

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: INV P
 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 30 June 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 30 June 2021	Including unappropriated profits	
	Investec Limited* R'mn	IBL* R'mn
Common equity tier 1 capital	44,317	43,792
Additional tier 1 capital	2,727	1,936
Tier 1 capital	47,044	45,728
Tier 2 capital	10,405	13,326
Total regulatory capital	57,449	59,054
Risk-weighted assets per risk type:		
Credit risk	260,201	256,442
Counterparty credit risk	11,393	11,393
Credit valuation adjustment risk	6,523	6,523
Equity risk	24,301	9,542
Market Risk	6,120	3,422
Operational risk	26,832	22,193
Total risk-weighted assets	335,370	309,515
Total minimum capital requirement	36,891	34,047
Capital ratios		
Common equity tier 1 ratio	13.2%	14.1%
Tier 1 ratio	14.0%	14.8%
Total capital adequacy ratio	17.1%	19.1%

Leverage ratio disclosures

As at 30 June 2021	Including unappropriated profits	
	Investec Limited*	IBL*
	R'mn	R'mn
Tier 1 capital	47,044	45,728
Total exposure	618,715	584,373
Leverage ratio	7.6%	7.8%

As at 30 June 2021	Excluding unappropriated profits	
	Investec Limited*	IBL*
	R'mn	R'mn
Common equity tier 1 capital	41,456	42,399
Additional tier 1 capital	2,733	1,937
Tier 1 capital	44,189	44,336
Tier 2 capital	10,467	13,326
Total regulatory capital	54,656	57,662
Risk-weighted assets per risk type:		
Credit risk	259,476	256,126
Counterparty credit risk	11,393	11,393
Credit valuation adjustment risk	6,523	6,523
Equity risk	23,839	9,542
Market Risk	6,120	3,422
Operational risk	26,862	22,193
Total risk-weighted assets	334,183	309,199
Total minimum capital requirement	36,760	34,012
Capital ratios		
Common equity tier 1 ratio	12.4%	13.7%
Tier 1 ratio	13.2%	14.3%
Total capital adequacy ratio	16.4%	18.6%

Leverage ratio disclosures

As at 30 June 2021	Excluding unappropriated profits	
	Investec Limited*	IBL*
	R'mn	R'mn
Tier 1 capital	44,189	44,336
Total exposure	618,315	584,246
Leverage ratio	7.1%	7.6%

* 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%, until such time as the South African Prudential Authority (PA) is of the view that the financial markets have normalised post COVID-19. 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 30 June 2021:

	IBL (solo basis) – Total weighted value	IBL consolidated group – Total weighted value
High quality liquid assets (HQLA) (R'mn)	97,587	99,249
Net cash outflows (R'mn)	65,633	62,895
Actual LCR	149.3%	158.5%
Required LCR	80%^	80%^

^ - temporarily reduced from 100% by the PA.

The values in the table are calculated as the simple average of 91 calendar daily values over the period 1 April 2021 to 30 June 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 April, May and June 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 30 June 2021:

	IBL (solo basis)	IBL consolidated group
Actual NSFR	114.7%	116.0%
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.

30 July 2021

Sponsor: Investec Bank Limited