not have capital gains tax and provided that the distribution is made from the stated capital or share premium account of Investec Limited, excluding any reserves or undistributed profits which were transferred to or are included in the share premium account.

To the extent that any portion of the distribution *in specie* of the Ninety One Limited Shares does not constitute a return of capital, any distribution or reserves or undistributed profits would be deemed to be a dividend, which is currently exempt from tax in the hands of Namibian resident shareholders.

In terms of the draft Namibian 2018 Income Tax Amendment Bill, which is not in force as yet but which may come into effect prior to the Demerger, any distribution of a dividend would be subject to a final 10% withholding tax in the hands of a Namibian Ordinary Shareholder of Investec Limited Ordinary Shares. In terms of the draft Namibian 2018 Income Tax Amendment Bill, the definition of dividend will be extended to include a return of capital out of the stated capital or share premium account. Thus, the applicable withholding tax of 10% will apply equally to any dividend or return of capital by Investec Limited to its Namibian Ordinary Shareholder.

2. **STAMP DUTY**

No stamp duty should become payable pursuant to the transfer of Ninety One Limited Shares to Investec Limited Ordinary Shareholders in terms of the Demerger.

SECTION D: Botswana Taxation

The paragraphs set out below summarise the Botswanan income tax treatment for an Investec Limited Ordinary Shareholder that is a Botswana resident or a Botswana non-resident company with a Botswana permanent establishment and that holds its shares as capital assets, not as trading stock.

These paragraphs are based on Botswana income tax law and practice in force as at the date of this document. The paragraphs are intended as a general guide only and do not constitute legal or tax advice. If you are in any doubt as to your tax position, you should consult an independent professional adviser immediately.

1. **THE DEMERGER**

The distribution *in specie* of Ninety One Limited Shares to Botswanan tax resident shareholders of Investec Limited Ordinary Shares listed on the Botswana Stock Exchange, pursuant to the Demerger will take place by way of a return of capital from Available stated capital of Investec Limited.

For Botswana tax purposes, the Available stated capital would be equal to the proportion of the stated capital attributable to the Ninety One Limited Shares, calculated as follows:

- the value of the Ninety One Limited Shares
- divided by the aggregate value of Investec Limited prior to the demerger
- multiplied by 100
- = [X]%
- multiplied by the stated capital of Investec Limited
- = the stated capital attributable to Ninety One Limited (**"Available stated capital**")

Thus, to the extent that the nominal value of the Ninety One Limited Shares (being the consideration paid on issue of the Ninety One Limited Shares) does not exceed the Available stated capital, such amount will constitute a return of capital and will not constitute a dividend. Such return of capital will not be subject to tax in Botswana.

The Botswana Income Tax Act defines a dividend as "any amount distributed, whether in cash or otherwise, by a company to its shareholders". Amount distributed includes, in relation to a company which is not being wound up or liquidated, any profits distributed, whether of a capital nature or otherwise, including an amount, other than an amount representing a return of capital, equal to the nominal value of any bonus shares, debentures or securities awarded to the shareholders.

To the extent that the nominal value of the Ninety One Limited Shares and/or cash paid *in lieu* of Ninety One Limited Shares exceeds the Available stated capital of Investec Limited, then any excess above the Available stated capital would be a foreign dividend. A foreign dividend is taxed at a rate of 15%. The tax will be calculated on the nominal value of the Ninety One Limited Shares.

In the event that the dividend is also taxed in South Africa, the Botswana resident shareholders have the right to claim foreign tax credits limited to the tax chargeable in Botswana.

SECTION E: United States Taxation

Certain US Federal Income Tax Considerations

The following is a summary of certain US federal income tax consequences relevant to Investec Ordinary Shareholders receiving Ninety One Shares pursuant to the Demerger that are US Holders (as defined below) that hold their Investec Limited Ordinary Shares or Investec plc Ordinary Shares, as applicable, as capital assets. The discussion does not cover all aspects of US federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the receipt of Ninety One Shares by particular US Holders (including consequences under the alternative minimum tax or net investment income tax), and does not address state, local, non-US or other tax laws. This summary also does not address tax considerations applicable to US Holders that own (directly, indirectly or by attribution) 5% or more of the stock (by vote or value) of Investec Limited or Investec plc, nor does this summary discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under US federal income tax laws (such as financial institutions, insurance companies, entities and arrangements treated as partnerships for US federal income tax purposes or holders of interests in such entities, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, holders who acquire their Investec Shares upon the exercise of employee stock options or otherwise as compensation, holders that have held their Investec Shares as part of straddles, hedging transactions or conversion transactions for US federal income tax purposes, persons that have ceased to be US citizens or lawful permanent residents of the United States, investors holding the Investec Shares in connection with a trade or business conducted outside the United States, or investors whose functional currency is not the US dollar).

As used herein, the term "**US Holder**" means a beneficial owner of Investec Limited Ordinary Shares or Investec plc Ordinary Shares that is, for US federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organised in or under the laws of the United States, any State thereof or the District of Columbia, (iii) an estate the income of which is subject to US federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more US persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for US federal income tax purposes.

The US federal income tax treatment of a partner in an entity or arrangement treated as a partnership for US federal income tax purposes that holds Investec Shares will depend on the status of the partner and the activities of the partnership. US Holders that are entities or arrangements treated as partnerships for US federal income tax purposes should consult their tax advisers concerning the US federal income tax consequences to them and their partners in respect of the Demerger.

Except as otherwise noted, this summary also assumes that each of Investec Limited and Investec plc is not currently and was never a passive foreign investment company (a "**PFIC**") for US federal income tax purposes. If either Investec Limited or Investec plc were to be a PFIC in any taxable year during which a US Holder held its Investec Limited Ordinary Shares or Investec plc Ordinary Shares, respectively, materially adverse consequences could result for such US Holder. See " – *Passive foreign investment company considerations*" below.

This summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as of the date hereof and all of which are subject to change at any time, possibly with retroactive effect.

THE SUMMARY OF US FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL SHAREHOLDERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE DEMERGER, THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-US AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

2. US FEDERAL INCOME TAX TREATMENT OF THE DEMERGER

The receipt of Ninety One Limited Shares (or cash proceeds) pursuant to the SA Demerger and Ninety One plc Shares (or cash proceeds) pursuant to the UK Demerger, as applicable, is expected to be treated as a taxable distribution by Investec Limited and Investec plc to Investec Limited Ordinary Shareholders and Investec plc Ordinary Shareholders, respectively, with the amount realised in the distribution by a US Holder equal to the fair market value of the Ninety One Shares distributed or issued to it. The distribution generally would be treated as a dividend to the extent of the current or accumulated earnings and profits (as determined for US federal income tax purposes) of Investec Limited or Investec plc, as applicable. The amount of the distribution in excess of current and accumulated earnings and profits generally would be treated as a non-taxable return of capital to the extent of the US Holder's basis in their Investec Limited Ordinary Shares or Investec plc Ordinary Shares, and thereafter as capital gain. However, neither Investec Limited nor Investec plc maintains calculations of its earnings and profits for US federal income tax purposes. US Holders should therefore assume that the entire amount deemed realised pursuant to the Demerger would be reported as ordinary dividend income. The distribution would not be eligible for the dividends received deduction generally allowed to corporations. The distribution generally would be taxable to a non-corporate US Holder at the reduced rate normally applicable to long-term capital gains, provided Investec Limited or Investec plc, as applicable, qualifies for the benefits of the income tax treaty between the United States and South Africa or the United States and United Kingdom, respectively, and certain other requirements are met.

A US Holder would have a tax basis in the Ninety One Shares received equal to their fair market value, determined in US dollars, and the US Holder's holding period for the Ninety One Shares would begin on the day of receipt of such shares.

3. PASSIVE FOREIGN INVESTMENT COMPANY CONSIDERATIONS

A non-US corporation will be a PFIC in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable "look-through rules," either (i) at least 75% of its gross income is "passive income" or (ii) at least 50% of the average value of its assets is attributable to assets which produce passive income or are held for the production of passive income. For this purpose, "passive income" generally includes interest, dividends, royalties, rents and gains from commodities and securities transactions. An exception is provided for income derived in the active conduct of a banking business. A substantial portion of the income of Investec Group is attributable to interest and financial transactions arising in connection with the banking business conducted by certain of Investec's subsidiaries and a substantial portion of the assets of Investec Group consists of debt obligations and other financial assets held in connection with such business. Accordingly, the PFIC status of Investec Limited and Investec plc depends on these businesses qualifying for the active banking business exception discussed above.

Based on the composition of income of Investec Group, the valuation of Investec Group's assets and the activities conducted by Investec Group, Investec believes that Investec Limited and Investec plc were not PFICs for their taxable years ended 31 March 2019 and does not expect Investec Limited or Investec plc to be a PFIC for their current taxable years. However, Investec cannot provide any assurance that Investec Limited or Investec plc was not a PFIC in any taxable year prior to the year ended 31 March 2019. In addition, because these determinations are factual in nature and the relevant rules are subject to differing interpretations, no assurance can be given that Investec Limited or Investec plc will not be a PFIC for their current taxable years or that the U.S. Internal Revenue Service would agree with Investec's assessment about the PFIC status of Investec Limited and Investec plc for their taxable years ended 31 March 2019.

If Investec Limited or Investec plc was treated as a PFIC with respect to a US Holder during such US Holder's holding period for its Investec Limited Ordinary Shares or Investec plc Ordinary Shares, respectively, such US Holder may be required to pay a special US addition to tax on the distribution of Ninety One Shares (or cash proceeds) and the reduced rate discussed above under " *– US federal income tax treatment of the Demerger*" with respect to distributions paid to certain non-corporate US Holders would not apply for such US Holder. Further, such reduced rate would not apply for any US Holder of Investec Limited Ordinary Shares or Investec plc Ordinary Shares, as applicable, if Investec Limited or Investec plc, respectively, was a PFIC in its current taxable year or its taxable year ended 31 March 2019. Certain elections may be available that would result in alternative treatment of the Demerger to the US Holder. US Holders should consult their tax advisers regarding the potential application of the PFIC regime to the Demerger.

4. INFORMATION REPORTING AND BACKUP WITHHOLDING

Distributions treated as paid pursuant to the Demerger by a US paying agent or other US intermediary will be reported to the IRS and to the US Holder as may be required under applicable regulations. Backup withholding may apply to these distributions if the US Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to comply with applicable certification requirements. Certain US Holders are not subject to backup withholding. US Holders should consult their tax advisers about these rules and any other reporting obligations that may apply to the receipt of the Ninety One Shares (or cash proceeds), including requirements related to the holding of certain "specified foreign financial assets".

SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF
ENGLAND AND WALES
COMPANIES COURT (ChD) **CR-2019-006418**

IN THE MATTER OF INVESTEC PLC

– and –

IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT (under Part 26 of the Companies Act 2006)

BETWEEN

INVESTEC PLC

AND ITS

SCHEME SHAREHOLDERS
(as hereinafter defined)

PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions have the following meanings:

"**Act**"	the Companies Act 2006 (as amended)
"**Articles**"	the articles of association of the Company at any relevant date or time
"**business day**"	a day (excluding Saturdays, Sundays and public holidays) on which banks are generally open for business in the City of London
"**certificated**" or "**in certificated form**"	not in uncertificated form (that is, not in CREST)
"**Company**"	Investec plc, incorporated in England and Wales with registered number 03633621
"**Court**"	the High Court of Justice in England and Wales
"**Court Hearing**"	the hearing of the Court to consider and, if satisfied, sanction this Scheme and confirm the Demerger Reduction of Capital
"**Court Meeting**"	the meeting of the Scheme Shareholders convened pursuant to an order of the Court under section 896 of the Act to consider and, if thought fit, approve this Scheme, including any adjournment thereof
"**Court Order**"	the order of the Court sanctioning this Scheme under section 899 of the Act and confirming the Demerger Reduction of Capital under section 648 of the Act
"**CREST**"	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the Uncertificated Securities Regulations 2001 (as amended)
"**Demerger Reduction of Capital**"	the reduction of share premium account provided for in Clause 1.1
"**Euroclear**"	Euroclear UK & Ireland Limited, incorporated in England and Wales with registered number 02878738
"**holder**"	a registered holder and includes a person entitled by transmission

"**IAM UK**"	Investec Asset Management Limited, incorporated in England and Wales with the registered number 02036094
"**IAM UK Shares**"	ordinary shares of £1.00 each in the capital of IAM UK
"**members**"	members of the Company on the Register at any relevant date or time
"**Ninety One Limited**"	Investec Asset Management SA Group Limited, incorporated and registered in South Africa with registration number 2019/526481/06
"**Ninety One Limited Shares**"	ordinary shares in the capital of Ninety One Limited
"**Ninety One plc**"	Investec Asset Management UK Group plc, incorporated in England and Wales with registered number 12245293
"**Ninety One plc Shares**"	ordinary shares of £0.0001 each in the capital of Ninety One plc
"**Ordinary Shares**"	ordinary shares of £0.0002 each in the capital of the Company
"**Register**"	the register of members of the Company, comprising the UK Register and the SA Register
"**Registrar of Companies**"	the Registrar of Companies in England and Wales
"**SA Register**"	the South African branch of the Company's register of members maintained in South Africa on behalf of the Company
"**Scheme**"	this scheme of arrangement in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by the Company and Ninety One plc
"**Scheme Effective Time**"	the time and date at which this Scheme becomes effective in accordance with Clause 5
"**Scheme Record Time**"	6.00 p.m. on the second Friday after the date of the Court Hearing
"**Scheme Shareholder**"	a holder of Scheme Shares at any relevant date or time
"**Scheme Shares**"	(i) the Ordinary Shares in issue at the date of this Scheme; (ii) any Ordinary Shares issued after the date of this Scheme and before the Scheme Voting Record Time; and (iii) any Ordinary Shares issued at or after the Scheme Voting Record Time and before the Scheme Record Time on terms that the holder thereof shall be bound by this Scheme, or in respect of which the original or any subsequent holders thereof shall have agreed in writing to be bound by this Scheme, and in each case, where the context requires, remaining in issue at the Scheme Record Time
"**Scheme Voting Record Time**"	6.00 p.m. on the day which is two business days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is two business days before the date of such adjourned Court Meeting
"**Statement of Capital**"	the statement of capital scheduled to the Court Order, as approved by the Court
"**UK Register**"	the Company's principal register of members maintained in the United Kingdom
"**uncertificated**" or "**in uncertificated form**"	recorded on the relevant register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST

References to Clauses are to clauses of this Scheme, and references to time are to London time.

(B) The issued share capital of the Company as at the close of business on 22 November 2019 (being the latest practicable date prior to the date of this Scheme) was £30,543.34 and R131.45 divided into: (i) 696,082,618 ordinary shares of £0.0002 each; (ii) one special voting share of £0.001; (iii) 318,904,709 special converting shares of £0.0002 each; (iv) one dividend access share (for the benefit of non-UK resident Investec Limited Ordinary Shareholders) of £0.0001; (v) one dividend access share (for the benefit of UK resident Investec Limited Ordinary Shareholders) of £0.0001; (vi) 2,754,587 preference shares of £0.01 each; and (vii) 131,447 preference shares of R0.001 each. All of such shares were credited as fully paid and none were held in treasury.

(C) The special voting share, special converting shares, dividend access shares and preference shares are not Scheme Shares and are not subject to this Scheme.

(D) Ninety One plc was incorporated on 4 October 2019 under the Act as a public limited company. The issued share capital of Ninety One plc at the date of this Scheme is £50,000.0001 divided into one ordinary share of £0.0001 and 50,000 redeemable shares of £1.00 each.

(E) Ninety One plc has agreed to appear by Counsel at the hearing to sanction this Scheme and to submit to be bound by and to undertake to the Court to be bound by this Scheme and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

THE SCHEME

1. DEMERGER REDUCTION OF CAPITAL

1.1 At the Scheme Effective Time, the share premium account of the Company shall be reduced by £855,926,402 and:

1.1.1 part thereof shall be repaid, which repayment shall be satisfied by the Company transferring, or procuring the transfer of, such number of IAM UK Shares, as may be determined by the directors of the Company, up to a maximum of 670,789 IAM UK Shares, to Ninety One plc in consideration for the allotment and issue by Ninety One plc to the Scheme Shareholders (as appearing in the Register at the Scheme Record Time) of one Ninety One plc Share for every two Scheme Shares held by them; and

1.1.2 the balance (if any) thereof shall be retained by the Company and transferred to the reserves of the Company to be available for future distributions by the Company from time to time or applied by the Company from time to time toward any purpose to which such reserves may be applied.

1.2 Fractions of Ninety One plc Shares shall not be issued to Scheme Shareholders pursuant to this Scheme. The aggregated number of Ninety One plc Shares to which Scheme Shareholders are entitled under Clause 1.1 shall be rounded down to the nearest whole number of Ninety One plc Shares, resulting in allocations of whole numbers of Ninety One plc Shares and a cash payment shall be made to the relevant Scheme Shareholder in respect of the fraction to which they otherwise would have been entitled. For the purposes of determining fractional entitlements, each portion of a Scheme Shareholder's holding which is recorded in the Register by reference to a separate designation at the Scheme Record Time, whether in certificated or uncertificated form, shall be treated as a separate holding. The cash payment due to the relevant Scheme Shareholder shall be determined by reference to the volume-weighted average price of the Ninety One Limited Shares traded on the Johannesburg Stock Exchange on the first day of trading in such shares, less 10% of such volume-weighted average price.

1.3 The Ninety One plc Shares allotted and issued pursuant to Clause 1.1 shall be issued and credited as fully paid, shall rank equally in all respects with all other fully paid Ninety One plc Shares in issue at the Scheme Effective Time and shall be entitled to all dividends and other distributions declared, paid or made by Ninety One plc by reference to a record date at or after the Scheme Effective Time.

1.4 The IAM UK Shares transferred pursuant to Clause 1.1 shall be transferred fully paid, with full title guarantee, free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights or other interests, and together with all rights attached thereto including voting rights and the right to receive all dividends and other distributions declared, paid or made by IAM UK by reference to a record date on or after the Scheme Effective Time.

1.5 The transfer of IAM UK Shares to Ninety One plc pursuant to Clause 1.1 shall be effected by means of a form or forms of transfer or other instrument or instruction of transfer.

2. OVERSEAS SHAREHOLDERS

2.1 The provisions of Clause 1 shall be subject to any prohibition or condition imposed by law. Without prejudice to the generality of the foregoing, if, in respect of any Scheme Shareholder with a registered address in a jurisdiction outside of the United Kingdom or South Africa, or whom the Company reasonably believes to be a citizen, resident or national of a jurisdiction outside the United Kingdom or South Africa, the Company is advised that the allotment and/or issue of Ninety One plc Shares pursuant to Clause 1 would or may infringe the laws of such jurisdiction or would or may require the Company or Ninety One plc to comply with any governmental or other consent or any registration, filing or other formality with which the Company or Ninety One plc is unable to comply or compliance with which the Company regards as unduly onerous, the Company may, in its sole discretion:

2.1.1 determine that such Ninety One plc Shares shall be sold, in which event the Ninety One plc Shares shall be issued to such Scheme Shareholder and the Company shall appoint a person to act pursuant to this Clause 2.1.1 and such person shall be authorised on behalf of such Scheme Shareholder to procure that such Ninety One plc Shares shall, as soon as practicable following the Scheme Effective Time, be sold; or

2.1.2 determine that such Ninety One plc Shares shall not be issued to such Scheme Shareholder but shall instead be issued to a nominee for such Scheme Shareholder appointed by the Company on terms that the nominee shall, as soon as practicable following the Scheme Effective Time, sell the Ninety One plc Shares so issued.

2.2 Any sale under Clause 2.1 shall be carried out at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale) shall be paid to such Scheme Shareholder by sending a cheque or creating an assured payment obligation in accordance with the provisions of Clause 3.

2.3 To give effect to any sale under Clause 2.1, the person appointed by the Company in accordance with Clause 2.1.1 shall be authorised as attorney or agent on behalf of the Scheme Shareholder concerned, and the nominee appointed by the Company in accordance with Clause 2.1.2 shall be authorised, to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer and to give such instructions and to do all other things which he or she may consider necessary or expedient in connection with such sale. In the absence of bad faith or wilful default, none of the Company, Ninety One plc or the person or nominee so appointed shall have any liability for any determination made pursuant to Clause 2.1 or for any loss or damage arising as a result of the timing or terms of any sale pursuant to Clause 2.1.

3. SETTLEMENT

3.1 As soon as practicable after the Scheme Effective Time:

3.1.1 the Company shall transfer the IAM UK Shares which it is required to transfer to Ninety One plc pursuant to Clause 1.1;

3.1.2 Ninety One plc shall allot and issue the Ninety One plc Shares which it is required to issue to Scheme Shareholders pursuant to Clause 1.1, and in the case of Scheme Shares which at the Scheme Record Time are held:

(a) in certificated form, the Company and Ninety One plc shall procure the despatch of certificates for such Ninety One plc Shares to the persons entitled thereto;

(b) in uncertificated form, the Company and Ninety One plc shall procure that Euroclear is instructed to credit the appropriate stock account in CREST of the relevant Scheme Shareholder with such Scheme Shareholder's entitlement to such Ninety One plc Shares, provided that the Company and Ninety One plc reserve the right to settle all or part of such consideration in the manner set out in Clause 3.1.2(a) if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this Clause 3.1.2(b);

3.1.3 in the case of Ninety One plc Shares in respect of which a cash payment is made for a fractional entitlement pursuant to Clause 1.2 or sold pursuant to Clause 2.1 and issued in respect of Scheme Shares which at the Scheme Record Time are in certificated form, the Company and Ninety One plc shall procure the despatch to the persons entitled thereto of cheques for the sums payable to them respectively; and

3.1.4 in the case of Ninety One plc Shares in respect of which a cash payment is made for a fractional entitlement pursuant to Clause 1.2 or sold pursuant to Clause 2.1 and issued in respect of Scheme Shares which at the Scheme Record Time are in uncertificated form, the Company and Ninety One plc shall procure that Euroclear is instructed to create an assured payment obligation in favour of the payment bank of the persons entitled thereto in accordance

with the CREST assured payment arrangements for the sums payable to them respectively, provided that the Company and Ninety One plc reserve the right to make payment of the said sums by cheque as set out in Clause 3.1.3 if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this Clause 3.1.4.

3.2 All deliveries of share certificates or cheques pursuant to this Scheme shall be effected by sending the same in prepaid envelopes addressed to the persons entitled thereto at their respective addresses as appearing in the Register or, in the case of joint holders, at the address of that one of the joint holders whose name stands first in the Register in respect of such joint holding at the Scheme Record Time, and none of the Company, Ninety One plc or any person appointed by the Company or Ninety One plc or their respective agents shall be responsible for any loss or delay in the transmission or delivery of any share certificates or cheques sent in accordance with this Clause 3.2 which shall be sent at the risk of the persons entitled thereto.

3.3 All cheques shall be in the local currency of the branch register on which the relevant Scheme Shareholder is registered (using an exchange rate determined by the directors of the Company) and shall be made payable to the persons respectively entitled to the monies represented thereby and the encashment of any such cheque or the creation of any such assured payment obligation in accordance with Clause 3.1.4 shall be a complete discharge of the Company's and Ninety One plc's obligations under this Scheme to pay the monies represented thereby.

3.4 The provisions of this Clause 3 shall be subject to any condition or prohibition imposed by law.

4. MANDATES

All mandates relating to the monetary payment of dividends on the Scheme Shares and other instructions, including communication preferences, given to the Company by Scheme Shareholders and in force at the Scheme Record Time shall, unless and until revoked or amended, be deemed as from the Scheme Effective Time to be valid and effective mandates and instructions to Ninety One plc in relation to the Ninety One plc Shares issued in respect thereof.

5. SCHEME EFFECTIVE TIME

5.1 This Scheme shall become effective as soon as a copy of the Court Order sanctioning this Scheme under section 899 of the Act and confirming the Demerger Reduction of Capital under section 648 of the Act, together with the Statement of Capital, shall have been delivered to the Registrar of Companies and, if so ordered by the Court, the Court Order and the Statement of Capital shall have been registered by the Registrar of Companies.

5.2 Unless this Scheme shall have become effective on or before 30 September 2020, or such later date, if any, as the Company and Ninety One plc may agree and the Court may allow, this Scheme shall never become effective.

6. MODIFICATION

The Company and Ninety One plc may jointly consent on behalf of all concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose.

Dated 29 November 2019

ADDITIONAL INFORMATION

1. RESPONSIBILITY

1.1 United Kingdom

Investec plc and Investec Limited and the Directors of Investec plc and Investec Limited, whose names are set out in paragraph 3 of this Part XVI, accept responsibility for the information contained in this document. To the best of the knowledge and belief of Investec plc and Investec Limited and the Directors of Investec plc and Investec Limited (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

1.2 South Africa

The Directors of Investec plc and Investec Limited, whose names are set out in paragraph 3 of this Part XVI, accept responsibility for the information contained in this document. To the best of the knowledge of the Directors of Investec plc and Investec Limited (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and contains no omission likely to affect its import.

The Directors of Investec plc and Investec Limited, whose names are set out in paragraph 3 of this Part XVI, collectively and individually accept full responsibility for the completeness and the accuracy of the information contained in this document and certify that, to the best of their knowledge and belief, (there are no facts that have been omitted which would make any statement of fact or opinion false or misleading, and that all reasonable enquires to ascertain such facts have been made and that this document contains all information required by South African law and the JSE Listings Requirements.

This circular was signed in London on behalf of all Investec Group directors in terms of power of attorneys granted on or about 14 November 2019.

2. TRADING OBJECTS AND CHANGE OF CONTROL

2.1 Ninety One

There has been no change to the trading objects of Ninety One and Ninety One's major subsidiaries or any change in control of Ninety One or the Ninety One Business during the previous five years.

2.2 Investec Bank and Wealth

There has been no change to the trading objects of Investec Bank and Wealth and Investec Bank and Wealth's major subsidiaries or any change in control of Investec Bank and Wealth during the previous five years.

3. INVESTEC DIRECTORS

The Directors of Investec plc and Investec Limited as at 22 November 2019 (being the latest practicable date prior to publication of this document) and their respective positions are as follows:

Name	Function
Perry Crosthwaite	Chairman
Hendrik du Toit	Joint Chief Executive Officer
Fani Titi	Joint Chief Executive Officer
Henrietta Baldock	Independent Non-Executive Director
Zarina Bassa	Senior Independent Director
David Friedland	Independent Non-Executive Director

Name	Function
Philip Hourquebie	Independent Non-Executive Director
Charles Jacobs	Independent Non-Executive Director
Ian Kantor	Non-Executive Director
Lord Malloch-Brown KCMG	Independent Non-Executive Director
Kim McFarland	Executive Director
Nishlan Samujh	Finance Director
Khumo Shuenyane	Independent Non-Executive Director
Philisiwe Sibiya	Independent Non-Executive Director

Upon completion of the implementation of the Proposals, Hendrik du Toit and Kim McFarland will leave the Investec Boards to take up their roles on the Ninety One Boards. Fani Titi will continue on the Investec Boards as sole Chief Executive Officer and Nishlan Samujh will continue as Finance Director.

It is expected that all other Non-Executive Directors will remain on the Investec Boards.

4. DIRECTORS' INTERESTS

Save as disclosed in this paragraph 4, none of the Directors, nor the Former Directors nor any member of his or her immediate family or any connected person holds or is beneficially or non-beneficially interested, directly or indirectly, in any Investec Shares, or options to subscribe for, or securities convertible into, Investec Shares.

No Director or Former Director is or has been interested in any transactions which are or were unusual in their nature or conditions or significant to the business of Investec or Investec Group during the current or immediately preceding financial year or which were effected during any earlier financial year and remain in any respect outstanding or unperformed.

4.1 Interests of Directors in relevant securities of Investec

As at 22 November 2019 (being the latest practicable date prior to publication of this document), the interests of the Directors and the Former Directors (within the meaning of part 22 of the UK Companies Act) and their immediate families, related trusts and connected persons, all of which are beneficial unless otherwise stated, in the issued share capital of Investec were (with the exception of options and awards in respect of Investec Shares which are set out in paragraph 4.2 of this Part XVI) as follows:

Name of Director	Number of Investec plc Shares	Percentage of issued Investec plc Shares	Number of Investec Limited Shares	Percentage of issued Investec Limited Shares
Perry Crosthwaite	115,738	0.0	–	–
Hendrik du Toit[28]	206,459	0.0	604,740	0.2
Fani Titi	–	–	–	–
Zarina Bassa	–	–	–	–
Henrietta Baldock	–	–	–	–
Laurel Bowden[29]	–	–	–	–
Glynn Burger[30]	960,391	0.1	627,120	0.2
Cheryl Carolus[31]	–	–	–	–
David Friedland	–	–	–	–
Philip Hourquebie	–	–	–	–
Charles Jacobs	–	–	–	–
Bernard Kantor[32]	1,369,421	0.2	500	0.0
Ian Kantor	9,045	0.0	325	0.0
Stephen Koseff[33]	6,476,448	0.9	537,416	0.2
Lord Malloch-Brown KCMG	–	–	–	–
Kim McFarland[34]	52,807	0.0	7,544	0.0

Name of Director	Number of Investec plc Shares	Percentage of issued Investec plc Shares	Number of Investec Limited Shares	Percentage of issued Investec Limited Shares
Nishlan Samujh	625	0.0	196,531	0.0
Khumo Shuenyane	19,900	0.0	–	–
Philisiwe Sibiya	–	–	–	–

Notes:

(28) Hendrik du Toit also participates in the Marathon Trust that, in turn, wholly owns Forty Two Point Two which holds 20% (less 1 share) in each of IAM UK and IAM SA.
(29) Laurel Bowden retired as a Director on 8 August 2019.
(30) Glynn Burger retired as a Director on 31 March 2019.
(31) Cheryl Carolus retired as a Director on 8 August 2019.
(32) Bernard Kantor retired as a Director on 8 August 2019.
(33) Stephen Koseff retired as a Director on 8 August 2019.
(34) Kim McFarland also participates in the Marathon Trust that, in turn, wholly owns Forty Two Point Two which holds 20% (less 1 share) in each of IAM UK and IAM SA.

4.2 **Interests of Directors in options and awards over Investec Shares**

As at 22 November 2019 (being the latest practicable date prior to publication of this document), certain Directors have options and awards over Investec Shares under certain of the Investec Share Plans:

Name of Director	Number of Investec plc Shares	Percentage of issued Investec plc Shares	Number of Investec Limited Shares	Percentage of issued Investec Limited Shares
Perry Crosthwaite	–	–	–	–
Hendrik du Toit	351,884	0.1	–	–
Fani Titi	351,884	0.1	–	–
Zarina Bassa	–	–	–	–
Henrietta Baldock	–	–	–	–
Laurel Bowden[35]	–	–	–	–
Glynn Burger[36]	757,375	0.1	–	–
Cheryl Carolus[37]	–	–	–	–
David Friedland	–	–	–	–
Philip Hourquebie	–	–	–	–
Charles Jacobs	–	–	–	–
Bernard Kantor[38]	847,426	0.1	–	–
Ian Kantor	–	–	–	–
Stephen Koseff[39]	847,426	0.1	–	–
Lord Malloch-Brown KCMG	–	–	–	–
Kim McFarland	140,154	0.0	–	–
Nishlan Samujh	–	–	270,077	0.1
Khumo Shuenyane	–	–	–	–
Philisiwe Sibiya	–	–	–	–

Notes:

(35) Laurel Bowden retired as a Director on 8 August 2019.
(36) Glynn Burger retired as a Director on 31 March 2019.
(37) Cheryl Carolus retired as a Director on 8 August 2019.
(38) Bernard Kantor retired as a Director on 8 August 2019.
(39) Stephen Koseff retired as a Director on 8 August 2019.

5. MAJOR SHAREHOLDERS

5.1 Investec Limited

As at 22 November 2019 (being the latest practicable date prior to the publication of this document), Investec Limited is aware that the following shareholders of Investec Limited beneficially hold, directly or indirectly, 5% or more of the Investec Limited Ordinary Shares:

Shareholder	Number of Investec Limited shares	Percentage of voting rights attached to the issued ordinary share capital
Public Investment Corporation	42,202,814	13.55
Allan Gray	35,340,599	11.08

To the knowledge of the Directors, there is no Controlling Shareholder of Investec Limited and there has been no change in Controlling Shareholders of Investec Limited and any of its subsidiaries during the five years preceding the date of this document.

5.2 Investec plc

As at 22 November 2019 (being the latest practicable date prior to the publication of this document), Investec plc had been notified of the following holdings in Investec plc's issued ordinary share capital exclusive of treasury shares pursuant to Chapter 5 of the Disclosure and Transparency Rules (each, a "**Notifiable Interest**"):

Shareholder	Number of Investec plc shares	Percentage of voting rights attached to the issued ordinary share capital
Allan Gray	95,239,623	13.68
Public Investment Corporation	53,938,537	7.75
Prudential Portfolio Managers	36,013,200	5.17
Old Mutual Investment Group	22,093,196	3.17
BlackRock Inc.	21,357,525	3.07

Save as set out above, Investec plc is not aware of any other Notifiable Interests.

To the knowledge of the Directors, there is no Controlling Shareholder of Investec plc and there has been no change in Controlling Shareholders of Investec plc and any of its subsidiaries during the five years preceding the date of this document.

6. DETAILS OF THE SERVICE CONTRACTS OF THE DIRECTORS

6.1 Non-Executive Directors and Chairman

The Non-Executive Directors and Chairman do not have service contracts and their appointment may be terminated at any time without compensation. Non-Executive Directors are appointed for an initial period of three years with an expected term of nine years. Their appointments are reviewed at the end of each term. Dates of appointment and unexpired terms of the Non-Executive Directors are as follows:

Name of Non-Executive Director	Date of first appointment to the Investec Boards	Unexpired term as at 22 November 2019
Perry Crosthwaite[40]	18 June 2010	n/a
Zarina Bassa	1 November 2014	1 November 2023
Henrietta Baldock	9 August 2019	9 August 2028
David Friedland	1 March 2013	1 March 2022
Philip Hourquebie	14 August 2017	14 August 2026
Charles Jacobs	8 August 2014	8 August 2023
Ian Kantor	30 July 1980 (Investec Limited) 26 June 2002 (Investec plc)	n/a
Lord Malloch-Brown KCMG	8 August 2014	8 August 2023
Khumo Shuenyane	8 August 2014	8 August 2023
Philisiwe Sibiya	9 August 2019	9 August 2028

Notes:
(40) Perry Crosthwaite was considered to be independent on his appointment as chairman.

6.2 Executive Directors

Details of the service contracts of the Executive Directors are set out below:

Name of Executive Director	Notice period from Investec	Notice period from Executive Director
Hendrik du Toit	6 months	6 months
Kim McFarland	6 months	6 months
Nishlan Samujh	6 months	6 months
Fani Titi	6 months	6 months

6.2.1 Hendrik du Toit

Hendrik du Toit is employed as Joint Chief Executive Officer of Investec pursuant to the terms of a service agreement with Investec effective 1 October 2018. He receives annual fixed pay of £1,332,000, half of which is payable in cash and the other half in the form of conditional Investec Shares which vest immediately, but are released in equal portions after one and two years. In addition, he receives employee benefits which are funded by sacrificing a portion of the cash component of his fixed pay.

Hendrik du Toit is not currently a contributing member of any of Investec's pension schemes.

Hendrik du Toit is also eligible for an annual short-term incentive award as set out more fully in the Investec Remuneration Policy. The award, which is delivered in a mix of cash and conditional Investec Shares, is subject to certain performance criteria and a maximum of 100% of his fixed pay (although in line with EBA discounting rules, when 25% of variable remuneration is deferred over at least five years, a slightly higher cap, usually approximately 143%, may

be applied). The award is determined by the Investec DLC Remuneration Committee based on pre-determined performance measures and metrics, comprising 80% financial and 20% non financial measures. The award is subject to malus, clawback, mandatory deferral into shares over three to seven years and a 12-month post-vesting retention provision. As a result of the Proposals, the award for the financial year that commenced on 1 April 2019 will be subject to certain adjustments as set out in paragraph 8.2 of Part IV of this document.

Hendrik du Toit is also eligible for an annual long-term incentive award as set out more fully in the Investec Remuneration Policy. This comprises an annual conditional share award of 100% of aggregate fixed remuneration, granted entirely in Investec Shares. The amount of the award that vests is determined subject to achievement against pre-agreed performance criteria, comprised of 75% financial and 25% non-financial measures. The performance measurement period is three years, and the number of shares vesting will be decreased or increased by a performance multiplier, with maximum vesting being capped at 135% for stretch performance. The award vests in equal tranches over years three to seven, and is subject to a 12 month post-vesting retention period. These awards will be pro-rated for the period of service relative to the performance period of the award should the executive director resign or retire prior to awards vesting (subject to good leaver principles). As a result of the Proposals, the award for the financial year that commenced on 1 April 2019 will be subject to certain adjustments as set out in paragraph 8.2 of Part IV of this document.

Hendrik du Toit's appointment is terminable by either himself or Investec on not less than six months' written notice. His contract of employment does not contain provisions for compensation payable on early termination.

6.2.2 **Kim McFarland**

Kim McFarland is employed as an executive director of Investec, and Finance Director of Ninety One, pursuant to a service agreement with Ninety One effective 1 October 2018. She receives annual fixed pay of £1,066,000, half of which is payable in cash and the other half in the form of conditional Investec Shares which vest immediately, but are released in equal portions after one and two years. In addition, she receives employee benefits which are funded by sacrificing a portion of the cash component of her fixed pay.

Kim McFarland is not currently a member of any of Investec's pension schemes.

Kim McFarland is also eligible for an annual short-term incentive award as set out more fully in the Investec Remuneration Policy. The award, which is delivered in a mix of cash and conditional Investec Shares, is subject to certain performance criteria and a maximum of 100% of her fixed pay (although in line with EBA discounting rules, when 25% of variable remuneration is deferred over at least five years, a slightly higher cap, usually approximately 143%, may be applied). The award is determined by the Investec DLC Remuneration Committee based on pre-determined performance measures and metrics, comprising 80% financial and 20% non-financial measures. The award is subject to malus, clawback, mandatory deferral into shares over three to seven years and a 12-month post-vesting retention provision. As a result of the Proposals, the award for the financial year that commenced on 1 April 2019 will be subject to certain adjustments as set out in paragraph 8.2 of Part IV of this document.

Kim McFarland is also eligible for an annual long-term incentive award as set out more fully in the Investec Remuneration Policy. This comprises an annual conditional share award of 100% of aggregate fixed remuneration, granted entirely in Investec Shares. The amount of the award that vests is determined subject to achievement against pre-agreed performance criteria, comprised of 75% financial and 25% non-financial measures. The performance measurement period is three years, and the number of shares vesting will be decreased or increased by a performance multiplier, with maximum vesting being capped at 135% for stretch performance. The award vests in equal tranches over years three to seven, and is subject to a 12 month post-vesting retention period. These awards will be pro-rated for the period of service relative to the performance period of the award should the executive director resign or retire prior to awards vesting (subject to good leaver principles). As a result of the Proposals, the award for the financial year that commenced on 1 April 2019 will be subject to certain adjustments as set out in paragraph 8.2 of Part IV of this document.

Kim McFarland's appointment is terminable by either herself or Investec on not less than six months' written notice. Her contract of employment does not contain provisions for compensation payable on early termination.

6.2.3 Fani Titi

Fani Titi is employed as Joint Chief Executive Officer pursuant to the terms of a service agreement with Investec effective 1 October 2018. He receives annual fixed pay of £1,332,000, half of which is payable in cash and the other half in the form of conditional Investec Shares which vest immediately, but are released in equal portions after one and two years. In addition, he receives employee benefits which are funded by sacrificing a portion of the cash component of his fixed pay.

Fani Titi is a member of one of Investec's defined contribution schemes. The total contribution to these schemes payable by Investec is included in the total salary of Fani Titi or included in benefits paid.

Fani Titi is also eligible for an annual short-term incentive award as set out more fully in the Investec Remuneration Policy. The award, which is delivered in a mix of cash and conditional Investec Shares, is subject to certain performance criteria and a maximum of 100% of his fixed pay (although in line with EBA discounting rules, when 25% of variable remuneration is deferred over at least five years, a slightly higher cap, usually approximately 143%, may be applied). The award is determined by the Investec DLC Remuneration Committee based on pre-determined performance measures and metrics, comprising 80% financial and 20% non-financial measures. The award is subject to malus, clawback, mandatory deferral into shares over three to seven years and a 12-month post-vesting retention provision.

Fani Titi is also eligible for an annual long-term incentive award as set out more fully in the Investec Remuneration Policy. This comprises an annual conditional share award of 100% of aggregate fixed remuneration, granted entirely in Investec Shares. The amount of the award that vests is determined subject to achievement against pre-agreed performance criteria, comprised of 75% financial and 25% non-financial measures. The performance measurement period is three years, and the number of shares vesting will be decreased or increased by a performance multiplier, with maximum vesting being capped at 135% for stretch performance. The award vests in equal tranches over years three to seven, and is subject to a 12-month post-vesting retention period. These awards will be pro-rated for the period of service relative to the performance period of the award should the executive director resign or retire prior to awards vesting (subject to good leaver principles).

Fani Titi's appointment is terminable by either himself or Investec on not less than six months' written notice. His contract of employment does not contain provisions for compensation payable on early termination.

6.2.4 Nishlan Samujh

Nishlan Samujh is employed as Finance Director of Investec pursuant to the terms of a service agreement with Investec dated 1 April 2019. He receives annual fixed pay of £666,000, half of which is payable in cash and the other half in the form of conditional Investec Shares which vest immediately, but are released in equal portions after one and two years. In addition, he receives employee benefits which are funded by sacrificing a portion of the cash component of his fixed pay.

Nishlan Samujh is a member of one of Investec's defined contribution schemes. The total contribution to these schemes payable by Investec is included in the total salary of Nishlan Samujh or included in benefits paid.

Nishlan Samujh is also eligible for an annual short-term incentive award as set out more fully in the Investec Remuneration Policy. The award, which is delivered in a mix of cash and conditional Investec Shares, is subject to certain performance criteria and a maximum of 100% of his fixed pay (although in line with EBA discounting rules, when 25% of variable remuneration is deferred over at least five years, a slightly higher cap, usually approximately 143%, may be applied). The award is determined by the Investec DLC Remuneration Committee based on pre-determined performance measures and metrics, comprising 80% financial and 20% non-financial measures. The award is subject to malus, clawback, mandatory deferral into shares over three to seven years and a 12-month post-vesting retention provision.

Nishlan Samujh is also eligible for an annual long-term incentive award as set out more fully in the Investec Remuneration Policy. This comprises an annual conditional share award of 100%

of aggregate fixed remuneration, granted entirely in Investec Shares. The amount of the award that vests is determined subject to achievement against pre-agreed performance criteria, comprised of 75% financial and 25% non-financial measures. The performance measurement period is three years, and the number of shares vesting will be decreased or increased by a performance multiplier, with maximum vesting being capped at 135% for stretch performance. The award vests in equal tranches over years three to seven, and is subject to a 12-month post-vesting retention period. These awards will be pro-rated for the period of service relative to the performance period of the award should the executive director resign or retire prior to awards vesting (subject to good leaver principles).

Nishlan Samujh's appointment is terminable by either himself or Investec on not less than six months' written notice. His contract of employment does not contain provisions for compensation payable on early termination.

7. EFFECTS OF THE FINALISATION OF THE PROPOSALS ON THE INVESTEC SHARE PLANS

A summary of the effects of the finalisation of the Proposals on the Investec Share Plans is set out at paragraph 8 of Part IV of this document.

8. NINETY ONE SHARE PLANS

8.1 Overview

Ninety One will adopt the Ninety One Share Plans with effect from Admission. The Ninety One plc LTIP and the Ninety One Limited LTIP will be used in conjunction with Ninety One plc Shares and Ninety One Limited Shares respectively and references to Ninety One Shares in this paragraph 8.1 and in paragraph 8.2 of this Part XVI should be interpreted accordingly. The Ninety One Share Plans will not have a facility to use new issue Ninety One Shares or Ninety One Shares held in treasury. In addition, the Ninety One Executive Directors will be excluded from receiving awards under the Ninety One plc LTIP until the approval of Ninety One Shareholders except for (i) awards made on an all-employee basis; and (ii) the Ninety One portion of the Investec STI award prorated to 29 February 2020, referred to in paragraph 8.2 of Part IV of this document at the cost of Investec. Therefore, the approval of Investec Ordinary Shareholders is not being sought for the Ninety One Share Plans.

The proposed principal terms of the Ninety One Share Plans are summarised in paragraphs 8.2 and 8.3 of this Part XVI and it is intended that the Ninety One Share Plans will be used to grant awards over Ninety One Shares in the following circumstances:

(a) on the day of Admission, awards ("**Listing awards**") over approximately £2,000 worth of Ninety One Shares will be made to all permanent employees of Ninety One and selected subsidiaries at the date of Admission. These Listing awards will normally vest after three years. For UK employees, these Listing awards will be made under the Ninety One SIP rather than the Ninety One LTIP which is described in paragraph 8.3 of this Part XVI. The Listing awards will not be subject to malus and clawback. Ninety One may use the Ninety One LTIP to make future awards on an all-employee basis but does not currently intend to do so;

(b) for annual bonus deferral into Ninety One Shares. Ninety One currently operates a bonus deferral arrangement where a proportion of selected employees' annual bonuses are deferred into investment funds managed by Ninety One. The Ninety One LTIP, described at paragraph 8.2 of this Part XVI, will be used to complement this arrangement. The bonus deferral awards over Ninety One Shares will normally vest after three years; and

(c) one off awards for strategically important employees and new hires, excluding Ninety One Executive Directors. These awards may be subject to forward-looking performance conditions and would normally vest in equal tranches on the third, fourth and fifth anniversaries of grant.

8.2 The Ninety One LTIP

The proposed principal terms of the Ninety One LTIP are set out below.

8.2.1 Operation

The Ninety One LTIP will be overseen by the Ninety One Human Capital and Remuneration Committee.

8.2.2 **Eligibility and individual limits**

Employees of Ninety One plc and its subsidiaries, are eligible to participate in the Ninety One plc LTIP, except Ninety One Executive Directors until the approval of Ninety One Shareholders unless they are participating in awards granted on an all-employee basis. All employees of Ninety One Limited and its subsidiaries in South Africa, Namibia and Botswana are eligible to participate in the Ninety One Limited LTIP

The Ninety One Human Capital and Remuneration Committee will decide who will be granted awards and over how many shares.

8.2.3 **Types of awards**

Awards may take the form of:

- Forfeitable awards – under which participants receive the beneficial interests in Ninety One Shares on grant but which will be forfeit if the awards subsequently lapse;
- Conditional awards – under which participants receive Ninety One Shares if and when their awards vest; or
- Options – under which the participant can acquire Ninety One Shares, to the extent their award has vested, either at no cost or at a price set when the option is granted.

The current intention is that awards will be made in the form of forfeitable awards except for locations where conditional awards would be more appropriate for regulatory or tax reasons. Options will only be used if there is a change in approach over the life of the Ninety One LTIP.

Awards may also be granted as cash awards if necessary for regulatory and/or tax reasons.

8.2.4 **Performance conditions**

An award may be granted on the basis that it will normally only vest to the extent that a performance condition, set at the time of grant, is satisfied. However, Listing awards and deferred bonus awards will not be subject to performance conditions.

8.2.5 **Dividends and dividend equivalents**

Holders of forfeitable awards may receive dividends (both ordinary and any special dividends) and any other distributions on the Ninety One Shares subject to their awards.

For conditional awards and options, participants may receive a payment in cash or Ninety One Shares at the time of the delivery of their vested Ninety One Shares of an amount equivalent to the dividends that would have been paid on those Ninety One Shares over the vesting period. The Ninety One Human Capital and Remuneration Committee may decide to exclude a special dividend or other distribution from a dividend equivalent payment.

8.2.6 **Vesting of awards**

Awards will normally vest at the end of a period set when the award is granted. In exceptional circumstances, the Ninety One Human Capital and Remuneration Committee may decide that an award will vest at an earlier time where the vested Ninety One Shares become subject to an alternative long-term incentive arrangement. Where the vesting of awards is subject to a performance condition, those awards will vest to the extent that the performance condition has been achieved. Ninety One Shares will be transferred to the participant (or an option may be exercised) from vesting. Where awards are settled in cash then cash representing the value of the notional vested Ninety One Shares will be paid from vesting (or exercise in the case of an option).

Vesting may be delayed where a participant is subject to any external investigation or similar circumstances.

8.2.7 **Retention period**

An award may be granted on the basis that the participant is required to hold a net number of vested Ninety One Shares (or shares subject to an option) for a set period following vesting.

8.2.8 **Malus and claw-back**

The Ninety One Human Capital and Remuneration Committee may, at its discretion, reduce (including reduced to nil) the number of Ninety One Shares to be received on vesting of an

award (malus). In determining whether or not to reduce an award, the Ninety One Human Capital and Remuneration Committee will consider:

- whether any financial results announced in respect of any part of the vesting period have subsequently appeared materially inaccurate or misleading;
- whether a business area in which the participant worked has made an unexpected loss in the vesting period;
- misbehaviour or material error by the participant, whether or not that results in a loss for a business area in which the participant works or has worked or for which the participant is or has been responsible;
- failure of the participant to meet appropriate standards of fitness and propriety, in accordance with any applicable regulatory rules or principles, internal policies or reasonable expectations;
- material failure of risk management by Ninety One, any member of the Ninety One Group or a business area in which the participant works or has worked;
- where a participant has ceased employment before vesting in circumstances where the award has not lapsed and facts emerge which, if known at the time, would have caused the award to lapse on cessation;
- any error or misstatement which has resulted in a material overpayment to a participant;
- whether Ninety One or the business area in which the participant works has suffered a material downturn in its financial performance;
- an exceptional event or events occur that has had or may have a material effect on the value or reputation of any member of the Ninety One Group (excluding an exceptional event or events which have a material adverse effect on global macroeconomic conditions); and/or
- any other factor which the Ninety One plc Human Capital and Remuneration Committee considers relevant.

The Ninety One plc Human Capital and Remuneration Committee may also recover value received by a participant under the Ninety One LTIP (clawback) for a set period after the vesting of their award. The circumstances where clawback may be applied will include:

- misbehaviour or material error by the participant whether or not that results in a loss for the business in which they worked or were responsible;
- failure of a participant to meet appropriate standards of fitness or propriety;
- Ninety One or the participant's business unit suffering a material failure of risk management.
- the assessment of the satisfaction of any performance condition was based on error or inaccurate or misleading information;
- an exceptional event or events occur that has had or may have a material effect on the value or reputation of any member of the Ninety One Group (excluding an exceptional event or events which have a material adverse effect on global macroeconomic conditions); and/or
- circumstances have arisen which permit clawback under any other incentive plan in which the participant participates.

Where relevant, the application of malus and clawback will be subject to any applicable financial services remuneration codes applying to the Ninety One Group and its employees.

8.2.9 **Leaving employment**

An award will normally lapse if the participant leaves the employment of the Ninety One Group.

However, if a participant leaves because of disability (or injury in the case of Listing awards), death, redundancy, retirement with agreement of Ninety One, the sale of the company or business in which they work or for any other reason at the discretion of the Ninety One Human Capital and Remuneration Committee, then their award will normally vest at the time it would have vested if the participant had not left employment.

Alternatively, the Ninety One Human Capital and Remuneration Committee may decide that an award will vest at the time when the participant leaves employment or such other time as the Ninety One Human Capital and Remuneration Committee determines in its absolute discretion.

Where an award vests on or after leaving, the number of Ninety One Shares may be reduced pro rata to reflect the fact that the participant left early. Pro rating is not expected to be applied to Listing awards or deferred bonus awards.

In the context of leavers, to the extent options are granted under the Ninety One LTIP, the options will normally be exercisable for up to 12 months after the later of the date on which the option vests and the date on which the participant left.

8.2.10 **Takeovers and reorganisations**

If there is a takeover of Ninety One, awards will vest on completion of the takeover, subject to the extent to which any performance condition has been satisfied. Alternatively, participants may be allowed or required to exchange their awards for equivalent awards over shares in the acquiring company. If awards vest, the awards will be pro-rated unless the Ninety One Human Capital and Remuneration Committee decides otherwise. However, pro rating is not expected to apply to Listing awards or deferred bonus awards.

If Ninety One is affected by any demerger, delisting, scheme of arrangement, merger or amalgamation, distribution (other than an ordinary dividend) or other transaction, which, in the opinion of the Ninety One Human Capital and Remuneration Committee, might affect the current or future value of any award or any other significant corporate event (as determined by the Ninety One Human Capital and Remuneration Committee), the Ninety One Human Capital and Remuneration Committee may allow an award to vest on the same basis as described above for a takeover.

If there is an internal reconstruction, reorganisation, merger or acquisition of Ninety One where there is no significant change in the identity of the ultimate shareholders of Ninety One then the Ninety One Human Capital and Remuneration Committee may arrange for the awards to be replaced with equivalent awards over shares in a new parent company.

8.2.11 **Adjustment of awards**

For conditional awards and options, the number of Ninety One Shares subject to an award may be adjusted to reflect any variation in the share capital of Ninety One or a corporate event which, in the opinion of the Ninety One Human Capital and Remuneration Committee, could materially affect the market price of Ninety One Shares. Any adjustment to the awards under the Ninety One Limited LTIP will require the approval of an independent adviser as being reasonable.

8.2.12 **Source of shares**

It is intended that Listing awards will be satisfied with Ninety One Shares purchased by the Ninety One EBT from Investec and/or the Investec EBT at the same time as, and at the same price Ninety One Shares are acquired in, the Ninety One Share Sale. Future awards will be satisfied using Ninety One Shares purchased in the market. No new issue Ninety One Shares or Ninety One Shares held in treasury can be used in conjunction with the Ninety One LTIP.

The maximum number of Ninety One Limited Shares which can be utilised for the Ninety One Limited LTIP (determined in accordance with the JSE Listings Requirements) will be 15,004,473 and the maximum number of Ninety One Limited Shares which any one participant may acquire under that plan is 3,000,895.

8.2.13 **General**

Awards will normally only be granted within 42 days of the announcement of Ninety One's results for any period. Awards may also be granted within 42 days of Admission and after any shareholders meeting. No awards can be granted more than 10 years after Admission.

Awards are not transferable (except on death) and cannot be used as collateral.

Holders of forfeitable awards will be able to exercise their voting rights in the same way as other Ninety One Shareholders.

The Ninety One Human Capital and Remuneration Committee can decide to satisfy any award in cash instead of Ninety One Shares.

Participants do not pay for the grant of an award. Awards are not pensionable.

8.2.14 **Amendments**

The Ninety One Human Capital and Remuneration Committee may amend the Ninety One LTIP in any way subject, in the case of the Ninety One Limited LTIP, to the approval of JSE Limited and Ninety One Shareholders in limited circumstances prescribed in the JSE Listings Requirements.

8.2.15 **JSE Approval**

The terms of the Ninety One Limited LTIP remain subject to the approval of JSE Limited. A full summary of the material terms of the Ninety One Limited LTIP, as approved by JSE Limited, will be included in the Ninety One Registration Document and the Ninety One Prospectus in due course.

8.3 **Ninety One SIP**

The Ninety One SIP is an HMRC all-employee share plan. The Ninety One SIP will be used to make the Listing awards described in paragraph 8.1(a) of this Part XVI, to all eligible UK employees on the day of Admission. It is intended that it will be used as a UK employee share purchase plan on an on-going basis after Admission utilising the partnership share facility described below. The proposed principal terms of the Ninety One SIP are set out below.

8.3.1 **Eligibility**

All employees (including Ninety One Executive Directors) of Ninety One and any participating subsidiary may participate in the Ninety One SIP. The Ninety One Human Capital and Remuneration Committee may set a qualifying period of continuous employment (which cannot exceed 18 months) for eligibility. When the Ninety One SIP is operated, all eligible employees must be invited to participate. The Ninety One Human Capital and Remuneration Committee may also offer participation to any other employees.

8.3.2 **Operation**

Eligible employees may be offered free, partnership and/or matching shares (see below), as the Ninety One Human Capital and Remuneration Committee decides. The Ninety One SIP may also offer dividend reinvestment. As mentioned above, it is currently intended to use the Ninety One SIP for the Listing awards and as an employee share purchase plan after Admission.

The Ninety One SIP operates in conjunction with a trust, which will hold Ninety One Shares on behalf of participants. No new issue or treasury Ninety One Shares can be used for the Ninety One SIP without the prior approval of Ninety One Shareholders in a general meeting.

8.3.3 **Free shares**

Participants can be given free Ninety One Shares ("**free shares**") with a market value currently limited by the tax legislation to £3,600 in a tax year. The free shares must generally be offered to all eligible employees on similar terms, but the number of free shares can vary by reference to the participant's remuneration, length of service or hours worked. The Ninety One Human Capital and Remuneration Committee may make the awards of free shares subject to performance targets.

Free shares must generally be held in trust for between three and five years. The Ninety One Human Capital and Remuneration Committee may require free shares to be forfeited if the participant leaves employment within three years, other than as a result of death, retirement, redundancy, injury or disability, or the participant's employing company or business being sold out of the Ninety One Group. These terms of forfeiture will apply to the Listing awards.

8.3.4 **Partnership shares**

Eligible employees may be offered the opportunity to buy Ninety One Shares ("**partnership shares**") by deduction from their pre-tax salary. Under current legislation, they can buy up to £1,800 in each tax year or, if less, 10% of salary.

The Ninety One SIP trustee may use the deductions from participants' salaries to buy partnership shares on their behalf immediately. Alternatively, it may accumulate them for a period of up to one year and then use them to buy partnership shares.

Participants can stop their salary deductions at any time. Participants can also withdraw their partnership shares from the plan at any time, although there are tax advantages if the partnership shares are retained in the Ninety One SIP.

8.3.5 **Matching Shares**

The Ninety One Human Capital and Remuneration Committee may award additional free Ninety One Shares ("**matching shares**") on a matching basis to participants who buy partnership shares. Under current legislation, up to a maximum of two matching shares can be offered for each partnership share. Matching shares must be offered on the same basis to each participant purchasing partnership shares on each occasion. Matching shares must generally be held in trust for a holding period of between three and five years. The Ninety One Human Capital and Remuneration Committee may decide that matching shares will be forfeited on the same basis as free shares or if the corresponding partnership shares are taken out of the Ninety One SIP within three years of award. It is not currently intended that matching shares will be offered.

8.3.6 **Dividends**

Cash dividends paid on Ninety One Shares held in the Ninety One SIP may be reinvested in Ninety One Shares up to certain limits set out in the legislation.

8.3.7 **Corporate events**

As Ninety One SIP awards consist of Ninety One Shares from grant, these Ninety One Shares will be subject to corporate actions and variations of share capital in the same way as other Ninety One Shares.

8.3.8 **Voting Rights**

The trustees can only vote Ninety One Shares held in the Ninety One SIP in accordance with participants' instructions.

8.3.9 **General**

(a) The Ninety One Human Capital and Remuneration Committee may amend the Ninety One SIP provided such amendments are permitted by the governing tax legislation.

(b) Awards are not transferable (except on death). Awards are not pensionable.

9. INVESTIGATIONS

Investec Bank and Wealth has 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 arbitrage transactions (known as cum ex transactions). Investigations are ongoing and no formal proceedings have yet been issued. Investec Bank and Wealth is co-operating with the German authorities and is conducting its own internal investigation into the matters in question. There are factual issues to be resolved which may have legal consequences, including financial penalties. Given the early stage of the investigation, which is at the early stages of the discovery exercise and involves untested legal principles, Investec Bank and Wealth cannot state with confidence whether or not any liability will arise and, if it were to, what the quantum of any such liability would be.

10. LITIGATION

10.1 **Ninety One**

There are no, nor have there been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threated of which Investec is aware) during the period covering at least the previous 12 months preceding the date of this document which may have, or have had in the recent past, a significant effect on Ninety One and/or the Ninety One Group's financial position or profitability.

10.2 **Investec Bank and Wealth**

The South African Competition Commission referred a complaint to the South African Competition Tribunal against 18 respondents (including Investec Limited) on 15 February 2017, for alleged

collusive conduct when engaged in foreign exchange trading. Thereafter the South African Competition Commission sought to join an additional five respondents to its complaint, including Investec Bank Limited. In March 2018, Investec Limited filed a request for further particulars bolstered by an exception application (as did a number of the other respondents in the matter), which applications were heard in July/August 2018. In its decision dated 12 June 2019, the South African Competition Tribunal found that the South African Competition Commission failed to adequately make out its case in its complaint referral and ordered it to file an amended referral to replace all previous referrals. Since various aspects of the South African Competition Tribunal's decision have been taken on appeal, the South African Competition Commission will only file its amended referral once those processes are complete. Until such time as it receives the amended complaint referral from the South African Competition Commission, Investec Bank and Wealth is unable to accurately assess whether or not any liability will arise and, if it were to, what the quantum of any such liability would be.

Save as disclosed above in paragraph 9 of this Part XVI and this paragraph 10.2, there are no, nor have there been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threated of which Investec is aware) during the period covering at least the previous 12 months preceding the date of this document which may have, or have had in the recent past, a significant effect on Investec Bank and Wealth and/or Investec Bank and Wealth's financial position or profitability.

Investec Bank and Wealth provisions in respect of any pending legal or regulatory proceedings are made in accordance with relevant accounting requirements and are reviewed periodically. As at 22 November 2019 (being the latest practicable date prior to the publication of this document), no such provisions had been made in respect of either the investigation disclosed in paragraph 11 of this Part XVI or the South African Competition Commission complaint disclosed in this paragraph 10.2.

11. MATERIAL CONTRACTS

Save as disclosed below, there are no contracts (other than contracts entered into by any member of Investec in the ordinary course of business) which (a) the Investec Shareholders would reasonably require in making a properly informed assessment of how to vote on the Resolutions; and (b)(i) have been entered into by any member of Investec within the two years immediately preceding the date of this document, and are, or may be material; or (ii) have been entered into at any time by any member of Investec and contain provisions under which any member of Investec has an obligation, settlement or entitlement which is, or may be, material to any member of Investec as at the date of this document.

11.1 Demerger Agreements

A Separation Agreement, as described in paragraph 5 of Part IV of this document, which sets out the terms on which the Demerger will be effected and upon which certain aspects of the relationship between Ninety One and Investec Bank and Wealth and their respective subsidiaries shall be governed subject to, and following, the Demerger has been entered into.

In addition, the following Demerger Agreements have been entered into, each of which is conditional on Admission occurring not later than 8:00 a.m. (London) on 30 June 2020 (or such later date as may be agreed in writing between the parties to the applicable agreements) and will take effect upon Admission:

(a) the Transitional Services Agreement, as described in paragraph 5 of Part IV of this document.

(b) the Transitional Trade Mark Licence Agreement, as described in paragraph 5 of Part IV of this document; and

(c) the Relationship Agreement, as described in paragraph 5 of Part IV of this document.

11.2 Ninety One

Ninety One or another member of the Ninety One Group has not entered into any contract (not being a contract entered into in the ordinary course of business): (a) within the two years immediately preceding the date of this document which is, or may be, material to Ninety One or any member of the Ninety One Group, and (b) at any time and contain provisions under which Ninety One or any member of the Ninety One Group has an obligation or entitlement which is, or may be, material to Ninety One or any member of the Ninety One Group as at the date of this document. Further, no

assets have been purchased by Ninety One or another member of the Ninety One Group within the three years immediately preceding the date of this document which is, or may be, material to Ninety One or any member of the Ninety One Group.

11.3 **Investec Bank and Wealth**

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by Investec Bank and Wealth or any member of Investec Bank and Wealth: (a) within the two years immediately preceding the date of this document which are, or may be, material to Investec Bank and Wealth or any member of Investec Bank and Wealth; and (b) at any time and contain provisions under which Investec Bank and Wealth or any member of Investec Bank and Wealth has an obligation or entitlement which is, or may be, material to Investec Bank and Wealth or any member of Investec Bank and Wealth as at the date of this document.

11.3.1 **Contractual relationships in relation to the Investec DLC Structure**

Together with the Investec Limited MoI and the Investec plc Articles, the Investec DLC Agreements (including, but not limited to, the Investec Sharing Agreement and the Investec Voting Agreement) govern the ongoing relationship between Investec Limited and Investec plc and establish the relationship between Investec Limited, Investec plc, Investec UK Trust Co and Investec SA Trust Co.

Investec Limited and Investec plc have separate corporate identities and separate stock exchange listings. Any ordinary share held in either Investec Limited or Investec plc gives the holder an equivalent effective economic interest in the other company. The key features of the Investec DLC Structure are set out below.

(a) Unified boards and management

Investec operates as a single corporate group. The Boards of Investec Limited and Investec plc comprise the same persons. The Boards of Investec Limited and Investec plc must, in addition to their duties to the company concerned, have regard to the interests of both the Investec Limited Shareholders and the Investec plc Shareholders as the two companies are a single economic enterprise.

Resolutions relating to the appointment, removal and re-election of Directors must be considered as Investec Joint Electorate Actions (see paragraph (d) below).

(b) Equivalent economic interests

Both the Investec Limited Ordinary Shareholders and the Investec plc Ordinary Shareholders have economic and voting interests in Investec. The economic and voting interests represented by an ordinary share in one company relative to the economic and voting interests of an ordinary share in the other company must be determined by reference to a ratio known as the "**Investec Equalisation Ratio**".

The economic and voting interests attached to each Investec Limited Ordinary Share and each Investec plc Ordinary Share are the same, on the basis that the initial Investec Equalisation Ratio is 1:1.

This means, for example, that the amount of any cash dividend paid in respect of each Investec Limited Ordinary Share will normally be matched by an equivalent cash dividend in respect of each Investec plc Ordinary Share, and vice versa.

(c) Investec Unadjusted Actions

In addition to the above, there is no requirement for an adjustment to the Investec Equalisation Ratio, an Investec Matching Action or approval as an Investec Class Rights Action where an Investec Action (an "**Investec Unadjusted Action**") is taken in circumstances where the Boards of Investec consider that the effect of such Investec Action upon an Investec Limited Ordinary Shareholder relative to its effect on an Investec plc Ordinary Shareholder is not material and vice versa.

(d) Voting arrangements

Under the terms of the Investec DLC Agreements, the Investec Limited MoI and the Investec plc Articles, special voting arrangements are in place so that Investec Ordinary Shareholders effectively vote together as a single decision-making body on matters

affecting the ordinary shareholders of each company in similar ways ("**Investec Joint Electorate Actions**"). For so long as the Investec Equalisation Ratio remains 1:1, each Investec Limited Ordinary Share will effectively have the same voting rights as each Investec plc Ordinary Share on Investec Joint Electorate Actions and vice versa.

In the case of certain actions in relation to which the two bodies of shareholders may have divergent interests ("**Investec Class Rights Actions**"), the company wishing to carry out the Investec Class Rights Action requires the prior approval of both (i) the ordinary shareholders in the other company and (ii) the approval of its own ordinary shareholders, each voting separately.

These voting arrangements are secured through the constitutional documents of the two companies, the Investec Sharing Agreement, the Investec Voting Agreement and the rights attaching to, in the case of Investec plc, a specially created special voting share ("**Investec plc Special Voting Share**") and, in the case of Investec Limited, specially created special converting shares ("**Investec Limited Special Converting Shares**") issued by Investec plc and Investec Limited, respectively, and held, in each case, by Investec UK Trust Co or Investec SA Trust Co, as relevant.

(e) Restrictions on takeovers of one company only

The Investec Limited MoI and the Investec plc Articles ensure that a person cannot gain control of one company without having made an equivalent offer to the ordinary shareholders of both companies on equivalent terms.

(f) Termination

On termination of the Investec DLC Structure (for whatever reason) it will be necessary to ensure the structure is unwound so that, immediately following termination of the Investec DLC Structure, the economic interest of a holder of one Investec Limited Ordinary Share relative to the economic interest of a holder of one Investec plc Ordinary Share is in proportion to the Investec Equalisation Ratio at the moment of termination of the Investec DLC Structure. To ensure that this is the case, each of Investec Limited and Investec plc have issued to Investec SA Trust Co and Investec UK Trust Co, respectively, a new class of special converting shares ("**Investec Special Converting Shares**"). Prior to termination of the Investec DLC Structure, the Investec Special Converting Shares only have limited rights and are held on trust for the ordinary shareholders in the other company. Following termination of the Investec DLC Structure, the Investec Special Converting Shares will carry the same rights and be redesignated as ordinary shares in the relevant company and the ordinary shareholders in the other company will, with certain exceptions, be entitled to have the converted shares transferred to them.

(g) Cash dividends

(i) Currency

Investec Limited declares and pays its dividends and other distributions in Rand. Investec plc declares and pays its dividends and other distributions in pounds sterling.

(ii) Investec Matching Dividends

Dividends are declared on the aggregate earnings of Investec Group in pounds sterling and then converted into Rand for payment to Investec Limited Shareholders. The exchange rate used in determining the Rand dividend is the average of the Rand/pound sterling buying and selling spot rates to the date of payment of the dividend quoted at 11.00 a.m. (Johannesburg time) on the date at which a dividend is declared or recommended.

The payment of Investec Matching Dividends does not restrict either company's ability to offer to its shareholders the ability to elect to subscribe for further shares of such company *in lieu* of the whole or any part of a cash dividend.

(iii) Investec Dividend Access Shares

To facilitate the payment of Investec Matching Dividends, dividend access trust arrangements have been established as part of the Investec DLC Structure. The Investec Dividend Access Shares enable each company to pay dividends to the ordinary shareholders in the other company.

Investec Limited has issued two Investec Dividend Access Shares, the Investec SA DAS Share and the Investec SA DAN Share to Investec SA Trust Co. Investec plc Ordinary Shareholders who are not South African resident shareholders may receive all or part of their dividend entitlements through dividends declared and paid by Investec plc on their Investec plc Ordinary Shares and/or through dividends declared and paid by Investec Limited on the Investec SA DAN Share. Shareholders who are South African residents may receive all or part of their dividend entitlements through dividends declared and paid by Investec plc on their Investec plc Ordinary Shares and/or through dividends declared and paid by Investec Limited on the Investec SA DAS Share. Similarly, Investec plc has issued two Investec Dividend Access Shares, the Investec UK DAS Share and the Investec UK DAN Share to Investec UK Trust Co.

12. MATERIAL LOANS

12.1 Ninety One

The Ninety One Group does not have any material loans as contemplated in the JSE Listings Requirements.

12.2 Investec Bank and Wealth

Investec Bank and Wealth does not have any material loans as contemplated in the JSE Listings Requirements.

13. RELATED PARTY TRANSACTIONS

Save as set out in Note 52 to the 2017 Annual Report, Note 52 to the 2018 Annual Report and Note 53 to the 2019 Annual Report which have been incorporated by reference, there were no related party transactions entered into by Investec during the financial years ended 31 March 2017, 31 March 2018 and 31 March 2019. Other than as disclosed elsewhere in this document, there have been no material changes to the nature related party transactions entered into by Investec between 31 March 2019 and 22 November 2019 (being the last practicable date prior to publication of this document).

14. WORKING CAPITAL STATEMENT

14.1 UK working capital statement

In the opinion of Investec plc, the working capital available to Investec Bank and Wealth is sufficient for its present requirements, that is for at least the next 12 months following the date of this document.

14.2 South Africa working capital statement

The directors of Investec Limited confirm that after due consideration of the matters set out in this document, including without limitation, the SA Demerger is to be effected in accordance with the provisions of section 46(1) of the South African Companies Act, as read with section 4 of the South African Companies Act:

(a) Investec Limited and the Investec Limited Group will be able, in the ordinary course of business, to pay its debts for a period of 12 months after the date of the approval of this document;

(b) assets of Investec Limited and the Investec Limited Group will be in excess of the liabilities of Investec Limited and the Investec Limited Group for a period of 12 months after the date of the approval of this document. For this purpose, the assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited annual group financial statements;

(c) share capital and reserves of Investec Limited and the Investec Limited Group will be adequate for ordinary business purposes for a period of 12 months after the date of the approval of this document;

(d) working capital of Investec Limited and the Investec Limited Group will be adequate for ordinary business purposes for a period of 12 months after the date of the approval of this document; and

(e) Investec Limited and the Investec Limited Group has authorised the distribution contemplated

in the SA Demerger in accordance with the provisions of section 46(1) of the South African Companies Act, as read with section 4 of the South African Companies Act, and have passed the solvency and liquidity test and that, since the test was performed, there have been no material changes to the financial position of the Investec Limited Group.

15. SIGNIFICANT CHANGE

15.1 Ninety One Business

There has been no significant change in the trading or financial position of the Ninety One Business since 30 September 2019, the date to which the Ninety One Business' unaudited historical financial information in Part X of this document was prepared.

15.2 Investec Bank and Wealth

There has been no significant change in the trading or financial position of Investec Bank and Wealth since 30 September 2019, the date to which Investec Bank and Wealth's unaudited historical financial information in Part XI of this document was prepared.

16. ADVISORY COSTS OF IMPLEMENTING THE PROPOSALS

Investec expects one-off advisory costs of at least £30.67 million (excluding VAT or equivalent tax outside the UK), during the period of implementing the Proposals. This estimate is sensitive to how the Proposals are executed and subject to stakeholder and market dependencies. The expenses (excluding VAT or equivalent tax outside the UK) relating to the Proposals which have been incurred, in the three years preceding the date of this document or that are expected to be incurred are presented in the table below.

Details	Payable to	£
Sponsor fees	J.P. Morgan Securities plc (which conducts its UK investment banking activities under the marketing name J.P. Morgan Cazenove)	1,000,000
	J. P. Morgan Equities South Africa Proprietary Limited	14,000
Financial advisory fees	J.P. Morgan Securities plc (which conducts its UK investment banking activities under the marketing name J.P. Morgan Cazenove)	5,986,000
	Fenchurch Advisory Partners LLP	6,000,000
Legal advisory fees	Linklaters LLP	11,000,000
	Edward Nathan Sonnenbergs Inc.	719,000
	Allen & Overy LLP	650,000
Reporting accountants' fees	KPMG LLP	2,390,000
	KPMG Inc	207,000
	Ernst & Young LLP .	2,300,000
	Ernst & Young Inc.	348,000
JSE fees	Johannesburg Stock Exchange	6,000
Printing costs	Ince Proprietary Limited	50,000
Total		**30,670,000**

17. CONSENTS

(a) J.P. Morgan Cazenove, whose address is 25 Bank St, London E14 5JP, United Kingdom, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.

(b) J.P. Morgan Equities SA, whose address is 1 Fricker Road, Corner Hurlingham Road, Illovo 2196, Republic of South Africa, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.

(c) Fenchurch Advisory, whose address is Tower 42, 25 Old Broad Street, London EC2N 1HQ, has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.

(d) Ernst & Young LLP, whose address is 1 More London Place, London SE1 2AF, United Kingdom, has given and has not withdrawn its written consent to the inclusion of its report in Section B of Part XII of this document in the form and context in which it appears and to the references to its name in the form and context in which they appear.

(e) Ernst & Young Inc., whose address is 102 Rivonia Rd, Dennehof, Sandton, 2196, Republic of South Africa, has given and has not withdrawn its written consent to the inclusion of its report in Section C of Part XII of this document in the form and context in which it appears and to the references to its name in the form and context in which they appear.

(f) KPMG Inc. whose address is 85 Empire Road, Parktown, 2193, Republic of South Africa has given and has not withdrawn its written consent to the inclusion of its report in Section C of Part XVII of this document in the form and context in which it appears and the references to its name in the form and context in which it appears.

18. SPONSOR INDEPENDENCE

J.P. Morgan Equities SA fulfils the functions of JSE transaction sponsor to Investec. It is J.P. Morgan Equities SA's opinion that there are no matters that might reasonably be expected to impair its independence and objectivity in its professional dealings with Investec or in relation to matters contemplated in this document.

19. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), at Investec Limited's registered office and the offices of Investec's solicitors (Linklaters LLP, One Silk Street, London EC2Y 8HQ, United Kingdom and Edward Nathan Sonnenbergs Inc., The MARC, Tower 1, 129 Rivonia Road, Sandton, Johannesburg, 2196, South Africa) and, where marked with an asterisk (*), also on Investec's website at www.investec.com/demerger, from the date of this document, unless otherwise indicated, up to and including Admission and will be available for inspection at the place of the General Meetings for at least 15 minutes prior to and during the General Meetings:

(a) * the Demerger Agreements;

(b) * the Investec plc Articles;

(c) * the Investec Limited MoI;

(d) the Investec Sharing Agreement;

(e) the Investec Voting Agreement;

(f) the Investec plc SCS Trust Deed;

(g) the Investec Limited SCS Trust Deed;

(h) the Investec UK DAS Share Trust Deed;

(i) the Investec UK DAN Share Trust Deed;

(j) the Investec SA DAS Share Trust Deed;

(k) the Investec SA DAN Share Trust Deed;

(l) the Directors' service contracts referred to in paragraph 6 of this Part XVI;

(m) the material contracts referred to in paragraph 11 of this Part XVI;

(n) the 2017 Annual Report, the 2018 Annual Report and the 2019 Annual Report;

(o) * the Reporting Accountants' reports on pro forma financial information set out in Part XII of this document;

(p) * the Ninety One Registration Document (following publication);

(q) * the Ninety One Prospectus (following publication); and

(r) * this document, and the Forms of Proxy.

JSE LISTINGS REQUIREMENTS HISTORICAL FINANCIAL INFORMATION OF THE NINETY ONE BUSINESS

SECTION A: Basis of Preparation for the Report of Combined Historical Financial Information of the Ninety One Business for the six months ended 30 September 2019 and the years ended 31 March 2019, 2018 and 2017

Background

On 14 September 2018, Investec plc and Investec Limited (collectively referred to as "**Investec**") announced its plan to demerge and publicly list the asset management business (the "**Ninety One Business**"). On 7 August 2019, Investec further announced that all key regulatory approvals required in order to proceed with the Demerger of the Ninety One Business had been received and that the Ninety One Business would be separately listed using a dual-listed company ("**DLC**") structure. Investec plans to retain a minority stake of the Ninety One Business.

The Ninety One Business consists of Investec Asset Management Limited ("**IAM UK**") and Investec Asset Management Holdings Proprietary Limited ("**IAM SA**") and their direct and indirect subsidiaries and associates.

As at 30 September 2019, senior managers and employees of the Ninety One Business hold a 20% (less 1 share) stake in the Ninety One Business through their participation in the Marathon Trust, a Mauritian trust vehicle (the "**Trust**"). The Trust wholly owns Forty Two Point Two ("**42.2**"), a private company incorporated in the Republic of Mauritius, which holds the direct 20% (less 1 share) stakes in each of IAM UK and IAM SA. The remaining stakes are held by Investec.

Proposed transaction (the "Transaction")

The separation will be implemented by way of a Demerger of the Ninety One Business to a new DLC, comprising Ninety One plc, a company incorporated in England and Wales, and Ninety One Limited, a company incorporated in South Africa. Ninety One plc is expected to have a primary listing on the London Stock Exchange and to have a secondary inward listing on the Johannesburg Stock Exchange and Ninety One Limited is expected to have a primary listing on the Johannesburg Stock Exchange.

Upon the shareholders' approval, Investec will transfer the shares held by it in IAM UK and IAM SA to Ninety One plc and Ninety One Limited respectively, in exchange for Ninety One plc and Ninety One Limited issuing shares to Investec's ordinary shareholders and Investec on a pro rata basis. The Transaction will also involve the roll-up of 42.2's interests in IAM UK and IAM SA for an equivalent interest of 20% (less one share) in Ninety One plc and Ninety One Limited through a share for share exchange. Once the previous steps have been effected, the Ninety One DLC agreements which implement the Ninety One DLC structure will come into effect. After the creation of the Ninety One DLC structure, the shares in Ninety One plc and Ninety One Limited as a DLC (collectively referred to as "**Ninety One**") will be admitted to trading on the London and Johannesburg Stock Exchanges followed by the share sales, being the expected divestment of up to approximately 10% in aggregate of the combined total issued share capital of Ninety One by way of a secondary cash placing of Ninety One's shares to institutional and certain other investors.

Combined Historical Financial Information

During the period covered by this Combined Historical Financial Information (the "**Combined HFI**"), the Ninety One Business was performed through a number of subsidiaries of Investec and associates of those entities. Prior to the group reorganisation described above, those subsidiaries do not form a group and therefore it is not possible to prepare consolidated historical financial information in respect of the Ninety One Business in accordance with International Financial Reporting Standards ("**IFRS**") and the interpretations of the IFRS Interpretations Committee ("**IFRIC**") as adopted by the EU, which comply with IFRS as issued by the International Accounting Standards Board ("**IASB**").

Accordingly, the Combined HFI relating to the Ninety One Business for the years ended 31 March 2019, 2018 and 2017 and for the six months ended 30 September 2019 ("**Track Record Period**") has been prepared for the purposes of presenting financial information of the businesses that are subject to the proposed transaction in which Ninety One may acquire the list of entities in note 24 from Investec.

The Ninety One Business has prepared the Combined HFI for purposes of satisfying section 8 of the JSE Listings Requirements and includes the additional information required in terms of paragraphs 8.11 and 8.12 of the JSE Listings Requirements. This basis of preparation explains how the principles of IFRS have been applied. IFRS does not contain any specific rules for the preparation of combined historical financial statements. As further explained below, the Combined HFI has been prepared by aggregating the assets, liabilities, income and expenses of the subsidiaries listed in note 24, including the equity accounted share of the associates listed in note 24, applying consolidation principles to eliminate any intercompany transactions. The aggregation is based on the financial statements of the individual subsidiaries in which the majority of them are prepared in accordance with IFRS and the rest of them are prepared in accordance with other accounting frameworks which comply with IFRS.

Principles in the Combined HFI

The basis of preparation of the Combined HFI, which is the first combined financial statements of the Ninety One Business, is consistent with the principles of IFRS 1 First-time Adoption of International Financial Reporting Standards. The Ninety One Business has prepared the Combined HFI using the accounting policies it intends to apply in preparing the combined financial statements of Ninety One, which are consistent with the accounting policies and valuation methods used by the Ninety One companies for the preparation of the financial information included in Investec's Consolidated Financial Statements and which are compliant with IFRS. These accounting policies have been disclosed under Significant accounting policies in the notes to the Combined HFI. The Combined HFI was prepared on a historical cost basis with the exception of investments backing policyholder funds, policyholder investment contract liabilities, investments, the pension fund asset and the pension fund obligations. The Ninety One Business has a history of profitable operations and ready access to financial resources, and the directors of Investec have concluded that the Ninety One business has an ability to operate as a going concern with or without the Demerger and therefore the Combined HFI has been prepared on a going concern basis.

In preparing the Combined HFI consistent with the principles of IFRS 1, the Ninety One Business has applied the exemption in IFRS 1 D16(a) and has measured its assets and liabilities at the carrying amounts that would be included in Investec's consolidated financial statements, based on Investec's date of transition to IFRS. Accordingly, the date of initial application of IFRS 16 Leases in the Combined HFI would be the same date as that applied to Investec plc and Investec Limited, which is 1 April 2019.

The presentation currency of the Ninety One Business is Pounds Sterling ("**£**"), being the functional currency of IAM UK. The functional currency of IAM SA is South African Rand. All values are rounded to the nearest thousand ("**£'000**"), unless otherwise indicated.

Foreign operations are subsidiaries and interests in associated undertakings of the Ninety One Business, the activities of which are based in a functional currency other than that of the reporting entity. The functional currency of an entity 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.

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

- Assets and liabilities for each combined statement of financial position presented are translated at the closing rate at the reporting date.
- Income and expense items are translated at exchange rates ruling at the date of the transactions.
- All resulting exchange differences are recognised in other comprehensive income (foreign currency translation reserve), which is recognised in profit or loss within the combined statement of comprehensive income on disposal of the foreign operation.
- Cash flow items are translated at the exchange rates ruling at the date of the transactions.

All intra-group balances, income and/or expenses arising from transactions between companies belonging to the Ninety One Business were eliminated when preparing the Combined HFI. In addition, the investments of the

holding companies in the Ninety One Business were eliminated against the equity of the respective subsidiaries with the result that the net assets of the Ninety One Business are represented by the cumulative investment of shareholders in the Ninety One Business ("**Net assets attributable to shareholders**") and other equity components; and the share capital of the Ninety One Business are an aggregation of the share capitals of the holding companies of the businesses that are subject to the proposed transaction in which Ninety One may acquire the list of entities in note 24 from Investec.

Transactions and balances with other entities within Investec but outside the Ninety One Business are disclosed as related party transactions and balances.

The Directors of Investec are responsible for the Report of Combined Historical Financial Information.

Directors' Commentary

Six months ended 30 September 2019 compared to six months ended 30 September 2018

The Ninety One Business reported an operating profit of £97.3 million for the six months ended 30 September 2019, an increase of £5.8 million, or 6.3%, compared to £91.5 million during the six months ended 30 September 2018. The increase was due to the growth in revenue driven by an increase in average assets under management, partially offset by the additional costs related to the new London office and the removal of commission sharing post MIFID II.

During the six months ended 30 September 2019, the growth in assets under management compared to the year ended 31 March 2019 was due to net inflows of £3.2 billion and market-related growth of £6.2 billion. The Ninety One Business experienced strong client asset net inflows across both its Institutional and Advisor channels during the six months ended 30 September 2019.

Year ended 31 March 2019 compared to year ended 31 March 2018

The Ninety One Business reported an operating profit of £179.3 million for the year ended 31 March 2019, an increase of £1.3 million, or 0.7%, compared to £178.0 million during the year ended 31 March 2018. The increase was due to the growth in revenue driven by an increase in average assets under management, partially offset by the higher levels of personnel costs and increase in administrative expenses due to the impact of MIFID II. In addition to this, there were incremental costs of £5.4 million in relation to new offices, primarily in London.

During the year ended 31 March 2019, growth in assets under management was due to net inflows of £6.1 billion and market-related growth of £1.4 billion. The Ninety One Business experienced strong client asset net inflows across both its Institutional and Advisor channels during the year ended 31 March 2019.

Year ended 31 March 2018 compared to year ended 31 March 2017

The Ninety One Business reported an operating profit of £178.0 million for the year ended 31 March 2018, an increase of £14.8 million, or 9.1%, compared to £163.2 million during the year ended 31 March 2017. The increase was due to the growth in revenue driven by an increase in average assets under management, partially offset by higher levels of personnel costs and an increase in administrative expenses due to investment in infrastructure and IT systems. From the year ended 31 March 2017 to the year ended 31 March 2018, costs in relation to systems and infrastructure increased by £4.3 million.

During the year ended 31 March 2018, growth in assets under management was due to net inflows of £5.4 billion and market-related growth of £3.2 billion. The Ninety One Business experienced strong client asset net inflows across both its Institutional and Advisor channels during the year ended 31 March 2018.

SECTION B: The Combined Historical Financial Information

Combined Statement of Comprehensive Income for the six months ended 30 September 2019 and for the years ended 31 March 2019, 2018 and 2017

		For the six months ended 30 September		For the year ended 31 March		
	Notes	2019 £'000 (Reviewed)	2018 £'000 (Unaudited)	2019 £'000 (Audited)	2018 £'000 (Audited)	2017 £'000 (Audited)
Revenue	2	376,261	350,864	696,574	662,081	590,142
Commission expense		(76,886)	(70,929)	(139,673)	(124,947)	(105,687)
Net revenue		299,375	279,935	556,901	537,134	484,455
Administrative expenses	3	(211,256)	(199,750)	(393,706)	(361,572)	(334,604)
Other income/expenses						
Other operating income/(expense)		–	7	360	594	(106)
Net interest income	4	995	2,791	5,682	5,411	5,475
Net gain on investments		4,256	4,009	5,059	1,555	5,775
Foreign exchange gain/(loss)		3,959	4,537	5,058	(5,077)	2,213
Operating profit		97,329	91,529	179,354	178,045	163,208
Exceptional items						
Financial impact of group restructures		(5,385)	–	(1,548)	–	–
Gain on disposal of subsidiary		–	597	597	–	–
Profit from operations before changes in policyholder investment contract ("IC") liabilities		91,944	92,126	178,403	178,045	163,208
IC surplus transferred to shareholders	13	(14,486)	(13,305)	(27,055)	(24,919)	(22,577)
IC investment and administration expenses	13	(14,005)	(12,472)	(24,890)	(23,534)	(19,549)
IC income tax	13	(3,588)	(6,221)	(6,700)	(3,739)	(3,072)
IC net fair value adjustment		32,079	31,998	58,645	52,192	45,198
Profit before tax		91,944	92,126	178,403	178,045	163,208
Income tax expense	5	(19,665)	(18,288)	(38,589)	(37,560)	(35,578)
Profit after tax		72,279	73,838	139,814	140,485	127,630
Other comprehensive income for the year (net of tax)						
Items that will not be reclassified to profit or loss:						
Actuarial (losses)/gains on pension plan		(1,217)	–	(1,975)	481	(2,169)
Other comprehensive gains/(losses)		5	–	(2)	4	(31)
		(1,212)	–	(1,977)	485	(2,200)
Items that may be reclassified subsequently to profit or loss:						
Exchange differences on translation of foreign operations		571	(8,333)	(9,866)	(1,522)	18,197
Other comprehensive (loss)/income for the year		(641)	(8,333)	(11,843)	(1,037)	15,997
Total comprehensive income for the year		71,638	65,505	127,971	139,448	143,627
Attributable to:						
Shareholders		71,356	65,221	127,435	139,237	142,973
Non-controlling interests		282	284	536	211	654
		71,638	65,505	127,971	139,448	143,627

Combined Statement of Financial Position at 30 September 2019 and 31 March 2019, 2018 and 2017

	Notes	As at 30 September 2019 £'000 (Reviewed)	As at 31 March 2019 £'000 (Audited)	2018 £'000 (Audited)	2017 £'000 (Audited)
Assets					
Investments	10	7,234	5,255	4,008	3,463
Investment in associate		37	37	80	–
Property and equipment	6	9,901	7,685	3,443	3,755
Right-of-use assets	17	81,286	–	–	–
Intangible assets	7	39	24	132	109
Deferred tax asset	8	21,867	25,262	24,640	20,915
Pension fund asset	19	–	180	2,625	2,075
Total non-current assets		120,364	38,443	34,928	30,317
Investments	10	86,064	72,446	72,039	66,461
Linked investments backing policyholder funds	9	8,600,782	8,173,659	8,424,236	7,679,791
Income tax recoverable		4,202	1,241	747	1,122
Trade and other receivables		230,740	247,522	226,154	233,163
Cash and cash equivalents	11	230,444	269,241	308,334	271,587
Total current assets		9,152,232	8,764,109	9,031,510	8,252,124
Total assets		9,272,596	8,802,552	9,066,438	8,282,441
Liabilities					
Other liabilities	14	48,941	44,862	59,069	59,495
Lease liabilities	17	80,392	–	–	–
Pension fund obligation	19	1,333	–	–	–
Deferred tax liabilities	8	16,793	15,354	14,236	16,171
Total non-current liabilities		147,459	60,216	73,305	75,666
Policyholder investment contract liabilities	13	8,622,631	8,190,926	8,446,056	7,692,747
Other liabilities	14	43,144	32,633	17,679	11,686
Lease liabilities	17	7,783	–	–	–
Trade and other payables	15	240,206	307,450	278,766	283,596
Deferred income		–	155	166	427
Amounts payable to Investec	16	3,839	3,723	3,184	3,696
Income tax payable		5,157	11,805	35,670	18,006
Total current liabilities		8,922,760	8,546,692	8,781,521	8,010,158
Equity					
Net assets attributable to shareholders	12	225,982	219,886	225,995	209,200
Other components of equity	12	(24,240)	(24,811)	(14,945)	(13,423)
Total equity attributable to shareholders		201,742	195,075	211,050	195,777
Non-controlling interests		635	569	562	840
Total equity		202,377	195,644	211,612	196,617
Total equity and liabilities		9,272,596	8,802,552	9,066,438	8,282,441

Combined Statement of Changes in Equity for the six months ended 30 September 2019 and for the years ended 31 March 2019, 2018 and 2017

	Net assets attributable to shareholders £'000	Other components of equity £'000	Total equity attributable to shareholders £'000	Non-controlling interests £'000	Total equity £'000
For the six months ended 30 September 2019 (Reviewed)					
1 April 2019	219,886	(24,811)	195,075	569	195,644
Profit for the period	71,997		71,997	282	72,279
Other comprehensive (loss)/ income	(1,212)	571	(641)		(641)
Dividends paid	(64,689)		(64,689)	(216)	(64,905)
30 September 2019	225,982	(24,240)	201,742	635	202,377
2018 (Unaudited)					
1 April 2018	225,995	(14,945)	211,050	562	211,612
Profit for the period	73,554		73,554	284	73,838
Other comprehensive loss		(8,333)	(8,333)		(8,333)
Dividends paid	(68,189)		(68,189)	(286)	(68,475)
30 September 2018	231,360	(23,278)	208,082	560	208,642
For the year ended 31 March 2019 (Audited)					
1 April 2018	225,995	(14,945)	211,050	562	211,612
Profit for the year	139,278		139,278	536	139,814
Other comprehensive loss	(1,977)	(9,866)	(11,843)		(11,843)
Dividends paid	(143,410)		(143,410)	(529)	(143,939)
31 March 2019	219,886	(24,811)	195,075	569	195,644
2018 (Audited)					
1 April 2017	209,200	(13,423)	195,777	840	196,617
Profit for the year	140,274		140,274	211	140,485
Other comprehensive income/(loss)	485	(1,522)	(1,037)		(1,037)
Dividends paid	(123,964)		(123,964)	(327)	(124,291)
Buy-back of non-controlling interests				(162)	(162)
31 March 2018	225,995	(14,945)	211,050	562	211,612
2017 (Audited)					
1 April 2016	200,409	(31,620)	168,789	707	169,496
Profit for the year	126,976		126,976	654	127,630
Other comprehensive (loss)/ income	(2,200)	18,197	15,997		15,997
Dividends paid	(115,985)		(115,985)	(521)	(116,506)
31 March 2017	209,200	(13,423)	195,777	840	196,617

Combined Cash Flow Statement for the six months ended 30 September 2019 and for the years ended 31 March 2019, 2018 and 2017

	Notes	For the six months ended 30 September 2019 £'000 (Reviewed)	2018 £'000 (Unaudited)	For the year ended 31 March 2019 £'000 (Audited)	2018 £'000 (Audited)	2017 £'000 (Audited)
Cash flows from operating activities						
Profit before tax		91,944	92,126	178,403	178,045	163,208
Adjusted for:						
Net gain on investments		(4,256)	(4,009)	(5,059)	(1,555)	(5,775)
Depreciation of property and equipment	6	1,115	821	1,985	1,865	1,756
Depreciation of right-of-use assets	17	5,190	–	–	–	–
Amortisation of intangible assets	7	29	22	49	144	68
Net interest income	4	(995)	(2,791)	(5,682)	(5,411)	(5,475)
Net return/(losses) of pension fund		47	–	66	30	(46)
Net fair value gains on linked investments backing policyholder funds	9	(84,439)	(202,367)	(159,745)	(99,290)	(29,301)
Net fair value change on policyholder investment contract liabilities	13	284,038	392,186	543,763	460,301	348,598
Net contribution received from/(withdrawals by) policyholders		109,319	151,681	206,518	200,979	(17,130)
Gain on disposal of property and equipment		–	–	–	(47)	–
Gain on disposal of subsidiary		–	(597)	(597)	–	–
Impairment of goodwill	3	–	–	–	–	1,614
Impairment of investment in associate		–	–	42	2,429	–
Working capital changes:						
Trade and other receivables		16,782	(60,857)	(21,368)	7,009	3,538
Trade and other payables		(63,957)	48,296	28,684	(4,830)	31,238
Deferred income		(155)	(14)	(11)	(261)	52
Other liabilities		10,511	14,224	14,954	5,993	2,784
Other liabilities – non current		4,079	(12,531)	(14,207)	(426)	15,222
Amounts payable to Investec		116	(224)	539	(512)	94
Cash flows from operations		369,368	415,966	768,334	744,463	510,445
Interest received		2,428	2,828	5,745	5,565	5,867
Interest paid		(1,433)	(37)	(63)	(155)	(391)
Income tax paid		(25,563)	(44,687)	(64,489)	(23,265)	(40,394)
Balance at beginning of year		(10,564)	(34,923)	(34,923)	(16,884)	(21,633)
Current tax	5	(15,949)	(17,629)	(40,132)	(41,314)	(35,681)
Current tax on share options vested		(5)	–	2	10	36
Balance at end of year		955	7,865	10,564	34,923	16,884
Net cash flows from operating activities		344,800	374,070	709,527	726,608	475,527
Cash flows from investing activities						
Net acquisition of investments		(11,341)	2,368	3,405	(4,568)	(13,205)
Investment in associate		–	–	–	(2,509)	–
Additions to property and equipment	6	(3,264)	(2,681)	(6,505)	(1,695)	(1,769)
Proceeds from disposal of property and equipment		–	–	–	109	–
Additions to intangible assets	7	(44)	–	(8)	(165)	(97)
Repurchase of shares from non-controlling interests		–	–	–	(162)	–
Proceeds from disposal of subsidiary		–	1,752	1,752	–	–
Net acquisition of linked investments backing policyholder funds	9	(304,337)	(350,446)	(592,655)	(553,543)	(318,620)
Net cash flows from investing activities		(318,986)	(349,007)	(594,011)	(562,533)	(333,691)

	Notes	For the six months ended 30 September 2019 £'000 (Reviewed)	2018 £'000 (Unaudited)	For the year ended 31 March 2019 £'000 (Audited)	2018 £'000 (Audited)	2017 £'000 (Audited)
Cash flows from financing activities						
Principal element of lease rental payments	11	(1,686)	–	–	–	–
Dividends paid		(64,905)	(68,475)	(143,939)	(124,291)	(116,506)
Net cash flows from financing activities		(66,591)	(68,475)	(143,939)	(124,291)	(116,506)
Effect of foreign exchange rate changes		1,980	(8,221)	(10,670)	(3,037)	24,196
Net change in cash and cash equivalents		(38,797)	(51,633)	(39,093)	36,747	49,526
Cash and cash equivalents at beginning of year		269,241	308,334	308,334	271,587	222,061
Cash and cash equivalents at end of year	11	230,444	256,701	269,241	308,334	271,587

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Accounting judgements and estimates

The preparation of this Combined HFI requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant judgement is defined as the judgement that can significantly affect the amounts recognised in the financial statements. Significant estimates have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Ninety One Business has not identified any significant judgements and estimates at the end of each reporting period. However, the areas that include estimates are related to the valuation of level 3 financial instruments per the fair value hierarchy and the valuation of the pension fund asset/obligation. The assumptions and their risk factors are presented in notes 19 and 20. Management do not expect changes in assumptions to lead to a material adjustment in future periods.

(b) New standards adopted by the Ninety One Business

The Ninety One Business has initially adopted IFRS 16 Leases as from 1 April 2019 ("**the date of initial application**"). IFRS 16 Leases replaces IAS 17 Leases and sets out the principles for recognition, measurement, presentation and disclosure of leases for lessees and lessors. It introduces a single accounting model for lessees, which requires a lessee to recognise a right-of-use asset and a lease liability for all leases, except for leases that have a lease term of 12 months or less ("**short-term leases**") and leases of low-value assets. It also introduces additional disclosure requirements which aim to enable users of the financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

The Ninety One Business has elected to use the modified retrospective approach and therefore has not restated comparative information, as permitted under the specific transitional provisions in the standard.

At the date of initial application, the Ninety One Business determined the length of the remaining lease terms and measured the lease liabilities for the leases previously classified as operating leases at the present value of the remaining lease payments, discounted using the relevant incremental borrowing rates used at the date of initial application. Right-of-use assets were measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payment relating to that lease recognised in the statement of financial position as at 31 March 2019. The weighted average of the incremental borrowing rates used for determination of the present value of the remaining lease payment was 3.37%. The Ninety One Business has applied the following practical expedients:

- grandfather the previous assessment of which existing contracts are, or contain, leases in accordance with IAS 17; and
- not consider on adoption any initial direct costs in the initial calculation of the right-of-use asset.

The following table reconciles the operating lease commitments as disclosed at the end of the annual reporting period immediately preceding the date of initial application to the opening balance for lease liabilities recognised as at the date of initial application.

	1 April 2019 £'000
Operating lease commitments at 31 March 2019	113,840
Add: lease payments for the additional periods where the Ninety One Business considers it reasonably certain that it will exercise the extension options	71
	113,911
Less: total future interest expenses	(25,272)
Total lease liabilities recognised at 1 April 2019	88,639

The change in accounting policy affected the following items in the Combined Statement of Financial Position on 1 April 2019:

- right-of-use assets increased by £85.3 million;
- trade and other payables decreased by £3.3 million; and
- lease liabilities increased by £88.6 million.

(c) **Forthcoming standards applicable to the Ninety One Business**

There are new or revised accounting standards and interpretations in issue that are not yet effective. These include the following standards that are applicable to the Ninety One Business:

- Amendments to IAS 1 Presentation of financial statements and IAS 8 Accounting policies, changes in accounting estimates and errors align the wording of the definition of "material" across all IFRSs and the Conceptual Framework for Financial Reporting. It also clarifies when information is material and incorporates some of the guidance in IAS1 about immaterial information. The amendment is effective for annual periods beginning on or after 1 January 2020.
- Amendments to IFRS 3 Business combinations clarify that the definition of a business requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term "outputs" is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits. The amendment is effective for annual periods beginning on or after 1 January 2020.

The Ninety One Business is in the process of making an assessment of what the impact of these amendments are expected to be in the period of initial application. So far the Ninety One Business has concluded that the adoption of them is unlikely to have a significant impact on the Combined HFI.

(d) **Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in this Combined HFI, unless indicated otherwise.

Revenue

Policy applicable prior to 1 April 2018

Income is classified by the Ninety One Business as revenue when it arises from the provision of services in the ordinary course of Ninety One's business. Revenue excludes rebates, value added tax or other sales taxes. The Ninety One business' primary revenue components are shown as follows:

- management fees are recognised as services are rendered; and
- performance fees are recognised when they become receivable.

Policy applicable from 1 April 2018

Upon the effective date of IFRS 15 Revenue from contracts with customers (replacing IAS 18 Revenue), the Ninety One Business recognises revenue when or as it satisfies a performance obligation by transferring promised services to the customers in an amount to which the Ninety One Business expects to be entitled in exchange for those services. The Ninety One Business includes variable consideration in revenue when it is no longer highly probable of significant reversal. Generally, the Ninety One Business is deemed to be the principal in the contracts because the

Ninety One Business controls the promised services before they are transferred to customers, and accordingly presents the revenue gross of related costs.

- Management fees are recognised as the services performed over time and are primarily based on agreed percentages of the net asset values of the investment funds and segregated mandates.
- Performance fees are recognised on the crystallisation date (at a point in time) and are calculated on a percentage of the appreciation in the net asset value of investment funds and segregated mandates above a defined hurdle, taking into consideration the relevant basis of calculation for the investment funds and segregated mandates, and it is highly probable that it will not be subject to significant reversal.

Management fees and performance fees are both forms of variable consideration, however there is no significant judgement or estimation involved as the transaction price is equal to the amount determined at the end of each measurement period or on the crystallisation date and is equal to the amount billed to the customer as per contractual agreements. Fees received from customers are generally not subject to returns or refunds.

All components of the Ninety One Business' revenue are revenue from contracts within the scope of IFRS 15. The Ninety One Business uses the output method to recognise revenue, applying the practical expedient that allows an entity to recognise revenue in the amount to which the entity has a right to invoice if that consideration corresponds directly with the value to the customer of the entity's performance completed to date.

The Ninety One Business' accounting policies under IAS 18 were aligned with the requirements of IFRS 15 in respect of revenue recognition, therefore the adoption of IFRS 15 has not resulted in any changes to the way the Ninety One Business accounts for revenue or costs of sales and the adoption was not expected to have a significant impact on the Combined HFI.

Other income

Policy applicable prior to 1 April 2018

Interest income is recognised on an accrual basis.

Policy applicable from 1 April 2018

Interest income is recognised on an accrual basis using the effective interest method in accordance with the requirements of IFRS 9.

Commission expenses

Commissions and similar expenses payable to intermediaries are recognised when services are provided.

Leases

The Ninety One Business leases various offices for business purposes. Lease terms are negotiated on an individual basis and contain a wider range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Prior to the adoption of IFRS 16, all leases were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 April 2019, leases are recognised as a right-of-use asset with a corresponding liability at the date which the leased asset is available for use by the Ninety One Business. Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities include the net present value of lease payments. The lease payments are discounted using the entity's incremental borrowing rate, being the rate that the entity would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liabilities;
- any lease payment made at or before the commencement date less any lease incentives;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the lease term on a straight-line basis. Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Property and equipment

Property and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided for on a straight line basis over the estimated useful lives of property and equipment as follows:

Computer equipment	3 years
Fixtures and fittings	5 years
Leasehold improvements	Shorter of term of lease or useful economic life

The residual values, depreciation methods and useful lives are reassessed annually.

Income tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the statement of financial position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax assets are offset against deferred tax liabilities if they relate to income taxes levied by the same taxation authority on the same taxable entity.

Income taxes of the Ninety One Business were determined based on the assumption that the individual entities were separate taxable entities. Therefore, the current and deferred income taxes of all subsidiaries of the Ninety One Business are calculated separately and the recoverability of the deferred tax assets is also assessed accordingly.

Financial instruments

Recognition and de-recognition of financial instruments

Financial instruments are initially recognised at fair value on the statement of financial position when, and only when, the Ninety One Business becomes a party to the contractual provisions of the particular instrument. Financial assets are de-recognised when, and only when, the Ninety One Business transfers substantially all risks and rewards of ownership. Financial liabilities are de-recognised when, and only when, the obligations under the contract are discharged, cancelled or expire.

Classification and measurement of financial assets and financial liabilities

Policy applicable prior to 1 April 2018

Financial assets are classified under IAS 39 into held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at fair value through profit or loss ("**FVPL**").

Investments designated at FVPL

Investments are designated at FVPL and consist of linked investments backing policyholder funds, holdings in pooled vehicles as part of the deferred compensation plan (explained further below), seed capital investments and the investment in unlisted investment vehicles. These investments are initially recognised at fair value and subsequently measured at FVPL. Contracts related to linked investments backing policyholder funds issued by the Ninety One Business do not qualify as insurance contracts as defined in IFRS 4 as there is no transfer of insurance risk. Therefore, these contracts are accounted under IAS 32 or IAS 39.

When available, the Ninety One Business measures the fair value of an instrument, such as interest bearing investments, listed investments and investments in collective investment schemes and mutual funds, using the quoted price in an active market. If there is no quoted price in an active market, such as derivatives and unlisted equity investments, the fair value of these investments is determined by applying a generally accepted valuation technique.

Loans and receivables

Loans and receivables comprise trade and other receivables, cash and cash equivalents and amounts receivable from Investec and are measured at amortised cost using the effective interest method, less any impairment losses. Receivables with a short duration are not discounted.

Financial liabilities

Financial liabilities comprise policyholder investment contract liabilities, deferred compensation liabilities, other liabilities, trade and other payables and amounts payable to Investec. All financial liabilities, excluding policyholder investment contract liabilities and deferred compensation liabilities, are measured at amortised cost using the effective interest method. Policyholder investment contract liabilities and deferred compensation liabilities are held at fair value with movements in fair value recognised in the statement of comprehensive income. Policyholder investment contract liabilities are designated at fair value so as to avoid a mismatch in profit or loss between the policyholder investments linked to investment contracts and the policyholder investment contract liabilities.

Policy applicable from 1 April 2018

IFRS 9 supersedes IAS 39 and financial assets are classified into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income ("**FVOCI**") and at FVPL. The classification of financial assets under IFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics. The measurement categories for financial liabilities remain the same. The Ninety One Business applies the new expected credit loss ("**ECL model**") to the financial assets measured at amortised cost. In measuring ECLs, the Ninety One Business takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

The ECL amount depends on the specific stage that the financial instrument has been allocated to within the ECL model which depends on whether there has been a significant increase in credit risk since initial recognition of the financial instrument, it is in default, or is considered to be credit impaired. ECL allowances are measured on either i) 12-month ECLs: that result from possible default events within the 12 months after the reporting date; or ii) Lifetime ECLs: that result from all possible default events over the expected life of a financial instrument. The Ninety One Business considers a financial asset to be in default when: i) the borrower is unlikely to pay its credit obligations to the Ninety One Business in full, without recourse by the Ninety One Business to actions such as realising security (if any is held); or ii) the financial asset is more than 90 days past due without reasonable expectation of recovery. The Ninety One Business applies the simplified approach in determining ECLs.

The adoption of IFRS 9 has not resulted in the amendment of any of the measurement categories for, or carrying amounts of, the Ninety One Business' financial instruments.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and money market funds that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Impairment of non-financial assets

The carrying amounts of the Ninety One Business' assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. At the reporting dates, there was no indication of impairment of any assets.

Intangible assets

Intangible assets are stated at historical cost less accumulated amortisation and accumulated impairment losses. Amortisation in respect of computer software (software licenses) is provided on the straight-line basis, over an estimated useful life of three to five years. Useful lives and residual values are reassessed annually. Subsequent expenditure relating to an item of intangible assets is capitalised when it is probable that future economic benefits from the use of the asset will be increased. All other subsequent expenditure is recognised as an expense in the period in which it is incurred. Profits or losses on the disposal of intangible assets are recognised in profit or loss.

Pension schemes

The Ninety One Business operates a number of pension schemes including defined benefit and defined contribution schemes. Payments to defined contribution schemes are charged as an expense as the employees render service.

Defined benefit pension obligations are calculated using the projected unit credit method. The net charge to the statement of comprehensive income mainly comprises the service cost and the net interest on the net defined benefit asset or liability, and is presented in administrative expenses.

Remeasurements of the net defined benefit asset or liability, which comprise actuarial gains or losses, return on plan assets excluding interest and the effect of the asset ceiling (if any), are recognised in other comprehensive income. The net defined benefit asset or liability represents the present value of defined benefit obligations reduced by the fair value of plan assets, after applying the asset ceiling test, where the net defined benefit surplus is limited to the present value of available refunds and reductions in future contributions to the plan.

Share-based payment arrangements

Investec operates a share option scheme involving share options in Investec Limited and Investec plc. The share option scheme, which is on an equity settled basis, allows the employees of the Ninety One Business to acquire shares of Investec plc and Investec Limited. The fair value of options granted attributable to the Ninety One Business is recognised as an expense with a corresponding payment to the issuing companies for this expense, over the service vesting period during which the employees become unconditionally entitled to the options.

Long-term employee benefits

The obligation in respect of long-term employee benefits other than retirement benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. This future benefit relates to deferred compensation provided by the Ninety One Business to its employees, which the Ninety One Business invests in pooled vehicles managed by entities within the Ninety One Business. At the end of the specified vesting period, employees are entitled to an amount equal to the value of the investments held by the Ninety One Business. It is management's view that the most relevant measure of the employee benefit liability is therefore the fair value of the investments held by the Ninety One Business. The investments do not qualify as plan assets and are presented separately in the statement of financial position. The accounting policy for investments designated at fair value addresses the accounting treatment of these investments. As the nature of the scheme is that of an annual bonus award, the charge is booked in full in profit or loss at the time of the award.

Interests in structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding control, such as when any voting rights relate to administrative tasks only, or when the relevant activities are directed by means of contractual arrangements. The interests in unconsolidated structured entities are described in note 22.

Non-controlling interests

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Ninety One Business, and in respect of which the Ninety One Business has not agreed any additional terms with the holders of those interests which would result in the Ninety One Business as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. The Ninety One Business can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets, at initial recognition. Thereafter, non-controlling interests are measured using the proportionate share method. Non-controlling interests are presented in the combined statement of financial position within equity, separately from equity attributable to the equity shareholders of the Ninety One Business. Non-controlling interests in the results of the Ninety One Business are presented on the face of the combined statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Ninety One Business. Changes in the Ninety One Business' interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

Exceptional items

Exceptional items are defined as income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Ninety One Business and therefore are not expected to recur frequently or regularly. Exceptional items relate primarily to the costs incurred as part of the Demerger and separate listing of the Ninety One Business.

2. SEGMENTAL REPORTING

As an integrated global investment manager, the Ninety One Business operates a single-segment investment management business. All financial, business and strategic decisions are made centrally by the chief operating decision maker (the "CODM") of the Ninety One Business. The CODM is the chief executive officer of the Ninety One Business from time to time. Reporting provided to the CODM is on an aggregated basis which is used for evaluating the Ninety One Business' performance and the allocation of resources. Revenue is disaggregated by geographic location of contractual entities, as this best depicts how the nature, amount, timing and uncertainty of the Ninety One Business' revenue and cash flows are affected by economic factors. Non-current assets other than intangibles, investments, deferred tax assets and pension fund assets are allocated based on where the assets are physically located.

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000	2018 £'000 (Unaudited)	2019 £'000	2018 £'000	2017 £'000
Revenue from external clients					
United Kingdom and Other	280,451	261,021	516,632	474,790	426,878
Southern Africa	95,810	89,843	179,942	187,291	163,264
Total	376,261	350,864	696,574	662,081	590,142
Performance fees included in revenue above	5,825	5,156	11,040	18,366	27,969
Revenue from external clients is stated gross of commission expense.					
Non-current assets					
United Kingdom and Other	6,673	2,803	5,082	1,310	1,566
Southern Africa	3,228	2,391	2,603	2,133	2,189
Total	9,901	5,194	7,685	3,443	3,755

3. ADMINISTRATIVE EXPENSES

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000	2018 £'000 (Unaudited)	2019 £'000	2018 £'000	2017 £'000
Staff costs (Note 3.1)	141,756	135,586	263,161	252,068	231,705
Operating lease expenses	–	4,373	11,667	8,327	7,914
Depreciation of right-of-use assets (Note 17)	5,190	–	–	–	–
Depreciation of property and equipment (Note 6)	1,115	821	1,985	1,865	1,756
Auditors' remuneration (Note 3.2)	592	662	1,233	1,063	1,063
Other administrative expenses	62,603	58,308	115,660	98,249	90,552
Goodwill impairment (Note 7)	–	–	–	–	1,614
	211,256	199,750	393,706	361,572	334,604

3.1 Staff costs

Salaries, wages and other related costs	127,382	120,560	235,682	226,471	207,780
Share-based payments expense (Note 18)	634	1,631	2,366	2,082	3,005
Social security costs	8,928	8,989	16,729	15,968	14,080
Pension costs	4,812	4,406	8,384	7,547	6,840
	141,756	135,586	263,161	252,068	231,705

Average number of employees

The monthly average number of persons employed by the Ninety One Business during the six months ended 30 September 2019, (excluding 488 (31 March 2019: 506; 30 September 2018: 523; 31 March 2018: 569; 31 March 2017: 641) those employed by the Silica subsidiaries), including the directors, by activity is:

	Number of employees		Number of employees		
	2019	2018	2019	2018	2017
Investment	248	235	238	229	222
Client group and marketing	405	389	394	375	342
Operations and central services	491	451	462	430	401
	1,144	1,075	1,094	1,034	965

3.2 **Auditors' remuneration**

Fees payable to the auditors and their associates for audit and other services:

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000	**2018 £'000 (Unaudited)**	**2019 £'000**	**2018 £'000**	**2017 £'000**
Audit of the subsidiaries of the Ninety One Business pursuant to legislation	285	276	552	508	473
Audit-related assurance services	144	144	290	207	198
Tax compliance services	47	48	81	70	81
Tax advisory services	14	33	56	21	48
Other assurance services	85	96	185	195	175
Other non-audit services	17	65	69	62	88
	592	662	1,233	1,063	1,063

4. NET INTEREST INCOME

Interest income	2,428	2,828	5,745	5,566	5,867
Interest expense on lease liabilities (Note 17)	(1,394)	–	–	–	–
Other interest expense	(39)	(37)	(63)	(155)	(392)
	995	2,791	5,682	5,411	5,475

Interest income consists of interest on financial assets measured at amortised cost.

5. INCOME TAX

Current tax – current year	15,806	17,853	40,020	41,229	35,712
Current tax – adjustment for prior years	143	(224)	112	85	(31)
	15,949	17,629	40,132	41,314	35,681
Deferred tax – current year	3,655	945	(2,027)	(3,560)	(775)
Deferred tax – adjustment for prior years	–	–	49	(572)	263
Deferred tax – change in corporate tax rate	61	(286)	435	378	409
	3,716	659	(1,543)	(3,754)	(103)
	19,665	18,288	38,589	37,560	35,578

The UK tax rate was reduced from 20% to 19% (effective from 1 April 2017) and there will be a further reduction to 17% effective from 1 April 2020.

Reconciliation of effective tax rate

	For the six months ended 30 September		For the year ended 31 March		
	2019 %	**2018 % (Unaudited)**	**2019 %**	**2018 %**	**2017 %**
Effective rate of taxation	21.4	19.9	21.6	21.1	21.8
Tax effect of non-deductible expenses	(0.1)	(0.1)	(0.2)	(0.2)	(0.3)
Adjustment to tax charge in respect of prior year	(0.2)	0.2	(0.2)	0.1	(0.3)
Foreign tax credit relief	(0.7)	–	(0.3)	–	–
Effect of different tax rates applicable in foreign jurisdictions	(1.4)	(1.0)	(1.9)	(2.0)	(1.2)
United Kingdom standard tax rate	19.0	19.0	19.0	19.0	20.0

6. PROPERTY AND EQUIPMENT

	Leasehold improvements £'000	Computer equipment £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
As at 30 September 2019					
Cost					
Opening balance	6,092	12,061	1,280	35	19,468
Additions	1,623	942	699	–	3,264
Disposals	–	(3,811)	–	–	(3,811)
Exchange adjustment	99	53	(2)	–	150
Closing balance	7,814	9,245	1,977	35	19,071
Accumulated depreciation					
Opening balance	(1,317)	(9,494)	(937)	(35)	(11,783)
Depreciation	(153)	(849)	(113)	–	(1,115)
Disposals	–	3,811	–	–	3,811
Exchange adjustment	(55)	(24)	(4)	–	(83)
Closing balance	(1,525)	(6,556)	(1,054)	(35)	(9,170)
Closing net book value	6,289	2,689	923	–	9,901
As at 31 March 2019					
Cost					
Opening balance	2,050	12,506	2,010	38	16,604
Additions	4,391	1,970	144	–	6,505
Disposals	(369)	(1,632)	(766)	–	(2,767)
Exchange adjustment	20	(783)	(108)	(3)	(874)
Closing balance	6,092	12,061	1,280	35	19,468
Accumulated depreciation					
Opening balance	(1,301)	(10,279)	(1,543)	(38)	(13,161)
Depreciation	(405)	(1,469)	(111)	–	(1,985)
Disposals	411	1,685	605	–	2,701
Exchange adjustment	(22)	569	112	3	662
Closing balance	(1,317)	(9,494)	(937)	(35)	(11,783)
Closing net book value	4,775	2,567	343	–	7,685

	Leasehold improve-ments £'000	Computer equipment £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
As at 31 March 2018					
Cost					
Opening balance	2,432	11,415	1,959	40	15,846
Additions	–	1,459	236	–	1,695
Disposals	(162)	(390)	(197)	(2)	(751)
Exchange adjustment	(220)	22	12	–	(186)
Closing balance	2,050	12,506	2,010	38	16,604
Accumulated depreciation					
Opening balance	(1,223)	(9,249)	(1,580)	(39)	(12,091)
Depreciation	(323)	(1,389)	(152)	(1)	(1,865)
Disposals	127	363	197	2	689
Exchange adjustment	118	(4)	(8)	–	106
Closing balance	(1,301)	(10,279)	(1,543)	(38)	(13,161)
Closing net book value	749	2,227	467	–	3,443
As at 31 March 2017					
Cost					
Opening balance	2,193	9,199	1,691	32	13,115
Additions	105	1,516	148	–	1,769
Disposals	(185)	(284)	–	–	(469)
Exchange adjustment	319	984	120	8	1,431
Closing balance	2,432	11,415	1,959	40	15,846
Accumulated depreciation					
Opening balance	(912)	(7,586)	(1,341)	(29)	(9,868)
Depreciation	(360)	(1,270)	(124)	(2)	(1,756)
Disposals	185	284	–	–	469
Exchange adjustment	(136)	(677)	(115)	(8)	(936)
Closing balance	(1,223)	(9,249)	(1,580)	(39)	(12,091)
Closing net book value	1,209	2,166	379	1	3,755

7. INTANGIBLE ASSETS

	As at 30 September 2019		2019		As at 31 March 2018		2017	
	Software licenses £'000	Goodwill £'000	Software licenses £'000	Goodwill £'000	Software licenses £'000	Goodwill £'000	Software licenses £'000	Goodwill £'000
Cost								
Opening balance	385	27,200	1,124	30,751	1,496	30,486	1,408	24,189
Additions	44	–	8	–	165	–	97	–
Disposals	–	–	(652)	–	(551)	–	(375)	–
Exchange adjustment	1	153	(95)	(3,551)	14	265	366	6,297
Closing balance	430	27,353	385	27,200	1,124	30,751	1,496	30,486
Accumulated amortisation/ impairment losses								
Opening balance	(361)	(27,200)	(992)	(30,751)	(1,387)	(30,486)	(1,344)	(22,939)
Amortisation/ impairment	(29)	–	(49)	–	(144)	–	(68)	(1,614)
Disposals	–	–	596	–	551	–	375	–
Exchange adjustment	(1)	(153)	84	3,551	(12)	(265)	(350)	(5,933)
Closing balance	(391)	(27,353)	(361)	(27,200)	(992)	(30,751)	(1,387)	(30,486)
Closing net book value	39	–	24	–	132	–	109	–

8. DEFERRED TAXATION

	As at 30 September	As at 31 March		
	2019 £'000	2019 £'000	2018 £'000	2017 £'000
Deferred tax asset arising from:				
Accelerated capital allowances	524	565	657	704
Employee benefits	8,135	9,963	10,125	10,865
Tax loss carried forward	3,040	803	1,324	437
Capital gains tax on fair value gains	(251)	(183)	(20)	(206)
Deferred compensation payments	10,483	14,177	12,659	9,147
Deferred income	–	–	–	46
Prepayment	(64)	(63)	(105)	(78)
	21,867	25,262	24,640	20,915
Opening balance	25,262	24,640	20,915	18,697
Deferred tax (credit)/charge to profit from operations	(3,716)	1,543	3,754	103
Deferred tax (credit)/charge to other comprehensive income:				
Deferred tax on revaluation of pension fund asset	249	404	(99)	498
Deferred tax on share options vested	5	(2)	(6)	(67)
Exchange adjustments	67	(1,323)	76	1,684
Closing balance	21,867	25,262	24,640	20,915
Deferred tax liabilities arising from:				
Deferred capital allowances	8	–	–	3
Unrealised capital gain	16,785	15,354	14,236	16,168
	16,793	15,354	14,236	16,171
Opening balance	15,354	14,236	16,171	13,643
Deferred tax charge to profit from operations	1,371	2,879	(2,005)	(788)
Exchange adjustment	68	(1,761)	70	3,316
Closing balance	16,793	15,354	14,236	16,171

9. LINKED INVESTMENTS BACKING POLICYHOLDER FUNDS

	As at 30 September	As at 31 March		
	2019 £'000	2019 £'000	2018 £'000	2017 £'000
Quoted investments at fair value				
Equities	792,339	836,945	789,417	746,169
Interest bearing stocks, debentures and other loans	1,775,975	1,760,498	1,855,945	1,576,330
	2,568,314	2,597,443	2,645,362	2,322,499
Unquoted investments at fair value				
Collective investment schemes	3,500,271	3,396,190	3,902,268	3,524,724
Mutual funds	1,304,601	1,125,398	755,226	865,946
Equities	4,931	4,854	587	3,920
Interest bearing stocks, debentures and other loans	992,189	907,260	414,587	434,590
Derivatives	(16,136)	(12,919)	12,345	(4,943)
Cash and cash equivalents	246,612	155,433	693,861	533,055
	6,032,468	5,576,216	5,778,874	5,357,292
	8,600,782	8,173,659	8,424,236	7,679,791
Opening balance	8,173,659	8,424,236	7,679,791	5,793,360
Net fair value gains on linked investments backing policyholder funds	84,439	159,745	99,290	29,301
Net acquisition of linked investments backing policyholder funds	304,337	592,655	553,543	318,620
Exchange adjustment	38,347	(1,002,977)	91,612	1,538,510
Closing balance	8,600,782	8,173,659	8,424,236	7,679,791

10. INVESTMENTS

Non-current				
Investments in unlisted investment vehicles	7,234	5,255	4,008	3,463
Current				
Deferred compensation investments	84,647	71,210	70,917	65,544
Investments in pooled vehicles	1,417	1,236	1,122	917
	86,064	72,446	72,039	66,461

11. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

Cash at bank and on hand	92,830	82,578	76,019	74,805
Money Market Funds	137,614	186,663	232,315	196,782
	230,444	269,241	308,334	271,587

Cash balances within linked investments backing policyholder funds are not included as they are not due to the Ninety One Business.

Reconciliation of liabilities arising from financing activities

The table below details changes in the Ninety One Business' liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the combined cash flow statement as cash flows from financing activities.

	Lease liabilities £'000
As at 31 March 2019	–
Impact on initial application of IFRS 16	88,639
Changes from financing cash flows:	
Principal elements of lease payments	(1,686)
Interest elements of lease payments	(1,394)
	(3,080)
Other changes:	
Increase in lease liabilities from entering into new leases during the period	772
Interest expenses	1,394
	2,166
Exchange adjustments	450
As at 30 September 2019	88,175

12. EQUITY (NET ASSETS)

The net assets of the Ninety One Business are derived by aggregating the net assets of IAM UK and IAM SA and their direct and indirect subsidiaries. The remaining changes in net assets relate to other equity components which include all remeasurements of the net obligation from defined benefit plans recognised in other comprehensive income and the effect of the translation of foreign subsidiaries.

Since the combined group does not have any share capital, earnings per share information is not presented.

13. POLICYHOLDER INVESTMENT CONTRACT LIABILITIES

	As at 30 September	As at 31 March		
	2019 £'000	2019 £'000	2018 £'000	2017 £'000
Opening balance	8,190,926	8,446,056	7,692,747	5,816,667
Net fair value change on policyholder investment contract liabilities	284,038	543,763	460,301	348,598
Investment income on linked investments backing policyholder funds	231,678	442,663	413,203	364,495
Net fair value gains on linked investments backing policyholder funds	84,439	159,745	99,290	29,301
Investment and administration expenses	(14,005)	(24,890)	(23,534)	(19,549)
Income tax expense – Policyholders' funds	(3,588)	(6,700)	(3,739)	(3,072)
Surplus transferred to shareholders	(14,486)	(27,055)	(24,919)	(22,577)
Contributions	509,288	929,973	994,488	1,760,462
Withdrawals	(399,969)	(723,455)	(793,509)	(1,777,592)
Exchange adjustment	38,348	(1,005,411)	92,029	1,544,612
	8,622,631	8,190,926	8,446,056	7,692,747

14. OTHER LIABILITIES

	As at 30 September	As at 31 March		
	2019 £'000	2019 £'000	2018 £'000	2017 £'000
Non-current deferred compensation liabilities	48,941	44,862	59,069	59,495
Current deferred compensation liabilities	43,144	32,633	17,679	11,686
	92,085	77,495	76,748	71,181

The above liabilities include employer's National Insurance.

15. TRADE AND OTHER PAYABLES

Employee related payables	89,905	152,677	148,873	136,477
Trade payables	150,301	154,773	129,893	147,119
	240,206	307,450	278,766	283,596

16. TRANSACTIONS WITH RELATED PARTIES

Transactions with key management personnel

The key management personnel of the Ninety One Business are defined as the directors of IAM UK and IAM SA.

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000	2018 £'000 (Unaudited)	2019 £'000	2018 £'000	2017 £'000
Remuneration paid to the key management personnel					
Short-term employee benefits	567	3,003	8,173	10,061	8,776
Post-employment benefits	21	–	19	–	–

In addition to the directors' remuneration disclosed above, certain directors are not paid directly by the Ninety One Business but receive remuneration from Investec, in respect of their services to the larger group which includes the Ninety One Business.

Transactions with Investec

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000	2018 £'000 (Unaudited)	2019 £'000	2018 £'000	2017 £'000
Interest income on deposit account – Investec Bank Limited	169	223	426	468	547
Administration fee expense	6,241	6,273	12,831	13,234	13,010

Balances with Investec

	As at 30 September	As at 31 March		
	2019 £'000	2019 £'000	2018 £'000	2017 £'000
Amounts payable to Investec	(3,839)	(3,723)	(3,184)	(3,696)
Current account with Investec Bank Limited	9,581	5,098	8,505	6,597
Current account with Investec Bank (Channel Islands) Limited	935	1,215	1,205	1,670

The current accounts with Investec Bank Limited and Investec Bank (Channel Islands) Limited earn interest at 6.3% (2019: 6.6%, 2018: 6.3%, 2017: 6.8%) and 0% (2019: 0%, 2018: 0%; 2017: 0%) per annum respectively. Included in the amounts payable to Investec is an amount owing to Investec Bank Limited, interest is payable at Investec Bank Limited's prime rate plus 1% per annum, which is the same as the prior years.

Except for amounts disclosed above, all the other amounts outstanding are unsecured, interest free, due on demand and will be settled through the normal operations of the Ninety One Business.

Balance and transaction with Marathon Trust and Forty Two Point Two

As at 30 September 2019, Ninety One employees indirectly hold interest in the Ninety One Business through the Marathon Trust (the "**Trust**") and Forty Two Point Two ("**42.2**"). The Trust owns 100% of 42.2 and 42.2 owns 19.9999% (31 March 2019: 19.9999%, 31 March 2018: 17%; 31 March 2017: 16%) of the Ninety One Business. 42.2 has made an additional investment in Ninety One Business of 1% each financial year ended 31 March 2018 and 2017 and 2.9999% during the financial year ended 31 March 2019. The terms and conditions of the transaction were no more favourable than those available, or which might be expected to be available, on a similar transactions to non-related entities on an arm's length basis.

17. LEASES

17.1 Amount recognised in the balance sheet applying IFRS 16

	As at 30 September 2019 £'000
Right-of-use assets	
Office premises	81,286
Additions to the right-of-use assets during the six months ended 30 September 2019 were £772,000.	
Lease liabilities	
Current	7,783
Non-current	80,392
	88,175

The following table shows the remaining contractual maturities of the Ninety One Business' lease liabilities at the end of the current reporting period:

	As at 30 September 2019	
	Present value of the minimum lease payments £'000	**Total minimum lease payments £'000**
Within one year	7,783	5,474
Between one and five years	18,835	29,176
Between five and ten years	61,557	77,458
	88,175	112,108

17.2 **Amount recognised in the statement of profit or loss applying IFRS 16**

	For the six months ended 30 September 2019 £'000
Depreciation charge of right-of-use assets	5,190
Interest expense on lease liabilities	1,394

The total cash outflow for leases during the six months ended 30 September 2019 was £3.1 million. As at 30 September 2019, the Ninety One Business was committed to enter into a lease for an office in Durban of five years that has not yet commenced, the lease payments under which will amount to £37,000 per annum.

17.3 **For each of the previous reporting periods, commitments for minimum lease payments in relation to non-cancellable operating leases were payable as follows:**

	As at 31 March		
	2019 £'000	**2018 £'000**	**2017 £'000**
Within one year	5,890	7,220	7,181
Between one and five years	26,407	11,079	15,527
Between five and ten years	81,543	714	1,830
	113,840	19,013	24,538

18. SHARE BASED PAYMENTS

Employees of the Ninety One Business participated in the share-based payment program of Investec. Investec operates a share option scheme for employees, which is on an equity settled basis. The purpose of the staff share option scheme is to promote an '*esprit de corps*' within the organisation, create an awareness of performance and provide an incentive to maximise individual and Investec performance by allowing staff to share in the risks and rewards of Investec. For the purposes of the Combined HFI, the expenses arising from share-based payments were recognised in the financial statements of those Ninety One entities which incurred the expenses. Further information on the share options and long-term incentive plans are provided in the remuneration report of the combined consolidated financial statements of Investec plc and Investec Limited for the years ended 31 March 2019, 2018 and 2017 and for the six months ended 30 September 2019.

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000	2018 £'000 (Unaudited)	2019 £'000	2018 £'000	2017 £'000
Expense charged to statement of comprehensive income: Equity-settled	634	1,631	2,366	2,082	3,005
Fair value of share options at grant date, granted in the year/period	1,274	1,116	1,203	3,534	1,625

	UK schemes							
	As at 30 September		As at 31 March					
	2019		2019		2018		2017	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Outstanding at start of the year/period	308,274	£0.13	320,229	£0.24	292,516	£0.24	580,508	£0.31
Relocation of employees during the year/period	–	£–						
					(92,606)	£0.34	(299,082)	£0.11
Lapsed during the year/period	(23,638)	£0.31	(19,830)	£0.76	(21,638)	£–	(38,740)	£1.92
Outstanding at end of the year/period	662,400	£0.05	308,274	£0.13	320,229	£0.24	292,516	£0.24
Exercisable at end of year/period	1,650	£5.87	4,860	£–	2,996	£–	1,250	£–

	South African schemes							
	As at 30 September		As at 31 March					
	2019		2019		2018		2017	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Outstanding at start of the year/ period	803,416	R–	1,184,359	R–	1,793,130	R–	1,983,736	R–
Relocation of employees during the year/ period	(20,965)	R–	10,396	R–	2,870	R–	(16,288)	R–
Granted during the year/period	–	R–	115,722	R–	524,702	R–	264,738	R–
Exercised during the year/period	(29,672)	R–	(456,346)	R–	(949,267)	R–	(411,118)	R–
Lapsed during the year/period	(21,275)	R–	(50,715)	R–	(187,076)	R–	(27,938)	R–
Outstanding at end of the year/ period	731,504	R–	803,416	R–	1,184,359	R–	1,793,130	R–
Exercisable at end of year/ period	–	R–	14,508	R–	6,089	R–	750	R–

The exercise price range and weighted average remaining contractual life for share options outstanding at year/period end were as follows:

	UK Schemes				South African Schemes			
	As at 30 September	As at 31 March			As at 30 September	As at 31 March		
	2019	2019	2018	2017	2019	2019	2018	2017
Exercise price range	£0 – £5.87	£0 – £5.87	£0 – £5.87	£0 – £5.72	R–	R–	R–	R–
Weighted average remaining contractual life (years)	3.51	2.21	2.43	2.01	1.66	2.15	2.26	1.50
Share price at date of grant	£4.79	£5.59	£5.03 – £5.87	£4.71 – £5.20	n/a	R90.96 – R92.55	R94.94 – R97.45	R89.97 – R105.30
Exercise price	£0	£0	£nil, £5.87	£nil	n/a	Rnil	Rnil	Rnil
Expected volatility	n/a	n/a	28.54%	n/a	n/a	n/a	n/a	n/a
Option life	7 years	4.75 years	4.75 – 5 years	4.75 – 5 years	n/a	4.75 years	4.75 years	4.5 – 5 years
Expected dividend yields	n/a	n/a	5.59%	n/a	n/a	n/a	n/a	n/a
Risk-free rate	n/a	n/a	0.62%	n/a	n/a	n/a	n/a	n/a

The expected volatility is based on the respective share price movement over the last six months but also includes an element of forward expectation.

The Demerger will not cause an accelerated vesting of the existing share schemes. Share awards held by Ninety One Business' employees under the existing share schemes will continue on their vesting schedule. Upon the completion of the Demerger, the shares awards under the existing share schemes will refer to both Investec's and Ninety One's shares.

19. **PENSION SCHEMES**

Defined benefit schemes

(a) The Ninety One Business participated in the Guinness Mahon Group Pension Scheme, which was a non-contributory defined benefit scheme, and its assets were held in separate trustee administered funds. During the year of 2018, this scheme entered into a buy-out with the assets and liabilities being transferred to the insurer Aviva. Members now receive their pension from Aviva and the Ninety One Business has no remaining liability relating to this scheme.

(b) The Ninety One Business participates in the Investec Asset Management Pension Scheme (the "**Scheme**"), which is a closed defined benefit scheme. The Scheme is a registered defined benefit final salary scheme subject to the UK regulatory framework for pensions and is administered by the trustee with their assets held separately from those of the Ninety One Business. The trustees are required by the Trust Deed to act in the best interest of the scheme participants. The Scheme was funded by contributions from the Ninety One Business in accordance with an independent actuary's recommendation based on actuarial valuations. The latest independent actuarial valuations of the Scheme were at 30 September 2019 by qualified independent actuaries. There is no restriction to the amount of surplus that can be recognised as the Ninety One Business has the right to a refund of the surpluses, assuming the gradual settlement of the Scheme over time until all members have left the Scheme. The Scheme exposes the Ninety One Business to actuarial risks, such as interest rate risk, investment risk and longevity risk.

	As at 30 September	As at 31 March		
	2019 £'000	**2019 £'000**	**2018 £'000**	**2017 £'000**
The pension fund (obligation)/asset in respect of the Scheme is as follows:				
Investec Diversified Growth Fund	9,090	8,893	18,653	21,637
Investec, Cautious Managed Fund	8,839	8,712	–	–
Trustees bank account	68	185	80	12
Total fair value of plan assets	17,997	17,790	18,733	21,649
Present value of obligation	(19,330)	(17,610)	(16,108)	(19,574)
Pension fund (obligation)/asset recognised in the combined statement of financial position	(1,333)	180	2,625	2,075

Investec Diversified Growth Fund and Investec Cautious Managed Fund are managed funds, which invest primarily in a globally diversified portfolio of assets, mainly consisting of global equities, bonds issued by governments, physical gold and silver bullion and money market instruments. The funds are quoted in an active market and their underlying investments are either level 1 or level 2 investments.

	As at 30 September	As at 31 March		
	2019 £'000	2019 £'000	2018 £'000	2017 £'000
Movements in plan assets:				
Plan assets at the beginning of the year	17,790	18,733	21,649	21,971
Benefits paid including expenses	(249)	(609)	(3,550)	(1,934)
Interest income	211	487	505	726
Return on plan assets, excluding interest income	245	(821)	129	886
Plan assets at the end of the year	17,997	17,790	18,733	21,649
Movements in the present value of the defined benefit obligation:				
Obligations at the beginning of the year	17,610	16,108	19,574	17,275
Actuarial (gains)/losses arising from changes in demographic	–	(290)	94	–
Actuarial losses/(gains) arising from changes in financial assumptions	1,711	1,847	(546)	3,553
Benefits paid including expenses	(249)	(609)	(3,550)	(1,934)
Interest cost	209	420	455	568
Administration costs	49	134	81	112
Obligations at the end of the year	19,330	17,610	16,108	19,574
Amounts recognised in the combined statement of comprehensive income are as follows:				
Net interest on net defined benefit asset	2	67	50	158
Actuarial (losses)/gains	(1,711)	(1,557)	452	(3,553)
Return on plan assets, excluding interest income	245	(821)	129	886
Total defined benefit (costs)/income	(1,464)	(2,311)	631	(2,509)
The major assumptions used were:				
Inflation assumption	3.1%	3.3%	3.2%	3.2%
Rate of increase in pensions in payment for post 1997 service	3.1%	3.2%	3.1%	3.2%
Rate of increase in pensionable salaries	3.1%	3.3%	3.2%	3.2%
Discount rate	1.8%	2.4%	2.7%	2.5%

The defined benefit obligations are not expected to be materially different as a result of a 0.25% change in the above major assumptions. This sensitivity assessment is based on the assumption that changes in actuarial assumptions are not correlated and therefore it does not take into account the correlations between the actuarial assumptions.

20. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

The Ninety One Business has exposure to credit and liquidity risk which arises in the normal course of the business. The Ninety One Business is also exposed to market risk arising from its financial instruments.

This note presents information about the Ninety One Business' exposure to each of the above risks and the objectives, policies and processes for measuring and managing risk.

The management of the Ninety One Business has overall responsibility for the establishment and oversight of the risk management framework. The Ninety One Business' Risk Committee, which is responsible for developing and monitoring the Ninety One's risk management policies, reports quarterly to management on its activities.

Ninety One's risk management policies are established to identify and analyse the risks faced by the Ninety One Business, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Risk Committee meets once every two months and risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Ninety One Business' activities.

The Audit Committee oversees how management monitors compliance with Ninety One's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Ninety One Business. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Policyholders' assets and liabilities

The Ninety One Business has no credit or market risk related to policyholders' investments and trade and other receivables as they are matched by the liability that Ninety One has to its policyholders for the value of these assets. Therefore, the credit and market risk disclosure in the remainder of this note only deals with the financial risks related to non-policyholder financial assets.

Credit risk

Credit risk is the risk of financial loss to the Ninety One Business if a client or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Ninety One Business' trade receivables. The Ninety One Business' credit risk arising from cash and cash equivalents is limited because the counterparties are reputable banks or financial institutions with a minimum credit rating of Ba1 or BB+ assigned by Moody's and S&P respectively, for which the management of the Ninety One Business considers to have low credit risk. The maximum exposure to credit risk is represented by the carrying value of trade receivables and cash and cash equivalents.

The Ninety One Business has no significant concentrations of credit risk with respect to trade receivables as the client bases are widely dispersed in different sectors and industries. Aging of trade receivables at year/period end was:

	As at 30 September 2019	**As at 31 March**		
	£'000	**2019 £'000**	**2018 £'000**	**2017 £'000**
Less than 30 days	200,108	226,387	200,266	206,706
Between 30 and 90 days	4,713	4,439	3,844	1,632
More than 90 days	90	97	171	46
	204,911	230,923	204,281	208,384

Outstanding balances are aged monthly and long outstanding balances are actively followed up. Prior to 1 April 2018, an impairment loss was recognised only when there was objective evidence of impairment.

Expected credit losses ("ECL")

Effective 1 April 2018, the Ninety One Business applies the IFRS 9 simplified approach to measuring ECL for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are determined by grouping together trade receivables with similar credit risk characteristics and collectively assessing them for likelihood of recovery, taking into account prevailing economic conditions. While cash and cash equivalents are also subject to the impairment requirement of IFRS 9, the identified impairment loss was immaterial.

Expected loss rates are based on the payment profiles of trade receivables over the preceding 10 years and the corresponding historical credit losses experienced within this period. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Ninety One Business' view of economic conditions over the expected lives of the receivables.

The ECL is considered insignificant as the results of the assessment showed an insignificant impact, therefore no loss allowance has been provided for year ended 31 March 2019 and six months ended 30 September 2019.

The Ninety One Business considers a trade receivable to be credit impaired when one or more detrimental events have occurred, such as significant financial difficulty of the client or it becoming probable that the client will enter bankruptcy or other financial reorganisation.

Trade receivables are written off when it is considered credit impaired or there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Ninety One Business after the contractual payment has been past due. The Ninety One Business has not written off any trade receivables for the Track Record Period.

Liquidity risk

Liquidity risk is the risk that the Ninety One Business will not be able to meet its financial obligations as they fall due. The Ninety One Business' approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The maximum exposure to liquidity risk is represented by current financial liabilities which are contractually due on demand. All amounts are unsecured and interest free.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Ninety One Business' income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Currency risk

The Ninety One Business is exposed to currency risk in the ordinary course of business on portions of its trade receivables, amounts payable to Investec, cash and cash equivalents and trade payables. Foreign currency exchange rate fluctuations may create unpredictable earnings and cash flow volatility. Entities within the Ninety One Business conducting business with international counterparties that leads to future cash flows denominated in a currency other than their functional currencies are exposed to the risk from changes in foreign currency exchange rates. Outstanding amounts are regularly monitored and settled to mitigate currency exposures. The risk is also mitigated by, as far as possible, closing all types of business transactions mainly in the functional currency.

Effects of foreign currency translation

The financial statements of those entities located outside of the United Kingdom are translated into GBP for the preparation of the Combined HFI of the Ninety One Business. Investments in foreign-based operations are permanent and that reinvestment is continuous. Effects from foreign currency exchange rate fluctuations on the translation of net asset amounts into GBP are reflected in the combined equity position.

Cash flow sensitivity analysis

At the six months ended 30 September 2019, if the functional currencies of respective foreign entities had strengthened by 10%, profit before tax of the Ninety One Business would have decreased by: £3,301,000: (31 March 2019: £1,057,000; 31 March 2018: £1,954,000; 31 March 2017: £3,041,000). A 10% weakening would have had the equal but opposite effect. Results of the analysis represent an aggregation of the instantaneous effects on each of the Ninety One entities' profit before tax. Differences from the translation of the financial statements of foreign operations into Ninety One's presentation currency are excluded.

Interest rate risk

The Ninety One Business adopts a policy of ensuring that its exposure to changes in interest rates is on a floating rate basis as virtually all such exposures are short term in nature. At year/period end the Ninety One Business' only interest-bearing financial instruments were cash and cash equivalents, which are variable rate instruments. This was also the case at the previous year ends.

Sensitivity analysis

An increase of 10 basis points in interest rates at the six months ended 30 September 2019 would have increased profit before tax by: £223,000 (31 March 2019: £271,000; 31 March 2018: £305,000; 31 March 2017: £257,000). A decrease of 10 basis points in interest rates at year end would have had the equal but opposite effect. This assumes that all other variables remain constant and the year end balance has been constant throughout the year. The analysis is performed on the same basis for the prior year/period.

Price risk

The financial instruments of the Ninety One Business subject to price risk are its deferred compensation investments, investment in unit trusts which are seed capital investments and the investment in unlisted investment vehicles. As the Ninety One Business' deferred compensation investments are matched by the liability the Ninety One Business has to its employees for the value of these investments, there is no impact to the statement of comprehensive income for changes in the values of these investments. Price risk on seed capital investments is not deemed to be significant as the holding in the investments are small. The investment in unlisted investment vehicles are unquoted investments, changes in market conditions will not directly affect the profit or loss for the period/year.

Capital management

The capital of the Ninety One Business is considered to be its total equity less deferred tax assets and the pension fund asset. The Ninety One Business' policy is to retain sufficient capital on hand to meet the external minimum capital requirements of the Financial Conduct Authority ("**FCA**") and certain overseas financial regulators. All regulated entities within the Ninety One Business complied with the externally imposed regulatory capital requirements. Surplus capital is returned to shareholders on a regular basis. There were no changes in the approach to capital management during the year/period.

Fair values measurements

The fair values of all financial instruments are substantially similar to carrying values reflected in the statement of financial position as they are short-term in nature, subject to variable, market-related interest rates or stated at fair value in the statement of financial position. The Ninety One Business measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques, where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques where one or more significant inputs are unobservable.

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
As at 30 September 2019				
Deferred compensation investments	84,647	–	–	84,647
Investments in pooled vehicles	1,417			1,417
Unlisted investment vehicle	–	–	7,234	7,234
Investments backing policyholder funds	2,568,314	5,983,697	48,771	8,600,782
Policyholder investment contract liabilities	(2,568,314)	(6,005,546)	(48,771)	(8,622,631)
	86,064	(21,849)	7,234	71,449
As at 31 March 2019				
Deferred compensation investments	71,210	–	–	71,210
Investments in pooled vehicles	1,236	–	–	1,236
Unlisted investment vehicle	–	–	5,255	5,255
Investments backing policyholder funds	2,597,443	5,568,725	7,491	8,173,659
Policyholder investment contract liabilities	(2,597,443)	(5,585,992)	(7,491)	(8,190,926)
	72,446	(17,267)	5,255	60,434

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
As at 31 March 2018				
Deferred compensation investments	70,917	–	–	70,917
Investments in pooled vehicles	1,122	–	–	1,122
Unlisted investment vehicle	–	–	4,008	4,008
Investments backing policyholder funds	2,645,362	5,757,494	21,380	8,424,236
Policyholder investment contract liabilities	(2,645,362)	(5,779,314)	(21,380)	(8,446,056)
	72,039	(21,820)	4,008	54,227
As at 31 March 2017				
Deferred compensation investments	65,544	–	–	65,544
Investments in pooled vehicles	917	–	–	917
Unlisted investment vehicle	–	–	3,463	3,463
Investments backing policyholder funds	2,322,499	5,357,292	–	7,679,791
Policyholder investment contract liabilities	(2,322,499)	(5,370,248)	–	(7,692,747)
	66,461	(12,956)	3,463	56,968

During the Track Record Period, there were no transfers between level 1 and level 2, or transfers into or out of level 3. The Ninety One Business' policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Information about Level 3 fair value measurements

Unlisted investment vehicle represents the Ninety One Business' investment in Investec Africa Private Equity Fund 2 GP LP. The input used in measuring its fair value is the audited net asset value of the underlying investment which is calculated by the General Partner.

Investments backing policyholder funds/policyholder investment contract liabilities include derivatives that are not actively traded and the principal input in their valuation (i.e. credit spreads) are unobservable. Accordingly, an alternative valuation methodology has been applied being either an EBITDA multiple or expected cost recovery. A sensitivity analysis has not been presented as the "stressing" of the significant unobservable inputs applied in the valuation does not have a material impact on the Combined HFI.

The movements during the period/year in the balance of the level 3 fair value measurements are as follows:

	As at 30 September	As at 31 March		
	2019 £'000	2019 £'000	2018 £'000	2017 £'000
Opening balance	5,255	4,008	3,463	1,561
Purchase of investments	1,891	959	957	1,651
Unrealised gain/(loss) on investments	88	288	(412)	251
Closing balance	7,234	5,255	4,008	3,463

21. COMMITMENTS

The Ninety One Business has a USD 20.0m private equity investment commitment to the Investec Africa Frontier Private Equity Associate Fund L.P. of which USD 18.3m (31 March 2019: USD 18.2m; 31 March 2018: USD18.1m; 31 March 2017: USD18.1m) has been paid, USD 7.6m (equivalent to £6.2m) remains receivable as at 30 September 2019 and is included in trade and other receivables. The Ninety One Business also has a USD 10.5m (31 March 2019: USD 10.5m; 31 March 2018: USD10.5m; 31 March 2017: USD10.4m) private equity investment commitment to the Investec Africa Private Equity Fund 2 GP L.P. of which USD 8.3m (31 March 2019: USD 7.0m; 31 March 2018: USD5.8m; 31 March 2017: USD4.3m) has been paid as at 30 September 2019. This amount has been classified as a non-current investment.

22. INTERESTS IN UNCONSOLIDATED STRUCTURED ENTITIES

The Ninety One Business has concluded that the mutual funds and investment trusts managed by the Ninety One Business are structured entities. The table below describes the types of structured entities that the Ninety One Business does not consolidate but in which it holds an interest.

Type of structured entity	Nature and purpose	Interest held by the Ninety One Business
Mutual funds and investment trusts	To manage assets on behalf of investors and generate fees for the investment manager. These vehicles are financed through the issue of shares or units to investors.	i) Shares or units issued by the funds or trusts ii) Management fee and performance fee

The table below sets out interests held by the Ninety One Business in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the financial assets held and management fee receivables.

	Number of funds	AUM of the funds £'billion	Carrying amount included in the combined statement of financial position £'000	Investment management and performance fee for the period/year £'000	Management/ performance fees receivable as at period/ year end £'000
As at 30 September 2019	143	64	139,031	204,711	36,885
As at 31 March 2019	146	58	187,899	376,739	34,139
As at 31 March 2018	131	54	233,437	354,215	32,825
As at 31 March 2017	132	49	197,699	309,170	29,596

During the year/period, the Ninety One Business did not provide financial support to unconsolidated structured entities and has no intention of providing financial or other support.

23. FINANCIAL METRICS

Headline earnings

Headline earnings has been calculated and is disclosed in accordance with the JSE Listings Requirements, and in terms of circular 4/2018 issued by the South African Institute of Chartered Accountants. Disclosure of headline earnings is not a requirement of IFRS, but it is a commonly used measure of earnings in South Africa that is more closely aligned to the operating activities of the entity. The items excluded from the calculation of headline earnings meet the definition of separately identifiable remeasurements as defined in circular 4/2018. The table below reconciles the profit for the financial year/ period to headline earnings:

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000	2018 £'000 (Unaudited)	2019 £'000	2018 £'000	2017 £'000
Total earnings	72,279	73,838	139,814	140,485	127,630
Impairment of goodwill	–	–	–	–	1,614
Impairment of investment in associate	–	–	42	2,429	–
Gain on disposal of property and equipment	–	–	–	(47)	–
Share of non-controlling interests	(282)	(284)	(536)	(211)	(654)
Gain on disposal of subsidiary	–	(597)	(597)	–	–
Headline earnings	71,997	72,957	138,723	142,656	128,590

Net tangible asset value

The net tangible assets of the Ninety One Business are reflected as below:

Total equity	202,377	208,642	195,644	211,612	196,617
Less: Intangible assets	(39)	(43)	(24)	(132)	(109)
Net tangible asset value	202,338	208,599	195,620	211,480	196,508

24. LIST OF SUBSIDIARIES AND ASSOCIATED COMPANIES

	Country of incorporation	Equity interest in %			
		As at 30 September	As at 31 March		
		2019	2019	2018	2017
Investec Asset Management Limited	United Kingdom				
Direct subsidiaries of Investec Asset Management Limited					
Investec Asset Management Guernsey Limited	Guernsey	100	100	100	100
Investec Fund Managers Limited	United Kingdom	100	100	100	100
Investec Asset Management North America Inc	United States	100	100	100	100
Investec Asset Management Luxembourg S.A.	Luxembourg	100	100	100	100
Investec Asset Management Switzerland GmbH	Switzerland	100	100	100	100
Indirect subsidiaries/ associated companies of Investec Asset Management Limited					
Growthpoint Investec African Property Management Limited[1]	Guernsey	47	47	50	100

	Country of incorporation	Equity interest in %			
		As at 30 September	As at 31 March		
		2019	2019	2018	2017
Guinness Flight (Guernsey) Nominees Limited[2]	Guernsey	–	100	100	100
Investec Africa Frontier Private Equity Fund GP Limited	Guernsey	100	100	100	100
Investec Africa Private Equity Fund 2 GP Limited	Guernsey	100	100	100	100
Investec Asset Management Australia Proprietary Limited	Australia	100	100	100	100
Investec Asset Management Hong Kong Limited	Hong Kong	100	100	100	100
Investec Asset Management Singapore Pte Limited	Singapore	100	100	100	100
Growthpoint Investec African Properties Co-Invest GP Ltd [3]	Guernsey	100	100	100	–
Growthpoint Investec African Properties Co-Invest LP	Guernsey	100	100	100	–
Investec Africa Credit Opportunities Fund 2 GP S.a r.l. [4]	Luxembourg	100	100	–	–
GIAP Manco Empowerment Limited [5]	Guernsey	50	50	–	–
Investec Asset Management Taiwan Limited [6]	Taiwan	–	–	100	100
Investec Asset Management Holdings Proprietary Limited	South Africa				
Direct subsidiaries of Investec Asset Management Holdings Proprietary Limited					
Investec Alternative Investments GP Proprietary Limited	South Africa	100	100	100	100
Investec Alternative Investments Proprietary Limited [7]	South Africa	–	–	–	100
Investec Asset Management Namibia (Proprietary) Limited	Namibia	85	85	85	85
Investec Asset Management Proprietary Limited	South Africa	100	100	100	100
Investec Assurance Limited	South Africa	100	100	100	100
Investec Fund Managers Namibia Limited	Namibia	85	85	85	85
Investec Fund Managers SA (RF) Proprietary Limited	South Africa	100	100	100	100
Investec Asset Management Botswana (Proprietary) Limited	Botswana	70	70	70	70
Investec Investment Management Services Proprietary Limited	South Africa	100	100	100	100
Silica Holdings Proprietary Limited	South Africa	100	100	100	100

	Country of incorporation	Equity interest in %			
		As at 30 September	As at 31 March		
		2019	2019	2018	2017
Indirect subsidiaries of Investec Asset Management Holdings Proprietary Limited					
Grayston Nominees Proprietary Limited	South Africa	100	100	100	100
Investec Fund Managers Botswana (Proprietary) Limited	Botswana	70	70	70	70
Silica Financial Administration Solutions Proprietary Limited	South Africa	100	100	100	100
Silica Administration Services Proprietary Limited	South Africa	100	100	100	100
Silica Software Solutions Proprietary Limited	South Africa	100	100	100	100
Silica Nominees Proprietary Limited	South Africa	100	100	100	100

Notes:

(1) During the financial year of 2018, the company issued additional shares resulting in a decrease in IAM UK's percentage holding to 50% and is therefore no longer considered a subsidiary. It was classified as an investment in an associate for the financial year 2018 and onward. During the financial year of 2019, IAM UK further transferred 3.5% of its indirect holding to GIAP Manco Empowerment Limited.

(2) The subsidiary was dissolved on 3 September 2019.

(3) The subsidiary was incorporated on 19 March 2018.

(4) The subsidiary was incorporated on 21 February 2019.

(5) The company was incorporated on 28 September 2018. It was classified as investment in associate for the financial year ended 2019.

(6) The company completed its liquidation process in the financial year ended 2019.

(7) The company was deregistered on 19 March 2018.

SECTION C: Independent Reporting Accountant's Report on the Report of Combined Historical Financial Information of the Ninety One Business for the six months ended 30 September 2019 and the years ended 31 March 2019, 2018 and 2017.

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INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE COMBINED HISTORICAL FINANCIAL INFORMATION OF THE NINETY ONE BUSINESS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019 AND THE YEARS ENDED 31 MARCH 2019, 2018 AND 2017

The definitions commencing on page 270 of the circular to Investec shareholders ("**Circular**") to which this letter is attached apply *mutatis mutandis* to this report.

Introduction

At your request, and for the purposes of the Circular, we have reviewed the combined historical financial information of the Ninety One Business for the six months ended 30 September 2019 and audited the combined historical financial information of the Ninety One Business for the years ended 31 March 2019, 2018 and 2017, prepared in accordance with the Basis of Preparation, included in the Report of Combined Historical Financial Information of the Ninety One Business for the six months ended 30 September 2019 and the years ended 31 March 2019, 2018 and 2017 (collectively, "**Report of Combined Historical Financial Information**"), attached as Part XVII to the Circular.

The combined statement of financial position as at 30 September 2019, the combined statement of comprehensive income, combined statement of changes in equity and combined cash flow statement for the six months ended 30 September 2019, a summary of significant accounting policies and notes thereto ("**Combined Interim HFI**") and the combined statements of financial position as at 31 March 2019, 2018 and 2017, the combined statements of comprehensive income, the combined statements of changes in equity and combined cash flow statements for the years ended 31 March 2019, 2018 and 2017, and a summary of significant accounting policies and notes thereto ("**Combined HFI**") are prepared in accordance with the Basis of Preparation included in the Report of Combined Historical Financial Information, attached as Part XVII to the Circular.

The directors of Investec Limited and the directors of Investec plc (collectively "**Directors**") are responsible for the preparation of the Report of Combined Historical Financial Information. The Directors are responsible for the compilation, contents and preparation of the Circular, including the Report of Combined Historical Financial Information prepared in accordance with the Basis of Preparation included therein, attached as Part XVII to this Circular, and for determining that the Basis of Preparation is acceptable in the circumstances.

KPMG Inc. is the independent auditor and the independent reporting accountant to the Ninety One Business.

Part A: Combined Interim HFI

Independent Reporting Accountant's Report on the Combined Interim HFI

We have reviewed the Combined Interim HFI, which comprises the combined statement of financial position at 30 September 2019, the combined statement of comprehensive income, the combined statement of changes in equity and the combined cash flow statement for the six months ended 30 September 2019, including a summary of significant accounting policies and the notes thereto as presented in Part XVII to the Circular. The Directors are responsible for the preparation of the Combined Interim HFI in accordance with the Basis of

Preparation included in the Report of Combined Historical Financial Information, attached as Part XVII to this Circular. Our responsibility is to express a review conclusion on the Combined Interim HFI based on our review in accordance with the International Standard on Review Engagements ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

Scope of review

We conducted our review in accordance with ISRE 2410. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit, and, accordingly, we do not express an audit opinion.

Conclusion on the Combined Interim HFI

Based on our review, nothing has come to our attention that causes us to believe that the Combined Interim HFI, as set out in the Report of Combined Historical Information, attached as Part XVII to the Circular, is not prepared, in all material respects, in accordance with the Basis of Preparation included therein.

Emphasis of Matter – Basis of Preparation

We draw attention to the Basis of Preparation included in the Combined Interim HFI, as set out in the Report of Combined Historical Information, attached as Part XVII to the Circular, and which describes the basis of preparation, including the approach to and the purpose for preparing the Combined Interim HFI. Our conclusion is not modified in respect of this matter.

Part B: Combined HFI

Independent Reporting Accountant's Report on the Combined HFI

Opinion

We have audited the Combined HFI, which comprises the combined statements of financial position as at 31 March 2019, 2018 and 2017, the combined statements of comprehensive income, combined statements of changes in equity and combined cash flow statements for the years ended 31 March 2019, 2018 and 2017, including a summary of significant accounting policies and the notes thereto.

In our opinion, the Combined HFI is prepared, in all material respects, in accordance with the Basis of Preparation included in the Report of Combined Historical Financial Information, attached as Part XVII to this Circular.

Basis for Opinion

We conducted our audits in accordance with International Standards on Auditing ("**ISAs**"). Our responsibilities under those standards are further described in the *Independent Reporting Accountant's Responsibilities for the Combined HFI* section of our report. We are independent of Investec Limited and Investec plc in accordance with sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)*, parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the **IRBA Codes**)* 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 Codes and other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards),* respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Combined HFI.

Emphasis of Matter – Basis of Preparation

We draw attention to the Basis of Preparation included in the Report of Combined Historical Financial Information, attached as Part XVII to this Circular and which describes the basis of preparation, including the approach to and the purpose for preparing the Combined HFI. As a result, the Combined HFI may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audits of the Combined HFI. These matters were addressed in the context of our audit of the Combined HFI as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Our response to the Key Audit Matter
Consolidation and Combining of Historical Financial Information - Refer to Basis of Preparation	
Investec Limited and Investec plc (collectively "Investec") have entered into agreements to demerge and publically list their asset management business (the "Ninety One Business"). The Ninety One Business consists of Investec Asset Management Limited ("IAM UK") and Investec Asset Management Holdings Proprietary Limited ("IAM SA") and their direct and indirect subsidiaries and associates. The combined financial information of these two entities (the "Combined Historical Financial Information") is the subject of the Report of Historical Financial Information of the Ninety One Business to which this opinion relates.	Our audit procedures included the following: • Obtaining an understanding of the proposed demerger and listing of Ninety One on the JSE and the LSE; • Performing an assessment, together with our technical specialists, of the proposed structure to determine the extent to which the principles of IFRS could be applied as detailed in the Basis of Preparation and, in particular, whether, post the implementation of the demerger and listing of Ninety One, either Ninety One Limited or Ninety One plc would have control;

Key Audit Matter	Our response to the Key Audit Matter

Consolidation and Combining of Historical Financial Information - Refer to Basis of Preparation

The separation will be implemented by way of a demerger of the Ninety One Business to a new Dual-Listed Company structure ("Ninety One"), comprising of Ninety One Limited and Ninety One plc, which will be separately listed on the London Stock Exchange ("LSE") and the JSE Limited ("JSE").

Ninety One Limited and Ninety One plc have entered into sharing and voting agreements in order to ensure mutual control by the joint board and shareholders over Ninety One. At the date of this report, the agreements creating Ninety One were not as yet effective and the demerger and listing were still subject to Investec shareholder approval.

The Combined Historical Financial Information is also the first combined financial statements of the Ninety One Business, and it was thus determined appropriate that the principles of IFRS 1 *First-time Adoption of International Financial Reporting Standards* should be applied.

As IFRS does not contain specific guidance for the preparation of Combined Historical Financial Information, the principles of IFRS were applied in preparing the Combined Historical Financial Information. In terms of these principles, the assets, liabilities, income and expenses of IAM SA and IAM UK, as well as the equity accounted share of the associates, were aggregated and then consolidation principles, to eliminate any intercompany transactions, were applied. The detail of the principles used in compiling the Combined Historical Financial Information are set out in SECTION A: Basis of Preparation for the Report of Combined Historical Financial Information of the Ninety One Business for the six months ended 30 September 2019 and the years ended 31 March 2019, 2018 and 2017 which forms part of Part XVII of the Circular to which this report is attached ("Basis of Preparation").

Our audit focused on assessing whether the Basis of Preparation was appropriate for the preparation of the Combined Historical Financial Information and whether the accounting principles detailed therein had been accurately applied in the preparation of the Combined Historical Financial Information. Due to the complexity of the structure, the involvement of technical specialists and the work effort required by the audit team, the assessment as to whether the Basis of Preparation was appropriate for the preparation of the Combined Historical Financial Information and whether the accounting principles detailed therein had been accurately applied, was determined to be a key audit matter.

- Inspection of the following agreements to determine whether the application of the principles of IFRS 10 as detailed in the Basis of Preparation were appropriate from a control perspective:
  - the demerger agreements;
  - the Ninety One Sharing agreements;
  - the Ninety One Voting agreement; and
- We assessed the accuracy and completeness of the combination and consolidation entries and calculations to derive the Combined Historical Financial Information to the extent that the principles of IFRS have been applied as detailed in the Basis of Preparation.

Responsibilities of the Directors for the Combined HFI

The Directors are responsible for the preparation of the Combined HFI in accordance with the Basis of Preparation included in the Report of Combined Historical Financial Information, attached as Part XVII to this Circular, for determining that the basis of preparation is acceptable in the circumstances and for such internal control as the Directors determine is necessary to enable the preparation of the Combined HFI that is free from material misstatement, whether due to fraud or error.

In preparing the Combined HFI, the Directors are responsible for assessing the ability of the Ninety One Business 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 Ninety One Business or to cease operations, or have no realistic alternative but to do so.

Independent Reporting Accountant's Responsibilities for the Combined HFI

Our objectives are to obtain reasonable assurance about whether the Combined HFI is free from material misstatement, whether due to fraud or error, and to issue an independent reporting accountant's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that audits 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 this Combined HFI.

As part of audits 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 HFI, 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 audits 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 Ninety One Business' 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 ability of the Ninety One Business to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our independent reporting accountant's report to the related disclosures in the Combined HFI 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 independent reporting accountant's report. However, future events or conditions may cause the Ninety One Business to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Combined HFI, including the disclosures, and whether the Combined HFI represents the underlying transactions and events in accordance with the Basis of Preparation included therein.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Ninety One Business to express an opinion on the Combined HFI. We are responsible for the direction, supervision and performance of the Ninety One Business audit. We remain solely responsible for our audit opinion.

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

We also provide the Directors with a statement that that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to have a bearing on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the Combined HFI for the year ended 31 March 2019 and are therefore the key audit matters. We describe these matters in our independent reporting accountant'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.

KPMG Inc.
Registered Auditor

GS Kolbé
Chartered Accountant (SA)
Registered Auditor
Director

27 November 2019

The Halyard
4 Christiaan Barnard Street
Foreshore
Cape Town
8001

DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

In this document (with the exception of Part XV and Part I of this document) and the Forms of Proxy the following words and expressions have the following meanings, unless the context requires otherwise:

"2017 Annual Report"	Investec's 2017 integrated annual report and accounts.
"2018 Annual Report"	Investec's 2018 integrated annual report and accounts.
"2019 Annual Report"	Investec's 2019 integrated annual report and accounts.
"Admission"	(a) The admission of all of the Ninety One plc Shares to listing on the premium listing segment of the UK Official List in accordance with the UK Listing Rules and to trading on the London Stock Exchange's main market for listed securities in accordance with the UK Admission and Disclosure Standards, (b) the secondary inward listing and admission to trading of all of the Ninety One plc Shares on the main board of the Johannesburg Stock Exchange in accordance with the JSE Listings Requirements, and (c) the primary listing and admission to trading of all of the Ninety One Limited Shares on the main board of the Johannesburg Stock Exchange in accordance with the JSE Listings Requirements.
"Botswana"	The Republic of Botswana.
"Botswana CSD"	The Central Securities Depository of the Botswana Stock Exchange.
"Botswanan Shareholders"	Investec Shareholders who hold Investec Limited Ordinary Shares on the Investec Limited Botswanan Register.
"Botswana Stock Exchange"	The Botswana stock exchange, being the exchange governed by the Botswana Stock Exchange Act 1974.
"business day"	A day (excluding Saturdays, Sundays and public holidays) on which banks are generally open for business in the City of London.
"Certificated" or "in Certificated Form"	Recorded in physical paper form on the relevant register without reference to CREST or the Strate System.
"Computershare Nominee"	Computershare Nominees Proprietary Limited of Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, South Africa (PO Box 61051, Marshalltown 2107, South Africa).
"connected person"	As defined in section 252 of the UK Companies Act, and "**persons connected**" should be interpreted in the same way.
"Controlling Shareholder"	Any shareholder that, together with (i) his or her associates (as such term is defined in the JSE Listings Requirements); or (ii) any other party with whom such shareholder has an agreement, arrangement or understanding, whether formal or informal, relating to any voting rights attaching to the securities of the relevant company, can exercise, or cause to be exercised 35% or more of, the voting rights at general/annual general meetings of the relevant company, or can appoint or remove, or cause to be appointed or removed, directors exercising the specified percentage or more of the voting rights at directors' meetings of the relevant company.
"Court"	The High Court of Justice in England and Wales.

"Court Meeting"	The meeting of Investec plc Ordinary Shareholders convened pursuant to an order of the Court under section 896 of the UK Companies Act to consider and, if thought fit, approve the Scheme, including any adjournment thereof.
"CREST"	The system for the paperless settlement of trades in securities and the holding of Uncertificated securities operated by Euroclear in accordance with the CREST Regulations.
"CREST Manual"	The manual describing the CREST system.
"CREST Proxy Instruction"	The instruction whereby CREST members send a CREST message appointing a proxy for the General Meeting and instructing the proxy on how to vote.
"CREST Regulations"	The Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended).
"CSDP"	A Central Securities Depositary Participant, a participant as defined in section 1 of the South African FMA.
"Dematerialised"	In relation to Investec plc Ordinary Shareholders who hold Investec plc Ordinary Shares on the Investec plc SA Register, the process by which Certificated shares are deposited with a CSDP and documents of title evidencing such shares are replaced by an electronic record of such shares in the Strate Nominee Register.
"Demerger"	The UK Demerger and the SA Demerger.
"Demerger Agreements"	The Relationship Agreement, the Separation Agreement, the Transitional Services Agreement and the Transitional Trade Mark Licence Agreements.
"Demerger Record Time"	6.00 p.m. (London time) on the second Friday after the date of the Scheme Court Hearing, which is expected to be 13 March 2020.
"Demerger Resolution"	The ordinary resolution of Investec plc and Investec limited set out in paragraph (1) of the relevant Notice of General Meetings in Part XIX or Part XX of this document.
"Directors"	The directors of Investec whose names are set out in paragraph 3 of Part XVI of this document.
"Euroclear"	Euroclear UK & Ireland Limited, incorporated and registered in England and Wales with registered number 2878738 and its registered office address at 33 Cannon Street, London, EC4M 5SB, United Kingdom.
"Executive Directors"	The executive directors of Investec or Ninety One, as the context may require.
"Explanatory Statement"	The explanatory statement relating to the Scheme, as set out in Part IV of this document.
"FCA"	The UK Financial Conduct Authority or its successor from time to time.
"Fenchurch Advisory"	Fenchurch Advisory Partners LLP.
"FinSurv"	The Financial Surveillance Department of the SARB.

"Form of Proxy" or "Forms of Proxy"	As the context may require, any or all of: (i) the blue form of proxy for use by Investec plc Ordinary Shareholders at the Investec plc General Meeting; (ii) the green form of proxy for use by Investec Limited Ordinary Shareholders at the Investec Limited General Meeting; (iii) the white form of proxy for use by Investec plc Ordinary Shareholders at the Court Meeting; (iv) the pink form of proxy for use by Investec plc Preference Shareholders at the Investec plc General Meeting; and (v) the yellow form of proxy for use by Investec Limited Preference Shareholders at the Investec Limited General Meeting, each of which is attached within/enclosed with this document.
"Former Directors"	Laurel Bowden, Cherly Carolus, Bernard Kantor and Stephen Koseff, each of whom retired as a Director on 8 August 2019 and Glynn Burger, who retired as a Director on 31 March 2019.
"Forty Two Point Two" or "42.2"	Forty Two Point Two, a company incorporated in the Republic of Mauritius, whose registered office is at Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius.
"FSMA"	The Financial Services and Markets Act 2000 (as amended).
"General Meetings"	The Investec Limited General Meeting and the Investec plc General Meeting or either of them, as the context requires.
"Global Co-ordinator"	J.P. Morgan Cazenove.
"Helpline"	The helpline for questions relating to this document or the completion and return of the Forms of Proxy or other documentation provided to you with this document, the details of which are set out on page 22 of this document.
"HMRC"	HM Revenue & Customs.
"Holder"	A registered holder of shares, including any person entitled by transmission.
"HSBC Johannesburg"	The Hong Kong and Shanghai Banking Corporation Limited, Johannesburg Branch.
"IAM SA"	Investec Asset Management Holdings Proprietary Limited incorporated and registered in South Africa with registration number 1997/000445/07 and its registered office address at 36 Hans Strijdom Avenue, Foreshore, Cape Town, 8001, Republic of South Africa.
"IAM UK"	Investec Asset Management Limited, incorporated and registered in England and Wales with registered number 02036094 and its registered office address at Woolgate Exchange, 25 Basinghall Street, London EC2V 5HA, United Kingdom.
"IFRS"	International Financial Reporting Standards and interpretations issued by the International Financial Reporting Interpretations Committee published by the International Accounting Standards Board as adopted by the European Union.
"Investec"	Investec Limited and Investec plc taken together or either of them as the context requires.
"Investec 1"	Investec 1 Limited, incorporated and registered in England and Wales with registered number 00119609 and its registered office address at Woolgate Exchange, 30 Gresham Street, London, England, EC2V 7QP, United Kingdom.

"Investec Action"	Any distribution or action affecting the amount or nature of, or economic benefit derived from, issued equity share capital including any cash dividend, distribution *in specie*, rights issue, bonus issue or capitalisation issue, repayment or reduction of capital, subdivision or consolidation, share buy-back or amendment of the rights of any shares or a series of one or more of such actions, but excluding any change in the Investec Equalisation Ratio.
"Investec Bank and Wealth"	Investec Group comprising the Specialist Banking Business and the Wealth & Investment Business, but excluding the Ninety One Group.
"Investec Boards"	The common boards of directors of Investec, whose members are set out in paragraph 3 of Part XVI of this document or, as the context requires, the board of directors of Investec Limited or Investec plc, respectively.
"Investec Class Rights Actions"	Actions in relation to which the two bodies of Investec Ordinary Shareholders may have divergent interests.
"Investec Conversion Date"	The time and date of termination of the Investec Sharing Agreement in accordance with its terms.
"Investec DAT Deeds"	The Investec SA DAN Share Trust Deed, the Investec SA DAS Share Trust Deed, the Investec UK DAN Share Trust Deed and the Investec UK DAS Share Trust Deed.
"Investec Dividend Access Shares"	The Investec UK DAN Share, the Investec UK DAS Share, the Investec SA DAN Share and the Investec SA DAS Share, the rights attaching to which are described in paragraph 11.3.1(g) of Part XVI of this document.
"Investec DLC Agreements"	The Investec Sharing Agreement, the Investec Voting Agreement, the Investec DAT Deeds and the Investec SCS Trust Deeds.
"Investec DLC Remuneration Committee"	The remuneration committee of the Boards.
"Investec DLC Structure"	The arrangement whereby, inter alia, Investec Limited and Investec plc agree to operate as a single economic enterprise with each company observing the principles applicable to the management and operation of each dual-listed company.
"Investec EBT"	The employee benefit trusts established by Investec.
"Investec EIP"	The Investec plc Executive Incentive Plan 2013.
"Investec Equalisation Fraction"	The Investec Equalisation Ratio expressed as a fraction with the numerator being the number related to Investec Limited Ordinary Shares and the denominator being the number related to the Investec plc Ordinary Shares.
"Investec Equalisation Ratio"	The ratio for the time being of (i) the dividend, capital and, in relation to the Investec Joint Electorate Actions, voting rights per Investec Limited Ordinary Share to (ii) the dividend, capital and, in relation to the Investec Joint Electorate Actions, voting rights per Investec plc Ordinary Share, which at the date of this document is 1:1.
"Investec Group"	Investec and its subsidiaries and subsidiary undertakings from time to time.
"Investec Investments"	Investec Investments Proprietary Limited , incorporated and registered in South Africa with registration number 1990/001609/07 and its registered office address at 100 Grayston Drive, Sandown, Sandton 2195, South Africa.
"Investec Joint Electorate Actions"	Investec actions in relation to matters affecting the shareholders of Investec Limited and Investec plc in similar ways on which the shareholders of both companies effectively vote together as a single decision making body.

"Investec Limited Botswanan Register"	The Botswanan branch of Investec Limited's share register.
"Investec Limited General Meeting"	The general meeting of Investec Limited to be held at 100 Grayston Drive, Sandown, Sandton, 2196, Republic of South Africa at 12.30 p.m. (Johannesburg time) on 10 February 2020.
"Investec Limited Group"	Investec Limited and its subsidiaries and subsidiary undertakings from time to time.
"Investec Limited MoI"	The memorandum of incorporation of Investec Limited.
"Investec Limited Namibian Register"	The Namibian branch of Investec Limited's share register.
"Investec Limited Ordinary Shareholder"	A holder of the Investec Limited Ordinary Shares.
"Investec Limited Ordinary Shares"	The ordinary shares of R0.0002 each in the share capital of Investec Limited.
"Investec Limited Preference Share Register"	The register of Investec Limited Preference Shareholders.
"Investec Limited Preference Shareholder"	A holder of Investec Limited Preference Shares.
"Investec Limited Preference Shares"	The Investec Limited variable rate redeemable preference shares of R0.60 each in the share capital of Investec Limited and the Investec Limited perpetual preference shares of R0.10 each in the share capital of Investec Limited.
"Investec Limited Register"	The Investec Limited SA Register, the Investec Limited Botswanan Register, the Investec Limited Namibian Register or the Investec Preference Share Register, or one or more of them, as the context requires.
"Investec Limited SA Register"	Investec Limited's principal share register maintained in South Africa by the SA Registrar.
"Investec Limited SCS Trust Deed"	The declaration of trust entered into by Investec plc, Investec Limited and Investec SA Trust Co which sets out the parties' rights and obligations in relation to the Investec Limited Special Converting Shares.
"Investec Limited Shareholder"	A holder of the Investec Limited Ordinary Shares, the Investec Limited Preference Shares or the Investec Limited Special Converting Shares or one or more of them, as the context requires.
"Investec Limited Shares"	The Investec Limited Ordinary Shares, the Investec Limited Preference Shares or the Investec Limited Special Converting Shares, or one or more of them, as the context requires.
"Investec Limited Special Converting Shares"	The special converting shares in Investec Limited issued to Investec SA Trust Co.
"Investec LTI"	The Investec long-term incentive arrangements.
"Investec Matching Action"	In relation to an Investec Action in respect of the holders of Investec Limited Ordinary Shares or the holders of the Investec plc Ordinary Shares (the "**Investec Initial Action**"), an Investec Action in respect of the holders of ordinary shares in the other company which the Investec Boards have resolved, as far as practicable, has an economic effect equivalent but not necessarily identical, to the Investec Initial Action on holders of ordinary shares of the company undertaking the Investec Initial Action.

"Investec Matching Dividend"	The matching cash dividend to be received by the Investec Shareholders of one company, as nearly as practicable at the same time, if it is proposed that the Investec Shareholders of the other company should receive a cash dividend.
"Investec Ordinary Shareholder"	A holder of the Investec Ordinary Shares.
"Investec Ordinary Shares"	The Investec Limited Ordinary Shares or the Investec plc Ordinary Shares or both of them, as the context requires.
"Investec plc Articles"	The articles of association of Investec plc.
"Investec plc Equivalent Number"	In relation to the Investec plc Special Converting Shares, such number as equals the number of Investec Limited Ordinary Shares then in issue multiplied by the Investec Equalisation Fraction then applicable.
"Investec plc General Meeting"	The General Meeting of Investec plc to be held at 30 Gresham Street, London, EC2V 7QP, United Kingdom at 10.30 a.m. (London time) on 10 February 2020.
"Investec plc Ordinary Shareholder"	A holder of the Investec plc Ordinary Shares.
"Investec plc Ordinary Shares"	The ordinary shares of £0.0002 each in the share capital of Investec plc.
"Investec plc Preference Share Register"	The register of Investec plc Preference Shareholders.
"Investec plc Preference Shareholder"	A holder of Investec plc Preference Shares.
"Investec plc Preference Shares"	The Investec plc preference shares of £0.01 each in the share capital of Investec plc and the Investec plc perpetual preference shares of R0.001 each in the share capital of Investec plc.
"Investec plc Register"	The Investec plc UK Register, the Investec plc SA Register or the Investec plc Preference Share Register, or one or more of them, as the context requires.
"Investec plc SA Register"	The South African branch of Investec plc's share register, maintained in South Africa on behalf of Investec plc by the SA Registrar.
"Investec plc SCS Trust Deed"	The declaration of trust entered into by Investec plc, Investec Limited and Investec UK Trust Co which sets out the parties' rights and obligations in relation to the Investec plc Special Converting Shares.
"Investec plc Shareholder"	A holder of Investec plc Shares.
"Investec plc Shares"	The Investec plc Ordinary Shares, the Investec plc Preference Shares or the Investec plc Special Converting Shares or one or more of them as the context requires.
"Investec plc Special Converting Shares"	The special converting shares in Investec plc issued to Investec UK Trust Co.
"Investec plc Special Voting Shares"	The special voting share in Investec plc issued to Investec UK Trust Co.
"Investec plc UK Register"	Investec plc's principal share register maintained in the UK on behalf of Investec plc by the UK Registrar.
"Investec Register"	The register of members of Investec, comprising the Investec plc Register and the Investec Limited Register or both of them, as the context requires.

"Investec SA Certificated Shareholders"	Investec Shareholders who either hold (i) Investec plc Ordinary Shares in Certificated Form on the Investec plc SA Register; or (ii) Investec Limited Shares in Certificated Form on the Investec Limited SA Register.
"Investec SA DAN Share"	The dividend access (non-South African resident) redeemable preference share of Rand 1.00 in Investec Limited.
"Investec SA DAN Share Trust Deed"	The declaration of trust entered into by Investec plc, Investec Limited and Investec SA Trust Co which sets out the parties' rights and obligations in relation to the Investec SA DAN Share.
"Investec SA DAS Share"	The dividend access (South African resident) redeemable preference share of Rand 1.00 in Investec Limited.
"Investec SA DAS Share Trust Deed"	The declaration of trust entered into by Investec plc, Investec Limited and Investec SA Trust Co which sets out the parties' rights and obligations in relation to the Investec SA DAS Share.
"Investec SA Trust Co"	Investec SSC (SA) Proprietary Limited, a limited liability company incorporated in South Africa with registration number 2001/027607/07, or such other entity as replaces Investec SA Trust Co. from time to time.
"Investec SCS Trust Deeds"	The Investec plc SCS Trust Deed and the Investec Limited SCS Trust Deed.
"Investec Share Plans"	The Investec SIP and the Investec EIP.
"Investec Shareholders"	The Investec Limited Shareholders or the Investec plc Shareholders or either of them, as the context so requires.
"Investec Shares"	Investec plc Shares or Investec Limited Shares or both of them as the context requires.
"Investec Sharing Agreement"	The Investec DLC Structure sharing agreement entered into between Investec Limited and Investec plc, as amended from time to time dated 22 July 2002.
"Investec SIP"	The Investec 1 Share Incentive Plan and the Investec Limited Share Incentive Plan.
"Investec Special Converting Shares"	The Investec plc Special Converting Shares and the Investec Limited Special Converting Shares.
"Investec STI"	The Investec short term incentive arrangements.
"Investec UK DAN Share"	The dividend access (non-UK resident) redeemable preference share of £0.0001 in Investec plc.
"Investec UK DAN Share Trust Deed"	The declaration of trust entered into by Investec plc, Investec Limited and Investec UK Trust Co which sets out the parties' rights and obligations in relation to the Investec UK DAN Share.
"Investec UK DAS Share"	The dividend access (UK resident) redeemable preference share of £0.0001 in Investec plc.
"Investec UK DAS Share Trust Deed"	The declaration of trust entered into by Investec plc, Investec Limited and Investec UK Trust Co which sets out the parties' rights and obligations in relation to the Investec UK DAS Share.
"Investec UK Trust Co"	Investec SSC (UK) Limited, a limited liability company incorporated in England and Wales with registered number 4407179, or such other entity as replaces Investec UK Trust Co from time to time.
"Investec Unadjusted Action"	As described in paragraph 11.3.1 of Part XVI of this document.

"Investec Voting Agreement"	The voting agreement entered into between Investec Limited, Investec SA Trust Co, Investec plc and Investec UK Trust Co, as amended from time to time dated 22 July 2002.
"IRS"	The United States Internal Revenue Service.
"IW&I SA"	The South African business of the Wealth & Investment Business.
"IW&I UK & EUROPE"	The UK and European business of the Wealth & Investment Business.
"Johannesburg Stock Exchange"	The exchange operated by JSE Limited under the South African FMA.
"Johannesburg Stock Exchange List"	The list maintained by the Johannesburg Stock Exchange of securities admitted to listing on the Johannesburg Stock Exchange.
"J.P. Morgan Cazenove"	J.P. Morgan Securities plc (which conducts its UK investment banking activities under the marketing name J.P. Morgan Cazenove).
"J.P. Morgan Equities SA"	J.P. Morgan Equities South Africa Proprietary Limited.
"JSE Limited"	JSE Limited, a public company incorporated and registered in South Africa with registration number 2005/022939/06, licensed as an exchange under the South African FMA and its registered office address at One Exchange Square, 2 Gwen Lane, Sandown 2196.
"JSE Listings Requirements"	The listings requirements issued by JSE Limited under the South African FMA to be observed by issuers of equity securities listed on the Johannesburg Stock Exchange (as amended).
"London Stock Exchange"	The securities exchange operated by London Stock Exchange plc under the FSMA.
"London Stock Exchange plc"	London Stock Exchange plc, incorporated and registered in England and Wales, with registered number 02075721 and its registered office address at 10 Paternoster Square, London, EC4M 7LS, United Kingdom.
"Meetings"	The Court Meeting and the General Meetings, and "Meeting" means any one of them.
"members"	Unless the context otherwise requires, members of Investec or Ninety One, as the case may be, on the relevant register of members at any relevant date.
"Namibia"	The Republic of Namibia.
"Namibian Ordinary Shareholders"	Namibian Investec Limited Ordinary Shareholders who hold Investec Limited Ordinary Shares on the Namibian Register.
"Namibia Stock Exchange"	The Namibia Stock Exchange, being the exchange licensed by the Namibian Financial Institutions Supervisory Authority and operated under and regulated by the Namibian Stock Exchanges Control Act, with its registered office at 4 Robert Mugabe Avenue, Windhoek.
"Namibian Shareholders"	Except for purposes of Part XIV of this document, Investec Limited Shareholders who hold Investec Limited Shares on the Namibian Register.
"Namibian Stock Exchanges Control Act"	The Namibian Stock Exchanges Control Act, 1 of 1985 (as amended).
"Ninety One"	Ninety One plc and Ninety One Limited taken together or either of them as the context requires.

"Ninety One Action"	Any distribution or action affecting the amount or nature of, or economic benefit derived from, issued equity share capital including any cash dividend, distribution in specie, rights issue, bonus issue or capitalisation issue, repayment or reduction of capital, subdivision or consolidation, share buy-back or amendment of the rights of any shares or a series of one or more of such actions, but excluding any change in the Ninety One Equalisation Ratio.
"Ninety One Adjusted Action"	As described in paragraph 5.3 of Part V of this document.
"Ninety One Administration Agreement"	The agreement to be entered into between Ninety One plc, Ninety One Limited and the Ninety One Trust Companies in relation to the performance by the Ninety One Trust Companies with their respective obligations under the Ninety One Voting Agreement, the Ninety One DAT Deeds and the Ninety One SCS Trust Deeds and certain related matters.
"Ninety One Boards" or "Ninety One Directors"	The common boards of directors of Ninety One comprising the Ninety One plc Board and the Ninety One Limited Board, and "Ninety One Director" means any member of the Ninety One Boards, as the context so requires.
"Ninety One Business"	The asset management business of Investec prior to implementation of the Proposals or the business of Ninety One following the implementation of the Proposals, as the context requires, consisting of the business of IAM UK and IAM SA.
"Ninety One Class Rights Action"	Actions in relation to which the two bodies of Ninety One Shareholders may have divergent interests, as are described in paragraph 7.3 of Part V of this document.
"Ninety One Conversion Date"	The time and date of termination of the Ninety One Sharing Agreement in accordance with its terms.
"Ninety One DAT Deeds"	The Ninety One SA DAN Share Trust Deed, the Ninety One SA DAS Share Trust Deed, the Ninety One UK DAN Share Trust Deed and the Ninety One UK DAS Share Trust Deed.
"Ninety One Dividend Access Shares"	The Ninety One UK DAN Share, the Ninety One UK DAS Share, the Ninety One SA DAN Share and the Ninety One SA DAS Share, the rights attaching to which are described in paragraph 6.4 of Part V of this document.
"Ninety One Dividend Agreement"	The dividend agreement entered into between Investec Limited, Investec plc, Investec 1, Forty Two Point Two and HSBC Johannesburg dated 14 March 2013 which sets out the terms on which payment of dividends by IAM SA and IAM UK will be made to an account held by HSBC Johannesburg.
"Ninety One DLC Agreements"	The Ninety One Sharing Agreement, the Ninety One Voting Agreement, the Ninety One DAT Deeds and the Ninety One SCS Trust Deeds.
"Ninety One DLC Equalisation Principles"	The principles as described in paragraph 5 of Part V of this document.
"Ninety One Human Capital and Remuneration Committee"	The human capital and remuneration committee of the Ninety One Boards.
"Ninety One DLC Structure"	The arrangement whereby, inter alia, Ninety One plc and Ninety One Limited agree to operate as a single economic enterprise with each company observing the principles applicable to the management and operation of each dual-listed company.
"Ninety One DLC Structure Principles"	The principles which are essential to the implementation, management and operation of the Ninety One DLC Structure, which are described in paragraph 3 of Part V of this document.

"Ninety One EBT"	The proposed employee benefit trusts to be established by Ninety One.
"Ninety One Equalisation Fraction"	The Ninety One Equalisation Ratio expressed as a fraction with the numerator being the number related to Investec Limited Ordinary Shares and the denominator being the number related to the Investec plc Ordinary Shares.
"Ninety One Equalisation Ratio"	The ratio for the time being of (a) the dividend, capital and, in relation to the Ninety One Joint Electorate Actions voting rights per Ninety One Limited Share to (b) the dividend, capital and, in relation to the Ninety One Joint Electorate Actions, voting rights per Ninety One plc Share, which at the date of this document is 1:1.
"Ninety One Equalisation Share"	As described in paragraph 6.5 of Part V of this document.
"Ninety One Global"	Ninety One Global Limited, incorporated and registered in England and Wales with registered number 11730926.
"Ninety One Group"	Ninety One and its subsidiaries and subsidiary undertakings from time to time.
"Ninety One Insolvency Event"	In relation to Ninety One, any of the following events: (i) a provisional liquidator is appointed to Ninety One; (ii) except to reconstruct or amalgamate while solvent on terms approved by the other party, Ninety One enters into a scheme of arrangement, or composition with, or assignment for the benefit of its creditors generally; (iii) an administration order is made in respect of Ninety One or a receiver is appointed in relation to the whole or substantially the whole of the property, assets or undertaking of Ninety One; (iv) the appointment of a curator to Ninety One pursuant to section 69(1)(a) of the Banks Act of South Africa Act No. 94 of 1990, or (v) anything analogous or having a substantially similar effect to any of the events specified above happens under the requirements of applicable regulation.
"Ninety One International"	Ninety One International Limited, incorporated and registered in England and Wales with registered number 11731068.
"Ninety One Joint Electorate Actions"	Ninety One actions in relation to matters affecting the shareholders of Ninety One plc and Ninety One Limited in similar ways on which the shareholders of both companies effectively vote together as a single decision making body.
"Ninety One Limited"	Investec Asset Management SA Group Limited, incorporated and registered in South Africa with registration number 2019/526481/06 and its registered office address at 36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, Republic of South Africa (expected to change its name to align with the Ninety One brand before Admission).
"Ninety One Limited Board"	The board of directors of Ninety One Limited.
"Ninety One Limited Equivalent Number"	In relation to Ninety One Limited Special Converting Shares, such number as equals the number of Ninety One plc Shares then in issue divided by the Ninety One Equalisation Fraction then applicable.
"Ninety One Limited LTIP"	The Ninety One Limited long-term incentive plan.
"Ninety One Limited MoI"	The memorandum of incorporation of Ninety One Limited from Admission.
"Ninety One Limited Register"	Ninety One Limited's share register to be maintained in South Africa on behalf of IAM Limited by the SA Registrar.
"Ninety One Limited SCS Trust Deed"	The declaration of trust entered into by Ninety One plc, Ninety One Limited and Ninety One SA Trust Co which sets out the parties' rights and obligations in relation to the Ninety One Limited Special Converting Shares.
"Ninety One Limited Shares"	The ordinary shares of no par value in the capital of Ninety One Limited.

"Ninety One Limited Shareholder"	Holders of Ninety One Limited Shares.
"Ninety One Limited Special Converting Shares"	The special converting shares in Ninety One Limited issued to Ninety One SA Trust Co.
"Ninety One Limited Special Rights Share"	The redeemable preference share in the capital of Ninety One Limited having the rights set out in the Ninety One Limited MoI.
"Ninety One Limited Special Voting Shares"	The special voting share in Ninety One Limited issued to Ninety One SA Trust Co.
"Ninety One Liquidation Event"	In relation to Ninety One, where an order is made or an effective resolution is passed for winding-up of Ninety One or a liquidator is appointed to Ninety One.
"Ninety One LTIP"	The Ninety One plc Long-Term Incentive Plan and the Ninety One Limited Long-Term Incentive Plan taken together or either of them as the context requires.
"Ninety One Matching Action"	In relation to a Ninety One Action in respect of the holders of Ninety One plc Shares or the holders of the Ninety One Limited Shares (the "Ninety One Initial Action"), a Ninety One Action in respect of the holders of ordinary shares in the other company which the Investec Boards have resolved, as far as practicable, has an economic effect equivalent, but not necessarily identical to, the Ninety One Initial Action on holders of ordinary shares of the company undertaking the Initial Action.
"Ninety One Matching Dividend"	The matching cash dividend to be received by the Ninety One Shareholders of one company, as nearly as practicable at the same time, if it is proposed that the Ninety One Shareholders of the other company should receive a cash dividend, as described in paragraph 6.2 of Part V of this document.
"Ninety One plc"	Investec Asset Management UK Group plc, incorporated and registered in England and Wales with registered number 12245293 and its registered office address at One Silk Street, London, EC2Y 8HQ, United Kingdom (expected to change its name to align with the Ninety One brand before Admission).
"Ninety One plc Articles"	The articles of association of Ninety One plc from Admission.
"Ninety One plc Board"	The board of directors of Ninety One plc.
"Ninety One plc Equivalent Number"	In relation to the Ninety One plc Special Converting Shares, such number as equals the number of Ninety One Limited Shares then in issue multiplied by the Ninety One Equalisation Fraction then applicable.
"Ninety One plc LTIP"	The Ninety One plc long-term incentive plan.
"Ninety One plc Register"	The Ninety One plc UK Register and the Ninety One plc SA Register, or one or more of them, as the context requires.
"Ninety One plc SA Register"	The South African branch of Ninety One plc's share register to be maintained in South Africa on behalf of Ninety One plc by the SA Registrar.
"Ninety One plc SCS Trust Deed"	The declaration of trust entered into by Ninety One plc, Ninety One Limited and Ninety One UK Trust Co which sets out the parties' rights and obligations in relation to the Ninety One plc Special Converting Shares.
"Ninety One plc Shareholder"	Holders of Ninety One plc Shares.
"Ninety One plc Shares"	The ordinary shares with a nominal value of £0.0001 each in the capital of Ninety One plc.
"Ninety One plc Special Converting Shares"	The special converting shares in Ninety One plc issued to Ninety One UK Trust Co.

"Ninety One plc Special Rights Share"	The redeemable preference share of £1.00 in the capital of Ninety One plc having the rights set out in the Ninety One plc Articles.
"Ninety One plc Special Shares"	The Ninety One plc Special Converting Shares, Ninety One plc Special Rights Share, Ninety One plc Special Voting Shares, Ninety One UK DAN Share and Ninety One UK DAS Share.
"Ninety One plc Special Voting Share"	The special voting share in Ninety One plc issued to Ninety One UK Trust Co.
"Ninety One plc UK Register"	Ninety One plc's principal share register to be maintained in the UK on behalf of Ninety One plc by the UK Registrar.
"Ninety One Prospectus"	The prospectus (for purposes of English law) and the pre-listing statement (for purposes of South African law) to be prepared by Ninety One in accordance with the UK Prospectus Regulation Rules and the JSE Listings Requirements and to be published in relation to Ninety One and the Ninety One Shares.
"Ninety One Reduction of Capital"	The proposed reduction of capital of Ninety One plc to reduce Ninety One plc's share premium account.
"Ninety One Registration Document"	The registration documents (for purposes of English law) to be prepared by Ninety One in accordance with the UK Prospectus Regulation Rules and to be published in relation to Ninety One and the Ninety One Shares.
"Ninety One SA DAN Share"	The dividend access (non-South African resident) redeemable preference share in Ninety One Limited.
"Ninety One SA DAN Share Trust Deed"	The declaration of trust entered into by Ninety One plc, Ninety One Limited and Ninety One SA Trust Co which sets out the parties' rights and obligations in relation to the Ninety One SA DAN Share.
"Ninety One SA DAS Share"	The dividend access (South African resident) redeemable preference share in Ninety One Limited.
"Ninety One SA DAS Share Trust Deed"	The declaration of trust to be entered into by Ninety One plc, Ninety One Limited and Ninety One SA Trust Co which sets out the parties' rights and obligations in relation to the Ninety One SA DAS Share.
"Ninety One SA Trust Co"	The limited liability company to be incorporated in South Africa prior to Admssion, for the purposes of the Ninety One DLC Structure, or such other entity as replaces Ninety One SA Trust Co. from time to time.
"Ninety One SCS Trust Deeds"	The Ninety One plc SCS Trust Deed and the Ninety One Limited SCS Trust Deed.
"Ninety One Share Plans"	The Ninety One LTIP and Ninety One SIP.
"Ninety One Share Sale"	The proposed sale of up to approximately 11% of the total issued share capital of Ninety One by Investec plc and Investec Investments to institutional and certain other investors, comprising the sale by Investec Investments of a portion of the shares it holds in Ninety One representing 4.4% of the Ninety One Shares and the sale by Investec plc of a portion of the shares it holds in Ninety One representing 5.6% the Ninety One Shares, each to institutional and certain other investors. Any South African resident institutional investors participating in the Investec plc portion of the Ninety One Share Sale will be required to utilise their foreign investment allowance (and will not fall within the investor's domestic investment allowance). Investec plc and Investec Investments may, in their sole discretion, increase or decrease the Ninety One Share Sale to sell an amount above or below 11% of the total issued share capital of Ninety One or may elect not to proceed with the Ninety One Share Sale.
"Ninety One Share Sale Price"	The final offer price in respect of the Ninety One Share Sale.

"Ninety One Shareholders"	Holders of Ninety One Shares.
"Ninety One Shareholders' Agreement"	The shareholders' agreement entered into between Investec Limited, Investec plc, Investec 1, Forty Two Point Two, IAM SA and IAM UK dated 31 July 2013 which regulates the respective rights of shareholders of IAM SA and IAM UK.
"Ninety One Shares"	The Ninety One plc Shares and the Ninety One Limited Shares.
"Ninety One Sharing Agreement"	The Ninety One DLC Structure sharing agreement to be entered into between Ninety One Limited and Ninety One plc.
"Ninety One SIP"	The Ninety One Global share incentive plan.
"Ninety One Special Converting Shares"	The Ninety One plc Special Converting Shares and the Ninety One Limited Special Converting Shares.
"Ninety One Special Rights Shares"	The Ninety One plc Special Rights Share and the Ninety One Limited Special Rights Share.
"Ninety One Special Voting Shares"	The Ninety One plc Special Voting Share and the Ninety One Limited Special Voting Share.
"Ninety One Trust Company"	Ninety One UK Trust Co or Ninety One SA Trust Co, or one or both of them, as the context requires.
"Ninety One UK DAN Share"	The dividend access (non-UK resident) redeemable preference share of £0.0001 in Ninety One plc.
"Ninety One UK DAN Share Trust Deed"	The declaration of trust entered into by Ninety One plc, Ninety One Limited and Ninety One UK Trust Co which sets out the parties' rights and obligations in relation to the Ninety One UK DAN Share.
"Ninety One UK DAS Share"	The dividend access (UK resident) redeemable preference share of £0.0001 in Ninety One plc.
"Ninety One UK DAS Share Trust Deed"	The declaration of trust entered into by Ninety One plc, Ninety One Limited and Ninety One UK Trust Co which sets out the parties' rights and obligations in relation to the Ninety One UK DAS Share.
"Ninety One UK Trust Co"	The limited liability company to be incorporated in England and Wales prior to Admission, for the purposes of the Ninety One DLC Structure, or such other entity as replaces Ninety One UK Trust Co from time to time.
"Ninety One Voting Agreement"	The voting agreement to be entered into between Ninety One Limited, Ninety One SA Trust Co, Ninety One plc and Ninety One UK Trust Co.
"Non-Executive Directors"	The non-executive directors of Investec or Ninety One, as the context may require.
"Notices of General Meeting"	The notices of the General Meetings set out in Part XIX and Part XX of this document.
"Notice of Court Meeting"	The notice of the Court Meeting set out in Part XXI of this document.
"Overseas Shareholders"	Investec Shareholders with a registered address in, or who are citizens, residents or nationals of, jurisdictions outside the UK or South Africa, or whom Investec reasonably believes to be citizens, residents or nationals of jurisdictions outside the UK or South Africa.
"persons with information rights"	A person in respect of whom a nomination pursuant to the provisions of section 146 of the UK Companies Act has been made (and not been suspended, revoked or ceased to have effect) by an Investec Shareholder.
"premium listing"	A listing by the FCA by virtue of which a company is subject to the full requirements of the UK Listing Rules.
"Proposals"	The proposals, recommended by the Investec Boards, as set out in Part IV of this document, to be implemented through the Resolutions and the Scheme.

"Reduction Resolution"	The resolution of Investec plc and Investec Limited as set out in paragraph (3) of the relevant Notice of General Meetings in Part XIX or Part XX of this document and which requires votes in favour representing 75% or more of the votes cast at the Investec Limited General Meeting and the Investec plc General Meeting in order to be passed by Investec Shareholders.
"Registrar"	The UK Registrar or the SA Registrar, as applicable.
"Registrar of Companies"	The Registrar of Companies in England and Wales.
"Relationship Agreement"	The agreement recording (i) the right of Investec Bank and Wealth, for so long as it has an interest in the combined total issued share capital of Ninety One: (a) greater than 25%, to appoint up to two Non-Executive Directors to the Ninety One Boards; and (b) equal to or less than 25% but equal to or greater than 7%, to appoint one Non-Executive Director to the Ninety One Boards; and (ii) ensuring that Ninety One is capable of operating independently of Investec Bank and Wealth pursuant to the UK Listing Rules following the Demerger, a summary of the principal terms of which is set out in paragraph 5 of Part IV of this document.
"Reporting Accountants"	Ernst & Young LLP, Ernst & Young Inc. and KPMG Inc.
"Resolutions"	The resolutions, as set out in the Notices of General Meeting in Part XIX and Part XX of this document, to be proposed at the General Meetings, being the Demerger Resolution and the Reduction Resolution.
"Restricted Jurisdiction"	Any jurisdiction in respect of which the Ninety One plc Board or the Ninety One Limited Board (as the case may be) considers, in its absolute discretion, that the requirements of applicable regulation would mean that a transfer of Ninety One Special Converting Shares to the shareholders entitled to such shares who are resident in that jurisdiction would be impractical or unlawful.
"Revenue Code"	The United States Internal Revenue Code of 1986 (as amended).
"SA Demerger"	The distribution by Investec Limited of all of Investec Limited's shareholding in Ninety One Limited, pursuant to which Investec Limited Ordinary Shareholders will receive one Ninety One Limited Share for every two Investec Limited Ordinary Shares held at the Demerger Record Time.
"SA Demerger Effective Time"	The time at which the SA Demerger becomes unconditional in all respects, expected to be at 7.00 p.m. (UK time) on 13 March 2020.
"SA FSCA"	The Financial Sector Conduct Authority of South Africa.
"SA Voting Record Time"	6.00 p.m. (Johannesburg time) on 31 January 2020 or, if the General Meetings or Court Meeting are adjourned, 6.00 p.m. (Johannesburg time) on the Friday before the date of such adjourned General Meetings or Court Meeting, as applicable.
"SARB"	The South African Reserve Bank.
"SARB PA"	The South African Reserve Bank Prudential Authority.
"SA Registrar"	Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, Republic of South Africa.
"SARS"	The South African Revenue Service.
"Scheme"	The scheme of arrangement between Investec plc Ordinary Shareholders to effect the UK Demerger in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Investec and, if applicable, Ninety One plc.
"Scheme Court Hearing"	The hearing by the Court to sanction the Scheme and confirm the reduction of capital.

"Scheme Court Order"	The order of the Court sanctioning the Scheme and confirming the reduction of capital to effect the UK Demerger.
"SDRT"	Stamp duty reserve tax.
"Separation Agreement"	The agreement recording certain terms upon which the Demerger is to be effected and upon which relations between Ninety One and Investec Bank and Wealth and their respective subsidiaries shall be governed subject to, and following, the Demerger, a summary of the principal terms of which is set out in paragraph 5 of Part IV of this document.
"South Africa" or "SA"	The Republic of South Africa.
"South African Companies Act"	The South African Companies Act, 71 of 2008 (as amended).
"South African Companies Regulations"	The South African Companies Regulations, 2011, promulgated under the South African Companies Act (as amended).
"South African FMA"	The South African Financial Markets Act, 19 of 2012 (as amended).
"South African Income Tax Act"	The South African Income Tax Act, 58 of 1962 (as amended).
"Specialist Banking Business"	The specialist banking business of Investec.
"Strate"	Strate Proprietary Limited, a private company incorporated and registered in South Africa with registration number 1998/022242/07 and its registered office address at 3rd Floor, 2 Gwen Lane, Sandown, Sandton 2196, Republic of South Africa which is a registered central securities depository in terms of the South African FMA, and which manages the Strate System.
"Strate Nominee"	PLC Nominees Proprietary Limited, incorporated and registered in South Africa with registration number 1989/002235/07 and its registered office address at First Floor, 9 St David's Park, St David Place, Parktown 2193, a company indirectly wholly owned by Strate, acting as nominee for the holders of Investec plc Shares or Ninety One plc Shares (as the context requires) in Dematerialised or Uncertificated Form on the Investec plc SA Register or Ninety One plc SA Register (as the context requires).
"Strate Nominee Register"	The register of beneficial entitlements to Investec plc Shares or Ninety One plc Shares (as the context requires) held in dematerialised form on the Investec plc SA Register or Ninety One plc SA Register (as the context requires), in each case maintained by the Strate Nominee.
"Strate Nominee Share Transfer Time"	5.30 p.m. on the date on which the Scheme becomes effective.
"Strate Nominee Share Transfers"	The transfer of Investec plc Ordinary Shares held in Certificated Form on the Investec plc SA Register to the Strate Nominee, as described in more detail in Part XIII of this document.
"Strate System"	The system operated for dealings in Uncertificated securities listed on the Johannesburg Stock Exchange that take place on the Johannesburg Stock Exchange and for dealings in Certificated securities listed on the Johannesburg Stock Exchange that take place off market.
"Strate System Rules"	The depository rules, directives, regulations and notices issued by Strate from time to time (as amended).
"Transitional Services Agreement"	The agreement recording the terms upon which Investec Bank and Wealth will provide certain services to Ninety One on a transitional basis following the Demerger, a summary of the principal terms of which is set out in paragraph 5 of Part IV of this document.

"Transitional Trade Mark Licence Agreement"	The agreement recording the terms upon which Investec Bank and Wealth will provide a licence to use the Investec brand for a transitional period following the Demerger, a summary of the principal terms of which is set out in paragraph 5 of Part IV of this document.
"Trust Corporation"	The independent trustee that will hold all the issued shares in the Trust Companies.
"Underlying Shareholders"	A holder of a beneficial entitlement to Investec Shares or Ninety One Shares, as the context requires.
"UK"	The United Kingdom of Great Britain and Northern Ireland.
"UK Admission and Disclosure Standards"	The requirements contained in the publication "Admission and Disclosure Standards" (as amended) containing, among other things, the admission requirements to be observed by companies seeking admission to trading on the London Stock Exchange's main market for listed securities.
"UK Companies Act"	The UK Companies Act 2006 (as amended).
"UK Data Protection Act"	The UK Data Protection Act of 1998 (as amended).
"UK Demerger"	The reduction of Investec plc's share premium account to £855,926,402 and the transfer of a portion of Investec plc's shareholding in IAM UK to Ninety One plc in exchange for Ninety One plc issuing to Investec plc Ordinary Shareholders one Ninety One plc Share for every two Investec plc Ordinary Shares held at the Demerger Record Time, to be implemented pursuant to the Scheme.
"UK Demerger Effective Time"	The time at which the UK Demerger becomes effective, expected to be at 7.00 p.m. (London time) on 13 March 2020.
"UK Disclosure Guidance and Transparency Rules"	The disclosure guidance and transparency rules made by the FCA pursuant to section 73A of the FSMA (as amended).
"UKLA Rules"	Together, the UK Listing Rules, the UK Prospectus Regulation Rules and the UK Disclosure Guidance and Transparency Rules.
"UK Listing Authority" or "UKLA"	The FCA acting in its capacity as the competent authority for the purposes of Part VI of the FSMA.
"UK Listing Rules"	The rules and regulations made by the FCA in its capacity as the UK Listing Authority under the FSMA (as amended), and contained in the UKLA's publication of the same name.
"UK Official List"	The official list of the UK Listing Authority.
"UK Prospectus Regulation Rules"	The prospectus regulation rules made by the FCA pursuant to Part VI of the FSMA (as amended), referred to in section 73A(4) of the FSMA and contained in the FCA's publication of the same name.
"UK Registrar"	Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY.
"UK Voting Record Time"	6.00 p.m. (London time) on 6 February 2020 or, if the General Meetings or Court Meeting are adjourned, 6.00 p.m. (London time) on the day which is two business days before the date of such adjourned General Meetings or Court Meeting, as applicable.

"Uncertificated" or "in Uncertificated Form"	In relation to Investec plc Shareholders, recorded on the Investec plc UK Register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertificated Securities Regulations 2001, may be transferred by means of CREST; in relation to Investec Limited Shareholders, recorded on the Investec Limited SA Register as being held in uncertificated form in the Strate System and title to which, by virtue of the South African Companies Act, the South African FMA and the Strate System Rules may be transferred by means of the Strate System or in relation to Botswanan Shareholders recorded on the Investec Limited Botswanan Register and title to which may be transferred by way of the Botswanan Central Security Depositary.
"Underlying Shareholders"	A holder of a beneficial entitlement to Investec Shares or Ninety One Shares, as the context requires.
"Underwriting Agreement"	The underwriting agreement to be entered into at or immediately prior to Admission between Ninety One plc, Ninety One Limited, the Directors of Ninety One, Investec plc, Investec Investments and the underwriters of the Ninety One Share Sale.
"US" or "United States"	The United States of America, its territories and possessions, any state of the United States and the District of Columbia.
"US Securities Act"	The United States Securities Act 1933 (as amended).
"Voting Record Time"	The SA Voting Record Time or the UK Record Voting Time as the context requires.
"Wealth & Investment Business"	The Wealth & Investment business of Investec.

In this document and the Forms of Proxy, the expressions "subsidiary", "subsidiary undertaking", "associated undertaking" and "undertaking" have the meanings given by the UK Companies Act insofar as it relates to Investec plc and Ninety One plc, and the South African Companies Act insofar as it relates to Investec Limited and Ninety One Limited.

In this document and the Forms of Proxy, references to the singular include the plural and vice versa, unless the context otherwise requires. References to time are to London time, unless the context otherwise requires.

This document is dated 29 November 2019.

NOTICE OF INVESTEC PLC GENERAL MEETING

INVESTEC PLC

(Registered in England and Wales with registered number 03633621)

NOTICE IS HEREBY GIVEN that a GENERAL MEETING of the Company shall be held at 30 Gresham Street, London EC2V 7QP, United Kingdom at 10.30 a.m. (London time) on 10 February 2020 to transact the following business:

Common business: Investec plc and Investec Limited

To consider and, if thought fit, pass the following ordinary resolution:

ORDINARY RESOLUTION

(1) THAT entry into and implementation of the Proposals, including the Demerger, the Ninety One Share Sale and the transactions contemplated by the Demerger Agreements (each as defined and described in the document of which this Notice forms part), be and are hereby approved and that the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Proposals into effect;

Special business: Investec plc

To consider and, if thought fit, pass the following special resolution:

SPECIAL RESOLUTION

(2) THAT:

(I) with effect from the Scheme Effective Time (as defined in the scheme of arrangement dated 29 November 2019 (the "**Scheme**") between the Company and its Scheme Shareholders (as defined in the Scheme)), a print of which has been produced to this meeting and for the purposes of identification signed by the chairman thereof), the share premium account of the Company be reduced by £855,926,402:

(a) part thereof be repaid, which repayment shall be satisfied by the Company transferring, or procuring the transfer of, such number of ordinary shares of £1.00 each in the capital of Investec Asset Management Limited as may be determined by the Directors, up to a maximum of 670,789 such shares, to Investec Asset Management UK Group plc ("**Ninety One plc**") in consideration for the allotment and issue by Ninety One plc to the Scheme Shareholders (as defined in the Scheme) appearing in the register of members of the Company (including the South African branch register) at the Scheme Record Time (as defined in the Scheme) of one ordinary share of £0.0001 in the capital of Ninety One plc for every two Scheme Shares (as defined in the Scheme) held by them; and

(b) the balance (if any) thereof be retained by the Company and transferred to the reserves of the Company to be available for future distributions by the Company from time to time or applied by the Company from time to time toward any purpose to which such reserves may be applied.

(II) the proposed reduction of capital of Ninety One plc under section 641 of the Companies Act 2006 as detailed in the document of which this notice forms part and approved or to be approved by a special resolution of the shareholders of Ninety One plc, be and is hereby approved and the Directors be and are hereby authorised to take all such action as they may consider necessary or appropriate for carrying such reduction of capital into effect;

(III) for the purpose of giving effect to the Scheme in its original form or subject to any modification, addition or condition agreed by the Company and Ninety One plc and approved or imposed by the Court, the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect; and

(IV) with effect from the passing of this resolution, the Articles of Association of the Company be amended by the adoption and inclusion of the following new Article 151:

"SCHEME OF ARRANGEMENT AND SA CERTIFICATED SHARE TRANSFERS

151(A) In this Article, the "Scheme" means the scheme of arrangement dated 29 November 2019 between the Company and its Scheme Shareholders (as defined in the Scheme) under Part 26 of the Companies Act 2006 in its original form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed by the Company and Ninety One plc and (save as defined in this Article) expressions defined in the Scheme shall have the same meanings in this Article.

(B) Notwithstanding any other provision of these Articles, if the Company issues any Ordinary Shares after the adoption of this Article, and before the Scheme Record Time, such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the holders of such shares shall be bound by the Scheme accordingly.

152(A) At 5.30 p.m. (London time) on the second Friday after the date of the Court Hearing, all Ordinary Shares registered at such time on the South African branch register of members of the Company other than those registered in the name of PLC Nominees Proprietary Limited (the "**Strate Nominee**") shall be transferred to the Strate Nominee (the "**SA Certificated Share Transfers**"). Upon the SA Certificated Share Transfers, the Strate Nominee shall become the registered holder of the relevant Ordinary Shares and shall hold the registered interest in such Ordinary Shares on behalf of Computershare Services Nominees Limited (the "**Computershare Nominee**"), the nominee of Computershare Proprietary Limited's Central Securities Depositary Participant, who will hold the beneficial entitlement to such Ordinary Shares on behalf of their former holders. Shareholders whose Ordinary Shares are subject to the SA Certificated Share Transfers shall be bound by the provisions of the rules and directives of Strate Proprietary Limited and shall be deemed to have agreed to the terms of a custody agreement with Computershare Proprietary Limited approved by the Company's shareholders.

(B) The SA Certificated Share Transfers shall be effected by means of a form or forms of transfer or other instrument(s) or instruction(s) of transfer and, to give effect to such transfer(s), any person may be appointed by the Company as agent and attorney on behalf of the relevant Scheme Shareholder and shall be authorised to execute and deliver as transferor such form(s) of transfer or other instrument(s) or instruction(s) of transfer and to give such instructions and to do all other things which he or she may consider necessary or expedient in connection with any such transfer, and every form, instrument or instruction of transfer so executed shall be as effective as if it had been executed by the relevant Scheme Shareholders. In the absence of bad faith or wilful default, neither the Company nor the Computershare Nominee shall have any liability for any determination made pursuant to this article or for any loss or damage arising as a result of the timing or terms of any transfer pursuant to this article."

(V) The terms and conditions of the custody agreement with Computershare Proprietary Limited pursuant to which ordinary shares in the capital of the Company subject to the SA Certificated Share Transfers will be held following such transfers, a copy of which is available on Computershare's website at https://www.computershare.com/za/Shared%20Documents/Custody-and-Settlement-Agreement.pdf, be approved.

The Board considers the proposed resolutions contained in this notice of general meeting to be in the best interests of Investec plc and its shareholders and recommend that you vote in favour of the resolutions, as the Board intends to do in respect of their own beneficial holdings.

By order of the Board,

D Miller
Company Secretary

London

29 November 2019

Registered office:
Investec plc
30 Gresham Street,
London EC2V 7QP
United Kingdom

Notes:

1. The above resolutions are joint electorate actions under the Articles of Association of Investec plc and, accordingly, both the holders of ordinary shares in Investec plc and the holder of the special voting share in Investec plc are entitled to vote. Voting will be on a poll which will remain open for sufficient time to allow the Investec Limited general meeting to be held and for the votes of the holder of the Investec plc special voting share to be ascertained and cast on a poll.
2. On the poll:
   (a) each fully paid ordinary share in Investec plc (other than those subject to voting restrictions) will have one vote;
   (b) the holder of the Investec plc special voting share will cast the same number of votes as were validly cast for and against the equivalent resolution by Investec Limited shareholders on the poll at the Investec Limited general meeting;
   (c) the holder of the Investec plc special voting share will be obliged to cast these votes for and against the relevant resolutions in accordance with the votes cast for and against the equivalent resolutions by Investec Limited shareholders on the poll at the Investec Limited general meeting;
   (d) through this mechanism, the votes of the Investec Limited ordinary shareholders at the Investec Limited general meeting will be reflected at Investec plc's general meeting in respect of the joint electorate action; and
   (e) the results of the joint electorate action will be announced after both polls have closed.
3. Subject to the provisions under section 319A of the UK Companies Act 2006, any shareholder attending the meeting has the right to ask questions. A shareholder who is entitled to attend and vote at the general meeting is entitled to appoint one or more persons as his or her proxy to exercise all or any of his or her rights to attend and to speak and vote at the meeting, provided that, if more than one proxy is appointed by a shareholder, each proxy is appointed to exercise the rights attached to different shares held by that shareholder. A proxy need not be a shareholder of Investec plc or Investec Limited.
4. A form of proxy is enclosed. The appointment of a proxy will not prevent a shareholder from subsequently attending and voting at the General Meeting in person. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from Investec plc in accordance with section 146 of the UK Companies Act 2006 (nominated persons). Nominated persons may have a right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
5. To be effective, the instrument appointing a proxy and any power of attorney or other authority under which it was executed (or a duly certified copy of any such power or authority) must be returned so as to reach Investec plc's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY not less than 48 hours before the time for holding the meeting or adjourned meeting.
6. Any corporation which is a shareholder can appoint one or more representatives who exercise on its behalf all of its powers as a shareholder, provided that they do not do so in relation to the same shares.
7. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the register of shareholders of Investec plc at close of business on the day which is two days before the day of the meeting or if the meeting is adjourned, two days before the date fixed for the adjourned meeting, as the case may be. Changes to entries on the register of shareholders after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
8. As of 22 November 2019 (the latest practicable date prior to publication of this notice), Investec plc's issued ordinary share capital consists of 696,082,618 ordinary shares of £0.0002 each. Investec plc holds 0 ordinary shares in treasury for voting right purposes and therefore the total number of voting rights in Investec plc are 696,082,618.
9. As of 22 November 2019 (the latest practicable date prior to publication of this notice), Investec Limited's issued ordinary share capital consists of 318,904,709 ordinary shares of R0.0002 each. Investec Limited holds 37,108,948 ordinary shares in treasury and therefore the total number of voting rights in Investec Limited is 281,723,761.
10. Investec plc has issued one special voting share and Investec Limited has issued special convertible redeemable preference shares to facilitate joint voting by shareholders of Investec plc and Investec Limited on Investec Joint Electorate Actions. As of 22 November 2019 (the latest practicable date prior to publication of this notice), the combined total number of voting rights of Investec plc and Investec Limited is 977,806,369.
11. CREST members who wish to appoint a proxy or proxies to attend and vote at the Investec plc meeting through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
12. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST proxy instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Computershare Investor Services PLC (ID 3RA50) by 10.30 a.m. (London time) on 6 February 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which Computershare Investor Services PLC is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
13. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this respect, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.
14. Investec plc may treat as invalid a CREST proxy instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
15. A copy of this notice, and other information required by section 311A of the UK Companies Act 2006, can be found at www.investec.com.

NOTICE OF INVESTEC LIMITED GENERAL MEETING

INVESTEC LIMITED

Registration number 1925/002833/06
Share code: INL ISIN: ZAE000081949

Notice is hereby given that the general meeting of Investec Limited will be held at 12:30 p.m. (Johannesburg time) on 10 February 2020, at the registered office of Investec Limited at 100 Grayston Drive, Sandown, Sandton 2196, to:

- deal with such business as may lawfully be dealt with at the meeting;
- consider, and, if deemed fit, pass, with or without modification, the resolutions set out hereunder.

Kindly note that in terms of section 63(1) of the South African Companies Act, No 71 of 2008, as amended (the South African Companies Act), meeting participants (including proxies) will be required to provide reasonable satisfactory identification before being entitled to participate in or vote at the general meeting. Forms of identification that will be accepted include original and valid identity documents, driver's licences and passports.

Electronic participation

Investec Limited Shareholders entitled to attend, participate in and vote at the general meeting or proxies of such shareholders shall be entitled to participate in the general meeting by electronic participation. Should a shareholder wish to participate in the meeting by electronic participation, the shareholder concerned should advise the company thereof by submitting via registered mail addressed to the company (for the attention of Carly Newton, Investec Limited, PO Box 785700, Sandton, 2146, South Africa) relevant contact details, as well as full details of the shareholder's title to the shares issued by the company, accompanied by proof of identity, in the form of certified copies of identity documents and share certificates (in the case of certificated shares) and (in the case of dematerialised shares) written confirmation from the shareholder's CSDP confirming the shareholder's title to the dematerialised shares, to reach the company by no later than 12.30 p.m. (Johannesburg time) on 10 February 2020. Upon receipt of the required information by the company, the shareholder concerned will be provided with a secure code and instructions to access the electronic participation during the general meeting. Shareholders must note that access to the electronic participation will be at the expense of the shareholders who wish to utilise the facility.

Shareholders are requested to submit their proxies as directed in this notice.

Record dates, proxies and voting

- In terms of sections 59(1)(a) and (b) of the South African Companies Act, the board of the company has set the record date for the purpose of determining which shareholders are entitled to:
  - receive notice of the general meeting (being the date on which a shareholder must be registered in the company's securities register in order to receive notice of the general meeting) as 22 November 2019; and
  - participate in and vote at the general meeting (being the date on which the shareholder must be registered in the company's securities register in order to participate in and vote at the general meeting) as 31 January 2020.
- Investec Limited Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own name" registration, and who are entitled to attend, participate in and vote at the general meeting, are entitled to appoint one or more persons as their proxy to exercise all or any of their rights to attend and to speak and vote in their stead at the general meeting, provided that, if more than one proxy is appointed concurrently by a shareholder, each proxy is appointed to exercise the rights attached to different shares held by the shareholder.
- A proxy need not be a shareholder.
- Investec Limited Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own name" registration, and who are entitled to attend, participate in and vote at the general meeting, and who do not deliver forms of proxy to the transfer secretaries in South Africa by the relevant time, will nevertheless be entitled to lodge the form of proxy in respect of the general meeting immediately prior to the exercising of the shareholders' rights at the general meeting, in accordance with the instructions therein, with the chairman of the general meeting.

- Investec Limited Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own name" registration, should contact their CSDP or broker in the manner and within the time stipulated in the agreement entered into between them and their CSDP or broker:
  - to furnish them with their voting instructions; or
  - in the event that they wish to attend the general meeting, to obtain the necessary letter of representation to do so.
- For an ordinary resolution to be approved by shareholders, it must be supported by more than 50% of the voting rights exercised on the resolution.
- For a special resolution to be approved by shareholders, it must be supported by at least 75% of the voting rights exercised on the resolution.
- In accordance with section 65(4) of the South African Companies Act, Investec Limited Shareholders are referred to the Proposals (as defined and described in the document of which this Notice forms part) as explanatory material accompanying these resolutions.

Common business: Investec plc and Investec Limited

To consider and, if thought fit, pass the following ordinary resolution:

ORDINARY RESOLUTION

(1) THAT entry into and implementation of the Proposals, including the Demerger, the Ninety One Share Sale and the transactions contemplated in the Demerger Agreements (each as defined and described in the document of which this Notice forms part), be and are hereby approved and that the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Proposals into effect;

Special business: Investec plc

To consider and, if thought fit, pass the following ordinary resolution:

ORDINARY RESOLUTION WITH A 75% MAJORITY

(2) THAT:

(I) with effect from the Scheme Effective Time (as defined in the scheme of arrangement dated 22 November 2019 (the "**Scheme**") between Investec plc and its Scheme Shareholders (as defined in the Scheme)), a print of each of which has been produced to this meeting and for the purposes of identification signed by the chairman thereof), the share premium account of Investec plc be reduced by £855,926,402 and:

(a) part thereof be repaid, which repayment shall be satisfied by Investec plc transferring, or procuring the transfer of, such number of ordinary shares of £1.00 each in the capital of Investec Asset Management Limited as may be determined by the Directors, up to a maximum of 670,789 such shares, to Investec Asset Management UK Group plc ("**Ninety One plc**") in consideration for the allotment and issue by Ninety One plc to the Scheme Shareholders (as defined in the Scheme) appearing in the register of members of Investec plc (including the South African branch register)) at the Scheme Record Time (as defined in the Scheme) of one ordinary share of £0.0001 each in the capital of Ninety One plc for every two Scheme Shares (as defined in the Scheme) held by them; and

(b) the balance (if any) thereof be retained by Investec plc and transferred to the reserves of Investec plc to be available for future distributions by Investec plc from time to time or applied by Investec plc from time to time toward any purpose to which such reserves may be applied.

(II) the proposed reduction of capital of Ninety One plc under section 641 of the UK Companies Act 2006 as detailed in the document of which this notice forms part and approved or to be approved by a special resolution of the shareholders of Ninety One plc, be and is hereby approved and the Directors be and are hereby authorised to take all such action as they may consider necessary or appropriate for carrying such reduction of capital into effect;

(III) for the purpose of giving effect to the Scheme in its original form or subject to any modification, addition or condition agreed by Investec plc and Ninety One plc and approved or imposed by the Court, the directors of Investec plc be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect; and

(IV) with effect from the passing of this resolution, the Articles of Association of Investec plc be amended by the adoption and inclusion of the following new Article 151:

"SCHEME OF ARRANGEMENT

151(A) In this Article, the "Scheme" means the scheme of arrangement dated 22 November 2019 between the Company and its Scheme Shareholders (as defined in the Scheme) under Part 26 of the Companies Act 2006 in its original form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed by the Company and Ninety One plc and (save as defined in this Article) expressions defined in the Scheme shall have the same meanings in this Article.

(B) Notwithstanding any other provision of these Articles, if the Company issues any Ordinary Shares after the adoption of this Article and before the Scheme Record Time, such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the holders of such shares shall be bound by the Scheme accordingly.

152(A) At 5.30 p.m. (London time) on the second Friday after the date of the Court Hearing, all ordinary shares registered on the South African branch register of members of the Company at such time shall be transferred to PLC Nominees Proprietary Limited (the "**Strate Nominee**") if they are not already held in the name of PLC Nominees Proprietary Limited (the "**SA Certificated Share Transfers**"). Upon the SA Certificated Share Transfers, the Strate Nominee shall become the registered holder of the relevant Ordinary Shares and shall hold the registered interest in such Ordinary Shares on behalf of Computershare Services Nominees Limited (the "**Computershare Nominee**"), the nominee of Computershare Proprietary Limited's Central Securities Depositary Participant, who will hold the beneficial entitlement to such Ordinary Shares on behalf of their former holders. Shareholders whose Ordinary Shares are subject to the SA Certificated Share Transfers shall be bound by the provisions of the rules and directives of Strate Proprietary Limited and shall be deemed to have agreed to the terms of a custody agreement with Computershare Proprietary Limited approved by the Company's shareholders.

(B) The SA Certificated Share Transfers shall be effected by means of a form or forms of transfer or other instrument(s) or instruction(s) of transfer and, to give effect to such transfer(s), any person may be appointed by the Company as agent and attorney on behalf of the relevant Scheme Shareholder and shall be authorised to execute and deliver as transferor such form(s) of transfer or other instrument(s) or instruction(s) of transfer and to give such instructions and to do all other things which he or she may consider necessary or expedient in connection with any such transfer, and every form, instrument or instruction of transfer so executed shall be as effective as if it had been executed by the relevant Scheme Shareholders. In the absence of bad faith or wilful default, neither the Company nor the Computershare Nominee shall have any liability for any determination made pursuant to this article or for any loss or damage arising as a result of the timing or terms of any transfer pursuant to this article"; and

(V) the terms and conditions of the custody agreement with Computershare Proprietary Limited pursuant to which ordinary shares in the capital of the Company subject to the SA Certificated Share Transfers will be held following such transfers, a copy of which is available on Computershare's website at https://www.computershare.com/za/Shared%20Documents/Custody-and-Settlement-Agreement.pdf, be approved.

The Board considers the proposed resolutions contained in this notice of general meeting to be in the best interests of Investec Limited and its shareholders and recommends that you vote in favour of the resolutions, as the Directors intend to do in respect of their own beneficial holdings.

By order of the Board,

N Van Wyk
Company Secretary

Sandton

29 November 2019

Registered office:
c/o Company Secretarial Investec Limited
100 Grayston Drive
Sandown
2196
PO Box 785700 Sandton 2146
Republic of South Africa

Notes:

1. All of the above resolutions are joint electorate actions under the Memorandum of Incorporation of Investec Limited and accordingly, both the holders of ordinary shares in Investec Limited and the holders of the special convertible redeemable preference shares in Investec Limited are entitled to vote. Voting will be on a poll which will remain open for sufficient time to allow the Investec plc general meeting to be held and for the votes of the holder of the Investec Limited special convertible redeemable preference shares to be ascertained and cast on a poll.
2. On a poll:
   (a) each ordinary share in Investec Limited (other than those subject to voting restrictions) will have one vote;
   (b) the shareholder of the Investec Limited special convertible redeemable preference shares will cast the same number of votes as were validly cast by ordinary shareholders for and against the equivalent resolution by Investec plc shareholders on a poll at the Investec plc general meeting;
   (c) the shareholder of the Investec Limited special convertible redeemable preference shares will be obliged to cast these votes for and against the relevant resolution in accordance with the votes cast for and against the equivalent resolution by Investec plc ordinary shareholders on the poll at the Investec plc general meeting;
   (d) through this mechanism, the votes of the Investec plc ordinary shareholders at the Investec plc general meeting will be reflected at Investec Limited's general meeting in respect of each joint electorate action; and
   (e) the results of the joint electorate actions will be announced after both polls have closed.
3. A shareholder who is entitled to attend and vote at the general meeting is entitled to appoint one or more persons as his or her proxy to exercise all or any of his or her rights to attend and to speak and vote at the meeting, provided that, if more than one proxy is appointed, concurrently by a shareholder, each proxy is appointed to exercise the rights attached to different shares held by that shareholder.
4. A proxy need not be a shareholder of Investec plc or Investec Limited. The person whose name stands first on the form of proxy and who is present at the general meeting, will be entitled to act as proxy to the exclusion of those whose names follow. Should a proxy not be specified, this will be exercised by the chairman of the meeting.
5. A form of proxy is enclosed. The appointment of a proxy will not prevent a shareholder from subsequently attending and voting at the general meeting in person.
6. It is requested that the instrument appointing a proxy and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority) be deposited at the transfer secretary's office at Rosebank Towers, 15 Biermann Avenue, Rosebank 2196 or, email it to proxy@computershare.co.za. Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own name" registration, and who are entitled to attend, participate in and vote at the general meeting, and who do not deliver forms of proxy to the transfer secretaries in South Africa by the relevant time, will nevertheless be entitled to lodge the form of proxy in respect of the general meeting with the chairman of the general meeting or the transfer secretaries in South Africa at any time before the proxy exercises any rights of the shareholder at the meeting.
7. The record date for the purposes of determining which shareholder will be entitled to participate in, and vote at the general meeting and the number of votes which they may cast thereat will be determined by reference to Investec Limited's securities register at 31 January 2020, or if the meeting is adjourned, two business days (both in South Africa and the UK) before the date fixed for the adjourned meeting, as the case may be.
8. Any corporation which is a shareholder can appoint one or more representatives who exercise on its behalf all of its powers as a shareholder that they do not do so in relation to the same shares.
9. As of 22 November 2019 (the latest practicable date prior to publication of this notice), Investec plc's issued ordinary share capital consists of 696,082,618 ordinary shares of £0.0002 each. Investec plc holds 0 ordinary shares in treasury for voting right purposes and therefore the total number of voting rights in Investec plc is 696,082,618.
10. As of 22 November 2019 (the latest practicable date prior to publication of this notice), Investec Limited's issued ordinary share capital consists of 318,903,709 ordinary shares of R0.0002 each. Investec Limited holds 37,180,948 ordinary shares in treasury and therefore the total number of voting rights in Investec Limited is 281,723,761.
11. Investec plc has issued one special voting share and Investec Limited has issued special convertible redeemable preference shares to facilitate joint voting by shareholders of Investec plc and Investec Limited on Investec Joint Electorate Actions. As of 22 November 2019 (the latest practicable date prior to publication of this notice), the combined total number of voting rights of Investec plc and Investec Limited is 977,806,379.
12. A copy of this Circular and notice can be found at www.investec.com.

NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND
AND WALES COMPANIES COURT (ChD)
DEPUTY ICC JUDGE SCHAFFER

CR-2019-006418

IN THE MATTER OF INVESTEC PLC

– and -

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that, by an Order dated 27 November 2019 made in the above matters the Court has given permission for a meeting (the "**Court Meeting**") to be convened of the Scheme Shareholders (as defined in the scheme of arrangement referred to below) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement (the "**Scheme of Arrangement**") proposed to be made between Investec plc (the "**Company**") and the Scheme Shareholders, and that such meeting shall be held at 30 Gresham Street, London EC2V 7QP, United Kingdom at 11.00 a.m. (London time) on 10 February 2020 (or as soon thereafter as the General Meetings (as defined in the document of which this Notice forms part) have concluded or been adjourned), at which place and time all Scheme Shareholders are requested to attend.

A copy of the Scheme of Arrangement and a copy of the explanatory statement required to be furnished pursuant to section 897 of the Companies Act 2006 are incorporated in the document of which this Notice forms part.

Capitalised terms not otherwise defined in this Notice have the meanings given to them in the document of which this Notice forms part.

Scheme Shareholders entitled to attend and vote at the Court Meeting may vote in person or they may appoint another person, whether a member of the Company or not, as their proxy to attend and vote in their stead.

A white Form of Proxy for use by Scheme Shareholders in connection with the Court Meeting is enclosed with this Notice.

Scheme Shareholders entitled to attend and vote at the Court Meeting who hold their Scheme Shares through CREST may appoint a proxy using the CREST electronic proxy appointment service.

Completion and return of a white Form of Proxy, or the appointment of a proxy through CREST shall not prevent a Scheme Shareholder from attending and voting in person at the Court Meeting or any adjournment thereof.

Scheme Shareholders are entitled to appoint a proxy in respect of some or all of their Scheme Shares. Scheme Shareholders are also entitled to appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such Scheme Shareholder. A space has been included in the white Form of Proxy to allow Scheme Shareholders to specify the number of Scheme Shares in respect of which that proxy is appointed. Scheme Shareholders who return the white Form of Proxy duly executed but leave this space blank shall be deemed to have appointed the proxy in respect of all their Scheme Shares.

Scheme Shareholders who wish to appoint more than one proxy in respect of their shareholding should: (i) contact the Company's relevant Registrar using the Helpline, set out in Part II of the document of which this Notice forms part, for further white Forms of Proxy; or (ii) photocopy the white Form of Proxy as required. Such Scheme Shareholders should also read the information regarding the appointment of multiple proxies set out in Part II of the document of which this Notice forms part and in the white Form of Proxy.

It is requested that white Forms of Proxy, and any power of attorney or other authority under which they are executed (or a duly certified copy of any such power or authority), be lodged with the Company's relevant

Registrar at the relevant address set out in Part II of the document of which this Notice forms part and in the white Form of Proxy, or be submitted via CREST, by no later than 11.00 a.m. (London time) on 6 February 2020 (or not less than 48 hours, excluding any part of a day that is not a business day, before the time appointed for any adjourned Court Meeting), but if white Forms of Proxy are not so lodged or submitted, they may be handed to the chairman of the Court Meeting or the Company's UK Registrar at the Court Meeting before the start of the Court Meeting.

In the case of joint holders of Scheme Shares, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose, seniority shall be determined by the order in which the names stand in the Register of the Company in respect of the joint holding.

Entitlement to attend and vote at the Court Meeting or any adjournment thereof and the number of votes which may be cast thereat shall be determined by reference to the relevant Register of the Company as at 6.00 p.m. (London time) on 6 February 2020 or, if the Court Meeting is adjourned, 6.00 p.m. (London time) on the day which is two business days before the date of the adjourned Court Meeting. In each case, changes to the Register after such time shall be disregarded.

By the said Order, the Court has appointed Perry Crosthwaite or, failing him, Fani Titi, or, failing him, any other director of the Company, to act as chairman of the Court Meeting and has directed the chairman to report the result thereof to the Court.

The Scheme of Arrangement shall be subject to the subsequent sanction of the Court.

Dated 29 November 2019

LINKLATERS LLP
One Silk Street
London EC2Y 8HQ
United Kingdom
Solicitors for the Company

INVESTEC LIMITED ORDINARY SHAREHOLDER FORM OF PROXY

Out of the Ordinary®

Investec

Investec Limited
(incorporated in South Africa
with registered number 1925/002833/06)
JSE share code: INL
NSX share code: IVD
BSE share code: INVESTEC
ISIN: ZAE000081949
(the "**company**")

General meeting of Investec Limited

Only for use by Investec Limited's ordinary shareholders who have not dematerialised their ordinary shares or who have dematerialised their ordinary shares and selected 'own name' registration with Computershare's CSDP.

Please read the Notice of Investec Limited General Meeting in Part XX of the circular published on shareholders on 29 November 2019 (the "Circular") and the Explanatory Notes overleaf before completing this form of proxy.

For use by Investec Limited's ordinary shareholders who have not dematerialised their Investec Limited ordinary shares or who have dematerialised their Investec Limited ordinary shares but with own name registration at the Investec Limited general meeting to be held at 12:30 p.m. (Johannesburg time) on Monday, 10 February 2020 at the registered office of Investec Limited, 100 Grayston Drive, Sandown, Sandton 2146, South Africa.

Shareholders who have dematerialised their Investec Limited ordinary shares must inform their Central Securities Depository Participants (CSDP) or broker of their intention to attend the Investec Limited general meeting and request their CSDP or broker to issue them with the necessary letters of representation to attend or provide their CSDP or broker with their voting instructions should they not wish to attend the Investec Limited general meeting in person.

I/We _____

(print name(s) in full)

of _____

(full address)

(email address) _____

(telephone number) _____

being holder(s) of [ ] Ordinary shares of R0.0002 each

do hereby appoint _____ of _____ or falling him

_____ of _____ or falling him

	In favour of	Against	Abstain
Common business: Investec plc and Investec Limited Ordinary Resolutions			
1. To approve: (i) the entry into and implementation of the Proposals; and (ii) the authorisation of the directors of Investec Limited to take all such action as they may consider necessary or appropriate to carry out the Proposals into effect, as set out in the Notice of Investec Limited General Meeting.			
Special business: Investec plc Ordinary Resolution with a 75% majority			
2. To approve: (i) the reduction of the share premium account of Investec plc by £855,926,402 and the repayment of such amount, which shall be satisfied by Investec plc transferring, or procuring the transfer of, a portion of its ordinary shares of £1.00 each in IAM UK to Ninety One plc in consideration for the allotment and issue by Ninety One plc to Investec plc Ordinary Shareholders at the Demerger Record Time of one Ninety One plc Share for every two Investec plc Ordinary Shares held by them; (ii) the reduction of capital of Ninety One plc; (iii) the authorisation of the directors of Investec plc to take the necessary actions to carry the Scheme into effect; and (vi) the amendments to the Investec plc Articles of Association in connection with (i) above, as set out in the Notice of Investec Limited General Meeting.			

Signature: Date:

An Investec Limited ordinary shareholder entitled to attend and vote at the general meeting is entitled to appoint a proxy (who need not be a shareholder of the company) to attend, and, on a poll, to vote in his or her place. Each resolution is to be decided on a poll and an Investec Limited ordinary shareholder or his or her proxy shall have one vote for every ordinary share held.

Notes and summary of rights under section 58 of the South African Companies Act, No 71 of 2008, as amended

1. Full details of the resolutions to be proposed at the general meeting, with explanatory notes, are set out in the Notice of Investec Limited General Meeting which is set out in Part XX of the Circular. Before completing and returning this form of proxy, please also read Part II of the Circular ("Action to be Taken"). Terms defined in the Circular published on 29 November 2019 shall apply in this form of proxy unless the context requires otherwise.
2. A shareholder entitled to attend and vote at the general meeting is entitled to appoint any one or more individuals (who need not be a shareholder of the company) as a proxy to attend, speak and, on a poll, vote in his place at the general meeting, provided that, if more than one proxy is concurrently appointed by a shareholder, each proxy is appointed to exercise the rights attaching to different shares held by that shareholder. Such shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the chairman of the meeting", provided that any such deletion must be signed in full by the shareholder. The person whose name stands first on the proxy form and who is present at the general meeting will be entitled to act as proxy to the exclusion of those whose names follow. Should a proxy not be specified, this will be exercised by the chairman of the general meeting.
3. Each resolution is to be decided on a poll and a shareholder or his or her proxy shall have one vote for every share held. You are not obliged either to cast all your votes or to cast all your votes in the same way. Please instruct your proxy how to vote by either:
   (i) marking the appropriate box with an "X" next to each resolution, in which event the proxy will cast all your votes in the manner so specified; or
   (ii) setting out the number of votes to be cast in each box (i.e. in favour of and/or against and/or by way of abstention) in respect of each resolution, provided that, if for any resolution the aggregate number of votes to be cast would exceed the total number of shares held, you will be deemed to have given no specific instruction as to how you wish your proxy to vote in respect of that resolution. Your proxy will have discretion to vote in respect of your total holding on any resolution on which you have not (or are deemed not to have) given specific instruction as to how to vote and, unless instructed otherwise, on any business which may properly come before the meeting.
4. The date must be filled in on this form of proxy when it is signed.
5. If you are signing in a representative capacity, whether for another person or for an organisation, then, in order for this form to be valid, you must include a power of attorney or other written authority that authorises you to sign (or a certified copy of such power or authority).
6. In the case of a company, the proxy form should either be sealed by the company or signed by a director or an authorised signatory (and the provisions of paragraph 5 shall apply to such authorised signatory).
7. In the case of joint holders, only one needs to sign. If more than one joint holder votes, whether in person or by proxy, only the most senior shareholder who renders a vote, whether in person or by proxy, will be counted. For this purpose, seniority is determined by the order in which shareholders' names appear in the register for that share.
8. Any alteration or correction made to this form of proxy must be initialled by the signatory or signatories.
9. A minor must be assisted by his or her parent/guardian and the relevant documentary evidence establishing his or her legal capacity must be attached to this form of proxy unless previously recorded by the company or waived by the chairman of the general meeting.
10. The chairman of the general meeting may reject or accept any proxy form which is completed and/or received other than in compliance with these notes.
11. The return of this form of proxy will not prevent you from attending the meeting and voting in person.
12. A proxy may not delegate his or her authority to act on behalf of the shareholder to another person.
13. The appointment of a proxy or proxies:
   (i) is suspended at any time to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
   (ii) is revocable, in which case the shareholder may revoke the proxy appointment by:
      (a) cancelling it in writing or making a later inconsistent appointment of a proxy; and
      (b) delivering a copy of the revocation instrument to the proxy and to the company.
14. Should the instrument appointing a proxy or proxies have been delivered to the company, as long as the appointment remains in effect, any notice that is required by the South African Companies Act, 2008, as amended, or the company's Memorandum of Incorporation to be delivered by such company to the shareholder, must be delivered by such company to:
   (i) the shareholder; or
   (ii) the proxy or proxies, if the shareholder has directed the company to do so in writing and has paid any reasonable fee charged by the company for doing so.
15. The proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the South African Companies Act, 2008.
16. It is requested that this form of proxy be deposited at the company's transfer secretaries as soon as possible and, in any event, so as to be received no later than 48 hours (excluding any part of a day that is not a business day) before the time appointed for the meeting:

Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank 2196
PO Box 61051, Marshalltown 2107
or email it to: proxy@computershare.co.za

Notwithstanding the above, proxy forms not delivered by the relevant time can nevertheless be lodged with the chairman of the general meeting or the transfer secretaries at any time before the proxy exercises any rights of the shareholder at the meeting.

INVESTEC LIMITED PREFERENCE SHAREHOLDER FORM OF PROXY

Out of the Ordinary®

Investec

Investec Limited
(incorporated in South Africa
with registered number 1925/002833/06)
JSE share code: INL
NSX share code: IVD
BSE share code: INVESTEC
ISIN: ZAE000081949

General meeting of Investec Limited

Only for use by Investec Limited preference shareholders who have not dematerialised their ordinary shares or who have dematerialised their ordinary shares and selected "own name" registration with Computershare's CSDP.

Please read the Notice of Investec Limited General Meeting in Part XX of the circular published on 29 November 2019 (the "Circular") and the Explanatory Notes overleaf before completing this form of proxy.

For use by Investec Limited's preference shareholders who have not dematerialised their Investec Limited preference shares or who have dematerialised their Investec Limited preference shares but with own name registration at the Investec Limited general meeting to be held at 12:30 p.m. (Johannesburg time) on Monday, 10 February 2020 at the registered office of Investec Limited, 100 Grayston Drive, Sandown, Sandton 2146, South Africa.

Shareholders who have dematerialised their Investec Limited preference shares must inform their Central Securities Depository Participants (CSDP) or broker of their intention to attend the Investec Limited general meeting and request their CSDP or broker to issue them with the necessary letters of representation to attend or provide their CSDP or broker with their voting instructions should they not wish to attend the Investec Limited general meeting in person.

I/We _____

(print name(s) in full)

of _____

(full address) _____

(email address) _____

(telephone number) _____

being holder(s) of [ ] Preference shares

do hereby appoint _____ of _____ or falling him

_____ of _____ or falling him

_____

	In favour of	Against	Abstain
Special business: Investec plc Ordinary Resolution with a 75% majority			
2. To approve: (i) the reduction of the share premium account of Investec plc by £855,926,402 and the repayment of such amount, which shall be satisfied by Investec plc transferring, or procuring the transfer of a portion of its ordinary shares of £1.00 each in IAM UK to Ninety One plc in consideration for the allotment and issue by Ninety One plc to Investec plc Ordinary Shareholders at the Demerger Record Time of one Ninety One plc Share for every two Investec plc Ordinary Shares held by them; (ii) the reduction of capital of Ninety One plc; (iii) the authorisation of the directors of Investec plc to take the necessary actions to carry the Scheme into effect; and (iv) the amendments to the Investec plc Articles of Association in connection with (i) above, as set out in the Notice of Investec Limited General Meeting.			

Signature: Date:

An Investec Limited preference shareholder entitled to attend and vote at the general meeting is entitled to appoint a proxy (who need not be a shareholder of the company) to attend, and, on a poll, to vote in his or her place. Each resolution is to be decided on a poll and an Investec Limited preference shareholder or his or her proxy shall have one vote for every preference share held.

Notes and summary of rights under section 58 of the South African Companies Act, No 71 of 2008, as amended

1. Full details of the resolutions to be proposed at the general meeting, with explanatory notes, are set out in the Notice of Investec Limited General Meeting which is set out in Part XX of the Circular. Before completing and returning this form of proxy, please also read Part II of the Circular ("Action to be Taken"). Terms defined in the Circular published on 29 November 2019 shall apply in this form of proxy unless the context requires otherwise.
2. A shareholder entitled to attend and vote at the general meeting is entitled to appoint any one or more individuals (who need not be a shareholder of the company) as a proxy to attend, speak and, on a poll, vote in his or her place at the general meeting, provided that, if more than one proxy is concurrently appointed by a shareholder, each proxy is appointed to exercise the rights attaching to different shares held by that shareholder. Such shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the chairman of the meeting", provided that any such deletion must be signed in full by the shareholder. The person whose name stands first on the proxy form and who is present at the general meeting will be entitled to act as proxy to the exclusion of those whose names follow. Should a proxy not be specified, this will be exercised by the chairman of the general meeting.
3. Each resolution is to be decided on a poll and a shareholder or his or her proxy shall have one vote for every share held. You are not obliged either to cast all your votes or to cast all your votes in the same way. Please instruct your proxy how to vote by either:
   (i) marking the appropriate box with an "X" next to each resolution, in which event the proxy will cast all your votes in the manner so specified; or
   (ii) setting out the number of votes to be cast in each box (i.e. in favour of and/or against and/or by way of abstention) in respect of each resolution, provided that, if for any resolution the aggregate number of votes to be cast would exceed the total number of shares held, you will be deemed to have given no specific instruction as to how you wish your proxy to vote in respect of that resolution. Your proxy will have discretion to vote in respect of your total holding on any resolution on which you have not (or are deemed not to have) given specific instruction as to how to vote and, unless instructed otherwise, on any business which may properly come before the meeting.
4. The date must be filled in on this form of proxy when it is signed.
5. If you are signing in a representative capacity, whether for another person or for an organisation, then, in order for this form to be valid, you must include a power of attorney or other written authority that authorises you to sign (or a certified copy of such power or authority).
6. In the case of a company, the proxy form should either be sealed by the company or signed by a director or an authorised signatory (and the provisions of paragraph 5 shall apply to such authorised signatory).
7. In the case of joint holders, only one needs to sign. If more than one joint holder votes, whether in person or by proxy, only the most senior shareholder who renders a vote, whether in person or by proxy, will be counted. For this purpose, seniority is determined by the order in which shareholders' names appear in the register for that share.
8. Any alteration or correction made to this form of proxy must be initialled by the signatory or signatories.
9. A minor must be assisted by his or her parent/guardian and the relevant documentary evidence establishing his or her legal capacity must be attached to this form of proxy unless previously recorded by the company or waived by the chairman of the general meeting.
10. The chairman of the general meeting may reject or accept any proxy form which is completed and/or received other than in compliance with these notes.
11. The return of this form of proxy will not prevent you from attending the meeting and voting in person.
12. A proxy may not delegate his or her authority, to act on behalf of the shareholder, to another person.
13. The appointment of a proxy or proxies:
   (i) is suspended at any time to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
   (ii) is revocable, in which case the shareholder may revoke the proxy appointment by:
      (a) cancelling it in writing or making a later inconsistent appointment of a proxy; and
      (b) delivering a copy of the revocation instrument to the proxy and to the company.
14. Should the instrument appointing a proxy or proxies have been delivered to the company, as long as the appointment remains in effect, any notice that is required by the South African Companies Act, 2008, as amended, or the company's Memorandum of Incorporation to be delivered by such company to the shareholder, must be delivered by such company to:
   (i) the shareholder; or
   (ii) the proxy or proxies, if the shareholder has directed the company to do so in writing and has paid any reasonable fee charged by the company for doing so.
15. The proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the South African Companies Act, 2008.
16. It is requested that this form of proxy be deposited at the company's transfer secretaries as soon as possible and, in any event, so as to be received no later than 48 hours (excluding any part of a day that is not a business day) before the time appointed for the meeting:

Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank 2196
PO Box 61051 Marshalltown 2107
or e-mail it to: proxy@computershare.co.za

Notwithstanding the above, proxy forms not delivered by the relevant time, can nevertheless be lodged with the chairman of the general meeting or the transfer secretaries at any time before the proxy exercises any rights of the shareholder at the meeting.