



Independent Limited Assurance Report on Selected Sustainability Information

To the Directors of Nedbank Limited

Report on Selected Sustainability Information

We have undertaken a limited assurance engagement on selected sustainability information, as described below, and presented in the 2017 Integrated Annual Report of Nedbank Limited ("Nedbank") for the year ended 31 December 2017 (the Report). This engagement was conducted by a multidisciplinary team including social, environmental, carbon and assurance specialists with relevant experience in sustainability reporting.

Subject Matter

We are required to provide limited assurance on the following selected sustainability information:

1. Nedbank's statement stated in the report on page 14 of its alignment with the AA1000APS (2008) principles of inclusivity, materiality and responsiveness; and
2. The information set out in the table below and disclosed in the Integrated Report tables on page 44 and 72, and Sustainability Report table on page 4 and/or marked with 'LA Logo', prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards supported by Nedbank's internally developed guidelines (collectively referred to as "Nedbank's reporting criteria").

Table 1: Scope of the 2017 limited assurance engagement		
Category	Selected Sustainability Information	Coverage / reporting boundary
Environmental	Number of Equator Principle Deals that had their first draw down within the financial year	CIB (Investment banking and Client Coverage)
	Total Carbon Footprint (tCO2e)	<ul style="list-style-type: none"> • Scope 1: Campus buildings and Nedbank Ltd (South African operations) • Scope 2: Campus buildings; non-Campus buildings and non-South African bank offices and/or outlets • Scope 3: Nedbank Ltd (South African operations)
	Total Water Consumed (kl)	Nedbank Campus buildings
	Waste sent to Landfill (tonnes)	Nedbank Campus buildings
	Waste Recycled (tonnes)	Nedbank Campus buildings
	All CIB credit risk reviews and new applications included the screening of high risk clients and EP relevant deals via the Social and Environmental Management System (SEMS).	Nedbank CIB (Investment Banking and Client Coverage)
Economic: Clients and Banking	Net promoter score (NPS)	Client promotion of Nedbank for Retail and Business Banking, Wealth and CIB

Policy Board:
Chief Executive: N Dlom
Directors: Full list on website

The company's principal place of business is at KPMG Crescent, 85 Empire Road, Parktown, where a list of directors' names is available for inspection. KPMG Services Proprietary Limited is a company incorporated under the South African Companies Act and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Services Proprietary Limited is not a Registered Auditor in terms of the Auditing Profession Act, 26 of 2005 and does not provide audit services as defined in Section 1 of this Act.
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National Executive: *LL Bam Chief Executive Officer, *TMM Jordan Deputy Chief Executive Officer, *MJ Jarvis Chief Operating Officer, *GM Pinnock Audit, *N Sing Risk Advisory, *NB Kader Tax, TP Pillay Consulting, S Gwala BPaas, *K Black Clients & Industries, *JK Mazzocco Talent & Transformation, *MJ Comber Reputation & Risk, *TJ Brown Chairman of the Board, Regional Leader: MN Alberts

A full list of partners and directors is available on request

*Partner and Registered Auditor

B-BBEE rating: Level 2 contributor in terms of the Chartered Accountancy Profession Sector Code
Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

Table 1: Scope of the 2017 limited assurance engagement		
Category	Selected Sustainability Information	Coverage / reporting boundary
Economic: Clients and Banking	Number of main banked clients	Retail and CIB
	Number of digitally active clients	Nedbank Group Limited
	Number of digitally enabled clients	Nedbank Group Limited
	Market Share	Group
	Value of Digital Transactions	Rand value (Retail and Business Banking)
	Client Satisfaction Resolution Index	Retail and Business Banking
	Client Complaint Resolution	Retail and Business Banking
IT	Blended uptime score for applications and infrastructure	Nedbank Group Limited
Human Resources	Staff Attrition rate	South African Nedbank staff turnover as a percentage of total staff

Directors' Responsibilities

The Directors are responsible for the selection, preparation and presentation of the selected sustainability information in accordance with the following criteria:

1. The AA1000APS (2008) for the three principles of inclusivity, materiality and responsiveness (the AA1000APS (2008) principles) for Nedbank's statement regarding its alignment with these principles; and
2. Nedbank's reporting criteria for the selected sustainability information set out in the table above.

The Directors are responsible for:

- Making the statement on page 14 regarding Nedbank's alignment with the AA1000APS (2008) principles of inclusivity, materiality and responsiveness;
- Ensuring that the selected sustainability information is presented in accordance with Nedbank's reporting criteria;
- Confirming the measurement or evaluation of the selected sustainability information against Nedbank's reporting criteria, including that all relevant matters are reflected in the selected sustainability information;
- Designing, establishing and maintaining internal controls to ensure that Nedbank's sustainability information is free from material misstatement, whether due to fraud or error and presented in accordance with Nedbank's reporting criteria; and
- Identification of stakeholders and stakeholder requirements, material issues and commitments with respect to sustainability performance.

Our Independence, Ethical Requirements and Quality Control

We have complied with the independence and all other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA) that is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Part A and B), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

KPMG Services Proprietary Limited and Deloitte & Touche apply the International Standard on Quality Control 1 and accordingly maintain comprehensive systems of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements other than the Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and perform our engagement to obtain limited assurance about whether the selected sustainability information is free from material misstatement.

Summary of work performed

A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised) involves assessing the suitability in the circumstances of Nedbank's use of its reporting criteria as the basis of preparation for the selected sustainability information, assessing the areas of material misstatement of the selected sustainability information whether due to fraud or error, responding to the assessed areas as necessary in the circumstances, and evaluating the overall presentation of the selected sustainability information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgement and included inquiries, observation of processes followed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Interviewed management and senior executives at corporate level to evaluate the application of the AA1000APS (2008)



principles and to obtain an understanding of the control environment related to integrated reporting.

- Tested the processes and systems at group level which generate, collate, aggregate, monitor and report selected key performance indicators and inspected related documentation, more specifically:
 - Interviewed and discussed with relevant management, key personnel and/or stakeholders of Nedbank to confirm definitions and boundaries for selected performance information, and gathered information on the data collection and report preparation processes.
 - Evaluated internal data management controls based on system walkthroughs.
 - Inspected selected internally and externally generated documents and records and performed comprehensive data analyses.
 - Re-calculated the selected sustainability information, where relevant.
- Evaluated whether the information presented in the Report is consistent with our overall knowledge and experience of sustainability management and performance at Nedbank and is not materially inconsistent with information contained in the Report.

The procedures performed in a limited assurance engagement vary in nature and form, and are less in extent than for a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether Nedbank's selected sustainability information is prepared, in all material respects, in accordance with Nedbank's reporting criteria.

Conclusions

Based on the procedures we have performed and evidence we have obtained, nothing has come to our attention that causes us to believe that for the year ended 31 December 2017:

1. Nedbank's statement stated in the report on page 14 relating to its alignment with the AA1000APS (2008) principles of inclusivity, materiality and responsiveness is not adequately prepared; and
2. The selected sustainability information set out in the subject matter paragraph is not prepared, in all material respects, in accordance with Nedbank's reporting criteria.

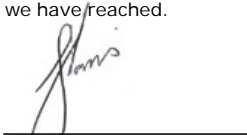
Other Matters

Our report does not extend to any disclosures or assertions relating to future performance plans and / or strategies disclosed in the Report.

The maintenance and integrity of the Nedbank's Website is the responsibility of Nedbank's management. Our procedures did not involve consideration of these matters and, accordingly we accept no responsibility for any changes to either the information in the Report or our independent limited assurance report that may have occurred since the initial date of its presentation on Nedbank's website.

Restriction of Liability

Our work has been undertaken to enable us to express limited assurance conclusions on the selected sustainability information to the Directors of Nedbank in accordance with the terms of our engagement letter dated 4 December 2017, and for no other purpose. We do not accept or assume liability to any party other than Nedbank, for our work, for this report, or for the conclusions we have reached.



KPMG Services
Proprietary Limited
Per Neil Morris

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Registered Auditor
Director

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22 March 2018



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Deloitte & Touche

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