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SUPPLEMENTARY REPORT  
TO THE NEDBANK GROUP INTEGRATED REPORT

# 2015 GLOBAL REPORTING INITIATIVE G4

for the year ended 31 December 2015

For the 2015 financial year we have used the Global Reporting Initiative (GRI) G4 guidelines. Our report is in accordance with the core requirements of GRI G4 and meets some of the requirements of the comprehensive level where we believe that this matter is material to Nedbank. We will continue to improve our reporting against the GRI G4 guidelines as our business matures on its integrated sustainability journey.

External assurance is the responsibility of a combined financial and non-financial team from Deloitte & Touche and KPMG Inc. Internal audit also forms part of our third line of defence, enhancing the credibility of our information. Financial information included in the integrated report has been extracted from the consolidated financial statements, over which the auditors expressed an unmodified opinion. Specific key performance indicators were included as part of the sustainability assurance engagement, details of which are included in the assurance opinion. These are available on nedbank.co.za.

G4	Indicator		Description	UNGC Principles
<b>Strategy and analysis</b>				
G4-1	Statement from the most senior decisionmaker of the organisation (such as chief executive officer, chair or equivalent senior position) about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability	Core	Reflections of our Chief Executive Reflections of our Chairman	1-10
G4-2	Provide a description of key impacts, risks and opportunities		Determining our material matters Strategic focus areas Engaging with our stakeholders Sustainability governance process Managing social and environmental risk Pillar 3 Risk and Capital Management Disclosure Report	1-10 1-10 1-2,7-9
<b>Organisational profile</b>				
G4-3	Name of the organisation	Core	Nedbank Group Ltd	
G4-4	Primary brands, products and/or services	Core	Overview of our group Our value-creating business model Delivering our strategy through our business clusters Enabling sustainability through products and services	7-9
G4-5	Location of organisation's headquarters	Core	Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton, Gauteng, SA	
G4-6	Number of countries of operation and most significant operations	Core	Overview of our group Company structure Reflections of our Chief Financial Officer	7-9
G4-7	Nature of ownership and legal form	Core	Overview of our group Company structure	
G4-8	Markets served (including geographical breakdown, sectors served, and types of customers and beneficiaries)	Core	Overview of our group Our value-creating business model Delivering our strategy through our business clusters	
G4-9	Scale of the organisation	Core	Overview of our group Our value-creating business model Delivering our strategy through our business clusters Reflections of our Chief Financial Officer Summarised five-year track record Enabling sustainability through our products and services Staff profile	3-6

G4	Indicator		Description	UNGC Principles
G4-10	(a) Total number of employees by employment contract and gender (b) Total number of permanent employees by employment type and gender (c) Total workforce by employees and supervised workers and by gender (d) Total workforce by region and gender (e) Report whether a substantial portion of the organisation's work is performed by workers who are legally recognised as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors (f) Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries)	Core	Staff profile Points (e) and (f) not applicable	1-2,3-6
G4-11	Percentage of total employees covered by collective-bargaining agreements	Core	Employee relations	3-6
G4-12	Nedbank Group's supply chain	Core	Adding value through a sustainable supply chain Governance and Ethics Review	1-10
G4-13	Significant changes during the reporting period regarding Nedbank's size, structure, ownership or supply chain	Core	No significant changes during the reporting period	
G4-14	Precautionary approach or principle	Core	Managing social and environmental risk Governance and Ethics Review	7-9 1-10 1-6,10
G4-15	Externally developed economic, environmental and social charters, principles or other initiatives, which Nedbank subscribes to or endorses	Core	Ratings and recognition Governance and Ethics Review	7-9 1-6,10
G4-16	List memberships of associations (such as industry associations) and national or international advocacy organisations	Core	Sustainability governance Governance and Ethics Review	1-10
<b>Identified material aspects and boundaries</b>				
G4-17	<ul style="list-style-type: none"> <li>■ Entities included in the organisation's consolidated financial statements or equivalent documents</li> <li>■ Entities included in the organisation's consolidated financial statements or equivalent documents not covered by the report</li> </ul>	Core	About our integrated report Company structure	7-9
G4-18	<ul style="list-style-type: none"> <li>■ Process for defining the report content and the aspect boundaries</li> </ul>	Core	About our integrated report	
G4-19	List all the material aspects identified in the process for defining report content	Core	Economic performance, compliance (environmental, social, product responsibility), employment, training and education, diversity and equal opportunity, human rights investment, non-discrimination, local communities, anti-corruption, product and service labelling, client privacy, product portfolio and active ownership.	
G4-20 -21	For each material aspect report the aspect boundary within and outside the organisation	Core	Aspect boundaries are as per the financial boundaries defined in the 2015 Nedbank Group Integrated Report. Determining our material matters About our integrated report	

## GLOBAL REPORTING INITIATIVE G4 INDEX (continued)

G4	Indicator		Description	UNGC Principles
G4-22	Restatements of information	Core	No reclassifications and restatements were made to the group's statement of financial position and the statement of comprehensive income.	
G4-23	Significant changes from previous reporting	Core	None	
<b>Stakeholder engagement</b>				
G4-24-27	List stakeholder groups engaged, the basis for selection of stakeholders with whom to engage, Nedbank's approach to stakeholder engagement and key topics and concerns raised through stakeholder engagement, as well as Nedbank's response	Core	Engaging with our stakeholders Stakeholder engagement Governance and Ethics Review	1-10  1-10
<b>Report profile</b>				
G4-28	Reporting period	Core	About our integrated report	
G4-29	Date of most recent previous report (if any)	Core	About our integrated report	
G4-30	Reporting cycle	Core	About our integrated report	
G4-31	Contact point for questions regarding the report or its contents	Core	Contacts	
G4-32	GRI content index External assurance	Core	Our report is in accordance with the core requirements of G4. About our integrated report	
G4-33	Assurance Report	Core	About our integrated report Validating our sustainability journey Report from our independent auditors	1-10
<b>Governance</b>				
G4-34	Nedbank's governance structure including committees responsible for decisionmaking on economic, environmental and social impacts	Core	Reflections of our Chairman Report from Group Transformation, Social and Ethics Committee Chairman Sustainability governance process Governance and Ethics Review	1, 2,7-10 1, 2,7-10  1-10
G4-35	Process for delegating authority for economic, environmental and social topics		Sustainability governance Governance and Ethics Review	
G4-36	Executive-level position responsible for economic, environmental and social topics		Sustainability governance Governance and Ethics Review	1-10
G4-37	Consultation between stakeholders, board and relevant governance committees on economic, environmental and social topics		Reflections of our Chairman Report from Group Transformation, Social and Ethics Committee Chair Sustainability governance structures Governance and Ethics Review	1-10
G4-38	Composition of the board and its committees		Board of directors Governance and Ethics Review	1-10
G4-39	Chair and executive officer positions		Governance and Ethics Review	1-10
G4-40	Nomination and selection processes for the board and its committees		Sustainability governance Governance and Ethics Review	1, 2,7-10 1-10
G4-41	Processes for the Nedbank board to ensure conflicts of interest are avoided and managed		Governance and Ethics Review	10
G4-42	The board's role in setting strategy, values, policies and goals related to economic, environmental and social impacts		Governance and Ethics Review	1-10
G4-43	Measures to develop and enhance the board's collective knowledge of economic, environmental and social topics		Report from Group Transformation, Social and Ethics Committee Chair Governance and Ethics Review	1-10
G4-44-47	Process for evaluating the board's performance with respect to governance of economic, environmental and social topics and actions taken in response to the evaluation		Governance and Ethics Review	1-10

## GLOBAL REPORTING INITIATIVE G4 INDEX (continued)

G4	Indicator	Description	UNGC Principles	
G4-45-47	The board's role in: <ul style="list-style-type: none"> <li>■ identifying and managing economic, environmental and social impacts, risks and opportunities</li> <li>■ using stakeholder consultation to support the identification and management of economic, environmental and social impacts, risks and opportunities</li> <li>■ reviewing the effectiveness of Nedbank's risk management processes for economic, environmental and social topics</li> <li>■ review of economic, environmental and social impacts, risks and opportunities</li> </ul>	Reflections of our Chairman Report from Group Transformation, Social and Ethics Committee Chair Determining our material matters Sustainability governance process Stakeholder engagement Pillar 3 Risk and Capital Management Disclosure Report Governance and Ethics Review	7-9 7-9 1,2 3-6 1-10	
G4-48	Committee that reviews and approves Nedbank's integrated report and supplementary sustainability information and ensures that all material aspects are covered	Group Transformation, Social and Ethics Committee		
G4-49	Process for communicating critical concerns to the board	Governance and Ethics Review	1-10	
G4-50	Nature and number of critical concerns that were communicated to the board and the mechanism(s) used to address and resolve them	Pace of transformation; culture, employee wellbeing; procurement; ethics; environmental compliance; tax; audit: fees and findings; funding and liquidity; risk appetite; new products; regulatory change, succession planning, relationship with Old Mutual, expansion into Africa, deteriorating macro-economy, stress testing. Number of issues not disclosed	1-10	
G4-51	<ul style="list-style-type: none"> <li>■ Remuneration policies for the board and senior executives</li> <li>■ Performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives</li> </ul>	Reporting back on remuneration	1,2,3-6 3-6	
G4-52	<ul style="list-style-type: none"> <li>■ Process for determining remuneration</li> <li>■ Report any other relationships which the remuneration consultants have with the organisation</li> </ul>	Reporting back on remuneration We use consultants to advise our Group Remuneration Committee	3,6 3,6 3,6	
G4-53	Stakeholders' views on remuneration, including the results of votes on remuneration policies and proposals	Reporting back on remuneration Report from Group Remuneration Committee Chair Notice of annual general meeting Form of proxy	3-6 <sup>1</sup>	
G4-54	Ratio of the annual total compensation for the organisation's highest-paid individual to the median annual total compensation for all employees	Tracked and monitored internally, but not reported publicly Reporting back on remuneration	3,6	
G4-55	Ratio of percentage increase in annual total compensation for the organisation's highest-paid individual to the median percentage increase in annual total compensation for all employees	Tracked and monitored internally, but not reported publicly Reporting back on remuneration	3,6	
<b>Ethics and integrity</b>				
G4-56	Nedbank's values, principles, standards and norms of behaviour, such as codes of conduct and codes of ethics	Core	Our vision and values Governance and Ethics Review	3-6,1-10 1,2,1-10
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to Nedbank's integrity, such as escalation through line management, whistleblowing mechanisms or hotlines		Governance and Ethics Review Pillar 3 Risk and Capital Management Disclosure Report	1,2,10

G4	Indicator		Description	UNGC Principles
<b>Economic performance</b>				
G4-EC1	Direct economic value generated and distributed		Our value-creating business model Reflections of our Chief Financial Officer Financial Review Our summarised five-year review Pillar 3 Risk and Capital Management Disclosure Report	
G4-EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change		Determining our material matters Our approach to climate change	
G4-EC3	Coverage of the organisation's defined-benefit-plan obligations		Reporting back on remuneration	
G4-EC4	Financial assistance received from government		No financial assistance received from government	
G4-EC7	Development and impact of infrastructure investments and services supported		Enabling sustainability through our products and services 2015 Transformation Report	
G4-EC8	Significant indirect economic impacts		2015 Transformation Report Sustainability Review Committed to investing in people development	
G4-EC9	Proportion of spending on locally based suppliers		Procuring locally through value-adding suppliers	
<b>Energy</b>				
G4-EN3	Energy consumption within the organisation		Carbon footprint measurement	
G4-EN5	Energy intensity		Carbon footprint measurement	
G4-EN6	Reduction of energy consumption		Carbon footprint measurement	
<b>Emissions</b>				
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)		Carbon footprint measurement	
G4-EN16	Energy indirect GHG emissions (Scope 2)		Carbon footprint measurement	
G4-EN17	Other indirect GHG emissions (Scope 3)		Carbon footprint measurement	
G4-EN18	GHG emissions intensity		Carbon footprint measurement	
G4-EN19	Reduction of GHG emissions		Carbon footprint measurement	
G4-EN20	Emissions of ozone-depleting substances		Carbon footprint measurement	
<b>Compliance (environmental)</b>				
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations		None for the period	
G4-FS1	Policies with specific environmental and social components applied to business lines	Core	Sustainability governance process Committed to responsible finance Managing social and environmental risk Approach to lending in our retail bank Governance and Ethics Review	3-9 1-10
G4-FS2	Procedures for assessing and screening environmental and social risks in business lines	Core	Sustainability governance process Committed to responsible finance Managing social and environmental risk Approach to lending in our retail bank Governance and Ethics Review	3-9 3-9 7-9 1-6,10
G4-FS3	Processes for monitoring clients' implementation of, and compliance with, environmental and social requirements included in agreements or transactions	Core	Sustainability governance process Committed to responsible finance Managing social and environmental risk Approach to lending in our retail bank	3-9 7-9 3-9

G4	Indicator		Description	UNGC Principles
G4-FS4	Processes for improving staff competence to implement the environmental and social policies and procedures as applied to business lines	Core	Entrenching sustainable thinking among our staff Reduction targets Pillar 3 Risk and Capital Management Disclosure Report Governance and Ethics Review	3-9    1,2,10
G4-FS5	Interactions with clients/investors/business partners regarding environmental and social risks and opportunities	Core	Engaging with our stakeholders Stakeholder engagement Leveraging carbon neutrality to maximum benefit Partnerships that help to drive our sustainability agenda	
G4-FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	Core	Assurance statement online	
G4-FS15	Policies for the fair design and sale of financial products and services	Core	Innovating for our clients Pillar 3 Risk and Capital Management Disclosure Report	
<b>Employment</b>				
G4-LA1	New employee hires and employee turnover		Staff profile	1,2,3-6
G4-LA2	Benefits provided to fulltime employees that are not provided to temporary or parttime employees		Reporting back on remuneration	1,2,3-6
<b>Training and education</b>				
G4-LA9	Average hours of training per year per employee by gender and by employee category		Committed to investing in people development	1,2,3-6
G4-LA10	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings		Developing capable leadership Ensuring employee wellbeing	1,6
G4-LA11	Percentage of employees receiving regular performance and career development review		Rewarding for performance	1,6
<b>Diversity and equal opportunity</b>				
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity		Board of directors Staff profile Governance and Ethics Review	1,2,3-6
<b>Human rights investment</b>				
G4-HR1	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		Applying the Equator Principles Governance and Ethics Review	1,2,3-6
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained		Governance and Ethics Review	1,2,3-6
<b>Non-discrimination</b>				
G4-HR3	Total number of incidents of discrimination and corrective actions taken		Governance and Ethics Review	1,2,3-6
<b>Local communities</b>				
G4-SO1	Operations with implemented local community engagement, impact assessments and development programmes		Applying the Equator Principles Leading through collaboration and partnership Stakeholder engagement 2015 Transformation Report	7-9
G4-FS13	Access points in low-populated or economically disadvantaged areas by type		Enterprise development Financial inclusion 2015 Transformation Report	7-9

G4	Indicator	Description	UNGC Principles
G4-FS14	Initiatives to improve access to financial services for disadvantaged people	Products aimed at socioeconomic transformation Consumer financial education 2015 Transformation Report	1,2,3,6
<b>Anti-corruption</b>			
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	Pillar 3 Risk and Capital Management Disclosure Report Governance and Ethics Review	10
G4-SO4	Communication and training on anti-corruption policies and procedures	Pillar 3 Risk and Capital Management Disclosure Report	10
G4-SO5	Confirmed incidents of corruption and actions taken	Pillar 3 Risk and Capital Management Disclosure Report None for the period	10
<b>Compliance (society)</b>			
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Pillar 3 Risk and Capital Management Disclosure Report R774 000 was paid in fines/penalties and settlements for non-compliance, largely due to tax penalties.	
<b>Product, service and labelling</b>			
G4-PR3	Type of product and service information required by the organisation's procedures for product and service information and labelling, and percentage of significant products and service categories subject to such information requirements	Detailed product brochures that comply with all relevant legislation, such as the National Credit Act, are available for the group's clients. Relationship managers are also responsible for explaining the characteristics, benefits and implications of products to clients in accordance with the Financial Advisory and Intermediary Services (FAIS) Act. Product policies and procedures and product review committees are in place.	
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes	Approximately 60 incidents of non-compliance, the majority of which relate to anti-money-laundering	
G4-PR5	Results of surveys measuring customer satisfaction	Innovating for our clients	
<b>Customer privacy</b>			
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	We have not received any substantiated complaints regarding breaches of client privacy from any outside party or from our regulators. Where assets in the form of computers and cellphones were lost or stolen, the majority had been encrypted and there were therefore no breaches of client privacy to which we were alerted. We are proactively working on our privacy data breach management and response processes with a view to further refining and identifying losses of such data in order to ensure that we stay abreast of advancements and regulatory developments in this regard.	
<b>Compliance (product and service)</b>			
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	No significant amounts paid for the period	



G4	Indicator	Description	UNGC Principles
<b>Product portfolio</b>			
G4-FS6	Percentage of the portfolio for business lines by specific region, size (eg micro/SME/large) and by sector	Overview of our group Our value-creating business model Delivering our strategy through our business clusters Our summarised five-year track record	
G4-FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line, broken down by purpose	Applying the Equator Principles Enabling sustainability through our products and services 2015 Transformation Report	
G4-FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line, broken down by purpose	Applying the Equator Principles Enabling sustainability through our products and services	
<b>Active ownership</b>			
G4-FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental and social issues	During 2015 all new applications and credit risk reviews of high-risk clients in Nedbank Corporate and Investment Banking (CIB) were included in the SEMS assessment process. Where relevant, certain deals were also assessed using the Equator Principles. More than 512 clients and/or deals were assessed in 2015, compared with 450 in 2014.	
G4-FS12	Voting policies applied to environmental or social issues for shares over which the reporting organisation holds the right to vote shares or advises on voting	Nedgroup Investments voting policy - <a href="http://www.nedgroupinvestments.co.za/Content/Files/Documents/Nedgroup%20Investments%20Proxy%20Voting%20Guidelines.pdf">http://www.nedgroupinvestments.co.za/Content/Files/Documents/Nedgroup%20Investments%20Proxy%20Voting%20Guidelines.pdf</a>	
G4-FS11	Percentage of assets subject to positive and negative environmental or social screening	Implementing principles for responsible investment Our summarised five-year track record	