

Investec plc Overview

Investor generic presentation

November 2022

The information in this presentation relates to the six months ended 30 Sept 2022, unless otherwise indicated.



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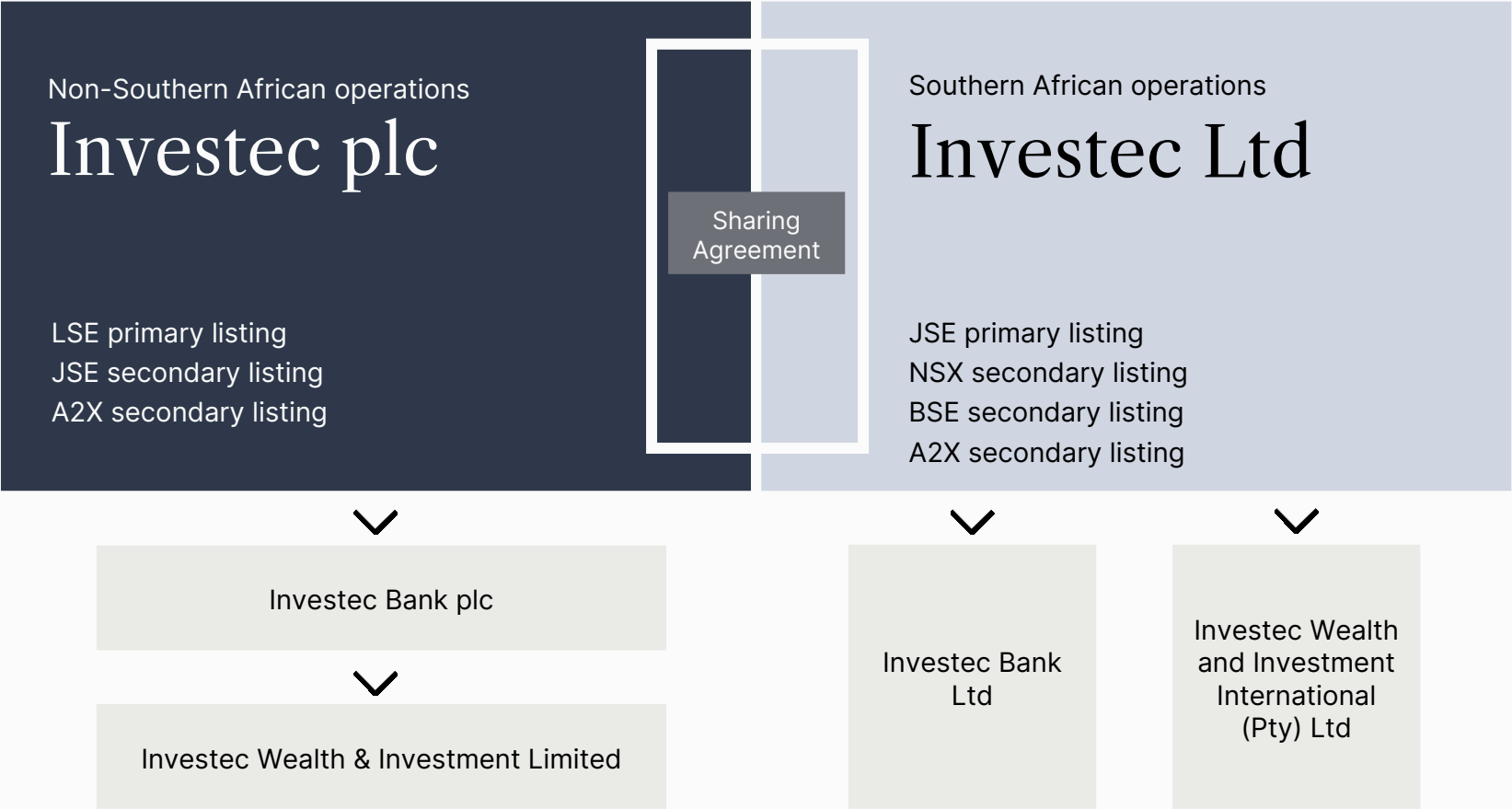
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Overview of Investec Group



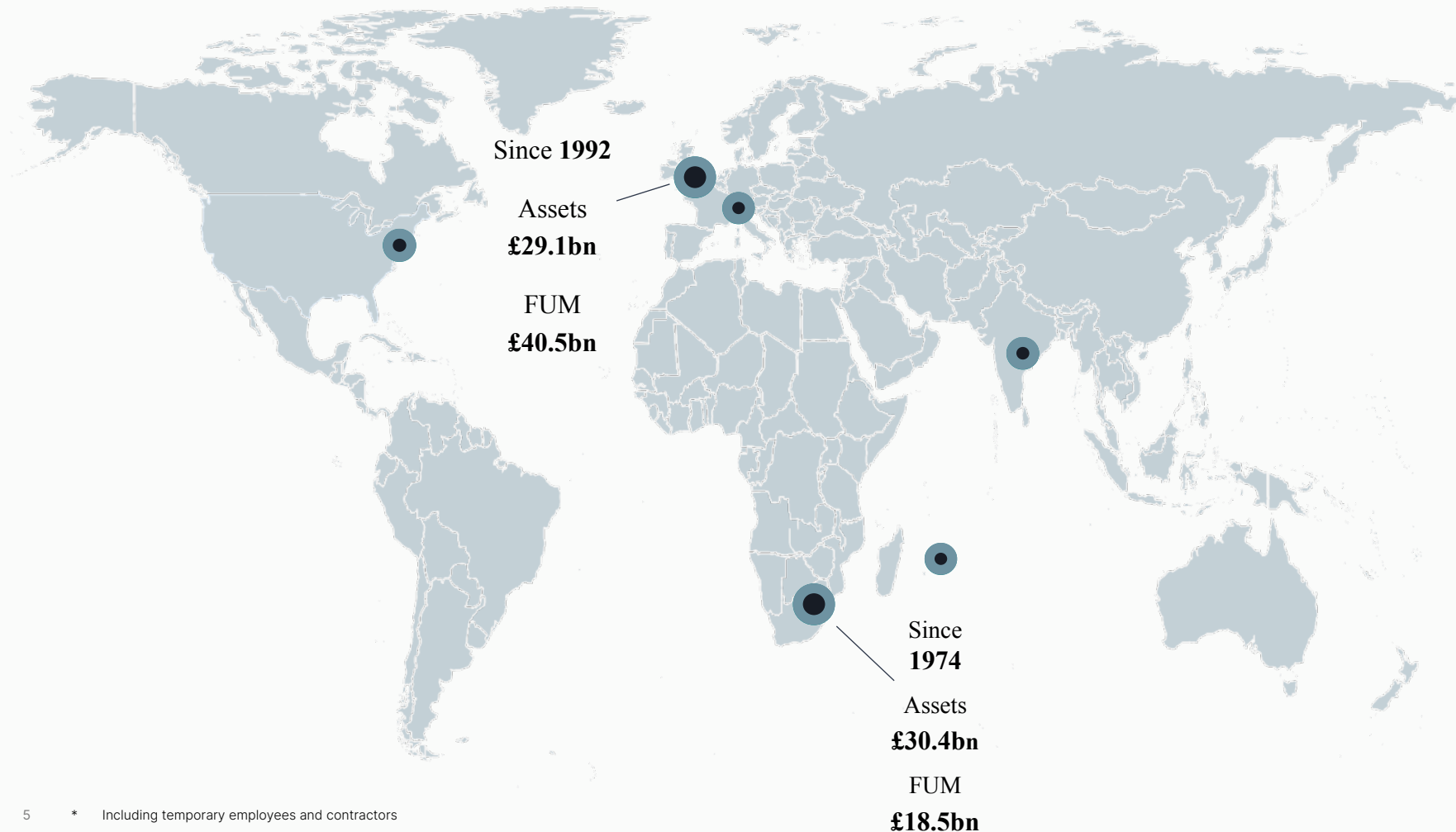
Investec Dual Listed Company structure



- Investec plc and Investec Limited are **separate legal entities and listings**, but are bound together by contractual agreements and mechanisms
- Investec operates as if it is a **single unified economic enterprise**
- Shareholders have **common economic and voting interests** as if Investec plc and Investec Limited were a single company
- **Creditors, however, are ring-fenced** to either Investec plc or Investec Limited as there are **no cross-guarantees** between the companies.

Investec Group at a glance

A domestically relevant, internationally connected banking and wealth & investment Group



- Established in 1974
- Today, an efficient integrated international business platform employing approximately **8 500+** people
- Listed on the JSE and LSE (a FTSE 250 company)
- Total assets of **£59.5bn**; total equity of **£5.7bn**; and total funds under management of **£59.0bn**.

One Investec

Our values

Our purpose is expressed in four key values that shape the way that we work and live within society.

1

Cast-iron Integrity

We demand cast-iron integrity in all internal and external dealings, consistently and uncompromisingly displaying moral strength and behaviour which promotes trust.

2

Distinctive Performance

We employ talented people with passion, energy and stamina, who exercise common sense in achieving effective performance in a high pressure, multi-task environment.

We promote innovation and entrepreneurial freedom to operate within the context of risk consciousness, sound judgement and an obligation to do things properly

We show concern for people, support our colleagues and encourage growth and development.

3

Client focus

We break china for the client, having the tenacity and confidence to challenge convention.

We thrive on change, continually challenging the status quo and recognising that success depends on flexibility, innovation and enthusiasm in meeting the needs of our changing environment.

4

Dedicated partnership

We believe that open and honest dialogue is the appropriate process to test decisions, seek consensus and accept responsibility.

We are creative individuals who co-operate and collaborate unselfishly in pursuit of Group performance.

We respect the dignity and worth of the individual through encouraging openness and embracing difference and by the sincere, consistent and considerate manner in which we interact.

45+ years of heritage.

Two core geographies.

One Investec.

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



Investment proposition

Well positioned to pursue long-term growth

- 1 Well capitalised and highly liquid balance sheet
- 2 Strong capital generation - returning excess capital to shareholders
- 3 Diversified mix of earnings by geography and business, with significant annuity income underpin from leading wealth business
- 4 Clear growth opportunities through reinforcement of existing linkages across geography and business and new profit pool strategies which are underway
- 5 Our clients have historically shown resilience through difficult macro environments
- 6 Rightsized the cost structure of the business

Fuelling a disciplined growth agenda

Growth Objectives

Continued execution
with discipline, to drive
optimisation of returns

Accelerate and scale
new growth initiatives

Further develop **connected
client eco-systems** across
business units & geographies

Underpinned by:

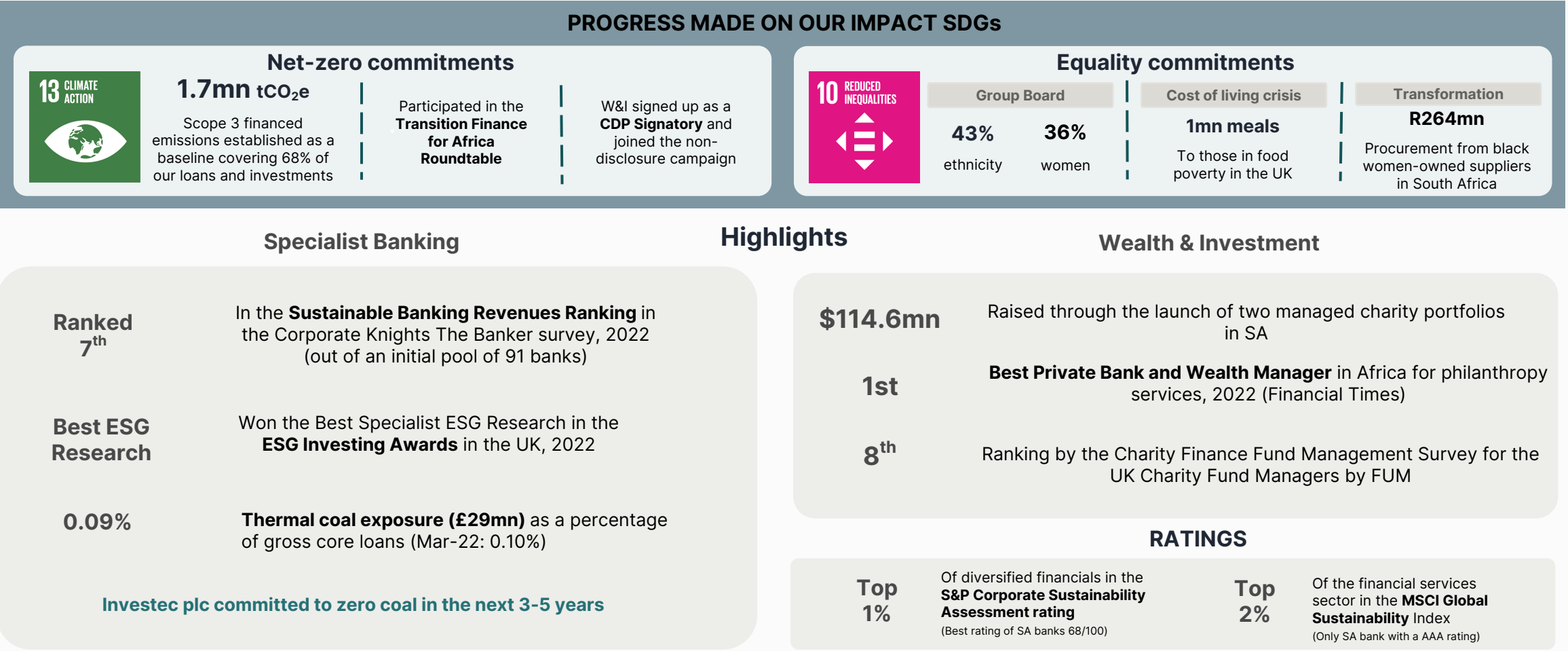
Deepening our **entrepreneurial culture** (Out of the Ordinary)

Continuous **digitalisation**

Strategic use of **data**

Group sustainability highlights

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











Focused on doing well and doing good

Other highlights

- Investec Group joined the **African Natural Capital Alliance**
- Group CE, Fani Titi, has personally committed to joining the **UN Global Compact's Africa Business Leaders Coalition**
- Investec Group contributed to the **UN PRB Academy curriculum committee**
- Specialist Banking UK rolled out a **sustainability awareness programme** aimed at identifying sustainability business opportunities
- Specialist Banking UK Private Client Group embedded an **ESG framework** into the lending process
- Wealth & Investment in the UK joined the **CISL Investment Leaders Group** and rolled out an **awareness programme with senior leaders**
- Wealth & Investment in the UK became a founding member of the **Blue Accelerator programme**
- Continued inflows into the Investec Global Sustainable Equity Fund - **\$44.5mn** (since launch in Mar-21 to end Sept-22).

Consistently strong ESG ratings and rankings

			
Top 2% in the global diversified financial services sector (inclusion since 2006)	Top 14% of globally-assessed companies in the Global Sustainability Leader index	Top 1% in the financial services sector in the MSCI Global Sustainability Index	Score B against an industry average of b (formerly Carbon Disclosure Project)
			
Top 20% of the ISS ESG Global universe Top 14% of diversified financial services	1 of 43 banks and financial services in the Global ESG Leaders Index (total of 439 components)	Included in the FTSE UK 100 ESG Select Index (out of 641) Included in the FTSE4Good Index	Top 30 in the FTSE/JSE Responsible Investment Index

Overview of Investec plc

The information in this presentation relates to the six months ended 30 Sept 2022, unless otherwise indicated.



Investec plc

A distinctive bank and investment manager with primary business in the UK

Total assets
£29.1bn

Net core loans
£15.3bn

Customer deposits
£18.9bn

Funds under
management
£40.5bn

Employees
3 500+

Key highlights

Diversified revenue streams with high annuity base

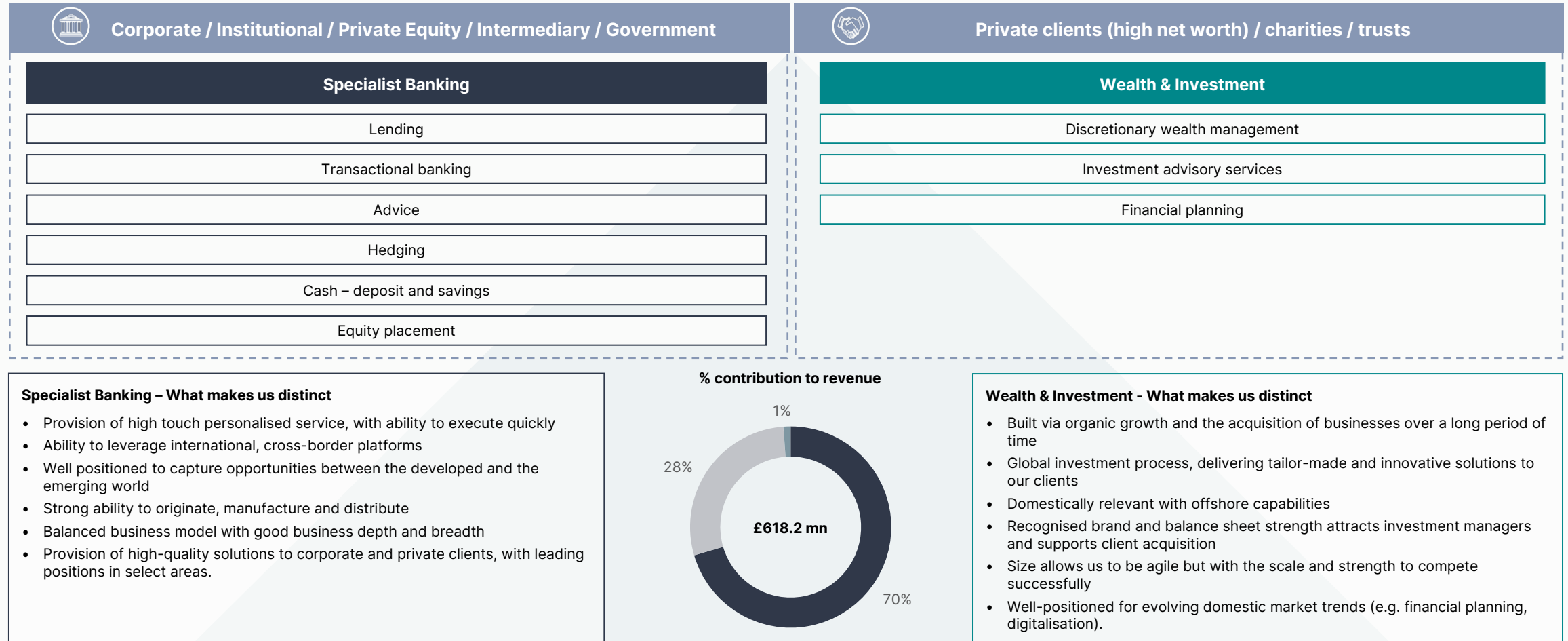
- Balanced and defensive business model comprising two **core business activities: Specialist Banking and Wealth & Investment**
- Continued focus on growing **our capital light income, now 36.4% of Investec plc's revenue**
- Geographic and operational diversity with a high level of **annuity revenue¹ accounting for 79% of total operating income**
- **Total funds under management (FUM) of £40.5bn** and positive net inflows generated by our **leading UK private client wealth management business**.

Sound balance sheet

- Never required shareholder or government support
- **Robust capital base:** 10.8% CET1² ratio, strong leverage ratio of 8.0% and total capital ratio of 15.7%
- Investec plc benefits from **a substantial unlevered asset, being Wealth & Investment**
- **Strong liquidity ratios** with high level of readily available liquid assets, representing 44.8% of customer deposits (cash and near cash: £8.5bn)
- **Diversified funding base** with strong retail deposit franchise and low reliance on wholesale funding; customer deposits grew 13.0% in the six months ended 30 Sept 2022
- We target a **diversified, secured loan portfolio**, lending to clients we know and understand
- We inherently hold more capital per unit of risk, with a conservative **risk-weighted assets density of 61.9%⁴**.

Overview of Investec plc

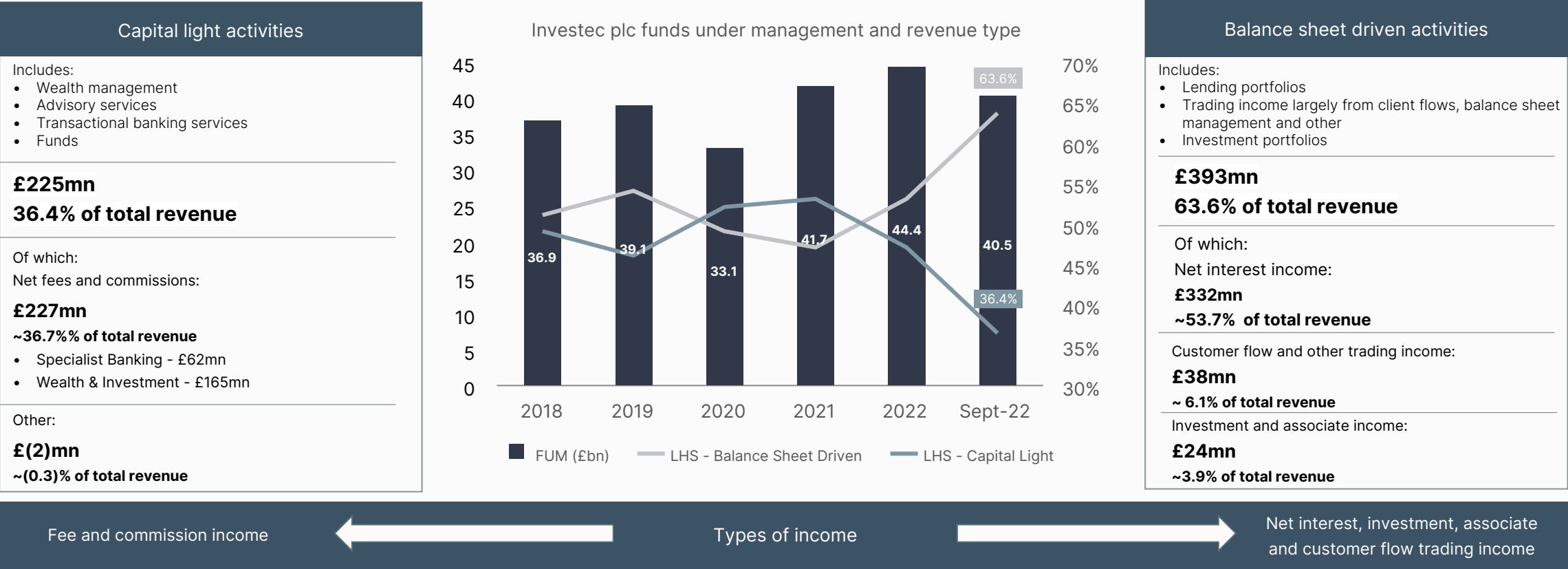
We provide our clients with a diversified, combined and integrated banking and wealth management offering with extensive depth and breadth of product and services



Balanced business model

Focused on growing capital light businesses

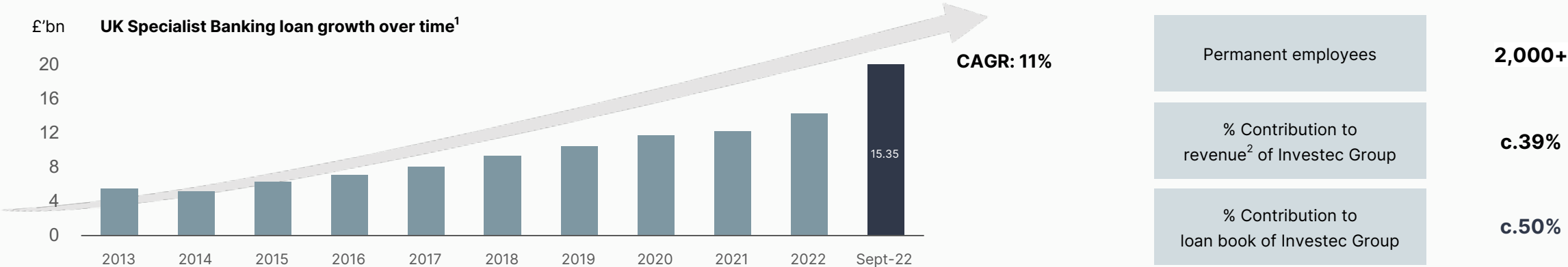
- We have significantly increased our funds under management, a key capital light annuity income driver, over the last 10 years by growing our Wealth & Investment business. Wealth & Investment FUM have grown from £14.2bn at 31 Mar 2012 to £40.5bn at 30 Sept 2022
- 28% of Investec plc's revenue came from Wealth & Investment in the six months ended 30 Sept 2022 (Sept-21: 34%).



Specialist Banking

Winning in under-serviced parts of the market through dynamic, full-service offering

Private clients	Private companies	Private equity and sponsor-backed companies	Publically listed companies	Specialist sectors
For high net worth clients that need a banking partner to provide intellectual and financial capital to achieve their vision of success	For UK mid-market founder and entrepreneur-led businesses looking for a banking partner to support their needs, along every stage of their journey	For UK mid-market Private Equity clients looking for boutique service with 'bulge bracket' capability and award-winning franchises	For UK mid-market listed companies looking for top-ranked corporate broking and equity research and strategic advisory	International specialist sector clients looking for a corporate finance and banking partner with deep expertise and an innovative approach
Mortgages & Personal Lending, Cash Management & Foreign Exchange, Private Capital, integrated with Wealth Mgmt.	Growth & Leveraged Finance, Working Capital & Asset Finance, Specialist Lending, M&A Advisory, Equity Capital Markets, Treasury & Risk Solutions			



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¹

Information for financial years prior to 2019 reflects the results of the ongoing business (excluding UK Specialist Bank legacy assets and businesses sold). Information from FY19 onwards is presented on a statutory basis.

²

Investec plc's Specialist Banking's total operating income before expected credit loss impairment charges as a percentage of the Investec Group's (for the six months ended Sept 2022).

Wealth & Investment

A leading private client wealth manager in the UK with £40.5bn funds under management

Our service offering

- Financial planning advice
- Investment management, including bespoke portfolio management

Our client groups

- Private clients, including HNW and International
- Clients of professional advisors
- Charities

Our distribution channels

- Direct
- Intermediaries
- Investec Private Bank

International recognition

defaqto 2021
GOLD
DFM Service

defaqto
EXPERT RATED
★★★★★
DFM Response 2013-2021

defaqto
EXPERT RATED
★★★★★
DFM MPS on Platform 2021

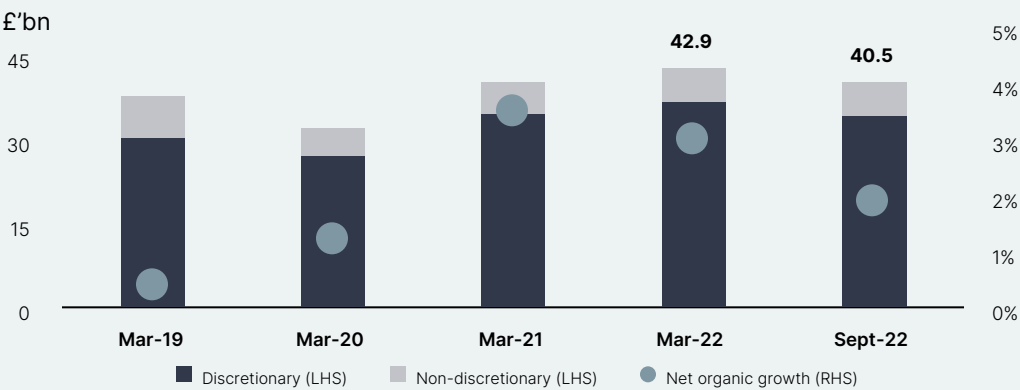
WealthBriefing EUROPEAN AWARDS 2022
UK WEALTH PLANNING TEAM
WINNER Investec

3D 2022
INVESTEC WEALTH & INVESTMENT LIMITED
AWARDED BY ARC

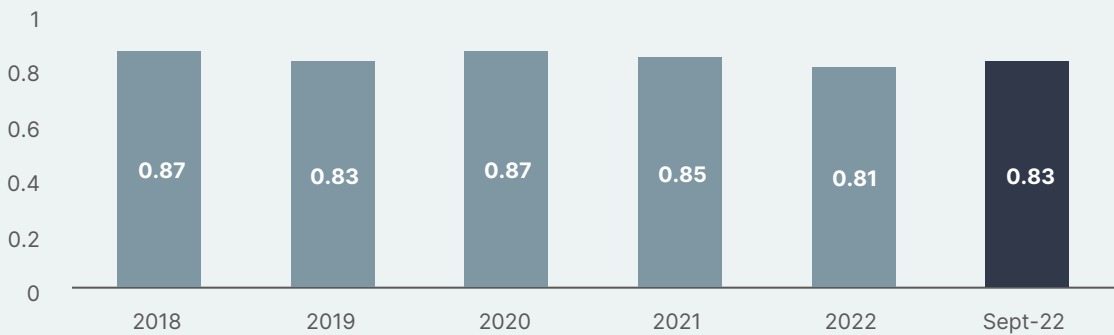
COLWMA
WINNER 2019
Charity Investment Stars of the Year
Investment Wealth & Investment

Key facts	Total FUM	£40.5bn ¹
	% UK Discretionary	87%
	% UK Direct	c.83%
	Operating margin ²	23.6%
	Average yield	0.83%
	Target Client	> £250k
	# of Offices	14
	# of UK client relationships	c.40,000
	# of UK IMs ³	325
	# of UK FPs ³	45

Focused move to discretionary wealth management



Average income⁴ as a % of FUM



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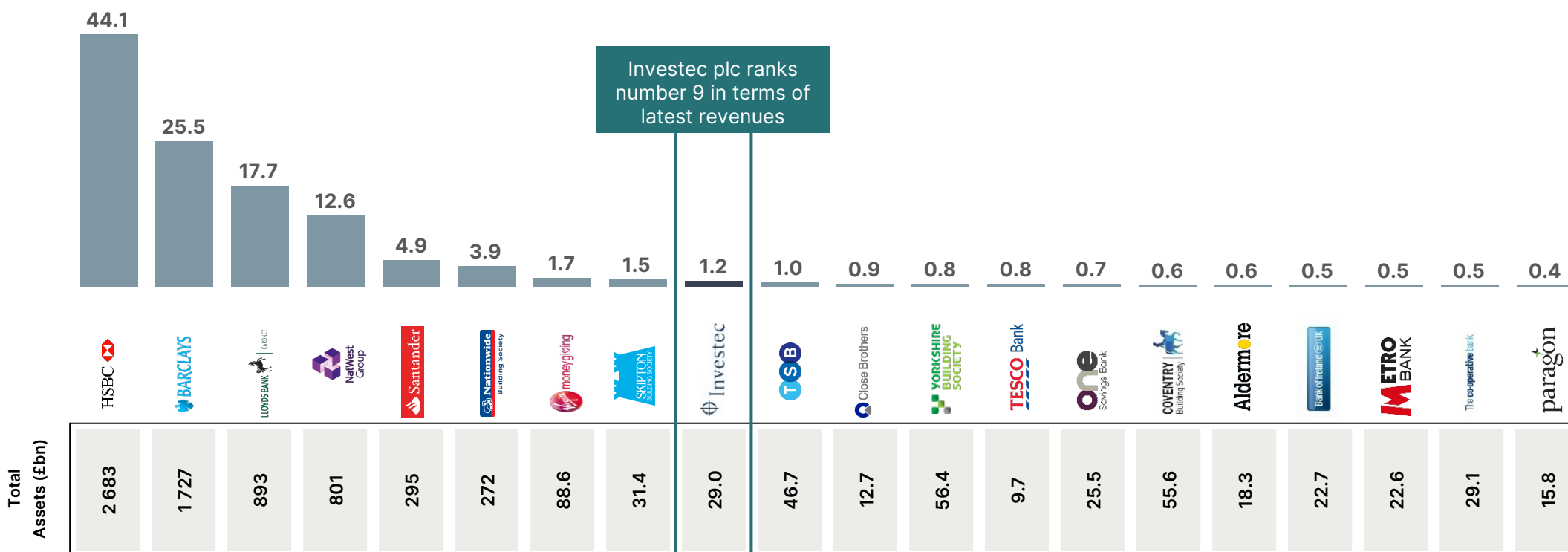
1

Comprises UK & Channel Islands and Switzerland UK & Channel Islands comprises c.96% of total FUM. 2 The operating margin of the UK & Channel Islands business (as well as Switzerland) was 26% at 30 Sept 2021. Where IMs is investment managers and FPs is financial planners. 4 The average income yield on funds under management represents the total operating income for the period as a percentage of the average of opening and closing funds under management. This calculation does not adjust for the impact of market movements throughout the period on funds under management or the timing of acquisitions and disposals (where applicable) during the respective periods

Investec plc ranks 9th for UK banks by revenue

- Investec plc is a substantial business generating revenues of £618mn during the six months to 30 Sept 2022 (31 Sept 2021: £513mn)
- The wealth business contributes £175mn of those revenues or 28% of Investec plc's total revenues. The chart below shows the relative revenue generation compared to the rest of the UK banking market and **Investec plc's relative strength in having a wealth manager (providing significant earnings diversification)** as well as a number of diversified banking income streams rather than a monoline business.

Selected UK Banking Ranking by Revenues (£'bn)



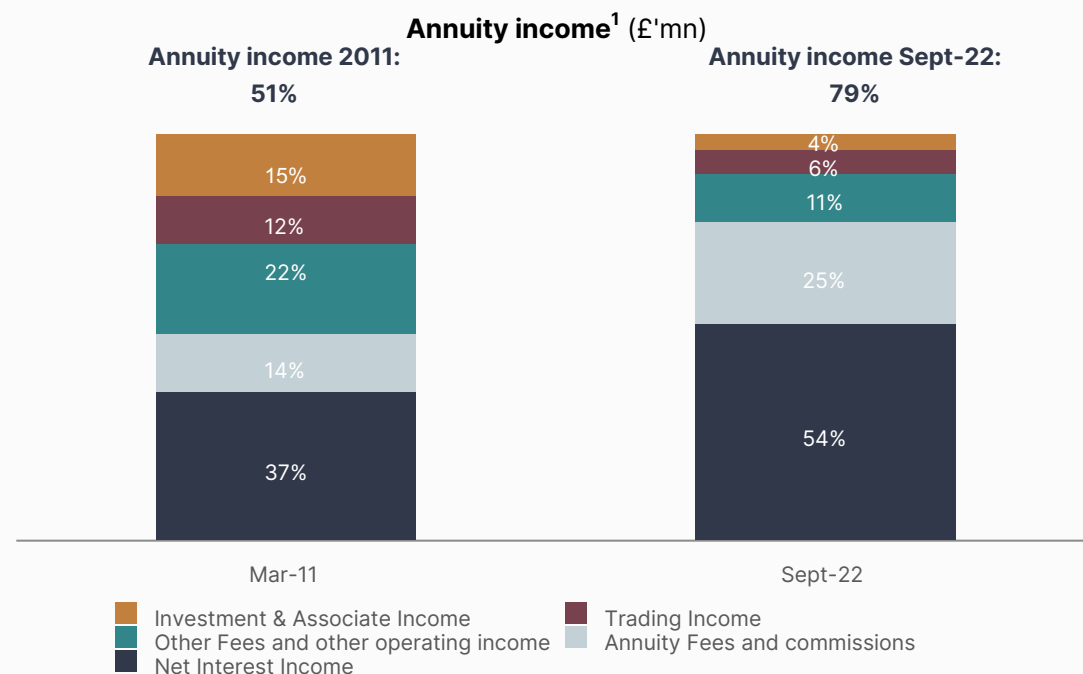


— OUT OF THE ORDINARY

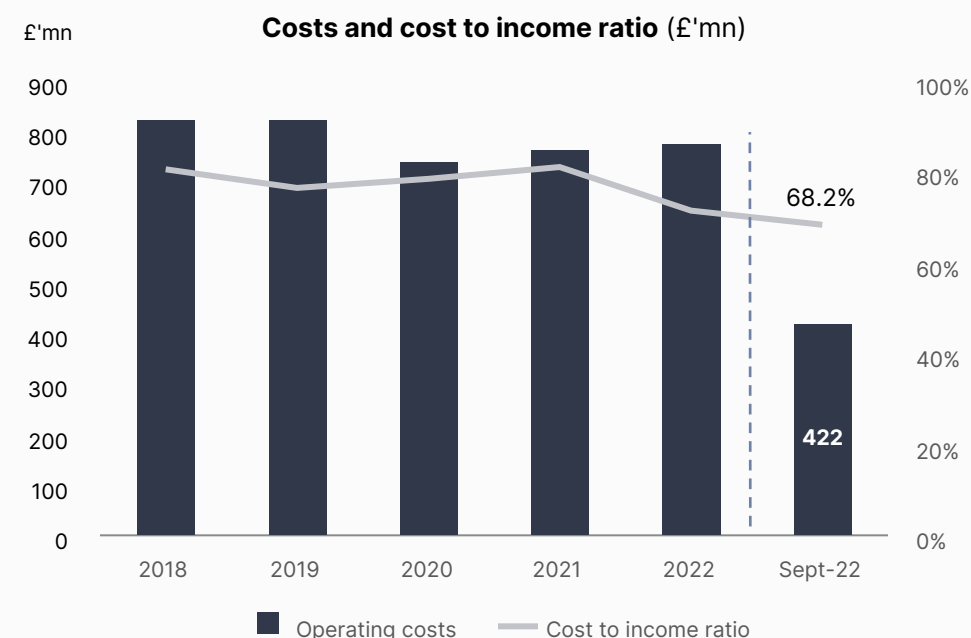
Investec plc's operating fundamentals



Profitability supported by diversified revenue streams

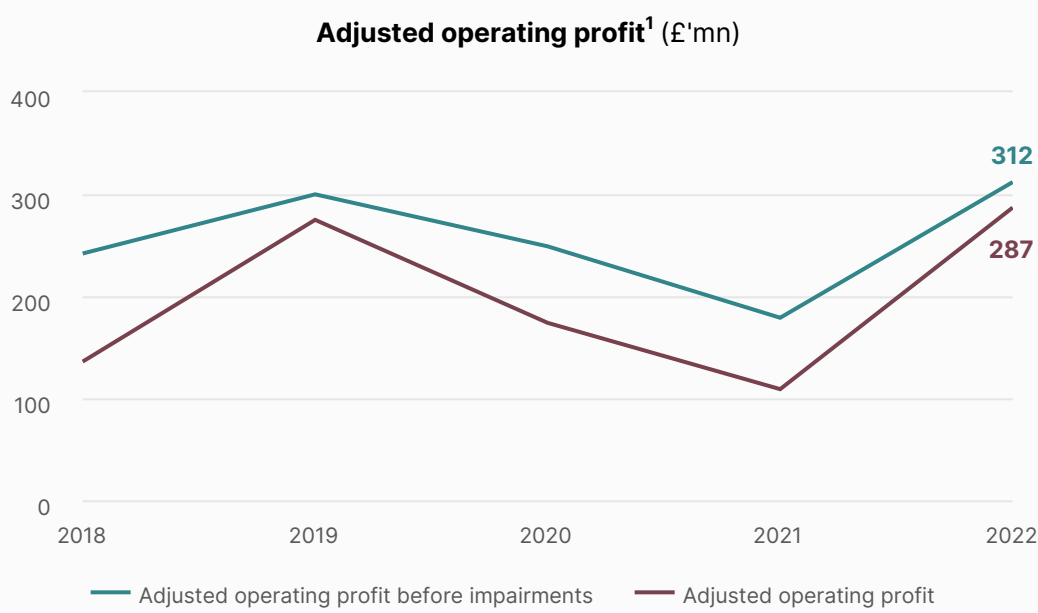


- **Solid recurring income base (Sept-22: 79%)** comprising net interest income and annuity fees, which has been enhanced by growth in our wealth management business
- **Diversified, quality revenue mix:**
 - Lending franchises driving net interest income 54% of revenue
 - Wealth & Investment and lending franchises generating sound level of fees
 - Investment income a much lower proportion of total revenue
- **Capital light¹ activities = 36.4%** of revenue.

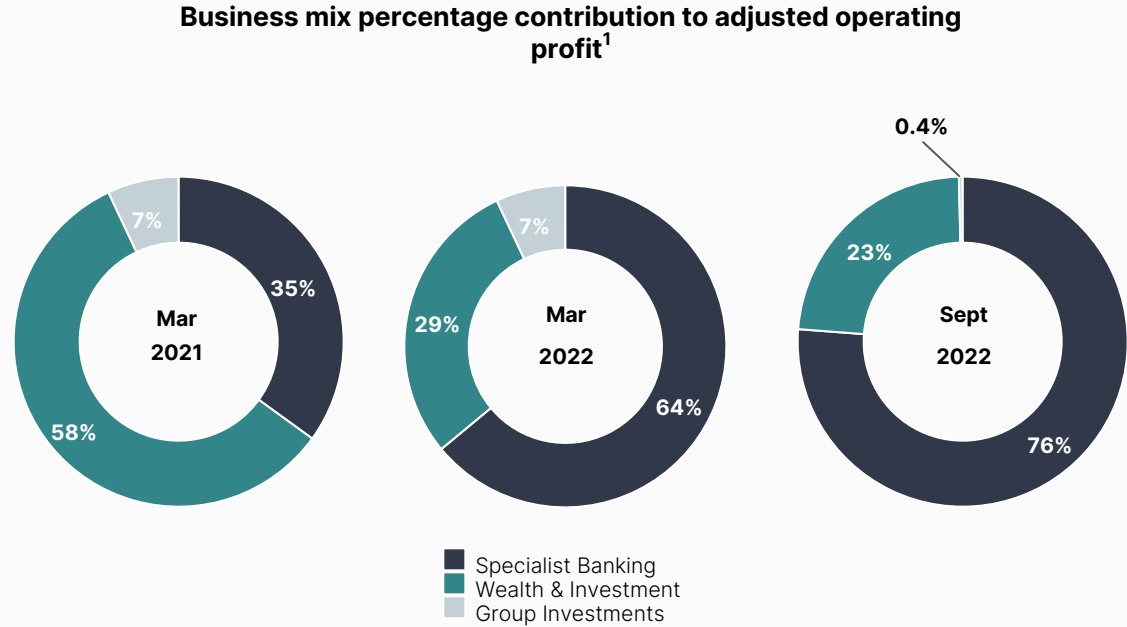


- **Focused on managing costs** while building for the future
 - Private Banking business now in leverage and growth phase, with prior years' significant investment fully expensed
 - Continue to leverage technology and existing capabilities to improve client experience and reduce costs
- Operating costs increased period-on-period primarily driven by an increase in variable remuneration in line with business performance, inflationary pressures and investment in people and technology
- The Sept-22 **cost to income ratio of 68.2%** (2021: 71.3%) improved as a result of cost discipline and higher revenue growth. Investec plc medium-term cost to income ratio target is <67%.

Profitability supported by diversified revenue streams



- We have grown adjusted operating profit from £136m in 2018 to £287m at Mar 2022 (CAGR of c.21%)
- In the 2018 financial year, results were impacted by elevated impairments recognised in anticipation of accelerated exits on certain legacy assets. In the 2020 and 2021 financial years, results were impacted by elevated impairment charges related to the impact of the COVID-19 pandemic. Impairments decreased in the 2022 financial year, primarily due to lower specific impairments.

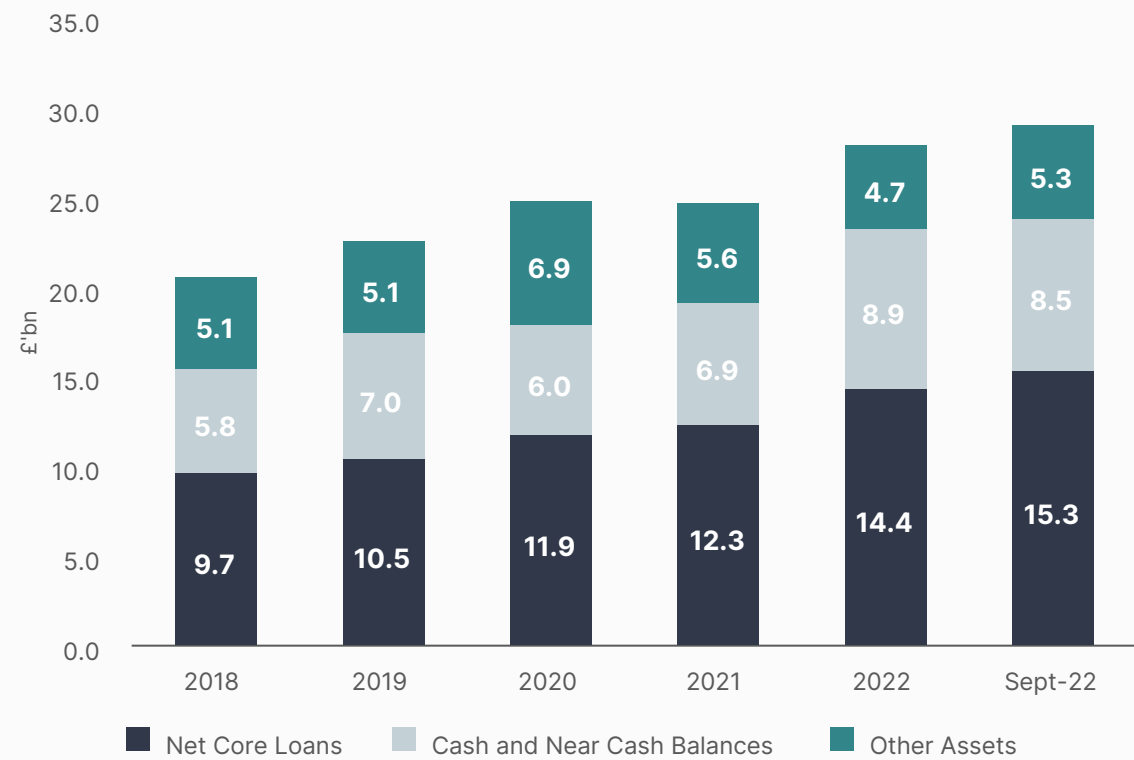


- Profitability is supported by a diversified, quality adjusted operating profit mix from the Specialist Banking and Wealth & Investment businesses
- During the six months to 30 Sept 2022, the Specialist bank business delivered a solid set of results, with adjusted operating profit up 52% against the prior period and 61.9% above pre-pandemic levels. These results are underpinned by positive momentum in our client franchises and strategic cross-collaboration within the One Investec client ecosystem.

¹ Adjusted operating profit is Operating profit before acquired intangibles and strategic actions, less profit attributable to other non-controlling interests, and adjusted operating profit by business is Operating profit before Group costs and before goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.

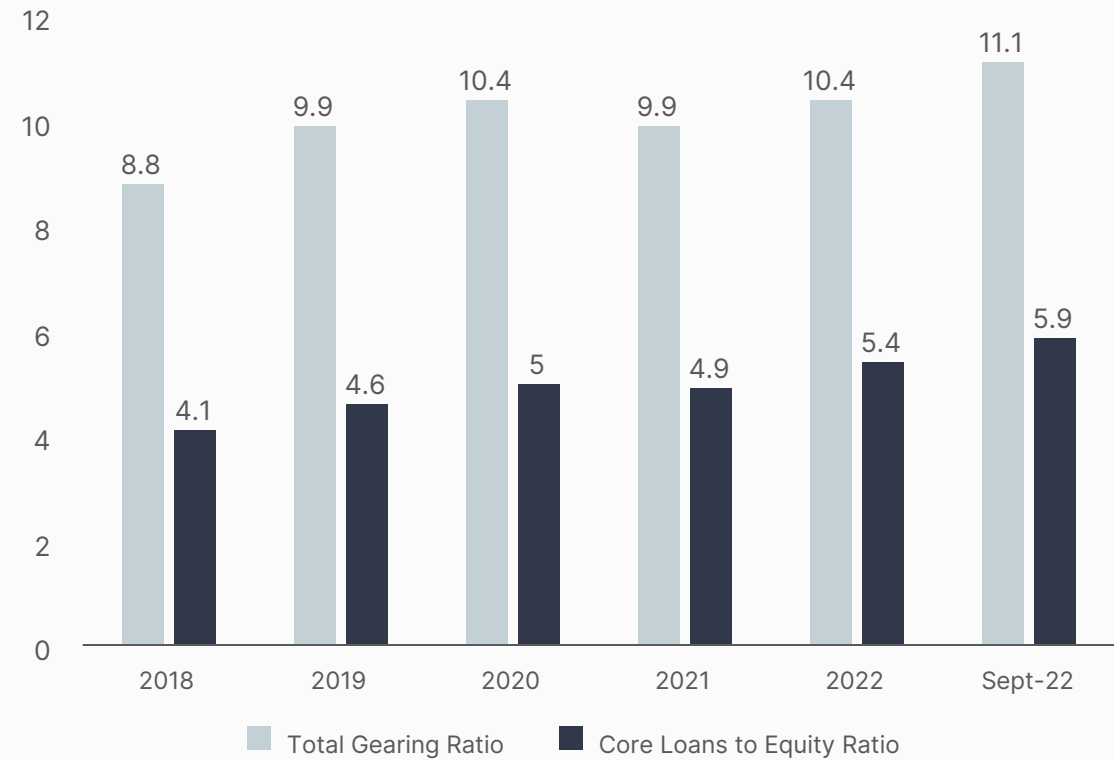
Consistent asset growth, gearing ratios remain low

Total assets composition



- Our **net core loans** have grown steadily (CAGR of 11% since 2018)
- Good growth in **cash and near cash** balances (CAGR of 9% since 2018).

Gearing¹ remains low

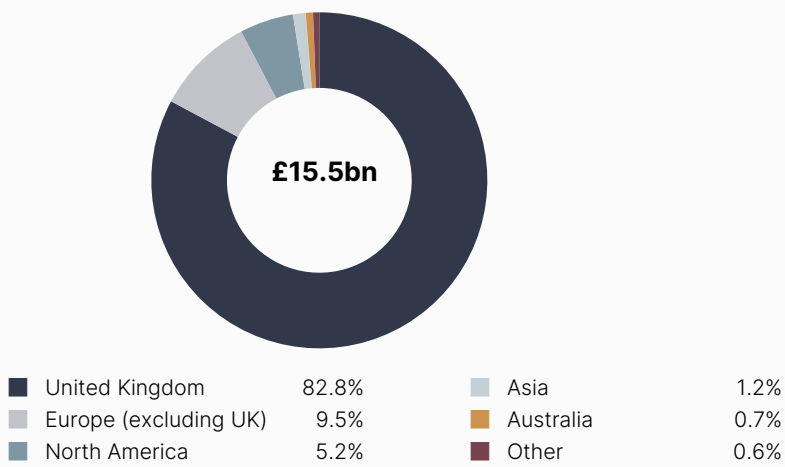


- We have **maintained low gearing ratios¹** with total gearing at 11.1x and an average of 9.9x since 2018.

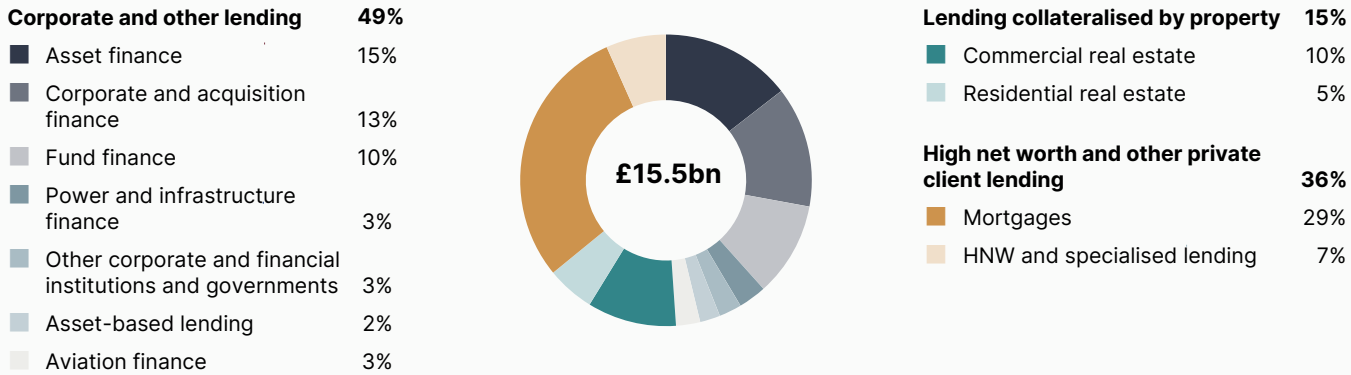
Exposures in a select target market

- Credit and counterparty exposures are to a **select target market**:
 - High net worth clients
 - Mid to large sized corporates
 - Public sector bodies and institutions
- The majority of exposures reside **within the UK**
- Our portfolios have performed well to date with limited direct exposure to high street retail or discretionary consumer spending
- **Net core loan growth of 6.4% since 31 Mar 2022** has been driven by our residential mortgage portfolio through acquisition of target clients in line with our Private Clients strategy, supported by strong demand for corporate credit across several portfolios
- Focus remains on redeployment of capital into core business activities and ensuring that **concentration risk** to certain asset types, industries and geographies is **prudently managed, mitigated and controlled**.

Gross core loans by country of exposure

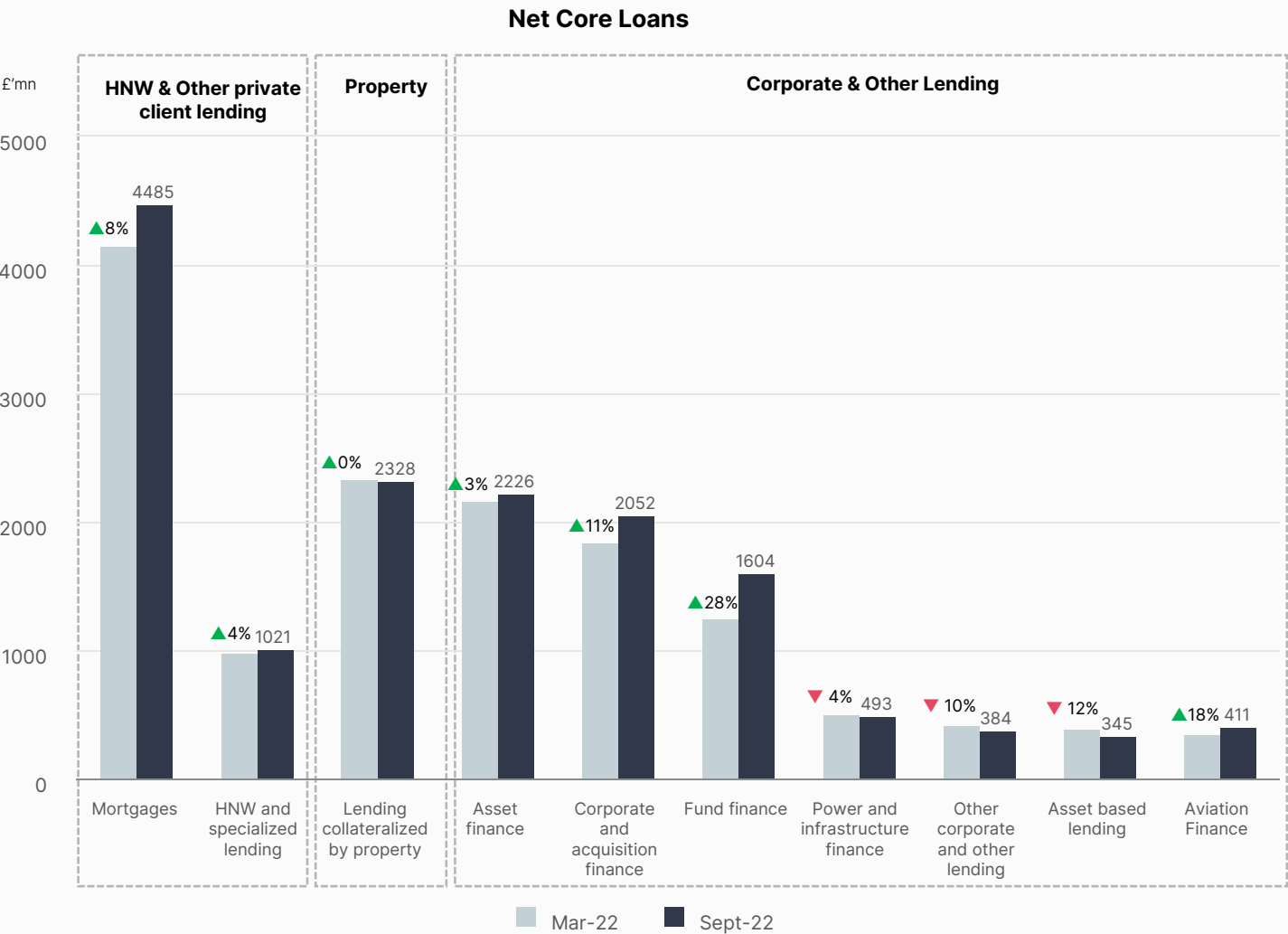


Gross core loans by risk category



Strong growth in loan book

Continued growth in HNW & Other Private client lending and increased activity in certain corporate lending portfolios



Net core loans up 12.8% since Mar-22 annualised,

- Sustained growth in mortgages driven by continued client acquisition
- Good activity in corporate client lending portfolio across multiple asset classes

Good traction in Private Banking resulted in strong growth in Mortgages in the period to 30 Sept 2022, focused on target clients with lending in established areas (London and the South East) with recourse to principal and high level of cash equity contributions into transactions.

The credit loss ratio on the UK private client mortgage book remains low at c.6bps, indicative of the strong credit performance of the book

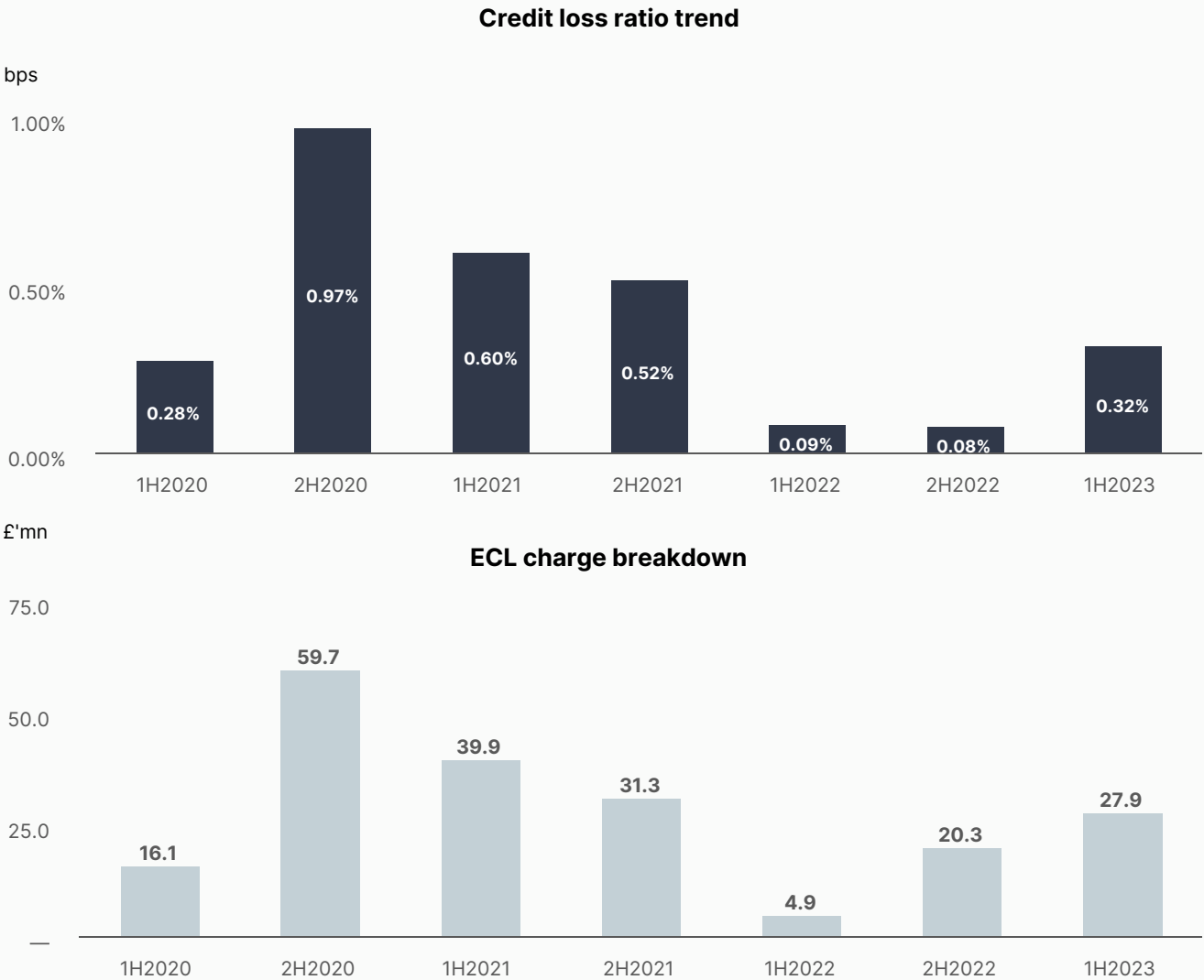
The Corporate & Other lending book grew by 8.1% since 31 Mar 2022 to £7.5bn

Lending activity increased across portfolios, supported by new client acquisition as we continue to build scale and relevance in our client franchises, as well as repeat business with existing clients

We continue to utilise our origination and distribution capability to manage diversity and concentration of our lending portfolios and generate additional ROE-accretive revenue for the Group.

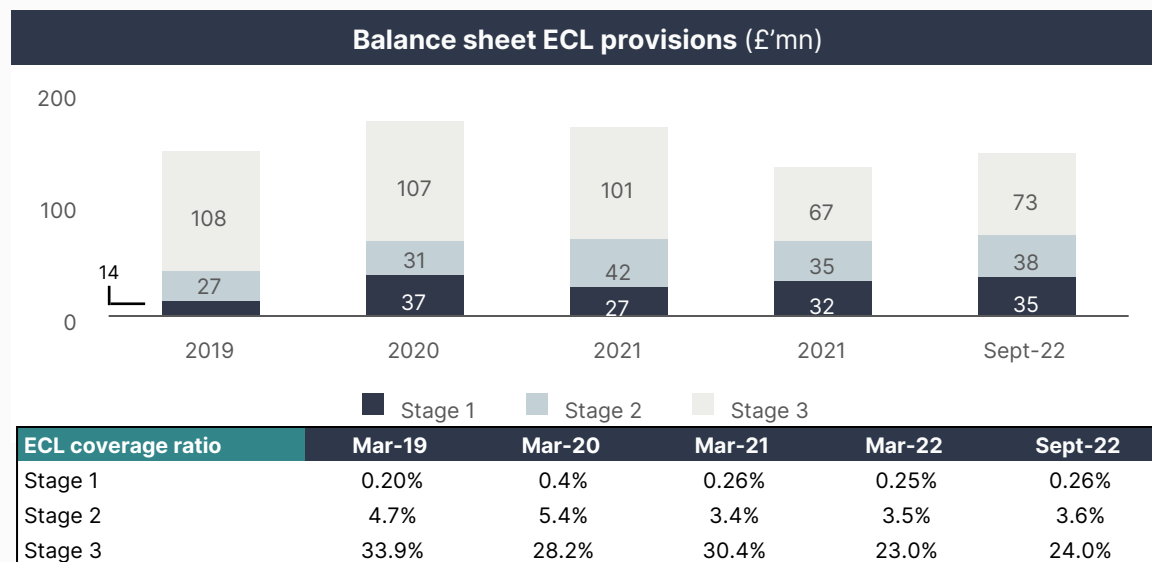
Sound asset quality

- Annualised CLR increased to 32 bps (1H2022: 9 bps), within the through-the-cycle range (TTC) range of 30-40bps
- Total ECL charges of £27.9mn (1H2022: £4.9mn) mainly driven by:
 - Deterioration in forward-looking macroeconomic assumptions
 - Stage 3 ECL charges
 - Post model overlay retained to account for continued economic uncertainty.

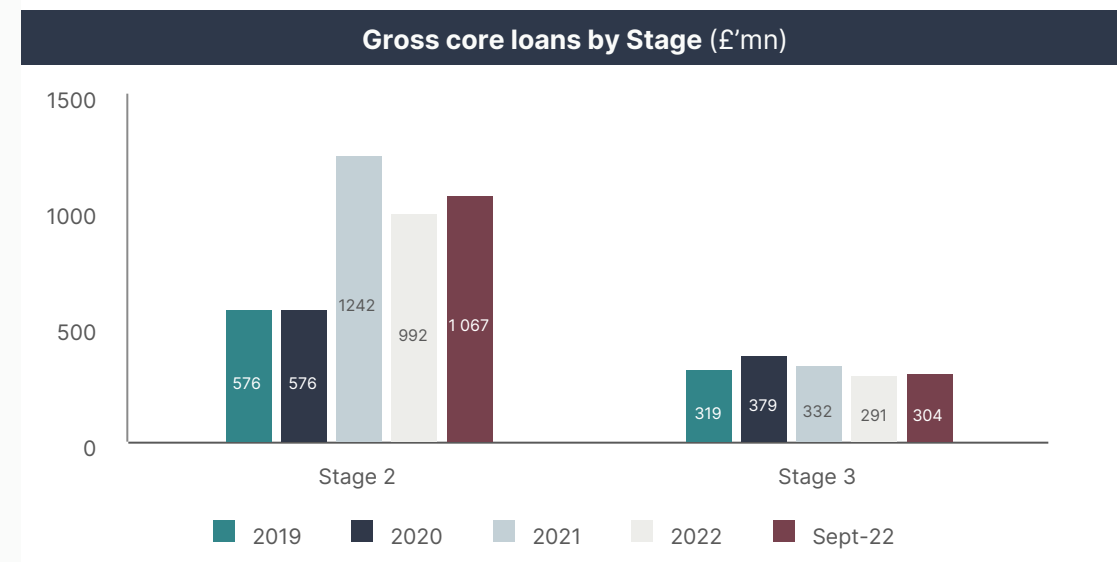


Asset quality metrics

Asset quality metrics reflect the solid performance of core loans to date



- At 30 Sept 2022, the revised macro-economic scenarios have been updated to account for elevated levels of UK inflation, interest rate rises, energy considerations and other relevant factors since 31 Mar 2022. There has also been an increase in scenario weighting of the downside 1 – inflation scenario
- The ECL impairment charge impact of the macro-economic scenario updates and weightings was £9.9mn. There remains a significant amount of economic uncertainty – to ensure the overall level of ECL was reasonable and judgements applied suitably tested, management reviewed the overall output of ECLs determining that an overlay is still considered appropriate
- We continue to hold a management ECL overlay of £16.8mn at 30 Sept 2022 (Mar-22: £16.8mn; 2021: £21mn) to account for the considerable uncertainty that remains in the macro-economic environment
- The management ECL overlay seeks to capture the significant level of judgement required in the application of the macro-economic scenarios as well as the ongoing uncertainty in the UK and global operating environment that is not currently captured completely by modelled outputs.



The overall loan portfolio continues to perform well. Asset quality ratios remain low. Total Stage 3 exposures total £304mn at 30 Sept 2022 or 2.0% of gross core loans subject to ECL reduced from 2.1% at 31 Mar 2022, predominantly due to limited new defaults

Stage 2 exposures have increased to £1 067mn or 7.2% of gross core loans subject to ECL (£992mn or 7.1% at 31 Mar 2022) resulting from the model driven impacts of the updated macro-economic scenarios accounting for the elevated levels of inflation in the UK, interest rate rises, energy considerations and other relevant factors since 31 Mar 2022.

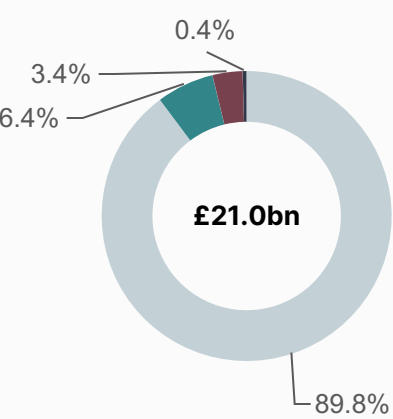
Diversified funding strategy

- Investec plc's **funding consists primarily of customer deposits**
- The bank adopts a conservative and prudent funding strategy
- Investec plc is not subject to the Banking Reform Act ring-fencing requirements which are applicable to all large UK deposit takers, as it falls below the £25bn of core deposits de minimis threshold
- Investec plc has **no MREL requirement in excess of its minimum capital requirements**.

Conservative and prudent funding strategy

- 1 Maintaining a high base of high-quality liquid assets
- 2 Diversifying funding sources
- 3 Limiting concentration risk
- 4 Low reliance on wholesale funding
- 5 Maintaining a stable retail deposit franchise

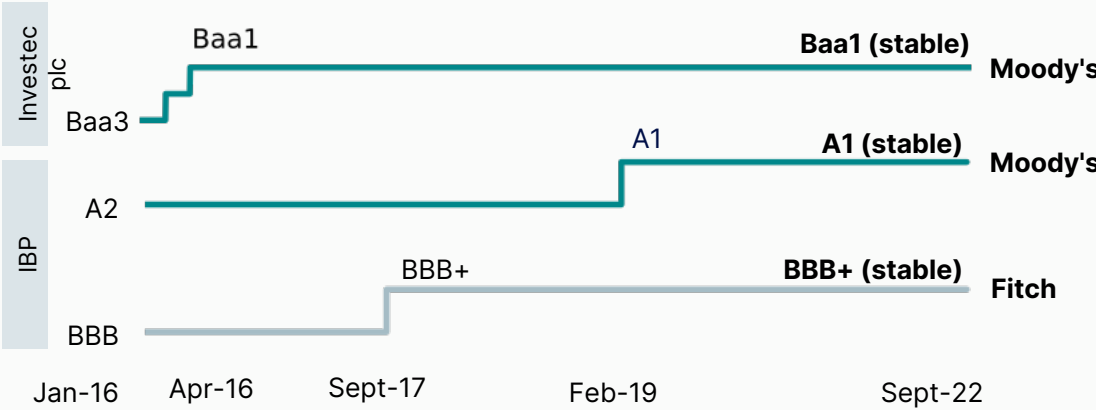
Select funding sources



£'mn	30 Sept 22
Customer deposits	18 881
Debt securities in issue	1 349
Subordinated Liabilities	709
Liabilities arising on securitisation of other assets	90
Total	21.029

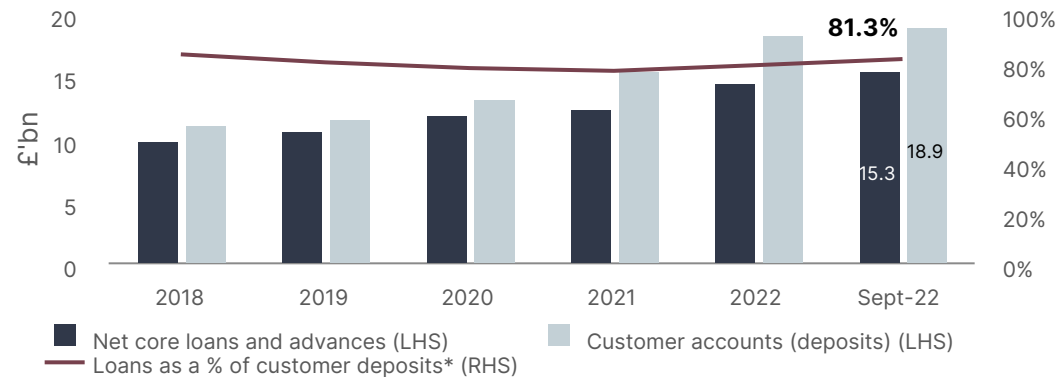
Credit Ratings

- Investec plc's long-term issuer rating was upgraded by Moody's from Baa3 to Baa2 in Feb 2016, and then to Baa1 in Apr 2016. This rating was affirmed on 13 Apr 2022, and the outlook remains stable
- On 13 Apr 2022, Moody's also affirmed IBP's long-term deposit rating at A1 (stable outlook)
- On 14 Jul 2021, Fitch affirmed IBP's long-term Issuer Default Rating (IDR) at BBB+ (stable). This was affirmed on 25 Mar 2022
- Through the previous financial crisis, Investec plc and IBP retained an investment grade rating.

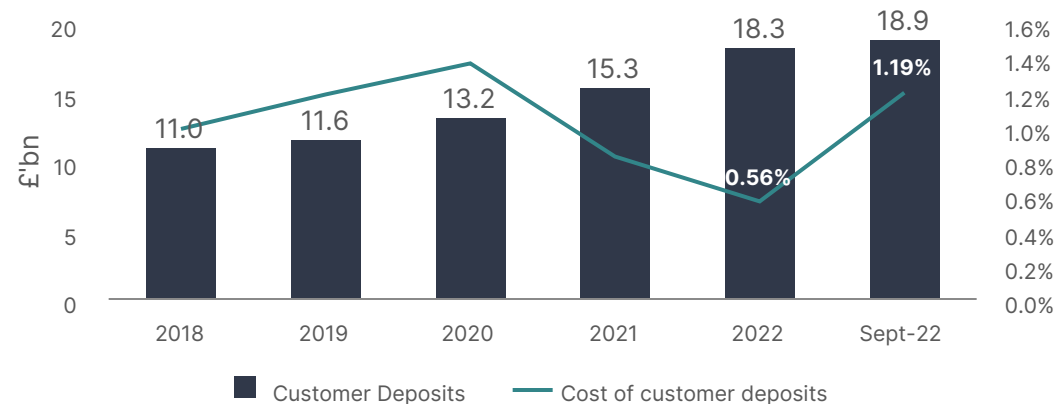


Primarily customer deposit funded with low loan to deposit ratio

Fully self funded: conservative loan to deposit ratio



Increase in customer deposits over time despite reduction in cost of customer deposits

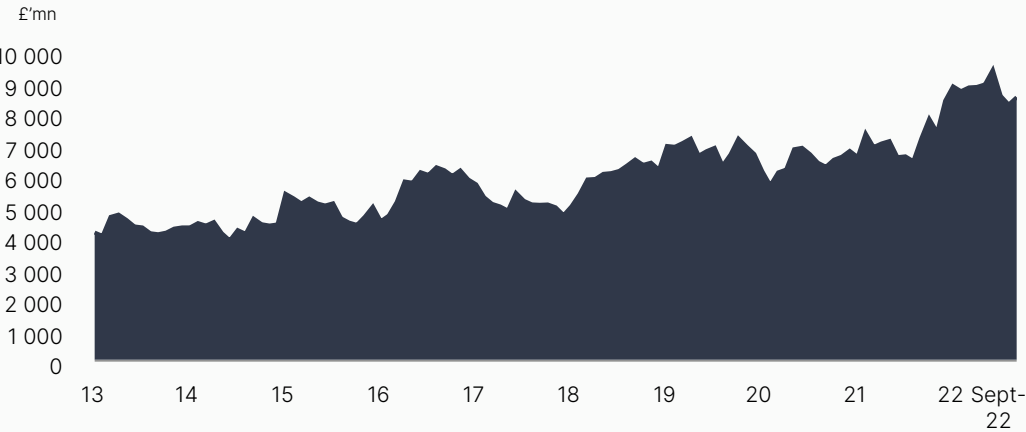


- Loans as a percentage of customer deposits remains conservative at 81.3%
- Customer deposits have grown by 62% (11% CAGR) since 2018 to £18.9bn at 30 Sept 2022
- **Low usage of central bank funding schemes** as a proportion of funding mix. Current TFSME drawings are **£1.2bn** which we expect to refinance well in advance of maturity in Sept/Oct 2025
- Increase in retail deposits and **little reliance on wholesale funding**. Significant portion of UK customer deposits form part of the FSCS eligibility framework
- Fixed and notice deposits make up majority of customer deposits and our customers display a strong 'stickiness' and willingness to reinvest in our suite of term and notice products
- Investec plc's customer deposits have consistently increased over many years and remain resilient despite a reduction of cost of customer deposits through market volatility due to the COVID-19 pandemic and Russia/Ukraine war
- While the Bank of England base rate increased by 150bps over the six months to 30 Sept 2022 the rate and speed at which these movements have been passed to customers has resulted in only a 63bps increase in the cost of deposits over the same period to 1.19% at 30 Sept 2022
- Customer deposits are dynamically raised through diversified, well-established channels.

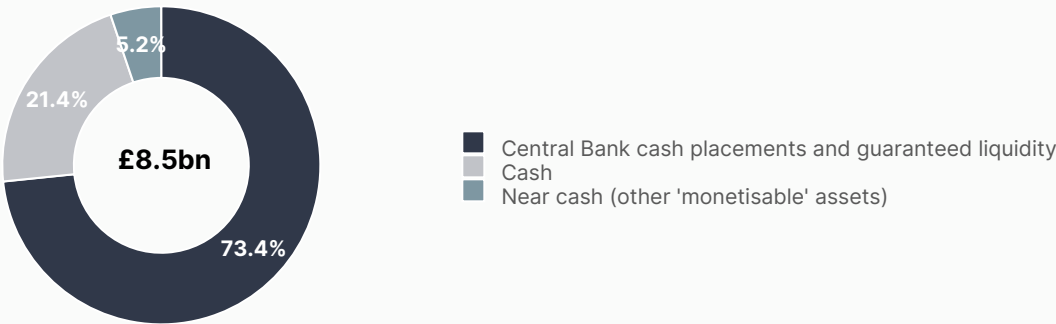
Maintaining robust surplus liquidity

- We **maintain** a high level of readily available, **high-quality liquid assets** – targeting a minimum cash to customer deposit ratio of 25%. These balances have increased since Mar-13 (£4.6bn) to £8.5bn at 30 Sept 22. **(representing 44.8% of customer deposits)**. These balances have had a CAGR of 6.1% in the last 10 years
- At 30 Sept 2022 the **Liquidity Coverage Ratio** for Investec plc was **366%** and the **Net Stable Funding Ratio¹** was **136%** – both metrics well ahead of current minimum regulatory requirements.

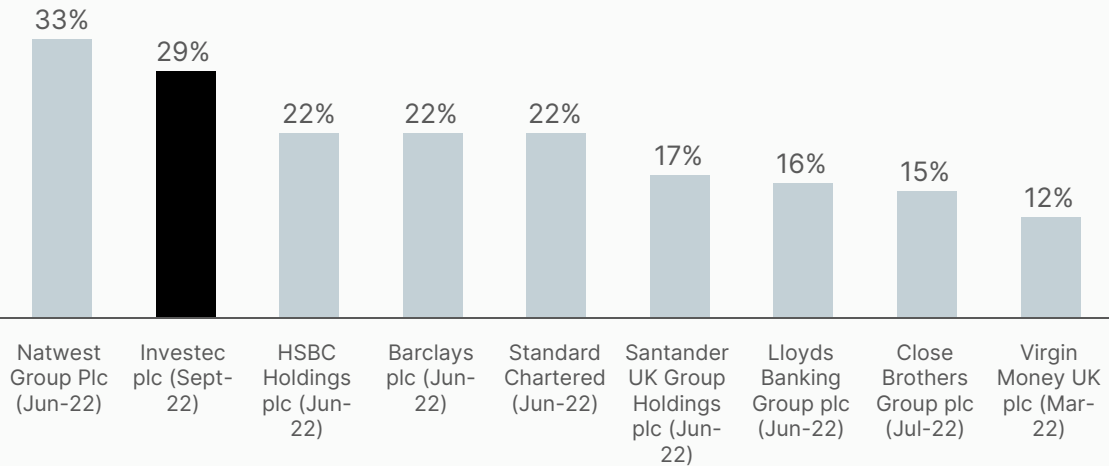
High level of cash and near cash balances



Cash and near cash composition



Liquidity buffer: Cash and near cash as a proportion of total assets

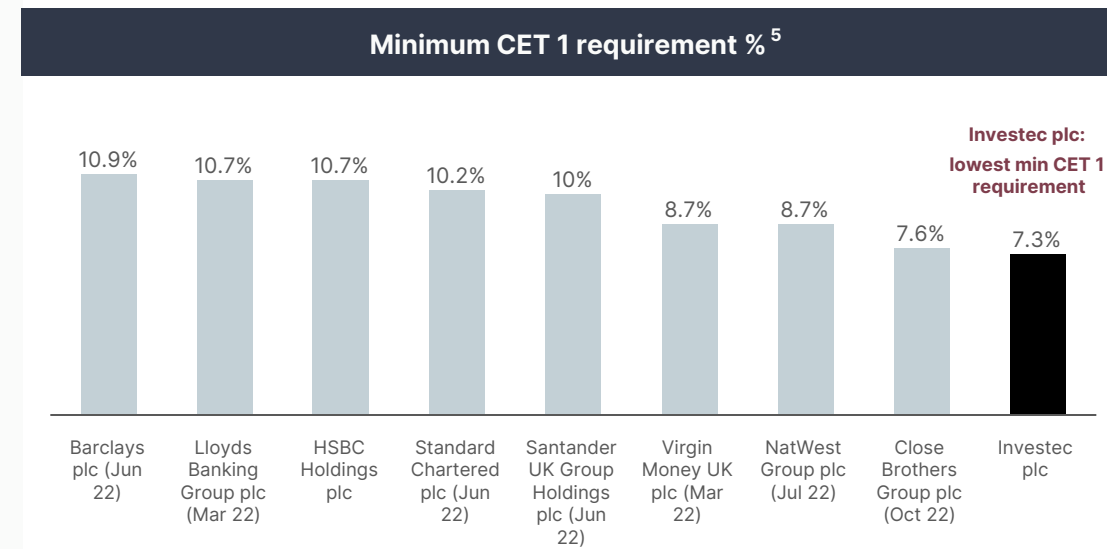


Sound capital ratios in excess of internal and regulatory minimums

Robust headroom of 3.5% above the MDA threshold based on the latest regulatory requirements

Capital ratios : Investec plc			
	30 Sept 2022 ¹	31 Mar 2022 ¹	Target
Common equity tier 1 ratio ²	10.8%	11.4%	>10%
Common equity tier 1 ratio ('fully loaded') ³	10.6%	11.0%	
Tier 1 ratio ²	12.2%	12.8%	>11%
Total capital ratio ²	15.7%	16.5%	14% to 17%
Leverage ratio ⁴	8.0%	9.0%	>6%
Leverage ratio – 'fully loaded' ³	7.8%	8.7%	

- Investec holds capital in excess of regulatory requirements and internal capital targets and intends to perpetuate this philosophy and ensure that it remains well capitalised
- The bank has never required shareholder or government support and we have never missed a preference share or AT1 instrument coupon payment
- As Investec plc is a financial holding company and Investec Bank plc (IBP) is its most significant entity, the Investec plc resolution strategy is expected to be driven and determined by the resolution strategy for IBP. In Mar 2021, the Bank of England confirmed the preferred resolution strategy for IBP remains 'modified insolvency'. As a result, the Bank of England has set IBP's MREL requirement as equal to its Total Capital Requirement (Pillar 1 + Pillar 2A).



- Investec plc's current minimum CET1 requirement is 7.3% comprising a 4.5% Pillar 1 minimum requirement, a 2.5% CCB, a 0.31% Pillar 2A requirement and a 0.03% Countercyclical Capital Buffer (CCyB)
- Investec plc's reported CET1 ratio was 10.8% at 30 Sept 2022, providing a 3.5% surplus relative to the current regulatory minimum before buffers (which are also allowed to be used in times of stress)
- Investec plc continues to have the lowest PRA prescribed Pillar 2A capital requirement of all UK holding companies shown above.

¹ The capital adequacy disclosures for Investec plc include the deduction of foreseeable charges and dividends when calculating Common Equity Tier (CET)1 capital. These disclosures differ from the capital adequacy disclosures included in the Investec Group's 2022 integrated and strategic report, which follow our normal basis of presentation and do not include this deduction when calculating CET1 capital. Investec plc CET1 ratio would be 24bps (31 Mar 2022: 28bps) higher, on this basis.

² The CET1, Tier 1 and total capital ratios are calculated applying the IFRS 9 transitional arrangements (including the Capital Requirements Regulation (CRR) II changes introduced by the 'quick fix' regulation adopted in Jun 2020).

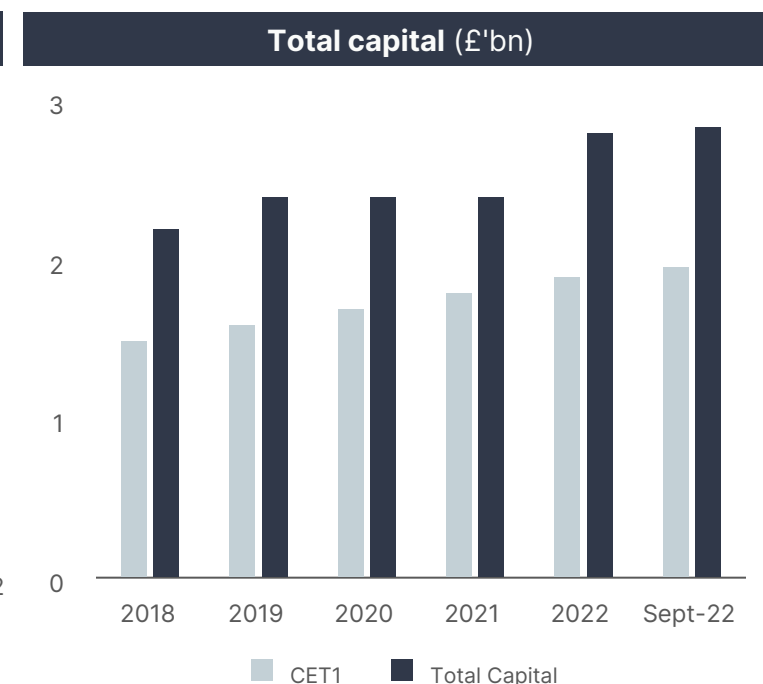
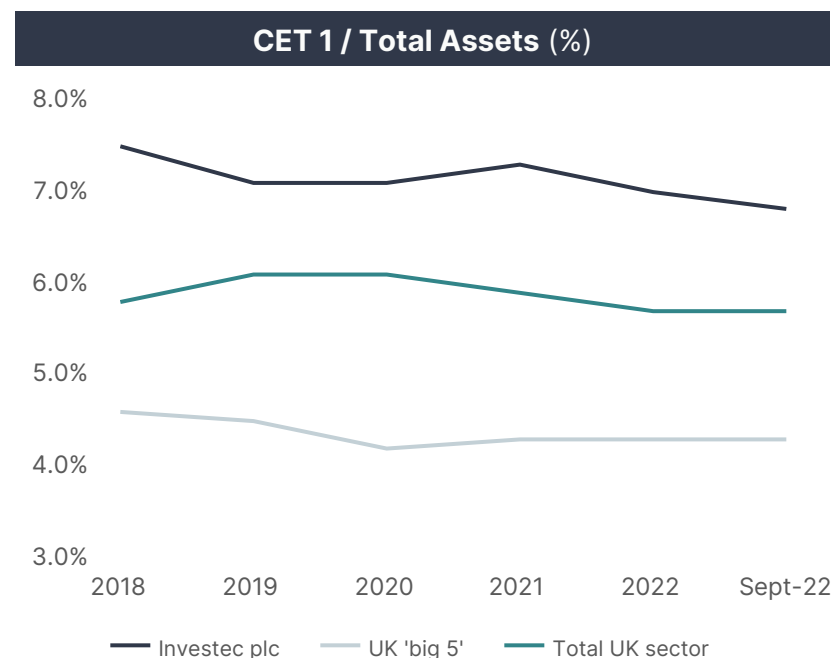
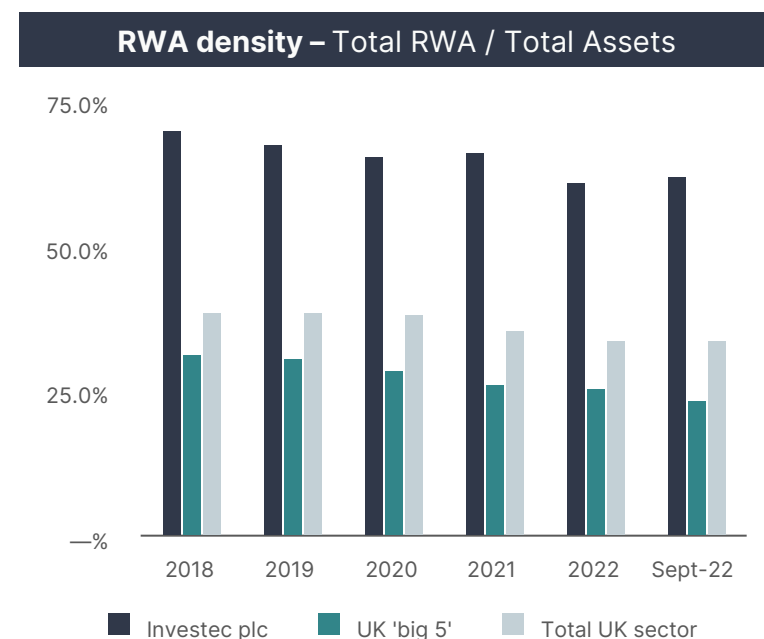
³ The CET1 ratio (fully loaded) and the leverage ratio (fully loaded) assume full adoption of IFRS 9 (including the 'quick fix' regulation in the UK).

⁴ The leverage ratios are calculated on an end-quarter basis. In the UK, the 30 Sept 2022 leverage ratio is calculated applying the UK leverage ratio framework, which applies to all UK firms from 1 Jan 2022. The 30 Mar 2022 comparative is calculated on a Capital Requirements Directive (CRD) IV basis.

⁵ Information sourced from latest financial reports.

We inherently hold more capital per unit of risk

As we use the standardised approach for RWA calculations, our capital ratios are not directly comparable with peers



- We use the **Standardised Approach** for our RWA calculations – while peers are largely on the advanced approach. The bank is in the early stages of a process to migrate from the Standardised Approach to the Internal Ratings Based (IRB) approach
- The result is that our **RWA density at 61.9% is above** the sector average of 33.6%
- Our **RWA density is more than 2x higher** than the 'big 5' UK peers.

- We **hold more CET 1 to our total assets than our peer group** – primarily as a result of higher RWA density from using the standardised approach
- Our **CET 1 / Total assets is 6.7%** – which is 110bps higher than the UK sector on a similar measure.

- Investec has **strong organic capital generation** and has not required recourse to government or shareholders
- **CET 1 and total capital levels have both grown robustly** at c.6% and c.6% CAGR, since 2018.

Further information and peer analysis



Private Clients

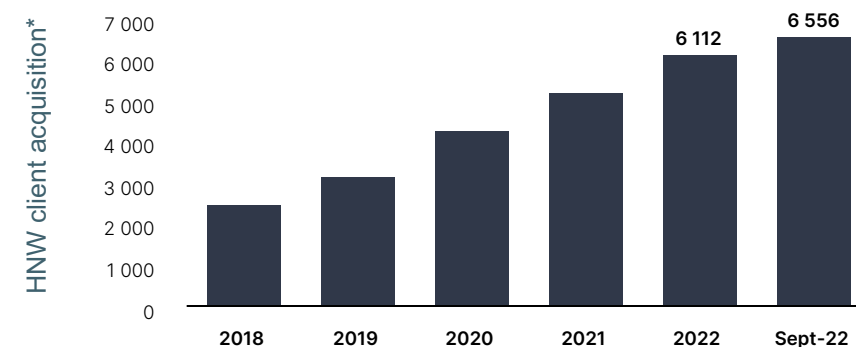
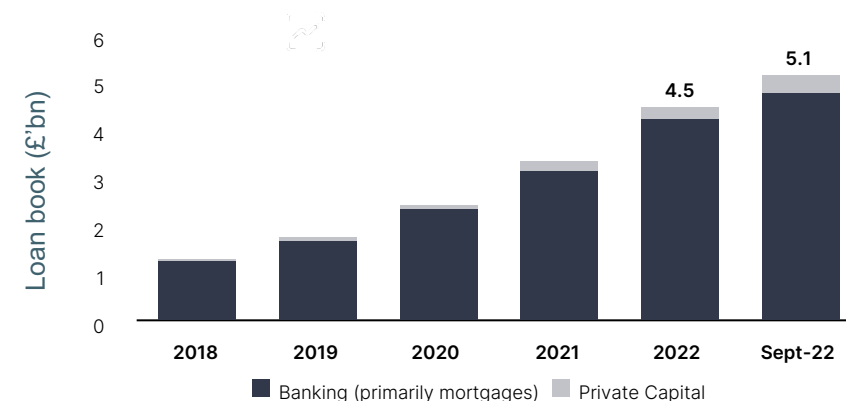
UK high net worth (HNW) banking: journey to scale

We are proud to have beaten our targets for HNW banking to breakeven by Mar 2022

	Journey to profitability		
£'000	Mar-20	Mar-21	Mar-22
Revenue	25.2	36.5	75.3
ECL impairments	(0.6)	(1.5)	(2.4)
Costs	(43.5)	(38.0)	(42.0)
Profit	(18.9)	(3.0)	30.8
Loan book growth	37.7%	37.2%	35.1%

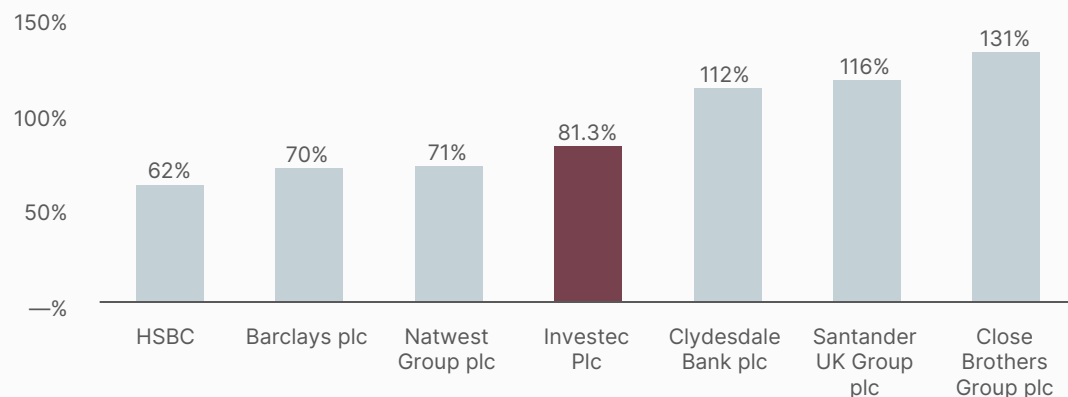
- Results reflect our success in executing our HNW client acquisition strategy. This has translated into strong growth in lending, profitability, and market share. Our HNW client activity also connects to the rest of the client ecosystem, where our client-centric, One Investec approach enables us to win mandates in other areas
- We continue to collaborate with our Wealth & Investment business to provide an integrated HNW proposition. In addition, the ability to provide our UK private banking offering to South African clients seeking an international proposition continues to be a key differentiator for the Group

Growth

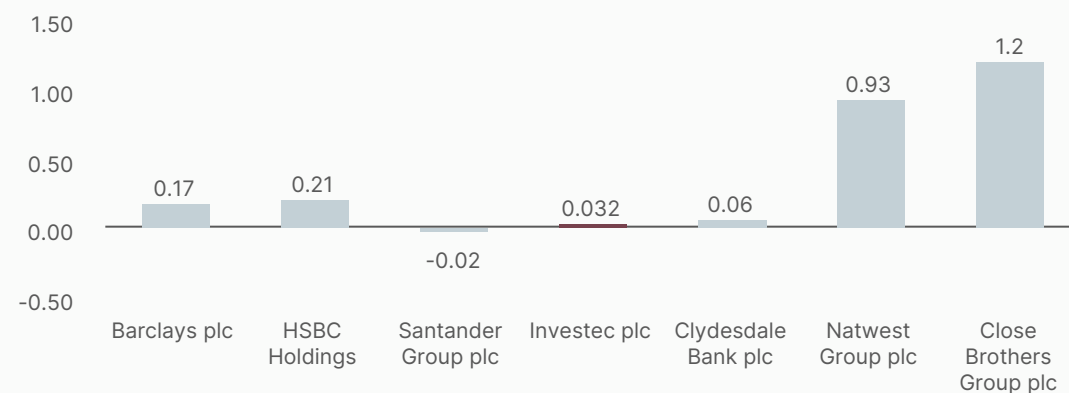


Investec Bank plc: peer group comparisons

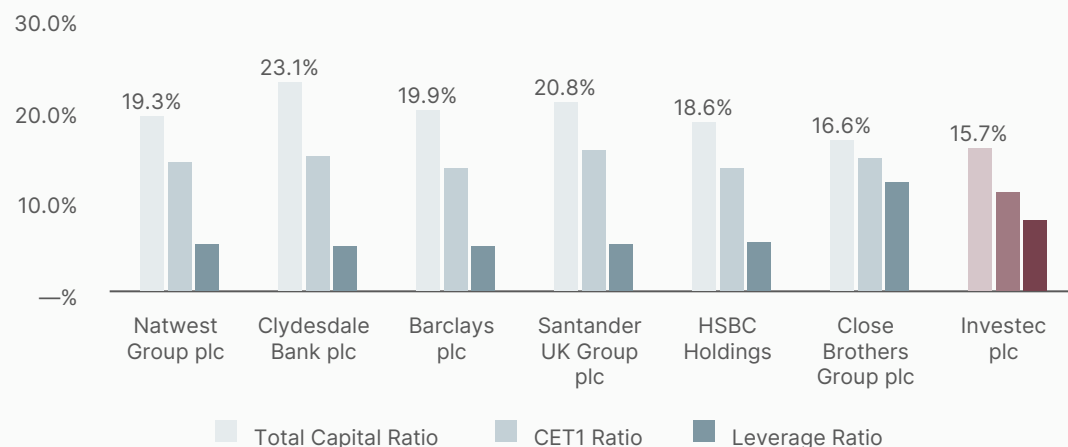
Funding: Loans and advances to customers as a % of customer deposits (smaller number is better)



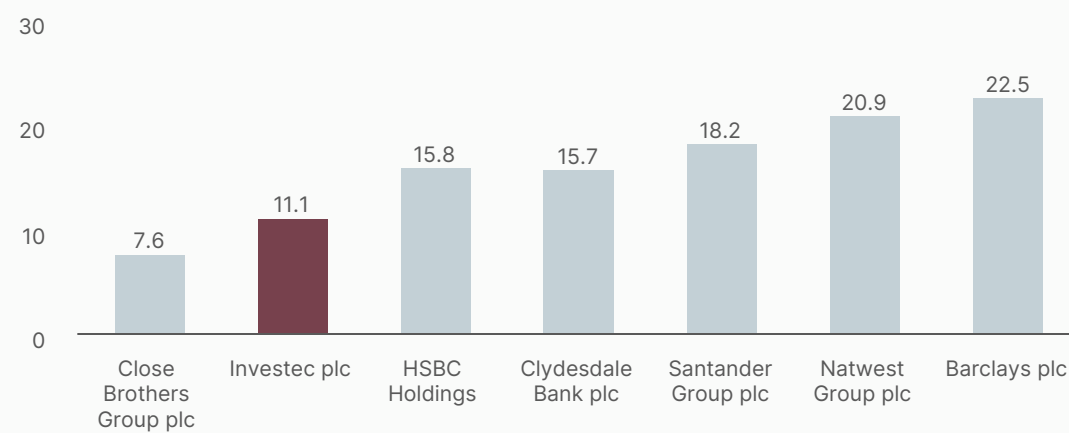
Credit loss ratio: ECL impairment charges as a % of average core loans and advances (smaller number is better)



Capital ratios¹ (larger number is better)



Gearing ratio: Assets/Equity (smaller number is better)

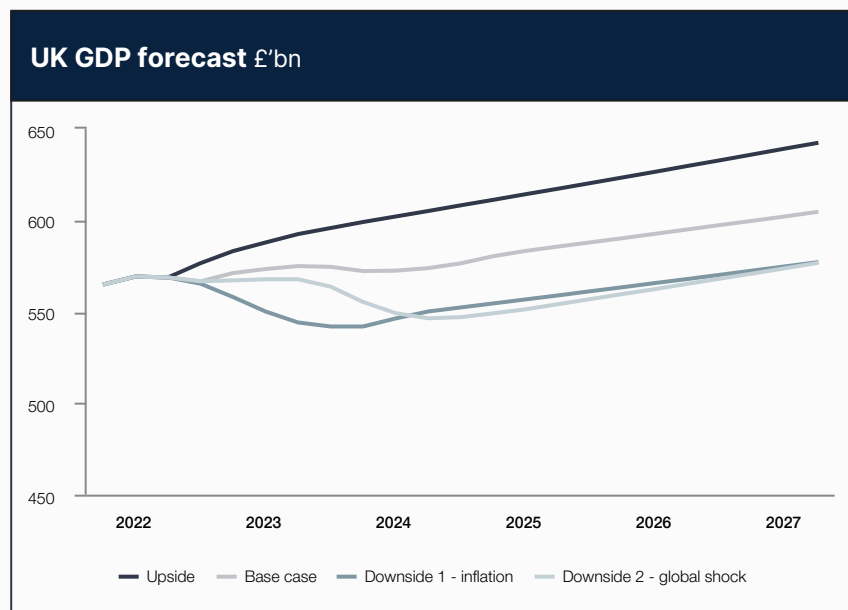


Appendix



IFRS 9 macro-economic scenario forecasts

At 30 Sept 2022, the revised macro-economic scenarios have been updated to account for elevated levels of inflation in the UK, interest rate rises, energy considerations and other relevant factors since 31 Mar 2022. There has also been an increase in scenario weighting of the downside 1 – inflation scenario by 5% to 35% and a consequent reduction in the downside 2 – global shock weighting. The ECL impairment charge impact of the macro-economic scenario updates and weightings over the period was £9.9mn.



Macro-economic scenarios%	Upside	Base case	Downside 1 Inflation	Downside 2 Global shock
UK				
GDP growth	2.5	1.3	0.3	0.4
Unemployment rate	3.3	4.4	5.8	6.3
CPI inflation	3.8	4.2	5.8	2.8
House price growth	4.2	2.1	(1.0)	(3.2)
BoE – bank rate (end year)	2.5	3.4	4.1	0.7
Euro area				
GDP growth	2.7	1.1	0.4	0.2
US				
GDP growth	2.7	1.3	0.7	0.3
Scenario weightings	10	45	35	10

Investec plc: salient financial features

Key financial statistics	30 Sept 2022	30 Sept 2021	% Change	31 Mar 2022
Total operating income before expected credit loss impairment charges (£'000)	618 234	512 689	20.6 %	1 087 969
Operating costs (£'000)	421 540	380 426	10.8 %	775 866
Adjusted operating profit (£'000)	168 791	127 413	32.5 %	286 944
Earnings attributable to ordinary shareholder (£'000)	124 138	108 425	14 %	235 854
Cost to income ratio (%)	68.2%	74.2%		71.3%
Total capital resources (including subordinated liabilities) (£'000)	3 328 847	3 375 859	(1.4)%	3 438 906
Total equity (£'000)	2 620 266	2 613 354	0.3 %	2 680 166
Total assets (£'000)	29 124 396	25 468 465	14.4 %	27 946 313
Net core loans (£'000)	15 348 588	13 692 364	12.1 %	14 423 199
Customer accounts (deposits) (£'000)	18 880 502	16 701 989	13.0 %	18 293 891
Loans and advances to customers as a % of customer deposits	81.3%	82.0%		78.9%
Cash and near cash balances (£'mn)	8 463	7 315	15.7 %	8 871
Funds under management (£'mn)	40 473	44 704	(9.5)%	44 419
Total gearing ratio (i.e. total assets to equity)	11.1x	9.7x		10.4x
Total capital ratio	15.7%	14.6%		16.5%
Tier 1 ratio	12.2%	12.5%		12.8%
CET 1 ratio	10.8%	10.9%		11.4%
Leverage ratio	8.0%	7.7%		9.0%
Leverage ratio – ‘fully loaded’	7.8%	7.3%		8.7%
Stage 3 exposure as a % of gross core loans subject to ECL	2.0%	2.4%		2.1%
Stage 3 exposure net of ECL as a % of net core loans subject to ECL	1.6%	1.6%		1.6%
Credit loss ratio	0.32%*	0.09%*		0.17%

Investec plc: income statement

£'000	Six months to 30 Sept 2022	Six months to 30 Sept 2021	% Change	Year to 31 Mar 2022
Interest income	527 328	344 247	53 %	718 446
Interest expense	(195 591)	(115 023)	70 %	(235 727)
Net interest income	331 737	229 224	45 %	482 719
Fee and commission income	234 871	238 306	(1) %	510 228
Fee and commission expense	(8 049)	(7 279)	11 %	(14 913)
Investment income	19 225	15 294	26 %	31 255
Share of post taxation profit of associates and joint venture holdings	4 588	6 785	(32) %	13 878
Trading income/(loss) arising from				
– customer flow	37 529	32 715	15 %	60 372
– balance sheet management and other trading activities	173	(9 861)	(102) %	(7 103)
Other operating income	(1 840)	7 505	(125) %	11 533
Total operating income before expected credit loss impairment charges	618 234	512 689	21 %	1 087 969
Expected credit loss impairment charges	(27 903)	(4 850)	>100.0%	(25 159)
Operating income	590 331	507 839	16 %	1 062 810
Operating costs	(421 540)	(380 426)	11 %	(775 866)
Operating profit before acquired intangibles and strategic actions	168 791	127 413	32 %	286 944
Impairment of goodwill	(805)	—	—	—
Amortisation of acquired intangibles	(6 662)	(6 482)	3 %	(12 936)
Closure and rundown of the Hong Kong direct investments business	(280)	(597)	(53) %	(1 203)
Operating profit	161 044	120 334	34 %	272 805
Implementation costs on distribution of investment to shareholders	(367)	—	—	(1 017)
Profit before taxation	160 677	120 334	34 %	271 788
Taxation on operating profit before acquired intangibles and strategic actions	(37 642)	(12 167)	>100.0%	(37 612)
Taxation on acquired intangibles and strategic actions	1 103	258	>100.0%	1 678
Profit after taxation	124 138	108 425	14 %	235 854
Profit / Loss attributable to non-controlling interests	—	—	—	—
Earnings attributable to shareholder	124 138	108 425	14 %	235 854

Investec plc: balance sheet

£'000	30 Sept 2022	31 Mar 2022
Assets		
Cash and balances at central banks	4 490 840	5 379 994
Loans and advances to banks	1 503 335	1 467 770
Reverse repurchase agreements and cash collateral on securities borrowed	2 041 317	1 447 473
Sovereign debt securities	1 376 257	1 165 777
Bank debt securities	109 789	61 714
Other debt securities	590 175	427 761
Derivative financial instruments	1 125 737	693 133
Securities arising from trading activities	135 849	163 165
Investment portfolio	536 360	694 324
Loans and advances to customers	15 352 394	14 426 475
Other loans and advances	187 143	122 717
Other securitised assets	86 320	93 087
Interests in associated undertakings and joint venture holdings	63 571	66 895
Deferred taxation assets	105 708	110 377
Current taxation assets	36 100	33 448
Other assets	961 929	1 139 439
Property and equipment	127 004	155 055
Goodwill	249 031	249 836
Software	9 934	7 066
Other intangible assets	35 603	40 807
Total assets	29 124 396	27 946 313

Investec plc: balance sheet (continued)

£'000	30 Sept 2022	31 Mar 2022
Liabilities		
Deposits by banks	2 425 565	2 026 601
Derivative financial instruments	1 385 425	863 295
Other trading liabilities	42 260	42 944
Repurchase agreements and cash collateral on securities lent	149 515	154 828
Customer accounts (deposits)	18 880 502	18 293 891
Debt securities in issue	1 349 430	1 648 177
Liabilities arising on securitisation of other assets	90 025	95 885
Current taxation liabilities	2 643	2 460
Deferred taxation liabilities	—	—
Other liabilities	1 470 184	1 379 327
	25 795 549	24 507 408
Subordinated liabilities	708 581	758 739
	26 504 130	25 266 147
Equity		
Ordinary share capital	202	202
Ordinary share premium	555 812	806 812
Treasury shares	(170 427)	(161 522)
Other reserves	(91 664)	(23 914)
Retained income	2 050 716	1 782 961
Ordinary shareholders' equity	2 344 639	2 404 539
Perpetual preference	24 794	24 794
Shareholders' equity excluding non-controlling interests	2 369 433	2 429 333
Additional Tier 1 securities in issue	250 000	250 000
Non-controlling interests in partially held subsidiaries	833	833
Total equity	2 620 266	2 680 166
Total liabilities and equity	29 124 396	27 946 313

Investec plc: segmental analysis of operating profit

For the six months to 30 Sept 2022 £'000	Specialist Banking					Total Group
	Wealth & Investment	Private Banking	CIB & Other	Group Investments	Group Costs	
Net interest income	9 714	54 618	267 405	—	—	331 737
Fee and commission income	165 497	1 310	68 064	—	—	234 871
Fee and commission expense	(346)	(141)	(7 562)	—	—	(8 049)
Investment income	4	110	11 948	7 163	—	19 225
Share of post taxation profit of associates and joint venture holdings	—	—	4 588	—	—	4 588
Trading income/(loss) arising from						
– customer flow	515	2 292	34 722	—	—	37 529
– balance sheet management and other trading activities	(27)	13	187	—	—	173
Other operating income	—	—	(1 840)	—	—	(1 840)
Total operating income before expected credit loss impairment charges	175 357	58 202	377 512	7 163	—	618 234
Expected credit loss impairment releases/(charges)	(2)	(2 353)	(25 548)	—	—	(27 903)
Operating income	175 355	55 849	351 964	7 163	—	590 331
Operating costs	(135 807)	(26 479)	(252 686)	—	(6 568)	(421 540)
Operating profit before acquired intangibles and strategic actions	39 548	29 370	99 278	7 163	(6 568)	168 791
Profit attributable to non-controlling interests	—	—	—	—	—	—
Adjusted operating profit	39 548	29 370	99 278	7 163	(6 568)	168 791
Selected returns and key statistics						
Cost to income ratio	77.4%	45.5%	66.9%	n/a	n/a	68.2%
Total assets (£'mn)	1 062	5 146	22 747	169	n/a	29 124

Investec plc: segmental analysis of operating profit (continued)

For the six months to 30 Sept 2021 £'000	Wealth & Investment	Specialist Bank		Group Costs/ Group Investments	Total Group
		Private Banking	CIB & Other		
Net interest income	436	30 546	198 242		229 224
Fee and commission income	173 390	404	64 512		238 306
Fee and commission expense	(345)	(14)	(6 920)		(7 279)
Investment income	5	(12)	5 247	10 054	15 294
Share of post taxation profit of associates and joint venture holdings	—	—	6 785		6 785
Trading income arising from					
- customer flow	534	767	31 414		32 715
- balance sheet management and other trading activities	(115)	1	(9 747)		(9 861)
Other operating income	—	—	7 505		7 505
Total operating income before expected credit loss impairment charges	173 905	31 692	297 038	10 054	512 689
Expected credit loss impairment releases/(charges)	(2)	(560)	(4 288)		(4 850)
Operating income	173 903	31 132	292 750	10 054	507 839
Operating costs	(131 728)	(19 842)	(219 517)	(9 339)	(380 426)
Operating profit before acquired intangibles and strategic actions	42 175	11 290	73 233	19 393	127 413
Profit attributable to non-controlling interests	—	—	—	-	—
Adjusted operating profit	42 175	11 290	73 233	19 393	127 413
Selected returns and key statistics					
Cost to income ratio	75.7%	62.6%	73.9%	n/a	74.2%
Total assets (£'mn)	1 056	3 993	20 033	386	25 468

Investec plc: asset quality under IFRS 9

£'mn	30 Sept 2022	31 Mar 2022 ¹
Gross core loans	15 495	14 557
Gross core loans at FVPL	587	609
Gross core loans subject to ECL¹	14 908	13 948
Stage 1	13 537	12 665
Stage 2	1 067	992
of which past due greater than 30 days	44	28
Stage 3	304	291
ECL	(146)	(134)
Stage 1	(35)	(32)
Stage 2	(38)	(35)
Stage 3	(73)	(67)
Coverage ratio		
Stage 1	0.26%	0.25%
Stage 2	3.6%	3.5%
Stage 3	24.0%	23.0%
Annualised credit loss ratio	0.32%	0.17%
ECL impairment charges on core loans	(23)	(22)
Average gross core loans subject to ECL	14 428	12 969
An analysis of Stage 3 gross core loans subject to ECL		
Stage 3 net of ECL	231	224
Aggregate collateral and other credit enhancements on Stage 3	235	230
Stage 3 as a % of gross core loans subject to ECL	2.0%	2.1%
Stage 3 net of ECL as a % of net core loans subject to ECL	1.6%	1.6%

Investec plc: capital adequacy

£'mn	30 Sept 2022 ¹	31 Mar 2022 ¹
Tier 1 Capital		
Shareholders' equity	2 278	2 340
Non-controlling interests	—	—
Regulatory adjustments to the accounting basis	(7)	71
Deductions	(315)	(480)
Common equity tier 1 capital	1 956	1 931
Additional Tier 1 instruments	250	250
Tier 1 capital	2 206	2 181
Tier 2 capital	631	628
Total regulatory capital	2 837	—
Risk-weighted assets²	18 025	16 980
Capital ratios		
Common equity tier 1 ratio ²	10.8%	11.4%
Tier 1 ratio ²	12.2%	12.8%
Total capital ratio ²	15.7%	16.5%

UK sustainability highlights

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

13

CLIMATE ACTION

Net-zero commitments

192k tCO₂e

Scope 3 financed emissions established as a baseline covering 68% of our loans and investments

Participated in climate dialogues as part of our **Net-Zero Banking Alliance membership**

W&I signed up as a **CDP Signatory** and joined the non-disclosure campaign

10

REDUCED INEQUALITIES

Equality commitments

Group Board

43% ethnicity

36% women

Cost of living crisis

1mn meals

To those in food poverty in the UK

Transformation

Became a proud member of the **Business Disability Forum**

Specialist Banking

Ranked 7th

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

Best ESG Research

Won the Best Specialist ESG Research in the **ESG Investing Awards** in the UK, 2022

0.05%

Thermal coal exposure (£8mn) as a percentage of gross core loans (Mar-22: 0.05%)

Investec plc committed to zero coal in the next 3-5 years

Highlights

A proud participant of:

Global Investors Driving Business Transition

UNIVERSITY OF CAMBRIDGE

INSTITUTE FOR SUSTAINABILITY LEADERSHIP

8th

Wealth & Investment

Signatory to **Climate Action 100+**

Joined the **Cambridge Institute for Sustainability Leadership Investment Leaders Group** in the UK

Ranking by the Charity Finance Fund Management Fund Survey for the Investec **UK Charities team** by FUM

44

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

Focused on doing well and doing good

Other highlights

Specialist banking

- Rolled out a **sustainability awareness programme** aimed at identifying sustainability business opportunities
- Participated in climate dialogues as part of our **Net-Zero Banking Alliance membership**
- Disclosed a baseline for our Scope 3 financed emissions with **Investec plc contributing only 10.9%** to the Investec Group's financed emissions
- Implemented a project to calculate the amount of our sustainable finance lending and investments and understand the impact on our priority SDGs e.g., we have **funded more than £1bn in student accommodation** since 2011 which has provided 22 000 beds across 55 schemes in 23 UK cities
- Specialist Banking UK Private Client Group embedded an **ESG framework** into the lending process
- Won **Best Specialist ESG Research** at the 2022 ESG Investing Awards.

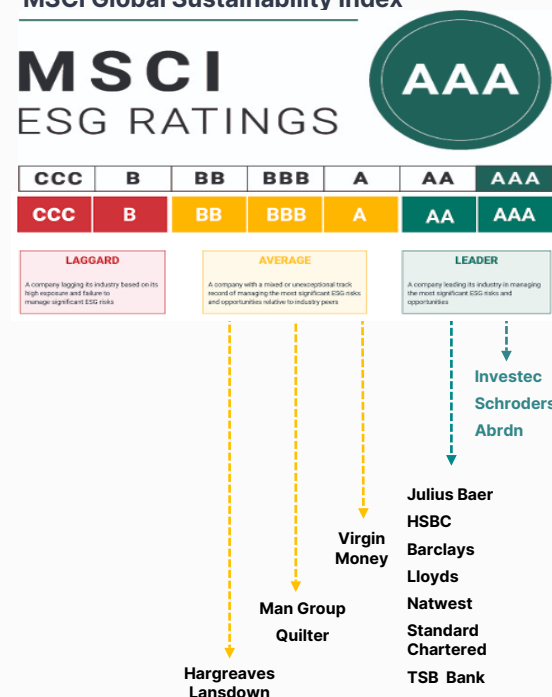
Wealth & Investment

- Continued inflows into the Investec Global Sustainable Equity Fund - **\$44.5mn** (since launch in Mar-21 to end Sept-22)
- Our executive team and Investment & Research Office are **enhancing sustainable finance knowledge** through participation in the CISL programme
- Joined the **Institutional Investors Group on Climate Change (IIGCC)**
- Remain signatories to the Financial Reporting Council's revised **UK Stewardship Code**
- Published our **most detailed half-yearly disclosure** of stewardship activity to date
- Remain active members of **Climate Action 100+**
- Wealth & Investment in the UK became a founding member of the **Blue Accelerator programme**.

Top of UK peers across the most credible international ESG ratings

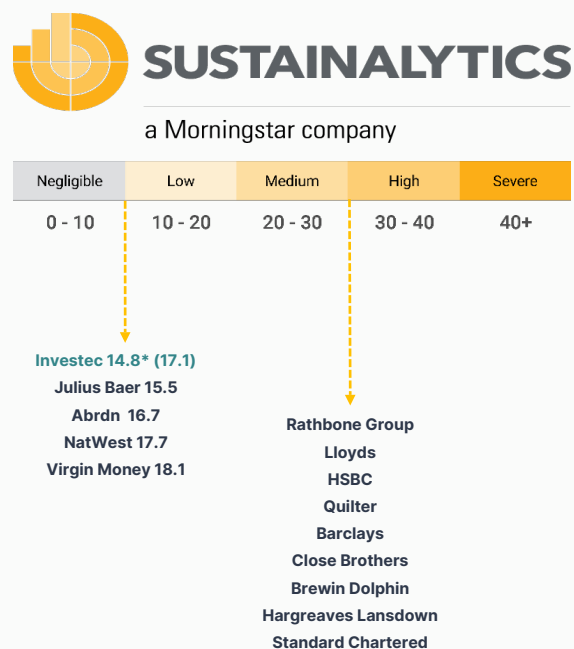
1 MSCI ESG Ratings

TOP 1% in the financial services sector in the **MSCI Global Sustainability Index**



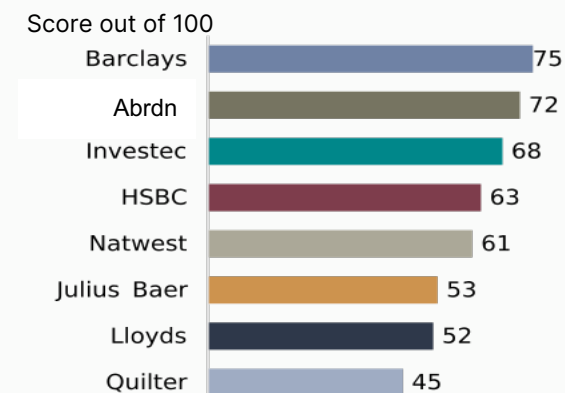
2 Sustainalytics Ratings

TOP 14% of globally assessed companies in the **Global Sustainability Leaders Index**



3 S&P Corporate Sustainability Assessment

TOP 2% of diversified financials in the **S&P Corporate Sustainability Assessment** rating



MEMBER OF
Dow Jones Sustainability Indices
In collaboration with **SAM**
a RobecoSAM brand

Only Investec and Abrdn included

“A company leading its industry in managing the most significant ESG risks and opportunities”