

EMPOWERDEX

Economic Empowerment Rating Agency



Johannesburg

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Investec Ltd

Registration Number: 1925/002833/06

**an EMPOWERDEX Generic Financial Sector Code Scorecard Verification Report – Local
Entities Exempt from both Empowerment Financing & Access to Financial Services**

AA

Level Three Contributor

| Element | EMPOWERDEX Score | | Target Score | B-BBEE Analysis | Results |
|-------------------------------|------------------|--------------|---------------|---------------------------------------|-------------------|
| Ownership | A | 15.21 | 14.00 | Procurement Recognition Level | 110.00% |
| Management & Control | C | 4.02 | 8.00 | Empowerment Financing Category | Exempt |
| Employment Equity | B | 9.22 | 15.00 | Access to Financial Services Category | Exempt |
| Skills Development | C | 3.49 | 10.00 | Black Ownership | 27.97% |
| Preferential Procurement | B | 12.39 | 16.00 | Black Women Ownership | 6.59% |
| Empowerment Financing | N/A | N/A | N/A | VAT Number | N/A |
| Enterprise Development | A | 15.00 | 15.00 | Value Adding Enterprise | Yes |
| Socio-Economic Development | A | 3.00 | 3.00 | Issue Date | 30 September 2013 |
| Access to Financial Services | N/A | N/A | N/A | Expiry Date | 29 September 2014 |
| Total Score | AA | 62.33 | 81.00 | Operational Capacity | Unconstrained |
| Total Score Equivalent | AA | 76.95 | 100.00 | | |

For EMPOWERDEX (Pty) Ltd

30 September 2013
Date

This verification report is an independent opinion on the B-BBEE status, (in terms of the Financial Sector Code (gazetted 26 November 2012)), based on the verification, validation and analysis performed by Empowerdex using the information presented by the management of the measured entity.

| EMPOWERDEX | Contribution Level | Qualification | Procurement Recognition Level |
|------------|---------------------------|--|-------------------------------|
| AAA+ | Level One Contributor | > 100 points on the Scorecard | 135.00% |
| AAA | Level Two Contributor | > 85 But < 100 points on the Scorecard | 125.00% |
| AA | Level Three Contributor | > 75 But < 85 points on the Scorecard | 110.00% |
| A | Level Four Contributor | > 65 But < 75 points on the Scorecard | 100.00% |
| BBB | Level Five Contributor | > 55 But < 65 points on the Scorecard | 80.00% |
| BB | Level Six Contributor | > 45 But < 55 points on the Scorecard | 60.00% |
| B | Level Seven Contributor | > 40 But < 45 points on the Scorecard | 50.00% |
| C | Level Eight Contributor | > 30 But < 40 points on the Scorecard | 10.00% |
| D | Non Compliant Contributor | < 30 points on the Scorecard | 0.00% |

Empowerdex (Pty) Ltd. Reg. 2001/027963/07
Directors: V Jack, C Wu, J Brebnor, L Ratsoma



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| BEE Elements | Status | EMPOWERDEX Score | Rating Components |
|------------------------------|--------|---|--|
| Ownership | A | AA | Unconstrained Operational Capacity |
| Management & Control | C | | |
| Employment Equity | B | | |
| Skills Development | C | Financial Sector Code (Released November 2012) | |
| Preferential Procurement | B | | |
| Empowerment Financing | N/A | | |
| Enterprise Development | A | | |
| Socio Economic Development | A | Level Three Contributor | |
| Access to Financial Services | N/A | | |
| Operational Capacity | A | | |

| Detailed Indicators | Target Level | Target Score | Verified Level | Verified Score |
|--|--------------|--------------|------------------|----------------|
| Ownership: | | | | |
| Verification date: | | | 31 December 2010 | |
| Voting rights of black people: | 25.00% | 3.00 | 27.97% | 3.00 |
| Voting rights of black women: | 10.00% | 1.00 | 6.59% | 0.66 |
| Economic interest of black people: | 25.00% | 3.00 | 27.97% | 3.00 |
| Economic interest of black women: | 10.00% | 1.00 | 6.59% | 0.66 |
| Economic interest of designated groups: | 2.50% | 1.00 | | 0.71 |
| Black participants in employee ownership schemes: | | | 1.78% | |
| Black beneficiaries of broad based ownership schemes: | | | | |
| Black participants in co-operatives: | | | | |
| Direct/indirect ownership in excess of 15%: | 10.00% | 2.00 | 12.97% | 2.00 |
| Net Equity Interest: | 25.00% | 3.00 | 26.30% | 3.00 |
| Bonus Points: Black new entrants | 10.00% | 2.00 | 17.70% | 2.00 |
| Bonus Points: Black participants in schemes of ownership | 10.00% | 1.00 | 1.78% | 0.18 |
| TOTAL SCORE: OWNERSHIP | 14.00 + 3.00 | | 15.21 | |
| Management & Control: | | | | |
| Verification date: | | | 15 August 2013 | |
| Exercisable voting rights by black board members | 50.00% | 0.50 | 42.86% | 0.43 |
| Exercisable voting rights by black female board members | 25.00% | 0.50 | 14.29% | 0.29 |
| Black executive board representation: | 50.00% | 1.00 | 0.00% | 0.00 |
| Black women executive board representation: | 25.00% | 1.00 | 0.00% | 0.00 |
| Black representation at senior top management: | 40.00% | 2.50 | 26.32% | 1.64 |
| Black women representation at senior top management: | 20.00% | 2.50 | 5.26% | 0.66 |
| Black representation at other top management: | 40.00% | 1.00 | 0.00% | 0.00 |
| Black women representation at other top management: | 20.00% | 1.00 | 0.00% | 0.00 |
| Bonus points: black independent non-executive directors | 40.00% | 1.00 | 100% | 1.00 |
| TOTAL SCORE: MANAGEMENT & CONTROL | 8.00 + 1.00 | | 4.02 | |
| Employment Equity: | | | | |
| Verification date: | | | 15 August 2013 | |
| Total permanent workforce analyzed: | | | 3305 | |
| Total permanent black employees: | | | 1454 | |
| Total permanent black female employees: | | | 881 | |
| Black disabled representation: | 3.00% | 0.50 | 1.91% | 0.32 |



| Detailed Indicators | Target Level | Target Score | Verified Level | Verified Score |
|--|--------------|--------------|-------------------------------|----------------|
| Employment Equity (Continued): | | | | |
| Black female disabled representation: | 1.50% | 0.50 | 1.24% | 0.41 |
| Black representation at senior management: | 60.00% | 3.00 | 17.18% | 0.88 |
| Black women representation at senior management: | 30.00% | 2.00 | 7.21% | 0.48 |
| Black representation at middle management: | 75.00% | 3.00 | 44.21% | 1.77 |
| Black women representation at middle management: | 37.50% | 2.00 | 30.46% | 1.62 |
| Black representation at junior management: | 80.00% | 2.00 | 69.54% | 1.74 |
| Black women representation at junior management: | 40.00% | 2.00 | 46.80% | 2.00 |
| Bonus Points: meeting or exceeding EAP targets, senior management | 88.76% | 1.00 | 17.55% | 0.00 |
| Bonus Points: meeting or exceeding EAP targets, middle management | 88.76% | 1.00 | 44.21% | 0.00 |
| Bonus Points: meeting or exceeding EAP targets, Junior management | 88.76% | 1.00 | 69.54% | 0.00 |
| TOTAL SCORE: EMPLOYMENT EQUITY | 15.00 + 3.00 | | 9.22 | |
| Skills Development: | | | | |
| Latest Skills Development Plan submitted to: | | | BANK SETA | |
| Skills development review period: | | | 01 April 2012 – 31 March 2013 | |
| Skills development spend on black staff: | | | R46,844,391.65 | |
| Skills development spend on black female staff: | | | R21,921,691.48 | |
| Skills spend on black staff as a percentage of leviable amount: | 3.00% | 3.00 | 1.92% | 1.92 |
| Skills spend on black women staff as a percentage of leviable amount: | 1.50% | 1.50 | 0.90% | 0.90 |
| Skills spend on black disabled staff as a percentage of leviable amount: | 0.30% | 0.50 | 0.02% | 0.04 |
| Skills spend on black female disabled staff as a percentage of leviable amount: | 0.15% | 0.50 | 0.01% | 0.05 |
| Black employees participating in Category B,C & D programs / Learnerships as percentage of total staff: | 5.00% | 3.00 | 0.61% | 0.36 |
| Black female employees participating in Category B,C & D programs / Learnerships as percentage of total staff: | 2.50% | 1.50 | 0.36% | 0.22 |
| TOTAL SCORE: SKILLS DEVELOPMENT | 10.00 | | 3.49 | |
| Preferential Procurement: | | | | |
| Preferential procurement policy: | | | Yes | |
| Financial period verified: | | | 01 April 2012 – 31 March 2013 | |
| Total expenditure: | | | R6,515,000,000.00 | |
| Procurement exclusions: | | | R4,247,421,437.72 | |
| Total measured procurement spend: | | | R2267,578,562.28 | |
| Total BEE procurement as a percentage of total measured procurement spend: | 70.00% | 8.00 | 216.00% | 8.00 |
| Total BEE procurement from QSE's & EMEs as a percentage of total measured procurement spend: | 15.00% | 3.00 | 152.92% | 3.00 |
| Total unadjusted BEE procurement from black owned suppliers as a percentage of total measured procurement spend: | 12.00% | 2.50 | 4.99% | 1.04 |
| Total unadjusted BEE procurement from black women owned suppliers as a percentage of total measured procurement spend: | 8.00% | 2.50 | 1.11% | 0.35 |
| TOTAL SCORE: PREFERENTIAL PROCUREMENT | 16.00 | | 12.39 | |
| Detailed Indicators | Target Level | Target Score | Verified Level | Verified Score |
| Enterprise Development: | | | | |
| Enterprise development initiatives: | | | Yes | |
| Cumulative recognition period: | | | 01 April 2007 – 31 March 2013 | |
| Enterprise development as a percentage of NPAT: | 3.00% | 15.00 | 21.19% | 15.00 |
| TOTAL SCORE: ENTERPRISE DEVELOPMENT | 15.00 | | 15.00 | |



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| Socio-Economic Development: | | | | |
|--|---|------|-------------------------------|------|
| Socio-economic development initiatives: | | | Yes | |
| Annual recognition period: | | | 01 April 2012 – 31 March 2013 | |
| Socio-economic development as a percentage of NPAT: (Entities exempt from "Access to Financial Services: Consumer Education": Target = 0.70% of NPAT) | 2012: 0.75% 2013: 0.70% 2014: 0.60% | 3.00 | 1.32% | 3.00 |
| TOTAL SCORE: SOCIO ECONOMIC DEVELOPMENT | 3.00 | | 3.00 | |
| TOTAL SCORE: | 81.00 + 7.00 | | 62.33 | |

Analyst:

Anshen Kishun

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