




# Investec Group overview



# A distinctive banking and wealth management business creating sustainable, long-term value for our stakeholders

2 Principal geographies	c.8,300 Total Employees	£29.9bn Core loans	£40.1bn Customer deposits	£63.8bn Funds under management
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## Key client groups and our offering

 Corporate / Institutional / Government / Intermediary			 Private Clients (HNW / High Income) / Charities / Trusts		
 Specialist Banking			 Wealth & Investment		
Lending			Discretionary wealth management		
Transactional banking			Investment advisory services		
Treasury solutions			Financial planning		
Advisory			Stockbroking / execution only		
Investment activities					
Deposit raising activities					

We have market-leading client franchises

We provide a high level of client service enabled by leading digital platforms

We are a people business backed by our out of the ordinary culture, entrepreneurial spirit and freedom to operate

## Our stakeholders

Our clients	Our people	Our communities	Our planet	Our shareholders
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# Market-leading specialist client franchises

*We are not all things to all people: we serve select niches where we can compete effectively*



Specialist client franchises span infrastructure, fund finance, aviation...



Specialist Banking

5<sup>th</sup>

Largest bank by assets

1<sup>st</sup>

Top Private Bank



Top tier

Corporate advisory and equity sales



Specialist Banking



Top tier

Corporate advisory and equity sales



Top tier

Small ticket asset finance provider



Top tier

Treasury risk solutions



Wealth & Investment



Top tier

One of the leading wealth managers in SA



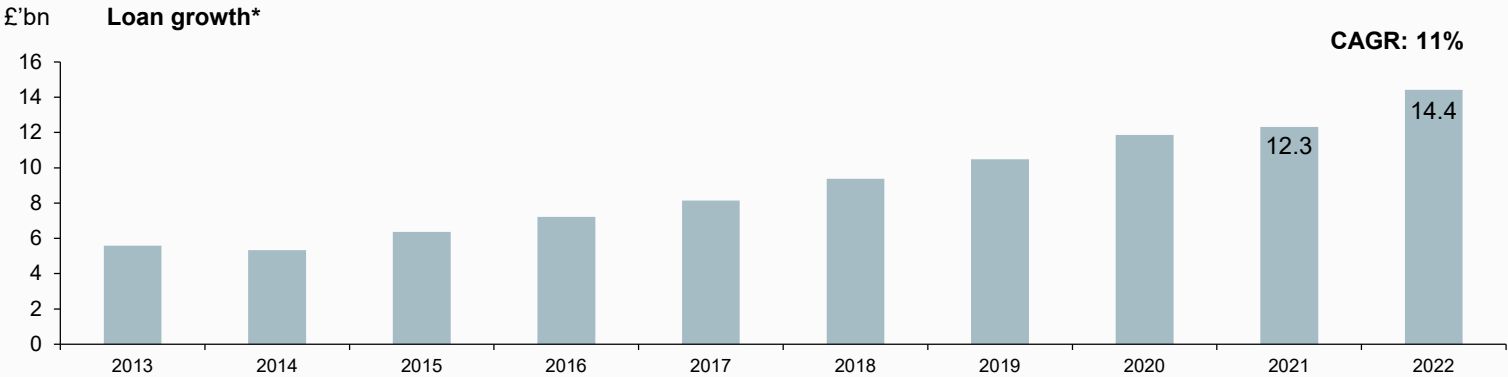
Top tier

One of the largest wealth managers in the UK

# Specialist Banking UK

*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 <b>high net worth clients</b> that need a banking partner to provide intellectual and financial capital to achieve their vision of success	For <b>UK mid-market founder and entrepreneur-led businesses</b> looking for a banking partner to support their needs, along every stage of their journey	For <b>UK mid-market Private Equity</b> clients looking for boutique service with 'bulge bracket' capability and award-winning franchises	For <b>UK mid-market listed companies</b> looking for top-ranked corporate broking and equity research and strategic advisory	<b>International specialist sector clients</b> 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			



Permanent employees	2,000+
% Contribution to adjusted operating profit <sup>^</sup> of Investec Group	c.27%
% Contribution to loan book of Investec Group	c.48%

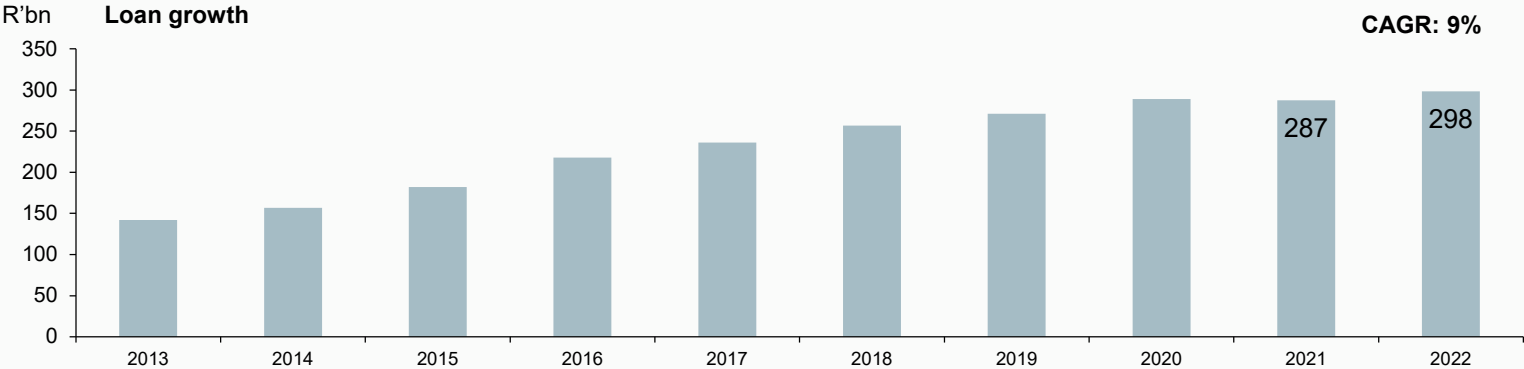
\* Net core loans. Information for financial years prior to 2019 reflects the results of the ongoing business (excluding UK Specialist Bank legacy assets and businesses sold). Information from FY19 onwards is presented on a statutory basis.

<sup>^</sup> Operating profit before Group costs, goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.

# Specialist Banking SA

*High-quality specialist banking solutions with leading positions in selected areas*

Private Banking	Investec for Business	Corporate and Institutional banking	Investment Banking and Principal Investments
For high net worth clients, professionals and emerging entrepreneurs looking for an ‘investment banking’ style service for private clients	Smaller and mid-tier corporates who require a holistic banking solution	For corporates (mid to large size), intermediaries, institutions, government and SOEs looking for a client-centric, solution driven offering	Corporates, institutions, property partners looking for an innovative investment partner
Lending, transactional banking, property finance and savings	Import and trade finance, working capital finance, asset finance, transactional banking	Global markets, various specialist lending activities and institutional equities	Principal investments, Advisory, Debt and Equity, Capital Markets

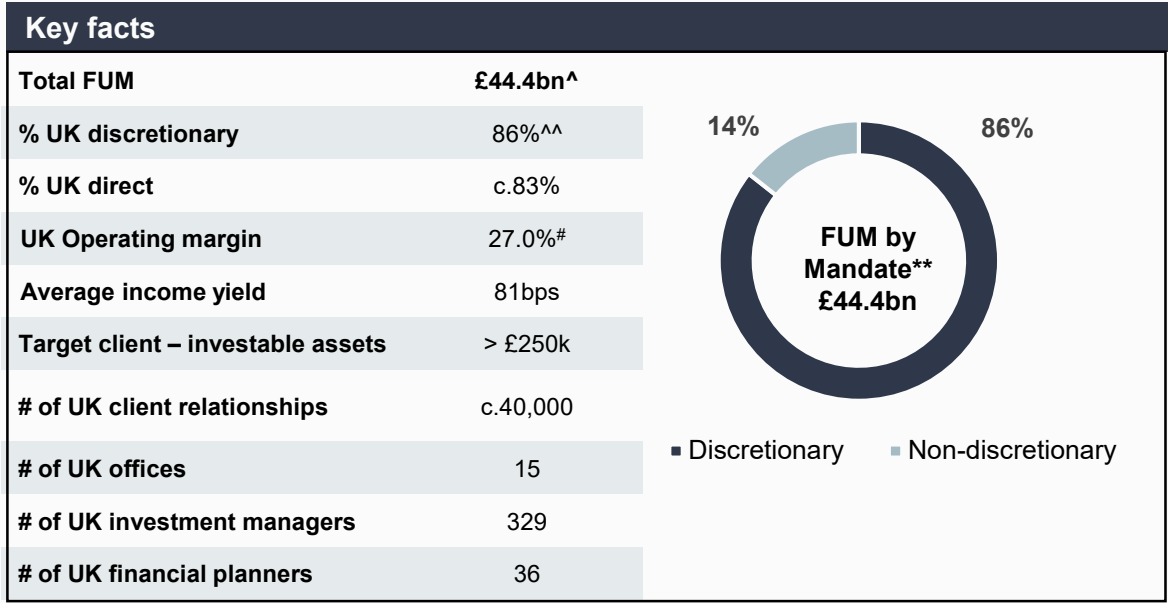


Permanent employees	4,000+
% Contribution to adjusted operating profit* of Investec Group	c.49%
% Contribution to loan book of Investec	c.52%

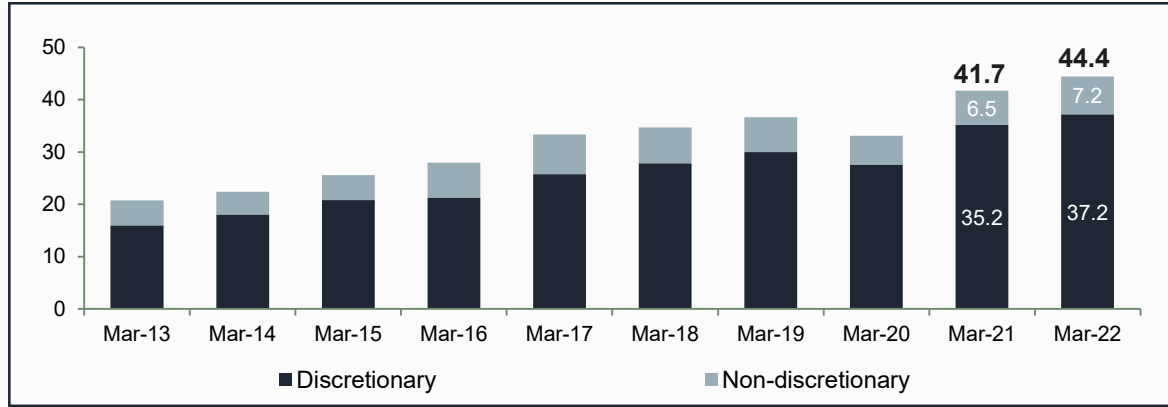
\*Operating profit before Group costs, goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.

# Wealth & Investment UK

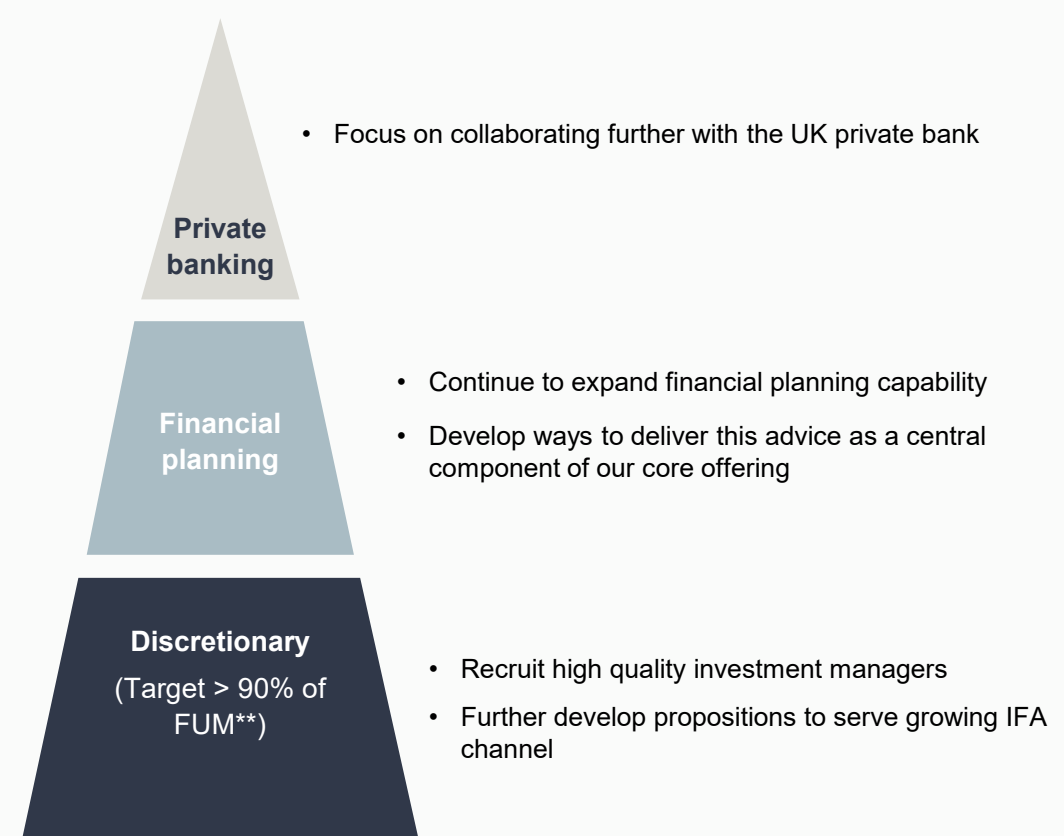
A leading UK private client wealth manager targeting mass affluent and increasingly HNW client base



FUM: £'bn



## Future growth drivers



<sup>^</sup>Comprises UK, Guernsey and Switzerland. UK comprises c.96% of total FUM. <sup>^^</sup> UK discretionary FUM based on UK business only. <sup>\*\*</sup> Split / target based on UK business only. <sup>#</sup> Operating margin including Guernsey and Switzerland was 25.3% for FY2022.

# Wealth & Investment SA

*Uniquely positioned for SA HNW private clients seeking a holistic, international wealth management service*

## Key facts

**Total FUM** R364.6bn / £19bn

**% discretionary and annuity** 51%

**% of disc. and annuity offshore** 65%

**Operating margin** 33.2%

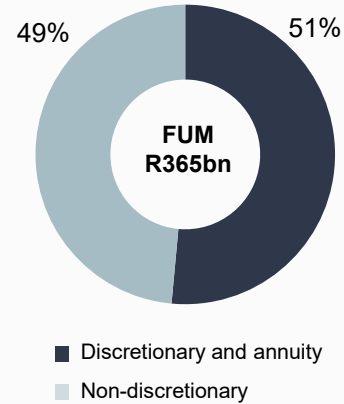
**Average income yield - discretionary and annuity** 95bps

**Target client - investable assets** > R5mn

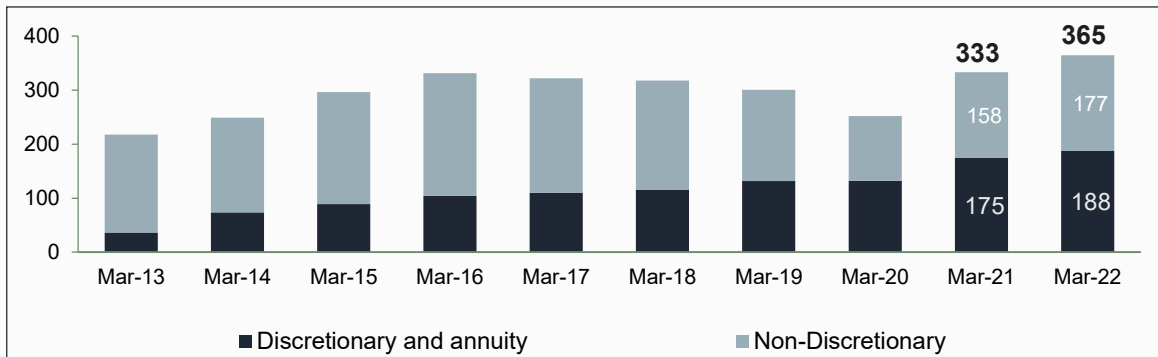
**# of clients** c.44,500

**# of offices** 10

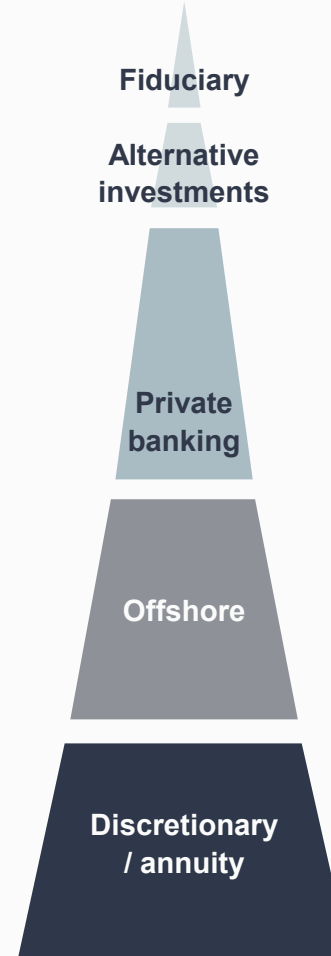
**# of investment managers** 114



## FUM: R'bn



## Future growth drivers

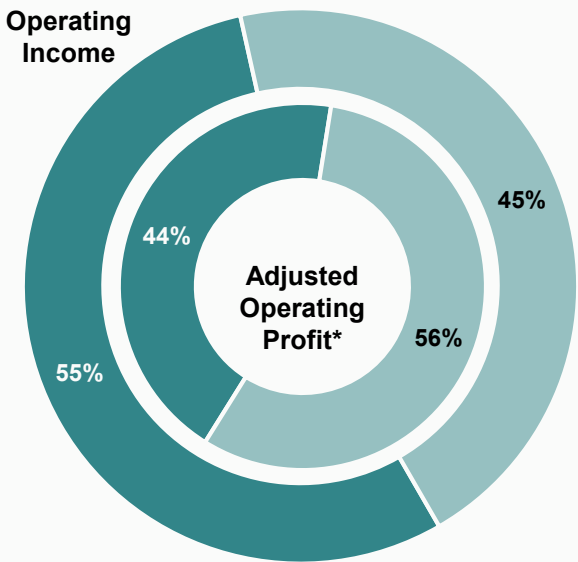


- Enhance our fiduciary and tax planning services
- Expand the breadth and depth of our alternative investment offering
- Success from relationships across W&I and Private Bank, with strategic focus on delivering our One Place™ value proposition
- Focus on acquisition across growth segment of client base and digital offering through my Investments
- Expand international investment universe that provides clients with broad range of international investments
- Leverage our expanded international investment offering into new distribution channels
- Build on strength of client relationships while remaining digitally driven
- Integration of ESG into our investment process and decision-making; and developing sustainable investment opportunities

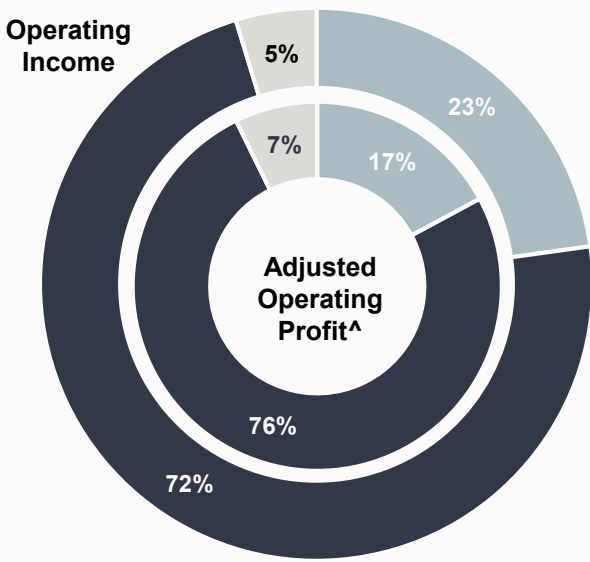
# Diversified mix of earnings

Diversified geographic business with diverse income streams

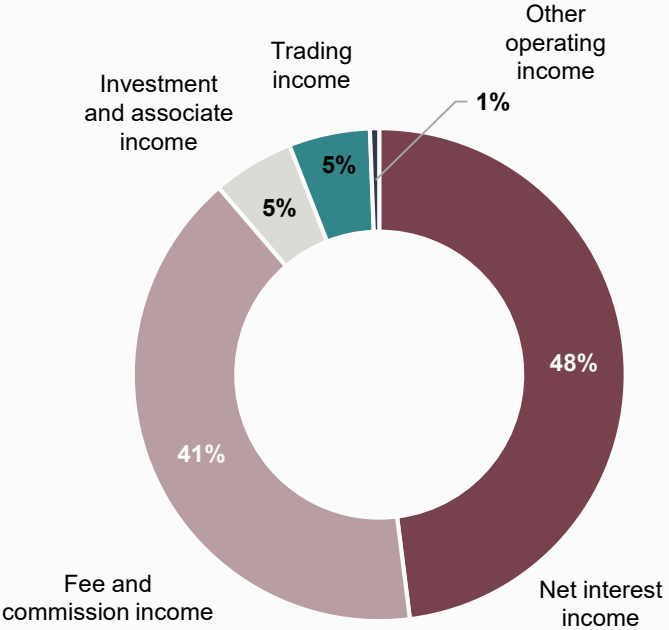
Geography



Business



Income stream



\* Operating profit before goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.  
^ Operating profit before group costs, goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.

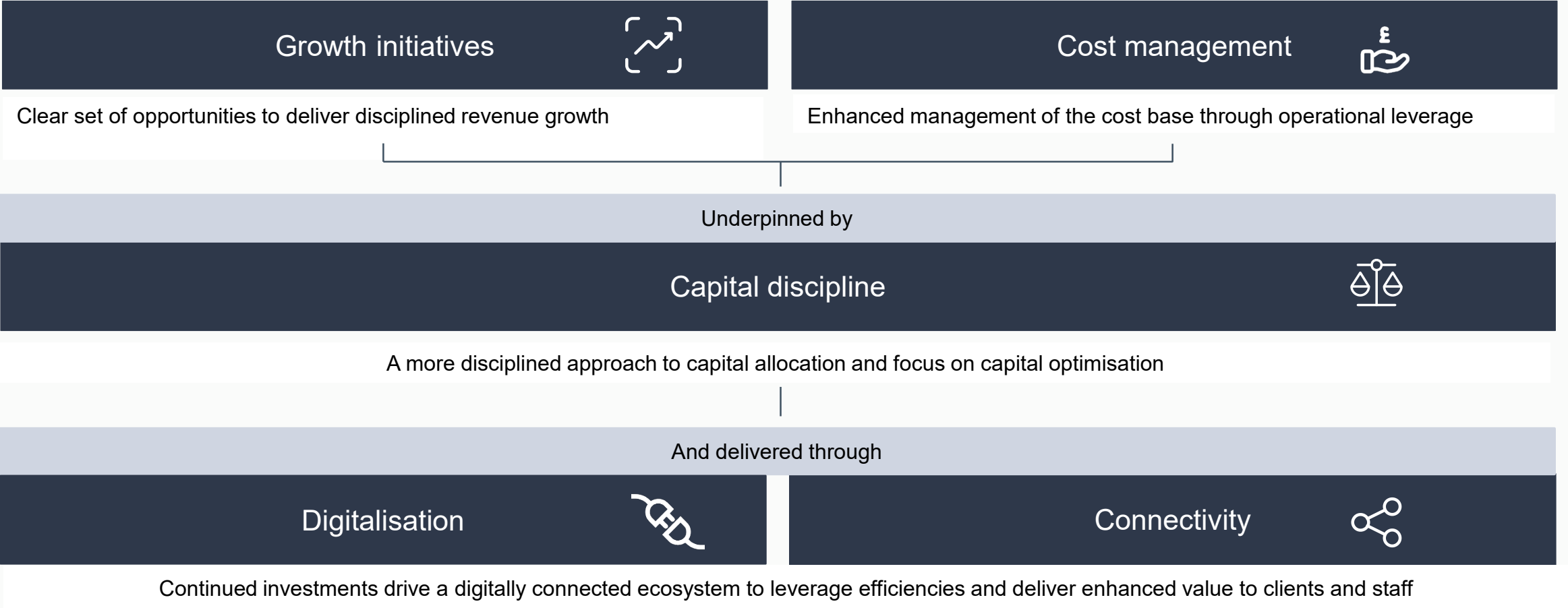


# Strong financial recovery growing back to pre-COVID 2019 levels and beyond

*With a clear set of financial targets underpinning our objectives*

	FY 2019	FY 2020	FY 2021	FY 2022	Medium-term targets
Operating profit	£552mn	£419mn	£378mn	£687mn	
Group ROE	12.0%	8.3%	6.6%	11.4% (UK: 11.2%, SA: 11.7%)	<b>Group:</b> 12% - 16% <b>UK :</b> 11% - 15% <b>SA :</b> 15% - 18%
Cost to Income	67.3%	68.2%	70.9%	63.3% (UK: 70.5%, SA: 53.9%)	<b>Group:</b> <63% <b>UK:</b> <67% <b>SA:</b> 50% - 55%
Investec plc* CET1 / Leverage	10.8% / 7.9%	10.7% / 7.8%	11.2% / 7.9%	11.7% / 9.2%	<b>CET1 ratio:</b> >10% <b>Leverage ratio:</b> >6% <b>Tier 1 ratio:</b> >11% <b>Total capital adequacy:</b> 14% - 17%
Investec Limited** CET1 / Leverage	11.6% / 7.4% (FIRB basis)	10.9% / 6.4% (FIRB basis)	12.8% / 7.6% (pro-forma increased AIRB scope)	14.0% / 7.4% (increased AIRB scope)	

# Framework to drive improved business performance



# Investment proposition

Well positioned to pursue long-term growth

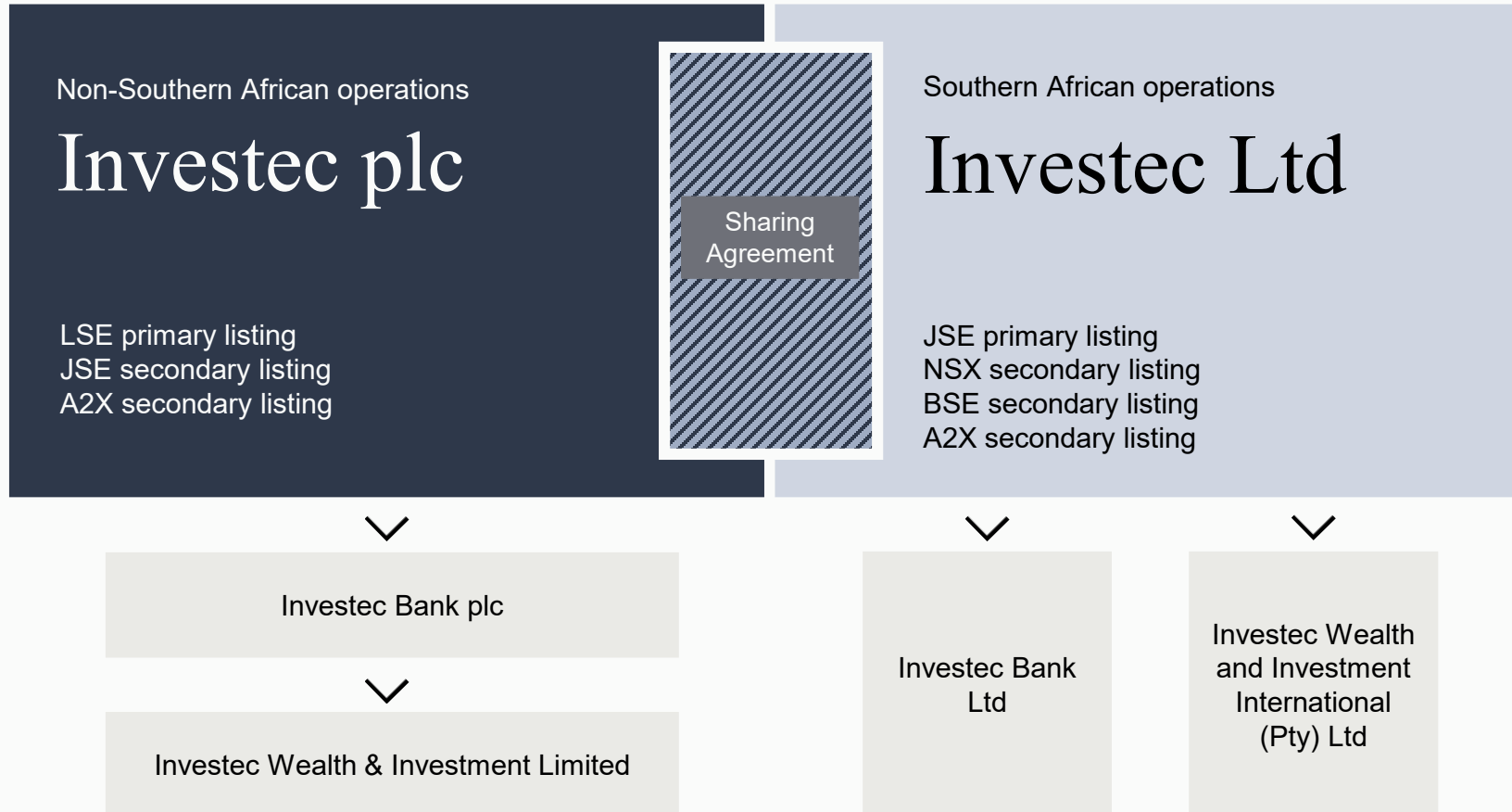
- Well capitalised and highly liquid balance sheet
- Improved capital allocation – anticipate excess capital
- Diversified mix of earnings by geography and business, with significant annuity income underpin from leading wealth business
- Clear growth opportunities through reinforcement of existing linkages across geography and business and new profit pool strategies which are underway
- Our clients have historically shown resilience through difficult macro environments
- Rightsized the cost structure of the business

# Appendix

- **Investec Dual-Listed Company structure**
- **FY2022 results**
- **Capital and liquidity**
- **Loan book and asset quality**
- **Sustainability highlights**



# 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

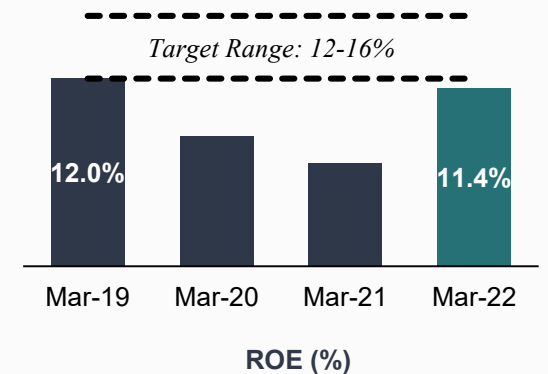
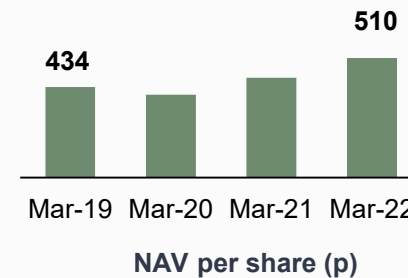
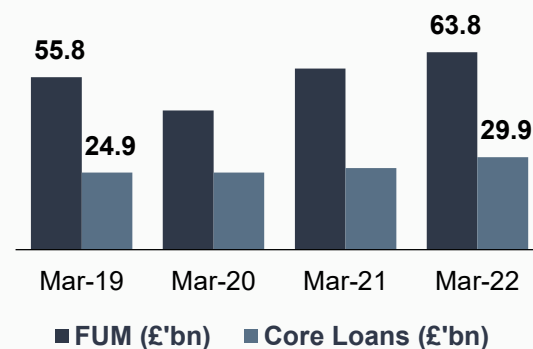
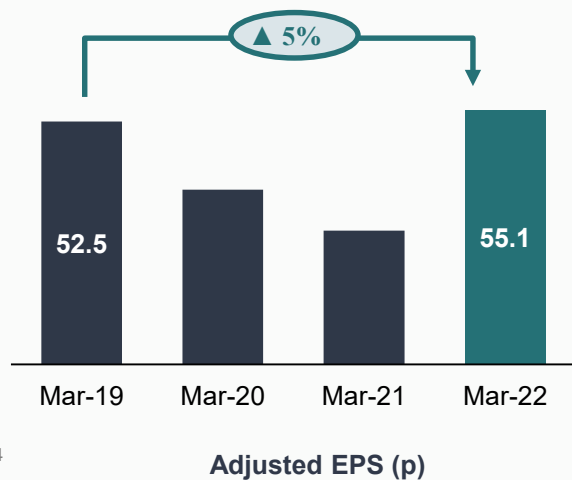
# FY2022 Results - key takeaways

**Strong earnings recovery above pre-pandemic levels**

**Highly relevant client franchises in our core geographies**

**Capital generation to support growth and create optionality**

**Positive progress towards medium-term targets**





# FY2022 Results - highlights

Adjusted earnings per share

**55.1<sub>p</sub>**

(MAR-21: 28.9P)

90.7% AHEAD OF PRIOR PERIOD

Adjusted operating profit

**£687.4<sub>mn</sub>**

(MAR-21: £377.6MN)

82.1% AHEAD OF PRIOR PERIOD

Cost to income

**63.3%**

(MAR-21: 70.9%)

Credit loss ratio

**8<sub>bps</sub>**

(MAR-21: 35 BPS)

Return on equity

**11.4%**

(MAR-21: 6.6%)

Net asset value per share

**510.0<sub>p</sub>**

(MAR-21: 458.0P)

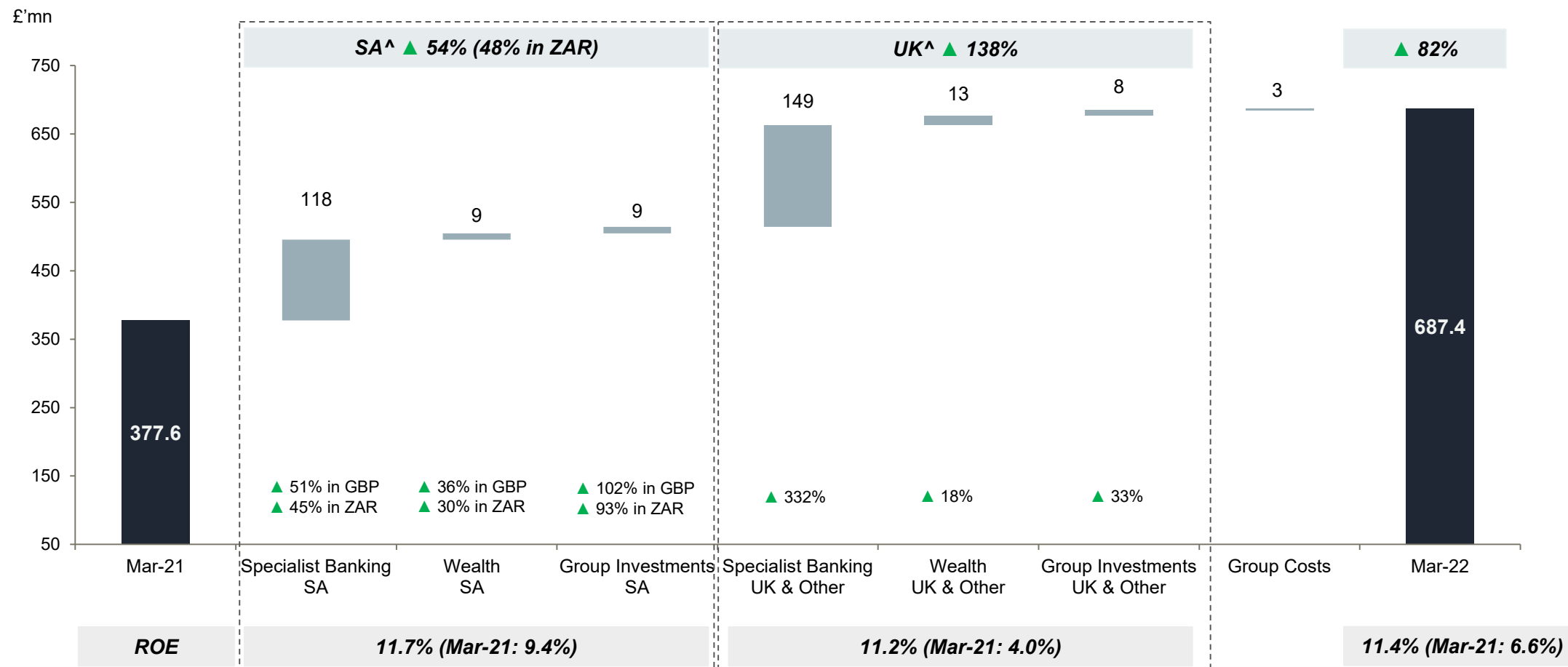
UP 11.4% SINCE MAR-21

FINAL DIVIDEND – **14p**, FULL YEAR DIVIDEND **25p**, RESULTING IN **45%** PAY OUT RATIO

SPECIAL DISTRIBUTION OF 15% IN NINETY ONE<sup>^</sup> – **34P** PER SHARE

# FY2022 results - solid underlying performance

*Adjusted operating profit\* increased across the group*



**PRE-PROVISION ADJUSTED OPERATING PROFIT INCREASED 50.1% TO £716.2 MN**



# FY2022 Results – divisional highlights

## UK & Other | Wealth & Investment

- Achieved record FUM during the period (Mar-21: £41.7bn)
- Net inflows of £1.2bn
- Adjusted operating profit up 17.9% to £87.7mn

## SA | Wealth & Investment

- Breadth and depth of product offering suitable for wealth globalisation trend
- Discretionary net inflows of R12.1bn
- Adjusted operating profit up 30.0% to R720mn

## UK & Other | Specialist Bank

- Loan book grew by 17.0% (18.5% excluding Australia) to £14.4bn
- Strong client acquisition across the business
- Adjusted operating profit substantially ahead of the prior period at £193.7mn

## SA | Specialist Bank

- Loan book up 3.9% to R298.4bn
- Elevated corporate repayments and subdued business confidence
- Adjusted operating profit 45.0% ahead of prior period at R7 104mn

## Group Investments

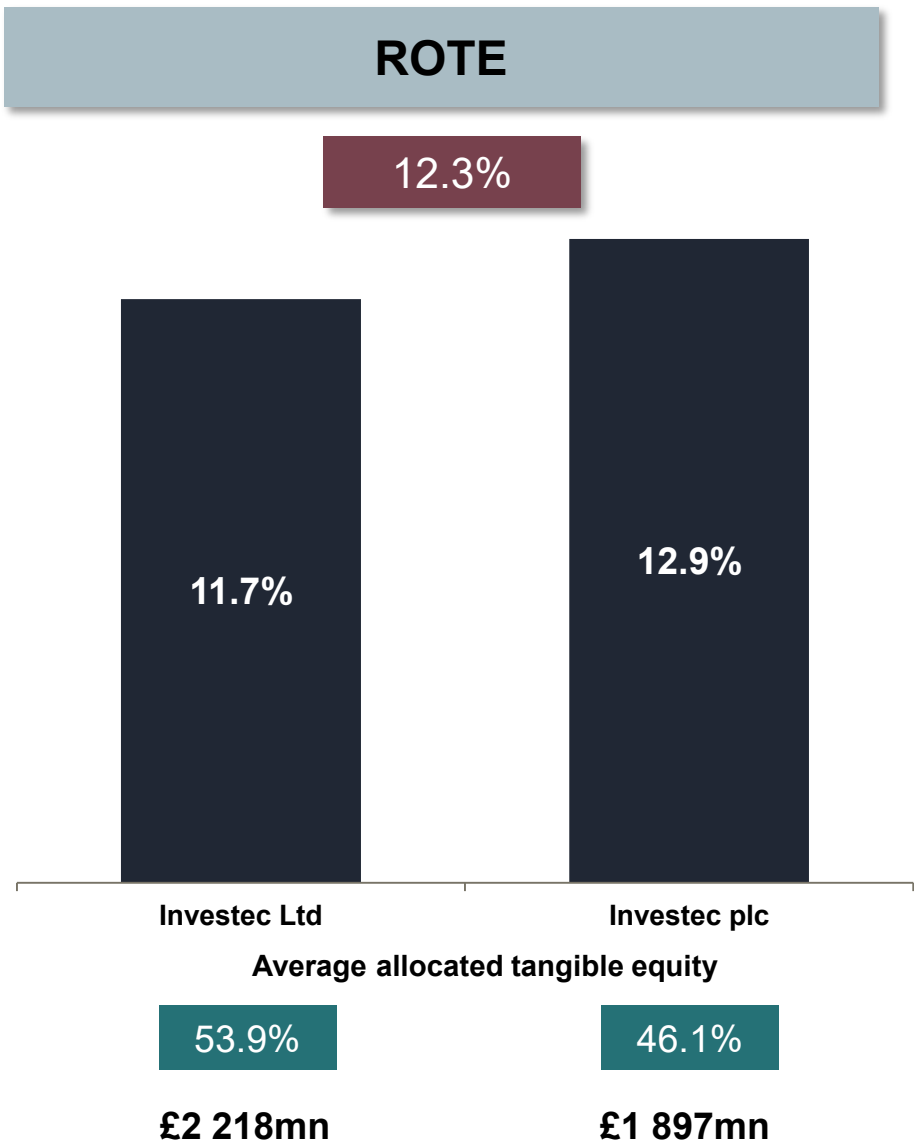
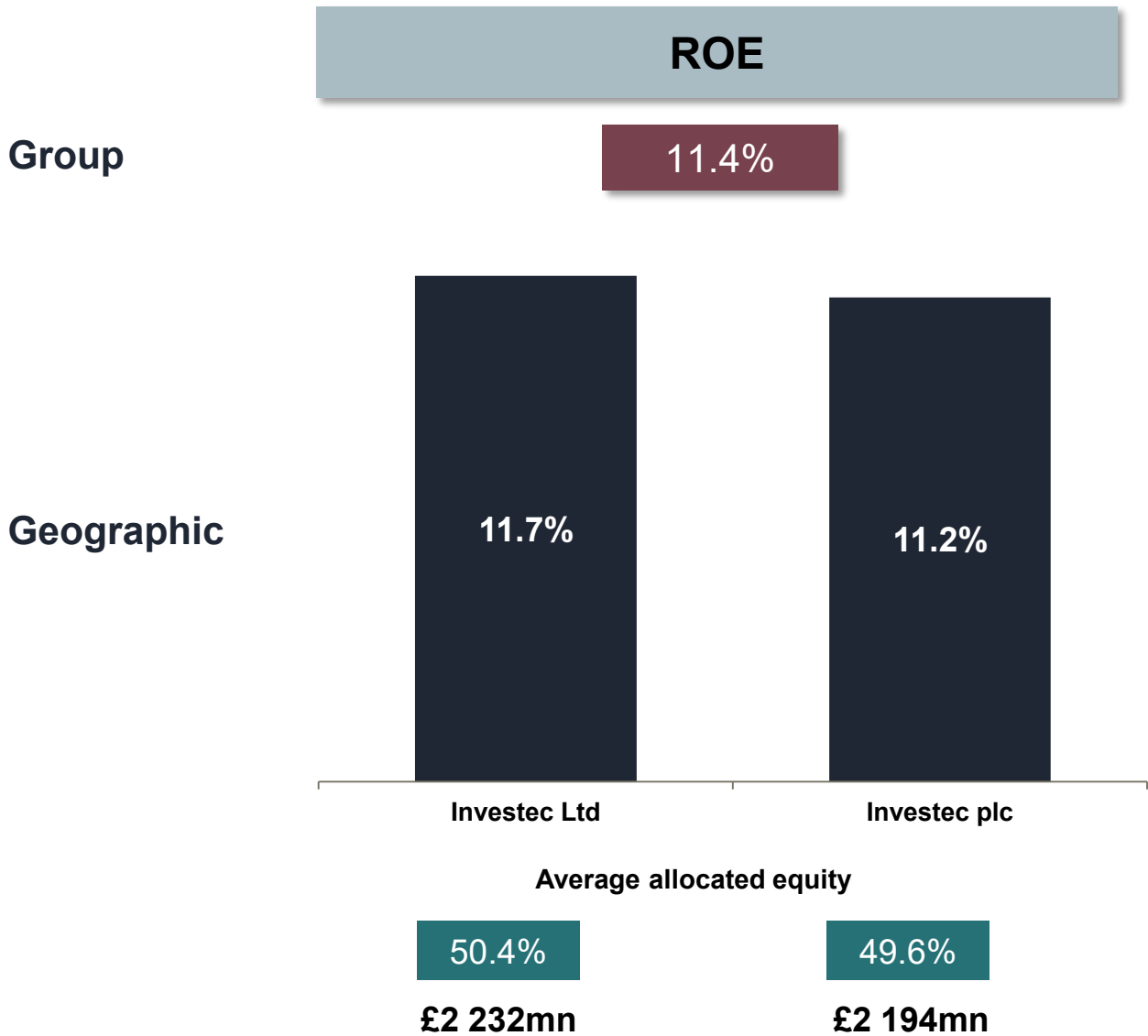
- Assets have a carrying value of £847.6mn and market value of £1 009mn\*

UK & Other | 11.2%

GEOGRAPHIC ROE %

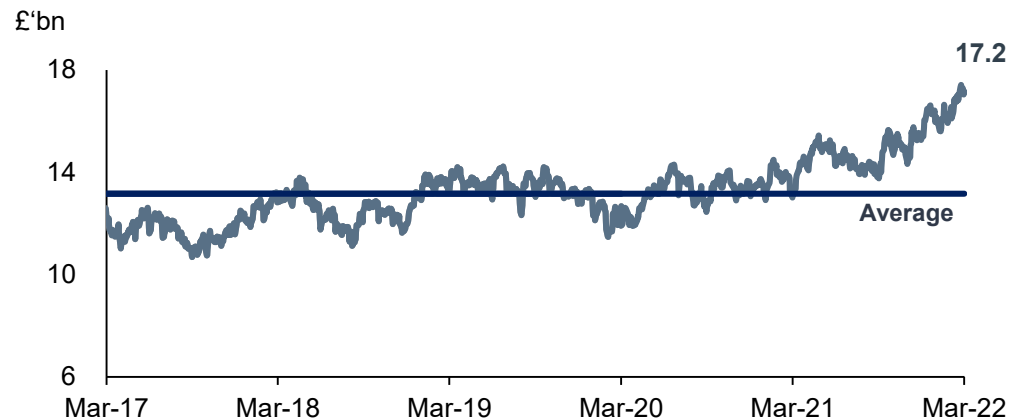
SA | 11.7%

# FY2022 results - ROE and ROTE



# Capital and liquidity

## Group cash and near cash



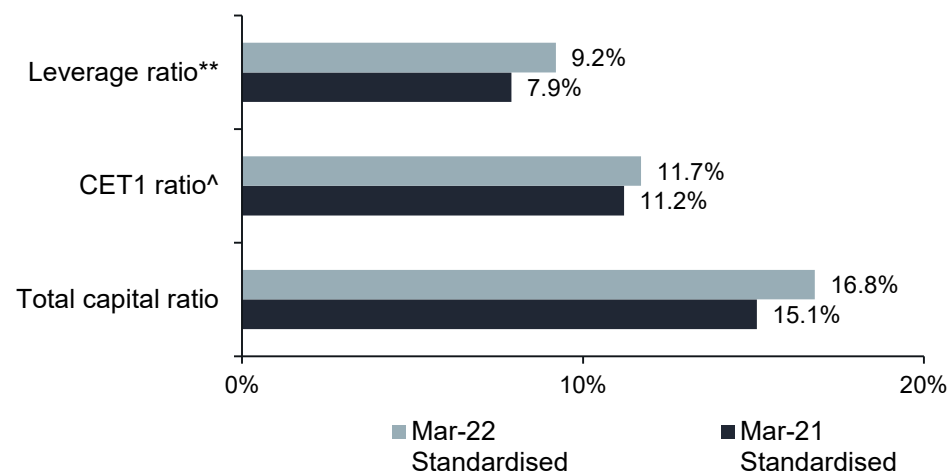
### Group liquidity summary

- High level of readily available, highly liquid assets
- Loans to customers as % of customer deposits of 73.7% (Mar-21: 75.6%)

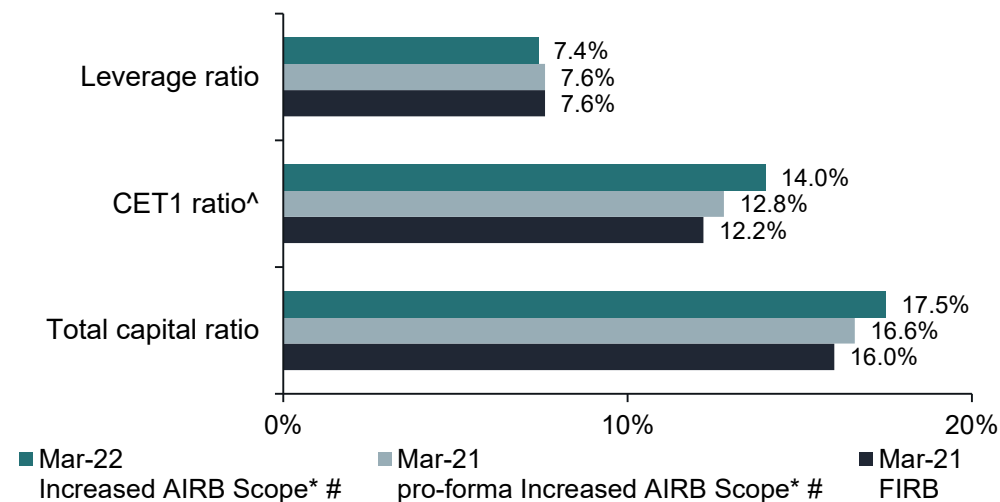
### Capital summary

- CET1<sup>^</sup> ratio above 10% target, total capital ratios within target range of 14%-17%
- Leverage ratios above group target of 6%
- Investec Limited obtained approval to adopt AIRB\* approach for the SME and corporate models effective 1 April 2021

## Investec plc capital ratios<sup>^^</sup>



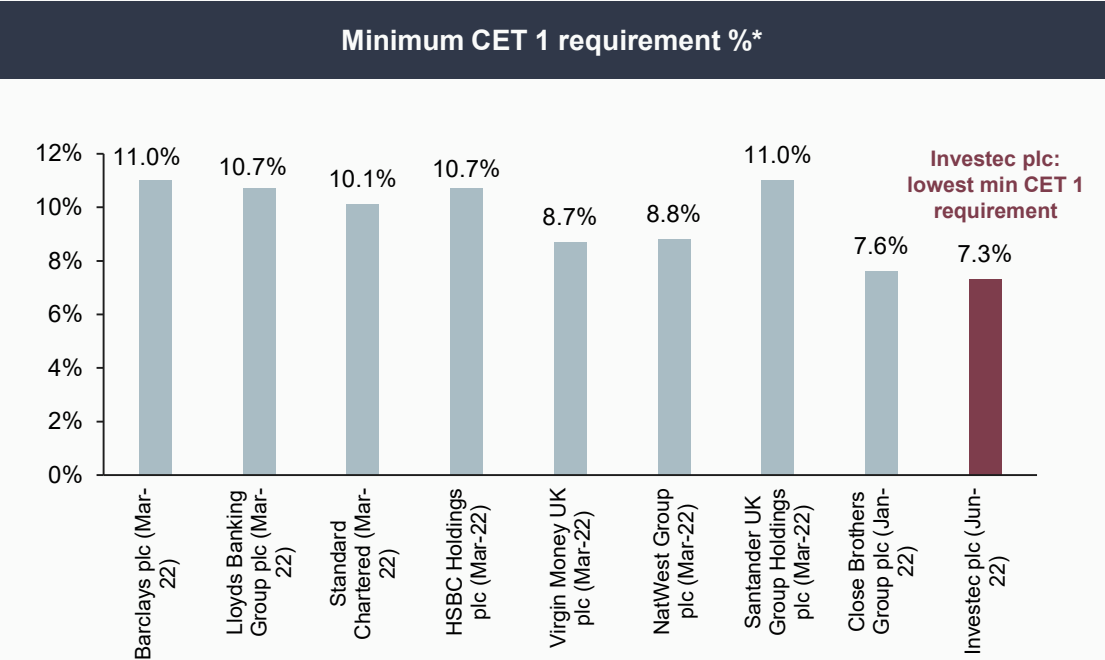
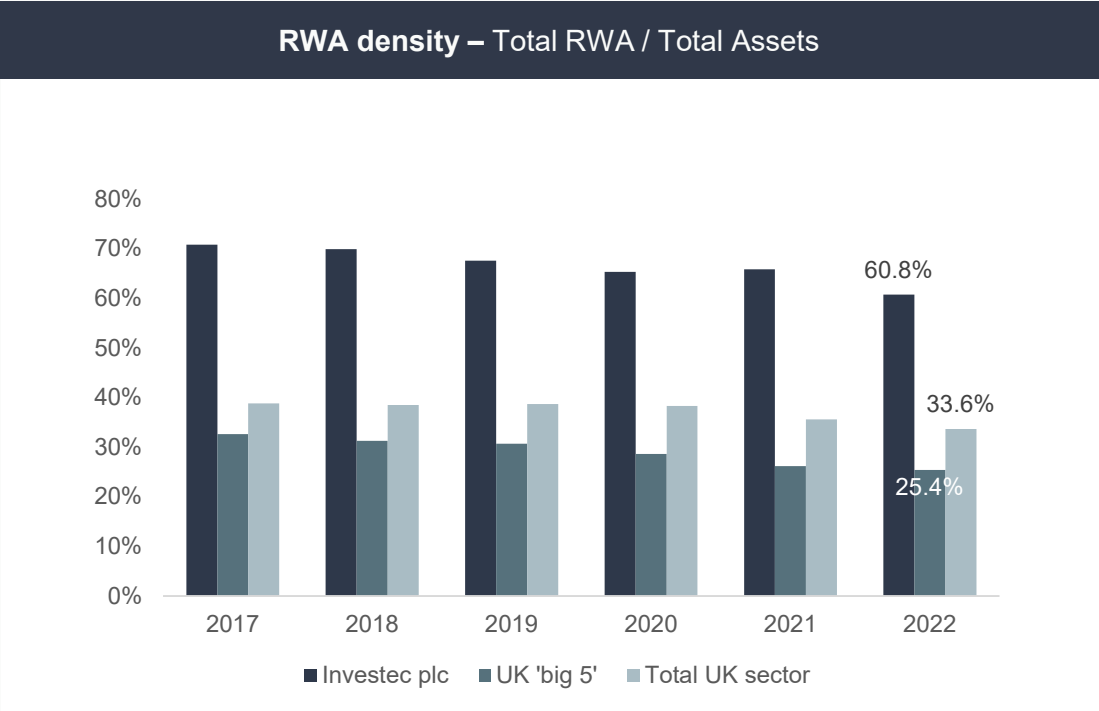
## Investec Ltd capital ratios



19 Refer to the group's results 2022 booklet for further detail on capital adequacy and leverage ratios. \*Where AIRB is Advanced Internal Ratings-Based approach \*\*The 31-Mar-22 leverage ratio is calculated applying the UK leverage ratio framework which applies to all UK firms from 1 January 2022. The 31 March 2021 comparative is calculated on a CRD IV basis. <sup>^</sup>Common Equity Tier 1. #Investec Limited received approval to adopt the Advanced Internal Ratings Based (AIRB) approach for the SME and Corporate models, effective 1-Apr-21. We presented numbers on a pro-forma basis for 31-Mar-21. On full adoption of the AIRB approach, Investec Limited's CET1 ratio at 31-Mar-22 would on a pro-forma basis increase by 200bps to c.16%. <sup>^^</sup>The capital adequacy disclosures follow Investec's normal basis of presentation so as to show a consistent basis of calculation across the jurisdictions in which the Group operates. For Investec plc this does not include the deduction of foreseeable charges and dividends when calculating the CET1 ratio as required under the Capital Requirements Regulation. The impact of this deduction totaling £44mn (31 March 2021: £25mn) would lower the CET1 ratio by 28bps (31 March 2021: 17bps).

# Investec plc – 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

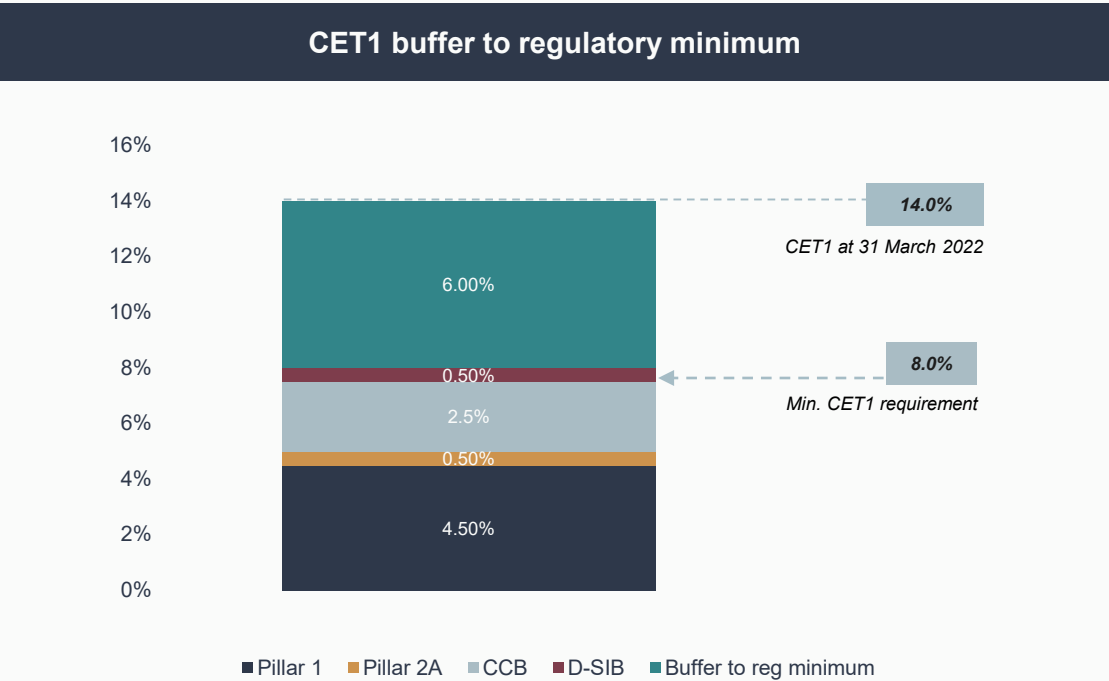
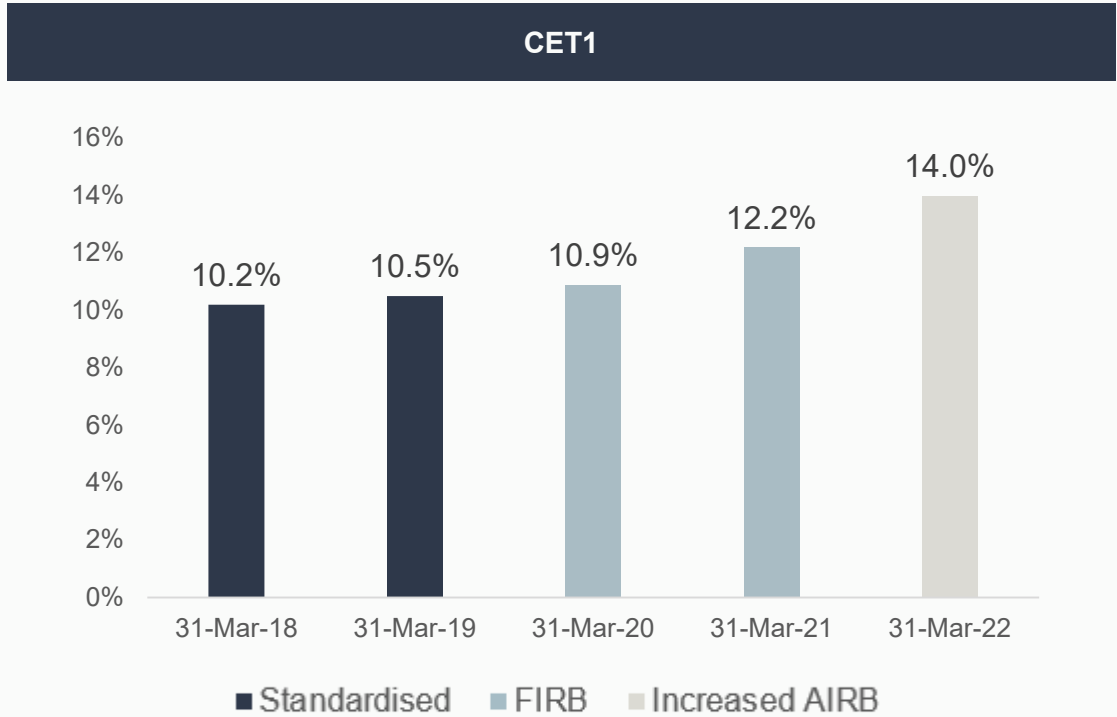


- We use the **standardised approach** for our RWA calculations – while peers are largely on the advanced approach
- The result is that our **RWA density at 60.8% is above** the sector average of 33.6%
- Our **RWA density is more than 2x higher** than the 'big 5' UK peers

- 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 (effective end June 2022, 31 Mar 2022 was 0.45%) and a 0.03% Countercyclical Capital Buffer (CCyB)
- Investec plc's reported CET1 ratio was 11.4%\*\* at 31 Mar 2022, providing a 3.9% surplus relative to the 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

Where the UK 'big 5' banks include HSBC, RBS, Lloyds, Barclays and Standard Chartered (source: Thomson Reuters - All adjusted to GBP) and the Total UK sector is per the Bank of England (source: <https://www.bankofengland.co.uk/statistics/banking-sector-regulatory-capital/2021/2021-q4>). Peers are shown at the December 2021 period as this is the closest match to the year under review. \*Information sourced from latest financial reports. \*\*After the deduction of foreseeable charges and dividends as required under the Capital Requirements Regulation. The Investec plc CET1 ratio would be 28bps higher before the deduction (i.e. 11.7% as shown on previous slides).

# Investec Limited: sound capital ratios in excess of internal and regulatory minimums



- Effective 1 April 2019, the Foundation Internal Ratings-Based (**'FIRB'**) measurement of credit capital was adopted resulting in **lower RWA density and a positive impact on Investec Limited's capital ratios**. On FIRB adoption, the pro-forma CET1 ratio uplift was 110bps
- Effective 1 April 2021, approval was received to adopt the advanced internal ratings based (**AIRB**) approach for the SME and Corporate models (Increased AIRB scope). On Increased AIRB scope adoption, the pro-forma CET1 ratio uplift was 60bps
- In the financial year ending 31 March 2022, Investec Limited made progress in the application to adopt AIRB for the measurement of capital on certain portfolios currently on the FIRB approach. On full adoption of AIRB, the pro-forma CET1 ratio is expected to increase by 200bps at 31 March 2022

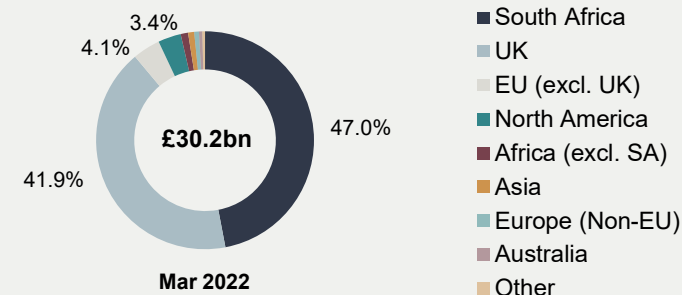
- Under our current capital requirements, Investec Limited's CET1 regulatory minimum is 8%. Our CET1 ratio was 14.0% at 31 March 2022, providing a 6.0% surplus relative to the current regulatory minimum after buffers

# Lending exposures

Credit and counterparty exposures are to a **select target market**: HNW and high income clients, mid to large corporates and public sector bodies and institutions

- The majority of exposures reside in the **UK and South Africa**
- We typically originate loans with the intent of holding these assets to maturity, thereby developing a 'hands-on' and long-standing relationship with our clients

Gross core loans by country of exposure



Gross core loans by risk category

## Southern Africa

### Corporate and other

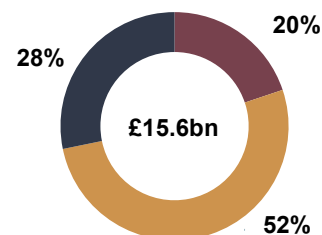
Corporate and acquisition finance	20%
Fund finance	2%
Power and infrastructure finance	2%
Small ticket asset finance	2%
Aviation finance	1%
Other corporate and financial institutions and governments	1%

### Lending collateralised by property

Commercial real estate	18%
Residential real estate	2%

### High net worth and other private client

HNW and private client - mortgages	28%
HNW and specialised lending	24%



## UK and other

### Corporate and other lending

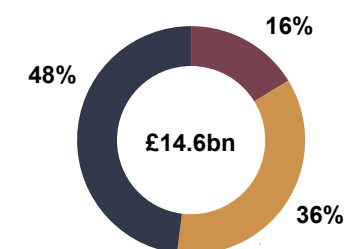
Corporate and acquisition finance	13%
Small ticket asset finance	10%
Fund finance	9%
Motor finance	5%
Power and infrastructure finance	3%
Other corporate and financial institutions and governments	3%
Asset-based lending	3%
Aviation finance	2%

### Lending collateralised by property

Commercial real estate	11%
Residential real estate	5%

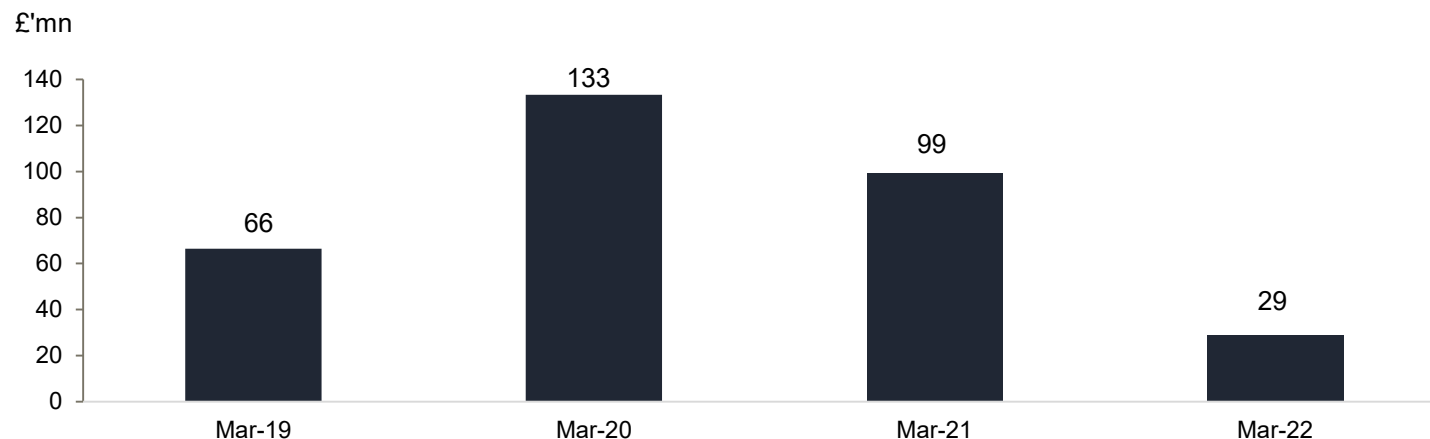
### High net worth and other private client

HNW and private client - mortgages	29%
HNW and specialised lending	7%

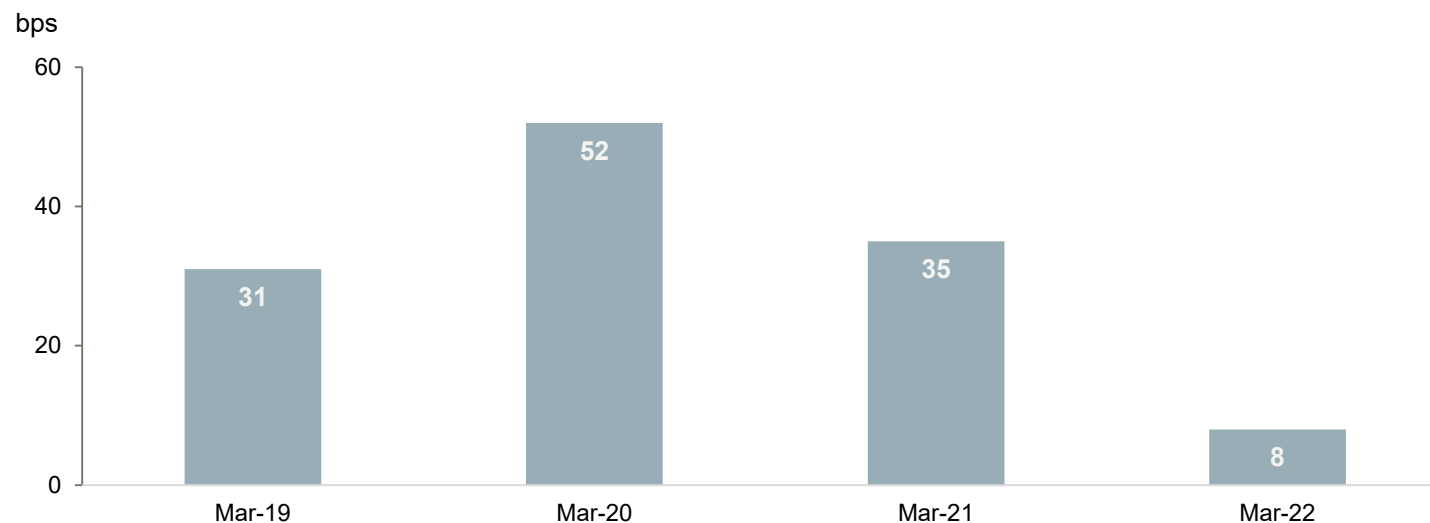


# Significant reduction in ECL impairment charges & CLR

## Total ECL impairment charges



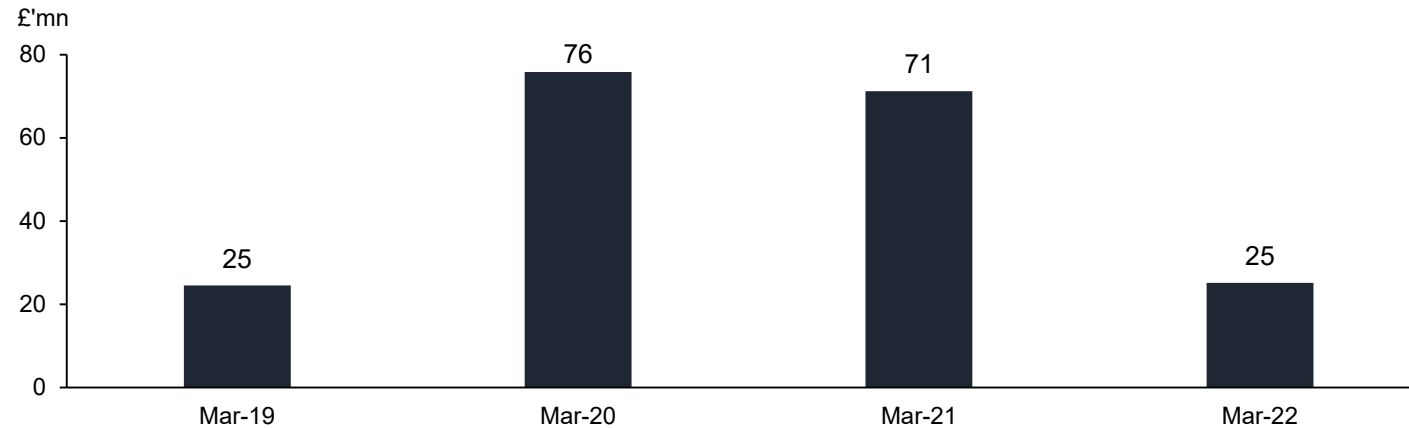
## Credit loss ratio



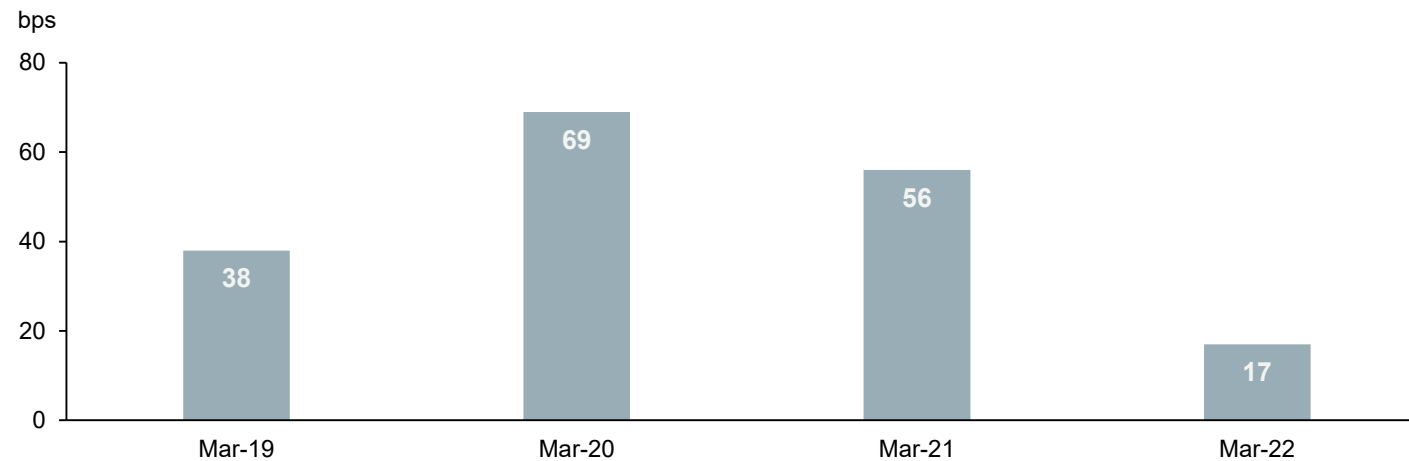
- ECL charges down 71.0% to £28.8mn (Mar-21: £99.4mn)
- CLR reduced to 8 bps from 35 bps at Mar-21, below the through-the-cycle (TTC) range of 25-35 bps
- Driven primarily by:
  - Limited default experience,
  - Good recoveries in South Africa, and
  - Improved forward-looking macro-economic scenarios relative to prior year
- A level of management overlay has been maintained given the uncertain economic outlook

# Unpacking the credit loss ratio - UK

## Investec plc total ECL impairment charges



## Investec plc credit loss ratio

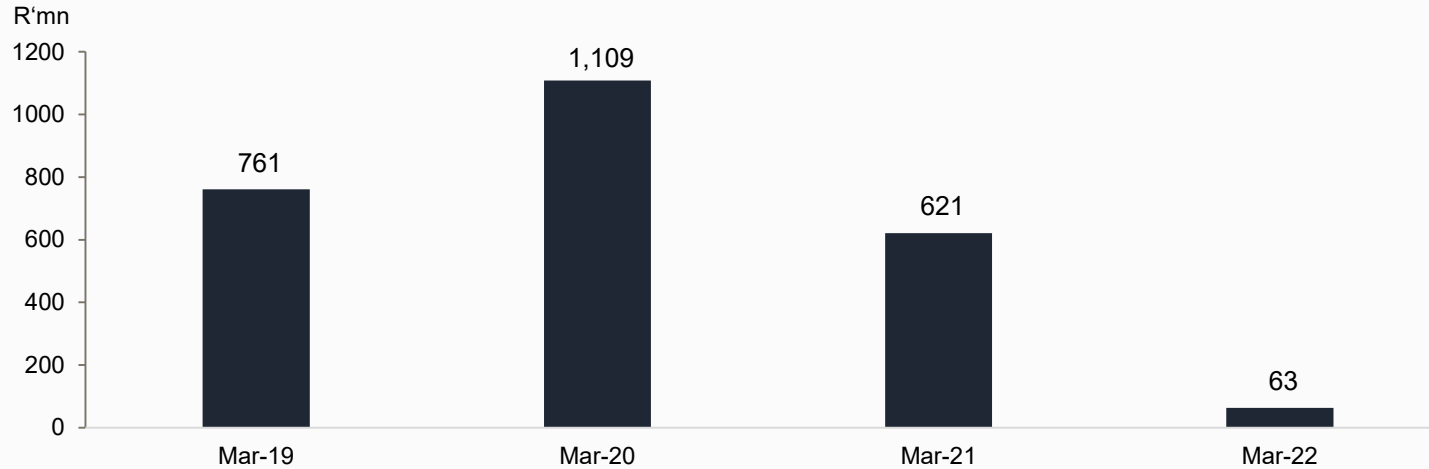


- CLR reduced to 17 bps from 56 bps at Mar-21, below the TTC range of 30-40 bps
- Total ECL charges of £25mn (Mar-21: £71mn) mainly driven by:
  - Lower specific impairments
  - Net model releases due to updated macro-economic scenarios
  - Modest management overlay increase to account for continued economic uncertainty

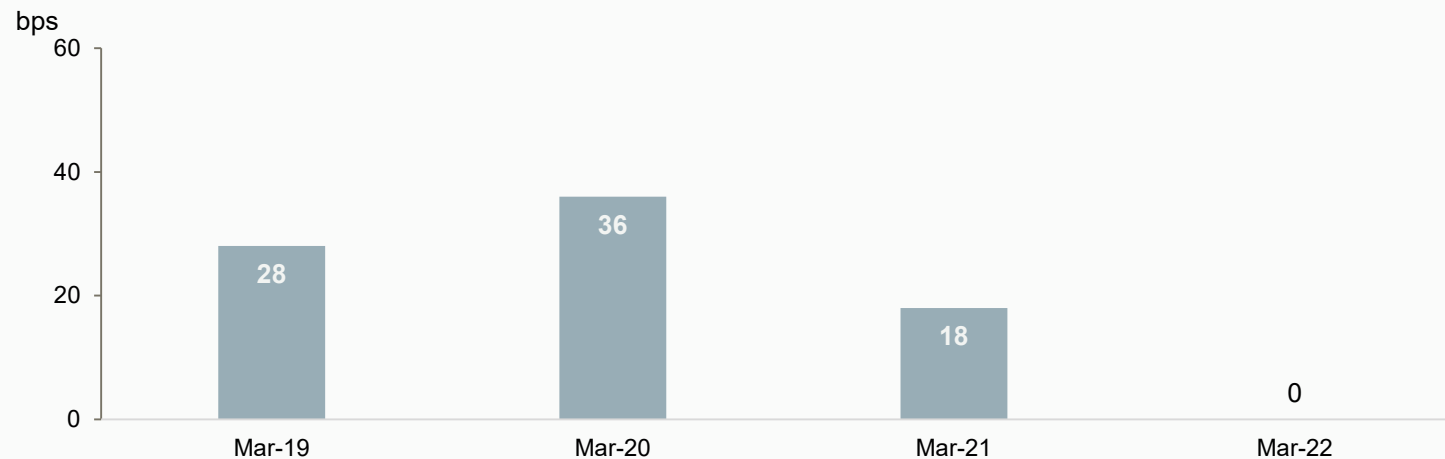


# Unpacking the credit loss ratio - SA

## Investec Ltd total ECL impairment charges



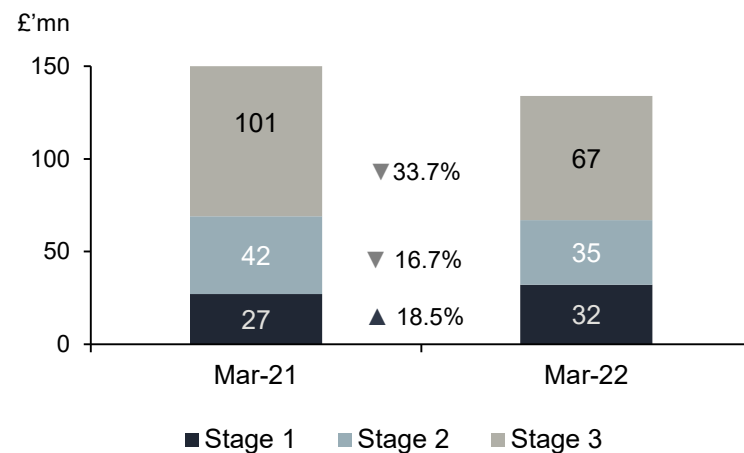
## Investec Ltd credit loss ratio



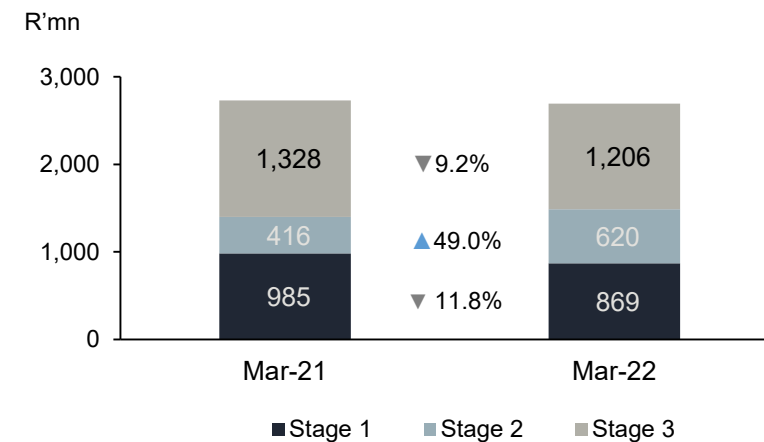
- CLR reduced to 0 bps from 18 bps at Mar-21, below the TTC range of 20-30 bps, driven primarily by:
  - Limited default experience,
  - Good recoveries, and
  - Release of R71mn management overlay given credit performance and stable to improved macro-economic outlook relative to FY2021

# Balance sheet provisions

## Investec plc balance sheet ECL provision



## Investec Ltd balance sheet ECL provision



## Investec plc ECL coverage ratio %

	Mar-21	Mar-22
Stage 1	0.3%	0.3%
Stage 2	3.4%	3.5%
Stage 3	30.4%	23.0%
of which Ongoing Stage 3	26.8%	16.7%

## Investec Ltd ECL coverage ratio %

	Mar-21	Mar-22
Stage 1	0.4%	0.3%
Stage 2	2.8%	3.5%
Stage 3	17.9%	21.4%

# Sustainability highlights

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

## PROGRESS MADE ON OUR IMPACT SDGs



### Net-Zero commitments

Implemented a focused project to understand our Scope 3 financed emissions and **establish a baseline**, strategy and targets to reach net-zero

Joined **UN-Convened Net-Zero Banking Alliance**

W&I joined **Climate Action 100+**



### Equality commitments

#### Board

**43%**  
ethnicity

#### Transformation

**43%**  
women

#### Sustainable finance

**Level 1**  
B-BBEE rating

#### Sustainable finance

Anchor LP investor in an **impact fund** focused on EM infrastructure

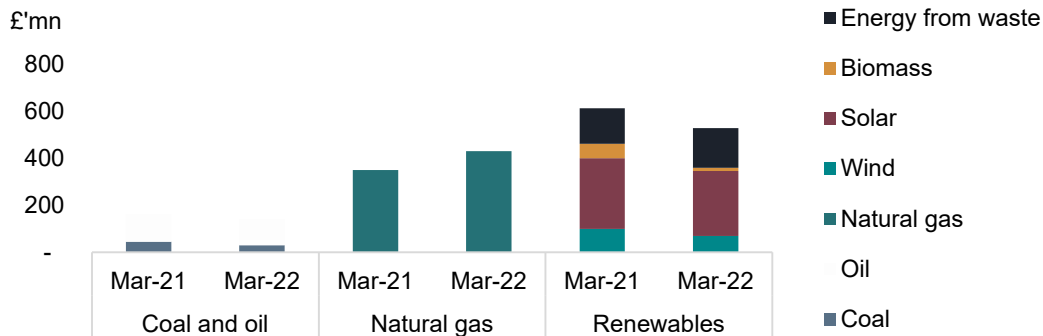
## MINIMAL LENDING TO COAL

**0.10%**

**Coal exposure** (at £31mn down from £45mn) as a percentage of gross core loans (Mar-21: 0.17%).

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

### Group energy exposure



## SUSTAINABLE FINANCE

### Investec plc

**\$600mn**

Raised for Investec Bank plc through **sustainability linked loan**. (3x oversubscribed)

### Investec Limited

**\$600mn**

Raised for Investec Bank Limited through **Sustainability linked Loan**. (2.5x oversubscribed)

### Investec Wealth & Investment

**\$35mn**

Raised by Investec Wealth & Investment at 31 March 2022 through the launch of a Global Sustainable Equity Fund

**R1bn**

Issued a **green bond** for Investec Bank Limited raising R1bn to refinance five green renewable energy projects (3.8x oversubscribed)

## RATINGS

**16.6**

**Low-risk Sustainability** rating. Placing us in the Top 13% of the banking industry

**AAA**

Top 2% in the financial services sector in the **MSCI Global Sustainability Index**

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

# Sustainability highlights

Aligns with our broader aspiration to **positively address inequality and climate change** by focusing on doing well and doing good

Our approach is aligned to our purpose to create enduring worth, living in, not off, society

1.

Positively contribute to the Sustainable Development Goals

2.

Operate responsibly and ethically and within the planetary boundaries

3.

Partnering with our clients and philanthropy partners to maximise positive impact

4.

Providing profitable, impactful and sustainable products and services

5.

Actively advocating for industry alignment and best practice

ENABLED THROUGH

## Strong governance

- Implemented a more holistic ESG framework linked to **executive remuneration**
- Deepened our ESG skills** on the Group Board with the addition of two new non-executive directors
- Received a **low-risk rating** from Sustainalytics (16.6)

## Innovative sustainable finance

Core SDGs	Climate action	13 CLIMATE ACTION	Published baseline Scope 3 financed emissions	0.10% coal as a % of loans and advances	A proud participant of Climate Action 100+ Investec Wealth & Investment	Committed to NZBA
	Reduced inequalities	10 REDUCED INEQUALITIES	43% women on the board	43% board ethnic diversity	Level 1 BBBEE rating	4 <sup>th</sup> 2021 Universum employer of choice: students

Some examples of how we supported the SDGs since April 2021

Supporting SDGs	4 QUALITY EDUCATION	£7.75mn	7 AFFORDABLE AND CLEAN ENERGY	R1bn	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	€600mn
	6 CLEAN WATER AND SANITATION	R1.65bn	8 DECENT WORK AND ECONOMIC GROWTH	£1.2bn	11 SUSTAINABLE CITIES AND COMMUNITIES	€215mn

Sustainability Linked Loan to a client providing professional learning and development programmes

Green bond issued for renewable energy projects (3.8x oversubscribed)

Co-arranged finance for Ghana railway on behalf of Ghana's Ministry of Finance

To secure South Africa's water resources through Trans Caledon Tunnel Authority

Funding through the Bank of England's Term Funding Scheme for SMEs

Arranged finance for TWO major hospital projects in Ghana

## Strong ESG ratings

Sustainability Yearbook  
Member 2021  
S&P Global

Top 15% in the global diversified financial services sector (inclusion since 2006)



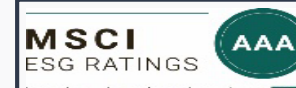
Score B against an industry average of B (formerly Carbon Disclosure Project)



16.6 low risk rating  
Top 16% of globally assessed companies in the Global Sustainability Leaders Index



Top 20% of the ISS ESG global universe and  
Top 14% of diversified financial services



Top 2% in the financial services sector in the MSCI Global Sustainability Index



Included in the FTSE UK 100 ESG Select Index (out of 641)  
Included in the FTSE4Good Index