

Investec Limited

Incorporated in the Republic of South Africa
 Registration number 1925/002833/06
 JSE share code: INL
 NSX share code: IVD
 BSE share code: INVESTEC
 ISIN: ZAE000081949
 LEI: 213800CU7SM6O4UWOZ70

Investec plc

Incorporated in England and Wales
 Registration number 3633621
 LSE share code: INVP
 JSE share code: INP
 ISIN: GB00B17BBQ50
 LEI: 2138007Z3U5GWDN3MY22

As part of the dual listed company structure, Investec plc and Investec Limited notify both the London Stock Exchange and the JSE Limited of matters which are required to be disclosed under the Disclosure Guidance, Transparency Rules (DTR) and Listing Rules of the United Kingdom Listing Authority (the "UKLA") and/or the JSE Listing Requirements.

Accordingly, we advise of the following:

Investec Limited – Basel III disclosures at 31 December 2021**Capital disclosures**

Investec Limited calculates capital resources and requirements at a group level using the Basel III framework, as implemented in South Africa by the South African Prudential Authority, in accordance with the Bank's Act and all related regulations. Investec Limited continues to hold capital in excess of regulatory requirements and board-approved minimum targets.

As at 31 December 2021	Including unappropriated profits	
	Investec Limited*	IBL*
	R'mn	R'mn
Common equity tier 1 capital	45,576	45,560
Additional tier 1 capital	3,381	2,613
Tier 1 capital	48,957	48,173
Tier 2 capital	8,261	11,164
Total regulatory capital	57,218	59,337
Risk-weighted assets per risk type:		
Credit risk	243,872	241,652
Counterparty credit risk	8,537	8,643
Credit valuation adjustment risk	3,837	3,900
Equity risk	24,822	10,516
Market Risk	3,819	3,128
Operational risk	27,172	22,855
Total risk-weighted assets	312,059	290,694
Total minimum capital requirement	34,326	31,976
Capital ratios		
Common equity tier 1 ratio	14.6%	15.7%
Tier 1 ratio	15.7%	16.6%
Total capital adequacy ratio	18.3%	20.4%

Leverage ratio disclosures

As at 31 December 2021	Including unappropriated profits	
	Investec Limited*	IBL*
	R'mn	R'mn
Tier 1 capital	48,957	48,173
Total exposure	623,591	589,748
Leverage ratio	7.9%	8.2%

As at 31 December 2021	Excluding unappropriated profits	
	Investec Limited*	IBL*
	R'mn	R'mn
Common equity tier 1 capital	41,778	43,857
Additional tier 1 capital	3,388	2,614
Tier 1 capital	45,166	46,471
Tier 2 capital	8,311	11,163
Total regulatory capital	53,477	57,634
Risk-weighted assets per risk type:		
Credit risk	242,909	241,652
Counterparty credit risk	8,537	8,643
Credit valuation adjustment risk	3,837	3,900
Equity risk	24,210	10,516
Market Risk	3,819	3,128
Operational risk	27,172	22,855
Total risk-weighted assets	310,484	290,694
Total minimum capital requirement	34,153	31,976
Capital ratios		
Common equity tier 1 ratio	13.5%	15.1%
Tier 1 ratio	14.5%	16.0%
Total capital adequacy ratio	17.2%	19.8%

Leverage ratio disclosures

As at 31 December 2021	Excluding unappropriated profits	
	Investec Limited*	IBL*
	R'mn	R'mn
Tier 1 capital	45,166	46,471
Total exposure	623,061	589,748
Leverage ratio	7.2%	7.9%

* Where: IBL is Investec Bank Limited consolidated. The information for Investec Limited includes the information for IBL.

Liquidity disclosures

Liquidity coverage ratio (LCR)

The objective of the 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.

With effect from 1 April 2020, the minimum LCR requirement in South Africa was reduced from 100% to 80%. As the PA is now of the view that this relief measure is no longer necessary, the minimum LCR requirement has been revised to 90% from 1 January 2022 and back to 100% from 1 April 2022. This applies for both Investec Bank Limited (IBL) (solo basis) and Investec Bank Limited (IBL) consolidated group.

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 LCR disclosure requirements. This disclosure is in accordance with Pillar 3 of the Basel III liquidity accord, as specified by BCBS d400 (2017) and Directive D1/2018.

The following table sets out the LCR for IBL (solo basis) and IBL consolidated group for the quarter ending 31 December 2021:

	IBL (solo basis) – Total weighted value	IBL consolidated group – Total weighted value
High quality liquid assets (HQLA) (R'mn)	94,350	96,607
Net cash outflows (R'mn)	63,634	63,573
Actual LCR	150.2%	153.8%
Required LCR	80%^	80%^

^ - temporarily reduced from 100% by the PA.

The values in the table are calculated as the simple average of 92 calendar daily values over the period 1 October 2021 to 31 December 2021 for IBL (solo basis). IBL consolidated group values use daily values for IBL (solo basis), while those for other group entities use the average of October, November and December 2021 month-end values.

Net stable funding ratio (NSFR)

The objective of the NSFR is to promote the resilience of 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, increase its risk of failure, and potentially lead to broader systemic risk.

The minimum NSFR requirement in South Africa is 100%. This applies to both IBL (solo basis) and IBL consolidated group.

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 is in accordance with Pillar 3 of the Basel III liquidity accord, as specified by Directive 11/2015 and Directive 01/2018.

The following table sets out the NSFR for IBL (solo basis) and IBL consolidated group as at 31 December 2021:

	IBL (solo basis)	IBL consolidated group
Actual NSFR	115.3%	115.8%
Required NSFR	100%	100%

Further disclosures with respect to Investec Limited's and Investec Bank Limited's capital and liquidity will be provided on the Investec website in due course as required by the relevant regulations.

31 January 2022

Sponsor: Investec Bank Limited