



Level 1

Nedbank Group Human Rights Statement

NEDBANK GROUP:
GROUP COMPLIANCE

Ref: Driekie Havenga

1 Objective and rationale

The Nedbank Group values of accountability, integrity, respect, being people-centred and client-driven are all incorporated in our philosophy to protect, respect and support remedial efforts with regard to human rights and human rights violations in the course of doing business.

The Human Rights Statement forms part of the Enterprise Framework. We see human rights as the fundamental rights to which every person is entitled, as stated in the Bill of Rights, eg:

- Freedom and security of person.
- Freedom of religion, belief and opinion.
- Freedom of expression.
- Freedom of association.
- Freedom of movement and residence.
- Freedom of trade, occupation and profession.

The Nedbank Group Human Rights Statement:

- provides guidance to business clusters and employees regarding their responsibilities relating to human rights;
- contributes to international best practice;
- is linked to the Nedbank vision to build Africa's most admired bank by our staff, clients, shareholders, regulators and communities; and
- demonstrates to our key stakeholders that we manage our human rights impact, risks and opportunities effectively.

This statement is further strengthened by the:

- Companies Act (ss7) that states 'The purposes of this Act are to – (a) promote compliance with the Bill of Rights as provided for in the Constitution ...';
- Nedbank Group Board Ethics Statement;
- Nedbank Code of Ethics and Conduct; and
- Environmental Risk Policy.

2 Scope and key principles

This statement applies to all companies controlled by the group and forms part of the group's operating philosophy, policies, standards and values. We see ourselves as a role model and a responsible corporate citizen.

Nedbank is a signatory to the United Nations Global Compact (UNGC) and as such endeavours to comply with:

- **Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and
- **Principle 2:** Businesses should make sure they are not complicit in human rights abuses.

To this effect we also complete an annual Communication of Progress for the UNGC.

3 Employees

Nedbank fundamentally respects and promotes the rights of its employees and always strives to create an environment where these rights are practised and observed. This is strongly reflected in the bank's employment policies and values and in the Nedbank Code of Ethics and Conduct. With regard to the Code of Ethics and Conduct employees should:

- treat others with respect, dignity and humanity and respect the diversity of beliefs, cultures, convictions and habits of the people of our bank and the countries in which we operate;
- respect the rights of others regardless of age, race, gender, sexual orientation or disability;
- foster a culture of respect for all persons in all areas of our lives.
- strive in our personal, professional and leadership capacities directly or indirectly not to associate ourselves with sexual violence and abuse of persons, including persons with disabilities;
- not associate ourselves with harmful practices such as child labour, forced labour, slavery, forced marriages and human trafficking;
- do what is best for our bank, our country and our planet;
- act with professional integrity and abide by the values, policies and procedures of the group, the laws of our country and the universal human principles of all that is good and just;
- refuse to receive or pay a bribe and in terms of the group's fraud and anti-corruption activities policies report any attempted solicitation of a bribe and all other corrupt activities that come to our attention; and
- refrain from remaining silent in the face of corruption, theft, dishonesty, malice, disrespect, intolerance, abuse or injustice.

4 Fair and reasonable market conduct

Nedbank's vision is to be the most admired financial services provider in Africa by our clients, among others. We aspire to be a 'great place to bank and invest'. We also pride ourselves on being distinctive through listening to and understanding our clients' needs.

Nedbank is a client-driven organisation and has added this to its established values of respect, integrity, accountability and being people-centred.

We believe that the fair treatment of our clients through quality service delivery is the cornerstone of our business.

5 Clients and suppliers

Nedbank believes that relationships with clients and suppliers provide a platform for the development of leading human rights practices, even if these parties are responsible for defining their own policies. We will continue to work with clients and suppliers to drive best practice and encourage them to push the boundaries in the implementation of human rights best practice. We follow a rigorous process to ensure we do whatever possible to associate with suppliers who practise the same values and principles as us.

Nedbank seeks to prevent or mitigate adverse human rights impacts that are directly linked to the bank's operations, products or services by virtue of the bank's business relationships, even if the bank has not contributed to those impacts in its value chain.

6 Procurement

The Nedbank Supplier Code of Ethics and Conduct is included in all supplier contracts. Nedbank will ensure, through the inclusion of the Supplier Code of Ethics and Conduct in the relevant contracts, that suppliers adhere to the relevant employment legislation.

Nedbank will exert influence on its supply chain in order to change circumstances for the better.

Nedbank undertakes to establish any complicity in its supply chain, including key suppliers, vendors, contractors, joint venture partners and any other business associates. The bank has strict policies concerning bribes and facilitation payments.

Nedbank will have the right to exit from any relationship where it is found that a party in our value chain is involved in any human rights violations. These violations may preclude Nedbank from doing business with suppliers.

We also support networking with likeminded parties to share best practice regarding human rights, sharing our experience as well as the implementation of these principles.

7 Clients

We follow stringent anti-money-laundering legislation to ensure that we know our clients and do not promote or support bribery and corruption in any form.

8 Community and environment

Nedbank is prudent about the impact the bank has on communities in which it operates. We perform relevant assessments in this regard that include the Equator Principles, Social and Environmental Screening and Assessments (SEMS) and the Group Environmental and Credit Policies, and we act accordingly. We will support and promote a society based on the Universal Declaration of Human Rights.

9 Government

Nedbank recognises the pivotal role of the state and the government to protect human rights; however, Nedbank also acknowledges the role business plays as a responsible corporate citizen and the importance of compliance with applicable laws.

10 Host countries

Regarding our international operations where legislation is more stringent, the legislation that applies in the host country will apply in addition to this statement. If there is significant conflict with this statement, we will adhere to legislation, but seek to create the relevant awareness and through the example of best practice, endeavour to influence the status quo for the better. Conflicts may preclude certain relationships or transactions.

11 Provider of financial services

As a business, Nedbank works against corruption in all its forms, including extortion and bribery. New-product development takes into consideration human rights requirements and the proper evaluation of risks. If products/services are associated with any human rights violations, it must be reported to the Transformation, Social and Ethics Committee. In this regard we also refer to the Anti-money-laundering and the Combating of the Financing of Terrorist and Related Activities.

12 Due diligence

Internal

Nedbank endeavours to complete the Human Rights Compliance Assessment South Africa annually to ensure that best practice is followed. By implementing and following up on the results of the Ethics Risk Assessment and the Compass Survey, further possible gaps are identified and addressed.

Policies, products and services are judged against the applicable human rights principles.

Other sustainability and human rights initiatives that give impetus to the promotion of human rights at Nedbank include:

- Dow Jones Sustainability Emerging Markets Index.
- FTSE/JSE Socially Responsible Investment Top 30 Index.
- FTSE4Good Index.
- South African Carbon Disclosure Project Index.
- Equator Principles.
- United Nations Environment Programme Finance Initiative (UNEP FI).
- UNGC.
- Human Rights Compliance Assessment South Africa.
- Nedbank Social and Environmental Management System.
- Nedbank Social and Environmental Risk Management Framework.
- Global Child Forum.
- Corporate Responsibility to Eliminate the Sale of Children (CRES).

External

Nedbank applies the Equator Principles and SEMS, where relevant.

The external email reporting line called 'Talk to the ethics office' is available as a mechanism for any external parties to report any human rights concerns or comment on the statement. Emails can be sent to TalkToTheEthicsO@nedbank.co.za.

As a member of the UNGC we also report annually on the 10 guiding principles that include human rights.

13 Nedbank Group Policies to be read in conjunction with the Nedbank Group Human Rights Statement

- Code of Ethics and Conduct.
- Compliance Policy.
- Corporate Social Investment Policy.
- Enterprise Governance Policy and Principles.
- Enterprise-wide Risk Management Policy.
- Environmental Risk Policy.
- Fraud and Corrupt Activities Policy.
- New Product Approval Policy.
- Occupational Health and Safety Policy.
- Privacy Policy.
- Strategic Risk Principles Policy.
- Procurement Policy.
- Reputational Risk Policy.
- Social Media Policy.
- Supplier Code of Ethics and Conduct.
- Whistleblowing Policy.
- Stakeholder Engagement Policy.
- All people risk policies.

14 Reference material

This statement is guided by:

- The United Nations Universal Declaration of Human Rights.
- The United Nations Global Compact.
- The Constitution of the Republic of South Africa.
- The Human Rights Compliance Assessment South Africa.
- International best practice:
 - Report of the Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises.
 - Business and human rights in conflict-affected regions.
 - Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework.

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