



**NEDBANK GROUP LIMITED**

*(incorporated with limited liability under registration number 1966/010630/06 in the Republic of South Africa)*

**ZAR25,000,000,000 DOMESTIC MEDIUM TERM NOTE PROGRAMME**

**issue of ZAR2,000,000,000 Subordinated Floating Rate Green Tier 2 Notes due 30 June 2030**

This document constitutes the Applicable Pricing Supplement relating to the issue of the Tranche of Subordinated Notes described herein ("Notes" and "this Tranche").

This Applicable Pricing Supplement must be read in conjunction with the Amended and Updated Programme Memorandum, dated 8 February 2019, as amended and/or supplemented from time to time ("Programme Memorandum"), prepared by Nedbank Group Limited ("Issuer") in connection with the Nedbank Group Limited ZAR25,000,000,000 Domestic Medium Term Note Programme ("Programme").

The Programme Memorandum, dated 8 February 2019, was registered and approved by the JSE Limited ("JSE") on 4 February 2019.

References to the "Terms and Conditions" in this Applicable Pricing Supplement are to the section of the Programme Memorandum headed "Terms and Conditions". References to any Condition in this Applicable Pricing Supplement are to that Condition of the Terms and Conditions.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the Terms and Conditions.

This Tranche will be issued on, and subject to, the Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of this Tranche set out in this Applicable Pricing Supplement.

To the extent that there is any conflict or inconsistency between the provisions of the Terms and Conditions and the provisions of this Applicable Pricing Supplement, the provisions of this Applicable Pricing Supplement shall prevail.

**A. DESCRIPTION OF THE NOTES**

|     |  |  |
|-----|--|--|
| 1.  | Issuer   | Nedbank Group Limited  |
| 2.  | Tranche number                                 | 11   |
| 3.  | Series number                                  | 2  |
| 4.  | Status of the Notes                            | Subordinated Notes: Tier 2 Notes (see Condition 5.2 ( <i>Status of the Tier 2 Notes</i> ))   |
| 5.  | Security                                       | Unsecured  |
| 6.  | Form of the Notes                              | Registered Notes.<br><br>The Notes are issued in registered uncertificated form and will be held in the Central Securities Depository. |
| 7.  | Type of Notes                                  | Floating Rate Notes  |
| 8.  | Issue Date/First Settlement Date               | 30 June 2020   |
| 9.  | Issue Price                                    | 100%   |
| 10. | Interest                                       | Floating Rate Note Provisions (see Condition 8.2 ( <i>Floating Rate Note Provisions</i> ))   |
| 11. | Redemption/Payment Basis                       | Redemption at par  |
| 12. | Change of interest or redemption payment basis | Not Applicable   |
| 13. | Aggregate Principal Amount of this             | ZAR2,000,000,000   |

|           |   |   |
|-----------|---|---|
|           | Tranche   |   |
| 14.       | Specified Currency  | ZAR   |
| 15.       | Specified Denomination (Principal Amount per Note)  | ZAR1,000,000  |
| 16.       | Minimum Specified Denomination of each Note   | ZAR1,000,000  |
| 17.       | Calculation Amount  | ZAR1,000,000  |
| 18.       | Business Day Convention   | Modified Following Business Day Convention  |
| 19.       | Day Count Fraction  | Actual/365  |
| <b>B.</b> | <b>PROGRAMME AMOUNT</b>   |   |
| 1.        | Programme Amount as at the Issue Date   | ZAR25,000,000,000   |
| 2.        | Aggregate outstanding Principal Amount of all of the Notes (including Existing Notes) in issue under the Programme as at the Issue Date | ZAR16,357,000,000, excluding the aggregate Principal Amount of this Tranche and any other Tranches of Notes issued on the Issue Date specified in Item A(8) above.  |
| 3.        | Issuer confirmation as to Programme Amount  | The Issuer confirms that the issue of this Tranche will not cause the Issuer to exceed the Programme Amount.  |
| <b>C.</b> | <b>FLOATING RATE NOTE PROVISIONS</b>  |   |
| 1.        | Floating Interest Rate  | The Notes will bear interest at the Floating Interest Rate per annum (nominal annual compounded quarterly) equal to the sum of the Reference Rate (see Item C(9)(a) below) plus the Margin (see Item C(11) below), determined by the Calculation/Issuer Agent in accordance with Condition 8.2.6 ( <i>Calculation of Interest Amount</i> ), for the period from and including the Issue Date to but excluding the Redemption Date.  |
| 2.        | Interest Commencement Date  | 30 June 2020  |
| 3.        | Interest Payment Dates  | Quarterly in arrear on 26 August, 26 November, 26 February and 26 May of each year until the Redemption Date or, if any such date is not a Business Day, the date determined in accordance with the Modified Following Business Day Convention (see Item A(18) above).  |
| 4.        | First Interest Payment Date   | 26 August 2020  |
| 5.        | Interest Periods  | Each successive period commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period shall commence on (and include) the Interest Commencement Date (30 June 2020) and end on (but exclude) the First Interest Payment Date (26 August 2020) and the final Interest Period shall end on (but exclude) the Redemption Date, it being recorded, for the avoidance of doubt, that if any such date is not a Business Day, the date will be determined in accordance with the Modified Following Business Day Convention (see Item C(3) above). |
| 6.        | Rate Determination Dates  | The first day of each Interest Period; provided that the Rate Determination Date for the first Interest Period shall be 26 June 2020.   |
| 7.        | Manner in which the Floating  | Screen Rate Determination   |

Interest Rate is to be determined

8. **If ISDA Determination applicable:** Not Applicable
9. **If Screen Rate Determination applicable:** Applicable
  - (a) Reference Rate 3-month JIBAR (being, subject to Condition 8.2.3 (*Screen Rate Determination*), the average mid-market yield rate per annum for 3-month deposits in Rand which appears on the Relevant Screen Page as the "SFX 3M YIELD" at or about the Relevant Time on the Rate Determination Date, determined by the Calculation/Issuer Agent in accordance with Condition 8.2.6 (*Calculation of Interest Amount*); provided that if the Reference Rate is negative the Reference Rate will be deemed to be zero.
  - (b) Relevant Screen Page Reuters Screen SAFETY page
  - (c) Relevant Time 11h00 (South African time)
  - (d) Relevant Financial Centre Johannesburg
  - (e) Reference Banks Absa Bank Limited, FirstRand Bank Limited, Investec Bank Limited, The Standard Bank of South Africa Limited
10. **If Other Determination applicable:** Not Applicable
11. Margin 2.80%
12. Minimum Floating Interest Rate Not Applicable
13. Maximum Floating Interest Rate Not Applicable
14. Default Rate The Floating Interest Rate specified in Item C(1) above (see Condition 8.5.1 (*Default interest*))
15. Fall back provisions, rounding provisions and any other terms relating to the method of calculating the Floating Interest Rate
 

Conditions 8.2.3.3 and 8.2.3.4 shall be replaced in their entirety with the following new Conditions 8.2.3.3, 8.2.3.4, and 8.2.3.5:

8.2.3.3 if, in the case of Condition 8.2.3.1, the Reference Rate does not appear on the Relevant Screen Page or, in the case of Condition 8.2.3.2, fewer than two Reference Rates appear on the Relevant Screen Page or if, in either case, the Relevant Screen Page is unavailable, the Calculation/Issuer Agent will:

8.2.3.3.1 request each of three Reference Banks (which participate in the JIBAR panel) to provide a quotation of the Reference Rate at approximately the Relevant Time on the Rate Determination Date; and

8.2.3.3.2 determine the arithmetic mean of such quotations;

8.2.3.4 (a) if no quotations of the Reference Rate contemplated in Condition 8.2.3.3.1 are available or (b) if less than three Reference Banks (which participate in the JIBAR panel) provide quotations of the Reference Rate (as contemplated in Condition 8.2.3.3.1), as the case may be, the Issuer and the Noteholder/s will, within 30 days of the date on which the Calculation/Issuer Agent becomes aware of the circumstances contemplated in sub-paragraph (a) or sub-paragraph (b), as the case may be (such 30-day period being the "Negotiation Period"), negotiate in good faith to reach agreement on an alternative Reference Rate; provided that, if agreement is so reached, such alternative Reference Rate shall, within the Negotiation Period, be approved by way of an Extraordinary Written Resolution of the Noteholder/s of this Tranche, as

contemplated in Condition 20.3 (*Amendments*) of the Terms and Conditions. The Reference Rate applicable to this Tranche during the Negotiation Period shall be the rate at which JIBAR was determined on the immediately preceding Rate Determination Date;

- 8.2.3.5 if the Floating Interest Rate cannot be determined by applying the provisions of the preceding paragraphs of this Condition 8.2.3, the Floating Interest Rate for the relevant Interest Period shall be the rate per annum which the Calculation/Issuer Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0,00005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation/Issuer Agent by three Reference Banks (or more of them), at which such Reference Banks offered, at approximately 11h00 (South African time) on the Business Day immediately following the end of the Negotiation Period, in respect of loans in an amount approximately equal to the aggregate Outstanding Principal Amount of this Tranche, for a period equal to that which would have been used for the Reference Rate, to banks in the South African inter-bank market plus the Margin.

#### **D. REDEMPTION**

- |     |   |   |
|-----|---|---|
| 1.  | Maturity Date   | 30 June 2030  |
| 2.  | Final Redemption Amount   | The aggregate outstanding Principal Amount of this Tranche (plus accrued interest, if any) to the Maturity Date.  |
| 3.  | Prior approval of the Prudential Authority required for redemption prior to the Maturity Date | Yes   |
| 4.  | <b><i>Issuer Early Redemption Election:</i></b>   | Applicable (see Condition 9.4 ( <i>Redemption at the election of the Issuer</i> ), subject to the Issuer complying with the conditions to redemption set out in Condition 9.4.2 ( <i>Subordinated Notes</i> )). |
| (a) | Redemption in whole   | Applicable  |
|     | • Early Redemption Date (Call)  | 1 July 2025 ("First Early Redemption Date (Call)") or any Interest Payment Date falling after the First Early Redemption Date (Call).   |
|     | • Early Redemption Amount (Call)  | The aggregate outstanding Principal Amount of this Tranche (plus accrued interest, if any) to the Early Redemption Date (Call).   |
|     | • Notice period   | 30 days   |
| (b) | Redemption in part  | Not Applicable  |
| 5.  | <b><i>Noteholder Early Redemption Election:</i></b>   | Not Applicable  |
| 6.  | <b><i>Early redemption following a Tax Event:</i></b>   | Applicable (see Condition 9.2 ( <i>Redemption for tax reasons</i> )), subject to the prior written approval of the Prudential Authority.  |
| (a) | Redemption in whole   |   |
|     | • Early Redemption Date (Tax)   | The Interest Payment Date stipulated as the Early Redemption Date (Tax) in the notice of redemption given by the Issuer in terms of Condition 9.2 ( <i>Redemption for tax reasons</i> ).                        |
|     | • Early Redemption Amount   | The aggregate outstanding Principal Amount of this Tranche plus   |

|           |  |  |
|-----------|--|--|
|           | (Tax)  | accrued interest (if any) to the Early Redemption Date (Tax).  |
| 7.        | <b>Early redemption following a Regulatory Event:</b>  | Applicable (see Condition 9.3 ( <i>Redemption for regulatory reasons</i> )), subject to the prior written approval of the Prudential Authority.  |
| (a)       | Redemption in whole                                    |  |
|           | • Early Redemption Date (Regulatory)                   | The Interest Payment Date stipulated as the Early Redemption Date (Regulatory) in the notice of redemption given by the Issuer in terms of Condition 9.3 ( <i>Redemption for regulatory reasons</i> ).   |
|           | • Early Redemption Amount (Regulatory)                 | The aggregate outstanding Principal Amount of this Tranche plus accrued interest (if any) to the Early Redemption Date (Regulatory).   |
| 8.        | Independent Investment Bank                            | Not Applicable   |
| 9.        | Other terms applicable on redemption                   | Not Applicable   |
| <b>E.</b> | <b>OCCURRENCE OF THE TRIGGER EVENT</b>                 |  |
| 1.        | <b>Trigger Event:</b>                                  | Condition 10.5 ( <i>Occurrence of the Trigger Event</i> ) applicable   |
| 2.        | <b>Write-Off:</b>                                      | Applicable   |
|           |  | At the occurrence of the Trigger Event (at the Discretion of the Prudential Authority), the Unpaid Amount shall be Written Off and all of the Notes or the Relevant Portion of the Notes, as applicable, shall be cancelled in accordance with the provisions of Condition 10.18 ( <i>Write-Off</i> ). |
| (a)       | Other terms applicable on Write-Off                    | Not Applicable   |
| 3.        | <b>Conversion:</b>                                     | Not Applicable   |
| 4.        | Section 4.22(gg) of the JSE Debt Listings Requirements | The Notes will not be "automatically redeemed on the occurrence of a trigger event" as contemplated in Section 4.22(gg) of the JSE Debt Listings Requirements).  |
| <b>F.</b> | <b>BANKS ACT PROVISIONS</b>                            |  |
| 1.        | Additional Conditions                                  | Not Applicable   |
| 2.        | Proceeds of issue                                      | As at the Issue Date, the proceeds of the issue of this Tranche will rank as Tier 2 Capital.   |
| 3.        | Condition 9.11.1 ( <i>Subordinated Notes</i> )         | Condition 9.11.1 ( <i>Subordinated Notes</i> ) shall be replaced in its entirety with the following:<br><br>"No proscribed entity referred to in Regulations 38(11)(b)(iv)(E) and 38(12)(a)(iv)(F) of the Regulations Relating to Banks may purchase or acquire or hold any Subordinated Notes."       |
| <b>G.</b> | <b>AGENTS AND SPECIFIED OFFICES</b>                    |  |
| 1.        | Calculation/Issuer Agent                               | Nedbank Limited  |
| 2.        | Specified Office of the Calculation/Issuer Agent       | Nedbank 135 Rivonia Campus, Third Floor Block F, 135 Rivonia Road, Sandton, 2196, South Africa   |
| 3.        | Settling Bank  | Nedbank Investor Services, a division of Nedbank Limited   |
| 4.        | Specified Office of the Settling Bank                  | Lakeview Campus, 16 Constantia Boulevard, Constantia Kloof, Roodepoort, 1709, South Africa   |
| 5.        | Transfer Agent   | Nedbank Investor Services, a division of Nedbank Limited   |

- |    |   |  |
|----|---|--|
| 6. | Specified Office of the Transfer Agent                        | Lakeview Campus, 16 Constantia Boulevard, Constantia Kloof, Roodepoort, 1709, South Africa |
| 7. | Issuer's Participant/Settlement Agent                         | Nedbank Investor Services, a division of Nedbank Limited                                   |
| 8. | Specified Office of the Issuer's Participant/Settlement Agent | Lakeview Campus, 16 Constantia Boulevard, Constantia Kloof, Roodepoort, 1709, South Africa |

#### **H. REGISTER CLOSED**

- |    |                        |   |
|----|------------------------|---|
| 1. | Last Day to Register   | Up until 17h00 (South African time) on 21 August, 21 November, 21 February and 21 May of each year until the Redemption Date being, in each instance, the last date on which the Transfer Agent will accept Transfer Forms and record in the Register the transfer of Notes represented by Certificates or, if any such date is not a Business Day, the date determined in accordance with the Modified Following Business Day Convention (see Item A(18) above). |
| 2. | Register Closed Period | The Register will be closed during the 5 days preceding each Interest Payment Date and the Redemption Date from 17h00 (South African time) on the Last Day to Register until 17h00 (South African time) on the day preceding the Interest Payment Date and the Redemption Date, being the period during which the Register is closed for purposes of giving effect to transfers, redemptions or payments in respect of the Notes.                                 |
| 3. | Books Closed Dates     | 22 August, 22 November, 22 February and 22 May of each year until the Redemption Date or, if any such date is not a Business Day, the date determined in accordance with the Modified Following Business Day Convention (see Item A(18) above).   |

#### **I. GENERAL**

- |    |   |   |
|----|---|---|
| 1. | Exchange control approval                           | <p>Applicable. The subscriber for the Notes on the primary market is a "non-resident" for purposes of the Exchange Control Regulations. The issue of this Tranche of Notes therefore requires the prior written approval of the Exchange Control Authorities in terms of the Exchange Control Regulations.</p> <p>The Exchange Control Authorities have confirmed in writing, in a letter to Nedbank Limited (as the Issuer's "authorised dealer" for purposes of the Exchange Control Regulations), dated 15 May 2020, that "<i>.. from an exchange control point of view, [we] have no objection to the issuance of the proposed note with a nominal amount of R2 billion, and for the note to be listed on the JSE Limited</i>".</p> |
| 2. | Additional selling restrictions                     | See Item F(3) above   |
| 3. | International Security Identification Number (ISIN) | ZAG000169079  |
| 4. | Stock Code Number                                   | NGL01G  |
| 5. | Financial Exchange                                  | JSE Limited (Interest Rate Market of the JSE – Green Segment)   |
| 6. | Debt Sponsor  | Nedbank Limited, acting through its Corporate and Investment Banking division   |
| 7. | Name of Dealer                                      | Nedbank Limited, acting through its Corporate and Investment Banking division   |
| 8. | Stabilisation Manager                               | Not Applicable  |

|     |   |  |
|-----|---|--|
| 9.  | Method of Distribution  | Private Placement  |
| 10. | Bookbuild and Allocation Policy   | Not Applicable   |
| 11. | Pricing Methodology   | Not Applicable   |
| 12. | Governing law   | The Notes and the Applicable Terms and Conditions are governed by, and shall be construed in accordance with, the laws of South Africa.  |
| 13. | Additional Financial Centre   | Not Applicable   |
| 14. | Additional Business Centre  | Not Applicable   |
| 15. | Other Banking Jurisdiction  | Not Applicable   |
| 16. | Rating/s (if any) assigned to this Tranche as at the Issue Date, Rating Agency/ies and date/s on which such Rating/s is/are expected to be reviewed | Not Applicable   |
| 17. | Rating/s assigned to the Issuer as at the Issue Date, Rating Agency/ies and date/s on which such Rating/ is/are expected to be reviewed             | Not Applicable   |
| 18. | Use of proceeds   | <p>As at the Issue Date, the proceeds of the issue of this Tranche will rank as Tier 2 Capital.</p> <p>The Issuer will use an amount equal to the net proceeds of the issue of this Tranche to fund SDG Projects (such amount to be managed and allocated in accordance with the Sustainable Development Goals Framework).</p> <p>For purposes of this Item I(18) and Item I(21) below the following terms bear the following meanings:</p> <p>a) <b>"Nedbank Limited"</b> means Nedbank Limited (incorporated with limited liability under registration number 1951/000009/06 in South Africa), a wholly-owned subsidiary of the Issuer and licensed as a bank in terms of the Banks Act;</p> <p>b) <b>"SDG Projects"</b> means, collectively, projects and/or assets (selected by the Issuer, in its sole discretion) that promote Sustainable Development Goals, and <b>"SDG Project"</b> means any of them;</p> <p>c) <b>"Sustainable Development Goals"</b> means such Sustainable Development Goals (specified as such in the Sustainable Development Goals Framework) as are green and/or environmentally friendly and/or sustainable goals, selected by the Issuer, in its sole discretion, for purposes of the use of an amount equal to the net proceeds of the issue of the relevant Notes in terms of this Item I(18);</p> <p>d) <b>"Sustainable Development Goals Framework"</b> means the Sustainable Development Goals ('SDG') issuance framework established by Nedbank Limited which sets out the criteria and process for the identification and assessment of eligible finance activities that would fit within green and/or environmentally friendly and/or sustainable and/or social bond categories, and which framework is available on Nedbank Limited's website : <a href="https://www.nedbank.co.za/content/dam/nedbank/site-assets/AboutUs/Investor%20Centre/Debt%20Investor/SDGIssuan">https://www.nedbank.co.za/content/dam/nedbank/site-assets/AboutUs/Investor%20Centre/Debt%20Investor/SDGIssuan</a></p> |

ces/Nedbank%20Sustainable%20Development%20Goals%20Issuance%20Framework.pdf under the Debt Investor Centre.

The Sustainable Development Goals Issuance Framework is incorporated by reference into this Applicable Pricing Supplement and will apply to the use of an amount equal to the net proceeds of the issue of this Tranche described in the second paragraph above.

**19. Material change**

Save as is set out in the paragraph below (and the SENS Announcement defined as such in that paragraph), the Issuer confirms that, as at the date of signature of this Applicable Pricing Supplement, no material change in the financial or trading condition of the Issuer or any "subsidiary" (as defined in the Companies Act) of the Issuer has occurred since 31 December 2019 (being the end of the last financial period for which audited annual financial statements of the Issuer have been prepared). This statement has not been confirmed or verified or reviewed and reported on by the auditors of the Issuer.

On 22 May 2020 Nedbank Limited and the Issuer published a SENS announcement, headed "NEDBANK GROUP VOLUNTARY TRADING UPDATE FOR Q1 2020 AND TRADING STATEMENT FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2020" ("SENS Announcement"). The SENS announcement is incorporated by reference into this Applicable Pricing Supplement. The SENS Announcement is available on the following JSE website link: <https://www.jse.co.za/current-companies/companies-and-financial-instruments/issuer-profile?issuermasterid=1338>.

**20. Commercial Paper Regulations**

Not Applicable. The sole subscriber for this Tranche is a "non-resident". The "non-resident" subscriber for this Tranche does not comprise "the general public" in South Africa. The Issuer does not, in relation to the issue and placing of this Tranche, conduct "the business of a bank" (as defined in the Banks Act, 1990).

**21. Other relevant information**

Carbon Trust is the appointed independent advisor (as defined in section 6.10 of the JSE Debt Listings Requirements) to provide a second opinion regarding the issuance of the Notes in the context of the Sustainable Development Goals Framework (as defined in Item I(18) above) and its alignment with the green standards (as defined in section 6.10 of the JSE Debt Listings Requirements).

Carbon Trust specializes in assessing the framework of the instruments' environmental objectives and has sufficient financial and market-specific expertise to perform a comprehensive assessment on the green status of the instruments as evidenced by significant and appropriate experience in providing external reviews on green instruments (see Annexure "A").

The Issuer certifies that, to the best of its knowledge and belief, there are no facts the omission of which would make this Applicable Pricing Supplement false or misleading, that all reasonable enquiries to ascertain such facts have been made, and that this Applicable Pricing Supplement contains all information required by the JSE Debt Listings Requirements (and all other Applicable Laws) to appear in this Applicable Pricing Supplement.


The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing Supplement, the annual financial statements of the Issuer, the "Nedbank Group Limited Integrated Report" ("Integrated Report") and any amendments or supplements to the aforementioned documents, except as otherwise stated therein.

The JSE takes no responsibility for the contents of the Programme Memorandum, this Applicable Pricing Supplement, the annual financial statements of the Issuer, the Integrated Report and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Programme Memorandum, this Applicable Pricing Supplement, the annual financial statements of the Issuer, the Integrated Report and any amendments or supplements to the aforementioned documents, and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listing of the Notes is not to be taken in any way as an indication of the merits of the Issuer or of the Notes and, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.



Application is hereby made to list Tranche 11 of Series 2 of the Subordinated Notes on the Interest Rate Market (Green Segment) of the JSE, as from 30 June 2020, pursuant to the Nedbank Group Limited ZAR25,000,000,000 Domestic Medium Term Note Programme.

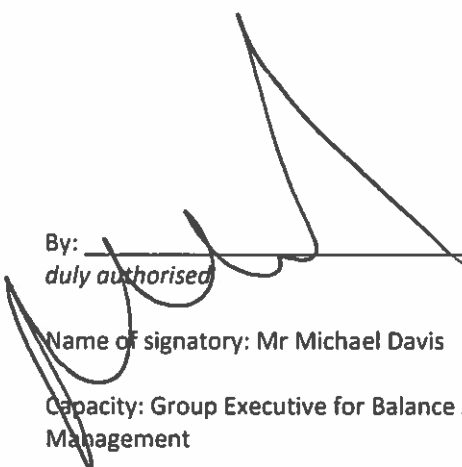
**NEDBANK GROUP LIMITED**

By:   
duly authorised

Name of signatory: Ms Raisibe Morathi

Capacity: Nedbank Group Chief Financial Officer

Date: 26 June 2020

By:   
duly authorised

Name of signatory: Mr Michael Davis

Capacity: Group Executive for Balance Sheet Management

Date: 26 June 2020

### Annexure "A"

Nedbank Limited has established the Sustainable Development Goals Framework which sets out the criteria and process for the identification and assessment of eligible finance activities that would fit within green and/or social bond categories.

The Sustainable Development Goals Framework is incorporated by reference into this Applicable Pricing Supplement and will apply to the proceeds of the issue of the Notes ("Note Proceeds"). The Sustainable Development Goals Framework is available on the Issuer's website <https://www.nedbank.co.za/content/dam/nedbank/site-assets/AboutUs/Investor%20Centre/Debt%20Investor/SDGIssuances/Nedbank%20Sustainable%20Development%20Goals%20Issuance%20Framework.pdf> under the Debt Investor Centre.

Using the Sustainable Development Goals Framework, the Issuer has identified financing projects, in line with Sustainable Development Goal 7, for the Note Proceeds.

The Issuer will report annually on the portion of the Note Proceeds disbursed to each SDG Project, against the total amount of the Note Proceeds ("Report").

The Report will outline:

- the amount of the Note Proceeds disbursed to each SDG Project, and provide a brief description of each type of SDG Project (Solar / Wind etc.);
- the amount of undisbursed Note Proceeds;
- if applicable, a summary of each substitution of an SDG Project with another eligible SDG Project.

The Issuer will publish a SENS announcement stating when the Report will be made available on the Issuer's website (at [www.nedbank.co.za](http://www.nedbank.co.za) under the Debt Investor Centre).

The Independent Advisor's second opinion concerning alignment of the Notes with the green standards (as defined in section 6.10 of the JSE Debt Listings Requirements) is also incorporated by reference into this Applicable Pricing Supplement and will be made available on the Issuer's website at [www.nedbank.co.za](http://www.nedbank.co.za) under the Debt Investor Centre.

The Issuer will monitor the portion of the Note Proceeds disbursed to each SDG Project, against the total amount of the Note Proceeds and, if there is a shortfall, the Issuer will invest an amount equivalent to that shortfall in a liquidity pool within the Nedbank Group. An amount equivalent to the shortfall will be invested in temporary investment instruments that are cash, or cash equivalent instruments within a treasury function. Alternatively, the Issuer will hold an amount equivalent to the shortfall in temporary investment instruments that do not include greenhouse gas intensive projects which are inconsistent with the delivery of a low carbon and climate resilient economy or an amount equivalent to the shortfall will be applied by the Issuer to temporarily reduce indebtedness of a revolving nature before being redrawn for investments or disbursements.