NEDBANK GROUP LIMITED
Reg No. 1966/010630/06

NEDBANK GROUP

MINUTES OF THE 56th ANNUAL GENERAL MEETING OF SHAREHOLDERS OF NEDBANK GROUP LIMITED ('NEDBANK GROUP' OR 'THE COMPANY') HELD AS A HYBRID MEETING VIA WEBCAST, TELECONFERENCE AND IN PERSON IN THE BOARDMAN AUDITORIUM, BLOCK G, NEDBANK 135 RIVONIA CAMPUS, 135 RIVONIA ROAD, SANDOWN, SANDTON, ON FRIDAY, 2 JUNE 2023 AT 08:30

1. PRESENT

24 shareholders present by way of letters of representation, representing 1 038 493 shares; and
31 participants' proxies received in favour of the Chairperson, representing 392 673 141 shares.

Total shares represented, including proxies: 393 711 634 shares (79,10% of the total issued share capital of the Company).

Directorate: PM Makwana (Chairperson), MWT Brown (Chief Executive), HR Brody, BA Dames, MH Davis (Chief Financial Officer), NP Dongwana, EM Kruger, P Langeni, RAG Leith, L Makalima, Dr MA Matooane, AD Mminele (Chairperson-designate), MC Nkuhlu (Chief Operating Officer), M Nyati and S Subramoney.

Auditors: V Sangoni (Deloitte & Touche), F Mohideen (Ernst & Young Inc.)

Group Company Secretary: J Katzin.

Transfer Secretaries: JSE Investor Services Proprietary Limited (JSE Investor Services), represented by S Kajee, M Ismail and M Mia.

13 shareholders were in attendance via webcast and teleconference.
22 visitors were in attendance via the webcast and teleconference.
31 visitors signed the visitors' attendance register.

2. WELCOME

Mr Makwana, Chairperson of Nedbank Group, chaired the meeting and welcomed everyone to the 56th annual general meeting (AGM) of the Company.

3. NOTICE OF MEETING

The statutorily required notice of the meeting, having been circulated to all shareholders on 20 April 2023, was taken as read.

4. MEETING DULY CONSTITUTED

The Chairperson recorded that the meeting was required to note the quorum and voting requirements on the ordinary and special resolutions to be proposed at the meeting. In terms of the Company's memorandum of incorporation (MOI), the quorum for the AGM was 3 or more shareholders present and entitled to vote, and shareholders representing at least 25% of the issued ordinary shares.

4. MEETING DULY CONSTITUTED (cont.)

The percentage voting rights required to pass the ordinary resolutions was more than 50% of the voting rights entitled to be exercised thereon, and the percentage voting rights required to pass the special resolutions was at least 75% of the voting rights entitled to be exercised thereon.

The Group Company Secretary confirmed that the required quorum was present, and the Chairperson declared the meeting duly constituted.

5. DOCUMENTS FOR INSPECTION

Shareholders were advised that all documents statutorily required to be available for inspection by shareholders, including the MOI, share register and directors' declaration of interests, were available for inspection and could be requested from the Group Company Secretary.

6. PROCEEDINGS OF MEETING

It was noted that in terms of section 63(4) of the Companies Act, voting may be either by a show of hands or by way of a poll. With reference to section 63(7)(a) of the Companies Act, the Chairperson announced that requests had been received from a sufficient number of shareholders to conduct voting by way of a poll and therefore it was his intention to conduct voting by way of a poll in respect of all the resolutions proposed at the meeting. Mr Ismail and Mr Mia from JSE Investor Services were nominated as scrutineers by the Chairperson and were requested to certify the ballot count and results.

As indicated in the explanatory notes to the notice convening the meeting, it was noted that shareholders participating online would be able to view the live webcast of the meeting, ask the board questions, and submit their votes. Certificated shareholders who had not cast their votes via proxy prior to the AGM would be able to access the voting platform and vote during the meeting. All other shareholders who had lodged proxy or voting instruction forms prior to the meeting for their proxies, participant or broker to vote on their behalf would not be able to vote at the meeting as their votes had already been recorded by the transfer secretaries; however, they were able to follow the live webcast or follow the proceedings and ask the board questions through the various virtual meeting channels. For shareholders attending in person, it was noted that voting would take place via an electronic device and the same electronic device would be used for shareholders that had registered to attend the General Meeting relating to the proposed Nedbank Group Odd-lot offer taking place at 10:30.

The Chairperson provided a short explanation on how shareholders could vote and ask the board questions. He noted that the voting results for all resolutions would be announced at the end of the meeting to allow sufficient time for the scrutineers to record the online votes.

7. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS AND REPORTS

The Chairperson took as read the Nedbank Group annual financial statements, the directors' and the auditors' reports, and the required report of the Group Audit Committee for the year ended 31 December 2022, which had been circulated to shareholders on 20 April 2023.

The Chairperson then addressed the meeting as follows:

'The South African economy was negatively impacted by a succession of shocks throughout 2022 – some as a result of global challenges but many being self-inflicted.

The year started with Russia's invasion of Ukraine, driving oil, food, and other commodity prices higher and adding to inflationary pressures in most countries. As a result, interest rates in most countries rose faster than previously expected putting pressure on many borrowers – consumer, corporate and sovereign. In SA, the year ended off with very high levels of loadshedding which have continued into 2023. Operating in this environment has not been easy for us as Nedbank and our clients.

7. **PRESENTATION OF ANNUAL FINANCIAL STATEMENTS AND REPORTS (cont.)**

In 2022 the board heightened its focus on several areas, including guiding the group through the difficult and volatile macroeconomic environment I have just described, making progress on the group's strategy and setting ambitious new medium-term targets, as well as addressing historic reputational matters and heightening our focus on ESG matters alongside an increased focus on board and executive succession planning.

In this context there are a few top-of-mind points I would like to highlight at this AGM:

- Notwithstanding the difficult environment, the group's financial performance for 2022 was strong and reflected a trio of 14s. Headline earnings increasing 20% to R14bn, ROE increasing to 14% and a CET1 capital adequacy ratio of 14%. Importantly our balance sheet is robust, as it should be in the current period of political and economic volatility.

- Fulfilling our purpose of using our financial expertise to do good was demonstrated through our ongoing delivery against the United Nations Sustainable Development Goals (UN SDGs), our continued focus on leading in ESG matters, and our commitment to sustainable-development finance as we tilt our portfolio to areas that create positive impacts. At 31 December 2022 the group had exposures of R123bn that support sustainable development finance, representing 14% of the group's gross loans and advances. It is our ambition to have increased our related exposures to around 20% of the group's total loans by the end of 2025 supported by R150bn in new sustainable development finance for our clients.

- We also continued to make investments and commitments aimed at mitigating climate risk and driving a positive transition that creates jobs and business opportunities. We need real change in a short space of time to transform and decarbonise our energy sector, our transportation sector, our food systems, and our built environments. Despite the challenging environment, within all these sectors there are exciting opportunities and we want to be the bank that supports our clients through the Just Transition. We have already taken the lead in capital mobilisation and the funding of green projects, guided by our Energy Policy. This year we published the financed emissions of our fossil fuel portfolio, with our fossil fuel and power generation glidepaths to 2050 to be disclosed next year.

- We once again achieved a level 1 broad-based black economic empowerment (BBBEE) contributor status under the Amended Financial Sector Code. It is the fifth year in a row that we have been able to meet the highest rating on the BBBEE scorecard, and it speaks volumes about how we put our purpose into practice, albeit that a scorecard can never capture the true transformation journey we are on.

- From a strategy perspective, over the past five years we have been investing in information technology (IT) to completely refresh the Nedbank IT stack, and we have now achieved 91% completion of the IT build of this complex and challenging task that is vital for ongoing competitiveness. We plan to continue investing, albeit at lower levels, to further enhance our digital platforms and remain at the leading edge of the rapidly changing digital landscape. Encouragingly, we can see that our investments are bearing fruit, and the success of our digital transformation is evidenced by the strong growth in the use of our digital platforms and enhanced client satisfaction levels as well as improved efficiencies.

- The world of work continues to evolve as many businesses reimagine business models and people practices following the pandemic. As part of our commitment to building the nations where we operate and being an employer of choice, we continue to invest in skills for the future and contribute to skills that preserve the employability of our people.

- Lastly, we reflected on feedback from our shareholders on remuneration matters and we were pleased that during our recent board-led ESG roadshow, shareholders welcomed the change we made to our remuneration policy to add individual performance conditions to the LTI awards we issue lower down in the organisation and as a result we no longer have any time-based vestings.

7. **PRESENTATION OF ANNUAL FINANCIAL STATEMENTS AND REPORTS (cont.)**

Appreciation

Michelle Obama opined with inspiration about her learnings during her family's time in the White House: '...We learnt about gratitude and humility. So many people had a hand in our success...' This resonates with me as I reflect on the 26 000 Nedbank employees who continue to serve our clients and go above and beyond to ensure the organisation's success.

Thank you to my fellow boardmembers for their support. During 2022 we welcomed Mteto Nyati and Phumzile Langeni to the board as independent non-executive directors to both strengthen the board and in anticipation of the retirement of Dr Mantsika Matooane who has reached her nine-year term and Prof Tshilidzi Marwala who stepped down as an independent non-executive director at the end of February 2023 to take up the role of Rector of the UN University in Tokyo / Kyoto. We thank them for their service.

In line with our succession planning processes, Daniel Mminele assumed the position of independent non-executive director and Chairperson-designate on 1 May and will become our new Chairperson at the close of this annual general meeting. As I hand over the baton of leadership to you, Daniel, I am reminded of an African adage that Leaders (Elders) have an important task to plant trees, under whose shade they do not expect to sit. This resonates well with the strategic quest of Nedbank, to be Africa's most admired financial services group by staff, clients, shareholders, regulators and communities – together a 360-degree view of the bank. I wish you great success. Every Leader has their own sense of purpose and life quest. I know Nedbank will undoubtedly benefit from your extensive local and global banking and financial services experience as you fuse together your life purpose together with Nedbank's.

Thank you to our Chief Executive, Mike Brown, for your authentic leadership. You continue to lead with integrity and passion. Our country needs more CEOs of your calibre who are incredible statesmen like you, who recognise that there's a symbiotic relationship between delivering excellence in corporate performance while simultaneously being a relevant and value-adding corporate citizen in the countries we operate in.

This morning we also announced on the JSE Stock Exchange News Service that, following the successful completion of the Chairperson succession process and the subsequent appointment of Daniel Mminele as Chairperson from 2 June 2023, the Nedbank Group Board, supported by a global search firm with strong domestic presence, will commence a process to choose a successor to Mike Brown who joined the Nedbank Group 30 years ago, has been the Chief Executive (CE) since 2010, and an executive director since 2004.

Nedbank has a strong track-record of effective leadership succession, and this process will consider both internal and external candidates. Mike, who is 57 years of age, continues to enjoy the total confidence of shareholders and the Board. He will continue in his current CE role until such time as a successor has been chosen and will retire after an appointment has been made and a suitable handover process has been completed.

It has been an enormous honour and privilege to serve as Chairperson of Nedbank since December 2021 when I took over after the passing of Vassi Naidoo. As I look back on just over a decade of serving as a director of Nedbank, I feel an enormous sense of pride at our collective achievements and am grateful to have worked alongside such exceptional people. There are too many people to thank and not enough time to do so. I am grateful for every hand that contributed to make this time a success.

Thank you also to our shareholders for the sometimes-robust debates and for always challenging us to make Nedbank better.

I will now hand over to Chief Executive, Mike Brown, to reflect on 2022 in a little more detail and provide an update on the group's performance in the first four months of 2023.'

Mr Brown thanked the Chairperson and addressed the meeting as follows:

7. **PRESENTATION OF ANNUAL FINANCIAL STATEMENTS AND REPORTS (cont.)**

'As you heard earlier, the external operating environment in 2022 was very challenging for us and our clients, both globally and more so here in South Africa (SA), as is evident in weak gross domestic product (GDP) growth, severe electricity shortages, higher interest rates, higher levels of inflation and the muted performance of equity and bond markets. In a difficult global environment, unfortunately SA continues to score more than our fair share of own goals.

Against this challenging macroeconomic backdrop, Nedbank Group's 2022 financial performance was strong, as headline earnings (HE) grew by 20% to R14bn and return on equity (ROE) increased to 14,0% but remains below both the 2019 level of 15% and our estimated cost of equity (COE) of 14,9%. Further increasing ROE is a key focus of the management team. Importantly, our business clusters CIB, RBB and Wealth all generated ROEs above the group's COE with NAR improving off a low base. The excess capital held at the centre resulted in dilution of the group's ROE to below COE and is being addressed, inter alia, through our capital optimisation program that I will expand on later. The HE increase was supported by double-digit revenue growth, a slightly higher credit loss ratio at 89 bps and a well-managed expense base.

A fortress balance sheet, with key performance indicators at multi-year highs, and excess levels of capital enabled the group to increase the 2022 dividend to a record level of 1 649 cents per share, up by 38%, and announce a R5bn capital optimisation initiative to be executed through both a share repurchase programme being executed under an existing shareholder approval and an odd-lot offer. At the general meeting following this AGM, shareholders will be asked to approve the odd-lot offer. The R5bn was regarded by the board as a structural capital surplus after considering all potential credit growth opportunities, while also ensuring the balance sheet remains resilient in the current volatile environment. These capital actions will be accretive to ROE by reducing structurally surplus capital held at the centre and will also be accretive to DHEPS.

During 2022 we made good progress on our strategic value drivers of growth, productivity and risk and capital management.

- Growth trends across net interest income and non-interest revenue increased strongly as compared with prior years. This was supported by main-banked client gains across all our clusters, improved levels of cross-sell, increased transactional activity, and double-digit growth in digital activity.

- We experienced enhanced levels of productivity, evident in our cost-to-income ratio improving to 56,5% and positive movements in key operational metrics such as ongoing headcount and floor space reduction. While we have made good progress, we are committed to even further improving our cost-to-income ratio, as we are not satisfied with this and still expect the ratio to decline going forward.

- All our key balance sheet metrics improved, with the group's common-equity tier 1 (CET1) ratio up to 14,0% (2021: 12,8%), a liquidity coverage ratio of 161% (2021: 128%) and total expected credit losses coverage of 3,37% (2021: 3,32%). These metrics put Nedbank in a strong growth position as well as being well prepared for any potential deterioration in the macroeconomic environment.

From a strategic perspective, our strategy remains appropriate and delivery remains on track. We continued to see the benefits of digitisation delivered through substantial completion of what is known as our Managed Evolution information technology (IT) build programme to deliver a modern, modular and agile IT stack that is driving continued improvements in client experience, main-banked clients and transactional-deposits gains, as well as improved efficiencies.

For me, highlights in 2022 include the following:

- Managed Evolution IT build – This is now 91% complete, with the final components to be delivered over the next 12 to 18 months. This means the risks relating to an IT programme of this nature are largely behind us and we are increasingly generating benefits in both cost savings and revenues.

- Digital metrics – Client transactional values and volumes continued to grow at double-digit levels, and 53% of all retail sales are now done digitally, up from 12% in 2019. We also achieved the key milestones of reaching two million active Money app users and two million Avo super app clients.

7. **PRESENTATION OF ANNUAL FINANCIAL STATEMENTS AND REPORTS (cont.)**

- Client satisfaction metrics – We ranked #1 among SA banks on the Net Promoter Score (NPS) in the Kantar NPS survey (up from #2 in 2021 in the Consulta survey, which was not done in 2022) and we aim to maintain this ranking.

- Lending and deposit market shares – We had a mixed performance, with gains seen in household deposits, home loans in the second half of the year and retail overdrafts, with slight declines in personal loans due to the deliberate tightening of credit criteria, while we were selective in origination in our areas of strength, being vehicle finance and commercial property finance.

- Operating-model benefits – At the end of 2022 we had realised R1,5bn in cumulative benefits under our Target Operating Model (TOM) 2.0 programme and remain on track to reach the target of R2,5bn by the end of 2023.

- Lastly, the Nedbank share price in 2022 increased by 21%, outperforming the SA bank index that increased by 12%.

We have made good progress towards our published 2023 targets by exceeding our 2019 diluted HE per share level of 2 565 cents in 2022 (a year earlier than planned) and aim to achieve an ROE greater than the 2019 ROE level of 15% and a cost-to-income ratio of below 54%, and to maintain our #1 ranking on NPS among SA banks by the end of 2023.

Given our strong 2022 performance, we have set ourselves revised medium-term (2025) and long-term targets. We aim to achieve an ROE of 17% (around COE plus 2%) and a cost-to-income ratio of 52% both in 2025. Over the longer term we aim to improve these to above 18% (around COE plus 3%) and below 50% respectively. Achieving these targets will require much hard work, particularly in the worsening economic environment, but should we be successful this will be value-creating for shareholders.

I look forward to working closely with our Chairperson-designate, Daniel Mminele, who I have known professionally for many years and we are pleased to have attracted someone of Daniel's undoubted experience to the role of Nedbank Chairperson. My sincere appreciation to Mpho Makwana, our outgoing Chairperson, for his leadership and guidance over the years, particularly for his taking over the Chairpersonship during a difficult period after our previous Chairperson, Vassi Naidoo, passed away.

Trevor Adams, our Chief Risk Officer, retired at the end of March 2023 and has been succeeded by Dave Crewe-Brown, while Fred Swanepoel, our Chief Information Officer (CIO), will retire in June 2023 and will be replaced by Ray Naicker. These appointments evidence good succession planning and benchstrength. I would like to express our gratitude to Trevor and Fred, who have played an instrumental part in the success of Nedbank.

Appreciation
Thank you to the board for its continued support during another difficult year. A special word of appreciation to my Group Executive Committee Team, who delivered exceptional results and value to our stakeholders in 2022.

With regards to the commencement of a process to choose my successor as outlined by Mpho earlier, I am fully supportive of this process and I remain 100% committed to continuing in my current CE role until such time as a suitable successor has been chosen and a handover process has been completed. After nearly 14 years in the role, I believe the timing is right to start a process that, when completed, will ensure I seamlessly pass the baton on to the next CE of Nedbank.

Thank you to our dedicated employees for their commitment and hard work in difficult conditions – I appreciate the value you strive to deliver to our clients at every touchpoint. We thank our more than seven million retail and wholesale clients for choosing to bank with Nedbank every single day, and we appreciate the support of the investment community, regulators and our other stakeholders.

As Nedbank, we will continue to play our role in society as we fulfil our purpose of using our financial expertise to do good.

Trading update
This morning, ahead of the AGM today, we released the following voluntary trading update on the JSE Stock Exchange News Service.

Operating environment
Global economic activity slowed as demand weakened in response to persistently high levels of inflation and the resultant steep rise in interest rates. While global inflation is gradually receding, it remains above central bank targets and the US and other major central banks continued to tighten monetary policy. Global liquidity has deteriorated, resulting in much tighter financial conditions with US regional banks suffering particular challenges. This global slowdown is also weighing on economic activity and risk appetite in emerging and developing countries.

In South Africa (SA), the operating environment in the first four months of 2023 has also become much more challenging when compared to our expectations at the start of the year. On top of a weaker global economy and lower international commodity prices, domestic economic activity continues to be negatively impacted by acute electricity shortages, logistical constraints, higher-than-expected inflation and the continued rise in domestic interest rates. In addition to SA's relatively weak growth prospects, slow progress in tackling corruption coupled with the potentially severe economic consequences of the US reaction to SA's alleged compromising of its non-aligned stance in relation to the Russia/Ukraine conflict have added further to SA's country risk premium. As a result, bond yields have increased sharply and the rand has declined to record lows against the US dollar.

The Nedbank Group Economic Unit (GEU) has revised its SA GDP growth forecast for 2023 downwards from 0,7% (February 2023) to 0,2%. The cost implications of loadshedding and a weaker rand have resulted in upward adjustments to our inflation forecast, which is now expected to average 6,0% in 2023, up from 5,5% (February 2023). In response to higher-than-expected inflation, the weaker rand and the continuous tightening of foreign monetary policy, the SARB's Monetary Policy Committee increased the repo rate by 50 bps in March and a further 50 bps in May 2023. The Nedbank GEU now expects the prime lending rate to remain flat for the rest of 2023 at 11,75%, before starting a slow decline in 2024. As a result, the SA prime interest rate is 75 bps higher than the 11,0% peak expected at the start of the year, with upside risk to this forecast given ongoing rand weakness.

The primary implication for banks of these worse-than-expected macroeconomic outcomes is increased levels of consumer stress and resultant increases in credit losses, offset to some extent by higher levels of endowment income. While currently the economic benefits of increased endowment income are greater than the increase in impairments, this benefit is narrowing and is likely to reverse with further interest rate increases.

Financial performance
The financial performance of the group in the first four months to 30 April 2023 ('the period' or '4M 2023') compared to the first four months to 30 April 2022 ('prior period') reflected mid-teen headline earnings growth with strong net interest income (NII) and non-interest revenue (NIR) growth, a credit loss ratio (CLR) that was above the top end of our through-the-cycle (TTC) target range, very strong associate income growth, and focused expense management.

Revenue growth is currently performing ahead of the 2023 full year financial guidance provided by management in March 2023. The group's CLR for the period is also higher than the full year guidance as a result of the normal seasonality in RBB bad debts, together with the effects of a more difficult than expected macroeconomic environment and the resultant impact on collections in our retail portfolios. At this point in the cycle, the incremental accounting benefit of higher interest rates on endowment income for 4M 2023 continued to exceed the incremental increase in impairments.

NII growth for 4M 2023 was above mid-teens when compared to the prior period and ahead of management expectations. This growth was driven by banking loans and advances growth and an increase in the group's net interest margin (NIM) largely as a result of the impact on endowment from interest rate increases. Average interest earning banking assets increased yoy by high single digits, reflecting improving yoy growth in CIB banking loans and advances and ongoing growth momentum in RBB banking loans and advances. Deposit growth remained ahead of advances growth.

7. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS AND REPORTS (cont.)

The group's NIM increased from the 393 bps reported in FY 2022 and was above the 410 bps reported for Q4 2022, driven by the run-rate benefit of interest rate increases in 2022 and further interest rate increases in Q1 2023. The group's full year NII growth was now expected to be slightly higher than the guidance provided in February 2023 of around mid-teens.

Impairments for 4M 2023 increased when compared to the prior period as the group strengthened its total coverage given the impact of a more difficult macroeconomic environment on consumers. The group's CLR for 4M 2023 was above the top end of the guidance provided for FY 2023 (80 bps to 100 bps, with upside risk) and was also above management's expectations for the period. The higher impairments and CLR reflected the impact of higher-than-expected interest rate increases, higher levels of inflation and higher levels of loadshedding on consumers and were most evident in RBB's CLR being above its TTC target range of 120 to 175 bps. Stage 3 loans in RBB increased across the portfolio. RBB impairment provisions for 4M 2023 also incorporated the updated macroeconomic assumptions up to 30 April 2023 to ensure the group remained well-provided within a deteriorating economic environment. The CLRs for CIB and Nedbank Africa Regions (NAR) were within their respective TTC target ranges, while Nedbank Wealth's CLR remained below its TTC target range. The group's CLR was anticipated to decline from these levels given the traditional improvement due to seasonality in RBB as well as focussed management interventions, but was now expected to be above the top-end (100 bps) of the group's TTC target range for the remainder of the year (ahead of the guidance provided in February 2023 of in the top half of the group's TTC target range). The recent SARB Monetary Policy Committee decision to increase interest rates by another 50 bps in May 2023 had increased the risk to CLR guidance.

NIR growth for 4M 2023 was ahead of management expectations for the period (on a restated 2022 base given IFRS 17 related reclassifications). Fee and commission growth was solid, driven by client transactional activity, cross-sell and main-banked client growth as well as a good performance in asset management. The closure of renewable energy deals, previously expected in H1 2023, had been delayed to H2 2023. Insurance income benefited from a non-repeat of claims relating to the Kwazulu-Natal floods in 2022. Trading income was solid in the first three months of the year but deteriorated into April. Our guidance for NIR growth for FY 2023 of around mid-single digits remained in place.

Expense growth for 4M 2023 was high-single digits (on a restated 2022 base given IFRS 17 related reclassifications) and slightly ahead of management expectations as a result of higher non-salary related staff costs, higher levels of communication and travel costs, as well as higher fees linked to revenue growth. Reducing the expense growth rate over the rest of the year and into the future was a key focus of management. Guidance for expense growth for FY 2023 of mid-to-upper single digits remained in place.

In Q1 2023, associate income of R512m (Q1 2022: R258m), relating to Nedbank Group's 21% shareholding in ETI was recognised. ETI reported attributable income to shareholders of $90m in Q4 2022, incorporating the impact of the final Ghana sovereign debt restructure charge on ETI which was materially less than expected resulting in the reversal of the R175m estimate provided for this in associate income in the 2022 results. In addition, ETI released its Q1 2023 results on 28 April 2023 (reporting attributable income to shareholders of $63m) and Nedbank's share was estimated to contribute R237m to Nedbank's associate income in Q2 2023 (accounted for a quarter in arrear). As a result, associate income relating to ETI for H1 2023 was estimated to be approximately R749m, up 59% compared to ETI-related associate income of R469m in H1 2022.

The group's JAWS ratio (revenue growth, including associate income, less cost growth) was strongly positive, the cost-to-income ratio improved and PPOP growth was very strong.

The group was currently expected to produce muted headline earnings growth in H1 2023 with a better performance expected in H2 2023 given higher levels of H1 2023 impairments in RBB, and in CIB the impact of higher equity revaluations in H1 2022 and the delay in closing renewable energy rounds to H2 2023, together with a slowdown in trading income growth into Q2 2023, partly offset by strong growth in Nedbank Wealth and Nedbank Africa Regions.

7. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS AND REPORTS (cont.)

At 31 March 2023, Nedbank Group reported a CET1 capital adequacy ratio of 13,5% (31 March 2022: 12,7% and 31 December 2022: 14,0%), above the upper end of the group's board-approved target range of 11% to 12%, reflecting the benefit of ongoing strong earnings growth, offset by the declaration of the group's final 2022 dividend, balance sheet growth and capital optimisation activities. The group substantially completed its general share repurchase programme at the end of May 2023 (a total of R4,25bn shares had been repurchased). On average, the share repurchases were concluded at levels slightly below the group's book value per share (31 December 2022: R215,33) and would be ROE and DHEPS accretive. The odd-lot offer, which comprised the balance of the R5bn capital optimisation initiative, was proposed for approval by shareholders at the group's general meeting on 2 June 2023.

Liquidity metrics remained strong with no implications evident from recent global banking and other developments.

The Chairperson thanked Mr Brown and took the annual financial statements as duly presented.

8. PRESENTATION OF THE REPORT OF THE GROUP TRANSFORMATION, SOCIAL AND ETHICS COMMITTEE

The Chairperson handed over to Ms Linda Makalima, Chairperson of the Group Transformation, Social and Ethics Committee, to report on the activities of that committee.

Ms Makalima noted that the report of the Group Transformation, Social and Ethics Committee, as required in terms of regulation 43(5)(c) of the Companies Act, was included in the Governance Report (a supplementary report to the 2022 Integrated Report) which was available on the Company's website. She advised the meeting that a video would be presented to the shareholders on the activities of the Committee during the year whilst the votes were being counted at the end of this meeting.

9. QUESTIONS FROM SHAREHOLDERS

The Chairperson then invited questions from shareholders relating broadly to Nedbank Group's business, including the financial statements and proposed resolutions as set out in the notice of the AGM, which were taken as read.

No questions were asked by the shareholders participating via teleconference.

The questions received from shareholders in person, and the responses thereto from boardmembers, were as follows:

Questions received from Ms Tracey Davies:

9.1 ***'It was very encouraging for Just Share to see that Nedbank has started working on establishing short and medium-term targets for reducing fossil fuel exposure, the urgency of which cannot be overstated. There was a report published on 1 June 2023 stating that human activities have already pushed seven of our eight planetary boundaries into risk areas. Currently, there are no short-term targets in your Energy Policy for oil and gas financing, and once you have established these glidepaths for short and medium-term exposure to fossil fuels, will you be updating your Energy Policy for science-based short-term targets for oil and gas that will support your commitment to zero fossil fuel exposure by 2045?'***

Mr Brian Dames, Chairperson of the Group Climate Resilience Committee, responded that from a board perspective, none of Nedbank's commitments had changed in terms of its Energy Policy. Nedbank would be publishing the glidepaths in 2024, highlighting how the bank would journey from where it was today to where it would like to be in 2035, and more importantly in 2045. This would place specific pathways and targets as to Nedbank's short-term plans which would be science-based.

9. QUESTIONS FROM SHAREHOLDERS (cont.)

Questions received from Ms Emma Schuster:

9.2 *'Nedbank has previously established itself as a leader from a climate perspective, and Just Share has regularly and publicly praised the bank for the steps it has taken. Nedbank's climate position statement explicitly links Nedbank's actions to that required by climate science, and you state in that position that for the energy sector specifically, the objectives of the Paris Agreement imply immediate, rapid and profound change. However, your financing of upstream oil and gas has increased significantly over the past year, which is quite the opposite of your immediate, rapid and profound change to finance flows. As we know, you have set a target of zero exposures to fossil fuel by 2045. It is true that the way that your Energy Policy has been constructed allows you to increase funding to fossil fuels in the medium term, but does this not make it just more and more difficult for you to achieve your 2045 target?*

We understand that Nedbank regards gas as playing a small part in the transition, but only where it supports a transition to a zero-carbon energy system, meaning only where it supports renewable energy-based power. So, how does this increased financing for oil and gas align with your understanding and with your commitment to act in accordance with climate science?'

Mr Dames confirmed that Nedbank's exposure to oil and gas had increased year-on-year, albeit that this was still lower than the pre Covid-19 levels. This did not change Nedbank's commitment around how the bank viewed the role of oil and gas, and management was also encouraged to look at oil differently than how it would look at gas. Without gas, the alternatives would be coal or nuclear which were not optimal. Nedbank believed that gas was extremely important as a transition fuel for technology to catch up and for the bank to ensure that it had a greater penetration of renewable energy.

Mr Davis added that based on discussions held with Just Share in the past, Nedbank was comfortable to work with Just Share in terms of building out its glidepaths. Collectively, Nedbank and Just Share had the same objective and the bank was happy to continue working with the likes of Just Share to move both Nedbank and the country forward.

Ms Davies replied to the board's responses with the following comments and request:

9.3 *'The concept of gas as a transition fuel is one that we hear from most of the banks and from many other players in the economy. With Nedbank having set the pace in the South African banking sector, it would be extremely useful for the country if we had some clear delineation of what gas as a transition fuel means and what it would actually entail. At the moment, this is quite broad, and Just Share is not sure whether this could mean offshore oil and gas, shale gas in the Karoo or Karpowerships? Could Nedbank provide some guidance in its next set of reports on exactly what it means by financing gas as a transition fuel?'*

The Chairperson thanked Ms Davies and Ms Schuster for their questions, noting that Nedbank had received good counsel from Just Share, on which the bank would certainly deliberate in further board engagements.

The questions received from shareholders on the webcast, and the responses thereto from boardmembers, were as follows:

Questions received from Mr Gordon Laing:

9.4 *'At the 15th UN Biodiversity Conference (COP15) held in December 2022, the coming Montreal Global Biodiversity Framework, to which South Africa is a signatory, recognises biodiversity loss as a significant threat to humanity's ability to thrive as the climate crisis. The Global Risks Register includes biodiversity loss and ecosystem collapse in the Top five 10-year risks. Nedbank's Social Framework Policy and Management System recognises climate change as a key focus area and reports on our, as a shareholder, albeit small, approach quite extensively. Nedbank's work in the broader sustainability and biodiversity space is admirable. As an example, in 2013, the National Biodiversity and Business Network (NBBN) was established with Nedbank as a founding contributor, and yet biodiversity does not feature to any significant extent in the annual reports as a significant risk or with due attention.*

9. QUESTIONS FROM SHAREHOLDERS (cont.)

This is reflected by Nedbank only scoring one out of a possible 32 points in the latest 2021 NBBN Biodiversity Performance Protocol (BDP) Ratings Report, the protocol of which Nedbank, through the Green Trust, was a funder. Are the Chairman and board members aware of the risks that biodiversity loss and ecosystem collapse pose to both business and society, and specifically of the NBBN BDP, and will biodiversity loss be given the same focus as climate change in Nedbank's risk management approach going forward?'

Mr Dames responded that the Nedbank Group Board was aware of these risks, noting that the natural systems, and particularly the natural systems affecting conservation, the prevention of degradation, and the protection of and conservation of biodiversity, was included as part of Nedbank's sustainable development financing (SDF) criteria and remained top of mind for the business.

Mr Dames noted that Nedbank could improve on segregating some of its reporting and having specific policies in place. Mr Dames confirmed that biodiversity loss would be given the same focus as climate change in Nedbank's risk management approach going forward. Mr Laing's guidance was exceptionally good which the Board would consider and implement going forward.

Mr Davis added that, by way of example, Nedbank had commenced a pilot project relating to the Taskforce on Nature-related Financial Disclosures (TNFD) and rolled out biodiversity training in 2022. He noted that there was a strong linkage between climate change and biodiversity and concurred with Mr Dames that Nedbank could improve in terms of isolating and reporting specifically on biodiversity.

Questions received from Ms Lameez Omarjee (News24):

9.5 ***'An analysis of Nedbank's climate report by Just Share indicated the bank's financing of upstream gas increased more than 250% and that oil almost doubled. Can Nedbank provide more context on why there has been an increase in financing of these fossil fuels in the past year?'***

Responding to the Chairperson's enquiry, Mr Brown confirmed that the above question had been answered earlier, noting that it may be useful to provide some context around upstream gas in particular. He advised that Nedbank did not always have control over the level of exposure of its clients, for example, if a client had a facility and chose to drawdown or pay back, this would cause the exposure levels to rise or drop over time, and similarly exposures move due to exchange rates being Dollar-based. At the end of 2019, Nedbank's actual exposure to upstream gas was R3bn, at the end of 2020, R2bn, at the end of 2021, R400m, and at the end of 2022 this increased to R1bn which remained materially below the 2019 and 2020 levels.

There being no further questions, the Chairperson thanked shareholders for raising their questions, noting that the board always valued positive challenges as this would encourage the bank to continuously do more to enhance and improve its existing processes.

The Chairperson then proceeded to deal with the proposed resolutions. Shareholders were reminded that they were able to submit their votes on all resolutions at any time during the meeting. After proposing all resolutions, the voting platform would remain open for a short period to allow them to complete their votes.

The Chairperson further noted that the *curricula vitae* (CVs) for all directors being put to shareholders for election or re-election were included in the notice of the AGM.

10. ORDINARY RESOLUTIONS 1.1 AND 1.2 – ELECTION OF DIRECTORS OF THE COMPANY APPOINTED DURING THE YEAR

The Chairperson proposed the election of Dr M Nyati and Mr AD Mminele who were appointed as directors on 1 October 2022 and 1 May 2023 respectively and who were retiring from the board in terms of clause 19.2 of the Company's MOI. These directors, whose appointments were supported by the board, offered themselves for election. The meeting agreed to deal with the election of each of the directors individually.

10. ORDINARY RESOLUTION 1.1 AND 1.2 – ELECTION OF DIRECTORS OF THE COMPANY APPOINTED DURING THE YEAR (cont.)

Ordinary Resolution number:

1.1 'Resolved that Dr M Nyati be and is hereby elected as a director of the company.'

1.2 'Resolved that Mr AD Mminele be and is hereby elected as a director of the company.'

11. ORDINARY RESOLUTIONS 2.1 – 2.4 – RE-ELECTION OF DIRECTORS RETIRING BY ROTATION

The Chairperson proposed the re-election of those directors retiring by rotation. The directors who were retiring from the board in terms of the MOI of the Company were Mr HR Brody, Mr MH Davis, Mr EM Kruger and Ms L Makalima. These retiring directors, whose re-elections were supported by the board, offered themselves for re-election. The re-election of each of the retiring directors was dealt with individually.

Ordinary Resolution Number:

2.1 'Resolved that Mr HR Brody be and is hereby re-elected as a director of the Company.'

2.2 'Resolved that Mr MH Davis be and is hereby re-elected as a director of the Company.'

2.3 'Resolved that Mr EM Kruger be and is hereby re-elected as a director of the Company.'

2.4 'Resolved that Ms L Makalima be and is hereby re-elected as a director of the Company.'

12. ORDINARY RESOLUTIONS 3.1 and 3.2 – REAPPOINTMENT OF THE INDEPENDENT EXTERNAL AUDITORS; AND ORDINARY RESOLUTION 3.3 – APPOINTMENT OF KPMG INC IN A SHADOW CAPACITY

The Chairperson requested the meeting to consider the reappointment of the external auditors for the ensuing year as per the requirements of section 90 of the Companies Act and the relevant provisions of the Banks Act. The Chairperson further requested the meeting to consider the appointment of KPMG Inc (KPMG) in a shadow capacity from 2 June 2023.

The Group Audit Committee, with the endorsement of the Nedbank Group Board, recommended the reappointment of both Deloitte & Touche (with Ms Vuyelwa Sangoni as designated registered audit partner), and Ernst & Young Incorporated (with Mr Farouk Mohideen as designated registered audit partner). Following a comprehensive tender process, the company intended appointing KPMG as one of the joint auditors for the financial year ending 31 December 2024. In line with mandatory audit firm rotation (MAFR) requirements and subject to shareholder approval, Deloitte & Touche would rotate off the company's audit on conclusion of its external audit responsibilities for the year ending 31 December 2023.

The future appointment of KPMG and the designated audit partner for the year ending 31 December 2024 were subject to approval by the South African Reserve Bank's Prudential Authority in accordance with section 61 of the Banks Act, 94 of 1990 (as amended) and would be presented for shareholder vote at the AGM to be held in 2024.

The Chairperson proposed that Deloitte & Touche and Ernst & Young Incorporated be reappointed as external auditors, and in the interest of good governance, that KPMG be appointed in a shadow capacity from 2 June 2023. The reappointment of the external auditors and the appointment of KPMG in a shadow capacity would be dealt with individually.

12. **ORDINARY RESOLUTIONS 3.1 and 3.2 – REAPPOINTMENT OF THE INDEPENDENT EXTERNAL AUDITORS; AND ORDINARY RESOLUTION 3.3 – APPOINTMENT OF KPMG INC IN A SHADOW CAPACITY (cont.)**

Ordinary Resolution Number:

3.1 'Resolved that Deloitte & Touche be and is hereby reappointed as external auditor of the company to hold office from the conclusion of this 56th AGM until the conclusion of the next AGM of Nedbank Group.'

3.2 'Resolved that Ernst & Young Incorporated be and is hereby reappointed as external auditor of the Company to hold office from the conclusion of this 56th AGM until the conclusion of the next AGM of Nedbank Group.'

3.3 'Resolved that KPMG Inc be and is hereby appointed in a shadow capacity from 2 June 2023.'

13. **ORDINARY RESOLUTION 4 – APPOINTMENT OF THE NEDBANK GROUP AUDIT COMMITTEE MEMBERS**

The Chairperson noted that the board believed it was good governance for shareholders to vote on the appointment of the members of the Group Audit Committee and had elected to propose the appointment of the Group Audit Committee members annually.

The board was satisfied that the membership of the Group Audit Committee met the requirements of the Companies Act and the Banks Act and that the committee complied with the relevant regulatory requirements and that the members had the necessary knowledge, skills and experience to enable the committee to perform its duties in terms of these requirements. The board therefore recommended the election of the Group Audit Committee members. The election of each of the audit committee members were dealt with individually.

Ordinary Resolution Number:

4.1 'Resolved that Mr S Subramoney be and is hereby elected as a member of the Nedbank Group Audit Committee from the conclusion of this 56th AGM to the conclusion of the next AGM of Nedbank Group.'

4.2 'Resolved that, subject to the re-election as a director in terms of ordinary resolution 2.1, Mr HR Brody be and is hereby elected a member of the Nedbank Group Audit Committee from the conclusion of this 56th AGM to the conclusion of the next AGM of Nedbank Group.'

4.3 'Resolved that Mrs NP Dongwana be and is hereby elected a member of the Nedbank Group Audit Committee from the conclusion of this 56th AGM to the conclusion of the next AGM of Nedbank Group.'

4.4 'Resolved that subject to the re-election as a director in terms of ordinary resolution 2.3, Mr EM Kruger be and is hereby elected a member of the Nedbank Group Audit Committee from the conclusion of this 56th AGM to the conclusion of the next AGM of Nedbank Group.'

4.5 'Resolved that Ms P Langeni be and is hereby elected a member of the Nedbank Group Audit Committee from the conclusion of this 56th AGM to the conclusion of the next AGM of Nedbank Group.'

14. **ORDINARY RESOLUTION 5 – PLACING THE AUTHORISED BUT UNISSUED ORDINARY SHARES UNDER THE CONTROL OF THE DIRECTORS**

The authority, granted to the directors at the last AGM, expired at this meeting. The Chairperson conveyed that, in the directors' opinion, it was desirable that the unissued ordinary shares should remain under the control of the directors.

14. ORDINARY RESOLUTION 5 – PLACING THE AUTHORISED BUT UNISSUED ORDINARY SHARES UNDER THE CONTROL OF THE DIRECTORS (cont.)

The Chairperson advised shareholders that the Nedbank Group Board had reviewed the practice of issuing shares against the merits of acquiring shares in the open market for purposes of meeting the obligations under the Nedbank Group (2005) Share Option, Matched-share and Restricted-share Schemes (collectively the Nedbank Group (2005) Share Scheme). The authority to place authorised but unissued shares under the control of the directors would be used only for the purposes of the Nedbank Group (2005) Share Scheme in the event that, in the opinion of the Nedbank Group Board, it was not appropriate for Nedbank Group to acquire shares in the open market.

This authority was limited to 6 239 676 (six million two hundred and thirty-nine thousand six hundred and seventy-six) shares, representing approximately 1,22% of the number of ordinary shares in issue at 1 January 2023. It was further limited to existing contractual obligations and issuances under the Nedbank Group (2005) Share Scheme only.

The authority granted in terms of this ordinary resolution would remain valid until the next annual general meeting of the company to be held in 2024 at which meeting a similar resolution would be put to shareholders for approval.

Accordingly, the Chairperson proposed that the authority be granted to the directors to issue ordinary shares in the share capital of Nedbank Group.

Ordinary Resolution Number 5:

'Resolved that the board be and is hereby authorised, as it in its discretion thinks fit, to issue up to 6 239 676 ordinary shares of R1,00 each in the share capital of the company, subject to the provisions of the Companies Act, 71 of 2008, the Banks Act, 94 of 1990 (as amended), and the JSE Listings Requirements, limited to issuances under the Nedbank Group (2005) Share Scheme only.'

15. ADVISORY ENDORSEMENTS 6.1 AND 6.2 ON A NON-BINDING BASIS OF THE NEDBANK GROUP REMUNERATION POLICY AND THE REMUNERATION IMPLEMENTATION REPORT

In accordance with the principles of King IV, shareholders were requested to endorse Nedbank Group's Remuneration Policy and the implementation thereof. The Chairperson noted that the votes on these advisory endorsements were non-binding. However, the board would take cognisance of the outcome of the votes when considering its Remuneration Policy and the implementation thereof in future and would seek to engage further with shareholders in the event that either was voted against by 25% or more of the voting rights exercised by shareholders.

The Chairperson put the proposal to the meeting for shareholders to endorse the Remuneration Policy and the Remuneration Implementation Report, noting that the endorsements would be dealt with individually.

Advisory Endorsement number:

6.1. 'To endorse, through a non-binding advisory vote, the company's Remuneration Policy (excluding the remuneration of non-executive directors for their services as directors and members of the board committees) as set out in the Remuneration Report contained in the summarised consolidated annual financial statements.'

6.2. 'To endorse, through a non-binding advisory vote, the Company's Remuneration Implementation Report as set out in the Remuneration Report contained in the summarised consolidated annual financial statements.'

16. SPECIAL RESOLUTIONS 1.1 to 1.11 – APPROVAL OF REMUNERATION OF NON-EXECUTIVE DIRECTORS

The Chairperson put to the meeting the proposal for the approval, by way of special resolutions in accordance with the requirements of the Companies Act, the annual fees to be paid to non-executive directors for their services as directors of the Nedbank Group Board and the fees of the members of the board committees on which these non-executive directors served with effect from 1 July 2023. The proposed increases represented a 6% increase overall. The fees excluded VAT. It was noted that the fees payable to the chairs of the respective board committees were 2,5 times the member fees. The special resolutions for the respective non-executive directors' fees payable with effect from 1 July 2023 were individually proposed to shareholders for their consideration.

The Chairperson advised that as he was retiring from the Nedbank and Nedbank Group Boards at the conclusion of the AGM, he was not conflicted with regard to special resolution 1.1, being the remuneration of the Chairperson, and therefore put this resolution to shareholders.

Special Resolution number 1.1:

'Resolved that the Non-executive Chairperson's fee of R6 860 521, inclusive of committee chairpersonship and membership fees, for the period 1 July 2023 to 30 June 2024 be and is hereby approved.'

The Chairperson then put the proposals for the approval of non-executive director fees to the meeting for consideration, each by way of a separate special resolution.

Special Resolution Number:

1.2 'Resolved that the Lead Independent Director fee (40% on both the Nedbank Group and Nedbank Limited Board member fees) of R242 650 for the period 1 July 2023 to 30 June 2024 be and is hereby approved.'

1.3 'Resolved that the Nedbank Group boardmember fee of R329 786 for the period 1 July 2023 to 30 June 2024 be and is hereby approved.'

1.4 'Resolved that the Nedbank Group Audit Committee member fee of R364 486 for the period 1 July 2023 to 30 June 2024 be and is hereby approved.'

1.5 'Resolved that the Nedbank Group Credit Committee member fee of R273 364 for the period 1 July 2023 to 30 June 2024 be and is hereby approved.'

1.6 'Resolved that the Nedbank Group Directors' Affairs Committee member fee of R109 346 for the period 1 July 2023 to 30 June 2024 be and is hereby approved.'

1.7 'Resolved that the Nedbank Group Information Technology Committee member fee of R164 019 for the period 1 July 2023 to 30 June 2024 be and is hereby approved.'

1.8 'Resolved that the Nedbank Group Remuneration Committee member fee of R206 542 for the period 1 July 2023 to 30 June 2024 be and is hereby approved.'

1.9 'Resolved that the Nedbank Group Risk and Capital Management Committee member fee of R273 364 for the period 1 July 2023 to 30 June 2024 be and is hereby approved.

1.10 'Resolved that the Nedbank Group Transformation, Social and Ethics Committee member fee of R164 019 for the period 1 July 2023 to 30 June 2024 be and is hereby approved.'

1.11 'Resolved that the Nedbank Group Climate Resilience Committee member fee of R109 346 for the period 1 July 2023 to 30 June 2024 be and is hereby approved.'

17. **SPECIAL RESOLUTIONS 2.1 TO 2.3 – REMUNERATION OF NON-EXECUTIVE DIRECTORS APPOINTED AS ACTING GROUP CHAIRPERSON, ACTING LEAD INDEPENDENT DIRECTOR OR ACTING COMMITTEE CHAIR**

The Chairperson noted that, as detailed in the notice, the board wished 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 group chairperson of the Nedbank boards, acting lead independent director or acting board committee chairperson for extended periods of time. Although the appointment to an acting position would only arise in exceptional circumstances, the board would like the flexibility to consider, and if deemed appropriate, the ability to remunerate that director appropriately for the additional responsibilities and time commitments.

The board therefore proposed the payment of an additional fee to non-executive directors who were required to perform an acting role. These fees would be in addition to the normal non-executive directors' fees as detailed in special resolution 1.

The payment of additional fees to any non-executive director appointed to an acting role would be subject to prior approval by the Nedbank Group Remuneration Committee who would consider the relevant circumstances and the extent of additional commitments on a case-by-case basis. The resolutions for the approval of the fees payable to non-executive directors who may be required to perform the role of acting group chairperson of the Nedbank boards, acting lead independent director, or acting board committee chair would be dealt with individually. These resolutions, if approved, would be effective from the conclusion of this AGM until the conclusion of the next AGM.

The Chairperson then put the proposals for the approval of fees for non-executive directors appointed in an acting role to the meeting for consideration, each by way of a separate special resolution.

Special Resolution number:

2.1 'Resolved that the fee of any boardmember who may be appointed as the Acting Group Chairperson of R137 800 be and is hereby approved.'

2.2 'Resolved that the fee for any boardmember who may be appointed as Acting Lead Independent Director of R20 222 be and is hereby approved.'

2.3 'Resolved that the fee for any boardmember appointed as Acting Committee Chairperson of R30 121 be and is hereby approved.'

18. **SPECIAL RESOLUTION 3 – GENERAL AUTHORITY TO REPURCHASE ORDINARY SHARES**

The Chairperson advised the meeting that in terms of the Companies Act, the JSE Listings Requirements and the Company's MOI, the shareholders may authorise the directors, by way of a general authority, to acquire shares in the capital of the Company, subject to certain limitations. The proposed resolution was a renewal of an existing authority that was granted at the last annual general meeting held on 27 May 2022. He put the special resolution to the meeting to grant authority to the directors to repurchase ordinary shares in the Company.

Special Resolution number 3:

'Resolved that the company and/or any of its subsidiaries be and are hereby authorised by way of a general authority to repurchase or purchase, as the case may be, ordinary shares issued by the company from any person on the terms and conditions and in the numbers as the directors of the company or the subsidiary may determine from time to time, subject to the applicable requirements of the company's memorandum of incorporation; the approval, to the extent required, of the Prudential Authority; and the provisions of the Companies Act, 71 of 2008, and the Banks Act, 94 of 1990, and the JSE Listings Requirements; and subject to the restriction that the repurchase or purchase, as the case may be, by the company and/or any of its subsidiaries of shares in the company under this authority will not, in aggregate, exceed 5% of the ordinary shares of the company in issue at the commencement of the financial year, provided that:

18. SPECIAL RESOLUTION 3 – GENERAL AUTHORITY TO REPURCHASE ORDINARY SHARES (cont.)

(a) the repurchase of ordinary shares must be done through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty;

(b) authorisation thereto must be given by the memorandum of incorporation of the company and that of its relevant subsidiary;

(c) this general authority will be valid only until the company's next AGM, provided that it does not extend beyond 15 months from the date of the passing of this special resolution;

(d) the maximum price at which ordinary shares may be repurchased will be 10% above the weighted average of the market value at which these ordinary shares are traded on the JSE, as determined over the five trading days immediately before the date of the repurchase of these ordinary shares by the company;

(e) neither the company nor its subsidiaries will repurchase ordinary shares during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements, unless:

- the company has in place a repurchase programme that has been submitted to the JSE in writing prior to the commencement of the prohibited period; and

- the company has instructed an independent third party, which makes its investment decisions in relation to the company's securities independently of, and uninfluenced by, the company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;

(f) when the company has cumulatively repurchased 3% of the initial number of the ordinary shares, and for each 3% in aggregate of the initial number of that class acquired thereafter (if applicable), an announcement will be made;

(g) at any time the company will appoint only one agent to do any repurchases on its behalf;

(h) no voting rights attached to the company's shares repurchased by a subsidiary of the company were exercised while shares were held by the subsidiary and it remains a subsidiary of the company;

(i) the general authority granted to the board may be varied or revoked, by special resolution, at any time before the next AGM of the Company; and

(j) the maximum number of Nedbank Group ordinary shares that may be repurchased during the term of this authority is 25 575 039 shares, representing 5% of 511 500 790 ordinary shares in issue at 1 January 2023.'

19. SPECIAL RESOLUTION 4 – GENERAL AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE TO RELATED AND INTERRELATED COMPANIES

The Chairperson advised the meeting that the Companies Act required the approval by shareholders for the provision of financial assistance in certain circumstances. Both sections 44 and 45 of the Companies Act provided, among others, that such financial assistance may only be provided pursuant to a special resolution passed by shareholders within the previous two years. Furthermore, the provision of any such financial assistance was subject to the solvency and liquidity test as referred to in the Companies Act.

The Chairperson proposed that authority be granted for the Company to provide financial assistance to related and interrelated companies, as contemplated in the Companies Act and put the resolution to the meeting.

19. SPECIAL RESOLUTION 4 – GENERAL AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE TO RELATED AND INTERRELATED COMPANIES (cont.)

Special Resolution number 4:

'Resolved that, subject to the provisions of the Companies Act, 71 of 2008 (the Companies Act), the shareholders of the company hereby approve, as a general approval for a period of two years, the company providing direct or indirect financial assistance (financial assistance) as contemplated in sections 44 and 45 of the Companies Act on the terms as may be authorised by the board in accordance with the following:

4.1 That the financial assistance can be provided to any related or interrelated company (and any person 'related' to the company) or any other person (a recipient) and, for the avoidance of doubt, excludes financial assistance provided to any directors or prescribed officers of the company or of any these recipients.

4.2 That nothing in this approval will limit the provision by the company of financial assistance that does not require approval by way of a special resolution of the shareholders in terms of sections 44 and 45 of the Companies Act or that falls within any exemption provided in those sections.'

20. SPECIAL RESOLUTION 5 – AMENDMENTS TO THE RULES OF THE NEDBANK GROUP (2005) SHARE OPTION, MATCHED-SHARE AND RESTRICTED-SHARE SCHEMES (COLLECTIVELY THE NEDBANK GROUP (2005) SHARE SCHEME)

The Chairperson advised that the rules of the Nedbank Group (2005) Share Scheme were first adopted by shareholders on 4 May 2005 and then replaced on 10 May 2018, with certain amendments approved by the Nedbank Group shareholders on 28 May 2021 (Rules).

Special Resolution 5 proposed that the Long-Term Incentive (LTI) 'Retention Awards' be replaced with 'Individual Performance Awards' throughout the Rules of the 2005 Share Scheme. Individual Performance Awards were defined as 'any of Options, Matched Awards or Restricted Awards, which were subject to the requirement that the Participant was still in the employ of the Group at the Vesting Date and which Awards may be subject to a minimum individual performance standard as specified by RemCo.

This amendment eliminated 'Retention Awards', which were only time-based. Following this amendment, only Performance Awards, which were subject to corporate performance targets, and Individual Performance awards that were subject to an individual performance standard as specified by the Group Remuneration Committee, may be issued. Consequent to this amendment, all the vesting criteria for all LTI awards issued by Nedbank Group in 2023, vesting in 2026, would be performance-based.

In addition, the Nedbank Group further proposed to amend clause 28 of the Rules of the 2005 Share Scheme. The proposed amendment deemed that any shares received by a Scheme participant pursuant to an unbundling transaction would be Restricted Shares subject to the same conditions applicable to the Restricted Awards.

It was noted that the amendments to the Rules had been approved by the JSE. A copy of the Rules with the proposed amendments, initialled and signed on the front cover by the Group Chairperson of the board, with proposed amendments highlighted for ease of reference, may be requested from the Group Company Secretary.

The Chairperson put the proposals to amend the rules of the Nedbank Group (2005) Share Scheme to the meeting for consideration, each by way of a separate special resolution.

20. SPECIAL RESOLUTION 5 – AMENDMENTS TO THE RULES OF THE NEDBANK GROUP (2005) SHARE OPTION, MATCHED-SHARE AND RESTRICTED-SHARE SCHEMES (COLLECTIVELY THE NEDBANK GROUP (2005) SHARE SCHEME) (cont.)

Special Resolution number:

5.1 'Resolved that reference to 'Retention Awards' in the Nedbank Group (2005) Share Scheme be and is hereby replaced with 'Individual Performance Awards' and that a minimum individual performance standard be added as a condition to Options, Matched Awards and Restricted Awards as may be specified by RemCo'.

5.2 'Resolved that wording of clause 28 (including subclauses 28.2 and 28.3, and the inclusion of new subclauses 28.4 and 28.5) of the Nedbank Group (2005) Share Scheme be and is hereby amended as follows:

28. DIVIDENDS AND DISTRIBUTIONS

For the sake of clarity it is recorded that:

28.1 in respect of the Option Scheme, no dividends shall be paid unless and until the Options are exercised by a Participant, the full Purchase Price paid therefor and the relevant Shares issued;

28.2 in respect of the Matched Share Scheme, dividends <u>or distributions contemplated in clause 28.4</u> shall be paid on the Bonus Shares constituting the Participant's Portfolio but no right to dividends <u>or distributions</u> shall accrue to Participants in respect of the Matched Shares unless and until the requisite Matched Shares are delivered to the Participant;

28.3 in respect of the Restricted Share Scheme, the Participant shall be entitled to those dividends paid on the Restricted Shares from the Restricted Award Date up to and including the Vesting Date which dividends shall be distributed, if required, by the Trustees to the Participants; and thereafter in the normal course after the restrictions have lifted. <u>In the case of a dividend paid in the ordinary course of business, the dividend will be paid to the Participant as a deemed shareholder, however, any other distribution contemplated in the Companies Act 71 of 2008 ("Companies Act"), will be made in accordance with the provisions of clause 28.4.</u>

28.4 <u>in the event of the Company making a distribution in specie or as capitalisation shares (as contemplated in section 47 of the Companies Act), Participants shall continue to participate in the Restricted Share Scheme, any additional Shares acquired by Participants will be deemed to be Restricted Shares and subject to the same conditions applicable to Restricted Awards in terms of the Restricted Share Scheme; and</u>

28.5 <u>in respect of the Matched Share Scheme, distributions contemplated in clause 28.4 paid on the Compulsory Bonus Shares will be subject to the same provisions applicable to allocations pursuant to the Restricted Share Scheme set out in clause 28.4.'</u>

21. SPECIAL RESOLUTION 6 – CREATION OF NEW PREFERENCE SHARES

The Chairperson advised that Nedbank Limited (NBL) had issued 358 277 491 non-redeemable, non-cumulative, non-participating variable rate preference shares with a nominal value of R0,01 each in several tranches between 2002 to 2010 under the then prevailing Basel II requirements (preference shares).

Regulation 38 (11)(c) of the BA700 Regulations Relating to Banks (Regulation 38) highlighted the phasing out of specified hybrid debt instruments qualifying as Tier 1 capital where the instruments or shares were issued either prior to 12 September 2010 or 1 January 2013. The preference shares qualified as Tier 1 instruments.

21. SPECIAL RESOLUTION 6 – CREATION OF NEW PREFERENCE SHARES (cont.)

These instruments were phased out by 10% per annum between 1 January 2013 and 31 December 2021, referred to as grandfathering. The preference shares' contribution towards regulatory capital reduced over this time as a result of the grandfathering. Accordingly, with effect from 1 January 2022, NBL would not have derived any regulatory capital benefit associated with the preference shares. Therefore, NBL deemed it appropriate to not continue having the preference shares as part of its issued share capital and repurchased the preference shares in December 2021.

There was, however, a shortage of dividend-yielding investment products in the market for corporates and high-net worth individuals who were seeking a dividend return. The annuity return provided by these preference share products had also proven to be a very attractive feature to investors.

As a result, it was proposed that Nedbank Group create and, subject to board and regulatory approval, issue perpetual preference shares, the Additional Tier 1 (**AT1**) preference shares, which would also qualify as AT1 capital in terms of Basel III regulatory requirements. This would both supplement the company's capital buffer and continue to provide an attractive product offering to the market. The terms of these preference shares were set out in Annexure 1 of the notice of the AGM.

Accordingly, the Chairperson proposed that the creation of 200 000 A non-redeemable, non-cumulative, non-participating, perpetual preference shares in Nedbank Group, at a nominal value of R1 000 000,00 per preference share, be and is hereby approved.

Special Resolution number 6:

'Resolved that, the creation of 200 000 A non-redeemable, non-cumulative, non-participating, perpetual preference shares in Nedbank Group, at a nominal value of R1 000 000,00 per preference share, be and is hereby approved.'

22. SPECIAL RESOLUTION 7 – AMENDMENTS TO THE MEMORANDUM OF INCORPORATION (MOI) AND TERMS OF THE A NON-REDEEMABLE, NON-CUMULATIVE, NON-PARTICIPATING PERPETUAL PREFERENCE SHARES

The Chairperson advised that the rationale for passing this special resolution was to amend the MOI of Nedbank Group to allow for the creation of new preference shares as voted for in special resolution 6, and to include the terms of the new preference shares (as set out in Annexure 1 of the notice) in Nedbank Group's MOI.

The amendments to the MOI had been approved by the JSE and were available for inspection at the registered office of Nedbank Group.

The Chairperson put the special resolution to the meeting.

Special resolution number 7:

'Resolved that the existing MOI of the Company be and is hereby amended by the inclusion of the A non-redeemable, non-cumulative, non-participating, perpetual preference shares (the amendments which were tabled at the meeting and initialled by the Group Chairperson of the meeting for the purposes of identification), with effect from the date of filing of the notice of amendment with the Companies and Intellectual Property Commission.'

23. **ORDINARY RESOLUTION 6 – PLACING THE AUTHORISED BUT UNISSUED A NON-REDEEMABLE, NON-CUMULATIVE, NON-PARTICIPATING, PERPETUAL PREFERENCE SHARES UNDER THE CONTROL OF THE DIRECTORS**

The Chairperson advised that ordinary resolution 6 was proposed to shareholders in accordance with the terms of the MOI, subject to the provisions of the Companies Act, 71 of 2008, the Banks Act, 94 of 1990 (as amended), and the JSE Listings Requirements. The authority granted in terms of this ordinary resolution would remain valid until the next AGM of the company to be held in 2024.

Accordingly, the Chairperson proposed that authority be granted to the directors to issue A non-redeemable, non-cumulative, non-participating, perpetual preference shares at such times as they deem fit, subject to the provisions of the Companies Act, the Banks Act and the Listings Requirements of the JSE.

Ordinary Resolution Number 6:

'Resolved that the board be and is hereby authorised, as it in its discretion thinks fit, to issue up to 200 000 A non-redeemable, non-cumulative, non-participating, perpetual preference shares of R1 000 000,00 each in the share capital of the company, subject to the provisions of the Companies Act, 71 of 2008, the Banks Act, 94 of 1990 (as amended), and the JSE Listings Requirements.

The Chairperson noted that all the proposed resolutions had been put before shareholders.

A short video showcasing some of Nedbank's CSI activities was then played for shareholders' information.

24. **RESULTS OF VOTING**

The Chairperson then advised the meeting that the scrutineers had confirmed that all resolutions had been passed by the requisite majority. He noted, however, that advisory endorsement 6.2 to endorse the Company's Remuneration Implementation Report had received 74,76% support. He confirmed that the board would engage further with shareholders in this regard, and further details on how to engage would be provided on SENS.

The Chairperson noted that the detailed voting results would be published on SENS before the end of the day.

25. **CLOSURE**

The Chairperson then thanked the board, management, and staff for their contributions.

No further matters were tabled, and the meeting closed at 10:30.

CONFIRMED

08/08/2023

CHAIRPERSON **DATE:**