



NEDBANK
GROUP

Governance Report

for the year ended 31 December 2024

see money differently

Our reporting universe

Integrated Report



The **2024 Nedbank Group Integrated Report** was produced in accordance with the Integrated Reporting Framework and King Report and Code on Corporate Governance for South Africa (King IV)**. It provides a comprehensive, yet concise overview of how the group creates and protects value while minimising the risk of value erosion over the short, medium and long term. It primarily caters for the information needs of long-term investors, including our equity shareholders, bondholders, debt providers and prospective investors.

This report is also relevant to other stakeholders as it addresses material issues relating to value creation for them. It is supplemented by more detailed reporting in our various online publications, which include financial, risk management, sustainability, and environmental, social and governance (ESG) disclosures. These reports can be accessed on our website at group.nedbank.co.za.



- D Double materiality
- LA Limited assurance over selected KPIs

What is disclosed in these reports or online

Key regulatory and reporting frameworks

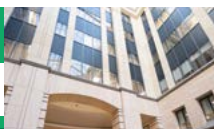
<h4>Financial reporting</h4>	<p>Information relating to the group's financial position and performance. It is primarily of interest to Nedbank's equity and debt investors, credit rating agencies, depositors, regulators, and various other stakeholders. The disclosed information can be used to assess the group's financial performance, strength and prospects, and includes important regulatory disclosures.</p>	<ul style="list-style-type: none"> • 2024 Results Booklet and presentation F • 2024 Nedbank Group Annual Financial Statements A F 	<ul style="list-style-type: none"> • International Financial Reporting Standards (IFRS) Accounting Standards • Companies Act • JSE Listings Requirements
<h4>Climate reporting</h4>	<p>Information relating to the group's climate-related activities, governance, strategy, policies, risk management, carbon footprint and emissions, as well as targets. It is primarily of interest to investors, non-governmental organisations (NGOs), ESG ratings agencies, as well as key stakeholders such as clients and invested members of society who associate with value-aligned and purpose-driven companies. The disclosed information can be used to assess Nedbank's progress in managing its positive and negative impacts in addressing climate change.</p>	<ul style="list-style-type: none"> • 2024 Climate Report LA IA D • Nedbank Energy Policy* • Nedbank Climate Change Position Statement* • Nedbank Nature Position Statement* 	<ul style="list-style-type: none"> • Basel Committee on Banking Supervision (BCBS) • Global Reporting Initiative Standards • JSE Sustainability and Environmental Disclosures • <i>Considered the IFRS Sustainability Disclosure Standards</i>
<h4>Societal reporting</h4>	<p>Information relating to how the group uses its financial expertise to do good by creating positive economic, societal and environmental impacts, including those aligned with the United Nations (UN) Sustainable Development Goals (SDGs). They are primarily of interest to investors, existing and prospective employees, regulators, NGOs, existing and prospective clients, ESG ratings agencies, and engaged members of society. The disclosed information demonstrates progress in how Nedbank is fulfilling its purpose.</p>	<p>Our 2024 Society Report LA I includes the following content sections:</p> <ul style="list-style-type: none"> • Sustainable development finance (SDF) • Human capital, diversity and inclusion • Social impact • Supplier relationships and procurement • Client responsibility • Financial inclusion • Transformation 	<p>The following information is available online:</p> <ul style="list-style-type: none"> • Broad-based black economic empowerment (BBBEE) certificate** • Global Reporting Initiative (GRI) Standards disclosures** • SDF inclusion criteria**
<h4>Governance reporting</h4>	<p>Information relating to board matters, ethics, financial crime, tax and remuneration, as well as regulatory risk disclosures. They are primarily of interest to debt and equity investors, credit and ESG rating agencies, clients, employees, regulators, suppliers and members of society. The information disclosed demonstrates how Nedbank performs business through sound risk and governance practices, upholding the highest standards of ethics, integrity, transparency and accountability. It also includes important regulatory disclosures.</p>	<p>Our 2024 Governance Report L D includes the following content sections:</p> <ul style="list-style-type: none"> • Governance • Ethics • Financial crime (including anti-money-laundering and cybercrime) • Remuneration Policy and Implementation Report • Tax disclosures • Stakeholder engagement 	<p>2024 Pillar 3 Risk and Capital Management Report LA F</p> <p>The following information is available online:</p> <ul style="list-style-type: none"> • Key policies* • Board and Group Executive Committee CVs and profiles*
<h4>Shareholder information</h4>	<p>Notice of the group's annual general meeting (AGM) and form of proxy provide valuable information to shareholders who want to participate in the Nedbank Group 58th AGM.</p>	<ul style="list-style-type: none"> • Notice of 58th AGM • Form of proxy • Memorandum of incorporation* • Shareholding profile* 	<ul style="list-style-type: none"> • GRI Standards • King IV • UN Global Compact • Application of the Amended Financial Sector Code (FSC) and the BBBEE Act <i>The JSE Sustainability Disclosures and the ISSB Sustainability-related Financial Disclosures were also considered.</i>

* Available separately at group.nedbank.co.za.

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Governance Review





Governance at Nedbank

Nedbank’s governance is established by the tone set at the top through purpose-driven leadership by the board and management, and the values and behaviours expected of all employees in the organisation. Our leadership continues to drive and enable new governance mindsets and capabilities required to manage and thrive in an agile, digital and disruptive environment.

Leading the way for value creation and preservation through good governance

The board strives to optimise value for Nedbank and all our stakeholders by fulfilling our purpose of using our financial expertise to do good. We do this by continuously executing and evolving our strategy to enhance our competitiveness and differentiation, ensuring the sustainability of our business model, monitoring the external environment to identify opportunities and assess key risks, and understanding the needs of all relevant stakeholders while evaluating the availability and quality of the group’s capitals.

Our governance philosophy

Nedbank is committed to the highest standards of governance, ethics and integrity, which are essential for sustained value and protecting the interests of all our stakeholders. We believe that good governance is essential to promoting our values through accountability, effective risk and performance management, transparency, and ethical leadership. Our underlying **governance objectives** [which align with the King IV Report on Corporate Governance (King IV)] are to promote ethical and effective leadership that achieves the outcomes of an **ethical culture, good performance and sustainable value creation, effective control and legitimacy**.



Governance objectives



Ethical culture

Commitment to establishing and maintaining an ethical culture and leadership founded on the highest standards of ethics, integrity and best governance practices.

Good performance and sustained value creation

Strong leadership and governance structures that support good performance, the creation of value for all our stakeholders, and the protection of our capitals in a sustainable manner.

Effective controls

Corporate governance frameworks and policies that provide effective and adequate controls within Nedbank. We are mindful that effective and adequate controls lead to compliance with applicable laws and best-practice guidelines. We go beyond compliance to protect both the interests of our stakeholders and our capitals, as well as to ensure accountability, strong risk and performance management, transparency, and ethical and effective leadership.

Legitimacy

Building and maintaining trust and confidence from all our stakeholders through a stakeholder-inclusive approach that balances the needs, interests and expectations of all our stakeholders in the best interests of the organisation in the short, medium and long term.

Our approach to achieving our governance objectives is based on mindful governance and integrated

thinking. We believe that to achieve our desired governance objectives, it is necessary to be mindful of the potential consequences of our decisions and integrate this awareness into our decision-making processes, actions and strategies. Integrated thinking requires mindful consideration of our capitals and the creation of sustainable value for all our stakeholders. This ensures that we always act in a transparent, accountable and socially responsible manner.

We embrace world-class banking practices and robust institutional governance and risk frameworks to ensure that our banking services are secure and stable. We regularly review these practices and frameworks, to ensure that we act in the best interests of all our stakeholders, considering the ever-changing landscape in which we operate, including factors such as economic changes, geopolitics, cultural shifts in the workplace, digital trends such as artificial intelligence (AI) and data security, as well as climate change risks. We are also mindful that banks are expected to adapt to regulatory changes quickly, which means we must entrench good governance practices, while remaining flexible in responding proactively to the fast-changing regulatory environment.

The board’s governance oversight is driven by its commitment to its responsibilities and governance objectives through the application of the principles and practices of King IV.

Please refer to page 33 for details on how Nedbank applied the principles and practices of King IV during the year under review.



Board focus areas in 2024

In line with the board priorities that we identified and communicated in our 2023 Integrated Report, as well as external developments in the operating environment, the key focus areas of the board in 2024 included:

- 1 **Managing board and executive succession**
- 2 **Overseeing risks in a volatile operating environment while unlocking new opportunities**
- 3 **Refreshing and evolving the group's strategy**
- 4 **Ensuring purpose delivery (ESG, climate change, and a Just Transition)**
- 5 **Overseeing ongoing reputational matters**

1 Managing board and executive succession

Succession planning is one of the board's most important responsibilities. Through the Group Directors' Affairs Committee (DAC), the board ensures that, as directors approach their tenure and retirement ages, board continuity is maintained through active succession planning that considers any changes to the skills needed on the board in line with the group's strategy. Additionally, DAC monitors the balance between executive, non-executive and independent directors as well as the diversity, skills, experience and tenure of boardmembers, as shown on pages 10 to 15.

In 2024 the group appointed a new Chief Executive (CE) (Jason Quinn) and 2 new boardmembers, while deliberating on Group Exco succession.

CE succession – Following a rigorous process, considering both internal and external candidates that were both racially and gender-diverse, Jason Quinn was announced as CE-designate in November 2023 after emerging as the most suitable candidate. Jason was subsequently elected as an executive director and assumed the role of CE on Mike Brown's retirement from the boards at the close of the group's AGM on 31 May 2024. The board oversaw the enablement of an effective CE transition process and handover plan while maintaining leadership stability. The handover to Jason was seamless and Group Exco continued their duties without any impact.

Board changes – The board extended the tenure of Brian Dames (non-executive director), given the need for continuity on the Group Sustainability and Climate Resilience Committee while the search for additional directors with climate risk experience is underway. Terence Nombembe and May Hermanus (independent directors) were appointed to the board, adding valuable experience and expertise in the areas of the environment and climate change; accounting

and auditing; risk management; macroeconomic and public policy; mining, energy, resources and infrastructure; governance and stakeholder management; and human resources. The focus on board succession continues in 2025 in light of retirements of a number of the boardmembers over the next 3 years as they reach their 9-year tenures. Stanley Subramoney was reclassified as a non-executive director on 24 September 2024, having served as an independent director for 9 years. The Prudential Authority (PA) granted approval for Stanley to serve as a non-independent non-executive chairperson of the Group Audit Committee (GAC) until 31 May 2025.

Executive leadership changes – DAC reviews the succession plans for Group Exco members and new appointments. Daleen du Toit, Group Chief Compliance Officer, reaches normal retirement age in H1 2025, and Nomonde Hlongwa has been appointed as Group Chief Compliance Officer-designate and will assume the role of Group Chief Compliance Officer and become a member of the Group Executive Committee on 16 April 2025. Concurrent with the strategic reorganisation of the group's Retail and Business Banking and Nedbank Wealth Clusters, Iolanda Ruggiero, Managing Executive: Nedbank Wealth, took early retirement on 31 March 2025.

2 Overseeing risks in a volatile operating environment, while unlocking new opportunities

Risk management remained a key focus in 2024 as we navigated through a highly volatile and uncertain external environment. At the same time, new opportunities that would be beneficial for Nedbank, our economy, our clients and other stakeholders were identified.

1 Business risk – The board and various board committees provided oversight of the impacts of volatile, challenging and changing global and local environments. This included the implications of sociopolitical developments, such as the conflicts in Ukraine and Middle East, and election outcomes across the globe and, in particular, the national elections in SA. The board also continued to monitor the impact of key economic drivers such as weak gross domestic product (GDP) demand, high but declining interest rates and muted credit growth. Despite these challenges, the group delivered an improved financial performance in 2024 as discussed in the 2024 Integrated Report. Opportunities were also identified, in particular potential benefits associated with the formation of the government of national unity (GNU), such as the financing of infrastructure programmes (energy, roads, ports and water) and higher levels of GDP growth. Opportunities in adjacent markets outside of SA where Nedbank can compete effectively and create value by leveraging its strengths were also explored.

2 Credit risk – The Group Credit Committee (GCC) maintained oversight of credit risk, particularly in respect of

clients in the retail consumer segment who were stressed as a result of high interest rates, as well as the resolution of a few loans of CIB clients that went into business rescue in 2023. Although more pressure was evident in 2023, the group's credit loss ratio (CLR) continued to trend down on the back of focused management interventions in collections and origination. By the end of 2024 the CLR, at 87 bps, had returned to within its target range of 60 bps to 100 bps.

3 Cyberrisk – The Group IT Committee (GITCO) and Group Risk and Capital Management Committee (GRCCM) maintained oversight of the completion of the group's Managed Evolution technology programme, data privacy and data loss protection, and the group's growing focus on leveraging data and AI to unlock new growth opportunities, the increasing threat of cyberattacks, and the higher levels of digitisation across the business, as discussed on in the 2024 Integrated Report.

4 People risk – The Group Transformation, Social and Ethics Committee (GTSEC) and the Group Remuneration Committee (Group Remco) provided oversight of

succession planning, risks relating to ongoing skills shortages, increased competition for scarce skills, employee well-being and the unprecedented levels of change, and hybrid work practices. Further opportunities to grow the group's African talent was top of mind.

5 Strategic execution risk – The board, GITCO, DAC and GTSEC provided oversight of the group's technology strategy, as well as delivery on strategic portfolio tilt (SPT) and operating model changes.

Our top 5 risks

	2024	2025 and beyond	
1	Business	Strategic execution	▲
2	Credit	Business	▼
3	Cyberrisk	Credit	▼
4	People	Cyberrisk	▼
5	Strategic execution	Operational	▲

Read more about our top 10 risks and opportunities in our 2024 Integrated Report.

Board focus areas in 2024 *continued***3 Refreshing and evolving the group's strategy**

Evolving the group's strategy was a key agenda item for the board following the appointment of Jason Quinn as CE. The board deliberated on external developments and the group's material matters throughout the year, and debated and provided input into the strategy before approving the group's 3-year business plan in November 2024.

Strategic deliberations at board and Group Exco level centred around 'Perform' and 'Transform' outcomes for the group over the next few years. **Perform** outcomes focus on the group's existing strategy, managing the business within the changing operating context and accelerating execution in the short-to-medium term to ensure delivery on stakeholder expectations. The 2024 planning cycle provided an opportunity to refresh and evolve the group's strategy and, as a result, identified new **Transform** outcomes that aim to unlock transformational growth opportunities.

Transform outcomes include new initiatives that will make Nedbank compete more effectively in the medium to long term and, as a result, assist the group to make sustainable progress towards its long-term ROE target of > 18%. Key Transform initiatives include, among others, intelligent hyperautomation, data commercialisation, unlocking a large insurance opportunity, portfolio diversification in areas such as East Africa by leveraging our strengths in CIB and the launch of a dedicated new offering to transform how mid-sized corporates access financial expertise and solutions through our commercial banking business.

To sharpen execution of the Nedbank strategy, compete more effectively in the market, enhance cross-sell and unlock new growth opportunities, the board deliberated on the organisational restructure of the group's Retail and Business Banking (RBB) and Nedbank Wealth Clusters towards an organisational design more focused on client-centredness. This led to the creation of **Personal and Private Banking (PPB)**, an individual (non-juristic)-focused cluster that will provide a full suite of solutions to individual clients across the youth, entry-level, mass, middle, affluent and high-net-worth segments. The reorganisation will also see the creation of **Business and Commercial Banking (BCB)**, a juristic-focused cluster that will cover the spectrum of small-and-medium-enterprises (SME), commercial and mid-corporate clients.

Integrated thinking is evident in the trade-offs and capital allocation decisions that were made to manage risks, unlock new growth opportunities, and enable sustainable growth and value creation into the future. The board and Group Exco made various decisions to secure strategic resources for the future, involving the group's various capitals. This included capital, liquidity and funding plans, as well as technology (GITCO-approved), marketing, compliance, risk appetite (GRCMC-approved), and human capital plans. Key considerations included resource allocation to technology initiatives and ongoing digital innovations (R1,6bn to R1,9bn annual IT cash flow spend), building our capabilities in data and AI (intellectual capital) and investing in various new growth vectors, within the Transform outcomes.

4 Ensuring purpose delivery

We operate in an integrated, interdependent system alongside our stakeholders and therefore play a key role in promoting and driving sustainable economic development. For our business to thrive, we require a robust economy, a well-functioning society, and a healthy environment. Additionally, we acknowledge that ESG matters, including climate change, a Just Energy Transition, nature, good governance practices, and diversity, equity and inclusion are top priorities for investors. Our heightened focus on fulfilling our purpose guides our strategic direction and operational alignment in this regard.

The following governance- and risk-related initiatives were implemented:

- The Group Climate Resilience Committee was renamed the **Group Sustainability and Climate Resilience Committee (GSCRC)** in 2024, and its mandate expanded to reflect broader sustainability and ESG considerations, including oversight of environmental and social risks and opportunities beyond and in addition to climate risks and opportunities. Read more about how GSCRC ensured and protected value in 2024 on [page 29](#).
- The **Group Transformation, Social and Ethics Committee (GTSEC)** provided oversight of and advice on the role of the bank in identifying sustainable development opportunities and on the use of its core business of lending and investing to address pressing social issues, thereby fulfilling its purpose. This includes monitoring progress in terms of the transformation agenda for the group, developing the group's human capital, and enhancing the culture of ethics and ethical leadership in the group (including ethical remuneration), human rights in business, and stakeholder engagement according to King IV. Read more about how the GTSEC ensured and protected value in 2024 on [page 27](#).
- The group's **ESG Risk Management Framework** was approved in 2023 and embedded in 2024. The framework focuses on a broad range of ESG risks and factors faced by the group and its counterparties, as well as set the principles and key risk indicators for the implementation of sound ESG risk management practices across the group's activities.
- **Engaging on ESG matters** – in 2024 our Chairperson, Daniel Mminele, and Lead Independent Director and Chair of Group Remco and DAC, Hubert Brody, hosted the group's 11th annual ESG investor roadshow, which is acknowledged by many shareholders as best in class. The main focus of the 2024 discussions was succession planning, board changes and the appointment of the new CE, Jason Quinn. Other areas of discussion included potential changes in the group's strategy, remuneration (with no material issues raised), the role that Nedbank could play in supporting clients towards net-zero and becoming the first South African bank to publish 2030 carbon emission targets, support for further capital optimisation, oversight of IT and technology developments, a heightened focus and progress on DEI, and updates on reputational issues.



Read more about our strategy, capitals and trade-offs, the progress we have made on ESG and sustainability matters and the targets we have set through our strategic value unlock of creating positive outcomes in our 2024 Integrated Report.



Board focus areas in 2024 continued

AGM voting outcomes and important resolutions

All the resolutions at the 57th AGM (2024) were passed. Noteworthy resolutions include the following:

Key resolutions at the 57th AGM (2024)	2024 votes in favour	Key resolutions at the 58th AGM (2025)
Advisory endorsement, on a non-binding basis, of the following: <ul style="list-style-type: none"> Nedbank Group Remuneration Policy Nedbank Group Remuneration Implementation Report 	90,6% 92,8%	Advisory endorsement, on a non-binding basis, of the group's Remuneration Policy and Implementation Report. Remuneration remains a focus and we continue to engage proactively with our shareholders to get their feedback.
Election of Jason Quinn to the Nedbank Group Board. Jason accordingly assumed the role of Group CE at the close of the AGM.	100%	Election of May Hermanus as a director of the Nedbank Group Board.
Appointment of KPMG as external auditor alongside Ernst & Young as joint auditors.	99,9%	Re-elections of Hubert Brody, Phumzile Langeni, Rob Leith and Stanley Subramoney as directors of the Nedbank Group Board.
		Annual re-election of KPMG and Ernst & Young as joint auditors.

Independent ESG ratings of Nedbank

Our proactive ESG engagements allow the board to exercise constructive influence when appropriate, receive valuable feedback, and align with shareholders' interests. At the same time, we aim to maintain world-class transparency in our reporting through our comprehensive suite of reports, which has helped us retain our top-tier ESG ratings.

	2024/5 rating	
MSCI	AAA	Top 9% of global banks
SUSTAINALYTICS	14,4	Top 8% of 262 diversified banks
S&P Global	63	Top 10% of global banks
E3	C	Top 10% of global banks
FTSE4Good	4,0	Top 26% of global banks
CDP	B	Top 3 bank domiciled in SA

5 Overseeing ongoing reputational matters

We remain committed to maintaining honest and trustworthy relationships with all our stakeholders, both internal and external. We uphold a strict zero-tolerance policy towards corruption and expect all our stakeholders, including our clients, service providers, and employees, to adhere to the highest standards of ethical conduct and integrity.

In this context, the long-standing reputational matters that were well covered in prior-year disclosures remained top of mind for the board in 2024:

Zondo Commission-related developments – Nedbank continues to cooperate with various enquiries and investigations. Nedbank confirms that it continues to defend review proceedings served on it by Transnet and the Special Investigating Unit (SIU) in respect of disputed swaps, as confirmed in Nedbank's SENS announcement on 26 July 2024. Considering internal and independent external reviews commissioned by Nedbank, the board and management remain satisfied that internal governance procedures were followed in respect of these swaps and that there is no evidence of any Nedbank staff dishonesty, corruption or collusion. The joint media statement by Transnet and the SIU of 26 July 2024, which states that Nedbank profited in excess of R2,7bn in respect of these swaps, is not a reasonable claim.

In December 2024 the Transnet Second Defined-benefit Fund (fund) served a summons on Nedbank. The fund claims that Nedbank is liable for R106,8m plus interest, an amount the fund was unable to recover from Regiments Group companies in previous litigation, in which Nedbank was not involved.

Nedbank will strongly defend the litigation against it, including pursuing any counterclaims against the parties and others.

For further information on this matter, please refer to page 233 of the Nedbank Group Limited Consolidated and Separate Financial Statements.

Competition Commission investigation rand-dollar exchange manipulation – In 2020, the Competition Commission cited 28 banks in a referral of a complaint to the Competition Tribunal on allegations of rand-dollar

exchange manipulation. Nedbank and all implicated banks raised different technical arguments against the referral, which the Competition Tribunal dismissed. Nedbank subsequently lodged an appeal and review application with the Competition Appeal Court (CAC) against the dismissal (along with 15 other banks), which was successful and resulted in the CAC dismissing the Competition Commission's case against Nedbank. The Competition Commission has since applied to the Constitutional Court for leave to appeal the CAC's decision. The Competition Commission is not appealing the CAC's decision in respect of Nedbank Group. Nedbank maintains that there is no evidence against it or any of its traders participating in any of the chatrooms or being involved in any so-called 'single overarching conspiracy' to fix the rand-dollar currency pair in contravention of the Competition Act. Nedbank therefore intends to oppose the Competition Commission's leave to appeal to the Constitutional Court of South Africa and continues to defend itself against all these claims brought by the Competition Commission.

High-profile account closures – Nedbank has been involved in various legal processes that resulted in interim interdicts against the bank, requiring that we reopen and keep open clients' accounts that had been terminated because of reputational risk. These orders have since been overturned and Nedbank has proceeded to close the clients' accounts. Decisions to terminate banking relationships with clients are neither arbitrary nor discriminatory and are taken extremely seriously, as clients are the essence of our business. Such decisions are taken only after a rigorous assessment and an internal independent governance process considering all the relevant information and facts have been followed, including a comprehensive due-diligence process overseen by the board. Nedbank is bound by client confidentiality and therefore does not disclose client matters in our external disclosures.

Focus areas of the board in 2025

- 1 Delivery on the group's Transform strategy and progress towards long-term targets
- 2 Unlocking of growth opportunities and management of risk in a volatile environment
- 3 Board and leadership succession planning
- 4 Climate change and a Just Transition



Board focus areas in 2024 continued

Key board discussions and approvals in 2024

The board had various discussions aimed at creating and protecting value and minimising the risk of value erosion in 2024.

Jan/Feb

Held the annual board kick-off, which covered topics such as generative AI (GenAI), the adoption and use of the International Sustainability Standards Board (ISSB) standards, digital in banking, payments, and the clean technology evolution.

Discussed the results of the 2023 independent board and board committee evaluations.

Approved the revised market risk and credit valuation adjustment regulatory capital models, as well as the application submitted to the PA.



Mar/Apr

Undertook a deep dive into the commercialisation of data.

Approved the 2023 annual financial results and final ordinary dividend declaration.

Approved the 2023 Integrated Report and suite of ESG-related reports.

Approved the 2023 Pillar 3 Report.

Approved the group's 2024–2026 forecasts, updated after the 2023 year-end.

Considered and agreed on the directors to be put forward for re-election at the AGM.

Approved the annual remuneration review of the CE and Group Exco, as well as the Remuneration Policy.

Approved the Fundamental Review of the Trading Book: market risk and credit valuation models and application.

May/June

Held the group's 11th annual ESG roadshow with shareholders and provided feedback to the board.

Held the group's AGM (virtual and in-person options) in 2024.

Considered the feedback provided through the 2023 results and ESG roadshows.



Jul/Aug

Attended the annual strategy planning session.

Approved the group's 2025–2027 Strategic Planning Framework and deliberated on the group's material matters.

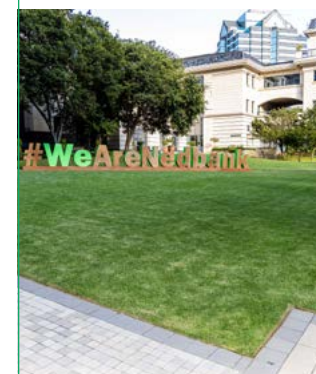
Approved the group's 2024 interim results.

Approved the 2024 Internal Capital Adequacy Assessment Process (ICAAP) Report and Internal Liquidity Adequacy Assessment Process (ILAAP) Report.

Approved the commercial terms of the Nedbank Group B preference shares.

Sep/Oct

Held annual meeting with the PA and FSCA to discuss the group's medium- and long-term strategies.



Nov/Dec

Considered the feedback provided through the 2024 interim results roadshows.

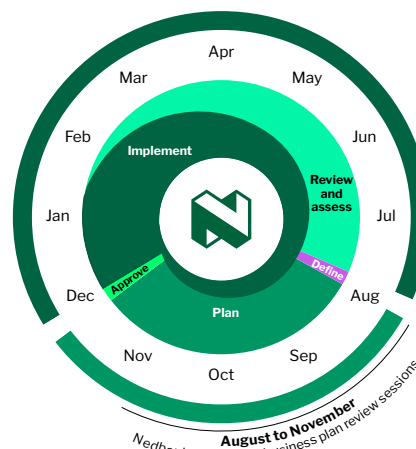
Approved the 2024 annual update of the Nedbank Group Recovery Plan.

Received annual anti-money-laundering (AML), counter-financing-of-terrorism (CFT), counter-proliferation-financing (CPF) and sanctions training.

Interrogated and approved the Nedbank Group business plan for 2025–2027.

Signed the annual Board Ethics Statement.

Strategic and business planning



Feedback was provided to the board on the handover process between the outgoing Group CE, Mike Brown, and the incoming Group CE, Jason Quinn. Other regular agenda items included detailed feedback from the chairs of board committees on key deliberations of those committees and comprehensive presentations by the CE on top-of-mind items, which included: a post-election update; financial performance updates and forecasts; discussions on the macroeconomic, sociopolitical and competitor environmental landscapes; value creation; strategy implementation; the status of key strategic actions, key risks and reputational matters; key people matters; progress on significant programmes underway in the organisation such as Managed Evolution, Target Operating Model (TOM) 2.0 and SPT 2.0; and presentations by the CFO on our financial results and forecasts at regular intervals.





Overview of corporate governance features IV

Our corporate governance framework and policies (which ensure effective and adequate controls within Nedbank) have been developed in compliance with applicable laws and best-practice guidelines to protect the interests of our stakeholders and to ensure accountability, strong risk and performance management, transparency, and ethical and effective leadership.

Board structure			
<ul style="list-style-type: none"> Unitary board structure. 	<ul style="list-style-type: none"> Election of directors by majority shareholder vote. 	<ul style="list-style-type: none"> One-third of directors are elected annually. This is the established practice in South Africa to ensure accountability while maintaining board continuity. 	<ul style="list-style-type: none"> Individual director elections.
<ul style="list-style-type: none"> Separate Chairperson and CE. 	<ul style="list-style-type: none"> Independent Chairperson. 	<ul style="list-style-type: none"> Lead Independent Director. 	<ul style="list-style-type: none"> Through the CE and 2 other executive directors, the board has more than 1 link to management.
<ul style="list-style-type: none"> 14 directors. 	<ul style="list-style-type: none"> 78% non-executive directors. 	<ul style="list-style-type: none"> 64% independent directors. 	<ul style="list-style-type: none"> 22% executive directors.
<ul style="list-style-type: none"> Non-executive directors retire at the first AGM that follows their reaching the age 70 or after 9 years on the board, unless otherwise agreed by the board. 	<ul style="list-style-type: none"> Executive directors retire at age 60 (63 from 1 August 2025) unless otherwise approved by the board. 	<ul style="list-style-type: none"> CE subject to 12 month's resignation notice period. 	<ul style="list-style-type: none"> Other executive directors subject to 6 months' resignation notice period.
Board diversity			
<ul style="list-style-type: none"> Target of 30% female directors – Not achieved (29%). Target of 35% female directors by 2030. 	<ul style="list-style-type: none"> Target of 50% black directors – Achieved (64%). 	<ul style="list-style-type: none"> Target of 25% black female directors – Achieved (29%). 	<ul style="list-style-type: none"> Target of 40% of black independent non-executive directors – Achieved (67%).
<ul style="list-style-type: none"> Target of 50% black executive directors – Not achieved (33%). 	<ul style="list-style-type: none"> Target of 25% black female executive directors – Not achieved (0%). 	<ul style="list-style-type: none"> The average age of the board is 59. 	<ul style="list-style-type: none"> 50% of the board is under 60.
Board committees			
<ul style="list-style-type: none"> Seven statutory board committees. 	<ul style="list-style-type: none"> GAC, Group Remco, GITCO, DAC and GSCRC have 100% non-executive director membership. 	<ul style="list-style-type: none"> GTSEC, GCC, GAC, DAC, GRCMC, GSCRC and Group Remco have at least 50% black director membership. 	<ul style="list-style-type: none"> GTSEC, Group Remco, GCC, GAC, and GSCRC have at least 25% female director membership.
Nine board committees <ul style="list-style-type: none"> Group Audit Committee (GAC). Group Credit Committee (GCC). Large-exposures approval committee (LEAC). Group Risk and Capital Management Committee (GRCMC). 		<ul style="list-style-type: none"> Group Sustainability and Climate Resilience Committee (GSCRC). Group Directors' Affairs Committee (DAC). Group Information Technology Committee (GITCO). Group Remuneration Committee (Group Remco). Group Transformation, Social and Ethics Committee (GTSEC). 	
<ul style="list-style-type: none"> GAC, Group Remco, GITCO, DAC and GSCRC have 100% non-executive director membership. 	<ul style="list-style-type: none"> GTSEC, GCC, GAC, DAC, GSCRC, GRCMC and Group Remco have at least 50% black director membership. GITCO and LEAC have 33% black director membership. 	<ul style="list-style-type: none"> GSCRC has 60% female director membership. GTSEC, Group Remco, GCC and GAC have at least 25% female director membership. LEAC (22%), GRCMC (17%), DAC (14%) and GITCO (0%) have less than 25% female director membership. 	<ul style="list-style-type: none"> GTSEC, GAC and GSCRC have black chairs. GTSEC has a female chair.
Group Exco			
<ul style="list-style-type: none"> 12 members 	<ul style="list-style-type: none"> Combined service of over 184 years. 	<ul style="list-style-type: none"> Average tenure of 15 years per member. 	<ul style="list-style-type: none"> Average age of 48.
<ul style="list-style-type: none"> 25% of Group Exco is under 50. 75% of Group Exco is over 50. 	<ul style="list-style-type: none"> 58% black members. 	<ul style="list-style-type: none"> 42% female members. 	<ul style="list-style-type: none"> 25% black female members. 33% black male members.
Key board policies and charters			
<ul style="list-style-type: none"> Board charter. Annual board and board committee evaluations. 	<ul style="list-style-type: none"> Policy on nomination and appointment of directors. Protections against overboarding of directors. 	<ul style="list-style-type: none"> Conflict-of-interest policy. 	<ul style="list-style-type: none"> Board-approved policy on independent professional advice.
Shareholder rights			
<ul style="list-style-type: none"> All holders of the same share class are treated equitably. No shareholder has a controlling interest in the issued share capital. 	<ul style="list-style-type: none"> All issued ordinary shares rank equally with the same voting, dividend and other rights. The entire ordinary issued share capital is made up of a single class of ordinary shares, which are publicly tradable. 	<ul style="list-style-type: none"> The memorandum of incorporation (MOI) contains no defensive mechanisms or voting or share ownership ceilings. 	<ul style="list-style-type: none"> There are no restrictions on the number of shares that may be held by a single shareholder, other than as prescribed by law.
Related-party transactions			
<ul style="list-style-type: none"> Related-party transactions are monitored and transparently disclosed in the annual financial statements (AFS). There were no related-party transactions involving boardmembers or Group Exco members. 			



Board of directors – custodians of corporate governance

Our board is the custodian of corporate governance within Nedbank. It retains ultimate accountability and responsibility for the performance and affairs of the company and ensures that the group adheres to high standards of corporate governance and ethical behaviour.

Board’s primary governance roles and responsibilities

Our board provides ethical leadership and strategic guidance aimed at safeguarding shareholder value creation. The board is supported by 9 board committees with clearly defined mandates and decision-making powers as well as Group Exco, which is responsible for operational matters and the day-to-day management of the business. This leadership and guidance are provided within a framework of robust and effective controls that support the establishment of an ethical culture. The framework enables continuous assessment and management of emerging risks and opportunities to ensure long-term sustainable development and growth.

<p>Strategy</p> <p>The board sets and steers the group’s strategy and its short-, medium- and long-term direction towards realising the group’s core purpose and values.</p>	<p>Approving policy and planning</p> <p>The board approves policies, frameworks, budgets, plans and procedures that help the group deliver on the strategy and proceed in the set direction.</p>
<p>Oversight on strategy implementation</p> <p>The board oversees and monitors the implementation and execution of strategy by management.</p>	<p>Ensuring accountability and transparency</p> <p>The board ensures accountability for organisational performance and transparency through, among other things, reporting and disclosures.</p>

Risk universe	Accounting, financial and taxation risks	Credit risk	Operational risk	Financial crime risk	Liquidity and funding risk	Capital risk	Insurance risk (incl. non-banking risks)	Market risk	Concentration risk	Conduct risk	Regulatory risk	Information technology risk	Business and strategic (execution) risk	Reputational risk	Governance and compliance risk	Transformational, social and environmental risk (incl. climate risk)	People risk	
Strategy, performance and risk management and risk appetite																		
Focused and informed involvement by the board and Group Exco, accountability and responsibility of business management and Group Finance, all supported by appropriate internal control, risk management and governance structures and processes.																		
Board committees	Nedbank Board of Directors																	
	Group Audit Committee	Group Credit Committee <small>(Large-exposure Approval Committee)</small>		Group Information Technology Committee		Group Remuneration Committee		Group Risk and Capital Management Committee		Group Transformation, Social and Ethics Committee			Group Directors’ Affairs Committee		Group Sustainability and Climate Resilience Committee			
Chief Executive (CE)																		
Group Executive committees	Nedbank Group Executive Committee (Exco)																	
	Group ALCO and Executive Risk Management Committee		Group Operational Risk Committee		Executive Information Technology Committee		Brand, Client and Conduct Committee		Financial Crime Committee		Transformation Human Resources Committee		Group Reputational Risk Committee		Mergers and Acquisitions Committee		Sustainability Risk Committee	Executive Credit Committee
Group Executive forums	Group Operational Committee (Opcom)																	
	Cluster Credit Committees		Enterprise-wide Risk Committees		Investment Committee		Coordinated Assurance Forum		Model Risk Committee		Group Transformation Forum		Nedbank Diversity, Equity and Inclusion Forum		Regulatory Risk and Compliance Forum		Transactional Balance Sheet Forum	Finance Forum
Enterprise-wide Risk Committees (ERCOs)																		
Shared Services	Chief Operating Officer (COO)								Chief Financial Officer (CFO)									
	Group Marketing and Corporate Affairs		EcoBank Transnational Incorporated (ETI): Associate Investment			Group Strategy	Group Human Resources		Group Technology	Group Finance	Balance Sheet Management		Group Business Services		Group Taxation		Group Secretariat	
First line of defence																		
Client-facing clusters	CIB				RBB				Wealth				NAR					
First line functions	Business line managers								Some central functions (Group Risk/BSM), eg Forensics, Legal and Security Services.									
Second line of defence (2A and 2B)																		
(Risk and compliance oversight, monitoring and advisory)																		
2 A Client-facing clusters	CIB				RBB				Wealth				NAR					
	Group Risk								Group Compliance									
	The Chief Risk Officer reports directly to the CE.																	
	The Group Chief Compliance Officer reports directly to the CE.																	
2 B Group Risk and Compliance functions	Group Chief Risk Officer (GCRO)								Group Chief Compliance Officer (GCCO)									
	• Group Credit Risk		• Group Strategic Risk			• Group Market Conduct Risk			• Group Compliance Monitoring						• Regulatory Advocacy and Policy			
	• Group Risk Analytics		• Group Financial Crime, Forensics and Security			• Group Legal Corporate Insurance			• Compliance Services			• Reputational Risk and Ethics			• Supervisory Affairs, Reporting and Privacy			
	• Group Market Risk		• Group AML, CFT and Sanctions Office and Exchange Control															
	• Group Operational Risk																	
Third line of defence																		
Independent assurance																		
Third line of defence	Group Internal Audit																	



Board of directors – custodians of corporate governance *continued*

How the board functions – commitment to governance, ethics and integrity

Nedbank is committed to the highest standards of governance, ethics and integrity. The board charter (which is available at group.nedbank.co.za serves as a guide for directors' performance of their duties in accordance with such requirements and the principles of good corporate governance, the appropriate legislative requirements, and codes of conduct. It outlines and informs the board of directors' roles and responsibilities, the establishment of board committees, and delegation of authority to those board committees. It also sets out those matters that are reserved for the board.

Subject to compliance with all applicable regulations and the MOI, certain governance matters are reserved for the board and may not be delegated. These governance matters are dealt with by the board itself and not the board committees.

The board regularly reviews and monitors management's execution of Nedbank's strategy, practices and frameworks, being mindful of the dynamic landscape that we operate in and that is influenced by, among other things, digital demands, geopolitics, enhanced data safety and security requirements, and climate change risks. We believe that our matured governance structures – which are based on enhanced accountability, strong risk and performance management, transparency, strategic agility, effective leadership, people management and lived values – have contributed to our resilience.

We have a rolling 3-year strategy focused on value creation for our shareholders and stakeholders such as clients, employees and communities that we touch. The major macro trends in our operating environment are influenced by politics, the macro economy, society, competition, technology, regulators and the environment. Continued engagement with material internal and external stakeholders takes place and their needs and expectations are considered. Material matters are ranked according to the greatest relevance and highest potential to have a significant impact on the viability of our business and relationships with our stakeholders. Risks and opportunities emanating from these material matters are continuously assessed and tested against our vision to ensure that our strategy remains relevant.

The board ensures that responsible investment is practised by the group to promote good governance and value creation for our shareholders and follows the

responsible-investment guidelines based on the key elements of the United Nations Principles for Responsible Investment (UN PRI), the Code for Responsible Investing in South Africa (Crisa), as well as ESG requirements. As we are responsible corporate citizens, our sustainability-related policies focus on agriculture, mining, oil, gas, natural capital, waste and recycling of hazardous substances, asbestos and contaminated land. Our approach in this regard is further explained in our [Sustainability Report](#) and our [Climate Report](#) (which are available at group.nedbank.co.za).

Our response to the challenging macroeconomic environment confirms and gives comfort that our governance practices are fully integrated across the group. Working in unison, our board provides groupwide oversight of the governance processes and frameworks while our executive management implements policies and procedures through which governance is applied within the organisation. During 2024, Nedbank Group Limited, as the parent company, was able to exercise appropriate governance oversight over its subsidiaries while maintaining the independence and the legal and governance responsibilities that apply to each subsidiary.

Our board and executive management demonstrated their commitment to the highest standards of governance, ethics and integrity based on world-class banking practices and robust institutional governance and risk frameworks, which ensured the security and stability of our banking services.

Board Ethics Statement

Our boardmembers acknowledge and sign the Board Ethics Statement every year. This allows them to demonstrate their continued commitment to the Nedbank Group values and to the ethical conduct we embrace.

Our Company Secretary

All directors have access to the services of the Group Company Secretary, Jackie Katzin. The Group Company Secretary is not a member of the board. The board is satisfied with the competence, qualifications and experience of the Group Company Secretary and that an arm's-length relationship exists between the board and the Group Company Secretary.

Board profile

Nedbank Group has a unitary board structure. The size of the Nedbank Board (14 members at 31 March 2025) is influenced by the demands of a vast and complex banking industry. Our board charter (which is aligned with King IV) requires that at least a majority of the board be non-executive directors (with most non-executive directors being independent directors). We exceed this threshold since 78% of our board comprises non-executive directors (of which 64% are independent directors). The remaining 22% of our board is made up of 3 executive directors [CE, CFO and Chief Operating Officer (COO)], which ensures that our board has more than 1 link to management. [IV](#)

3	Executive directors
9	Independent non-executive directors
2	Non-executive directors
14	Total number of directors

Our board size ensures that there is adequate membership for the 9 board committees, of which 7 are statutory, while adequate levels of independence are maintained. All board committees are chaired by an independent director except for GSCRC and GAC, which are chaired by non-executive directors.

All board committees have majority non-executive directors. All board committees have majority independent directors except for GTSEC and LEAC. Five board committees (GAC, Group Remco, GITCO, DAC and GSCRC) comprise only non-executive directors. Our board size also ensures that the board and management have capacity and time to guide the group's strategy. Annually, our board considers whether its size, diversity, demographics, and race and gender representation are appropriate to ensure and maintain its effectiveness.

The structure of our board ensures that no single person has unfettered authority in board discussions and decisions. There are distinct and separate roles for the Chairperson, Lead Independent Director and CE. [IV](#)

1. Chairperson: The primary role of our Chairperson is to provide ethical and effective leadership to the board, set the tone for its performance and undertake management of the board. Our Chairperson regularly engages with boardmembers both as a collective and separately with the non-executive directors through 1-on-1 meetings, and regular non-executive director working dinners. This maintains the collegiality among the non-executive directors and promotes good governance since non-executive directors have the opportunity to discuss matters without executive directors being present.

2. Lead Independent Director: In the absence of the Chairperson, our Lead Independent Director leads the board. He acts as intermediary between the Chairperson and other members of the board, if necessary, and chairs discussions and decision-making by the board on matters where the Chairperson has a conflict of interest. The Lead Independent Director also serves as the DAC chair.

3. Chief Executive: The CE's primary roles are to lead Group Exco and assume responsibility for leading the implementation and execution of approved strategy, policy and operational planning, and for serving as the chief link between management and the board.

Our policy on nomination and appointment of directors (which is available at group.nedbank.co.za) includes our board continuity programme and principles governing the promotion of diversity. This policy incorporates the requirements of Directive 4/2018 issued by the South African Reserve Bank (SARB) PA in terms of section 6(6) of the Banks Act, 94 of 1990. This policy also sets out the principles governing board appointments to ensure that board appointments are conducted in a formal and transparent manner by the board as a whole, assisted by DAC. The board makes use of its existing networks in identifying suitably qualified candidates and, where appropriate, briefs search consultants to assist. Board appointments are subject to regulatory approval.



Our Board of Directors

E Election at 58th AGM

RE Re-election at 58th AGM



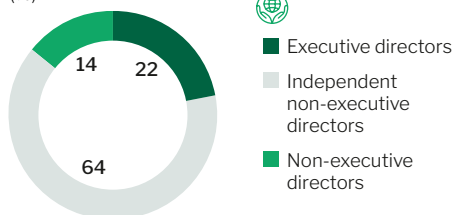
Independent non-executive director and Chairperson	Independent non-executive directors				Non-executive directors			Executive directors					
Daniel Mminele ⁶⁰ Chair: Nedbank Group and Nedbank Limited Years on board: 1	Hubert Brody ⁶⁰ Lead Independent Director Chair: DAC, Group Remco Years on board: 7	Neo Dongwana ⁵² Years on board: 7	May Hermanus ⁶⁴ Years on board: < 1 (Appointed as director with effect from 15 July 2024)	Errol Kruger ⁶⁷ Chair: GRCMC, GCC, LEAC Years on board: 8	Phumzile Langeni ⁵⁰ Years on board: 3	Rob Leith ⁶² Chair: GITCO Years on board: 8	Linda Makalima ⁵⁶ Chair: GTSEC Years on board: 7	Terence Nombembe ⁶³ Years on board: 1	Brian Dames ⁵⁹ Chair: GSCRC Years on board: 10	Stanley Subramoney ⁶⁶ Chair: GAC Years on board: 9	Jason Quinn ⁵⁰ Chief Executive Years on board: < 1 (Appointed as director effective from 22 May 2024)	Mike Davis ⁵³ Chief Financial Officer Years on board: 4	Mfundo Nkulu ⁵⁸ Chief Operating Officer Years on board: 10

Independence – protecting the interests of all shareholders

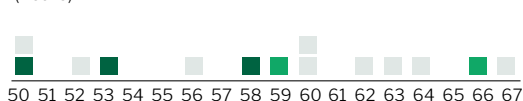
At 64%, the majority of Nedbank's boardmembers are independent directors, which complies with King IV and global best-practice governance.

The size of the Nedbank Board, at 14 members, is influenced by the demands of a large and complex banking industry. The size gives the board adequate membership for its 9 board committees while adequate levels of independence are maintained.

Executive and non-executive directors (%)



Executive and non-executive directors: Age (Years)



Non-executive directors: Tenure (Years)



Board representation at 31 March 2025.

Elections, rotations and board changes – mindful succession planning

Elections and rotations policy

- Good governance requires boardmembers to be individually and collectively accountable. Our MOI provides that each boardmember must be individually elected by a majority vote of the shareholders at the AGM. We do not follow bundled director elections.
- To ensure accountability, boardmembers are not given a fixed term of appointment but are subject to retirement by rotation in terms of the MOI. One-third of all boardmembers retire at each AGM but may make themselves available for re-election. This is an established practice in SA to ensure accountability while maintaining board continuity.
- Non-executive directors must retire at the first AGM that follows their reaching the age of 70 or after 9 years of being on the board as a non-executive director, unless agreed otherwise by the board.
- An executive director is required to retire from the board at age 60 (63 from 1 August 2025), unless otherwise agreed by the board.
- Executive directors are subject to a notice period of 6 months. This excludes the CE, who is subject to a notice period of 12 months. Executive directors are discouraged from holding significant directorships outside the group.

For further information, please refer to our policy on nomination and appointment of directors, which is available at group.nedbank.co.za.



Board of directors – custodians of corporate governance *continued*

Board and board committee changes

Additions

Jason Quinn

Jason was elected as an executive director and assumed the role of CE following Mike Brown's retirement on 31 May 2024. Jason was also appointed as a member of GCC, GTSEC and GCRMC.

Skills and experience

- Banking and finance ^{^1*}
- Large corporates
- Accounting and auditing ^{1**}
- Innovation and digital expertise [#]
- IT and cyberresilience ^{**1#}
- Human resources, marketing and strategy ^{1**}
- Emerging economies
- Macroeconomic and public policy
- Governance and stakeholder management^{*}
- Environment and climate ^{1**}

Terence Nombembe

Terence was appointed as an independent director on 1 January 2024. Terence was also appointed as a member of GAC and GRCMC.

Skills and experience

- Large corporates
- Accounting and auditing ^{1**}
- Human resources, marketing and strategy ^{1**}
- Macroeconomic and public policy
- Governance and stakeholder management^{*}

May Hermanus

May was appointed as an independent director with effect from 15 July 2024. She was also appointed as a member of GSCRC.

Skills and experience

- Banking and finance ^{^1**}
- Large corporates
- Mining, resources and infrastructure
- Macroeconomic and public policy
- Governance and stakeholder management^{*}
- Environment and climate ^{1**}

[^] Banking and finance
^{*} Key ESG experience
^{**} Key risk management experience
[#] Cyberrisk and technology

Status changes

Stanley Subramoney was reclassified as a non-independent non-executive director on 24 September 2024, having served as an independent director for 9 years. The PA granted approval for Stanley to continue to serve as the chair of GAC until 30 May 2025.

In terms of the board continuity programme of the group, the Nedbank Group Board extended the tenures of both Stanley Subramoney and Brian Dames (non-executive director) to ensure continuity on the board and board committees given planned appointments to, and retirements from, the board in the short term. Accordingly, Stanley's tenure on the Nedbank Group Board was extended for an initial period of 1 year and Brian's tenure was extended by 1 year after the conclusion of Nedbank Group's AGM on 30 May 2025.

Forthcoming changes to board committees

GAC

- Stanley Subramoney steps down as chair and member of GAC on 30 May 2025.
- Neo Dongwana will be appointed as chair of GAC from 30 May 2025.

Group Remco

- Hubert Brody steps down as chair and member of Group Remco on 30 May 2025.
- Phumzile Langeni will be appointed as chair of Group Remco from 30 May 2025

GTSEC

- Phumzile Langeni steps down as a member of GTSEC on 30 May 2025.
- May Hermanus will be appointed as a member of GTSEC from 30 May 2025.

DAC

- Stanley Subramoney steps down as a member of DAC on 30 May 2025.
- Phumzile Langeni and Neo Dongwana will be appointed as members of DAC from 30 May 2025.



Board of directors – custodians of corporate governance *continued*

Skills, expertise and experience

a diversified board that adds value



The boards of banks and financial services companies require a broad range of skills to govern and act in the best interests of all stakeholders. The appropriate mix of skills and expertise ensures that the board, as a collective, is well equipped to guide and drive strategy and thereby create and protect value.

Overview of board expertise and experience

The board, through DAC, determines the required composition of expertise and experience in response to shifts in the group’s long-term strategy and a rapidly changing environment. DAC annually reviews the board’s composition and determines the categories of expertise and experience that should be reflected on the board. In determining the specific categories of expertise and experience, the board is influenced by, among other considerations, the importance of having boardmembers with banking and finance; risk management; ESG; and cyber and technology experience to ensure a well-rounded board capable of addressing diverse challenges and adding value.

We set out below an overview of the board’s expertise across 4 main themes: banking and finance; risk management; ESG; and cyber and technology.

Banking and finance

In the dynamic and complex world of banking and finance, having boardmembers with skills and expertise in retail banking, investment banking and other financial services (such as insurance and asset management) is invaluable. Their deep understanding of the industry’s intricacies, regulatory landscape, and risk management practices can guide strategic decision-making, ensuring the group’s operations align with industry standards and best practices. Their insights can help anticipate market trends, navigate challenges, and seize opportunities, contributing to the group’s resilience and competitive edge.

Boardmembers with banking and finance expertise and experience are instrumental in steering the bank towards sustainable growth and success.

The table below shows each director’s expertise and experience in banking (including retail and investment banking) and other financial services (such as insurance and asset management).

Risk management categories	Executive directors	Non-executive directors
Banking and other financial services	Jason Quinn; Mike Davis; Mfundo Nkuhlu	Daniel Mminele; Rob Leith; Hubert Brody; Errol Kruger; Linda Makalima; Stanley Subramoney; Phumzile Langeni

Risk management

Given the ever-evolving risk landscape, it is crucial for the board to have directors with expertise in managing risks and opportunities. This includes risk assessment, compliance and crisis management. These individuals help the board anticipate opportunities and mitigate risks related to financial stability, regulatory compliance, reputational damage and other matters. We monitor the board’s risk management expertise and experience across various categories including banking (such as retail banking and investment banking); other financial services (such as insurance and asset management); accounting and auditing; IT and cyberresilience; human resources; marketing; and environment and climate.



The table below shows each director’s expertise and experience in the various risk management categories.

Risk management categories	Executive directors	Non-executive directors
Banking and other financial services	Jason Quinn; Mike Davis; Mfundo Nkuhlu	Daniel Mminele; Rob Leith; Hubert Brody; Errol Kruger; Linda Makalima; Stanley Subramoney; Phumzile Langeni
Accounting and auditing	Jason Quinn; Mike Davis	Rob Leith; Hubert Brody; Neo Dongwana; Terence Nombembe; Stanley Subramoney
IT and cyberresilience	Jason Quinn; Mike Davis; Mfundo Nkuhlu	Hubert Brody; Rob Leith; Brian Dames
Macroeconomic and public policy	Jason Quinn; Mike Davis; Mfundo Nkuhlu	Daniel Mminele; May Hermanus; Errol Kruger; Phumzile Langeni; Terence Nombembe; Stanley Subramoney
Environment and climate	Jason Quinn; Mike Davis; Mfundo Nkuhlu	Brian Dames; Daniel Mminele; May Hermanus
Human resources, marketing and strategy	Jason Quinn; Mike Davis; Mfundo Nkuhlu	Daniel Mminele; Brian Dames; Rob Leith; Hubert Brody; Neo Dongwana; Errol Kruger; Phumzile Langeni; Linda Makalima; Terence Nombembe; Stanley Subramoney



Board of directors – custodians of corporate governance *continued*

Skills, expertise and experience *continued*
a diversified board that adds value



ESG

ESG issues continue to gain prominence and impact long-term sustainability. The board appreciates the value of directors who understand environmental sustainability, social impact, DEI and ethical governance. These directors guide the company towards responsible practices and stakeholder engagement.

The table below shows each director's expertise and experience in ESG.

ESG categories	Executive directors	Non-executive directors
Accounting and auditing	Jason Quinn; Mike Davis	Rob Leith; Hubert Brody; Neo Dongwana; Terence Nombembe; Stanley Subramoney
Innovation and digital	Jason Quinn; Mike Davis; Mfundo Nkuhlu	Rob Leith; Linda Makalima; Brian Dames
Human resources, marketing and strategy	Jason Quinn; Mike Davis; Mfundo Nkuhlu	Daniel Mminele; Brian Dames; Rob Leith; Hubert Brody; Neo Dongwana; Errol Kruger; Phumzile Langeni; Linda Makalima; Terence Nombembe; Stanley Subramoney
IT and cyberresilience	Jason Quinn; Mike Davis; Mfundo Nkuhlu	Hubert Brody; Rob Leith; Brian Dames
Emerging economies	Jason Quinn; Mike Davis; Mfundo Nkuhlu	Brian Dames; Hubert Brody; Neo Dongwana; Errol Kruger; Stanley Subramoney
Governance and stakeholder management	Jason Quinn; Mike Davis; Mfundo Nkuhlu	Daniel Mminele; Brian Dames; Rob Leith; Hubert Brody; Neo Dongwana; Errol Kruger; Phumzile Langeni; Linda Makalima; Terence Nombembe; Stanley Subramoney; May Hermanus
Environment and climate	Jason Quinn; Mike Davis; Mfundo Nkuhlu	Brian Dames; Daniel Mminele; May Hermanus



Cyber and technology

In our digital age, cyberthreats and technological advancements are paramount. The board values directors with cybersecurity knowledge, familiarity with emerging technologies, and the ability to assess the company's digital resilience. These directors contribute to robust cybersecurity strategies and informed technology decisions.

The table below shows each director's expertise and experience in cyber and technology.

Cyber and technology categories	Executive directors	Non-executive directors
Innovation and digital	Jason Quinn; Mike Davis; Mfundo Nkuhlu	Rob Leith; Linda Makalima; Brian Dames
IT and cyberresilience	Jason Quinn; Mike Davis; Mfundo Nkuhlu	Hubert Brody; Rob Leith; Brian Dames

The appointments of Phumzile Langeni, Daniel Mminele, Terence Nombembe and May Hermanus in 2022, 2023 and 2024 strengthened the board's skillset in the following areas: risk management; banking (both retail and investment banking); other financial services; accounting and auditing; mining, resources and infrastructure; large corporates; macroeconomic and public policy; human resources; marketing; strategy; governance and stakeholder management; and environment and climate change.

The board's succession process over the next few years looks to increase skills and expertise in areas such as accounting and auditing; risk management; retail banking; doing business in Africa; sustainability and climate; human resources and remuneration; innovation and digital; and IT and cyberresilience.

For further information please refer to the CVs of each director, which are available at group.nedbank.co.za.





Board of directors – custodians of corporate governance *continued*

Board training and induction
future-focused leadership



The Nedbank Group Board has a sophisticated induction programme aimed at ensuring that incoming boardmembers are orientated to make the maximum contribution in the shortest time possible. All incoming boardmembers must participate in the induction programme. The induction programme includes a briefing on essential board and company information, as well as updates on changes and trends in the business; the banking industry; financial markets; and risk management. The programme is administered by the Group Company Secretary and is regularly reviewed for improvement based on best practices. The board is very satisfied with the quality and standard of the induction programme. Terence Nombembe and May Hermanus participated in the induction programme in 2024.

A bespoke board training programme is developed each year following input from the Chairperson, boardmembers and management. The board training programme is aimed at maintaining a well-rounded board capable of addressing diverse challenges and adding value. Future-focused themes in banking and finance, risk management, ESG, and cyber and technology featured prominently on the 2024 board training programme.

2024 training

Generative AI (GenAI)	
ISSB	
Digital in banking – an internal and external perspective	
Payments – an external perspective	
Clean technology evolution	
The future of banking	
AML, CFT and sanctions	
Global remuneration trends	
Climate glidepaths	
Climate Materiality Assessment and high-level assessment results	
Directors' fiduciary duties in ESG oversight	
Benefits and power of ESG data to unlock finance opportunities	
Nature and finance – risks and opportunities	
Fundamental review of trading book (FRTB), market risk and credit valuation (CVA) model validations	
IT megatrends – technological disruption	
International internal auditing standards	
JSE Listings Requirements with respect to price-sensitive information	
Amended Financial Sector Code (FSC) Statement FS100 Ownership	



Skills and experience key: Banking and finance¹ Large corporates Accounting and auditing¹ Innovation and digital expertise² IT and cyberresilience³ Human resources, marketing and strategy¹ Governance and stakeholder management⁴ Environment and climate¹ Banking and finance * ESG ** Risks management - Cyber and technology



Board of directors – custodians of corporate governance *continued*

Diversity

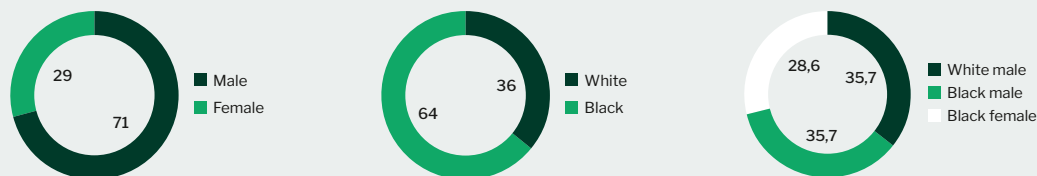
being relevant in a transforming society



Board diversity is important for remaining relevant and sustainable in a fast-transforming society and promoting diversity of thought in board decisions. Nedbank is deeply committed to promoting diversity at board level. We believe that diversity is a driver of board effectiveness, and that the make-up of the Nedbank boards must be appropriately representative. We strive for a diverse and transformed board that broadly reflects the demographics of SA.

Diversity is a key consideration in our board selection processes. Our Policy on Nomination and Appointment of Directors provides that race, gender, age, culture and expertise (or experience) must be considered in evaluating the diversity of Nedbank boards. This policy is reviewed annually to ensure that our diversity considerations are revisited regularly in light of recommended governance practices and societal shifts.

Board gender and race representation (%)



Nedbank policy: Maintain boardmembership that broadly represents the demographics of SA.

Gender diversity remains a key priority in the board's succession plan. We are continuously reviewing our targets and board succession planning to ensure we trend closer to internationally recommended practices and gender benchmarks set by ESG ratings agencies. In 2025 we introduced a target of 30% female board representation. This target increases to 35% by 2030. The board currently has 29% female board representation.

Gender target	30% female
Current	29% female
Target achieved	*

Race target	50% black
Current	64% black
Target achieved	✓

Gender and race target	25% black female
Current	29% black female
Target achieved	✓

Our race targets for board representation align with the Amended FSC. We have exceeded our diversity target for black boardmembership (50%) as our board comprises 64% black boardmembers. Our board comprises 29% black female members, which is above our diversity target for black female boardmembership (25%).

Category	Target	Current achievement	Target achieved
Voting rights of black boardmembers (%)	50,00%	64,00%	✓
Voting rights of black female boardmembers (%)	25,00%	29,00%	✓
Black executive boardmembers (% of all executive boardmembers)	50,00%	33,33%	✗
Black female executive boardmembers (% of all executive boardmembers)	25,00%	0,00%	✗
Black independent directors (% of all independent directors)	40,00%	67,00%	✓

The Amended FSC does not have a specific target for black independent director membership. Nonetheless, as part of the board's mindful approach to governance, the board has a target requiring that 40% of all independent directors be black. We have achieved this target as 67% of all independent directors are black.

Seven of our board committees (GTSEC, GCC, GAC, DAC, GSCRC, GRMCM and Group Remco) have at least 50% black membership and 5 board committees (GTSEC, Group Remco, GCC, GAC and GSCRC) have at least 25% black female members. The chairs of 3 board committees (GTSEC, GAC and GSCRC) are black and the chair of GTSEC is a black female.

Our board includes members from diverse ethnic and cultural backgrounds, including those speaking Sepedi, isiZulu, Afrikaans, isiXhosa, German and English.



Board of directors – custodians of corporate governance *continued*

Conflicts of interest and overboarding

transparent and ethical leadership



Under the Companies Act, 71 of 2008, a director of a company must use their powers and perform their functions in good faith, for a proper purpose and in the best interests of the company. This includes the duty of a director to avoid a conflict of interest. Section 60 of the Banks Act also provides for the fiduciary duties of directors and executive officers of a bank. Our conflict-of-interests policy (which is available at group.nedbank.co.za) sets out the processes that the directors of Nedbank Group and its executive management must follow to declare their interests, as well as how any potential conflicts must be managed and evaluated.

Before a director accepts additional commitments, that director must discuss and have agreement on them with the Chairperson to ensure that they do not present a potential conflict of interest that would impact the director's ability to exercise their fiduciary duties.

A director or prescribed officer is prohibited from using their position or confidential or price-sensitive information to benefit themselves or any related third party, whether financially or otherwise. Directors and officers are also required to inform the board timeously of conflicts or potential conflicts of interests that they may have in relation to particular items of business or other directorships. At the start of each board meeting, at the request of the Chairperson, all boardmembers must declare any actual and/or potential conflict of interest with matters to be considered at that meeting. Comprehensive registers of individual directors' interests in and outside the company are maintained and updated and signed by the directors, with details noted by the board at each board meeting.

The board assesses the independence of our directors on appointment and continuously during their tenure. Each director provides an annual attestation of their interests, conflicts and independence and is presented with an opportunity to declare their interests throughout the year. None of our directors have an interest in Nedbank that exceeds 5% of the group's total number of shares in issue or that is

material to their personal wealth. Only executive directors participate in the group's share incentive scheme.

Good governance requires that boardmembers not be overboarded but be able to devote sufficient time to discharge their responsibilities as a boardmember of Nedbank. We adopt a rigorous process aimed at ensuring that boardmembers (both when appointed and during their terms) are not overboarded:

- ▶ **1** A boardmember may not accept any other board appointments (of other companies) unless the prior agreement of the Chairperson is obtained. The proposed appointment must not be a fundamental conflict with the group's interests and/or adversely affect the boardmember's duties to Nedbank.
- ▶ **2** A boardmember may hold the position of director on no more than 5 (including the Nedbank boards) listed and/or significant unlisted operating boards, with the relevant director's circumstances and the nature, scale and complexity of the respective directorships being taken into account. Directorships held in non-profit companies, private investment companies or non-operating subsidiaries are excluded from this requirement and positions on the Nedbank boards are treated as 1 board position.
- ▶ **3** Executive directors are generally discouraged from accepting board appointments at other companies.
- ▶ **4** A boardmember must notify the Group Company Secretary, who in turn must notify the PA, of any changes to the non-executive director's interests.

The table below lists the external directorships held by each boardmember (in listed and/or significant operating companies) at 31 March 2024.

Boardmember	Directorships in listed and/or significant unlisted operating boards
Daniel Mminele	-
Linda Makalima	PathCare Hyperion DEV(SA) Ltd

Boardmember	Directorships in listed and/or significant unlisted operating boards
Errol Kruger	Capital Appreciation Ltd Nedbank Private Wealth Ltd (IOM)
Phumzile Langeni	Metrofile Holdings Ltd Delta Property Fund DP World Ltd Imperial Logistics Ltd
Mfundo Nkuhlu*	-
Neo Dongwana	Aspen Pharmacare Holdings Ltd Vukile Property Fund Ltd
Brian Dames	African Rainbow Energy and Power (AREP) African Rainbow Energy Industrial Development Corporation of South Africa Ltd SOLA Group (Pty) Ltd
Rob Leith	-
Jason Quinn	-
Hubert Brody	-
Mike Davis	-
Terence Nombembe	Sibanye-Stillwater Ltd
Stanley Subramoney	Sasol Ltd Terrasan Group Ltd
May Hermanus	Foskor (Pty) Ltd

If any potential related-party transaction arises, the relevant board committee will (depending on the nature of the transaction) be responsible for monitoring and reviewing the transaction. Transactions are conducted on an arm's-length commercial basis and related-party transactions are transparently disclosed in the AFS. In 2024 there were no related-party transactions involving any boardmembers or Group Exco members.



Board of directors – custodians of corporate governance continued

Board and committee evaluations

an effective board discharging its duties fully

Evaluations of the Nedbank Group Board and board committees alternate annually between independent evaluations and internal evaluations. The 2023 independent evaluation was undertaken by The Board Practice and involved questionnaires, interviews with boardmembers and a 360-degree peer review. The overall feedback was that Nedbank Group has a professional board that functions well.

Overall finding from 2023 independent evaluation: 'This is an effective Board discharging its duties fully. Committees and the Company Secretary are critical support structures of the Board.'

The 2023 independent evaluation found that the Nedbank Group Board and board committees effectively discharge their duties, and the overall feedback was very positive with respect to the board's work. Board committees and the Company Secretary are critical support structures for the board. No remedial measures were identified from the 2023 independent evaluation.

Overall finding from 2024 internal evaluation: 'Boardmembers are very satisfied with the overall performance of the Board, Board Committees and the Company Secretary. There are no areas of concern.'

The 2024 internal evaluation took the form of a self-assessment focused on unpacking themes from the 2023 independent evaluation. Boardmembers are very satisfied with the board's overall performance, with the board receiving an overall rating of 4,3/5. In particular, boardmembers were very satisfied with the chairperson's performance, the CE's performance, the performance of each board committee, the board's relationship with management, and the performance of the Company Secretary. Boardmembers were satisfied with the succession planning (for both the board and management) and the board's focus on strategic matters. Although no areas of concern were identified, in the spirit of continuous improvement, actions (which were largely housekeeping in nature) were identified to enhance board awareness of material matters, improve efficiencies of board and board committee packs and meetings, and explore opportunities for less formal engagements with management.

2023 independent evaluation themes	Score out of 5	2024 internal evaluation themes	Score out of 5
Strategic focus, priorities and overall effectiveness	4,4	Efficiency and effectiveness	4,4
		Strategic matters	3,3
Core governance	4,2	Chairperson	4,7
		Board inductions	4,9
Board dynamics	4,1	Group CE	4,5
		Board's relationship with management	4,2
Board agility	3,9	Succession planning: board and management	3,4
Company Secretary	4,3	Company Secretary	4,6
Board committees	4,1	Board committees	4,3

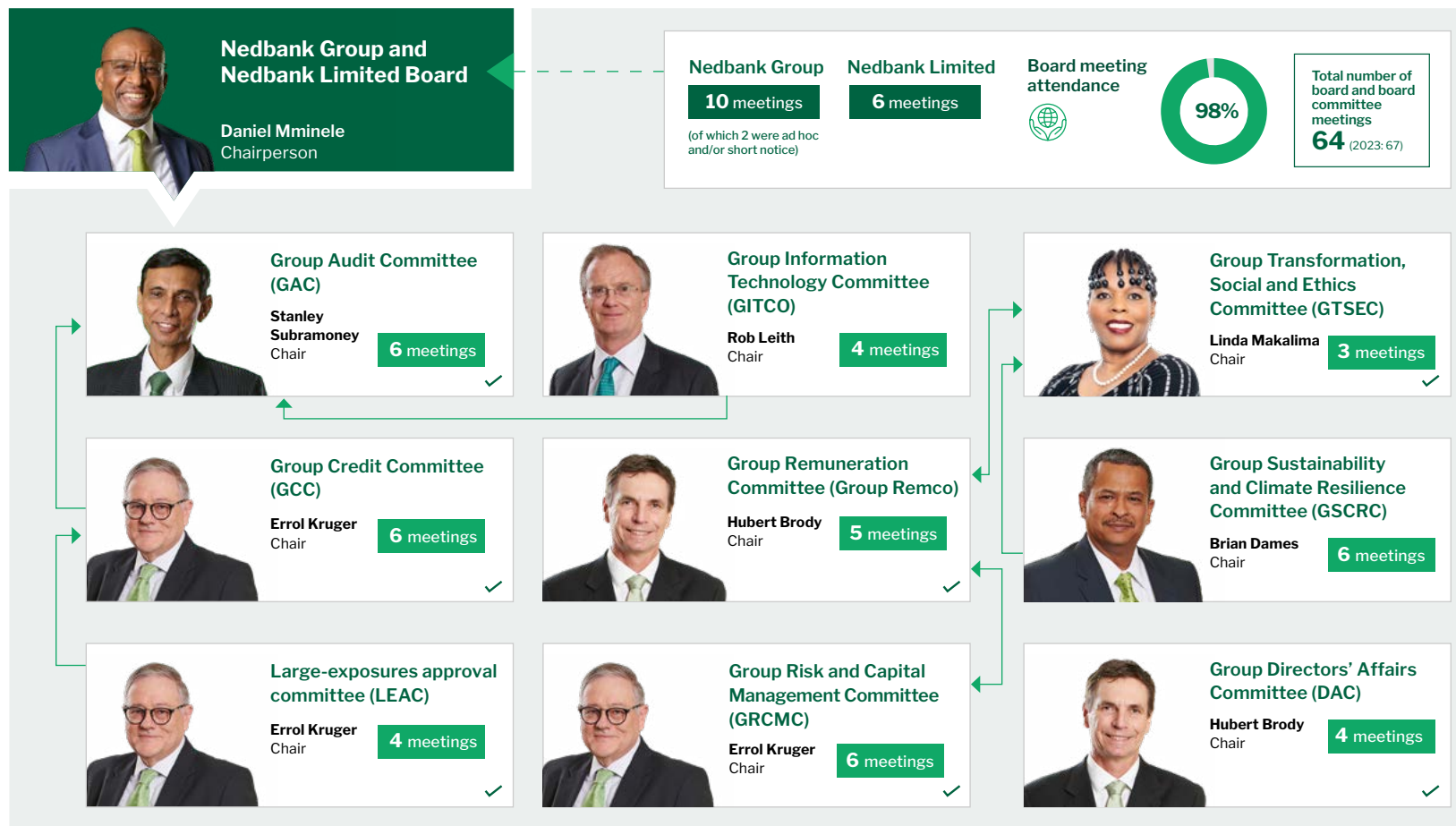


Board committees and interdependency – effective support structures for the board

The board committees assist the board in the discharge of its duties and responsibilities. There are 9 board committees (7 of which are statutory board committees).

Each board committee has formal written terms of reference that are reviewed annually and effectively delegated in respect of certain of the board’s responsibilities. These terms of reference are available at group.nedbank.co.za. The board monitors these responsibilities to ensure effective coverage of and control over the group’s operations.

Board committees report in detail on key discussions and activities at each Nedbank Group Board meeting, and the minutes of board committee meetings are also subsequently made available to all boardmembers. GAC receives regular feedback from GITCO regarding the monitoring of the adequacy and effectiveness of the group’s IT controls as well as new or emerging IT risks associated with the bank’s digital transformation journey, and receives feedback from GCC regarding its oversight of the adequacy and effectiveness of the credit-monitoring processes and systems. The chairpersons of GRMCM and Group Remco also meet separately to consider remuneration risks, and there is a formal process between Group Remco and GTSEC in respect of the consideration of the ethics of remuneration.



Details of the committees’ considerations and focus areas for 2024 are covered in the following reports by the chair of each committee on pages 22-29. We also provide the meeting attendance register showing the attendance at board and committee meetings on page 30.

↔ Interdependencies of committees
✓ Statutory board committees



Board committees and interdependency *continued*

Group Audit Committee (GAC)

Stanley Subramoney, Chair
(steps down from 30 May 2025)
Hubert Brody Terence Nombembe
Neo Dongwana
(Chair from 30 May 2025)
Errol Kruger
Phumzile Langeni

Independent members (%)
83 % of committee members who are independent

Combined skills and experience of the committee members*

Mandate

- Assists the board in its evaluation of the integrity of our financial statements through evaluation of the adequacy and efficiency of our internal control systems, internal financial controls and accounting policies that are relied on for financial and corporate reporting processes.
- Is responsible for the appointment, compensation and oversight of the external auditors for the group, including managing interactions with GAC and assessing their independence and effectiveness.
- Facilitates and promotes communication between the board, executive management, the external auditors and the Chief Internal Auditor.
- Recommends the annual financial statements to the board for approval.

Training
During 2024, GAC members received training on the International Internal Auditing Standards as well as the JSE Listings Requirements with respect to price-sensitive information and were invited to training on the International Sustainability Standards Board (ISSB) and other board and board committee training sessions.

Capitals	Race (%)	Gender (%)
Financial	33 Black, 67 White	33 Male, 67 Female
Intellectual		
Social and relationship		
Natural		

Group Credit Committee (GCC)

Errol Kruger, Chair
Jason Quinn Linda Makalima
Mike Davis Mfundo Nkulu
Neo Dongwana Stanley Subramoney
Rob Leith

Independent members (%)
63 % of committee members who are independent

Combined skills and experience of the committee members*

Mandate

- Assists the board in fulfilling its credit risk oversight responsibilities, particularly with regard to the evaluation of credit mandates and governance, policies and credit risk.
- Confirms the adequacy of credit impairments.
- Acts as the designated committee appointed by the board to monitor, challenge and ultimately approve all material aspects of the group's credit rating and risk estimation systems and processes.

Training
During 2024, GCC members were invited to training sessions on payments (external perspective), digital banking (internal and external perspectives) and other board and board committee training sessions.

Capitals	Race (%)	Gender (%)
Financial	50 Black, 50 White	25 Male, 75 Female
Social and relationship		
Natural		
Intellectual		

Large-exposures approval committee (LEAC)

Errol Kruger, Chair
Neo Dongwana Mike Davis
Rob Leith Dave Crewe-Brown
(Chief Risk Officer)*
Linda Makalima
Stanley Subramoney Johan Theron
Jason Quinn (Chief Credit Officer)*

Independent members (%)
44 % of committee members who are independent

The Chief Risk Officer and Chief Credit Officer are not boardmembers but are required to be members of LEAC in terms of Directive 5 of 2008, issued by the South African Reserve Bank Prudential Authority (SARB PA) in terms of section 73(1)(a) of the Banks Act, 94 of 1990.

Combined skills and experience of the committee members*

Mandate

- Appointed and authorised by the board in line with the requirements of Directive 5 of 2008, issued by the SARB PA and constituted in terms of section 73(1)(a) of the Banks Act, 94 of 1990, and its regulations.
- Responsible for approving large exposures as well as related-party transactions.

Capitals	Race (%)	Gender (%)
Financial	33 Black, 67 White	22 Male, 78 Female
Social and relationship		
Natural		
Intellectual		

Board committee representation at 31 March 2025.

* Skills and experience key: Banking Banking and finance Large corporates Accounting and auditing Innovation and digital expertise IT and cyberresilience Human resources, marketing and strategy Mining, resources and infrastructure Emerging economies Macroeconomic and public policy Governance and stakeholder management Environment and climate

Please refer to page 14 for a list of all board training sessions provided in 2024.



Board committees and interdependency continued

Group Information Technology Committee (GITCO)

Rob Leith, Chair
Hubert Brody
Brian Dames

Independent members (%)

67 % of committee members who are independent

Combined skills and experience of the committee members*

Mandate

- Oversees the execution of the board's approved IT and digital strategy.
- Performs, reviews and monitors enterprise IT matters to ensure that appropriate frameworks, procedures, structures and governance are in place for the consolidation, monitoring, management and reporting of IT risks and exposures on a group basis (eg cyberthreats and other regulatory risks).
- Ensures alignment and implementation of a well-coordinated, efficient, effective and properly resourced IT strategy, which enables the organisation to remain highly competitive.
- Assumes ultimate accountability for the effectiveness of all governance functions pertaining to the group's technology capability, as required by the Banks Act and in support of GAC requirements.

Training

During 2024, GITCO members received training on IT megatrends regarding technological disruption and were also invited to training sessions on clean technology evolution, generative AI by Microsoft, digital banking (internal and external perspective) and other board and board committee training sessions.

Capitals	Race (%)	Gender (%)
<ul style="list-style-type: none"> Intellectual Manufactured Social and relationship 	<p>33 Black 67 White</p>	<p>100 Male</p>

Group Remuneration Committee (Group Remco)

Hubert Brody, Chair
(steps down from 30 May 2025)
Neo Dongwana
Phumzile Langeni
(Chair from 30 May 2025)
Stanley Subramoney
Rob Leith

Independent members (%)

80 % of committee members who are independent

Combined skills and experience of the committee members*

Mandate

Enables the board to achieve its responsibilities in relation to the group's Remuneration Policy, processes and procedures, and specifically enables the group to do the following:

- Meet the requirements of section 64C of the Banks Act.
- Operate remuneration structures that are aligned with best market practice.
- Conform with the latest thinking regarding good corporate governance on executive remuneration.
- Align the behaviour of executives with the strategic objectives of the group.
- Recommend CE and Group Exco remuneration to the board for approval.

Training

During 2024, Group Remco members received training on global remuneration trends regarding market compensation, governance and regulatory matters, and people strategy impacting pay. There were also invited to other board and board committee training sessions.

Capitals	Race (%)	Gender (%)
<ul style="list-style-type: none"> Financial Social and relationship Human Intellectual 	<p>40 Black 60 White</p>	<p>40 Male 60 Female</p>

Group Risk and Capital Management Committee (GRCMC)

Errol Kruger, Chair
Jason Quinn
Brian Dames
Rob Leith
Linda Makalima
Terence Nombembe

Independent members (%)

67 % of committee members who are independent

Combined skills and experience of the committee members*

Mandate

- Ensures the identification, assessment, control, management, reporting and remediation of risks across a wide range of the organisation's ERMf.
- Sets and owns Nedbank's risk strategy and monitors conformance with risk management policies, procedures, regulatory and internal limits and exposures, as well as processes and practices. The monitoring of the group's Key Issues Control Log (KICL) is paramount to GRCMC's oversight role.

Training

During 2024, GRCMC members received training on the fundamental review of the trading book (FRTB) regarding market risk and credit valuation (CVA) model validations and were invited to other board and board committee training sessions.

Capitals	Race (%)	Gender (%)
<ul style="list-style-type: none"> Financial Intellectual Human Social and relationship Natural 	<p>50 Black 50 White</p>	<p>17 Male 83 Female</p>

Board committee representation at 31 March 2025.

* Skills and experience key: Banking Banking and finance Large corporates Accounting and auditing Innovation and digital expertise IT and cyberresilience Human resources, marketing and strategy Mining, resources and infrastructure Emerging economies Macroeconomic and public policy Governance and stakeholder management Environment and climate

Please refer to page 14 for a list of all board training sessions provided in 2024.



Board committees and interdependency *continued*

Group Transformation, Social and Ethics Committee (GTSEC)

Linda Makalima, Chair
Jason Quinn
Phumzile Langeni (steps down from 30 May 2025)
Stanley Subramoney
May Hermanus (appointed from 30 May 2025)

Independent members (%)
50 % of committee members who are independent

Combined skills and experience of the committee members*

Mandate

- Advises on, oversees and monitors Nedbank Group's activities with regard to social and economic development, ethics, transformation, sustainability, corporate citizenship, the environment, health, public safety, stakeholder relationship, and labour and employment matters.
- Applies the recommended practices and regulations as outlined in King IV and the Companies Act, 71 of 2008, in executing its mandate.

Training
During 2024, GTSEC members received training on Amended Financial Sector Code Statement FS100 Ownership and were invited to other board and board committee training sessions.

Capitals	Race (%)	Gender (%)
Intellectual	25 / 75	50 / 50
Human		
Social and relationship		
Natural		

Group Directors' Affairs Committee (DAC)

Hubert Brody, Chair
Brian Dames
Errol Kruger
Rob Leith
Phumzile Langeni (appointed from 30 May 2025)
Neo Dongwana (appointed from 30 May 2025)
Linda Makalima
Daniel Mminele

Independent members (%)
71 % of committee members who are independent

Combined skills and experience of the committee members*

Mandate

- Monitors progress regarding the implementation and achievement of the board's corporate governance objectives and determines and evaluates the adequacy, efficiency and appropriateness of the corporate governance structures and practices of the group.
- Assists, evaluates and advises the board on issues of fundamental strategic importance to the group that are beyond the scope of the specific authorities mandated to the other board committees.
- Considers, monitors and reports to the board on reputational risk and compliance risk.
- Acts as the Nominations Committee for the board.

Training
During 2024, DAC members were invited to various board and board committee training sessions.

Capitals	Race (%)	Gender (%)
Intellectual	43 / 57	14 / 86
Social and relationship		
Natural		

Group Sustainability and Climate Resilience Committee (GSCRC)

Brian Dames, Chair
Phumzile Langeni
Linda Makalima
Daniel Mminele
May Hermanus

Independent members (%)
80 % of committee members who are independent

Combined skills and experience of the committee members*

Mandate
Enables the board to achieve its responsibility in relation to the group's identification, assessment, control, management, reporting and remediation of all categories of climate-related risks and opportunities; and adherence to internal risk management policies, procedures, processes and practices.
With effect from 1 April 2024, the Group Climate Resilience Committee was renamed as the Group Sustainability and Climate Resilience Committee. Its mandate also expanded to reflect broader sustainability and ESG considerations, including oversight of environmental and social risks and opportunities beyond and in addition to climate risks and opportunities, referencing international standards including the IFRS S1 and S2 and the TNFD. In addition, GSCRC's mandate now includes the identification and regular monitoring of controversial matters as well as the accuracy of reporting and expanded roles and responsibilities to include the ESG Risk Management Framework, ensuring alignment with the group's work around purpose fulfilment.

Training
During 2024, GSCRC members received training on climate glidepaths; climate materiality assessment and high-level assessment results feedback; the fiduciary duties of directors in driving and overseeing ESG; the benefits and power of ESG data to unlock finance opportunities; and the risks and opportunities related to nature and finance. They were also invited to training on clean technology evolution and other board and board committee training sessions.

Capitals	Race (%)	Gender (%)
Financial	100	60 / 40
Intellectual		
Social and relationship		
Natural		

Board committee representation at 31 March 2025.

* Skills and experience key: Banking Banking and finance Large corporates Accounting and auditing Innovation and digital expertise IT and cyberresilience Human resources, marketing and strategy Mining, resources and infrastructure Emerging economies Macroeconomic and public policy Governance and stakeholder management Environment and climate

Please refer to page 14 for a list of all board training sessions provided in 2024.



Committee chairpersons' reports

Board oversight – ensuring and protecting value Group Audit Committee (GAC)

'The GAC continued to focus on enhancing the integrity of financial and corporate reporting, through formal audit committee meetings to review financial results, the internal financial control environment, and the integrated reporting process, and regular engagements with the Nedbank management team, the Chief Internal Auditor and the external auditors. In addition, during 2024, GAC oversaw the successful transition and onboarding of the newly appointed audit firm, KPMG Inc.'



Stanley Subramoney, Chair

Focus for 2025 and beyond

- Ensure that the group's financial systems, processes and controls are operating effectively; are commensurate with the group's complexity; and are responsive to changes in the environment and industry.
- Continue to monitor the implementation of the JSE Listings Requirements, including the effectiveness of IFCs.
- Monitor the financial reporting system upgrade during the 2025-2027 implementation plan.
- Ensure, through the Chairperson's College of Audit Committee Chairs, that there is meaningful engagement between the GAC chairperson and the chairpersons of subsidiary audit committees.

Ensuring and protecting value in 2024

- Monitored the transition and onboarding of the newly appointed audit firm KPMG Inc, as well as the finalisation of the 2023 year-end with the previous joint auditors Deloitte & Touche.
- Considered the control deficiencies identified via the group's three lines of defence (first line via cluster finance and risk functions, second line via Group Finance and Group Risk and third line via GIA), as well as the appropriateness of management's response including remediation, reliance on compensating controls and additional review procedures.
- Reviewed the findings and recommendations of the external auditors and confirmed that there were no material unresolved findings.
- Ensured that the appointment and the independence of the external auditors were in compliance with the Companies Act and all other regulatory and legal requirements, which included

receiving from the external auditors all decision letters and explanations issued by the Independent Regulatory Board for Auditors (IRBA) or any other regulator, and any summaries relating to monitoring procedures or deficiencies (if applicable) issued by the external auditors to confirm the suitability for appointment of the external auditors and designated individual partners.

- Approved the proposed statutory audit fees for the year under review of R278m, which were aligned with the tender processes in the previous year. The proposed fees comprised R132m for Ernst & Young Inc and R146m for KPMG Inc.
- Approved the fees for the regulatory assurance required by the Prudential Authority and other services for the year under review of R35m, which comprised R23m for Ernst & Young Inc and R12m for KPMG Inc.
- Approved the external auditors' 2024 annual plan and related scope of work, confirming suitable reliance on GIA and the appropriateness of key audit risks identified.

- Considered and recommended to shareholders the appointment of Ernst & Young Inc and KPMG Inc for the 2025 financial year.
- Reviewed and discussed the annual disclosure review performed by management and, through the 2024 review process. GAC considered management's feedback in relation to the process.
- GAC reviewed the findings from the JSE Proactive Monitoring Panel and noted that management's annual financial statement process considered these findings.
- Ensured that GIA performs an independent assurance function and monitored the effectiveness of the GIA function in terms of its scope, execution of its plan, coverage, independence, skills, staffing, overall performance, and position within the organisation.
- Monitored and challenged where appropriate actions taken by management regarding adverse internal-audit findings.
- Monitored the effectiveness of the external auditors in terms of their audit quality, expertise and independence.

Members

Stanley Subramoney, Chair

Hubert Brody Phumzile Langeni
Neo Dongwana Terence Nombembe
Errol Kruger

Board committee representation at 31 December 2024.

Stakeholders

Regulators

Shareholders

Top 10 risks



2 Business 3 Credit 6 People
5 Operational 10 Capital



Committee chairpersons' reports continued

Board oversight – ensuring and protecting value Group Credit Committee (GCC)

'Credit risk management and governance remained excellent, amid a challenging yet slowly improving macroeconomic environment characterised by decreasing interest rates, easing inflation and a stabilising political environment, particularly with the establishment of the GNU. The GCC provided independent oversight and guidance, ensuring a sound, good-quality credit portfolio, which remained adequately impaired.'



Errol Kruger, Chair

Ensuring and protecting value in 2024

- Approved the adequacy of impairments (biannually) to ensure that the expected credit loss (ECL) held against gross loans and advances (GLAA) is appropriate.
- Approved the adequacy of credit risk-weighted assets (RWA) to ensure that the capital held is appropriate.
- Approved the review and redevelopment of impairment and capital credit models to ensure that they remain fit-for-purpose in the prevailing macroeconomic environment.
- Approved changes across all cluster credit risk appetite metrics as part of the annual review process.
- Approved the macroeconomic forecast scenarios (biannually) to ensure that appropriate forward-looking information is incorporated in the calculation of the International Financial Reporting Standards (IFRS) 9 impairments.

- Monitored originations and collection initiatives in Retail as well as large counter resolutions in the wholesale portfolio, which resulted in an improved credit loss ratio (CLR) outcome in 2024.
- Monitored the changes in out-of-model overlays, which included bottom-up client or sector reviews, as well as overall risk assessments of the retail and wholesale portfolios.
- Monitored regulatory changes across the Nedbank Africa Regions (NAR) portfolio to ensure compliance with the subsidiary's local regulatory requirements.
- Ensured the application of effective credit risk mitigation strategies, including early identification of distressed portfolios and proactive management of all watch list clients.
- Ensured the incorporation of forward-looking metrics as part of all clusters' reporting processes.
- Oversaw deep dives into product and vulnerable-sector-and-industry analyses as well as risk assessments of the retail and wholesale portfolios.

- Monitored the efficiency and appropriateness of coordinated-assurance-thematic activities pertaining to originations, collections, and the model risk environment across all 3 lines of defence in the credit risk universe within the SA and NAR portfolios.
- Monitored progress on the Basel III Reforms credit portfolio implementation workstream.
- Monitored developments emanating from the SARB Prudential Authority's proposed amendments to Directive 7/2015 relating to the treatment and classification of distressed restructures on the credit portfolio.

Focus for 2025 and beyond

- Oversee ongoing active credit risk management across all portfolios to optimise the outcome of the cost of credit and credit RWA.
- Continue to focus on early identification strategies regarding distressed portfolios, industry-specific concentration risks, and the proactive management of key watch list clients.
- Monitor the progress made on the implementation of Basel III Reforms on the credit portfolio.
- Monitor the implementation of solutions to automate, digitise and advance credit processes and analytics emanating from Target Operating Model 2.0 (TOM 2.0) credit risk initiatives.
- Monitor developments emanating from SARB's proposed amendments to Directive 7/2015 relating to the treatment and classification of distressed restructures on the credit portfolio.
- Continue to monitor the efficiency and appropriateness of coordinated-assurance-thematic activities across all 3 lines of defence in the credit risk universe.
- Monitor the effectiveness of originations and pricing models in the retail credit risk environment.

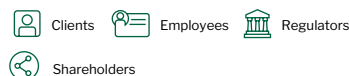
Members

Errol Kruger, Chair

Jason Quinn Neo Dongwana Linda Makalima Stanley Subramoney
Mike Davis Rob Leith Mfundo Nkuhlu

Board committee representation at 31 December 2024.

Stakeholders



Top 10 risks



- 2 Business
- 3 Credit
- 7 Climate



Committee chairpersons' reports continued

Board oversight – ensuring and protecting value

Group Information Technology Committee (GITCO)

'Our commitment to robust IT governance has enabled us to navigate complexities and drive value creation, ensuring long-term success. Through diligent governance and strategic oversight, we have harnessed technology to enhance operational efficiency and support sustainable growth, ensuring our technology initiatives are aligned with our strategic goals.'



Rob Leith, Chair

- Monitor the commercialisation and consumption of technology and data initiatives, including increased focus on client sentiment.
- Monitor maturation of Nedbank's data infrastructure, governance and capabilities to ensure that appropriate value is extracted, especially through AI and machine learning.
- Monitor the optimisation and automation of processes across Nedbank.
- Ensure that continuous innovation is evident through the cycle.
- Ensure that Nedbank's operating model and investment case are sustainably supported and enabled by technology.

Ensuring and protecting value in 2024

- GITCO carried out its mandated responsibilities to monitor and ensure the adequacy, effectiveness and efficiency of information systems from a risk and strategic-alignment perspective. The committee focused particularly on the following during the year:

Operational resilience

- Monitored closely the availability stability and security of systems to ensure ongoing stability of the existing technology platform.
- In coordination with GRCMC, GITCO monitored the management of IT-related risks across operational risk, digital risk, cyberrisk and, particularly, strategic execution risk, with particular emphasis on the effectiveness of the technology systems and applications in ensuring resilience.

Monitoring the progress of strategic initiatives

- Oversaw the progress of large IT programmes, particularly the conclusion of Nedbank's IT transformation and modernisation programme, Managed Evolution. Specific focus areas included project management disciplines, skills resourcing and workforce well-being.
- Monitored the management of IT talent, specifically regarding scarce and critical skills.

Ensuring appropriate strategies going forward

Reviewed and recommended to the board for approval the group's technology and data strategy up to 2027, with its increased focus on accelerating the commercialisation of the modernised technology stack to increase competitiveness and sustainable value creation.

Focus for 2025 and beyond

Operational resilience

- Monitor the availability and stability of systems.
- Ensure that operational and strategic technology risks remain well managed and that Nedbank further enhances its cyberresilience.
- Monitor emerging cyber- and technology trends (threats and opportunities) and assess management responses.

Monitor execution of the IT strategy

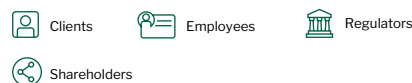
- Oversee and monitor the progress on delivering the approved technology strategy, digitisation and delivery of gold-standard client journeys and services across all distribution channels and territories.
- Provide continuing focus on landing major IT projects in flight and ongoing development of the platform built under ME to enhance customer digital capability and operational efficiencies.

Members

Rob Leith, Chair
Hubert Brody
Brian Dames

Board committee representation at 31 December 2024.

Stakeholders



Top 10 risks



- 1 Strategic execution
- 4 Cyberrisk
- 5 Operational
- 9 Reputational and market conduct



Committee chairpersons' reports *continued*

Board oversight – ensuring and protecting value

Group Remuneration Committee (Group Remco)

'Group Remco is satisfied that, for the reporting period it has fulfilled the requirements of its charter, that the objectives of the Remuneration Policy have been met, and that there has been no material deviation from the Remuneration Policy.'



Hubert Brody, Chair

Ensuring and protecting value in 2024

- During the latter part of 2023, and the early part of 2024, Group Remco and the board approved the terms of the incoming and outgoing Chief Executive (CE), which were in line with the group's Remuneration Policy.
- Following a market review, the minimum shareholding requirements were increased: CE (from 2 to 3 x GP), executive directors (EDs) and prescribed officers (POs) (from 1,5 to 2 x GP).
- The malus and clawback triggers were updated to include a new trigger for conduct leading to reputational harm and made refinements to existing triggers to include any errors in non-financial reporting.

- The normal retirement age was increased from 60 to 63 years, effective from 1 August 2025.
- A non-financial modifier was added to the short-term incentive (STI) build-up methodology to measure and incentivise progress against employment equity targets.
- Following a review of market practice, the long-term incentive (LTI) vesting percentage on environmental, social and strategic corporate performance targets (CPTs) (the non-financial targets) was increased from 60% to 100% for target vesting and 100% to 150% for maximum vesting at a stretch level.
- Return on equity (ROE), diluted headline earnings per share (DHEPS) growth, and efficiency ratio (cost-

to-income) have been retained as CPTs and align to our board-approved medium-term targets. The non-financial CPTs have also been retained but with more granular detail. Delivery on these CPTs will support Nedbank's continued focus on value creation for shareholders by delivering sustainable earnings growth (DHEPS compound annual growth of nominal GDP +3%), continued increases in ROE (to greater than 17%) and a lower cost-to-income ratio (to less than 54%).

- The variable pay cap ratio for our UK material risk-takers was reviewed.

Focus for 2025 and beyond

- Maintaining continued dialogue with shareholders to ensure the relevance and appropriateness of the Remuneration Policy.
- Ensuring that the Remuneration Policy and outcomes support our strategic objectives and that these are appropriate to the changing environment.
- Complying with amended Companies Act requirements on remuneration, once finalised.
- Ensuring remuneration outcomes are fair and responsible.
- Staying abreast of evolving remuneration best practices.
- Reviewing the competitiveness of the group's LTI pool, the LTI CPTs, weightings and vesting ranges.

Members

Hubert Brody, Chair
Neo Dongwana Stanley Subramony
Phumzile Langeni Rob Leith

Board committee representation at 31 December 2024.

Stakeholders



Top 10 risks



- 1 Strategic execution
- 2 Business
- 5 Operational
- 6 People
- 7 Climate



Committee chairpersons' reports continued

Board oversight – ensuring and protecting value

Group Risk and Capital Management Committee (GRCMC)

'The GRCMC is dedicated to upholding high standards of risk management and governance. By fostering a culture of transparency and accountability, the committee has not only safeguarded the group's assets but has also preserved shareholder value. We remain committed in ensuring that Nedbank remains resilient and poised for sustainable growth.'



Errol Kruger, Chair

Ensuring and protecting value in 2024

- Monitored market conditions and the dynamic political climate before and after national elections in SA and elsewhere to ensure Nedbank remained agile and responsive to shifts in the external environment.
- Assessed the robustness and effectiveness of our internal control environment and the 3 lines of defence to ensure alignment with regulatory standards and best practices to strengthen Nedbank's ability to create and preserve value.
- Reviewed and recommended board approval of the annual internal capital adequacy assessment process (ICAAP) and internal liquidity adequacy assessment process (ILAAP) and associated stress and scenario testing.
- Evaluated the recovery plan to ensure it aligns with our risk management framework to preserve value and recommended it to the board for approval.

- Monitored the effectiveness of the Enterprisewide Risk Management Framework (ERMF) in ensuring it fostered a strong risk-aware culture and Nedbank's resilience.
- Continuously monitored the risk management maturity and effectiveness of anti-money-laundering (AML) and combatting the financing of terrorism (CFT) measures, and sanctions, including the progress of our Immediate Outcome 4 (IO4) remediation project relating to SA's 'greylisting' by the Financial Action Task Force (FATF).
- Continuously monitored the robustness of our cyberresilience amid a surge in digital fraud and sophisticated cyberattacks across various sectors.
- Increased focus on financial crime management in light of the increasingly sophisticated and pervasive nature of financial crimes and the threat they pose to the integrity of the banking sector.
- Monitored and reviewed the Risk Management Plan (including the Risk Appetite Plan) to ensure it aligns

- with our strategic objectives while fortifying our capacity to withstand uncertainties and recommended board approval of the plan.
- Monitored emerging and digital risks to bolster Nedbank's resilience while navigating the ever-evolving operating landscape and safeguarding our digital infrastructure.
- Monitored the effectiveness of the people risk mitigation strategy in addressing critical skills shortages and navigating the war for talent as a top-of-mind agenda item.
- Provided its members with annual continuing education opportunities and customised training focusing on risk management, risk governance and risk oversight.

Focus for 2025 and beyond

- Continue to monitor the progress of Strategic Portfolio Tilt (SPT) 2.0 against the group business plan targets and risk appetite limits.
- Review and approve the 2025 ICAAP and ILAAP and update the 2026–2028 risk management plan, including the risk appetite plan, and recommend to the board for approval.
- Foster a proactive and forward-looking risk management approach to the safe integration of emerging technologies in Nedbank by mitigating any potential risks while optimising their benefits to drive efficiency and build on our strategic goals.
- Continue to manage and mitigate risks that may arise as a result of failed data risk management processes and procedures, thereby ensuring protection of Nedbank client and proprietary data and maintaining trust.
- Monitor the group risk focus areas such as the risk management priorities according to the board-approved risk management plan, Nedbank top 10 risks, Group Key Issues Control Log, and risk governance to ensure sustainable growth and value preservation.
- Drive accountability across the group for favourable risk management outcomes through enabling risk management guardrails, the ERMF and a sound risk culture across all lines of defence to impact Nedbank strategic goals and the transformation agenda positively.
- Ensure the group effectively manages and allocates capital across clusters to allow business units to deliver on identified opportunities.

Members

Errol Kruger, Chair

Jason Quinn Linda Makalima
Brian Dames Terence Nombembe
Rob Leith

Board committee representation at 31 December 2024.

Stakeholders



Top 10 risks



- 1 Strategic execution
- 2 Business
- 3 Credit
- 4 Cyberrisk
- 5 Operational
- 6 People
- 7 Climate
- 8 Organisational resilience
- 9 Reputational and market conduct
- 10 Capital



Committee chairpersons' reports *continued*

Board oversight – ensuring and protecting value

Group Transformation, Social and Ethics Committee (GTSEC)

'At Nedbank, we are guided by our purpose, which remains relevant and deeply ingrained in our initiatives. Our commitment to societal well-being is demonstrated through our focus on ethics, employee well-being, diversity, transformation and financial inclusion. We continue to invest in the green economy for a sustainable future.'



Linda Makalima, Chair

Ensuring and protecting value in 2024

- Oversaw the management of the impact of the Amended FSC against the targets to measure our BBBEE contributor status. We retained our level 1 BBBEE contributor status for the 7th consecutive year under the Amended FSC.
- Oversaw the continued implementation of the groupwide CSI Green Economy Strategy. From inception, R118m has been invested in waste, water, energy and agriculture, with over 815 enterprises supported and 2 150 jobs created.
- Monitored the quantification of the impact of the investments made into the Green Economy Strategy focus sectors of agriculture, energy, water and waste using the methodology of social return on investment (SROI). We achieved an SROI of 3.91. The Nedbank Indalo Fund was created to support small enterprises with concessional loans, to empower sustainable growth in SA's green economy.

- Monitored remuneration practices as reviewed by the Group Remuneration Committee to ensure fair and ethical outcomes.
- Oversaw the development, enhancement and implementation of our Ethics and Human Rights Management Plan, and the implementation of ESG social risk metrics.
- Monitored progress towards the fulfilment of our purpose as guided by our Sustainable Development Framework and evidenced through our ambition to deliver on sustainable development finance.
- Monitored feedback on workforce surveys and the progress made towards our culture shift.
- Oversaw the continued embedding of The Nedbank Way (a framework that captures our culture in 7 core principles) and launched a focus on allyship to drive a more active and distributed approach to promoting diversity, equity and inclusion.
- Monitored employment equity progress and talent practices, enabling the retention and progression

of underrepresented (specifically African) talent at junior-, middle- and senior-management levels.

- Oversaw the well-being of employees.
- Monitored skills development plans.
- Oversaw the YES Programme.
- Gained in-depth insights into the Amended FSC statement FS100 ownership.
- Received reports on our market conduct and culture, client experience and financial education, enabling financial inclusion and transformation activities underway.

Focus for 2025 and beyond

- Monitor progress in retaining a competitive BBBEE contributor status, including any impacts that may emanate from the pending Amended FSC industry review process.
- Monitor the creation of a Nedbank ecosystem approach that shifts green economy CSI projects from grant funding to commercial funding.

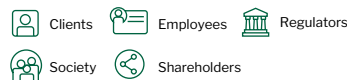
- Monitor the impact of the investments made into the Green Economy Strategy focus sectors of agriculture, energy, water and waste, using the SROI methodology.
- Guide the enhancement of the culture of ethics and ethical leadership and provide strategic guidance on emerging ethical issues.
- Oversee Nedbank's Purpose Programme of Work elements as they relate to GTSEC's mandate, i.e. enablers such as capacitation and skills development, people practices, human rights, business ethics, and social and financial inclusion.
- Oversee the YES Programme.
- Monitor people risk.
- Oversee the implementation of our ESG social risk metrics.
- Oversee the implementation of the Ethics Risk Assessment 2025.
- Oversee the implementation of the Human Rights Impact Assessment 2025.
- Monitor talent practices, including the retention of underrepresented (specifically African) talent at middle- and senior-management levels.
- Oversee our progress in respect of transformation (employment equity and skills development).
- Monitor the well-being of employees.
- Monitor the promotion of human-centred leadership, with a focus on leadership experience and employee advocacy.
- Monitor the embedment of allyship as a call to action to promote diversity, equity and inclusion.

Members

Linda Makalima, Chair
Phumzile Langeni
Jason Quinn
Stanley Subramoney

Board committee representation at 31 December 2024.

Stakeholders



Top 10 risks



- 1 Strategic execution
- 5 Operational
- 6 People
- 7 Climate
- 9 Reputational and market conduct



Committee chairpersons' reports *continued*

Board oversight – ensuring and protecting value

Group Directors' Affairs Committee (DAC)

'Our goal is to maintain the highest standards in corporate governance, board succession, compliance, reputational risk management, and strategic execution by leveraging the expertise of our highly skilled employees, and continuously enhancing our processes to stay ahead in a rapidly evolving operating environment. We are committed to excellence and innovation, ensuring that we not only meet expectations but exceed them.'



Hubert Brody, Chair

Ensuring and protecting value in 2024

- Managed the composition of board committees, the succession process for non-executive directors' positions, and the conclusion of the CE succession process.
- Fostered a strong ethical and compliance culture, ensuring that the group was led responsibly and effectively in line with the applicable regulatory framework, while protecting the group's reputation and strengthening stakeholder trust, which demonstrated our commitment to excellence and integrity.
- Assessed the status of board governance within Nedbank subsidiaries.
- Considered the results of the 2023 independent evaluation of the board and committees.
- Provided in-principle approval of the Group Governance Framework.
- Provided guidance on potential risks to strategy implementation.
- Monitored strategic key performance indicators and the execution of the group's strategy in the context of market trends and activity.

- Reviewed and approved the annual updates to the Mergers and Acquisition (M&A) and Strategic Risk Principles policies.
- Together with the board, considered the shareholders' input received during the 11th annual ESG roadshow.
- Continued to monitor progress of the Nedbank Remediation project relating to SA's greylisting.
- Monitored Nedbank's compliance with Regulations 39 and 40 of the Banks Act to ensure the group preserved its licence to operate.
- Oversaw the activities of the compliance function as specified in the Banks Act, ensuring effective control of compliance risks, including regulatory and reputational risks.
- Approved the updated Compliance Risk Management Policy, supporting framework and annual coverage plan.
- Tracked the completion of the compliance coverage plan.
- Supported the enhancement of compliance skills and the leveraging of technology to augment efficiencies and effectiveness.
- Monitored overall compliance levels, including AML, CFT and sanctions, exchange control, data privacy and

- OHS compliance, as well as the status of the compliance control environment and remediation of significant findings.
- Oversaw regulatory and advocacy activities, participation at industry associations, and readiness and implementation of regulatory requirements to achieve compliance and uncover opportunities.
- Oversaw the fair treatment of clients by tracking market conduct compliance levels.
- Managed reputational risk through the Group Reputational Risk Committee (GRRC) and oversaw enhancements to the Reputational Risk Management Framework and Reputational Risk Policy.
- Provided strategic guidance on the management of material reputational risk matters.
- Maintained oversight of interactions with regulators.
- Maintained oversight of all regulatory developments, including those relating to market conduct, ESG, crypto, open finance and AI.

Focus for 2025 and beyond

- Review and approve the annual updates to the Mergers and Acquisition (M&A) and Strategic Risk Principles policies.
- Ensure the bank maintains an independent, effective and adequately resourced Compliance function.
- Promote and assess a robust culture of ethics and compliance.
- Assess the effectiveness and appropriateness of the group's corporate governance structure and practices continuously.
- Track the completion of the compliance coverage plan.
- Evaluate compliance risk levels, including the status of the compliance control environment, significant compliance findings and related remedial action.
- Support the compliance function to be innovative and agile while adhering to legal and regulatory requirements.
- Maintain oversight of AML, CFT and sanctions compliance levels and the outcomes of SARB and offshore regulators' inspections, and regulatory reform.
- Oversee exchange control and data privacy matters.
- Focus on adhering to market-conduct-related regulatory requirements to support the fair treatment of clients.
- Monitor regulatory developments and the appropriateness of Nedbank's response, including developments related to market conduct, ESG, crypto, open finance and AI.
- Oversee the management of reputational-risk matters and support proactive reputational-risk management.
- Maintain oversight of regulator interactions.

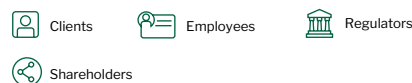
Members

Hubert Brody, Chair

Brian Dames	Linda Makalima
Errol Kruger	Rob Leith
Daniel Mminele	Stanley Subramoney

Board committee representation at 31 December 2024.

Stakeholders



Top 10 risks



- 1 Strategic execution
- 2 Business
- 9 Reputational and market conduct



Committee chairpersons' reports continued

Board oversight – ensuring and protecting value Group Sustainability and Climate Resilience Committee (GSCRC)

'Nedbank's clients are impacted by the inescapable impacts of climate change. As our clients adapt to these changes, our commitment to supporting them on this journey is guided by our approach to protecting nature and mitigating social and environmental risks.'



Brian Dames, Chair

Ensuring and protecting value in 2024

- Supported the development of an ISSB IFRS S1 and S2 standards adoption roadmap to begin aligning our sustainability and climate reporting with these standards.
- Oversaw the adoption of the Nature Position Statement and the Taskforce on Nature-related Financial Disclosures as the basis of reporting.
- Oversaw the adoption of the bank's fossil fuel (upstream coal, oil and gas) and power generation glidepaths.
- Added a prohibition of lending towards activities that may negatively impact biodiversity resources in protected areas or critical habitat or conservation areas, and supporting the commitments made in the Nature Position Statement.
- Provided oversight of the first-ever Climate Risk Materiality Assessment (CRMA), which enabled the group to assess climate risk drivers, both physical and transitional, using climate scenarios and a range of time horizons on the lending portfolio.

- Reviewed governance structures to ensure that environmental, social and governance (ESG) matters are adequately addressed across the board. This resulted in a revised committee name and charter.
- Monitored the group's climate risk appetite, ensuring that all climate-related risk appetite metrics remained within board-approved targets and limits throughout the year.
- Steered the development of the metrics and targets section of the bank's Transition Plan.
- Provided guidance to ensure that the Energy Policy targets remained appropriate for the group.
- Facilitated training sessions for the full board.
- Considered a client engagement approach, focusing on unpacking the bank's role in supporting clients in their transition journeys and requirements.
- Monitored the progress of the operationalisation of the Climate Risk Management Framework (CRMF).

- Monitored the delivery of climate finance opportunities as committed to in the 3-year group business plan, and the annual progress made to achieve the bank's sustainable development finance (SDF) ambition.
- Considered the overall responsibility for central coordination of sustainability, SDF and climate-related functions.
- Provided oversight of progress made through the Purpose Programme of Work (PPOW) as the approved construct for institutionalising purpose fulfilment across the organisation.
- Oversaw the establishment of the ESG Tech Steerco, which has the necessary mandate and enterprisewide view of data and systems to provide support with regard to sustainability, ESG and climate risk, which is a key workstream in PPOW.
- Facilitated a successful submission of the SARB Climate Risk Stress Test.

Focus for 2025 and beyond

- Enhancing reporting against the requirements of the IFRS S1 and S2 standards and the taskforce on Nature Related Financial Disclosures.
- Overseeing the operationalisation and integration of the bank's Transition Plan across business, through the development of new glidepaths and sector policies.
- Continuously monitoring the operationalisation of the CRMF through the Climate Risk Programme, with a strong focus on climate scenario analysis.
- Continuously overseeing client engagements to assist with clients' own Just Transition journeys.
- Continuously overseeing PPOW institutionalisation across the group.
- Focusing on the alignment and execution of ESG Tech Steerco initiatives aimed at climate data collection and sourcing, as well as enhanced data capabilities to support the identification, measurement, and monitoring of climate-related risks and opportunities.
- Monitoring the progress of integrating the Climate Risk Materiality Assessments and Nature Risk Materiality Assessment across business.
- Continuously reviewing our climate risk appetite to ensure compliance with board's risk appetite limits and targets.
- Working with global partners to improve our sustainability, climate and ESG management across our lending and investment businesses.
- Participating in global peer engagements, indices and surveys to ensure that we are considering globally recognised material issues in sustainability, ESG, nature and climate.

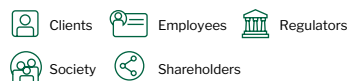
Members

Brian Dames, Chair*

Daniel Mminele May Hermanus**
Linda Makalima Phumzile Langeni

Board committee representation at 31 December 2024.

Stakeholders



Top 10 risks



- 1 Strategic execution
- 2 Business
- 3 Credit
- 7 Climate
- 10 Capital

* Brian Dames remains the Chairperson of the GSCRC for an additional 1 year given the need for continuity on the GSCRC while the search for additional directors with sustainability and climate risk expertise is underway.

** May Hermanus was appointed as a non-executive director and member of the GSCRC in July 2024.



2024 Attendance at board and board committee meetings by directors and professional consultants

Attendance at board and board committee meetings is very high. Board meeting attendance is 99%. GAC, DAC, GITCO, GSCRC, GRCCMC have 100% attendance and the remaining committees have attendance above 90%. This is significantly higher than the minimum attendance level of 75% in terms of the policy on nomination and appointment of directors.

		Total	% total	Nedbank Group Limited Board ¹	Nedbank Limited Board	DAC	Group Remco	GAC ²	GITCO	GCC	LEAC	GRCCMC	GTSEC	GSCRC	GSCRC pre-scheduled	GSCRC ad hoc/short notice
	Number of meetings			8	6	4	5	6	4	6	4	6	3	6	4	2
	Directors															
Executive	Jason Quinn ⁷	23/24	96%	6/6	4/4					4/4	4/4	4/4	1/2 ³			
	Mike Davis	24/24	100%	8/8	6/6					6/6	4/4					
	Mfundo Nkuhlu	17/20	85%	7/8	5/6					5/6						
Previous executive	Mike Brown ⁶	9/9	100%	2/2	2/2					2/2	0/0	2/2	1/1			
Non-executive	Brian Dames	34/34	100%	8/8	6/6	4/4			4/4			6/6		6/6	4/4	2/2
	Stanley Subramoney	42/42	100%	8/8	6/6	4/4	5/5	6/6		6/6	4/4		3/3			
Independent non-executive	Daniel Mminele	24/24	100%	8/8	6/6	4/4								6/6	4/4	2/2
	Hubert Brody	33/33	100%	8/8	6/6	4/4	5/5	6/6	4/4							
	Neo Dongwana	35/35	100%	8/8	6/6		5/5	6/6		6/6	4/4					
	May Hermanus ⁸	11/11	100%	5/5	3/3									3/3	2/2	1/1
	Errol Kruger	40/40	100%	8/8	6/6	4/4		6/6		6/6	4/4	6/6				
	Phumzile Langeni	34/34	100%	8/8	6/6		5/5	6/6					3/3	6/6	4/4	2/2
	Rob Leith	41/43	95%	8/8	6/6	4/4	4/5		4/4	6/6	3/4	6/6				
	Linda Makalima	42/43	98%	8/8	6/6	4/4				6/6	3/4	6/6	3/3	6/6	4/4	2/2
Terence Nombembe ⁵	25/25	100%	8/8	6/6			6/6				5/5					
Independent consultant	Brendan Olivier ⁴	5/5	100%				5/5									
	Total	434/441		108/109	80/81	28/28	24/25	36/36	12/12	47/48	26/28	35/35	11/12	27/27		
	%	98%		99%	99%	100%	96%	100%	100%	98%	93%	100%	92%	100%		

¹ Excludes two ad hoc board calls.

² Includes annual meeting with SARB.

³ J Quinn attended a meeting regarding the G20.

⁴ Professional Consultant to Group Remuneration Committee from Vasdex Associates.

⁵ T Nombembe appointed on 1 January 2024.

⁶ M Brown retired on 31 May 2024.

⁷ J Quinn appointed on 31 May 2024.

⁸ M Hermanus appointed on 15 July 2024.



Other key areas of responsibility and oversight

Subsidiary governance IV

In accordance with best governance practices, the Nedbank Group Board has overall responsibility for governance across the group. Our response to the challenging environment confirms how well our governance practices are integrated across the group. Working in unison with executive management, our board provides groupwide oversight of the governance processes and frameworks, while our executive management implements policies and procedures through which governance is applied within the organisation. Accordingly, Nedbank Group Limited, as the parent company, was able to exercise appropriate governance oversight over its subsidiaries while maintaining the independence and the legal and governance responsibilities that apply to each subsidiary.

Governance frameworks: Our Group Operating Policy sets out the management processes that are in place for business clusters (Nedbank Corporate and Investment Banking, Nedbank Retail and Business Banking, Nedbank Wealth and Nedbank Africa Regions) to provide oversight of the relevant subsidiaries within the group. Our Group Governance Framework sets out board governance standards that apply to Nedbank Group and subsidiaries in the group.

Group Company Secretaries' Forum: To ensure alignment with corporate governance standards, the Group Company Secretaries Forum was established by the Group Company Secretary to be an advisory, monitoring and information-sharing platform for company secretaries across our main operating subsidiaries. Some of the items discussed at the Group Company Secretaries' Forum in 2024 included recommended practices for board evaluations, beneficial ownership, board governance frameworks and policies, director training programmes, and key governance themes across the group.

Board evaluations: The main operating subsidiaries regularly undertake independent or internal evaluations of their boards and board committees based on the applicable regulatory requirements, local conditions and best-practice guidelines. In 2024 Group Secretariat facilitated internal evaluations of the board and board committees of Nedbank Private Wealth Limited. The results were shared with the Nedbank Private Wealth Limited Board and board committees in March 2025.

Annual review of the status of governance in subsidiaries: DAC annually reviews the status of governance in the group's main operating subsidiaries in the Nedbank Africa Regions and Nedbank Wealth Clusters. In 2024 the review included both a qualitative and a quantitative review. The overall findings are that board governance processes in the main operating subsidiaries worked well and that there are no areas of concern.

Annual directors and senior leadership training: An annual training programme is held for subsidiary boards and other senior leaders in the group. The training topics are decided in consultation with clusters, subsidiaries and other key stakeholders. Training topics in the 2024 programme included ESG risk management; ethical decision-making at board level; competition law, company law and banking law updates; mergers and acquisitions; and balance sheet management. The annual training programme is in addition to bespoke training programmes provided by individual subsidiaries or clusters.

Other initiatives: Close ties with the subsidiary boards are also achieved through Daniel Mminele's Chairman's College, Jason Quinn's CEO College, and Stanley Subramoney's College of Audit Committee Chairs.

Our relationship with stakeholders

The board continuously monitors the group's relationship with its stakeholders and engages directly with employees, clients, regulators, and shareholders. Nedbank is acknowledged as a neutral convener of stakeholder dialogues on a range of national, financial, social and policy development issues. During 2024, online, hybrid and face-to-face stakeholder events facilitated by Nedbank covered areas such as ethics and good governance, green economy and the Just Energy Transition, youth and job creation, financial inclusion, digital readiness, township economy, and more. No fewer than 500 key stakeholders participated at these events, including CEOs of various companies, ministers of government, diplomats, civil society leaders, and youth and community representatives. Top leadership at Nedbank (including the CE, the Chairperson and Group Exco members) participated actively.

Fair and responsible remuneration

Group Remco is dedicated and skilled to provide independent oversight and direction on remuneration, with clear roles and responsibilities set out in its charter. Group Exco, Group Remco and GTSEC review and approve the results of the Equal Pay for Work of Equal Value (EPWEV) exercise as well as the measures we have in place to ensure fair pay. Membership of Group Remco and GTSEC overlap so that regular and healthy interaction between these committees takes place with the aim of promoting an ethical culture.

Shareholder rights

All holders of the same class of shares issued by Nedbank Group are treated equitably and all ordinary issued shares rank equally and have the same voting, dividend and other rights. Our MOI does not contain any defensive mechanisms or share ownership ceilings. Accordingly, there are no restrictions on the number of shares that may be held by a single shareholder, other than in those instances prescribed by law. No shareholder has any priority rights and there are no multiple voting shares or shares that have no voting rights. No shareholder has a controlling interest in our issued share capital.



Our Group Executive Committee

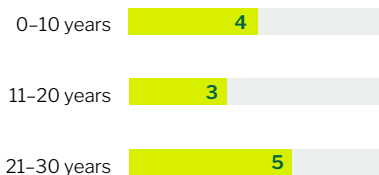
The Nedbank Group Exco is a diverse and experienced management team that comprises the Chief Executive (CE), Chief Operating Officer (COO), Chief Financial Officer (CFO), 4 frontline managing executives and 6 shared-services executives.

Executive directors			Frontline MEs			Shared-services Group Executives						
Jason Quinn ⁵⁰	Mfundo Nkuhlu ⁵⁸	Mike Davis ⁵³	Anël Bosman ⁵⁸	Ciko Thomas ⁵⁶	Dr Terence Sibiyi ⁵⁵	Dave Crewe-Brown ⁵⁷	Deb Fuller ⁵²	Daleen du Toit ⁶⁰	Nomonde Hlongwa ⁴²	Priya Naidoo ⁵¹	Khensani Nobanda ⁴⁶	Ray Naicker ⁴⁸
CE Exco member since: 31 May 2024 1 years' service at Nedbank	COO Exco member since: 1 December 2008 21 years' service at Nedbank	CFO Exco member since: 1 January 2015 28 years' service at Nedbank	Group Managing Executive: CIB Exco member since: 1 April 2020 23 years' service at Nedbank	Group Managing Executive: PPB Exco member since: 18 January 2010 14 years' service at Nedbank	Group Managing Executive: NAR Exco member since: 1 April 2020 13 years' service at Nedbank	Chief Risk Officer Exco member since: 1 April 2024 29 years' service at Nedbank	Group Executive: Group HR Exco member since: 25 June 2018 6 years' service at Nedbank	Chief Compliance Officer Exco member since: 1 May 2022 10 years' service at Nedbank	Chief Compliance Officer – designate Exco member since: 16 April 2025 < 1 year's service at Nedbank	Group Executive: Strategy Exco member since: 1 January 2015 23 years' service at Nedbank	Group Executive: Group Marketing and Corporate Affairs Exco member since: 15 May 2018 7 years' service at Nedbank	Chief Information Officer Exco member since: 1 July 2020 20 years' service at Nedbank

Group Managing Executive: BCB – To be announced in due course

Group Exco tenure at Nedbank

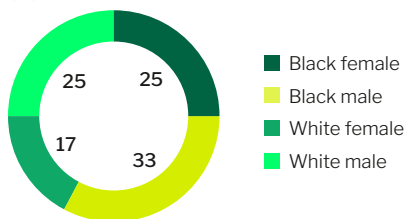
(Number of Group Exco members)¹



Years of combined service
184
years¹

Group Exco demographics

(%)¹

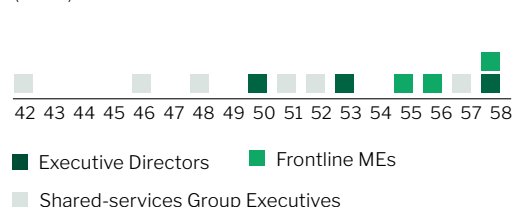


Gender demographics



Group Exco age

(Years)¹



Average age

Average age:
48 years

Group Exco changes

Jason Quinn succeeded Mike Brown (CE) post his retirement at the conclusion of the group's AGM in May 2024. Daleen du Toit, the Group Chief Compliance Officer, reaches the group's normal retirement age in H1 2025 and Nomonde Hlongwa has been appointed as Group Chief Compliance Officer-designate, and assumes the role of Group Chief Compliance Officer and member of Group Exco on 16 April 2025. Iolanda Ruggiero took early retirement on 31 March 2025.

Nedbank policy:

Group Exco members retire on reaching the age of 60. From 1 August 2025, the group's retirement age will be extended to 63.

Access detailed profiles of our Group Exco here.

¹ At 31 March 2025, excluding Iolanda Ruggiero who took early retirement on 31 March 2025, and Daleen du Toit who will retire in H1 2025. Daleen Du Toit is not included in all calculations. Includes Nomonde Hlongwa who will become a Group Exco member on 16 April 2025.



Disclosure of our application of King IV principles IV

Good performance and legitimacy – Disclosure on application of King IV

The board remains committed to the application of and adherence to the 17 King IV principles to achieve their associated outcomes. The detailed application status of the King IV principles in the bank is contained in the table below.

Leadership Status: Aligned

Principle 1 – The governing body should lead ethically and effectively.

The Nedbank Group Board sets the tone at the top and leads the group ethically, effectively and responsibly within acceptable risk parameters. The board provides leadership and strategic guidance continually aimed at safeguarding stakeholder value creation. This leadership and guidance are provided within a framework of ethical and prudent controls, which supports the establishment of an ethical culture.

Annually, each boardmember signs the Board Ethics Statement, acknowledging their individual and collective accountability for ethical, effective, and responsible leadership of Nedbank Group. They commit to high ethical standards and to conducting themselves honestly, scrupulously and with integrity. They also acknowledge that our values must guide the way we do business, and they commit to exercising their powers and functions in the utmost good faith and in the interests of the bank, its stakeholders and the planet. Boardmembers must conduct themselves according to Nedbank values and their legal duties under the Companies Act. The board regularly reviews values–strategy alignment to ensure high standards of ethics and corporate behaviour, supported by a code of ethics and conduct addressing conflicts of interest. The statement emphasises that ethical and effective leadership should complement and reinforce each other. Subsidiaries also sign a similar statement each year.

As part of the statement, boardmembers also acknowledge their obligation to avoid conflicts of interest, whether real or perceived, and commit to timeous and full disclosure where a conflict

of interest cannot be avoided. In line with this obligation, boardmembers complete a detailed conflicts-of-interest and fit-and-proper questionnaire annually. The Nedbank Group Limited and Nedbank Limited Policy on Conflicts of Interest for Directors and Executive Management is in place (as required by the JSE Debt Listings Requirements) to deal with identification, management and avoidance of conflicts of interest). The policy addresses compliance with the relevant common law, Companies Act requirements related to fiduciary duties of directors, as well as relevant King IV principles, JSE Listing Requirements (including JSE Debt Listing Requirements) and any other applicable Nedbank policy from time to time.

The performance of the board as a whole, and the individual boardmembers, is assessed through the board evaluation process. Evaluations of the Nedbank Group Board and board committees alternate annually between independent evaluations and internal evaluations. In 2024 internal board and board committee evaluations were undertaken. The overall feedback from the evaluations is that boardmembers and board committee members are very satisfied with the performance of the Nedbank Group Board and board committees. Although no areas of concern were identified, in the spirit of continuous improvement, actions (that were largely housekeeping in nature) were identified to enhance board awareness of material matters, improve efficiencies of board and board committee packs and meetings, and explore opportunities for less formal engagements with management.

Organisational ethics Status: Aligned

Principle 2 – The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.

At Nedbank, ethics are governed in a way that supports an ethical culture, where we seek to ensure that ethical practices and behaviour are effectively embedded across all functions and activities of the bank.

The board establishes the tone at the top, and the group has implemented a comprehensive governance structure aimed at giving effect to the responsibilities of the board in relation to ethics, as set out in more detail in the Ethics Review chapter.

In addition to signing the annual Board Ethics Statement, whereby the board (individually and collectively) commits to conducting itself according to the highest standards of integrity, the board, through GTSEC, provides leadership and strategic guidance on how ethics should be addressed across the organisation. It does this by, among other things, conducting a review and approving the Employee Code of Ethics and Conduct annually and providing oversight of the adoption and periodic review of all ethics-related policies, as well as the communication of these policies to employees.

The board has delegated the management of ethics and human rights to Group Reputational Risk and Ethics and provides oversight and guidance on all ethics initiatives implemented across the group, which include the implementation of ethics-related policies, training and awareness

initiatives, employee conduct investigations, and other measures designed to promote an ethical culture. Additionally, the board ensures that periodic independent ethics risk assessments are conducted for the group every 3 to 4 years and provides strategic guidance and oversight of the implementation of the ethics management plan, which is developed to address the outcomes of these assessments.

GTSEC receives reports from Group Reputational Risk and Ethics covering the state of ethics and human rights in the business. This report includes an overview of key trends and regulatory developments in relation to ethics and human rights, information on whistle-blowing and employee conduct investigations, updates on ethics and human rights management across the group, and other ethics and human rights risk indicators from across the group. The report received by GTSEC recognises that being ethical goes beyond legal and regulatory compliance. It monitors all ethical requirements in terms of the Companies Act, Banks Act, regulations, supervisory requirements as well as all other requirements in terms of the Nedbank Code of Ethics and Conduct (including compliance by directors and employees with the group's Code of Ethics and Conduct) and related policies. In addition to this, the Group Chief Compliance Officer attends regular meetings with the Chairperson to provide an update on the group's performance in relation to ethics and human rights.

Please refer to the Ethics Review chapter for more detail.

Disclosure of our application of King IV principles continued

Responsible corporate citizen

Status:
Aligned

Principle 3 – The governing body should ensure that the organisation is, and is seen to be, a responsible corporate citizen.

Corporate citizenship is the recognition that an organisation is an integral part of society with concomitant rights, responsibilities and obligations towards it. Corporate citizenship is imbued within our vision of being Africa's most admired financial services provider and is crystallised in our purpose to use our financial expertise to do good. Our strategy is therefore purpose-led, is values-based and takes into account the needs and expectations of the societies in which we operate and our stakeholders. We have a responsibility to contribute positively towards the social, economic and environmental development of the societies in which we operate. The teams driving our sustainability and social responsibility strategy and processes through the organisation include Group Reputational Risk and Ethics; Sustainability; Human Resources (Learning and Development, Remuneration, and Transformation); Occupational Health and Safety; Group Financial Crime, Forensics and Security (GFCFS); Group Tax; and the Social Impact Unit.

Society

- The board, through its various board committees, provides strategic guidance on matters that relate to Nedbank's impact on the well-being of society. From a human rights perspective we report through our biannual assessment of the state of ethics and human rights and we undertake annual reviews of the Group Human Rights Statement and the Modern Slavery Act Statement. Implementation of our human rights plan will continue during 2025 with a risk-based approach, considering the outcomes of the human rights impact assessment.
- The board, through its board committees, also provides direction in relation to the management of human rights risk as part of our commitment to conducting business ethically and responsibly. The Group Human Rights Statement and the Modern Slavery Act Statement set out our commitments and further outline steps that we have taken to ensure that human rights are monitored, respected and upheld. Our clients in high-impact sectors are assessed on social impact, including human rights, through a social and environmental assessment. This assessment was updated in 2024 to include more detailed declarations from stakeholders to enable comprehensive reporting and effective decision-making. Sign-off on social and environmental risk

(which includes human-rights-in-business aspects) is a prerequisite for a credit committee considering a credit application. The board has also delegated responsibility for the management of human rights to several key functions across the organisation, and Group Reputational Risk and Ethics serves as the central function for the oversight and coordination of human rights considerations across the group.

- There are further arrangements in place for familiarising stakeholders (including suppliers) with the organisation's ethical standards and ensuring accountability with regard to these standards. Social and environmental risk is one of the risks that Nedbank actively monitors. Whether strategic or operational in nature, it is viewed as seriously as all other risks to which our business is exposed.
- In 2024, social risk metrics were developed and piloted, aligning with international best practices and ESG rating agencies' assessments. These metrics focus on transparent reporting of forced and child labour, assessing supplier compliance with child labour laws, and include metrics on reported violations of labour laws, incidents of workplace discrimination or harassment, unmet sustainable investment targets, investor engagement on ESG issues, and corruption and fraud cases related to sustainable funding. These metrics are being refined and will be included in board reports starting in 2025.
- Our commitment to community development is deeply ingrained in our corporate ethos. We believe in creating a positive and lasting impact that transcends mere financial contributions. Our corporate social investment (CSI) initiatives are designed to drive meaningful change, foster sustainable development, and uplift communities across SA. One of the cornerstones of our approach is the rigorous measurement of our initiatives' impact through social return on investment (SROI). By employing SROI, we quantify the social, environmental, and economic value generated by our projects, ensuring that our efforts deliver tangible benefits to the communities we serve. This methodology allows us to transparently assess the effectiveness of our programmes, optimise resource allocation, and maximise the positive outcomes for our stakeholders.

Economy

- As a responsible corporate citizen, Nedbank adheres to corporate tax requirements and the board is ultimately accountable for determining the group's tax philosophy and approach and, together with GAC, providing oversight of the group's tax practices and affairs.
- Our tax strategy supports our abovementioned vision and purpose. We are committed to being a responsible taxpayer that pays its fair share of tax within industry norms, acting with integrity when engaging

with revenue authorities to support positive and sustainable relationships and for the purposes of obtaining certainty of our tax positions.

Environment

- The importance of sustainability, nature, mitigating climate risk, and ESG considerations have become increasingly central to our business strategy, operations, and risk management practices. In 2024 the mandate of the Sustainability Risk Committee, a subcommittee of Group Exco, was broadened from oversight of climate risk to sustainability risk, aligning with GSCRC. By integrating sustainability, nature and ESG considerations into Nedbank's business strategies; enhancing our risk management frameworks; and engaging proactively with our clients and stakeholders, we continue to lay a solid foundation for our group's sustainable future. The governance of climate and sustainability risks has been firmly established in our frontline business to ensure the effectiveness of our 3 Lines of Defence (3LoD) Model.
- We have developed risk management and reporting tools in consultation with experts and stakeholders, including government departments, non-governmental organisations, and other institutions. These tools help clients meet statutory requirements, protect shareholder and stakeholder interests, and safeguard communities and the environment. They focus on high-impact industries such as agriculture, mining, oil, gas, construction, water infrastructure, manufacturing, and waste management. We fully recognise the interconnectedness of climate change and nature, and we are in the process of conducting our first Nature Risk Assessment to understand the impacts and dependencies on nature of our clients in prioritised sectors of our portfolio. Our approach in this regard is further explained in the Risk Management chapter of our Climate Report.
- Climate change represents the most significant threat faced by society today, with widespread impacts. As a purpose-driven business, we are dedicated to taking a leading role in addressing nature loss and climate change, considering local socioeconomic conditions and climate vulnerabilities. We will persist in identifying, managing, and mitigating ESG-related risks through our ESG Risk Management Framework, Climate Risk Management Framework and the Social and Environmental Management System (SEMS) at a transactional level, which are reported in our Climate Report. Collaborating with stakeholders and clients, we aim to unlock ESG-related opportunities to deliver value for our stakeholders and broader society.



Disclosure of our application of King IV principles *continued*

Strategy and performance Status: Aligned

Principle 4 – The governing body should appreciate that the organisation’s core purpose, risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.

The setting of strategic direction and support of holistic operational performance are the primary responsibilities of the Nedbank Group Board. The strategy development process identifies relevant factors across the operating context, risks, opportunities, financial performance, business model relevance and sustainable development matters, which are considered in terms of the group’s purpose, vision, targets, medium- and long-term goals, and underlying corporate values for annual board approval.

The board delegates the formulation and management of strategy and execution to management. The board-approved Strategy Risk Principles Policy addresses the risk principles to be considered in the development of strategy. The policy is considered and approved by DAC and the Nedbank Group Board through the annual review of the Nedbank Group Enterprisewide Risk Management Framework (ERMF).

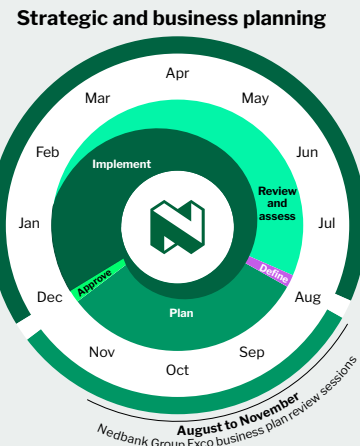
The board ensures that a robust strategy process is defined and executed. The strategy planning timetable entails detailed business

planning at business unit and Group Exco level, and a strategy review by the board, culminating in final approval of the strategy framework by the board in August and the final approval of the group business plan in November (by both Group Exco and the board). Nedbank has a rolling 3-year planning window that is focused on value creation and underpinned by strategic choices and goals that consider the economy, society and environment, as well as broader operating context. Management initiates the strategy review and business planning process in January with Group Exco.

The major macro trends in our operating environment are identified by analysing political, macroeconomic, social, competitive, technological, regulatory and environmental drivers. The effect of these trends on our client base and strategic objectives is assessed. Continued engagement with material internal and external stakeholders takes place and their needs and expectations are considered. Stakeholders include employees, clients, shareholders, regulators and communities. This process assists in highlighting whether any changes are required to any of Nedbank’s material matters –ie the issues that have the most impact on our ability to create value, with both opportunities and risks looked at to ensure that the strategy remains contextually relevant. Risks and opportunities arising from the material matters are identified and their impact on the short-, medium- and long-term strategies

is assessed. The material matters are also considered in the context of Nedbank’s purpose, vision, targets and long-term goals. This continual scanning and review process ensures that we are staying close to changes in the operating environment, enabling us to proactively review our strategic choices should there be significant changes in the material matters.

The outcome of this analysis assists in assessing the appropriateness of the current strategy and further informs any new strategic focus areas for the business planning window, which spans the following 3 years.



Reporting Status: Aligned

Principle 5 – The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation’s performance and its short-, medium- and long-term prospects.

Nedbank Group incorporates integrated thinking in its strategy, decision-making, operations and reporting. The mandate of GAC remains effective in its review of the suitability of information made available to stakeholders for them to extract the relevant value from such information.

Information related to the required disclosures appears in the group’s financial reporting, annual Integrated Report, as well as its suite of ESG reports. This includes information on financial and non-financial performance, the group’s purpose, vision and strategy; short-, medium- and long-term targets; as well as stakeholder and ESG-related matters in relation to the group’s ability to create value. These disclosures are available at group.nedbank.co.za.

The company’s performance, financial and non-financial, is disclosed semi-annually in the group’s results announcements, and annually in its financial statements, as well as the group’s Integrated Report and supplementary reports.

Our annual financial statements are assured by our joint external auditors, Ernst & Young Inc (EY) and KPMG Inc (KPMG); limited assurance on selected sustainability information is provided by EY; and Mosela Rating Agency provides limited assurance on our application of the Amended FSC and the group’s broad-based black economic empowerment status.

Disclosure of our application of King IV principles continued

Primary role and responsibilities of the governing body

Status:
Aligned

Principle 6 – The governing body should serve as the focal point and custodian of corporate governance in the organisation.

The board has ultimate accountability and responsibility for the performance and affairs of the company, including good governance practices and principles. The board aligns with the King IV objective in terms of its oversight functions and monitoring, as well as the roles and responsibilities set out in the respective charters. All board and board committee charters are reviewed annually to ensure that they are appropriately aligned with the principles and practices of King IV and to any changes that may be required to the board committees' areas of responsibility.

Composition of the governing body

Status:
Aligned

Principle 7 – The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively

The board, through DAC, reviews its composition on an ongoing basis. The reviews are done based on the criteria set out in the policy on the nomination and appointment of directors, which includes the board continuity programme. This policy deals with, among other things, the requirements for skills, experience, diversity, conflicts of interest and independence.

With regard to directors' reaching the end of their tenure or retirement age, board continuity is ensured through active succession planning. The qualifications of directors and their experience in specific industries are further scrutinised for applicability. Annual board reviews are conducted, alternating between independent evaluations and internal evaluations, to ensure that the board composition is aligned with best practice and governance codes.

The board composition is aligned with the requirements of King IV regarding the number of executive versus non-executive and independent directors. In this regard, 78% of the board is made up of non-executive directors (of which 64% are independent non-executive directors) and 22% executive directors. The skills, experience and tenure of board members are monitored continuously.



Please refer to page 10 for more information.

Committees of the governing body

Status:
Aligned

Principle 8 – The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.

The board of directors has the ultimate responsibility for the group's business strategy, financial soundness, governance, risk management and compliance and has allocated oversight of risk governance to GRMC. This includes, among other things, the overall effectiveness of the process relating to corporate governance, internal controls, risk management, capital management and capital adequacy.

The board provides leadership to the group that enhances shareholder value and provides entrepreneurial vision within a framework of prudent and effective controls to ensure long-term sustainable development and growth. The board has established the following committees to assist the board in overseeing the management of the group: GAC, DAC, Group Remco, GCC, LEAC, GTSEC, GITCO, GSCRC and GRMC. By conducting annual effectiveness assessments (alternating between independent and internal evaluations), we aim to ensure that board structures are effective.

The ERMF specifically allocates the 17 key risks (which individually also include various significant subrisks) across various board committees; executive management committees at group executive level; and governance within business clusters, and individual functions, roles and responsibilities. Risk management frameworks (for all significant risk types) are in place enterprisewide. Statutory board committees (as required by, among others, the Banks Act and Companies Act) and their roles of oversight and monitoring are catered for.

Accountability is delegated through committee charters for the respective committees, and effectiveness of the committees is measured regularly. The committee charters are available at group.nedbank.co.za/home/corporate-governance.

Delegation of responsibilities and mandates to individuals and/or ad hoc committees are managed through a formal delegation-of-authority process and accompanying board resolutions.



Please refer to page 18 for more information regarding board committees.




Disclosure of our application of King IV principles continued

Evaluations of the performance of the governing body Status: Aligned

Principle 9 – The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members support continued improvement in its performance and effectiveness.

Evaluations of the Nedbank Group Board and board committees alternate annually between independent evaluations and internal evaluations. Evaluation questionnaires are developed to support continued improvement. An independent evaluation was undertaken in 2023 followed by an internal evaluation in 2024 which took the form of a self-assessment focused on unpacking themes from the 2023 independent evaluation. The evaluations covered the Nedbank Group Board, board committees, the Chairperson and the Company Secretary. All boardmembers participated in the evaluations.

 Please refer to page 17 for more information on board and board committee evaluations.

Appointment and delegation to management Status: Aligned

Principle 10 – The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.

Nedbank adheres to sound practices in respect of board continuity succession planning, board delegation processes and annual CE performance evaluation. Board structures undergo annual review for effectiveness, alternating between independent and internal board evaluations. Additionally, Group Exco determines the charters for its Group Exco subcommittee and forums, which also undergo annual review to ensure they remain fit for purpose.

Risk governance Status: Aligned

Principle 11 – The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.

The board is ultimately responsible for all risks in the group and the setting of risk appetite.

The board has delegated its risk governance responsibility to GRCCM, which has the responsibility to provide independent oversight of the adequacy and effectiveness of the group's ERMF, which covers key, business and operational risks. The ERMF has been developed in accordance with the requirements of the Basel Committee on Banking Supervision (BCBS), the South African Banks Act and the Regulations Relating To Banks, King IV (South Africa), and the 3LoD Model international concept. GRCCM meets quarterly and receives reports from management, including the outputs of thematic deep dives as requested by GRCCM.

The ERMF enables the group to identify, assess, measure, manage, monitor, price and control risks and risk appetite, and to relate these to capital requirements to assist in ensuring capital adequacy and sustainability. The ERMF thus promotes sound business behaviour by linking capital adequacy and sustainability with performance measurement and remuneration practices. The fully embedded ERMF covers the group's risk universe and major risk classifications, with board and executive responsibility assigned to each. The risk universe has been allocated to the respective board committees.

The ERMF provides a solid and well-established, tried and tested framework for governance and the management of risk and compliance throughout the group. In addition to providing a foundation, the ERMF demonstrates a simple, yet effective, system covering all lines of defence to ensure that governance, risk and compliance matters are properly dealt with at all levels and that significant matters are timeously and effectively escalated to the appropriate levels of authority. The ERMF also provides for a good flow of information between the lines of defence.

The group's sound risk governance and risk management are underpinned by the 3LoD Model, based on 'function' rather than 'location' in the organisation.

The 3LoD Model forms an important part of the ERMF, which provides the structure in which the group operates. If risks taken are not managed and controlled effectively, it can prevent the group from achieving its strategic objectives. The roles and responsibilities of the 3LoD Model provide a structure to consider risk and control to ensure that they are appropriate and managed effectively. The 3LoD Model provides guidance as to the appropriate organisational structure to be implemented, assigning roles and responsibilities to parties that enhance the effective management of risk and controls.

An ERMF refresh is ongoing to ensure that Nedbank has digitally enabled, efficient and effective risk management that adapts to evolving internal and external stakeholder needs and client experience.

The Group Operating Policy caters for risk management and governance at the level of operating subsidiaries.



Disclosure of our application of King IV principles *continued*

Technology and information governance Status: Aligned

Principle 12 – The governing body should govern technology and information in a way that supports the organisation’s setting and achieving its strategic objectives.

There are various forums at board and Group Exco levels for the governance and management of technology and information.

Nedbank has a well-established governance structure with a tiered lines-of-defence model and oversight accountability designated to 2 board committees, GITCO and GRCCM.

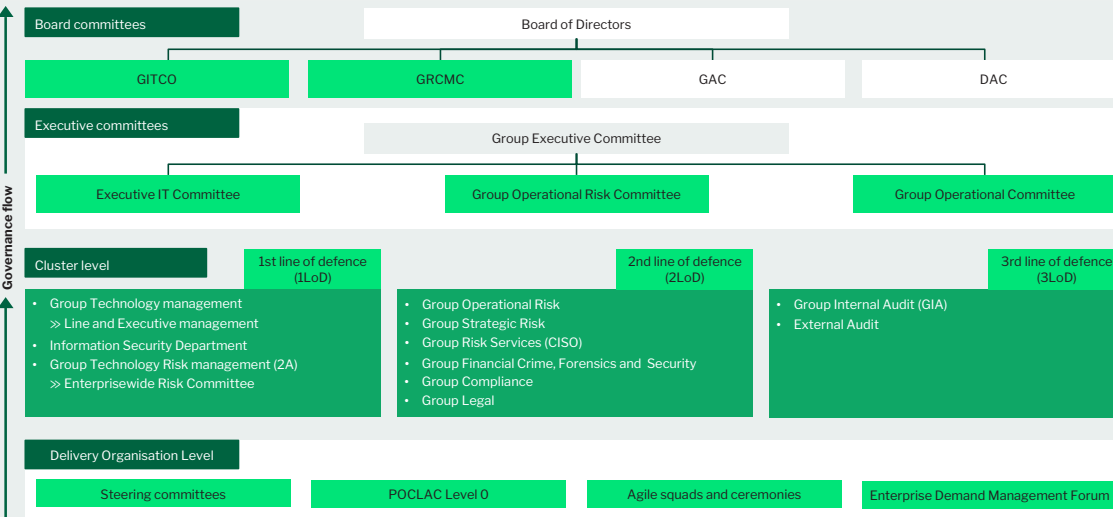
Frameworks, charters, committee structures and policies are in place to protect stakeholders, ensure value and mitigate the risks in delivering our plan, including appropriate prioritisation.

GITCO and the Executive IT Committee (EITCO) are responsible for discharging the governance of technology and information in the organisation.

GITCO has the responsibility to ensure the effectiveness and efficiency of information systems from a risk and strategic-alignment perspective, as well as to monitor the adequacy, efficiency and effectiveness of all the group’s

systems relevant to information technology, both operational (as reviewed and monitored by EITCO) and strategic (as reviewed and monitored by GITCO), in as much as these may impact the business strategy, financial performance, risk profile and information technology strategy of the group. The committee receives reports from management and meets quarterly.

GRCCM is responsible for discharging the governance of risk and capital management in the organisation, and inherent in its scope is the oversight of IT risk and ensuring appropriate capital levels to support the group’s IT strategy.



Compliance governance Status: Aligned

Principle 13 – The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.

Nedbank is committed to the preservation of its reputation, financial soundness, and integrity through compliance with applicable regulatory requirements (including Acts, rules, directives and codes made and maintained by authorities such as parliament, regulators, supervisory bodies and organs of state that Nedbank Group and its subsidiaries must by law comply with, as well as industry rules, codes and practices to which the Nedbank Group voluntarily adheres).

The board is ultimately accountable for compliance risk, which is one of the 17 risk types identified in the ERMF. Compliance is a material risk for the group and the board is responsible for reviewing the adequacy of group systems of governance, risk, compliance risk and compliance controls that are implemented to ensure that the group complies with regulatory requirements. The board sets the compliance risk appetite, which states that ‘the group ensures that appropriate controls are in place to comply with regulatory requirements and has no appetite for material non-compliance with regulatory requirements’.

The board delegates its governance responsibility for compliance to DAC.

DAC ensures that the group has an independent and effective compliance function headed by the Group Chief Compliance Officer (GCCO), who reports directly to the CE. The GCCO is responsible for the facilitation, coordination and independent monitoring of compliance risk within the group. The GCCO reports to DAC on the level of compliance risk, compliance issues and their resolution, and provides an overview of the regulatory environment and appropriate responses to changes and developments, emerging trends, engagements and relationships with regulators. The GCCO is invited to attend board and committee meetings and has the authority and access necessary to communicate directly and freely with the Chairperson, boardmembers, all layers of management, and internal and external auditors about compliance-risk-related matters.

The compliance function is responsible for creating and nurturing a healthy compliance culture, raising awareness of compliance risk and encouraging recognition of the value of managing compliance risk in the business. Leadership and management reinforce this message by communicating and modelling behaviours that support a culture of compliance. The compliance function measures the perceptions of general employees of the compliance culture of Nedbank.

Group Internal Audit undertakes independent reviews of the compliance function and the Compliance Risk Management Framework.

Disclosure of our application of King IV principles *continued*Remuneration
governanceStatus:
Aligned**Principle 14 – The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.**

The authority framework for remuneration is set out in the Remuneration Review. Group Remco is responsible for remuneration governance, and its groupwide responsibilities are fully set out in the board-approved charter, which is available at group.nedbank.co.za/home/corporate-governance. The committee applies the principles of the Remuneration Policy but retains the right to apply discretion to deviate from this policy in exceptional circumstances and with full disclosure after the circumstances.

The committee ensures that it remains knowledgeable about the changing remuneration regulatory environment, both locally and globally, and is supported by regular updates from the Group Reward Team and external advisers. This has enabled the committee to ensure full compliance with the regulatory requirements outlined in our Remuneration Policy. The committee also had full access to independent remuneration consultants Vasdex Associates during 2025.

Assurance

Status:
Aligned**Principle 15 – The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.**

The board has delegated its governance responsibility in respect of assurances to the Group Audit Committee (GAC). GAC evaluates the effectiveness of the Coordinated Assurance Model. GAC considers whether the extent of reliance placed on internal audit by the external auditors is appropriate and whether no significant gaps in audit assurance exist between internal and external audit. GAC meets at least quarterly and receives regular reporting from each of the following functions: finance, tax, risk management, internal audit and external audit.

The board governs Group Exco by giving it direction on how it should ensure that assurance services and functions enable an effective control environment and support the integrity of information for internal decision-making and of Nedbank's external reporting purposes. Key elements are the following:

- Nedbank Group's Employee Code of Ethics and Conduct is communicated and must be acknowledged by all employees (permanent employees and fixed-term contractors) annually. Employees are required to adhere to the code and other ethics-related policies. Awareness and implementation are supported by ongoing ethics awareness and training initiatives. More digital channels are in the process of adoption

and 2025 will also see the development of a compulsory annual online e-learning module applicable to all employees.

- The GAC Charter is reviewed annually and stipulates the oversight responsibilities of the committee, such as internal audit, external audit and coordinated assurance (CA).
- Nedbank Group Internal Audit (GIA) is governed by the GIA Charter, which is reviewed and approved annually by GAC. The Chief Internal Auditor (CIA) has a direct functional reporting line and accountability into the GAC chairperson and an administrative reporting line into the Group CE. The CIA confirms its organisational independence to GAC at least annually. The GIA Charter has been updated to align with the new Global Internal Audit Standards (effective 1 January 2025). These changes relate to GIA services provided, independence requirements and enhanced communication to GAC relating to GIA technology plans and coordinated assurance. The GIA Charter stipulates the mandate, authority, and roles and responsibilities of the function.
- GIA follows a risk-based approach in defining the top-down audit plan annually, with a detailed audit plan for the ensuing reporting cycle. The annual top-down and quarterly audit plans are submitted to GAC for review and approval ahead of the commencement of the quarter. The plan also includes whether GIA has sufficient audit employees with the knowledge, skills, expertise and professional qualifications to execute the approved plan. GIA leverages technology to enhance the effectiveness, efficiency and quality of the assurance services provided, with ongoing focus to provide value-adding insights.
- Nedbank GIA maintains a quality assurance

and improvement programme that covers all aspects of the internal audit function. GIA also undertakes periodic independent assessments every 3 years to assess conformance with the Global Internal Audit Standards set by the Institute of Internal Auditors. The outcomes are communicated to GAC as required. The outcomes from the 2024 quality assurance and improvement programme performed by an external service provider confirmed that GIA 'generally conforms' with the Global Internal Audit Standards in all material respects.

- Nedbank's Whistle-blowing Policy enables internal and external stakeholders to inform the bank of matters of concern about ethics, duty of care, integrity and disclosure that may require internal investigation.
- Nedbank adopts a practical approach to CA by incorporating, integrating, and optimising the assurance activities of risk, audit, compliance, business and central functions. This enables an effective internal control environment across the group, with assurance focused on critical risks, supporting the integrity of information used in internal decision-making, the letters-of-representation (LoR) process in line with Regulation 39 of the Banks Act, and reporting to external stakeholders.
- CA plans are shared, discussed, and challenged at the CA Forum, which provides a platform for enhanced assurance planning, information exchange and collaboration to maintain an optimal level of governance and oversight of the organisation's risk and internal control environment. A CA plan for 2025 has been developed, with prioritised CA themes used as input into the coverage and monitoring plans of the individual assurance providers.



Disclosure of our application of King IV principles *continued*

Stakeholders

Status: Aligned

Principle 16 – In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.

Stakeholder engagement at Nedbank is overseen by GTSEC and material engagements are reported to the board annually through the Stakeholder Engagement Report (extracts of which are contained in this Governance Report).

The Group Stakeholder Relations and Public Affairs (GSRPA) Team compiles an annual report to GTSEC incorporating input from Group Exco and the Nedbank Stakeholder Relations Forum (NSRF), which consists of representatives from all clusters across the Nedbank enterprise.

The process of engaging with our stakeholders is decentralised and forms part of the operations of

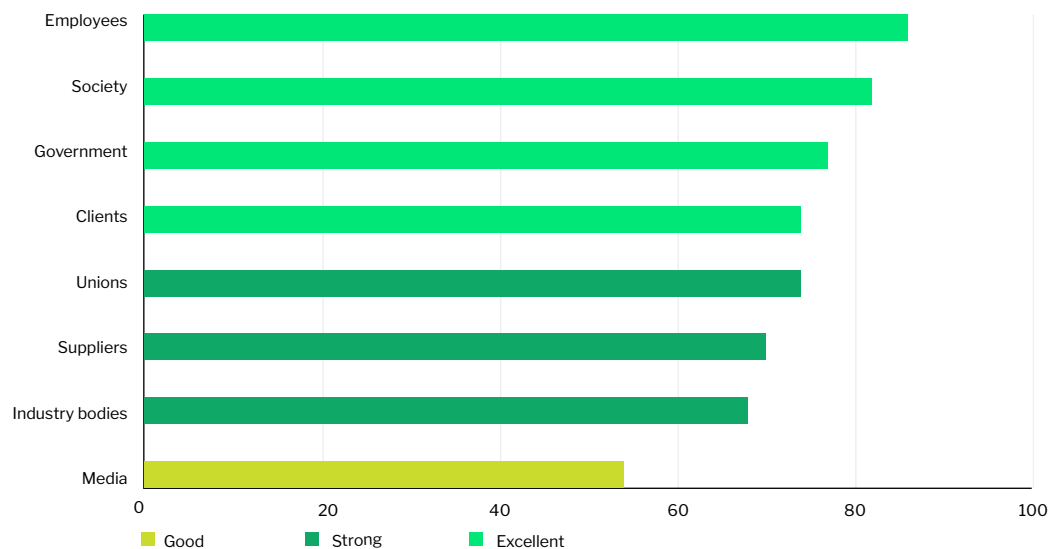
our various clusters and business areas. This means that interactions with stakeholders, both formal and informal, are conducted by the functions directly aligned with the stakeholder group, on an ongoing basis.

Stakeholder engagement is governed by the comprehensive Stakeholder Engagement Policy, which is available at group.nedbank.co.za/home/corporate-governance. The policy is reviewed and approved annually by GTSEC.

Key stakeholder engagement focus areas for 2024 included external stakeholder relationship-building; enabling dialogue sessions on issues of global, national and regional importance; and ensuring effective communication to ensure shared understanding.

Annually, GSRPA facilitates a stakeholder independent relationship survey that measures overall satisfaction and attitudes towards the relationships held. Further, the survey identifies engagement preferences and areas of improvement. The quality of our stakeholder relationships was once again measured in 2024.

Stakeholder engagement survey results (Score out of 100)



The above chart provides an overall snapshot of which relationships tend to be stronger and which weaker. The emerging picture is very positive overall. The feedback from the above table shows an overall result of 73%. According to the adopted assessment scale, this is good and positive of Nedbank, albeit below scores in past years, which was 79%. The pillars scored in a fairly wide band (65–77 overall). The strongest pillars were Governance and Behaviour (both at 77) and the weakest (but still good) was Value creation (at 65). In terms of categories, scores ranged from 54 (Media) to 86 (Employees). Besides Media, all categories were at 68 or above.

Disclosure of our application of King IV principles *continued*

Responsibilities of institutional investors

Status:
Aligned

Principle 17 – The governing body of an institutional investor organisation should ensure that responsible investment is practised by the organisation to promote good governance and creation of value by the companies in which it invests.

Nedgroup Investments, the main investment business unit, follows responsible-investment guidelines, which are published on its [website](#). As Nedbank is a signatory, the guidelines are based on key elements of the UN PRI as well as Crisa in the South African context. Nedgroup Investments has also published proxy voting and responsible-investing guidelines that inform the proxy voting across its suite of geographies and funds. In 2024 Nedgroup Investments published its fourth Responsible Investment Report, which provides an overview of the current landscape in SA and across the globe. The report also highlights key ESG-related corporate engagements that have occurred on behalf of client assets, as well as key data points on how the asset management business is progressing regarding DEI and transformation. The report also provides insight into how the Nedgroup Investments Sustainable Portfolios are aligned with the UN Sustainable Development Goals (SDGs) and global trends in areas such as clean energy. The report also provides an update on Nedgroup Investments' CSI and supported initiatives. Operationally and from a governance perspective, the Nedbank Wealth Responsible Investment Committee performs an oversight function and ensures

that responsible investment is aligned and championed across the business and in 2024 formally introduced the Nedgroup Investments Climate Change Position Statement. The in-house investment team in Nedbank Private Wealth actively incorporate ESG factors into its investment process. The team makes use of proprietary and external research in its assessment and application of ESG issues.

In line with responsible stewardship, there are regular engagements with the management of investee companies and all proxy votes are exercised. In 2024, Nedgroup Investments initiated an agreement with ISS to perform proxy voting duties across the passively managed SA-listed assets. All the proxy voting results are consolidated and published on the Nedgroup Investments website. Nedbank Wealth and Nedgroup Investments' responsible-investment policies, voting guidelines and Climate Change Position Statement are available at www.nedgroupinvestments.com.

External fund managers employed by Nedbank are engaged annually on their incorporation of ESG factors and responsible stewardship through a survey and meetings. Responsible investment is now considered a cornerstone of our asset management due-diligence process.

The Responsible Investment Standard, approved by the board, applies to all business units involved in investment practices across the group and, as such, is embraced by Nedbank Group and its subsidiaries.





Ethics review



Governance of ethics

Nedbank’s Ethics Governance Framework is premised on and closely aligned with that proposed by The Ethics Institute of Southern Africa, and involves 4 key dimensions: leadership commitment, governance structures, ethics management and independent assessment and external reporting.

Driving the correct tone at the top

Leadership commitment is essential in building and maintaining an ethical culture. At Nedbank, ethics is governed by starting with the correct ‘tone at the top’. The Nedbank Board sets the tone and leads the group ethically, effectively and responsibly within acceptable risk parameters. This is aligned with the King IV principle that ‘the governing body should lead ethically and effectively’ and formally constitutes one of the ‘board corporate governance objectives’ against which the board is measured annually.

In support of instilling an ethical culture, the group has put several mechanisms in place, including but not limited to:

- **Directors’ disclosure** of interests and **‘fit and proper’** questionnaires that are completed annually.



- **A Board Ethics Statement** that all boardmembers must sign annually. The statement sets out the expectations and commitments undertaken by every boardmember

Nedbank Group Board Ethics Statement, December 2024

‘As the Nedbank Group Board of Directors, we are committed to the highest ethical standards and we conduct our business honestly, scrupulously and with integrity. We will provide ethical, effective and responsible leadership, and we will act with independence and diligence in making decisions.’

‘At the core of our Code of Ethics and Conduct is our purpose to “use our financial expertise to do good for individuals, families, businesses and society” and our values of integrity, accountability, respect, people-centeredness, and being client-obsessed. We use these to guide and direct the way we do business. We know that business depends on trust, which is why we do all we can to earn it and strive to do nothing to impair it. We will set an example knowing that what we do, and refrain from doing, is as important as what we say. As a catalyst for growth and an unstoppable force for good, we are committed to nation-building and contributing to a more transformed South Africa, and we will go beyond mere compliance to promote authentic organisational transformation. We will respect the rights of our employees and support their well-being.’ - Extract

- **Periodical upskilling** on ethics, governance and risk through training and information sessions. **Provided ethics and human rights training to 11 838 employees (2023: 1 601). Further awareness that touched 16 508 employees (taking into consideration that 1 employee may have attended more than 1 session) was created. Providing ethics, human rights, and governance-related training to 1 152 suppliers (2023: 43).** Awareness was created with more than 6 500 suppliers on the importance of requirements being followed during the gifting process. These initiatives will continue in 2025.
- Biannual attestations are conducted by relevant group, cluster and subsidiary executives (through our **Letter of Representation** process), and serve to confirm that there has been no indication of any significant business risk occurring or any material malfunction in controls, procedures, or systems during the reporting period that would result in loss or reputational damage negatively impacting the attainment of Nedbank Group’s business’s objectives during the year and up to the date of approval of the annual report.

Our Ethics Governance Structures

Nedbank has implemented a comprehensive governance structure for ethics and human rights, which, among others, gives effect to the responsibilities of the board in relation to ethics as outlined in the King IV Code. While the Nedbank Board remains collectively responsible for leading the organisation effectively and ethically, the ethics-related governance functions exist across various board and executive committees.

At board level, the primary responsibility for oversight has been delegated to the **Group Transformation, Social and Ethics Committee (GTSEC)**, while the responsibility for oversight at executive management level primarily rests with the **Transformation and Human Resources Committee (TRAHRCO)**.

Group Transformation, Social and Ethics Committee (GTSEC)

The ethics role includes oversight and reporting on organisational ethics, responsible corporate citizenship, social and economic development, labour and employment and stakeholder relationships. GTSEC also monitors Nedbank’s activities in respect of the United Nations Global Compact (UNGC) and the Organisation for Economic Cooperation and Development (OECD) recommendations regarding corruption and the OECD Guidelines on Multinational Enterprises.

Transformation and Human Resources Committee (TRAHRCO)

TRAHRCO oversees people management policies and practices, as well as Nedbank’s transformation agenda. In doing so, TRAHRCO also reviews, approves and recommends the approval and adoption of policies and practices relating to human resources, social, ethics, transformation, integrated sustainability and human rights. TRAHRCO reviews the Ethics and Human Rights Office results regarding complaints/investigations, gifts and entertainment statistics, outside interests held by Nedbank employees, policy attestation and training and awareness.

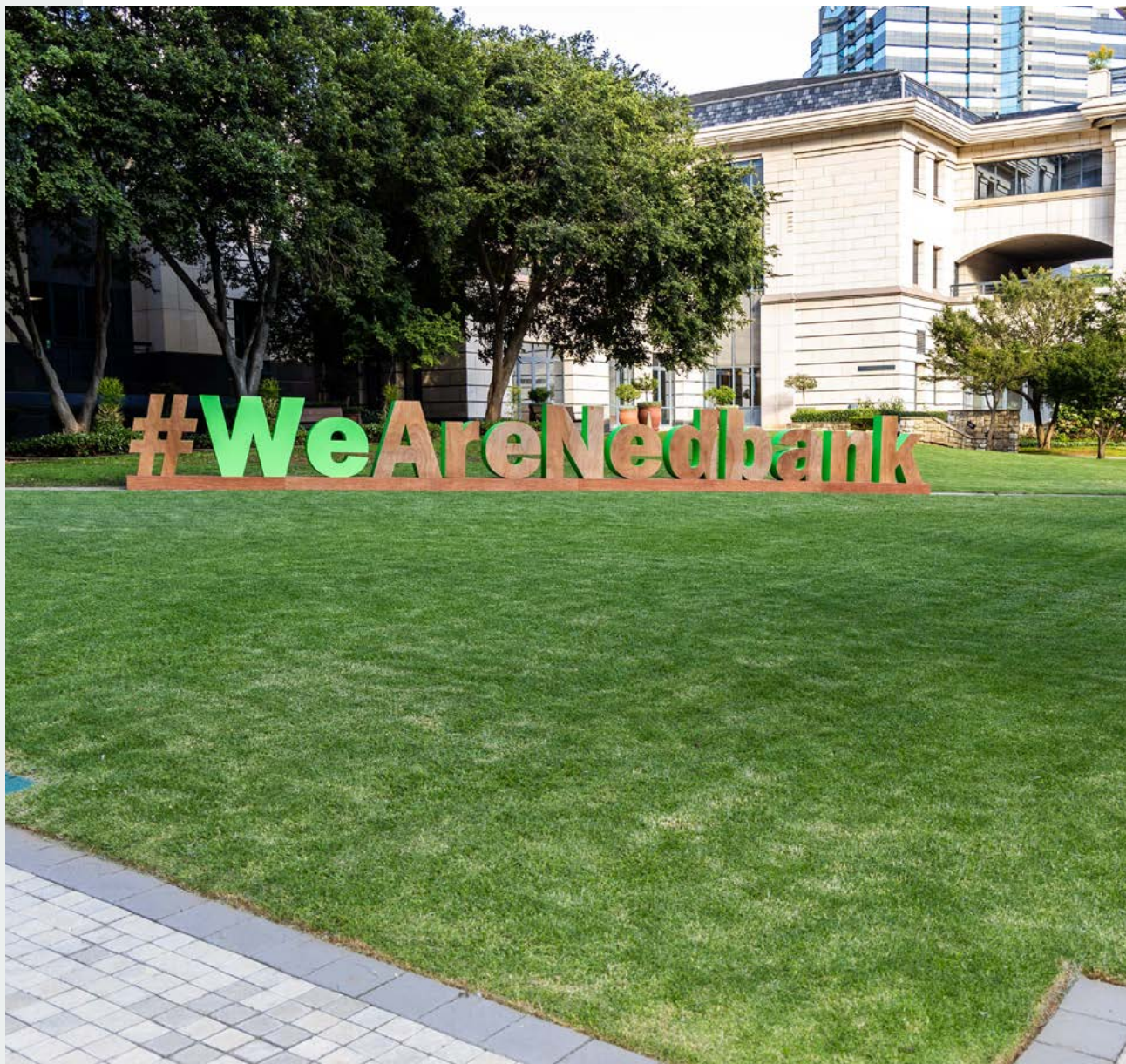


Our approach to managing ethics

How we embed ethics at Nedbank

Ethics is comprehensively managed and embedded through various structures and processes. These include the following:

- A dedicated Ethics and Human Rights Office.
- The Board Ethics Statement.
- The Employee Ethics and Anti-Corruption Pledge.
- Ethics codes, policies and frameworks as well as the Procedure for the Reporting, Management and Resolution of Harassment Complaints in accordance with legislation.
- 'Personal integrity management' checks during recruitment, which are pre-screening checks determining to an extent the integrity and suitability of prospective employees. Ongoing assessment as per the FIC Directive 8 requiring accountable institutions to assess the competence and integrity of employees, as well as screen employee information against targeted financial sanctions lists, in order to manage the risk of money laundering, terrorist financing and proliferation financing. Existing employees undergo these checks at any time and when they move to another position in the group. General checks are done across the board to ensure the continued integrity/suitability of employees to conduct their duties in an appropriate manner.
- Our Remuneration Policy that ensures fair and responsible remuneration, and the Framework for Making Fair Performance and Pay Decisions
- Biannual declarations by group, cluster and subsidiary executives on corporate governance and internal processes.
- Employee and supplier training and awareness-raising activities.
- Supplier due diligence and the participation of the Ethics and Human Rights Office in high-risk/high-value tenders.
- Anonymous (external) and confidential internal channels for reporting unethical behaviour.
- Quarterly meetings between the Group Chief Compliance Officer and the Chairperson of the board on the state of ethics and human rights.
- The inclusion of a leadership, values and culture (LVC) goal into the performance appraisal criteria for group, cluster and divisional executives, as well as for management committee members.
- Our Grievance Policy and Procedure and the Disciplinary Policy and Procedure to ensure fair and consistent consequence management.





Our approach to managing ethics continued

Dedicated Ethics and Human Rights Office

Various functions across Nedbank play a role in ethics management and have responsibilities towards creating and maintaining a strong ethical culture. The primary responsibility for ethics management, oversight and coordination rests with our Group Ethics and Human Rights Office. The Ethics and Human Rights Office falls under Group Compliance and is overseen by the Group Chief Compliance Officer (GCCO). This means that the Ethics and Human Rights Office, through the GCCO, has direct and independent access to the Nedbank Chief Executive, its Board, and its Chairman.

The Ethics and Human Rights Office is the custodian of the Nedbank Employee Code of Ethics and Conduct and is responsible for developing and coordinating the group's ethics and human rights management strategies and plans. Its functions to deter non-compliance and reduce exposure to unethical behaviour in all aspects of business, include the following:

- The values of the group are embedded in the risk governance structures across functions and businesses.
- The Ethics and Human Rights Advisory Helpdesk, which provides independent and objective advice and support to employees and business functions on ethics and human rights-related matters.
- Ethics investigations into all allegations of harassment (including sexual harassment); unfair discrimination; assault; human-rights infringements in own operations, as well as in suppliers' and clients' operations; nepotism and cronyism; conflict of interest not related to financial crime or dishonesty; and other forms of breach of values as outlined in our Code, all of which the Ethics and Human Rights Office is mandated to conduct across the group (including within our subsidiaries and foreign offices).
- Ongoing training and awareness on ethics and human rights initiatives that the Ethics and Human Rights Office conducts for employees as well as suppliers with a newly added focus on digital awareness and training delivery.
- The Ethics and Human Rights Office participates as an independent observer in high-risk and high-value supplier tenders > R10m in value or high risk). All suppliers complete an Ethics Responsibility Index, irrespective of the level of risk, which is assessed by either the Ethics and Human Rights Office (high risk or high value) or Group Procurement for the rest of the tenders for consideration in the awarding of the tender. Assessment is based on the governance of ethics, corporate governance and human rights in their respective businesses.
- Monitoring as arranged through the Coordinated Assurance Forum, including Group Internal Audit, External Audit, Group Compliance and Group Risk and reporting on the state of ethics and human rights.
- **The internal human rights impact assessment that the Ethics and Human Rights Office started to plan in 2024 and will be performed in 2025 and subsequently every 3 to 4 years.**
- Contributing to the United Nations Global Compact by submitting the Communication of Progress on our state of ethics and human rights periodically.
- Participation of the Ethics and Human Rights Office in global benchmarking initiatives such as those conducted by the non-profit Bank Track and the IFC Respect@Work initiative, as and when approached.

Other group initiatives to deter non-compliance and unethical behaviour

- 'The Nedbank Way' is in place and based on the values and behaviours desired from employees together with a set of recognition badges. Employees are rewarded for adherence to the standards of behaviour, namely put purpose into practice, being client obsessed, play to win, learn to grow, different is good, do the right thing and do things right, stronger together, and human-centred leadership.
- As our purpose and strategy rest on the foundation of ethics and values, these are embedded in due diligence processes, new product approval processes as well the Risk Management and Internal Controls Letter of Representation process.

Our ethics codes, policies, frameworks and statements

We expect all our employees to conduct themselves in line with our values, over and above complying with applicable laws and regulations. To this end, we have various ethics-related codes, policies, frameworks and statements that, ultimately, aim to ensure that our employees always do the right thing, and that ethics remains a central component of our business.

The Ethics and Human Rights Office is the owner and custodian of 6 of our core ethics policies, which are the Employee Code of Ethics and Conduct; the Ethics Governance Framework; the Gifts Policy; the Outside Interest and Conflict of Interest Policy; the Policy on Ethics in Digital Technology and Artificial Intelligence; and the Personal Account Trading Policy. The Ethics and Human Rights Office further provides input into other ethics-related codes and policies, including the Supplier Code of Ethics and Conduct and the Whistleblowing Policy.



The group's publicly available policies and procedures can be found [here](#).



Our approach to managing ethics continued

Our approach to managing conflicts of interest

We aim to **proactively manage actual, potential and perceived conflicts of interest**. A set of 3 policies are in place to serve as guideline and controls to manage outside interests: the Policy on Outside Interest and Conflicts of Interest, Policy on Conflicts of Interest for Directors and Executive Management and the Conflicts of Interest Confidential Information and Information Barrier Policy. In considering the socioeconomic realities together with the rising trend of 'side-hustles', employees are allowed to hold outside business interests, but before doing so, must complete a declaration on our online declaration system and obtain prior approval. Our Policy on Conflict of Interest and Outside Interest sets out in detail what must be declared; the level of approval required per type of outside interest; activities that do not have to be declared; as well as practical guidelines to assist in identifying conflicts of interest.

Special approval from the Cluster Executive and Group Exco is required for certain types of outside interests, including interests held in state-owned enterprises and public listed companies (or in entities owned or controlled by such entities); as well as leadership positions in political parties and holding public office.

Once a year all employees must **submit a declaration** of their outside interests, or a declaration of nil return if no outside interest is held. At 31 December 2024 on the system were noted:

1 790 approved declarations of outside interests (considering that a single employee may have more than one approved declaration); and 7 921 nil returns.

Our approach to the giving and receiving of gifts

We believe in conducting business in an ethical and responsible way, and in a manner that neither gives rise to undue influence nor jeopardise our reputation and the trust of our stakeholders. Our Gifts, Hospitality and Entertainment Policy sets out strict rules around giving and receiving gifts to or from clients, suppliers, and other third parties. Our gift and gratuity philosophy emphasises the fact that receiving gifts is not a benefit or perk of employment and is subject to conditions and restrictions.

Branded gifts of nominal value do not have to be declared but all other gifts given or received, irrespective of the value, must be declared and employees must obtain approval for gifts over a certain threshold or involving certain defined stakeholders. Stricter rules for approval apply to gifts given and received to and from suppliers, state-owned enterprises, organs of state and public officials.

Our rules about the giving or receiving of gifts take into consideration the provisions of the Prevention and Combating of Corrupt Activities Act, 12 of 2004, and the UK Bribery Act, 2010.

The following gifts are prohibited:

- Cash, cash equivalents (including cryptocurrency and Krugerrand coins), and gift vouchers that can be exchanged for cash.
- Travel or accommodation for leisure (whether in whole or in part).
- Gifts to current external auditors (including representatives of their firms and immediate family members).
- Gifts to or from any third party and intermediaries whose business involves introducing clients or referring clients to us.
- Gifts to or from any third party acting as an agent of a client.
- Any gifts to or from political parties.
- Stricter rules exist for suppliers.

The Ethics and Human Rights Office frequently conducts monitoring exercises to identify and/or prevent potential breaches, which include the possibility of giving/accepting bribes as clarified in this policy as well as the Fraud and Corrupt Activities Policy.

Some of our core ethical principles as contained in our Code of Ethics and Conduct and our other policies include the following:

- Commitment to respect and uphold **human rights**.
- We prohibit **political influence/lobbying, donations and sponsorships**, and any employee who wishes to hold public office or a leadership position in a political party must obtain express consent from our Group Exco.
- **During 2024 no political donations or sponsorships were given.**
- We are committed to upholding and driving a **fair and competitive marketplace**.
- **We promote diversity, equity and inclusion and a safe and healthy work environment:** We strive to create a culture of equality, inclusion and belonging, because in our world, different is good. We do not tolerate any form of harassment, violence, or unfair discrimination and expect all our employees to act in a way that embraces and accommodates the differences or unique characteristics of our stakeholders.
- We do not tolerate **dishonest conduct** or the concealment of dishonest conduct, and we will not be associated with or facilitate **tax evasion** in any way.
- We are committed to being transparent and cooperative with **government and regulators** and will never attempt to improperly influence a decision made by a government official or any public or private sector employee.
- We consistently promote a **Speak Up culture**, and an environment that is free from any form of retaliation.



Our approach to managing ethics continued

Harassment management

Nedbank does not tolerate harassment in any form, including sexual harassment and any form of violent conduct or threat of such conduct, whether perpetrated by or against employees, clients or suppliers, or any other person that deals with the group or its employees. Following the release of the new Code of Good Practice on the Prevention and Elimination of Harassment in the Workplace in March 2022, the bank launched a **Procedure for the reporting, management and resolution of harassment complaints**.

The procedure sets out extensive guidelines to employees and includes both informal and formal mechanisms. The Ethics and Human Rights Office is placing increasing reliance on the use of mediation, noting its non-adversarial nature and potential to address misunderstanding and repair relationships. All complaints relating to harassment must be referred to the Ethics and Human Rights Office in order to ensure consistency in the handling of complaints, as well as to ensure centralised oversight to enable the office to monitor and report on trends. As part of the procedure, the Ethics and Human Rights Office can refer a complaint for mediation where deemed appropriate with a view of resolving the concerns raised through dialogue, facilitated by an independent third party.

During 2024, 27 such matters were addressed through mediation.

All of our policies are reviewed annually, and all employees (including fixed-term or contract employees) must read and acknowledge the communicated policies within 3 months of communication. Most policies also require employees to complete an assessment to demonstrate their understanding, where a pass mark of 80% is set.



Examples of acknowledgment statistics for 2024 (at 31 December 2024)	%
Employee Code of Ethics and Conduct	97
Outside Interest and Conflict of Interest Policy	98
Personal Account Trading Policy	96
Gift Policy	98
Ethics in Digital Technology and Artificial Intelligence Policy	99
Ethics Governance Framework	99
Human Rights Framework	98
Market Conduct Policy	87
Reputational Risk Management Policy	92
Competition Law Policy	97
Contact with Regulators Policy	92
Fraud and Corrupt Activities Policy	77
Policy for Anti-money-laundering, the Combating of the Financing of Terrorist and Related Activities, the Countering of Proliferation Financing and Related Activities and Sanctions	93
Exchange Control Policy	96
Occupational Health and Safety Policy	91
Privacy Policy	90
Procurement Policy	97
Whistle-blowing Policy	88
Social Media Policy	96
Business Transformation Policy	93
Compliance Policy	67
Incident Reporting and Investigation Procedure	97
Policy for Anti-Tax Evasion and Tax Evasion Facilitation	67
Framework for Making Fair Performance and Pay Decisions	74
Grievance Policy and Procedure	96
Disaster Recovery Policy	56
Complaints Management Policy	88
Cyber Security Policy	98
Physical Security Policy	89

We consider a 90% completion rate as an acceptable level, taking into account employee attrition, the ongoing appointment of new employees and that employees have a period of 3 months to comply with the requirement.



Our approach to managing ethics continued

Training and awareness on ethics

Regular training and awareness initiatives are provided for employees (including fixed-term and contract employees) as well as for our suppliers. In encouraging our stakeholders to do the right thing, we have placed an emphasis on making ethics real and practical, and aim to provide our stakeholders with both the knowledge and tools to make better, more ethical decisions.

Providing ethics and human rights training to **11 838 employees** (2023: 1 601). Further awareness was created that touched **16 508 employees** (taking into consideration that 1 employee may have attended more than 1 session). Providing ethics, human rights, and governance-related training to **1 152 suppliers** (2023: 43).

In addition to this, almost all of our employees completed an assessment attached to the various ethics-related codes, policies and frameworks.

All our employees must undergo mandatory training about specific topics, which takes the form of an online course and assessments. Apart from additional role and/or cluster-specific mandatory training, all employees must complete the following awareness training modules every 2 years:

- **AML, CFT and sanctions** awareness is assessed annually and the rest of these modules are assessed on a periodic basis.
- CyberSMART awareness
- Corruption risk awareness
- Fraud awareness
- Privacy awareness
- Sustainability awareness

Ethics awareness highlights

During 2024 two successful international awareness events were held on human rights in business. The first covered aspects such as playing our part in fighting modern slavery, human trafficking and human rights in business. The second event celebrated Human Rights Day in South Africa and was called #Human Rights the Nedbank Way.

The Ethics Office launched an Ethics Office Advisory page on Viva Engage (in-house 'Facebook' type digital channel), which is used to promote Human Rights in Business among other ethics-related topics. This page currently has a following of 622 employees, more than 10 communications launched and received more than 5 300 hits during Q4 2024.

Training sessions on anti-corruption and ethical sourcing were held with 200 high impact suppliers. More than 6 500 suppliers received our 'Purpose-driven Procurement' newsletter on ethical gifting. A total of 7 652 suppliers were touched by training and awareness initiatives.

More than 100 employees representing Nedbank as non-executive directors on other boards received King IV Ethics training and our Group Exco was trained in the finer nuances of ethical dilemmas relating to gifts, hospitality and entertainment.

Since there is a global focus on harassment and bullying, more than 6 100 employees were trained on how to identify and report harassment and effectively resolving it.

Furthermore, on Nedbank's internal TV channel for Retail and Business Banking's in-branch employees a programme, 'The Right Stuff,' is aired weekly before opening and after closing time at all branches in SA. These educational and awareness videos also can be easily accessed on the Viva Engage site. During 2024 human rights in business content was incorporated, addressing various topical issues including ethical sourcing related to conflict minerals, smart technology and procurement. About 7 500 employees were reached in this way.

Looking forward to 2025, we will be focusing on the development and roll-out of online and self-paced compulsory ethics training and induction modules for employees.

Ethics in AI

At Nedbank ethics in AI is managed by a trilogy of working documents that feeds into the rest of the Compliance and Risk Management Frameworks used. They provide a comprehensive framework to ensure responsible and compliant use of AI and digital technologies within the organisation. These are:

- Ethics in Digital Technology and Artificial Intelligence Policy
- Artificial Intelligence Risk Management Standard
- Generative AI - Acceptable Use Policy

The Artificial Intelligence Risk Management Standard manages the risks associated with AI per the 3 Lines of Defence model. AI is defined the simulation of human intelligence by machines, covering areas like machine learning, natural language processing, and generative AI. AI is used in various applications at Nedbank, including fraud detection, chatbots, credit scoring, task automation, and algorithmic trading.

The risk standards also emphasise the importance of managing AI risks to align with Nedbank's values and regulatory compliance. AI systems are complex, and it's crucial to have appropriate controls in place to mitigate these risks. Several principles for implementing responsible AI, such as accountability, fairness, transparency, human agency and oversight, privacy, safety, security, and

ensuring no prejudice to vulnerable groups are prescribed.

Common AI risks like blackbox risk, bias, data privacy violations, lack of explainability, and intellectual property law violations are pro-actively identified, and recommended controls for each are provided. The risk management approach includes risk identification, assessment, treatment, and monitoring, with roles and responsibilities of various stakeholders clearly outlined.

The Ethics in Digital Technology and Artificial Intelligence Policy sets out the ethical principles for designing, developing, and using digital technology and AI at Nedbank. These principles are in the process of embedment to ensure responsible use and compliance with applicable laws and regulations.

Key principles include aligning with Nedbank's values, such as integrity, respect, accountability, being client-driven, and people-centred. It also emphasises fairness, data and privacy safety and security, human agency and oversight, explainability, and transparency. The relevant stakeholders have clarified roles and responsibilities, including Group Compliance, Group Risk, Group

Internal Audit, business clusters, and model developers or owners. The importance of using existing governance processes to comply with ethical principles and reporting any breaches through relevant governance channels is practiced.

The Generative AI - Acceptable Use Policy provides the terms of acceptable use for generative AI at Nedbank. It defines acceptable use, responsibilities when using generative AI, and what is not allowed.

Employees are required to use only Nedbank-approved generative AI, include disclaimers when generating or adjusting content, and ensure that assets created are professional and respectful. They must use generative AI in line with relevant policies and laws, protect confidential information, and validate AI-generated content for accuracy and bias. Prohibited actions, such as creating impersonations, generating fake news, manipulating data, and sharing confidential information with unauthorised individuals are identified and resolved.

This forms a comprehensive framework to ensure responsible and compliant use of AI and digital technologies within the organisation.



Measuring and monitoring our ethics performance

Continuously measuring and monitoring our ethics performance is an essential component of sustainable, responsible and competitive business.

We measure, monitor and report on our ethics performance through a variety of mechanisms such as:

- Auditing our performance using an Independent Ethics Risk Assessment every 3 to 4 years.
- Conducting behavioural and cultural surveys regularly throughout the year.
- Conducting regular audits and compliance reviews on ethics-related risks and functions.
- Monitoring and reporting on key ethics indicators, such as queries, complaints, investigations, outside interest declarations, gifts and entertainment declarations and policy acknowledgements, to executive management and the board in order to provide crucial insight into trends and observations.

Snapshot of our performance

2025 Independent ethics risk assessment (ERA) for our South African and Nedbank Africa Regions.

- In Q1 2025 an ERA will be conducted on behalf of Nedbank by The Ethics Institute. The ERA will cover 3 dimensions, namely ethical culture maturity; ethics behaviour risk; and ethics management. Its quantitative component is an anonymous online survey that will be applied to all employees.

- The outcomes of the ERA will be benchmarked against 20 other South African organisations across the public and private sector. The planned survey questionnaire aligns with the assessment completed in 2020.
- The 2025 outcome of our ERA will provide us with a comparative progress update against 2020, a snapshot of emerging risk, and recommendations for enhancement of the Ethics Business Plan.

During 2024, ethics complaints increased to 257 from 2023's 130. Since the rate of substantiated issues is comparable to previous years', the increase in complaints is not a concern and is viewed as indicative of increased employee awareness of the correct reporting channels owing to a substantial increase in training and awareness initiatives in 2024. There is an emerging trend of employees feeling more comfortable speaking out about alleged unethical conduct in their work environments and trusting the Ethics Office to adequately address such complaints.

ESG Agency scoring: Our proactive ESG engagements and transparent disclosures have helped us retain our top-tier ESG ratings.

The Whistle-blowing section of our report provides more information.

Nedbank has in place an **Ethics Management Plan** for its South African and Nedbank Africa Regions operations. Every year the plan is enhanced to address emerging concerns using a risk-based approach. The plan considers queries and complaints received, the outcomes of the ERA (when conducted), the employee Pulse survey results, as well as other relevant trends identified as part of our ongoing monitoring activities.

Channels to seek advice and whistle-blowing

We encourage our employees to engage openly with us on any matter of concern within our business and call on all of our stakeholders to report unethical conduct and human right infringements in order to contribute towards creating and maintaining a positive culture of ethics and responsible business practices.

Protection of whistle-blowers

Nedbank is committed to the creation and maintenance of a culture of openness and transparency. Our Whistle-blowing Policy outlines our commitment to, among others, the following:

- Maintaining procedures and processes that enable all persons to make full disclosure freely, voluntarily and without fear, favour, or prejudice.
- Protecting whistle-blowers in accordance with the Protected Disclosures Act, 26 of 2000, including the protection of employees against occupational detriment.

Nedbank does not tolerate any form of retaliation against whistle-blowers, and employees are encouraged to report actual or suspected forms of retaliation through one of the channels outlined below. If an employee is found to have retaliated against a whistle-blower, they will be subjected to disciplinary action.





Measuring and monitoring our ethics performance continued

Nedbank has several internal channels available for the reporting of grievances relating to employment; dishonest behaviour (including fraud and corruption); human rights infringements; and all other forms of unethical behaviour and the breach of Nedbank values.

In addition to this, we pride ourselves on having an anonymous tip-off line that is managed independently by an external service provider, thus providing complete anonymity for whistle-blowers.

Reporting channels for employees

The Nedbank **Report-It channel** is for reporting any actual or suspected unethical conduct and human rights infringements.

The **Grievance Procedure** is available for employees who wish to report any complaints regarding breaches of HR policies and processes, performance outcomes, bonus or remuneration, work requirements, management practices, and complaints around the employment relationship and work environment. Details about the grievance procedure are included in the Grievance Policy to which all employees have access and had to acknowledge on the policy management system.

Reporting channels for employees and external stakeholders

The following reporting channels are available for all our internal and external stakeholders. This includes, but is not limited to, employees (including fixed-term employees), consultants, clients, suppliers, civil society organisations, human rights defenders, as well as groups or persons potentially affected by our operations or those we do business with:

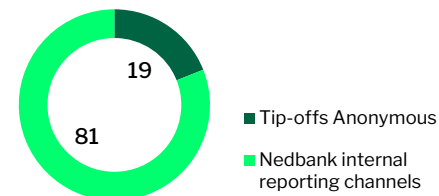
- **The Ethics and Human Rights Office** is for internal and external stakeholders to report harassment (including sexual harassment), discrimination, assault, human rights infringements, nepotism and cronyism and other breaches of values-related transgressions of the Employee Code by employees. The Ethics and Human Rights Office can be contacted at talktotheethicso@nedbank.co.za or on +27 10 234 7401.
- **Tip-offs Anonymous** is managed externally and independently by Deloitte and is available to internal and external stakeholders who wish to report any unethical, dishonest or corrupt activities by employees and any human rights infringements by Nedbank, its clients, suppliers or any business partners. Complainants have the option to remain anonymous. They can send an email to nedbankgroup@tip-offs.com; send a letter to Tip-offs Anonymous, Freepost DN 298, Umhlanga Rocks, 4320; visit personal.nedbank.co.za/home/fraud-awareness; or call 0800 000 909.
- **The Client Complaint Helpline** is available for Nedbank clients who wish to report any complaint. They can email clientfeedback@nedbank.co.za or call +27 86 044 4000.

During 2024 we also made a further channel available on the landing page of personal.nedbank.co.za/home/fraud-awareness.

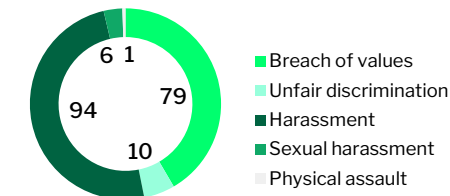
Report corrupt and unethical behaviour as well as human rights complaints.

Complaints received in 2024

Complaints received via Tip-offs
Anonymous tip-offs vs Nedbank's internal reporting channels (%)



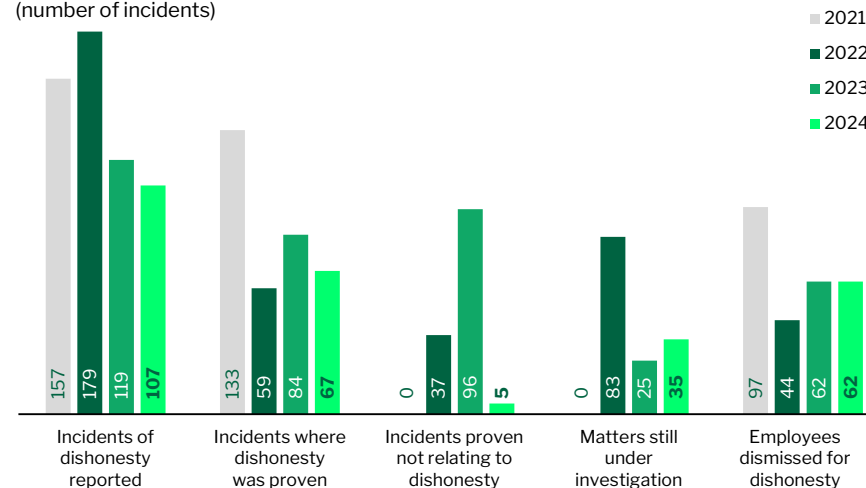
Types of ethics-related complaints investigated
(number of employee conduct-related incidents)



Dishonesty investigations*



Types of ethics-related complaints investigated
(number of incidents)



* Dishonesty investigations are conducted by Group Financial Crime, Forensics and Security (GFCFS)



Measuring and monitoring our ethics performance continued

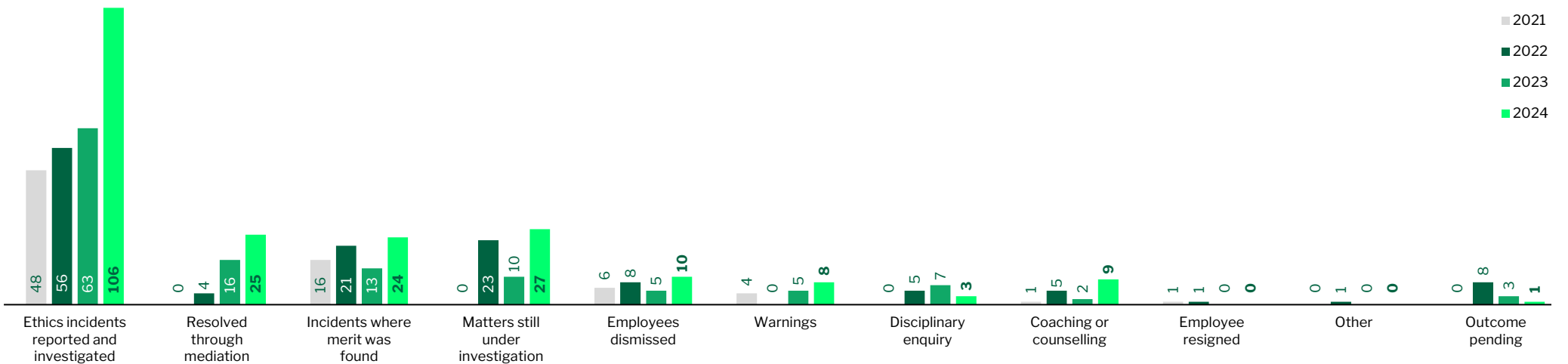
Investigations into other unethical conduct (not relating to dishonesty)



The Ethics and Human Rights Office has been centrally mandated by the Group Transformation, Social and Ethics Committee to investigate all complaints relating to harassment (including sexual harassment), unfair discrimination, assault, human-rights infringements, nepotism and cronyism, conflict of interest not related to financial crime or dishonesty, and other forms of breach of values as outlined in our Code. In doing so, our dedicated ethics investigators ensure that all of our complaints are handled confidentially, with **independence, objectivity and consistency to ensure fairness and accountability**, irrespective of the persons involved.

Other unethical conduct (not relating to dishonesty)

(Number of incidents)





Our year in reflection

The majority of ethics and human rights-related codes, policies and frameworks underwent an annual review and approval processes.

The Procedure on the Receiving, Management and Resolution of Harassment Complaints has proven to be successful.

We continued and finalised the overhaul of our ethics training material with a greater shift toward a behavioural approach to ethics and to providing employees with practical skill sets to empower more ethical decision-making. This shift will continue into 2025 with the development of e-learning material.

We revised the annual Board Ethics Statement, which was signed by all boardmembers in November 2024.

The Employee Conduct Tool – an in-house system developed for all employee outside business interest, conflict-of-interest and gift declarations is continuously being enhanced to provide a better user experience and value-adding management information. When all modules are finalised, this tool, which will replace the existing system, will provide for enhanced risk management, tracking and reporting capabilities.

We enhanced our monitoring and reporting capabilities to give our stakeholders crucial insight into ethics trends and observations within the bank. Our enhanced reporting also draws on a combination of data and behavioural analytics to enable us to implement risk-based interventions that are effective and relevant, but also allows us to become more forward looking.

We continued to implement our Ethics Management Plan, which was developed by considering the outcomes of queries and complaints received, the ethics risk assessment, employee Pulse survey results, key ethics indicators, and global trends.

The Ethics and Human Rights Office provided ethics-related training and awareness initiatives to 28 346 employees and 7 652 suppliers.

- We provided ethics and human rights training to 11 838 employees (2023: 1 601). Further awareness was created that touched 16 508 employees (taking into consideration that 1 employee may have attended more than 1 session). We also provided ethics, human rights, and governance-related training to 1 152 suppliers (2023: 43).

Environmental, social and governance (ESG) metrics have been developed with the Ethics and Human Rights Office being a priority contributor taking direct ownership for 6 metrics and indirect ownership for 5 metrics. These metrics are being matured and will start featuring in board reports from 2025.

Looking forward

Looking forward to 2025 and beyond, we have adopted an ambitious ethics plan, according to which we aim to further embed ethics as a core part of our broader strategy and day to day operations. In doing so, the Ethics and Human Rights Office has identified the following key activities for the year ahead:

All policies related to conflict of interests are currently being reviewed, simplified and rationalised to ensure simplified communication to and effective application by employees.

As part of our strategy to rebrand the Ethics and Human Rights Office as a proactive and strategic partner to business, we grew our ethics advisory portfolio and restructured the area into 4 distinct functions: the Ethics and Human Rights Management function, focusing on advisory services and all aspects of the governance of ethics; the Employee Conduct complaint and investigation area; the Reputational Risk Management area; and the Ethics Risk Governance area.

The new strategic approach to cross-skill Ethics and Human Rights Office employees to lend more depth to skill sets, providing improved service and tools in the face of ever-increasing demands by employees and stakeholders, will be continued in 2025.

We will continue our focus on growing our ethics advisory function through the increased participation of the Ethics and Human Rights Office in key committees, the issuance of guidance notes on critical ethics issues, and closer collaboration with key business functions to ensure that ethical considerations are proactively built into strategies and operational activities.

Online and self-paced ethics modules that will be compulsory for all employees, including fixed-term contract employees, will be developed and rolled-out.

We will continue to place a greater focus on emerging ethical issues, including data ethics, generative artificial intelligence, crypto-assets, the metaverse and ESG.

We are also embarking on an intensive human rights awareness and education campaign and plan to embed human rights considerations into the policies and procedures of all business units.



Financial crime





Integrated financial crime risk management

In recognition of the ever-present and ever-growing threat posed by financial crime to the financial services industry, Nedbank Group has long since elevated the risk of financial crime to a key risk in the Nedbank risk universe, governed at an executive level by the Financial Crime Committee (FCC) and at board level by the Group Risk Capital Management Committee (GRCMC). At a more granular and focused level various subcommittees provide oversight, make recommendations and take decisions relating to specific financial crime types.

Nedbank considers financial crime to be an economically motivated crime covering a wide range of illegal activities and regulatory contraventions that may result in fines and/or prosecutions, including human rights abuses, trafficking of humans, slavery and environmental crimes. 'Financial crime', as defined by Nedbank, includes cybercrime, commercial and violent crime (ie fraud, corruption and violent crime), money laundering, terrorist financing, proliferation finance and sanctions contraventions, exchange control violations, market abuse, tax evasion, and privacy breaches. Financial crime is often committed through a combination of these different crime types, which is why having an integrated view of financial crime risk management enables us to identify, assess, mitigate, monitor and manage the risk posed by financial crime more progressively and holistically.

Vision: Be market-leading in identifying, assessing, managing, monitoring and mitigating financial crime risk by integrating risk management of the different financial crime types across Nedbank.

Mission: Embedding sound financial crime risk management principles throughout Nedbank, enabled by the right data, intelligence and technology to identify and assess real risks that are effectively managed, monitored and mitigated, thereby adding value to clients and internal and external stakeholders.

Nedbank's Integrated Financial Crime Risk Management Framework

Through the application of our Integrated Financial Crime Risk Management (IFCRM) Framework and strategy, and with support from the relevant governance forums, these financial crime types are managed on a more integrated basis. IFCRM is the combined and holistic identification and measurement of financial crime risk, as well as the mitigation and reporting of the identified risks. This integrated approach allows us to identify similarities across the different financial crime types, which provides a more robust view of the real risk the bank is exposed to and enables holistic management of financial crime risk.

The IFCRM Framework sets out how we have embedded sound risk management principles throughout the organisation. The principles on which the framework is built include the establishment of an appropriate organisational culture; the determination of the group's risk appetite; the functioning of effective governance structures supported by the 3 Lines of defence (3LoD) Model, with clear assignment of roles and responsibilities; and the development, implementation and maintenance of group frameworks, policies and manuals relating to financial crime risk management. Furthermore, the IFCRM Framework requires the appointment and retention of adequate resources to assist in the management of financial crime (both from a headcount and skills perspective) and provision of independent assurance through the group coordinated-assurance model. The group – through preventative, detection, responsive and reporting measures – manages the identification and measurement of financial crime risks.

Risk appetite (expressed in qualitative and quantitative terms) is an integral part of risk measurement and refers to the type and level of risk that we are willing to take, pursue or retain to meet our strategic objectives. Decisions that impact the financial crime risk profile of the group are taken within the defined risk appetite and approved within the appropriate governance structures responsible for financial crime and operational risk.

Nedbank has zero tolerance for the intentional participation of the group and/or its employees or associated parties (clients, agents, vendors) in any form or part of financial crime.

Risk assessment

Risk identification and assessment are key activities that allow us to understand where we are more exposed to financial crime inherently and how well controls help to manage and mitigate these risks. Individual risk assessments are performed across the group for each financial crime type, including holistically for a consolidated, enterprisewide integrated financial crime risk assessment. This integrated assessment provides a view of the most significant threats and vulnerabilities arising from our overall financial crime risk, as well as a view of the effectiveness with which we manage the identified threats and vulnerabilities.

Prevention, detection and response

We manage financial crime risk through preventative, detection, and responsive measures – including timeous reporting, an embedded organisational culture of ethics and integrity, and risk management systems – that support and enable effective prevention of financial crime. Prevention is aided by various combinations of initiatives, which include compulsory training and awareness on different crime types, pre-employment screening, vendor screening, completion of risk assessments, alignment of internal controls with industry standards and international best practice, and identification and verification processes to confirm the veracity of information and authenticity of documents received from clients and third parties.

In instances where preventative measures in respect of financial crime are not successful, it is important that we detect such incidents timeously. Detection is the process of identifying and preventing fraudulent or other illicit activities, particularly in financial transactions. It involves using various techniques to analyse data for discrepancies, monitor transactions for irregularities, and identify potential warning signs of fraud. This process is crucial for mitigating business risks and ensuring the security of financial systems. An effective detection programme invariably forms an integral part of a comprehensive risk management strategy, and we continuously adapt and mature detection measures accordingly, as new trends are identified.

Where incidents of financial crime are detected, we respond to minimise losses for the group and/or our clients, reduce regulatory exposure, and curtail reputational and legal risk. Even though financial crime risk types are managed by various business areas in Nedbank, investigations of financial crime incidents are conducted centrally by Group Financial Crime, Forensics and Security (GFCFS), with certain business areas having dedicated specialist investigators responsible for the investigation of product-specific external fraud. Confirmed or

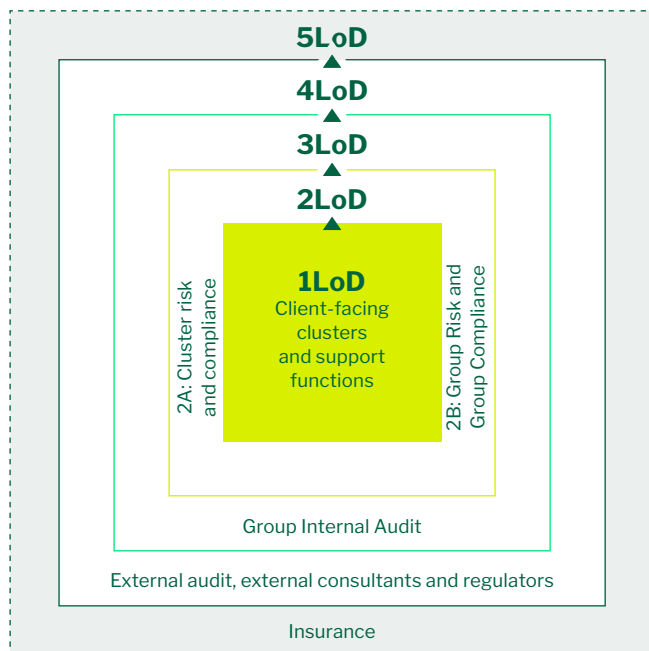


Integrated financial crime risk management continued

suspected financial-crime-related incidents are reported within the required legislative time frames to the South African Police Service (SAPS), relevant regulators and industry databases such as those of the Southern African Fraud Prevention Service (SAFPS) and South African Banking Risk Information Centre (SABRIC). All areas of the group, including subsidiaries and branches, have an obligation to report on failures to comply with certain reporting requirements (eg Financial Intelligence Centre Directive 3 reporting).

Nedbank’s LoD Model

In addition to the mitigating controls and processes, we manage and mitigate financial crime risk through a strong culture of corporate governance, with the 3LoD Model embedded in the organisation. The external fourth line of defence, formed by regulators and external auditors, performs important oversight in respect of financial crime. With regard to cyberrisk and large fraud matters, we use a fifth line of defence in the form of insurance or risk transfer. The board is ultimately responsible for managing financial crime risk, with reliance placed on cluster senior management, relevant Group Risk (GR) functions,



Group Compliance (GC) and Group Internal Audit (GIA), which provide assurance that such risks are identified, assessed, managed, monitored and mitigated to an appropriate level, with effective escalation and reporting of material risks. Aligned with our 3LoD Model, a coordinated assurance model is in place to provide sufficient oversight of our controls, which form part of our financial crime risk management. The coordinated-assurance model consists of risk and compliance reviews conducted by cluster assurance, GR, GC and GIA. The outcomes of such reviews, which focus on our compliance with our own policies, methodologies and processes, are reported to the board through the relevant governance forums.

Commercial and violent crime

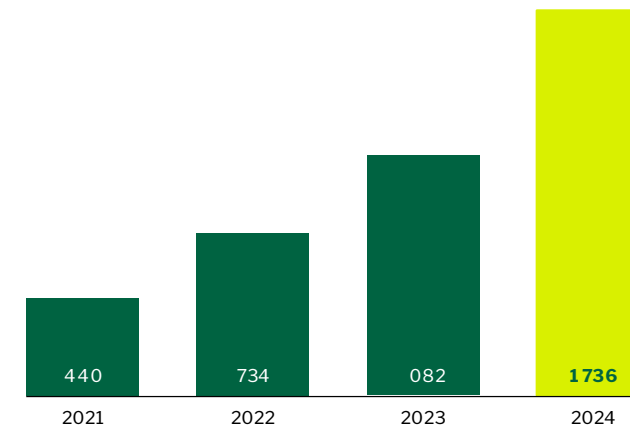
We follow mainly a centralised approach to commercial- and violent-crime risk management. As the bank adheres to the principles of the Basel Regulatory Framework, commercial and violent crimes are classified as operational risks, and more particularly as fraud risks (with corruption as internal fraud and violent crime as external fraud). Corruption is defined as the unlawful use of an official position to gain an advantage including offering, giving, soliciting, or accepting an inducement or reward for acting in relation to the exercise, carrying out or performing of the employee’s powers, duties or functions within the scope of their employment relationship. For Nedbank policies, corruption includes the definition of bribery as defined in the United Kingdom Bribery Act 2010 (UKBA). Facilitation payments are considered under the broader definition of corruption and are also known as grease payments. These are payments made to public or government officials to expedite services (routine actions) to which the payer is legally entitled. Losses related to these risks are reflected as operational losses, with fraud related to credit products included in these losses but flagged as boundary events for risk measurement purposes. In March 2024, the Prevention and Combating of Corrupt Activities Act, 12 of 2004, (PRECCA) was amended to include the new corporate offence of failure to prevent corruption. This in essence copies section 7 of the UKBA and as such included in the existing definitions of corruption in our policies.

The strategy for commercial- and violent-crime risk management is underpinned by the legislative and regulatory framework in which we must operate, as well as by appropriate policies and risk appetite. Processes, procedures and controls are put in place to deter, detect and respond to commercial and violent crime incidents committed by internal and external parties. These components form the basis of our commercial- and violent-crime risk management programme.

Nedbank **does not have an appetite for and will not tolerate any fraudulent, illegal, corrupt, facilitation payments or any other unlawful acts** (including concealing them) perpetrated by our employees, clients and/or suppliers. **The group will investigate and take the necessary disciplinary and criminal action** (where appropriate) against any employee, and criminal and civil action against any client or supplier (where appropriate), involved in confirmed fraudulent acts.

SABRIC continues to report steep rises in digital banking fraud, with losses in 2024 surging by 60% to over R1,7bn

Industry banking losses (Rm)



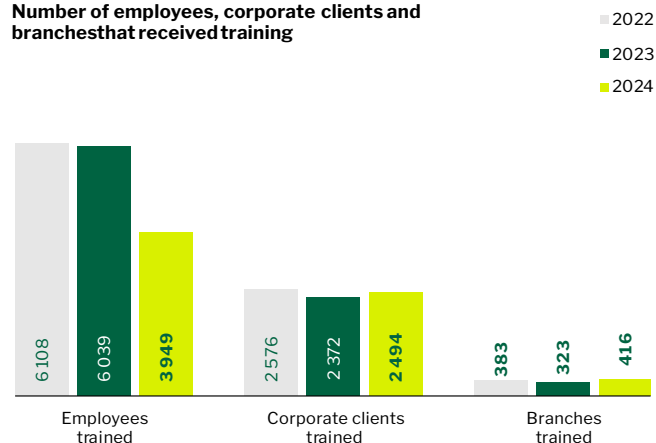


Integrated financial crime risk management continued

We have an ongoing training and awareness programme for employees and clients. Our training programme focuses on fraud and corruption including the requirements of the UKBA and Section 34A of PRECCA. During 2024, besides our ongoing training initiatives, we conducted fraud and corruption training in Nedbank Lesotho, corruption training in Corporate and Investment Banking and held a corruption webinar for Nedbank’s suppliers. The training programme also covered the risk of fraud and corruption in general and included a fraud and corruption awareness campaign to promote awareness of anonymous reporting, among other matters, throughout the bank and our subsidiaries in the rest of Africa. This entailed online learning, presentations via Microsoft Teams, emailers, NedNews and Viva engage messages and face-to-face workshop sessions.

During 2024 a total of **3 949 employees** underwent fraud and corruption awareness and training. A total of **2 494 clients** from various organisations received fraud awareness training from Nedbank. In addition, **416 branches** and **6 697 employees** received training on security-related procedures.

Number of employees, corporate clients and branches that received training



Various prevention initiatives are embedded in Nedbank and include awareness and training programmes for both employees and clients, pre-employment screening, ongoing employee integrity screening, the listing of employees who have been found guilty of dishonesty on the Register of Employees Dishonesty System (REDS) (managed since April 2020 by REDalert – an independent third party), and risk assessments and process reviews that include testing conformance to security protocols in branches and campus sites. Details of employees dismissed for dishonesty (together with details of the transgressions) are published internally every quarter to create awareness of activities that constitute employee dishonesty and to act as a deterrent. Pre-employment screening is completed in line with our Recruitment Policy, with an increasing degree of due diligence dependent on the seniority or risk exposure of the position.

Both the **Fraud and Corrupt Activities Policy, the Fraud and Corrupt Activities Manual and Whistle-blowing Policy** set out our zero-tolerance approach as well as address key aspects of fraud risk management and anti-bribery and corruption measures. The policies provide guidelines on acceptable **employee and contractor behaviour** including the **annually review and acknowledge receipt and understanding of the contents of these policies**. Additionally, as Nedbank employees have a fiduciary duty to act in the best interests of the bank, employees are required to ensure that any outside interest is not in conflict with their fiduciary duties. A **conflict-of-interest declaration must be completed by employees** and assessed to identify any risks associated with fraud and corrupt activities from the conflict. Nedbank further **requires all employees to act honestly and with integrity** and to look after the resources and assets (including reputation) for which they are responsible. All Nedbank **employees have a duty to immediately report any incident of criminal behaviour, corruption, dishonesty, unethical behaviour,** and other forms of serious malpractice that is suspected or discovered. **Failure to comply with the policies could result in disciplinary action** against employees and/or criminal and civil action. There are reporting principles and responsibilities in place and protection is available to parties who report transgressions. Alternatively, provision is made for an individual’s right to anonymous reporting in terms of the Protected Disclosures Act, 26 of 2000 (as amended).

[The Fraud and Corrupt Activities Policy Statement, which provides a concise overview of the internal Fraud and Corrupt Activities Policy while maintaining all the necessary information is now available here.](#)

In addition to the above, during 2024 client fraud awareness campaigns were run using platforms such as Online Banking, the Money app, social media (X, Facebook, TikTok and LinkedIn), the NPW app, push notifications, app tile message, SMSs, ATMs and the Nedbank website

to create awareness of cybercrime (phishing, smishing, vishing and email hacking), prevalent scams, card fraud, mobile banking security, withdrawing cash safely at ATMs, using cellphones safely, reporting lost and stolen cellphones, reporting SIM swaps and number porting, as well as protecting personal information. A security awareness programme was conducted nationally at branches to highlight both the importance of adhering to branch security measures and the crime trends being experienced, as well as to provide guidance on how to be vigilant to protect the bank’s assets, employees and clients, and how consumers can bank safely.

As part of our supplier onboarding process, suppliers (including consultants and independent contractors) are required to acknowledge our **Supplier Code of Ethics and Conduct. Suppliers and their employees are required to adhere to the code when conducting business with and/or on behalf of Nedbank.** The objective of the code is to ensure that the integrity of the bank and its employees, suppliers and representatives is beyond reproach in all business transactions. The code also informs suppliers of requirements that we must meet under the UKBA and PRECCA, as well as our due diligence requirements for suppliers. In terms of the standard contractual agreement with suppliers, failure to adhere to the Supplier Code of Ethics and Conduct or legislation is grounds for contract termination. Nedbank hosts an annual webinar for suppliers that includes requirements regarding ethical behaviour and Nedbank’s zero tolerance to any form of fraud, bribery or corruption.

Fraud and corruption risks are assessed annually by all business units in Nedbank as part of the risk and control self-assessment (RCSA) methodology. Fraud and corruption risk reviews (also called ‘deep dives’) are conducted by GFCFS on business processes, systems and products that have the potential either to facilitate fraudulent and corrupt practices or inherent fraud and corruption risk due to the nature of the business model of that area. The purpose of these reviews is to identify areas of concerns, make recommendations on how to mitigate the identified risks, and track management action to implement or enhance controls to address these risks.

As Nedbank, we are committed to ensuring the protection of Nedbank’s assets and the safety of our working environment, aligning with environmental, social, and governance (ESG) principles. To support this commitment, we have introduced comprehensive policies and procedures to identify, assess, measure, and report risks that could impact our security mandate.

Consistent with our Physical Security Policy, we conduct regular risk assessments across the Nedbank Group. Every 2 years, an



Integrated financial crime risk management continued

enterprisewide security risk assessment is conducted which is integrated into our integrated financial crime risk assessment. These assessments are instrumental in identifying potential risks and implementing effective control measures to mitigate them. Engaging regularly with stakeholders ensures we meet their security expectations while providing them with crucial information to make informed, sustainable business decisions.

Following security incidents, Group Security collaborates with internal partners to identify root causes and prevent recurrence, fostering a culture of continuous improvement. Findings and recommendations are shared during security awareness sessions, enhancing the collective knowledge of branch and campus employees.

At Nedbank, we work closely with physical security suppliers to review and update security protocols, emphasising training that equips security employees with appropriate responses to incidents. We **encourage employees to report security violations and policy non-compliance, thereby promoting accountability and transparency.**

Our Integrated Financial Crime and Governance Team has reinstated an independent security assurance process, ensuring that our security operations comply with all regulatory and industry standards.

To help educate our clients, we used a post login Money app campaign to remind them how to shop safely online as fraudsters use various tricks to get a client's card information, which they then use to commit various frauds.

IMPORTANT NOTICE
Stay safe while doing digital banking

Campaign date: 2020/09/18
Version 0.001

Fraud Alert!

Read before you approve
Read Approve-it messages carefully before you approve them. Don't let fraudsters scare you into accepting an Approve-it message.

Never share your secret information with anyone
You should never share your banking password, card number or PIN with anyone, and we will never ask you for this information.

Never enter your personal information on a website that you received via email, SMS or WhatsApp
We will never send you an electronic message such as an email or SMS with a link that takes you to a website where you enter any of your personal information.

Is your cellphone lost or stolen? We need to know!
Report your lost or stolen phone to Nedbank as soon as possible. Criminals can get access to the information on your cellphone and use it to commit fraud.

Detection

With the increase in financial crime due to the challenging macro and political environments and the complexity of increasing digital activity, we are steadfastly committed to safeguarding our digital ecosystem and protecting client information from cyberthreats. In today's rapidly evolving cyberthreat landscape, ensuring the integrity, confidentiality, and availability of digital services is paramount to upholding our responsibility to clients. We have introduced various measures to mitigate the risk of cybercrime. Given the growing importance of fraud committed electronically, we maintain a resilient anti-cybercrime capacity and provide our employees and clients with various awareness communications focusing on how to bank safely when using digital banking channels by protecting their personal information and never sharing their PIN.

Globally, financial institutions and their clients are exposed to ever-increasing volumes of online fraud attacks. As perpetrators are frequently able to hide behind the considerable anonymity afforded by the internet, law enforcement struggles to deter this onslaught. Detection and prevention of online fraud are therefore a key strategy in keeping our clients' money safe when they transact online. Given the worldwide increase in cybercrime we see the prevention of card and online banking fraud and related losses as a priority and maintain mature real-time fraud detection systems that have helped minimise fraud losses. We have implemented robust strategies and cutting-edge technologies to identify and mitigate digital fraud effectively. Our approach to digital fraud detection encompasses a range of sophisticated technologies and methodologies designed to monitor and detect anomalous activities in real time. These technologies include advanced analytics, machine learning algorithms, anomaly detection systems, and behavioural biometrics, among others. By leveraging these tools, we can swiftly identify and respond to suspicious activities, protecting our clients from potential financial harm. Continuous improvement is integral to our digital fraud detection efforts. We regularly review and enhance our systems and processes to stay ahead of emerging threats and adapt to evolving fraud techniques. Metrics for effectiveness are closely monitored, allowing us to measure the success of our fraud detection measures and identify areas for further enhancement.



Integrated financial crime risk management continued

Although not primarily a detection tool, various reporting channels are available to employees, vendors, service providers and clients. Actual or suspected security, fraud, corruption, and other dishonesty-related incidents can be reported any time through Report-It. Anonymous reporting of these suspicions is facilitated by an external, independently managed whistle-blowing hotline available to employees and clients both in SA and in our subsidiaries in Namibia, Eswatini, Lesotho, Mozambique, and Zimbabwe. The service is promoted to both employees (internally) and external parties (through Nedbank’s website) such as clients, service providers, partners, agents and intermediaries, joint ventures, and vendors.

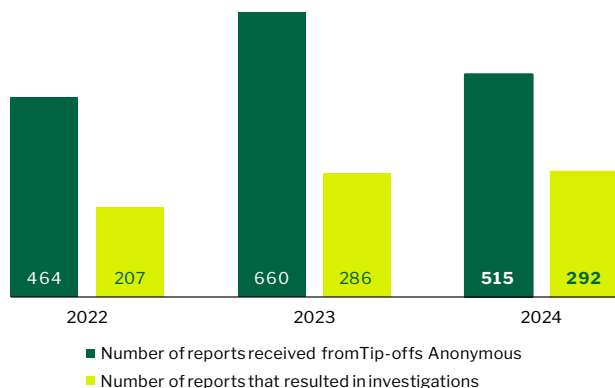
Reporting corrupt and unethical behaviour

Below is an extract from Nedbank’s website on how to report corrupt and unethical behaviour.

Nedbank is committed to the highest ethical standards when conducting business and requires all employees, contract workers, part-time employees, partners, agents or intermediaries, joint ventures and vendors to act with honesty and integrity. Report unethical behaviour and corruption here (you can remain anonymous):

Unethical behaviour – talktotheethicso@nedbank.co.za
Corruption – **0800 000 909** or
nedbankgroup@tip-offs.com

Number of reports of and investigations into unethical behaviour



We adhere to the Protected Disclosures Act, 26 of 2000 (as amended), and our policies ensure that all reports are treated confidentially and are not discussed or disclosed other than for investigation.

Altogether, **515 reports were received via Tip-offs Anonymous in 2024 (2023: 660)**. A total of 292 (2023: 286) reports resulted in investigations, and to date 16 (2023: 20) of those resulted in disciplinary action being taken against employees.

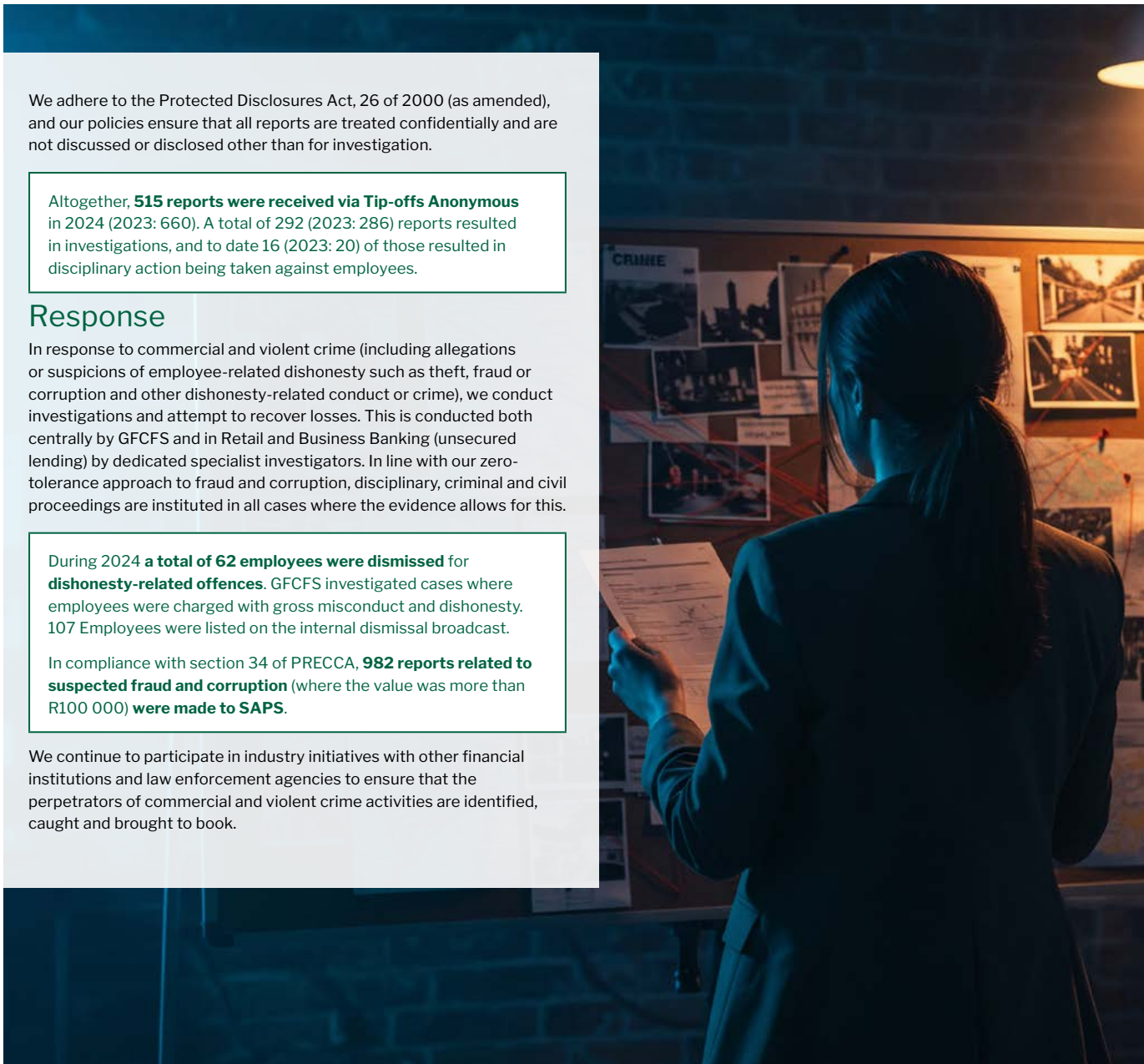
Response

In response to commercial and violent crime (including allegations or suspicions of employee-related dishonesty such as theft, fraud or corruption and other dishonesty-related conduct or crime), we conduct investigations and attempt to recover losses. This is conducted both centrally by GFCFS and in Retail and Business Banking (unsecured lending) by dedicated specialist investigators. In line with our zero-tolerance approach to fraud and corruption, disciplinary, criminal and civil proceedings are instituted in all cases where the evidence allows for this.

During 2024 a total of **62 employees were dismissed for dishonesty-related offences**. GFCFS investigated cases where employees were charged with gross misconduct and dishonesty. 107 Employees were listed on the internal dismissal broadcast.

In compliance with section 34 of PRECCA, **982 reports related to suspected fraud and corruption** (where the value was more than R100 000) **were made to SAPS**.

We continue to participate in industry initiatives with other financial institutions and law enforcement agencies to ensure that the perpetrators of commercial and violent crime activities are identified, caught and brought to book.





Integrated financial crime risk management continued

Corruption risk management

The UKBA defines **corruption** as the unlawful use of an official position to gain an advantage. It includes the offering, giving or soliciting, or accepting of an inducement or reward for doing any act in relation to the exercise, carrying out or performance of employee's powers, duties or functions within the scope of their employment relationship.

Nedbank supports efforts towards preventing bribery and corruption as criminal behaviour threatens the sustainable economic progress of countries and their societies. Therefore, Nedbank supports and adheres to anti-bribery and corruption legislation to which its activities or employees are subject to and has a zero tolerance of any intentional behaviour that may benefit Nedbank or its employees through inappropriate influence, collusion, or facilitation.

We have a governance and risk management structure in place to ensure that we comply with the requirements of the various pieces of legislation and guidelines on corruption and bribery, including guidance issued by the Organisation for Economic Cooperation and Development (OECD) and the United Nations (UN). To ensure compliance with these requirements, we have a formal corruption risk management programme and implementation plan in place. Progress against the plan is tracked through the Commercial and Violent Crime Risk Committee, and significant risks and issues are escalated to the FCC and GRMC. These committees form part of the governance structure related to the management of corruption risk in Nedbank.

The corruption risk management plan aims to prevent corruption while doing so it has the benefit of meeting the requirements for a defence of 'adequate procedures' against a criminal prosecution in terms of section 7 of UKBA and section 34A of PRECCA. Initiatives by our Ethics Office, in conjunction with the implementation plan, enable us to comply with the international guidelines issued by the OECD and the UN Global Compact, which overlap with UKBA and section 34A of PRECCA.

As part of our corruption risk management plan, all new and existing suppliers must acknowledge the Supplier Code of Ethics and Conduct and adhere to this code when conducting business with and/or on behalf of Nedbank. In addition, we complete a corruption risk assessment questionnaire for each supplier, either at onboarding or when an existing contract is renewed. The aim of the questionnaire is to identify potential associated persons, as defined in the UKBA and section 34A of PRECCA. Once identified, the supplier is risk-rated, and an appropriate level of third-party due diligence is conducted. In terms of third-party risk management, a process is in place for ongoing and risk-based third-party due diligence. The process is aimed at ensuring that all third parties continue to comply with relevant regulations, protect confidential information, have a satisfactory performance history and record of integrity and business ethics, and mitigate operational risks. We continue to further enhance our procedures aimed at providing principled guidance on how to identify and manage entities identified as associated persons through our case management system where all high risk associated persons are identified, risk rated, ratified and approved.

The Fraud and Corrupt Activities Manual provides guidelines on conducting risk-based anti-corruption due diligence prior to entering a new business relationship with an associated person. Failure to conduct appropriate due diligence on associated persons can expose Nedbank to risks ranging from loss of market share, damage to reputation and branding or prosecution under section 7 of UKBA and section 34A of PRECCA. The anti-corruption due diligence can be described as the investigation and evaluation that Nedbank undertakes of business associates to reasonably ensure itself that it is not becoming involved in past, present and future corrupt activities through the business relationship. The due diligence aims to identify allegations, confirmed instances as well as propensity to be involved in corrupt and unethical behaviour.

In 2024, **573 anti-corruption due-diligence checks were performed on third parties**. Of these, 2 were rated high-risk, 38 were rated medium risk, while 533 were rated low risk.

Our anti-money-laundering (AML), combating-the-financing-of-terrorism (CFT), counter-proliferation-financing (CPF) and sanctions due-diligence processes assess the direct and indirect risks of bribery and corruption before we enter into a business relationship and on a transaction basis as needed. We apply a holistic approach that requires considering the possibility of other crimes being enabled by an act of bribery or corruption, such as violation of human rights and freedom.

Reporting on the progress and outcome of the corruption risk management plan is both a part of the plan and a feeder for determining and revising policies and risk appetite approaches. Such reporting also feeds into the risk management objectives as it acts as a checkpoint to determine whether procedures are adequate and proportionate to the risk exposure. Reporting to senior management is seen as part of the 'monitoring and review' requirement to ensure that an entity has adequate procedures in place to prevent, detect and manage corruption. Oversight and reviews are conducted by GFCFS as the second line of defence and GIA as the third line of defence.

Although annual corruption risk assessments conducted in terms of UKBA are integrated into the RCSA, a separate risk assessment to identify areas that are high-risk for prosecution under section 7 of UKBA, and now section 34A of PRECCA, is also conducted annually.

The corruption risk management plan ensures that both general and targeted awareness relating to UKBA and section 34A of PRECCA is facilitated across the group. All our employees are subject to compulsory computer-based training on corruption risk management.

This module has been completed by **95% of employees**. New compulsory corruption awareness training in the 5 subsidiaries in the Nedbank Africa Regions has been completed by more than **81% of employees**.



Integrated financial crime risk management *continued*

Anti-money-laundering (AML), combating the financing of terrorism (CFT), counter-proliferation-financing (CPF), and sanctions

AML, CFT, CPF and sanctions risk management resourcing continues to be bolstered to ensure the adequacy, effectiveness and oversight of the compliance and risk management control environments. The board is ultimately responsible for oversight of AML, CFT, CPF and sanctions risk management, with reliance placed on business cluster senior management; GFCFS; Group AML, CFT and Sanctions; GC; and GIA. Coordinated assurance across the 3LoD continues to be emphasised, with AML, CFT, CPF and sanctions being a main theme for 2024 and with management actions being implemented inclusive of risk mitigants to close identified gaps where relevant.

Our approach to sustainable Financial Intelligence Centre Amendment Act (FICA), 38 of 2001 implementation has been integrated with our technology journey through Managed Evolution (ME), specifically Eclipse (Enterprisewide Client and Product Onboarding and Servicing), which supports digital onboarding for individual and juristic clients. ME was formalised in 2016 as the group’s vehicle for executing its IT transformation agenda. Of the 9 system (IT) projects that were in scope for the FICA (SA) Sustainable Programme, all the first priority projects have been closed from an IT perspective. Some outstanding defects and scope have been moved to business-as-usual with agreement from clusters and Group AML.

Risk Management and Compliance Programme

Nedbank has established the Risk Management and Compliance Programme (RMCP). Its principles are supported by a policy, methodologies, systems, training and processes, which comprise the RMCP in accordance with Section 42 of FICA (as amended to manage risks associated with ML, TF, PF and sanctions).

When establishing a business relationship or concluding a single transaction with a client, Nedbank applies appropriate customer due diligence (CDD) measures, taking into account the regulatory requirements for CDD, as well as ML, TF, PF and sanctions risk assessments.

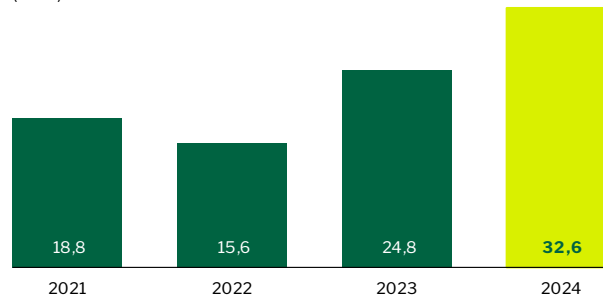
Nedbank screens prospective or existing clients, associated parties and, where applicable, beneficial owners against Nedbank’s ratified sanctions lists, identified internal lists, the do-not-engage (DNE) list and approved domestic political exposed person (DPEP) and foreign politically exposed person (FPEP) lists prior to establishing a business relationship with the client.

In addition, Nedbank screens all clients, associated parties and beneficial owners’ records on an ongoing basis and when any additions, amendments or deletions are made to the Nedbank’s ratified sanctions lists, identified internal lists, the DNE list and approved DPEP and FPEP lists or identified party records. All clients that are classified as high risk, including those identified as a DPEP or FPEP, are subjected to enhanced due diligence and senior management sign-off at onboarding.

Nedbank conducts ongoing due diligence (ODD) for existing clients based on the risk profile of that client, which includes enhanced due diligence (EDD) for high-risk clients.

Nedbank has implemented various controls to ensure its reporting obligations for cash threshold reporting (CTR), international funds transfer reporting (IFTR), terrorist property reporting (TPR), terrorist financing activity reporting (TFAR), terrorist financing transaction reporting (TFTR), suspicious activity reporting (SAR) and suspicious transaction reporting (STR) are adhered to. In 2024 we saw an increase in suspicious transactions reported to the FIC. This increase can be mainly attributed to the growth in digital fraud, specifically transactional fraud such as scams and in line with the industry increases, and well as an increase in automated transaction monitoring alerts as we refined our rules.

Number of suspicious transactions reported to the FIC (000)



FICA requires Nedbank to provide initial and ongoing training to all employees [ie any permanent, contract, temporary or seconded employee of the group, including directors (executive and non-executive)] to comply with FICA and our RMCP. Employees must be trained appropriately for purposes

of AML, CFT, CPF and sanctions in accordance with the degree of their engagement in relation to ML, TF, PF and sanctions risk and based on their function or role. Nedbank has a threshold for the total number of selected employees who have been trained (compliant) for all compulsory AML, CFT, CPF and sanctions via computer-based and non-computer-based training.

Nedbank provides ongoing AML, CFT, CPF and sanctions general awareness training to existing employees across the group at regular intervals but at least once every 2 years. In addition to the general awareness training, employees must also complete any cluster-specific AML, CFT, CPF and sanctions-related training applicable to their role or function(s). The board is trained annually, and training in the past year took place on 1 November 2024. A training framework has been established that documents the training interventions, training outcomes, target audience and method of training. A combination of classroom and digital training (ie computer-based training or other online mediums) is used to train employees appropriately. Training needs are identified on an ongoing basis due to new or amended AML, CFT, CPF and sanctions legislative requirements, systems or processes and products, channels, etc.

At 31 December 2024 just over **94% of employees had completed the AML online training**, which is above the internal 90% threshold.

Governance

The ongoing identification, assessment and management of AML, CFT, CPF and sanctions risk are tracked, assessed, evaluated and reported on through various governance committees across the 3LoD, including board committees. The AML, CFT, CPF and sanctions governance committees ensure that the board is informed of AML, CFT, CPF and sanctions risk affecting the group to assist the board in discharging its AML, CFT, CPF and sanctions risk management obligations. Over and above these business-as-usual processes underpinning the governance committees, Nedbank uses an enterprisewide risk assessment, together with key risk indicators, to identify and assess its AML, CFT, CPF and sanctions risk, enabling it to develop appropriate controls to manage and mitigate this risk exposure.

Regulatory inspections

The 2023 South African Reserve Bank (SARB) findings have been resolved with noted closure by SARB’s Prudential Authority (PA). (No administrative sanction has been received to date.). Nedbank had a positive outcome from the SARB PA thematic sanctions review with no remediation required. Finally, the thematic review by the SARB PA and Interpath remains ongoing and well managed.



Integrated financial crime risk management continued

Cyberrisk

The challenging macro and political environments and the complexity of increasing digital activity remain key drivers of increasing financial crime, and the trend is expected to continue for the foreseeable future. Our most important cyber risks include loss of money and client data (at Nedbank or a third party) as well as system downtime to the extent that transactions cannot be processed. We strive to be cyberresilient, protecting our 'crown jewels' – personal and client data as well as critical systems, platforms and infrastructure.

New threat actors

The evolving threat landscape presents significant challenges in how cyberthreats and vulnerabilities across complex operational frameworks are managed. Cybercriminals are constantly improving their techniques to compromise networks, forcing us to adopt an adaptive defence stance in line with evolving threats to mitigate the material negative effects of a potential cyber event. Social engineering attacks (phishing, vishing and smishing) and the exploitation of remote-working vulnerabilities remain a threat, necessitating continuous enhancement of preventative and detective controls, with ongoing employee awareness being a critical focus area. The most likely avenues for a successful cyberattack are analysed through threat modelling and resilience testing by attack path mapping and red-team testing. Resilience testing is a crucial step in understanding the severity of consequences associated with cyberattacks and in continuously building on the experience of successfully responding to threats, such as the observed escalation of ransomware and supply chain attacks. The independent red-team testing programme, managed by the second line of defence, provides assurance on the capability of the first and second lines of defence to detect and respond to cyberthreats. Nedbank cyberincidents are managed through mature existing processes, continuously tested and improved.

Technology

We continuously invest in IT security to detect and respond effectively to cyberattacks, since the assumption is that these attacks will continue across the industry. We apply a variety of strong technical controls, further augmented with non-technical controls, such as a comprehensive employee security awareness programme. We apply various measures to counter cybercrime and fraud, including client awareness campaigns, state-of-the-art technology and digital forensic capability, to detect and monitor suspicious activity, and provide communication facilities where clients can report suspicious

activity. We continue to work closely with industry bodies – eg SABRIC, peers and law enforcement agents – to combat cybercrime and fraud. Our internal Computer Security Incident Response Team (CSIRT) and Cybercrisis Management Team (CCMT) continue to respond effectively to cyberincidents and cybercrime and, if needed, recover losses from these. Cybercrisis playbooks are in place for relevant threat scenarios, and include communication to regulators, our clients and employees.

Monitoring, management and reporting

Nedbank subscribes to the **Information Security Forum (ISF) Standards of Good Practice** for its policy suite, augmented by NIST CSF 2.0.

As required, the board, management and the Nedbank security community continue to focus on cyber risk to address known and newly identified gaps through various initiatives that will enhance cyber resilience and reduce residual operational risk. Cyber risk is a standing agenda item on both the GRCMC and Group Information Technology Committee (GITCO). Cyber awareness was also included in training for board members, enhanced with a comprehensive analysis of publicly available (open-source intelligence) information, such as social media and the risk it holds in terms of crafted attacks against our board members and executives as well as home internet security. An advanced cyber management information system has been embedded to produce metrics that inform the board and management when cyber risk increases beyond the risk appetite. There is continued implementation of the various components of the Cyber Resilience Risk Management Framework (CRRMF) through the cyber resilience programme. The board-approved CRRMF has been operationalised and since its implementation, significant improvements have been made in the cybersecurity capability at Nedbank, as well as alignment with leading practices such as the National Institute of Standards and Technology's Cyber Security Framework v2.0 (NIST CSF). Our cyber resilience programme activities are prioritised and agreed to by executive committees and tracked in detail. The prioritisation is influenced by the changing cyber threat landscape, a focus on crown jewels and threat modelling input from an external, internal and third-party perspective.

The CISO reports on the cyber resilience strategy and programme at various board and executive-level committees and Business Information Security Officers (BISO) at cluster risk committees. New initiatives are added as and when threats are identified and in line with changes in the cyber risk environment.

Our external security (internet footprint) is rated at an advanced level (780) by an independent security rating vendor (BitSight). We have been subscribed to BitSight since 2017, which enables better risk decisions based on ratings and analysis. The BitSight ratings range from basic (250–640) to intermediate (640–740) to advanced (740–900). Our aim is to maintain a rating of advanced. **The CyberMIS dial rating (90), which is the balanced result of different cyber risk key risk indicators, was improved further in 2024 by adding 3 more cyber risk metrics.** The CyberMIS dial was in line with the 2024 target at year-end.

In line with the ERMF, the cyber risk annual coordinated assurance (CA) programme integrates and aligns assurance activities across the organisation. The CA programme includes an independent assessment of our cyber resilience by an international consulting firm, benchmarking against the NIST CSF, independent red-team testing (ethical hacking), annual GIA cyber risk audit coverage, as well as an annual external audit cyber risk assessment.

We participate in the Society for Worldwide Interbank Financial Telecommunication (SWIFT) Customer Security Programme required standards to protect the payment system. In 2024 compliance was assessed independently, and 100% compliance was achieved on all controls managed by the group.

As was the case in 2023, Nedbank participated in the 2024 [The Association for Savings and Investment South Africa (ASISA)/South African Insurance Association (SAIA)] cyber desktop simulation. The simulation involved 361 participants from 29 ASISA and SAIA members, testing the response to a cyber event impacting entities across the industry. Additionally, Nedbank Namibia conducted a comprehensive cyber crisis simulation, focusing on a ransomware attack. This exercise not only tested processes and playbooks but also met a regulatory requirement from the Bank of Namibia.

A SARB PA cybersecurity onsite inspection was conducted on 19 September 2024. Nedbank's presentations were well received, with key issues, observations, and recommendations communicated in the feedback letter received on 19 December 2024. Additionally, the annual cybersecurity questionnaire was completed and submitted. In addition, the Financial Sector Conduct Authority and the SARB PA published the Joint Standard 2 of 2024: Cybersecurity and Cyber Resilience on 17 May 2024, which will come into effect on 1 June 2025.



Integrated financial crime risk management continued

A third-party risk management process is in place to assess whether sufficient controls and secure connections are in place to protect Nedbank sensitive data. This process is applied to existing and newly onboarded high-risk cyber- and privacy third parties. The end-to-end process includes risk categorisation, cyber- and privacy due diligence, contractual agreements, ongoing monitoring, and termination requirements. The Bitsight security platform is used to augment the risk management through ongoing monitoring and remediation.

A data classification framework and policy are in place to guide the implementation of appropriate controls for handling, managing and maintaining data in line with the defined classification schemes. In line with defined classification schemes, security controls such as access to sensitive data and critical systems are managed through the Identity and Access Governance programme, and encryption in transit (when sensitive data is transmitted externally) is also in place.

Comprehensive cyberassurance activities are performed by the various lines of defence to ensure extensive coverage of the environment and crown jewels. Cyberrisk remains a key coordinated assurance theme, with comprehensive oversight provided by both internal and external assurance providers.

No material cyberincidents were reported that had to be managed by the CCMT in 2024 (2023: 2). The CSIRT handled 8 incidents, which was 11% lower than the previous year. All cyberincidents were handled with no known impact to the bank and lessons learnt are continuously used to further enhance incident processes.

As a final line of defence we maintain dedicated cyberinsurance cover through international insurance providers.

Be CyberSMART awareness



Ongoing cyberawareness initiatives and testing are a cornerstone of the cyberresilience programme. Initiatives included the following:

- The Cyberawareness Month event, held over 2 days in collaboration with Group Financial Crime and Forensics Services and the Information Privacy Office, took place at the Nedbank head office and **attracted over 1 000 employees**. Various topics were covered, including social engineering tools and techniques used by criminals, including show and tell; online privacy and security advice; social media safety; protecting personal and company data; and staying ahead of emerging digital threats, such as deepfakes and artificial intelligence (AI).

- Two online webinars were hosted with cyberindustry experts and attended by **6 033 employees**.
- A total of 16 face-to-face and online cyberawareness and training presentations were conducted with **1 784 employees** attending.
- Social engineering tests in 2024 included 6 email phishing and 2 SMS phishing campaigns with a total of **55 301 emails and 10 390 SMSs** delivered. A 12-month cumulative click rate of 14% was observed. Continuous phishing refresher training is key in mitigating this risk.
- A roadshow in collaboration with HR was held that visited most campus sites in SA and engaged **2 304 employees**. It addressed digital well-being and behavioural aspects relating to cybersecurity. Various mindfulness techniques were demonstrated to help employees cultivate a zero-trust mindset against social engineering.
- A short video miniseries was released educating employees on social engineering and ransomware; clean desk policy; approved cloud services: password security; reporting security breaches; travel security; app, mobile and external device security; and insider threats.
- A formal Be CyberSMART e-learning training module is compulsory for employees to complete. At year-end **93% of employees had completed the training**.
- An online awareness presentation was given to the Nedbank Zimbabwe Board and executives.

Cyberawareness education sessions were conducted for the new Nedbank CE and his executive personal assistant, emphasising their potential vulnerability to cyberattacks due to their digital footprints.

Data privacy Privacy governance

Nedbank has adopted core privacy principles in accordance with the Protection of Personal Information Act, 4 of 2013 (POPIA), addressing every stage of the personal information life cycle. The Nedbank Privacy Governance Framework, which includes policies, standards, risk management frameworks, and processes, ensures that Nedbank, its employees and agents comply with local and international privacy best practices. The Nedbank Privacy Policy is legislatively agnostic, focusing on general privacy principles applicable across the various jurisdictions within which we operate. It outlines requirements for the reasonable

collection and processing of data, as well as its protection and storage. All Nedbank employees must acknowledge the policy, complete an annual assessment confirming their understanding and pledge their commitment to privacy annually.

An information officer and a deputy information officer have been registered with the Information Regulator. Details of these appointments are available in the PAIA manual, and the Nedbank Privacy Notice (available at nedbank.co.za). The PAIA manual and supporting processes provide data subjects the opportunity to request access to, deletion, or correction of their personal information via Form 2, also contained in the PAIA manual.

Privacy assessments are conducted by internal audit, risk, and compliance functions within Nedbank to ensure all privacy controls are effective. Remediation activities are agreed upon and tracked until completion when findings are noted.

A privacy impact assessment is embedded in projects and new product approval processes, ensuring that all projects and new products (including amendments to existing products) undergo privacy assessments and remain aligned with policy requirements.

The Nedbank Code of Conduct processes all personal information in line with the Banking Association South Africa's (BASA) Code of Conduct, which has been issued and approved by the Information Regulator under chapter 7 of POPIA. The code outlines specific obligations that members of BASA have when processing clients' personal information and does not replace POPIA provisions, which must still be adhered to. The 2024 annual letter detailing compliance with the code was issued by BASA to the Information Regulator.

Data usage

Data is obtained and used fairly, appropriately, and for specified business purposes only, with informed client consent. Nedbank adheres to regulatory, legislative, and contractual requirements concerning data and data management, balancing open access and the release of data with the need to protect classified, proprietary, and sensitive data.

Privacy training

In addition to acknowledging the Nedbank Privacy Policy, signing the Nedbank Privacy Pledge and completing the online training material, employees complete additional privacy training modules as and when required. These modules highlight specific privacy considerations, sometimes specific to roles. All new joiners must also complete a digital privacy training module embedded in the Nedbank induction course.



Integrated financial crime risk management continued

Privacy awareness is ongoing within Nedbank, and new ways of creating awareness are constantly being explored, from in-person cyber- and privacy days, animated cartoons and videos to simple email messages.

Data breaches

To support Nedbank's commitment to protecting personal information, privacy governance structures and breach processes are in place to investigate and prevent unauthorised access or disclosure of personal information. Relevant breaches are reported to the Information Regulator, and impacted clients are notified.

Nedbank continuously monitors and tracks privacy breaches, with governance structures and processes proactively identifying risks that may result in client detriment. Collaboration between specialist areas and businesses identifies root causes, leading to the implementation of appropriate controls to mitigate the recurrence of similar breaches. Incident trends and analysis result in additional internal communication to businesses to ensure employee awareness regarding their responsibilities in protecting personal information.

Specific cybertools have been adopted to ensure the protection of personal information in use, at rest, or during transfer outside Nedbank. Controls guard against both malicious and accidental data transfers outside the Nedbank environment. Safe channels for data transfer to authorised external recipients are provided. Nedbank has established cybersecurity capabilities using various tools to protect against cyberattacks and infiltration, continually investing in IT security to detect and respond effectively.

Nedbank third parties

Nedbank uses the services of third parties that may be required to process personal information of its clients. As such, all third parties are required to undergo robust cyber- and privacy due diligence and sign formal contracts and data-sharing agreements before receiving any data. Internal assurance providers may also perform audits of the third party's processing environments to ensure alignment with that of Nedbank.

Exchange control

Exchange control measures are instituted to safeguard SA's foreign currency reserves by regulating the transfer of real or financial capital assets out of the country. This system ensures effective oversight of the movement of funds in and out of SA while maintaining the efficient operation of the commercial, industrial, and financial sectors.

The Financial Surveillance Department (FinSurv) of SARB administers exchange control on behalf of the National Treasury. The Minister of Finance appoints specific banks as authorised dealers (ADs) in foreign exchange, granting them the authority to buy and sell foreign currency under conditions and limits prescribed by FinSurv. These authorised dealers operate independently, serving their clients rather than acting as agents of FinSurv.

Nedbank has been granted an AD licence by SARB FinSurv, authorising it to engage in foreign exchange activities, including the purchase, borrowing, receipt, sale, lending, or delivery of foreign currency and gold. These activities are conducted in compliance with the governing regulatory framework and associated conditions.

To manage compliance risks related to exchange control, Nedbank has developed a comprehensive risk management framework aligned to the organisation's Enterprisewide Risk Management Framework. This framework ensures the adequacy and effectiveness of controls across the organisation, supporting the discharge of its responsibilities as an authorised dealer. This commitment is reinforced by a robust governance structure and oversight mechanisms, implemented in alignment with the 3LoD Model, and supported by coordinated assurance practitioners, including Group Exchange Control, GC, and GIA.

Market abuse

We are committed to taking all the necessary measures to prevent market abuse in any form, including abuses defined in the South African Financial Markets Act, 9 of 2012, namely insider trading; unlawful publication of inside information; prohibited trading practices; and publication of false, misleading or deceptive statements, promises or market forecasts. Similarly, we maintain the required vigilance and oversight in relation to market abuse regulatory requirements in all jurisdictions in which we operate, and we implement the highest standard of protocols to identify, prevent and meet our regulatory and market conduct obligations in relation to market abuse.

We have a zero-tolerance approach to practices that amount to market abuse. Market abuse is classified as a financial crime and falls under the broader definition of 'market conduct'. As such, Nedbank has embedded various market conduct and financial crime policies, most notably the Market Conduct Policy, Personal-account Trading Policy, Conflicts of Interest Policy, Code of Ethics and Conduct Policy, and Outside Interests and Conflict of Interest Policy, all which address, among other issues, market abuse together with the prevention, detection and monitoring

thereof. In response to suspicions of possible contraventions, investigations are undertaken by the business unit compliance function where applicable. If necessary, these investigations are escalated to GFCFS for a forensic investigation and are followed by disciplinary action and criminal proceedings against employees, if appropriate.

Tax evasion

Tax evasion and the facilitation thereof are financial crimes and considered a predicate offense to money laundering. We have a zero-tolerance approach to tax evasion and tax evasion facilitation, and we have adopted a policy that aims to mitigate the risks posed by client tax evasion as well as by employees, suppliers, and associated persons. These risks include failure to comply with relevant laws and regulations; tax evasion facilitation by clients, employees, suppliers and associated persons; and risks that manifest from clients' failure to comply with tax information compliance regimes, such as in respect of the United States Foreign Account Tax Compliance Act 2010 (FATCA) and Common Reporting Standard (CRS). Compliance with the Anti-Tax Evasion and Tax Evasion Facilitation Policy also ensures compliance with the United Kingdom Criminal Finance Act, 2017 and mitigates the risk of corporate sanction. In addition, we have implemented processes in collaboration with the South African Revenue Service (SARS) to curb tax fraud, and in particular the monitoring of suspicious tax refunds paid to client accounts and securing the fraudulent funds on behalf of SARS.

We are committed to implementing policies and procedures – which includes having clear roles and responsibilities – concerning the prevention of detection of and response to tax evasion, providing awareness training, promoting ethical behaviour, undertaking risk assessments to identify possible high-risk exposure, and encouraging employees to be vigilant and report any suspicions of tax evasion. Employees are prohibited, in the course or scope of their employment, from any conduct that facilitates, supports or results in tax evasion, including giving any advice to clients, suppliers or other third parties that support or results in tax evasion.



You can find more detail in the Tax review on page 108 of this report.

As a financial institution, Nedbank is required to comply with the laws and regulation of the sector. Failure to do so will result in regulatory fines. **At the time of writing, Nedbank had not yet received any fines from regulatory bodies for the year 2024 across the financial crime types.**



The group's publicly available policies and procedures can be found here.



Remuneration Review



Letter from the chairperson of the Group Remuneration Committee



“ Our Remuneration policy and Implementation report was well received by shareholders at our 2024 annual general meeting (AGM). Group Remco is satisfied that Nedbank’s remuneration strategy remains well aligned to support the group’s human capital and business strategy. ”

Hubert Brody, Chair: Group Remco

Covered in this section

Business performance highlights
Remuneration highlights
Business performance
The composition of Group Remco
Shareholder alignment
Remuneration outcomes
Group Remco main focus areas
Group Remco standard focus areas
Explanation of the Voluntary Bonus Share Scheme
Group Remco discretion
Future focus areas
Service providers
Peer group benchmarking
Committee effectiveness
Approval of the Remuneration Report
Conclusion

On behalf of the Nedbank Group Board, it is my pleasure to present the 2024 Remuneration Report. The committee met 5 times during the year to fulfil its charter responsibilities and focused on various policy matters that resulted in changes to the Group Remuneration Policy, as outlined below and described further in this report:

- Following a market review, the minimum shareholding requirements were increased: chief executive (CE) (from 2 to 3 x GP); executive directors (EDs) and prescribed officers (POs) (from 1,5 to 2 x GP).
- A non-financial modifier was added to the short-term incentive (STI) build-up methodology to measure and incentivise progress against employment equity targets.
- Following a market review, the malus and clawback triggers were updated to include a new trigger for conduct leading to reputational harm and we have made refinements to existing triggers to include errors in non-financial reporting.
- The normal retirement age was increased from 60 to 63 years, effective from 1 August 2025.
- The variable pay cap ratio for our UK material risk takers was reviewed.
- Private equity employees will participate in the normal STI distribution process and not carried interest payments for deals originating from 1 January 2024.

This year we provide enhanced disclosure on the following items:

- Remuneration arrangements for the outgoing and incoming CE (discussed in this part of the Remuneration Review).
- The Voluntary Bonus Share Scheme (VBSS), which is a subset of the Matched-share Scheme within the shareholder-approved share plan (discussed in this part of the Remuneration Review).
- Pay gaps (See Part 3: Implementation Report).

We have also continued with our practice of share repurchases (as opposed to new share issuance) for long-term incentive (LTI) awards.

In 2024, our Remuneration Policy and its Implementation Report received strong shareholder support of 90,6% and 92,8%, respectively.



Letter from the chairperson of the Group Remuneration Committee continued

Business performance highlights

The group delivered healthy earnings growth, and we are making steady progress towards meeting our return on equity (ROE) targets.

Drivers of shareholder value creation:

ROE strengthened to 15,8%	HE increased by 8% and DHEPS by 11%	Full-year dividends per share are up by 10%	Cost-to-income ratio of 55,9%
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Non-financial highlights:

Managed Evolution IT build fundamentally completed	64% of products sold digitally	14% increase in Money app users to 2,7 million	R40bn renewable energy finance (up by 32%)	#1 ranked bank on NPS (great client service) based on all clients surveyed
R183bn sustainable development finance (SDF) provided 19% of the group's total gross loans and advances		Black (ACI) staff grew from 81,5% to 82,6% at management levels (top, senior, middle and junior)		

Remuneration highlights

2024 **STI pool** up by **11,6%**.

Features of the 2024 total earned remuneration (single-figure remuneration):

Strong share price appreciation of 29,1% over the 3-year vesting period of the 2022 award (from R218,16 to R281,71 at the end of 2024).

Lower vesting outcomes: The 2022 long-term incentive (LTI) awards for Group Exco vested in 2025 at 60,5% (2021 awards: 124,8%).

No share match was declared in 2025 for Group Exco members on the 2022 Matched-share Scheme (MSS) awards, compared with 100% match in 2024 of awards made in 2021. This was because the matching performance condition of ROE (including goodwill) \geq cost of equity (COE) +1% in the 2024 financial year was not met as ROE of 15,8% was less than 1 % above COE (of 15%).

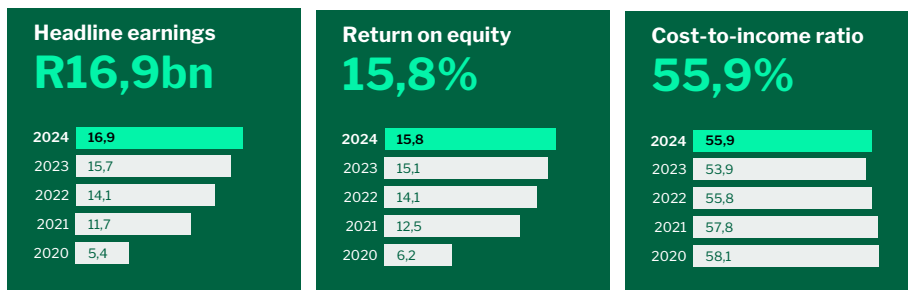




Letter from the chairperson of the Group Remuneration Committee continued

Business performance

Nedbank Group delivered an improved financial performance as HE increased by 8% to R16,9bn and the group's ROE strengthened to 15,8%, from 15,1% in the prior period, reflecting steady progress towards our ROE targets. HE growth was underpinned by good non-interest revenue (NIR) growth, a lower impairment charge and targeted expense management, offsetting muted NII growth given slower loan growth and margin pressure. DHEPS increased by 11%, benefiting from the share buy-back we executed in 2023.



The composition of the Group Remuneration Committee

Group Remco convened 5 times in 2024:

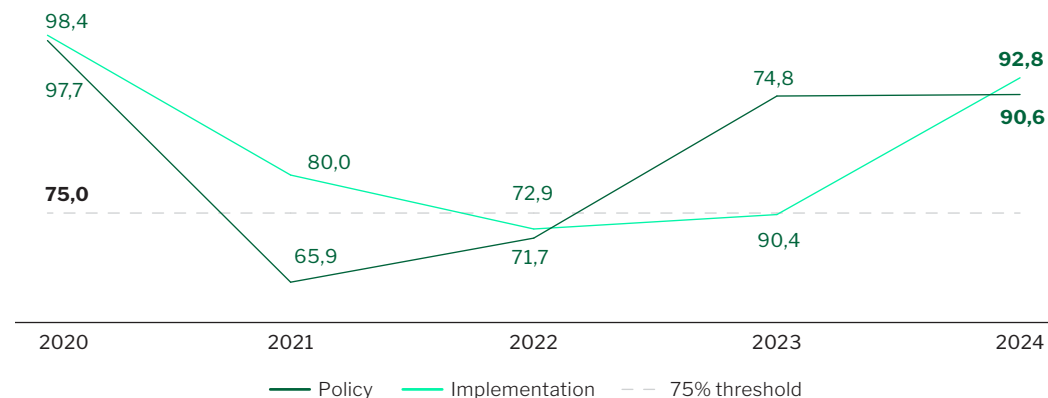
Name	Directorship status	Current membership
Hubert Brody	Lead Independent Director	Chairperson of Group Remco
Neo Dongwana	Independent non-executive director	Current member
Phumzile Langeni	Independent non-executive director	Current member
Robert Leith	Independent non-executive director	Current member
Stanley Subramoney	Non-independent non-executive director	Current member

The Group Chairperson, Chief Executive (CE), Chief Operating Officer (COO), Chief Financial Officer (CFO) and Group Executive for HR are permanent invitees, but are not present in discussions regarding their own remuneration. Hubert Brody will step down as the Chairperson of Group Remco on 30 May 2025, and will remain as an invitee in his capacity as Lead Independent Director. He will be replaced by Phumzile Langeni on 30 May 2025.

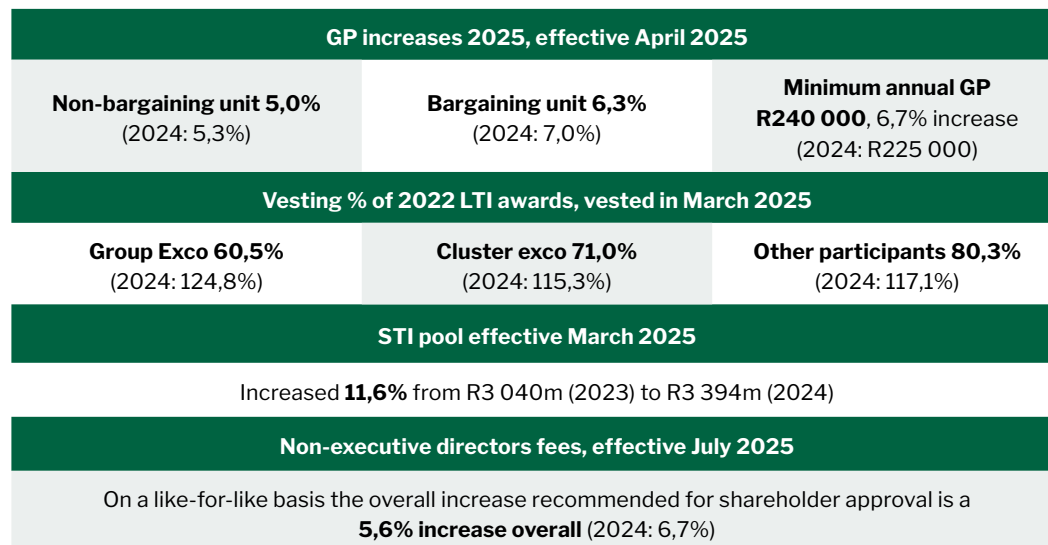
Shareholder alignment

In 2024 we received positive support from shareholders for both our Remuneration Policy (90,6%) and our Implementation Report (92,8%). The graph below outlines the voting outcomes over recent years:

Shareholder votes in favour of proposed the Remuneration Policy and implementation (%)



Remuneration outcomes





Letter from the chairperson of the Group Remuneration Committee continued

Guaranteed package increases (effective from April 2025)

The overall spend on guaranteed package (GP) increases for Group Exco, cluster exco and non-bargaining-unit employees was up by 5,0%, with effect from April 2025 and 6,3% for employees in the bargaining unit.

Short-term incentives for 2024 (paid in March 2025)

The STI pool is driven by EP and HE performance against targets agreed annually by the board and Group Remco.

The 2024 STI pool of R3 394m is 11,6% above the 2023 pool of R3 040m. This increase in the pool tracks well with the increase in DHEPS of 11%, and the meaningful increase in economic profit (EP) of 52%. The 2024 year-on-year pool increase (11,6%) is above the 2024 HE increase (8,2%) compared with the 2023 pool increase (4,8%) which was below the 2023 HE increase (11,3%). This is due to the pool build-up methodology taking into account, inter-alia, performance against the year's HE and EP targets, and the addition to this year's non-financial STI modifier for the strong achievement against employment equity targets, where unprecedented levels of progress were achieved in 2024. Furthermore, Group Remco reviewed the quality of earnings before finalising the STI pool. Performance compared to target (HE, EP and non-financial) was better in 2024 compared with 2023, although still behind targets in both years.

The 2024 STI pool represents 12,7% (2023: 12,4%) of HE (pre-bonus and pre-tax).

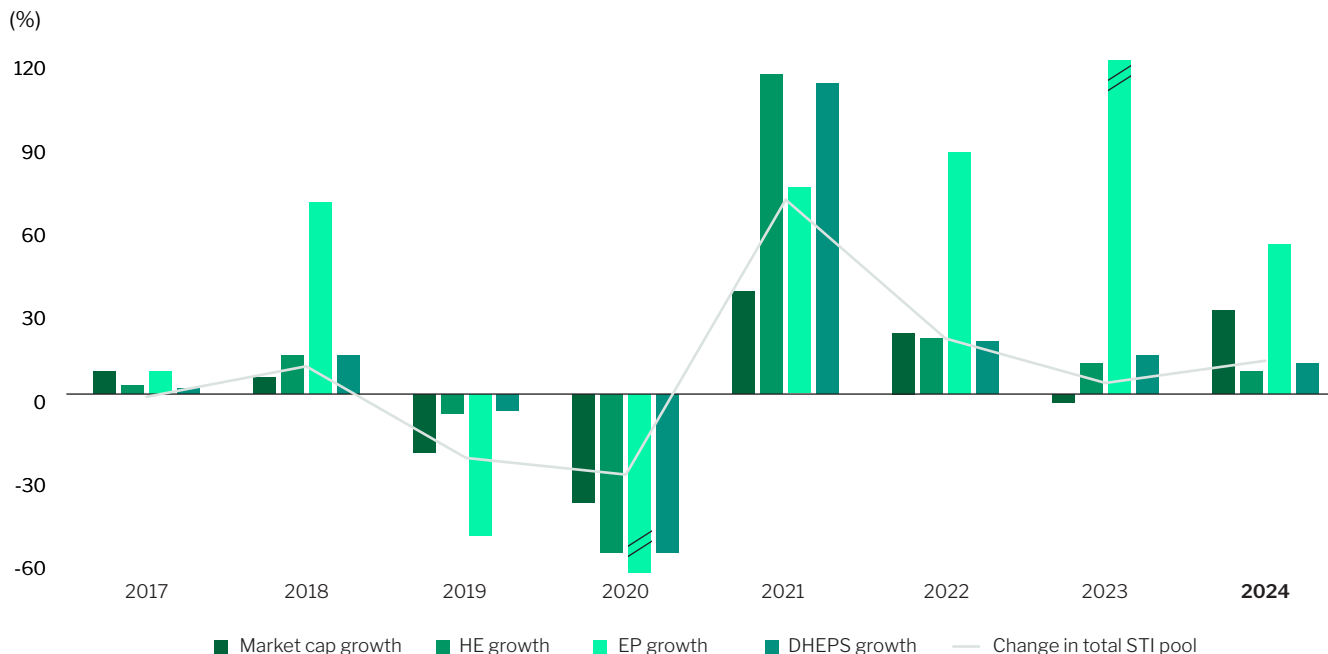
Group Remco is satisfied that the STI is appropriately aligned with the group's increase in HE and DHEPs, improvement in EP (see graph alongside), quality of earnings, and performance against targets for the year.

Long-term incentives

Corporate performance targets (CPTs) for the 2025 awards

ROE, diluted headline earnings per share (DHEPS) growth, and the efficiency ratio (cost-to-income) have been retained as CPTs and align to our board-approved medium-term targets. The non-financial CPTs have also been retained. Delivery on these CPTs will support Nedbank's continued focus on value creation for shareholders by delivering

Annual % change in HE, DHEPS, market capitalisation, and EP vs % change in STI pool



sustainable earnings growth (DHEPS compound annual growth of nominal GDP + 3%), continued increases in ROE (to greater than 17%) and a lower cost-to-income ratio (to less than 54%).

Following a review of market practice, the LTI vesting percentage on Environmental, Social and Strategic CPTs (the non-financial targets) was increased from 60% to 100% for target vesting and 100% to 150% for maximum vesting at a stretch level.

Feedback on qualitative CPTs on 2023 and 2024 LTI awards

To enhance transparency, Group Remco provides feedback in the Remuneration Report each year until vesting, on progress towards the achievement of any qualitative (non-financial) CPTs. (Feedback on the vesting outcome on the 2022 awards, which vested in March 2025 is provided in Part 3: Implementation Report.)

The estimated vesting on the Environmental and Social CPTs for 2023 and 2024 awards is 80% (based on a rating of 4 on a scale of 0 to 5), consistent with the update in the 2023 Remuneration Report for the 2023 awards:

- **Environmental:** We continued to make good progress on delivery against our Energy Policy commitments, evidenced by strong growth and pipelines of renewable energy finance and sustainable development finance at 19% of the group's total gross loans and advances.
- **Social:** Our employee 'great place to work' 2024 NPS score remains favourable at 18 (2023: 20; 2022: 22; 2021: 19). Our client NPS among South African banks remains #1, jointly with FNB when surveying all clients. We have also retained our level 1 broad-based black economic empowerment (BBBEE) status for 7 years in a row, which has been supported by diversity metrics improving across gender and race.



Letter from the chairperson of the Group Remuneration Committee continued

The estimated vesting on the Strategic CPT, namely SPT 2.0, for 2023 and 2024 awards drops from 80% as reported in the 2023 Remuneration Report to 60% (based on a rating of 3 on a scale of 0 to 5).

This drop is due to slower progress in overall market share gains [as set out in our Strategic Portfolio Tilt 2.0 (SPT 2.0) targets]. We have lost market share in household transactional deposits, commercial transactional deposits, personal loans and cards, and recorded market share gains in home loans, overdrafts and retail transactional deposits, while we continued to grow main-banked clients.

The estimated vesting on the other Strategic CPTs for the 2024 awards is currently at 80% (based on a rating of 4 on a scale of 0 to 5):

- **Nedbank Africa Regions (NAR):** We are making good progress on coverage with a 14% increase in the number of clients since 2023 and returns with ROE maintained above COE. Digitally active clients across the NAR business increased from 64% to 72% of its total active client base.
- **Digital transformation:** We are unlocking value from artificial intelligence (AI) and generative AI (GenAI) with over 50 AI use cases across credit scoring, and cross- and up-sell. We are strengthening capabilities in data and analytics with a dedicated team and transforming digital customer engagement with digital product sales up to 64% of new sales and client onboarding now fully digital. Retail digital transaction volumes and values in SA grew by 12%. Digitally active retail clients increased by 7% to 3,1 million, representing 70% of retail main-banked clients (2023: 69%).

Group Remco main focus areas

Terms for the outgoing CE, and the incoming CE

During the latter part of 2023, and the early part of 2024, Group Remco and the board approved the following terms, which were agreed with the incoming and outgoing CE, and were in line with the group's Remuneration Policy:

Mike Brown, our former CE, stepped down from his CE role at the 2024 AGM, effective 31 May 2024. He remained employed with Nedbank in an advisory role until 31 August 2024 when he retired. This allowed for an orderly transition period for the incoming CE, Jason Quinn, who joined Nedbank on 22 May 2024. The terms for Mike Brown's retirement arrangements were disclosed in my letter in the 2023 Remuneration Report. Brown was awarded a prorated STI award in March 2025 of R9,2m, considering the partial period of employment in the 2024 financial year. He was not eligible for an LTI award in March 2025.

Jason Quinn was appointed as Nedbank's CE-designate effective from 22 May 2024. From 1 June 2024 he was appointed Nedbank's CE. Jason's remuneration package was informed by market benchmarks, after also considering Mike Brown's remuneration. In August 2024, Jason Quinn was awarded the following, in respect of the value he forfeited on his resignation from his previous employer:

- An on-appointment deferred short-term incentive (DSTI) of R22,9m replacing his unvested short-term incentive deferrals. The DSTI award is cash-based, comprising an upfront payment (40% of the award equal to R9,2m), with a deferred component (the remaining 60% equal to R13,7m) payable at the end of 3 years, subject to meeting minimum service and individual performance conditions. Executive directors are not normally eligible for DSTIs in the normal course, and hence required specific advance motivation and approval by Group Remco.
- An on-appointment LTI award of R62,7m in respect of unvested long-term incentives. The corporate performance targets on his LTI award are the same as those in the Group Exco 2024 awards.

Jason Quinn's notice period (12 months), on-target and maximum STI awards (150% and 250% of GP respectively) and on-target LTI awards (175% of GP), and minimum shareholding requirement, (3 times GP) are in line with the updated remuneration policy. A restraint of trade agreement has also been agreed with Jason, at no additional cost to Nedbank.

Other Group Exco member changes

- The managing executive (ME) for Wealth, Iolanda Ruggiero, took early retirement with effect from 31 March 2025. No variable pay awards were made to her in respect of the 2024 financial year. Details of her retirement package will be disclosed in our 2025 annual reporting.
- The Group Chief Compliance Officer, Daleen du Toit, took normal retirement with effect from 16 May 2025, when she will be replaced by Nomonde Hlongwa who starts employment on 16 April 2025.

Remuneration Policy changes

Changes to minimum shareholder requirements (MSRs)

MSRs aim to align the interests of executives with those of shareholders by ensuring that executives have a vested interest in the company's long-term success.

Following a market review, Group Remco approved the following changes:

	Previous target	Revised target
CE	2,0x Annual GP	3,0x Annual GP
EDs other than the CE	1,5x Annual GP	2,0x Annual GP
Prescribed officers	1,5x Annual GP	2,0x Annual GP
Other Group Exco members	1,0x Annual GP	Retain 1,0x Annual GP

Group Exco members have an additional 3 years in which to meet their revised targets.

Jason Quinn, the current CE, will retain the original 2 times GP MSR to be met within 5 years of appointment, with a further 3 years to meet the increased MSR of 3 times GP.



Letter from the chairperson of the Group Remuneration Committee *continued*

Introduction of employment equity targets to the non-financial STI modifier

The targeted Group STI pool is approved at the beginning of the year based on benchmarks and delivery of targeted ROE and HE. Thereafter, the targeted pool is adjusted for year-end performance variance to target, with a weighting towards EP to incentivise capital efficiency, where:

- 40% of the adjustment is based on HE variance to target; and
- 60% of the adjustment is based on EP variance to target.

The financially determined STI pool is then adjusted for performance against non-financial goals included in Group Exco goal commitment contracts (GCCs). This non-financial modifier, previously capped at $\pm 15\%$ of the target pool, depends on meeting commitments in governance, risk management, nation building, banking sector engagement, people management, leadership, and enterprisewide strategic goals. For 2024, this adjustment for non-financial performance increased from 15% to 20%, after including performance against employment equity (EE) targets that are included in each Group Exco member's GCC. It is expected that this change to the non-financial modifier has resulted in increased focus on our EE performance. Group Remco retains discretion to amend the targeted and final STI pool for non-quantifiable factors.

Updates to malus and clawback (M&C) triggers

As part of a routine market review of the M&C Policy, refinements have been made to the M&C triggers, which are set out below, with the following changes italicised:

- Gross misconduct.
- Loss to the group due to the failure to observe risk management policies.
- Presentation or publication (*internally or externally*) by *deliberate omission or action of any* misleading or *incorrect* financial and/or *non-financial* results.
- Instances where the *participant* is deemed, *as a result of their conduct*, to have caused harm to the reputation of Nedbank, or any *other member of the group*.

These changes are aimed at strengthening our Risk Management Framework for reward.

Change to the normal retirement age

Nedbank's retirement age of 60 for South African-based employees has disadvantaged the group in a highly competitive market from a talent attraction perspective. Following a review of the peer group and general market practice, the committee has therefore supported management's recommendation to increase the retirement age to 63 years from 1 August 2025 for all South African-based permanent employees.

Voluntary variable pay cap ratio for our United Kingdom (UK) material risk-takers

Following the removal of the variable pay cap on the ratio between fixed and variable pay by the UK Prudential Regulation Authority and the Financial Conduct Authority, Group Remco has determined a cap on variable pay for the material risk-takers in our UK operations at 6 times GP. This will be reviewed from time to time. For our UK operations, malus and clawback as well as compulsory bonus deferral still applies without any change.

Private equity lock-box transition into the group STI pool

Participants in the private equity 'locked box' remuneration schemes will continue to share in the 'carried interest' on realised investments for deals which existed up to 31 December 2023. For new deals originated from 1 January 2024 private equity employees will participate in the normal discretionary STI distribution process. In both cases, incentives are subject to the group's malus and clawback.

Group Remco standard focus areas

Group Remco attended to the following standard charter requirements:

- Approved the overall remuneration spend for all employees.
- Reviewed senior risk, compliance, internal audit, and finance (RCAF) employees' remuneration outcomes for the 2024 financial year. Group Remco reviews the remuneration outcomes of RCAF employees to ensure that individuals in these functions remain sufficiently independent of the businesses they serve. Overall, Group Remco was satisfied with the outcome.

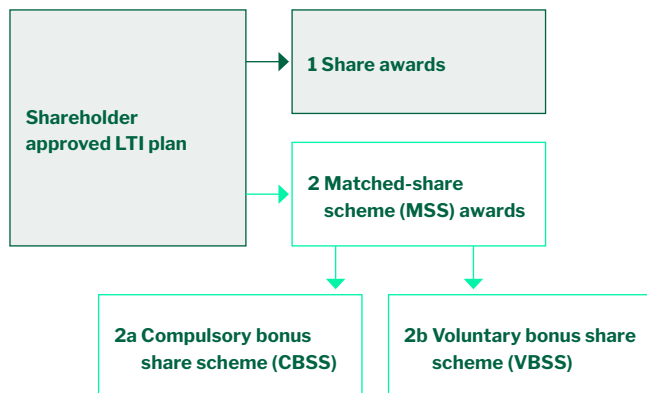
- Approved the 2024 performance outcomes against the 2024 GCCs of Group Exco members, including a joint GCC for the incoming and outgoing CE.
- Approved the 2025 GCCs of Group Exco members.
- Approved the performance measures and pools on variable pay schemes for 2025 awards.
- Approved all STI and LTI awards over 200% (150% for employees in RCAF functions) and 100% of GP respectively.
- Reviewed the total remuneration outcomes of the executive directors (EDs) and prescribed officers (POs).
- Oversight of the annual independent remuneration review that was performed by Sunguti Solutions. The findings remained positive, providing comfort that our remuneration is aligned with section 64C of the Banks Act, 94 of 1990, and the Insurance Act, 18 of 2017.
- Considered the 'Risk Remuneration' Reports of the Chief Risk Officer and Group Internal Audit. These reports were approved by the Group Risk and Capital Management Committee (GRCMC) and provide input as to whether the group's performance and the resultant outcomes of the STI and the LTI schemes have been achieved in a sustainable and risk-appropriate manner. Group Remco was satisfied that appropriate consideration was given to these inputs and that there were no issues to warrant the implementation of malus or clawback.
- Worked closely with Group Transformation, Social and Ethics Committee (GTSEC) on the oversight of ethical remuneration differentials. Both committees were satisfied with the results of the work done, which included a detailed 'self-assessment' on several dimensions.
- Reviewed employee benefits to ensure that they remain competitive and prudently managed.
- Performed oversight of the bespoke incentive schemes.



Letter from the chairperson of the Group Remuneration Committee continued

Explanation of the Voluntary Bonus Share Scheme (VBSS)

Stakeholders have frequently requested clarity on the mechanics of the VBSS. The shareholder-approved LTI plan consists of 2 subschemes (namely 'Share awards'; and the 'MSS' which include the 'VBSS' and 'CBSS'), which are explained below:



2 MSS This scheme is outlined in detail in our shareholder approved LTI plan and provides for a share-matching arrangement on the portion of the STI award that is deferred [either as a compulsory deferral (under the CBSS) or a voluntary deferral (under the VBSS)], of up to 1 share for every share acquired, provided that the deferral is retained in the MSS plan for 36 months and the matching performance condition is met. This scheme allows employees to participate in both potential share price appreciation and the application of share-matching arrangements.

2a. CBSS This is the compulsory deferral of STI of 50% of the STI award over R1,5m into shares, on a post-tax basis over the 36-month deferral period. This deferral is released from forfeiture in 3 equal tranches after 6, 18 and 30 months. This means the participant may withdraw from the CBSS any tranche released from forfeiture but will forego the match on any withdrawal made before the full 36-month deferral period.

2b VBSS All employees may participate in the VBSS by voluntarily investing a portion of their post-tax STI in the scheme. This also provides a share-matching opportunity on the same terms as the CBSS, ie provided the matching performance condition is met and the deferral is retained in the scheme for the full 36 months. The total deferral (including the compulsory deferral) cannot exceed 50% of the total post-tax STI award.

Group Remco discretion

Consistent with our Remuneration Policy, our remuneration outcomes are not driven only by a fixed formulaic approach to the determination of STI and LTI pools and individual awards. A pure formulaic approach can lead to adverse risk and reward outcomes.

Adjustments for non-quantifiable factors, including risk and other factors outside of pure financial performance, ensure fair and responsible outcomes aligned with overall performance. The rationale, nature and extent of any discretion are always fully disclosed.

In this regard, Group Remco made no material discretionary adjustments to the 2024 STI pool, or in the implementation of the group Remuneration Policy.

Future focus areas

Maintaining continued dialogue with shareholders to ensure the relevance and appropriateness of the Remuneration Policy.	Ensuring that the Remuneration Policy and outcomes support our strategic objectives and that these are appropriate to the changing environment.
Complying with amended Companies Act requirements on remuneration, once finalised.	Ensuring remuneration outcomes are fair and responsible.
Staying abreast of evolving remuneration best practices.	Reviewing the competitiveness of the group's LTI pool, the LTI CPTs, weightings and vesting ranges.

Service providers

Group Remco received remuneration consulting advice from Vasdex Consultants and is satisfied that it acted independently and objectively.

Peer group benchmarking

Group Remco refers to primary benchmark data from Remchannel, Willis Towers Watson, Bowmans and Aon McLagan for remuneration benchmarking purposes. We also refer to the published remuneration disclosures of other financial services institutions and

telecommunication companies for non-executive directors, EDs and POs, as listed below.

Benchmarking is only one lens through which remuneration is considered and there are many nuances to consider, such as sample sizes at the senior levels, differences in company size, complexity, top-management level, structures and portfolios, company performance, geographic footprint, and individual performance.

The peer group we reference broadly for non-executive director fees as well as ED and PO remuneration is as follows:

Group	Peer group
Non-executive director fees	Absa, FirstRand, and Standard Bank.
ED and PO remuneration	Absa, FirstRand, Standard Bank, Investec, Capitec, Old Mutual, Vodacom, MTN and Sanlam.

Committee effectiveness

The group's Director Nomination and Appointment Policy requires annual board and board committee evaluations, alternating between a self-evaluation and an independent evaluation. As an independent evaluation was performed in 2023, the 2024 evaluation was a self-evaluation. This evaluation found that:

- the committee is effective in delivering on its responsibilities set out in its charter and has the required mix and depth of capability, skills, and experience to perform its functions; and
- the committee is efficient and effective.

Approval of the Remuneration Report

Group Remco is satisfied that, for the reporting period:

- it has fulfilled the requirements of its charter;
- the objectives of the Remuneration Policy have been met; and
- there has been no material deviation from the Remuneration Policy.

This report was approved by the board on 15 April 2025.

Conclusion

I wish to express my sincere appreciation for the support from each member of Group Remco, the executive leadership, and the human resources function of Nedbank.

Hubert Brody – Chairperson: Group Remco
15 April 2025



Remuneration Policy

Covered in this section

Policy fundamentals
Remuneration governance
Nedbank Remuneration Framework
Changes to remuneration arrangements
Remuneration mix for executive directors and prescribed officers
Performance enablement
Guaranteed remuneration
Short-term incentives (STI)
Long-term incentive plan – Nedbank Group (2005) Employee Share Scheme
Special-purpose short-term variable remuneration arrangements
Employee ownership plans
Risk and remuneration
Recognition programme
Minimum shareholding requirements
Termination arrangements
Group executive service contracts
Change of control
Non-executive directors' fees

Policy fundamentals

Scope of the policy

This policy has been approved by the board. It sets out how total remuneration is managed in the group and is supported by detailed operating procedures and practices.

The policy applies to all entities in Nedbank Group, including wholly owned subsidiaries, subsidiaries, and joint ventures in which we have a majority interest, but excluding companies in which we have only a private-equity investment or a minority investment.

The policy applies uniformly in all jurisdictions, except where it conflicts with either local statutes or regulations, in which case these statutes or regulations will apply. Where an operating jurisdiction has a more onerous regulatory or statutory framework, the local standards of governance in that jurisdiction will apply.

Aims of the policy

Our Reward Policy should do the following:

- Enable us to attract, motivate and retain people of high calibre, with the right mix of experience, skill, and knowledge to deliver on our strategy.
- Reinforce our desired culture and encourage ethical behaviour consistent with our values to stimulate employee engagement.
- Create an appropriate balance between and alignment of the needs, expectations, and risk exposures of our stakeholders – including our employees, clients, shareholders, regulators, and communities – to ensure the creation of sustainable, long-term value for each of them.
- Incentivise employees to deliver sustained high levels of performance and excellent execution of the group’s strategic priorities, while preserving their well-being and being cognisant of the impact this delivery has on the risk profile and exposure of the organisation.
- Enable appropriate transparency in the development of remuneration programmes and the distribution of individual remuneration awards to ensure equity and fairness (ethical outcomes) based on valid and appropriate external and internal benchmarks.
- Align with the principles of good corporate and remuneration governance, ensuring an appropriate share of value for the relevant stakeholders. While employees should not be prejudiced because of remuneration design issues, remuneration programmes should equally not be designed to favour or benefit employees at the expense of other stakeholders.

Fixed and variable remuneration is aimed at enabling the bank to remain competitive, which encompasses market relativity, sustainability, and commercial sensibility in the allocation and delivery of remuneration awards.

We are committed to ensuring that the remuneration of executive management is fair and responsible in the context of overall employee remuneration, with the following arrangements:

- There is a dedicated and skilled remuneration committee to provide independent oversight and direction on remuneration, with clear roles and responsibilities set out in the committee’s charter.
- There is cross-membership between Group Remco and Group Transformation, Social and Ethics Committee (GTSEC) so that regular and healthy interaction between these committees takes place to promote an ethical culture.

Group Remco reviews the terms and conditions of service of all employee levels of the group.

A robust remuneration system is implemented and maintained by management. This system includes the following:

- A comprehensive pay structure and earnings ranges.
- A clear and transparent process for matching remuneration data to market benchmarks.
- Careful use of market benchmarks, not as absolute targets but to guide remuneration decisions.
- A performance management system that enables our talent management objectives and promotes positive individual and team contributions towards strategic objectives. One of the objectives of the performance management system is to provide a basis for consistent remuneration decisions across the bank.
- Incentive schemes that are well designed and tested and include carefully selected corporate performance targets (CPTs) with sufficient levels of stretch.

Our stakeholders, specifically shareholders and employees, have opportunities to engage on remuneration matters. Proactive shareholder engagement takes place before material changes to our Remuneration Policy are introduced. Employees are given an opportunity to engage with management on remuneration through membership of a recognised union and other channels.

Remuneration information provided to our stakeholders is transparent and straightforward, within the constraints of privacy.



Remuneration Policy *continued*

Remuneration governance

Overview

We comply with the relevant remuneration governance codes that apply in our various operating jurisdictions. These include groupwide compliance with the Financial Stability Board (FSB) Principles for Sound Compensation Practice.

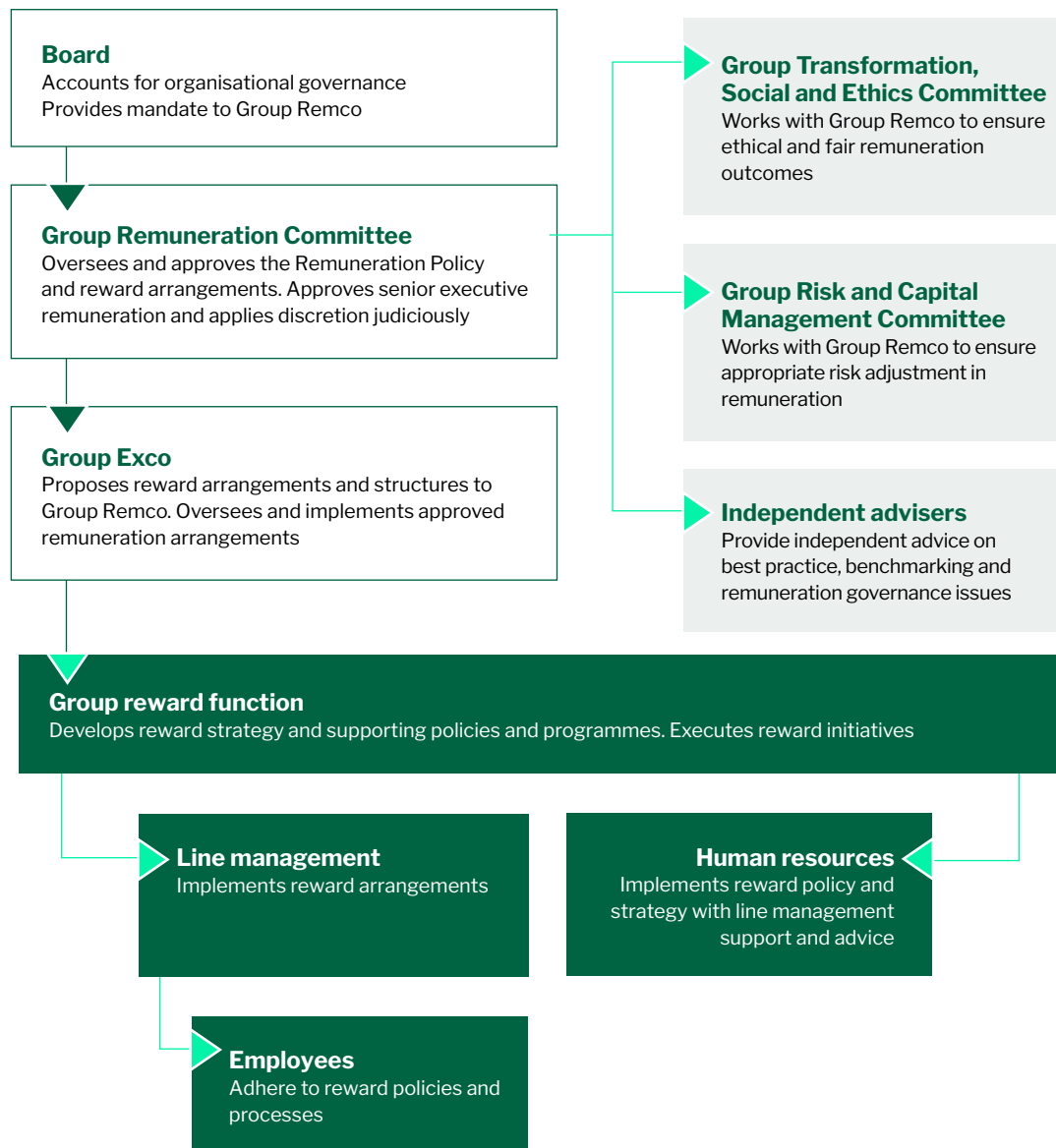
In SA we meet the requirements of the King IV Code on Corporate Governance for South Africa (King IV); South African Companies Act, 71 of 2008; Regulations 39 and 43 of the Banks Act, 94 of 1990; as well as section 64C of the Banks Amendment Act, 3 of 2015. For operations domiciled in the UK, the provisions of the Prudential Regulatory Authority Remuneration Code apply.

For our South African insurance operations, the provisions of the Prudential Governance Standards of Insurers apply.

An independent review of the Remuneration Policy and its implementation is regularly performed to obtain comfort that our remuneration practices have been implemented in line with the policy in all material respects and that the policy is aligned with legislation, regulations, and governance codes.

Our Group Remco is mandated by the board to oversee and govern all aspects of remuneration and operates according to a board-approved charter. The outcomes of all Group Remco meetings are reported to the board. Group Remco regularly evaluates its effectiveness, and independent advisers give strategic input and advice on international and local best practices and benchmarking. Group Remco is further supported by the Group Reward function, and works closely with the Group Risk and Capital Management Committee (GRCMC) to ensure a comprehensive approach to risk and reward, as well as GTSEC to achieve ethical remuneration outcomes.

Roles and accountabilities



Shareholder engagement

Engagement with shareholders on the group's remuneration affairs is an important governance requirement that the board endorses. Shareholder engagement is seen as a necessary and ongoing effort that contributes to fair and responsible remuneration outcomes.

Specifically, if 25% or more of the voting rights exercised by shareholders at an annual general meeting (AGM) are against the Remuneration Policy or the Implementation Report or both, the board will engage with shareholders.

Remuneration Policy continued

Authority framework

The authority for the material remuneration aspects is delegated to the respective decision-making bodies as set out below:

Element	Shareholders	Board	Group Remco	CE/Management
Remuneration Policy	Endorses on a non-binding basis	Approves	Recommends to the board	Proposes to Group Remco
Remuneration Report	Endorses on a non-binding basis	-	Approves	Proposes to Group Remco
STI changes	-	-	Approves	Proposes to Group Remco
STI performance target setting	-	Approves business plans and targets	Approves	Proposes to Group Remco
LTI scheme changes	Approves	Recommends to the shareholders	Recommends to the board	Proposes to Group Remco
LTI performance target setting	-	Approves medium-term targets	Approves	Proposes to Group Remco
Bargaining-unit remuneration	-	-	Approves	Proposes to Group Remco
Non-bargaining-unit (NBU) remuneration	-	-	Approves	Proposes to Group Remco
Group executive remuneration (excluding EDs and POs)	-	Approves	Recommends to the board	Proposes to Group Remco
Senior RCAF employee remuneration	-	-	Approves	Proposals to Group Remco by CRO, CFO and the CCO
PO remuneration	-	Approves	Recommends to the board	Proposes to Group Remco
ED remuneration (excluding CE)	-	Approves	Recommends to the board	Proposes to Group Remco
CE remuneration	-	Approves	Recommends to the board	Board Chairperson proposes to Group Remco
Non-executive director fees	Approves	-	-	Proposed by an independent management committee based on independent advice



Remuneration Policy *continued*

Nedbank Remuneration Framework

Our remuneration framework, excluding bespoke schemes, is described below, highlighting the 3 remuneration components, their respective reward objectives, and the distinction between ‘awarded’ and single-figure remuneration:

Components	Reward objectives	Description	Frequency of payment/award	2024 awarded remuneration	2024 earned remuneration	Deferral or vesting period			
						2025	2026	2027	2028
1 Annual GP	Reward for skills and experience (month-to-month orientation).	Fixed annual cash salary and benefits including medical, retirement, death, and disability benefits. Annual benchmarking is conducted using data from Remchannel, Aon McLagan and Willis Towers Watson. Data from Aon McLagan is used for investment banking roles in Corporate and Investment Banking (CIB) (SA and the UK). We also refer to the published remuneration disclosures of other banking institutions and telcos for our EDs and POs.	Reviewed annually; increase effective from April; paid monthly.	✓	✓				
2 STI award in respect of 2024	Reward for the achievement of annual headline earnings (HE) and economic profit (EP) targets. The funding rate applied to target HE is approved by Group Remco. The financially determined pool varies based on actual HE and EP performance relative to target. The financially determined pool is adjusted up or down by a maximum of 20% based on performance against non-financial goal commitments of Group Exco members’ GCCs. The final pool is determined by Group Remco discretion, including non-quantifiable factors.	Total STI consists of 2 elements: 1 Compulsory STI deferral – 50% of all STIs over R1,5m are compulsorily deferred into shares in the MSS, on a post-tax basis over a deferral period of 30 months.	The deferral period is 30 months; the deferral is released from forfeiture in 3 equal tranches on month 6 (October 2025), month 18 (October 2026) and month 30 (October 2027).	✓	✓	33,3% released	33,3% released	33,3% released	
		2 STI cash incentive (the balance) – Cash incentives and compulsory deferred awards are subject to malus and clawback at the discretion of Group Remco, for up to 3 years from the award date.	Cash incentives are awarded annually in March. Awards are discretionary, based on cluster, divisional and individual performance.	✓	✓				
3 LTI award in March 2025	Reward for achievement of, and exceeding published medium-term targets (3-year orientation) while aligning the interests of management and shareholders.	The shareholder-approved LTI plan consists of 2 schemes: 1 Share awards – A forfeitable share award in March and August, with a 3-year vesting period, subject to malus and clawback for 5 years from the award date. The awards are 100% performance based.	Face value of LTI is awarded annually in March and August with a 3-year performance period (2025, 2026, 2027), vesting in March or August 2028, subject to the achievement of performance conditions (CPTs and individual performance conditions) and ongoing employment.	✓		Vesting period			Vesting (March)
		2 MSS – A share-matching arrangement on the STI deferral, of up to 1 share for every share held, provided that the deferral is retained in the MSS plan for 36 months and the matching performance condition is met. All employees can also participate in the scheme by voluntary investment, subject to meeting the matching performance conditions and specified limitations.	The match is awarded to the extent that the deferral is retained in the MSS for 36 months, ie until April 2028 and the performance condition is achieved.			Deferral period			Match (April)
Total awarded remuneration for 2024: The sum of GP, total STI and face value of LTI award.				✓					
Earned LTI: This is the value of the award that vests in March 2025 for which the 3-year vesting period ends in 2024, ie it was granted in March 2022 (at a share price of R218,16). The value vested (settled) in March 2025, differs from the face value at award in March 2022 due to share price movement over the 3-year performance period and achievement or non-achievement of CPTs. The value vested is valued at the 2024 year-end share price of R281,71.					✓				
Earned match: This is the value of any matched shares settled in April 2025, but for which the measurement of the performance condition concluded on 31 December 2024. This is also valued at the 31 December year-end share price of R281,71.					✓				
Dividends: These are dividends received during the financial year on unvested share-based awards.					✓				
Total earned remuneration (‘single-figure’) for FY2024: The sum of GP, total STI, earned LTI, earned match and dividends.					✓				

Changes to remuneration arrangements

The group reserves the right, subject to compliance with the relevant legislation or collective agreements, to change or withdraw any aspect of its Remuneration Framework.



Remuneration Policy *continued*

Remuneration mix for EDs and POs

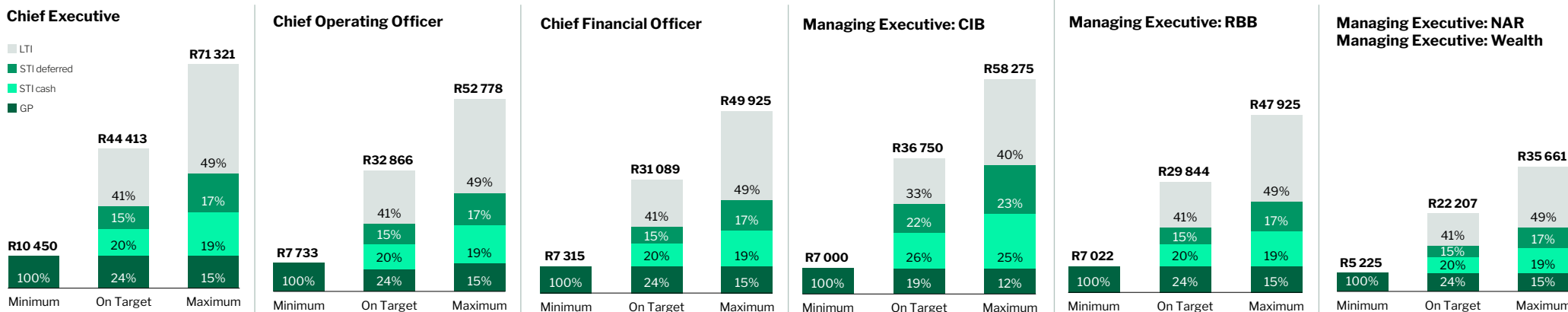
By maintaining a suitably weighted remuneration mix, executive remuneration is appropriately aligned with the interests of Nedbank and its stakeholders. This ensures that executives remain motivated and focused on driving our strategic goals and provides a correlation between remuneration earned and the company's overall performance.

Pay outcomes by performance level

Performance level	Pay outcome
Minimum performance	Annual guaranteed package at April 2025 only, with no achievement of STI and LTI targets.
On-target performance	<p>GP: Annual guaranteed package at April 2025.</p> <p>STI: At 150% of GP for EDs and POs, excluding the Managing Executive for CIB, where 250% applies. 50% of the STI above R1,5m is deferred in shares under the CBSS mandatorily and the balance is paid in cash.</p> <p>LTI: Award at 175% of GP, and on-target vesting at 100% CPT achievement.*</p>
Maximum performance	<p>GP: Annual guaranteed package at April 2025.</p> <p>STI: Capped at 250% of GP for EDs and POs, excluding the Managing Executive for CIB, where 400% applies. 50% of the STI above R1,5m is deferred mandatorily and the balance is paid in cash.</p> <p>LTI: Award at 175% of GP and stretch vesting at 190% CPT achievement.*</p>

* The overall vesting outcome (ie, for both on-target and stretch achievement) is determined by the weightings of financial and non-financial CPTs. Assumed no share price movement between award and vesting.

The graphs below illustrate the different remuneration mix scenarios of EDs and POs: (000)



Performance enablement

Our performance management approach aims to align the group's objectives with individual, team, and cluster performance objectives. This enables translation of our strategic focus areas into individual action plans.

The core principles of our performance management process are as follows:

- Performance management is consistently applied across the group to ensure effective alignment of strategic objectives and individual outputs.
- Performance objectives feature both financial and non-financial goals, which are aligned with our strategic objectives.
- Performance management is an ongoing process featuring regular conversations.
- Performance outcomes are appropriately differentiated to reflect the various levels of employee contributions toward the group's success. Where performance deficits are identified, these are dealt with actively, with the primary objective of returning the employee to full performance.
- Performance management is a primary input into remuneration, with the aim, among others, of ensuring appropriate differentiation in remuneration based on contribution and performance.
- Individual performance outcomes are subject to a check-and-challenge practice before finalisation to help promote fair outcomes free of any conscious or unconscious bias.



Remuneration Policy continued

The priorities of the performance management approach are to:

- ensure that transactional, transformational, and values-based goals, as documented in the goal commitment contracts (GCCs), are focused on and aligned with our strategic objectives;
- ensure that feedback cycles are shorter and feature open and informal performance conversations that build on strengths instead of featuring only the formal reviews that merely measure and assign a rating for past performance; and
- develop our managers to become performance coaches able to hold forward-looking quality conversations that are integrated with learning and development opportunities as well as talent management objectives.

Guaranteed remuneration

Guaranteed remuneration comprises salary and employee benefits and is delivered to employees in a form determined by local market conditions. Guaranteed remuneration usually reflects the prevailing 'rate for the role' within an earnings range, with actual remuneration being distributed about the median of the range.

In SA, and in some non-South African operations, this will take the form of a GP, which represents the fixed cost of employment and, depending on local market practice, comprises a combination of the following:

- Cash salary
- Retirement benefits
- Medical benefits
- Death and disability benefits

A core principle under a GP approach is that changes to benefit contribution levels are cost-neutral to the group. This means that changes to benefit pricing result in a corresponding increase or decrease in the monthly cash salary of the individual.

Where appropriate, local market conditions may necessitate an approach that encompasses a basic salary and add-on-benefits. In these instances, the salary is fixed, with benefit costs depending on whether the benefit is used. If the benefit is not used, there is no cash compensation in lieu of the benefit. The group carries the risk of increases in the cost of benefits.

The primary determinant influencing guaranteed remuneration is alignment with market standards, where we target the median of the market pay rate for the role. Annual benchmarking is conducted using data from Remchannel, Aon McLagan and Willis Towers Watson. Data from Aon McLagan is used for investment banking roles in CIB (SA

and the UK). We also refer to the published remuneration disclosures of other banking institutions and telcos for our EDs and POs. Bespoke surveys for specific talent segments are conducted from time to time.

The combination of distribution of guaranteed remuneration within the earnings ranges and market benchmarks is a primary input into the annual salary review process, but in all instances subject to affordability and the sustainability of our remuneration practices.

In support of remuneration benchmarking there is a robust process of job profiling. This enables consistency in the sizing of roles and the associated benchmarking of guaranteed-remuneration levels.

At an individual level, performance, experience, and market position are key determinants of the individual's progression within an earnings range.

Adjustments to guaranteed remuneration outside the annual review process are the exception and linked to changes in responsibility or the intention to retain specific talent. These are subject to appropriate approval based on the relevant delegations of authority.

Employee benefits are regularly reviewed to ensure they remain appropriate and are prudently managed.

Most of our retirement schemes are of a defined-contribution nature, except where the benefits according to the rules of the old defined-benefit scheme are still applicable to members and where local legislative and regulatory conditions provide otherwise. Most of our South African employees are members of the Nedgroup defined-contribution pension and provident funds, which were transitioned into the Old Mutual SuperFunds in 2015.

All EDs and POs are members of the Nedgroup defined contribution pension or provident fund. Contributions to the retirement funds form part of the GP. Our non-South African operations have a variety of defined contribution and legacy defined-benefit schemes, and if the defined-benefit schemes are in deficit, appropriate measures are taken to manage their financial impact.

Short-term incentives

STIs are delivered through our discretionary STI arrangements. Where appropriate, and subject to appropriate governance and approval, bespoke plans may be implemented, subject to approval and oversight of Group Remco.

The aim with STIs is to drive the achievement of sustainable results in line with our strategy and within an agreed risk appetite and to encourage behaviour that is consistent with our values and aligned with the best

interests of our stakeholders. STI schemes are structured to reward collaborative work across different clusters. As a rule, all STI plans are funded from our overall STI pool. Bespoke plans will therefore result in a drawdown from the pool. Where there is a specific dispensation to exclude a bespoke plan from the overall STI pool (usually in cases of low guaranteed and high-variable remuneration models), Group Remco approval for such exclusion is required.

We do not operate any individual line-of-sight schemes that could encourage inappropriate risk-taking or increase the risk of moral hazard. In the case of commission arrangements (usually in respect of low-risk and income-generating sales roles), appropriate safeguards are included to mitigate any potential moral and conduct hazards.

STI participation is discretionary and therefore there is no right to a performance incentive award in any given year. At an individual level, STIs are determined primarily based on performance, with the principle of 'exceptional reward for exceptional performance' observed. Furthermore, employees performing below a minimum acceptable level are typically not eligible for consideration for an STI award.

STIs are typically in the form of cash and employees must be in service on the date of payment. In line with global financial services governance and prudent risk management principles, we have an arrangement of compulsory deferral into shares in terms of STI awards paid above a threshold approved by Group Remco, and it has been effective since 2010. These deferrals may be subject to forfeiture at the discretion of Group Remco. If forfeiture applies, we will not retest conditions or extend the period over which shares must be held.

Since 2016, and at the discretion of Group Remco in respect of some of all participants, released cash incentives and deferred STI awards that are no longer subject to forfeiture, but are subject to clawback for up to 3 years from the original award date if any of the following events occur, as set out in the rules of the Nedbank Group Employee Share and Phantom Scheme:

- Gross misconduct;
- Loss to the group due to the failure to observe risk management policies;
- Presentation or publication (internally or externally) by deliberate omission or action of any misleading or incorrect financial and/or non-financial results; and
- Instances where the participant is deemed, as a result of their conduct, to have caused harm to the reputation of Nedbank, or any other member of the group.



Remuneration Policy continued

If any of these triggers occur, malus and clawback will be applied in line with the principle of procedural and substantial fairness. To comply with applicable regulations, additional provisions exist for employees in the UK operations.

Specific Group Remco approval is required for all individual STI awards that exceed 200% of the GP. The UK Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) have removed the cap on variable pay for the material risk-takers in our UK operations. This cap is now determined internally by the Group Remco.

The Group STI Pool: the 'build-up' approach

1. Group Remco approves a 'sharing ratio' at the beginning of the year

The 'sharing ratio' is informed by, inter alia, a peer review, analyst expectations and the level of stretch in business plans.

2. The sharing ratio is applied to targeted HE, resulting in a targeted STI pool

Adjust for performance against non-financial goal commitments included in Group Exco GCCs (non-financial modifier) for the year.

3. Determine the final STI pool for the year

The final pool = **the targeted STI pool + HE variance + EP variance + non-financial modifier + discretion.**

- **HE variance** = 10% of the difference between HE target and HE actual performance for the year.
- **EP variance** = 15% of the difference between EP target and EP actual performance for the year.
- **Non-financial modifier** = a modifier range of -20% to +20% is applied to the targeted financial STI pool, depending on Group Exco member performance against non-financial goal commitments included in their GCCs. These non-financial goals include commitments to employment equity targets, governance compliance and risk management obligations, nation building and banking sector engagement, people management and leadership obligations, and enterprisewide goals including collaboration on groupwide strategic focus areas as set out in the business plan.
- **Discretion:** Group Remco retains discretion to amend the targeted and final pool for non-quantifiable factors.

STI pool allocation process

Our remuneration arrangements are not driven by a fixed formulaic approach only. As is evident below, Group Remco may make qualitative adjustments, on top of the formulaically determined STI pool, for any required corrections based on non-quantifiable factors, including the need to protect the franchise when key revenue generators may need to be retained.





Remuneration Policy continued

Employees in the following bespoke schemes are excluded from the STI distribution process:

- Participants in the private equity schemes for deals which existed up to 31 December 2023, where incentives are based on a sharing of ‘carried interest’ on realised investments. For new deals originated from 1 January 2024 private equity employees will participate in the normal STI distribution process.
- Participants in the Nedbank Financial Planners and Insurance commission and earnout schemes.
- Participants in the UK Wealth asset management business, where profit share arrangements are in place in certain boutique structures.

Employees in the following bespoke schemes are included in the STI distribution process:

- The Nedbank Private Wealth Unit Trust Incentive Scheme within the Wealth Cluster.
- MyRewards, which is a sales incentive scheme for frontline sales employees in Consumer Banking.
- The Consumer Collections Incentive scheme.

In line with the principle of substantive and procedural fairness, the board has sole discretion concerning the quantum and nature of any forfeiture, malus or clawback relating to compulsory STI deferrals and LTI awards. In this regard STI deferrals and LTI awards will be forfeited should the employee resign or be dismissed before the end of the release of the outstanding forfeiture obligations or vesting period.

LTI awards and STI deferrals will also be forfeited, at the sole discretion of the board, should any of the malus and clawback triggers occur.

Deferral of short-term incentives

The current deferral thresholds and periods for the compulsory and voluntary deferral schemes are set out below:

Compulsory deferral scheme	Voluntary bonus share scheme
<p>R0 to R1,5m No compulsory deferral.</p>	<p>Employees may voluntarily defer a portion of their post-tax STI into the Voluntary Bonus Share Scheme (VBSS), which is a subscheme of the MSS, subject to the total deferral (including compulsory deferral) not exceeding 50% of the total post-tax STI award.</p>
<p>Compulsory STI deferral > R1,5m 50% of any STI in excess of R1,5m is deferred into the Compulsory Bonus Share Scheme (CBSS), which is a subscheme of the MSS, over a period of 30 months, with releases from forfeiture occurring in 3 equal tranches at 6, 18 and 30 months from the date of the award. Deferral is on a post-tax basis.</p>	

Long-term incentive plan – Nedbank Group (2005) Employee Share Scheme

The group has one LTI scheme, the Nedbank Group (2005) Employee Share Scheme, which has been approved by our shareholders. Under this LTI scheme, awards are made in the form of Matched-share Scheme Awards and Share Awards. Share awards are restricted awards because they may not be disposed of or otherwise encumbered at any time up to, but excluding the vesting date and are subject to the control of the board and/or Group Remco. These restrictions lapse on the vesting date. Share awards are 100% performance-based.

Ordinary shares available for the LTI scheme are capped at 5% of the issued ordinary share capital.

Matched-share scheme awards, operated under the approved long-term incentive plan

Under the matched-share scheme, we offer a share-matching arrangement (matched awards) up to a 1-for-1 basis on compulsory STI deferrals under the compulsory bonus share scheme (CBSS) and voluntary STI deferrals under the voluntary bonus share scheme (VBSS). The CBSS and VBSS are subsets of the matched-share scheme. The match is subject to the participant remaining in service on the vesting date and retaining the deferral in the plan for 36 months. The delivery of matched shares may be partially or wholly contingent on the achievement of a specified matching performance condition.

Compulsory bonus share scheme: The compulsory deferral is 50% of the STI that exceeds a predefined threshold (currently R1,5m), which is deferred in the CBSS.

Voluntary bonus share scheme: All employees can participate in the VBSS. This allows employees to participate in both potential share price appreciation and the application of share-matching arrangements.

Share awards

Share awards consist of ‘Performance Awards’ and ‘Individual Performance Awards’. Performance Awards are subject to CPTs and ongoing employment. Individual Performance Awards are not subject to CPTs but are subject to a minimum acceptable individual performance standard and ongoing employment. Share awards are therefore 100% performance-based and awarded to align the interests of stakeholders and retain key employees. The criteria and quantum of share awards are benchmarked to the market annually. All LTI awards are discretionary and motivated by Group Exco and approved by Group Remco members in their capacity as trustees of the Nedbank (2005) Employee Share Scheme Trust. Specific Group Remco approval is also required for all LTI awards greater than 100% of GP.

For our international and Nedbank Africa Regions (NAR) operations, LTIs are made on a phantom basis under the Nedbank Group Employee Phantom Scheme Plan Rules, which mirrors the Nedbank Group (2005) Employee Share Scheme in design and structure. The phantom scheme is also subject to malus and clawback provisions like those of the Nedbank 2005 scheme. These arrangements have been implemented to ensure that operations outside SA can also participate in LTI arrangements linked to the group’s share price performance, thereby ensuring appropriate alignment of the interests of executives based abroad with those of the group’s shareholders.



Remuneration Policy continued

LTI awards are based on the following eligibility criteria:

- Senior talent with direct influence on strategy.
- Critical or highly mobile skills with high impact of loss.
- Transformation objectives, with emphasis on under-represented categories.
- Retention risk or gaps in total remuneration to market competitiveness.
- Individuals mapped to the talent grid or succession plan.

The following are the core principles applicable to the group restricted-share award arrangements (including phantom share awards):

- Awards may typically be made at only 2 intervals per year – the annual pay review (typically March) and the once-off cycle award (typically August). All awards are subject to necessary governance and approval processes.
- All awards are subject to performance conditions, being CPTs or individual performance conditions. Awards subject to CPTs may lapse in full or in part if the conditions are not met. Where awards lapse because of non-fulfilment of the CPTs, the CPTs will not be retested, and targets will not be adjusted.
- Awards are subject to vesting over at least 3 years from the grant date. Where the awards lapse, no replacement compensation is issued.
- Employees may not take steps to hedge or otherwise insure themselves against potential losses in respect of their LTI participation before vesting.
- The pool available for allocation under our LTI arrangements is approved in advance by Group Remco.
- Group Remco assesses and confirms the CPT outcomes, ensuring that the interests of all stakeholders are appropriately considered.

Since 2016, and at the discretion of Group Remco, awards are subject to malus and clawback provisions, and may be invoked in respect of some or all participants for a period of up to 5 years from the original date of the award if any of the following events occur, as set out in the rules of the Nedbank Group (2005) Employee Share Scheme and the Phantom Scheme:

- Gross misconduct.
- Loss to the group due to the failure to observe risk management policies.

- Presentation or publication (internally or externally) by deliberate omission or action of any misleading or incorrect financial and/or non-financial results.
- Instances where the participant is deemed, as a result of their conduct, to have caused harm to the reputation of Nedbank, or any other member of the group.

If any of these triggers occur, malus and clawback will be applied in line with the principles of procedural and substantial fairness. To comply with applicable regulations, additional provisions exist for employees in the UK operations.

At the discretion of Group Remco, shares may be awarded to new senior managers on appointment, and, on an exceptional basis, to employees who have been appointed to more senior positions and have been recommended for an allocation by Group Exco.

On-appointment allocations may take place typically biannually (and by exception on the date of appointment with specific approval), with awards based on the price paid by the Trust in purchasing the shares used to satisfy the awards.

Restricted-share awards and matched awards are not, under any circumstances, backdated.

No retrospective adjustments are made to performance conditions to mitigate the impact of weak performance.

Participants are eligible for dividends from the award date.

Special-purpose short-term variable remuneration

We use special-purpose short-term variable remuneration arrangements on an exceptional basis to help attract and retain key employees and individuals with scarce skills. These include sign-on awards and deferred short-term incentive (DSTI) arrangements, both of which are subject to individual performance and service conditions to ensure an appropriate return on the remuneration investment. Sign-on awards are cash-based and made to prospective employees on joining the group, typically awarded to compensate for the loss of certain accrued benefits or to make these employees whole in terms of their existing contractual obligations to previous employers. DSTI awards are cash-based, comprising an upfront payment (typically 40% of the award), with a deferred component (the remaining 60%) payable subject to minimum service and individual performance conditions. EDs and POs are not eligible for DSTIs in the normal course.

Employee Ownership Plans

Broad-based schemes operate in jurisdictions where local regulations or statutes require specific economic participation by employees, usually through ownership of a stake in the business. In most instances these plans are put in place to redress past imbalances in participation in the respective country's economy. Therefore, participation in these plans may be limited to certain employees based on demographic specifications. Failure to adhere to the requirements may have material legal implications for the relevant business. Broad-based schemes are typically implemented at zero cost to employees. All Employee Ownership Plans are subject to board approval (and may, subject to the transaction's nature, require regulatory, stock exchange or shareholder approval). Accordingly, strict governance and approval processes apply.

Risk and remuneration

Overview

We use a 3-year budgeting, forecasting, and planning process that is integrated with our strategic objectives, risk appetite and capital planning, enabling us to have a forward-looking view of the strategic, financial, and risk-and-return outcomes of remuneration policies and outcomes. The mandatory STI deferral of up to 30 months and the 3-year vesting of LTI share awards are aligned with this forward-looking business cycle. The deferral period provides for risk-based outcomes to be monitored over the 3-year period after the deferral and enables the application of malus or clawback.

The STI scheme is designed to incentivise a combination of profitable returns, appropriate risk-taking and growth. It is driven by actual EP and HE performance versus targets, using risk-based capital allocation as set out in the Risk and Balance Sheet Review, available online.

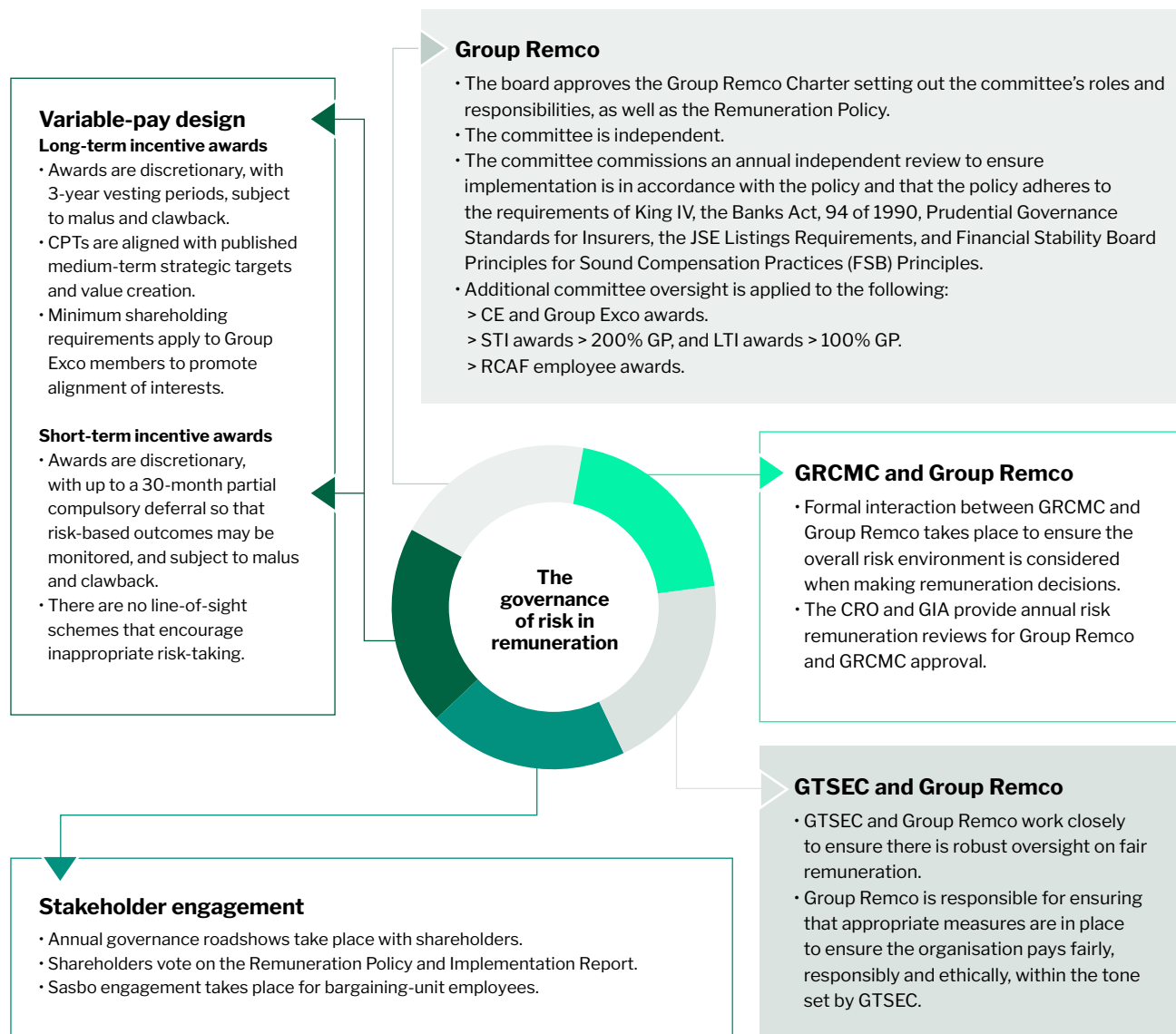
There is cooperation between Group Remco and GRMC to ensure that the overall risk environment is considered when making remuneration decisions, with a formal discussion between the Group Remco Chairperson and the GRMC Chairperson on the risk aspects of remuneration held. This reflects our commitment to achieving a balance between the prudent management of remuneration within the context of both our risk appetite and risk profile, and the need to attract, retain and motivate key talent to enable delivery on our strategic objectives. Risk is considered in the remuneration process by including ex-ante or 'before the fact' risk adjustments.

Group Remco works with GTSEC to ensure appropriate levels of oversight of the application of ethical principles aimed at achieving fair and ethical remuneration outcomes.



Remuneration Policy *continued*

Summarised approach to the governance of risk in remuneration



Recognition programme

We are a purpose-led and values-driven organisation, and this is at the core of who we are and how we conduct our business. We believe that our actions and behaviours should reflect The Nedbank Way in everything we do.

Employees who deliver performance excellence and exemplify the desired behaviours are celebrated informally throughout the year through the awarding of virtual badges, as described below, and formally once a year through recognition of the achievements of individuals and teams in the form of the prestigious annual Top Achievers international incentive trip, incentivising desired performance, maintaining motivation, and always keeping our values and purpose top of mind.

Our redefined virtual recognition badges are designed to celebrate and reward actions that align with The Nedbank Way culture principles. These badges are not just symbols; they are tangible expressions of our dedication to recognising and honouring those who embody the spirit of Nedbank in all that they do.



The approval of formal Top Achiever nominations can be accompanied by the awarding of Avo vouchers, at the line manager's discretion.



Remuneration Policy continued

Minimum shareholding requirements

Members of Group Exco are subject to minimum shareholding requirements (MSR). These requirements were introduced in 2012 and revised upwards in 2024, following a market practice review:

CE	3 times GP (previously 2 times)
EDs and POs	2 times GP (previously 1,5 times)
Other members of Group Exco	1 times GP (no change)

EDs and POs who have already met their previous MSR have 3 years to meet the increased MSR, commencing on 1 April 2025. EDs and POs who are still building their portfolio to meet the previous MSR, have a further 3 years on top of their original 5 year period to meet the increased MSR. Group Exco members appointed from 1 January 2025 have 5 years from the appointment date to meet the new MSR requirement. The current incumbent in the CE role will retain the original 2 times GP MSR to be met within 5 years of appointment, with a further 3 years to meet the increased MSR of 3 times GP.

Termination arrangements

EDs and POs are entitled to severance pay equal to 2 weeks' GP per completed year of service if their services are terminated by the company on a no-fault basis. Contractual notice (where applicable) will be served, and accrued leave will also be paid out in the normal course.

Treatment of any unpaid bonus, unvested deferrals or unvested LTI awards will be dealt with in line with the rules of the various schemes and will in all instances be subject to Group Remco and board oversight and approval. There are no special termination arrangements or golden parachute agreements in place. Malus or clawback may apply to some or all participants, including those who have been granted no-fault termination status or fault termination status. The provisions applying to unvested deferrals and unvested LTI awards are outlined below (the board and/or Group Remco may apply discretion to classify a termination as a no-fault termination for unvested LTI awards):

		STI	LTI
Fault termination	Resignation or dismissal	Employees who resign or are dismissed before the payment or vesting date of cash awards or deferrals will forfeit these awards.	Employees who resign or are dismissed before the vesting date of the unvested LTIs will forfeit these awards.
No-fault termination. Generally, this is any termination not treated as a fault termination.	Retirement, retrenchment or permanent disability	Cash and deferred STI awards continue in the normal course for the duration of the vesting period.	The LTI awards continue for the duration of the vesting period and remain subject to the applicable rules and performance conditions.
	Death	Deferred awards vest on death and any applicable match is settled within 30 days.	Unvested LTI awards vest on death and are adjusted for expected vesting outcomes as approved by Group Remco.

Group executive service contracts

Service contracts of EDs and POs are aligned with the general conditions of service applicable to all group employees based in SA, except for specific provisions relating to notice periods, which are set out below:

	Notice period	Retirement age [*]
CE	12 months	60
EDs	6 months	60
POs	6 months	60

^{*} This is subject to change in 2025 where all South African-based permanent employees with a normal retirement age below 63 and employed on or after 1 August 2025 will have an option to accept an increase to their normal retirement age to 63 or retain their existing normal retirement age.

All Group Exco members, other than the CE, have a standard 6-month notice period, which is a requirement for all new appointments. Retirement ages can be amended by mutual agreement in accordance with the retirement policy.

Change of control

The Nedbank Group (2005) Employee Share Scheme rules provide that there may be no automatic early or accelerated vesting in the event of an offer of Nedbank Group Limited shares. They do, however, allow for accelerated vesting of unvested awards in limited circumstances. As an example, if there is a 100% takeover and the offeror wishes to vary the terms to accelerate the vesting, provided that the board is satisfied that the terms are not less favourable to the participants on an overall basis and that it is in the best interests of the group.

Non-executive directors' fees

Non-executive director appointments are made in terms of the company's memorandum of incorporation and confirmed at the first AGM of shareholders after their appointment. Directors are then re-elected by shareholders at least every 3 years.

Each year, the fees are considered, and proposals are made by an independent committee comprising the CE and CFO with advice from independent experts. Fees are reviewed against the local banking sector and are subject to approval in advance by shareholders at the AGM. Changes to fees, where approved by shareholders, become applicable on 1 July of each year.

The fees of the Group Chairperson and the non-executive directors reflect the specific responsibilities relating to their membership of the board and, where applicable, board committees. The Group Chairperson receives a single fee for his role. Non-executive directors are paid a fixed fee for board membership and receive additional fees for their participation in board committees and any ad hoc meetings. Neither the Group Chairperson nor the boardmembers receive any performance-related remuneration or any employee benefits. Non-executive directors are accountable for decisions made, regardless of attendance at meetings. Non-executive directors are also required, as a matter of course, to engage stakeholders and to make the necessary preparations for meetings and other engagements.



Implementation Report

Covered in this section

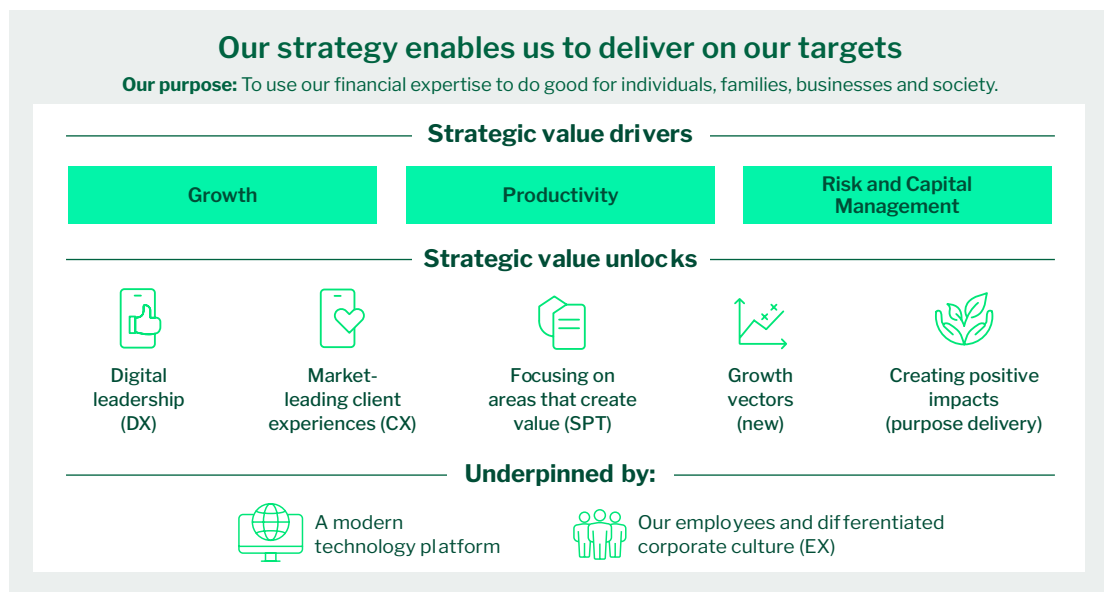
Strategic alignment of board-approved targets and remuneration
'Fair pay'
Additional voluntary remuneration differential disclosures
Employee benefits
Retirement schemes status
Pay outcomes in 2024
Long-term incentive (LTI) performance conditions, weightings, vesting ratios and targets
Executive directors' and prescribed officers' performance and remuneration
Minimum shareholding requirement (MSR) status of Group Exco members
Executive director (ED) and prescribed officer (PO) total awarded and total earned remuneration
Additional Regulation 43/Pillar 3 disclosures
Remuneration of risk, compliance, audit, and finance (RCAF) specialists
Non-executive directors' fees
Directors and prescribed officers' interests
Share-based payments to EDs and POs





Implementation Report continued

Strategic alignment of board-approved targets and remuneration

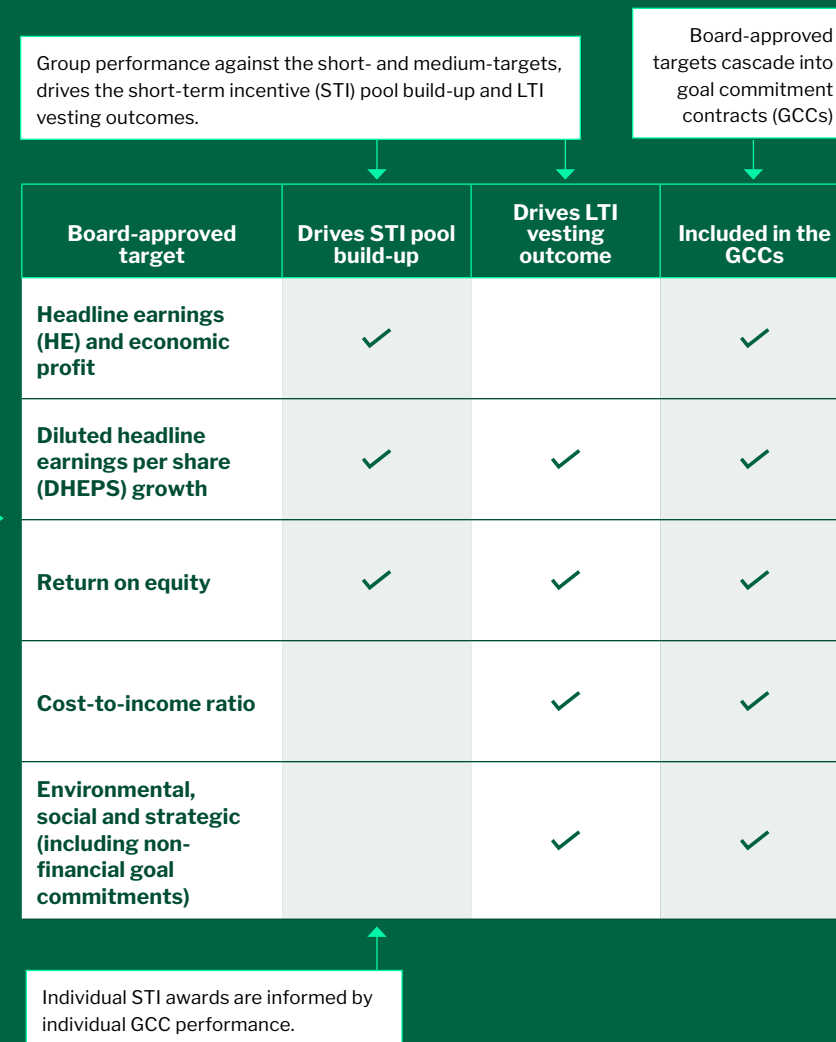


Board-approved targets¹ drive remuneration outcomes

	Diluted headline earnings per share	Return on equity	Cost-to-income ratio	Net Promoter Score
2025 <small>(medium-term targets set in 2023)</small>	> CPI + GDP + 5% <small>(CAGR to end-2025)</small>	17% <small>(COE + 2%)</small>	52%	#1 bank
2025 guidance	> Mid-single digits <small>(for FY 2025)</small>	> 16%	Increase yoy	#1 bank
Medium term	> CPI + GDP + 3% <small>(CAGR)</small>	> 17%	54%	#1 bank
Long term <small>(not dated, 5+ years)</small>	> CPI + GDP + 5% <small>(CAGR through the cycle)</small>	> 18% <small>(COE + 3%)</small>	< 50%	#1 bank

¹ These targets are not a profit forecast, have not been reviewed or reported on by the group's joint auditors and are based on the group's economic forecasts at the time. Guidance and targets exclude any potential impact from merger-and-acquisition-related corporate action.

Linking our remuneration outcomes to our targets





Implementation Report continued

‘Fair pay’

What is Nedbank’s position on fair pay?

At Nedbank, respect, integrity, good ethics, and values-based behaviour are our way of life. This ethos is captured in our Human-Centered Leadership philosophy. Human-centered leaders put people first and exercise their power through an ability to impact, influence, and inspire others to succeed. Such leaders know the importance of making fair pay decisions as they are a critical enabler of an inclusive culture.

At Nedbank, we are committed to fair pay for all our employees across the group. We have robust policies and processes in place with mature systematic analysis, monitoring and oversight to help us achieve this.

We acknowledge that even more can be done to enhance communication and education of our pay and performance practices and processes. We continue to strive to improve this and to welcome ongoing feedback from Nedbankers in this regard. We believe our managers need to be equipped to have informed pay conversations with their teams and in so doing bring about fair pay outcomes.

What is fair pay?

Pay can be regarded as fair when differences in pay between employees are not based on conscious or unconscious bias or arbitrary or discriminatory grounds, but based on the following factors, as set out in the Employment Equity Act (EEA), 55 of 1998:

- Seniority or length of service.
- Qualifications, ability, competence, or potential.
- Performance, quantity or quality of work.
- The demotion of an employee as a result of restructuring without a reduction in pay until the pay of employees in the same job category reaches this level.
- Temporary employment in a position for purposes of gaining experience or training.
- The existence of a shortage of relevant skills in a particular job classification.
- Any other relevant factor that is not unfairly discriminatory in terms of section 6(1) of the EEA.

Broadly, pay is fair to employees in the same job, with similar qualifications, years of experience, and performance, earning approximately the same total remuneration.

‘Fair’ does not mean ‘the same’ in the absence of considering the above factors and remuneration will necessarily differ according to these factors.

What measures does the bank have in place to ensure remuneration is fair?

We ensure fair pay through the following measures:

Our Group Remuneration Policy

Each year the Group Remuneration Policy is reviewed and approved by the Group Remuneration Committee (Group Remco) and the board. The policy is reviewed externally every alternate year by an external independent adviser to ensure it aligns with required legislation and regulation.

Our processes

We have defined processes that direct how guaranteed packages (GP), GP increases, and out-of-cycle adjustments are determined and how STIs and LTIs are awarded. These processes are applicable across the group and all clusters to ensure consistency.

The group has a single performance management approach that aims to enable consistent remuneration decisions applicable to all clusters and subsidiaries of the group.

We regularly participate in reputable salary surveys, and several specialist bespoke surveys to ensure that our earnings ranges are in line with the market.

Twice a year, across all permanent employees based in SA, pay differentials are thoroughly tested using a proven actuarial model that identifies pay differences that may need remediation. The model applies factors that are justifiably expected to influence remuneration to predict an expected value of remuneration (for both GP and STI) for each employee. Large variances between the actual and expected value are red flagged to prompt investigation. The variance is either validated or resolved after considering factors that the model cannot validate, such as data inaccuracies, or factors that the model is currently unable to consider, such as length of time in the role, or performance of the division.

The results of this equal pay for work of equal value (EPWEV) exercise are presented to Group Exco and Group Remco each year. This exercise has consistently confirmed that Nedbank does not have a discernible unfair race or gender pay gap or systemic bias in our pay decisions. Certain items are, however, routinely flagged for remediation, over the short and the longer term.

Manager accountability

Each year line managers who are responsible for pay and performance decisions undertake compulsory online awareness training to ensure they understand our minimum requirements for fair pay.

Among other topics, this training emphasises the importance of ethical leadership in making fair and ethical performance and pay decisions, and legal and policy requirements.

Governance

Group Remco is dedicated and skilled to provide independent oversight and direction on remuneration, with clear roles and responsibilities set out in its charter. Group Exco, Group Remco and Group Transformation Social, and Ethics Committee (GTSEC) review and approve the results of the EPWEV exercise as well as the measures we have in place to ensure fair pay.

Membership of Group Remco and GTSEC overlap so that regular and healthy interaction between these committees takes place with the aim of promoting an ethical culture.



Implementation Report *continued*

Pay fairness

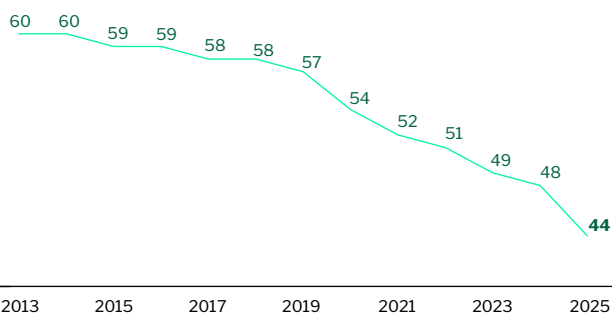
Pay fairness arguably starts with ensuring a decent living wage at the lower levels. Nedbank’s minimum annual GP is R240 000, effective from April 2025 (2024: R225 000; a 6,7% increase). This minimum GP is significantly above the legislated minimum wage in SA of R28,79 per hour, which translates to just above R60 000 per annum. This was supplemented by an STI of 8,2% of the guaranteed remuneration bill of qualifying employees in the bargaining unit (2024: 8%).

Employees have a right to freedom of association and joining unions representing their interests. There are also collective-bargaining arrangements in our subsidiaries in Lesotho, Namibia, Eswatini and Zimbabwe. Care is taken to ensure that salary increase settlements are appropriate within the context of local market and economic conditions. We continue to remunerate our employees in the bargaining unit appropriately relative to the industry.

CE GP to bank minimum

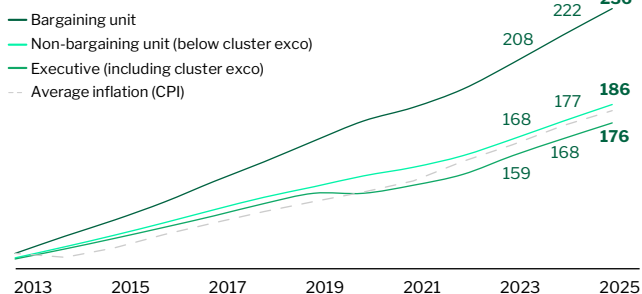
(Ratio)

The ratio between the CE’s GP and the bank minimum GP, measured from 2013 to 2025, has steadily declined as depicted in the graph.



GP increases during 2013–2025

(Indexed at 100)



Gender pay gap

	GP	
	Female	Male
Average comparative ratio	99,7%	100,5%
Gender pay gap, female to male = 0,8%		

The gender pay gap methodology compares the average GP of all male employees to all female employees by comparable work categories, after considering admissible factors such as performance, job profile, grade, and tenure.

The methodology does not yet consider skills scarcity, qualifications and the time in the role; hence the outcome is not a perfectly reliable reflection of pay gaps.

Nevertheless, 0,8% is a negligible gap and well within acceptable tolerance limits.

Race pay gaps

	GP			
	African	Coloured	Indian	White
Average comparative ratio	99,0%	100,0%	100,8%	102,4%
Race pay gap African to White = 3,4%				

The race pay gap methodology compares the average GP by demographic group, by comparable work category after taking into account admissible factors such as performance, job profile, grade, and tenure.

The methodology is not fully accurate as it does not yet consider all admissible factors such as, skills scarcity, qualifications and time in role; hence the outcome is not a perfectly reliable reflection of pay gaps. Nevertheless, 3,4% is within the 5% tolerance limit specified in the European EU Pay Transparency Directive issued in April 2023. Our methodology will continue to be refined as we will also seek to improve the required data inputs.

Summary of remuneration differentials disclosures

Ratio between top 5% and bottom 5% earners

21,4x

Average total remuneration

R859k

Median total remuneration

R529k

Summary of our fair pay processes

Defined groupwide remuneration award processes

A single performance enablement approach

Benchmarking

EPWEV exercise

Executive level GP increases are set by reference to, among other things, the increases of the broader workforce, which is represented by Sasbo, the finance union in SA. In 2025, employees at Group Exco level and NBU employees will receive increases in their total GP averaging 5%, compared to 6,3% for the bargaining unit.

As shown in the graph on the left, indexed at 100 from 2013 to 2025, the GPs at bargaining unit level have more than doubled (136%), while at non-bargaining and exco level the average GPs have increased by 86% and 76%, respectively. This is a result of a deliberate long-term approach to narrow vertical pay gaps and has the added effect of increasing the STI awards of the bargaining-unit members as variable pay is determined as a percentage of GP.



Implementation Report *continued*

Additional voluntary remuneration differential disclosures

The following disclosures are aligned with the proposed ratios set out in the proposed amendments to the Companies Act, 71 of 2008.

The database for this set of disclosures is taken at December 2024.

'Total remuneration' is the earned remuneration for 2024, and comprises the annualised GP at December 2024, STI paid March 2025 for FY24 performance, 2022 LTI awards vested during 2025 with a performance period ending December 2024, dividends earned during 2024 on unvested shares, and any DSTI and sign-on bonuses earned in 2024.

Highest total remuneration	Annual value R000
Total remuneration of the highest earner	39 236

Lowest total remuneration	Annual value R000
Total remuneration of the lowest earning permanent banking employees	225

Average and median total remuneration of all permanent banking employees	Annual value R000
Average	859
Median	529

Top 5% and bottom 5%, permanent banking employees	Annual value R000
Total remuneration of the top 5% highest paid employees	5 466 382
Total remuneration of the bottom 5% lowest paid employees	255 449
Ratio	21,4

Employee benefits

In addition to monetary reward, we provide Nedbankers equal access to a suite of meaningful and competitive benefits offerings. We endeavour to improve our benefits each year, knowing that a carefully designed suite of employee benefits can make a positive contribution to the employee experience as a Nedbanker. Our benefits offerings are designed to meet the individual needs of our Nedbankers and are categorised with this in mind:



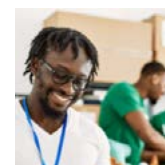
My peace of mind

In a dynamic world where change is inevitable, we have devised benefits to give employees a greater sense of security and stability now and in the future. #RetirementFunds #LifeAssurance #Finances #Health



My lifestyle

We want our employees to achieve a strong work-life integration. We provide several benefit packages to equip employees to successfully integrate work into their lives. #FlexibleWorkPractices #Leave #Discounts #NedbankRunningClub



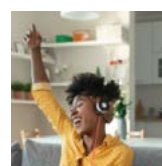
My community

Employees can be a part of delivering the Nedbank purpose by using our financial expertise to do good for individuals, businesses, families, and communities. #SocialResponsibilityLeave #ReligiousHolidays



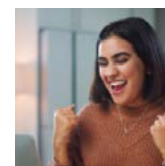
My career development

We offer coaching, mentoring, and graduate programmes to respond to diverse benefit needs and encourage career development. #Coaching #Bursaries



My well-being

We are committed to creating and fostering workplace conditions for our employees' holistic well-being. We offer benefits to provide employees with support along their well-being journey. #EmployeeWellbeingProgramme



My career

We celebrate employees and Top Achievers through recognition of their outstanding work and years of service. We value them and the work they do. #RetirementGratuity #TopAchiever #LongServiceRecognition



My family

We are a family-friendly employer - we make good use of voluntary benefits to create a family-friendly work environment for employees. #Leave #EducationalAssistance #StudyGrants



Discounted benefits

From time to time Nedbank negotiates a competitive range of employee discounts. These are positioned as a suite of voluntary benefits for our employees' convenience. #DiscountedBenefits



Benefits experience

Nedbank invests in its employee experience initiatives that positively impact our company culture. Providing meaningful benefits for employees and their families to enjoy, is our priority. #BenefitsExperience



Implementation Report continued

Additional benefits for employees

Nedbank provides lower-income employees and their dependants additional benefits as outlined below:

Dr Holsboer Benefit Fund

The Dr Holsboer Benefit Fund was created with the vision of enhancing the well-being of employees by assisting with grant payments towards areas of mutual concern that are often overlooked. The areas covered are grants towards affordable rest (Holsboer Vacations), education assistance and tertiary study grants, and medical assistance [Holsboer Medical Assistance (employees) and the Gerry Muller Fund (pensioners)].

During 2024 the support provided by the fund to our current employees and retired employees has increased, as tabled below.

	yoy change	2024	2023	2022
Holsboer Vacations – number of recipients	▼	2 175	2 622	2 956
Holsboer Education Grant recipients	▲	2 343	2 092	2 056
Value of education grant support	▲	R6,1m	R5,0m	R4,6m
Holsboer medical benefit fund recipients	▲	932	867	890
Value of Holsboer grants towards medical shortfalls	▲	R3,3m	R3,2m	R3,0m
Gerry Muller Fund recipients (pensioners)	▲	318	303	262
Value of Gerry Muller grants towards medical shortfalls	▲	R1,6m	R1,5m	R1,1m
Nedbank tertiary study grant recipients	▲	286	281	81
Value of tertiary grants awarded	▲	R14,4m	R13,7m	R1,1m

The Evergreen Trust

This scheme has the specific purpose of improving the living standards and personal circumstances of black permanent employees at lower income levels by providing grants or benefits to those who qualify. In 2024, R5,9m (2023: R283 340) was disbursed. In 2024 the trust launched a Career and Development Guidance Programme in which 46 employees participated. A total of 190 employees also benefited from bursaries approved for learning opportunities that spanned 15 learning institutions and included an array of courses and qualifications. These bursaries were not restricted to formal degrees and included courses that could lead to entrepreneurial opportunities beyond banking.

Recognition programme

We have recognised high-performing employees displaying the desired behaviours and values with our popular virtual recognition badges that are aligned with our culture principles. Since their launch in 2018, close to 355 000 virtual recognition badges have been awarded.

Retirement schemes status

Set out below are the details of the current South African funds and the number of members at 31 December 2024:

	Number of active members
Defined-contribution pension fund	8 451
Defined-contribution provident fund	14 015
Nedgroup defined-benefit pension fund ¹	52

¹ Has an actuarial surplus and remains a stand-alone fund. Has 52 active members, 1 688 pensioners, and 48 deferred pensioners.

Pay outcomes in 2024

Guaranteed package outcomes in 2024

Employees at Group Exco level and NBU employees received an increase in their total GP averaging 5% in 2024. This compares with 7% for the BU.

The minimum GP for permanent full-time employees in SA increased by 7,1% to R225 000 per annum in 2024, up from R210 000 in 2023, and remains significantly higher than the minimum wage in SA.

Short-term incentive outcomes in 2024

The STI pool is driven by EP and HE performance against targets agreed annually by the board and Group Remco.

The 2024 STI pool of R3 394m is 11,6% above the 2023 pool of R3 040m. This increase in the pool tracks well with the increase in DHEPS of 11%, and the meaningful increase in economic profit (EP) of 52%. The 2024 year-on-year pool increase (11,6%) is above the 2024 HE increase (8,2%) compared with the 2023 pool increase (4,8%) which was below the 2023 HE increase (11,3%). This is due to the pool build-up methodology taking into account, inter-alia, performance against the year's HE and EP targets, and the addition to this year's non-financial STI modifier for the strong achievement against employment equity targets, where unprecedented levels of progress were achieved in 2024. Furthermore, Group Remco reviewed the quality of earnings before finalising the STI pool. Performance compared to target (HE, EP and non-financial) was better in 2024 compared with 2023, although still behind targets in both years.

The 2024 STI pool represents 12,7% (2023: 12,4%) of HE (pre-bonus and pre-tax).

Group Remco is satisfied that the STI is appropriately aligned with the group's increase in HE and DHEPs, improvement in EP (see graph alongside), quality of earnings, and performance against targets for the year.

Special-purpose short-term variable remuneration outcomes in 2024

Scheme type	Number of awards
Sign-on bonus	70 awards (2023: 41) totalling R19,8m (2023: R15m)
DSTI awards	109 awards (2023: 115) totalling R89,3m (2023: R83,7m)

Long-term incentives outcomes for the performance period ending 31 December 2024

LTI plan share usage

A limit of 24 905 446 shares for purposes of the LTI plan, representing 5% of the issued ordinary share capital on 1 January 2018, was approved by shareholders at the 10 May 2018 AGM. To date, 18 318 126 shares have been used against this limit.



Implementation Report continued

Since 2023, shares have been purchased in the open market for the annual LTI issuance, averting further use against this limit and shareholder dilution.

Vesting outcomes of LTIs awarded in 2022

The following CPT weightings applied to the 2022 LTI issuance:

CPTs	Group Exco %	Cluster exco %	All other %
ROE vs COE	30	25	15
DHEPS growth	30	25	15
Efficiency ratio	20	15	10
Environmental and social	10	5	5
Strategic	10	5	5
Total	100	75	50
% of award with performance conditions	100	75	50
% of award without performance conditions	-	25	50
Total	100	100	100

The vesting outcomes on the CPTs attached to the 2022 awards are listed alongside.



Financial CPTs

CPTs	Performance outcome	Vesting outcome
ROE (including goodwill) by 2024	2024 ROE of 15,8% against the 100% vesting target of 16,8%.	36,7%
DHEPS CAGR growth	CAGR of 14,4% against the 100% vesting target of 13,8%.	120,5%
Cost-to-income ratio	Cost-to-income ratio in 2024 of 55,9% against the 100% vesting target of 53%.	0%

Non-financial CPTs

CPTs	Performance	Vesting outcome
Environmental and social	A rating of 4 against a 60% target of 3.	80%
Strategic	A rating of 2,7 against a 60% target of 3.	54%

The rating of 4 out of 5 on our environmental and social metrics followed input received from the committee chairs of GCRC and GTSEC:

- Progress on energy policy commitments:** Thermal coal as well as oil and gas carbon emission baselines were published along with reduction targets (glidepaths) and a cap on energy by 2030, making Nedbank the first bank in SA to do so. In addition, we published carbon emission baselines for our Home Loans and Vehicle Finance portfolios at the start of 2024. A Purpose Programme of Work has been established to drive the group's transition plan. Sustainable development goal (SDG) 7 (renewable energy) exposures increased in 2024, with yoy growth achieved in 2024. Limits, which indicate potential drawdowns, increased from 2021 to 2024, and the group recently closed various private sector renewable energy and PPP deals that supports a further pipeline over the next few years. With respect to the group's own operational carbon footprint, the group is ahead of meeting its reduction target by the end of 2025. Green energy sourced/used increased from 2021 to the end of 2024.
- Meet sustainable development financing (SDF) targets:** In December 2024, SDF represented 19% of loans, compared with 16% of loans in 2023. The original base is 13% of loans. SDF grew at 3 times the rate of the average loan book over the period. This includes newly classified infrastructure-related loans.
- Maintain positive employee Net Promoter Score (NPS):** 2024 employee NPS was positive at 18, but down from 20 in 2023, 22 in 2022 and 19 in 2021.
- Maintain strong NPS:** Nedbank achieved the highest score among large South African banks, jointly with FNB (using all clients surveyed). When taking a main-banked lens on NPS, our score dropped to joint second-highest (comparable to the 2022 and 2023 NPS). A strong NPS was maintained on both metrics.

- Maintain competitive broad-based black economic empowerment (BBBEE) status (including diversity):** Retained at level 1 for the past 7 years. Importantly, employment equity (EE) metrics continued to improve. At the end of 2024, 83% of total employees were black (African, Coloured, or Indian), up from 80% in December 2021, supported by strong improvements in the representation of African talent at senior- and middle management (up 3%-4%) in 2024 alone.

Following input from the chairpersons of GAC, GITCO and GRCMC, a rating of 2,7 out of 5 was determined on our Strategic metrics:

- Successful completion of group technology's programme in line with board-approved business case:** We fundamentally completed Managed Evolution at the end of 2024, materially on time, scope and budget.
- Target Operating Model (TOM 2.0) – Cumulative cost savings (Opex) 2022 to 2024:** The TOM programme concluded in 2024, with R3,0bn of cost saving delivered as part of TOM 2.0. The benefits at the end of 2024 were ahead of the R2,5bn target.
- Strategic Portfolio Tilt (SPT 2.0) – Market share gains have slowed:**
 - HL market share gains: +52 basis points (bps) to 14,7%.
 - PL market share losses (conscious decision given external risks and consumer strain): -210 bps to 10,1%.
 - Card market share losses: -278 bps to 9,2%.
 - Household overdrafts: +449 bps to 14,36%.
 - Household transactional: -18 bps to 13,3%.
 - Commercial transactional: -85 bps to 12,0%.
 - Retail transactional: +88 bps to 15,87%.
 - Corporate and Investment Banking (CIB) recorded the following primary client wins in 2022 to 2024: 2022: 25, 2023: 20 and 2024: 20, slightly below the target of 25 in 2 out of the 3 years.



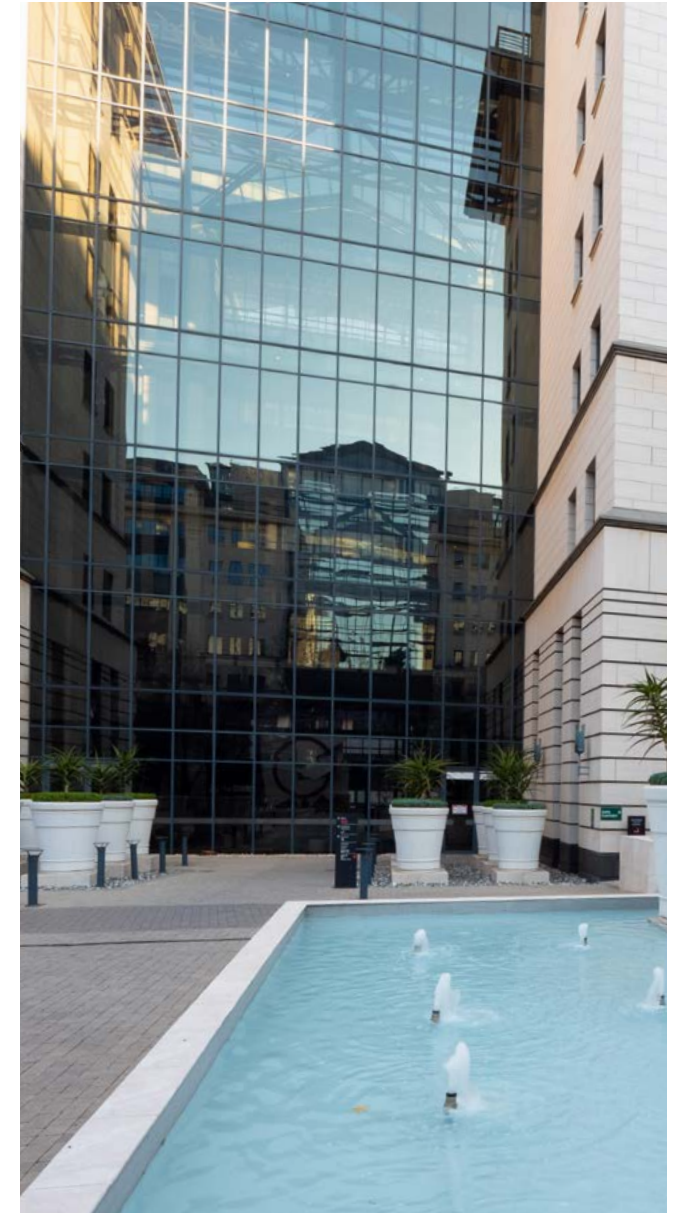
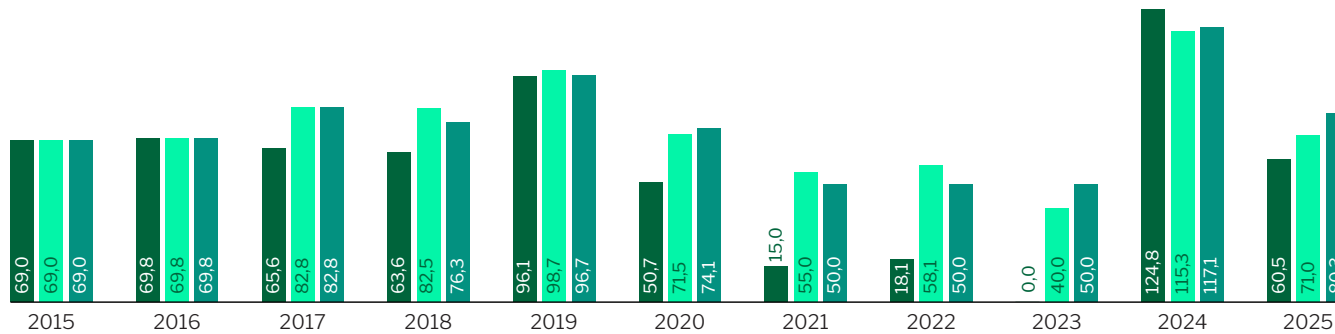
Implementation Report continued

MSS matching outcome on 2022 awards

The matching condition on the MSS of ROE (incl. goodwill) \geq COE +1% measured on the results of the 2024 financial year, was not met, where COE was 15% and ROE was 15,8%. This resulted in no matching shares invested in the MSS for Group Exco members as 100% of the match was subject to this matching performance condition. There was a 25% match for cluster exco participants and a 50% match for other participants as the portion of the match subject to the performance condition was 75% and 50% respectively and the balance subject only to continued employment and retaining the investment in the MSS for the full deferral period.

The vesting outcomes of the 2022 LTI issuance by employee level are included in the graphic below, showing the vesting history since 2015:

Vesting 2015	Vesting 2016	Vesting 2017	Vesting 2018	Vesting 2019	Vesting 2020	Vesting 2021	Vesting 2022	Vesting 2023	Vesting 2024	Vesting 2025
EDs	EDs	EDs	EDs	EDs	EDs	EDs	All Group Exco	All Group Exco	All Group Exco	All Group Exco
Group Exco (excl EDs) and cluster exco	Group Exco (excl EDs) and cluster exco	Group Exco (excl EDs) and cluster exco	Group Exco (excl EDs) and cluster exco	Group Exco (excl EDs) and cluster exco	Group Exco (excl EDs) and cluster exco	Group Exco (excl EDs) and cluster exco	cluster exco only	cluster exco	cluster exco	cluster exco
All other	All other	All other	All other	All other	All other	All other	All other	All other	All other	All other





Implementation Report *continued*

LTI performance conditions, weightings, vesting ratios and targets

2025 awards: Performance conditions and weightings

Vesting of Group Exco and cluster exco awards remain 100% business-performance based – the same as the 2024 and 2023 awards. Vesting below cluster exco level is 50% CPT-based and 50% subject to a minimum acceptable individual performance requirement – the same as 2024 and 2023 awards.

CPTs	Group and cluster exco % weighting	All other participants % weighting
ROE vs COE	30	15
DHEPS growth	30	15
Efficiency ratio	20	10
Environmental and social	10	5
Strategic	10	5
Total	100	50
% of award linked to group business performance and continued employment	100	50
% of award linked to individual performance and continued employment	0	50 ¹
Total	100	100

¹ Vesting of this portion is subject to a minimum acceptable individual performance standard and ongoing employment over the vesting period.

2025 awards: Vesting ratios and targets

CPTs	Minimum vesting 0%	Target vesting 100%	Maximum vesting 200%
ROE vs COE 2027 ¹	ROE ≤ 15,5%	ROE = 17,0%	ROE ≥ 19%
DHEPS CAGR growth ²	≤ CPI + GDP%	= CPI + GDP + 3%	≥ CPI + GDP + 7%
Cost-to-income ratio 2027 ³	≥ 55%	= 54%	≤ 52%

Straight-line vesting applies between the points in the above table.

CPTs	Minimum vesting 0%	Target vesting 100%	Maximum vesting 150%
Environmental, social, and strategic ⁴	Rating = 0	Rating = 3 (Considerable progress)	Rating = 5 (Substantial progress)

Vesting will be interpolated both above and below target in the above table.

¹ Provided this exceeds COE in 2027. Group Remco retains discretion to amend the vesting outcome, either down or up should actual COE be materially above or below the currently forecast COE. This will be reviewed and adjusted where appropriate in the event of material merger-and-acquisition activity in a manner that does not prejudice shareholders and is in the best interests of the group.

² DHEPS growth = the CAGR over the 3-year vesting period, 2025 to 2027. This will be reviewed and adjusted where appropriate in the event of material merger and acquisition activity in a manner that does not prejudice shareholders and is in the best interests of the group.

³ Efficiency ratio, including associate income, measured in the final year of vesting, namely 2027. This will be reviewed and adjusted where appropriate in the event of material merger-and-acquisition activity in a manner that does not prejudice shareholders and is in the best interests of the group.

⁴ Environmental, social and strategic CPT is measured as a qualitative evaluation by Group Remco of 'substantial progress made' on the board-approved metrics with input from relevant board committees, on a scale of 0 to 5 (with 3 at 100% vesting).

2025 awards: Environmental and social CPTs

Environmental	Achieve appropriate progress on our Energy Policy commitments: Renewable-energy finance (SDG 7) and Energy Policy-related timelines and targets, including fossil fuel-related glidepaths that were communicated in 2024, with the sizing of the home loans and vehicle portfolio carbon intensities (baselines) disclosed. The carbon intensities of the next portfolios and associated glidepaths will be communicated as and when appropriate.
	Our own carbon footprint to decline by 40% by the end of 2025 and renewable green energy for our own operations to contribute more than 30% of energy sourced by 2025, and both to be progressed further by 2027 (subject to grid connectivity).
	Meet SDF ambitions: It is our ambition to have increased SDF exposures to around 20% of the group's total gross loans and advances (2024: 19%) by the end of 2025, that is aligned to the SDGs. Our plans currently suggest we will reach > R250bn of exposures by 2027, and we are considering setting a 2030 target.
Social	Maintain a positive employee NPS.
	Maintain a strong client NPS over the period.
	Maintain competitive BBBEE status (inclusive of diversity). Retain level 1 status based on the current amended Financial Sector Code (FSC) targets. This is still a pending status given the industry review process underway and that amended FSC rules are yet to be finalised, which may result in us targeting a different status.

2025 awards: Strategic CPTs

Nedbank Africa Regions	Achieve improved coverage and returns.	SPT	Achieve selected market share gains in secured and unsecured lending, within the appropriate risk appetite.
Digital transformation	Unlock value from intelligent hyperautomation and data commercialisation by strengthening capabilities in data and analytics (scaling commercial value from analytics, GenAI, Digital 2.0 and transforming digital customer engagement).		Achieve market share gains in household transactional and non-transactional, retail deposits and commercial transactional deposits.
			Make gains in main-banked clients.

2025 matched-share scheme

The 2025 matching performance conditions under the CBSS and VBSS are set out in the table below:

	Matched-share scheme	
	CBSS (Deferral on a post-tax basis on 50% of any STI over R1,5m)	VBSS [No more than 50% of total post-tax STI (including any compulsory deferral)]
Group Exco and cluster exco	100% of the match subject to ROE ≥ COE+1% in 2027 and ongoing employment on vesting date.	
All other participants	50% of the match subject to ROE ≥ COE+1% in 2027 and ongoing employment on vesting date.	
	50% of the match subject to the participant's maintaining a minimum acceptable individual performance standard and ongoing employment over the vesting period.	

For employees with earnings falling within the highest tax bracket, the gross STI has the potential to increase by 27,5% (before share price movement) if the performance condition in the MSS is met.



Implementation Report *continued*

2024 awards: Performance conditions and weightings

CPTs	Group Exco and cluster exco % weighting	All other participants % weighting
ROE	30	15
DHEPS growth	30	15
Cost-to-income ratio	20	10
Environment and social	10	5
Strategic	10	5
Total	100	50
% of award linked to group business performance and continued employment	100	50
% of award linked to individual performance and continued employment	0	50 ¹
Total	100	100

¹ Vesting of this portion is subject to a minimum acceptable individual performance standard and ongoing employment over the vesting period.

2024 awards: Vesting ratios and targets

CPTs	Minimum vesting 0 %	Target vesting 100%	Maximum vesting 200%
ROE 2026 ¹	ROE ≤ 15,25%	ROE = 17,25%	ROE ≥ 18,75%
DHEPS CAGR growth ²	= CPI + GDP + 1%	= CPI + GDP + 5%	≥ CPI + GDP + 10%
Cost-to-income ratio (2026) ³	54%	52%	50%

CPTs	Minimum vesting 0 %	Target vesting 60%	Maximum vesting 100%
Environmental, social, and strategic ⁴	Rating = 0	Rating = 3	Rating = 5

Straight-line vesting applies between the points in the above tables.

¹ To be measured on the 2026 results. This will be reviewed and adjusted where appropriate in the event of material merger-and-acquisition activity in a manner that does not prejudice shareholders and is in the best interests of the group. Group Remco retains discretion to amend the vesting outcome, either down or up should actual COE be materially above or below the currently forecast COE.

² DHEPS growth is measured as the CAGR over the 3-year vesting period, 2024 to 2026 (2023 as base year). CPI and GDP are for SA only and will be reviewed and adjusted where appropriate in the event of material merger-and-acquisition activity in a manner that does not prejudice shareholders and is in the best interests of the group.

³ Cost-to-income ratios, including associate income, is measured on the 2026 results.

⁴ Environmental and Social and the Strategic CPT are measured as a qualitative evaluation by Group Remco of 'substantial progress made' on the board-approved metrics supporting these initiatives with input from relevant board committees, on a scale of 0 to 5 (with 3 at 60% vesting).

2024 awards: Environmental and social CPTs

Environmental	Achieve appropriate progress on our Energy Policy commitments: Renewable-energy finance (SDG 7) and Energy Policy-related timelines and targets, including fossil fuel-related glidepaths, will be communicated in 2024 with further sizing of next portfolio carbon intensities, with associated glidepaths.
	Our own carbon footprint is to decline by 40% by the end of 2025 and renewable green energy for our own operations is to contribute more than 30% of energy sourced by 2025 and both to be progressed further by 2026.
	Meet sustainable development financing (SDF) ambitions: By the end of 2025 it is our ambition to have increased SDF exposures to around 20% of the group's total gross loans and advances (2023: 16%), supported by more than R150bn in new SDF finance (from the 2021 base) that is aligned to the SDGs. Our plans currently suggest we get to 19% by 2025.
Social	Maintain positive employee NPS. Maintain an employee 'Great place to work' score of an average of around 20 over the period.
	Maintain a strong client NPS over the period.
	Maintain competitive BBBEE status (inclusive of diversity). Retain level 1 status, based on the current amended Financial Sector Code (FSC) targets. This is still a pending status given the industry review process underway and amended FSC rules are yet to be finalised, which may result in us targeting a different status.

2024 awards: Strategic CPTs

Nedbank Africa Regions	Achieve improved coverage and returns.	SPT	Achieve selected market share gains in retail secured and unsecured lending, within appropriate risk appetite.
Digital transformation	Unlock value from AI and GenAI while strengthening capabilities in data and analytics (scaling commercial value from analytics, GenAI, Digital 2.0 and transforming digital customer engagement).		Achieve market share gains in retail and commercial transactional deposits.
			Achieve gains in main-banked clients.

2024 matched-share scheme

The 2024 matching performance conditions under the CBSS and VBSS are set out in the table below:

	Matched-share scheme	
	CBSS (Deferral on a post-tax basis on 50% of any STI over R1,5m)	VBSS [No more than 50% of total post-tax STI (including any compulsory deferral)]
Group Exco and cluster exco	100% of the match subject to ROE ≥ COE+1% in 2026 and ongoing employment on vesting date.	
All other participants	50% of the match subject to ROE ≥ COE+1% in 2026 and ongoing employment on vesting date.	
	50% of the match subject to the participant's maintaining a minimum acceptable individual performance standard and ongoing employment over the vesting period.	



Implementation Report *continued*

Executive directors' and prescribed officers' performance and remuneration

The managing executives of the 4 income-generating clusters are included in the disclosures set out below. The board has approved that these executives be regarded as POs.

The performance for 2024 of the CE and other EDs and POs is also outlined in this section.



+ Value creation ✓ Value preservation - Value erosion

▶ Jason Quinn Chief Executive (7 months) and Mike Brown former CE (5 months)

Financial performance

- + Achieved HE and DHEPS growth of 8% and 11% respectively.
- + Strengthened the group's ROE to 15,8%.
- + Total dividend increased by 10%.
- ✓ Maintained fortress balance sheet, evident in strong capital, liquidity and balance sheet provisioning metrics.
- Experienced a cost-to-income ratio increase to 55,9%.

Strategy

- + Completed Managed Evolution technology programme.
- + Completed TOM 2.0 programme, realising cumulative expense benefits of R3bn.
- + Increased retail main-banked clients by 5% to 3,7m in RBB, NAR clients by 14% and won 20 primary transactional accounts in CIB.
- + Achieved ongoing strong digital growth and digital sales of 64%.
- + Realised market share gains in retail deposits, home loans, vehicle finance and wholesale term loans.
- + Identified new transform opportunities to support sustainable growth and returns into the future as part of our strategy refresh.
- ✓ Ensured that Nedbank ranked #1 South African bank on NPS among the large South African banks when surveying all clients and second highest NPS among main-banked clients.

ESG delivery

- Experienced market share loss in commercial deposits, credit cards and overdrafts, as well as deliberate loss in personal loans.
- + Continued to drive Nedbank's overall leadership in climate change-related matters and increased SDF to R183bn.
- + Maintained leadership position in renewable energy finance.
- + Achieved improvements in ACI employees to 83% and 4% increase of Africans in senior- and middle-management positions.
- ✓ MSCI ESG rating for Nedbank at AAA (top 9% of global banks).
- ✓ Maintained high levels of employee satisfaction with Nedbank as a 'Great place to work' employee NPS at 18.
- ✓ Maintained level 1 BBBEE in transformation for the seventh year in a row.
- ✓ Worked with government, the banking industry, business and labour through participation and leadership in key industry bodies.
- ✓ Ensured sound cybersecurity.
- ✓ Managed ongoing reputational issues well.
- ✓ Ensured seamless CE leadership transition process.

▶ Remuneration outcomes for Mike Brown former CE (5 months)

Guaranteed remuneration (R000)

2022	2023	2024
9 656	10 144 (+5%)	6 391 (-37%)

Total STI (R000)

2022	2023	2024
17 000	18 275 (+8%)	9 200 (-50%)

Total LTI at face value (R000)

2022	2023	2024
17 000	18 000 (+6%)	9 000 (-50%)



Implementation Report *continued*

+ Value creation ✓ Value preservation - Value erosion

Mfundo Nkuhlu Chief Operating Officer

Financial performance

- + Achieved HE and DHEPS growth of 8% and 11% respectively.
- + Strengthened the group's ROE to 15,8%.
- + Managed expenses well across all shared services clusters.
- Experienced a decline of 17% in associate income from ETI, mainly due to accounting for the non-repeat of a prior year reversal.

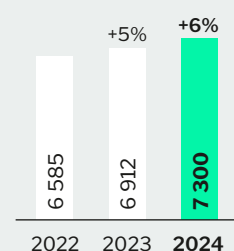
Strategy

- + Completed Managed Evolution IT system transformation materially on time, scope and budget.
- + Completed TOM 2.0 programme, realising cumulative expense benefits of R3bn, which resulted in an optimised shape of our infrastructure.
- + Identified exciting new transformation opportunities to support sustainable growth and returns into the future.
- + Invested significantly in our artificial intelligence (AI) and data capabilities.
- + Managed the COO function well and continued to deliver improvements in operational excellence and collaboration.
- Experienced a decline of 5% in the Nedbank brand value.

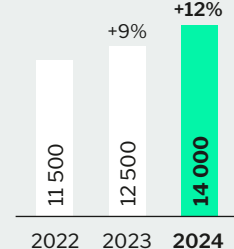
ESG delivery

- + Drove improvements in diversity metrics, including in representation of African talent at both senior- and middle-management levels.
- + Facilitated the approval of a more competitive retirement age of 63.
- + Continued efforts to accelerate purpose fulfilment effectively and ensured Nedbank became first South African bank to publish a Nature Position Statement.
- ✓ Managed key role succession planning well, including succession of the Group Chief Compliance Officer.
- ✓ Maintained high levels of employee satisfaction (NPS at 18), while employee attrition rate decreased to 8,0%.
- ✓ Maintained level 1 BBBEE in transformation for the seventh year in a row.
- ✓ Ensured sound cybersecurity.
- ✓ Worked with government, the banking industry, business and labour through participation and leadership in key industry bodies.

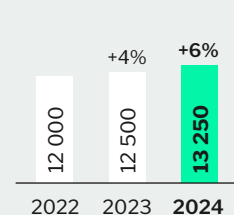
Guaranteed remuneration
(R000)



Total STI
(R000)



Total LTI at face value
(R000)



Mike Davis Chief Financial Officer

Financial performance

- + Achieved HE and DHEPS growth of 8% and 11% respectively.
- + Strengthened the group's ROE to 15,8%.
- + Supported a total dividend increase of 10%.
- + Managed expenses well across shared services clusters.
- ✓ Maintained fortress balance sheet, evident in strong capital, liquidity and balance sheet provisioning metrics.

Strategy

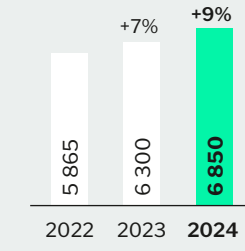
- + Achieved top-tier investor relations rankings and maintained strong relationships and communication with the investor community.
- + Ensured cost savings through heightened focus on automation, creating efficiencies and headcount and office space optimisation.
- + Delivered liquidity risk and capital management strategies optimally.
- + Continued to drive an optimal capital structure through the raising of AT1 and tier 2 at competitive pricing.
- ✓ Optimised liquidity risk management strategies, including high quality liquid asset holdings and alternate funding raised.
- ✓ Performed analysis and quantification of the impact relating to the management of Nedbank endowment hedging programme.

- ✓ Managed taxation risk well.

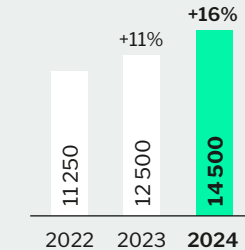
ESG delivery

- + Recognised for leadership in renewable energy finance.
- + Improved Nedbank Green Star ratings for Nedbank's own premises, with 89% of our space being Green Star-rated.
- + Ensured that water and electricity consumption, and recycling volumes tracked ahead of target.
- ✓ Oversaw smooth governance process and brought KPMG onto the audit.
- ✓ Received multiple prestigious industry awards in recognition of Nedbank's high standards of financial reporting, including being voted SA CFO of the Year, as well as the Compliance and Governance; as well as receiving Strategy and Execution awards.
- ✓ Ensured MSCI ESG rating for Nedbank remained at AAA (top 9% of global banks).
- ✓ Maintained robust and efficient tax compliance and incurred no penalties or interest charges.
- ✓ Obtained good AGM outcomes with all resolutions passed.
- ✓ Ensured steady progress on the achievement of procurement aspirations.

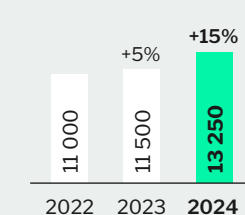
Guaranteed remuneration
(R000)



Total STI
(R000)



Total LTI at face value
(R000)





Implementation Report *continued*

+ Value creation ✓ Value preservation - Value erosion

Anél Bosman Group Managing Executive: Nedbank Corporate and Investment Banking

Financial performance

- + Increased HE in CIB by 9% and delivered an ROE of 20,5%.
- + Increased NIR by 11%, driven by deal closures and strong growth in Markets.
- + Managed credit risk well with CLR at 14 bps, below its TTC target range of 15–45 bps.

✓ Maintained disciplined expense and capital management.

- Experienced a 5% decrease in NII due to margin compression and slow average loans and advances growth, although actual loans and advances growth was satisfactory.

Strategy

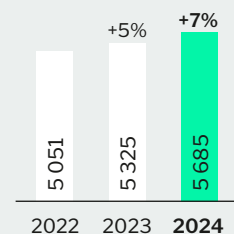
- + Gained 20 primary clients and increases in large transactions.
- + Increased renewable energy exposures and won significant renewable energy mandates.
- ✓ Increased adoption rate by clients of the Nedbank Business Hub from 30% to 51%.
- ✓ Maintained high client satisfaction at 81%, above the global benchmark of 80%.
- ✓ Maintained market-leading position in Property Finance in SA.
- ✓ Managed reputational and credit risk well with a focus resolution of various clients who went into business rescue in prior years.

✓ Delivered a strong performance against regulatory compliance, risk management and internal audit requirements.

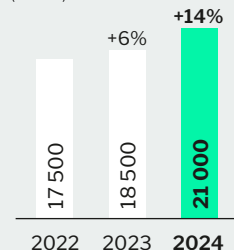
ESG delivery

- + Grew sustainable development finance to more than R110bn, which is 27% of CIB gross banking loans and advances.
- + Facilitated sustainable finance credit facilities for clients to the value of R17bn.
- + Recorded R38,5bn in renewable energy finance drawn exposures.
- + Concluded R4,5bn term loan facility to the Trans-Caledon Tunnel Authority for its Mokolo-Crocodile River Water Augmentation Project.
- + Published our fossil fuels and power generation glidepath methodology and disclosed fossil fuel carbon accounting.
- + Led the EDGE certification of the Mall of Africa, making it the largest retail asset worldwide to achieve this prestigious certification.
- ✓ Received multiple prestigious industry awards in recognition of CIB's expertise and purpose-led approach.
- ✓ Maintained a strong governance and control environment.

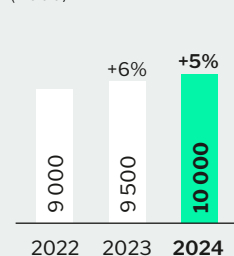
Guaranteed remuneration (R000)



Total STI (R000)



Total LTI at face value (R000)



Ciko Thomas Group Managing Executive: Nedbank Retail and Business Banking

Financial performance

- + Increased HE by 15% and improved ROE to 17,1%.
- + Managed credit risk well, with impairments down by 15% and a CLR decrease to 158 bps, within the cluster's TTC of 130–180 bps.
- Experienced expenses growth above revenue growth, resulting in an increase in cost-to-income ratio.

Strategy

- + Increased retail main-banked clients by 5% to 3,7m and the cross-sell ratio to 1,99.
- + Delivered strong digital growth (Money app clients up by 14% to 2,7m and digitally active retail clients up 7% to 3,1m).
- + Realised market share gains in retail deposits and selected retail advances categories, such as vehicle finance and home loans.
- + Contributed significantly to the group's R3bn of cumulative TOM 2.0 benefits through strategic initiatives such as Project Imagine and Project Phoenix, resulting in improved efficiencies.
- + Executed the acquisition of Eqstra to strengthen our positioning in the fleet management market.
- ✓ Maintained average bank fee increases below inflation, and with the launch of our MiGoals product suite, received Nedbank's favourable ranking amongst peers.

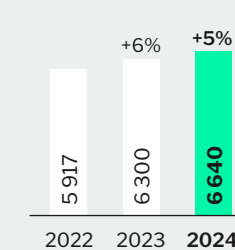
✓ Ranked #1 South African bank on NPS among the large South African banks when surveying all clients and second highest NPS among main-banked clients.

- Experienced a loss of market share in commercial deposits and credit card lending.

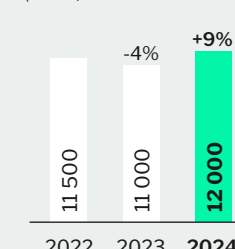
ESG delivery

- + Increased support to more than 300 000 SMEs with loan exposures of R25bn.
- + Positively impacted more than 30 townships and created supplier procurement opportunities for more than 400 black-youth-owned service providers.
- + Rehabilitated 1,7m clients since 2023, assisted 110K clients to keep their cars and homes and assisted 20,9K clients to sell their assets through our Assisted Sales programmes.
- ✓ Increased support to employees through various financial education and mental health awareness programmes attended by 12K employees.

Guaranteed remuneration (R000)



Total STI (R000)



Total LTI at face value (R000)





Implementation Report *continued*

+ Value creation ✓ Value preservation - Value erosion

▶ Dr Terence Sibiya Group Managing Executive: Nedbank Africa Regions

Financial performance

- ➖ Experienced a 14% decrease in NAR HE and a decline in ROE to 20,5%.
- ✓ Experienced SADC operations HE down by 12% to R582m, excluding the base effect of Zimbabwe FX gains, HE was up by 60%.
- ➖ Experienced ETI HE down by 16%, mainly due to accounting for the non-repeat of the prior year reversal for Ghana, with an ROI of 18,2%.

Strategy

- ➕ Accelerated digitisation and digital usage uptake, including an increase in digitally active clients from 64% to 72% of its total active client base and a 21% increase in app users.
- ➕ Increased the total number of clients by 14% to 396 733.
- ➕ Achieved a market leader position in client experience (NPS) in Mozambique and leading brand sentiment scores in 3 markets.
- ➕ Made good progress on implementing the value unlock agenda in ETI.
- ➕ Tangible positive progress in NAR Control Environment (risk, governance, compliance)
- ✓ Implemented cardless and card-based cash deposits on our Intelligent Depositor ATMs, including full cash recycling across 4 countries.

- ✓ Successfully enabled the new functional currency in Zimbabwe [Zimbabwe Gold (ZiG)], with minimal impact on clients.
- ✓ Made good progress in NAR technology harmonisation system convergence.

ESG delivery

- ✓ Successfully succeeded Mfundo Nkuhlu as ETI Nedbank's Board representative.
- ✓ Maintained a good relationship with all internal and external stakeholders, including regulators.
- ✓ Ensured effectiveness in governance and compliance, although some improvement is required in the control environment.
- ➕ Provided support through a community empowerment programme that focused on sustainable agriculture education in Eswatini.
- ✓ Continued empowering women through a comprehensive technical and capacity building programme in Zimbabwe [targeting 100 women-owned businesses and contributing US\$20 000].

Guaranteed remuneration (R000)

Year	2022	2023	2024
Value	4 405	4 688	4 937
% Change		+6%	+5%

Total STI (R000)

Year	2022	2023	2024
Value	8 250	11 000	10 500
% Change		+33%	-5%

Total LTI at face value (R000)

Year	2022	2023	2024
Value	8 000	8 400	10 000
% Change		+5%	+19%

▶ Iolanda Ruggiero Group Managing Executive: Nedbank Wealth

Financial performance

- ✓ Increased HE by 4% and ROE to 27,6%.
- ➕ Increased NIR by 12% and managed risk well with CLR at -2 bps, below the cluster's TTC target range of 20-40 bps.
- ✓ Increased assets under management by 6% yoy to R474bn, facilitated by strong market conditions in H2 2025.
- ➖ Saw NII decrease by 1% due to lower average deposits and loans and advances.

Strategy

- ➕ Enhanced channels and client acquisition strategies resulting in 44% growth in gross earned premiums for MyCover suite of insurance products.
- ➕ Introduced personalised insurance offers on Money app, which resulted in a 40% increase in insurance digital sales.
- ➕ Grew the digitally active client base by over 50%.
- ✓ Continued investment in product, channel and service enablement.

- ✓ Successfully executed the decision to exit the corporate e-gaming sector internationally.
- ✓ Nedgroup Investments remains the third-largest offshore manager for the eighth year in a row and is the eighth-largest South African manager (Q4 2024 ASISA stats).

ESG delivery

- ✓ Asset management business published its fourth Responsible Investment Report and its inaugural Climate Change Position Statement.
- ✓ Made good progress and concluded various risk and compliance initiatives that are aligned with a changing environment.

Guaranteed remuneration (R000)

Year	2022	2023	2024
Value	4 450	4 687	4 938
% Change		+5%	+5%

Total STI (R000)

Year	2022	2023	2024
Value	8 250	8 600	0
% Change		+4%	

Total LTI at face value (R000)

Year	2022	2023	2024
Value	8 000	8 400	0
% Change		+7%	

Implementation Report continued

Increase in guaranteed packages of executive directors and prescribed officers

The GPs of the CE and other EDs and POs were reviewed, and recommendations were made to the board by Group Remco. GP increases with effect from 1 April 2024 were in line with the overall 5% increase (2024: 5,3%), other than as noted below.

	GP (R000)			yoy movement	
	New GP with effect from April 2025	GP at April 2024	GP at April 2023	2025–2024 % change	2024–2023 % change
Jason Quinn	10 450	-	-	-	-
Mfundo Nkuhlu	7 733	7 400	7 000	4,5	5,7
Mike Davis	7 315	7 000	6 400	4,5	9,4
Ciko Thomas	7 022	6 720	6 400	4,5	5,0
Anél Bosman	7 000	5 780	5 400	21,1*	7,0
Dr Terence Sibiyi	5 225	5 000	4 750	4,5	5,3

* Market adjustment to align GP with market benchmarks.

STI awards of executive directors and prescribed officers

The following table represents the way in which STI awards for EDs and POs have been determined, based on the assessment of the group and cluster performance, as well as the performance against their agreed individual GCCs in 2024:

	On target STI % of GP	Maximum target STI % of GP	% of GP achieved for group and cluster financial measures	% of GP achieved for individual performance and discretion	Final STI as % of GP 2024	Final STI as % of GP 2023
	A		B	C	B+C	
Executive directors						
Jason Quinn*	150	250	148	16	164	-
Mfundo Nkuhlu	150	250	148	41	189	178
Mike Davis	150	250	148	59	207	195
Prescribed officers						
Anél Bosman	250	400	250	113	363	343
Ciko Thomas	150	250	140	39	179	172
Dr Terence Sibiyi	150	250	155	55	210	232

* For Jason Quinn, the on target and maximum STI % of GP have been prorated for his partial period of employment (7 months) in 2024 in arriving at his actual STI of R10m. On an annualised basis, Jason Quinn's STI is 164% of annualised GP.

Minimum shareholding requirement (MSR) status of Group Exco members

All Group Exco members who have reached the end of the qualifying MSR period, have met their MSRs. The current shareholding includes the vesting of the March 2022 awards which vest in March 2025:

Group Exco member	Original target (Pre 1 April 2025)		Revised target (Post 1 April 2025)	
	Minimum shareholding requirement, as a multiple of GP	Current shareholding (including 2022 award vesting) as a multiple of GP at 31 December 2024	Minimum shareholding requirement, as a multiple of GP	Current shareholding relative to MSR requirement
Jason Quinn	2,0	Still within qualifying period	3,0	Still within qualifying period
Mfundo Nkuhlu	1,5	Holds 4,0x his annual GP	2,0	Still within qualifying period
Mike Davis	1,5	Holds 7,2x his annual GP	2,0	Still within qualifying period
Anél Bosman	1,5	Holds 6,6x her annual GP	2,0	Still within qualifying period
Ciko Thomas	1,5	Holds 2,6x his annual GP	2,0	Still within qualifying period
Terence Sibiyi	1,5	Holds 7,6x his annual GP	2,0	Still within qualifying period
Ray Naicker	1,0	Still within qualifying period	-	-
Dave Crewe–Brown	1,0	Holds 2,9x his annual GP	-	-
Priya Naidoo	1,0	Holds 7,4x her annual GP	-	-
Khensani Nobanda	1,0	Holds 3,3x her annual GP	-	-
Deb Fuller	1,0	Holds 5,0x her annual GP	-	-

MSRs are set as a fixed number of shares determined at the point of testing.



Implementation Report continued

ED and PO total awarded and total earned remuneration

The table below discloses the total remuneration awarded for the financial year and the total remuneration earned in the financial year. The total remuneration awarded for the 2024 financial year contains the GP awarded for the 2024 financial year, total STI awarded in respect of the financial year, and LTI awarded in March 2025 in respect of the 2024 financial year, at face value. The total earned remuneration reflects GP received in the 2024 financial year, STI awarded in respect of the financial year, dividends received in the financial year on unvested share-based awards, the matched shares for which the measurement of the performance condition concluded on 31 December 2024, and the LTI issued in 2022 at vested value which is the March 2022 award that will be settled in March 2025, for which measurement of performance conditions was concluded on 31 December 2024.

The 2024 total earned remuneration is meaningfully lower than 2023. For example, Mr Nkuhlu's total earned remuneration decreased by 41,9%. This can be attributed to a decline in the LTI vesting outcome (2022 LTI award of 60,5% compared with the vesting outcome of the 2021 LTI award of 124,8%), lower share price appreciation over the comparable periods (29% appreciation from the 2022 award date to the end of 2024, compared with 67% from the 2021 award date to the end of 2023), and a 0% MSS match in 2024, compared with 100% in 2023.

RO00	Jason Quinn ²			Mike Brown ³			Mfundo Nkuhlu			Mike Davis			Iolanda Ruggiero ⁴			Ciko Thomas			Anél Bosman			Terence Sibiyi		
	2024	2023	%	2024	2023	%	2024	2023	%	2024	2023	%	2024	2023	%	2024	2023	%	2024	2023	%	2024	2023	%
Cash portion of package	5 576			5 385	8 596		6 029	5 732		5 547	5 108		4 225	4 015		5 544	5 260		5 044	4 735		4 242	4 046	
Other benefits	205			223	305		377	333		272	244		108	98		190	180		243	217		280	248	
Defined-contribution retirement fund	343			783	1 243		894	847		1 031	948		605	574		906	860		398	373		415	394	
GP	6 124			6 391	10 144	(37,0)	7 300	6 912	5,6	6 850	6 300	8,7	4 938	4 687	5,4	6 640	6 300	5,4	5 685	5 325	6,8	4 937	4 688	5,3
Cash performance incentive	5 750			5 350	9 888		7 750	7 000		8 000	7 000			5 050		6 750	6 250		11 250	10 000		6 000	6 250	
Deferred performance incentive (delivered in shares)	4 250			3 850	8 387		6 250	5 500		6 500	5 500			3 550		5 250	4 750		9 750	8 500		4 500	4 750	
Total short-term incentive (STI)	10 000			9 200	18 275	(49,7)	14 000	12 500	12,0	14 500	12 500	16,0	-	8 600		12 000	11 000	9,1	21 000	18 500	13,5	10 500	11 000	(4,5)
GP and total STI	16 124			15 591	28 419	(45,1)	21 300	19 412	9,7	21 350	18 800	13,6	4 938	13 287	(62,8)	18 640	17 300	7,7	26 685	23 825	12,0	15 437	15 688	(1,6)
LTI – Awarded at face value ⁵	80 732			9 000	18 000	(50,0)	13 250	12 500	6,0	13 250	11 500	15,2		8 400		12 250	11 500	6,5	10 000	9 500	5,3	10 000	8 400	19,0
Deferred short-term incentive	22 876																							
Total awarded remuneration	119 732			24 591	46 419	(47,0)	34 550	31 912	8,3	34 600	30 300	14,2	4 938	21 687	(77,2)	30 890	28 800	7,3	36 685	33 325	10,1	25 437	24 088	5,6
Total awarded remuneration	119 732			24 591	46 419		34 550	31 912		34 600	30 300		4 938	21 687		30 890	28 800		36 685	33 325		25 437	24 088	
Less: Deferred short-term incentive not yet earned	(13 726)																							
Less: LTI award at face value	(80 732)			(9 000)	(18 000)		(13 250)	(12 500)		(13 250)	(11 500)			(8 400)		(12 250)	(11 500)		(10 000)	(9 500)		(10 000)	(8 400)	
Add: Earned LTI⁵	-			12 890	53 327	(75,8)	9 765	36 919	(73,5)	7 812	34 098	(77,1)	5 859	21 023	(72,1)	7 812	29 740	(73,7)	7 422	22 561	(67,1)	6 250	16 408	(61,9)
Face value at award ⁶				16 500	26 000		12 500	18 000		10 000	16 625		7 500	10 250		10 000	14 500		9 500	11 000		8 000	8 000	
CPT performance ⁷				(6 517)	6 448		(4 937)	4 464		(3 950)	4 123		(2 962)	2 542		(3 950)	3 596		(3 752)	2 728		-3 160	1 984	
Share price performance ⁸				2 908	20 879		2 203	14 455		1 762	13 350		1 322	8 231		1 762	11 644		1 674	8 833		1 410	6 424	
Add: Earned match⁹	-			-	3 545		-	2 327		-	1 773		-	1 884		-	1 123		-	3 878		-	877	
Performance and time-vested match					2 200			1 444			1 100			1 169			697			2 406			544	
Share price performance					1 345			883			673			715			426			1 472			333	
Add: Dividends¹⁰	2 306			8 828	7 209	22,5	5 941	5 002	18,8	5 375	4 497	19,5	3 739	3 031	23,4	5 101	4 118	23,9	5 035	4 198	19,9	3 534	2 777	27,3
Total earned remuneration¹¹	27 581			37 309	92 500	(59,7)	37 006	63 660	(41,9)	34 537	59 168	(41,6)	14 536	39 225	(62,9)	31 553	52 281	(39,6)	39 141	54 462	(28,1)	25 221	35 750	(29,5)

1 This is the value of the share-based awards made in the following financial year, but in respect of the current financial year. For Mr Quinn, this includes an LTI on-appointment award (R62 732 460) made in August 2024. The CPTs in respect of this award were identical to those for the 2024 awards for Group Executive members. This award, together with the deferred short-term incentive award, in accordance with note 2 below, was made in respect of the value of awards that he forfeited on resignation from his previous employer. An annual LTI award (R18 000 000) will also be made to Mr Quinn in March 2025 in respect of the current financial year. For Mr Brown, this includes an LTI award (R9 000 000) made in August 2024, vesting in August 2027, in return for the restraint-of-trade agreement that he agreed to effective until 31 May 2026. The CPTs in respect of this award were identical to those for the 2024 awards for Group Exco members.

2 A deferred STI award was made to Mr Quinn on commencement of service in June 2024. This award represents the partial payment of 40% (R9 150 000 before tax), of the total DSTI award made in June 2024, which is repayable in full should he cease to be employed by Nedbank Group for any reason other than no-fault termination before 30 May 2027. The remainder of the award (60%) will be payable on 20 June 2027, subject to ongoing minimum individual performance conditions. Mr Quinn's STI, of R10m, has been prorated for the period of service in 2024.

3 Mr Brown stepped down from his CE role at the 2024 AGM, effective 31 May 2024. He remained employed with Nedbank in an advisory role until 31 August 2024, when he retired.

4 Ms Ruggiero took early retirement on 31 March 2025. No incentive awards in respect of the current financial year have been made.

5 Earned LTI is the value that will be settled in March 2025 but for which the measurement of performance conditions was concluded on 31 December 2024. This is valued at the year-end share price of R281,71 (2022: R216,23).

6 Face value of shares awarded in March 2022 at the award price of R218,16.

7 The CPT performance is the variance of number of shares at award over the number of shares at vesting and is valued at the share price on award.

8 The share price performance is the variance of the share price at award over the share price at vesting and is valued on the actual number of shares vested.

9 The match is the value of matched shares that would have been settled in April 2025, but for which the measurement of the performance condition would have concluded on 31 December 2024. This is valued at the year-end share price of R281,71 (2023: R216,23).

10 This represents the total value of dividends received during the financial year on unvested share-based awards. This excludes dividends in respect of the VBSS, which consists of own shares.

11 Total earned remuneration is the sum of GP, total STI, earned LTI, earned matching and dividends.

Implementation Report continued

Additional Regulation 43/Pillar 3 disclosures

It is a requirement in terms of Regulation 43 to the Banks Act, 94 of 1990, (informed by the Basel Committee on Banking Supervision's Pillar 3 disclosure requirements for remuneration), that Nedbank provide aggregate remuneration information for employees categorised as senior managers (SMs) and material risk-takers (MRTs). The disclosure requirements under the Basel Committee on Banking Supervision Disclosure requirements DIS35 are:

1 REMA – Remuneration Policy

Table REMA provides information on a bank's Remuneration Policy as well as key features of the remuneration system.

2 REM1 – Remuneration awarded during the financial year**3 REM2 – Special payments****4 REM3 – Deferred remuneration**

[REMA] Remuneration Policy

The Group's Remuneration Policy, which describes the key features of the remuneration framework, is outlined in Part 2 of this Remuneration Review.

At Nedbank, on an annual basis, a review of the list of individuals classified as SMs and MRTs, is conducted. These categories are defined as:

Senior manager

Includes EDs and POs, members of Group Exco, as well as other members of the group's senior management with executive responsibility for a material part of the group's business.

Material risk-taker

Includes employees whose individual actions have a material impact on the risk exposure of the group, as well as those responsible for setting and monitoring trader mandates and risk and stop-loss limits.

[REM1] Aggregate remuneration of senior managers and material risk-takers

Total value of remuneration in the 2024 financial year	Senior managers	Material risk-takers
Fixed remuneration – Cash-based (Rm) - Unrestricted	145,7	160,5
Variable remuneration – cash award (Rm) - Unrestricted	155,1	126,7
Variable remuneration – deferred performance incentive (Rm)	109,0	54,7
Total variable remuneration - cash award and deferred performance incentive¹ (Rm)	264,1	181,4
Variable remuneration – long-term incentive awards (Rm)	183,3	92,1
Total 2024 remuneration (unrestricted and deferred remuneration) (Rm)	593,1	434,0
Total number of employees	31	40

¹ STI paid in March 2025 for FY2024.

Total value of remuneration in the 2023 financial year	Senior managers	Material risk-takers
Fixed remuneration (Rm) - Unrestricted	135,9	149,9
Variable remuneration – cash award (Rm) - Unrestricted	138,1	108,6
Variable remuneration – deferred performance incentive (Rm)	93,1	45,6
Total variable remuneration - cash award and deferred performance incentive (Rm)	231,2	154,2
Variable remuneration – long-term incentive awards (Rm)	159,9	96,7
Total 2023 remuneration (unrestricted and deferred remuneration) (Rm)	527,0	400,8
Total number of employees	30	38

Implementation Report continued

[REM2] Special payments

2024 financial year	Guaranteed bonuses		Sign-on awards		Severance payments	
	Number of employees	Total amount (Rm)	Number of employees	Total amount (Rm)	Number of employees	Total amount (Rm)
Senior managers	-	-	-	-	-	-
Material risk-takers	-	-	1	3,0	-	-

2023 financial year	Guaranteed bonuses		Sign-on awards		Severance payments	
	Number of employees	Total amount (Rm)	Number of employees	Total amount (Rm)	Number of employees	Total amount (Rm)
Senior managers	-	-	-	-	-	-
Material risk-takers	-	-	-	-	-	-

It is not our policy to award guaranteed bonuses and accordingly no such payments have been made. Where specific compensation is indicated for new employees for the loss of an accrued benefit, the forfeiture of a performance bonus or in respect of a specific outstanding contractual obligation, a sign-on or DSTI award may be made. This is subject to the passage of time and, in the case of DSTI awards, ongoing minimum individual performance and service conditions.

[REM3] Deferred remuneration: Shares

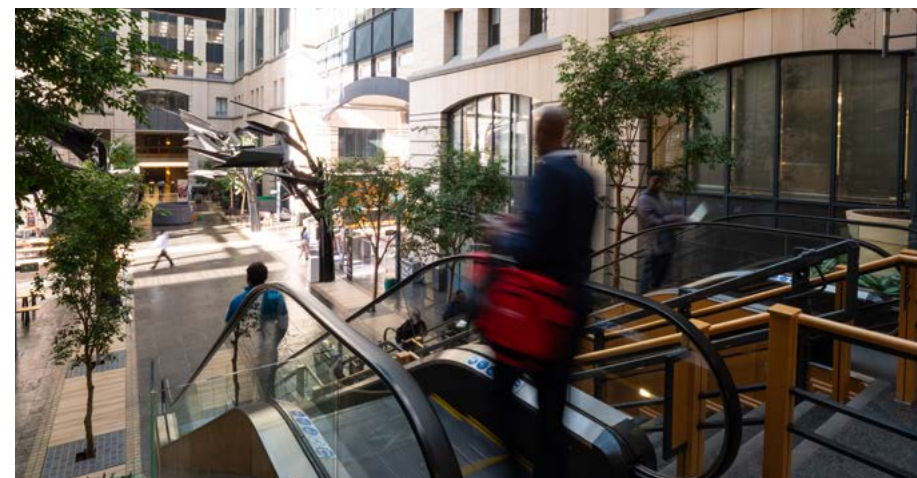
2024 financial year	Senior managers	Material risk-takers
Total number of employees	31	40
Compulsory Bonus Share Scheme (Rm)	180,1	56,5
Restricted-share Scheme (Rm)	680,0	283,9
Total deferred remuneration outstanding (Rm)	860,1	340,4
Of which outstanding deferred remuneration exposed to ex post explicit and/or implicit adjustments ^{1,2}	860,1	340,4
Total amount of amendments during the financial year due to ex post explicit adjustments¹	96,9	30,6
Total amount of amendment during the year due to ex post implicit adjustments²	-	-
Value of deferred remuneration paid out during 2024 (Rm)	472,4	173,6

2023 financial year	Senior managers	Material risk-taker
Total number of employees	30	38
Compulsory Bonus Share Scheme (Rm)	135,7	49,7
Restricted-share Scheme (Rm)	704,7	320,9
Total deferred remuneration outstanding (Rm)	840,4	370,6
Of which outstanding deferred remuneration exposed to ex post explicit and/or implicit adjustments ^{1,2}	840,4	370,6
Total amount of amendments during the financial year due to ex post explicit adjustments	(152,2)	(37,0)
Total amount of amendment during the year due to ex post implicit adjustments	-	-
Value of deferred remuneration paid out during 2023 (Rm)	126,8	67,4

Definitions:

¹ Outstanding exposed to ex post explicit adjustment: Part of the deferred and retained remuneration that is subject to direct adjustment clauses (for instance, subject to malus, clawbacks or similar reversal or downward revaluations of awards). Downward revaluations can happen for various reasons, such as poor financial performance and failure to meet specific performance targets.

² Outstanding exposed to ex post implicit adjustment: Part of the deferred and retained remuneration that is subject to adjustment clauses that could change the remuneration, because they are linked to the performance of other indicators (for instance, fluctuation in the value of performance shares).



Implementation Report continued

Remuneration of risk, compliance, audit, and finance specialists

Consistent with good corporate governance and related local and international regulations, there is special oversight on the remuneration of senior risk, compliance, audit, and finance (RCAF) specialists in the group. This serves to ensure that individuals in these functions remain sufficiently independent of the businesses they serve. Their remuneration is not determined by the relevant business unit alone. In addition, their STIs are not inappropriately tied to the financial outcomes of the group or their business unit. Their STIs are also linked to individual function objectives while overall, as they fluctuate, they will reflect the group's performance as well. As a starting point, proposals are made by the business unit's management, but the CRO, CFO and the CCO have scope to influence the remuneration outcomes of senior employees within the respective RCAF functions. The final outcomes are presented to and carefully considered by the Group Remco, thereby providing a further layer of independent oversight.

Non-executive directors' fees

Group Remco is satisfied that the fee structure applied in respect of non-executive directors remains appropriate. Non-executive directors' remuneration (excluding VAT) for the years ended 31 December 2024 and 2023 was as follows:

Name	Nedbank and Nedbank Group board fees R000	Committee fees R000	2024 Total R000	2023 Total R000
HR Brody	870	1 368	2 238	2 079
BA Dames	622	872	1 494	1 495
NP Dongwana	622	952	1 574	1 409
MA Hermanus ¹	295	80	375	
EM Kruger ²	622	1 968	3 995	3 754
P Langeni	622	902	1 524	1 243
RAG Leith	622	1 374	1 996	1 562
L Makalima	622	1 296	1 918	1 731
PM Makwana			-	2 760
T Marwala			-	164
MA Matooane			-	449
AD Mminele ³	7 032		7 249	4 021
TM Nombembe ⁴	622	585	1 207	
M Nyati			-	856
S Subramoney	622	1 796	2 418	2 206
Total	13 173	11 193	25 988	23 729

1. Mavis Hermanus was appointed to the boards of Nedbank Limited and Nedbank Group Limited, and as a member of the Group Sustainability and Climate Resilience Committee with effect from 15 July 2024.

2. Errol Kruger's total fee is inclusive of the Nedbank Private Wealth (Isle of Man) chairperson fees of £60 000 (R1 405 151).

3. Daniel Mminele's fee includes taxable reimbursements and fringe benefit tax.

4. Terence Nombembe was appointed to the boards of Nedbank Limited and Nedbank Group Limited and as a member of the Group Audit Committee with effect from 1 January 2024. He was also appointed as a member of the Group Risk and Capital Management Committee with effect from 1 April 2024.

Where applicable, board fees include travel reimbursements for business mileage.

Non-executive directors' fee structure

The non-executive directors' fee proposals as set out below were evaluated by an independent board committee consisting of Jason Quinn and Mike Davis under the advice of independent experts. This evaluation was conducted from several perspectives, including the macroeconomic environment, peer group comparisons across the banking sector, effective rates per committee and yoy increases.

Increases to the Chairperson's fee, board fees and committee fees (excluding VAT) are broadly aligned with the NBU employees, excluding the DAC member fee where a lower increase is evident, and the Audit, Risk and Capital management, Group Remco, IT and GSCRC committees chair and member fees, where higher increases are made to align with the market.

The overall increase in the fee expenses proposed is **5,6%** based on current membership.

	1 July 2025 to 30 June 2026 ^{3,4,5} R	% yoy	1 July 2024 to 30 June 2025 ^{4,5} R
Board Chairperson ¹	7 527 707	4,5	7 203 547
LID	266 248	4,5	254 783
Group Boardmember Nedbank Limited	361 857 303 750	4,5 4,5	346 275 290 670
GAC chair ²	1 023 749	7,0	956 775
GAC member	409 500	7,0	382 710
GRCMC chair ²	789 338	10,0	717 580
GRCMC member	315 735	10,0	287 032
GCC chair ²	749 871	4,5	717 580
GCC member	299 948	4,5	287 032
Group Remco chair ²	610 589	7,5	567 990
Group Remco member	244 236	7,5	227 196
GTSEC chair ²	471 350	4,5	451 053
GTSEC member	188 540	4,5	180 421
GITCO chair ²	496 158	10,0	451 053
GITCO member	198 463	10,0	180 421
DAC chair ²	295 643	3,0	287 033
DAC member	119 980	4,5	114 813
GSCRC chair ²	307 125	7,0	287 033
GSCRC member	122 850	7,0	114 813
Ad hoc (per meeting) ⁶	28 215	4,5	27 000

¹ The chairperson will be paid a single fee, inclusive of committee chairship and membership fees.

² The committee chairperson will be paid 2,5 times the member fees, except for the Directors' Affairs Committee chair fee, which is paid at 2,46 times the member fee, due to a differential market adjustment required this year.

³ Subject to shareholders' approval at the 2025 AGM.

⁴ No fees are payable to executive directors.

⁵ All fees are exclusive of VAT.

⁶ Per meeting attendance.

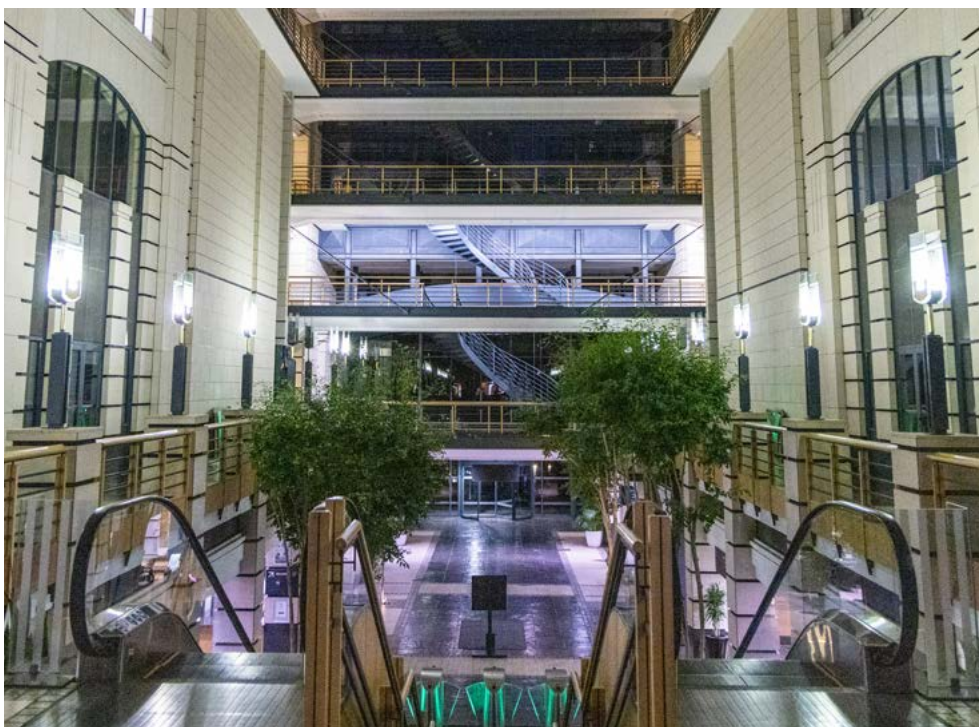
To acknowledge the additional responsibilities and time commitments for non-executive directors who may, in exceptional circumstances, be required to perform the role of acting Chairperson of the Nedbank Boards, acting lead independent director or acting board committee chair for an extended period, acting fees were approved by shareholders for the first time in 2021.

Implementation Report continued

Acting fees are paid monthly in arrears on a pro rata basis. It is proposed that acting fees remain in place for 2025. The proposed increases for 2025 are set out in the table below, with a 4,5% increase:

	Nedbank (1 Jul 2025 to 30 Jun 2026)	% yoy	Nedbank (1 Jul 2024 to 30 Jun 2025)
Acting Group Chairperson fee	151 201	4,5	144 690
Acting Lead Independent Director fee	22 188	4,5	21 233
Acting Committee Chair	33 050	4,5	31 627

The payment of these additional acting fees is subject to prior approval by the Group Remco, which would consider the relevant circumstances and the extent of additional commitments on a case-by-case basis. At 31 December 2024, no acting fees were payable to any director. The above proposals are effective from 1 July 2025, subject to shareholders' approval at the AGM on 30 May 2025.



Directors' and prescribed officers' interests

On 31 December 2024 the directors' and POs' interests in ordinary shares in Nedbank Group Limited were as follows:

Number of shares	Beneficial direct 2024	Beneficial direct 2023	Beneficial indirect 2024	Beneficial indirect 2023
Directors¹				
Hubert Brody	1 094	5 119		3 600
Brian Dames	64	64		
Mike Davis	123 916	69 574	184 625	253 605
Mavis Ann Hermanus				
Mfundo Nkuhlu	45 465	45 465	204 037	283 398
Jason Quinn			237 506	
Stanley Subramoney			2 300	2 300
Directors who retired in 2024				
Mike Brown ²	542 972	552 486	324 365	403 190
Prescribed officers¹				
Ciko Thomas	12 567	13 707	180 099	233 484
Iolanda Ruggiero	130 656	93 236	135 136	174 482
Anél Bosman	66 999	79 719	187 034	224 694
Terence Sibiya	92 397	52 130	139 768	154 505
Total ordinary shares	1 016 130	911 500	1 594 870	1 733 258

¹ No change in the interests of the directors and POs occurred between 31 December 2024 and 3 March 2025.

² The beneficial indirect shares includes 925 ordinary shares held in a family trust.

Implementation Report continued

Share-based payments to executive directors and prescribed officers

Payments from the prior years' deferred bonuses and outstanding share plan awards:

Executive director	Opening balance at 1 January 2024				Awards made during 2024				Awards vesting/lapsing during 2024				Dividends	Closing balance at 31 December 2024			
	Number of restricted shares	Date of issue/inception	Issue price (R)	Vesting date	Number of restricted shares	Date of issue/inception	Issue price (R)	Final vesting/exercise date	Number of restricted shares released	Number of restricted shares lapsed	Market price at vesting (R)	Value gained on vesting (R)	Notional value of loss on lapsing (R)	Total value of dividends paid in respect of all plans ³ (R)	Number of restricted shares	End of performance period	Final vesting/exercise date
Mike Brown																	
Nedbank restricted shares	158 090	25 March 2021	131,57	26 March 2024					207 097		230,12	47 657 162					
	39 523	26 March 2021	131,57	27 March 2024					39 523		227,32	8 984 368					
	75 632	17 March 2022	218,16	18 March 2025										75 632	31 December 2024	18 March 2025	
	75 191	22 March 2023	226,09	23 March 2026										75 191	31 December 2025	23 March 2026	
					79 410	27 March 2024	226,67	28 March 2027						79 410	31 December 2026	28 March 2027	
					34 074	15 August 2024	264,13	16 August 2027						34 074	31 December 2026	16 August 2027	
Compulsory Bonus Share Scheme ¹	14 347	31 March 2021	134,17	01 April 2024					28 694		224,07	6 429 465					
	14 394	31 March 2022	238,81	01 April 2025										14 394	31 December 2024	01 April 2025	
	20 601	31 March 2023	213,58	01 April 2026										20 601	31 December 2025	01 April 2026	
					19 919	31 March 2024	231,59	01 April 2027						19 919	31 December 2026	01 April 2027	
Voluntary Bonus Share Scheme ²	2 049	31 March 2021	134,17	01 April 2024					4 098		224,07	918 239					
	1 151	31 March 2022	238,81	01 April 2025										1 151	31 December 2024	01 April 2025	
	1 287	31 March 2023	213,58	01 April 2026										1 287	31 December 2025	01 April 2026	
					1 781	31 March 2024	231,59	01 April 2027						1 781	31 December 2026	01 April 2027	
Total value of dividends													8 827 547				
Total	402 265				135 184				279 412	0		63 989 233	0	8 827 547	323 440		

Executive director	Opening balance at 1 January 2024				Awards made during 2024				Awards vesting/lapsing during 2024				Dividends	Closing balance at 31 December 2024			
	Number of restricted shares	Date of issue/inception	Issue price (R)	Vesting date	Number of restricted shares	Date of issue/inception	Issue price (R)	Final vesting/exercise date	Number of restricted shares released	Number of restricted shares lapsed	Market price at vesting (R)	Value gained on vesting (R)	Notional value of loss on lapsing (R)	Total value of dividends paid in respect of all plans ³ (R)	Number of restricted shares	End of performance period	Final vesting/exercise date
Jason Quinn																	
Nedbank restricted shares					237 506	15 August 2024	264,13	16 August 2027							237 506	31 December 2026	16 August 2027
Compulsory Bonus Share Scheme																	
Voluntary Bonus Share Scheme																	
Total value of dividends													2 306 183	0			
Total	0				237 506				0	0		0	0	2 306 183	237 506		

¹ Matching on the Compulsory Bonus Share Scheme (CBSS) occurs only on shares in the scheme at the vesting date. If CPTs are met, 100% matching occurs.² For the VBSS, employees invest their own Nedbank shares in the scheme. After 3 years, if the CPTs are met, a 100% matching occurs.³ Plans exclude the VBSS, which consists of own shares.

Implementation Report continued

Share-based payments to executive directors and prescribed officers

Payments from the prior years' deferred bonuses and outstanding share plan awards:

Executive director	Opening balance at 1 January 2024				Awards made during 2024				Awards vesting/lapsing during 2024				Dividends	Closing balance at 31 December 2024			
	Number of restricted shares	Date of issue/inception	Issue price (R)	Vesting date	Number of restricted shares	Date of issue/inception	Issue price (R)	Final vesting/exercise date	Number of restricted shares released	Number of restricted shares lapsed	Market price at vesting (R)	Value gained on vesting (R)	Notional value of loss on lapsing (R)	Total value of dividends paid in respect of all plans ³ (R)	Number of restricted shares	End of performance period	Final vesting/exercise date
Mfundo Nkuhlu																	
Nedbank restricted shares	109 447	25 March 2021	131,57	26 March 2024					143 375		230,12	32 993 455					
	27 362	26 March 2021	131,57	27 March 2024					27 362		227,32	6 219 930					
	57 297	17 March 2022	218,16	18 March 2025											57 297	31 December 2024	18 March 2025
	53 076	22 March 2023	226,09	23 March 2026											53 076	31 December 2025	23 March 2026
					55 146	27 March 2024	226,67	28 March 2027							55 146	31 December 2026	28 March 2027
Compulsory Bonus Share Scheme ¹	8 710	31 March 2021	134,17	01 April 2024					17 420		224,07	3 903 299					
	9 500	31 March 2022	238,81	01 April 2025											9 500	31 December 2024	01 April 2025
	13 519	31 March 2023	213,58	01 April 2026											13 519	31 December 2025	01 April 2026
					13 061	31 March 2024	231,59	01 April 2027							13 061	31 December 2026	01 April 2027
Voluntary Bonus Share Scheme ²	2 049	31 March 2021	134,17	01 April 2024					4 098		224,07	918 239					
	1 151	31 March 2022	238,81	01 April 2025											1 151	31 December 2024	01 April 2025
	1 287	31 March 2023	213,58	01 April 2026											1 287	31 December 2025	01 April 2026
Total value of dividends														5 940 833			
Total	283 398				68 207				192 255	0		44 034 923	0	5 940 833	204 037		

Executive director	Opening balance at 1 January 2024				Awards made during 2024				Awards vesting/lapsing during 2024				Dividends	Closing balance at 31 December 2024			
	Number of restricted shares	Date of issue/inception	Issue price (R)	Vesting date	Number of restricted shares	Date of issue/inception	Issue price (R)	Final vesting/exercise date	Number of restricted shares released	Number of restricted shares lapsed	Market price at vesting (R)	Value gained on vesting (R)	Notional value of loss on lapsing (R)	Total value of dividends paid in respect of all plans ³ (R)	Number of restricted shares	End of performance period	Final vesting/exercise date
Mike Davis																	
Nedbank restricted shares	101 086	25 March 2021	131,57	26 March 2024					132 422		230,12	30 472 951					
	25 272	26 March 2021	131,57	27 March 2024					25 272		227,32	5 744 831					
	45 837	17 March 2022	218,16	18 March 2025											45 837	31 December 2024	18 March 2025
	48 653	22 March 2023	226,09	23 March 2026											48 653	31 December 2025	23 March 2026
					50 734	27 March 2024	226,67	28 March 2027							50 734	31 December 2026	28 March 2027
Compulsory Bonus Share Scheme ¹	8 198	31 March 2021	134,17	01 April 2024					16 396		224,07	3 673 852					
	8 924	31 March 2022	238,81	01 April 2025											8 924	31 December 2024	01 April 2025
	13 197	31 March 2023	213,58	01 April 2026											13 197	31 December 2025	01 April 2026
					13 061	31 March 2024	231,59	01 April 2027							13 061	31 December 2026	01 April 2027
Voluntary Bonus Share Scheme ²	1 151	31 March 2022	238,81	01 April 2025											1 151	31 December 2024	01 April 2025
	1 287	31 March 2023	213,58	01 April 2026											1 287	31 December 2025	01 April 2026
					1 781	31 March 2024	231,59	01 April 2027							1 781	31 December 2026	01 April 2027
Total value of dividends														5 374 691			
Total	253 605				65 576				174 090	0		39 891 633	0	5 374 691	184 625		

¹ Matching on the Compulsory Bonus Share Scheme (CBSS) occurs only on shares in the scheme at the vesting date. If CPTs are met, 100% matching occurs.² For the VBSS, employees invest their own Nedbank shares in the scheme. After 3 years, if the CPTs are met, a 100% matching occurs.³ Plans exclude the VBSS, which consists of own shares.

Implementation Report continued

Share-based payments to executive directors and prescribed officers

Payments from the prior years' deferred bonuses and outstanding share plan awards:

Prescribed officer	Opening balance at 1 January 2024				Awards made during 2024				Awards vesting/lapsing during 2024					Dividends	Closing balance at 31 December 2024		
	Number of restricted shares	Date of issue/inception	Issue price (R)	Vesting date	Number of restricted shares	Date of issue/inception	Issue price (R)	Final vesting/exercise date	Number of restricted shares released	Number of restricted shares lapsed	Market price at vesting (R)	Value gained on vesting (R)	Notional value of loss on lapsing (R)	Total value of dividends paid in respect of all plans ³ (R)	Number of restricted shares	End of performance period	Final vesting/exercise date
Anel Bosman																	
Nedbank restricted shares	66 884	25 March 2021	131,57	26 March 2024					87 618		230,12	20 162 654					
	16 721	26 March 2021	131,57	27 March 2024					16 721		227,32	3 801 018					
	43 546	17 March 2022	218,16	18 March 2025											43 546	31 December 2024	18 March 2025
	39 807	22 March 2023	226,09	23 March 2026											39 807	31 December 2025	23 March 2026
					41 911	27 March 2024	226,67	28 March 2027							41 911	31 December 2026	28 March 2027
Compulsory Bonus Share Scheme ¹	15 884	31 March 2021	134,17	01 April 2024					31 768		224,07	7 118 256					
	16 121	31 March 2022	238,81	01 April 2025											16 121	31 December 2024	01 April 2025
	21 244	31 March 2023	213,58	01 April 2026											21 244	31 December 2025	01 April 2026
					20 186	31 March 2024	231,59	01 April 2027							20 186	31 December 2026	01 April 2027
Voluntary Bonus Share Scheme ²	2 049	31 March 2021	134,17	01 April 2024					4 098		224,07	918 239					
	1 151	31 March 2022	238,81	01 April 2025											1 151	31 December 2024	01 April 2025
	1 287	31 March 2023	213,58	01 April 2026											1 287	31 December 2025	01 April 2026
					1 781	31 March 2024	231,59	01 April 2027							1 781	31 December 2026	01 April 2027
Total value of dividends														5 034 516			
Total	224 694				63 878				140 205	0		32 000 167	0	5 034 516	187 034		

Prescribed officer	Opening balance at 1 January 2024				Awards made during 2024				Awards vesting/lapsing during 2024					Dividends	Closing balance at 31 December 2024		
	Number of restricted shares	Date of issue/inception	Issue price (R)	Vesting date	Number of restricted shares	Date of issue/inception	Issue price (R)	Final vesting/exercise date	Number of restricted shares released	Number of restricted shares lapsed	Market price at vesting (R)	Value gained on vesting (R)	Notional value of loss on lapsing (R)	Total value of dividends paid in respect of all plans ³ (R)	Number of restricted shares	End of performance period	Final vesting/exercise date
Ciko Thomas																	
Nedbank restricted shares	88 166	25 March 2021	131,57	26 March 2024					115 497		230,12	26 578 170					
	22 041	26 March 2021	131,57	27 March 2024					22 041		227,32	5 010 360					
	45 837	17 March 2022	218,16	18 March 2025											45 837	31 December 2024	18 March 2025
	48 653	22 March 2023	226,09	23 March 2026											48 653	31 December 2025	23 March 2026
					50 734	27 March 2024	226,67	28 March 2027							50 734	31 December 2026	28 March 2027
Compulsory Bonus Share Scheme ¹	5 192	31 March 2021	134,17	01 April 2024					10 384		224,07	2 326 743					
	10 076	31 March 2022	238,81	01 April 2025											10 076	31 December 2024	01 April 2025
	13 519	31 March 2023	213,58	01 April 2026											13 519	31 December 2025	01 April 2026
					11 280	31 March 2024	231,59	01 April 2027							11 280	31 December 2026	01 April 2027
Voluntary Bonus Share Scheme ²																	
Total value of dividends														5 101 136			
Total	233 484				62 014				147 922	0		33 915 273	0	5 101 136	180 099		

¹ Matching on the Compulsory Bonus Share Scheme (CBSS) occurs only on shares in the scheme at the vesting date. If CPTs are met, 100% matching occurs.² For the VBSS, employees invest their own Nedbank shares in the scheme. After 3 years, if the CPTs are met, a 100% matching occurs.³ Plans exclude the VBSS, which consists of own shares.

Implementation Report continued

Share-based payments to executive directors and prescribed officers

Payments from the prior years' deferred bonuses and outstanding share plan awards:

Prescribed officer	Opening balance at 1 January 2024				Awards made during 2024				Awards vesting/lapsing during 2024					Dividends	Closing balance at 31 December 2024		
	Number of restricted shares	Date of issue/inception	Issue price (R)	Vesting date	Number of restricted shares	Date of issue/inception	Issue price (R)	Final vesting/exercise date	Number of restricted shares released	Number of restricted shares lapsed	Market price at vesting (R)	Value gained on vesting (R)	Notional value of loss on lapsing (R)	Total value of dividends paid in respect of all plans ³ (R)	Number of restricted shares	End of performance period	Final vesting/exercise date
Terence Sibiyi																	
Nedbank restricted shares	48 643	25 March 2021	131,57	26 March 2024					63 722		230,12	14 663 707					
	12 161	26 March 2021	131,57	27 March 2024					12 161		227,32	2 764 439					
	36 670	17 March 2022	218,16	18 March 2025										36 670	31 December 2024	18 March 2025	
	35 384	22 March 2023	226,09	23 March 2026										35 384	31 December 2025	23 March 2026	
					37 058	27 March 2024	226,67	28 March 2027						37 058	31 December 2026	28 March 2027	
Compulsory Bonus Share Scheme ¹	2 562	31 March 2021	134,17	01 April 2024					5 124		224,07	1 148 135					
	6 045	31 March 2022	238,81	01 April 2025										6 045	31 December 2024	01 April 2025	
	9 334	31 March 2023	213,58	01 April 2026										9 334	31 December 2025	01 April 2026	
					11 280	31 March 2024	231,59	01 April 2027						11 280	31 December 2026	01 April 2027	
Voluntary Bonus Share Scheme ²	1 490	31 March 2021	134,17	01 April 2024					2 980		224,07	667 729					
	1 046	31 March 2022	238,81	01 April 2025										1 046	31 December 2024	01 April 2025	
	1 170	31 March 2023	213,58	01 April 2026										1 170	31 December 2025	01 April 2026	
					1 781	31 March 2024	231,59	01 April 2027						1 781	31 December 2026	01 April 2027	
Total value of dividends														3 533 808			
Total	154 505				50 119				83 987	0		19 244 008	0	3 533 808	139 768		

Prescribed officer	Opening balance at 1 January 2024				Awards made during 2024				Awards vesting/lapsing during 2024					Dividends	Closing balance at 31 December 2024		
	Number of restricted shares	Date of issue/inception	Issue price (R)	Vesting date	Number of restricted shares	Date of issue/inception	Issue price (R)	Final vesting/exercise date	Number of restricted shares released	Number of restricted shares lapsed	Market price at vesting (R)	Value gained on vesting (R)	Notional value of loss on lapsing (R)	Total value of dividends paid in respect of all plans ³ (R)	Number of restricted shares	End of performance period	Final vesting/exercise date
Iolanda Ruggiero																	
Nedbank restricted shares	62 324	25 March 2021	131,57	26 March 2024					81 644		230,12	18 787 917					
	15 581	26 March 2021	131,57	27 March 2024					15 581		227,32	3 541 873					
	34 378	17 March 2022	218,16	18 March 2025										34 378	31 December 2024	18 March 2025	
	35 384	22 March 2023	226,09	23 March 2026										35 384	31 December 2025	23 March 2026	
					37 058	27 March 2024	226,67	28 March 2027						37 058	31 December 2026	28 March 2027	
Compulsory Bonus Share Scheme ¹	6 661	31 March 2021	134,17	01 April 2024					13 322		224,07	2 985 061					
	6 333	31 March 2022	238,81	01 April 2025										6 333	31 December 2024	01 April 2025	
	9 334	31 March 2023	213,58	01 April 2026										9 334	31 December 2025	01 April 2026	
					8 430	31 March 2024	231,59	01 April 2027						8 430	31 December 2026	01 April 2027	
Voluntary Bonus Share Scheme ²	2 049	31 March 2021	134,17	01 April 2024					4 098		224,07	918 239					
	1 151	31 March 2022	238,81	01 April 2025										1 151	31 December 2024	01 April 2025	
	1 287	31 March 2023	213,58	01 April 2026										1 287	31 December 2025	01 April 2026	
					1 781	31 March 2024	231,59	01 April 2027						1 781	31 December 2026	01 April 2027	
Total value of dividends														3 738 966			
Total	174 482				47 269				114 645	0		26 233 090	0	3 738 966	135 136		

¹ Matching on the Compulsory Bonus Share Scheme (CBSS) occurs only on shares in the scheme at the vesting date. If CPTs are met, 100% matching occurs.² For the VBSS, employees invest their own Nedbank shares in the scheme. After 3 years, if the CPTs are met, a 100% matching occurs.³ Plans exclude the VBSS, which consists of own shares.



Tax Review



Letter from the Chief Financial Officer



“Nedbank Group is committed to being fully compliant with all tax legislation and regulatory requirements in all the jurisdictions in which it operates. We remain committed to delivering on our purpose of using our financial expertise to do good and contributing to the well-being and growth of the societies in which we operate by delivering value to our employees, clients, shareholders, regulators, and society.”

Mike Davis, Chief Financial Officer

I am pleased to present our Tax Review for the year ended 31 December 2024, which forms part of our integrated and environmental, social and governance (ESG) reporting universe.

We constantly strive to improve our tax transparency every year to ensure that we effectively and clearly communicate how we manage tax to all our stakeholders. We are particularly proud to be acknowledged in the recently published PwC *Global Tax Transparency and Tax Sustainability Reporting 2024 Report*, which is a global study on tax reporting. This is the first year that SA has participated in the global study, which takes a closer look at the tax contribution role that corporations play, as well as their role in enabling the broader tax system to work. Nedbank was placed second among 872 global companies, and first among 229 financial services companies assessed globally. Additionally, in the ninth PwC *Building Public Trust Through Tax Reporting Review*, Nedbank achieved an overall first place for the second year in a row among

the top 100 companies listed on the JSE in terms of consistently providing value-added and high-quality tax disclosure based on the criteria of the PwC Tax Transparency Framework.

Businesses and societies benefit from transparency and trust. The purpose of the Tax Review remains the same as in previous years, which is to provide increased transparency and valuable financial and non-financial information to all our stakeholders about our tax strategy and policies, our approach to tax management, and the key tax principles that we have adopted to demonstrate that we are doing business in a sustainable and responsible way. To act with integrity, respect, and accountability while being people-centred and client-driven, are the principles that guide us.

In this Tax Review, consistent with prior years and to demonstrate that we continue to make significant tax and economic contributions, we present the component parts of our total tax contribution, which amounted to R16,3bn for FY 2024 (up by 13% from 2023). This demonstrates our commitment to the inclusive growth and sustainable development of the communities and jurisdictions in which we operate.

We are furthermore confident that the integration of and our approach to tax, as set out in this report, demonstrates our commitment to advancing the achievement of the United Nations (UN) Sustainable Development Goals (SDGs), which we have adopted as a framework to measure delivery on our purpose.

Nedbank Group is committed to being fully compliant with all tax legislation and regulatory requirements in all the jurisdictions in which it operates. We remain committed to deliver on our purpose of using our financial expertise to do good and contributing to the well-being and growth of the societies in which we operate by delivering value to our employees, clients, shareholders, regulators, and society. We hope to answer questions about tax fairness and tax transparency throughout the Tax Review, and I encourage you to read our 2024 Integrated Report and our 2024 Society Report, including the Sustainable Development Review chapter, for more details on the other initiatives, social investments, and contributions that we have made this year.



About our 2024 Tax Review

Our 2024 Tax Review is the outcome of a groupwide reporting process governed by the board, led by Group Exco, assured through our coordinated-assurance model, and delivered through groupwide collaboration. Integrated thinking enables us to create and preserve value as we fulfil our purpose to use our financial expertise to do good for individuals, families, businesses, and society.

The process we follow to complete the Nedbank Tax Review

The 2024 Tax Review is the outcome of internal and external discussions, minutes, business plans, decisions, and approvals, as well as internal and external information.

A cross-functional team, led by the Executive Head: Group Tax and representing various subject matter experts in Group Tax and across the group, produces the content that is included in the Tax Review.

The process is governed by the Group Audit Committee (GAC), which provides final approval of the report, while the Group Integrated Report Approval Committee, with delegated authority from the board, provides final sign-off for publication.



The reporting frameworks to which we adhere

Our Tax Review is guided and influenced by the principles and requirements of the following frameworks:

- Integrated Reporting Framework.
- King Code of Corporate Governance Principles for South Africa (SA) (King IV).
- The B Team Responsible Tax Principles.
- Global Reporting Initiative Sustainability Reporting Standard on Tax (GRI 207).
- World Economic Forum Stakeholder Capitalism Metrics.
- Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct.
- S&P Global Corporate Sustainability Assessment.
- MSCI ESG Ratings Methodology.
- Johannesburg Stock Exchange (JSE) Sustainability and Climate Disclosure Guidance.

As a predominantly South African-based bank and a company listed on the JSE, we align with the JSE Listings Requirements, the South African Companies Act, 71 of 2008, and the Banks Act, 94 of 1990.

How we ensure the integrity of our report

The GAC considered the integrity of the Tax Review and concluded that it adequately provides material disclosures of the group's financial and non-financial tax matters.

The financial information contained in this report has been extracted from the Nedbank Group Limited Consolidated Annual Financial Statements for the year ended 31 December 2024. An unmodified audit opinion was expressed on the Consolidated Annual Financial Statements. We have also engaged EY to provide limited assurance over selected value driver indicators covering environmental, economics, information technology, human resources, and sustainable development finance. Management has identified these value drivers as important for stakeholders, and they are reported on throughout the Nedbank Integrated Report and Climate Report and where relevant, in our Tax Review. This limited assurance was conducted in line with ISAE 3000 (Revised).

The board ensures the integrity of the report through our integrated-reporting process and the various approvals and signoffs by Group Exco and the board. The board also relies on our coordinated-assurance model, which is overseen by the GAC, and assesses and assures various aspects of our business operations and reporting. These assurances are provided by management and the board through rigorous internal reporting governed by the group's Enterprisewide Risk Management Framework (ERMF), Group Internal Audit (GIA), as well as independent external sources and service providers.

Our 2024 Tax Review

Our Tax Review presents a detailed view of our strategic approach to tax and tax-related processes, tax governance and the Tax Risk Management Framework, stakeholder engagement, and our tax contributions in the various jurisdictions in which we operate for the financial year ended 31 December 2024.

We are a predominantly SA-focused banking group with a vision to be the most admired financial services provider in Africa by our stakeholders. We have a clear and driving purpose: to use our financial expertise to do good for individuals, families, businesses, and society. In this Tax Review and in line with our purpose, we have positioned tax as a strategic asset to our stakeholders by showing how the integration of and our approach to tax is linked to the UN SDGs, disclosing the wider economic impact analysis of our tax contributions, highlighting initiatives that support adherence to our key strategic tax principles, and providing specific information on our contribution as a strategic financial services role player to the tax collections system and tax reform.

Nedbank is committed to the highest ethical standards when conducting business and requires all employees, contract workers, part-time employees, partners, agents, intermediaries, joint ventures, and vendors to act with honesty and integrity. We have mechanisms in place to report concerns about unethical or unlawful behaviour, including integrity in relation to tax. In this regard, tax evasion and tax evasion facilitation are listed as financial crimes under Nedbank Group's Financial Crime Risk Management Framework, and inappropriate behaviour by our employees linked to tax evasion is prohibited in terms of our Code of Ethics and Conduct.



Channels for reporting unethical behaviour are discussed in the Ethics Review on page 43 of this report.



Nedbank's approach to tax

Nedbank's tax strategy and approach to tax are enabled by key tax principles set out in the Nedbank Group Tax Policy, which the GAC reviews and approves annually. Our key tax principles are guided by our purpose, vision, brand promise and values.

Our tax strategy

Nedbank's tax mission is to be a responsible corporate citizen that pays its fair share of tax, always acting with transparency and integrity to support positive and sustainable relationships and create tax certainty. Our tax strategy is designed to support us in our purpose, vision, values, and business strategy.

Tax principles

We believe it is essential to have a set of guiding tax principles as set out in the Nedbank Group Tax Policy, which we adhere to and sets the tone for our tax strategy and approach to tax. These principles that guide our approach to tax are related to how we create, preserve, and minimise the erosion of value for our stakeholders, including our employees, clients, government, regulators, and society.

Our key tax principles are aligned with The B Team Responsible Tax Principles, which have been developed through dialogue with a group of leading companies and contributions from civil society, institutional investors, and international institutional representatives, with the aim to establish the golden standard of principles and an approach to taxation that companies can endorse to demonstrate their responsibility and play their part in creating a stable, secure, and sustainable society.

Our tax strategy, aimed at unlocking strategic value, is executed in an integrated approach as follows:



Nedbank's Group Tax Policy is reviewed annually and was approved by the Finance Forum on 20 May 2024 and the GAC on 30 October 2024.

 [Read more on how we deliver value for our stakeholders on page 136.](#)

Nedbank's approach to tax *continued*

Key tax principles that guide our actions

▶ 1 Responsible corporate citizen

As a responsible corporate citizen and taxpayer, we are committed to –

paying our fair share of tax within industry norms, acting with integrity when engaging with revenue authorities to support positive and sustainable relationships; and for the purposes of obtaining certainty of our tax positions, engaging with revenue authorities regarding the application of the tax law and identifying and resolving disagreements with the revenue authorities promptly.

▶ 2 Transparency

We are committed to – being transparent about the taxes we pay to governments and our approach to tax to provide a better understanding to all stakeholders; manage their expectations; and build trust.

▶ 3 Risk management and governance

We are committed to – having strong governance, managing tax risks within the risk appetite guidelines of the group; identifying, assessing, controlling and reporting tax risks in line with our Tax Risk Management Framework; ensuring that the group maintains a sustainable effective tax rate and cash tax payments; ensuring that all adopted tax positions are subject to robust risk assessment and are adequately supported; and ensuring that the reputation of the group is protected.

▶ 4 Constructive engagements

We are committed to – engaging constructively and cooperatively with revenue authorities and industry bodies in the interests of our stakeholders and supporting the development of effective and efficient tax systems, laws and administration to support economic growth, job creation and long-term sustainable tax contributions.

▶ 5 Regulatory compliance

We are committed to – ensuring the integrity of all reported tax data and timely compliance with all relevant statutory tax obligations (including payment of all taxes) in the jurisdictions in which we operate and continuously identifying and monitoring the potential impact of new tax legislation.

▶ 6 People development

We are committed to – developing highly qualified tax professionals with digital and analytical skills as part of a leading tax function.





Nedbank's approach to tax continued

Tax and sustainability

Creating value in a sustainable manner through our strategy

Nedbank is aware that it, alongside its stakeholders, operates in a nested and interdependent system. This means that for our business to succeed, we need a thriving economy, a well-functioning society, and a healthy environment. The tax we pay is an important part of wider economic growth, social upliftment, and environmental impact on the communities and the development of the jurisdictions in which we operate.

We ensure that tax is integrated and aligned to business, and that all the tax implications of our sustainable finance solutions and investments are considered from both an organisational and client perspective and are aligned to our tax strategy and principles.

Our responsible tax strategy and the tax that we contribute to the jurisdictions in which we operate fund critical infrastructure to support our SDG commitments.

 Refer to our economic contribution of taxes paid on page 127.

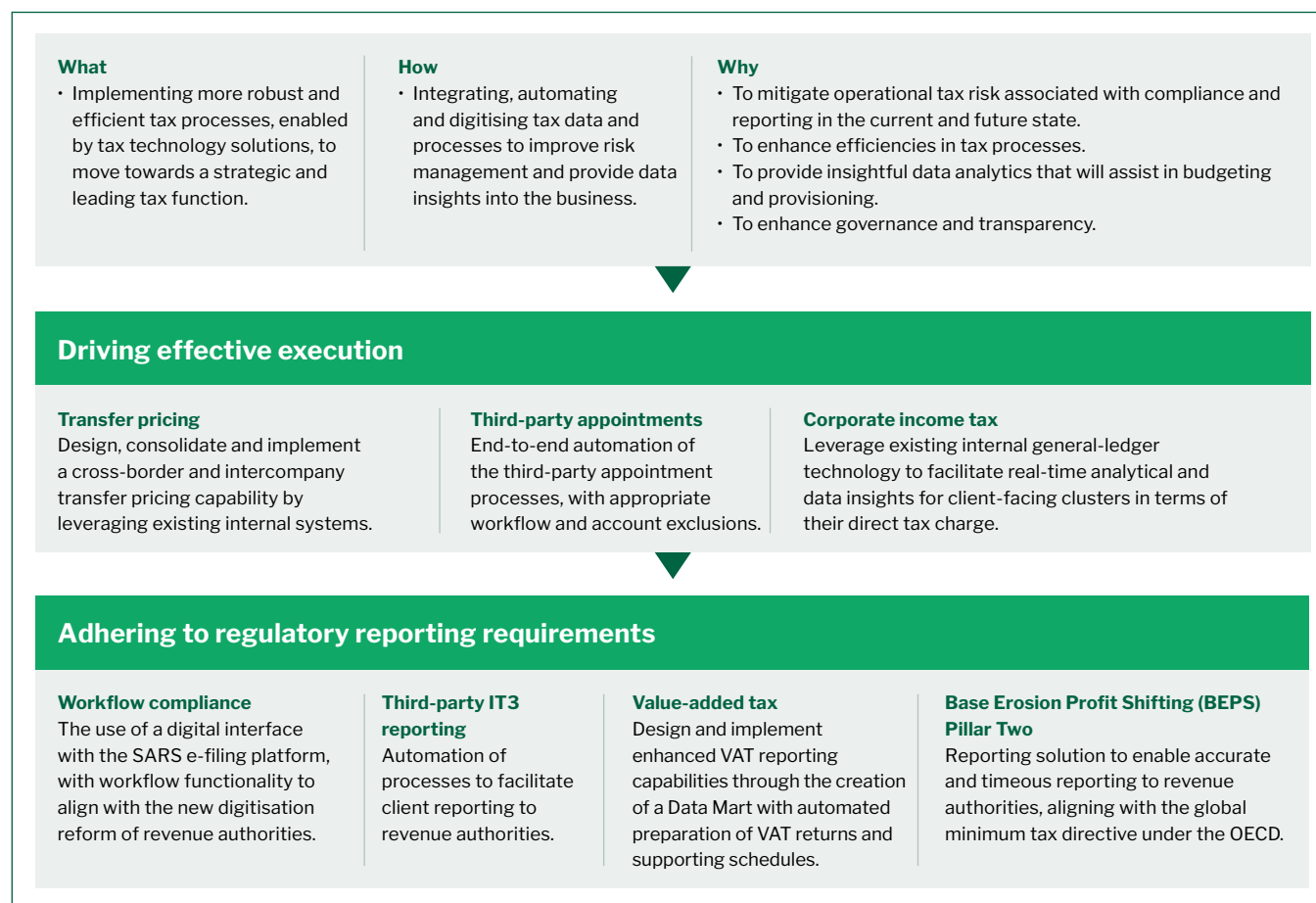
Tax as a material matter

We have identified tax as a material matter given its significant financial and social impact on the organisation and our stakeholders. Identifying our material matters is a groupwide responsibility and requires input from our businesses, an assessment of the risks and opportunities in our operating environment, and input and feedback from our various stakeholders.

We apply the principle of materiality in assessing the information that should be included in our Tax Review. Although all the material matters noted on page 38 of the 2024 Integrated Report impact tax, the demand related to governance, regulation, and risk management plays a significant role in tax management. Fundamentally, the business of banking remains managing risk, and we always strive to be world-class, having a strong risk culture, sound governance, and a robust ERMF. We strive for agile but responsible, accountable, and effective governance, and risk management, while creating and protecting value for all our stakeholders.

Our tax digitalisation roadmap

During FY 2024 we made great progress on our digitisation roadmap and successfully consolidated a substantial part of our tax data across the group to align with the anticipated digitisation journey of the South African Revenue Service (SARS). We also continued to automate the majority of the third-party appointment process and invested in development to enhance our reporting to SARS regarding IT3s, the United States (US) Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS) to align with the newly proposed timelines of SARS. To enhance our productivity, improve operational efficiency, and ensure the integrity of our tax reporting, we will continue to use the technology platforms we are implementing and further drive the automation and digitisation of our tax processes.





Nedbank's approach to tax *continued*

Stakeholder engagement

Delivering value by fulfilling our purpose

As a financial services provider, we are deeply connected to the environment in which we operate and the societies we serve. Our ability to create and protect value is dependent on our relationships, activities, and the contributions we make to our stakeholders, including our economic contribution through the taxes we collect and pay. By providing for their needs and meeting their expectations in relation to tax matters, we create and protect value for our stakeholders and Nedbank, while looking to minimise value erosion.

Nedbank Group

A strong and profitable business enables continued investment in our employees and operations, which in turn, creates value for our clients, shareholders and society at large. Trust is core to our relationships and to creating and preserving value.



Employees



We regularly engage with our employees on tax. Our employees are interested in tax matters and tax developments to allow them to better understand tax risks and add value to our clients. Employees, as part of society, contribute materially to the communities in which they live and work through tax contributions.

Value is created and preserved through ...

- providing support to employees with their personal income tax compliance obligations;
- providing tax specific training and awareness;
- developing our employees with future-fit tax skills;
- equipping our business with professional tax advice and oversight to ensure tax risks are mitigated;
- rewarding employees for the value they add;
- embracing flexible working practices; and
- contributing to the transformation towards a more inclusive society through employment equity and gender equality.

Clients



Our clients expect accurate and valid tax reporting to revenue authorities. They also expect seamless and modern 'know your client' (KYC) processes to ensure a satisfactory experience. They are interested in the tax implications of the products and services we offer.

Value is created and preserved through ...

- providing clients and revenue authorities with accurate and valid tax information to ensure tax compliance;
- providing tax guidance in relation to our products and services;
- providing credit in a responsible manner that enables wealth creation, sustainable development and job creation, aligned with the SDGs and the drive to transition to a net-zero economy by 2050; and
- developing innovative solutions that meet our clients' specific needs.

Shareholders

Our shareholders require from us transparent and accurate tax reporting and disclosure. They are interested in our tax strategy and how we create value and contribute to our ESG practices in a sustainable way.



Value is created and preserved through ...

- providing insightful, relevant and transparent tax reporting;
- ensuring robust tax governance and tax risk management; and
- operating within our tax risk appetite.

Government

The taxes we pay are imperative for the economic and social development of the countries in which we operate. Our government and regulators expect open and honest dialogue on tax matters and active contribution to industry working groups.



Value is created and preserved through ...

- participating actively in industry forums on tax matters;
- contributing meaningfully to government budgets through our own corporate taxes and employees paying personal taxes; and
- collaborating with legislators and tax policymakers to ensure clear and unambiguous tax legislation.

Revenue authorities

We engage cooperatively and constructively to ensure an effective and efficient tax administration. We act with integrity to support positive and sustainable relationships and obtain tax certainty. We have a responsibility to comply fully with the regulations of the jurisdictions in which we operate.



Value is created and preserved through ...

- regular industry engagements on various operational and service delivery issues;
- commitment to the banking accord between BASA and SARS;
- the integrity of our tax data reporting to revenue authorities;
- ensuring the broadening of the tax base through the eradication of corruption, fraud and tax evasion through robust anti-financial crime risk and compliance programmes;
- supporting SARS to transform into a more digitised tax administrator; and
- working closely with revenue authorities during times of crisis.

Society

We embrace our role in society as an active contributor to building a thriving society and can do this only with engaged communities that have the same values. Our tax contributions ensure investment in sustainable infrastructure and critical services.



Value is created and preserved through ...

- building trust through our transparent reporting on the taxes we contribute in the jurisdictions where we operate;
- transforming economies, the environment and society positively through our lending and investment activities, aligned with the SDGs;
- playing a meaningful role in the broader society as a procurer and consumer of goods and services; and
- making a difference through our partnerships and corporate social investment (CSI) activities.



Tax compliance

We are committed to tax compliance in all the jurisdictions in which we operate. We ensure the integrity of all our reported tax data through robust internal control frameworks and our combined assurance methodology.

 [Read more about our approach to tax governance and risk management on page 116.](#)

We pay our taxes promptly and in line with all applicable laws and regulations. We aim to take into account the letter as well as the spirit of the tax laws and regulations. Where tax law is unclear or subject to interpretation, we evaluate whether our position is more likely than not to be upheld and, where appropriate, seek external advice or resolve any uncertainty directly with revenue authorities. We also escalate any uncertain tax positions to senior management and the board for their review and guidance. Following careful consideration and risk evaluation of any tax dispute with revenue authorities, we may seek a resolution through the judicial system to test the legal principle of the tax law concerned or seek to resolve the dispute through the alternative dispute resolution process, provided it is in the best interest of both parties.

We continuously monitor the regulatory landscape to identify and evaluate the potential impact of changes to, or of new tax legislation, on our business operations.

Our approach to our clients

As a financial institution, we are also subject to client tax compliance and reporting obligations, including obligations under FATCA, the CRS, and in respect of income earned on financial products, withholding taxes and exchange of information on request from the revenue authorities. Clients' tax positions remain their responsibility. However, we require clients, including high-net-worth clients, to self-certify their worldwide tax obligations as part of our client onboarding processes and ongoing client due diligence processes. In relation to the standardised products we offer, we advise clients of likely tax implications, and in the case of new products, tax implications are discussed and considered carefully at the appropriate governance committees. Some of these products often deliver tax incentives specifically introduced by the government, such as tax-free savings accounts.

Our approach to our employees

To continue to 'use our financial expertise to do good', Group Tax successfully rolled out a campaign this year to assist employees with their income tax return submissions and/or any tax issues, driving

employee compliance and ensuring our employees align with being responsible tax-paying citizens. Numerous educational sessions were presented around the completion of tax returns, and employees were also assisted independently when required.

Our approach to tax evasion and tax evasion facilitation

Tax evasion and fraud entail taxpayers deliberately misrepresenting or concealing the true state of their affairs to tax authorities to reduce their tax liability, including dishonest tax reporting (such as under-declaring income, profits or gains, or overstating deductions). Nedbank follows a zero-tolerance approach to tax evasion and tax evasion facilitation and has implemented policies and procedures to prevent such conduct by its employees and associated parties. These include having clear roles and responsibilities for preventing, detecting, and responding to tax evasion; providing awareness training; promoting ethical behaviour; undertaking risk assessments to identify possible high-risk exposures; and encouraging employees to be vigilant and report any suspicions of tax evasion. Employees are prohibited from giving any advice to clients, suppliers and third parties in the course or scope of their employment and any conduct that facilitates, supports or results in tax evasion.

We do not condone, encourage, or support tax evasion nor the wilful misrepresentation of facts to revenue authorities or independent assurance providers. Compliance with all applicable laws and regulations of the jurisdictions in which we operate is embedded in our [Code of Ethics and Conduct, available here](#). Employees (including contract employees) and third parties with whom Nedbank has a business relationship may raise ethical and compliance concerns, anonymously if preferred, through Report-IT, which is our official internal reporting channel. Corrupt and unethical behaviour can be reported [here](#).

Our approach to tax planning

We believe that tax planning initiatives must be conducted in a responsible and sustainable manner. During such planning due consideration must be given to Nedbank's legitimate interests, reputation, brand, and corporate social responsibility.

We have clear procedures regarding tax risk management and do risk assessments as part of any tax planning and review of significant business decisions. We do not enter into any aggressive and contrived tax planning structures.

We further believe that our products should not be used by our clients to shelter information from the tax authorities to avoid or evade taxation.

Principles and risk appetite

The board sets the risk appetite for the group. The risk appetite in relation to tax is the level of tolerance for taxation risk in the group.

The underlying principle in setting the taxation risk appetite is that tax planning should support the group's strategy and align with the group's commercial and economic activity.

Taxation risk should be minimised and mitigated, with both the cost versus the benefit of doing so, as well as the financial and reputational impact of a tax planning initiative being considered.

The group applies the following principles to tax planning:

- Zero tolerance for evading any tax liability or facilitating the evasion of any tax liability on behalf of a third party.
- Zero appetite for transactions that have no valid commercial purpose other than obtaining a tax benefit.
- Zero appetite for arrangements where the tax benefit is paid to clients while the tax risk remains within the group.
- Entering into transactions with significant tax uncertainty only if the commercial benefits clearly exceed the potential cost (ie risk-reward equation). In this context, risk appetite must be guided by the 'more likely than not' principle.
- Low appetite for arrangements that could rebound to the detriment of the group in the event of external disclosure, eg litigation. Accordingly, the group enters only into transactions that can be fully justified if they become public.
- Not purposefully structuring its affairs to shift profits to low-tax jurisdictions or 'tax havens'. Operate in these jurisdictions only if there are valid business reasons and sufficient commercial substance.
- Entering into cross-border transactions with controlled parties on an arm's-length basis only.
- Not using artificially fragmented structures or contracts to avoid establishing a taxable presence in jurisdictions where we do business.



Tax compliance continued

Incentives

Governments offer tax incentives to support investment, employment or economic development. We seek to ensure that tax incentives are transparent and consistent with statutory and regulatory frameworks before deciding whether to use them. We make use of incentives only if they align with our business and operational objectives and if we have a qualifying business activity.

We continually review our approach to tax incentives to ensure transparency and that unfair tax advantages are not gained. If there is uncertainty about tax incentives, we would seek clarity from the relevant authorities to ensure the incentive meets the government's intended policy objectives.

Nedbank has benefited from the following allowances and incentives in terms of the Income Tax Act, 58 of 1962, during the FY 2024:

Learnership allowances in terms of section 12H, estimated at R56,8m (2023: R58,6m).

Employment tax incentive through participating in the YES Programme, amounting to R9,1m (2023: R7,7m).

Transfer pricing

Nedbank ensures that all intercompany transactions are entered into at market-related prices and conditions, ensuring that profits are attributed to the jurisdiction where the relevant economic activity is taking place. This aligns with our guiding principle that requires all cross-border transactions with controlled parties to adhere to the arm's length principle.

Nedbank adheres to the key principles set out in the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations and the related regulations put in place by fiscal authorities. In this regard, the group adopted an internal policy that outlines key principles and mandatory requirements with which the business must comply, to ensure that transfer pricing methodologies are applied consistently, the terms of all intergroup dealings are in line with the arm's-length principle, and that contemporaneous transfer pricing documents are maintained. Nedbank has filed a master file, local files, and country-by-country reporting (CbCR) for financial reporting periods up to 31 December 2023. More information on Nedbank's tax contribution on a country-by-country basis is provided in the section titled Economic contribution of taxes paid.

Tax havens

As a matter of principle, we do not purposefully structure our affairs to shift profits to low-tax jurisdictions or 'tax havens' to avoid paying our fair share of taxes. We will operate in these jurisdictions only if there are valid business reasons and sufficient commercial substance. All significant business decisions, such as acquisitions and business restructurings involving low-tax jurisdictions or 'tax havens', must be approved by Nedbank Group Tax before being approved by the appropriate governance structure.

We have banking, asset management, and wealth management businesses in Isle of Man, Guernsey and Jersey that have operated in these jurisdictions for more than 30 years. These operations are fully fledged stand-alone businesses with proper business and economic substance. We have historically operated in these jurisdictions to grow our international footprint and enable our clients to diversify their investments on a global scale.





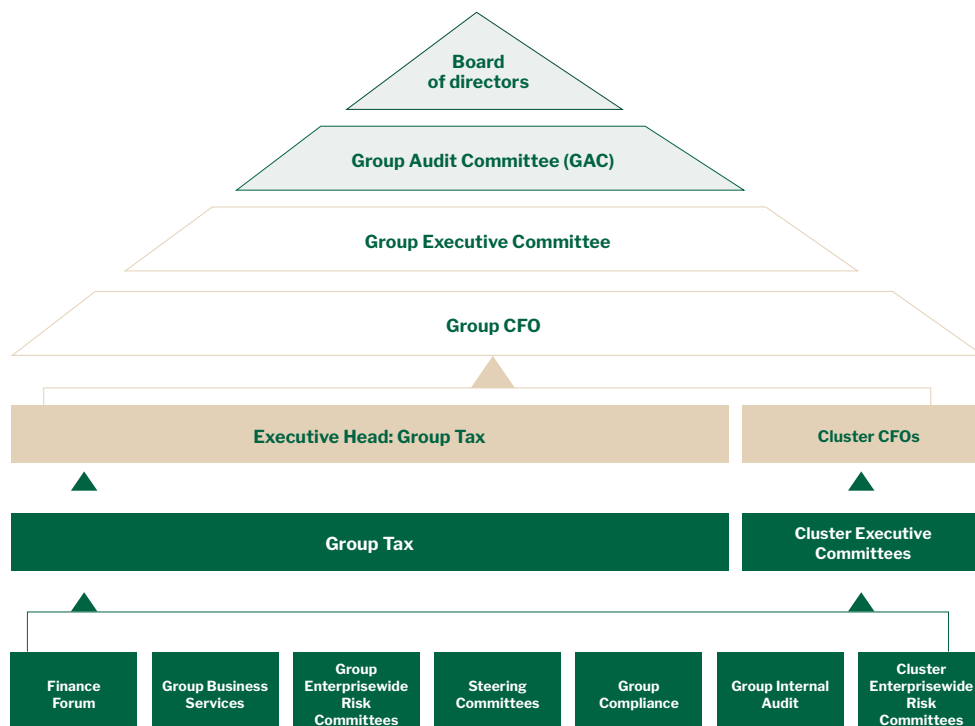
Tax governance and tax risk management

Nedbank’s tax status is reported quarterly to the GAC, which is responsible for monitoring all significant tax matters and key judgements, including compliance with the Nedbank Group Tax Policy.

Governance Oversight

The Nedbank Group Board is ultimately accountable for determining Nedbank Group’s tax strategy and approach to tax and, together with the GAC, provides oversight of the tax practices and affairs of the group.

The board holds the CFO accountable for ensuring compliance with the Nedbank Group Tax Policy. To this end, the Finance Forum, which the CFO has established and chairs, supports him in performing his duties to the board. The forum monitors tax compliance and compliance with the Nedbank Group Tax Policy, ensures that taxation risk is managed appropriately throughout the group, and deals with tax matters and key judgements across the group. The forum meets monthly and is represented by the cluster chief financial officers and the Executive Head: Group Tax.



The group’s tax risk status is reported quarterly to the GAC, which is responsible for monitoring all significant tax matters and key judgements, including compliance with the Nedbank Group Tax Policy.

The GAC also receives regular updates on changes to the tax landscape. An area of continued focus during the 2024 financial year was managing the outcome of the SARS VAT audit for the December 2017 to December 2022 VAT periods and the Employment Tax Incentive audit for the March 2019 to February 2023 pay-as-you-earn (PAYE) periods.

Policies and control

Our tax strategy and approach to tax are incorporated in the Nedbank Group Tax Policy, which the GAC reviews and approves annually. The policy provides the mandatory minimum principles and standards to manage tax risk across the group, including tax compliance, transaction planning and implementation. The policy applies to all taxes and tax-reporting obligations to relevant fiscal authorities in all jurisdictions in which the group operates.

The Nedbank Group Tax Policy, the Tax Risk Management Framework and associated supporting procedures, standards and guidance documents are subject to periodic review by the Executive Head: Group Tax to ensure that they are updated to reflect any changes in leading practice, tax risk governance and control standards, as well as changes in the organisational structure of Nedbank Group and in the external tax and regulatory environments. No significant changes were made to these documents in the past year, and they were considered fit for purpose.

An annual letter of representation is used to track adherence to the governance structure, processes, and procedures of enterprise risk management, and is an attestation of compliance completed twice a year by all executives in the group, signed by the CRO, CFO and CEO.

An annual questionnaire is also distributed to boardmembers and prescribed officers to determine the related-party transactions and tax compliance of these individuals as required by International Accounting Standard (IAS) 24. These individuals confirm their tax status and standing with the revenue authorities. This aligns with King IV and demonstrates that Nedbank and its key representatives exhibit responsible corporate citizenship. These individuals also acknowledge that they pay their fair share of tax and are not party to any aggressive tax-planning transactions.

The Nedbank Tax Strategy is available for viewing [here](#).

We publish a UK Tax Strategy for our respective businesses in the UK, in compliance with paragraph 22(2) of Schedule 19 to the UK Finance Act 2016. These respective tax strategies are aligned with the group tax strategy and our published approach to tax contained in our relevant Tax Review, and can be found via the links below:

- [Nedbank CIB London](#)
- [Nedbank Private Wealth](#)
- [Nedgroup Investment Advisors \(UK\)](#)

Tax governance and tax risk management continued

Ongoing liaison with revenue authorities and other specific tax investigations

Given the complex and diverse nature of our business, we frequently receive requests for information from revenue authorities regarding various tax matters. We are committed to being transparent and proactive in all our interactions with revenue authorities to ensure we meet all compliance obligations and present all information adequately. The status of the more significant requests for information and revenue authority investigations conducted during the financial year are as follows:

Entity	Tax type	Tax year	Nature of query/dispute	Status
Revenue authority queries/disputes closed during FY 2024				
Nedbank Namibia	Income tax audit	2022	2022 Income tax return audit conducted by the Namibia Revenue Agency (NamRa).	Audit finalised with no adjustments
Nedbank Namibia	VAT audit	2023	August 2023 VAT return audit conducted by NamRa.	Audit finalised with no adjustments
Nedbank Limited	Compliance with reporting requirements	2020 to 2023	An inquiry related to compliance with the requirements of the CRS and FATCA.	Inquiry finalised
Nedbank Limited	Request for information	2021	Request for information on exchange rate derivatives and impairments.	Closed
Nedbank Limited	VAT audit	December 2017 to December 2022	A VAT audit that started in May 2022, with a specific focus on relevant issues pertaining to the banking industry and intercompany transactions.	Audit finalised with no adjustments
West Road South No 3 (RF) Limited	Income tax audit	2020 to 2022	An audit inquiry into the overpayment of provisional tax when compared to the tax payable on assessment.	Audit finalised with no adjustments
Revenue authority queries/disputes in progress at 31 December 2024				
Depfin Limited	Request for information	2020 to 2022	Support of trading activities, application of section 24JB of the Act and additional information in respect of IFRS 9 accounting adjustments. All information has been submitted.	Awaiting SARS response
Nedbank Limited	Employment tax incentive audit	March 2019 to February 2023	Employment tax incentive claims submitted by Nedbank during the 2019/03 to 2023/02 employment periods. SARS issued revised assessments for tax periods that have not yet prescribed. SARS has responded to Nedbank's request for reasons and an objection against the revised assessments will now be submitted.	Under dispute
Nedbank Limited	Income tax audit	2020 to 2022	A notification of audit letter and 2 requests for information from SARS regarding financial assets and liabilities designated at fair value. Nedbank responded to both requests and await further correspondence from SARS.	Awaiting SARS response
Nedbank Limited	Request for correction/ Objection against tax assessment	2020	A request for correction was submitted to SARS for certain debt-to-equity restructure transactions implemented during the 2020 assessment. Nedbank simultaneously submitted a request to SARS to condone the late submission of the objection against the 2020 assessment. Both requests were denied by SARS. Nedbank subsequently requested SARS to review their decision and has entered the dispute process with regard to the right to object against the 2020 assessment that has not yet prescribed.	Subject to SARS review and under dispute
Nedbank Limited	VAT VDP	Various	Two separate VDPs were submitted to rectify certain VAT defaults.	In progress
Nedbank Group Ltd	Request for information	2022	Fair value adjustment in respect of interest-free loans and accounting treatment of tier 1 interest. All information has been submitted.	Awaiting SARS response
Nedbank Mozambique	VAT and PAYE audit	Various	A draft letter of findings was issued regarding VAT from services provided by Visa and Mastercard, employee tax benefits as a result of interest rates being below the market and withholding taxes on Visa fees.	In progress



Tax governance and tax risk management *continued*

Tax risk management

Risk Framework

Tax risk is managed in the context of Nedbank Group's ERMF and the 3-lines-of-defence (3 LoD) Model, which is the backbone of this framework. In line with this, Nedbank has developed the Tax Risk Management Framework, which incorporates the group's approach to tax and aims to ensure that tax risks are identified, assessed, managed, and reported appropriately and in line with the group's risk frameworks and principles. The Nedbank Group Board and GAC provide oversight of the Tax Risk Management Framework, considering the potential financial, legal, business, and reputational risks of failing to detect and manage tax risks timeously.







Regular and transparent tax reporting is embedded in the governance structures of the group, including the GAC, various board committees, and group and cluster executive committees.

At Nedbank tax risk forms part of one of the 17 main risk categories comprising the enterprisewide risk universe, with the relevant category consisting of accounting, financial, and taxation risk. The group's risk taxonomy describes taxation risk as any event, action or inaction in tax strategy, operations, financial reporting, or compliance that either adversely affects the group's tax objectives or results in an unanticipated or unacceptable level of tax liability. Tax risk can be divided into general risks that most commercial organisations are likely to face, and specific risks linked to the industry in which the group operates, which may arise from the following:

- Non-compliance with tax regulations resulting in penalties, fines, payment of interest or under-provision for tax.
- Incorrect assessment, deduction, and payment of tax liabilities.
- Ineffective tax planning and implementation.
- Inability to engage timeously with revenue authorities and other relevant governmental departments.

In terms of the Nedbank Group Tax Policy, the tax implications of all significant business decisions must be evaluated, documented, and approved by Group Tax, and the group must comply with all tax regulations in all the jurisdictions in which it operates. In this regard the group employs highly qualified tax professionals and takes advice from reputable professional firms, when appropriate.

The Group Tax Team is measured against the following key performance indicators (KPIs):

Key performance indicators	Achieved by
Level of compliance. 	All regulatory submissions and payments met in accordance with both internal and regulatory timelines.
Introduction of technology to enhance and improve the effectiveness and efficiency of operational tax processes.	Execution of the tax digitalisation roadmap and assisting in driving efficient execution. 
Maintenance of an acceptable level of operational losses, such as tax penalties and tax interest, within a predetermined accepted-loss tolerance level. (Excluding losses due to interpretational differences.) 	Management of tax penalties and tax interest. Tracking at less than R1m for 2024. 
Feedback from stakeholders, regulators, shareholders, and business.	Enhanced and improved business partnering and engagement with regulators and stakeholders. 
Management and resolution of key audit issues and regulatory disputes. 	Effective resolution and management of tax disputes and ongoing revenue audits.
Accurate and adequate provision and disclosure of all tax obligations.	Actual tax payable is tracking within 3% of provisions.

The Group Tax Team met all its KPIs during the FY 2024 and Nedbank is fully compliant with all its tax obligations in all the jurisdictions in which it operates.

Material tax risks

We operate in a complex and evolving regulatory environment with extensive global scrutiny. Through our risk management processes, we have identified the following key taxation considerations and focus areas:

Transfer pricing

To ensure client-centredness, many support functions in the group are centralised, providing support services to subsidiaries in other jurisdictions in the group. The OECD Transfer Pricing Guidelines require that the provider of such services must be remunerated for the services they render on an arm's length basis. We follow the OECD Transfer Pricing Guidelines when developing appropriate transfer pricing policies and documenting our transfer pricing studies for domestic transfer pricing compliance purposes on a fully transparent and commercially validated basis. Revenue authorities and banking regulators pay close attention to how multinational enterprises (MNEs) implement transfer pricing policies to ensure that profits are appropriately allocated to the jurisdictions where the relevant economic activity takes place.

Significant business decisions

All significant business decisions must be evaluated and documented from a tax perspective and approved by Group Tax. As a key component of the evaluation of many complex financial transactions, the accounting treatment may play a critical role in the evaluation of the tax implications. We require internal accounting opinions as part of our Finance and Accounting Risk Policy before we enter into these significant business transactions.

Regulatory compliance

As a financial institution we are subject to extensive tax reporting and compliance regulations in respect of our clients' tax status and their income earned on financial products, including tax debt collection, criminal investigations, and information requests. The consequences of non-compliance are sanctions, personal liability of clients' tax debt, or criminal prosecution. Due to the significant increase in regulations and revenue collection efforts of revenue authorities, we are exposed to significant financial and reputational risk in this regard. We directly, or through the dedicated established Banking Association South Africa (BASA) work groups, engage regularly with the revenue authorities to manage compliance with these obligations.

Changing tax landscape

We continuously monitor the regulatory landscape to identify and evaluate the potential impact of changes in tax legislation and the application thereof on our business operations. We also actively manage the material tax risk posed by the implementation of Base Erosion and Profit Shifting (BEPS) Pillar 2 in SA and other jurisdictions in which the group operates.

This requires us to continuously evaluate our business structures and processes to assess our compliance with tax legislation, and if necessary, proactively engage in discussions with relevant industry forums and revenue authorities.



Tax governance and tax risk management continued

Three lines of defence

Nedbank has adopted an organisational risk governance structure that reflects the concepts represented in the 3 LoD Model. Taxation risk is managed in this context and assurance is provided by all 3 lines of defence, as well as external audit.

First line of defence – Risk-taking and risk ownership	Second line of defence – Oversight, monitoring and advisory	Third line of defence – Independent assurance
<ul style="list-style-type: none"> Comprises business line management and client-facing operations and activities. Has 'ownership' of taxation risk, acknowledging and managing the risk that arises in conducting business activities. Responsible and accountable for the ongoing management of taxation risks, including identifying, assessing, and reporting these risks and issues, and considering our tax risk appetite and policies, procedures, and controls. Responsible for assessing taxation risks of significant business decisions, tax compliance requirements and the implementation of regulatory changes in respect of the products, services, conduct, activities, processes, and systems for which it is accountable. Any person in the organisation who has a delegation, deploys resources or makes decisions, is responsible and accountable for managing taxation risk. 	<ul style="list-style-type: none"> Comprises independent risk management and compliance functions. The risk management function complements business line risk activities through its oversight, monitoring, advisory, and reporting responsibilities and is sufficiently independent of the business units and not involved in revenue generation. Responsible for overseeing the risk-taking activities and assessing risks and issues independently from the first line of defence. Responsible for testing internal financial controls. Group Tax acts as a policy-, process-, procedure- and standard-setting function for the first line of defence and, at the same time, provides oversight and review to ensure that its requirements are being discharged by the first line of defence. 	<ul style="list-style-type: none"> Comprises an independent and effective internal audit function. Provides independent detailed testing, review and objective assurance on the quality and effectiveness of the internal control systems, the first and second lines of defence and the Risk Governance Framework, including links to the organisational culture, as well as strategic and business planning, compensation and decision-making processes. Provides independent assurance to the board of directors and senior management on the quality and effectiveness of Nedbank's internal control, risk management and governance systems and processes, thereby helping the board and senior management protect the organisation and its reputation.

Internal and External Audit provide independent assurance on the effectiveness of the management of tax risk across the group. Internal Audit conducts ongoing process audits to examine the adequacy of the internal control environment. External Audit provides assurance on the appropriate compliance and financial frameworks in Nedbank, including recomputing all tax calculations and confirming that there are adequate tax risk provisions held against uncertain tax positions.

How we manage operational tax risk

Nedbank has implemented comprehensive governance measures and operational strategies to manage VAT risk effectively. The group's Tax Policy outlines the tax culture and delineates the responsibilities of employees in the tax process. Regular engagement with finance teams ensures that internal controls are rigorously tested and refined. VAT rules are integrated into the Enterprise Resource Planning (ERP) system to automate transaction treatments and thereby minimising human error. VAT-sensitive transactions are managed using specific tax codes, material group codes, and cost centres with embedded VAT recovery rates. A custom-developed VAT reporting tool generates monthly returns and reconciles VAT control accounts, while customised exception reports identify anomalies for further investigation. Monthly tax engagement meetings with key stakeholders ensure that VAT and tax issues are promptly addressed and resolved.

Uncertain tax positions

Identification and measurement	Management	Reporting and monitoring
<ul style="list-style-type: none"> Significant business decisions. Tax audits, enquiries and controversies. Robust risk assessment and discussions. Consideration of the more-likely-than-not principle. 	<ul style="list-style-type: none"> Proactive management of uncertain tax positions Mitigating controls. Discussions with revenue authorities. Consideration of reputational risk. Ensuring adequate provisioning. 	<ul style="list-style-type: none"> Regular reporting to management. GAC approval of key judgements.

Due to the complex nature of tax, there may be transactions and calculations for which the ultimate tax treatment is uncertain. If the position is uncertain, appropriate tax provisions will be raised in line with the principles as envisaged in IAS 37: Provisions, Contingent Liabilities and Contingent Assets and IFRIC 23: Uncertainty Over Income Tax Treatments, which will affect our current or deferred tax disclosures. As it can take several years to finalise our tax positions adopted in the tax returns that have been submitted to and assessed by the revenue authorities, it is necessary to reflect the risk that the final assessed tax liabilities could differ from the current tax liabilities disclosed in the annual financial statements. Uncertain tax positions (UTP) are governed by our tax risk management principles as outlined in the table above.

During the year under review, we have successfully managed the outcome of the ongoing VAT audit conducted by SARS in respect of the December 2017 to December 2022 VAT periods. The audit was concluded with no findings being raised by SARS.

SARS initiated an audit review during FY 2023 in respect of Nedbank's entitlement to an employment tax incentive allowance for the 2019/03 to 2023/02 employment tax periods. Nedbank claimed an employment tax incentive allowance in respect of its participation in the YES Programme in terms of which youth were employed to provide them with a 1-year work experience opportunity to develop skills and gain meaningful workplace experience, as envisaged by the Government Gazette 41866, 28 August 2018, and Practice Note 1 of 2018 – Youth Employment Service Initiative. Following the conclusion of the audit, SARS raised additional assessments. Nedbank does not agree with the grounds of the additional assessments and is currently in dispute with SARS.

The tax dispute in relation to certain debt-to-equity restructure transactions implemented during prior years was actively managed and is ongoing.



Stakeholder dialogue and advocacy

In line with our tax principles, we engage constructively and cooperatively with revenue authorities and industry bodies in the interests of our stakeholders and support the development of effective and efficient tax systems, laws and administration.

Public policy and advocacy

We participate actively in various industry bodies and forums where we can influence the outcome of revenue authority behaviour, taxpayers' rights, and legislative changes.

BASA, of which Nedbank is a member, is the representative of the banking sector in SA. The BASA Taxation Committee focuses on direct and indirect tax issues and assists in formulating industry positions or motivations for tax reforms in respect of relevant tax legislation. Similar industry bodies are in operation in Nedbank Africa Regions (NAR), and tax developments in all jurisdictions are monitored centrally by Group Tax.

We also have representatives on various other industry and professional forums, such as the CFO Forum Tax Committee, the South African Institute of Chartered Accountants (SAICA) National Tax Committee, and the Association for Savings and Investment South Africa (Asisa) Tax Committee.

During the year under review, we continued to participate in various legislative matters, proposed tax amendments, and technical papers that had the potential to impact our industry and organisation negatively.



We have placed specific focus on the following proposed legislative and operational changes that directly impacted our business:

Deposit Insurance Scheme

SARS has established a separate legal entity, the Corporation for Deposit Insurance (CODI), in fulfilling its mandate of protecting and enhancing financial stability by introducing a deposit insurance scheme. Nedbank, like other banks, will have to contribute relevant levies and other charges to the CODI. The VAT legislation was amended, with effect from 1 April 2024, in response to submissions made to exclude CODI's activities from being classified as an 'enterprise', thereby ensuring VAT neutrality.

BEPS Pillar 2

Global minimum tax (GMT) has been implemented in SA with effect from 1 January 2024 and applies to the Nedbank group. We have made substantial submissions to National Treasury and Parliament to ensure the effective implementation of GMT and fairness.

We are also focusing on the following items that are currently under discussion with the revenue authorities:

VAT modernisation

SARS is planning to introduce enhancements to its existing e-Filing system. Although SARS has not yet issued a business requirements specification (BRS), several key considerations have been highlighted in its media statement. These include automated invoicing linked to SARS-approved invoicing devices and e-Filing, real-time reporting, access to data, and the integration of SARS with vendor ERP systems. Nedbank is currently considering these key considerations to fully evaluate the implications on source systems and data capabilities.

VAT treatment of debt recovery costs

SARS is seeking to restrict input tax claims related to debt recovery expenses. If implemented, it will likely have a negative impact on the amount of VAT that banks can typically claim as input tax.

VAT apportionment for banks

SARS has indicated its intention to move away from the VAT apportionment ruling issued to BASA and to promote the adoption of the new default method outlined in Binding General Ruling 16. There are aspects of this ruling which are being addressed with SARS which could potentially have a negative impact on the input tax recoveries that banks are currently entitled to under the existing BASA ruling.

Our other engagements

Nedbank supports the Banking Accord signed by SARS and BASA, being a commitment to cooperative in tax compliance and open dialogue about tax issues between BASA and SARS. In addition, the accord has established the BASA and SARS Operational Forum to facilitate interaction between SARS and BASA regarding all tax-related operational issues that are relevant to the banking industry and SARS. The SARS Commissioner regularly meets with the chief executive officers of the banking industry.

Nedbank, directly and through BASA, pledged its commitment to facilitate and support SARS in the automation of third-party data processes and other SARS IT initiatives.

BASA collaborated with SARS on the following operational issues and initiatives during the year under review:

- Continuous engagement in relation to service delivery and operational efficiencies between SARS and the banking industry.
- Digitisation of tax compliance and real-time tax data reporting and assessments.
- Continuous engagement in relation to the improvement of taxpayer debt collection processes through third-party bank accounts.
- Improvements to the process of collecting taxpayer information from banks for tax audit and criminal investigation purposes.
- The escalating burden and complexities in relation to the compliance obligations of trusts.
- Continuous engagement on the practical implications of the findings of the OECD Peer Review conducted on the automatic exchange of information implementation in SA.

Local tax landscape

Nedbank has procedures in place to ensure that we stay abreast of all key changes in the global and local tax legislative landscapes, including the interpretation of this legislation based on official guidelines and case law development. **Recent developments worth noting, and our response, are set out on pages 121-123.**

In his 2025 Budget Speech, Minister of Finance Enoch Godongwana highlighted several key points regarding SARS. He acknowledged the significant progress SARS had made in improving revenue collection and compliance, despite the challenging economic conditions. He emphasised the importance of continued investment in SARS to enhance its operational efficiency, broaden the tax base, and increase capacity to handle complex tax issues. To achieve these objectives, he announced the allocation of R3,5 bn for the current financial year and an additional



Tax landscape

R4bn over the medium term to support SARS's modernisation efforts and ensure it can effectively fulfil its mandate.

In 2025/26 fiscal year, SARS will continue to focus on addressing the tax gap to improve revenue collection by enhancing taxpayer compliance and trade facilitation using artificial intelligence (AI) and data science. This aligns with the digitisation of tax processes, which is a key focus for Nedbank, to unlock value through process efficiencies. The focus on AI and data science to enhance compliance and trade facilitation is particularly noteworthy. By adopting these technologies, SARS aims to do the following:

- Improve taxpayer compliance – using AI to detect fraud and enhance compliance.
- Simplify processes – streamlining operations with automated systems and a single window platform.
- Reduce inspection times – implementing scanning technologies and intelligent image analyses at ports of entry.
- Modernise traveller declaration – providing digital services to cross-border travellers and state entities to reduce illicit financial flows.

In line with the Minister's 2025 Budget Speech, SARS has outlined several strategic initiatives in its Annual Performance Plan for 2024/25 to continue improving its operations and effectiveness. Key focus areas include broadening the tax base, enhancing voluntary compliance, and fostering fiscal citizenship. These initiatives aim to ensure that more taxpayers are brought into the system and that existing taxpayers comply more willingly with tax laws. To achieve these goals, SARS plans to invest in modernising its systems and processes, including leveraging technology to improve efficiency and service delivery. This modernisation will help streamline operations, reduce administrative burdens, and enhance the overall taxpayer experience. Additionally, SARS is committed to rebuilding its employee capacity by hiring more skilled professionals and providing ongoing training to ensure that its workforce is equipped to handle complex tax issues.

SARS also intends to strengthen its stakeholder engagement efforts by maintaining regular and structured interactions with taxpayers and tax practitioners. This approach aims to build trust, improve communication, and foster a collaborative environment for resolving tax-related issues. By focusing on these strategic areas, SARS hopes to enhance its ability to collect revenue effectively and support the country's economic growth.

Nedbank welcomes SARS's intended approach and will continue to support SARS in achieving its objectives through constructive participation in relevant forums and investment in modernisation initiatives.



Also refer to page 131 for statistics about Nedbank's contribution to tax debt collections.

Tax information-sharing regimes and client tax compliance

As a reporting financial institution Nedbank must provide client financial information to the relevant regulatory authority in terms of FATCA and the OECD CRS (collectively called the Automatic Exchange of Information or AEOI). Nedbank complies with the AEOI regimes in the jurisdictions where it operates, continuously enhancing its systems and processes, and training its people to ensure the integrity of data and seamless client experiences.

The Mandatory Disclosure Rules (MDR) for CRS Avoidance Arrangements and Opaque Offshore Structures, which form part of the CRS regulations, introduced additional reporting obligations of affected transactions and became effective from 1 March 2024. We have implemented additional controls and procedures to comply with the

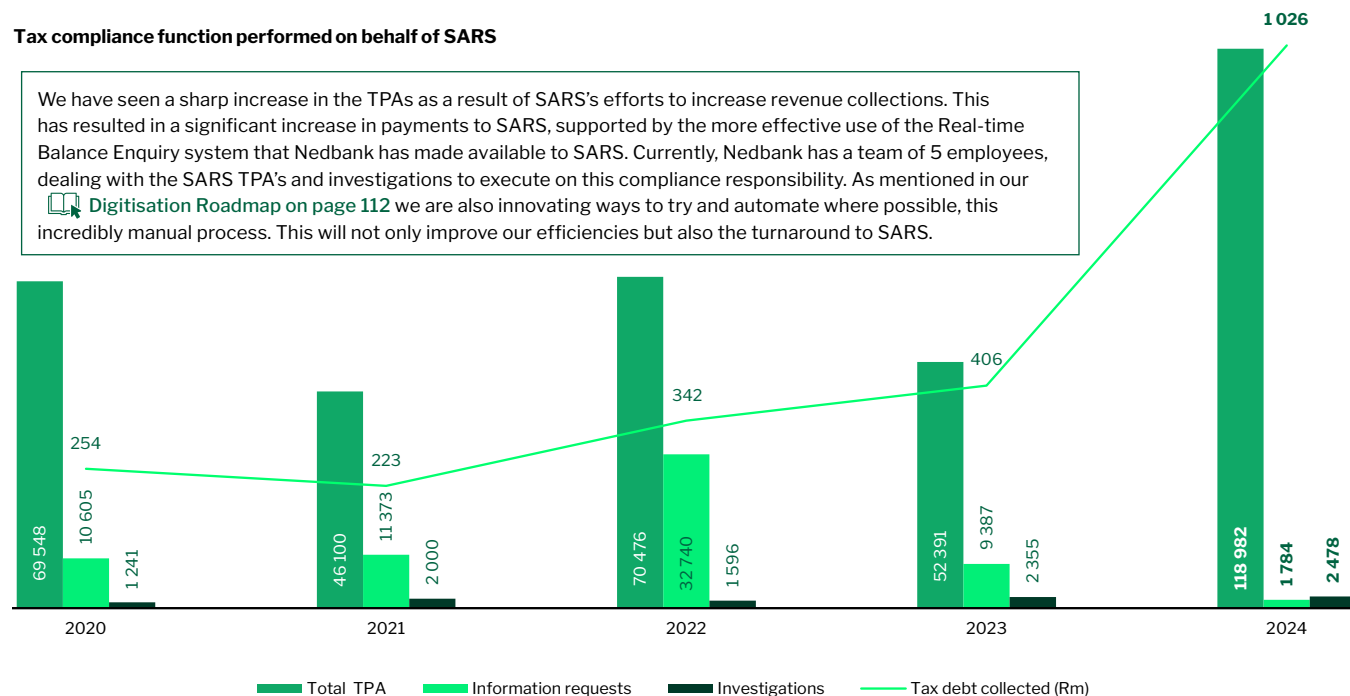
MDR. Our businesses in the UK and Isle of Man are already compliant with MDR, as legislated in those jurisdictions.

We furthermore support SARS initiatives to make it easier for individuals and businesses to comply with their tax obligations and pay the right amount of tax. We therefore support SARS in providing the relevant information, such as interest earned by our clients on savings accounts, as well as details of remuneration paid as an employer.

Nedbank, as one of the larger contributors to the fiscus, is committed to assisting SARS with its initiatives and adhering to specific requests for information and special investigations, as well as monitoring and reporting on suspicious refunds. Over the past year we have again received and processed a significant number of third-party tax debt (TPA) collections on behalf of SARS and received special requests for information in respect of SARS investigations pertaining to third parties. The Real-time Balance Enquiry system made available to SARS negated the large number of information requests received in 2024 compared with 2023, as illustrated in the graph below.

Tax compliance function performed on behalf of SARS


We have seen a sharp increase in the TPAs as a result of SARS's efforts to increase revenue collections. This has resulted in a significant increase in payments to SARS, supported by the more effective use of the Real-time Balance Enquiry system that Nedbank has made available to SARS. Currently, Nedbank has a team of 5 employees, dealing with the SARS TPA's and investigations to execute on this compliance responsibility. As mentioned in our [Digitisation Roadmap on page 112](#) we are also innovating ways to try and automate where possible, this incredibly manual process. This will not only improve our efficiencies but also the turnaround to SARS.



Tax landscape continued

The table below represents the tax legislation changes affecting the domestic and international landscape, as well as the proposed changes to tax legislation. Through relevant industry forums and tax committees, we have actively engaged with and submitted comments to regulators to shape the legislation, ensuring there is no adverse impact on our business.

The implemented and proposed changes in legislation have not and will not have a material impact on the group or the specific in-country legal entity

Entity	Tax	Developments
South Africa	Income tax	Introduction of GMT, with effect from 1 January 2024, only payable on or before 30 June 2026.
Nedbank Namibia	Income tax	<ul style="list-style-type: none"> Corporate income tax rate for non-mining companies was reduced to 31% with effect from 1 April 2024, and further reduced to 30% with effect from 1 January 2025. Introduction of youth internship allowance claimable by an employer where an employer and employee enter into an internship agreement. Effective date to be confirmed. Introduction of the limitation of the balance of assessed losses to be off set against taxable income. The assessed loss is limited to the greater of N\$1m or 80% of taxable income. Introduction of the definition of 'connected person' in the Income Tax Act. The replacement of the 3:1 debt-to-equity ratio requirements in determining thin capitalisation with a fixed limitation on interest deductions to the extent that the net interest exceeds 30% of the connected person's tax EBITDA (earnings before interest, taxes, depreciation, and amortisation) and the net interest expense exceeds N\$3 million. Effective from 1 January 2024.
	VAT	Increase in the VAT registration threshold from N\$500 000 to N\$1m with effect from 1 March 2024.
	PAYE	The individual income tax threshold for employees will be increased from N\$50 000 to N\$100 000 with effect from the 2024/2025 financial year.
Nedbank Private Wealth (Isle of Man)	Income tax	<p>With effect from 1 January 2024, the corporate income tax rate has increased from 10% to 15% for banks that:</p> <ul style="list-style-type: none"> Are part of groups that are in scope for Pillar 2 global minimum tax; and Have an ultimate parent entity located in a jurisdiction that has implemented the income inclusion rule for the financial year starting on or after 1 January 2024. <p> Refer to page 133 to view the impact of this on the in-country tax contribution.</p>
Nedbank Eswatini	Income tax	<p>With effect from 1 July 2024, the following amendments have been introduced:</p> <ul style="list-style-type: none"> The income tax rate has been reduced from 27,5% to 25% for companies with an annual turnover of E500 000. Withholdings taxes on interest and dividends paid to non-residents have been increased to 15% from 10% and 12,5%, respectively.
Nedbank UK	Income tax	The banking surcharge limit has increased to GBP100m at a rate of 3% with effect from April 2023.
	Transfer pricing	The UK has implemented new transfer pricing document requirements for accounting periods beginning on or after 1 April 2023. (Effective for Nedbank for the 2024 financial year.)
Nedbank Zimbabwe	Income tax	Corporate income tax rate increased from 24% to 25% with effect from 1 January 2024.
	Income tax	The digital minimum tax threshold, setting a minimum corporate tax rate of 15%, was imposed with effect from 1 January 2024.



Reconciliation of tax charge to cash tax rate

The graph below illustrates the various adjustments made to the tax chargeable at the standard rate of tax on South African profits before tax to achieve the actual taxation charge and effective tax rate of operations in SA.

The actual tax charge of operations in SA is adjusted for tax payable by NAR and other non-South African jurisdictions and then adjusted by actual tax deductions and allowances to achieve the cash tax payable and the group's cash tax effective rate. **This is a normalised tax rate as it excludes non-recurring items such as prior-year adjustments.**

Reasons for reconciling items and adjustments

Taxation charge of South African operations

1 Exempt income from listed and unlisted ordinary and preference shares.

2 Tax relief in respect of interest paid on tier 1 capital, which is accounted for in comprehensive income, although the interest paid is accounted for in equity.

Taxation charge in NAR and other jurisdictions

3 The NAR taxation charge consists of the Southern African Development Community (SADC) banking subsidiaries and excludes any tax charge associated

with our investment in Ecobank Transnational Incorporated (ETI). The adjustment consists mainly of the effects of the lower tax charge in Nedbank Zimbabwe, Nedbank Namibia, and includes the tax adjustments of Nedbank Private Wealth Isle of Man and Nedgroup Investments Isle of Man.

Total group normalised taxation charge

4 The normalised effective taxation charge of the group, excluding the impact of non-recurring items of 0,8%, is 21,2%.

Deferred tax adjustments and allowances

5 The main drivers for the adjustments in deferred tax were because of the origination and reversal of temporary differences in relation to fixed assets, credit impairments, share-based payments, long-term employee benefits and deferred acquisition costs. The balance of deferred tax has shifted from a net asset to a net liability, mainly because of the decrease in the deferred tax asset in relation to credit impairments and an increase in the deferred tax liability on deferred acquisition costs and long-term employee benefits as outlined below.

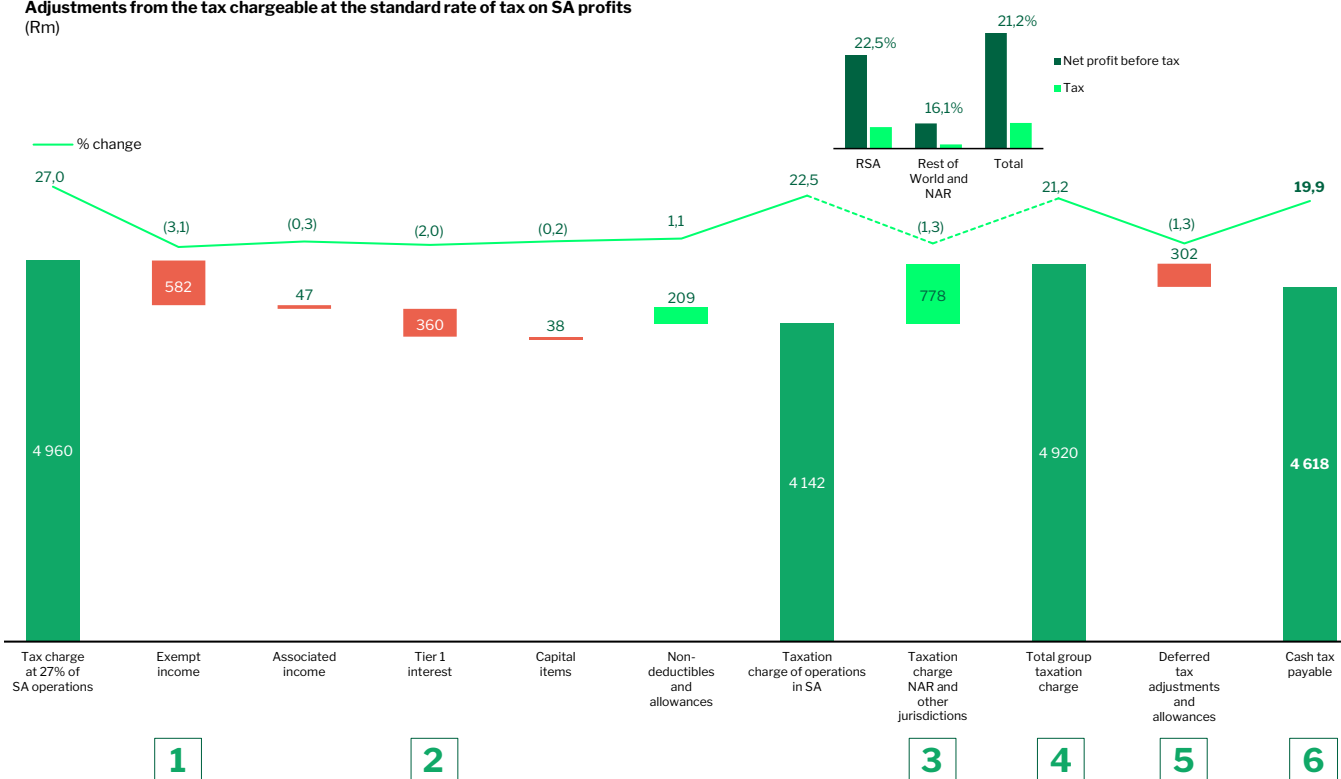
Effective cash tax payable

6 At 31 December 2024 the group's effective cash tax rate was 19,9% (2023: 21,5%), calculated by adjusting the total group taxation charge by timing differences and current tax in equity, excluding prior-year adjustments. The calculated effective cash tax rate remains lower than the effective tax rate. This is in line with the fact that the deferred tax balance has shifted to a net deferred tax liability.

Total deferred tax assets and liabilities

	2024	2023
Credit impairments	2 696	2 792
Provisions	2 127	2 039
Other	205	384
Total	5 028	5 215
Accelerated asset allowances	(1 418)	(1 491)
Deferred acquisition costs	(1 200)	(1 054)
Long-term employee benefits	(1 469)	(1 302)
Other	(1 165)	(954)
Total	(5 252)	(4 801)
Net deferred tax (liability)/asset	(224)	414

Adjustments from the tax chargeable at the standard rate of tax on SA profits (Rm)



Refer to Note B8.3 of the Group Annual Financial Statements for a reconciliation and composition of the deferred tax balances.



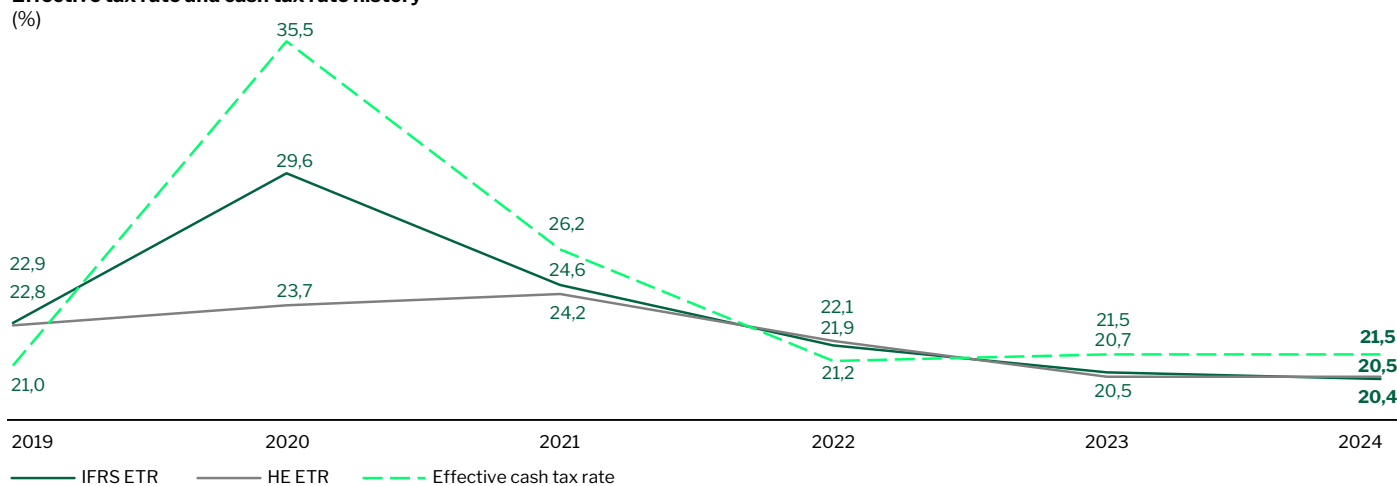
Effective taxation rate

A detailed reconciliation between the statutory tax rate and the effective tax rate on adjusted headline earnings (HE), and the International Financial Reporting Standards (IFRS) is provided below.

Effective taxation rate

	2024 Rm	2024 %	2023 Rm	2023 %	2022 Rm	2022 %
Standard rate of SA normal taxation		27,0		27,0		28,0
Dividend income	(2 154)	(2,5)	(1 017)	(1,3)	(725)	(1,0)
Share of profits of associate companies	(1 289)	(1,5)	(1 443)	(1,8)	(879)	(1,3)
Capital items	(141)	(0,2)	42	0,1	(540)	(0,7)
Effects of profits taxed in different jurisdictions	(739)	(0,8)	(817)	(1,1)	(1 021)	(1,5)
Additional tier 1 capital instruments	(1 334)	(1,6)	(1 285)	(1,6)	(871)	(1,3)
Assessed losses not subject to deferred tax	297	0,4	(205)	(0,2)	(113)	(0,2)
Non-deductible expenses	386	0,4	385	0,5	489	0,7
Non-taxable income	(188)	(0,2)				
Prior-year adjustments	(174)	(0,7)	(238)	(1,1)	(539)	(0,7)
Tax rate change					82	0,1
Pillar 2 taxation	43	0,2				
Effective taxation rate on headline earnings		20,5		20,5		22,1
Impairment charge on non-financial instruments and other gains and losses	(85)	(0,1)	205	0,2	(176)	(0,2)
Effective taxation rate on IFRS		20,4		20,7		21,9

Effective tax rate and cash tax rate history



HE effective tax rate

The HE effective tax rate is the adjusted tax charge as a percentage of the group's HE. HE is defined as the profit attributable to equity holders of the parent, excluding specific separately identifiable remeasurement, net of related tax and controlling interest.

IFRS effective tax rate

The IFRS effective tax rate is the direct income tax charge as a percentage of the group's profits before tax.

Refer to note B8.2.2 on page 52 of the Nedbank Group Limited Consolidated Annual Financial Statements for the year ending 31 December 2024 for more detail.

The effective tax rate has declined from 20,7% in 2023 to 20,4% in 2024, with the main driver being an increase in exempt dividends received on investments held by Nedbank Corporate and Investment Banking (CIB) and Nedbank Wealth.

The graph alongside depicts the 6-year historical analysis of the effective cash tax rate and the effective tax rate on an HE and IFRS basis for the group.

The increase in the IFRS effective tax rate in FY 2020 was due to the following:

- Impairments of goodwill in the Wealth Cluster.
- Impairments of our investment in ETI.
- Devaluations of our capital investments due to poor market conditions linked to Covid-19.













Effective cash tax rate

In addition to the effects above, the effective cash tax rate in 2020 was further impacted by the higher levels of credit impairments during Covid-19. Tax relief is granted only based on the relevant stage of the credit impairment: stage 1 (25%), stage 2 (40%) and stage 3 (85%). The decrease in the effective cash tax rate in 2021 is reflective of the corresponding normalisation in credit impairments post Covid-19.



Tax numbers and performance

The graphic below reflects our organisational structure, comprising 4 main business clusters through which we deliver our products and services, and includes the contributed direct and indirect taxation charges.

Cluster	Products and services	Key tax focus areas
Nedbank Corporate and Investment Banking  Corporates, institutions, governments and parastatals.	<ul style="list-style-type: none"> Investment banking and corporate lending. Global markets and treasury. Commercial-property finance. Deposit-taking and transactional banking. 	<ul style="list-style-type: none"> Fair value adjustments of financial assets. Preference share funding and deemed dividend considerations. Tax alignment in commercial property and renewable energy financing. Impairment and credit loss charges on financial instruments. Foreign operations. Transactional taxes (VAT).
Nedbank Retail and Business Banking  Individual clients and businesses.	<ul style="list-style-type: none"> Transactional banking. Card and payment solutions. Lending and deposit-taking. Investment products. Beyond Banking solutions.  	<ul style="list-style-type: none"> Impairment and credit loss charges on financial instruments. Transactional taxes (VAT).
Nedbank Wealth  Individual (high-net-worth), business and corporate clients.	<ul style="list-style-type: none"> High-net-worth banking. Wealth management. Asset management. Insurance.   	<ul style="list-style-type: none"> IFRS 17 and tax transitional arrangements in short- and long-term insurance operations. Asset management. Wealth management.
Nedbank Africa Regions  Individual clients, small and medium enterprises, and business and corporate clients.	<ul style="list-style-type: none"> Transactional banking. Lending, deposit-taking and card products. Wealth management.  	<ul style="list-style-type: none"> Transfer pricing. Cross-border VAT and withholding taxes. In-country tax application.
Centre The group's frontline business clusters are supported by various shared services functions, including compliance, finance, tax, HR, marketing and corporate affairs, risk, technology and strategy, as well as sustainability, that make up the balance of the tax contributions.		<ul style="list-style-type: none"> Share-based payments. Tier 1 interest payments.



The total direct taxation charge split between the clusters includes the taxation offset associated with the internal funding.
The Nedbank African Regions (NAR) taxation charge consist of SADC banking subsidiaries and excludes any taxation charge associated with our investment in ETI.



Economic contribution of taxes paid

This section of the report outlines how the Nedbank Group aims to fulfil its purpose by using its financial expertise to do good by creating value for society. The group has prioritised 9 of the 17 SDGs where we believe we have the greatest ability to deliver meaningful impact through innovation in our banking products, lending, and investment practices.

The details of the group's commitment to driving purpose-led value creation are contained in the 2024 Nedbank Society Report.

Nedbank Group Board Chairperson Daniel Mminele has the following to say:

'The financial sector has a critical role to play in driving economic growth and development, particularly in emerging markets. The choices we make today, or choose not to make, shape the world of tomorrow.' – Daniel Mminele

As I reflect on 2024, our world is at a crossroads. Do we stand together and collaborate to tackle the tsunami of emerging business risks that face us as businesses, countries and regions or do we ignore these risks and regress into looking after only our immediate self-interests? The convergence of climate change, geopolitical conflicts, nationalist agendas, economic instability, and persistent inequality continues to challenge the global community's ability to achieve a more prosperous future for all. For millions, the promise of a better future feels increasingly out of reach.

History has shown that humanity can overcome even the most daunting challenges through collective action, innovation, and resilience. However, the choices we make today, or choose not to make, shape the world of tomorrow. We need to deliver on our SDG and related commitments.

Against this backdrop, Nedbank recognises that as a bank we are uniquely positioned to drive meaningful change by directing capital toward sustainable solutions and fostering inclusive economic growth. The challenges posed by the climate crisis, biodiversity loss and social inequality demand bold, coordinated action – and Nedbank is committed to leading this charge. In South Africa (SA), the formation of the government of national unity (GNU) presents a pivotal opportunity to reignite economic growth. On the back of the election outcome, encouraging signs – such as a strengthening rand – reflect improving investor confidence. However, optimism alone is not enough. It must be reinforced by decisive action to address infrastructure shortcomings, improve the performance and governance of state-owned enterprises, ensure energy security and tackle crime and corruption. Only through

visible, impactful progress can we sustain this renewed confidence. Recent developments such as the improvements in availability and reliability of SA's electricity and positive improvements at Transnet – both essential for SA's recovery – offer a further glimpse of what is possible.

Beyond SA, Africa requires innovative, resilient solutions aligned with both the 2030 Agenda and Africa's Agenda 2063. As SA takes the G20 presidency this year it provides an opportunity to address the polyresins with an African lens. The presidency can be strategically leveraged to attract increased foreign direct investment (FDI), expand intra-African and global trade opportunities, address debt vulnerabilities faced by many African nations, and drive crucial infrastructure development. These potential economic gains can contribute directly to poverty reduction, job creation, improved access to essential services like healthcare and education and enhanced social stability.

In response, Nedbank is committed to supporting Africa's Just Transition and this report demonstrates our actions in this regard in 2024. We recognise that the path to a low-carbon, resilient economy must address Africa's distinct challenges. Our strategy integrates environmental sustainability with social progress, with a focus on ensuring that no one is left behind. Key to this is our ambition that at least 20% of our gross loans and advances contribute to sustainable development finance by 2025. This financing enables investment in renewable energy projects, energy efficiency improvements, sustainable agriculture, provision of affordable housing, access to finance and biodiversity conservation, all of which are vital to SA's sustainable future. However, addressing these challenges cannot be accomplished alone. The complexity and scale of today's global issues demand bold, collaboration across industries, governments, and civil society.

Nedbank is actively forging partnerships to amplify our collective impact and accelerate progress towards a more sustainable future. Our Energy Policy and Climate and Nature Position Statements continue to guide our decisions, ensuring alignment with global best practices and reinforcing our commitment to sustainability. Achieving a sustainable, inclusive world by 2030 is still within reach, but it will require courage, commitment, and united effort. Regardless of political agendas that may not support ESG in the short term, we know what needs to be done and we are doing our part and call on our clients and other partners to work with us. I look forward to working with the Nedbank Board and Executive Team in 2025. Together, we will demonstrate the leadership, courage, and pioneering spirit required to support a Just Transition and create lasting, positive change. Nedbank remains steadfast in fulfilling our purpose to use our financial expertise to do good.

Daniel Mminele

Nedbank Group Board Chairperson

Our approach to tax, as set out in this report, demonstrates our commitment to advancing the achievement of the UN SDGs, which we have adopted as a framework to measure delivery on our purpose.



Through tax, we contribute as follows:

Our tax contributions of **R16 295m** for 2024 (2023: restated at R14 349m) in the various countries, are used to build critical infrastructure to ensure water security and clean energy sources.

We support the provision of sustainable development finance by aligning tax to the business processes to ensure all the tax implications are considered.

We pay no carbon tax due to our zero-carbon footprint and therefore suffer negligible environmental taxes and levies. These taxes were not included in our economic contribution of taxes.

Our contribution to total fuel taxes, decreased to **0,025%** of our Total Tax Contribution (2023: 0,105%). This is a direct result of a reduction in levels of load-shedding and the diesel required for the use in generators.

Our fossil fuel consumption is included in our 2024 Climate Report.



Economic contribution of taxes paid continued

Our economic contribution

Today, Nedbank Group is one of the largest financial services groups in Africa, offering wholesale and retail banking, insurance, asset management and wealth management services and solutions to over 7 million clients. In SA, Nedbank has a strong franchise that contributes approximately 90% of the group's R1,4tn in assets and approximately 80% of the group's R16,9bn headline earnings. Nedbank acquired all the shares in Eqstra Investment Holdings (Pty) Ltd with effect from 1 June 2024 to enhance Nedbank's fleet management business offerings. This acquisition gives Nedbank scale and expands its product offerings in SA, Eswatini, Botswana and Namibia.

Outside SA we operate in 5 countries in SADC through subsidiary banks in Lesotho, Mozambique, Namibia, Eswatini and Zimbabwe. In central and west Africa, we have a strategic alliance with ETI and a representative office in Kenya. Outside Africa we have a presence in key global financial centres to provide international financial services for Africa-based multinational and high-net-worth clients in the Isle of Man, Jersey and London, and we have a representative office in Dubai.

We recognise that we have a responsibility to not only be good with money, but to do good with money as well. Therefore, our core purpose as a bank is to use our financial expertise to do good for individuals, families, businesses and society in the countries in which we operate. By seeing money differently in this way, we are confident that we will achieve our vision of being Africa's most-admired financial services provider.

The world faces massive economic, social, and environmental challenges as a result of steady growth in the population and growing levels of consumption and climate change, with challenges ranging from unemployment and income inequality to an increasing disease burden, as well as food and water deficiencies.

Against this background we recognise that the tax we pay is vital to the economic and social development of the countries in which we operate, and that we have a responsibility to comply fully with the regulations in these countries.

This section of the report sets out the group's total economic contribution for the FY 2024 compared with the total economic contribution for prior years.

Types of taxes

Tax consists of more of than just a tax charge on a company's profits. Besides the tax that we pay on the profits that we generate, we pay and collect taxes through our business cycles from our business activities.

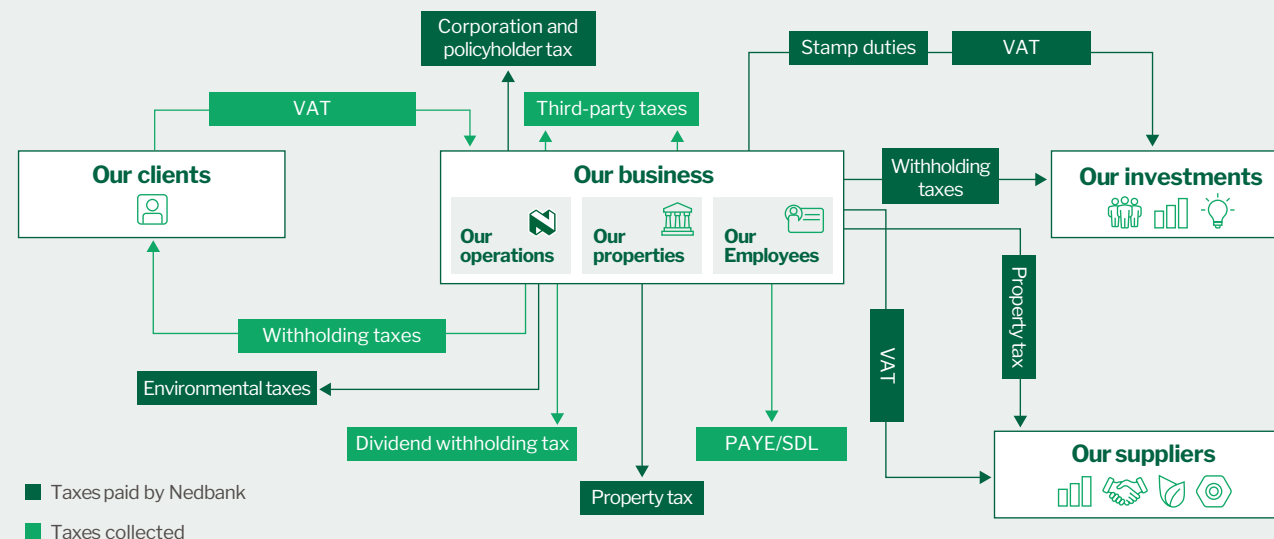
Taxes contributed to the revenue authorities can be categorised as follows:

- Nedbank Group's direct cash tax contribution in each country, consisting mostly of tax on profits, securities transfer tax (STT), as well as withholding taxes on dividends, management fees and interest received.
- Cash taxes collected by the group on behalf of revenue authorities, including PAYE, skills development levies (SDLs) and Unemployment Insurance Fund (UIF) contributions, which would not have been collected if the group had not employed people.

- Consumption taxes and VAT that the group collected on behalf of revenue authorities, which would not have been collected had the group not offered financial services or financial products to the clients responsible for paying the relevant tax, or had the group not procured from its suppliers' goods and services on which these taxes are due. Being a bank, we can claim back only a relatively small proportion of the VAT we have incurred, resulting in a significant cost that we absorb.
- Taxes paid to other spheres of government, excluding taxes raised by revenue authorities in line with the country's direct-taxation regime, such as rates and taxes and levies.
- Dividend tax withheld from shareholders liable for the tax and paid to the revenue authority as a result of the group declaring interim and final dividends to shareholders every year. Had the group not generated profits, it would not have been in a position to pay dividends to shareholders. The 2024 full-year dividend amounted to 2 075 cents per share.
- Tax debt of third parties that the group collected on behalf of revenue authorities.

Our tax value chain

We pay taxes at different points in our value chain. Both the value chain and the value creation within the value chain are the basis for paying taxes. To illustrate the tax footprint of our business, the diagram below reflects our value chain and the main instances in which taxation occurs.





Economic contribution of taxes paid continued

Delivering value through our tax contributions

The taxes we pay and collect are a key source of revenue to government finances and contribute to the upliftment and sustainability of the societies in which we operate.

The graph alongside represents our total tax contribution of R16 295m for 2024 (of which R6 200m represents taxes contributed by the group and R9 964m represents taxes collected by the group) compared with R14 349m in 2023 (of which R6 597m represents taxes contributed by the group and R7 752m represents taxes collected by the group). The total tax contribution has increased by 29% since 2019 but has fluctuated year on year due to the economic impact of Covid and the Macroeconomic environment in which we operate.

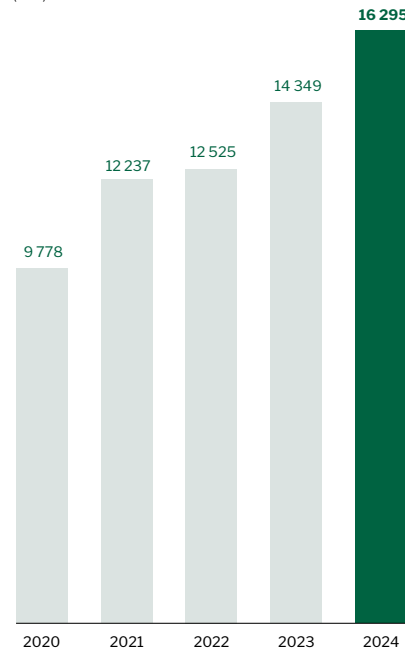
The taxes paid represent the actual taxes paid by Nedbank during the particular year and include the top-up provisional tax payments in respect of the prior year. The amount of corporate tax paid in 2024 has decreased by R498m on a relative basis as the 2023 amount paid included an amount in respect of the prior year.

An amount of R1 026m (2023: R405m) was paid in respect of third-party appointments, an increase in excess of 100%, continuing the upward trend of increasing amounts of tax collected on behalf of the revenue authorities.

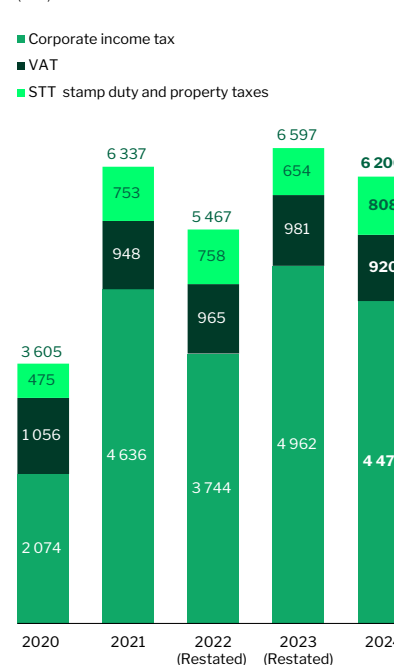
This aligns with the graph on page 121 and SARS's efforts to increase revenue collections.

There was also a significant increase in payroll taxes in 2024 because of the vesting of long-term share incentives, coupled with the payroll tax payable on short-term incentives.

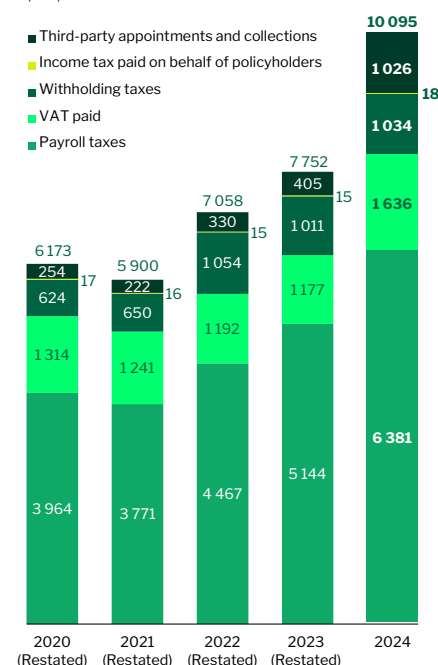
Total tax contribution
(Rm)



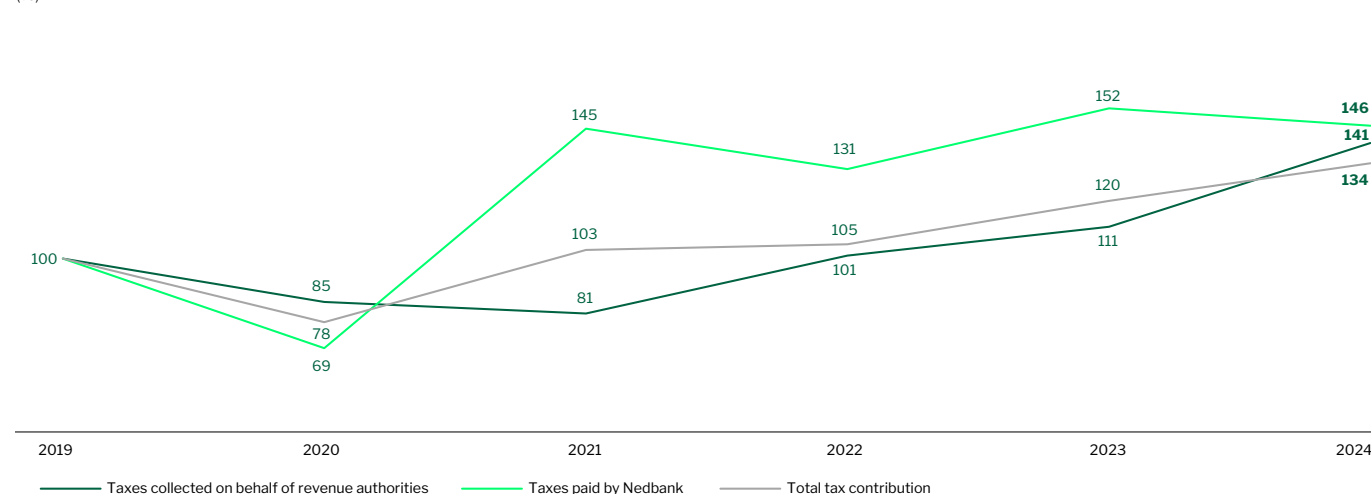
Taxes paid by Nedbank
(Rm)



Taxes collected on behalf of revenue authorities
(Rm)



Year-on-year change in taxes collected
(%)



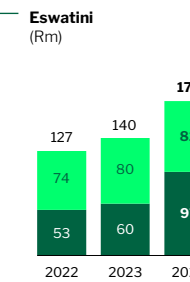
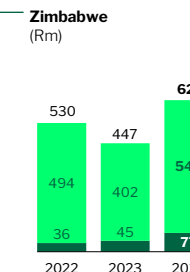
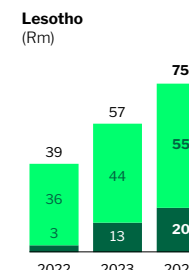
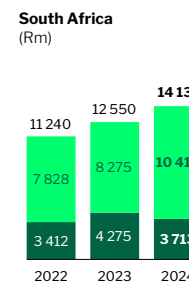
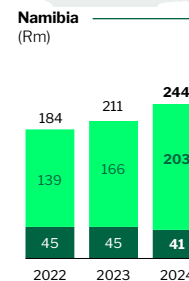
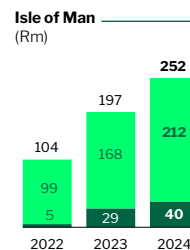
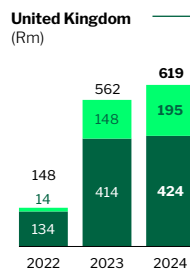
Economic contribution of taxes paid *continued*

Our tax contributions to governments where we operate

The graphs alongside show the geographical split of the taxes that we pay in each tax jurisdiction where we operate. The total tax contribution of R16 295m in 2024 is split between direct taxes of R4 490m and indirect and other taxes of R11 673m, compared with a total tax contribution of R14 349m in 2023 split between direct taxes of R4 977m and indirect and other taxes of R9 372m. Direct taxes include only corporate taxes paid and indirect taxes include all other taxes that we withheld or collected and paid to relevant revenue authorities. The graphic on the right excludes taxes paid in Mauritius and Botswana, as this amount is immaterial for the group.

Operations in SA contributed 87% of the total group's tax contribution, which is in line with the contribution in the prior year. The number of employees in SA is 22 549, with their total remuneration amounting to R20 697m.

The section below provides the tax contribution for operations outside SA, as well as a country analysis for each country.



Refer to the individual country analysis in respect of the 'rest of world' tax contribution on the pages that follow.



Individual country analysis

Namibia



Total tax contribution: **R244m**
Employees: **762**
Tangible assets: **R845m**

Name of resident entities

- NedCapital Investment Holdings (Pty) Ltd
- NedNamibia Holdings Ltd
- Nedbank Namibia Ltd
- NedCapital Namibia (Pty) Ltd
- NedNamibia Life Assurance Co Pty Ltd
- NedPlan Insurance Brokers Namibia (Pty) Ltd
- Walvis Bay Land Syndicate (Pty) Ltd
- Ten Kaiser Wilhelm Strauss (Pty) Ltd
- NedLoans (Pty) Ltd
- CBN Nominees (Pty) Ltd
- Omatemba Fleet Services (Pty) Ltd

Business activity

Nedbank Namibia is a Namibian registered commercial bank, providing a wide range of wholesale (including corporate and investment banking) and retail (including private and business banking) banking services, as well as insurance, asset management and wealth management solutions.

The business activities of other Namibian subsidiaries include the provision of life insurance services, property investment, custodial services, and the supply of fleet management services.

Employee remuneration R440m

Tax overview

We paid R41m in corporate income taxes and R203m in indirect taxes compared with a total tax contribution of R211m in 2023.

The effective corporate income tax rate of 6,85% on our consolidated operations was lower than the statutory tax rate of 31% because the return on investments from corporate funds and the return on investments outside of Namibia are not taxable. In addition, only 40% of NedNamibia Life Assurance Company's investment income is taxable at the statutory rate of 32%.

Zimbabwe



Total tax contribution: **R 623m**
Employees: **320**
Tangible assets: **R159m**

Name of resident entities

Nedbank Zimbabwe Limited

Business activity

Nedbank Zimbabwe Limited offers a full range of commercial and consumer banking products and services. These services are offered under dedicated functional areas, namely Corporate and Institutional Banking, Treasury, and Sales and Origination.

Employee remuneration R280m

Tax overview

We paid R77m in corporate income taxes, R161m in indirect taxes and state taxes of R385m compared to a total tax contribution of R447m in 2023.

The effective corporate income tax rate of 26,59% on our operations was higher than the statutory tax rate of 25%. This is primarily due to non-deductible expenses as well as the unrealised foreign exchange gain on a USD investment being considered capital in nature and therefore exempt from tax.

Lesotho



Total tax contribution: **R75m**
Employees: **280**
Tangible assets: **R105m**

Name of resident entities

Nedbank Lesotho Limited

Business activity

Main services constitute financial services and banking activities, providing banking services to retail, SME, and corporate clients.

Employee remuneration R115m

Tax overview

We paid R20m in corporate income taxes and R55m in indirect taxes compared with a total tax contribution of R57m in 2023.

The effective corporate income tax rate of 23,06% on our operations was marginally lower than the statutory tax rate of 25% due to exempt receipts.

Individual country analysis *continued*

Mozambique

Total tax contribution: **R166m**Employees: **503**Tangible assets: **R209m**

Name of resident entities

Nedbank Mozambique, SA (previously Banco Único)

Business activity

Main services offered constitute financial services and banking activities.

Employee remuneration

R333m

Tax overview

We paid R74m in corporate income taxes and R92m in indirect taxes compared to a total tax contribution of R178m in 2023.

The effective corporate income tax rate of 22,88% on our operations was lower than the statutory tax rate of 32%. The difference is primarily due to the use of tax assets arising from prior-year tax losses, which enabled us to recognise mainly tax on income at the liberatory rate of 20% this year.

Botswana

Total tax contribution: **R0,4m**Employees: **3**Tangible assets: **R70m**

Name of resident entities

- Flexifleet (Pty) Ltd

Business activity

Main services constitute vehicle leasing activities.

Employee remuneration

R848 230

Tax overview

We paid no corporate income taxes and R0,4m indirect taxes in 2024.

The effective corporate income tax rate was nil as the entity was in a loss position.

Eswatini

Total tax contribution: **R179m**Employees: **328**Tangible assets: **R169m**

Name of resident entities

- Nedbank Eswatini Limited
- Eqstra Swaziland (Pty) Ltd

Business activity

Main services offered constitute financial services and banking activities and the supply of fleet management services.

Employee remuneration

R157m

Tax overview

We paid R97m in corporate income taxes and R82m in indirect taxes compared with a total tax contribution of R140m in 2023.

The effective corporate income tax rate of 29,62% on our operations was higher than the statutory tax rate of 27,5% primarily due to non-deductible expenses.

United Kingdom

Total tax contribution: **R619m**Employees: **67**Tangible assets: **R105m**

Name of resident entities

- Nedgroup Investment Advisors (Pty) Ltd
- NBSA Limited
- Nedbank London Branch

Business activity

Main services constitute financial services and banking activities.

Employee remuneration

R386m

Tax overview

We paid R424m in corporate income taxes and R195m in indirect taxes compared with a total tax contribution of R562m in 2023.

The effective corporate income tax rate of 24,93% on our operations was marginally lower than the statutory tax rate of 25%.

Individual country analysis *continued*

Isle of Man

Total tax contribution: **R252m**Employees: **199**Tangible assets: **R5 086m**

Name of resident entities

- Nedgroup Insurance Company Ltd
- Nedbank Private Wealth Ltd
- Nedgroup Investments (IOM) Ltd
- Nedgroup International Holdings Ltd

Business activity

Main services offered are wealth-related financial services, including investment advisory and administration services.

Employee remuneration

R 634m

Tax overview

We paid R40m in corporate income taxes and R212m in indirect taxes compared with a total tax contribution of R197m in 2023.

The effective corporate income tax rate of 4,97% on our operations was in line with the statutory tax rate of between 0% and 10%.

Note: Nedbank Private Wealth Ltd has tax obligations in the UK and in Jersey. These amounts have not been disclosed separately as they are immaterial.

Ecobank Transnational Incorporated



Business activity

Nedbank and ETI established a strategic banking alliance in 2008. In 2014 the strategic partnership was strengthened when Nedbank acquired a shareholding of 21,2% in ETI, enabling a unique 1-bank experience for our clients in 33 African countries across the largest banking network in central and west Africa. ETI is the leading pan-African bank and has a larger continental footprint than any other bank in the world.

Tax overview

The associate income of ETI represents the profit after tax for the period 1 October 2023 to 30 September 2024.

ETI paid US\$150m in corporate taxes compared with US\$136m in 2023.

The income tax rate applicable to the majority of the income of the ETI subsidiaries ranged from 25% to 45%.

Country-by-country reporting definitions

Revenue

Represents all revenue, gains, income, or other inflows as reflected in the AFS, split between unrelated and related-party revenue.

Profit/(loss) before tax

Represents all the entity's profits/(losses), without the consideration of any taxes.

Income tax paid

Represents amounts of taxes actually paid during the reporting fiscal year, including payments made in respect of prior-year tax obligations.

Income tax accrued

Represents amounts of accrued current tax expense recorded on taxable profits or losses in the reporting fiscal year, irrespective of whether the tax has been paid.

Related-party receivables/payables

Represents current accounts, deposits, derivatives, and loan funding. Interest rates are consistent with the pricing of funding and deposits with independent third parties.

Headcount

Represents the number of people employed by an entity at a given time, excluding contract workers, temporary employees, and contingent employees.

Individual country analysis *continued*

The tables and information below reflect the CbCR information and are based on CbCR requirements of the Global Reporting Initiative's Sustainability Reporting Standard on Tax. The CbCR information has been prepared on an entity standalone basis at a jurisdiction level and the amounts will not agree to the consolidated Nedbank Group AFS numbers. The individual country reports in the tax overview section above provide an explanation of the movement in the tax cash contribution as well as an explanation for the difference between the in-country effective tax rate and the statutory tax rate applicable to that jurisdiction. The CbCR report for the 2024 financial year has not been submitted to SARS yet and is only due on or before 31 December 2025.

Pro-forma CbCR for Nedbank Group at 31 December 2024

Tax jurisdiction	Unrelated-party revenue R000	Related-party revenue R000	Total revenue R000	Profit (loss) before tax R000	Income tax paid (on cash basis) R000	Income tax accrued – current year R000	Related-party receivables R000	Related-party payables R000	Headcount
South Africa	108 050 159	7 368 941	115 419 100	19 556 074	3 701 812	4 104 727	140 548 812	131 632 173	22 549
Botswana	15 764	0	15 764	4 240	0	0	0	14 609	3
England and Wales	10 316 803	771 656	11 088 459	1 721 561	427 314	429 127	23 751 740	39 259 371	67
Isle of Man	1 366 406	128 726	1 495 131	258 267	24 383	12 834	2 294 881	163 317	181
Jersey	666 075	0	666 075	228 882	12 177	26 411	0	0	18
Lesotho	516 630	169 545	686 175	155 955	19 552	35 971	1 580 416	84 354	280
Mauritius	496	0	496	16 993	0	1 621	10 171	0	1
Mozambique	1 334 739	6 686	1 341 425	346 828	73 876	79 356	39 836	53 112	503
Namibia	2 223 601	417 749	2 641 350	412 720	40 760	28 261	4 948 255	1 799 688	762
Eswatini	866 356	43 923	910 279	281 550	96 211	83 385	440 531	539 861	328
Zimbabwe	930 108	15 038	945 146	284 456	77 459	75 635	84 560	152 716	320
TOTAL	126 287 137	8 922 264	135 209 401	23 267 527	4 473 542	4 877 328	173 699 202	173 699 202	25 012

Actual CbCR for Nedbank Group at 31 December 2023

Tax jurisdiction	Unrelated-party revenue R000	Related-party revenue R000	Total revenue R000	Profit (loss) before tax R000	Income tax paid (on cash basis) R000	Income tax accrued – current year R000	Related-party receivables R000	Related-party payables R000	Headcount
South Africa	98 851 732	7 179 675	106 031 407	17 233 101	4 274 622	3 849 338	149 636 553	151 630 880	22 483
England and Wales	10 477 425	428 274	10 905 699	1 918 232	415 346	451 346	33 165 102	38 610 529	58
Isle of Man	1 547 286	105 191	1 652 476	453 963	17 047	23 711	2 121 836	115 964	151
Jersey	610 604	0	610 604	151 829	10 175	14 140	0	0	18
Lesotho	421 814	122 417	544 231	99 050	13 282	23 404	1 545 163	137 246	277
Mauritius	0	330	330	(994)	0	1	5 836	0	1
Mozambique	1 327 471	0	1 327 471	288 038	87 571	85 233	5 388	16 027	462
Namibia	2 084 197	466 846	2 551 044	519 783	45 074	118 658	4 381 664	1 151 401	743
Eswatini	847 254	0	847 254	252 527	60 351	67 417	489 980	365 402	324
Zimbabwe	1 224 469	30 506	1 254 975	840 568	45 202	62 578	684 680	8 757	311
TOTAL	117 392 251	8 333 239	125 725 490	21 756 097	4 968 669	4 695 826	192 036 205	192 036 205	24 828

* The 2023 Nedbank Zimbabwe numbers are reflected before hyperinflation adjustments.

* Profit before tax was adjusted to exclude intercompany dividends, as per OECD guidance published in May 2024.



Demonstrating compliance

Compliance of our Tax Review with the relevant reporting frameworks is demonstrated as follows:

GRI 207 Standards	GRI 207-1 Approach to tax	GRI 207-2 Tax governance, control, and risk management	GRI 207-3 Cooperative relations and advocacy	GRI 207-4 Publication of the Country-by-Country Report
Evidence	<ul style="list-style-type: none"> The Tax Strategy is included in the Tax Review and approved by the board. The board approves the Tax Policy and oversees the implementation of the strategy and the management of tax risks. Corporate structure aligned with the business and legal requirements and corporate governance standards. Non-use of special-purpose vehicles in non-cooperative jurisdictions. 	<ul style="list-style-type: none"> Internal control risk framework and processes to ensure tax compliance. Internal procedure for setting transfer prices aligned with value creation and the arm's-length principle. Organisational structure and adequate means to ensure the proper performance of the tax function. Existence of a 24/7 complaints channel. Application of tax law in line with the letter and spirit of the law. 	<ul style="list-style-type: none"> Banking Accord signed by SARS and BASA that commits Nedbank to cooperative tax compliance and open dialogue about tax matters. Application of the UK Banking Code of Good Tax Practices. Collaboration with local and international policy-setting organisations and local governments. 	<ul style="list-style-type: none"> Voluntary publication of the CbCR prepared according to OECD and GRI-207 criteria. The published CbCR contains economic magnitudes related to the group's performance, as well as a description of its business model with background information on the business activities conducted in each country. The CbCR for the current financial year is made public on a pro forma basis, as well as the actual report submitted to the revenue authorities in respect of the prior year.
Tax principles (aligned with The B Team Responsible Tax Principles)	<ul style="list-style-type: none"> Tax morality Transparency Regulatory compliance 	Accountability and governance	Constructive engagement	Transparency

A photograph of three business professionals in a meeting. A man in a light grey suit and a woman in a grey blazer are smiling and looking at a tablet held by a third person whose back is to the camera. They are seated at a table with a coffee cup and papers. Large windows in the background let in bright, natural light.

Stakeholder Engagement Review



Stakeholder engagement

Our relationships with our stakeholders and their support are key to building trust and maintaining a resilient reputation, which are essential not only for our sustainable business growth and success, but also for contributing to the creation of sustainable societies. Our mission, therefore, is to position Nedbank as a purpose-led organisation that uses its financial expertise to do good for stakeholders in pursuit of a common objective of creating shared value.

In line with Principle 16 of the King IV Code on Corporate Governance, the Nedbank governing body has adopted a stakeholder-inclusive approach that balances the needs, interests, and expectations of material stakeholders in the best interest of the organisation over time when executing its governance role and responsibilities.

The following information is disclosed in this report, in line with the recommendation of Part 5.5 of Principle 16 of King IV:

Governance and management of stakeholder relationships (overview)

The Group Transformation, Social and Ethics Committee (GTSEC) of the board oversees stakeholder engagement at Nedbank. The status of any material engagements with stakeholders is reported to the board annually through the Stakeholder Engagement Report, extracts of which form part of the Governance Report (previously part of the Society Report) as part of the Integrated Report.

The Group Stakeholder Relations and Public Affairs Team compiles an annual report to GTSEC, incorporating input from the Nedbank Stakeholder Relations Forum (NSRF) and the Group Executive Committee (Group Exco).

Stakeholder engagement coordination

The process of engaging with our stakeholders is decentralised and forms part of the operations of our various clusters and business areas, which facilitate both formal and informal interactions with stakeholders directly.

All Nedbank client-facing business units and corporate functions in SA and Nedbank Africa Regions (NAR), which include Lesotho, Mozambique, Eswatini, Namibia and Zimbabwe, report regularly on their stakeholder engagement activities to the Nedbank Stakeholder Relationship Forum (NSRF), which has clear terms of reference that guide its existence and functioning, and predominantly focuses on fulfilling the Stakeholder Engagement Policy.

Stakeholder Engagement Policy

To ensure that our business areas engage with our key stakeholders in a consistent and coordinated manner, cluster-based stakeholder engagement is governed by a comprehensive Stakeholder Engagement Policy, which is available at group.nedbank.co.za. The Stakeholder Engagement Policy is reviewed and approved annually by GTSEC, following input from NSRF and Group Exco.

Establishing the quality of our stakeholder relationships

Nedbank commissioned an independent assessment of its stakeholder relationships, and the analysis of selected relationships covered the following key areas:

- Measuring the quality of selected stakeholder relationships.
- Understanding strong relationships and those that require attention.
- Proposing solutions to address weaknesses and build strengths.

This annual analysis and feedback on the health of our relationships with stakeholders is the third of its kind for Nedbank.

For the latest study, interviews were held in late 2024, reflecting a snapshot of relational health at that time. While the categories essentially remained the same as in the previous study, the stakeholders were different. Therefore, direct comparisons to the previous study would not be meaningful.

The fieldwork report below summarises the interviews that were held. All 32 planned interviews (ie 100%) were completed successfully.

Mapping of material stakeholder groupings

In line with Part 5.5 of Principle 16 of King IV, we determine our material stakeholder groupings based on the extent to which they affect or are affected by Nedbank's activities, outputs, and outcomes. These stakeholder groupings have not changed over the years.





Stakeholder engagement continued

Our stakeholder relationships matrix

Stakeholder	Why we engage with stakeholders	Why they engage with us
Employees	<ul style="list-style-type: none"> To ensure we address employee matters that will contribute to Nedbank becoming an employer of choice. To understand and respond to the needs and concerns of our employees and how they contribute to Nedbank's achievements. To provide all employees with strategic direction and pertinent information about group activities. 	<ul style="list-style-type: none"> To give us feedback and input that can help us improve our working environment and business performance.
Unions	<ul style="list-style-type: none"> To promote fair and equitable employee relations practices, good governance and a sound working relationship. To ensure that all matters impacting the primary conditions of employment are addressed adequately through collective bargaining. 	<ul style="list-style-type: none"> To represent their members on issues of mutual interest. To serve the interests of their members. To consult on salary negotiations and engage on any changes impacting employees in the bargaining unit through a consultative forum and collective bargaining forum.
Shareholders	<ul style="list-style-type: none"> To provide current and future shareholders with relevant and timeous information to ensure that Nedbank shares are valued appropriately. To manage shareholder expectations. To maintain strong relationships, keep abreast of market developments and inform our Shareholder Targeting Strategy. To ensure good governance and deepen the trust placed in us and our brand. To get feedback that informs our strategy, business operations and how we govern. 	<ul style="list-style-type: none"> To derive value through share price appreciation and an attractive and sustainable dividend stream. To receive relevant and timeous information on our strategy, competitive position, and financial and non-financial performance so that they can assess our performance and prospects. To assess and gain insights into our practices and quality of leadership.
Clients	<ul style="list-style-type: none"> To ensure financial inclusion and accessibility to our products and services. We give particular attention to identifying client vulnerabilities and specific needs so that we can tailor our financial products and services in a manner that is sensitive and accommodating. We believe that the fair treatment of our clients through quality service delivery is the cornerstone of our business. To understand client needs and requirements. To become their financial services provider of choice. 	<ul style="list-style-type: none"> To receive sound financial advice and education. To access world-class innovative solutions and services. To grow and protect their investments and wealth. To enjoy convenient access to financial services, with less complexity and improved flexibility. To protect their assets through secure information technology (IT) systems and infrastructure. To get value for financial service offerings that are priced competitively and transparently.
Suppliers	<ul style="list-style-type: none"> To manage and mitigate risk across our supply chain. To assist with obtaining products or services required for conducting our business. 	<ul style="list-style-type: none"> To provide products and services. To negotiate pricing and contracts. To promote new products and service offerings. To respond to tenders and requests for proposals. To seek input and guidance on their sustainability journeys.
Society	<ul style="list-style-type: none"> To create partnerships that serve to facilitate our integrated sustainability activities. To obtain input from environmental experts, communities, and non-government organisations about key focus areas. To create awareness of our integrated sustainability commitment and initiatives. To remain relevant in the communities in which we operate. 	<ul style="list-style-type: none"> To get advice and guidance on achieving desired outcomes for themselves, their families, businesses, and communities. To partner on common social and environmental matters. To collaborate in a way that furthers social, environmental, and other common agendas for the greater good.
Governments	<ul style="list-style-type: none"> To seek alignment on the implementation of the National Development Plan 2030 and all associated national campaigns aimed at socioeconomic development and sustainable communities. To understand the priorities of the Government of National Unity and advocate for macroeconomic reforms and policies that will stimulate economic growth. To support the productive capacity of the economy. To enable effective public and private partnerships that can create jobs. To help preserve fiscal and macroeconomic stability in the countries where we operate. 	<ul style="list-style-type: none"> To ensure regulatory oversight over the financial community at large. To partner on key national initiatives aimed at unlocking investments, advancing socioeconomic development and facilitating the development of sustainable communities. To seek out a financial partner and banker.



Stakeholder engagement continued

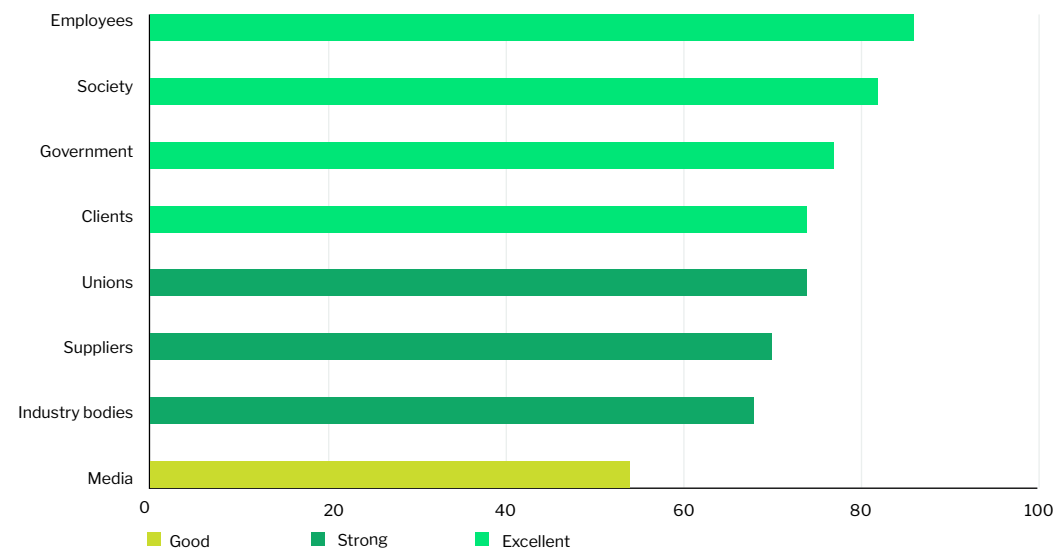
Stakeholder	Why we engage with stakeholders	Why they engage with us
Regulators	<ul style="list-style-type: none"> To maintain open, professional, honest, and transparent relationships. To ensure compliance with all legal and regulatory requirements. To maintain our operating licences. To solicit views on some of the bank's contemplated innovative products and services. To influence regulatory developments and requirements. To understand emerging regulatory trends. 	<ul style="list-style-type: none"> To ensure regulatory compliance. To promote the soundness of domestic banking and financial systems, which in turn contributes to financial stability. To respond to applications or provide feedback on contemplated innovative products or services. To engage on feedback in respect of regulatory developments and requirements.
Industry bodies	<ul style="list-style-type: none"> To continue learning through interaction. To promote our viewpoints and collaborate on key industry issues, regulatory developments, and requirements. To collectively engage on regulatory developments and requirements. To promote effective engagements with regulators as a collective body with common goals. To contribute towards public policy formulation. 	<ul style="list-style-type: none"> To deliver mutually useful learnings. To influence or promote common key issues. To assist in presenting commentary on regulatory developments to parliamentary portfolio committees. To gain insights and understanding on various specialised areas of expertise.
Media	<ul style="list-style-type: none"> To communicate our business and corporate citizenship story. To share information about our products and services. To promote, protect and manage our corporate reputation. To support a robust, informed and independent media, which is critical to build strong and democratic institutions. 	<ul style="list-style-type: none"> To share and inform their audiences on developments in the financial services sector in general and specific to Nedbank. To enquire about our contribution to the economies and the national priorities of the countries we operate in and about our products and services. To secure partnerships that support the long-term viability of quality journalism.

Measurement of quality of stakeholder relationships

In line with Part 5.5 clause 4 (e) of Principle 16 of King IV regarding stakeholder relationship measurement and results, 2024 was the third year that Nedbank commissioned an independent service provider to conduct an independent stakeholder relationship quality assessment survey. The data gathered is used to continue improving the quality of stakeholder relationships and enhancing the stakeholder engagement plan.

Inherent and sacrosanct in the stakeholder relationship quality measurement framework is the principle that both parties to the relationship must participate in the measurement. Internal stakeholders (our employees) and the external stakeholder for each category of stakeholder were interviewed. A total sample of 32 stakeholders from 8 stakeholder categories were surveyed.

Stakeholder engagement survey results (Score out of 100)



Stakeholder engagement continued

Highlights during 2024 included:

- Nedbank Corporate and Investment Banking, in partnership with Digital Council Africa, hosted the inaugural Digital Infrastructure Summit. This event featured broad discussions on issues affecting digital investments and infrastructure builds in southern Africa and provided insights into current trends and future projections in digital infrastructure, highlighting the growing demand for robust and scalable ICT infrastructure to support technological advancements.
- Nedbank Group Strategy hosted the NetZero Nexus Summit, bringing industry leaders, thought leaders, and academia together to promote collaboration and innovation in sustainability. Through panel discussions, keynote addresses, and interactive sessions, the summit explored the future of sustainable finance, climate action, and social equity.
- Nedbank hosted the third annual Nedbank Diplomatic Banking Dinner in Cape Town at the Mount Nelson Hotel. This event has become the premier State of the Nation (SONA) viewing dinner, attracting over 50 heads of mission and consuls general. The event fosters strong client relationships and experiences, optimising our stakeholder network for mutual benefit and enhancing internal capacity to meet the explicit and implicit needs of our clientele.
- Board Chairperson, Daniel Mminele, accompanied by Nedbank Group executives, engaged with key clients and stakeholders of Nedbank Namibia. The visit was part of a familiarisation programme for the Chairperson, focusing on the various countries where the group has operational interest. The Chairperson and team visited various development and business initiatives, culminating in a well-attended official dinner themed 'Is Africa open for business? Reflecting on the political economies of Namibia and South Africa'.
- The 53rd Nedbank and Old Mutual Budget Speech Competition announced this year's winners at a gala dinner held in Cape Town. This flagship programme aims to discover young talent, support efforts to build state capacity, and align with our purpose of using our financial expertise to do good.

Focus in 2025

In 2025 we will focus on building on the successes achieved in the previous year. We will also continue to maintain strong and productive relationships with key stakeholders that support our organisational objectives while ensuring mutual benefits. Through these partnerships, we aim to help contribute towards creating more sustainable societies.

