# DISCLOSURE REPORT | 2020

***Investec Bank Limited group***
***Basel Pillar III***
***Semi-annual disclosure report***

Investec

# ABOUT THIS REPORT

### *Scope and framework*

This document encompasses Investec Bank Limited group, including both regulated and unregulated entities, which is equivalent to the scope of the consolidated banking group as defined by the South African Reserve Bank for consolidated regulatory reporting purposes.

In terms of Regulation 43(1) of the Regulations, Investec is required to disclose in its annual financial statements and other disclosures to the public, reliable, relevant and timely qualitative and quantitative information that enable users of that information, among other things, to make an accurate assessment of the group's financial condition, including, but not limited to, its capital adequacy position, and its liquidity position, financial performance, leverage ratio, ownership, governance, business activities, risk profile and risk-management practices.

In this regard the Basel Committee on Banking Supervision (BCBS) issued a revised Pillar III framework in January 2015 and the consolidated and enhanced framework in March 2017 as well as the updated framework on Pillar III disclosure requirements in December 2018. The Prudential Authority (PA) removed all disclosure requirements from the Regulations and previous Banks Act directives related to disclosure requirements through Directive1/2019 (the Directive) in order to create a single point of reference for the disclosure requirements to ensure the internationally agreed Pillar III framework is fully implemented in South Africa. The provisions of this directive are not related to any disclosure requirements that may be specified by the Johannesburg Stock Exchange Limited (JSE) in respect of the Stock Exchange News Service (SENS) from time to time.

In line with the Directive, retrospective disclosures and templates that require the disclosure of data points for current and previous reporting periods, are not required when metrics for new standards are reported for the first time. The Pillar III reports are published on Investec's Investor Relations website in line with the required frequency of disclosures per the Directive and is done for both the Investec Bank and Investec Limited group.

### *Assurance and policy*

In accordance with the Regulations, the Board of Directors and senior management are responsible for establishing and maintaining an effective internal control structure in respect of Pillar III disclosures. In this regard, the Board and senior management have ensured that appropriate review and sign-off of the relevant Pillar III disclosures have taken place, as outlined in the Pillar 3 disclosure policy, prior to its release on the Investor Relations website.

### *Quantitative and qualitative disclosures*

The Pillar III disclosures are published in line with disclosure dates that are commensurate with the Financial Reporting disclosure timelines and is subject to the same governance framework as tabled in the Investec Market Communication and Disclosure Policy. The following regulatory risk measurement approaches are applied by Investec for purposes of capital adequacy:

- Credit risk (including securitisation risk): Combination of the Internal ratings-based approach (IRB) and the Standardised approach (TSA)
- Market risk: A combination of the standardised (TSA) and internal model method (IMM) approaches
- Operational risk: The standardised approach (TSA)
- Equity risk in the banking book: The Market-based approach – Simple Risk Weight Method (MSRM)
- Counterparty credit risk: The Current Exposure Method (CEM)

In this regard, all tables and disclosures may not be relevant to Investec and are excluded from this Pillar III report.

## C O N T E N T S

KM1: KEY METRICS

The following section provides an overview of the key prudential regulatory metrics covering Investec Bank Limited group's available capital and ratios, risk-weighted assets, leverage ratio, liquidity coverage ratio and Net Stable Funding Ratio of the group's performance and trends over time.

.

| | | | a | b | c | d | e |
|---|---|---|---|---|---|---|---|
| **R'million** | | | 30 September 2020 | 30 June 2020 | 31 March 2020 | 31 December 2019 | 30 September 2019 |
| **Available capital (amounts)** | | | | | | | |
| 1 | Common Equity Tier 1 (CET1) | | 41 270 | 41 257 | 38 551 | 39 230 | 39 509 |
| 1a | Fully loaded ECL accounting model | **N3** | 41 270 | 41 257 | 38 551 | 39 230 | 39 509 |
| 2 | Tier 1 | | 42 037 | 41 909 | 39 302 | 40 150 | 40 429 |
| 2a | Fully loaded ECL accounting model Tier 1 | | 41 730 | 41 602 | 38 995 | 39 690 | 39 969 |
| 3 | Total capital | | 54 902 | 54 591 | 52 207 | 53 510 | 53 830 |
| 3a | Fully loaded ECL accounting model total capital | | 54 595 | 54 284 | 51 900 | 53 050 | 53 370 |
| **Risk-weighted assets (amounts)** | | | | | | | |
| 4 | Total risk-weighted assets (RWA) | | 320 969 | 316 092 | 319 090 | 309 983 | 303 158 |
| **Risk-based capital ratios as a percentage of RWA** | | | | | | | |
| 5 | Common Equity Tier 1 (%) | | 12.9 | 13.1 | 12.1 | 12.7 | 13.0 |
| 5a | Fully loaded ECL accounting model Common Equity Tier 1 | | 12.9 | 13.1 | 12.1 | 12.7 | 13.0 |
| 6 | Tier 1 ratio (%) | | 13.1 | 13.3 | 12.3 | 13.0 | 13.3 |
| 6a | Fully loaded ECL accounting model Tier 1 (%) | | 13.0 | 13.2 | 12.2 | 12.8 | 13.2 |
| 7 | Total capital ratio (%) | | 17.1 | 17.3 | 16.4 | 17.3 | 17.8 |
| 7a | Fully loaded ECL accounting model total capital ratio (%) | | 17.0 | 17.2 | 16.3 | 17.1 | 17.6 |
| **Additional CET1 buffer requirements as a percentage of RWA** | | | | | | | |
| 8 | Capital conservation buffer requirement (2.5% from 2019) (%) | | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| 9 | Countercyclical buffer requirement (%) | | - | - | - | 0.0354 | 0.0100 |
| 10 | Bank G-SIB and/or D_SIB additional requirements (%) | **N1** | 0.3 | - | - | - | - |
| 11 | Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10) | | 2.8 | 2.5 | 2.5 | 2.5 | 2.5 |
| 12 | CET1 available after meeting the bank's minimum capital requirements (%) | **N1** | 5.6 | 6.1 | 4.6 | 5.1 | 5.5 |
| **Basel III leverage ratio** | | | | | | | |
| 13 | Total Basel III leverage ratio exposure measure | | 563 835 | 562 460 | 571 144 | 516 941 | 518 964 |
| 14 | Basel III leverage ratio (%) (row 2 / row 13) | | 7.5 | 7.5 | 6.9 | 7.8 | 7.8 |
| 14a | Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a / row 13) | | 7.4 | 7.4 | 6.8 | 7.7 | 7.7 |
| **Liquidity Coverage Ratio** | | | | | | | |
| 15 | Total HQLA | | 88 808 | 84 633 | 85 606 | 90 712 | 92 284 |
| 16 | Total net cash outflow | | 54 260 | 59 928 | 60 149 | 57 921 | 65 143 |
| 17 | LCR ratio (%) | **N2** | 164.1 | 142.6 | 142.6 | 157.2 | 142.1 |
| **Net Stable Funding Ratio** | | | | | | | |
| 18 | Total available stable funding | | 337 615 | 346 751 | 347 926 | 319 262 | 319 557 |
| 19 | Total required stable funding | | 296 321 | 292 629 | 296 512 | 279 267 | 275 343 |
| 20 | NSFR ratio | | 113.9 | 118.5 | 117.3 | 114.3 | 116.1 |

Capital information includes unappropriated profits. If unappropriated profits are excluded from capital information, Investec Bank Limited group common equity tier 1 ratio would be 32bps lower and total capital adequacy ratio would be 32bps lower.

Investec have always held capital in excess of regulatory requirements and continue to remain well capitalised. Accordingly, the Investec group targets a minimum CET1 capital ratio of above 10%, a tier 1 capital ratio of above 11% and a total capital ratio target in the range of 14% to 17%.

Investec targets a leverage ratio above 6%.

**Notes:**

**N1:** Banks are required to refrain from disclosing to the public their ICR (Pillar 2B) requirement that is based on a combination of various qualitative and quantitative factors that are not directly comparable across banks. Banks are required to publicly disclose their D-SIB capital add-on as part of their composition of regulatory capital disclosure from September 2020.

**N2:** Refer to the LIQ1: Liquidity Coverage ratio template and commentary on pages 9 to 10 of this report.

**N3:** The key difference between the 'reported' basis and the 'fully loaded' basis primarily relates to capital instruments that previously qualified as regular capital, but do not fully qualify under South African Prudential Authority regulations. These instruments continue to be registered on a reducing basis in the 'reported' figures until 2022. The fully loaded ratio and capital amounts throughout out the KM1 template assumes full adoption of IFRS 9 and is based on Basel III capital requirements as fully phased in by 2022.

The following section provide an overview of total RWA forming the denominator of the risk-based under Pillar 1 capital requirements. Further breakdowns of RWA are presented in subsequent parts.

| | | | a | b | c |
|---|---|---|---|---|---|
| | | | Risk-weighted assets (IRB) | | Minimum capital requirements |
| R'million | | | 30 September 2020 | 30 June 2020 | 30 September 2020 |
| **1** | **Credit risk (excluding counterparty credit risk) (CCR)** | **N1** | **248 118** | **243 403** | **27 293** |
| 2 | Of which standardised approach (SA) | | 83 010 | 86 730 | 9 131 |
| 3 | Of which foundation internal rating-based (F-IRB) approach | | 144 709 | 136 104 | 15 918 |
| 4 | Of which supervisory slotting approach | | 5 570 | 5 635 | 613 |
| 5 | Of which internal rating-based (A-IRB) approach | | 14 829 | 14 934 | 1 631 |
| **6** | **Counterparty credit risk** | **N2** | **8 449** | **8 699** | **929** |
| 7 | Of which standardised approach for counterparty credit risk (CEM-CCR) | | 8 449 | 8 699 | 929 |
| 8 | Of which internal model method (IMM) | | - | - | - |
| 9 | Of which: other CCR | | - | - | - |
| **10** | **Credit valuation adjustment (CVA)** | | **3 214** | **2 821** | **354** |
| **11** | **Equity positions in banking book under market-based approach** | **N3** | **14 553** | **14 519** | **1 601** |
| 12 | Equity investments in funds – look-through approach | | - | - | - |
| 13 | Equity investments in funds – mandate-based approach | | - | - | - |
| 14 | Equity investments in funds – fall-back approach | | - | - | - |
| 15 | Settlement risk | | - | - | - |
| **16** | **Securitisation exposures in banking book** | | **1 466** | **1 697** | **162** |
| 17 | Of which: securitisation internal ratings-based approach (SEC-IRBA) | | 406 | 416 | 45 |
| 18 | Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA) | | - | - | - |
| 19 | Of which: securitisation standardised approach (SEC-SA) | | 1 060 | 1 281 | 117 |
| **20** | **Market risk** | **N7** | **6 253** | **6 150** | **688** |
| 21 | Of which standardised approach (SA) | | 406 | 376 | 45 |
| 22 | Of which internal model approaches (IMA) | | 5 847 | 5 774 | 643 |
| 23 | Capital charge for switch between trading book and banking book | | - | - | - |
| **24** | **Operational risk** | **N4** | **22 529** | **22 162** | **2 478** |
| 25 | Amounts below the thresholds for deduction (subject to 250% risk weight) | **N5** | 16 387 | 16 641 | 1 803 |
| 26 | Floor adjustment | **N6** | - | - | - |
| **27** | **Total (1+6+10+11+12+13+14+15+16+20+23+ 24+25+26)** | | **320 969** | **316 092** | **35 308** |

The commentary for the movement in risk-weighted assets (RWA) below is based on comparisons between 30 June 2020 and 30 September 2020.

The minimum capital requirements in column (c) are based on the SARB minimum capital requirements for Investec of 11.0%, however excludes Investec's Pillar 2B add-on in line with the Banks Act Directive 4 of 2020.

Risk-weighted assets (RWA) are calculated according to the Basel framework, including the 1.06 scaling factor for credit and equity exposures subject to the internal ratings-based approach (IRB), and as reported in accordance with the subsequent parts of this standard. Where the regulatory framework does not refer to RWA but directly to capital charges (e.g. for market risk and operational risk), RWA is derived by multiplying the capital charge by 12.5.

**Movement in risk-weighted asset**

Total risk-weighted assets increased by R4.9 billion over the period, with the reasons identified in the categories below.

**Notes:**

**N1**: Credit risk weighted assets increased by R4.7 billion (1.9%). A flow statement, explaining the variations in the credit risk-weighted assets determined under an IRB approach, is provided in table CR8.

**N2**: The group applied the current exposure method (CEM) to calculate required capital for over the counter (OTC) exposures and the standardised approach (TSA) for security financing transactions (SFT). Counterparty credit risk RWA is the sum of OTC, SFT, regulatory Credit Valuation Adjustment (CVA), exposures to central counterparties (CCP's) and any default fund contributions, of which total remained fairly flat over the reporting period. Our exposure to counterparty credit risk is marginal at 3.6% of total RWA.

**N3:** Equity risk remained fairly flat over the reporting period. The risk weight attributable to equity investments is relatively high, with listed equities attracting an effective 318% and unlisted equities 424%. The impact of this is proportionately much larger movement in RWA than the associated balance sheet equity value.

**N4**: Operational risk is calculated using the standardised approach and is driven by the levels of income over a three-year average period, applying specific factors applicable to the nature of the business generating the income.

**N5**: The risk-weighted assets in this line item relate to investments in significant financial entities and deferred tax assets below the 10% of CET1 threshold.

**N6**: The Bank did not have any additional add-on to risk weighted assets as a result of the capital floor calculation specified in Directive 3 of 2013.

**N7**: Market risk RWAs are calculated using the Value at Risk (VaR) approach.

## LR1: SUMMARY COMPARISON OF ACCOUNTING ASSETS VS LEVERAGE RATIO EXPOSURE MEASURE (JANUARY 2014 STANDARD)

The purpose of the LR1 table below is to reconcile the total assets in the published financial statements to the leverage ratio exposure measure.

| | | a | a |
|---|---|---|---|
| **R'million** | | 30 September 2020 | 30 June 2020 |
| 1 | Total consolidated assets as per published financial statements ^ | 531 933 | 535 890 |
| 2 | Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation | - | - |
| 3 | Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure | - | - |
| 4 | Adjustments for derivative financial instruments | (9 639) | (11 083) |
| 5 | Adjustments for securities financing transactions (i.e. repos and similar secured lending) | 2 195 | (230) |
| 6 | Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures) | 44 415 | 42 507 |
| 7 | Other adjustments | (5 069) | (4 624) |
| **8** | **Leverage ratio exposure measure** | **563 835** | **562 460** |

^ - Adjusted for impairments.

The purpose of the LR2 table below is to provide a detailed breakdown of the components of the leverage ratio denominator.

| | | a | b |
|---|---|---|---|
| **R'million** | | 30 September 2020 | 30 June 2020 |
| **On-balance sheet exposures** | | | |
| 1 | On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral) | 472 591 | 482 667 |
| 2 | (Asset amounts deducted in determining Basel III Tier 1 capital) | (5 069) | (4 624) |
| **3** | **Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 and 2)** | **467 522** | **478 043** |
| **Derivative exposures** | | | |
| 4 | Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting) | 10 822 | 10 146 |
| 5 | Add-on amounts for PFE associated with all derivatives transactions | 4 548 | 4 112 |
| 6 | Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework | - | - |
| 7 | (Deductions of receivables assets for cash variation margin provided in derivatives transactions) | - | - |
| 8 | (Exempted CCP leg of client-cleared trade exposures) | (3 605) | (2 361) |
| 9 | Adjusted effective notional amount of written credit derivatives | - | - |
| 10 | (Adjusted effective notional offsets and add-on deductions for written credit derivatives) | - | - |
| **11** | **Total derivative exposures (sum of rows 4 to 10)** | **11 765** | **11 897** |
| **Securities financing transaction exposures** | | - | - |
| 12 | Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions | 35 411 | 27 797 |
| 13 | (Netted amounts of cash payables and cash receivables of gross SFT assets) | - | - |
| 14 | CCR exposure for SFT assets | 4 721 | 2 216 |
| 15 | Agent transaction exposures | - | - |
| **16** | **Total securities financing transaction exposures (sum of rows 12 to 15)** | **40 132** | **30 013** |
| **Other off-balance sheet exposures** | | | |
| 17 | Off-balance sheet exposure at gross notional amount | 100 040 | 96 143 |
| 18 | (Adjustments for conversion to credit equivalent amounts) | (55 624) | (53 636) |
| **19** | **Off-balance sheet items (sum of rows 17 and 18)** | **44 416** | **42 507** |
| **Capital and total exposures** | | | |
| 20 | Tier 1 capital | 42 037 | 41 909 |
| **21** | **Total exposures (sum of rows 3, 11, 16 and 19)** | **563 835** | **562 460** |
| **Leverage ratio** | | | |
| **22** | **Basel III leverage ratio** | **7.5** | **7.5** |

Investec Bank Limited group's current leverage ratio is 6.9% ahead of the minimum 6% target level. We maintain an Investec group target common equity tier 1 ratio in excess of 10% which is currently considered appropriate for businesses given our sound leverage ratios.

The purpose of the LIQ1 table below is to present the breakdown of a bank's cash outflows and cash inflows, as well as its available high-quality liquid assets (HQLA), as measured and defined according to the LCR standard.

The objective of the Liquidity Coverage ratio (LCR) is to promote the short-term resilience of the liquidity risk profile of banks by ensuring that they have sufficient high-quality liquid assets to survive a significant stress scenario lasting 30 calendar days.

.

| | | a | b |
|---|---|---|---|
| 30 September 2020<br>**R'million** | | **Total unweighted value (average)** | **Total weighted value (average)** |
| **High-quality liquid assets** | | | |
| 1 | Total HQLA | | 88 808 |
| **Cash outflows** | | | |
| **2** | **Retail deposits and deposits from small business customers, of which:** | **88 416** | **8 842** |
| 3 | Stable deposits | - | - |
| 4 | Less stable deposits | 88 416 | 8 842 |
| **5** | **Unsecured wholesale funding, of which:** | **116 167** | **85 159** |
| 6 | Operational deposits (all counterparties) and deposits in networks of cooperative banks | - | - |
| 7 | Non-operational deposits (all counterparties) | 115 213 | 84 205 |
| 8 | Unsecured debt | 954 | 954 |
| **9** | **Secured wholesale funding** | | 193 |
| **10** | **Additional requirements, of which:** | **89 981** | **20 847** |
| 11 | Outflows related to derivative exposures and other collateral requirements | 31 939 | 15 154 |
| 12 | Outflows related to loss of funding on debt products | - | - |
| 13 | Credit and liquidity facilities | 58 042 | 5 693 |
| **14** | **Other contractual funding obligations** | **369** | **369** |
| **15** | **Other contingent funding obligations** | **98 307** | **4 906** |
| **16** | **TOTAL CASH OUTFLOWS** | | **120 316** |
| **Cash inflows** | | | |
| 17 | Secured lending (eg reverse repos) | 29 707 | 13 650 |
| 18 | Inflows from fully performing exposures | 52 825 | 47 508 |
| 19 | Other cash inflows | 5 070 | 4 898 |
| **20** | **TOTAL CASH INFLOWS** | **87 602** | **66 056** |
| | | **Total adjusted value** | |
| 21 | Total HQLA | | 88 808 |
| 22 | Total net cash outflows | | 54 260 |
| 23 | Liquidity Coverage Ratio (%) | | **164.1** |

The objective of the Liquidity Coverage ratio (LCR) is to promote the short-term resilience of the liquidity risk profile of banks by ensuring that they have sufficient high-quality liquid assets to survive a significant stress scenario lasting 30 calendar days.

The values in the table are calculated as the simple average of the 92 calendar daily values over the period 1 July 2020 to 30 September 2020 for Investec Bank Limited (IBL) bank solo. Investec Bank Limited consolidated group values use daily values for IBL bank solo, while those for other group entities use the average of July, August and September 2020 month-end values.
The minimum LCR requirement, while normally 100%, was lowered to 80% as a temporary measure during the COVID-19 pandemic. This applies for both IBL bank solo and IBL consolidated group. The Bank of Mauritius requires banks to comply with a combined-currency LCR minimum of 80% from 1 January 2019.

| | | a | b |
|---|---|---|---|
| 30 June 2020<br>**R'million** | | **Total unweighted value (average)** | **Total weighted value (average)** |
| **High-quality liquid assets** | | | 84 633 |
| 1 | Total HQLA | | |
| **Cash outflows** | | | |
| **2** | **Retail deposits and deposits from small business customers, of which:** | **85 865** | **8 586** |
| 3 | Stable deposits | - | - |
| 4 | Less stable deposits | 85 865 | 8 586 |
| **5** | **Unsecured wholesale funding, of which:** | **116 567** | **84 699** |
| 6 | Operational deposits (all counterparties) and deposits in networks of cooperative banks | - | - |
| 7 | Non-operational deposits (all counterparties) | 115 917 | 84 049 |
| 8 | Unsecured debt | 650 | 650 |
| **9** | **Secured wholesale funding** | | 1 066 |
| **10** | **Additional requirements, of which:** | **82 326** | **17 491** |
| 11 | Outflows related to derivative exposures and other collateral requirements | 27 873 | 11 926 |
| 12 | Outflows related to loss of funding on debt products | 7 | 7 |
| 13 | Credit and liquidity facilities | 54 446 | 5 558 |
| **14** | **Other contractual funding obligations** | **302** | **302** |
| **15** | **Other contingent funding obligations** | **96 277** | **6 686** |
| **16** | **TOTAL CASH OUTFLOWS** | | **118 829** |
| **Cash inflows** | | | |
| 17 | Secured lending (eg reverse repos) | 25 007 | 10 273 |
| 18 | Inflows from fully performing exposures | 48 918 | 44 664 |
| 19 | Other cash inflows | 4 069 | 3 964 |
| **20** | **TOTAL CASH INFLOWS** | **77 994** | **58 901** |
| | | **Total adjusted value** | |
| 21 | Total HQLA | | 84 633 |
| 22 | Total net cash outflows | | 59 928 |
| 23 | Liquidity Coverage Ratio (%) | | **142.6** |

**The main drivers of the LCR results and the evolution of the contribution of inputs to the LCR's calculation over time:**

- The average LCR increased by 21.5%, due to solid increases in both HQLA and short-term secured placements. We remain fully compliant with regulatory requirements, and above the target set by the Board.
- The structure and nature of deposits inside the 30 day window is the key driver of both the level and the volatility of the LCR. This weighted outflow is determined by the customer type of liabilities falling into the 30 day contractual bucket. In turn these deposit characteristics determine the targeted level of high quality liquid assets (HQLA) required to be held as a counterbalance to the modelled stressed outflows.
- Only banking and / or deposit-taking entities are included and the group data represents an aggregation of the relevant individual net cash outflows and the individual HQLA portfolios. Our two banks, Investec Bank Limited (IBL) and Investec Bank (Mauritius) Limited (IBM), contributed over 99% of the group's combined HQLA and stressed cash inflows and outflows. With the ability to transfer cash surpluses between group entities, the consolidated group LCR is higher than IBL solo's.

**The composition of HQLA:**

- The HQLA comprises primarily South African sovereign and central bank Rand-denominated securities and debt instruments, all of which are eligible for SARB repo.
- On average, Level 2 assets contributed 4% of total HQLA. As of 1 December 2017, we no longer make use of the SARB's committed liquidity facility (CLF).
- Some foreign denominated government securities are included in the HQLA, subject to regulatory limitations.

The purpose of the LIQ2 table below is to provide details of a bank's NSFR and selected details of its NSFR components.

| | | a | b | c | d | e |
|---|---|---|---|---|---|---|
| | | **Unweighted value by residual maturity** | | | | **Weighted Value** |
| 30 September 2020<br>**R'million** | | No maturity | < 6 months | 6 months to < 1 year | ≥ 1 year | |
| **Available stable funding (ASF) item** | | | | | | |
| **1** | **Capital:** | 42 890 | - | - | 12 835 | 55 725 |
| 2 | *Regulatory capital* | 42 890 | - | - | 12 835 | 55 725 |
| 3 | *Other capital instruments* | - | - | - | - | - |
| **4** | **Retail deposits and deposits from small business customers:** | 97 115 | 7 309 | 1 703 | 1 583 | 97 097 |
| 5 | *Stable deposits* | - | - | - | - | - |
| 6 | *Less stable deposits* | 97 115 | 7 309 | 1 703 | 1 583 | 97 097 |
| **7** | **Wholesale funding:** | 102 988 | 121 355 | 48 955 | 74 924 | 178 486 |
| 8 | *Operational deposits* | - | - | - | - | - |
| 9 | *Other wholesale funding* | 102 988 | 121 355 | 48 955 | 74 924 | 178 486 |
| **10** | **Liabilities with matching interdependent assets** | - | - | - | - | - |
| **11** | **Other liabilities:** | 8 181 | 163 | 878 | 18 278 | 6 307 |
| 12 | *NSFR derivative liabilities* | | | | 18 278 | |
| 13 | *All other liabilities and equity not included in the above categories* | 8 181 | 163 | 878 | - | 6 307 |
| **14** | **Total ASF** | | | | | **337 615** |
| **Required stable funding (RSF) item** | | | | | | |
| **15** | **Total NSFR high-quality liquid assets (HQLA)** | | | | | 9 494 |
| **16** | **Deposits held at other financial institutions for operational purposes** | - | - | - | - | - |
| **17** | **Performing loans and securities:** | 18 018 | 104 827 | 29 069 | 241 137 | 247 964 |
| 18 | *Performing loans to financial institutions* | - | 18 408 | - | 52 | 1 893 |
| 19 | *Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions* | 9 000 | 48 419 | 3 055 | 32 418 | 42 562 |
| 20 | *Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:* | 3 376 | 35 117 | 25 226 | 127 319 | 140 486 |
| 21 | *With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk* | - | - | - | 2 095 | 1 362 |
| 22 | *Performing residential mortgages, of which:* | - | 568 | 444 | 65 770 | 43 256 |
| 23 | *With a risk weight of less than or equal to 35% under Basel II standardised approach for credit risk* | - | 568 | 444 | 65 770 | 43 256 |
| 24 | *Securities that are not in default and do not qualify as HQLA, including exchange-traded equities* | 5 642 | 2 315 | 344 | 15 578 | 19 767 |
| **25** | **Assets with matching interdependent liabilities** | - | - | - | - | - |
| **26** | **Other assets:** | 25 154 | 285 | 1 | 57 295 | 33 999 |
| 27 | *Physical traded commodities, including gold* | - | | | | - |
| 28 | *Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs* | | | | 2 975 | 2 529 |
| 29 | *NSFR derivative assets* | | | | 21 404 | 3 126 |
| 30 | *NSFR derivative liabilities before deduction of variation margin posted* | | | | 31 601 | 3 160 |
| 31 | *All other assets not included in the above categories* | 25 154 | 285 | 1 | 1 315 | 25 184 |
| **32** | **Off-balance sheet items** | | 187 169 | - | - | 4 864 |
| **33** | **Total RSF** | | | | | **296 321** |
| **34** | **Net Stable Funding Ratio (%)** | | | | | **113.9** |

*(continued)*

| | | a | b | c | d | e |
|---|---|---|---|---|---|---|
| 31 March 2020 | | Unweighted value by residual maturity | | | | Weighted Value |
| **R'million** | | No maturity | < 6 months | 6 months to < 1 year | ≥ 1 year | |
| **Available stable funding (ASF) item** | | | | | | |
| **1** | **Capital:** | 41 214 | - | - | 13 841 | 55 055 |
| 2 | *Regulatory capital* | 41 214 | - | - | 13 841 | 55 055 |
| 3 | *Other capital instruments* | - | - | - | - | - |
| **4** | **Retail deposits and deposits from small business customers:** | 90 854 | 7 362 | 3 527 | 1 646 | 93 214 |
| 5 | *Stable deposits* | - | - | - | - | - |
| 6 | *Less stable deposits* | 90 854 | 7 362 | 3 527 | 1 646 | 93 214 |
| **7** | **Wholesale funding:** | 113 444 | 114 409 | 39 679 | 90 686 | 192 702 |
| 8 | *Operational deposits* | - | - | - | - | - |
| 9 | *Other wholesale funding* | 113 444 | 114 409 | 39 679 | 90 686 | 192 702 |
| **10** | **Liabilities with matching interdependent assets** | - | - | - | - | - |
| **11** | **Other liabilities:** | 11 836 | 265 | 610 | 24 489 | 6 955 |
| 12 | *NSFR derivative liabilities* | | | | 24 489 | |
| 13 | *All other liabilities and equity not included in the above categories* | 11 836 | 265 | 610 | - | 6 955 |
| **14** | **Total ASF** | | | | | **347 926** |
| **Required stable funding (RSF) item** | | | | | | |
| **15** | **Total NSFR high-quality liquid assets (HQLA)** | | | | | 6 523 |
| **16** | **Deposits held at other financial institutions for operational purposes** | - | - | - | - | - |
| **17** | **Performing loans and securities:** | 30 790 | 88 440 | 31 543 | 243 477 | 255 939 |
| 18 | *Performing loans to financial institutions* | - | 15 853 | - | 2 | 1 588 |
| 19 | *Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions* | 14 083 | 33 227 | 5 052 | 30 691 | 40 441 |
| 20 | *Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:* | 11 553 | 37 199 | 22 880 | 127 428 | 147 361 |
| 21 | *With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk* | - | - | - | 2 207 | 1 434 |
| 22 | *Performing residential mortgages, of which:* | - | 558 | 691 | 67 090 | 44 234 |
| 23 | *With a risk weight of less than or equal to 35% under Basel II standardised approach for credit risk* | - | 558 | 691 | 67 090 | 44 234 |
| 24 | *Securities that are not in default and do not qualify as HQLA, including exchange-traded equities* | 5 154 | 1 603 | 2 920 | 18 266 | 22 315 |
| **25** | **Assets with matching interdependent liabilities** | - | - | - | - | - |
| **26** | **Other assets:** | 24 341 | 430 | 17 | 59 304 | 29 660 |
| 27 | *Physical traded commodities, including gold* | - | | | | - |
| 28 | *Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs* | | | | 2 194 | 1 865 |
| 29 | *NSFR derivative assets* | | | | 18 221 | - |
| 30 | *NSFR derivative liabilities before deduction of variation margin posted* | | | | 37 938 | 3 794 |
| 31 | *All other assets not included in the above categories* | 24 341 | 430 | 17 | 951 | 24 001 |
| **32** | **Off-balance sheet items** | | 171 010 | - | - | 4 390 |
| **33** | **Total RSF** | | | | | **296 512** |
| **34** | **Net Stable Funding Ratio (%)** | | | | | **117.3** |

The objective of the Net Stable Funding Ratio (NSFR) is to promote the resilience in the banking sector by requiring banks to maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities on an ongoing structural basis. By ensuring that banks do not embark on excessive maturity transformation that is not sustainable, the NSFR is intended to reduce the likelihood that disruptions to a bank's funding sources would erode its liquidity position, increasing its risk of failure and potentially lead to broader systemic risk.

In accordance with the provisions of section 6(6) of the South African Banks Act 1990 (Act No. 94 of 1990), banks are directed to comply with the relevant NSFR disclosure requirements. This disclosure Template LIQ2 is in accordance with Pillar 3 of the Basel III liquidity accord, as specified by Directive 11/2015 and Directive 01/2018.

The values in the table are calculated as at 30 September 2020.The minimum NSFR requirement is 100%. This applies to both IBL bank solo and Investec Bank Limited consolidated group.

The Bank of Mauritius does not currently require banks to comply with the NSFR standard.

**The main drivers of the NSFR results and the evolution of the contribution of inputs to the NSFR's calculation over time:**

- The asset class, customer type and residual maturity of deposits are the key drivers of available stable funding, in particular those from either retail and small business customers or with maturity longer than a year. Capital issued is also a significant contributor.
- The customer type and residual maturity of loans, as well as holdings in securities eligible as HQLA, are the key drivers of required stable funding. Lower weightings apply to mortgages, shorter-term loans and especially HQLA.
- In spite of a reduction in both term wholesale funding and derivative liabilities, the NSFR remains comfortably above the minimum requirement and within the range set by the Board.
- Only banking and / or deposit-taking entities are included, and the group data represents a consolidation of the relevant individual assets, liabilities and off-balance sheet items. Our two banks, Investec Bank Limited (IBL) and Investec Bank (Mauritius) Limited (IBM), contributed over 98% of the group's combined available and required stable funding. The consolidated group NSFR is higher than IBL solo's with the contribution of IBM's capital to available stable funding.

The purpose of the CR1 table below is to provide a comprehensive picture of the credit quality of a bank's (on- and off-balance sheet) assets.

| | a | b | c | d |
|---|---|---|---|---|
| | **Gross carrying values of** | | **Allowances/ impairments ^** | **Net values (a+b+c)** |
| 30 September 2020<br>**R'million** | Defaulted exposures | Non-defaulted exposures | | |
| 1 Loans * | 7 124 | 276 366 | (3 964) | 279 526 |
| 2 Debt Securities ** | 14 | 107 228 | (115) | 107 127 |
| 3 Off-balance sheet exposures ^^ | 947 | 80 814 | (76) | 81 685 |
| **4 Total** | **8 085** | **464 408** | **(4 155)** | **468 338** |

| | a | b | c | d |
|---|---|---|---|---|
| | **Gross carrying values of** | | **Allowances/ impairments** | **Net values (a+b+c)** |
| 31 March 2020<br>**R'million** | Defaulted exposures | Non-defaulted exposures | | |
| 1 Loans | 4 552 | 283 019 | (3 384) | 284 187 |
| 2 Debt Securities | 89 | 108 015 | (100) | 108 004 |
| 3 Off-balance sheet exposures | 528 | 77 544 | (65) | 78 007 |
| **4 Total** | **5 169** | **468 578** | **(3 549)** | **470 198** |

*Loans represent core loans and advances plus own originated and other loans and advances as reported in the total gross credit and counterparty exposure financial statements.

**Debt securities are made up of non-sovereign and non-bank cash placements, sovereign debt securities, bank debt securities and other debt securities as reported in the total gross credit and counterparty exposure financial statements.

^Allowances/impairments include the total ECL for loans, debt securities and off-balance sheet items as reported in the financial statements.

^^Off-balance sheet exposures are reported gross of credit risk mitigation (CRM) and credit conversion factors (CCF) and exclude revocable commitments.

Net values reported in CR1 column (d) above are reported as the carrying accounting values per the annual financial statements whereas values in table CR3 represent the exposure at default (EAD) measured for regulatory purposes.

The group applies a consistent definition to default for regulatory and accounting purposes.

The purpose of the CR2 table below is to Identify the changes in a bank's stock of defaulted exposures, the flows between non-defaulted and defaulted exposure categories and reductions in the stock of defaulted exposures due to write-offs.

| | | a | a |
|---|---|---|---|
| 30 September 2020<br>**R'million** | | 30 September 2020 | 31 March 2020 |
| **1** | **Defaulted loans and debt securities at end of 31 March 2019** | **4 552** | **3 940** |
| 2 | Loans and debt securities that have defaulted since the last reporting period | 2 591 | 2 395 |
| 3 | Returned to non-defaulted status | 100 | 235 |
| 4 | Amounts written off | 90 | 869 |
| 5 | Other changes | 172 | (679) |
| **6** | **Defaulted loans and debt securities at end of 30 September 2019 (1+2-3-4+5)** | **7 125** | **4 552** |

The defaulted exposures line 6 column (a) of this report represents on-balance sheet defaulted loans and debt securities exposures, it therefore, differs from the total represented in the CR1 table line 4 column (a) due to off-balance sheet exposures.

The purpose of the CR3 table below is to disclose the extent of use of credit risk mitigation techniques.

| | | a | b | c | d | e | f | g |
|---|---|---|---|---|---|---|---|---|
| **30 September 2020 R'million** | | **Exposures unsecured: carrying amount** | **Exposures secured by collateral** | **Exposures secured by collateral, of which: secured amount** | **Exposures secured by financial guarantees** | **Exposures secured by financial guarantees, of which: secured amount** | **Exposures secured by credit derivatives** | **Exposures secured by credit derivatives, of which: secured amount** |
| 1 | Loans | 198 803 | 115 134 | 107 609 | 15 661 | 15 661 | - | - |
| 2 | Debt Securities | 88 032 | 1 949 | 1 949 | 8 948 | 8 948 | - | - |
| | Off-balance sheet | 55 059 | 36 754 | 35 826 | 8 940 | 8 940 | - | - |
| **3** | **Total** | **341 894** | **153 837** | **145 384** | **33 549** | **33 549** | **-** | **-** |
| 4 | Of which defaulted | 3 495 | 2 378 | 1 506 | 839 | 839 | - | - |

| | | a | b | c | d | e | f | g |
|---|---|---|---|---|---|---|---|---|
| **31 March 2020 R'million** | | **Exposures unsecured: carrying amount** | **Exposures secured by collateral** | **Exposures secured by collateral, of which: secured amount** | **Exposures secured by financial guarantees** | **Exposures secured by financial guarantees, of which: secured amount** | **Exposures secured by credit derivatives** | **Exposures secured by credit derivatives, of which: secured amount** |
| 1 | Loans | 197 190 | 110 993 | 108 638 | 21 874 | 21 874 | - | - |
| 2 | Debt Securities | 81 784 | 2 000 | 2 000 | 8 605 | 8 605 | - | - |
| | Off-balance sheet | 52 962 | 37 499 | 37 281 | 8 113 | 8 113 | - | - |
| **3** | **Total** | **331 936** | **150 492** | **147 919** | **38 592** | **38 592** | **-** | **-** |
| 4 | Of which defaulted | 2 540 | 847 | 847 | 190 | 190 | - | - |

The table above include all Credit Risk Mitigation (CRM) techniques used to reduce capital requirements and disclose all secured and unsecured exposures, irrespective of whether the TSA or IRB approach is used for risk-weighted assets calculation.

Exposure values above represent the gross credit exposure, i.e. exposure gross of any credit conversion factors and eligible CRM, but net of allowances/specific impairments.

Exposures, not secured by either collateral or financial guarantees used to reduce capital requirements, are reported as unsecured.

The group does not make use of any unfunded credit derivative instruments for purposes of reducing capital requirements. We have credit-linked notes (CLNs) that serve as protection against credit exposures, however since these CLNs are fully funded, they function as cash collateral and are reported as such in the table.

The purpose of the CR4 table below is to Illustrate the effect of CRM (comprehensive and simple approach) on standardised approach capital requirements' calculations. RWA density provides a synthetic metric on riskiness of each portfolio.

| | | a | b | c | d | e | f |
|---|---|---|---|---|---|---|---|
| | | **Exposures before CCF and CRM** | | **Exposures post-CCF and CRM** | | **RWA and RWA density** | |
| 30 September 2020 **R'million** | | On-balance sheet amount | Off-balance sheet amount | On-balance sheet amount | Off-balance sheet amount | RWA | RWA density |
| **Asset classes** | | | | | | | |
| 1 | Sovereigns and their central banks | 473 | - | 473 | - | 377 | 79.7% |
| 2 | Non-central government public sector entities | 54 | 22 | 34 | 11 | 9 | 20.0% |
| 3 | Multilateral development banks | 195 | 37 | 195 | 7 | - | 0.0% |
| 4 | Banks | 10 142 | 121 | 8 945 | 55 | 3 690 | 41.0% |
| 5 | Securities firms | 5 | - | - | - | - | 100.0% |
| 6 | Corporates | 68 734 | 18 700 | 61 466 | 5 268 | 61 110 | 91.6% |
| 7 | Regulatory retail portfolios | 313 | 229 | 148 | 21 | 127 | 75.0% |
| 8 | Secured by residential property | 2 296 | 163 | 2 254 | 72 | 1 000 | 43.0% |
| 9 | Secured by commercial real estate | 4 611 | - | 4 397 | - | 4 397 | 100.0% |
| 10 | Equity | - | - | - | - | - | 0.0% |
| 11 | Past-due loans | 4 049 | 406 | 2 010 | 6 | 2 583 | 128.1% |
| 12 | Higher-risk categories | - | - | - | - | - | 0.0% |
| 13 | Other assets | 21 443 | - | 21 443 | - | 9 717 | 45.3% |
| **14** | **Total** | **112 315** | **19 678** | **101 365** | **5 440** | **83 010** | **77.7%** |

| | | a | b | c | d | E | f |
|---|---|---|---|---|---|---|---|
| | | **Exposure0s before CCF and CRM** | | **Exposures post-CCF and CRM** | | **RWA and RWA density** | |
| 31 March 2020 **R'million** | | On-balance sheet amount | Off-balance sheet amount | On-balance sheet amount | Off-balance sheet amount | RWA | RWA density |
| **Asset classes** | | | | | | | |
| 1 | Sovereigns and their central banks | 521 | - | 521 | - | 405 | 77.5% |
| 2 | Non-central government public sector entities | - | 350 | - | 175 | 35 | 20.0% |
| 3 | Multilateral development banks | 184 | - | 184 | - | - | 0.0% |
| 4 | Banks | 9 992 | 565 | 9 000 | 283 | 4 396 | 47.4% |
| 5 | Securities firms | 27 | - | 15 | - | 15 | 100.0% |
| 6 | Corporates | 78 495 | 23 355 | 70 747 | 5 632 | 68 911 | 90.2% |
| 7 | Regulatory retail portfolios | 275 | 250 | 130 | 30 | 120 | 75.0% |
| 8 | Secured by residential property | 3 370 | 322 | 3 332 | 145 | 1 335 | 38.4% |
| 9 | Secured by commercial real estate | 5 160 | - | 4 939 | - | 4 939 | 100.0% |
| 10 | Equity | - | - | - | - | - | 0.0% |
| 11 | Past-due loans | 2 899 | 39 | 1 418 | 5 | 1 657 | 116.4% |
| 12 | Higher-risk categories | - | - | - | - | - | 0.0% |
| 13 | Other assets | 46 984 | - | 46 984 | - | 10 578 | 22.5% |
| **14** | **Total** | **147 907** | **24 881** | **137 270** | **6 270** | **92 391** | **64.4%** |

Columns (c) and (d) represent the substituted asset class as a result of eligible guarantees.

Past due assets are disclosed separately independent of asset class.

RWA density provides a synthetic metric on riskiness of each portfolio and is derived by dividing RWA in column (e) with the sum of columns (c) and (d).

Equity exposures are reported in table CR10.

The on-balance sheet exposures in column (a) are reported gross of impairment, CCF and CRM. Off-balance sheet exposures in column (b) includes revocable facilities.

Credit exposures post-CCF and post-CRM are the amounts to which risk-weighted assets are applied to.

Past due loans reported follows the same definition of default as applied in table CR1 but includes revocable facilities and average balances where relevant.

The purpose of the CR5 table below is to present the breakdown of credit risk exposures under the standardised approach by asset class and risk weight (corresponding to the riskiness attributed to the exposure according to standardised approach).

| | | a | b | c | d | e | f | g | h | i | j |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 30 September 2020 **R'million** | | **0%** | **10%** | **20%** | **35%** | **50%** | **75%** | **100%** | **150%** | **Others** | **Total credit exposures amount (post CCF and post-CRM)** |
| **Asset class** | | | | | | | | | | | |
| 1 | Sovereigns and their central banks | - | - | - | - | 192 | - | 281 | - | - | 473 |
| 2 | Non-central government public sector entities | - | - | 45 | - | - | - | - | - | - | 45 |
| 3 | Multilateral development banks | 203 | - | - | - | - | - | - | - | - | 203 |
| 4 | Banks | 90 | - | 5 723 | - | 1 285 | - | 1 902 | - | - | 9 000 |
| 5 | Securities firms | - | - | - | - | - | - | - | - | - | - |
| 6 | Corporates | 4 775 | - | 1 | - | 934 | - | 61 022 | - | - | 66 732 |
| 7 | Regulatory retail portfolios | - | - | - | - | - | 169 | - | - | - | 169 |
| 8 | Secured by residential property | - | - | - | 1 974 | - | 169 | 183 | - | - | 2 326 |
| 9 | Secured by commercial real estate | - | - | - | - | - | - | 4 397 | - | - | 4 397 |
| 10 | Equity | - | - | - | - | - | - | - | - | - | - |
| 11 | Past-due loans | - | - | - | - | 244 | - | 384 | 1 388 | - | 2 016 |
| 12 | Higher-risk categories | - | - | - | - | - | - | - | - | - | - |
| 13 | Other assets | 11 711 | - | - | - | - | - | 9 733 | - | - | 21 444 |
| **14** | **Total** | **16 779** | **-** | **5 769** | **1 974** | **2 655** | **338** | **77 902** | **1 388** | **-** | **106 805** |

Exposure values reported in table CR5 reconcile to the aggregate exposure of columns (c) and (d) in table CR4 allocated across specified risk weight bands.

*(continued)*

| | | a | b | c | d | e | f | g | h | i | j |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **31 March 2020 R'million** | | **0%** | **10%** | **20%** | **35%** | **50%** | **75%** | **100%** | **150%** | **Others** | **Total credit exposures amount (post CCF and post-CRM)** |
| **Asset class** | | | | | | | | | | | |
| 1 | Sovereigns and their central banks | - | - | - | - | 234 | - | 288 | - | - | 521 |
| 2 | Non-central government public sector entities | - | - | 175 | - | - | - | - | - | - | 175 |
| 3 | Multilateral development banks | 183 | - | - | - | - | - | - | - | - | 183 |
| 4 | Banks | 16 | - | 4 546 | - | 2 469 | - | 2 252 | - | - | 9 283 |
| 5 | Securities firms | - | - | - | - | - | - | 15 | - | - | 15 |
| 6 | Corporates | 6 182 | - | 1 071 | - | - | - | 69 126 | - | - | 76 379 |
| 7 | Regulatory retail portfolios | - | - | - | - | - | 160 | - | - | - | 160 |
| 8 | Secured by residential property | - | - | - | 3 224 | - | 186 | 67 | - | - | 3 478 |
| 9 | Secured by commercial real estate | - | - | - | - | - | - | 4 939 | - | - | 4 939 |
| 10 | Equity | - | - | - | - | - | - | - | - | - | - |
| 11 | Past-due loans | - | - | - | - | 73 | - | 808 | 542 | - | 1 423 |
| 12 | Higher-risk categories | - | - | - | - | - | - | - | - | - | - |
| 13 | Other assets | 36 389 | - | - | - | - | - | 10 595 | - | - | 46 984 |
| **14** | **Total** | **42 770** | **-** | **5 792** | **3 224** | **2 776** | **346** | **88 090** | **542** | **-** | **143 540** |

The purpose of table CR6 below is to provide main parameters used for the calculation of capital requirements for IRB models. The purpose of disclosing these parameters is to enhance the transparency of banks' RWA calculations and the reliability of regulatory measures.

| | a | b | c | d | e | f | g | h | i | j | k | l |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 30 September 2020 | | | | | | | | | | | | |
| **PD Scale** | **Original on-balance sheet gross exposure (R'm)** | **Off-balance sheet exposures pre CCF (R'm)** | **Average CCF (%)** | **EAD post CRM and post-CCF (R'm)** | **Average PD (%)** | **Number of obligors^** | **Average LGD (%)** | **Average maturity * (years)** | **RWA (R'm)** | **RWA density (%)** | **EL** (R'm)** | **Provisions (R'm)** |
| **Banks** | | | | | | | | | | | | |
| 0.00 to <0.15 | 15 712 | 1 872 | 100.0% | 17 584 | 0.052% | 50 | 46.3% | 2.5 | 4 876 | 27.7% | 4 | - |
| 0.15 to <0.25 | 341 | - | 0.0% | 341 | 0.226% | 3 | 45.0% | 2.5 | 169 | 49.7% | - | - |
| 0.25 to <0.50 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 0.50 to <0.75 | 3 590 | - | 0.0% | 3 590 | 0.640% | 8 | 74.9% | 2.5 | 6 378 | 177.7% | 17 | - |
| 0.75 to <2.50 | 22 | - | 0.0% | 22 | 1.581% | 11 | 44.5% | 2.5 | 29 | 132.8% | - | - |
| 2.50 to <10.00 | 336 | - | 0.0% | 336 | 2.560% | 4 | 45.0% | 2.5 | 437 | 130.3% | 4 | - |
| 10.00 to <100.00 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 100.00 (Default) | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| **Sub-total** | **20 001** | **1 872** | **100.0%** | **21 873** | **0.191%** | **76** | **51.0%** | **2.5** | **11 889** | **54.4%** | **25** | **-** |
| **Corporate** | | | | | | | | | | | | |
| 0.00 to <0.15 | 13 406 | 15 250 | 62.3% | 22 912 | 0.072% | 227 | 40.7% | 2.5 | 4 997 | 21.8% | 6 | - |
| 0.15 to <0.25 | 15 814 | 6 798 | 51.3% | 19 299 | 0.190% | 200 | 40.3% | 2.5 | 7 599 | 39.4% | 15 | - |
| 0.25 to <0.50 | 13 948 | 5 232 | 27.0% | 15 361 | 0.404% | 708 | 36.8% | 2.5 | 8 213 | 53.5% | 23 | - |
| 0.50 to <0.75 | 5 721 | 1 605 | 52.4% | 6 562 | 0.640% | 430 | 32.4% | 2.5 | 3 799 | 57.9% | 14 | - |
| 0.75 to <2.50 | 11 209 | 2 692 | 43.2% | 12 371 | 1.299% | 2 886 | 40.4% | 2.5 | 11 200 | 90.5% | 65 | - |
| 2.50 to <10.00 | 5 247 | 1 013 | 54.6% | 5 800 | 3.864% | 3 978 | 39.9% | 2.5 | 6 745 | 116.3% | 89 | - |
| 10.00 to <100.00 | 419 | 14 | 50.0% | 426 | 26.541% | 98 | 40.4% | 2.5 | 819 | 192.2% | 47 | - |
| 100.00 (Default) | 1 646 | 78 | 60.6% | 1 693 | 100.000% | 48 | 40.2% | 2.5 | 7 855 | 464.0% | 105 | 103 |
| **Sub-total** | **67 410** | **32 682** | **52.1%** | **84 424** | **2.781%** | **8 575** | **39.2%** | **2.5** | **51 227** | **60.7%** | **364** | **103** |

*Average maturity represents the obligor maturity in years, weighted by EAD, as used in the RWA calculation.

** EL represents the regulatory expected losses as calculated according to the Basel framework.

^ Represents the number of unique obligors. The total number of unique obligors will not equal the sum of the obligors in the underlying asset classes since an obligor may be present in more than one asset class.

CR6: IRB – CREDIT RISK EXPOSURES BY PORTFOLIO AND PROBABILITY OF DEFAULT (PD) RANGE

*(continued)*

| | a | b | c | d | e | f | g | h | i | j | k | l |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 30 September 2020 | | | | | | | | | | | | |
| **PD Scale** | **Original on-balance sheet gross exposure (R'm)** | **Off-balance sheet exposures pre CCF (R'm)** | **Average CCF (%)** | **EAD post CRM and post-CCF (R'm)** | **Average PD (%)** | **Number of obligors** | **Average LGD (%)** | **Average maturity (years)** | **RWA (R'm)** | **RWA density (%)** | **EL (R'm)** | **Provisions (R'm)** |
| **Public sector entities** | | | | | | | | | | | | |
| 0.00 to <0.15 | 3 278 | 900 | 41.7% | 3 653 | 0.017% | 7 | 39.9% | 2.5 | 328 | 9.0% | - | - |
| 0.15 to <0.25 | 1 721 | - | 0.0% | 1 721 | 0.226% | 1 | 34.9% | 2.5 | 663 | 38.5% | 1 | - |
| 0.25 to <0.50 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 0.50 to <0.75 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 0.75 to <2.50 | 789 | - | 0.0% | 789 | 0.905% | 1 | 45.0% | 2.5 | 744 | 94.3% | 3 | - |
| 2.50 to <10.00 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 10.00 to <100.00 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 100.00 (Default) | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| **Sub-total** | **5 788** | **900** | **41.7%** | **6 163** | **0.189%** | **9** | **39.2%** | **2.5** | **1 735** | **28.2%** | **4** | **-** |
| **Retail – mortgages** | | | | | | | | | | | | |
| 0.00 to <0.15 | 24 777 | 14 065 | 94.0% | 38 001 | 0.054% | 16 936 | 11.3% | 4.9 | 656 | 1.7% | 2 | - |
| 0.15 to <0.25 | 7 921 | 3 924 | 94.3% | 11 623 | 0.195% | 4 661 | 11.3% | 4.8 | 567 | 4.9% | 3 | - |
| 0.25 to <0.50 | 6 126 | 2 805 | 94.8% | 8 786 | 0.385% | 3 446 | 11.5% | 4.7 | 709 | 8.1% | 4 | - |
| 0.50 to <0.75 | 6 621 | 2 167 | 94.2% | 8 664 | 0.640% | 3 463 | 11.3% | 4.8 | 981 | 11.3% | 6 | - |
| 0.75 to <2.50 | 13 030 | 3 482 | 95.6% | 16 359 | 1.322% | 6 811 | 11.3% | 4.8 | 3 000 | 18.3% | 24 | - |
| 2.50 to <10.00 | 10 229 | 3 073 | 96.3% | 13 189 | 3.993% | 5 923 | 11.3% | 4.7 | 4 485 | 34.0% | 60 | - |
| 10.00 to <100.00 | 2 331 | 163 | 107.0% | 2 506 | 15.646% | 1 123 | 11.3% | 4.7 | 1 525 | 60.8% | 44 | - |
| 100.00 (Default) | 1 199 | 78 | 121.8% | 1 294 | 100.000% | 549 | 11.3% | 4.5 | 258 | 20.0% | 245 | 245 |
| **Sub-total** | **72 234** | **29 757** | **94.7%** | **100 422** | **2.550%** | **42 912** | **11.3%** | **4.8** | **12 181** | **12.1%** | **388** | **245** |

| | a | b | c | d | e | f | g | h | i | j | k | l |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 30 September 2020 | | | | | | | | | | | | |
| **PD Scale** | **Original on-balance sheet gross exposure (R'm)** | **Off-balance sheet exposures pre CCF (R'm)** | **Average CCF (%)** | **EAD post CRM and post-CCF (R'm)** | **Average PD (%)** | **Number of obligors** | **Average LGD (%)** | **Average maturity (years)** | **RWA (R'm)** | **RWA density (%)** | **EL (R'm)** | **Provisions (R'm)** |
| **Retail – other** | | | | | | | | | | | | |
| 0.00 to <0.15 | 1 900 | 272 | 85.6% | 2 133 | 0.056% | 6 425 | 30.1% | 3.3 | 105 | 4.9% | - | - |
| 0.15 to <0.25 | 418 | 79 | 80.2% | 481 | 0.189% | 1 168 | 26.4% | 3.1 | 52 | 10.7% | - | - |
| 0.25 to <0.50 | 352 | 63 | 83.7% | 404 | 0.379% | 1 000 | 27.2% | 3.2 | 71 | 17.7% | - | - |
| 0.50 to <0.75 | 367 | 51 | 87.7% | 412 | 0.640% | 1 204 | 30.5% | 3.3 | 110 | 26.6% | 1 | - |
| 0.75 to <2.50 | 655 | 29 | 107.0% | 686 | 1.337% | 2 241 | 30.3% | 3.3 | 247 | 36.1% | 3 | - |
| 2.50 to <10.00 | 499 | 29 | 101.8% | 529 | 4.202% | 1 338 | 26.6% | 2.9 | 214 | 40.6% | 6 | - |
| 10.00 to <100.00 | 62 | 3 | 119.9% | 66 | 14.484% | 197 | 26.8% | 2.6 | 36 | 54.6% | 3 | - |
| 100.00 (Default) | 49 | 2 | 135.8% | 51 | 100.000% | 354 | 23.0% | 2.2 | 13 | 25.0% | 27 | 27 |
| **Sub-total** | **4 302** | **528** | **87.2%** | **4 762** | **2.065%** | **13 927** | **29.0%** | **3.2** | **848** | **17.8%** | **40** | **27** |
| **Retail – revolving credit** | | | | | | | | | | | | |
| 0.00 to <0.15 | 89 | 2 688 | 92.7% | 2 580 | 0.065% | 35 940 | 33.1% | 1.0 | 38 | 1.5% | 1 | - |
| 0.15 to <0.25 | 108 | 651 | 91.5% | 704 | 0.191% | 9 847 | 33.3% | 1.0 | 25 | 3.6% | - | - |
| 0.25 to <0.50 | 94 | 507 | 91.9% | 559 | 0.383% | 9 474 | 33.1% | 1.0 | 35 | 6.3% | 1 | - |
| 0.50 to <0.75 | 191 | 344 | 89.4% | 499 | 0.640% | 5 787 | 33.1% | 1.0 | 47 | 9.5% | 1 | - |
| 0.75 to <2.50 | 642 | 794 | 88.2% | 1 343 | 1.379% | 15 906 | 33.1% | 1.0 | 228 | 17.0% | 6 | - |
| 2.50 to <10.00 | 383 | 360 | 88.2% | 701 | 3.156% | 8 682 | 33.1% | 1.0 | 216 | 30.8% | 7 | - |
| 10.00 to <100.00 | 32 | 7 | 76.7% | 38 | 13.503% | 684 | 33.1% | 1.0 | 28 | 74.9% | 2 | - |
| 100.00 (Default) | 48 | 3 | 105.6% | 50 | 100.000% | 784 | 33.1% | 1.0 | 9 | 18.8% | 34 | 34 |
| **Sub-total** | **1 587** | **5 354** | **91.3%** | **6 474** | **1.613%** | **87 104** | **33.1%** | **1.0** | **626** | **9.7%** | **52** | **34** |

*(continued)*

| | a | b | c | d | e | f | g | h | i | j | k | l |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 30 September 2020 | | | | | | | | | | | | |
| **PD Scale** | **Original on-balance sheet gross exposure (R'm)** | **Off-balance sheet exposures pre CCF (R'm)** | **Average CCF (%)** | **EAD post CRM and post-CCF (R'm)** | **Average PD (%)** | **Number of obligors** | **Average LGD (%)** | **Average maturity (years)** | **RWA (R'm)** | **RWA density (%)** | **EL (R'm)** | **Provisions (R'm)** |
| **SME – retail** | | | | | | | | | | | | |
| 0.00 to <0.15 | 149 | 61 | 89.7% | 203 | 0.074% | 1 029 | 27.5% | 3.0 | 9 | 4.4% | - | - |
| 0.15 to <0.25 | 248 | 74 | 88.5% | 313 | 0.192% | 2 067 | 24.9% | 2.8 | 32 | 10.3% | - | - |
| 0.25 to <0.50 | 432 | 135 | 89.6% | 553 | 0.400% | 1 511 | 24.1% | 2.5 | 89 | 16.0% | 1 | - |
| 0.50 to <0.75 | 366 | 90 | 90.1% | 447 | 0.640% | 1 032 | 22.5% | 2.6 | 88 | 19.6% | 1 | - |
| 0.75 to <2.50 | 1 029 | 359 | 91.1% | 1 356 | 1.375% | 4 182 | 22.5% | 2.5 | 365 | 26.9% | 4 | - |
| 2.50 to <10.00 | 1 046 | 355 | 89.3% | 1 363 | 4.117% | 4 386 | 21.7% | 2.4 | 448 | 32.9% | 12 | - |
| 10.00 to <100.00 | 294 | 37 | 94.6% | 330 | 14.483% | 457 | 20.7% | 2.5 | 138 | 41.8% | 10 | - |
| 100.00 (Default) | 36 | - | 0.0% | 36 | 100.000% | 93 | 19.4% | 1.5 | 5 | 13.7% | 12 | 12 |
| **Sub-total** | **3 600** | **1 111** | **90.2%** | **4 601** | **3.596%** | **14 757** | **22.7%** | **2.5** | **1 174** | **25.5%** | **40** | **12** |
| **Sovereign** | | | | | | | | | | | | |
| 0.00 to <0.15 | 69 158 | - | 0.0% | 69 158 | 0.010% | 5 | 45.0% | 2.5 | 5 553 | 8.0% | 3 | - |
| 0.15 to <0.25 | 6 488 | - | 0.0% | 6 488 | 0.164% | 2 | 45.0% | 2.5 | 2 699 | 41.6% | 5 | - |
| 0.25 to <0.50 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 0.50 to <0.75 | 350 | - | 0.0% | 350 | 0.640% | 3 | 35.1% | 2.5 | 225 | 64.2% | 1 | - |
| 0.75 to <2.50 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 2.50 to <10.00 | 99 | - | 0.0% | 99 | 5.120% | 1 | 40.0% | 2.5 | 141 | 142.3% | 2 | - |
| 10.00 to <100.00 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 100.00 (Default) | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| **Sub-total** | **76 095** | **-** | **0.0%** | **76 095** | **0.033%** | **11** | **44.9%** | **2.5** | **8 618** | **11.3%** | **11** | **-** |

| | a | b | c | d | e | f | g | h | i | j | k | l |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 30 September 2020 | | | | | | | | | | | | |
| **PD Scale** | **Original on-balance sheet gross exposure (R'm)** | **Off-balance sheet exposures pre CCF (R'm)** | **Average CCF (%)** | **EAD post CRM and post-CCF (R'm)** | **Average PD (%)** | **Number of obligors** | **Average LGD (%)** | **Average maturity (years)** | **RWA (R'm)** | **RWA density (%)** | **EL (R'm)** | **Provisions (R'm)** |
| **Specialised lending** | | | | | | | | | | | | |
| 0.00 to <0.15 | 3 538 | 755 | 72.9% | 4 088 | 0.094% | 272 | 45.0% | 2.5 | 999 | 24.4% | 2 | - |
| 0.15 to <0.25 | 6 598 | 1 323 | 74.4% | 7 583 | 0.194% | 327 | 44.9% | 2.5 | 2 740 | 36.1% | 7 | - |
| 0.25 to <0.50 | 10 445 | 1 704 | 74.6% | 11 715 | 0.390% | 358 | 45.0% | 2.5 | 6 292 | 53.7% | 21 | - |
| 0.50 to <0.75 | 8 543 | 656 | 74.9% | 9 034 | 0.640% | 215 | 45.0% | 2.5 | 6 239 | 69.1% | 26 | - |
| 0.75 to <2.50 | 23 852 | 1 956 | 68.5% | 25 192 | 1.369% | 453 | 44.8% | 2.5 | 21 831 | 86.7% | 155 | - |
| 2.50 to <10.00 | 21 446 | 1 104 | 74.1% | 22 264 | 4.063% | 282 | 44.9% | 2.5 | 26 205 | 117.7% | 407 | - |
| 10.00 to <100.00 | 2 259 | 117 | 73.8% | 2 345 | 16.358% | 52 | 45.0% | 2.5 | 4 220 | 180.0% | 172 | - |
| 100.00 (Default) | 634 | 76 | 0.0% | 634 | 100.000% | 16 | 45.0% | 2.5 | 2 714 | 428.1% | 84 | 84 |
| **Sub-total** | **77 315** | **7 691** | **72.1%** | **82 855** | **2.883%** | **1 975** | **44.9%** | **2.5** | **71 240** | **86.0%** | **874** | **84** |
| | | | | | | | | | | | | |
| **Slotting exposure** | | | | | | | | | | | | |
| **Sub-total** | **6 425** | **466** | **75.0%** | **6 774** | **0.000%** | **28** | **0.0%** | **-** | **5 570** | **82.2%** | **38** | **-** |
| | | | | | | | | | | | | |
| **Total (all portfolios)** | **334 757** | **80 361** | **74.3%** | **394 443** | **1.963%** | **121 392** | **34.0%** | **3.0** | **165 108** | **41.9%** | **1 836** | **505** |

CR6: IRB – CREDIT RISK EXPOSURES BY PORTFOLIO AND PROBABILITY OF DEFAULT (PD) RANGE

*(continued)*

| | a | b | c | d | e | f | g | h | i | j | k | l |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 31 March 2020 | | | | | | | | | | | | |
| **PD Scale** | **Original on-balance sheet gross exposure (R'm)** | **Off-balance sheet exposures pre CCF (R'm)** | **Average CCF (%)** | **EAD post CRM and post-CCF (R'm)** | **Average PD (%)** | **Number of obligors** | **Average LGD (%)** | **Average maturity (years)** | **RWA (R'm)** | **RWA density (%)** | **EL (R'm)** | **Provisions (R'm)** |
| **Banks** | | | | | | | | | | | | |
| 0.00 to <0.15 | 7 825 | 2 711 | 100.0% | 10 536 | 0.051% | 49 | 45.5% | 2.5 | 2 877 | 27.3% | 3 | - |
| 0.15 to <0.25 | 313 | - | 0.0% | 313 | 0.226% | 5 | 45.0% | 2.5 | 156 | 49.7% | - | - |
| 0.25 to <0.50 | 4 982 | - | 0.0% | 4 982 | 0.453% | 6 | 70.4% | 2.5 | 7 210 | 144.7% | 16 | - |
| 0.50 to <0.75 | 10 | - | 0.0% | 10 | 0.640% | 8 | 45.0% | 2.5 | 10 | 106.7% | - | - |
| 0.75 to <2.50 | 2 | - | 0.0% | 2 | 1.082% | 10 | 45.0% | 2.5 | 2 | 101.4% | - | - |
| 2.50 to <10.00 | 360 | 536 | 66.7% | 717 | 2.560% | 4 | 45.0% | 2.5 | 1 042 | 145.3% | 8 | - |
| 10.00 to <100.00 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 100.00 (Default) | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| **Sub-total** | **13 492** | **3 247** | **94.5%** | **16 560** | **0.284%** | **82** | **53.0%** | **2.5** | **11 297** | **68.2%** | **27** | **-** |
| **Corporate** | | | | | | | | | | | | |
| 0.00 to <0.15 | 16 838 | 14 583 | 52.3% | 24 462 | 0.074% | 138 | 39.1% | 2.5 | 5 321 | 21.8% | 7 | - |
| 0.15 to <0.25 | 9 576 | 4 533 | 65.2% | 12 530 | 0.200% | 173 | 38.5% | 2.5 | 4 819 | 38.5% | 10 | - |
| 0.25 to <0.50 | 19 885 | 3 392 | 36.1% | 21 109 | 0.417% | 600 | 37.9% | 2.5 | 11 835 | 56.1% | 33 | - |
| 0.50 to <0.75 | 4 344 | 1 652 | 26.2% | 4 776 | 0.640% | 324 | 36.6% | 2.5 | 3 127 | 65.5% | 11 | - |
| 0.75 to <2.50 | 7 059 | 2 145 | 42.3% | 7 966 | 1.350% | 2 623 | 42.6% | 2.5 | 7 580 | 95.2% | 46 | - |
| 2.50 to <10.00 | 8 944 | 1 181 | 50.9% | 9 545 | 3.508% | 3 357 | 40.6% | 2.5 | 11 481 | 120.3% | 135 | - |
| 10.00 to <100.00 | 312 | 19 | 31.0% | 318 | 24.622% | 75 | 42.6% | 2.5 | 620 | 195.2% | 34 | - |
| 100.00 (Default) | 657 | 118 | 70.5% | 741 | 100.000% | 26 | 34.1% | 2.5 | 3 221 | 434.8% | 15 | 15 |
| **Sub-total** | **67 615** | **27 623** | **50.1%** | **81 447** | **1.748%** | **7 316** | **39.0%** | **2.5** | **48 004** | **58.9%** | **291** | **15** |

CR6: IRB – CREDIT RISK EXPOSURES BY PORTFOLIO AND PROBABILITY OF DEFAULT (PD) RANGE

*(continued)*

| | a | b | c | d | e | f | g | h | i | j | k | l |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 31 March 2020 | | | | | | | | | | | | |
| **PD Scale** | **Original on-balance sheet gross exposure (R'm)** | **Off-balance sheet exposures pre CCF (R'm)** | **Average CCF (%)** | **EAD post CRM and post-CCF (R'm)** | **Average PD (%)** | **Number of obligors** | **Average LGD (%)** | **Average maturity (years)** | **RWA (R'm)** | **RWA density (%)** | **EL (R'm)** | **Provisions (R'm)** |
| **Public sector entities** | | | | | | | | | | | | |
| 0.00 to <0.15 | 3 880 | 700 | 75.0% | 4 405 | 0.040% | 6 | 40.8% | 2.5 | 713 | 16.2% | 1 | - |
| 0.15 to <0.25 | 2 371 | - | 0.0% | 2 371 | 0.226% | 1 | 37.7% | 2.5 | 987 | 41.7% | 2 | - |
| 0.25 to <0.50 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 0.50 to <0.75 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 0.75 to <2.50 | 855 | - | 0.0% | 855 | 0.905% | 1 | 44.5% | 2.5 | 798 | 93.3% | 3 | - |
| 2.50 to <10.00 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 10.00 to <100.00 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 100.00 (Default) | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| **Sub-total** | **7 106** | **700** | **75.0%** | **7 631** | **0.195%** | **8** | **40.3%** | **2.5** | **2 498** | **32.7%** | **6** | **-** |
| **Retail – mortgages** | | | | | | | | | | | | |
| 0.00 to <0.15 | 24 684 | 12 293 | 95.7% | 36 453 | 0.055% | 16 244 | 11.3% | 4.9 | 633 | 1.7% | 2 | - |
| 0.15 to <0.25 | 8 090 | 3 620 | 95.5% | 11 550 | 0.195% | 4 601 | 11.4% | 4.8 | 557 | 4.8% | 3 | - |
| 0.25 to <0.50 | 5 582 | 2 235 | 96.9% | 7 747 | 0.382% | 3 030 | 11.4% | 4.8 | 618 | 8.0% | 3 | - |
| 0.50 to <0.75 | 6 598 | 1 803 | 97.0% | 8 346 | 0.640% | 3 481 | 11.3% | 4.9 | 944 | 11.3% | 6 | - |
| 0.75 to <2.50 | 13 364 | 2 973 | 99.2% | 16 315 | 1.330% | 6 770 | 11.3% | 4.7 | 3 007 | 18.4% | 25 | - |
| 2.50 to <10.00 | 11 349 | 2 895 | 100.4% | 14 255 | 3.995% | 6 259 | 11.3% | 4.7 | 4 871 | 34.2% | 64 | - |
| 10.00 to <100.00 | 2 207 | 168 | 110.9% | 2 393 | 15.965% | 1 048 | 11.3% | 4.5 | 1 448 | 60.5% | 43 | - |
| 100.00 (Default) | 931 | 85 | 122.4% | 1 035 | 100.000% | 487 | 12.1% | 4.7 | 203 | 19.6% | 226 | 226 |
| **Sub-total** | **72 805** | **26 072** | **97.0%** | **98 094** | **2.375%** | **41 920** | **11.3%** | **4.8** | **12 281** | **12.5%** | **372** | **226** |

| | a | b | c | d | e | f | g | h | i | j | k | l |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 31 March 2020 | | | | | | | | | | | | |
| **PD Scale** | **Original on-balance sheet gross exposure (R'm)** | **Off-balance sheet exposures pre CCF (R'm)** | **Average CCF (%)** | **EAD post CRM and post-CCF (R'm)** | **Average PD (%)** | **Number of obligors** | **Average LGD (%)** | **Average maturity (years)** | **RWA (R'm)** | **RWA density (%)** | **EL (R'm)** | **Provisions (R'm)** |
| **Retail – other** | | | | | | | | | | | | |
| 0.00 to <0.15 | 1 943 | 391 | 60.0% | 2 178 | 0.058% | 6 265 | 30.5% | 3.3 | 112 | 5.1% | - | - |
| 0.15 to <0.25 | 436 | 74 | 69.1% | 487 | 0.186% | 1 217 | 28.2% | 3.0 | 56 | 11.5% | - | - |
| 0.25 to <0.50 | 343 | 88 | 61.7% | 397 | 0.375% | 942 | 28.0% | 3.2 | 72 | 18.0% | - | - |
| 0.50 to <0.75 | 394 | 55 | 51.8% | 423 | 0.640% | 1 329 | 31.6% | 3.4 | 116 | 27.5% | 1 | - |
| 0.75 to <2.50 | 680 | 85 | 58.2% | 729 | 1.325% | 2 279 | 29.9% | 3.3 | 259 | 35.5% | 3 | - |
| 2.50 to <10.00 | 526 | 43 | 75.4% | 558 | 4.194% | 1 471 | 27.0% | 2.8 | 230 | 41.2% | 6 | - |
| 10.00 to <100.00 | 66 | 5 | 114.9% | 72 | 13.019% | 186 | 25.6% | 2.4 | 36 | 50.3% | 2 | - |
| 100.00 (Default) | 30 | 1 | 128.6% | 31 | 100.000% | 298 | 25.1% | 2.6 | 7 | 22.6% | 22 | 22 |
| **Sub-total** | **4 418** | **742** | **61.6%** | **4 875** | **1.644%** | **13 987** | **29.6%** | **3.2** | **888** | **18.2%** | **34** | **22** |
| | | | | | | | | | | | | |
| **Retail – revolving credit** | | | | | | | | | | | | |
| 0.00 to <0.15 | 98 | 2 569 | 92.7% | 2 480 | 0.066% | 34 608 | 33.1% | 1.0 | 36 | 1.5% | 1 | - |
| 0.15 to <0.25 | 114 | 624 | 91.5% | 686 | 0.189% | 9 520 | 33.1% | 1.0 | 25 | 3.6% | - | - |
| 0.25 to <0.50 | 102 | 525 | 91.7% | 583 | 0.381% | 9 006 | 33.1% | 1.0 | 37 | 6.3% | 1 | - |
| 0.50 to <0.75 | 201 | 329 | 89.0% | 494 | 0.640% | 5 748 | 33.1% | 1.0 | 47 | 9.5% | 1 | - |
| 0.75 to <2.50 | 694 | 769 | 87.7% | 1 368 | 1.388% | 16 047 | 33.1% | 1.0 | 234 | 17.1% | 6 | - |
| 2.50 to <10.00 | 409 | 329 | 87.7% | 697 | 3.201% | 9 067 | 33.1% | 1.0 | 216 | 31.0% | 7 | - |
| 10.00 to <100.00 | 31 | 7 | 86.5% | 38 | 13.981% | 705 | 33.1% | 1.0 | 28 | 75.7% | 2 | - |
| 100.00 (Default) | 45 | 1 | 151.2% | 47 | 100.000% | 770 | 33.1% | 1.0 | 7 | 15.2% | 34 | 34 |
| **Sub-total** | **1 694** | **5 153** | **91.2%** | **6 393** | **1.597%** | **85 471** | **33.1%** | **1.0** | **630** | **9.9%** | **52** | **34** |

CR6: IRB – CREDIT RISK EXPOSURES BY PORTFOLIO AND PROBABILITY OF DEFAULT (PD) RANGE

*(continued)*

31 March 2020

| | a | b | c | d | e | f | g | h | i | j | k | l |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **PD Scale** | **Original on-balance sheet gross exposure (R'm)** | **Off-balance sheet exposures pre CCF (R'm)** | **Average CCF (%)** | **EAD post CRM and post-CCF (R'm)** | **Average PD (%)** | **Number of obligors** | **Average LGD (%)** | **Average maturity (years)** | **RWA (R'm)** | **RWA density (%)** | **EL (R'm)** | **Provisions (R'm)** |
| **SME – retail** | | | | | | | | | | | | |
| 0.00 to <0.15 | 114 | 43 | 64.0% | 142 | 0.094% | 927 | 23.0% | 2.9 | 8 | 5.7% | - | - |
| 0.15 to <0.25 | 218 | 76 | 87.0% | 284 | 0.195% | 1 990 | 21.8% | 2.6 | 26 | 9.2% | - | - |
| 0.25 to <0.50 | 388 | 142 | 85.9% | 510 | 0.402% | 1 453 | 24.0% | 2.6 | 82 | 16.0% | - | - |
| 0.50 to <0.75 | 269 | 63 | 93.4% | 328 | 0.640% | 968 | 24.1% | 2.7 | 69 | 21.0% | 1 | - |
| 0.75 to <2.50 | 1 175 | 416 | 90.0% | 1 550 | 1.351% | 4 361 | 22.3% | 2.5 | 411 | 26.5% | 5 | - |
| 2.50 to <10.00 | 1 484 | 373 | 89.9% | 1 819 | 4.158% | 4 681 | 21.4% | 2.6 | 591 | 32.5% | 16 | - |
| 10.00 to <100.00 | 294 | 39 | 97.5% | 332 | 15.551% | 436 | 19.9% | 2.6 | 137 | 41.3% | 10 | - |
| 100.00 (Default) | 25 | 4 | 109.2% | 29 | 100.000% | 113 | 20.9% | 1.8 | 7 | 24.4% | 10 | 10 |
| **Sub-total** | **3 967** | **1 156** | **88.8%** | **4 994** | **3.644%** | **14 929** | **22.1%** | **2.6** | **1 331** | **26.7%** | **42** | **10** |
| | | | | | | | | | | | | |
| **Sovereign** | | | | | | | | | | | | |
| 0.00 to <0.15 | 61 256 | - | 0.0% | 61 256 | 0.010% | 4 | 45.0% | 2.5 | 4 911 | 8.0% | 3 | - |
| 0.15 to <0.25 | 5 873 | - | 0.0% | 5 873 | 0.160% | 1 | 45.0% | 2.5 | 2 416 | 41.1% | 4 | - |
| 0.25 to <0.50 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 0.50 to <0.75 | 403 | - | 0.0% | 403 | 0.640% | 3 | 37.0% | 2.5 | 273 | 67.6% | 1 | - |
| 0.75 to <2.50 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 2.50 to <10.00 | 154 | - | 0.0% | 154 | 5.120% | 1 | 45.0% | 2.5 | 247 | 160.1% | 4 | - |
| 10.00 to <100.00 | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| 0100.00 (Default) | - | - | 0.0% | - | 0.000% | - | 0.0% | - | - | 0.0% | - | - |
| **Sub-total** | **67 686** | **-** | **0.0%** | **67 686** | **0.038%** | **9** | **44.9%** | **2.5** | **7 847** | **11.6%** | **12** | **-** |

CR6: IRB – CREDIT RISK EXPOSURES BY PORTFOLIO AND PROBABILITY OF DEFAULT (PD) RANGE

*(continued)*

| | a | b | c | d | e | f | g | h | i | j | k | l |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 31 March 2020 | | | | | | | | | | | | |
| **PD Scale** | **Original on-balance sheet gross exposure (R'm)** | **Off-balance sheet exposures pre CCF (R'm)** | **Average CCF (%)** | **EAD post CRM and post-CCF (R'm)** | **Average PD (%)** | **Number of obligors** | **Average LGD (%)** | **Average maturity (years)** | **RWA (R'm)** | **RWA density (%)** | **EL (R'm)** | **Provisions (R'm)** |
| **Specialised lending** | | | | | | | | | | | | |
| 0.00 to <0.15 | 4 196 | 830 | 72.6% | 4 798 | 0.095% | 298 | 44.8% | 2.5 | 1 176 | 24.5% | 2 | - |
| 0.15 to <0.25 | 7 422 | 1 176 | 74.6% | 8 299 | 0.199% | 339 | 45.0% | 2.5 | 3 048 | 36.7% | 7 | - |
| 0.25 to <0.50 | 10 702 | 1 127 | 74.1% | 11 538 | 0.395% | 360 | 44.9% | 2.5 | 6 062 | 52.5% | 20 | - |
| 0.50 to <0.75 | 5 836 | 621 | 73.1% | 6 290 | 0.640% | 211 | 45.0% | 2.5 | 4 183 | 66.5% | 18 | - |
| 0.75 to <2.50 | 24 966 | 2 197 | 74.4% | 26 600 | 1.261% | 421 | 44.8% | 2.5 | 22 870 | 86.0% | 150 | - |
| 2.50 to <10.00 | 18 028 | 920 | 73.0% | 18 700 | 3.919% | 246 | 44.9% | 2.5 | 21 456 | 114.7% | 329 | - |
| 10.00 to <100.00 | 1 894 | 161 | 73.4% | 2 013 | 17.614% | 51 | 45.0% | 2.5 | 3 753 | 186.5% | 160 | - |
| 100.00 (Default) | 562 | 55 | 0.0% | 562 | 100.000% | 14 | 45.0% | 2.5 | 2 232 | 397.1% | 98 | 98 |
| **Sub-total** | **73 606** | **7 087** | **73.3%** | **78 800** | **2.654%** | **1 940** | **44.9%** | **2.5** | **64 780** | **82.2%** | **784** | **98** |
| **Slotting exposure** | | | | | | | | | | | | |
| **Sub-total** | **6 341** | **777** | **75.0%** | **6 924** | **0.000%** | **28** | **0.0%** | **-** | **5 724** | **82.7%** | **40** | **-** |
| **Total (all portfolios)** | **318 730** | **72 557** | **75.3%** | **373 404** | **1.686%** | **118 699** | **33.5%** | **3.0** | **155 280** | **41.6%** | **1 660** | **405** |

## CR7: IRB – EFFECT ON RWA OF CREDIT DERIVATIVES USED AS CRM TECHNIQUES

The purpose of the below table is to Illustrate the effect of credit derivatives on the IRB approach capital requirements' calculations. The pre-credit derivatives RWA before taking account of credit derivatives mitigation effect has been selected to assess the impact of credit derivatives on RWA. This is irrespective of how the CRM technique feeds into the RWA calculation.

| | | a | b |
|---|---|---|---|
| 30 September 2020<br>**R'million** | | **pre-credit derivatives RWA** | **Actual RWA** |
| 1 | Sovereign – FIRB | 10 354 | 10 354 |
| 2 | Sovereign – AIRB | - | - |
| 3 | Banks – FIRB | 11 889 | 11 889 |
| 4 | Banks – AIRB | - | - |
| 5 | Corporate – FIRB | 122 466 | 122 466 |
| 6 | Corporate – AIRB | - | - |
| 7 | Specialised lending – FIRB | - | - |
| 8 | Specialised lending – AIRB | - | - |
| 9 | Retail – qualifying revolving (QRRE) | 627 | 627 |
| 10 | Retail – residential mortgage exposures | 12 180 | 12 180 |
| 11 | Retail –SME | 1 174 | 1 174 |
| 12 | Other retail exposures | 848 | 848 |
| 13 | Equity – FIRB | - | - |
| 14 | Equity – AIRB | - | - |
| 15 | Purchased receivables – FIRB | - | - |
| 16 | Purchased receivables – AIRB | - | - |
| **17** | **Total** | **159 538** | **159 538** |
| | Slotting exposure | 5 570 | 5 570 |
| | **Total including slotting exposure** | **165 108** | **165 108** |

| | | a | b |
|---|---|---|---|
| 31 March 2020<br>**R'million** | | **pre-credit derivatives RWA** | **Actual RWA** |
| 1 | Sovereign – FIRB | 10 345 | 10 345 |
| 2 | Sovereign – AIRB | - | - |
| 3 | Banks – FIRB | 11 297 | 11 297 |
| 4 | Banks – AIRB | - | - |
| 5 | Corporate – FIRB | 112 784 | 112 784 |
| 6 | Corporate – AIRB | - | - |
| 7 | Specialised lending – FIRB | - | - |
| 8 | Specialised lending – AIRB | - | - |
| 9 | Retail – qualifying revolving (QRRE) | 630 | 630 |
| 10 | Retail – residential mortgage exposures | 12 281 | 12 281 |
| 11 | Retail –SME | 1 331 | 1 331 |
| 12 | Other retail exposures | 888 | 888 |
| 13 | Equity – FIRB | - | - |
| 14 | Equity – AIRB | - | - |
| 15 | Purchased receivables – FIRB | - | - |
| 16 | Purchased receivables – AIRB | - | - |
| **17** | **Total** | **149 556** | **149 556** |
| | Slotting exposure | 5 724 | 5 724 |
| | **Total including slotting exposure** | **155 280** | **155 280** |

Columns a and b are the same as the group does not make use of any unfunded credit derivative instruments for purposes of reducing capital requirements. We have credit-linked notes (CLNs) that serve as protection against credit exposures, however since these CLNs are fully funded, they function as cash collateral and are reported as such.

## CR8: RWA FLOW STATEMENTS OF CREDIT RISK EXPOSURES UNDER IRB

The purpose of this table is to present a flow statement explaining variations in the credit risk-weighted assets (RWA) determined under an IRB approach.

| | | a | a | a | a | a |
|---|---|---|---|---|---|---|
| **RWA amounts**<br>**R'million** | | 30 September 2020 | 30 June 2020 | 31 March 2020 | 31 December 2019 | 30 September 2019 |
| **1** | **RWA as at end of previous reporting period** | **156 673** | **155 280** | **156 769** | **150 524** | **142 290** |
| 2 | Asset size | (1 186) | 591 | (3 409) | (1 432) | 1 207 |
| 3 | Asset quality | 6 289 | 1 568 | (3 631) | 2 583 | 429 |
| 4 | Model updates | - | - | - | - | - |
| 5 | Methodology and policy | - | - | - | - | - |
| 6 | Acquisitions and disposals | 4 775 | (948) | 3 134 | 4 613 | 5 820 |
| 7 | Foreign exchange movements | (1 443) | 182 | 2 417 | 481 | 778 |
| 8 | Other | - | - | - | - | - |
| **9** | **RWA as at end of reporting period** | **165 108** | **156 673** | **155 280** | **156 769** | **150 524** |

Investec Bank Limited adopted the Foundation Internal Ratings Based Approach (FIRB) to calculate Credit risk from 1 April 2019. Investec Bank Limited's application for conversion to Advanced Internal Ratings Based Approach (AIRB) remains under review by the South African Prudential Authority. Approval has been granted for Investec Bank Limited to commence with its six month parallel run for certain AIRB models. Full conversion to AIRB is expected to result in a circa 2% uplift to the CET1 ratio.

The table above excludes risk weighted assets related to counterparty credit risk exposures.

The purpose of the CR 10 table below is to provide quantitative disclosures of the banks' specialised lending and equity exposures using the simple risk-weight approach.

30 September 2020
**R'million**

| Specialised lending | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Other than HVCRE | | | | | | | | | | | |
| **Regulatory categories** | **Remaining maturity** | **On-balance sheet amount** | **Off-balance sheet amount** | **RW** | **Exposure amount** | | | | | **RWA** | **Expected losses** |
| | | | | | **PF** | **OF** | **CF** | **IPRE** | **Total** | | |
| Strong | Less than 2.5 years | 711 | 56 | 70% | 713 | 40 | - | - | **753** | 559 | 3 |
| | Equal to or more than 2.5 years | 3 253 | 366 | 70% | 3 527 | - | - | - | **3 527** | 2 617 | 14 |
| Good | Less than 2.5 years | - | 6 | 90% | 4 | - | - | - | **4** | 4 | - |
| | Equal to or more than 2.5 years | 2 406 | 38 | 90% | 2 346 | 89 | - | - | **2 436** | 2 323 | 19 |
| Satisfactory | | 55 | - | 115% | - | 55 | - | - | **55** | 67 | 2 |
| Weak | | - | - | 250% | - | - | - | - | **-** | - | - |
| Default | | - | - | - | - | - | - | - | **-** | - | - |
| **Total** | | **6 425** | **466** | | **6 590** | **184** | **-** | **-** | **6 775** | **5 570** | **38** |

Asset classes reported above relates to IRB exposures where the slotting-method has been applied to measure capital requirements:

PF: Specialised lending - Project finance asset class

OF: Specialised lending – Object finance asset class

CF: Specialised lending – Commodity finance asset class

IPRE: Specialised lending – Income producing real estate asset class

CR10: IRB (SPECIALISED LENDING AND EQUITIES UNDER THE SIMPLE RISK WEIGHT METHOD)

*(continued)*

31 March 2020
**R'million**

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Specialised lending** | | | | | | | | | | | |
| **Other than HVCRE** | | | | | | | | | | | |
| **Regulatory categories** | **Remaining maturity** | **On-balance sheet amount** | **Off-balance sheet amount** | **RW** | **Exposure amount** | | | | | **RWA** | **Expected losses** |
| | | | | | **PF** | **OF** | **CF** | **IPRE** | **Total** | | |
| Strong | Less than 2.5 years | 646 | 65 | 70% | 678 | 17 | - | - | **695** | 515 | 3 |
| | Equal to or more than 2.5 years | 3 168 | 492 | 70% | 3 476 | 62 | - | - | **3 538** | 2 625 | 14 |
| Good | Less than 2.5 years | - | 17 | 90% | 13 | - | - | - | **13** | 12 | - |
| | Equal to or more than 2.5 years | 2 467 | 203 | 90% | 2 620 | - | - | - | **2 620** | 2 499 | 21 |
| Satisfactory | | 59 | - | 115% | - | 59 | - | - | **59** | 73 | 2 |
| Weak | | - | - | 250% | - | - | - | - | **-** | - | - |
| Default | | - | - | - | - | - | - | - | **-** | - | - |
| **Total** | | **6 340** | **777** | | **6 787** | **138** | **-** | **-** | **6 925** | **5 724** | **40** |

CR10: IRB (SPECIALISED LENDING AND EQUITIES UNDER THE SIMPLE RISK WEIGHT METHOD)

*(continued)*

30 September 2020

**R'million**

| Equities under the simple risk-weight approach | | | | | |
|---|---|---|---|---|---|
| **Categories** | **On-balance sheet amount** | **Off-balance sheet amount** | **RW** | **Exposure amount** | **RWA** |
| Exchange-traded equity exposures | 1 447 | - | 318% | 1 447 | 4 601 |
| Private equity exposures | - | - | | - | - |
| Other equity exposures | 2 347 | - | 424% | 2 347 | 9 952 |
| **Total** | **3 794** | **-** | | **3 794** | **14 553** |

31 March 2020

**R'million**

| Equities under the simple risk-weight approach | | | | | |
|---|---|---|---|---|---|
| **Categories** | **On-balance sheet amount** | **Off-balance sheet amount** | **RW** | **Exposure amount** | **RWA** |
| Exchange-traded equity exposures | 1 487 | - | 318% | 1 487 | 4 729 |
| Private equity exposures | - | - | | - | - |
| Other equity exposures | 2 425 | - | 424% | 2 425 | 10 281 |
| **Total** | **3 912** | **-** | | **3 912** | **15 010** |

High-volatility commercial real estate (HVCRE) exposures are measured under the Standardised approach for credit risk and are therefore excluded from table CR10.

## CCR1: ANALYSIS OF COUNTERPARTY CREDIT RISK (CCR) EXPOSURE BY APPROACH

The purpose of the table below is to provide a comprehensive view of the methods used to calculate counterparty credit risk regulatory requirements and the main parameters used within each method.

| | | a | b | c | d | e | f |
|---|---|---|---|---|---|---|---|
| **30 September 2020 R'million** | | **Replacement cost** | **Potential future exposure** | **EEPE** | **Alpha used for computing regulatory EAD** | **EAD post-CRM** | **RWA** |
| 1 | CEM (for derivatives) | 12 123 | 4 548 | | 1 | 13 991 | 7 367 |
| 2 | Internal Model Method (for derivatives and SFTs) | | | - | - | - | - |
| 3 | Simple Approach for credit risk mitigation (for SFTs) | | | | | - | - |
| 4 | Comprehensive Approach for credit risk mitigation (for SFTs) | | | | | 4 721 | 956 |
| 5 | VaR for SFTs | | | | | - | - |
| **6** | **Total** | | | | | | **8 323** |

| | | a | b | c | d | e | F |
|---|---|---|---|---|---|---|---|
| **31 March 2020 R'million** | | **Replacement cost** | **Potential future exposure** | **EEPE** | **Alpha used for computing regulatory EAD** | **EAD post-CRM** | **RWA** |
| 1 | CEM (for derivatives) | 12 998 | 3 712 | | 1 | 13 635 | 7 580 |
| 2 | Internal Model Method (for derivatives and SFTs) | | | - | - | - | - |
| 3 | Simple Approach for credit risk mitigation (for SFTs) | | | | | - | - |
| 4 | Comprehensive Approach for credit risk mitigation (for SFTs) | | | | | 2 677 | 1 202 |
| 5 | VaR for SFTs | | | | | - | - |
| **6** | **Total** | | | | | | **8 782** |

Counterparty credit risk RWA in table OV1 of R11.7 billion (including CCR, CVA and CCPs), represent 3.6% of the total RWA.

CEM-CCR is the regulator-prescribed method for calculating the counterparties exposure for derivative instruments. It works by taking the net replacement cost of all derivatives (as per signed netting agreements), adding a potential future exposure (PFE) component (based on the notional and underlying type referred to as Anet where netting exists and Agross where no netting exists) and then subtracting any eligible collateral.

Counterparty credit risk exposures reported above include OTC derivative exposures but exclude CVA charges or exposures cleared through a CCP.

Replacement cost in column (a) is reported as the net replacement cost where ISDA agreements exist.

SA-CCR will replace the CEM-CCR methodology to calculate capital requirements for derivatives, anticipated to be effective in South Africa from 1 January 2021.

## CCR2: CREDIT VALUATION ADJUSTMENT (CVA) CAPITAL CHARGE

The purpose of this table below is to provide the CVA regulatory calculations (with a breakdown by standardised and advanced approaches).

| | | a | b |
|---|---|---|---|
| 30 September 2020<br>**R'million** | | **EAD post-CRM** | **RWA** |
| Total portfolios subject to the Advanced CVA capital charge | | | |
| 1 | (i) VaR component (including the 3×multiplier) | | - |
| 2 | (ii) Stressed VaR component (including the 3×multiplier) | | - |
| 3 | All portfolios subject to the Standardised CVA capital charge | 8 203 | 3 214 |
| **4** | **Total subject to the CVA capital charge** | **8 203** | **3 214** |

| | | a | b |
|---|---|---|---|
| 31 March 2020<br>**R'million** | | **EAD post-CRM** | **RWA** |
| Total portfolios subject to the Advanced CVA capital charge | | | |
| 1 | (i) VaR component (including the 3×multiplier) | | - |
| 2 | (ii) Stressed VaR component (including the 3×multiplier) | | - |
| 3 | All portfolios subject to the Standardised CVA capital charge | 7 645 | 2 371 |
| **4** | **Total subject to the CVA capital charge** | **7 645** | **2 371** |

Credit valuation adjustment (CVA) in the regulatory context is a capital charge to take into account possible volatility in the value of derivative instruments due to changes in the credit quality of the bank's counterparty.

Exchange traded and centrally cleared derivatives are exempt from the CVA capital charge due to the fact that the exchange or clearing house takes on the credit risk of the transaction and as such there should be no volatility.

We currently apply the standardised approach to the calculation of the CVA capital requirement. The Investec Bank Limited group's exposure to unexpected changes to the CVA reserve is generally expected to be low, as the trading of OTC derivatives is predominantly for hedging purposes and transacted with high credit quality financial counterparties largely on a collateralised basis.

## CCR3: STANDARDISED APPROACH OF CCR EXPOSURES BY REGULATORY PORTFOLIO AND RISK WEIGHTS

The purpose of this table below is to provide a breakdown of counterparty credit risk exposures calculated according to the standardised approach: by portfolio (type of counterparties) and by risk weight (riskiness attributed according to standardised approach).

| | a | b | C | d | e | f | g | h | i |
|---|---|---|---|---|---|---|---|---|---|
| 30 September 2020<br>**R'million** | **0%** | **10%** | **20%** | **50%** | **75%** | **100%** | **150%** | **Others** | **Total credit exposure** |
| **Regulatory portfolio** | | | | | | | | | |
| Sovereigns | - | - | - | - | - | - | - | - | - |
| Non-central government public sector entities (PSEs) | - | - | - | - | - | - | - | - | - |
| Multilateral development banks (MDBs) | - | - | - | - | - | - | - | - | - |
| Banks | 246 | - | 313 | 118 | - | 153 | - | - | 830 |
| Securities firms | - | - | - | - | - | - | - | - | - |
| Corporates | - | - | 76 | 665 | - | 1 663 | - | - | 2 404 |
| Regulatory retail portfolios | - | - | - | - | - | - | - | - | - |
| Other assets | - | - | - | - | - | - | - | - | - |
| **Total** | **246** | **-** | **389** | **783** | **-** | **1 816** | **-** | **-** | **3 234** |

| | a | b | C | d | e | f | g | h | i |
|---|---|---|---|---|---|---|---|---|---|
| 31 March 2020<br>**R'million** | **0%** | **10%** | **20%** | **50%** | **75%** | **100%** | **150%** | **Others** | **Total credit exposure** |
| **Regulatory portfolio** | | | | | | | | | |
| Sovereigns | - | - | - | - | - | - | - | - | - |
| Non-central government public sector entities (PSEs) | - | - | - | - | - | - | - | - | - |
| Multilateral development banks (MDBs) | - | - | - | - | - | - | - | - | - |
| Banks | 388 | - | 32 | 291 | - | 148 | 20 | - | 879 |
| Securities firms | - | - | - | 6 | - | 1 | - | - | 7 |
| Corporates | - | - | 4 | 380 | - | 3 129 | 7 | - | 3 520 |
| Regulatory retail portfolios | - | - | - | - | - | - | - | - | - |
| Other assets | - | - | - | - | - | - | - | - | - |
| **Total** | **388** | **-** | **36** | **677** | **-** | **3 278** | **27** | **-** | **4 406** |

CCR exposures measured under the IRB, are reported in table CCR4.

The purpose of the table below is to provide all relevant parameters used for the calculation of counterparty credit risk capital requirements for IRB models.

| | | a | b | c | d | e | f | g |
|---|---|---|---|---|---|---|---|---|
| 30 September 2020<br>**R'million** | **PD Scale** | **EAD post-CRM (R'm)** | **average PD (%)** | **Number of obligors ^** | **Average LGD (%)** | **Average maturity (years) *** | **RWA (R'm)** | **RWA density (%)** |
| **Banks** | | | | | | | | |
| | 0.00 to <0.15 | 6 433 | 0.060% | 38 | 33.9% | 1.3 | 1 229 | 19.1% |
| | 0.15 to <0.25 | 9 | 0.176% | 5 | 4.3% | 2.5 | 1 | 15.5% |
| | 0.25 to <0.50 | - | 0.0% | - | 0.0% | - | - | 0.0% |
| | 0.50 to <0.75 | 65 | 0.640% | 6 | 5.6% | 2.5 | 26 | 40.1% |
| | 0.75 to <2.50 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 2.50 to <10.00 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 10.00 to <100.00 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 100.00 (Default) | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | **Sub-total** | **6 507** | **0.066%** | **49** | **33.6%** | **1.4** | **1 256** | **19.3%** |
| **Corporate** | | | | | | | | |
| | 0.00 to <0.15 | 956 | 0.052% | 30 | 39.8% | 1.7 | 144 | 15.1% |
| | 0.15 to <0.25 | 2 573 | 0.188% | 38 | 38.7% | 2.5 | 1 083 | 42.1% |
| | 0.25 to <0.50 | 2 057 | 0.411% | 51 | 33.4% | 2.5 | 1 039 | 50.5% |
| | 0.50 to <0.75 | 2 049 | 0.640% | 20 | 40.4% | 2.5 | 1 414 | 69.0% |
| | 0.75 to <2.50 | 211 | 1.135% | 21 | 36.6% | 2.5 | 192 | 91.3% |
| | 2.50 to <10.00 | 6 | 3.112% | 7 | 27.6% | 2.5 | 7 | 121.5% |
| | 10.00 to <100.00 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 100.00 (Default) | 10 | 100.000% | 1 | 40.0% | 2.5 | 53 | 530.0% |
| | **Sub-total** | **7 862** | **0.503%** | **168** | **37.8%** | **2.4** | **3 932** | **50.0%** |

*Average maturity represents the obligor maturity in years, weighted by EAD, as used in the RWA calculation.

^ Represents the number of unique obligors. The total number of unique obligors will not equal the sum of the obligors in the underlying asset classes since an obligor may be present in more than one asset class

*(continued)*

| | | a | b | c | d | e | f | g |
|---|---|---|---|---|---|---|---|---|
| 30 September 2020 **R'million** | **PD Scale** | **EAD post-CRM (R'm)** | **average PD (%)** | **Number of obligors** | **Average LGD (%)** | **Average maturity (years)** | **RWA (R'm)** | **RWA density (%)** |
| **Public sector entities** | | | | | | | | |
| | 0.00 to <0.15 | 177 | 0.080% | 1 | 45.0% | 2.5 | 49 | 27.6% |
| | 0.15 to <0.25 | - | 0.226% | - | 15.9% | 2.5 | - | 0.0% |
| | 0.25 to <0.50 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 0.50 to <0.75 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 0.75 to <2.50 | 359 | 1.810% | 1 | 27.5% | 2.5 | 439 | 122.3% |
| | 2.50 to <10.00 | 3 | 2.560% | 1 | 10.4% | 2.5 | 4 | 130.3% |
| | 10.00 to <100.00 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 100.00 (Default) | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | **Sub-total** | **539** | **1.247%** | **3** | **33.1%** | **2.5** | **492** | **91.3%** |
| **Sovereign** | | | | | | | | |
| | 0.00 to <0.15 | 245 | 0.010% | 1 | 45.0% | 2.5 | 27 | 10.8% |
| | 0.15 to <0.25 | 1 469 | 0.160% | 1 | 31.3% | 2.5 | 382 | 26.0% |
| | 0.25 to <0.50 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 0.50 to <0.75 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 0.75 to <2.50 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 2.50 to <10.00 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 10.00 to <100.00 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 100.00 (Default) | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | **Sub-total** | **1 714** | **0.139%** | **2** | **33.2%** | **2.5** | **409** | **23.8%** |
| **Total (all portfolios)** | | **16 622** | **0.318%** | **213** | **35.5%** | **2.0** | **6 089** | **36.6%** |

CCR4: IRB – CCR EXPOSURES BY PORTFOLIO AND PD SCALE

*(continued)*

| | | a | b | c | d | e | f | g |
|---|---|---|---|---|---|---|---|---|
| 31 March 2020 **R'million** | **PD Scale** | **EAD post-CRM (R'm)** | **average PD (%)** | **Number of obligors** | **Average LGD (%)** | **Average maturity (years)** | **RWA (R'm)** | **RWA density (%)** |
| **Banks** | | | | | | | | |
| | 0.00 to <0.15 | 3 915 | 0.047% | 32 | 29.2% | 1.8 | 706 | 18.0% |
| | 0.15 to <0.25 | 185 | 0.161% | 5 | 27.7% | 2.5 | 63 | 34.1% |
| | 0.25 to <0.50 | 53 | 0.453% | 2 | 12.3% | 2.5 | 34 | 63.3% |
| | 0.50 to <0.75 | 1 | 0.640% | 1 | 0.0% | 2.5 | - | 0.0% |
| | 0.75 to <2.50 | - | 1.280% | 1 | 18.0% | 2.5 | - | 106.5% |
| | 2.50 to <10.00 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 10.00 to <100.00 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 100.00 (Default) | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | **Sub-total** | **4 154** | **0.058%** | **41** | **28.9%** | **1.8** | **803** | **19.3%** |
| **Corporate** | | | | | | | | |
| | 0.00 to <0.15 | 1 241 | 0.073% | 25 | 40.7% | 2.5 | 316 | 25.4% |
| | 0.15 to <0.25 | 1 820 | 0.205% | 28 | 31.2% | 2.5 | 677 | 37.2% |
| | 0.25 to <0.50 | 3 502 | 0.447% | 53 | 39.9% | 2.5 | 2 198 | 62.8% |
| | 0.50 to <0.75 | 431 | 0.640% | 17 | 38.0% | 2.5 | 323 | 74.9% |
| | 0.75 to <2.50 | 209 | 1.045% | 19 | 34.5% | 2.5 | 189 | 90.6% |
| | 2.50 to <10.00 | 61 | 2.588% | 9 | 38.7% | 2.5 | 80 | 131.4% |
| | 10.00 to <100.00 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 100.00 (Default) | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | **Sub-total** | **7 264** | **0.369%** | **151** | **37.6%** | **2.5** | **3 783** | **52.1%** |

CCR4: IRB – CCR EXPOSURES BY PORTFOLIO AND PD SCALE

*(continued)*

| | | a | b | c | d | e | f | g |
|---|---|---|---|---|---|---|---|---|
| **31 March 2020 R'million** | **PD Scale** | **EAD post-CRM (R'm)** | **average PD (%)** | **Number of obligors** | **Average LGD (%)** | **Average maturity (years)** | **RWA (R'm)** | **RWA density (%)** |
| **Public sector entities** | | | | | | | | |
| | 0.00 to <0.15 | 118 | 0.098% | 2 | 41.5% | 1.6 | 29 | 24.2% |
| | 0.15 to <0.25 | 4 | 0.226% | 1 | 25.1% | 2.5 | 2 | 50.6% |
| | 0.25 to <0.50 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 0.50 to <0.75 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 0.75 to <2.50 | 64 | 1.810% | 1 | 16.7% | 2.5 | 76 | 118.3% |
| | 2.50 to <10.00 | 5 | 2.560% | 1 | 16.3% | 2.5 | 6 | 130.3% |
| | 10.00 to <100.00 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 100.00 (Default) | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | **Sub-total** | **191** | **0.737%** | **5** | **32.2%** | **2.0** | **113** | **59.0%** |
| **Sovereign** | | | | | | | | |
| | 0.00 to <0.15 | 4 | 0.030% | 1 | 18.0% | 2.5 | 1 | 15.3% |
| | 0.15 to <0.25 | 1 428 | 0.160% | 1 | 32.2% | 2.5 | 420 | 29.4% |
| | 0.25 to <0.50 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 0.50 to <0.75 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 0.75 to <2.50 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 2.50 to <10.00 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 10.00 to <100.00 | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | 100.00 (Default) | - | 0.000% | - | 0.0% | - | - | 0.0% |
| | **Sub-total** | **1 432** | **0.160%** | **2** | **32.1%** | **2.5** | **421** | **29.3%** |
| **Total (all portfolios)** | | **13 041** | **0.252%** | **191** | **34.1%** | **2.3** | **5 120** | **39.3%** |

CCR5: COMPOSITION OF COLLATERAL FOR CCR EXPOSURE

The purpose of the table below is to provide a breakdown of all types of collateral posted or received by banks to support or reduce the counterparty credit risk exposures related to derivative transactions or to SFTs, including transactions cleared through a CCP.

| | a | b | c | d | e | f |
|---|---|---|---|---|---|---|
| | **Collateral used in derivative transactions** | | | | **Collateral used in SFTs** | |
| | **Fair value of collateral received** | | **Fair value of posted collateral** | | Fair value of collateral received | Fair value of posted collateral |
| 30 September 2020<br>**R'million** | Segregated | Unsegregated | Segregated | Unsegregated | | |
| Cash – domestic currency | 1 275 | - | 5 300 | - | - | 16 990 |
| Cash – other currencies | 30 | - | 10 796 | - | - | 18 421 |
| Domestic sovereign debt | - | - | - | - | - | - |
| Other sovereign debt | - | - | - | - | - | - |
| Government agency debt | - | - | - | - | - | - |
| Corporate bonds | - | - | - | - | 9 204 | - |
| Equity securities | 1 085 | - | - | - | - | - |
| Other collateral | - | - | - | - | 24 444 | - |
| **Total** | **2 390** | **-** | **16 096** | **-** | **33 648** | **35 411** |

| | a | b | c | d | e | f |
|---|---|---|---|---|---|---|
| | **Collateral used in derivative transactions** | | | | **Collateral used in SFTs** | |
| | **Fair value of collateral received** | | **Fair value of posted collateral** | | Fair value of collateral received | Fair value of posted collateral |
| 31 March 2020<br>**R'million** | Segregated | Unsegregated | Segregated | Unsegregated | | |
| Cash – domestic currency | 2 235 | - | 1 113 | - | - | 16 191 |
| Cash – other currencies | 29 | - | 16 209 | - | - | 8 590 |
| Domestic sovereign debt | 604 | - | - | - | - | - |
| Other sovereign debt | - | - | - | - | - | - |
| Government agency debt | - | - | - | - | - | - |
| Corporate bonds | - | - | - | - | 9 687 | - |
| Equity securities | 457 | - | - | - | - | - |
| Other collateral | 580 | - | - | - | 14 756 | - |
| **Total** | **3 905** | **-** | **17 322** | **-** | **24 443** | **24 781** |

Segregated refers to collateral which is held in a bankruptcy-remote manner.

The purpose of the table below is to illustrate the extent of a bank's exposures to credit derivative transactions broken down between derivatives bought or sold.

| | a | b |
|---|---|---|
| 30 September 2020<br>**R'million** | **Protection bought** | **Protection sold** |
| **Notionals** | | |
| Single-name credit default swaps | - | 4 334 |
| Index credit default swaps | - | - |
| **Total notionals** | **-** | **4 334** |
| **Fair values** | | |
| Positive fair value (asset) | - | 3 958 |
| Negative fair value (liability) | - | (127) |

| | a | b |
|---|---|---|
| 31 March 2020<br>**R'million** | **Protection bought** | **Protection sold** |
| **Notionals** | | |
| Single-name credit default swaps | - | 4 791 |
| Index credit default swaps | - | - |
| **Total notionals** | **-** | **4 791** |
| **Fair values** | | |
| Positive fair value (asset) | - | 4 801 |
| Negative fair value (liability) | - | (123) |

The group does not make use of any unfunded credit derivative instruments for purposes of reducing capital requirements. We have credit-linked notes (CLNs) that serve as protection against credit exposures, however since these CLNs are fully funded, they function as cash collateral and are reported as such.

The purpose of the table below is to provide a comprehensive picture of the bank's exposures to central counterparties. In particular, the template includes all types of exposures (due to operations, margins, contributions to default funds) and related capital requirements.

| | | a | b |
|---|---|---|---|
| 30 September 2020<br>**R'million** | | **EAD post-CRM** | **RWA** |
| **1** | **Exposures to QCCPs (total)** | | 72 |
| 2 | Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which | 3 605 | 72 |
| 3 | (i) OTC derivatives | - | - |
| 4 | (ii) Exchange-traded derivatives | 3 605 | 72 |
| 5 | (iii) Securities financing transactions | - | - |
| 6 | (iv) Netting sets where cross-product netting has been approved | - | - |
| 7 | Segregated initial margin | 2 917 | |
| 8 | Non-segregated initial margin | - | - |
| 9 | Pre-funded default fund contributions | 19 | 0.5 |
| 10 | Unfunded default fund contributions | - | - |
| **11** | **Exposures to non-QCCPs (total)** | | |
| 12 | Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which | - | - |
| 13 | (i) OTC derivatives | - | - |
| 14 | (ii) Exchange-traded derivatives | - | - |
| 15 | (iii) Securities financing transactions | - | - |
| 16 | (iv) Netting sets where cross-product netting has been approved | - | - |
| 17 | Segregated initial margin | - | |
| 18 | Non-segregated initial margin | - | - |
| 19 | Pre-funded default fund contributions | - | - |
| 20 | Unfunded default fund contributions | - | - |

| | | a | b |
|---|---|---|---|
| 31 March 2020<br>**R'million** | | **EAD post-CRM** | **RWA** |
| **1** | **Exposures to QCCPs (total)** | | 54 |
| 2 | Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which | 2 717 | 54 |
| 3 | (i) OTC derivatives | - | - |
| 4 | (ii) Exchange-traded derivatives | 2 717 | 54 |
| 5 | (iii) Securities financing transactions | - | - |
| 6 | (iv) Netting sets where cross-product netting has been approved | - | - |
| 7 | Segregated initial margin | 1 634 | |
| 8 | Non-segregated initial margin | - | - |
| 9 | Pre-funded default fund contributions | 13 | 0.3 |
| 10 | Unfunded default fund contributions | - | - |
| **11** | **Exposures to non-QCCPs (total)** | | |
| 12 | Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which | - | - |
| 13 | (i) OTC derivatives | - | - |
| 14 | (ii) Exchange-traded derivatives | - | - |
| 15 | (iii) Securities financing transactions | - | - |
| 16 | (iv) Netting sets where cross-product netting has been approved | - | - |
| 17 | Segregated initial margin | - | |
| 18 | Non-segregated initial margin | - | - |
| 19 | Pre-funded default fund contributions | - | - |
| 20 | Unfunded default fund contributions | - | - |

The purpose of the table below is to present a bank's securitisation exposures in its banking book.

| | | a | b | c | e | f | g | i | j | k |
|---|---|---|---|---|---|---|---|---|---|---|
| 30 September 2020<br>**R'million** | | **Bank acts as originator** | | | **Bank acts as sponsor** | | | **Banks acts as investor** | | |
| | | Traditional | Synthetic | Sub-total | Traditional | Synthetic | Sub-total | Traditional | Synthetic | Sub-total |
| **1** | **Retail (total) – of which** | **1 999** | **-** | **1 999** | **-** | **-** | **-** | **3 188** | **-** | **3 188** |
| 2 | residential mortgage | 1 999 | - | 1 999 | - | - | - | 3 033 | - | 3 033 |
| 3 | credit card | - | - | - | - | - | - | - | - | - |
| 4 | other retail exposures | - | - | - | - | - | - | 155 | - | 155 |
| 5 | re-securitisation | - | - | - | - | - | - | - | - | - |
| **6** | **Wholesale (total) – of which** | **-** | **-** | **-** | **-** | **-** | **-** | **24** | **-** | **24** |
| 7 | loans to corporates | - | - | - | - | - | - | 24 | - | 24 |
| 8 | commercial mortgage | - | - | - | - | - | - | - | - | - |
| 9 | lease and receivables | - | - | - | - | - | - | - | - | - |
| 10 | other wholesale | - | - | - | - | - | - | - | - | - |
| 11 | re-securitisation | - | - | - | - | - | - | - | - | - |

The bank only transacts in traditional securitisation schemes and none of the underlying assets or exposures relate to re-securitised assets.

Exposures where the bank has acted as the originator relate to retained positions of issued notes and first loss positions provided to the securitisation structures.

Securitisation exposures where the bank has acted as an investor are the investment positions purchased in third party deals.

Asset classes/rows reported above are classified based on the underlying exposure pool.

| | | a | b | c | e | f | g | i | j | k |
|---|---|---|---|---|---|---|---|---|---|---|
| **31 March 2020** | | **Bank acts as originator** | | | **Bank acts as sponsor** | | | **Banks acts as investor** | | |
| **R'million** | | Traditional | Synthetic | Sub-total | Traditional | Synthetic | Sub-total | Traditional | Synthetic | Sub-total |
| **1** | **Retail (total) – of which** | **2 419** | **-** | **2 419** | **-** | **-** | **-** | **4 043** | **-** | **4 043** |
| 2 | residential mortgage | 2 419 | - | 2 419 | - | - | - | 3 802 | - | 3 802 |
| 3 | credit card | - | - | - | - | - | - | - | - | - |
| 4 | other retail exposures | - | - | - | - | - | - | 241 | - | 241 |
| 5 | re-securitisation | - | - | - | - | - | - | - | - | - |
| **6** | **Wholesale (total) – of which** | **-** | **-** | **-** | **-** | **-** | **-** | **78** | **-** | **78** |
| 7 | loans to corporates | - | - | - | - | - | - | 78 | - | 78 |
| 8 | commercial mortgage | - | - | - | - | - | - | - | - | - |
| 9 | lease and receivables | - | - | - | - | - | - | - | - | - |
| 10 | other wholesale | - | - | - | - | - | - | - | - | - |
| 11 | re-securitisation | - | - | - | - | - | - | - | - | - |

SEC3: SECURITISATION EXPOSURES IN THE BANKING BOOK AND ASSOCIATED REGULATORY CAPITAL REQUIREMENTS – BANK ACTING AS ORIGINATOR OR AS SPONSOR

The purpose of the table below is to present securitisation exposures in the banking book when the bank acts as originator or sponsor and the associated capital requirements.

| | | a | b | c | d | e | f | g | h | i |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **Exposure values (by RW bands)** | | | | | **Exposure values (by regulatory approach)** | | | |
| 30 September 2020<br>**R'million** | | ≤20% RW | >20% to 50% RW | >50% to 100% RW | >100% to <1250% RW | 1250% RW | IRB RBA (including IAA) | IRB SFA | SA/SSFA | 1250% |
| **1** | **Total exposures** | **1 381** | **618** | **-** | **-** | **-** | **1 999** | **-** | **-** | **-** |
| **2** | **Traditional securitisation** | **1 381** | **618** | **-** | **-** | **-** | **1 999** | **-** | **-** | **-** |
| 3 | Of which securitisation | 1 381 | 618 | - | - | - | 1 999 | - | - | - |
| 4 | Of which retail underlying | 1 381 | 618 | - | - | - | 1 999 | - | - | - |
| 5 | Of which wholesale | - | - | - | - | - | - | - | - | - |
| 6 | Of which re-securitisation | - | - | - | - | - | - | - | - | - |
| 7 | Of which senior | 1 381 | 618 | - | - | - | 1 999 | - | - | - |
| 8 | Of which non-senior | - | - | - | - | - | - | - | - | - |
| **9** | **Synthetic securitisation** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| 10 | Of which securitisation | - | - | - | - | - | - | - | - | - |
| 11 | Of which retail underlying | - | - | - | - | - | - | - | - | - |
| 12 | Of which wholesale | - | - | - | - | - | - | - | - | - |
| 13 | Of which re-securitisation | - | - | - | - | - | - | - | - | - |
| 14 | Of which senior | - | - | - | - | - | - | - | - | - |
| 15 | Of which non-senior | - | - | - | - | - | - | - | - | - |

Columns (a) to (e) are defined in relation to regulatory risk weights applied to retained exposures. The bank applied the look-through approach by applying capital requirements to the underlying assets in the scheme.

SEC3: SECURITISATION EXPOSURES IN THE BANKING BOOK AND ASSOCIATED REGULATORY CAPITAL REQUIREMENTS – BANK ACTING AS ORIGINATOR OR AS SPONSOR

*(continued)*

| | | j | k | l | m | n | o | p | q |
|---|---|---|---|---|---|---|---|---|---|
| | | **RWA (by regulatory approach)** | | | | **Capital charge after cap** | | | |
| **30 September 2020**<br>**R'million** | | IRB RBA (including IAA) | IRB SFA | SA/SSFA | 1250% | IRB RBA (including IAA | IRB SFA | SA/SSFA | 1250% |
| **1** | **Total exposures** | **406** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **2** | **Traditional securitisation** | **406** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| 3 | Of which securitisation | 406 | - | - | - | - | - | - | - |
| 4 | Of which retail underlying | 406 | - | - | - | - | - | - | - |
| 5 | Of which wholesale | - | - | - | - | - | - | - | - |
| 6 | Of which re-securitisation | - | - | - | - | - | - | - | - |
| 7 | Of which senior | 406 | - | - | - | - | - | - | - |
| 8 | Of which non-senior | - | - | - | - | - | - | - | - |
| **9** | **Synthetic securitisation** | - | - | - | - | - | - | - | - |
| 10 | Of which securitisation | - | - | - | - | - | - | - | - |
| 11 | Of which retail underlying | - | - | - | - | - | - | - | - |
| 12 | Of which wholesale | - | - | - | - | - | - | - | - |
| 13 | Of which re-securitisation | - | - | - | - | - | - | - | - |
| 14 | Of which senior | - | - | - | - | - | - | - | - |
| 15 | Of which non-senior | - | - | - | - | - | - | - | - |

SEC3: SECURITISATION EXPOSURES IN THE BANKING BOOK AND ASSOCIATED REGULATORY CAPITAL REQUIREMENTS – BANK ACTING AS ORIGINATOR OR AS SPONSOR

*(continued)*

| | | a | b | c | d | e | f | g | h | i |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Exposure values (by RW bands) | | | | | Exposure values (by regulatory approach) | | | |
| 31 March 2020<br>**R'million** | | ≤20% RW | >20% to 50% RW | >50% to 100% RW | >100% to <1250% RW | 1250% RW | IRB RBA (including IAA) | IRB SFA | SA/SSFA | 1250% |
| **1** | **Total exposures** | **1 728** | **690** | **-** | **-** | **-** | **2 419** | **-** | **-** | **-** |
| **2** | **Traditional securitisation** | **1 728** | **690** | **-** | **-** | **-** | **2 419** | **-** | **-** | **-** |
| 3 | Of which securitisation | 1 728 | 690 | - | - | - | 2 419 | - | - | - |
| 4 | Of which retail underlying | 1 728 | 690 | - | - | - | 2 419 | - | - | - |
| 5 | Of which wholesale | - | - | - | - | - | - | - | - | - |
| 6 | Of which re-securitisation | - | - | - | - | - | - | - | - | - |
| 7 | Of which senior | 1 728 | 690 | - | - | - | 2 419 | - | - | - |
| 8 | Of which non-senior | - | - | - | - | - | - | - | - | - |
| **9** | **Synthetic securitisation** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| 10 | Of which securitisation | - | - | - | - | - | - | - | - | - |
| 11 | Of which retail underlying | - | - | - | - | - | - | - | - | - |
| 12 | Of which wholesale | - | - | - | - | - | - | - | - | - |
| 13 | Of which re-securitisation | - | - | - | - | - | - | - | - | - |
| 14 | Of which senior | - | - | - | - | - | - | - | - | - |
| 15 | Of which non-senior | - | - | - | - | - | - | - | - | - |

SEC3: SECURITISATION EXPOSURES IN THE BANKING BOOK AND ASSOCIATED REGULATORY CAPITAL REQUIREMENTS – BANK ACTING AS ORIGINATOR OR AS SPONSOR

*(continued)*

| | | j | k | l | m | n | o | p | q |
|---|---|---|---|---|---|---|---|---|---|
| | | **RWA (by regulatory approach)** | | | | **Capital charge after cap** | | | |
| 31 March 2020<br>**R'million** | | IRB RBA (including IAA) | IRB SFA | SA/SSFA | 1250% | IRB RBA (including IAA | IRB SFA | SA/SSFA | 1250% |
| **1** | **Total exposures** | **418** | **-** | **-** | **-** | **44** | **-** | **-** | **-** |
| **2** | **Traditional securitisation** | **418** | **-** | **-** | **-** | **44** | **-** | **-** | **-** |
| 3 | Of which securitisation | 418 | - | - | - | 44 | - | - | - |
| 4 | Of which retail underlying | 418 | - | - | - | 44 | - | - | - |
| 5 | Of which wholesale | - | - | - | - | - | - | - | - |
| 6 | Of which re-securitisation | - | - | - | - | - | - | - | - |
| 7 | Of which senior | 418 | - | - | - | 44 | - | - | - |
| 8 | Of which non-senior | - | - | - | - | - | - | - | - |
| **9** | **Synthetic securitisation** | - | - | - | - | - | - | - | - |
| 10 | Of which securitisation | - | - | - | - | - | - | - | - |
| 11 | Of which retail underlying | - | - | - | - | - | - | - | - |
| 12 | Of which wholesale | - | - | - | - | - | - | - | - |
| 13 | Of which re-securitisation | - | - | - | - | - | - | - | - |
| 14 | Of which senior | - | - | - | - | - | - | - | - |
| 15 | Of which non-senior | - | - | - | - | - | - | - | - |

## SEC4: SECURITISATION EXPOSURES IN THE BANKING BOOK AND ASSOCIATED CAPITAL REQUIREMENTS – BANK ACTING AS INVESTOR

The purpose of the table below is to present securitisation exposures in the banking book where the bank acts as investor and the associated capital requirements.

| | | a | b | c | d | e | f | g | h | i |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **Exposure values (by RW bands)** | | | | | **Exposure values (by regulatory approach)** | | | |
| 30 September 2020<br>**R'million** | | ≤20% RW | >20% to 50% RW | >50% to 100% RW | >100% to <1250% RW | 1250% RW | IRB RBA (including IAA) | IRB SFA | SA/SSFA | 1250% |
| **1** | **Total exposures** | **1 686** | **1 296** | **206** | **24** | **-** | **-** | **-** | **3 212** | **-** |
| **2** | **Traditional securitisation** | **1 686** | **1 296** | **206** | **24** | **-** | **-** | **-** | **3 212** | **-** |
| 3 | Of which securitisation | 1 686 | 1 296 | 206 | 24 | - | - | - | 3 212 | - |
| 4 | Of which retail underlying | 1 686 | 1 296 | 206 | - | - | - | - | 3 188 | - |
| 5 | Of which wholesale | - | - | - | 24 | - | - | - | 24 | - |
| 6 | Of which re-securitisation | - | - | - | - | - | - | - | - | - |
| 7 | Of which senior | 1 686 | 1 296 | 206 | 24 | - | - | - | 3 212 | - |
| 8 | Of which non-senior | - | - | - | - | - | - | - | - | - |
| **9** | **Synthetic securitisation** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| 10 | Of which securitisation | - | - | - | - | - | - | - | - | - |
| 11 | Of which retail underlying | - | - | - | - | - | - | - | - | - |
| 12 | Of which wholesale | - | - | - | - | - | - | - | - | - |
| 13 | Of which re-securitisation | - | - | - | - | - | - | - | - | - |
| 14 | Of which senior | - | - | - | - | - | - | - | - | - |
| 15 | Of which non-senior | - | - | - | - | - | - | - | - | - |

Columns (a) to (e) include the investments positions purchased in third party Special Purpose Institution exposures. The bank applied the look-through approach to calculate RWA for senior investment exposures.

SEC4: SECURITISATION EXPOSURES IN THE BANKING BOOK AND ASSOCIATED CAPITAL REQUIREMENTS – BANK ACTING AS INVESTOR

*(continued)*

| | | j | k | l | m | n | o | p | q |
|---|---|---|---|---|---|---|---|---|---|
| | | **RWA (by regulatory approach)** | | | | **Capital charge after cap** | | | |
| 30 September 2020<br>**R'million** | | IRB RBA (including IAA) | IRB SFA | SA/SSFA | 1250% | IRB RBA (including IAA | IRB SFA | SA/SSFA | 1250% |
| **1** | **Total exposures** | **-** | **-** | **1 060** | **-** | **-** | **-** | **-** | **-** |
| **2** | **Traditional securitisation** | **-** | **-** | **1 060** | **-** | **-** | **-** | **-** | **-** |
| 3 | Of which securitisation | - | - | 1 060 | - | - | - | - | - |
| 4 | Of which retail underlying | - | - | 958 | - | - | - | - | - |
| 5 | Of which wholesale | - | - | 102 | - | - | - | - | - |
| 6 | Of which re-securitisation | - | - | - | - | - | - | - | - |
| 7 | Of which senior | - | - | 1 060 | - | - | - | - | - |
| 8 | Of which non-senior | - | - | - | - | - | - | - | - |
| **9** | **Synthetic securitisation** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| 10 | Of which securitisation | - | - | - | - | - | - | - | - |
| 11 | Of which retail underlying | - | - | - | - | - | - | - | - |
| 12 | Of which wholesale | - | - | - | - | - | - | - | - |
| 13 | Of which re-securitisation | - | - | - | - | - | - | - | - |
| 14 | Of which senior | - | - | - | - | - | - | - | - |
| 15 | Of which non-senior | - | - | - | - | - | - | - | - |

SEC4: SECURITISATION EXPOSURES IN THE BANKING BOOK AND ASSOCIATED CAPITAL REQUIREMENTS – BANK ACTING AS INVESTOR

*(continued)*

| | | a | b | c | d | e | f | g | h | i |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **Exposure values (by RW bands)** | | | | | **Exposure values (by regulatory approach)** | | | |
| 31 March 2020<br>**R'million** | | ≤20% RW | >20% to 50% RW | >50% to 100% RW | >100% to <1250% RW | 1250% RW | IRB RBA (including IAA) | IRB SFA | SA/SSFA | 1250% |
| **1** | **Total exposures** | **1 744** | **1 399** | **900** | **78** | **-** | **-** | **-** | **4 121** | **-** |
| **2** | **Traditional securitisation** | **1 744** | **1 399** | **900** | **78** | **-** | **-** | **-** | **4 121** | **-** |
| 3 | Of which securitisation | 1 744 | 1 399 | 900 | 78 | - | - | - | 4 121 | - |
| 4 | Of which retail underlying | 1 744 | 1 399 | 900 | - | - | - | - | 4 043 | - |
| 5 | Of which wholesale | - | - | - | 78 | - | - | - | 78 | - |
| 6 | Of which re-securitisation | - | - | - | - | - | - | - | - | - |
| 7 | Of which senior | 1 744 | 1 399 | 900 | 78 | - | - | - | 4 121 | - |
| 8 | Of which non-senior | - | - | - | - | - | - | - | - | - |
| **9** | **Synthetic securitisation** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| 10 | Of which securitisation | - | - | - | - | - | - | - | - | - |
| 11 | Of which retail underlying | - | - | - | - | - | - | - | - | - |
| 12 | Of which wholesale | - | - | - | - | - | - | - | - | - |
| 13 | Of which re-securitisation | - | - | - | - | - | - | - | - | - |
| 14 | Of which senior | - | - | - | - | - | - | - | - | - |
| 15 | Of which non-senior | - | - | - | - | - | - | - | - | - |

SEC4: SECURITISATION EXPOSURES IN THE BANKING BOOK AND ASSOCIATED CAPITAL REQUIREMENTS – BANK ACTING AS INVESTOR

*(continued)*

| | | j | k | l | m | n | o | p | q |
|---|---|---|---|---|---|---|---|---|---|
| | | **RWA (by regulatory approach)** | | | | **Capital charge after cap** | | | |
| 31 March 2020<br>**R'million** | | IRB RBA (including IAA) | IRB SFA | SA/SSFA | 1250% | IRB RBA (including IAA | IRB SFA | SA/SSFA | 1250% |
| **1** | **Total exposures** | **-** | **-** | **2 009** | **-** | **-** | **-** | **231** | **-** |
| **2** | **Traditional securitisation** | **-** | **-** | **2 009** | **-** | **-** | **-** | **231** | **-** |
| 3 | Of which securitisation | - | - | 2 009 | - | - | - | 231 | - |
| 4 | Of which retail underlying | - | - | 1 678 | - | - | - | 193 | - |
| 5 | Of which wholesale | - | - | 331 | - | - | - | 38 | - |
| 6 | Of which re-securitisation | - | - | - | - | - | - | - | - |
| 7 | Of which senior | - | - | 2 009 | - | - | - | 231 | - |
| 8 | Of which non-senior | - | - | - | - | - | - | - | - |
| **9** | **Synthetic securitisation** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| 10 | Of which securitisation | - | - | - | - | - | - | - | - |
| 11 | Of which retail underlying | - | - | - | - | - | - | - | - |
| 12 | Of which wholesale | - | - | - | - | - | - | - | - |
| 13 | Of which re-securitisation | - | - | - | - | - | - | - | - |
| 14 | Of which senior | - | - | - | - | - | - | - | - |
| 15 | Of which non-senior | - | - | - | - | - | - | - | - |

MR1: MARKET RISK UNDER SA

The purposes of the MR1 table below is to provide the components of the capital charge under the SA for market risk.

| 30 September 2020<br>**R'million** | | a<br>**Capital charge in SA** |
|---|---|---|
| **Outright products** | | |
| 1 | Interest rate risk (general and specific) | 288 |
| 2 | Equity risk (general and specific) | 118 |
| 3 | Foreign exchange risk | - |
| 4 | Commodity risk | - |
| **Options** | | |
| 5 | Simplified approach | - |
| 6 | Delta-plus method | - |
| 7 | Scenario approach | - |
| 8 | Securitisation | - |
| **9** | **Total** | **406** |

| 31 March 2020<br>**R'million** | | a<br>**Capital charge in SA** |
|---|---|---|
| **Outright products** | | |
| 1 | Interest rate risk (general and specific) | 258 |
| 2 | Equity risk (general and specific) | 208 |
| 3 | Foreign exchange risk | - |
| 4 | Commodity risk | - |
| **Options** | | |
| 5 | Simplified approach | - |
| 6 | Delta-plus method | - |
| 7 | Scenario approach | - |
| 8 | Securitisation | - |
| **9** | **Total** | **466** |

RWA in this table is derived by multiplying the capital required by 12.5.

## MR2: RWA FLOW STATEMENTS OF MARKET RISK EXPOSURES UNDER AN IMA

The table below presents a flow statement explaining variations in the market RWA determined under an internal model approach.

| | | a | b | c | d | e | f |
|---|---|---|---|---|---|---|---|
| 30 September 2020<br>**R'million** | | **VaR** | **Stressed VaR** | **IRC** | **CRM** | **Other** | **Total RWA** |
| **1** | **RWA at previous quarter end** | 1 854 | 3 920 | - | - | - | **5 774** |
| 2 | Movement in risk levels | 1 183 | (1 110) | - | - | - | 73 |
| 3 | Model updates/changes | - | - | - | - | - | - |
| 4 | Methodology and policy | - | - | - | - | - | - |
| 5 | Acquisitions and disposals | - | - | - | - | - | - |
| 6 | Foreign exchange movements | - | - | - | - | - | - |
| 7 | Other | - | - | - | - | - | - |
| **8** | **RWA at end of reporting period** | **3 037** | **2 810** | **-** | **-** | **-** | **5 847** |

| | | a | b | c | d | e | f |
|---|---|---|---|---|---|---|---|
| 30 June 2020<br>**R'million** | | **VaR** | **Stressed VaR** | **IRC** | **CRM** | **Other** | **Total RWA** |
| **1** | **RWA at previous quarter end** | 1 088 | 1 703 | - | - | - | **2 791** |
| 2 | Movement in risk levels | 43 | 857 | - | - | - | 901 |
| 3 | Model updates/changes | | | - | - | - | - |
| 4 | Methodology and policy | | | - | - | - | - |
| 5 | Acquisitions and disposals | | | - | - | - | - |
| 6 | Foreign exchange movements | | | - | - | - | - |
| 7 | Other | | | - | - | - | - |
| **8** | **RWA at end of reporting period** | **1 131** | **2 560** | **-** | **-** | **-** | **3 692** |

RWA in this table is derived by multiplying the capital required by 12.5.

## MR3: IMA VALUES FOR TRADING PORTFOLIOS

The table below displays the values (maximum, minimum, average and period ending for the reporting period) resulting from the different types of models used for computing the regulatory capital charge at the group level, before any additional capital charge is applied by the jurisdiction.

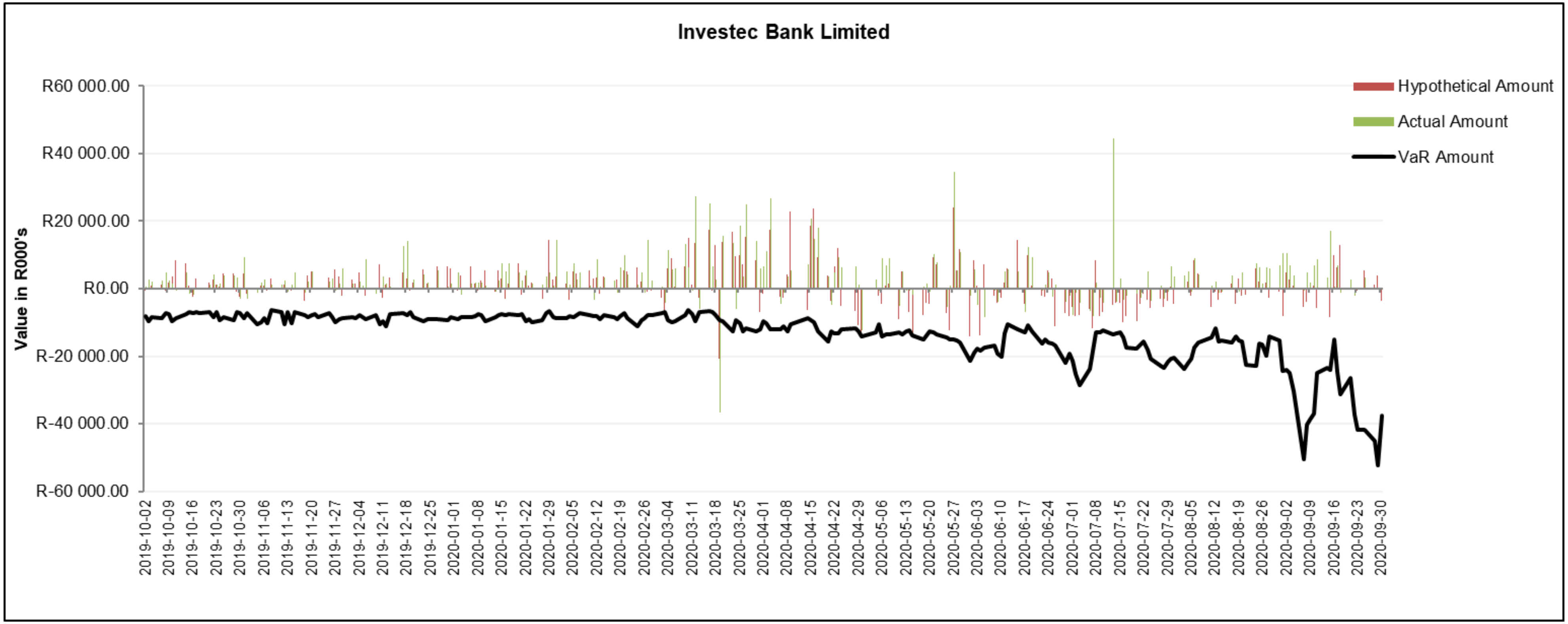
| 30 September 2020<br>**R'million** | | a |
|---|---|---|
| **VaR (10 day 99%) –** | | |
| 1 | Maximum value | 166 |
| 2 | Average value | 74 |
| 3 | Minimum value | 37 |
| 4 | Period end | 158 |
| **Stressed VaR (10 day 99%)** | | |
| 5 | Maximum value | 159 |
| 6 | Average value | 68 |
| 7 | Minimum value | 31 |
| 8 | Period end | 96 |
| **Incremental Risk Charge (99.9%)** | | |
| 9 | Maximum value | - |
| 10 | Average value | - |
| 11 | Minimum value | - |
| 12 | Period end | - |
| **Comprehensive Risk capital charge (99.9%)** | | |
| 13 | Maximum value | - |
| 14 | Average value | - |
| 15 | Minimum value | - |
| 16 | Period end | - |
| 17 | Floor (standardised measurement method) | - |

| 31 March 2020<br>**R'million** | | a |
|---|---|---|
| **VaR (10 day 99%) –** | | |
| 1 | Maximum value | 40 |
| 2 | Average value | 27 |
| 3 | Minimum value | 20 |
| 4 | Period end | 30 |
| **Stressed VaR (10 day 99%)** | | |
| 5 | Maximum value | 98 |
| 6 | Average value | 62 |
| 7 | Minimum value | 39 |
| 8 | Period end | 67 |
| **Incremental Risk Charge (99.9%)** | | |
| 9 | Maximum value | - |
| 10 | Average value | - |
| 11 | Minimum value | - |
| 12 | Period end | - |
| **Comprehensive Risk capital charge (99.9%)** | | |
| 13 | Maximum value | - |
| 14 | Average value | - |
| 15 | Minimum value | - |
| 16 | Period end | - |
| 17 | Floor (standardised measurement method) | - |

Summary statistics were calculated on the 10-day VaR and sVaR figures for the year ended 31 March 2020. The 10-day figures were obtained by multiplying the one-day figures by SQRT(10).

The purpose of the MR4 template is to Present a comparison of the results of estimates from the regulatory VaR model with both hypothetical and actual trading outcomes, to highlight the frequency and the extent of the backtesting exceptions, and to give an analysis of the main outliers in backtested results, as per Annex 10a part II of the Basel framework.

The graphs that follow show the result of backtesting the total daily 99% one-day VaR against the clean profit and loss figures for our trading activities over the reporting period. Based on these graphs, we can gauge the accuracy of the VaR figures i.e. 99% of the time, the total trading activities are not expected to lose more than the 99% one-day VaR.




The increase in the 99% VaR towards the end of the historical period was primarily driven by an increase in exposure on the Interest Rate Derivatives and Equity Derivatives desks, coupled with a decline in correlation between the two desks which resulted in a lower diversification benefit at the overall level.

The purpose of the CC1 table below is to provide a breakdown of the constituent elements of a bank's capital.

| | | a | a |
|---|---|---|---|
| **R'million** | | 30 September 2020 | 31 March 2020 |
| **Common Equity Tier 1 capital: instruments and reserves** | | | |
| 1 | Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus | 14 281 | 14 281 |
| 2 | Retained earnings | 28 581 | 26 947 |
| 3 | Accumulated other comprehensive income (and other reserves) | (490) | (1 474) |
| 4 | Directly issued capital subject to phase-out from CET1 (only applicable to non-joint stock companies) | - | - |
| 5 | Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1) | | |
| **6** | **Common Equity Tier 1 capital before regulatory adjustments** | **42 372** | **39 754** |
| **Common Equity Tier 1 capital: regulatory adjustments** | | | |
| 7 | Prudent valuation adjustments | 225 | 6 |
| 8 | Goodwill (net of related tax liability) | 178 | 178 |
| 9 | Other intangibles other than mortgage servicing rights (net of related tax liability) | 270 | 318 |
| 10 | Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability) | - | - |
| 11 | Cash flow hedge reserve | (1 625) | (1 550) |
| 12 | Shortfall of provisions to expected losses | 678 | 629 |
| 13 | Securitisation gain on sale (as set out in paragraph 36 of Basel III securitisation framework) | - | - |
| 14 | Gains and losses due to changes in own credit risk on fair valued liabilities | 13 | 26 |
| 15 | Defined benefit pension fund net assets | - | - |
| 16 | Investments in own shares (if not already subtracted from paid-in capital on reported balance sheet) | - | - |
| 17 | Reciprocal cross-holdings in common equity | - | - |
| 18 | Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold) | - | - |
| 19 | Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold) | 1 363 | 1 596 |
| 20 | Mortgage servicing rights (amount above 10% threshold) | - | - |
| 21 | Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability) | - | - |
| 22 | Amount exceeding the 15% threshold | - | - |
| 23 | Of which: significant investments in the common stock of financials | - | - |
| 24 | Of which: mortgage servicing rights | - | - |
| 25 | Of which: deferred tax assets arising from temporary differences | - | - |
| 26 | National specific regulatory adjustments | - | - |
| 27 | Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions | - | - |
| **28** | **Total regulatory adjustments to Common Equity Tier 1** | **1 102** | **1 203** |
| **29** | **Common Equity Tier 1 capital (CET1) (row 6 minus row 28)** | **41 270** | **38 551** |

| | R'million | a<br>30 September 2020 | a<br>31 March 2020 |
|---|---|---|---|
| 30 | Directly issued qualifying additional Tier 1 instruments plus related stock surplus | 460 | 460 |
| 31 | Of which: classified as equity under applicable accounting standards | 460 | 460 |
| 32 | Of which: classified as liabilities under applicable accounting standards | - | - |
| 33 | Directly issued capital instruments subject to phase-out from additional Tier 1 | 307 | 307 |
| 34 | Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) | - | - |
| 35 | Of which: instruments issued by subsidiaries subject to phase-out | - | - |
| **36** | **Additional Tier 1 capital before regulatory adjustments** | **767** | **767** |
| **Additional Tier 1 capital: regulatory adjustments** | | | |
| 37 | Investments in own additional Tier 1 instruments | - | - |
| 38 | Reciprocal cross-holdings in additional Tier 1 instruments | - | - |
| 39 | Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold) | - | 16 |
| 40 | Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation | - | - |
| 41 | National specific regulatory adjustments | - | - |
| 42 | Regulatory adjustments applied to additional Tier 1 due to insufficient Tier 2 to cover deductions | - | - |
| **43** | **Total regulatory adjustments to additional Tier 1 capital** | **-** | **16** |
| **44** | **Additional Tier 1 capital (AT1)** | **767** | **751** |
| **45** | **Tier 1 capital (T1 = CET1 + AT1)** | **42 037** | **39 302** |
| **Tier 2 capital: instruments and provisions** | | | |
| 46 | Directly issued qualifying Tier 2 instruments plus related stock surplus | 11 907 | 12 037 |
| 47 | Directly issued capital instruments subject to phase-out from Tier 2 | - | - |
| 48 | Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2) | | |
| 49 | Of which: instruments issued by subsidiaries subject to phase-out | | - |
| 50 | Provisions | 959 | 895 |
| **51** | **Tier 2 capital before regulatory adjustments** | **12 866** | **12 932** |
| **Tier 2 capital: regulatory adjustments** | | | |
| 52 | Investments in own Tier 2 instruments | - | - |
| 53 | Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities | - | - |
| 54 | Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold) | (1) | 27 |
| 54a | Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions (for G-SIBs only) | - | - |
| 55 | Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions) | - | - |
| 56 | National specific regulatory adjustments | - | - |
| **57** | **Total regulatory adjustments to Tier 2 capital** | **(1)** | **27** |
| **58** | **Tier 2 capital (T2)** | **12 865** | **12 905** |
| **59** | **Total regulatory capital (TC = T1 + T2)** | **54 903** | **52 207** |

*(continued)*

| | | a | a |
|---|---|---|---|
| **R'million** | | 30 September 2020 | 31 March 2020 |
| **60** | **Total risk-weighted assets** | **320 969** | **319 090** |
| **Capital ratios and buffers** | | | |
| **61** | **Common Equity Tier 1 (as a percentage of risk-weighted assets)** | 12.9% | 12.1% |
| **62** | **Tier 1 (as a percentage of risk-weighted assets)** | 13.1% | 12.3% |
| **63** | **Total capital (as a percentage of risk-weighted assets)** | 17.1% | 16.4% |
| **64** | **Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)** | 7.0% | 7.5% |
| 65 | Of which: capital conservation buffer requirement | 2.5% | 2.5% |
| 66 | Of which: bank-specific countercyclical buffer requirement | 0.0% | 0.0% |
| 67 | Of which: higher loss absorbency requirement | 0.5% | 0.0% |
| **68** | **Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements** | 5.6% | 4.6% |
| **National minima (if different from Basel III)** | | | |
| 69 | National Common Equity Tier 1 minimum ratio (if different from Basel III minimum) | 7.0% | 7.5% |
| 70 | National Tier 1 minimum ratio (if different from Basel III minimum) | 8.5% | 9.3% |
| 71 | National total capital minimum ratio (if different from Basel III minimum) | 10.5% | 11.5% |
| **Amounts below the thresholds for deduction (before risk weighting)** | | | |
| 72 | Non-significant investments in the capital and other TLAC liabilities of other financial entities | - | - |
| 73 | Significant investments in the common stock of financial entities | 4 263 | 4 015 |
| 74 | Mortgage servicing rights (net of related tax liability) | - | - |
| 75 | Deferred tax assets arising from temporary differences (net of related tax liability) | 2 292 | 2 568 |
| **Applicable caps on the inclusion of provisions in Tier 2** | | | |
| 76 | Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap) | 959 | 895 |
| 77 | Cap on inclusion of provisions in Tier 2 under standardised approach | 959 | 1 095 |
| 78 | Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) | - | - |
| 79 | Cap for inclusion of provisions in Tier 2 under internal ratings-based approach | - | - |
| **Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)** | | | |
| 80 | *Current cap on CET1 instruments subject to phase-out arrangements* | - | - |
| 81 | *Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)* | - | - |
| 82 | *Current cap on AT1 instruments subject to phase-out arrangements* | - | - |
| 83 | *Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)* | - | - |
| 84 | *Current cap on T2 instruments subject to phase-out arrangements* | - | - |
| 85 | *Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)* | - | - |

The purpose of the CC2 table below is to enable users to identify the differences between the scope of accounting consolidation and the scope of regulatory consolidation, and to show the link between a bank's balance sheet in its published financial statements and the numbers that are used in the composition of capital disclosure template set out in Template CC1.

| | a | b |
|---|---|---|
| 30 September 2020<br>**R'million** | **Balance sheet as in published financial statements** | **Under regulatory scope of consolidation** |
| **Assets** | | |
| Cash and balances at central banks | 12 064 | 12 064 |
| Loans and advances to banks | 29 476 | 29 530 |
| Non-sovereign and non-bank cash placements | 7 840 | 7 840 |
| Reverse repurchase agreements and cash collateral on securities borrowed | 37 938 | 37 938 |
| Sovereign debt securities | 72 519 | 72 519 |
| Bank debt securities | 11 318 | 11 318 |
| Other debt securities | 15 506 | 15 506 |
| Derivative financial instruments | 21 403 | 21 403 |
| Securities arising from trading activities | 3 147 | 3 147 |
| Investment portfolio | 6 270 | 7 696 |
| Loans and advances to customers | 272 672 | 273 401 |
| Own originated loans and advances to customers securitised | 6 636 | 6 636 |
| Other loans and advances | 217 | 217 |
| Other securitised assets | 208 | 208 |
| Interests in associated undertakings | 5 667 | 5 896 |
| Deferred taxation assets | 2 693 | 2 693 |
| Other assets | 6 096 | 6 203 |
| Property and equipment | 2 847 | 2 847 |
| Investment properties | 1 | 3 329 |
| Goodwill | 178 | 178 |
| Intangible assets | 141 | 141 |
| Loans to group companies | 130 | (76) |
| Investment in subsidiaries | 14 609 | 14 609 |
| Non-current assets held for sale | - | 412 |
| **Total assets** | 529 576 | 535 655 |
| | | |
| **Liabilities** | | |
| Deposits by banks | 35 913 | 37 508 |
| Derivative financial instruments | 18 278 | 18 332 |
| Other trading liabilities | 4 758 | 4 758 |
| Repurchase agreements and cash collateral on securities lent | 32 684 | 32 684 |
| Customer accounts (deposits) | 365 066 | 365 066 |
| Debt securities in issue | 3 148 | 4 175 |
| Liabilities arising on securitisation of own originated loans and advances | 1 576 | 1 576 |
| Liabilities arising on securitisation of other assets | - | - |
| Current taxation liabilities | 498 | 502 |
| Deferred taxation liabilities | 40 | 40 |
| Other liabilities | 7 014 | 7 372 |
| Loans from group companies and subsidiaries | 4 329 | 4 329 |
| Subordinated liabilities | 11 907 | 11 907 |
| Liabilities to customers under investment contracts | - | - |
| **Total liabilities** | 485 211 | 488 249 |
| | | |
| **Shareholders' equity** | | |
| Ordinary share capital | 32 | 2 467 |
| Share premium | 14 250 | 14 250 |
| Other reserves | 226 | 219 |
| Retained income | 27 863 | 28 476 |
| Additional Tier 1 capital issued | 1 994 | 1 994 |
| **Total shareholders' equity** | 44 365 | 47 406 |

*(continued)*

| 31 March 2020<br>R'million | a<br>Balance sheet as in published financial statements | b<br>Under regulatory scope of consolidation |
|---|---|---|
| **Assets** | | |
| Cash and balances at central banks | 36 656 | 36 656 |
| Loans and advances to banks | 18 050 | 18 053 |
| Non-sovereign and non-bank cash placements | 14 014 | 14 014 |
| Reverse repurchase agreements and cash collateral on securities borrowed | 26 426 | 26 426 |
| Sovereign debt securities | 64 358 | 64 358 |
| Bank debt securities | 12 265 | 12 265 |
| Other debt securities | 17 416 | 17 416 |
| Derivative financial instruments | 17 434 | 17 434 |
| Securities arising from trading activities | 3 178 | 3 178 |
| Investment portfolio | 5 801 | 7 328 |
| Loans and advances to customers | 276 754 | 277 489 |
| Own originated loans and advances to customers securitised | 7 192 | 7 192 |
| Other loans and advances | 242 | 242 |
| Other securitised assets | 416 | 416 |
| Interests in associated undertakings | 5 662 | 5 919 |
| Deferred taxation assets | 2 903 | 2 903 |
| Other assets | 6 157 | 6 259 |
| Property and equipment | 3 008 | 3 008 |
| Investment properties | 1 | 3 720 |
| Goodwill | 178 | 178 |
| Intangible assets | 318 | 318 |
| Loans to group companies | 17 542 | 17 444 |
| Investment in subsidiaries | - | - |
| Non-current assets held for sale | - | 285 |
| **Total assets** | 535 971 | 542 501 |
| | | |
| **Liabilities** | | |
| Deposits by banks | 37 277 | 39 367 |
| Derivative financial instruments | 22 097 | 22 180 |
| Other trading liabilities | 4 521 | 4 521 |
| Repurchase agreements and cash collateral on securities lent | 26 626 | 26 626 |
| Customer accounts (deposits) | 375 948 | 375 948 |
| Debt securities in issue | 3 258 | 4 268 |
| Liabilities arising on securitisation of own originated loans and advances | 1 699 | 1 699 |
| Liabilities arising on securitisation of other assets | - | - |
| Current taxation liabilities | 315 | 317 |
| Deferred taxation liabilities | 47 | 49 |
| Other liabilities | 7 590 | 7 727 |
| Loans from group companies and subsidiaries | 2 807 | 2 807 |
| Subordinated liabilities | 12 037 | 12 037 |
| Liabilities to customers under investment contracts | - | - |
| **Total liabilities** | 494 222 | 497 546 |
| | | |
| **Shareholders' equity** | | |
| Ordinary share capital | 32 | 2 467 |
| Share premium | 15 785 | 15 784 |
| Other reserves | (787) | (786) |
| Retained income | 26 259 | 27 030 |
| Additional Tier 1 capital issued | 460 | 460 |
| **Total shareholders' equity** | 41 749 | 44 955 |

The purpose of the CCA table below is to provide a description of the main features of a bank's regulatory capital instruments and other TLAC-eligible instruments, as applicable, that are recognised as part of its capital base / TLAC resources.

The main features of Investec Bank Limited group's regulatory capital instruments are disclosed on our Investor Relations website in accordance with Banks Act Directive 1 of 2019.

CCYB1: GEOGRAPHICAL DISTRIBUTION OF CREDIT EXPOSURES USED IN THE COUNTERCYCLICAL BUFFER

The purpose of the CCYB1 table below is to provide an overview of the geographical distribution of private sector credit exposures relevant for the calculation of the countercyclical buffer.

| | a | b | c | d | e |
|---|---|---|---|---|---|
| 30 September 2020<br>**R'million**<br>**Geographical breakdown** | **Countercyclical capital buffer rate** | **Exposure values and/or risk-weighted assets used in the computation of the countercyclical capital buffer** | | **Bank-specific countercyclical capital buffer rate** | **Countercyclical buffer amount** |
| | | Exposure values | Risk-weighted assets | | |
| | 0.0% | - | - | 0.000% | - |
| **Total adjustment** | | | | | |

| | a | b | c | d | e |
|---|---|---|---|---|---|
| 31 March 2020<br>**R'million**<br>**Geographical breakdown** | **Countercyclical capital buffer rate** | **Exposure values and/or risk-weighted assets used in the computation of the countercyclical capital buffer** | | **Bank-specific countercyclical capital buffer rate** | **Countercyclical buffer amount** |
| | | Exposure values | Risk-weighted assets | | |
| | 0.0% | - | - | 0.0% | - |
| **Total adjustment** | | | | | |

The CCyB add-on for South Africa is 0% and is subject to a one-year pre-announced date before implementation.

With effect 1 January 2016, all countercyclical capital buffers (CCyBs) should be incorporated into a weighted average CCyB calculation based on jurisdictional reciprocity. Reciprocity ensures that the application of the CCyB in each jurisdiction does not distort the level playing field between domestic banks and foreign banks with exposures to counterparties in the same jurisdiction.

As at 30 September 2020, Investec Bank Limited does not have any jurisdictional reciprocity CCyB add-on as calculated in accordance with Banks Act Directive 2 of 2018.

The countercyclical buffer amount is the bank-specific countercyclical capital buffer rate multiplied by total risk-weighted assets.