Investec Group Overview

November 2020

The information in this presentation relates to the six months ended 30 September 2020 (1H 2021), unless otherwise indicated.

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Overview of Investec

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

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	

2
Principal geographies
(SA & UK)

2
Core areas of activity
(Specialist Banking and Wealth & Investment)

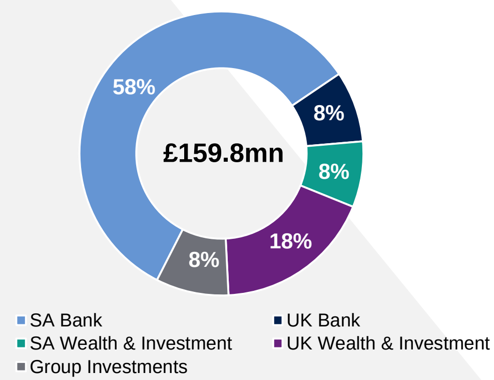
8,500+
Employees

£25.2bn
Core loans

£32.6bn
Customer deposits

£52.0bn
Third party funds under management

Six months ended 30 Sep 2020
Adjusted operating profit*
(excluding group costs)



Note: All figures on this page relate to the group's continuing operations at 30 Sep 2020.
* Operating profit before goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.

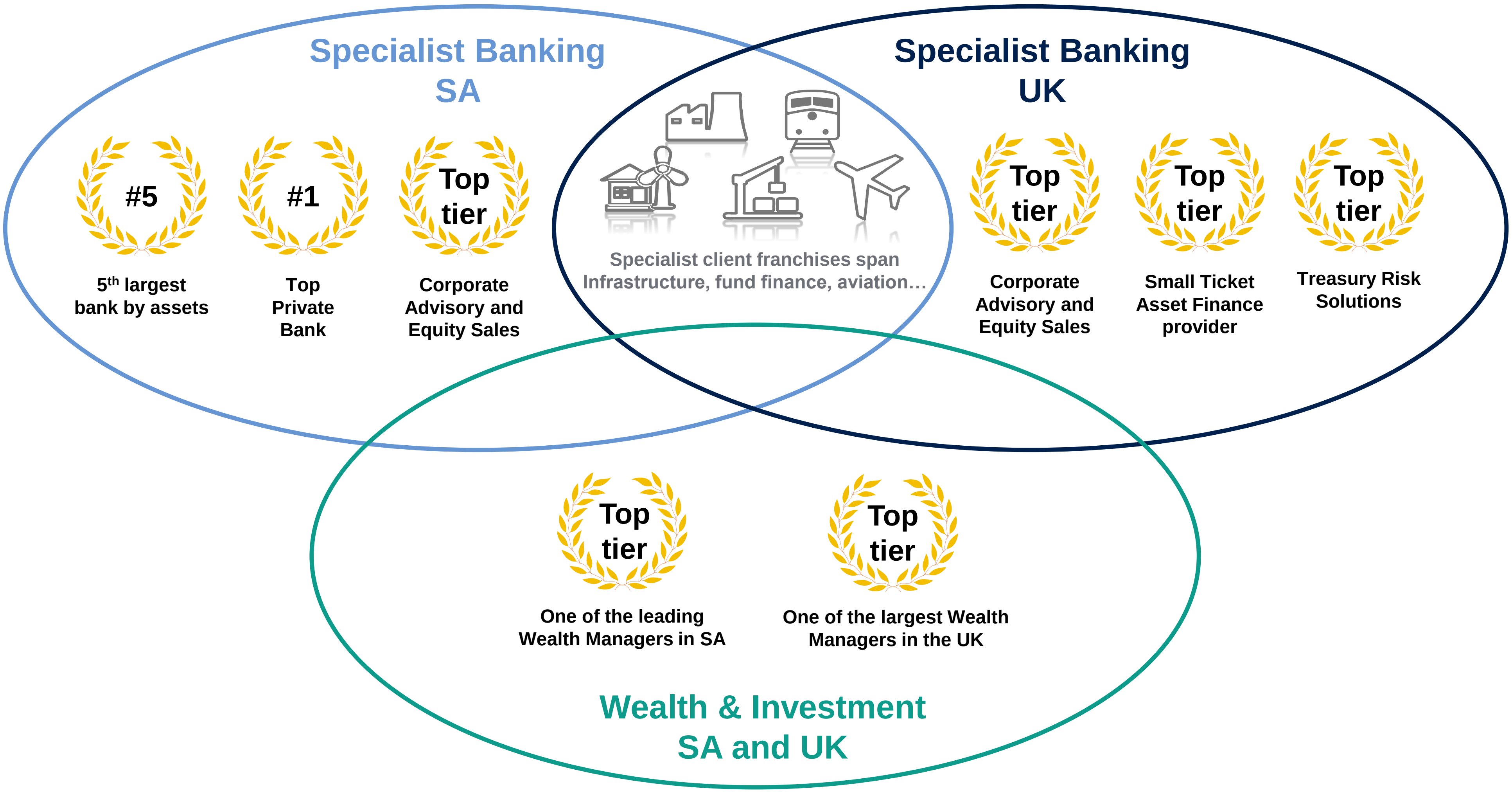
Investment case

Poised to deliver shareholder value in the long term

1. **Clearly articulated plan to improve returns, underpinned by:**
   - Increased focus on capital discipline and cost rationalisation
   - Reinforcement of the existing linkages between bank and wealth businesses and the UK and South African operations
   - Strategies to participate in new profit pools which are underway and gaining traction
2. **Well capitalised and highly liquid balance sheet, both ahead of regulatory and internal targets**
3. **Specialist bank has leading client franchises in chosen niches / areas of specialisation**
4. **Leading wealth management franchises in both the UK and South Africa, underpinning steady annuity income**
5. **Our clients have historically shown resilience through difficult macro environments**
6. **Strategy to manage down direct equity investments de-risks future performance and improves earnings visibility**

Market-leading specialist client franchises

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

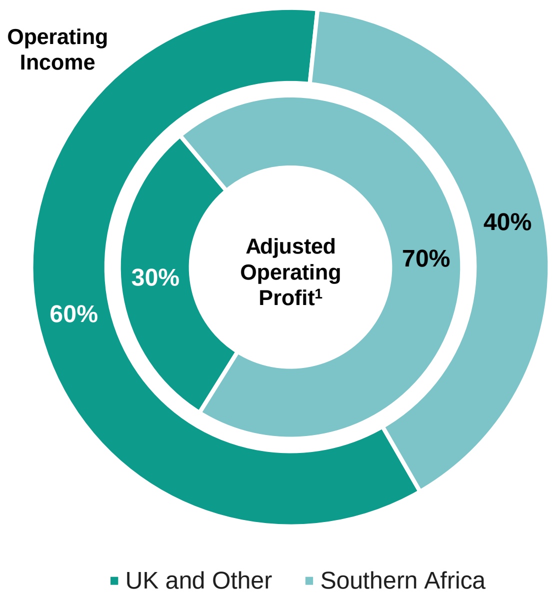


Diversified mix of businesses

Diversified geographic business with diverse income streams

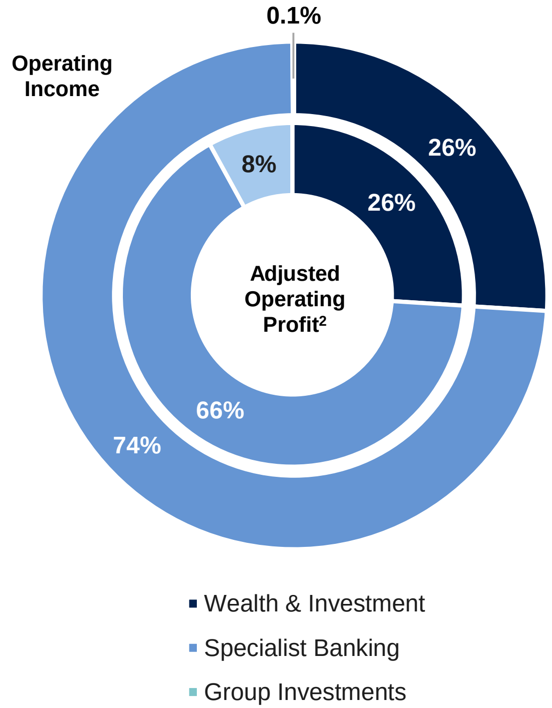
Geography

Sep 2020



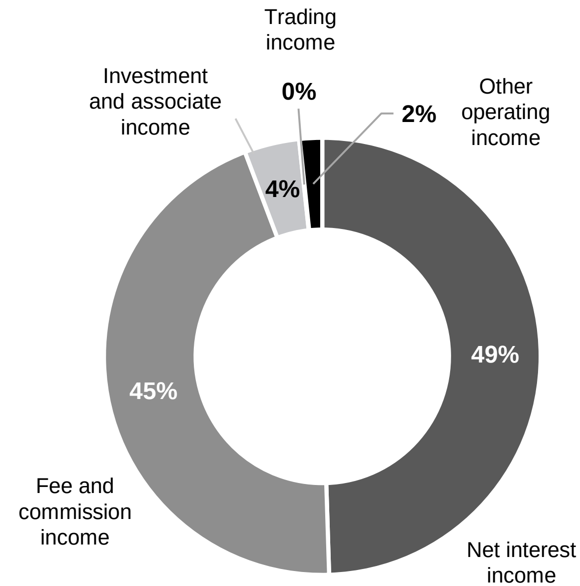
Business

Sep 2020



Income stream

Sep 2020



[1] Operating profit before goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.
[2] Operating profit before group costs, goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.

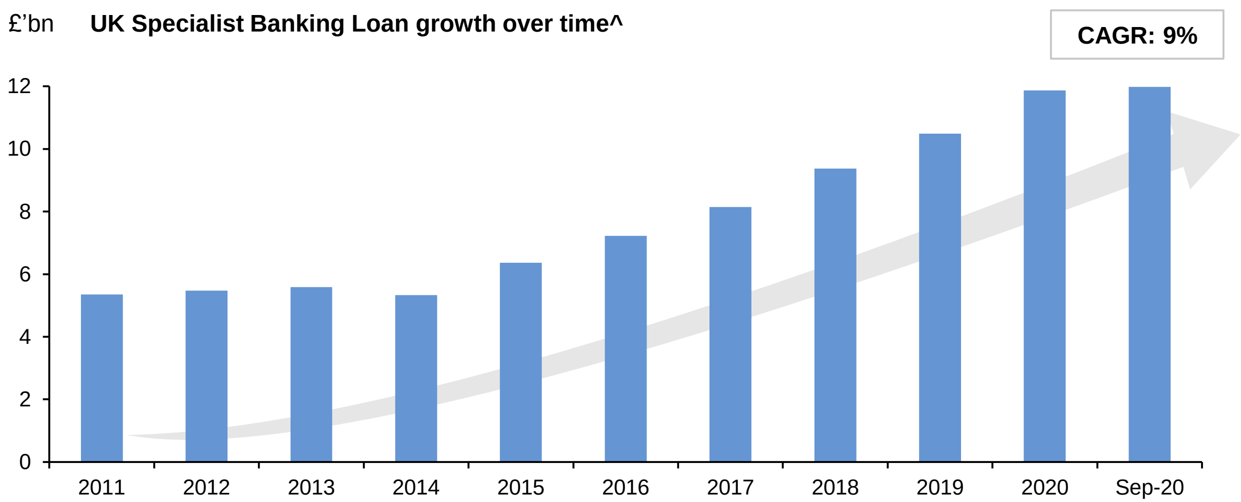
Specialist Banking UK

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

UK Specialist Banking

Retail Banking	Private Banking	Corporate Banking	Investment Banking
Award-winning, innovative Savings products for **mass affluent** clients	For **high net worth** clients that need a banking-partner to grow their wealth	For **UK private companies** who require agile, personalised service, tailored to meet their needs	For **UK listed corporates and financial sponsor-backed businesses** looking for boutique service with 'bulge bracket' capability, as well as **international specialist sector clients** seeking deep expertise
Lending, capital, savings, transactional banking, and foreign exchange		Capital, advice and ideas, risk management and treasury solutions	

£'bn **UK Specialist Banking Loan growth over time^**



Permanent employees	**c.2,400**
% Contribution to adjusted operating profit* of Investec	**c.8%**
% Contribution to loan book of Investec	**c.48%**

^Loan growth shown above on an ongoing basis (excluding UK Specialist Bank legacy assets and businesses sold), except from the 2019 year onwards which is on a statutory basis.
*Operating profit before group costs, goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.

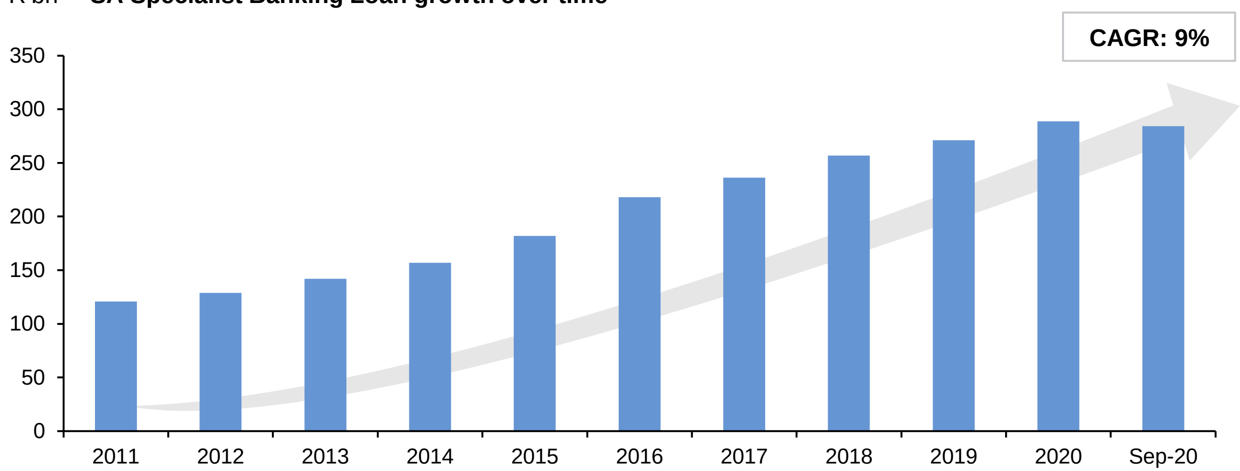
Specialist Banking SA

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

SA Specialist Banking

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

R’bn **SA Specialist Banking Loan growth over time**



Permanent employees	**c.4,000**
% Contribution to adjusted operating profit* of Investec	**c.58%**
% Contribution to loan book of Investec	**c.52%**

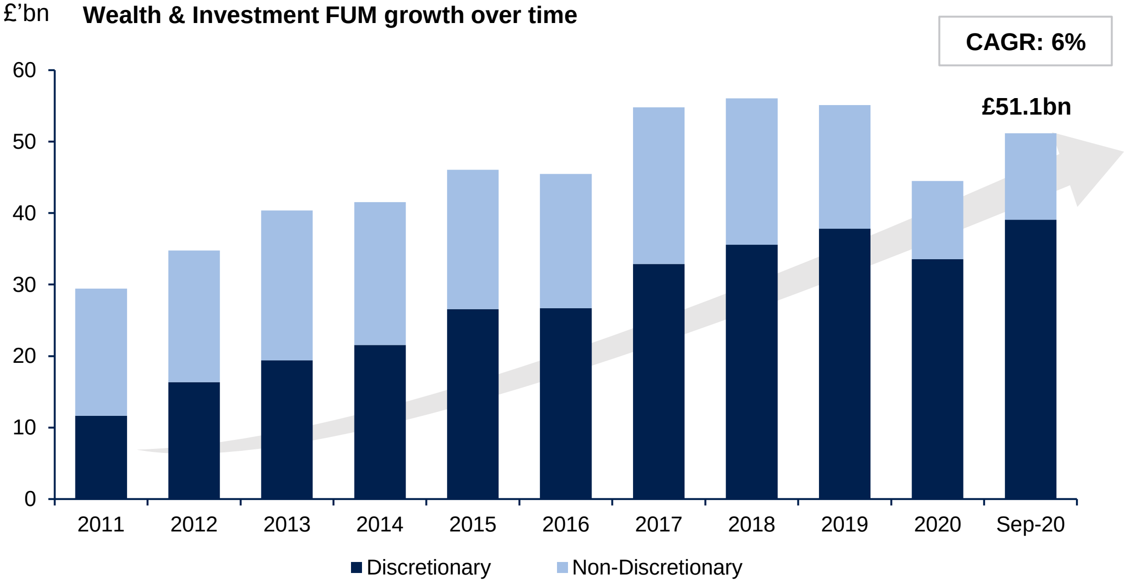
*Operating profit before group costs, goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.

Offering scale, international reach and depth of investment processes

UK and SA Wealth & Investment

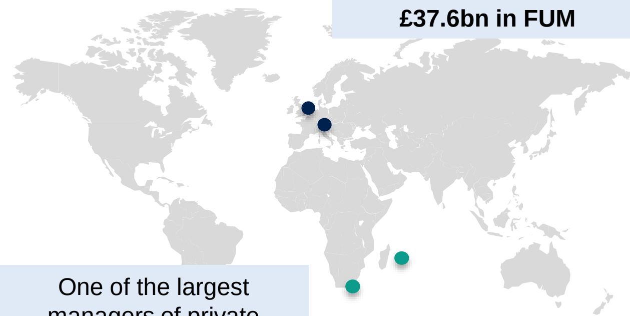
For **domestic and international private clients** and **clients of professional advisors** looking for a holistic approach to help grow and preserve their money	For **charities and trusts** that require expert and bespoke investment management services
Discretionary and advisory portfolio management, financial planning advice, retirement and succession planning, specialist portfolio management services for international clients	Specialist investment management services, bespoke advice and independent financial reviews

£'bn **Wealth & Investment FUM growth over time**



One of the leading private client investment managers in the UK

£37.6bn in FUM



One of the largest managers of private wealth in SA

£13.6bn in FUM

Initiatives to enhance shareholder returns

We are focused on five key initiatives to enhance returns for shareholders

1 Capital Discipline

More disciplined approach to capital allocation

- Rightsizing the direct equity investment portfolio in line with our stated strategy
- Aggregate investment sell down in our direct equity portfolio since our Capital Markets Day in Feb 2019 of c.R1.1bn in South Africa
- AIRB application submitted in SA: c.2% CET1 uplift expected for Investec Limited

2 Growth Initiatives

Clear set of opportunities to deliver revenue growth

- Continue growing scale in our UK Private Banking business
- Launched online business banking in South Africa, and are starting to acquire clients – progressing our corporate strategy
- Expansion of Financial Planning and Advice in Wealth business – new Investment Management team focused on UK Bank HNW clients
- Continue growing scale in our core client franchises

3 Cost Management

Improved management of cost base

- Continued review of subscale operations:
  - Concluded sale of the IAPF management company
  - Completed a JV partnership for our India business with the largest bank in India
- Group costs expected to be £35mn in FY 2021 (down 24% or £11mn since CMD)
- UK Specialist Banking fixed costs reduced by £40mn since CMD and expected to decline in the medium term

4 Connectivity

Drive greater connectivity throughout the organisation

- One Place ™ in SA
- Build out of My Investments in SA
- Launched Investec for Intermediaries / Advisers
- Integration and collaboration between Investec Life and Private Bank in SA
- Global Investment Strategy integrating investment process across the regions
- Closer integration of business enabling functions in UK Bank
- One Investec offering to target client groupings

5 Digitalisation

Continue to invest in digital capabilities

- Launch of the Investec for Intermediaries mobile app
- Build out of Investec Business Online in SA
- Launch of new digital savings proposition and Online Flexi Saver product
- Continued to enhance the iX digital proposition
- New mobile app for UK private clients' banking and wealth management needs

Financial highlights for the six months ended 30 Sep 2020 (1H 2021) – continuing operations

Adjusted operating profit

£142.5mn

(Sep-19: £276.3mn)

48.4% behind prior period

Adjusted Earnings per share

11.2p

(Sep-19: 22.4p)

50.0% behind prior period

Net Asset Value per share

433.5p

(Mar-20: 414.3p)

Up 9.3% annualised since March 2020

Return on Equity (ROE)

5.3%

(Sep-19: 10.7%)

Cost to Income ratio

72.0%

(Sep-19: 67.0%)

Credit Loss ratio

47bps

(Sep-19: 23bps)

Interim dividend 5.5p (1H 2020: 11.0p), *1H 2020 results included 80% attributable earnings from Ninety One*

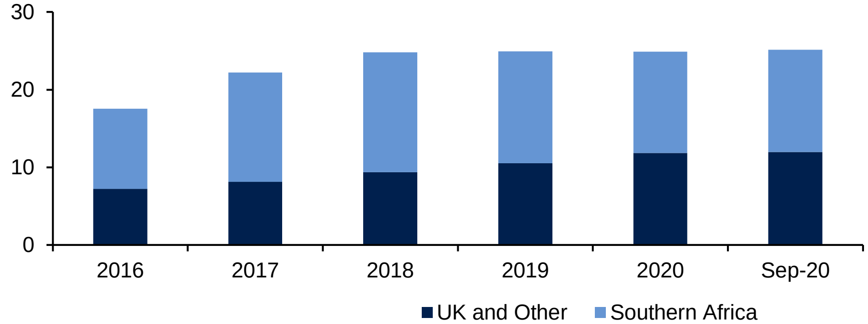
Note: Adjusted operating profit is operating profit before goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.

Earnings drivers and financial position

Strong momentum across our businesses, underpinned by our high-quality client franchises

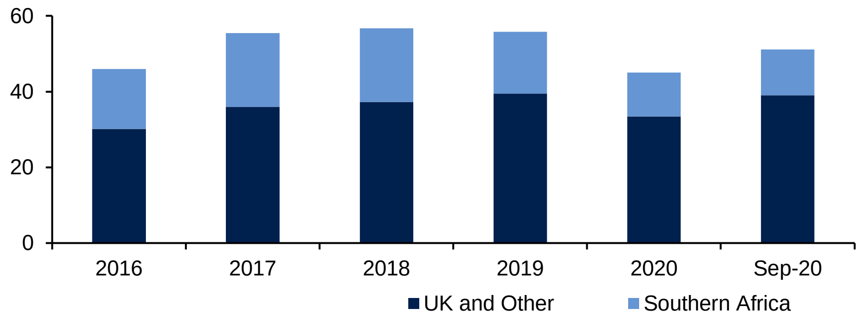
Stable key earnings drivers…

Net core loans
£'bn



Net core loans have grown from **£17.5bn** in 2016 to **£25.2bn** in Sep 2020, **a CAGR of 8%**

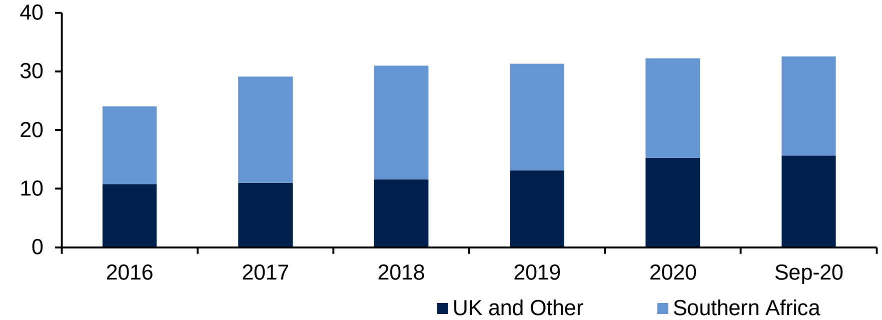
FUM
£'bn



Third party funds under management totaled **£51.1bn** at 30 Sep 2020*

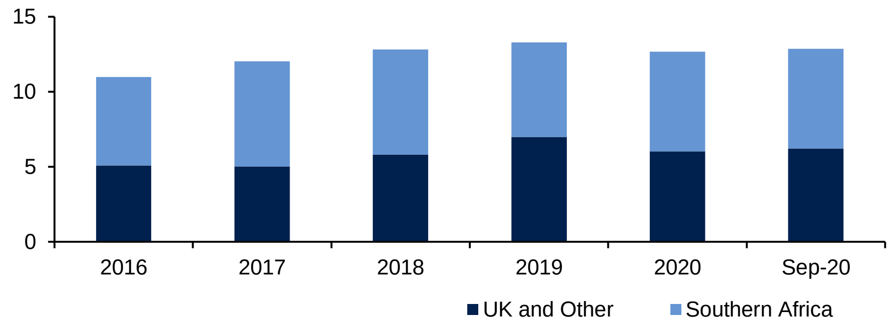
…supported by robust balance sheet

Customer deposits
£'bn



Customer deposits have grown from **£24.0bn** in 2016 to **£32.6bn** in Sep 2020, **a CAGR of 7%**

Cash and near cash balances
£'bn



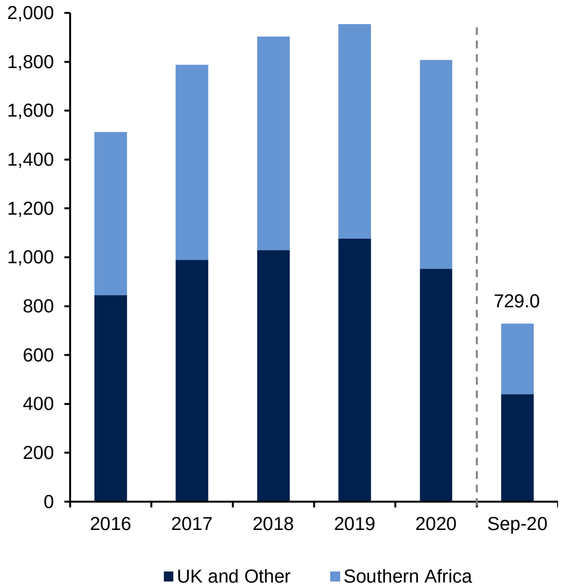
Robust balance sheet, with significant portion of cash and near cash balances of **£12.9bn** at 30 Sep 2020

Information on this slide is based on the results of the ongoing business (excluding UK Specialist Banking legacy assets and businesses sold) and excluding IAM, unless otherwise specified. Information from March 2019 onwards is based on statutory results. *The Irish Wealth & Investment business, which was sold during FY2020, included funds under management of £2.4bn at 31 March 2019.

Operating income and costs

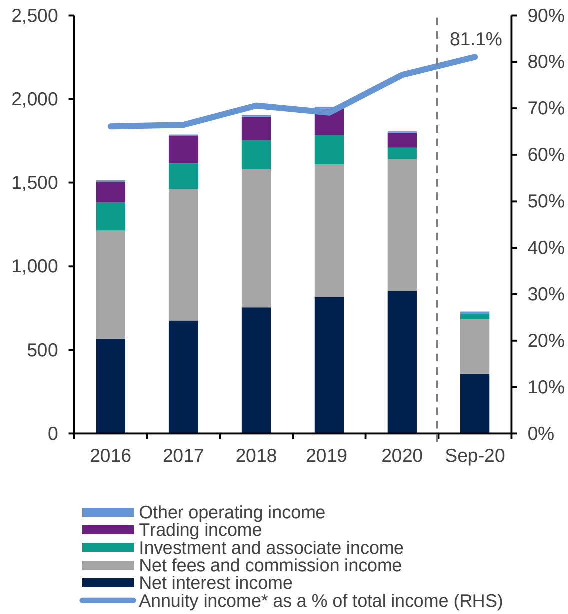
Resulting in a stable revenue base

Operating Income
£'mn



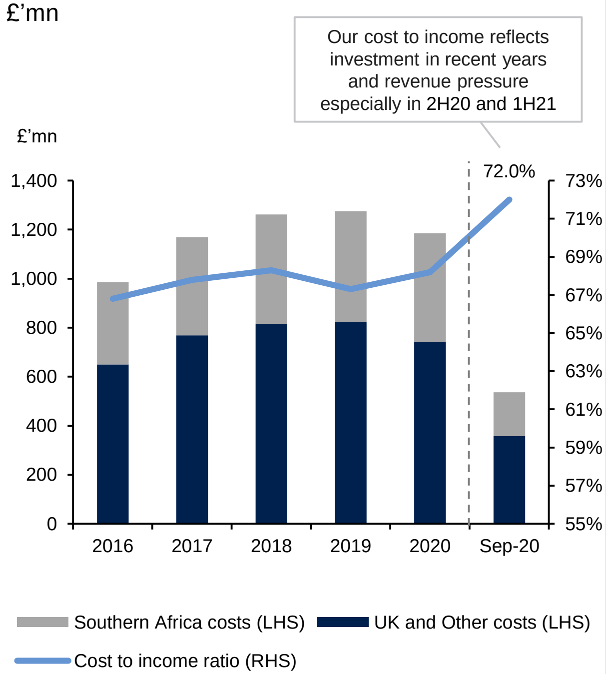
We have **delivered resilient revenue growth** in our client franchises despite revenue headwinds due the macroeconomic environment, with over **50% generated in the UK**

Operating Income Mix
£'mn



We have a **diversified business model** anchored by **stable recurring income base** and earnings through varying market conditions

Operating Costs
£'mn



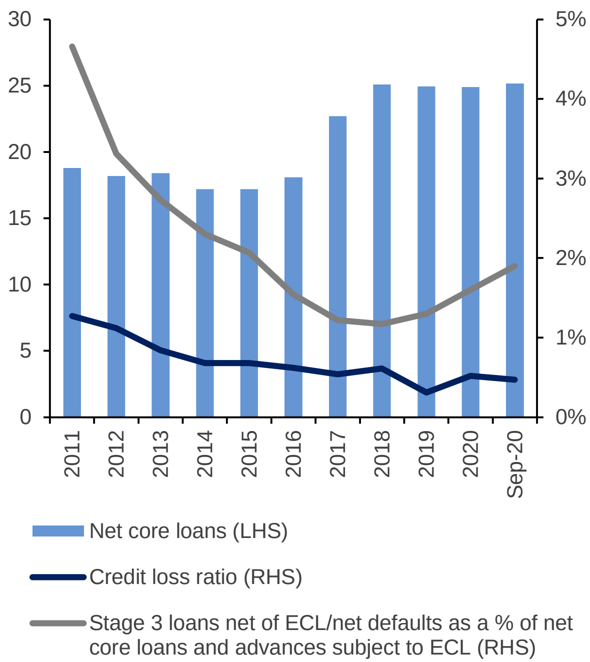
We have made **strategic investments** to build a highly **scalable platform** – **focus** is now **on leveraging** this investment

Information on this slide is based on the results of the ongoing business (excluding UK Specialist Banking legacy assets and businesses sold) and excluding IAM, unless otherwise specified. Information from March 2019 onwards is based on statutory results.

Asset quality

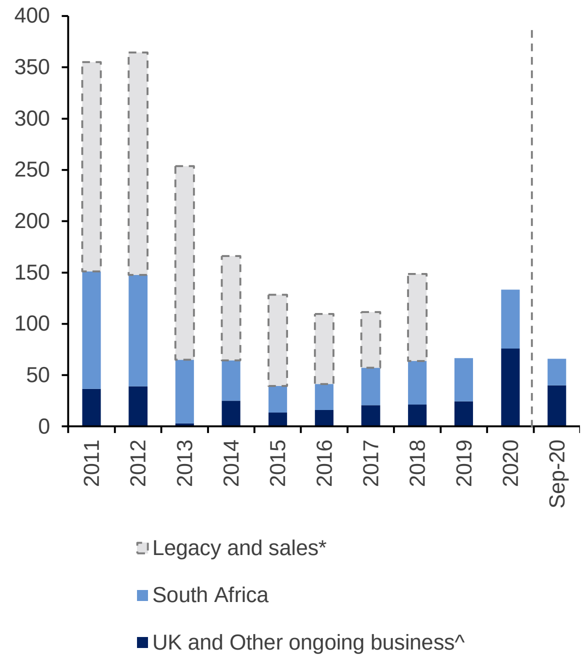
Asset quality has improved over recent years as the legacy portfolio has been managed down

Core loans and credit loss ratio
£'bn



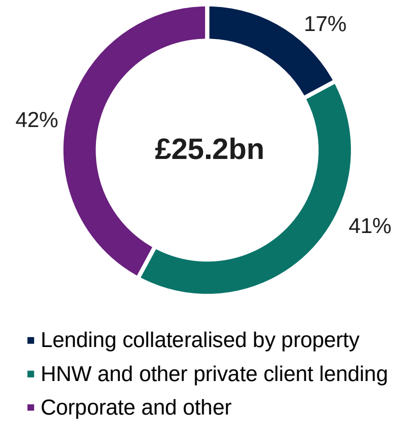
Annualised credit loss ratio was 0.47% in Sep 2020 (Mar 2020: 0.52%) and **Stage 3 net of ECL as a percentage of net core loans was 1.9%** in Sep 2020 (Mar 2020: 1.6%)

Expected credit loss (ECL) impairment charges
£'mn



Ongoing portfolio continues to have **low levels of impairments and defaults.** 2020 impacted by tough economic backdrop exacerbated by COVID-19

Core loan analysis
Sep 2020



Commercial investment property	12%
HNW and private client mortgages	25%
HNW and specialised lending	15%
Other corporates, financial institutions, governments	12%
Corporate and acquisition finance	9%
Small ticket asset finance	7%
Fund finance	6%

^Where the ongoing business excludes the UK Specialist Banking legacy assets and businesses sold for financial years 2011 to 2018. . Information from March 2019 onwards is based on statutory results.
*Refers to the remaining UK legacy business and Group assets that were sold in the 2015 financial year.

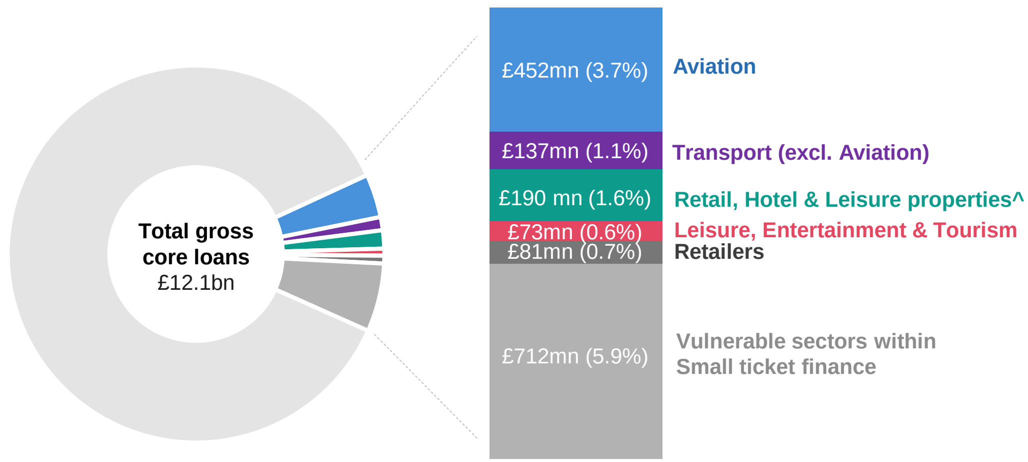
Sectors particularly affected by COVID-19

We have a diversified portfolio across sectors. Government stimulus and support measures are expected to somewhat mitigate the impact on vulnerable sectors

UK exposures to vulnerable sectors

30 Sep 2020

£1.6bn or 14% of gross core loans

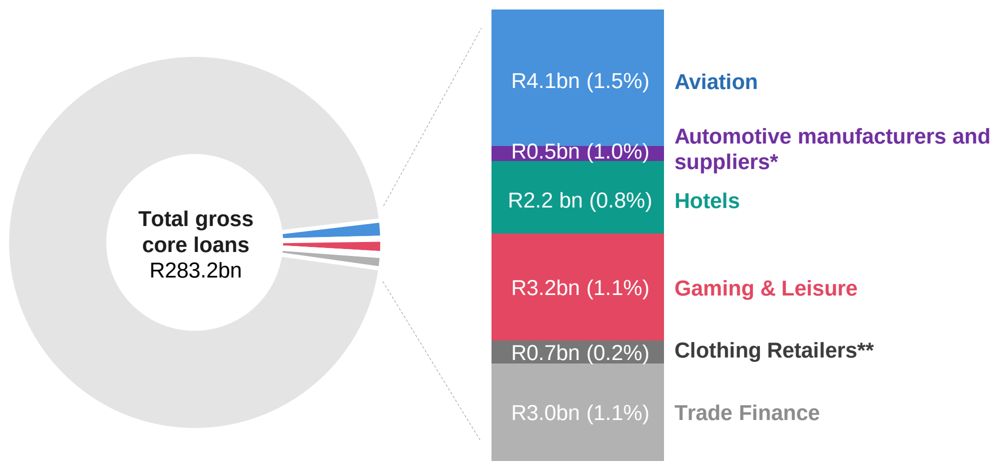


- In the **property portfolio**, direct exposure to Retail (excl. supermarkets) and Hotels / Leisure is limited. A large proportion of retail exposures have anchor tenants which are well known discount retailers or DIY stores which are expected to weather the potential recessionary environment well
- There is no unsecured corporate exposure to the **airline industry**. The majority of the exposure is either senior secured on aircraft with conservative loan to value ratios, to flag carriers who are likely to be supported by their respective governments during this period or to lessors, rather than direct to airlines, where these companies have substantial balance sheets which are continuing to support debt service
- **Small ticket asset finance** business covers a broad range of sectors and actively seeks to avoid concentration to any particular industry. In addition, there are diversified underlying assets with a focus on hard assets

SA exposures to vulnerable sectors

30 Sep 2020

R13.7bn or 5% of gross core loans

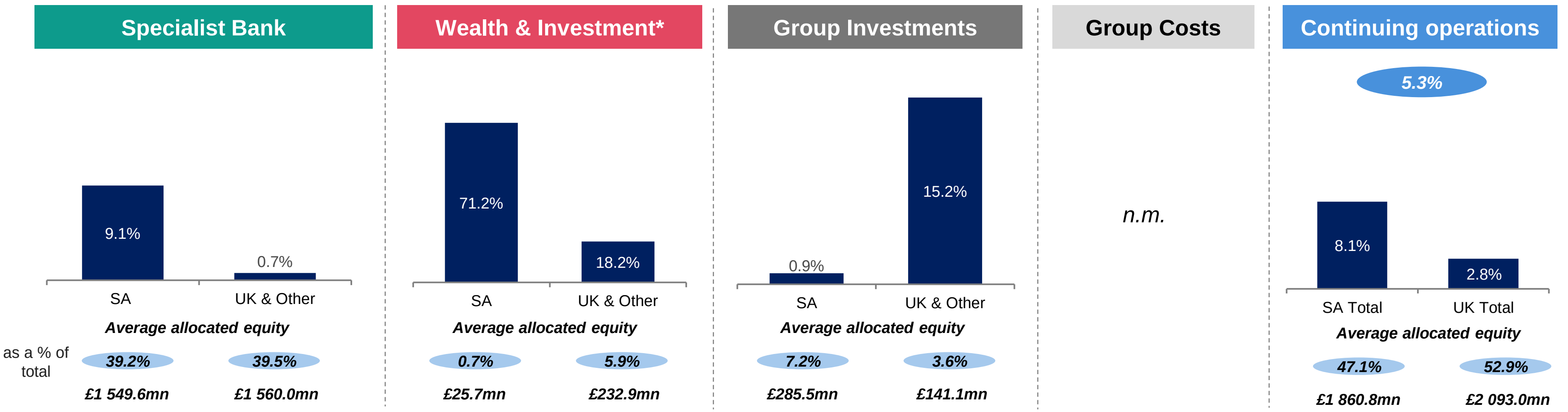


- Our **aviation** exposures are principally either to large airlines with strong shareholders or leases and secured at conservative loan to values. We have a very low risk appetite to residual risk against aircraft without long term leases
- Over 70% of our **clothing retail** exposure is to counterparties with a national footprint
- Approximately 88% of our **Trade Finance** exposures are covered by CGIC (Credit Guarantee Insurance Corporation of Africa Limited)

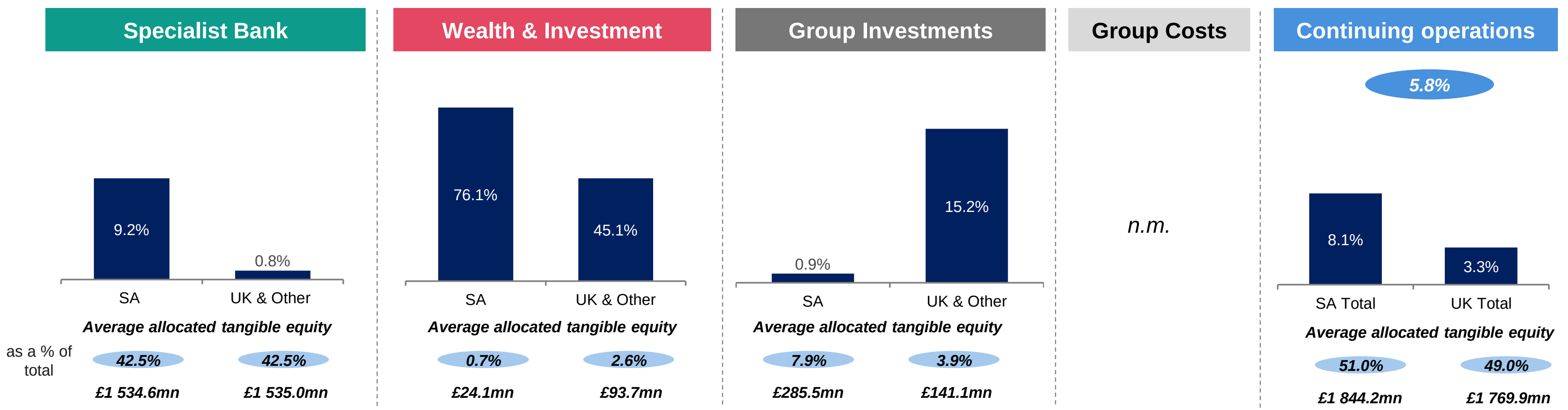
^Retail properties which have no underlying tenants that are either food retailers or other essential goods and services
*Automotive manufacturers and suppliers exclude GBFs and corporate bonds of R1.3 billion. **Clothing retailers exclude general banking facilities (GBFs) of R850 million (30 Sep 2020: nil drawn)

ROE / ROTE

Divisional ROE



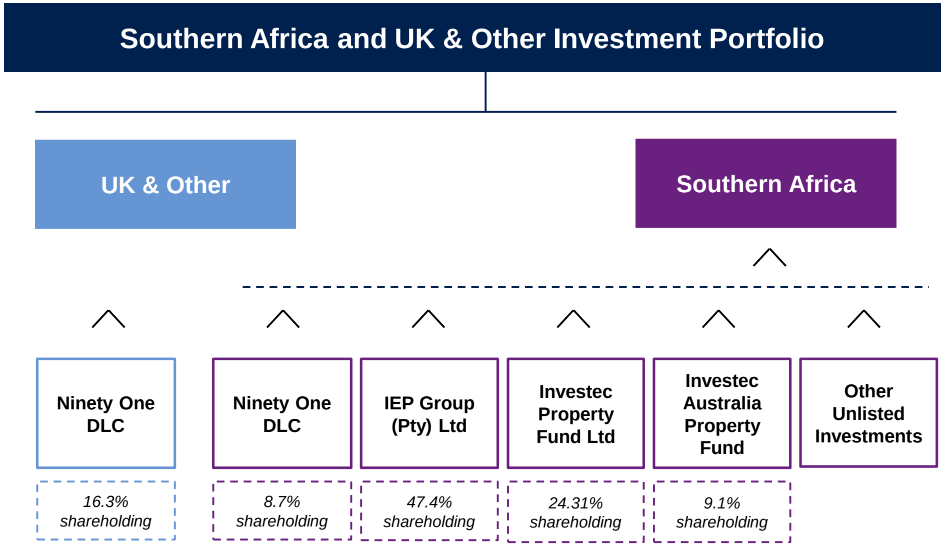
Divisional ROTE



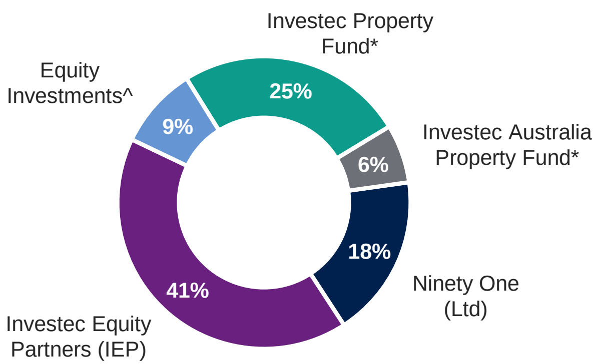
*Excludes goodwill associated with Rensburg Sheppards acquisition

Group investments overview

Group Investments pillar consists of equity investments held outside the group's banking activities



SA Total Equity Exposure
%



Ninety One DLC

- Investec accounts for its combined 25% investment in Ninety One by applying equity accounting and the value of the associate investment was £348.1 million at 30 Sep 2020

IEP Group (Pty) Ltd

- IEP is an investment holding company that was born out of the Investec Private Equity portfolio. It holds a controlling stake in the Bud Group, an operational services, manufacturing and distribution group
- The investment is equity accounted with a carrying value of £260.7mn as at 30 Sep 2020
- BUD has diversified growth businesses across four chosen platforms: Chemicals and Minerals, Industrial Services, Building Materials and Financial Services

Investec Property Fund Limited (IPF)

- IPF is a South African Real Estate Investment Trust (REIT) which listed on the Johannesburg Stock Exchange (JSE) in 2011. The investment portfolio is made up of direct and indirect real estate investments in South Africa, the UK and Europe
- Investec consolidates the fund with a net asset value of £644.2mn

Investec Australia Property Fund (IAPF)

- IAPF is a listed Australian domiciled real estate investment trust
- The Fund invests in quality commercial real estate (office, industrial and retail) that is well located in major metropolitan cities or established commercial precincts in Australia and New Zealand
- Investec holds a direct interest of 9.1% in IAPF, which is measured at a fair value of £40.8 million (R881.0 million)

^ Does not include equity investments residing in our corporate and private client businesses.
* The proportionate NAV consolidated for the group's investment holding of 24.31% in the Investec Property Fund and 9.1% in the Investec Australia Property Fund.

Six months ended 30 Sep 2020 (1H 2021) Group results

Financial

The group navigated a challenging macro backdrop

- Adjusted operating profit* of £142.5mn, 48.4% behind the prior year (Sep 19: £276.3mn)
- Adjusted EPS decreased by 50.0% to 11.2p
- ROE of 5.3% (Sep 2019: 10.7%)
- Tangible NAV per share increased by 5.2% since Mar 20 to 397.4p
- Interim dividend of 5.5p declared

Client franchises showed resilience despite revenue headwinds

- Wealth & Investment businesses achieved net inflows of £336mn and growth in FUM of 14.9% since Mar 20 to £51.1bn
- Net core loans grew 1.0% since Mar 20 to £25.2 billion, with strong loan book growth in the UK Private Banking business offset by subdued corporate lending activity in both geographies and higher repayments

Performance affected by

- COVID-19 and associated lockdowns resulting in reduced economic activity and increased market volatility
- Sharply lower interest rates
- Average Rand against Pound Sterling depreciation of 20.6% compared to the prior period.

Strategic and operational

Expect to substantially complete our simplification process by the end of the financial year

- Concluded sale of the IAPF management company, and continue to consider other actions around the world
- Completed a JV partnership for our India business with the largest bank in India
- Closer integration of business enabling functions in UK Bank

Continued cost discipline

- UK Specialist Bank fixed costs reduced by £40mn since our CMD in Feb 19, and expected to decline in the medium term
- Group costs expected to be £35mn in FY 2021, down 24% or £11mn since CMD

Capital optimisation

- Rightsizing the direct equity investment portfolio in line with our stated strategy
- Aggregate investment sell down in our direct equity portfolio since CMD of c.R1.1bn in South Africa

Focus on growth

- UK HNW mortgage lending on track to achieve milestones set at CMD, client acquisition and originations remained strong despite constraints brought by COVID-19
- Launched online business banking in South Africa, and starting to acquire clients – progressing our corporate strategy

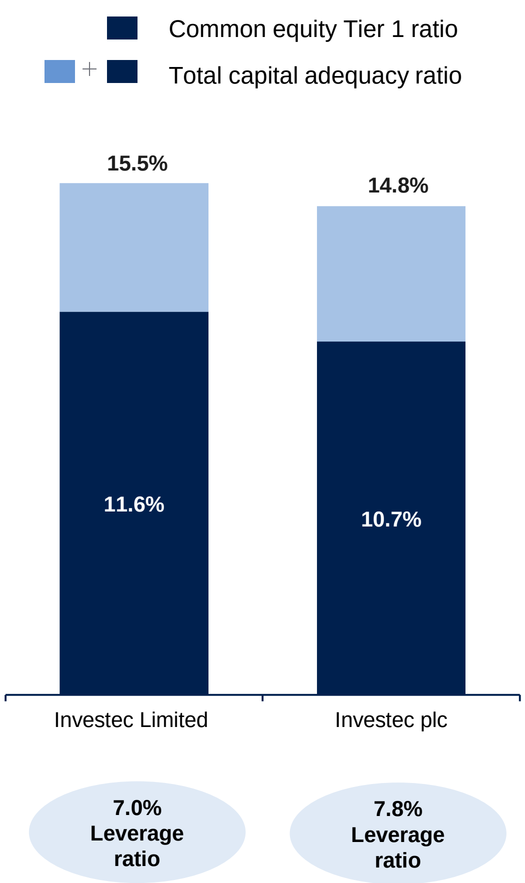
*Operating profit before goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.

Capital generation

Well capitalised, lowly leveraged balance sheet with improving capital generation

Healthy capital position

CET 1 Ratios



Existing capital generation supports growth and dividends

Positive capital generation across businesses

- Capital and leverage ratios remain ahead of both internal board-approved minimum targets and regulatory requirements
- The group targets a minimum CET1 ratio above 10%, a tier 1 ratio above 11% and a total capital adequacy ratio range of 14% to 17% on a consolidated basis for each of Investec plc and Investec Limited, respectively.
- Investec has a stated dividend policy of 30% to 50% payout ratio
- Capacity to support RWA growth of c.8-10% p.a. (c.7%-8% UK Bank, c.8-10% SA Bank)
- Maintain appropriate capital adequacy / buffer across Investec plc and Investec Limited
- Dividends from the Wealth & Investment business will continue to be passed through to shareholders
- Managing down our non-core equity investments portfolio, releasing material capital and offering optionality

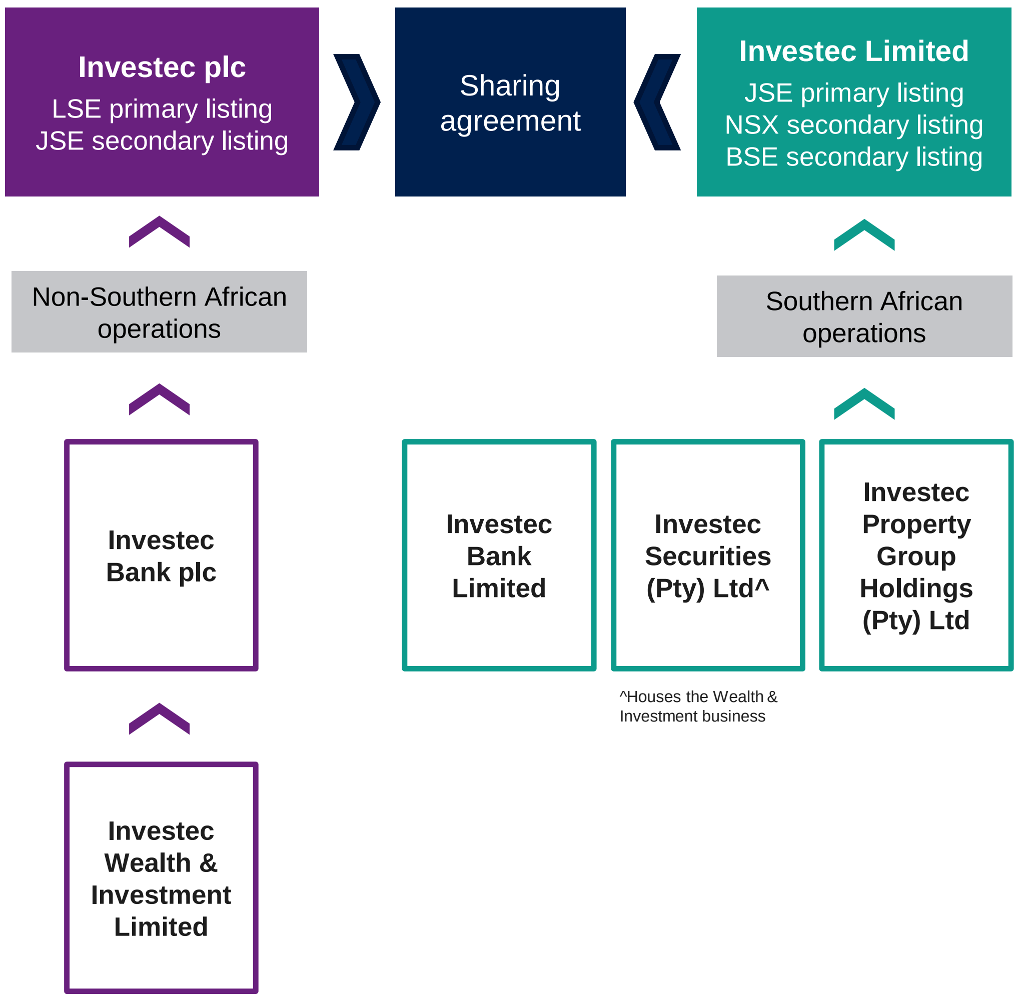
Appendix

- **Investec organisational structure**
- **Demerger of the asset management business**
- **Specialist Banking**
    - UK Specialist Banking overview
    - SA Specialist Banking overview
- **Wealth & Investment**
    - UK Wealth & Investment overview
    - SA Wealth & Investment overview
- **Capital**
- **Asset Quality**
- **Credit Ratings**
- **Sustainability**
- **Restatements**

Investec organisational structure

Dual Listed Companies (DLC) structure with linked companies listed in London and Johannesburg

DLC structure and main operating subsidiaries



- 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
- In March 2020, Investec completed the demerger and separate listing of Ninety One (formerly Investec Asset Management). Investec retained a 25% shareholding in the Ninety One group, with 16.3% held through Investec plc and 8.7% held through Investec Limited.

Note: All shareholdings are 100%. Only main operating subsidiaries are indicated.

Demerger of the asset management business

Following the group's management succession announcement in February 2018, the Investec Board, together with the executive team, conducted a comprehensive strategic review to ensure that the group is well positioned to serve the long-term interests of its stakeholders

Conclusions from the strategic review

- Investec group comprises a number of successful businesses operating across two core geographies, with different capital requirements and growth trajectories
- Compelling current and potential linkages between the Specialist Banking and Wealth & Investment businesses (clear geographic and client overlap)
- Limited synergies between these businesses and Investec Asset Management (IAM)

The Board concluded that a demerger and separate listing of Investec Asset Management would **simplify the group** and allow both businesses to **focus on their respective growth trajectories**; resulting **in improved resource allocation, better operational performance and higher long-term growth.**

Impacts from the demerger

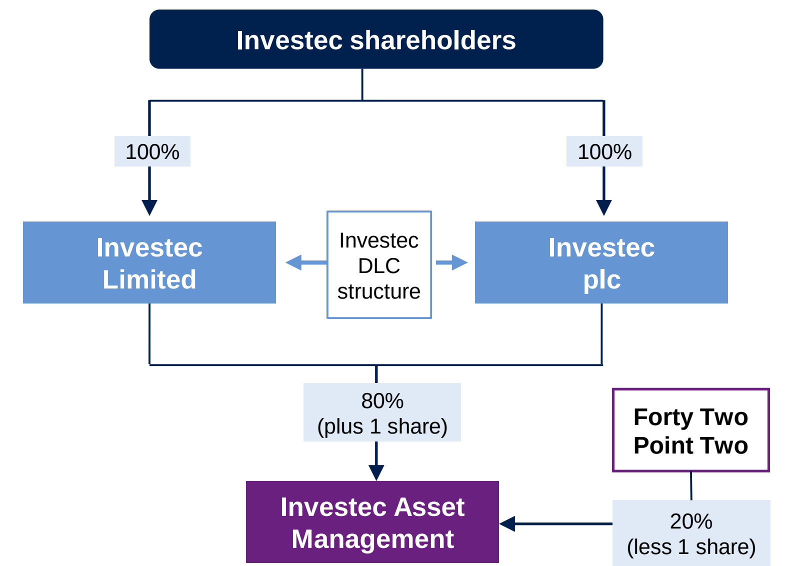
- On 13 March 2020, the group successfully completed the demerger of its asset management business (Investec Asset Management), which became separately listed as Ninety One on 16 March 2020
- The effect of the demerger was to unbundle the asset management business from the Investec group and have two separately listed entities:

- Prior to the demerger, the Investec group had an **80% shareholding in Investec Asset Management**
- Pursuant to the demerger transaction, Investec group **distributed 55% of Ninety One** to existing Investec shareholders. **Shareholders received one Ninety One share for every two Investec shares held**
- Investec **decided not to proceed with its intended sell down of a 10% stake** in Ninety One given market volatility at the time of Ninety One's listing
- Therefore, **Investec retained a 25% shareholding in Ninety One**. As a founding shareholder of Ninety One, the Boards of both Investec and Ninety One believe that it is appropriate for Investec to retain a modest shareholding in Ninety One. Investec believes Ninety One is an attractive business with meaningful intrinsic value. Retaining an equity stake allows Investec to participate in future value creation by Ninety One
- Investec's entire holding of Ninety One shares is subject to a lock up period of 180 days from the date of Ninety One's listing
- Approximately 20% of Ninety One continues to be held by Ninety One staff through Forty Two Point Two (the investment vehicle through which management and directors of Ninety One participate in the business), as well as Ninety One's employee benefit trusts

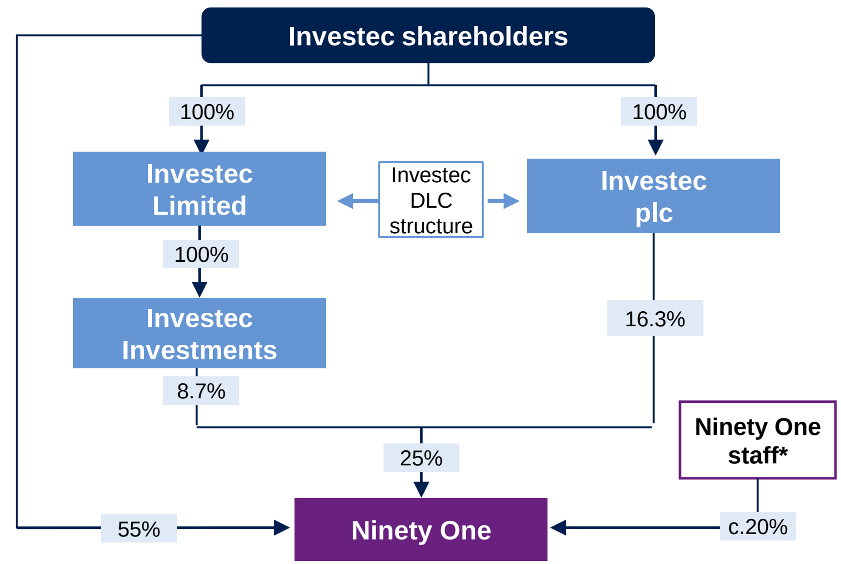
Demerger of the asset management business (cont.)

Change in Investec's shareholding in the asset management business

Pre-demerger structure:



Post-demerger structure:



*Consisting of Forty Two Point Two and Ninety One's employee benefit trusts

- Positive common equity tier 1 (CET1) impact: Investec plc CET1 uplift of 0.59% and Investec Limited CET1 uplift of 0.40%
- Combined dividend capacity of Investec group and Ninety One is unchanged as a result of the demerger
- The transaction resulted in a net gain for Investec of £806.4mn post taxation and transaction costs
- Accounting treatment: In FY2020, the results of the Ninety One group have been consolidated up to the effective date of the demerger (13 March 2020) and presented as discontinued operations. Thereafter, the retained 25% stake in the Ninety One group has been accounted for as an investment in associate and equity accounted within the earnings from continuing operations

UK Specialist Banking

We have evolved our business model and are strategically well positioned for future growth

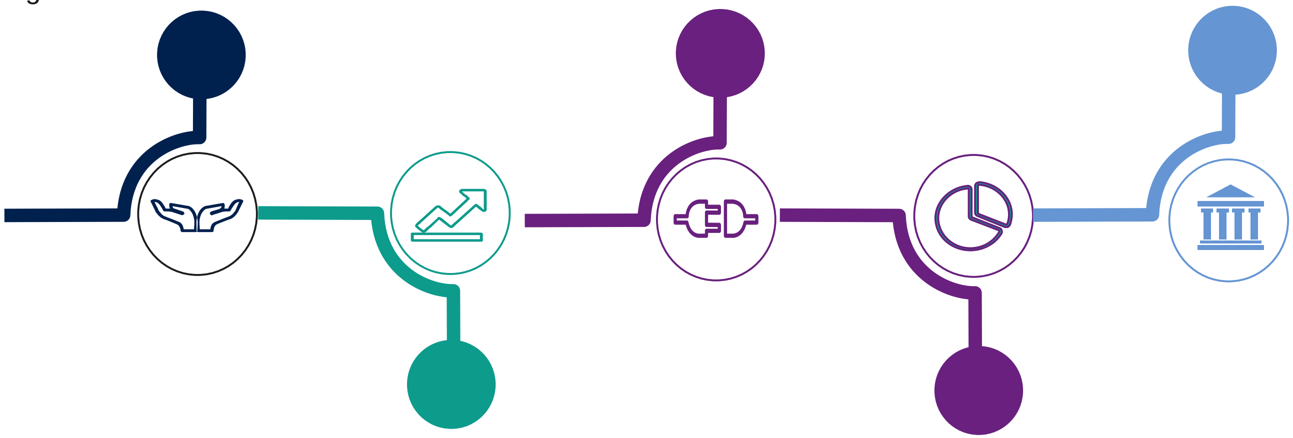
Simplified and de-risked our business as a basis from which to grow

Scaled and sustainably grown our strong client franchises

Enhanced connectivity across the businesses with strong potential for further collaboration

Improved our revenue mix: client-driven, high annuity and increased capital light

Going forward:
- Strong **growth strategies**
- Focusing on **cost discipline**
- Improving **returns**
- Delivering sustainable organic **capital generation**



UK Specialist Banking: Private Banking

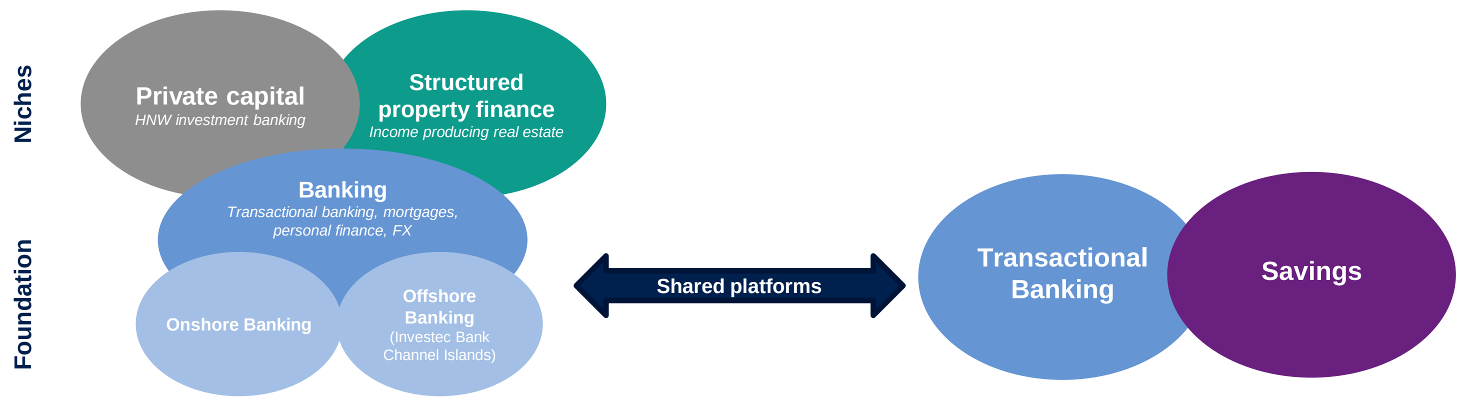
A different type of Private Banking for HNW clients looking for a risk-partner to actively grow their wealth

Strategic purpose

- To provide a high-quality HNW client base and a scalable retail funding channel for the group with an appropriate return on capital

	HNW offering	Retail offering
Clear target market	▪ UK HNW active wealth creators with income of £300k+ and NAV £3mn+	▪ Mass affluent UK retail savers ▪ High-Income SA Investec clients who do not meet our HNW criteria
Value Proposition	▪ Client-led ▪ Flexible but rigorous lending criteria ▪ Individual tailored service with a refreshingly human approach ▪ Integrated with Wealth Management	▪ Product-led ▪ Digitally focused and with the opportunity to 'self serve' flexibly ▪ Highly competitive and award winning innovative products

Business model



Client acquisition and relationship building
c.5,400 clients

Client acquisition and funding
c.74,800 savings + c.8,500 SA clients

Offering	Lend	Transact	Save	Transact	Save
Channels	Banker	Digital	Telephone (GCSC^)	Digital	Telephone (GCSC*)

Client numbers as of 30 Sep 2020. *Global client service centre.

UK Specialist Banking: Private Banking

Clear HNW opportunity in UK market

Traditional Retail Banks
For customers that need a homogenous product

- High volume and low price
- Low flexibility
- Impersonal and product-led
- Time consuming and bureaucratic

A different kind of private bank
For clients that need a risk-partner to grow their wealth

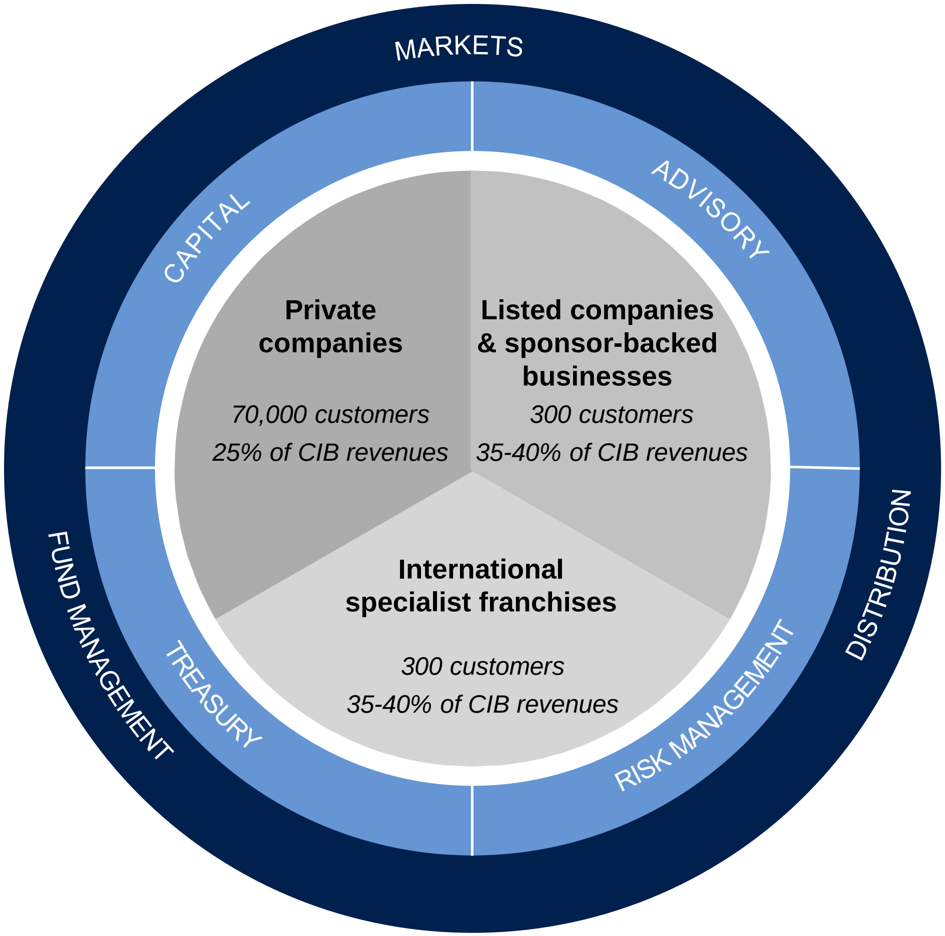
- Primarily capital-led, with transactional banking and savings capability
- Flexible but rigorous lending criteria
- Not constrained by minimum client AUM
- Individual tailored service within a niche market seeking wealth creation
- Refreshingly human with high service level – ability to deal with complexity and execute quickly

Traditional Private Banks
For clients that need wealth preservation

- Primarily investment-led
- Low volume, high price
- Focused on wealth preservation
- High minimum AUM thresholds for clients

UK Specialist Banking: Corporate and Investment Banking (CIB) offering

Established, full service Corporate and Investment Banking (CIB) offering has consistently contributed c.35-40% of Global Specialist Bank revenues



- A **refreshingly human, full service Corporate & Investment Banking offering**, providing clients a range of capital, advisory and treasury solutions to support them on their growth path
- We **combine bulge bracket capability with boutique service**, offering speed and flexibility through our empowered, solutions-focused people
- 1,300 staff with operations in the UK, Australia, Hong Kong, India, Singapore and US

UK Specialist Banking: Corporate Banking

Delivering a 'private banking' experience with investment banking quality of advice and service

Specialists

Investec

Close Brothers

Metro Bank

TSB

Clydesdale Bank

£10mn

£100mn

£1bn+

Size of client

Shawbrook Bank

Aldermore

High Street Banks

Lloyds Banking Group

Santander

RBS

HSBC

Barclays

Generalists

Corporate Banking market positioning

A leading, client-centric UK mid-market SME proposition

Our focus: High-growth UK private companies

Our differentiation: Agile, personalised service, tailored to meet needs of small to mid-cap UK corporates.

We offer:

- Capital
- Treasury
- Risk solutions
- Advisory

UK Specialist Banking: Investment Banking

Boutique service with 'bulge bracket' capability and award-winning franchises

- Tailored Investment Banking offering to meet the needs of UK mid-market corporates and financial sponsors
- We offer the **capabilities of the global investment banks** to the **UK mid-market**, where the global investment banks typically do not focus
- We compete with the specialists and high street on the **breadth of our capabilities and personalised service**

		Equities	Capital	Advisory	Risk
	Investec	Core offering	Core offering	Core offering	Core offering
Global investment banks	Jefferies	Core offering	Ability/Non-core offering to mid cap market	Core offering	Core offering
Global investment banks	J.P.Morgan	Core offering	Ability/Non-core offering to mid cap market	Core offering	Core offering
Global investment banks	MACQUARIE	Core offering	Ability/Non-core offering to mid cap market	Ability/Non-core offering to mid cap market	Core offering
High street banks / specialists	Rothschild&Co	No offering	No offering	Core offering	No offering
High street banks / specialists	DC advisory	No offering	No offering	Core offering	No offering
High street banks / specialists	Numis	Core offering	No offering	No offering	No offering
High street banks / specialists	PEEL HUNT	Core offering	No offering	No offering	No offering
High street banks / specialists	HSBC	Core offering	Core offering	Ability/Non-core offering to mid cap market	Core offering
High street banks / specialists	BARCLAYS	Core offering	Core offering	Ability/Non-core offering to mid cap market	Core offering
High street banks / specialists	LLOYDS BANKING GROUP	No offering	Core offering	No offering	Core offering
High street banks / specialists	Santander	No offering	Core offering	No offering	Core offering
High street banks / specialists	RBS	No offering	Core offering	No offering	Core offering

Core offering · Ability/Non-core offering to mid cap market · No offering

FTSE 250 brokerships
Top 3
in market (incl. bulge brackets)

Ave. return achieved on IPOs
+251%
(Top 3 in market)

Helped float
59
companies since 2005

Combined IB transaction value
£26bn
M&A and ECM in past 3 years (1)

Extel 2019 research rank
#1
in 7 out of 14 sectors covered

Net increase in broking clients
+26
since 1 Apr 19 (top in UK market)

UK market share rank
Top 10
in FTSE 250 (incl. bulge brackets)

Source: FactSet, Adviser Rankings, Extel Surveys, MarkIt
Note: (1) Calendar year – 3 years to 31 December 2019

UK Specialist Banking: Investment Banking (cont.)

Specialist sector expertise differentiated by deep understanding and ability to innovate alongside clients

Specialist International Franchises

- Capital, advisory, risk management and treasury services
- Operating across Europe, the US, Australasia and Africa
- Providing tailored solutions with a flexible, straightforward and invested approach

Aviation

- Finance and capital solutions and operating leasing - including treasury risk management (commodities and strategic hedging), and advisory
- Primary clients: global airlines, lessors and ancillary business

Fund Solutions

- Capital call facilities, fund unitranche capital, management fee swaps, portfolio lending, primary & secondary leverage and global FX
- Primary clients: Funds, Funds of Funds, general partners & fund managers and limited partners, asset managers and institutions

Power & Infrastructure

- Project finance, balance sheet funding, corporate finance, capital markets and renewables
- Primary clients: power & renewable asset developers with growth-focused businesses, PE firms and infra-funds active in or targeting our sectors of expertise

Resources

- Financing and risk management, research, advisory and global ECM distribution
- Primary clients: producers operating in the precious metals, base metals, upstream oil & gas and coal sectors

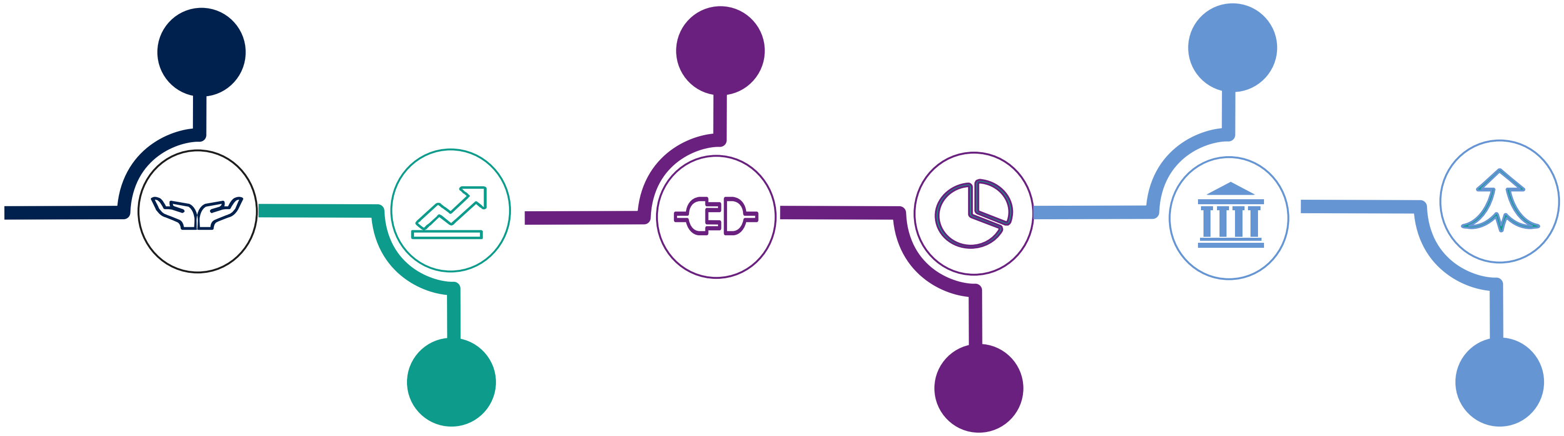
SA Specialist Banking

We have a specialised niche offering to a select target market

- **Invested in our business**, sustainably growing our client base and franchise

- **Deepening** our existing **client relationships** and **client acquisition** through the collaboration of product offerings
- We have a number of **growth initiatives**

- **Maintaining cost efficiency** with low cost to income ratios



- Strong technology and digital platforms underpin **our high-tech and high-touch offering**
- Continuous investment to maintain leading position (One Place, Investec Life, Transactional Banking)

- Our growth initiatives and strong franchise support our **solid revenue base**

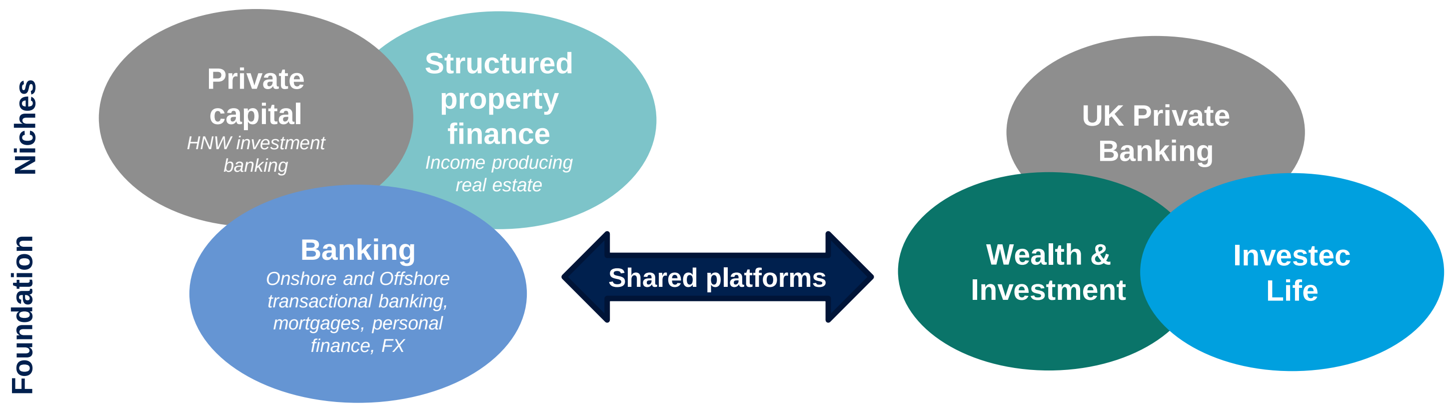
- Maintaining sound capital ratios and low credit loss ratios through varying market conditions
- Enhancing our capital light revenue base
- Disciplined capital allocation
- **We remain focused on improving ROE**

SA Specialist Banking: Private Banking

A full-service Private Banking offering integrated into One Place

Ambition	• To be a leading domestic and international Private Bank
Clear target market	• HNW individuals, emerging entrepreneurs, and professionals
Value proposition	• Bank, borrow, save and invest in One Place

Business model



Client acquisition and relationship building
c.83,000 clients

Offering	Lend	Transact	Save	Protect	Invest
Channels		Banker	Digital	Telephone (GCSC*)	

Client numbers as of 30 Sep 2020. *Global client service centre.

SA Specialist Banking: Corporate & Institutional Banking

Strong franchise value and leading market position in our niche markets

Ambition	• To be a top tier corporate and institutional bank
Clear target market	• Corporates (mid to large size), intermediaries, government and SOEs
Our value proposition	• Diversified client-centric offering • Sustainable growth driven through collaboration between business units

Service Offering

Global Markets	Specialised Lending

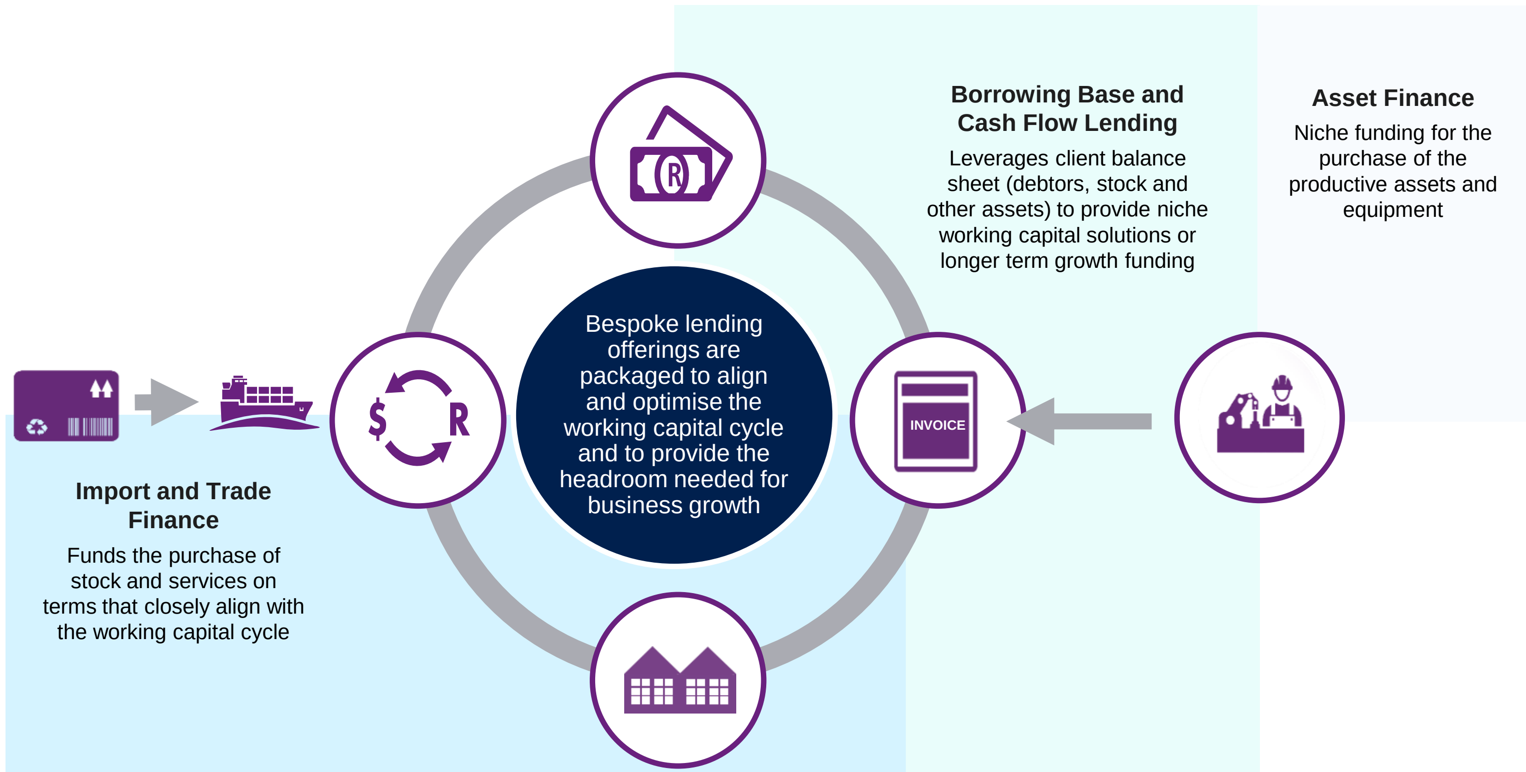
• Well-established, award-winning franchises across:
  • Trading (FICC, Equities, ECM and DCM)
  • Investment products
  • Treasury solutions and sales
  • Credit investments
• Built sustainably through organic growth and diversification into new markets
	• Tailored offering and deep relationships with our target markets – large to mid-tier corporates and private equity funds
	• Differentiated through deep sector expertise and international reach
	  - Leveraged finance
	  - Supplier finance
	  - Power and infrastructure finance
	  - Fund finance
	  - Aviation finance
	  - Export and agency finance
	• Award-winning specialist franchises by innovating alongside our clients

SA Specialist Banking: Investec for Business

Bespoke lending offerings for working capital optimisation and business growth

Ambition	• Develop an integrated niche offering to our target clients
Clear target market	• Smaller and mid-tier corporates
Value proposition	• Combining bespoke lending with Investec's other transactional, advisory and investment offerings • High-touch and high-tech tailored offering that affords simplicity to clients

Business model

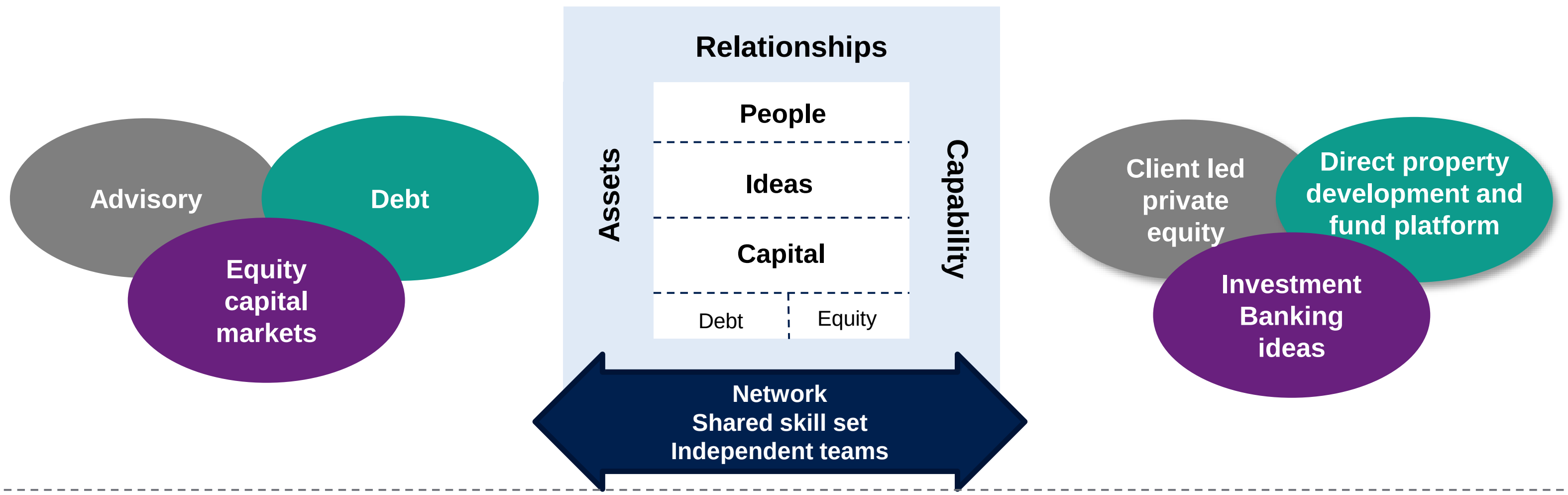


SA Specialist Banking: Investment Banking and Principal Investments

Delivering holistic investment solutions to clients

	Investment Banking	Principal Investment activities
Ambition	• To be the leading Investment Bank with an international footprint	• Using our collective skill set to optimise capital allocation in principal investments and generate a high IRR on these investments
Clear target market	• Corporates	• Corporates and institutions, property partners
Our value proposition	• To leverage our capabilities, relationships and capital to deliver holistic solutions to our clients	• Focus on co-investment alongside clients to fund investment opportunities or leverage third party capital into funds that are relevant to our client base

Business model and offering

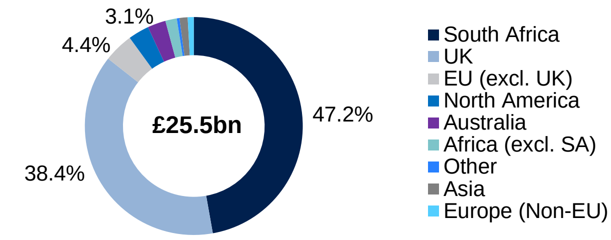


International access	Australia	Hong Kong	India	SA	UK
Channels	Investment Banking Origination	Coverage	Private Bank	CIB	Wealth & Investment

UK and SA Specialist Banking: Exposures in a select target market

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, and thereby developing a 'hands-on' and long-standing relationship with our clients

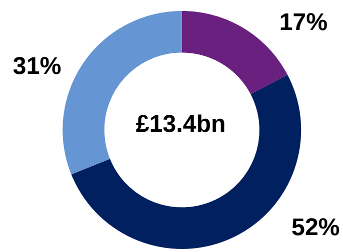


Gross core loans by risk category

South Africa

Corporate and other

Other corporate, institutional, govt. loans	17.5%
Acquisition finance	4.8%
Asset-based lending	2.9%
Power & Infrastructure Finance	2.4%
Fund Finance	2.2%
Asset finance	1.2%
Resource finance	0.0%



Lending collateralised by property

Commercial property investment	14.3%
Commercial property development	1.3%
Residential property development	1.3%
Commercial vacant land and planning	0.2%
Residential vacant land and planning	0.2%

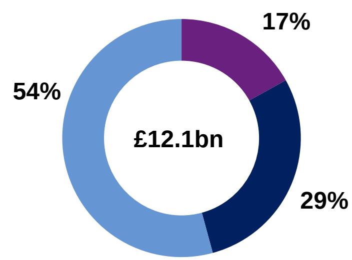
High net worth and other private client

HNW and private client - mortgages	27.8%
HNW and specialised lending	23.7%

UK & Other

Corporate and other

Small ticket asset finance	14.4%
Acquisition finance	13.7%
Fund finance	10.7%
Other corporate, institutional, govt. loans	6.4%
Power & Infrastructure Finance	3.6%
Asset-based lending	3.4%
Large ticket asset finance	1.7%
Resource finance	0.4%



Lending collateralised by property

Commercial property investment	9.0%
Residential property development	3.1%
Residential investment	2.5%
Commercial property development	2.0%
Residential vacant land and planning	0.3%
Commercial vacant land and planning	0.0%

High net worth and other private client

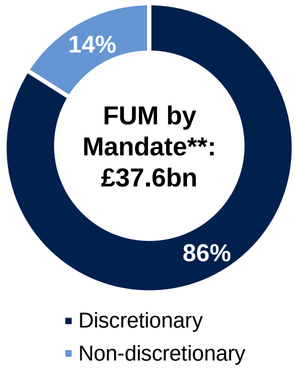
HNW and private client - mortgages	22.7%
HNW and specialised lending	6.2%

UK Wealth & Investment

A leading UK private client manager targeting mass affluent and increasingly high net worth client base

Key facts*

Total FUM	**£37.6bn^**
% UK Discretionary	86%^^
% UK Direct	c.82%
Target Client	> £150k
# of UK Clients	c.60,000
# of UK Offices	15
# of UK IMs	343
# of UK FPs	43

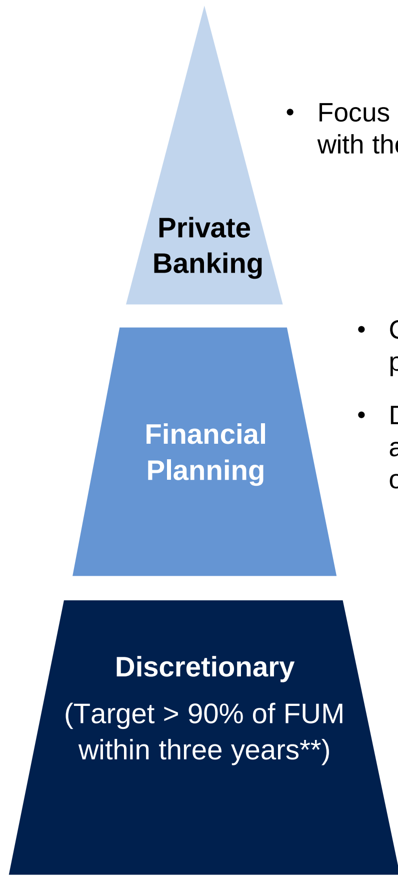


The UK operation is conducted through Investec Wealth & Investment Limited. The other Wealth & Investment operations are conducted through Investec Bank Switzerland and Investec Wealth & Investment Channel Islands.

Market factors

- Well placed to benefit from evolving UK market
- Supportive demographic factors with continued growth in household wealth
- “Advice gap” post Retail Distribution Review (RDR) and Pension Freedoms underpinning strong demand for financial advice and long-term savings solutions
- Competitive market remains relatively fragmented, providing opportunities for potential consolidation

Future growth drivers



- Focus on collaborating further with the UK Private Bank

- Continue to expand financial planning capability
- Develop ways to deliver this advice as a central component of our core offering

- Recruit high quality investment managers
- Further develop propositions to serve growing IFA channel

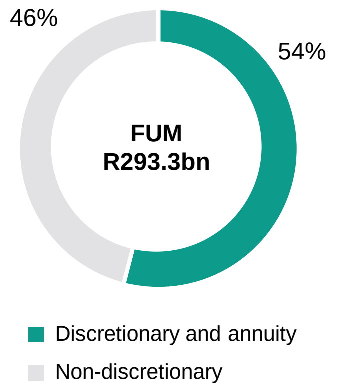
*Information as at 30 Sep 2020. ^Comprises UK, Guernsey and Switzerland. UK comprises c.96% of total FUM. **Split based on UK business only. ^^ UK discretionary FUM based on UK business only.
Where IMs is investment managers and FPs is financial planners.

SA Wealth & Investment

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

Key facts*

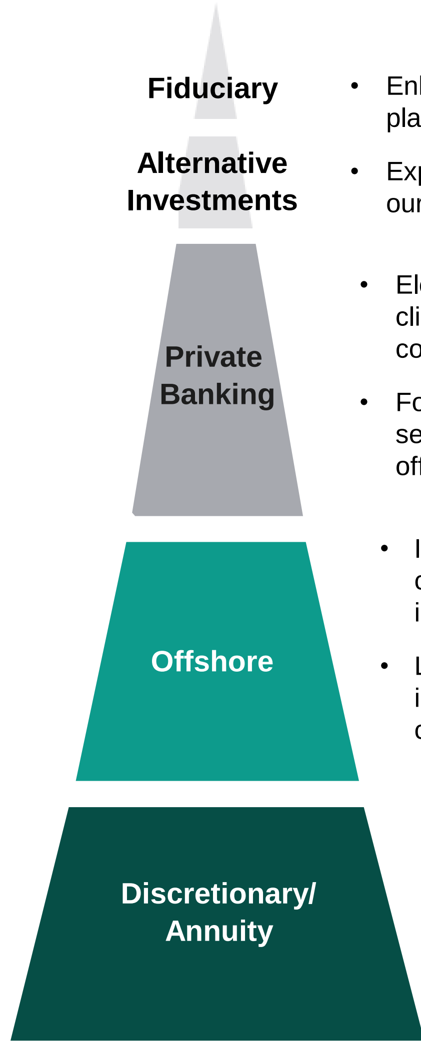
Total FUM	R293.3bn
% Discretionary and annuity	54%
% of Disc. & Annuity offshore	63%
Operating margin	32.8%
Average yield Disc. & Annuity	82 bps
Target Client	> R5mn
# of Clients	c.29,900
# of Offices	10
# of Investment Managers	109



Market factors

- A unique proposition for an ever-changing market
- Growing appetite for ESG considerations and sustainable investment opportunities
- Consistent demand for offshore investments and global opportunities, in traditional and alternative investments
- Increasing demand for holistic advisory wealth management services, including discretionary portfolio management, estate planning and fiduciary services
- Providing distinctive banking and wealth services, domestically and offshore, all in One Place™

Future growth drivers



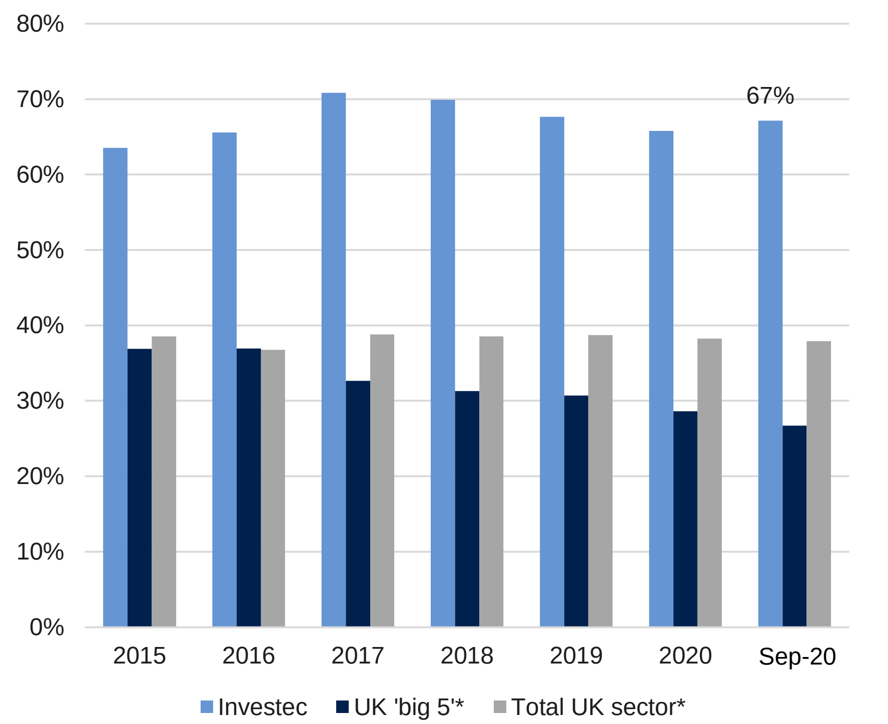
- Enhance our fiduciary and tax planning services
- Expand the breadth and depth of our alternative investment offering
- Elevate our High-Net-Worth private client value proposition in conjunction with the Private Bank.
- Focus on acquisition across growth segment of client base and digital offering through My Investments
- Implement a multi-asset class, multi-currency and multi-geography client investment platform.
- Leverage our expanded international investment offering into new distribution channels
- Build on strength of client relationships while remaining digitally driven
- Continued development of ESG integration and sustainable investment opportunities

*Information as at 30 Sep 2020.

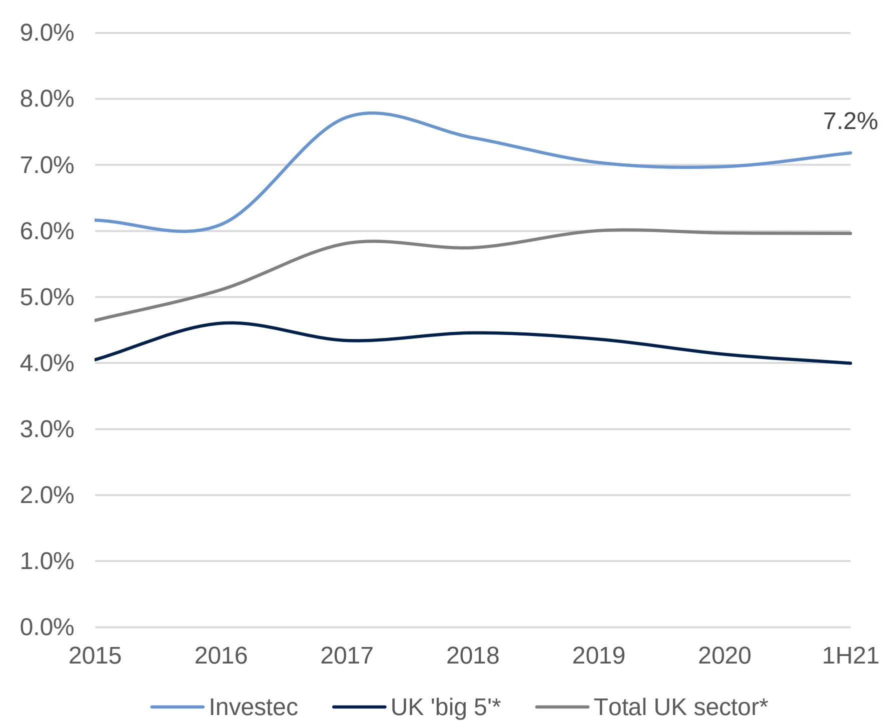
Investec plc: We inherently hold more capital per unit of risk

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

RWA density
Total RWA / Total Assets



CET 1 / Total Assets
%



- 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 c.67% is higher** than sector average of **c.38%**
- Our **RWA density is more than 2x higher** than the ‘big 5’ UK peers

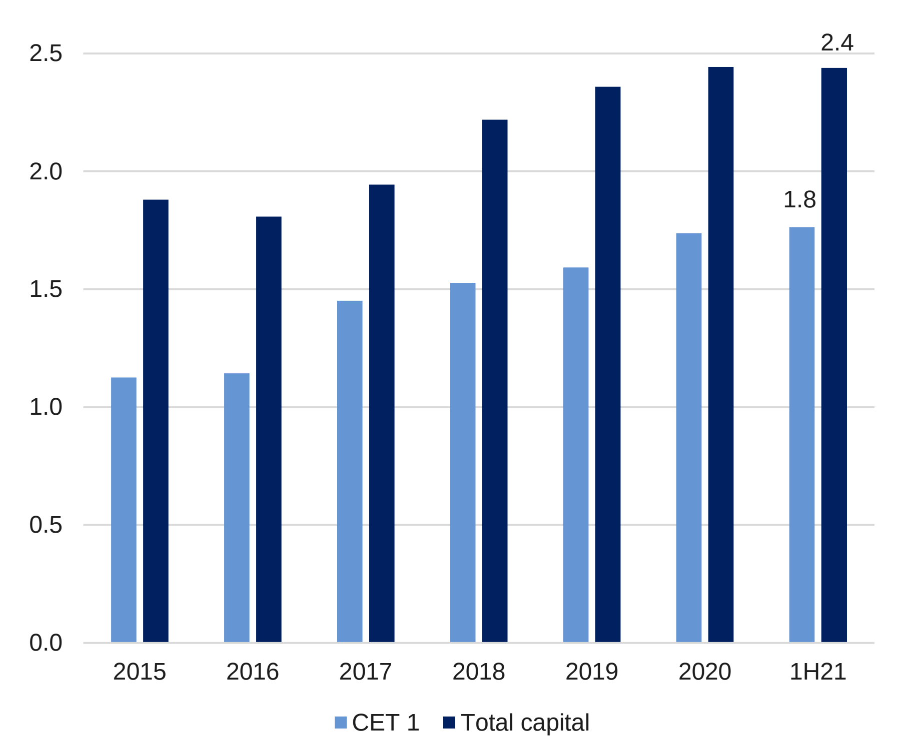
- We **hold more CET 1 to our total assets than our peer group does** – primarily as a result of higher RWA density from using the Standardised Approach
- Our **CET 1 / Total assets is c.7.2%** - which is 120bps higher than the UK sector on a similar measure

Note: 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 CET 1 ratio as required under the Capital Requirements Regulation and European Banking Authority technical standards. The impact of this deduction totalling £18 million for Investec plc would lower the CET1 ratio by 12bps.

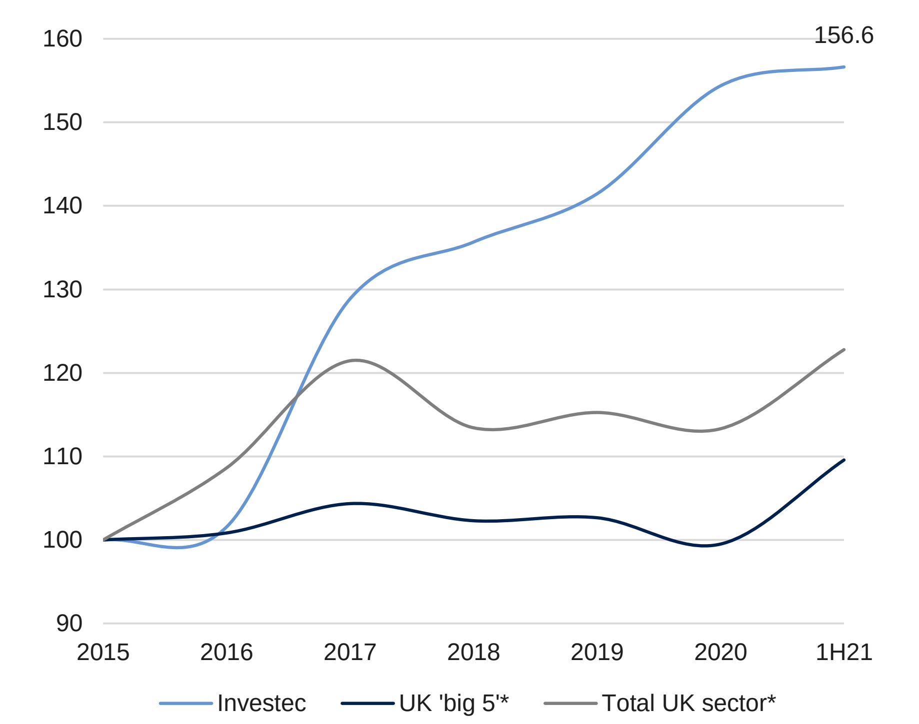
Where the UK ‘big 5’ banks include HSBC, RBS, Lloyds, Barclays and Standard Chartered (source: Thomson Reuters - All adjusted to GBP) and the Total UK sector is per the Bank of England (source: https://www.bankofengland.co.uk/statistics/banking-sector-regulatory-capital/2019/2020-q2). Peers are shown at the Jun 2020 period as this is the closest match to the period under review (Investec plc’s 30 Sep 2020 1H 2021 results).

Investec plc: Strong internal capital generation

Total Capital
£'bn



Common Equity Tier 1
Rebased to 100



- Investec has **strong organic capital generation** and has not required recourse to government or shareholders
- **CET 1 and total capital levels have grown robustly** at c.9% and c.5% CAGR respectively over the past 5 years

- **Investec's CET 1 has grown faster** (c.9% CAGR) than both the sector (c.4% CAGR) and the 'big 5' (c. 2% CAGR)

Note: 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 CET 1 ratio as required under the Capital Requirements Regulation and European Banking Authority technical standards. The impact of this deduction totalling £18 million for Investec plc would lower the CET1 ratio by 12bps.

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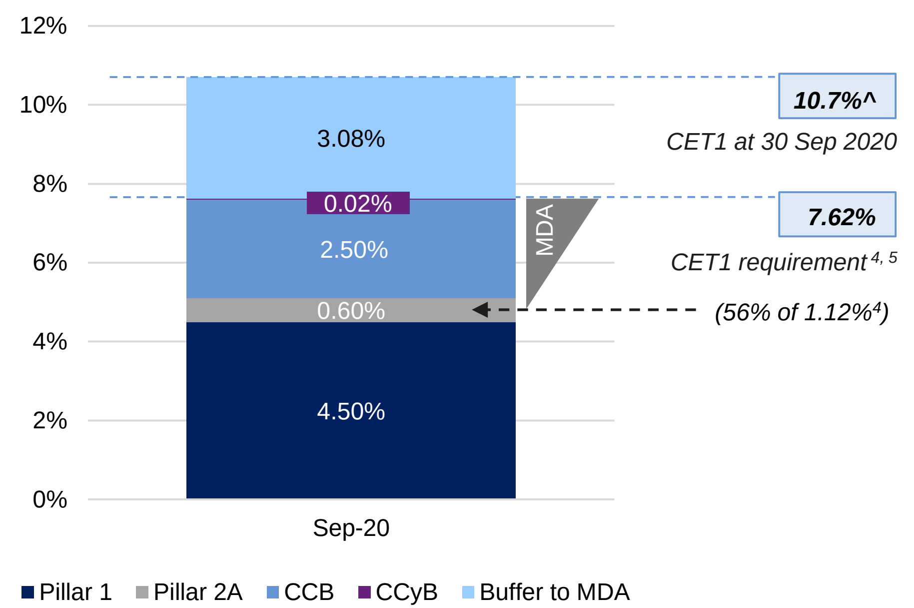
Investec plc: Sound capital ratios in excess of internal and regulatory minimums

Robust headroom of 3% above the MDA threshold as at 30 Sep 2020

Capital ratios^
At 30 Sep 2020

	Investec plc	Investec Bank plc	Target
Common equity tier 1 (as reported)	10.7%	11.6%	>10%
Common equity tier 1 ('fully loaded')[1]	10.2%	11.0%	
Tier 1 (as reported)	12.4%	13.1%	>11%
Total capital ratio (as reported)	14.8%	16.3%	14% to 17%
Leverage ratio[2] – current	7.8%	8.1%	>6%
Leverage ratio[2] – 'fully loaded'[1]	7.3%	7.7%	
Leverage ratio[2] – current UK leverage ratio framework[3]	8.7%	9.0%	

Current Maximum Distributable Amount (MDA) threshold
%



- 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
- In January 2020, the Bank of England re-confirmed the preferred resolution strategy for Investec Bank plc to be 'modified insolvency'. As a result, the BoE has therefore set Investec Bank plc's MREL requirement as equal to its regulatory capital requirements (Pillar 1 + Pillar 2A)

- Robust headroom of 3% above the MDA threshold at 30 Sep 2020
- Changes to the UK CCyB and Investec's Pillar 2A requirements (further detail on next page) resulted in Investec's CET1 regulatory minimum reducing by 81bps from 8.43% (at 12 March 2020) to 7.62% at 30 Sep 2020
- Meaningful distance of 3.7% as at 30 Sept 2020 to the 7% permanent write-down AT1 trigger event

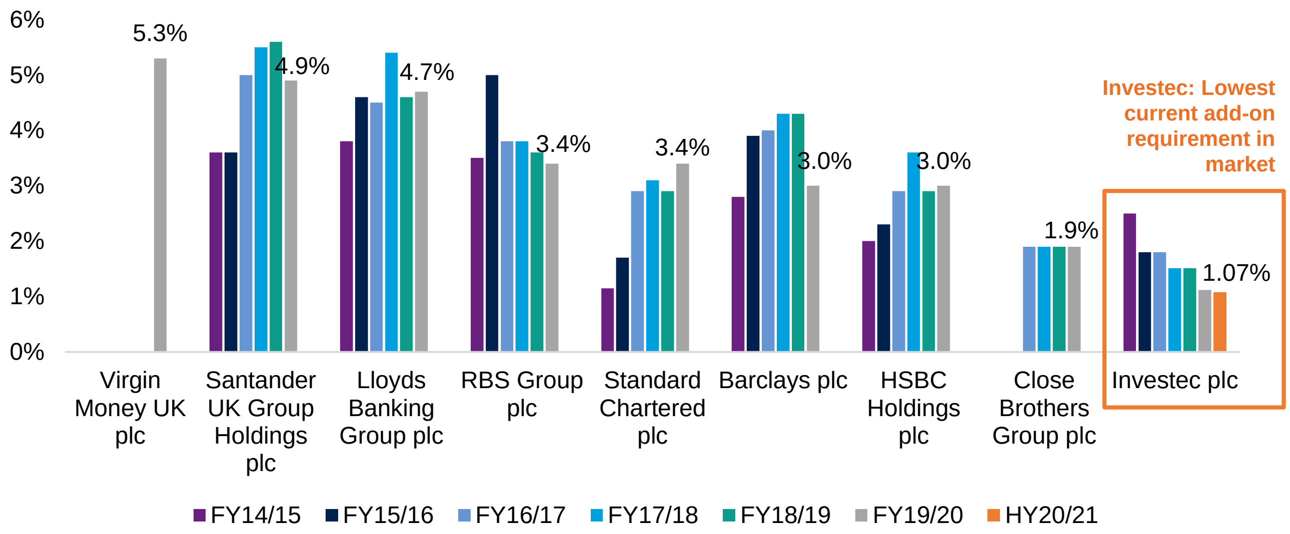
^The capital adequacy disclosures follow Investec's normal basis of presentation so as to show a consistent basis of calculation across the jurisdictions in which the group operates. For Investec plc and Investec Bank plc this does not include the deduction of foreseeable charges and dividends when calculating the CET 1 ratio as required under the Capital Requirements Regulation and European Banking Authority technical standards. The impact of this deduction totalling £18 million for Investec plc and £12 million for IBP would lower the CET1 ratio by 12bps and 7bps respectively.

1 Based on the group's understanding of current regulations "fully loaded" is based on CRR requirements as fully phased in by 2022; including full adoption of IFRS 9. 2 The leverage ratios are calculated on an end-quarter basis. 3 Investec plc and Investec Bank plc are not subject to the UK leverage ratio framework, however, for comparative purposes this ratio has been disclosed. This framework excludes qualifying central bank balances from the calculation of the leverage exposure measure. 4 The Prudential Regulation Authority has issued Investec plc with a Pillar 2A requirement of 1.12% of risk-weighted assets, of which 56% has to be met from CET1 capital. 5 Investec plc's CCyB requirement is composed of individual CCyB requirements applicable in the regions in which it operates. The UK Financial Policy Committee reduced the CCyB rate to 0% from 11 March 2020 in response to the economic shock arising from COVID-19.

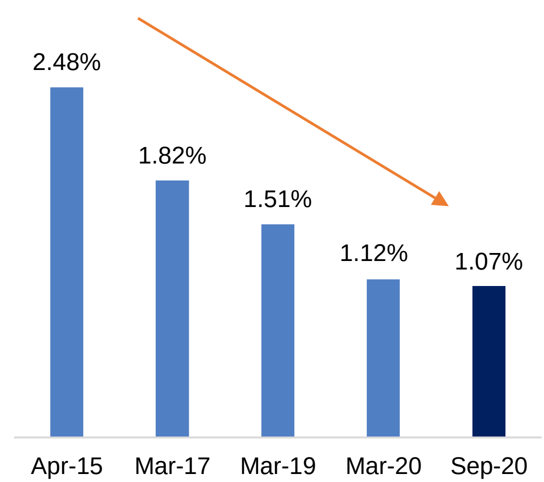
Investec plc: Capital requirements

Capital in excess of regulatory minimums

Pillar 2A add-on requirement[1]
% of RWAs



Investec plc Pillar 2A add-on requirement %

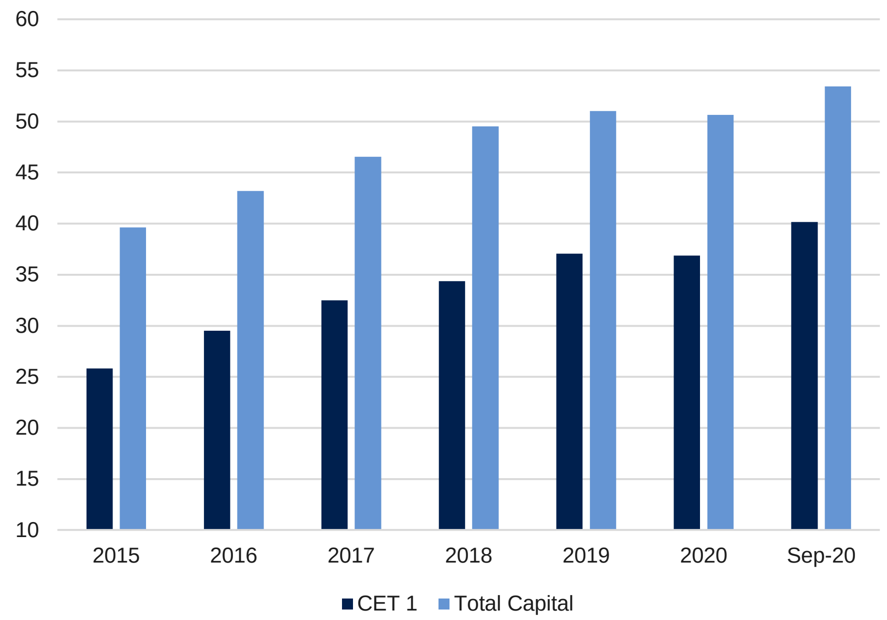


- On 24 February 2020, the PRA issued the Investec plc group with a revised Pillar 2A requirement of 1.12% of risk-weighted assets, down from 1.51% of risk-weighted assets in 2019.
- In response to the economic shock from COVID-19, the PRA announced in May 2020 that firms subject to a Supervisory Review and Evaluation Process (SREP) in 2020 and 2021, would have their Pillar 2A capital requirements set as a nominal amount, instead of a percentage of RWAs. Firms not subject to a SREP in 2020 may apply for a conversion of their current Pillar 2A requirement into a nominal amount using RWAs as of end-December 2019. This change would apply until the firm's next regulatory-scheduled SREP.
- Investec plc's Pillar 2A capital requirement has been converted into a nominal amount and, expressed as a percentage of RWAs at 30 September 2020, amounted to 1.07% of RWAs, of which 0.6% has to be met with CET1 capital (31 March 2020: Pillar 2A at 0.63% (56% of 1.12%)).
- Investec plc's CCyB reduced from 0.06% at 31 March 2020 to 0.02% at 30 Sep 2020.

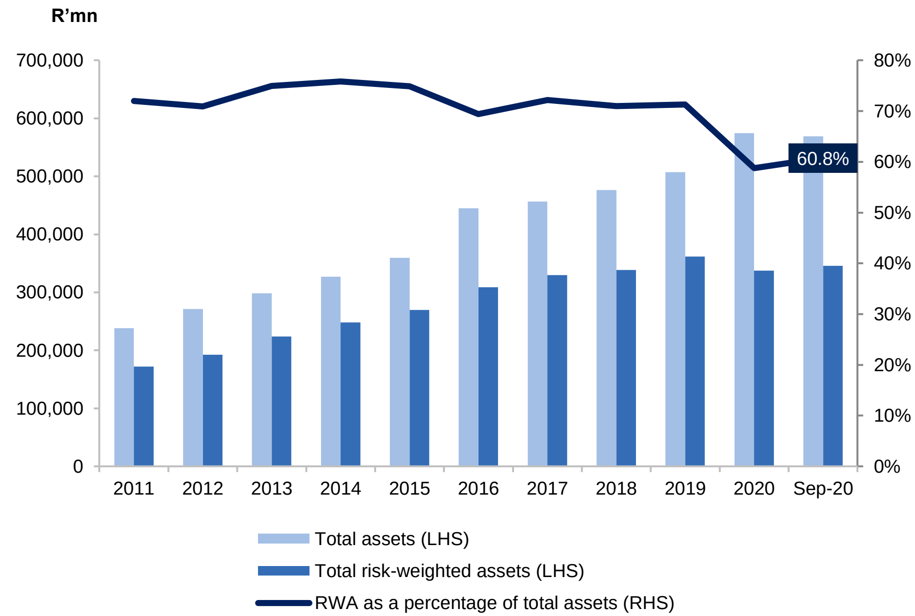
1 Information sourced from Annual Reports, Pillar 3 disclosures and stress testing results.

Investec Limited: Sound capital base

Total Capital
R'bn



Risk-weighted assets density



- Investec has **strong organic capital generation** and has not required recourse to government or shareholders
- **CET 1 and Total capital levels have grown robustly** at 8.4% and 5.6% CAGR respectively since 2015

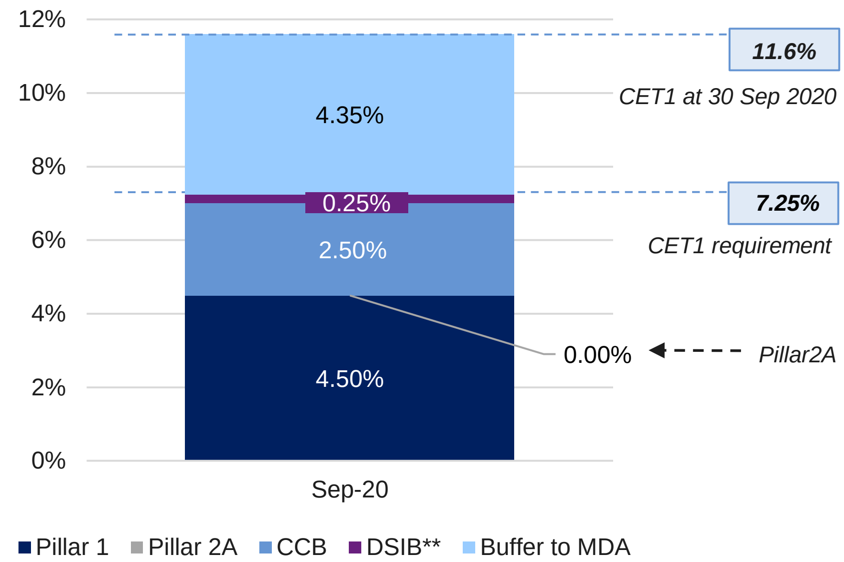
- Effective 1 April 2019, the Foundation Internal Ratings-Based ('**FIRB**') measurement of credit capital was adopted resulting in **lower RWA density and a positive impact on Investec Limited's capital ratios** (1.1% CET1 uplift)
- Investec Limited's Total RWAs / Total assets decreased to 60.8% on FIRB (Mar 2019: 71.3% on standardised)
- Our application for conversion to the Advanced Internal Ratings Based (**AIRB**) approach is under review by the South African Prudential Authority and if successful, is **expected to further enhance our capital ratios**

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

Capital ratios

	30 Sep 2020	31 Mar 2020
CET1 (as reported)	**11.6%**	10.9%
CET1 (fully loaded) #	**11.6%**	10.9%
Tier 1 (as reported)	**12.2%**	11.5%
Total capital adequacy ratio (as reported)	**15.5%**	15.0%
Leverage ratio* (current)	**7.0%**	6.4%
Leverage ratio* (fully loaded) #	**6.9%**	6.3%

CET1 buffer to regulatory minimum



- Investec Limited **maintained a sound capital position** with a CET1 ratio of 11.6% and a total capital adequacy ratio of 15.5% at 30 Sep 2020. **Leverage ratios remain robust** at 7.0% at 30 Sep 2020
- Investec received regulatory permission to adopt the FIRB approach, effective 1 April 2019
- Application for **conversion to AIRB** is under review by the Prudential Authority and, if successful, is **expected to result in a c.2% uplift to the CET1 ratio**

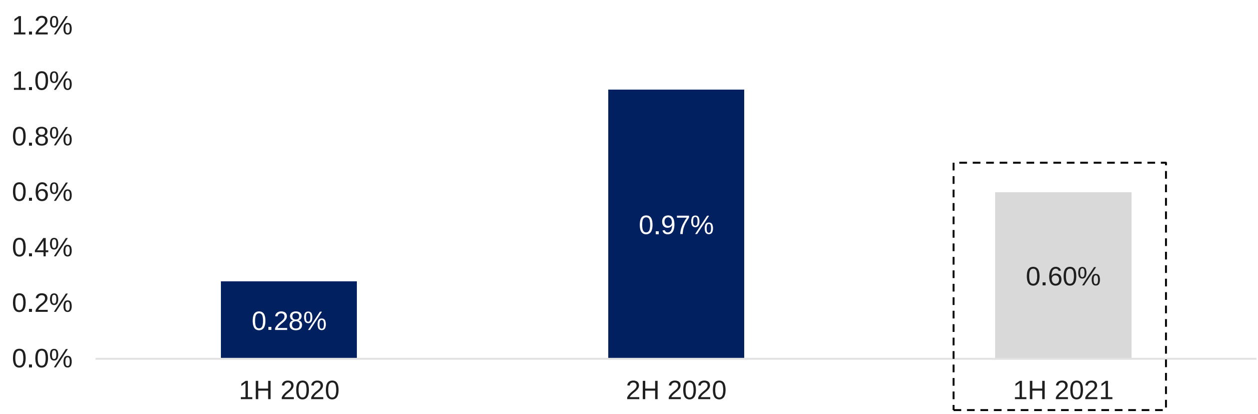
- Under our current capital requirements, Investec Limited's CET 1 regulatory minimum is 7.25% while our reported ratio was 11.6% at 30 Sep 2020, providing a **4.35% surplus relative to the regulatory minimum before buffers**
- On 6 April 2020, the SA Prudential Authority reduced the Pillar 2A capital requirement by 1% (0.5% in CET1), thereby increasing our surplus to regulatory requirements

The key difference between the 'reported' basis and the 'fully loaded' basis is primarily relating to capital instruments that previously qualified as regulatory capital, but do not fully qualify under South African Prudential Authority regulations. These instruments continue to be recognised on a reducing basis in the 'reported' figures until 2022. * The leverage ratios are calculated on an end-quarter basis and are based on revised BIS rules. **DSIB refers to 'Domestic Systemically Important Bank

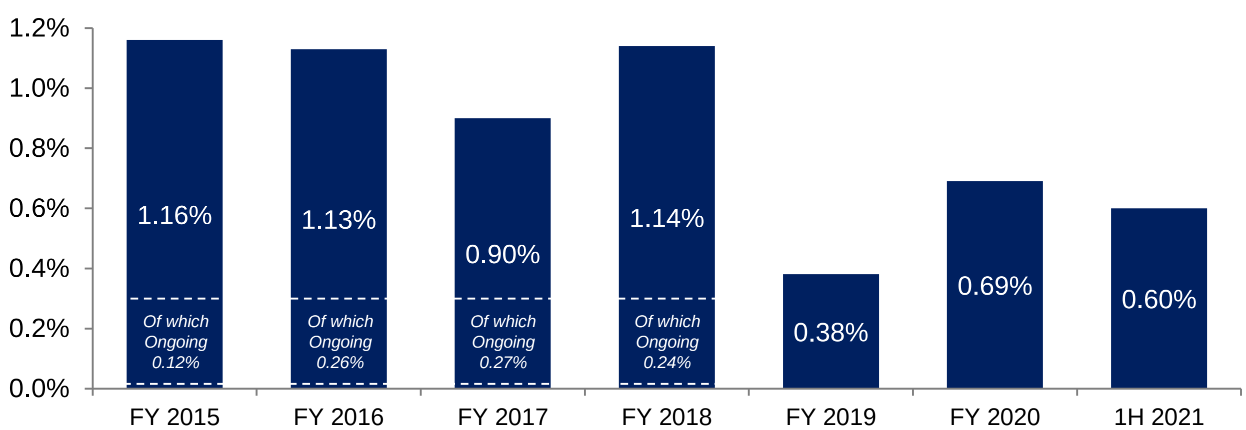
Investec plc: Asset Quality

Credit loss ratio

Investec plc credit loss ratio



Credit loss ratio trend[1]

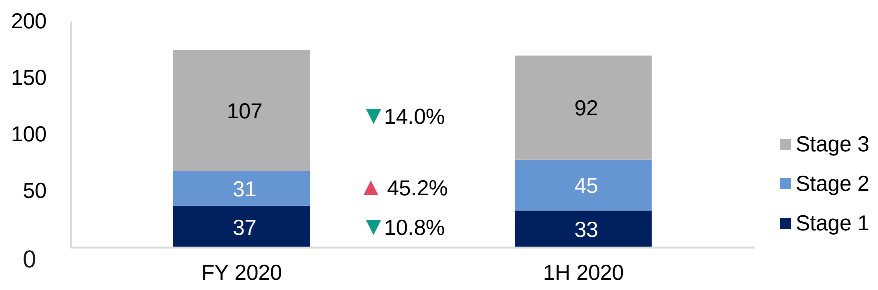


- Pre COVID-19, Investec plc's credit loss ratio was calculated at 0.28% for 1H 2020, however taking into account the impact of COVID-19 resulted in an overall credit loss ratio of 0.97% for 2H 2020 and 0.60% for 1H 2021
- While there has been moderation, the 1H 2021 credit loss ratio remains elevated due to:
  - Updated macroeconomic scenarios
  - COVID-19 related stage 3 ECL charge and other unrelated specific impairments

[1] Ratios in this graph include Legacy

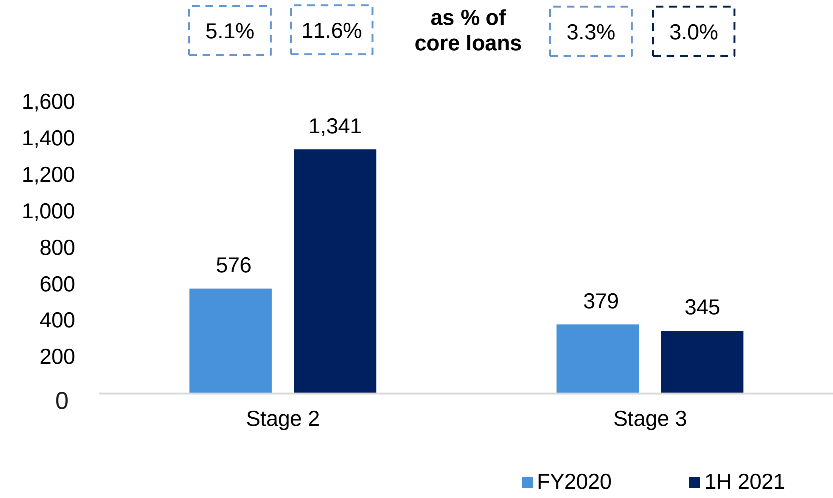
Investec plc: Asset Quality (cont.)

Provision build due to COVID-19 under IFRS 9
£'mn



ECL coverage ratio	FY 2020	1H 2021
Stage 1	0.4%	0.3%
Stage 2	5.4%	3.4%
Stage 3	28.2%	26.7%
of which Ongoing Stage 3	24.9%	20.6%

Gross core loans by Stage
£'mn



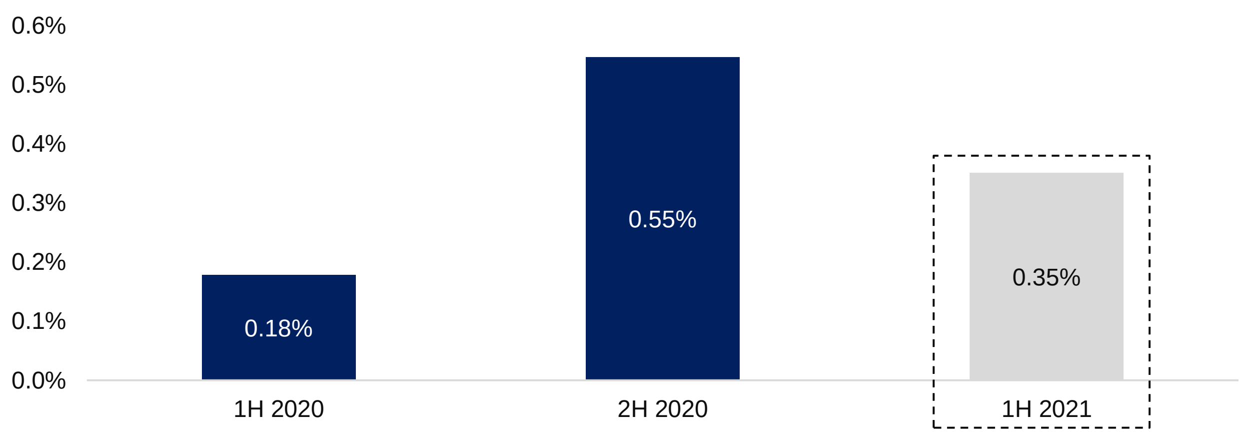
- The Stage 2 coverage ratio reduced to 3.4% (31 March 2020: 5.4%) as a significant proportion of the exposures that migrated into Stage 2 were from lower risk exposures, transferred into Stage 2 based on the deteriorating forward-looking view on their credit performance under current macro-economic expectations rather than specific credit concern
- The Stage 3 coverage ratio also declined to 26.7% (31 March 2020: 28.2%) related to the mix impact of deals written off relative to a few new highly collateralised deals migrating from Stage 2

- The overall loan portfolio continues to hold up well despite the macro environment
- Stage 2 exposures increased from 5.1% at 31 March 2020 to 11.6% at 30 September 2020, reflecting deterioration in the forward looking recognition of impairment charges under IFRS 9 incorporating deteriorating macroeconomic scenarios and weightings. Of the increase in Stage 2, 97% relates to the impact of the weakened IFRS 9 macro-economic scenarios and the heightened adverse impact on certain vulnerable sectors
- Stage 3 in the Ongoing book (excluding Legacy) totalled £228mn or 2.0% of gross core loans subject to ECL at 30 Sep 2020 (31 March 2019: 2.2%).
- In line with regulatory and accounting bodies guidance, exposures that have been granted COVID-19 relief measures such as payment holidays are not automatically considered to have been subject to a significant increase in credit risk and therefore do not alone result in a transfer across stages
- At the peak, Investec plc had provided some form of relief measures to loans equivalent to 13.7% of the book (mainly in asset finance, lending collateralised by property and corporate lending). As at 30 Sept 2020, 6.3% of loans are under some form of relief

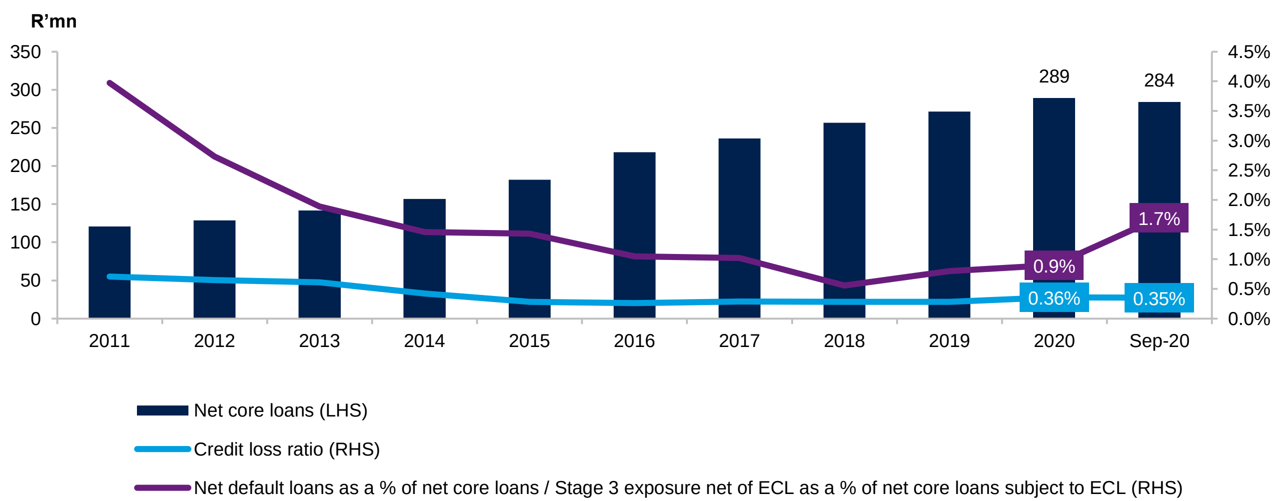
Investec Limited: Asset Quality

Solid asset quality despite COVID-19 related impairment charges

Investec Ltd Credit Loss Ratio



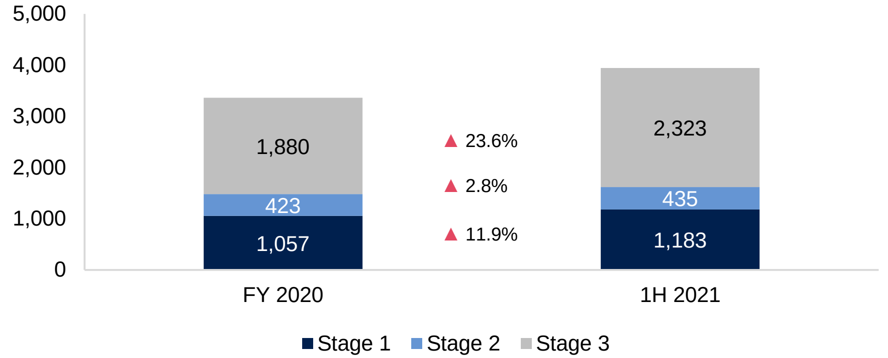
Asset quality trend



- Pre COVID-19, Investec Limited's credit loss ratio was calculated at 0.18% for 1H 2020, however taking into account the impact of COVID-19 resulted in an overall credit loss ratio of 0.55% for 2H 2020 and 0.35% for 1H 2021
- While there has been moderation, the 1H 2021 credit loss ratio remains elevated due to:
  - Updated macroeconomic scenarios
  - Increased stage 3 ECL charge

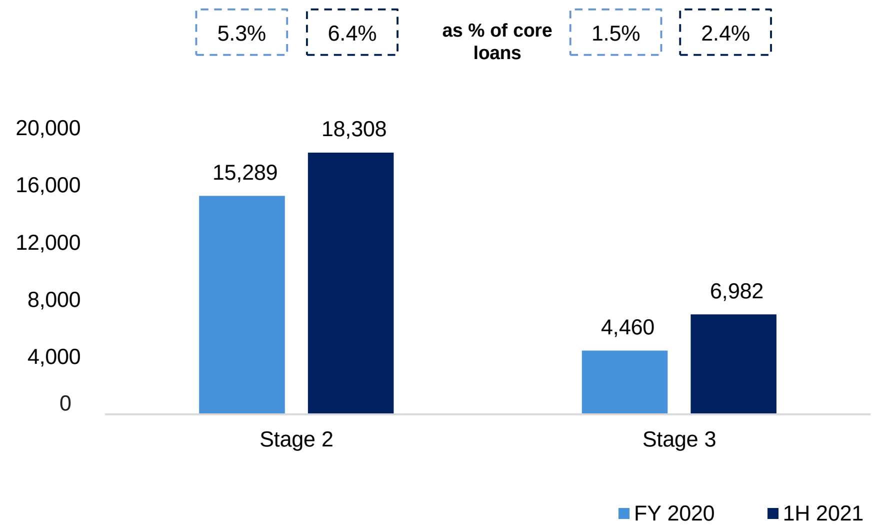
Investec Limited: Asset Quality (cont.)

Provision build due to COVID-19 under IFRS 9
R'mn



ECL coverage ratio	FY 2020	1H 2021
Stage 1	0.4%	0.5%
Stage 2	2.8%	2.4%
Stage 3	42.2%	33.3%

Gross core loans by Stage
R'mn



- The Stage 1 coverage ratio increased to 0.5% (31 March 2020: 0.4%) driven by a higher forward-looking IFRS 9 provision build
- The decrease in Stage 2 coverage was driven primarily by certain counterparties with a high coverage ratio which migrated to Stage 3, while the decrease in Stage 3 coverage relates to the mix impact of some deals written off and some highly secured counters moving into Stage 3

- Stage 2 exposures increased due to model-driven migrations from updated macro-economic scenarios, mainly in the mortgage portfolio and a few single name exposures particularly affected by COVID-19
- Stage 3 exposures increased by R2.5 billion to R6.9 billion or 2.4% of gross core loans subject to ECL at 30 September 2020 (1.5% at 31 March 2020). The increase relates to the migration of a number of deals across various sectors. Stage 3 coverage ratio totals 33.8% and the remaining net exposure is considered well covered by collateral
- In line with regulatory and accounting bodies guidance, exposures that have been granted COVID-19 relief measures such as payment holidays are not automatically considered to have been subject to a significant increase in credit risk and therefore do not alone result in a transfer across stages
- At the peak, Investec Limited had provided some form of relief measures to loans equivalent to 23.0% of the book (mainly lending collateralised by property and Investec for Business). Currently, 2.2% of loans are under some form of relief

Credit Ratings

Investec Bank Limited *

	Fitch	Moody's	S&P	GCR
Long term ratings				
Foreign currency	BB-	Ba2	BB-	BB
National	AA(zaf)	Aa1.za	za.AA	AA(za)
Short term ratings				
Foreign currency	B	NP	B	
National	F1+ (zaf)	P-1.za	za.A-1+	A1+(ZA)
Outlook	Negative	Negative	Stable	Negative

Investec Bank plc

	Fitch	Moody's	GCR
Long term ratings			
Foreign currency	BBB+	A1	BBB+
Short term ratings			
Foreign currency	F2	P-1	A2
Outlook	Negative	Stable	

Investec Limited *

	Fitch
Long term ratings	
Foreign currency	BB-
National	AA(zaf)
Short term ratings	
Foreign currency	B
National	F1+ (zaf)
Outlook	Negative

Investec plc

	Moody's
Long term ratings	
Foreign currency	Baa1
Short term ratings	
Foreign currency	P-2
Outlook	Stable

* Investec Bank Limited's and Investec Limited's credit ratings are largely associated with views by the rating agencies of the credit worthiness of the South African sovereign. It is generally accepted that a bank cannot have a higher rating than the sovereign of the country in which it operates. For further information on our credit ratings, please visit the Investec website.

Sustainability

Integrating the Sustainable Development Goals (SDG) into business strategy

Investec's sustainability framework is based on:

- Living sustainably within our operations
- Partnering with clients on their ESG journey and offering sustainability products and services
- Aligning our community initiatives to our SDG priorities to maximise impact
- Advocacy and thought leadership
  - Active participation in the United Nations Global Investors for Sustainable Development (UN GISD)
  - Working with industry in the UK and SA to ensure policy coherence
  - Using the strength of our brand to educate and promote sustainable thinking

Investec SDG priorities

Core priorities

Six secondary priorities

Creating financial and social value in a sustainable way that ensures a low-carbon, inclusive world

Refer to our website for more information on Sustainability at Investec.

Sustainability (cont.)

Focused on addressing climate change and inequality

Action taken in the past six months

- Published our **first stand alone TCFD report** in line with our commitment to climate disclosures
- Shareholders voted **99.95% in favour of our climate-related resolution** at the August 2020 AGM
- **Purchased carbon credits** to offset our FY 2020 emissions and meet our **net zero commitment**
- Signed up to the **United Nations Environment Programme Finance Initiative** (UNEP FI) and the **Partnership for Carbon Accounting Financials** (PCAF)
- **Ranked 55** (out of 5,500) in the **Wall Street Journal** Top 100 Most Sustainable Companies and 9th in the Social Category
- Rated **Level 1** under the Financial Sector Code in South Africa
- **Launched a number of ESG products** including the first European mid-market ESG-linked subscription lines and the UK's first retail ESG-linked Deposit Plan

Well positioned in ESG rankings and ratings

Dow Jones Sustainability Indices: **Top 15%** in the global diversified financial services sector (inclusion since 2006)

JSE: **Top 30** in the FTSE/JSE Responsible Investment Index

Sustainalytics: **Top 20%** of globally assessed companies in the Global Sustainability Leaders Index

MSCI: **Top 2%** scoring AAA in the financial services sector by MSCI ESG Research

CDP: **Score B** against an industry average of C (formerly Carbon Disclosure Project)

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

FTSE Russell: Included in the FTSE **UK 100 ESG Select Index** (out of 641 companies)

STOXX Global ESG Leaders: **1 of 43** banks and financial services in the **Global ESG Leaders Index** (total of 439) components)

RMSA: **1 of 5** finalists for **the ESG Sustainability Professional Award**

Refer to our website for more information on Sustainability at Investec.

Restatements

The group remains committed to its objective to simplify and focus the business in pursuit of disciplined growth over the long-term

- In this regard, the following strategic actions were effected in the prior financial year ended 31 March 2020:
  - Demerger of the asset management business
  - Closure of Click & Invest which formed part of the UK wealth management business
  - Sale of the Irish Wealth & Investment business
  - Restructure of the Irish branch
  - Sale of UK Property Fund
  - Closure and rundown of the Hong Kong direct investments business
- We elected to separately disclose the financial impact of these strategic actions as the financial impact from group restructures and the rundown of portfolios where operations have ceased
- The effective date of the asset management business demerger was 13 March 2020 and admission of the Ninety One Limited shares and the Ninety One plc shares to the Johannesburg Stock Exchange and London Stock Exchange was effected on 16 March 2020. The global asset management business has been disclosed as a discontinued operation and the income statement for the prior period has been appropriately re-presented

Financial impact of strategic actions

£'000	Six months to 30 Sep 2020	Six months to 30 Sep 2019	Year to 31 March 2020
Closure and rundown of the Hong Kong direct investments business*	(2 158)	(49 469)	(89 257)
Financial impact of group restructures	-	(12 757)	(25 725)
Closure of Click & Invest	-	(4 020)	(4 309)
Sale of the Irish Wealth & Investment business	-	18 959	19 741
Restructure of the Irish branch	-	(1 265)	(41 110)
Other	-	(917)	(47)
Financial impact of strategic actions – continuing operations	**(2 158)**	**(36 712)**	**(114 982)**
Taxation on financial impact of strategic actions from continuing operations	381	10 497	19 856
Net financial impact of strategic actions – continuing operations	**(1 777)**	**(26 215)**	**(95 126)**
Gain on distribution of Ninety One shares net of taxation and implementation costs	-	(8 579)	806 420
Net financial impact of strategic actions – Total group	**(1 777)**	**(34 794)**	**711 294**

* Included within the balance are fair value losses of £0.1 million (September 2019: £44.6 million, March 2020: £83.2 million). Further detail can be found in the group's 2020 annual report, which can be found on Investec's website.