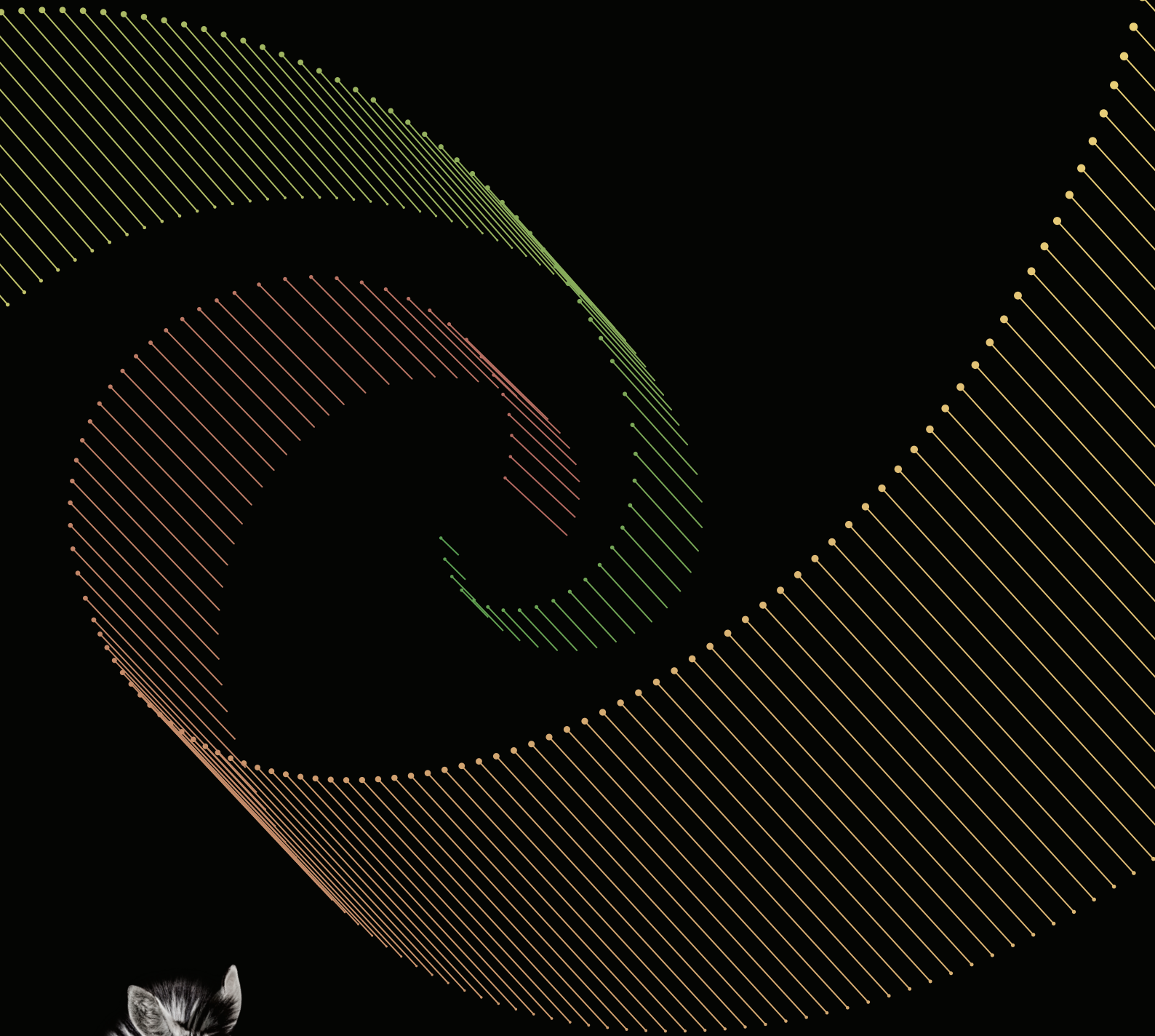


INVESTEC | 2020
PLC

Q and A fact sheet



 Investec

Investec partners with private, institutional and corporate clients, offering international banking, investments and wealth management services in two principal markets, South Africa and the UK, as well as certain other countries. The group was established in 1974 and currently has approximately 8,700 employees.

In July 2002, the Investec group implemented a dual listed companies (DLC) structure with linked companies listed in London and Johannesburg. Investec plc is a FTSE 250 company.

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

In March 2020, the Asset Management business was demerged from the Investec group and separately listed as Ninety One.

Key financial statistics

	31 March 2020	31 March 2019 [^]	% change
Total operating income before expected credit loss impairment charges (£'000)	948 249	1 076 334	(11.9%)
Operating costs (£'000)	740 792	823 374	(10.0%)
Adjusted operating profit (£'000)	129 386	230 746	(43.9%)
Earnings attributable to ordinary shareholders (£'000)	645 521	192 390	235.5%
Cost to income ratio (%)	78.3%	76.3%	
Total capital resources (including subordinated liabilities) (£'000)	3 175 859	3 088 971	2.8%
Total equity (£'000)	2 388 829	2 285 272	4.5%
Total assets (£'000)	24 924 703	22 636 653	10.1%
Net core loans and advances (£'000)	11 870 160	10 514 251	12.9%
Customer accounts (deposits) (£'000)	15 280 302	13 150 824	16.2%
Loans and advances to customers as a % of customer deposits	77.7%	80.0%	
Cash and near cash balances (£'million)	6 040	6 991	(13.6%)
Funds under management (£'million)*	33 465	39 482	(15.2%)
Total gearing ratio (i.e. total assets to equity)	10.4x	9.9x	
Total capital ratio	14.9%	15.4%	
Tier 1 ratio	12.4%	12.2%	
Common equity tier 1 ratio	10.7%	10.4%	
Leverage ratio – current	7.8%	7.7%	
Leverage ratio – 'fully loaded'	7.4%	7.3%	
Stage 3 exposure as a % of gross core loans and advances subject to ECL	3.3%	3.2%	
Stage 3 exposure net of ECL as a % of net core loans and advances subject to ECL	2.2%	2.2%	
Credit loss ratio [#]	0.69%	0.38%	

[^] Information for March 2019 has been restated to exclude the financial impact of the rundown of the Hong Kong direct investments business and the impact of other group restructures.

* In order to be comparable with the 2020 financial year, the 2019 funds under management figure above reflects that of Continuing operations only (i.e. excludes funds under management related to the asset management business as at 31 March 2019).

[#] The credit loss ratio is the expected credit loss (ECL) impairment charged on gross core loans and advances as a % of average gross core loans and advances subject to ECL.

Liquidity and funding

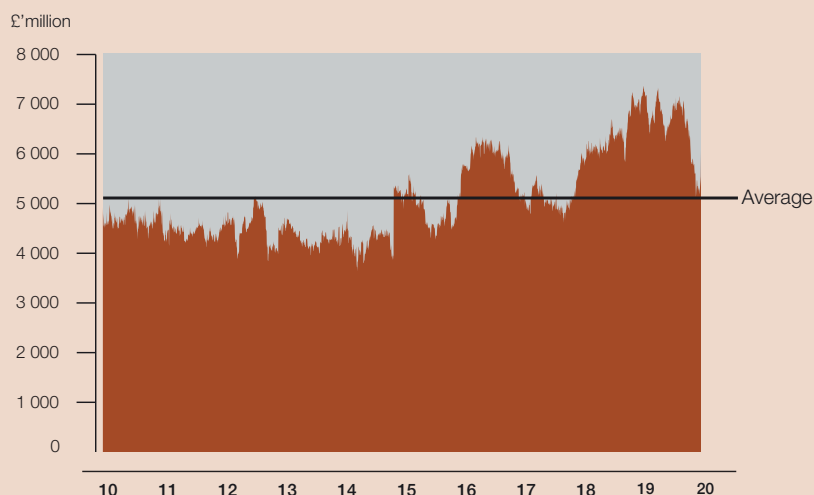
£6.0bn

(cash and near cash)

Investec plc has a liquidity management philosophy that has been in place for many years. The bank continues to focus on maintaining a high level of readily available high-quality liquid assets targeting a minimum cash to customer deposit ratio of 25%. At 31 March 2020, the Investec plc had £6.0 billion of cash and near cash to support its activities, representing approximately 39.5% of customer deposits.

Furthermore, the bank maintains an appropriate mix of term funding, placing a low reliance on interbank wholesale funding to fund core lending asset growth. Investec plc targets a diversified funding base, avoiding undue concentrations by investor types, maturity and market source, instrument and currency. Customer deposits amounted to £15.3 billion as at 31 March 2020 (31 March 2019: £13.2 billion).

Cash and near cash trend



Deposit guarantees

In terms of the Financial Services Compensation Scheme, the UK government guarantees a maximum deposit of £85 000 per individual per institution.

Loan to customer deposit ratio

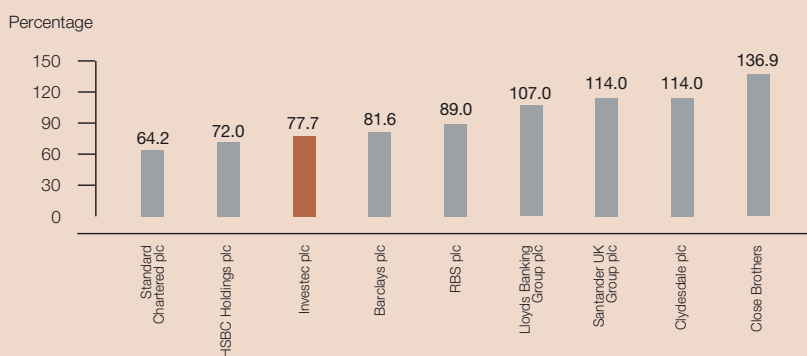
77.7%

(loan to customer deposit ratio)

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

The loan-to-customer-deposit ratio graph is sourced from company interim/annual financial results available as at 20 May 2020 and reflects the balance sheet figures for loans and advances to customers and customer deposits.

Loan-to-deposit ratio

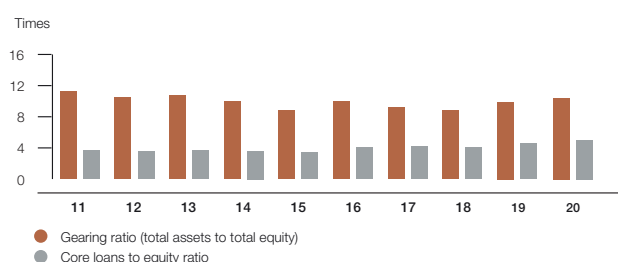


Gearing

10.4x

Investec plc is not a highly geared bank. A number of banks that have come into difficulty in the past have been in excess of 40x geared. Investec plc's comparative ratio would be 10.4x.

Gearing ratio



Capital adequacy

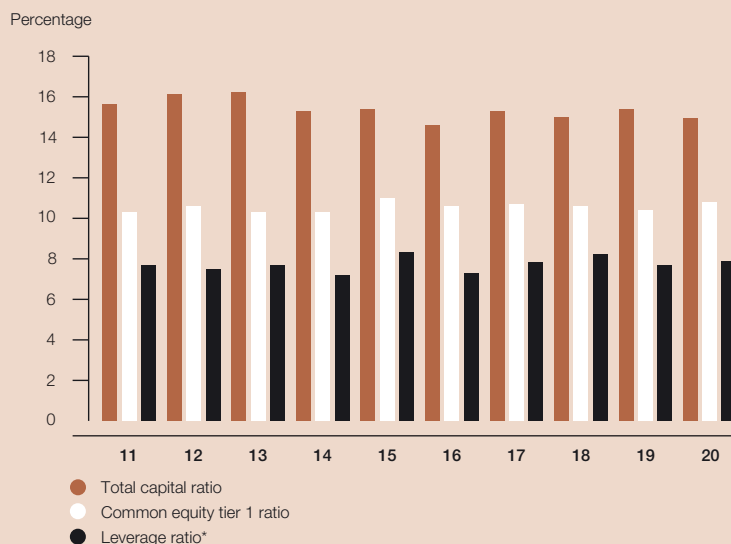
14.9%

Investec plc holds capital in excess of regulatory requirements and intends to perpetuate this philosophy and ensure that it remains well capitalised. The bank has never required shareholder or government support. As at 31 March 2020, the total capital ratio of Investec plc was 14.9% and the common equity tier 1 ratio was 10.7%.

The bank's anticipated 'fully loaded' Basel III common equity tier 1 ratio and leverage ratio are 10.3% and 7.4%, respectively (where 'fully loaded' is based on Basel III requirements as fully phased in by 2022). These disclosures incorporate the deduction of foreseeable charges and dividends as required by the regulations. Excluding this deduction, the common equity tier 1 ratio would be 0 bps (31 March 2019: 41bps) higher.

We are on the Standardised Approach in terms of Basel, thus our risk-weighted assets represent a large portion of our total assets.

Basel capital ratios – standardised approach



* The leverage ratio has only been disclosed since 2014. Historic information has been estimated.

Asset quality and exposures

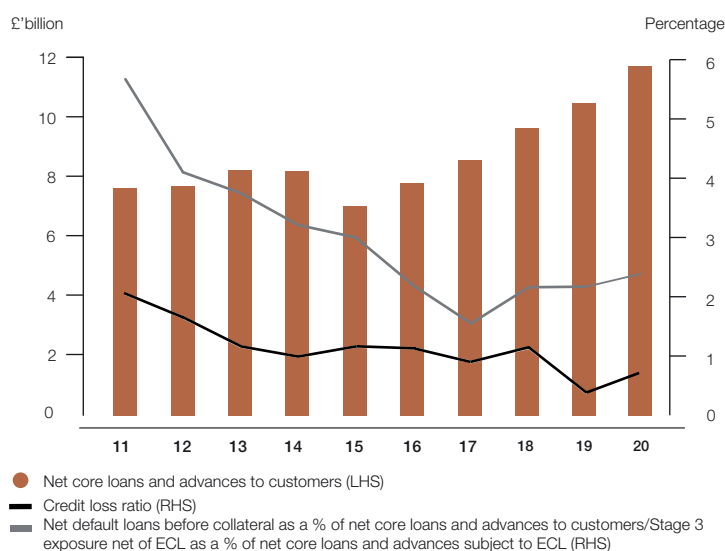
0.69%

(credit loss ratio)

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

The total income statement ECL impairment charges amounted to £75.8 million for the year ended 31 March 2020 (2019: £24.6 million). The credit loss ratio increased from 0.38% at 31 March 2019 to 0.69% at 31 March 2020. The main contributors to the increase in impairment charges were book growth and the impact of the COVID-19 pandemic; in the form of a provision overlay reflecting a deterioration in the macro-economic scenario forecasts applied and a specific impairment provision.

Core loans and asset quality



Stage 3 exposure net of ECL at 31 March 2020 amounted to £272 million (31 March 2019: £211 million). Stage 3 exposure net of ECL as a percentage of net core loans and advances to customers subject to ECL at 31 March 2020 amounted to 2.4% (31 March 2019: 2.2%).

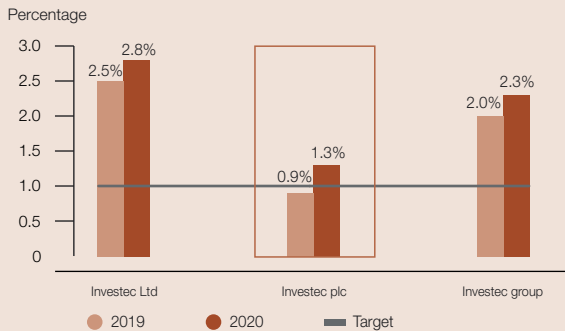
At Investec, sustainability is about building resilient profitable businesses that are focused on growing and preserving stakeholders long-term wealth, whilst contributing in a responsible way to the health of our economy, our people, our communities and the environment for a prosperous future for all.

A sustainable economy

We play a critical role in funding a sustainable economy that is cognisant of the world’s limited natural resources.

- Participants of the United Nations Global Compact’s 10 principles on human rights, labour, environment and anti-corruption
- Enhanced our ESG policies, processes and reporting and publicly disclosed our group fossil fuel policy
- Financing sustainable development, for example in renewable energy, infrastructure, innovation and SMEs
- Female senior leadership increased to 21.9% (2019: 19.5%) of total senior leadership
- Community spend as a % of operating profit increased to 1.3% (2019: 0.9% and target of 1.0%)
- Eighth bank in the UK to sign up to the Task Force for Climate-related Financial Disclosures (TCFDs)
- Achieved net-zero carbon emissions and committed to ongoing carbon neutrality
- Launched a sustainability energy finance business in the UK.

Spend on community initiatives as a % of operating profit



Recognition

- Winner of the 16th Platinum Award in the City of London’s Clean City Award Scheme for 2019 recognising the waste management best practice endeavours of the London office
- Shortlisted for the Financial Services Charity Partnership Award for partnership with Arrival Education (UK) in 2020.
- One of seven finalists in the 2020 edie Sustainability Leaders Awards in the Employee Engagement & Behaviour Change Initiative of the Year category.

Sustainability indices

We participate and have maintained inclusion in several globally-recognised sustainability indices.

- Top15% in our industry in the RobecoSam Corporate Sustainability results released in January 2020
- In the FTSE UK 100 ESG Select Index out of 640 companies in the FTSE All Share Index
- Top 40 in the FTSE/JSE Responsible Investment Index
- Top 6% in the MSCI Global Sustainability Index, scoring AAA in the financial services sector
- One of 43 banks and financial services in the STOXX Global ESG Leaders Index
- Maintained a B rating in terms of the CDP (industry average of C).

Sustainable Development Goals

We are committed to supporting delivery of the Sustainable Development Goals (SDGs) through partnering for inclusive prosperity.

- CEO, Fani Titi, signed up to UN CEO Alliance on Global Investment for Sustainable Development (GISD)
- Export and agency finance team is working with a new Impact Debt Fund, which is grant supported by The Rockefeller Foundation. This US\$300 million initial fund will launch in Q2 2020 and is focused on co-financing projects which meet SDG objectives alongside export credit agencies.

Our 2020 sustainability report provides further detail on the many initiatives we are supporting and funding as part of our commitment to the Sustainable Development Goals.



CREDIT RATINGS

Investec plc (holding company)

Moody's	
Long-term issuer and senior unsecured rating	Baa1
Outlook	Stable

Investec Bank plc (main banking subsidiary)

Moody's	
Long-term deposit rating	A1
Outlook	Stable
Fitch	
Long-term Issuer Default rating (IDR)	BBB+
Outlook	Rating Watch Negative (RWN)*

* On 1 April 2020, Fitch took action on a number of UK banking groups (including IBP), due to the COVID-19 pandemic. IBP's Long-Term Issuer Default Ratings (IDR), Viability Ratings (VR) and debt ratings were placed on Rating Watch Negative (RWN), as Fitch believes the economic fallout from the pandemic represents a near-term risk to its ratings

For further information:

Investor Relations

Tel: (27) 11 286 7070/(44) 20 7597 5546

Email: investorrelations@investec.com

Internet address: www.investec.com