MAKE THINGS HAPPEN

NEDBANK GROUP

TO BE AFRICA'S **MOST ADMIRED BANK**

NOTICE OF THE ANNUAL GENERAL MEETING AND SUMMARISED FINANCIAL STATEMENTS

for the year ended 31 December 2015

A Member of the OLDMUTUAL Group

Nedbank Group prides itself on supplying stakeholders with up-to-date information on a regular basis. This information can be found at nedbankgroup.co.za.

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ADDITIONAL INFORMATION FOR OUR STAKEHOLDERS

The Nedbank Group Integrated Report is supplemented by the following information, which is available online at nedbankgroup.co.za as part of our comprehensive integrated reporting that caters for the diverse needs of our broad stakeholder base.

Financial reporting

- 2015 Results Booklet
- 2015 Results Presentation
- 2015 Nedbank Group Consolidated Annual Financial Statements
- 2015 Nedbank Ltd Annual Report

Risk management reporting

- 2015 Pillar 3 Risk and Capital Management Report

Annual general meeting

- Notice of the 49th Annual General Meeting
- Proxy Form
- Shareholder register

Governance reporting

- 2015 Governance and Ethics Review
- 2015 Register of directors' attendance
- Director and Executive profiles
- 2015 King III Principles
- 2015 Remuneration Report

Sustainability reporting

- 2015 Transformation Report
- 2015 Sustainability Review
- Global Reporting Initiative G4

OVERVIEW OF OUR GROUP

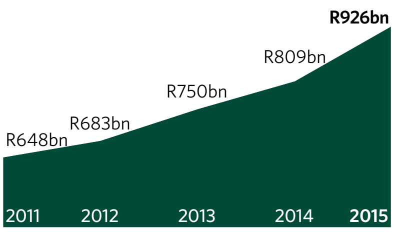
Nedbank Group is a diversified financial services provider offering a wide range of wholesale and retail banking services as well as insurance, asset management and wealth management solutions.

One of Africa's
largest
banking groups

Old Mutual Group
54,1%
shareholding in Nedbank Group

Nedbank Limited – our
principal
banking subsidiary

Assets
R926bn

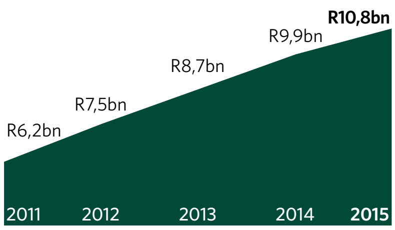


Ordinary shares listed on the JSE since
1969

Market capitalisation
R93bn
(at 31 December 2015)

Deposits
R726bn

Headline earnings
R10,8bn



Providing our clients access to financial services in 39 countries across Africa.

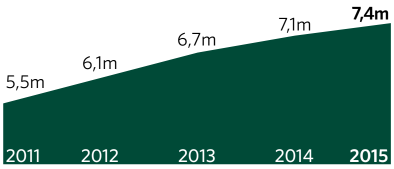
Nedbank Group's primary market is SA, however, we are continuing to expand into the rest of Africa. Outside SA we have a presence in six countries in the Southern African Development Community (SADC) and East Africa region, where we own subsidiaries and banks in Namibia, Swaziland, Malawi, Mozambique, Lesotho, Zimbabwe, and also have representative offices in Angola and Kenya.

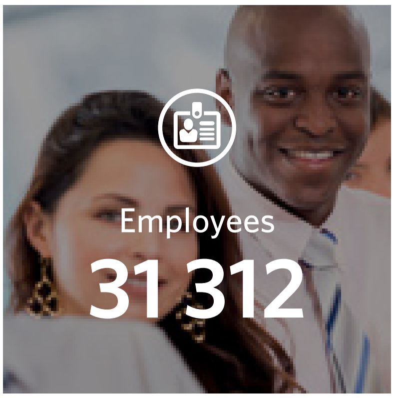
In West and Central Africa we have a partnership strategy and approximately 20% shareholding in Ecobank Transnational Incorporated (ETI), enabling a unique one-bank experience to our clients across more than 2 350 branches in 39 countries.

Outside Africa we have a presence in key global financial centres to provide international financial services for SA-based multinational and high-net-worth clients in the Isle of Man, Guernsey, Jersey and London, Toronto and Dubai.

Clients

7,4m





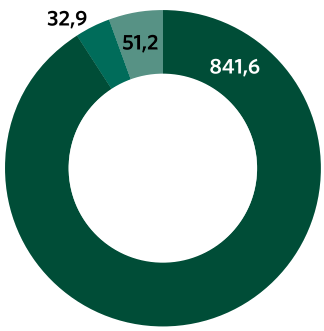
Staffed outlets

1 143

ATMs

3 840

ASSETS BY GEOGRAPHICAL AREA
(Rbn)



■ | SA ■ | Rest of Africa ■ | International

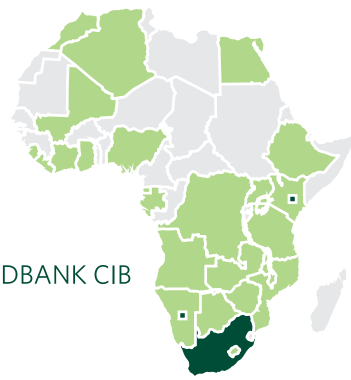
NEDBANK

■ | Nedbank existing presence
■ | Expansion opportunities

ECOBANK

■ | Ecobank top three in country
■ | Ecobank other
■ | Ecobank representative offices

NEDBANK CIB



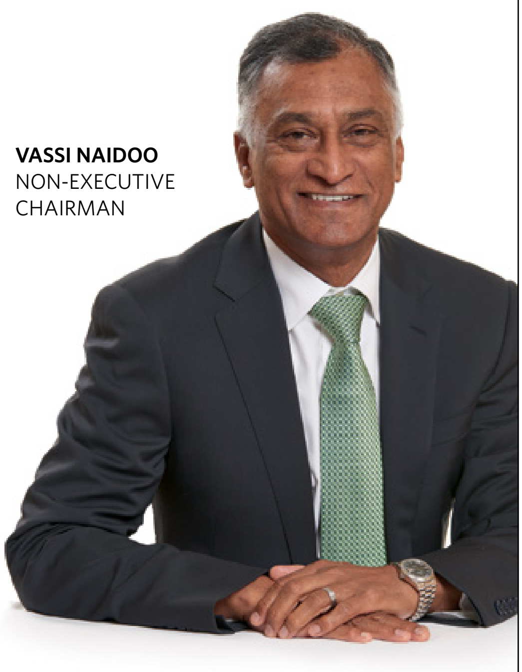
■ | Investment banking deals
■ | Nedbank representative offices

ESTABLISHED AND ADMIRED LEADERSHIP TEAMS

BOARD OF DIRECTORS

The Nedbank Group board of directors is comprised of the three executive directors and thirteen non-executive directors, nine of whom are independent.

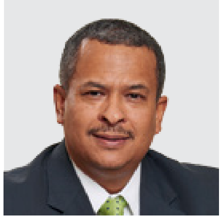
VASSI NAIDOO
NON-EXECUTIVE CHAIRMAN



MIKE BROWN
Chief Executive

DAVID ADOMAKOH
Independent Non-executive Director

TOM BOARDMAN
Independent Non-executive Director



BRIAN DAMES
Independent Non-executive Director

56%
Independent directors
(9 members)

IAN GLADMAN
Non-executive Director

PAUL HANRATTY
Non-executive Director*

19%
Executive directors
(3 members)

BRUCE HEMPHILL
Non-executive Director

MPHO MAKWANA
Independent Non-executive Director

MANTSIKA MATOOANE
Independent Non-executive Director

NOMAVUSO MNXASANA
Independent Non-executive Director

* *Stepped down from board on 12 March 2016*

RAISIBE MORATHI
Chief Financial Officer

MFUNDO NKUHLU
Chief Operating Officer

STANLEY SUBRAMONEY
Independent Non-executive Director

81%
Non-executive directors
(13 members)

MALCOLM WYMAN
Senior Independent Non-executive Director

JOEL NETSHITENZHE
Independent Non-executive Director

Vassi Naidoo 61

Non-executive Chairman

South African
Qualifications: CA(SA), ACA and PMD (Harvard Business School)

Expertise in auditing and financial services.

Experience in doing business in Africa and India, and large corporate experience.

Vassi was appointed to the Nedbank Group Ltd and Nedbank Ltd Boards as a non-executive director and Chairman-designate on 1 May 2015 and then as Chairman on 11 May 2015. Vassi was also appointed as a non-executive director of Old Mutual plc in May 2015. Vassi was previously Chief Executive of Deloitte Southern Africa from 1998 to 2006, a member of the Deloitte UK Executive from 2006 to 2009 and a member of Deloitte Global Executive from 2007 to 2011, and thereafter Vice Chairman of Deloitte UK from 2009 to 2014. Vassi is a member of the South African Institute of Chartered Accountants, with honorary life membership granted in 2011 for his contribution to the development of the profession in SA. He is also a member of the Institute of Chartered Accountants in England and Wales.

Board committees
Member: Group Directors' Affairs Committee

Holds 43 575 Nedbank Group Ltd ordinary shares.

Mike Brown 49

Chief Executive

South African
Qualifications: BCom, DipAcc, CA(SA), CD(SA), AMP (Harvard Business School)

Expertise in banking and financial services.

Mike was appointed as Chief Financial Officer in June 2004 and as Chief Executive in March 2010. Mike was previously an executive director of BoE Ltd and, after the merger between Nedbank Ltd, BoE Ltd, Nedbank Investment Bank Ltd and Cape of Good Hope Bank Ltd, was appointed Head of Commercial Property Finance at Nedbank Ltd.

Board committees
Member: Large-exposure Approval Committee, Group Credit Committee, Group Risk and Capital Management Committee

Holds 408 938 Nedbank Group Ltd ordinary shares.

David Adomakoh 50

Independent Non-executive Director

Ghanaian
Qualifications: BSc (Econs)(Hons) (London School of Economics), Diplome de Langue et de Civilisation (Université Paris-Sorbonne)

Expertise in investment banking.

Experience in doing business in Africa, banking and economics.

David joined the board as an independent non-executive director on 21 February 2014. David is currently the Chairman of Tiso Investment Holdings Proprietary Ltd and a co-founder of Tiso Group, where he served as Group Managing Director. He is a former director of Chase Manhattan Ltd, London; Head of the Chase Manhattan Bank, Southern Africa; Executive Director of Robert Fleming SA; and Head of Africa Corporate Finance at JP Morgan. He currently serves as a non-executive director of Kagiso Tiso Holdings Proprietary Ltd, and the Chairman of the Investment Committee. He also serves as a non-executive director of Idwala Industrial Holdings, African Explosives Ltd, Aveng (Africa) Ltd and Trident Steel. His experience spans 25 years in executive management and investment banking, and includes principal investing, corporate and project finance advisory work, debt capital raising, and financial derivatives in a number of countries predominantly in Africa and Europe. He has also served on the boards of a number of SA, Nigerian and Ghanaian companies. He is a founding trustee of the Tiso Foundation, and a World Fellow of the Duke of Edinburgh's International Award.

Board committees
Member: Group Related Party Transactions Committee, Group Credit Committee, Large-Exposure Approval Committee

Tom Boardman 66

Independent Non-executive Director

South African
Qualifications: BCom, CA(SA)

Expertise in banking and auditing.

Large corporate experience.

Tom was appointed to the board as an executive director in November 2002, and was Chief Executive from December 2003 to February 2010, after which he was appointed as a non-executive director. From 1 January 2014

Tom was classified as an independent non-executive director. Tom was previously Chief Executive and an executive director of BoE Ltd, one of SA's leading private and investment banking companies and which was acquired by Nedbank in 2002. He was the founding shareholder and Managing Director of retail housewares chain Boardmans, which he sold to Pick n Pay Stores Ltd in 1986. Before this he was Managing Director of Sam Newman Ltd and worked for Anglo American Corporation Ltd for three years. He served his articles at Deloitte. He is also a non-executive director of Woolworths Holdings Ltd, Royal Bafokeng Holdings Proprietary Ltd and African Rainbow Minerals Ltd. Tom has also been appointed as a non-executive director of Kinnevik, a listed Swedish investment company. He is a director of the Peace Parks Foundation and the Chairman of the David Rattray Foundation, and serves as a trustee on a number of other charitable foundations.

Board committees

Chairman: Group Risk and Capital Management Committee, Group Credit Committee, Large-exposure Approval Committee

Member: Group Audit Committee, Group Directors' Affairs Committee, Group Related Party Transactions Committee

Holds 15 000 Nedbank Group Ltd ordinary shares.

Brian Dames 50

Independent Non-executive Director

South African

Qualifications: BSc(Hons), MBA

Expertise in energy and resources.

Large corporate and industrial experience, doing business in Africa.

Brian joined the board as an independent non-executive director on 30 June 2014. Brian is currently Chief Executive of African Rainbow Energy and Power (AREP). Previously Brian served as the Chief Executive of Eskom, the largest power utility in Africa and one of the largest utilities in the world and has extensive experience with global (and specifically with African and South African) energy and resource issues. Brian serves as a member of the Sustainability Energy for All Executive Committee (UN and World Bank initiative), as a non-executive director of the Industrial Development Corporation of South Africa Ltd and as member of the Sol Plaatjie University Finance Committee.

Board committees

Member: Group Information Technology Committee, Group Credit Committee, Large Exposure Approval Committee

Ian Gladman 51

Non-executive Director

British

Qualifications: BA(Hons) History (Christ's College, Cambridge)

Expertise in banking and financial services.

Experience in strategy development and corporate finance.

Ian joined the board as a non-executive director in June 2012. Ian is currently the Group Strategy Director of Old Mutual plc. Previous positions held by him include Head of Corporate Finance (SA) and Joint Head: Financial Institutions Group, Europe, the Middle East and Africa (EMEA) at UBS, Investment Bank.

Board committees

Member: Group Credit Committee, Group Risk and Capital Management Committee, Large-exposure Approval Committee

Paul Hanratty 54*

Non-executive Director

Irish

*Stepped down from the board on 12 March 2016.

Qualifications: BBusSci(Hons), Fellow of the Institute of Actuaries

Expertise in insurance and accounting.

Financial services experience.

Paul joined the board as a non-executive director on 8 August 2014. Paul is an executive director and the Chief Operating Officer of Old Mutual plc. He started his career with Old Mutual South Africa (OMSA) and has held a number of roles at Old Mutual. These included Head of Product Development; General Manager: Finance and Actuarial; and Head of the Retail business. He joined the board of the OMSA life business (OMLACSA) in 2003 and became Managing Director of OMSA in 2006 and was appointed as Chairman of OMSA in September 2009.

Board committees

Member: Group Transformation, Social and Ethics Committee, Group Credit Committee, Large-exposure Approval Committee

Bruce Hemphill 52

Non-executive Director

South African

Qualifications: BA, CPE

Expertise in insurance and investment banking.

Financial services experience.

Bruce joined the board as a non-executive director on 25 November 2015. He was appointed as the Group Chief Executive of Old Mutual plc on 1 November 2015. From February 2014 to October 2015 he was Chief Executive of Wealth, Insurance and Non-Bank Financial Services at Standard Bank Group. Prior to that (June 2006 to February 2014) he was Chief Executive of Liberty Group, an African financial services group listed on the JSE, where he led Liberty on an extensive transformation and growth path while delivering significant value to shareholders.

Board committees

Member: Group Remuneration Committee, Group Directors' Affairs Committee

Mpho Makwana 45

Independent Non-executive Director

South African

Qualifications: BAdmin(Hons)

Expertise in HR, marketing, Expertise in HR, marketing, communications and strategic planning.

Banking, resources and large corporate and industrial experience.

Mpho joined the board as an independent non-executive director on 17 November 2011. Mpho is a past Chairman of Eskom Holdings Ltd – he led the team that kept the lights on during the 2010 FIFA World Cup. He is an independent director of Adcock Ingram Ltd, Sephaku Holdings Ltd and eNX Group Ltd and Chairman of ArcelorMittal SA Ltd. He serves in various non-profit initiatives, amongst these as a Trustee on the Board of the Nelson Mandela Children's Fund.

Board committees

Chairman: Group Remuneration Committee

Member: Group Transformation, Social and Ethics Committee, Group IT Committee, Group Audit Committee, Group Directors' Affairs Committee, Group Related Party Transactions Committee

Mantsika Matooane 40

Independent Non-executive Director

South African

Qualifications: MBA (Henley Business School, UK), PhD in Computer Science (University of Cambridge, UK)

Expertise in IT and innovation.

Banking experience.

Mantsika joined the board as an independent non-executive director on 15 May 2014. Mantsika currently serves as a non-executive director of JSE Ltd and NMG Consultants and Actuaries Proprietary Ltd.

Board committees

Chairman: Group Information Technology Committee,

Member: Group Directors' Affairs Committee

Holds 2 261 Nedbank Group Ltd ordinary shares.

Nomavuso Mnxasana [59]

Independent Non-executive Director

South African
Qualifications: BCompt(Hons), CA(SA)

Expertise in accounting and auditing.

Banking experience.

Nomavuso joined the board as an independent non-executive director in October 2008. She is currently a director atIndustrial Development Corporation of South Africa Ltd, JSE Ltd andArcelor Mittal SA Ltd. She was a senior partner and member of the executive committee of SizweNtsaluba before serving as Group Audit and Risk Executive at Imperial Holdings Ltd.

Board committees
Chairman: Group Transformation, Social and Ethics Committee

Member: Group Audit Committee, Group Remuneration Committee, Group Risk and Capital Management Committee, Group Directors' Affairs Committee

Holds 7 420 Nedbank Group Ltd ordinary shares.

Raisibe Morathi [46]

Chief Financial Officer

South African
Qualifications: BCompt(Hons), CA(SA), HDip Tax, AMP (INSEAD)

Expertise in banking and accounting.

Insurance and large corporate experience.

Raisibe was appointed as Chief Financial Officer of the group in September 2009, and held senior positions in banking and insurance over the past 21 years. Before joining Nedbank Group Raisibe was an executive director of one of the listed insurance companies. She previously held several executive positions at the Industrial Development Corporation of SA Ltd, the last position being Chief Operating Officer.

Board committees
Member: Group Credit Committee, Large-exposure Approval Committee

Holds 229 557 Nedbank Group Ltd ordinary shares.

Joel Netshitenzhe [59]

Independent Non-executive Director

South African
Qualifications: MSc in Financial Economics (University of London – SOAS, UK)

Expertise in economics, public policy, communications and strategic planning.

Public sector, strategic research and large corporate experience.

Joel joined the board as an independent non-executive director in August 2010. He is currently an executive director of the Mapungubwe Institute for Strategic Reflection (Mistra). He has been a member of the National Executive Committee of the African National Congress since 1991, and serves on the African National Congress's Economic Transformation and Political Education subcommittees. He was a member of the National Planning Commission from 2010 to 2015, and served as Head of Policy Coordination and Advisory Services in the Presidency from 2001 until December 2009. He was previously Chief Executive of the Government Communication and Information System and also served as Head of Communication in the President's Office. He is a non-executive director on the board of Life Healthcare Group Holdings Ltd.

Board committees
Member: Group Risk and Capital Management Committee, Group Related Party Transactions Committee, Group Information Technology Committee

Mfundo Nkuhlu [49]

Chief Operating Officer

South African
Qualifications: BA(Hons), Strategic Management in Banking (INSEAD), AMP (Harvard Business School)

Expertise in banking, accounting, strategic planning and economic.

Expansion into Africa experience.

Mfundo was appointed as Chief Operating Officer in January 2015. Mfundo joined the group as Head of Nedbank Africa in 2004 and became Head of Corporate Banking in 2005. He became a member of the Group Executive Committee (Group Exco) in 2008 and Managing Executive Nedbank Corporate in 2009. He was appointed to the Boards of Nedbank Ltd and Nedbank Group Ltd on 01 January 2015. He also serves on the Board of Ecobank Transactional Incorporated (ETI) in which Nedbank holds a 20.7% interest, effectively from 01 August 2015. As a member of the Group Exco, Mfundo was closely involved in the oversight of the business strategies across Nedbank and delivered strong and consistent performance in Nedbank Corporate. Before joining Nedbank, Mfundo was the executive responsible for strategy, revenue and economic analysis at the South African Revenue Service (SARS) and Chief Director in the dti responsible for Africa and NEPAD.

Board committees
Member: Group Credit Committee

Holds 149 962 Nedbank Group Ltd ordinary shares.

Stanley Subramoney [57]

Independent Non-executive Director

South African
Qualifications: BCompt(Hons), CA(SA)

Expertise in accounting, auditing, expansion into Africa.

Economic and social development and large corporate experience.

Stanley qualified as a Chartered Accountant (SA) in 1987 and was appointed audit partner at PwC, serving a number of the firm's large clients both in the public and private sectors. During his 27 years in the audit profession as audit partner and later as member of the Exco of PwC he led large and complex assignments, attended audit committee meetings of key clients, was the technical partner, trained board and audit committee members on the roles and responsibilities of the board and on governance, and gained valuable experience across the various sectors. He represented the southern African firm in a number of PwC's African and global structures. These roles provided Stanley with a wide international view and exposure to global clients. At the age of 42 he was appointed Deputy CEO for PwC Southern Africa and member of the southern Africa executive committee. During his time as the strategy leader for PwC Southern Africa, Stanley led the Government and Public Sector Industry Group for Southern Africa. He was the Chairman of Business Skills for South Africa Foundation, a non-profit organisation that has provided business skills training to over 18 000 entrepreneurs from disadvantaged communities. He is Chairman of the Nepad Business Foundation – a Pan-African business foundation that seeks to put Africa on a path of sound sustainable economic development. He is also on the board of Business Unity South Africa ('BUSA') and Chairman of its audit committee.

Board committees
Member: Group Audit Committee, Group Credit Committee, Large-exposure Approval Committee, Group Transformation, Social and Ethics Committee

Holds 2 300 Nedbank Group Ltd ordinary shares.

Malcolm Wyman [69]

Senior Independent Non-executive Director

British
Qualifications: CA(SA), AMP (Harvard Business School)

Expertise in accounting, financial services and strategic planning.

Large corporate and expansion into Africa experience.

Malcolm joined the board as an independent non-executive director in August 2009 and was appointed as the Senior Independent Director on 6 May 2011. Malcolm was previously an executive director and the Chief Financial Officer of SABMiller plc, listed on the London Stock Exchange, until August 2011. He was also previously a non-executive director of Tsogo Sun Holdings Ltd until August 2014. He is a non-executive director and Chairman of the Audit Committee of Imperial Tobacco Group plc as well as Serco Group plc, which are both listed on the London Stock Exchange.

Board committees
Chairman: Group Audit Committee, Group Directors' Affairs Committee, Group Related Party Transactions Committee

Member: Group Risk and Capital Management Committee, Group Remuneration Committee

GROUP EXECUTIVE COMMITTEE

The Nedbank Group Executive Committee is comprised of the Chief Executive, Chief Operating Officer, Chief Financial Officer and 12 other members of senior management.

MIKE BROWN
CHIEF EXECUTIVE

CLIENT-FACING CLUSTERS

BRIAN KENNEDY
Managing Executive: Nedbank Corporate and Investment Banking

13,3%
Black female

PHILIP WESSELS[1]
Managing Executive: Retail and Business Banking

IOLANDA RUGGIERO
Managing Executive: Nedbank Wealth

CIKO THOMAS[2]
Managing Executive: Consumer Banking

SANDILE SHABALALA
Managing Executive: Business Banking

[1] *Retired with effect from 31 March 2016*
[2] *Appointed Managing Executive: Retail and Business Banking, effective 1 April 2016*

CENTRAL CLUSTERS

MFUNDO NKUHLU
Chief Operating Officer

RAISIBE MORATHI
Chief Financial Officer

TREVOR ADAMS
Chief Risk Officer

THABANI JALI
Group Executive: Enterprise Governance and Compliance; Group Company Secretary

FRED SWANEPOEL
Chief Information Officer

MIKE DAVIS
Group Executive: Balance Sheet Management

Average tenure
13,7
years

53,3%
Black

ABE THEBYANE
Group Executive: Group Human Resources

THULANI SIBEKO
Group Executive: Group Marketing, Communications and Corporate Affairs

PRIYA NAIDOO
Group Executive: Strategy and Economics

Combined
205
years' service

Black management membership of Group Exco increased from 46,67% in 2014 to 53,33% in 2015, and female membership increased from 6,67% in 2014 to 20% in 2015.

Trevor Adams 53

Chief Risk Officer

Service: 19 years

Qualifications: BCom(Hons), CA (SA), Risk Management in Banking (INSEAD), AMP (Harvard Business School)

Trevor was appointed to the Group Exco in 2009 and was previously Group Executive of Balance Sheet Management before being appointed as the Chief Risk Officer in August 2014. Trevor led the group's successful Basel II and III implementations, and generally the significant enhancement of risk, capital and balance sheet management across the group over the past 10 years. Before joining the group in 1996 he was a partner at Deloitte, where he specialised in banking and risk management, and so collectively has around 27 years banking-related experience.

Mike Davis 44

Group Executive: Balance Sheet Management

Service: 19 years

Qualifications: CA (SA), Postgraduate DipAcc, BCom(Hons) and AMP (INSEAD)

Mike was appointed as Group Executive of Balance Sheet Management and to the Group Exco on 1 January 2015. Previously he held the position of Executive Head of Group Asset, Liability and Capital Management. He continues to make a considerable contribution to enhancing the group's capital management, liquidity risk management and interest rate risk management, and in the group's strategic implementation of the transitional Basel III requirements. Before joining Nedbank through the acquisition of BoE Bank Ltd, Mike held the position of Asset and Liability Management Manager, having completed his articles with Deloitte.

Thabani Jali 57

Group Executive: Enterprise Governance and Compliance; Group Company Secretary

Service: Four years

Qualifications: BA (Fort Hare), LLB (Natal University), LLM (Tulane University, USA)

Thabani joined Nedbank Group in October 2011 as Group Executive responsible for governance and compliance. He is also responsible for ethics, sustainability, and Nedbank Group Editorial and Language Services. In addition to this role, he was appointed Group Company Secretary on 1 July 2012. He is a member of the Specialist Committee on Company Law. Before joining the Group, Thabani gained over 20 years'experience in the legal profession as an attorney, a mediator, an arbitrator and later a judge. Thabani was formerly Executive Chairman of PricewaterhouseCoopers Inc. (Southern Africa), a Deputy Judge President of the High Court of SA (Natal Provincial Division) and a Judge of the Competition Appeal Court. He was also a partner in a commercial law firm and served as Chairman of the Competition Commission Enquiry into Bank Charges and the National Payment System from 2006 to 2008.

Priya Naidoo 42

Group Executive: Strategy and Economics

Service: 15 years

Qualifications: CA (SA), AMP (INSEAD)

Priya was appointed to the Group Exco on 1 January 2015. Priya joined Nedbank in 2001 in the Corporate Banking Division, after completing her articles at PricewaterhouseCoopers Inc.

Thulani Sibeko 44

Group Executive: Group Marketing, Communications and Corporate Affairs

Service: Five years

Qualifications: BSc (Acc), Graduate Certificate, MBA (Henley Business School)

Thulani joined Nedbank Group in May 2011 and leads the Group's Marketing, Communications, Transformation, CSI and Public Affairs areas. Thulani started his marketing career at Gillette SA in 1993 and has held different marketing roles at Polaroid, Procter & Gamble, Vodacom Group Ltd and The Hollard Insurance Company Ltd. During his marketing career he managed brands such as Gillette, Oral B, Braun, Polaroid, Olay, Pantene, Head & Shoulders, Vicks, Vodacom and Hollard. In addition to working in SA, Thulani has held regional assignments in the USA, the UK and Switzerland.

Fred Swanepoel 52

Chief Information Officer

Service: 19 years

Qualifications: BCom(Hons) (Stellenbosch), MBA (Wits), SEPSA, AMP (Harvard Business School)

Fred has more than 25 years' experience in finance, banking and information technology. In 1996 Fred joined Nedbank to run regional operations in the Western Cape. In 2000 he brought his operational experience into the Group's technology arena and was appointed Nedbank Group's Chief Information Officer in November 2008. Before this he held several high-level positions in the technology environment, including Divisional Director for Finance, Risk and Compliance, Projects and Programme Management, and head of Group Software Services. He has significantly repositioned Group Technology to deliver a simplified and agile digital technology architecture. Fred's goal is to 'leverage technology to make Nedbank Africa's most admired bank'.

Abe Thebyane 55

Group Executive: Group Human Resources

Service: Five years

Qualifications: BAdmin, Postgraduate Diploma in Management (Human Resources), MBA

Abe joined Nedbank Group and was appointed to the Group Exco in February 2011 as Head of Group Human Resources. Abe has 31 years' experience in human resources, which he acquired through the various senior and executive positions he held in large corporations in SA. Before joining Nedbank Group Abe was Executive Head: Human Resources at Anglo American Platinum Ltd for six years and before that he was Executive Director: Human Resources at Iscor Ltd.

Brian Kennedy 55

Managing Executive: Nedbank Corporate and Investment Banking

Service: 20 years

Qualifications: BSc (Eng) (cum laude), MSc (Eng), MBA (Wits), AMP (Harvard Business School)

Brian has 28 years of investment banking experience, 20 of which have been at Nedbank. He led Capital Markets within Nedbank following the merger with BoE, and in November 2003 was appointed to the Group Exco and mandated to develop the investment banking franchise previously known as Nedbank Capital. Brian has extensive experience in the debt and equity capital markets and has been actively involved in the design and execution of innovative solutions for top SA corporates, and parastatals, and major projects. He has been instrumental in developing and executing the strategy, culture and new business initiatives within Nedbank CIB.

Iolanda Ruggiero 45

Managing Executive: Nedbank Wealth

Service: 13 years

Qualifications: BMil, BMil(Hons), BA(Hons), AMP (INSEAD)

Iolanda has over 15 years' experience in financial services and was appointed to the Nedbank Group Executive in March 2015. Over the last 13 years Iolanda has held senior management positions in Nedcor Investment Bank and Nedbank Retail and was appointed as Chief Operating Officer for Nedbank Wealth in 2006. During her tenure with Nedbank Wealth Iolanda played an integral role in the acquisition and seamless integration of BoE Private Clients, Nedgroup Life and Fairbairn Private Bank into the Nedbank Group.

Sandile Shabalala 49

Managing Executive: Business Banking

Service: 20 years

Qualifications: BAdmin, National Higher Diploma in Management Practice, CAIB (SA), MBL, and Strategic Management in Banking (INSEAD), AMP (Harvard Business School)

Sandile has over 27 years' banking experience, including 20 years at Nedbank Group. Before joining Nedbank Group he worked for Barclays Bank, NBS Bank Ltd and Telkom SA. He has experience in retail, small business, corporate and business banking in both sales and credit banking functions. Before his appointment in October 2009 to the Group Exco as Managing Executive: Business Banking, Sandile had lead and managed the Northern Business Unit in Business Banking as divisional executive.

Ciko Thomas 46

Managing Executive: Consumer Banking

Service: Six years

Qualifications: BSc (UCT); MBA (Wits); AMP (Harvard Business School)

Ciko joined the group in January 2010 as Group Executive: Group Marketing, Communications and Corporate Affairs. Ciko has built wide-ranging marketing and business experience in financial services and in the consumer goods and motor industries. He started his professional career at Unilever in Durban in January 1992. He joined Nedbank from Barloworld, where he was the Group Marketing Director of the automotive division. Ciko was previously General Manager: Retail Banking Marketing at Absa Group. He has also held various management positions at SA Breweries, Unilever and M-Net. In November 2010 Ciko was appointed as Managing Executive: Consumer Banking in the Retail and Business Banking Cluster.

Philip Wessels 57

Managing Executive: Retail and Business Banking

Service: 20 years

Qualifications: BCom, CTA, CA (SA), Diploma in Advanced Banking Law, Institute of Stockbrokers

Philip was appointed Group Executive: Retail and Business Banking in August 2014. Previously, Philip held the position of the Nedbank Group Chief Risk Officer for 10 years. Under his leadership, and with the commitment and support of management and staff within the group, Nedbank Group's risk management processes and governance principles became highly regarded in the financial services industry. In 2011 Philip received the Risk Manager of the Year Award from the Institute of Risk Managers of SA. Before his appointment as Chief Risk Officer in 2004, Philip was a divisional director in the Nedbank Business Banking and Nedbank Corporate. In addition, he was an executive director of BoE Ltd, Managing Director of BoE Securities, Chief Executive of BoE International (London) and Managing Director of BoE Bank, Business Banking and Boland Bank between 1995 and 2003. Philip was also a partner at Deloitte & Touche between 1989 and 1995.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December

	Accounting policy	Notes	2015 Rm	2014 Rm
Interest and similar income	1.24	5	**60 289**	52 619
Interest expense and similar charges	1.24	6	**36 404**	29 658
Net interest income			**23 885**	22 961
Impairments charge on loans and advances	1.6	19.1	**4 789**	4 506
Income from lending activities			**19 096**	18 455
Non-interest revenue	1.19, 1.22, 1.24	7	**21 748**	20 312
Operating income			**40 844**	38 767
Total operating expenses	1.24	8	**26 110**	24 534
Indirect taxation		9	**783**	635
Profit from operations before non-trading and capital items			**13 951**	13 598
Non-trading and capital items		10	**(141)**	(109)
Fair-value adjustments of investment properties	1.11	25.1		6
Profit from operations			**13 810**	13 495
Share of profits of associate companies and joint arrangements	1.3	22.1	**871**	161
Profit before direct taxation			**14 681**	13 656
Direct taxation	1.7	11.1	**3 519**	3 468
Profit for the year			**11 162**	10 188
Other comprehensive income net of taxation			**2 149**	647
Items that may subsequently be reclassified to profit or loss				
– Exchange differences on translating foreign operations	1.4		**3 203**	390
– Share of other comprehensive income of investments accounted for using the equity method	1.3		**(1 572)**	
– Fair-value adjustments on available-for-sale assets	1.6		**(4)**	21
Items that may not subsequently be reclassified to profit or loss				
– Gains on property revaluations	1.10		**167**	202
– Remeasurements on long-term employee benefit assets	1.9		**298**	34
– Share of other comprehensive income of investments accounted for using the equity method	1.3		**57**	
Total comprehensive income for the year			**13 311**	10 835
Profit attributable to:				
– Equity holders of the parent	1.3		**10 721**	9 796
– Non-controlling interest – ordinary shareholders	1.3		**70**	69
– Non-controlling interest – preference shareholders	1.3		**371**	323
			11 162	10 188
Total comprehensive income attributable to:				
– Equity holders of the parent	1.3		**12 820**	10 431
– Non-controlling interest – ordinary shareholders	1.3		**120**	81
– Non-controlling interest – preference shareholders	1.3		**371**	323
Total comprehensive income for the year			**13 311**	10 835
Basic earnings per share (cents)		12.1	**2 261**	2 109
Diluted earnings per share (cents)		12.1	**2 219**	2 049

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December

	Accounting policy	Notes	2015 Rm	2014 Rm
Assets				
Cash and cash equivalents	1.5, 1.6	14	**22 840**	13 339
Other short-term securities	1.6	15	**75 614**	67 234
Derivative financial instruments	1.6	16	**30 488**	15 573
Government and other securities	1.6	17	**43 060**	27 177
Loans and advances	1.6	18	**681 632**	613 021
Other assets	1.6	20	**8 984**	8 715
Current taxation assets	1.7		**1 032**	291
Investment securities	1.6	21	**13 155**	20 029
Non-current assets held for sale	1.12	23	**2**	16
Investments in private-equity associates, associate companies and joint arrangements	1.3, 1.6	22	**9 579**	7 670
Deferred taxation assets	1.7	24	**227**	309
Investment property	1.11	25	**32**	130
Property and equipment	1.10, 1.20	26	**8 784**	7 773
Long-term employee benefit assets	1.9	27	**5 055**	4 546
Mandatory reserve deposits with central banks	1.5, 1.6	14	**16 232**	14 911
Intangible assets	1.3, 1.8, 1.13	28	**9 010**	8 579
Total assets			**925 726**	809 313
Equity and liabilities				
Ordinary share capital	1.16, 1.17	29.1	**477**	466
Ordinary share premium	1.16		**17 569**	16 781
Reserves	1.4, 1.15		**56 708**	49 777
Total equity attributable to equity holders of the parent			**74 754**	67 024
Non-controlling interest attributable to:				
– Ordinary shareholders	1.3		**436**	326
– Preference shareholders	1.3	29.2	**3 561**	3 561
Total equity			**78 751**	70 911
Derivative financial instruments	1.6	16	**33 628**	15 472
Amounts owed to depositors	1.6	30	**725 851**	653 450
Provisions and other liabilities	1.6, 1.14	31	**23 240**	13 788
Current taxation liabilities	1.7		**412**	134
Deferred taxation liabilities	1.7	24	**1 182**	931
Long-term employee benefit liabilities	1.9	27	**3 074**	3 071
Investment contract liabilities	1.6, 1.18	32	**10 988**	11 747
Insurance contract liabilities	1.6, 1.19	33	**3 618**	4 171
Long-term debt instruments	1.6	34	**44 982**	35 638
Total liabilities			**846 975**	738 402
Total equity and liabilities			**925 726**	809 313

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December

Rm	Number of ordinary shares	Ordinary share capital	Ordinary share premium	Foreign currency translation reserve[1]
Balance at 31 December 2013	461 193 459	461	16 343	1 237
Shares issued in terms of employee incentive schemes	3 670 463	4	767	
Shares delisted[7]	(14 715 049)	(15)	1 598	
Treasury shares no longer held by group entities[7]	14 715 049	15	(1 598)	
Shares (acquired)/no longer held by group entities and BEE trusts[7]	778 996	1	(329)	
Acquisition of additional shareholding in subsidiary				
Preference share dividends paid				
Dividends to shareholders				
Total comprehensive income for the year				378
Transfer (from)/to reserves				
Share-based payments reserve movement				
Regulatory risk reserve provision				
Preference shares no longer held by group entities				
Other movements				
Balance at 31 December 2014	**465 642 918**	**466**	**16 781**	**1 615**
Shares issued in terms of employee incentive schemes	**3 332 101**	**3**	**843**	
Shares delisted[7]	**(8 916 159)**	**(9)**	**(327)**	
Shares (acquired)/no longer held by group entities and BEE trusts[7]	**16 496 927**	**17**	**272**	
Preference share dividends paid				
Dividends to shareholders				
Total comprehensive income for the year				**1 723**
Transfer (from)/to reserves				**(20)**
Share-based payments reserve movement				
Other movements				
Balance at 31 December 2015	**476 555 787**	**477**	**17 569**	**3 318**

[1] *This represents the cumulative foreign exchange differences that arise on the translation of an entity with a different functional currency compared with the presentation currency of the parent company. The cumulative reserve relating to a subsidiary, associate company or joint venture that is disposed of is included in the determination of profit/loss on disposal of the subsidiary, associate company or joint venture.*

[2] *This represents the cumulative amounts that have been recognised on the revaluation of group properties net of deferred taxation. When the property is disposed of, the cumulative revaluation surplus is transferred directly to retained income.*

[3] *All share-based payment expenses are recognised in the statement of comprehensive income, with the corresponding amount recognised in share-based payment reserves. Any excess tax benefit over the relative tax on the share based payments expense is recognised directly in this reserve. On the expiry or exercise of a share-based instrument the cumulative amount recognised in this respect is transferred directly to other distributable reserves.*

[4] *Represents other non-distributable revaluation surplus on capital items and non-distributable reserves transferred from other distributable reserves in order to comply with various banking regulations.*

[5] *This comprises of all fair-value adjustments, net of the related tax on all financial assets that have been classified as available for sale. On the disposal or impairment of available-for-sale financial assets the cumulative gains and the associated tax recognised on these instruments are recognised in profit and loss for the period and are not included in the determination of headline earnings per share.*

[6] *Represents the accumulated profits after distributions to shareholders and appropriation of retained earnings to other non-distributable earnings.*

[7] *Includes shares acquired by group entities and BEE trusts of R751m (2014: R749m) less shares that vested and are no longer held of R527m (2014: R421m), less shares issued to BEE schemes of R177m (2014: Rnil).*

All movements are reflected net of taxation.

Reserves								
Property revaluation reserve[2]	Share-based payments reserve[3]	Other non-distributable reserves[4]	Available-for-sale reserve[5]	Other distributable reserves[6]	Total equity attributable to equity holders of the parent	Non-controlling interest attributable to ordinary shareholders	Non-controlling interest attributable to preference shareholders	Total equity
1 577	1 523	147	158	39 171	60 617	246	3 473	64 336
					771			771
					1 583			1 583
					(1 583)			(1 583)
				21	(307)			(307)
					–	8		8
					–		(323)	(323)
				(4 643)	(4 643)	(9)		(4 652)
202			21	9 830	10 431	81	323	10 835
(38)	(20)	13	(1)	46	–			–
	151				151			151
		7			7			7
					–		88	88
				(3)	(3)			(3)
1 741	**1 654**	**167**	**178**	**44 422**	**67 024**	**326**	**3 561**	**70 911**
					846			**846**
					(336)			**(336)**
				(575)	**(286)**			**(286)**
					–		**(371)**	**(371)**
				(5 395)	**(5 395)**	**(10)**		**(5 405)**
167			**(144)**	**11 074**	**12 820**	**120**	**371**	**13 311**
(23)	**(424)**	**32**	**1**	**434**	**–**			**–**
	82				**82**			**82**
				(1)	**(1)**			**(1)**
1 885	**1 312**	**199**	**35**	**49 959**	**74 754**	**436**	**3 561**	**78 751**

SUMMARISED CONSOLIDATED STATEMENT OF CASHFLOWS

for the year ended 31 December

	Notes	2015 Rm	2014 Rm
Cash generated by operations	35.1	**22 455**	21 332
Cash received from clients	35.2	**81 978**	72 826
Cash paid to clients, employees and suppliers	35.3	**(60 704)**	(52 527)
Dividends received on investments		**44**	92
Recoveries on loans previously written off		**1 137**	941
Change in funds for operating activities		**(13 602)**	(11 231)
Increase in operating assets	35.4	**(114 266)**	(62 820)
Increase in operating liabilities	35.5	**100 664**	51 589
Net cash from operating activities before taxation		**8 853**	10 101
Taxation paid	35.6	**(4 400)**	(4 283)
Cashflows from operating activities		**4 453**	5 818
Cashflows from/(utilised by) investing activities		**2 867**	(9 455)
Acquisition of property and equipment, computer software and development costs and investment property		**(2 867)**	(2 483)
Disposal of property and equipment, computer software and development costs and investment property		**43**	61
Disposal/(Acquisition) of non-current assets held for sale		**14**	(4)
Disposal of investment banking assets		**15**	13
Acquisition of private-equity associates, associate companies and joint arrangements		**(1 121)**	(6 541)
Disposal of private-equity associates, associate companies and joint arrangements		**83**	133
Acquisition of other investments		**(5 126)**	(5 587)
Disposal of other investments		**11 826**	4 953
Cashflows from/(utilised by) financing activities		**3 802**	(2 132)
Net proceeds from issue of ordinary shares		**224**	464
Issue of long-term debt instruments		**19 814**	7 005
Redemption of long-term debt instruments		**(10 470)**	(4 635)
Dividends paid to ordinary shareholders	35.7	**(5 395)**	(4 643)
Preference share dividends paid		**(371)**	(323)
Effects of exchange rate changes on opening cash and cash equivalents (excluding foreign borrowings)		**(300)**	(54)
Net increase/(decrease) in cash and cash equivalents		**10 822**	(5 823)
Cash and cash equivalents at the beginning of the year[1]		**28 250**	34 073
Cash and cash equivalents at the end of the year[1]	14	**39 072**	28 250

[1] *Including mandatory reserve deposits with central banks.*

SUMMARISED SEGMENTAL REPORTING

for the year ended 31 December

The group's identification of its segments and the measurement of segment results are based on the group's internal management reporting as used for day-to-day decisionmaking and as reviewed by the chief operating decisionmaker, which in Nedbank Group Ltd's case is the Group Executive Committee. The measure of segment profit is headline earnings.

Nedbank Corporate and Investment Banking

Nedbank Corporate and Investment Banking offers the full spectrum of transactional, corporate, investment banking and markets solutions, characterised by a highly integrated partnership approach. These solutions include lending products, advisory services, leverage financing, trading, broking, structuring, hedging and client coverage. The cluster has expertise in a broad spectrum of product and relationship-based solutions including specialist corporate finance advice, innovative products and services, customised transactional banking and property finance. Nedbank Corporate and Investment Banking's primary units are Markets, Investment Banking, Property Finance, Transactional Services and Client Coverage.

Nedbank Retail and Business Banking

Nedbank Retail serves the financial needs of all individuals (excluding high-net-worth individuals serviced by Nedbank Wealth) and small businesses with a turnover of up to R10m to whom it offers a full spectrum of banking and assurance products and services. The retail product portfolio includes transactional accounts, home loans, vehicle and asset finance [including Motor Finance Corporation (MFC)], card (both card-issuing and merchant-acquiring services), personal loans and investments. The business banking portfolio offers the full spectrum of commercial banking products and related services to entities with an annual turnover of up to R700m.

Nedbank Wealth

Nedbank Wealth provides a range of financial services through three divisions of Wealth Management, Asset Management and Insurance. The cluster has operations in SA, London, on the Isle of Man, Jersey, Guernsey and the UAE. Nedbank Wealth creates, manages and protects the wealth of a wide spectrum of clients ranging from high-net-worth individuals all the way through to the entry-level market.

Rest of Africa

Rest of Africa is responsible for the group's banking operations and expansion activities in the rest of Africa and has client-facing subsidiaries (retail and wholesale banking) in Lesotho, Malawi, Namibia, Swaziland and Zimbabwe and an investment, with joint management control, in a bank in Mozambique, Banco Único, S.A. The division also holds the approximately 20% investment in Ecobank Transnational Incorporated, manages the Ecobank Nedbank alliance and facilitates investments in other countries in Africa.

Centre

The centre is an aggregation of business operations that provide various support services to Nedbank Group Ltd, which includes the following clusters: Group Finance, Group Technology, Group Strategy and Economics, Group Human Resources, Enterprise Governance and Compliance, Group Risk and Group Marketing, Communications and Corporate Affairs. The centre also includes Group Balance Sheet Management which is responsible for capital management, liquidity and funding management, the management of banking book interest rate risk, margin management and strategic portfolio management.

SUMMARISED SEGMENTAL REPORTING

	Nedbank Group		Nedbank Corporate and Investment Banking		Nedbank Retail and Business Banking	
	2015	2014	**2015**	2014	**2015**	2014
Statement of financial position (Rm)						
Assets						
Cash and cash equivalents	**39 072**	28 250	**12 910**	6 054	**3 161**	2 932
Other short-term securities	**75 614**	67 234	**35 005**	29 414		
Derivative financial instruments	**30 488**	15 573	**30 102**	15 499		
Government and other securities	**43 060**	27 177	**24 950**	16 010	**3 839**	377
Loans and advances	**681 632**	613 021	**355 784**	305 158	**279 929**	268 882
Other assets	**55 860**	58 058	**11 816**	9 106	**5 631**	5 888
Total assets	**925 726**	809 313	**470 567**	381 241	**292 560**	278 079
Equity and liabilities						
Total equity	**78 751**	70 911	**23 096**	17 497	**26 924**	27 565
Average allocated capital	**69 417**	63 306	**23 096**	17 497	**26 924**	27 565
Non-controlling interest	**3 997**	3 887				
Other equity[2]	**5 337**	3 718				
Derivative financial instruments	**33 628**	15 472	**32 987**	15 429		
Amounts owed to depositors	**725 851**	653 450	**346 868**	319 400	**248 135**	224 103
Provisions and other liabilities	**42 514**	33 842	**18 176**	8 184	**3 686**	3 373
Long-term debt instruments	**44 982**	35 638	**1 563**	1 159	**6 816**	1 775
Intergroup liabilities	**–**	–	**47 877**	19 572	**6 999**	21 263
Total equity and liabilities	**925 726**	809 313	**470 567**	381 241	**292 560**	278 079
Statement of comprehensive income (Rm)						
Net interest income	**23 885**	22 961	**6 781**	5 919	**15 955**	15 216
Impairments charge on loans and advances	**4 789**	4 506	**1 188**	506	**3 212**	3 771
Income from lending activities	**19 096**	18 455	**5 593**	5 413	**12 743**	11 445
Non-interest revenue	**21 748**	20 312	**6 508**	5 462	**10 972**	10 530
Operating income	**40 844**	38 767	**12 101**	10 875	**23 715**	21 975
Total operating expenses	**26 110**	24 534	**5 105**	4 664	**17 077**	16 076
Indirect taxation	**783**	635	**78**	74	**302**	243
Profit from operations	**13 951**	13 598	**6 918**	6 137	**6 336**	5 656
Share of profits/(losses) of associate companies and joint arrangements	**871**	161	**(1)**	12		
Profit before direct taxation	**14 822**	13 759	**6 917**	6 149	**6 336**	5 656
Direct taxation	**3 550**	3 487	**1 702**	1 409	**1 781**	1 562
Profit/(Loss) after direct taxation	**11 272**	10 272	**5 215**	4 740	**4 555**	4 094
Profit attributable to non-controlling interest:						
– Ordinary shareholders	**70**	69	**7**	13		
– Preference shareholders	**371**	323			**95**	63
Headline earnings/(loss)	**10 831**	9 880	**5 208**	4 727	**4 460**	4 031
Selected ratios						
Average interest-earning banking assets (Rm)	**724 080**	652 194	**342 898**	310 902	**325 997**	306 401
Return on total assets (%)[3]	**1,25**	1,27	**1,24**	1,24	**1,57**	1,49
Return on ordinary shareholders' equity (%)	**15,7**	15,8	**22,6**	27,0	**16,6**	14,6
Net interest income to average interest-earning banking assets (%)	**3,30**	3,52	**1,98**	1,90	**4,89**	4,97
Non-interest revenue to total income (%)	**47,7**	46,9	**49,0**	48,0	**40,7**	40,9
Non-interest revenue to total operating expenses (%)	**83,3**	82,8	**127,5**	117,1	**64,3**	65,5
Credit loss ratio – banking advances (%)	**0,77**	0,79	**0,40**	0,19	**1,14**	1,39
Efficiency ratio	**56,1**	56,5	**38,4**	41,0	**63,4**	62,4
Effective taxation rate (%)	**24,0**	25,3	**24,6**	22,9	**28,1**	27,6
Contribution to group economic profit	**2 525**	2 112	**2 205**	2 365	**960**	310
Number of employees (permanent staff)	**31 312**	30 499	**2 728**	2 788	**20 921**	20 373

[1] Includes all group eliminations.
[2] Other equity includes the variance between actual equity and average allocated capital.
[3] Includes the elimination of intercluster balances.

During the period the Nedbank Corporate and Nedbank Capital Clusters were merged to form the Nedbank Corporate and Investment Banking Cluster. Similarly, the Nedbank Retail and Nedbank Business Banking Clusters were merged to form the Nedbank Retail and Business Banking Cluster. The comparative segment information previously presented for Nedbank Corporate, Nedbank Capital, Nedbank Retail and Nedbank Business Banking has been represented based on the new merged clusters, ie Nedbank Corporate and Investment Banking and Nedbank Retail and Business Banking. This had the consequential effect that certain intergroup assets and liabilities and the related eliminations between Nedbank Retail and Business Banking and the Centre have been restated.

Nedbank Wealth		Rest of Africa		Centre[1]	
2015	2014	**2015**	2014	**2015**	2014
1 774	934	**4 438**	3 328	**16 789**	15 002
15 161	9 943	**1 801**	1 849	**23 647**	26 028
5	1	**76**	24	**305**	49
		327	336	**13 944**	10 454
28 206	24 819	**16 515**	14 073	**1 198**	89
16 176	21 912	**9 784**	7 818	**12 453**	13 334
61 322	57 609	**32 941**	27 428	**68 336**	64 956
2 734	2 830	**6 799**	3 549	**19 198**	19 470
2 734	2 830	**6 799**	3 549	**9 864**	11 865
				3 997	3 887
				5 337	3 718
10	4	**172**	47	**459**	(8)
34 083	26 122	**21 208**	17 058	**75 557**	66 767
16 884	17 626	**808**	876	**2 960**	3 783
		5	4	**36 598**	32 700
7 611	11 027	**3 949**	5 894	**(66 436)**	(57 756)
61 322	57 609	**32 941**	27 428	**68 336**	64 956
766	628	**740**	898	**(357)**	300
39	41	**201**	35	**149**	153
727	587	**539**	863	**(506)**	147
3 593	3 399	**819**	768	**(144)**	153
4 320	3 986	**1 358**	1 631	**(650)**	300
2 730	2 484	**1 526**	1 256	**(328)**	54
95	102	**29**	30	**279**	186
1 495	1 400	**(197)**	345	**(601)**	60
		872	149		
1 495	1 400	**675**	494	**(601)**	60
361	358	**(79)**	85	**(215)**	73
1 134	1 042	**754**	409	**(386)**	(13)
		63	52		4
				276	260
1 134	1 042	**691**	357	**(662)**	(277)
39 612	32 351	**20 934**	18 920	**(5 361)**	(16 380)
1,84	1,91	**2,31**	1,58		
41,5	36,8	**10,2**	10,1		
1,93	1,94	**3,53**	4,75		
82,4	84,4	**52,5**	46,1		
131,6	136,9	**53,7**	61,2		
0,15	0,17	**1,25**	0,23		
62,6	61,7	**62,8**	69,2		
24,1	25,6	**(11,7)**	17,2		
778	660	**(193)**	(122)	**(1 225)**	(1 101)
2 107	2 119	**1 812**	1 605	**3 744**	3 614

Depreciation costs of R1 027m (2014: R946m) and amortisation costs of R783m (2014: R719m) for property, equipment, computer software, capitalised development and other intangible assets are charged on an activity-justified transfer pricing methodology by the segment owning the assets to the segment utilising the benefits thereof.

SHAREHOLDERS' ANALYSIS

Register date: 31 December 2015

Authorised share capital: 600 000 000 shares

Issued share capital: 494 411 956 shares

Shareholder spread	Number of shareholdings	%	Number of shares	%
1 – 1 000 shares	18 582	82,09	4 354 923	0,88
1 001 – 10 000 shares	3 096	13,68	8 490 864	1,72
10 001 – 100 000 shares	714	3,15	23 319 449	4,72
100 001 – 1 000 000 shares	207	0,91	60 270 017	12,19
1 000 001 shares and over	39	0,17	397 976 703	80,49
Total	22 638	100,00	494 411 956	100,00
Distribution of shareholders				
Banks/Brokers	274	1,21	68 853 908	13,93
Close corporations	120	0,53	123 522	0,02
Empowerment	24	0,11	10 453 821	2,11
Endowment funds	140	0,62	1 056 889	0,21
Government	4	0,02	122 586	0,02
Individuals	17 912	79,13	10 063 697	2,04
Insurance companies	130	0,58	2 943 023	0,60
Investment companies	27	0,12	4 521 082	0,91
Medical aid schemes	37	0,16	421 998	0,09
Mutual funds	395	1,74	47 867 312	9,68
Old Mutual Life Assurance Company (South Africa) Ltd and associates	34	0,15	265 302 566	53,66
Other corporations	62	0,27	155 403	0,03
Private companies	338	1,49	1 372 190	0,28
Public companies	21	0,09	112 363	0,02
Retirement funds	486	2,15	63 558 500	12,86
Share trusts[1]	12	0,05	13 495 853	2,73
Nominees and trusts	2 622	11,58	3 987 243	0,81
Total	22 638	100,00	494 411 956	100,00
Public/Non-public shareholders				
Non-public shareholders	89	0,39	290 576 334	58,77
Directors and associates of the company[2]	8	0,04	859 013	0,17
Old Mutual Life Assurance Company (South Africa) Ltd and associates	34	0,15	265 302 566	53,66
Nedbank/Nedbank Group pension funds	3	0,01	93 537	0,02
Nedbank Group Ltd and associates (share trusts)[1]	12	0,05	12 990 564	2,63
Nedbank Group Ltd and associates (mutual funds)	9	0,04	955 395	0,19
Nedbank Group BEE trusts - SA[1]	7	0,03	9 531 914	1,93
Nedbank Group BEE trusts - Namibia	16	0,07	843 345	0,17
Public shareholders	22 549	99,61	203 835 622	41,23
Total	22 638	100,00	494 411 956	100,00

1 *Excludes shares held by directors in share trusts (executive directors only) and Eyethu schemes.*

2 *Includes shares held by directors in share trusts (executive directors only) and Eyethu schemes.*

Major shareholders/Managers	Number of shares	2015 % holding	2014 % holding
Old Mutual Life Assurance Company (South Africa) Ltd and associates[1]	267 531 866	**54,11**	54,57
Nedbank Group treasury shares	17 856 169	**3,61**	6,74
BEE trusts:	7 290 984	**1,47**	4,55
– Eyethu scheme - Nedbank South Africa	6 495 276	**1,31**	4,38
– Omufima scheme - Nedbank Namibia	795 708	**0,16**	0,17
Nedbank Group (2005) Share Option, Matched Share and Restricted Share Scheme	10 517 673	**2,13**	2,18
Nedbank Namibia Ltd	47 512	**0,01**	0,01
Coronation Fund Managers (SA)	37 432 178	**7,57**	6,62
Public Investment Corporation (SA)	30 875 907	**6,24**	6,56
Lazard Asset Management (US and UK)	13 053 114	**2,64**	2,70
Dimensional Fund Advisors (US, UK and AU)	7 857 545	**1,59**	1,58
BlackRock Inc (US and UK)	7 690 629	**1,56**	1,58
Sanlam Investment Management (SA)	4 674 435	**0,95**	1,53

[1] *Old Mutual Life Assurance Company (South Africa) Ltd and associates as shareholder/manager includes funds managed on behalf of other beneficial owners.*

Beneficial shareholders holding of 5% or more	Number of shares	2015 % holding	2014 % holdings
Old Mutual Life Assurance Company (South Africa) Ltd and associates (SA)	265 302 566	**53,66**	54,04
Government Employees Pension Fund (SA)	32 881 885	**6,65**	7,38

Geographical distribution of shareholders	Number of shares	2015 % holding	2014 % holdings
Domestic	426 290 505	**86,22**	86,07
South Africa	411 843 509	**83,30**	83,33
Namibia	10 325 049	**2,09**	1,95
Swaziland	109 300	**0,02**	0,01
Unclassified	4 012 647	**0,81**	0,78
Foreign	68 121 451	**13,78**	13,93
United States of America	36 968 745	**7,48**	7,47
United Kingdom and Ireland	5 944 480	**1,20**	1,31
Europe	8 918 488	**1,80**	2,05
Other countries	16 289 738	**3,30**	3,10
	494 411 956	**100,00**	100,00

REPORTS FROM OUR DIRECTORS AND AUDITORS

DIRECTORS' REPORT

for the year ended 31 December 2015

NATURE OF BUSINESS

Nedbank Group Limited ('Nedbank Group' or 'the company') is a registered bank-controlling company that, through its subsidiaries, provides a wide range of banking and financial services. Nedbank Group maintains a primary listing under 'Banks' on JSE Ltd ('the JSE'), with a secondary listing on the Namibian Stock Exchange.

ANNUAL FINANCIAL STATEMENTS

Details of the financial results are set out in our five year track record on page 53 of our integrated report, which have been prepared under the supervision of the Nedbank Group Chief Financial Officer, Raisibe Morathi, and audited in compliance with the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee, and the requirements of the Companies Act, 71 of 2008 (as amended) and the JSE Listings Requirements.

INTEGRATED REPORT

The board of directors acknowledges its responsibility to ensure the integrity of this integrated report. The board has accordingly applied its mind to this integrated report and in the opinion of the board the integrated report addresses all material issues, and presents fairly the integrated performance of the organisation and its impacts. The integrated report has been prepared in line with best practice pursuant to the recommendations of the King III Code (principle 9.1).

YEAR UNDER REVIEW

The year under review is fully covered in Reflections from our Chairman on pages 72 to 75 of our integrated report, Reflections from our Chief Executive's Review on pages 14 to 17 of our integrated report, the Grow our Transactional Franchise section on pages 30 and 31 of our integrated report, and Reflections from our Chief Financial Officer's Review on pages 44 to 54 of our integrated report.

SHARE CAPITAL

Details of the authorised and issued share capital, together with details of shares issued during the year, appear in note 29 to the annual financial statements available at nedbankgroup.co.za.

AMERICAN DEPOSITARY SHARES

At 31 December 2015 Nedbank Group had 2 738 658 (31 December 2014: 2 710 700) American depositary shares in issue, through the Bank of New York Mellon as depositary, and trading on the over-the-counter (OTC) markets in the US. Each American depositary share is equal to one ordinary share.

OWNERSHIP

The holding company of Nedbank Group is Old Mutual Life Assurance Company (SA) Ltd and associates, which holds 54,11% of the issued ordinary shares of the company. The ultimate holding company is Old Mutual plc, incorporated in England and Wales. Further details of shareholders appear on pages 20 and 21 of this report.

DIVIDENDS

The following dividends were declared in respect of the year ended 31 December 2015:

- Interim ordinary dividend of 537 cents per share (2014: 460 cents per share)
- Final ordinary dividend of 570 cents per share (2014: 568 cents per share)

BORROWINGS

Nedbank Group's borrowing powers are unlimited pursuant to the company's memorandum of incorporation. The details of borrowings appear in note 34 to the annual financial statements available at nedbankgroup.co.za.

DIRECTORS

Biographical details of the current directors appear on pages 4 to 7. Details of directors' and prescribed officers' remuneration and Nedbank Group shares issued to directors and prescribed officers appear on pages 22 to 27 of the 2015 Remuneration Report, available at nedbankgroup.co.za.

During the period under review, and also subsequent to year-end, the following changes occurred to the Nedbank Group Ltd Board:

- Mfundo Nkuhlu was appointed as an executive director and Chief Operating Officer on 1 January 2015;
- Vassi Naidoo was appointed as non-executive director on 1 May 2015 and Chairman on 11 May 2015;
- Reuel Khoza, Mustaq Enus-Brey and Gloria Serobe retired as non-executive directors on 11 May 2015, having been on the board for nine years in a non-executive capacity;
- Graham Dempster retired as an executive director on 11 May 2015, having reached retirement age;
- Stanley Subramoney was appointed as an independent non-executive director on 23 September 2015;
- Julian Roberts stepped down as a non-executive director on 31 October 2015;
- Bruce Hemphill was appointed as a non-executive director on 25 November 2015; and
- Paul Hanratty stepped down as a non-executive director on 12 March 2016.

In terms of Nedbank Group's memorandum of incorporation, one-third of the directors are required to retire at each Nedbank Group annual general meeting (AGM) and may offer themselves for election or reelection. The rotating directors are firstly those directors appointed since the last shareholders' meeting, and thereafter those longest in office since their last election.

Stanley Subramoney and Bruce Hemphill were appointed by the board of directors subsequent to the AGM held on 11 May 2015 and in terms of the memorandum of incorporation their appointments terminate at the close of the AGM to be held on 5 May 2016. They are available for election.

David Adomakoh, Ian Gladman and Malcolm Wyman are also required to seek reelection at the AGM. The aforementioned directors make themselves available for reelection and separate resolutions will be submitted for approval at the AGM to be held on 5 May 2016.

In terms of Nedbank Group policy, non-executive directors and independent non-executive directors of Nedbank Group who have served on the board for a period longer than nine years are required to retire from the board. None of the current non-executive directors and independent non-executive directors of Nedbank Group have served on the board in that capacity for more than nine years.

DIRECTORS (continued)

Details of the members of the board who served during the year and at the reporting date are given below:

Name	POSITION AS DIRECTOR	Date appointed as director	Date resigned/ retired as director (where applicable)
DKT Adomakoh (Ghanaian)	Independent non-executive director	21 February 2014	
TA Boardman	Independent non-executive director	1 November 2002 (1 March 2010 as non-executive, 1 January 2014 as independent non-executive)	
MWT Brown	Chief Executive	17 June 2004	
BA Dames	Independent non-executive director	30 June 2014	
GW Dempster	Executive director	5 August 2009	11 May 2015
MA Enus-Brey	Non-executive director	16 August 2005	11 May 2015
ID Gladman	Non-executive director	7 June 2012	
PB Hanratty (Irish)	Non-executive director	8 August 2014	12 March 2016
JB Hemphill	Non-executive director	25 November 2015	
RJ Khoza	Chairman and non-executive director	16 August 2005	11 May 2015
PM Makwana	Independent non-executive director	17 November 2011	
MA Matooane	Independent non-executive director	15 May 2014	
NP Mnxasana	Independent non-executive director	1 October 2008	
RK Morathi	Chief Financial Officer and executive director	1 September 2009	
JK Netshitenzhe	Independent non-executive director	5 August 2010	
MC Nkuhlu	Chief Operating Officer and executive director	1 January 2015	
V Naidoo	Chairman and non-executive director	1 May 2015	
JVF Roberts (British)	Non-executive director	1 December 2009	31 October 2015
GT Serobe	Non-executive director	16 August 2005	11 May 2015
S Subramoney	Independent non-executive director	23 September 2015	
MI Wyman (British)	Senior independent director	1 August 2009	

DIRECTORS' INTERESTS

The directors' interests in ordinary shares in Nedbank Group and non-redeemable, non-cumulative preference shares in Nedbank Ltd at 31 December 2015 (and any movements therein up to the reporting date) are set out online in the full supplementary Remuneration Report. The directors had no interest in any third party or company responsible for managing any of the business activities of the group. Banking transactions with directors are entered into in the normal course of business under terms that are no more favourable than those arranged with third parties.

GROUP AUDIT COMMITTEE AND GROUP TRANSFORMATION, SOCIAL AND ETHICS COMMITTEE REPORTS

The Group Audit Committee Report appears on pages 27 to 29 and the Group Transformation, Social and Ethics Committee Report appears on pages 30 and 31.

COMPANY SECRETARY AND REGISTERED OFFICE

As part of the annual board evaluation process, the board of directors has conducted an assessment of the Company Secretary. The results were discussed by the board of directors on 26 February 2016 and the board is satisfied that Mr Jali is suitably competent, qualified and experienced and has adequately and effectively performed the role and duties of a company secretary. Mr Jali has direct access to, and ongoing communication with, the Chairman of the board and the Chairman and the Company Secretary meet regularly through the year. Mr Jali is not a director of the company and the board is satisfied that, as far as is reasonably possible, an arm's length relationship between the Company Secretary and the board is intact.

Details of Mr Jali's qualifications and experience are set out online in the Notice of the Annual General Meeting and Summarised Financial Statements.

The addresses of the Company Secretary and the registered office are as follows:

Business address

- Nedbank Group Ltd
  Nedbank 135 Rivonia Campus,
  135 Rivonia Road,
  Sandown, Sandton, 2196, SA

Registered address

- 135 Rivonia Road, Sandown
Sandton, 2196, SA

Postal address

- Nedbank Group Ltd
PO Box 1144, Johannesburg
2000, SA

PROPERTY AND EQUIPMENT

There was no material change in the nature of the fixed assets of Nedbank Group or its subsidiaries or in the policy regarding their use during the year.

POLITICAL DONATIONS

Nedbank Group has an established policy of not making donations to any political party.

CONTRACTS AND MATTERS IN WHICH DIRECTORS AND OFFICERS OF THE COMPANY HAVE AN INTEREST

No contracts in which directors and officers of the company had an interest and that significantly affected the affairs or business of the company or any of its subsidiaries were entered into during the year.

Joel Netshitenzhe is an executive director of the Mapungubwe Institute for Strategic Reflection (Mistra). In 2014 Mistra received a grant of R1m (2013: R2m) from the Nedbank Eyethu Community Trust (formed in 2005 as part of Nedbank Group's BBBEE transaction). The Nedbank Eyethu Community Trust provides funding to charitable or non-profit organisations that qualify. The grant to Mistra was evaluated against the normal criteria for funding by the trust. No grant was received by Mistra in 2015.

DIRECTORS' AND PRESCRIBED OFFICERS' SERVICE CONTRACTS

There are no service contracts with the directors of the company, other than for the chairman and executive directors as set out below. The directors who entered into these service contracts remain subject to retirement by rotation in terms of Nedbank Group's memorandum of incorporation.

The key responsibilities relating to Vassi Naidoo's position as Chairman of Nedbank Group are encapsulated in a contract.

Service contracts have been entered into for Mike Brown, Mfundo Nkuhlu and Raisibe Morathi. These service contracts are effective until the executive directors reach the normal retirement age and stipulate a maximum notice period of six months (12 months for Mr Brown) under most circumstances.

Details relating to the service contracts of prescribed officers are incorporated in the full online supplementary Remuneration Report.

INSURANCE

The group has placed cover in the London insurance market for up to R3,5bn for losses in excess of R50m. Our group captive insurer provides cover for total losses below the R50m-level engagement point, retaining R100m, in any one year. Selected insurance covers are placed with the Old Mutual Group.

SUBSIDIARY COMPANIES

Details of principal subsidiary companies are reflected on pages 133 to 135 of the annual financial statements at nedbankgroup.co.za.

ACQUISITION OF SHARES

As part of the process of terminating components of Nedbank Group's SA BBBEE transaction introduced in 2005, on 2 March 2015 Nedbank Group repurchased 8 916 159 shares from the Brimstone-Mtha Financial Services Trust, the WIPHOLD Financial Services Number Two Trust, the Nedbank Custodial Retail Trust (formerly the Nedbank Eyethu Retail Trust) and the Nedbank Eyethu Community Trust at an average price of R0,92 per share. The Specific Repurchase represented 1,79% of shares then in issue and the shares were subsequently delisted and reinstated as authorised, but unissued shares. In terms of the JSE Ltd ('the JSE') Listings Requirements and section 48 of the Companies Act, 71 of 2008 (as amended) ('the Companies Act'), the Specific Repurchase was approved by shareholders at the general meetings of Nedbank Group held on 22 July 2005 and 13 May 2008 respectively and ratified on 3 May 2013. Full details are set out in the SENS announcement dated 23 February 2015.

No shares in Nedbank Group were acquired by Nedbank Group or by a Nedbank Group subsidiary during the financial year under review in terms of the general authority previously granted by shareholders. Members will be requested to renew the general authority enabling the company or a subsidiary of the company to repurchase shares.

SPECIFIC ISSUE OF SHARES FOR CASH

As part of the process of terminating components of Nedbank Group's SA BBBEE transaction introduced in 2015, a Nedbank Group issued 738 207 Nedbank Group shares for cash to the Nedbank Eyethu Community Trust at a price of R239,77 per share, amounting to a value of R176 999 892,39.

EVENTS AFTER THE REPORTING PERIOD

In line with the subscription agreement, Nedbank will subscribe for shares in African Bank Holdings Ltd for R10,2m on 11 March 2016 and for an additional R399,8m on 30 March 2016, representing a 4,1% holding in African Bank Holdings Ltd. This aligns with Nedbank's commitment under the provisions of this agreement.

On 11 March 2016, Old Mutual announced its new strategy which seeks to realise long term value for its shareholders and other stakeholders by separating its four businesses – Old Mutual Emerging Markets, Nedbank Group, Old Mutual Wealth and Old Mutual Asset Management – from each other. This strategy is referred to as the Old Mutual Managed Separation.

The Old Mutual Managed Separation, is expected to result in Old Mutual over time reducing its approximately 54% interest in Nedbank Group to an appropriate strategic minority position to underpin the continuing commercial relationship between OMEM and Nedbank Group. Old Mutual currently envisages reducing its shareholding in Nedbank Group primarily by way of a distribution of Nedbank Group shares to the shareholders of Old Mutual in an orderly manner and at an appropriate time in the context of the Old Mutual Managed Separation and does not intend to sell any part of its shareholding in Nedbank Group to a new strategic investor.

The boards of directors and management teams of Old Mutual and Nedbank Group are working closely together to determine the most effective method and appropriate timing to effect the Old Mutual Managed Separation, in a way that safeguards the stability and integrity of both Nedbank Group and the South African financial services sector. Old Mutual expects that the Old Mutual Managed Separation will be materially completed by the end of 2018. Nedbank Group shareholders and stakeholders will – on a regular basis – be kept appropriately informed of further developments in this regard.

The directors are not aware of any other material events that have occurred between the reporting date and 11 March 2016.

REVIEW AND APPROVAL FROM THE GROUP AUDIT COMMITTEE

The Group Audit Committee (GAC) reviewed and discussed the audited annual financial statements with the Chief Financial Officer, the Chief Executive, the Chief Risk Officer, Internal Audit and the external auditors. The GAC assessed, and found to be effective and appropriate, the financial reporting process and controls that led to the compilation of the annual financial statements as well as the presentation and disclosure in the annual financial statements with regard to the approved accounting policies, International Financial Reporting Standards and the requirements for fair presentation of the Companies Act, 71 of 2008.

The GAC reviewed and discussed the integrated report's reporting process, governance and financial information included in the integrated report after considering recommendations received from the Group Transformation, Social and Ethics Committee, the Group Remuneration Committee, the Group Risk and Capital Management Committee and the Group Directors' Affairs Committee.

The GAC recommended to the board that the annual financial statements and the financial information included in the integrated report be approved. The board subsequently approved the annual financial statements and the integrated report, which will be open for discussion at the forthcoming annual general meeting.

Malcolm Wyman
Group Audit Committee Chair

1 March 2016

REPORT FROM OUR INDEPENDENT AUDITORS

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Deloitte & Touche and KPMG Inc, Nedbank Group Ltd's independent auditors, have audited the consolidated financial statements and specified sections of the remuneration report of Nedbank Group Ltd from which management prepared the summarised consolidated financial results. The auditors have not expressed an opinion on the 5-year track record on page 53 of our integrated report. The auditors have expressed an unmodified audit opinion on the consolidated financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 71 of 2008. The consolidated financial statements and the auditors' report thereon are available for inspection at the registered office of Nedbank Group Ltd.

REPORTS FROM GROUP BOARD COMMITTEE CHAIRS

REPORT FROM GROUP AUDIT COMMITTEE CHAIR

'The audit committee has an essential role to play in ensuring the integrity and transparency of corporate reporting and provides key links between management, the board and external audit. The committee is able to focus on the key issues facing the organisation and oversee management's financial reporting controls and processes through the review of significant accounting and reporting issues and recent professional and regulatory pronouncement.'

COMPOSITION AND PURPOSE

The Nedbank Group Audit Committee assists the board in fulfiling its oversight responsibilities, in particular with regard to evaluation of the adequacy and efficiency of accounting policies, internal controls and financial and corporate reporting processes. In addition the GAC assesses the effectiveness of the internal auditors and the independence and effectiveness of the external auditors.

The committee is chaired by Malcolm Wyman and has five members, all of whom are independent non-executive directors. On 25 November 2015 Stanley Subramoney joined the committee as a fifth member and underwent a detailed induction programme, which included briefings on matters relevant to the responsibilities of the committee and meetings with the Chief Financial Officer. The committee met six times during the year, including the annual meeting with the Bank Supervision Department of the South African Reserve Bank (SARB).

MALCOLM WYMAN
CHAIR

Related material matters

Composition and attendance

TA Boardman	6/6
PM Makwana	6/6
NP Mnxasana	6/6
MI Wyman (Chair)	6/6

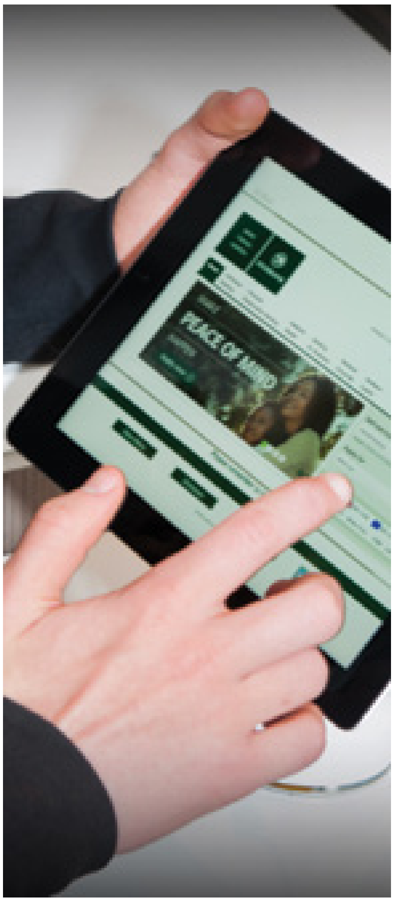
PERTINENT MATTERS ADDRESSED IN 2015

Internal control

The committee is responsible for reviewing the effectiveness of systems for internal control, financial reporting and risk management, and considering the major findings of any internal investigations into control weaknesses, fraud or misconduct, and management's response thereto.

The GAC receives regular reports provided as part the Enterprisewide Risk Management Framework (ERMF) to assist in evaluating the group's internal controls. The ERMF places emphasis on accountability, responsibility, independence, reporting, communication and transparency, both internally and in respect of all Nedbank's key external stakeholders. Significant areas of focus within the reports include the following:

- identifying and managing material risks within the group and changes to these risk profiles during the year;
- creating and maintaining an effective internal control environment throughout the group;
- demonstrating the necessary respect for the control environment; and
- identifying and correcting weaknesses in systems and internal controls.



The GAC receives regular reports from the Group Information Technology Committee regarding the monitoring of the adequacy and effectiveness of the group's information system controls and from the Group Credit Committee regarding its oversight of the adequacy and effectiveness of the credit monitoring processes and systems.

The GAC receives regular reports on issues in the group's key issues control log from the Chief Risk Officer (CRO) and regular reports regarding governance and compliance matters (including the Companies Act and Banks Act) from the Chief Governance and Compliance Officer.

Having considered, analysed, reviewed and debated information provided by management and Internal Audit and the external auditors, the GAC considered that the internal controls of the group had been effective in all material aspects throughout the year under review.

Financial reporting process

The GAC received regular reports from the Chief Financial Officer (CFO) regarding the financial performance of the group, the tracking and monitoring of key performance indicators, details of budgets, forecasts, long-term plans and capital expenditures, financial reporting controls and processes, and the adequacy and reliability of management information used during the financial reporting process.

The GAC reviewed and approved the accounting policies of the group as reported in the annual financial statements, monitoring the consistency of application and compliance with accounting standards. The GAC also reviewed and approved the related group policies (Finance and Accounting Risk Policy, Taxation Policy and Regulatory Reporting Policy). The GAC further assessed and confirmed the appropriateness of the going-concern assumption used in the annual financial statements, taking into account management budgets and the capital and the liquidity profiles.

The GAC also:

- received a summary of the key technical accounting matters from the CFO for consideration as well as a summary of critical accounting judgements and estimates made during the financial reporting process;
- received input where there have been substantive discussions between management and the external auditors; and
- discussed all key areas of judgement with management and the external auditors.

The GAC satisfied itself as to the expertise, resources and experience of the finance function, as well as the appropriateness of the expertise and experience of the CFO in terms of the JSE Listings Requirements.

The GAC considered the following significant issues and key areas of management judgement applied in the preparation of the financial statements in the current year:

- *Fair value of financial instruments* – The GAC reviewed and discussed reports from the CFO regarding the Investment Committee review of investment valuations and details of critical valuation judgements applied to the valuation of group treasury and trading instruments.
- *Credit risk provisions* – The GAC reviewed and challenged reports from the Group Credit Committee regarding the level and appropriateness of impairments, provisioning methodologies and related key judgements in determining the impairment balances, and satisfied itself as to the level of impairments.
- *Taxation-related matters* – The GAC reviewed reports from the CFO regarding the tax computation and, where applicable, the judgements made in determining tax accrual and the deferred tax balance.
- *Impairment considerations for goodwill, intangible assets and associate investments* – The GAC reviewed reports from the CFO regarding the annual goodwill impairment assessment, the consideration of impairment applied to certain intangible assets, and related assumptions and judgements as well as the consideration of the indicators of impairment for associate investments.
- *Investments in associates* – In 2015 Nedbank held the ETI investment for the full financial year and reported its related associate earnings estimate. The GAC considered management's accounting treatment for the estimate of the earnings from ETI, the assessment of impairment indicators and the resulting impairment assessment.

The external auditors are preparing for the changes in requirements to auditors' reporting of key audit matters in their report and have actively engaged with the GAC. The report aims to provide information that allows users of the financial statements to understand how the external auditors have considered and evaluated the significant matters identified during the course of their audit. This will be implemented in the auditors' report on the 2016 financial statements.

Update on key focus areas in 2015

The new SAP enterprise resource planning (ERP) system went live early in 2015, impacting the entire financial accounting control environment. The GAC monitored the implementation of the project and received regular updates from the CFO on its progress. The project was delivered within the timetable and with all material controls operating effectively.

IFRS 9 received much attention this year as the planning and pilot phases of the project were launched. The project is being managed jointly between Group Finance and Group Risk, and the GAC satisified itself that significant progress is being made, with the next stage of collaboration and development being the focus for 2016.

Regulatory reporting process

The GAC reviewed the adequacy of the regulatory reporting processes as required by the Banks Act of SA, which includes evaluation of the quality of reporting, the adequacy of systems and processes, and consideration of any findings regarding regulatory reports by the external auditors. The GAC also hosts an annual trilateral meeting with representatives of the Bank Supervision Department of the SARB where, among other things, key external audit findings, internal audit matters and reporting responsibilities in terms of the regulations are discussed.

Internal Audit

Internal Audit performs an independent assurance function and forms part of the third line of defence as set out in the ERMF in the integrated report. The Chief Internal Auditor (CIA) has a functional reporting line to the committee chair and an operational reporting line to the CE.

The GAC, with respect to its evaluation of the adequacy and effectiveness of internal controls, receives reports from the CIA, assesses the effectiveness of the group internal audit function and reviews and approves the annual Group Internal Audit plan. In particular the GAC:

- ensured that the CIA has a direct reporting line to the chair of the GAC;
- reviewed and recommended the Internal Audit Charter for approval by the board of directors;
- monitored the effectiveness of the internal audit function in terms of its scope, execution of its plan, coverage, independence, skills, staffing, overall performance and position within the organisation; and
- monitored and challenged, where appropriate, action taken by management with regard to adverse internal audit findings.

External auditors

The GAC is responsible for the appointment, compensation and oversight of the external auditors for the group, namely Deloitte & Touche and KPMG Inc. The GAC has a well-established policy on auditor independence and audit effectiveness. During the period the GAC:

- recommended to the board the selection of the external auditors and the approval of their audit fees for the year under review;
- approved the external auditors' annual plan and related scope of work, confirming suitable reliance on Group Internal Audit and the appropriateness of key audit risks identified; and
- monitored the effectiveness of the external auditors in terms of their audit quality, expertise and independence, as well as the content and execution of the audit plan.

A further annual review of the quality of the audit and the performance of the joint external auditors was undertaken in 2015 through, among others, questionnaires completed by key finance staff, Group Internal Audit members central to the assessment process and members of the GAC.

The GAC is of the view that the group continues to receive an efficient, effective and independent audit service and recommended to the board the reappointment of the external auditors for 2016.

As part of the assessment of the external auditors' independence, the committee reviewed and approved the Non-audit Services Policy, which governs the types of service that can be performed by the auditors, as well as the value and scope of the non-audit services provided by the auditors. Only those non-audit services that do not affect their independence and entail skills and experience that make them the most appropriate suppliers were approved during the period.

During the 2015 financial year it was identified that non-audit service assignments would result in significantly higher non-audit fees compared to the previous year. This was duly assessed by the GAC taking into account the auditors' involvement in the assignment, the auditors' expertise and that the programme is not part of the scope of the statutory or regulatory audits. The GAC having considered the impact on the auditors' independence approved the assignment.

Annual financial statements and integrated reporting process

The GAC reviewed and discussed the audited annual financial statements with the CFO, the CE, the CRO, Internal Audit and the external auditors. The GAC assessed, and found to be effective and appropriate, the financial reporting process and controls that led to the compilation of the annual financial statements as well as the presentation and disclosure in the annual financial statements with regard to the approved accounting policies, IFRS and the requirements of the Companies Act for fair presentation.

The GAC reviewed and discussed the integrated report, reporting process and governance and financial information included in the integrated report after considering recommendations from the GTSEC, Group Remco, The Group Risk and Capital Management Committee (GRCMC) and the Directors' Affairs Committee.

The GAC recommended to the board that the annual financial statements and the financial information included in the integrated report be approved. The board subsequently approved the annual financial statements and the integrated report.

FOCUS FOR 2016 AND BEYOND

Key areas of focus for the committee for 2016 include:

- Review and consideration of management's plans in respect of future changes to the International Financial Reporting Standards (IFRS), most notably:
  - IFRS 9: Financial Instruments – significant progress was made during 2015, with the focus for 2016 on impairments and the development of models.
  - IFRS 15: Revenue Recognition – the effective date was postponed to 1 January 2018; this continues to be an area of emphasis for the coming year.
- Continued focus on ensuring that the group's financial systems, processes and controls are operating effectively, are consistent with the group's complexity and are responsive to changes in the environment and industry.

MI Wyman
Group Audit Committee Chair

REPORT FROM GROUP TRANSFORMATION, SOCIAL AND ETHICS COMMITTEE CHAIR

Composition and attendance

DKT Adomakoh	3/3
PB Hanratty	2/4
PM Makwana	4/4
NP Mnxasana (Chair)	3/3
GT Serobe[1]	1/2

[1] *Resigned from the committee on 11 May 2015.*

COMPOSITION AND PURPOSE

In support of the material matters of scarce skills and transformation of society within planetary boundaries, we have been mandated to advise, oversee and monitor Nedbank Group's activities with regard to social and economic development, ethics, transformation, sustainability, corporate citizenship, environmental, health and public safety, stakeholder relationships, labour and employment matters. The committee endeavours to comply with recommended practices as outlined in King III in executing its mandate. This is facilitated by way of quarterly meetings followed by a submission of a report to the board of directors after each meeting.

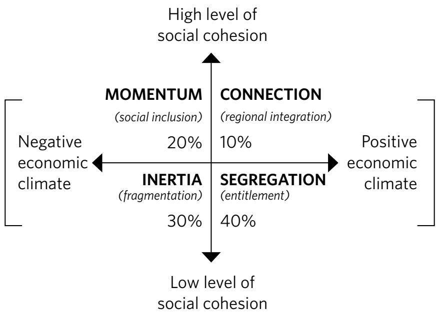
The composition of the Group Transformation, Social and Ethics Committee (GTSEC) complies with the requirements the Companies Act, 71 of 2008 (as amended). The committee comprises four non-executive directors. Other attendees of meetings include subject matter experts on each of the disciplines or areas falling within the mandate of the committee specified in regulation 43(5) of the Companies Act.

NOMAVUSO MNXASANA
CHAIR

Related material matters

PERTINENT MATTERS ADDRESSED IN 2015

During 2015 the committee considered a 5-to-10-year view of transformation within the context of the socioeconomic landscape overlaid by the group's strategic positioning. The following four possible scenarios were developed based on the level of social cohesion (considering social capital, social inclusion and social mobility) and the economic climate [considering gross domestic product (GDP), prime rate and consumer price index (CPI) inflation)]:



- INERTIA
  (characterised by negative economic climate and low level of social cohesion)
- SEGREGATION
  (characterised by positive economic climate and low level of social cohesion)
- MOMENTUM
  (characterised by negative economic climate and high level of social cohesion)
- CONNECTION
  (characterised by positive economic climate and high level of social cohesion)

Some key considerations to arrive at the four scenarios, included:

1. The more stringent BBBEE legislative environment.
2. Requirements of the National Development Plan, for example 90% financial inclusion by 2030.
3. The triple challenge of poverty, unemployment and inequality.

4 The national skills shortage.
5 Low GDP growth and high inflation.

On 10 February business leaders presented President Jacob Zuma with an eight-point plan that they believe will help prevent SA from a damaging sovereign ratings downgrade to junk status and long-term decline. The plan was drawn up by the country's top CEOs under the leadership of Old Mutual CEO in charge of emerging markets, Ralph Mupita, and Nedbank Group CE Mike Brown. It includes concrete measures such as overdelivery on fiscal consolidation; more effective management of state-owned enterprises by appointing, for example, private sector professionals to their boards; accelerated public–private partnerships; a review of legislative implementation to ensure consistency and certainty; ensuring that labour legislation contributes to inclusive growth, especially of the youth; and the appointment of a standing anticorruption committee to combat graft in both the public and private sectors.

The plan includes a commitment by business to support government in the tough actions needed to tackle its fiscal challenges and unite behind a cohesive narrative and plan, thereby enabling us to move from inertia to connection and mitigating against segregation. We will continue to monitor key flags, including the SA GDP growth rate, prime rate, inflation rate, level of social unrest, level of skills, unemployment rate and the outcome of the next election to mention a few, while deepening our engagement with government and labour as we acknowledge that the current challenges we face require meeting of the minds and greater collaboration by all.

Although Nedbank has achieved industry leadership according to the BBBEE codes, we are also aware that stricter legislation will lead to an industry rebasing, with lower BBBEE levels projected going forward. We remain committed to doing our share, not only to address this socioeconomic imbalance directly through our own transformation efforts by focusing on the priority elements and our culture of inclusion, but also by using our influence and financial and non-financial resources to work with government, business and communities to bring about real and lasting economic transformation to create a better life for all South Africans.

The committee also continued monitoring achievement of its transformation strategy, focusing on regulatory developments pertinent to its functions:

- Reviewed the transformation strategy and monitored achievement against identified targets to deliver on our transformation commitments and the committee is satisfied with the level of transformation achieved within the group, its target-setting methodology and the fact that the demographic composition of the Nedbank Group Exco was regarded as best in class, relative to peer banks.
- Monitored regulatory developments relating to the BBBEE Act and Financial Sector Codes (FSCs). At 31 December 2015 the group achieved a level 2 score (97,34).
- Reviewed developments in the area of ethics management within the group and recommended the introduction of a global benchmark standard, which called for the incorporation of ethics into the performance and remuneration processes at all staff levels and an increased focus on awareness and training.
- Monitored progress against the integrated sustainability strategy and the group's efforts to maintain carbon neutrality.
- Monitored progress of the scaleup of Fair Share 2030, the bank's strategic business response to Nedbank's Long-term Goals for a thriving SA. (See page 10 of our integrated report for more detail in this regard.)
- Monitored activities relating to socioeconomic development (including external skills development), access to finance, lending to enable healthcare, housing and education, enterprise development, community upliftment, economic empowerment and preferential procurement.
- Sustained the transformation legacy and maintained strategic partnerships with our black business partners beyond our BEE deal, with reference to monitoring of agreed legacy projects. The committee commissioned the compilation of a business school case study detailing the legacy of the Nedbank BBBEE transaction, which took into account the lessons learnt, and the views and opinions of all parties involved in the transaction.

Challenges

- The more stringent BBBEE legislative environment.
- Requirements of the National Development Plans, for example 90% financial inclusion by 2030.
- The triple challenge of poverty, unemployment and inequality.
- The national skills shortage.
- Low GDP growth and high inflation.
- Low level of social cohesion.

FOCUS FOR 2016 AND BEYOND

The committee will:

- monitor developments in the implementation of Fair Share 2030 and Nedbank's strategic response to its Long-term Goals for a thriving SA;
- focus on the group's transformation agenda, including the impact of and building a culture of inclusion;
- focus on the impact of the realigned FSC, with the emphasis on the priority elements of ownership, skills development and supplier development;
- continuously evolve its monitoring activities where necessary to enable effective fulfilment of its mandate;
- continue to exercise board oversight of the implementation of the Treating Clients Fairly programme across all SA subsidiaries of Nedbank Group;
- monitor how best practice regarding ethics management is implemented in the group, resulting from ongoing research on international standards and collaboration with relevant stakeholders, such as EthicsSA;
- monitor the further implementation of the UNGC Guiding Principles regarding human rights in business and due diligence on products/services, and advise on reporting according to the GRI principles; and
- monitor the development of an ethics key performance area for performance appraisal and remuneration purposes.

Risks/Opportunities

- The Ethics Office has advised that the development of an ethics key performance area and inclusion thereof for performance appraisals and remuneration purposes will be problematic and, as such, alternative solutions will be investigated.
- With stricter BEE codes, there are opportunities to emerge as industry leaders at the forefront of transformation, while noting the risk of not achieving the same level of status as enjoyed under the old regime.

NP Mnxasana
Group Transformation, Social and Ethics Committee Chair

REPORTING BACK ON REMUNERATION

OUR REMUNERATION REPORT

This abridged Remuneration Report summarises the issues addressed in our full online 2015 Remuneration Report, which is available online at nedbankgroup.co.za. Provided herein are the governing principles in respect of our approach to remuneration as well as an overview of the manner in which they were implemented during 2015.

Our Remuneration Policy as well as its implementation is independently reviewed on an annual basis to ensure consistent application of the policy, and legislative and regulatory compliance.

HOW WE GOVERN OUR REMUNERATION

We have a Remuneration Policy that provides a framework for the management of total remuneration within the group, and which also supports the Nedbank employee value proposition (EVP). Set out below is a summary of the main aims of our Remuneration Policy, together with our approach to remuneration governance.

Remuneration Policy principles

The following aims of our Remuneration Policy are the guiding principles for our approach to remuneration:

To enable the attraction, motivation and retention of high-calibre people, with the right mix of experience, skills and knowledge to deliver on the strategy.

To support and reinforce our desired culture and encourage behaviour consistent with our values, thereby stimulating employee engagement.

To create an appropriate balance and alignment between the needs, expectations and risk exposure of our stakeholders, including our staffmembers, clients, shareholders, regulators and communities, to ensure the creation of sustainable long-term value for each of them.

To incentivise employees to deliver sustained high levels of performance and excellent execution of our strategic priorities, while being cognisant of the impact this delivery has on our risk profile and exposure.

To enable appropriate transparency in the development of remuneration programmes and the allocation of individual remuneration to ensure equity and fairness based on valid and appropriate external and internal benchmarks.

To align with the principles of good corporate and remuneration governance, ensuring an appropriate share value for the relevant stakeholders in our business.

Our full 2015 Remuneration Policy is set out on pages 1 to 5 of the full online Remuneration Report, and includes proposed changes to make provision for the implementation of *malus* and clawback arrangements in our LTI arrangements, as outlined in the Group Remco Chair's statement.

Governance

Remuneration Committee

Our Group Remco is responsible for remuneration governance with its groupwide responsibilities fully defined in its board-approved charter, available online at nedbankgroup.co.za.

The Group Remco applies the guiding principles enunciated in the Remuneration Policy as far as it is feasible, but retains the right to apply discretion to deviate from this policy in exceptional circumstances. As has been the case for the past several years, there were no requirements for such deviation in 2015.

The Group Remco ensures that it remains knowledgeable about the changing remuneration regulatory environment, both locally and globally. This is supported by regular updates from the Group Reward and Performance team and its external advisors. The 2015 training dealt with global changes in executive remuneration.

In addition to the above, the Group Remco has full access to independent executive remuneration consultants, and has utilised Vasdex Associates (Pty) Ltd and PwC during 2015. Group Remco is also provided with market-related remuneration information through the group reward and performance function.

The Group Remco met seven times during 2015, details of which are set out on page 104 of the Nedbank Group 2015 Integrated Report. The Group Chairman, Chief Executive (CE), Chief Operating Officer (COO) and Group Executive at Human Resources are permanent invitees to the meetings, and they are not present in discussions regarding their own remuneration. The meetings are also attended by the executive responsible for the reward and performance function in the group as well as any external advisors deemed necessary by the Group Remco from time to time.

All members of the Group Remco act as trustees of the Nedbank Group (2005) Employee Share Trust. The annual trustee meeting for this scheme was held on 24 November 2015.

There were no material issues identified in the Group Remco's self-assessment in 2015, which was conducted to evaluate its effectiveness against the objectives of its charter.

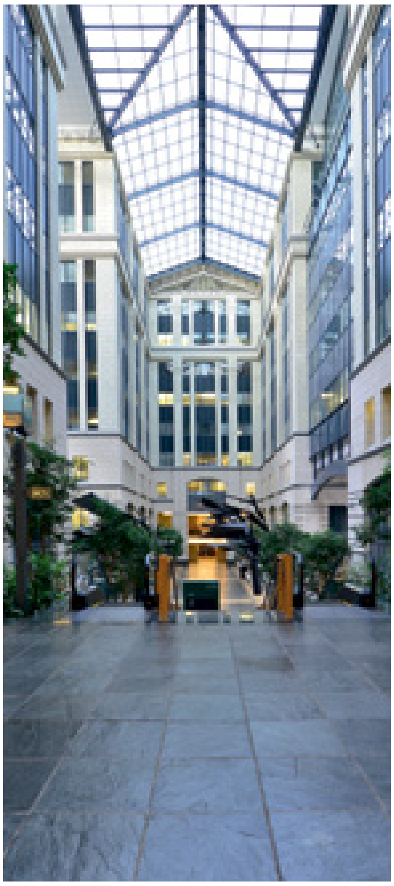
Composition of Group Remco

The Group Remco consists of four members, including an independent chair. The majority of the members are independent non-executive directors.

Name	Directorship status	Current membership
Bruce Hemphill[1]	Non-executive Director	Current member
Mpho Makwana	Independent Non-executive Director	Current member and Chair of Group Remco
Nomavuso Mnxasana	Independent Non-executive Director	Current member
Malcolm Wyman	Senior Independent Non-executive Director	Current member
Julian Roberts[2]	Non-executive Director	Past member

[1] *Bruce Hemphill was appointed to the Group Remco with effect from 25 November 2015.*

[2] *Julian Roberts resigned from the Group Remco with effect from 23 October 2015.*



REMUNERATION ELEMENTS

Our total remuneration mix (as shown in the diagram below), together with the manner in which it is governed, is set out in the Remuneration Policy on pages 1 to 5 of the full online 2015 Remuneration Report, which also expands on the group's approach to such elements during 2015.

PERFORMANCE MANAGEMENT

Short-term focus, day-to-day orientation	Short-to-medium-term focus, performance orientation		Long-term focus, ownership orientation	
Guaranteed package	Short-term incentives (including deferral and forfeiture)	Special-purpose short-term arrangements	Long-term incentives	Employee ownership plan

Variable remuneration

Short-term incentive

The aim of STIs is to drive the achievement of sustainable results within an agreed risk appetite framework, and to encourage behaviours that are consistent with our values and are aligned with the best interests of our stakeholders. Our STI schemes are structured to support collaborative work across different clusters. The Group Remco has agreed on a set of principles and all group and cluster incentive schemes are designed according to those principles, which are set out on page 9 of the full online 2015 Remuneration Report.

The total STI pool approved for distribution by the Group Remco in respect of the 2015 financial year was R2 162,5m (2014: R2 100m). In accordance with its charter, the Group Remco also approved 24 individual STI payments (2014: 26) in excess of 200% of guaranteed package (GP), outside of those approved in respect of the Group Exco, which are all subject to individual approval by the Group Remco and the board.

DEFERRAL OF STIs

Compulsory STI deferral		Voluntary Bonus Share Scheme
R0 to R1m	> R1m	Employees may select to defer a portion of their posttax STI voluntarily into the Matched-share Scheme, subject to the total deferral (including compulsory deferral) not exceeding 50% of the total posttax STI award.
No deferral	Fifty percent of any amount in excess of R1m is deferred over a period of 30 months, with releases from forfeiture occurring in three equal tranches at 6, 18 and 30 months from the date of the award. Deferral is on a posttax basis.	

In the above instances where deferral applies, the individual must retain the shares in the scheme for a period of 36 months to be eligible for a match in accordance with our Matched-share Scheme, details of which are fully set out on page 9 of the full online 2015 Remuneration Report.

For employees with earnings falling within the highest taxation bracket the total STI has the potential to increase by 30% (before share price movement) in the event that the conditions in the Matched-share Scheme are met at the end of the deferral period.

Subject to shareholder approval at our AGM, deferred STIs will, from February 2016, be subject both to a *malus* (release from forfeiture) decision (already a feature of the scheme) and the possibility of clawback, for a combined period of three years from the date on which the award was made.

Special-purpose short-term variable remuneration

We make use of preapproved special-purpose short-term variable remuneration arrangements only in exceptional circumstances, which is typically in the context of hiring senior and key employees. The group does not, as a matter of course, award guaranteed bonuses, and thus none have been awarded during 2015.

SCHEME TYPE	Scheme description	Number of awards
Signon bonus	Cash awards made to prospective employees on joining the group are typically awarded to compensate them for loss of certain accrued benefits or to make them whole in terms of their existing contractual obligations.	20 awards (2014: 12) totalling R19,7m (2014: R6,23m). Included in this are awards made on appointment to key revenue-generating staffmembers.
Deferred Short-term Incentive (DSTI) awards	DSTI awards are cash-based awards, comprising an upfront payment (typically 40% of the award), with a deferred component (the remaining 60%) payable subject to minimum time-based and individual performance conditions. Executive directors and prescribed officers are not eligible for DSTIs in the normal course.	20 awards (2014: 19) totalling R15,7m (2014: R16,4m). The awards approved is in relation to a number of senior and specialist appointments made in 2015, and the need to implement specific retention initiatives in certain scarce-skills environments.

Scheme governance is set out in the Remuneration Policy.

Long-term incentives

LTI awards are awarded with the joint aims of aligning participants' interests with the interests of stakeholders and of retaining key employees. Key considerations for LTI awards are set out on page 4 in our Remuneration Policy in the full online 2015 Remuneration Report. The criteria and quantum of allocations are benchmarked to the market annually. The allocation of LTIs is discretionary and is based on the key eligibility criteria as set out in the Remuneration Policy on page 4 in the full online 2015 Remuneration Report.

All LTI allocations are motivated by the Group Exco and approved by Group Remco members in their capacity as trustees of the Nedbank (2005) Employee Share Scheme Trust. Specific individual approval is also required for all LTI awards greater than 100% of GP.

Set out below are our various LTI schemes. The operation of the international LTIP has been aligned with the Nedbank Group (2005) Share Option, Matched Share and Restricted Share Scheme (Nedbank Group (2005) Share Incentive Scheme), but operates on a phantom basis.

Overview of long-term incentive arrangements under the Nedbank Group (2005) Share Incentive Scheme

The Option Scheme

No awards have been made since 2007 and there are no unvested awards in this scheme.

Restricted-share Scheme: Annual allocations

The Group Remco awards restricted shares (including on-appointment allocations, referred to below) with a three-year vesting period to eligible participants, which vest on the basis set out to the right.

Further details of the actual CPTs are set out on page 13 of the full online 2015 Remuneration Report. For 2016 the CPTs will remain unchanged from those which applied in 2015.

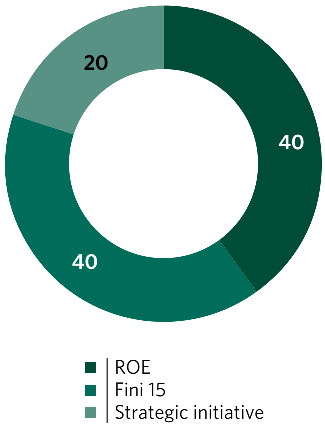
On-appointment allocations

On-appointment, restricted-share allocations are offered at the discretion of the Group Remco to new senior managers and also on an exceptional basis to existing employees who have been appointed to more senior positions and have been recommended for an allocation by the Group Exco.

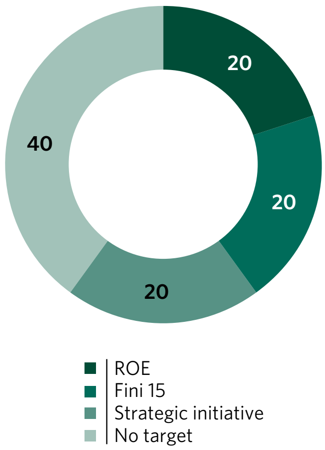
Frequency of awards

On-appointment allocations may take place biannually (and by exception on the date of appointment, with specific approval), with awards based on the volume-weighted average share price using the three trading days after the announcement of the annual or interim financial results (as applicable).

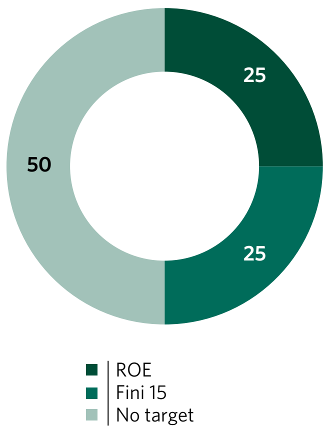
EXECUTIVE DIRECTORS
(%)



GROUP EXCO/CLUSTER EXCO
(%)



OTHER LTIP PARTICIPANTS
(%)



Matched-share Scheme

This scheme provides a vehicle for the compulsory deferral of STI awards, and for employees to participate in the scheme by voluntary investment, subject to the fulfilment of specified conditions as set out in the table below:

	STI PAYMENT	Conditions for matching	Match
Compulsory deferral	> R1m, where deferral takes place in respect of 50% of any amount exceeding R1m, applied on a posttax basis	In service on vesting date: three years after the allocation date	50%
		Average ROE excluding goodwill ≥ COE + 2% over the period	50%
Voluntary Bonus Share Scheme	≤ 50% of total posttax STI (inclusive of any compulsory deferral)	In service on vesting date: three years after the allocation date	50%
		Average ROE excluding goodwill ≥ COE + 2% over the period	50%

ROE: return on equity *COE: cost of equity*

For employees with earnings falling within the highest taxation bracket, the total STI has the potential to increase by 30% (before share price movement) in the event that the conditions in the Matched-share Scheme are met at the end of the deferral period.

Changes to scheme rules

Amendments to the rules of the Nedbank Group 2005 Share Incentive Scheme (and which will apply to deferred STIs, the Matched-share Scheme arrangements and the Restricted-share Scheme) have been proposed for the purposes of the inclusion of *malus* and clawback provisions on all awards made from February 2016. The amendments are set out in the Notice of AGM, and are proposed for approval at the AGM to be held during May 2016.

Other long-term incentive scheme in operation

Phantom Cash-settled Restricted-share Plan

For our international and Rest of Africa operations, LTIs are made on a phantom basis, of which the schemes mirror the Nedbank Group (2005) Share Incentive Scheme in design and structure. These schemes will also be subject to the *malus* and clawback provisions proposed for the Nedbank 2005 scheme.

Full details of all these schemes are set out in the full online 2015 Remuneration Report available online.

Nedbank Eyethu employee schemes

No new awards were made during 2015 in any of the Nedbank Eyethu employee schemes.

Other employee ownership/empowerment schemes

We also have empowerment or 'indigenisation' schemes currently approved in several of our Rest of Africa operations.

Set out on the following page are the employee ownership/empowerment schemes approved in our international and African operations:

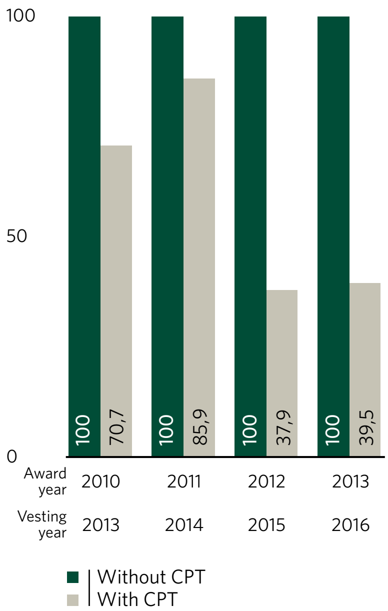
NEDBANK OPERATION	Ownership/Empowerment scheme	Scheme details
Namibia	Ofifiya Black Management Scheme	The purpose of the scheme is to enable the group to facilitate black economic empowerment in terms of the framework established by the financial sector in Namibia. It facilitates ownership of the group's shares by senior and middle management employees within Nedbank Namibia and its subsidiaries and aims to attract, retain and incentivise such individuals. **Vesting period:** Four years
Swaziland	Sinakekelwe Employee Share Scheme	The purpose of the scheme is to provide LTIs to beneficiaries, to encourage wealth creation by way of employee share ownership, to align the interests of Nedbank and the beneficiaries, and to attract, retain and reward a skilled high-performing workforce. **Vesting period:** Five years
Malawi	Phantom empowerment scheme, using Nedbank Group shares as a reference point	The purpose of the scheme is to build appropriate local employee ownership or similar financial interest, in Nedbank Malawi. It is aimed at facilitating share ownership by local employees by granting phantom shares to participants, which are linked to the Nedbank share price. **Vesting period:** Three years
Zimbabwe	Nedbank MBCA Employee Share Ownership Scheme	This scheme is currently in the inception phase and further details will be available once this has been completed.
Lesotho	Phantom empowerment scheme, using Nedbank Group shares as a reference point	The purpose of this scheme is to build appropriate local employee ownership or similar financial interest in Nedbank Lesotho. It is aimed at facilitating share ownership by local employees in the subsidiary by the granting of phantom shares to participants, which are linked to the Nedbank share price. **Vesting period:** Three years

Vesting of share awards in 2016

Nedbank Group issued restricted shares in March and August 2013, with vesting thereof linked in equal proportions to a combination of time and the group's meeting of certain performance conditions. Vesting will take place during 2016 as set out in the chart to the right. The vesting that took place in 2013 to 2015 is included for comparison.

Full details of the number and value of awards granted during the year in terms of our share-based plans are included in the Nedbank Group 2015 Consolidated Annual Financial Statements, available at nedbankgroup.co.za.

VESTING OUTCOMES
(%)



Where necessary, in the case of executive directors and the Company Secretary, the necessary Securities Exchange News Service (SENS) announcements were issued at the prescribed times in this regard.

RISK AND REMUNERATION

The board has ensured that there is cooperation between the Group Remco and the GRCMC to enable appropriate consideration of the overall risk environment when making remuneration decisions. This is implemented through formal discussion by the Group Remco Chair with the GRCMC Chair on the risk aspects of remuneration. This reflects our commitment to achieving a balance between the prudent management of remuneration within the context of both our risk appetite and risk profile, and the need to attract, retain and motivate key talent to enable the delivery of our strategic objectives. Set out briefly below is the manner in which risk is taken into account in the remuneration process.

Taking account of future and current risks in the remuneration process

We are involved in retail, wholesale and investment banking operations, as well as wealth management and other financial services, predominantly in SA and the rest of Africa. We utilise a three-year budgeting, forecasting and planning process, which is integrated with our strategic objective, risk appetite and capital planning, enabling us to have a forward-looking view of the strategic, financial and risk outcomes of remuneration policies. The mandatory deferral of STIs for up to 30 months and the three-year vesting of LTI share allocations (with at least half of the awards subject to CPTs) align with this forward-looking business cycle. The deferral period provides for risk-based outcomes to be monitored over the three-year period subsequent to the deferral and enables *malus* or, where appropriate, clawback to be applied.

We operate a comprehensive internal capital adequacy assessment process blueprint that addresses the nature and types of risk incorporated into the overall framework. The framework integrates with our STI pool arrangements and individual performance scorecard assessments, which in turn inform the distribution of STIs from the derived business STI pools. The STI pools incorporate *ex ante* or 'before the fact' risk adjustments, which is incorporated into the pool allocation process set out in detail on page 12 of the full online 2015 Remuneration Report.

The STI scheme has been designed to incentivise a combination of profitable returns, appropriate risktaking and growth. It is driven from an EP and a HE basis versus targets, using risk-based economic capital allocation as set out in the Risk and Balance Sheet Review available online.

The board has absolute discretion as to the quantum and nature of any forfeiture, *malus,* (and from 2016) clawback triggers related to the compulsory deferral of STI awards. In this regard the deferred amount will be forfeited should the employee resign or be dismissed for cause before the release of the outstanding forfeiture obligations, as well as in cases where, at the sole discretion of the board, material irregularities, risk failures or misrepresentation of financial results come to light during the deferral period. The board has absolute discretion as to the nature of any action to be taken against the individual or a group of individuals who may have transgressed. The deferral policy is reviewed annually.

Application of corporate performance targets and mitigating the effect of inappropriate performance metrics

To avoid the consequences of inappropriate performance metrics, which include extended periods in which no LTI vesting takes place, awards made from 2010 are subject to 50% performance conditions and 50% time-based vesting. For Group Exco and cluster exco members this was changed in 2015 to 60% of the total award being subject to performance conditions and 40% to time-based vesting. All LTI awards made to executive directors from 2014 are subject to performance conditions on 100% of the award.

It is a key principle in our Remuneration Policy that there should be appropriate sharing of value among stakeholders. Therefore, while employees should not be prejudiced as a result of remuneration design issues, we are cognisant that remuneration programmes should equally not be designed to favour or benefit employees at the expense of other stakeholders.

We have also been unequivocal about our adherence to other aspects of good corporate governance in relation to share plans. In this regard, share awards in either the Restricted-share Plan or the Matched-share Scheme are not, under any circumstances, backdated. Further, no retrospective adjustments are made to performance conditions to mitigate the impact of weak performance. Therefore, we are of the view that our remuneration practices, and the levels at which these occur, are appropriate in terms of remuneration governance while also being competitive relative to those of our peer group.

Further details of our approach to risk and remuneration are available on pages 11 to 14 of our full online 2015 Remuneration Report.

EXECUTIVE DIRECTORS AND PRESCRIBED OFFICERS

Prescribed officers

The managing executives of the three frontline, income-generating clusters are included as prescribed officers in the disclosures set out below. The board has approved these executives to be regarded as prescribed officers.

Executive directors
Mike Brown
Mfundo Nkuhlu
Raisibe Morathi
Prescribed officers
Brian Kennedy
Philip Wessels
Iolanda Ruggiero[1]

[1] *Appointed as a prescribed officer effective 1 May 2015.*

Disclosures are also made for executive directors or prescribed officers whose services terminated in 2015. These are:

- Graham Dempster (executive director until 11 May 2015) and
- Dave Macready (prescribed officer until 30 April 2015).

Details of share awards to executive directors and prescribed officers are included from pages 22 to 27 of our full online 2015 Remuneration Report.

Details of the service conditions for executive directors and prescribed officers are set out on pages 14 to 17 of the full online 2015 Remuneration Report. There were no material changes to these during 2015. Executive directors and prescribed officers will be subject to the proposed *malus* and clawback arrangements from 2016.

TOTAL REMUNERATION OF EXECUTIVE DIRECTORS AND PRESCRIBED OFFICERS (AUDITED*)

Executive directors R000	Mike Brown			Mfundo Nkuhlu			Raisibe Morathi			Graham Dempster[7,8]		
	2015	2014	%	**2015**	2014	%	**2015**	2014	%	**2015**	2014	%
Cash portion of package	**6 374**	6 056		**4 258**	3 124		**3 405**	3 177		**1 743**	3 862	
Other benefits	**141**	130		**130**	112		**100**	91		**63**	141	
Defined-contribution Retirement Fund	**910**	864		**613**	452		**621**	550		**320**	855	
Guaranteed remuneration	**7 425**	7 050	5,3	**5 000**	3 687	35,6	**4 125**	3 818	8,0	**2 125**	4 859	
Cash performance incentive	**8 250**	8 000		**4 750**	4 625		**4 500**	4 375			5 750	
Cash performance incentive (delivered in shares)	**7 250**	7 000		**3 750**	3 625		**3 500**	3 375			4 750	
Total STI[1]	**15 500**	15 000	3,3	**8 500**	8 250	3,0	**8 000**	7 750	3,2		10 500	
Total remuneration[2]	**22 925**	22 050	4,0	**13 500**	11 937	13,1	**12 125**	11 568	4,8	**2 125**	15 359	
Value of share-based awards (face value at award)	**13 500**	13 000		**8 750**	11 750[9]		**7 500**	7 000			8 750	
Total direct remuneration[3]	**36 425**	35 050	3,9	**22 250**	23 687	(6,1)	**19 625**	18 568	5,7	**2 125**	24 109	
Other payments[4]										**1 323**		

Prescribed officers R000	Brian Kennedy			Philip Wessels[7,10]			Dave Macready[5,7]			Iolanda Ruggiero[6,7]		
	2015	2014	%	**2015**	2014	%	**2015**	2014	%	**2015**	2014	%
Cash portion of package	**3 620**	3 346		**4 146**	1 775		**1 018**	2 926		**1 934**		
Other benefits	**239**	323		**113**	55		**57**	164		**54**		
Defined-contribution Retirement Fund	**291**	276		**391**	144		**191**	547		**262**		
Guaranteed remuneration	**4 150**	3 945	5,2	**4 650**	1 974		**1 266**	3 637		**2 250**		
Cash performance incentive	**8 625**	8 500		**4 875**	4 500		**2 040**	4 250		**3 500**		
Cash performance incentive (delivered in shares)	**7 625**	7 500		**3 875**	3 500		**1 360**	3 250		**2 500**		
Total STI[1]	**16 250**	16 000	1,6	**8 750**	8 000		**3 400**	7 500		**6 000**		
Total remuneration[2]	**20 400**	19 945	2,3	**13 400**	9 974		**4 666**	11 137		**8 250**		
Value of share-based awards (face value at award)	**7 500**	9 500[9]		**8 000**	10 500[9]			6 500		**6 000**		
Total direct remuneration[3]	**27 900**	29 445	(5,2)	**21 400**	20 474		**4 666**	17 637		**14 250**		
Other payments[4]												

[1] *In terms of the rules of the Matched-share Scheme, this amount may increase by up to 30% (before share price movement), subject to fulfilment of the CPTs, and the amount remaining invested in the scheme for 36 months.*

[2] *Total remuneration is the sum of Guaranteed Remuneration and Total STI.*

[3] *Total Direct Remuneration is the sum of Total Remuneration and the value of share-based awards made in the following financial year.*

[4] *Other payments are typically non-recurring payments and include leave pay, special payments but excludes gains from vesting share awards, which are set out from pages 22 to 27 of the full 2015 online Remuneration Report.*

[5] *Dave Macready joined Old Mutual SA on 1 May 2015. Payments reflect part-year service.*

[6] *Iolanda Ruggiero became a prescribed officer on 1 May 2015. Guaranteed remuneration payments are pro-rated to reflect this. Variable remuneration (STI and LTI) is reported on a full-year basis.*

[7] *Comparative year-on-year % not given for items that reflect part-year service.*

[8] *Graham Dempster availed himself of two first-class air tickets granted as an approved incentive, and also received leave pay pursuant to his retirement from the bank. These amounts are reflected in Other Payments.*

[9] *Awards include on appointment awards made in respect of appointment to more senior roles.*

[10] *Philip Wessels was appointed as a prescribed officer on 1 August 2014.*

ADDITIONAL REGULATION 43/ PILLAR 3 DISCLOSURES

The disclosures required in respect of Regulation 43 of the Banks Act are set out on pages 17 to 19 of the full online 2015 Remuneration Report.

Specific disclosures relating to senior managers and material risktakers, the quantum of the remuneration paid in the year, signon awards, guaranteed bonuses, severance payments and the amount of remuneration subject to adjustment are included.

NON-EXECUTIVE DIRECTORS

The terms of engagement of the non-executive directors as well as the Group Chairman are fully set out on page 89 of the Nedbank Group 2015 Integrated Report.

Remuneration

The fees of the Group Chairman and the non-executive directors reflect the specific responsibilities relating to their membership of the board and, where applicable, board committees. The Group Chairman receives a single fee for his role. Non-executive directors are paid a fixed fee for board membership and receive additional fees for their participation in the board committees.

Neither the Group Chairman nor the boardmembers receive any performance-related remuneration or any employee benefits.

Non-executive directors are accountable for decisions made regardless of attendance at meetings. They are also required, as a matter of course, to represent stakeholders and to make the necessary preparations for meetings and other engagements. Group Remco is satisfied that the fee structure applied in respect of non-executive directors remains appropriate.

Non-executive directors' remuneration paid for the years ended 31 December 2015 and 31 December 2014 was as follows:

Non-executive directors' remuneration (Audited*)

Termination date	Note	Board fees (R000)	Committee fees (R000)	**2015 (R000)**	2014 (R000)
David Adomakoh	1	121	393	**514**	360
Tom Boardman	2, 2a	1 840	393	**2 233**	1 766
Brian Dames		270	393	**663**	301
Mustaq Enus-Brey	3	136	137	**273**	910
Ian Gladman	16	339	393	**732**	682
Paul Hanratty	4, 16	207	393	**600**	168
Bruce Hemphill	5, 16	19	40	**59**	
Reuel Khoza	6	1 623		**1 623**	4 350
Mpho Makwana	7	747	393	**1 140**	1 006
Mantsika Matooane	8	230	393	**623**	286
Nomavuso Mnxasana	9	685	393	**1 078**	784
Vassi Naidoo	10, 10a	3 014	29	**3 043**	
Joel Netshitenzhe	11	235	393	**628**	561
Julian Roberts	12, 16	151	325	**476**	519
Gloria Serobe	13	98	137	**235**	746
Stanley Subramoney	14	95	110	**205**	
Malcolm Wyman	15	1 088	393	**1 481**	1 276
Total		10 898	4 708	**15 606**	13 715

1 David Adomakoh was appointed as a member of the Group Related Party Transactions Committee (GRPTC) on 11 May 2015. He resigned as a member of the GTSEC on 1 September 2015. He was appointed as a member of the GCC and the Large-exposure Approval Committee (LEAC) on 1 September 2015.

2 Tom Boardman was appointed as Chair of the GRCMC and resigned as Chair and member of the GITCO on 20 February 2015. He was appointed as a member of the GRPTC on 11 May 2015.

2a Tom Boardman sits on the board of Nedbank Private Wealth (Isle of Man) Ltd. His board fees are therefore inclusive of the Nedbank Private Wealth (Isle of Man) Ltd fees of £38,000.

3 Mustaq Enus-Brey resigned as a member of the Group Finance and Oversight Committee (GFOC) and as Chair (but remained a member) of the GRCMC on 20 February 2015. He resigned as a member of the GCC, LEAC and GRCMC and retired as a non-executive director on 11 May 2015.

4 Paul Hanratty was appointed as a member of the GCC and LEAC on 11 May 2015.

5 Bruce Hemphill was appointed as a non-executive director and a member of the Group Remco and the Group DAC on 25 November 2015.

6 Reuel Khoza resigned as Chair of the DAC and retired as Chairman and non-executive director of Nedbank Group on 11 May 2015.

7 Mpho Makwana was appointed as a member of the GRPTC on 11 May 2015.

8 Mantsika Matooane was appointed as a member of DAC and GFOC and as Chair of the GITCO on 20 February 2015.

9 Nomavuso Mnxasana was appointed as member of the DAC and Chair of the GTSEC on 20 February 2015.

10 Vassi Naidoo was appointed as a non-executive director on 1 May 2015 and as Chairman of Nedbank Group on 11 May 2015. The remuneration disclosed above includes a consultancy fee payment to Mr Naidoo for the period 13 April 2015 to 30 April 2015, as Mr Naidoo had dedicated this time to Nedbank affairs in preparation for his appointment as a boardmember. He was appointed as a member of the DAC on 1 May 2015.

10a IT and security expenditure was approved for Vassi Naidoo as a consequence of his appointment as Chairman of Nedbank Group. These enhancements are all necessary for the completion of his duties as Chairman, and to ensure his security.

11 Joel Netshitenzhe was appointed as member of the GRPTC on 11 May 2015.

12 Julian Roberts resigned as a member of the Group Remco and DAC on 23 October 2015 and as a non-executive director on 31 October 2015.

13 Gloria Serobe resigned as Chair (but remained a member) of the GTSEC on 20 February 2015. She resigned as a member of the GCC, LEAC and GTSEC and as a non-executive director of Nedbank Group on 11 May 2015.

14 Stanley Subramoney was appointed as an independent non-executive director on 23 September 2015. He was appointed as a member of the GTSEC, GCC, LEAC and the Group Audit Committee on 23 October 2015.

15 Malcolm Wyman was appointed Chair of the DAC and GRPTC on 11 May 2015.

16 Fees for Julian Roberts, Paul Hanratty, Ian Gladman and Bruce Hemphill were paid to Old Mutual (SA) Ltd.

The proposed non-executive director fees as set out below were evaluated by a subcommittee consisting of Mike Brown and Bruce Hemphill with advice from independent experts. Such evaluation was conducted from a number of perspectives, including peer group comparisons, effective rates per committee and year-on-year increases.

Increases to the Chairman's fee, board fees and several committees have been proposed at between 5,3% and 16,1%. We have also aligned all committee chair premiums to 2,5 times the member fee. The proposed fees for 2016 are also set out in our notice of AGM, for voting by our shareholders. The proposed increases to board fees represent a total increase in the cost of operating the board of 10,6%.

	2016 (R) Proposed	2015 (R)	%
Boards			
Chairman of the Board	5 000 000	**4 750 000**	5,3
Lead Independent Director premium	40% of board fee	**40% of board fee**	
Nedbank Group Ltd	245 000	**220 555**	11,1
Nedbank Ltd	205 000	**184 525**	11,1
Committees			
Group Audit Committee			
Chair	650 000	**562 500**	15,6
Member	260 000	**225 000**	15,6
Group Finance and Oversight Committee[1]			
Chair	–	**55 000**	
Member	–	**27 500**	
Group Remuneration Committee			
Chair	350 000	**312 500**	12,0
Member	140 000	**125 000**	12,0
Group Risk and Capital Management Committee			
Chair	450 000	**387 500**	16,1
Member	180 000	**155 000**	16,1
Group Credit Committee			
Chair	500 000	**475 500**	5,3
Member	200 000	**190 000**	5,3
Group Directors' Affairs Committee[3]			
Chair	196 250	**140 000**	40,2
Member	78 500	**70 000**	12,1
Group IT Committee[3]			
Chair	250 000	**180 000**	38,9
Member	100 000	**90 000**	11,1
Group Transformation, Social and Ethics Committee[3]			
Chair	250 000	**180 000**	38,9
Member	100 000	**90 000**	11,1
Group Related Party Transactions Committee[2, 3]			
Chair	75 000	**55 000**	36,4
Member	30 000	**27 500**	9,1

Details of the individual shareholdings of the non-executive directors are included on page 21 of the full online 2015 Remuneration Report.

[1] *The Group Finance and Oversight Committee was discontinued during 2015.*

[2] *Fees for the Group Related Party Transactions Committee set at same level as previous Group Finance and Oversight Committee, increased by 9,1%, with adjustments to chair premium at 2,5 times.*

[3] *Large increases for the chairs of these committees are as a result of the adjustments of the chair's premium to 2,5 times the member's fee, aligning to the chair's premium paid for other committees.*

NOTICE OF OUR ANNUAL GENERAL MEETING

NEDBANK GROUP LIMITED (Incorporated in the Republic of South Africa) Reg No 1966/010630/06
JSE share code: NED; NSX share code: NBK ISIN: ZAE000004875 ('Nedbank Group' or 'the company')

Notice is hereby given to shareholders recorded in the securities register of Nedbank Group on Thursday, 24 March 2016, that the 49th annual general meeting of shareholders will be held in the Auditorium, Retail Place West, Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton, on Thursday, 5 May 2016, at 08:30 to deal with such business as may lawfully be dealt with at the meeting and to consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions set out hereunder in the manner required by the Companies Act, 71 of 2008 (as amended) ('the Companies Act'), as read with the Listings Requirements of JSE Limited ('JSE Listings Requirements').

Record date to receive the notice of the annual general meeting
Thursday, 24 March 2016

Last date to trade to be eligible to participate in and vote at the annual general meeting
Thursday, 21 April 2016

Record date to be eligible to participate in and vote at the annual general meeting
Friday, 29 April 2016

Last date for lodging forms and proxy with transfer secretaries
Wednesday, 4 May 2016

The quorum requirement for the ordinary and special resolutions set out below is sufficient persons being present to exercise, in aggregate, at least 25% of all voting rights that are entitled to be exercised on the resolutions, provided that at least three shareholders of the company are present at the annual general meeting. The percentage of voting rights required to pass the ordinary resolutions is more than 50% of the voting rights exercised, and the percentage of voting rights required to pass the special resolutions is at least 75% of the voting rights exercised thereon.

Meeting participants (including proxies) will be required to provide reasonably satisfactory identification before being entitled to attend or participate in the meeting. Forms of identification include valid identity documents, driving licenses and passports.

AGENDA

1 Presentation of annual financial statements and reports

The annual financial statements of the company, incorporating among others the Directors' Report, Auditors' Report and Report of the Audit Committee, for the financial year ended 31 December 2015, and the report of the Group Transformation, Social and Ethics Committee in terms of regulation 43(5)(c) of the Companies Act have been distributed and will be presented to the shareholders as required in terms of the Companies Act. The summarised audited annual financial statements, together with the reports, are contained in the Nedbank Group Ltd Integrated Report 2015 ('integrated report').

2 Ordinary dividends

To note the interim dividend of 537 cents per ordinary share declared by the board of directors on 4 August 2015, and the final dividend of 570 cents per ordinary share declared by the board of directors on 2 March 2016.

ORDINARY RESOLUTIONS

3 Election of directors of the company appointed during the year

Subsequent to the Nedbank Group annual general meeting held on 11 May 2015, the board appointed Messrs JB Hemphill and S Subramoney as directors of the company. These directors retire in terms of the company's memorandum of incorporation and, being eligible, make themselves available for election. Their biographical details are set out on pages 4 to 7.

3.1 ***'Resolved that Mr JB Hemphill be and is hereby elected as a director of the company.'***

Non-executive director
Date of appointment:
25 November 2015

Educational qualifications:
BA, CPE

Board committees:
Group Directors' Affairs Committee and Group Remuneration Committee.

3.2 ***'Resolved that Mr S Subramoney be and is hereby elected as a director of the company.'***

Independent non-executive director
Date of appointment:
23 September 2015
Educational qualifications:
BCompt(Hons), CA(SA)
Board committees:
Group Audit Committee, Group Credit Committee, Group Transformation, Social and Ethics Committee and Large-exposure Approval Committee.

4 Reelection of directors retiring by rotation

The following directors retire by rotation in terms of the company's memorandum of incorporation, which requires not less than one-third of the directors to retire at each annual general meeting. These directors, being eligible, make themselves available for reelection, each by way of a separate vote. Biographical details of the directors to be reelected are set out on pages 4 to 7.

4.1 ***'Resolved that Mr DKT Adomakoh be and is hereby reelected as a director of the company.'***

Independent non-executive director
Date of appointment:
21 February 2014
Educational qualifications:
BSc(Econ)(Hons) (London School of Economics), Diplôme de Langue (La Sarbanne, Univeristé de Paris) et de Civilisation

Board committees:
Group Credit Committee , Large-exposure Approval Committee and Group Related Party Transactions Committee.

4.2 ***'Resolved that Mr ID Gladman be and is hereby reelected as a director of the company.'***

Non-executive director
Date of appointment
7 June 2012

Educational qualifications:
BA(Hons) History (Christ's College, Cambridge)

Board committees
Group Credit Committee, Group Risk and Capital Management Committee and Large-exposure Approval Committee.

4.3 ***'Resolved that Mr MI Wyman be and is hereby reelected as a director of the company.'***

Lead independent director
Date of appointment:
1 August 2009

Educational qualifications:
CA(SA), AMP (Harvard Business School, USA)

Board committees:
Group Audit Committee (Chair), Group Directors' Affairs Committee (Chair), Group Related Party Transactions Committee (Chair), Group Remuneration Committee and Group Risk and Capital Management Committee.

5 Reappointment of external auditors

During 2014 Nedbank Group's ultimate holding company, Old Mutual plc, invited tenders for its external audit. Although the Nedbank Group auditors were not required to be the subject of the tender, the Group Audit Committee supported the Old Mutual plc process by evaluating in respect of Nedbank Group, the tender participants determined by Old Mutual plc and reporting observations for consideration to Old Mutual plc. Old Mutual plc subsequently confirmed that KPMG Inc ('KPMG') had been retained as their external auditors and therefore, since KPMG is one of our joint external auditors, there were no implications for Nedbank Group.

The Group Audit Committee considered the independence of the joint external auditors on an ongoing basis during the year and assessed the skills, reporting and overall performance of Deloitte & Touche (with Mr M Jordan as designated registered auditor) and KPMG (with Mr S Malaba as designated registered auditor, following the conclusion of Ms Berrange's term of five years), and they recommend their reappointment as joint auditors of the group. It is proposed that the appointments be made on a joint basis. If either resolution 5.1 or resolution 5.2 is not passed, the resolution that is passed, will be effective.

5.1 *'Resolved that Deloitte and Touche be and are hereby reappointed as auditors to hold office from the conclusion of the 49th annual general meeting until the conclusion of the next annual general meeting of Nedbank Group.'*

5.2 *'Resolved that KPMG Inc be and are hereby reappointed as auditors to hold office from the conclusion of the 49th annual general meeting until the conclusion of the next annual general meeting of Nedbank Group.*

6 Placing the authorised but unissued ordinary shares under the control of the directors

'Resolved that the board be and is hereby authorised, as it in its discretion thinks fit, to issue ordinary shares of R1,00 each in the share capital of the company, subject to the provisions of the Companies Act, 71 of 2008 (as amended), the Banks Act, 94 of 1990 (as amended), and the JSE Ltd Listings Requirements.

The issuing of shares granted under this authority will be limited to 5% of the number of Nedbank Group ordinary shares in issue as at 1 January 2016, and will furthermore be limited to Nedbank Group's existing contractual obligations to issue shares, including for purposes of Nedbank Group's black economic empowerment (BEE) transaction approved in 2005 and the NedNamibia BEE transaction approved in 2006, any scrip dividend and/or capitalisation share award, shares required to be issued for the purpose of carrying out the terms of the Nedbank Group share incentive schemes, as well as any alternative coupon settlement mechanism relating to issues, from time to time, of the Nedbank Ltd tier 1 hybrid debt capital instruments, and to support the conversion and/or writeoff of all additional tier 1 and tier 2 instruments into common equity on the occurrence of a trigger event, as determined by the relevant authority, which means SARB or the equivalent governmental authority.

Such authority will endure until the forthcoming annual general meeting of the company (whereupon this authority will lapse, unless it is renewed at the aforementioned annual general meeting), provided that it will not extend beyond 15 months from the date of this meeting.'

7 Placing the authorised, but unissued, cumulative redeemable non-participating preference shares ('preference shares') under the control of the directors

'Resolved that the board be and is hereby authorised, as it in its discretion thinks fit, to issue preference shares of R10 000,00 each in the share capital of the company, subject to the provisions of the Companies Act, 71 of 2008 (as amended), the Banks Act, 94 of 1990 (as amended), and the JSE Ltd Listings Requirements. Such authority will endure until the forthcoming annual general meeting of the company (whereupon this authority will lapse, unless it is renewed at the aforementioned annual general meeting), provided that it will not extend beyond 15 months from the date of this meeting.'

Nedbank Group wishes to provide flexibility in the nature of financing instruments and sources of funding that it has for the purposes of funding its business activities in general. While there is no intention at present to issue preference shares, this authority will provide the Nedbank Group board with the ability to source funds from either the institutional or retail investor market in a long-term dividend-yielding instrument that is attractive to investors and a source of stable additional funding for the group should it wish to do so.

8 Advisory endorsement of remuneration policy

'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 annual financial statements.'

In accordance with the principle of King III, an advisory vote is being put to shareholders for the endorsement of Nedbank Group's Remuneration Policy. As the votes on this resolution are non-binding, the results would not be binding on the board. However, the board will take cognisance of the outcome of the vote when considering its Remuneration Policy in future.

SPECIAL RESOLUTIONS

9. Special resolution 1 - remuneration of non-executive directors

'Resolved that non-executive directors' fees for their services as directors be and are hereby approved as follows:

	Board	Current annual fee (1/7/2015 to 30/6/2016) R	Proposed annual fee (1/7/2016 to 30/6/2017)[1] R
9.1	Non-executive chairman (all inclusive fee including committee chairmanship and membership fees)	4 750 000	5 000 000
9.2	Lead independent director premium (40% of board fee)	162 000	180 000
9.3	Nedbank Group board member	220 555	245 000
	Nedbank Ltd board member	184 525	205 000
	Committee Fees		
9.4	Nedbank Group Audit committee		
9.4.1	Chair	562 500	650 000
9.4.2	Member	225 000	260 000
9.5	Nedbank Group Credit committee		
9.5.1	Chair	475 500	500 000
9.5.2	Member	190 000	200 000
9.6	Nedbank Group Directors' Affairs committee		
9.6.1	Chair	140 000	196 250
9.6.2	Member	70 000	78 500
9.7	Nedbank Group Information Technology committee		
9.7.1	Chair	180 000	250 000
9.7.2	Member	90 000	100 000
9.8	Nedbank Group Related Party Transactions committee		
9.8.1	Chair		75 000
9.8.2	Member		30 000
9.9	Nedbank Group Remuneration committee		
9.9.1	Chair	312 500	350 000
9.9.2	Member	125 000	140 000
9.10	Nedbank Group Risk and Capital Management committee		
9.10.1	Chair	387 500	450 000
9.10.2	Member	155 000	180 000
9.11	Nedbank Group Transformation, Social and Ethics committee		
9.11.1	Chair	180 000	250 000
9.11.2	Member	90 000	100 000

[1] *Subject to shareholders' approval at the May 2016 annual general meeting. On a like-for-like basis the proposed increase represents a 10,6% increase overall.*

Each of the special resolutions set out in 9.1 to 9.11 will be considered separately. The Nedbank Ltd boardmember fees set out above are included here for completeness only and are subject to the approval of the shareholders of Nedbank Ltd.

10 Special resolution 2 - general authority to repurchase shares

Preamble

The board of directors of the company has considered the impact of a repurchase or purchase, as the case may be, of up to 10% of the company's shares, which falls within the amount permissible under a general authority in terms of the JSE Listings Requirements and, in respect of acquisitions by a subsidiary of the company, the Companies Act, 71 of 2008 (as amended). Should the opportunity arise and should the directors deem it to be advantageous to the company, or any of its subsidiaries, to repurchase or purchase, as the case may be, such shares, it is considered appropriate that the directors (and relevant subsidiaries) be authorised to repurchase or purchase, as the case may be, the company's shares.

'Resolved that the company and/or its subsidiaries be and are hereby authorised by way of a general authority to repurchase or purchase, as the case may be, shares issued by the company, from any person, on such terms and conditions and in such numbers as the directors of the company or the subsidiary may from time to time determine, subject to the applicable requirements of the company's memorandum of incorporation, to the approval, to the extent required, of the Registrar of Banks, the provisions of the Companies Act, 71 of 2008 (as amended), the Banks Act, 94 of 1990 (as amended), and the JSE Listings Requirements, and subject further 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 in any one financial year, exceed 5% of the shares in issue at the commencement of such financial year.

It is recorded that the JSE Listings Requirements provide, among others, that the company or any subsidiary of the company may only make a general repurchase of the shares of the company subject to the following limitations:

(a) the repurchase of securities must be effected 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 company's and its subsidiaries' memorandum of incorporation;

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

(d) in determining the price at which the company's ordinary shares are repurchased by the company in terms of this general authority, the maximum premium at which such ordinary shares may be repurchased will be 10% of the weighted average of the market price at which such ordinary shares are traded on the JSE, as determined over the five trading days immediately preceding the date of the repurchase of such ordinary shares by the company;

(e) the board will have acknowledged by resolution that the company will satisfy the solvency and liquidity test immediately after the repurchase and that since the test was done there have been no material changes to the financial position of the company and the group;

(f) neither the company nor its subsidiaries will repurchase securities during a prohibited period, as defined in paragraph 3.67 of the JSE Listings Requirements, unless a repurchase programme is in place in terms of which the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation), full details of which programme have been disclosed to the JSE prior to the commencement of the prohibited period;

(g) when the company has cumulatively repurchased 3% of the initial number of the relevant class of securities, and for each 3% in aggregate of the initial number of that class acquired thereafter, an announcement will be published on SENS and in the financial press; and

(h) at any time the company will appoint only one agent to effect any repurchase(s) on its behalf.'

In terms of the proposed special resolution 2 the maximum number of Nedbank Group shares that may be repurchased during the term of this authority, subject to (b) above, is 24 720 598 shares (5% of 494 411 956 shares in issue at 1 January 2016).

This resolution is required to be passed on a show of hands by not less than 75% of the number of shareholders of the company who are entitled to vote on a show of hands and who are present at the meeting in person or by proxy or, where a poll has been demanded, by not less than 75% of the total votes to which the shareholders present in person or by proxy are entitled.

The directors of the company undertake that they will not effect a general repurchase of shares as contemplated above, unless the following conditions are met:

1) the company and the group are in a position to repay their debt in the ordinary course of business for a period of 12 months after the date of the notice of the annual general meeting;

2) the company's and the group's assets at fair value will be in excess of the liabilities of the company and the group for a period of 12 months after the date of the notice of the annual general meeting. For this purpose the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements, which comply with the Companies Act, 71 of 2008 (as amended);

3) the share capital and reserves of the company and the group are adequate for a period of 12 months following the date of the notice of the annual general meeting; and

4) the available working capital of the company and the group will be adequate for ordinary business purposes for a period of 12 months after the date of the notice of the annual general meeting.

Disclosure in terms of section 11.26 of the JSE Listings Requirements

The JSE Listings Requirements require the following disclosures, which are disclosed in the Nedbank Group Integrated Report 2015, as set out below:

Management and directors (pages 4 and 5, and 6 and 7 respectively). Major shareholders of Nedbank Group (pages 20 and 21). Directors' interests in securities (page 21 of the full online Remuneration Report). Share capital of Nedbank Group (page 76 of the annual financial statements at nedbankgroup.co.za).

Material changes

Other than the facts and developments reported on in this integrated report, there have been no material changes in the affairs or financial position of Nedbank Group and its subsidiaries from 31 December 2015 to the date of the integrated report forming part of the annual financial statements.

Directors' responsibility statement

The directors, whose names appear on pages 4 and 5 of this report, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution 2 and certify that, to the best of their knowledge and belief, no facts have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this resolution and additional disclosure in terms of section 11.26 of the JSE Listings Requirements pertaining thereto contain all such information required by law and the JSE Listings Requirements.

The company's memorandum of incorporation contains a provision allowing the company or any of its subsidiaries to repurchase (acquire) the company's issued shares. This is subject to the Companies Act, the Banks Act, 94 of 1990 (as amended), and the JSE Listings Requirements. In terms of sections 46 and 48 of the Companies Act, the company or its subsidiaries are allowed to repurchase the company's shares. The existing general authority, granted by shareholders at the last annual general meeting on 11 May 2015, is due to expire, unless renewed. Should the general authority for the acquisition of shares be granted at Nedbank Group's annual general meeting, it will provide the board with the flexibility to repurchase such shares as and when the best interests of the company require it to do so.

The directors are of the opinion that it would be in the best interests of the company to extend such general authority and thereby allow the company to be in a position to repurchase its own shares on the open market, should market conditions and price justify such action. The proposed authority would enable the company to repurchase up to 24 720 598 ordinary shares in the capital of the company, with a stated upper limit on the price payable, in terms of the JSE Listings Requirements. The board manages the company's equity on a proactive and dynamic basis, and repurchases would be made, only after the most careful consideration, in cases where the directors believe that such purchases would be in the best interests of the company and its shareholders.

11 Special resolution 3 – general authority to provide financial assistance to related and interrelated companies

'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 such terms as may be authorised by the board of directors of the company in accordance with the following:

1 the financial assistance can be provided to any related or interrelated company (and any person 'related' to

such company) or any other person (a 'recipient') (which, for the avoidance of doubt, excludes financial assistance provided to any directors or prescribed officers of the company or of any such recipients);

2 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 falls within any exemption provided in these sections.'

Section 44 of the Companies Act essentially requires, subject to limited exceptions, approval by way of special resolution for the provision of financial assistance for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or interrelated company, or for the purchase of any securities of the company or a related or interrelated company. Section 45 of the Companies Act essentially requires, subject to limited exceptions, approval by way of special resolution for the provision of financial assistance, among others, to companies 'related' to and 'interrelated' with the company. Both sections 44 and 45 provide, among others, that the regulated financial assistance may only be provided pursuant to a special resolution passed by shareholders within the previous two years.

The provision of any direct or indirect financial assistance by the company will always be subject to the board being satisfied that, immediately after providing such financial assistance, the company will satisfy the solvency and liquidity test referred to in section 45(3)(b)(i) of the Companies Act, and that the terms under which such financial assistance is to be given are fair and reasonable to the company, as referred to in section 45(3)(b)(ii) of the Companies Act.

The directors would like the authority to be able to provide financial assistance to companies 'related' and 'interrelated' to the company and persons related to such companies, including for the acquisition of securities issued by the company and related companies, where they regard it as desirable. Such authorisation is generally required for providing loans and guarantees and other financial assistance to subsidiaries and group companies, which is often necessary or desirable for the conduct of Nedbank Group's business. The extension of this authority to 'any other person' is for the sole purpose of facilitating the mechanics of Nedbank Group's preference share funding business.

12 Special resolution 4 - amendment to the memorandum of incorporation

'Resolved that clause 25.6 of the company's Memorandum of Incorporation be and is hereby deleted in its entirety and replaced as follows:

25.6 In addition to clause 5.3, and unless an earlier date is agreed to by the Board, a Non-Executive Director shall retire at the end of the first Annual General Meeting held after the Non-Executive Director reaches the retirement age determined from time to time by the Board, and an Executive Director shall retire from the Board on the date that he retires as an employee of the Nedbank Group.'

The company's memorandum of incorporation currently stipulates that a director shall retire at the end of the first annual general meeting after the director reaches the retirement age determined from time to time by the board. This proposed amendment to the memorandum of incorporation is to align the date of the retirement of an executive director with that of his date of retirement as an employee of the Nedbank Group.

A copy of the memorandum of incorporation initialled and signed by the Chairman of the board, with the proposed amendment being highlighted for ease of reference will be available for inspection at the Group Secretary's office at the registered office of the company during normal business hours (excluding Saturdays, Sundays and public holidays) from 31 March 2016 up to and including 5 May 2016.

13 Special resolution 5 - amendments to the rules for the Nedbank Group (2005) Share Option, Matched-share and Restricted-share schemes

Nedbank Group proposes to amend the Nedbank Group (2005) Share Option, Matched-share and Restricted-share schemes, adopted by shareholders on 4 May 2005 and as amended from time to time (the 2005 Share Scheme), to provide for the implementation of *malus* and clawback provisions in its variable pay programmes in line with international trends.

For the purpose of the proposed amendments to the 2005 Share Scheme, *malus* is the ability of the employer to reduce or remove completely the amount of an incentive that may be paid or may vest, prior to the payment or vesting date. Clawback is the ability of the employer to recover payments or vested share awards after the employee's entitlement to receive them has already arisen.

The Nedbank Group Remuneration Committee believes there is merit in further strengthening the alignment of executive and shareholder interests by implementing these arrangements.

These amendments are contained in the new or revised clauses 1.1, 4.2, 4.3, 4.4, 4.4.2, 4.5, 5.2, 5.3, 5.6, 5.6.1, 5.7, 5A8.1, 8.3.9, 10.1, 10.2, 10.2.2, 10.2.3, 12.1.1.1, 12.1.1.2.1, 12.1.3, 12.2.1, 12.2.2, 13, 14.2, 14.3, 15, 16, 16A.2, 16A4; 17.1.1.1; 17.1.2, 17.3, 18.1, 18.1.1, 18.6, 18.7, 19A.1.2, 19A.1.3.1, 20.1, 20.1.2, 20.2, 20.2.2, 20.3.2, 23.4, 24.2, 24.3, 24.3.2, 24.3.5, 29A, 29B2, 30.1.2, 30.1.3, 24.1.2 and will apply retrospectively to all options, matched awards and restricted awards which were awarded on or after 2 March 2016.

The directors of Nedbank Group are of the opinion that the amendments to the 2005 Share Incentive Scheme will be beneficial to Nedbank Group and its shareholders.

A copy of the scheme rules initialled and signed by the Chairman of the board, with the proposed amendments being highlighted for ease of reference will be available for inspection at the Group Secretary's office at the registered office of the company during normal business hours (excluding Saturdays, Sundays and public holidays) from 31 March 2016 up to and including 5 May 2016.

'Resolved that the amendments to the Scheme Rules for The Nedbank Group (2005) Share Option, Matched Share and Restricted Share Scheme, adopted by the company with effect from 4 May 2005 as amended from time to time, to incorporate malus *and clawback provisions in clauses 1.1, 4.2, 4.3, 4.4, 4.4.2, 4.5, 5.2, 5.3, 5.6, 5.6.1, 5.7, 5A8.1, 8.3.9, 10.1, 10.2, 10.2.2, 10.2.3, 12.1.1.1, 12.1.1.2.1, 12.1.3, 12.2.1, 12.2.2, 13, 14.2, 14.3, 15, 16, 16A.2, 16A4; 17.1.1.1; 17.1.2, 17.3, 18.1, 18.1.1, 18.6, 18.7, 19A.1.2, 19A.1.3.1, 20.1, 20.1.2, 20.2, 20.2.2, 20.3.2, 23.4, 24.2, 24.3, 24.3.2, 24.3.5, 29A, 29B2, 30.1.2, 30.1.3, 24.1.2 be and is hereby approved with retrospective application to all options, matched awards and restricted awards which were awarded on* or after *2 March 2016.'*

VOTING BY PROXY

A shareholder entitled to attend and vote at the annual general meeting may appoint a proxy or proxies to attend, speak and vote or abstain from voting in his/her/its/their stead. A proxy need not be a shareholder of the company. Completed proxy forms are requested to be received at the office of the transfer secretaries no later than 24 hours before the time appointed for the holding of the annual general meeting.

By order of the board

TSB JALI
Company Secretary
Sandown

11 March 2016

Registered office	Transfer secretaries in SA	Transfer secretaries in Namibia
Nedbank Group Ltd Reg No 1966/010630/06 Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton, 2196, SA	Computershare Investor Services (Pty) Ltd Ground Floor 70 Marshall Street Johannesburg, 2001, SA	Transfer Secretaries (Pty) Ltd 4 Robert Mugabe Avenue Windhoek, Namibia
PO Box 1144 Johannesburg, 2000, SA Tel: +27 (0)11 294 4444	PO Box 61051 Marshalltown, 2107, SA Tel: +27 (0)11 370 5000 Fax: +27 (0)11 688 5238 Email: proxy@computershare.co.za	PO Box 2401 Windhoek, Namibia Tel: +264 (0)61 227 647 Fax: +264 (0)61 248 531

Important notes about the annual general meeting

Venue	The Auditorium, Retail Place West, Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton.
Date	Thursday, 5 May 2016.
Time	The annual general meeting will start promptly at 08:30. Shareholders wishing to attend are advised to be in the auditorium no later than 08:15. The reception area will be open from 08:00, from which time refreshments will be served.
Proof of identity and admission	Shareholders and others attending the annual general meeting are asked to register at the registration desk in the auditorium reception area. For purposes of section 63(1) of the Companies Act, 71 of 2008 (as amended) any person attending or participating at the annual general meeting is required to present reasonably satisfactory identification to the satisfaction of the presiding chairman. Forms of identification include valid identity documents, driving licences and passports.
Housekeeping	Cellphones should be switched off for the duration of the proceedings.
Parking	Secure parking is provided at Nedbank 135 Rivonia Campus, Entrance 4, off Fredman Drive.
Electronic voting	Nedbank Group will once again be taking advantage of the benefits that electronic meeting management can offer. On arrival you will be registered, be linked to your profile on the share register and be given an electronic keypad with which to cast your vote. As your vote is received, a message will be displayed on the keypad screen, confirming that your vote has been registered. Results of votes cast on each resolution will be displayed on an overhead screen within minutes of voting. Shareholders wishing to participate in the meeting through electronic facilities are also requested to contact the Company Secretary's office no later than Monday, 25 April 2016, in order for reasonable access to be arranged.
Interpreter	Should you require an interpreter (for sign language or translation from English into any of the other official SA languages) to be in attendance at the annual general meeting, please do not hesitate to advise the Company Secretary's office on +27 (0)11 294 9107 or at JackieK@nedbank.co.za no later than Monday, 25 April 2016, for this facility to be arranged.

Certificated shareholders and own name dematerialised registration	Holders of certificated Nedbank Group ordinary shares wishing to attend the annual general meeting should verify beforehand with the transfer secretaries of the company that their shares are in fact registered in their own name and check the number of shares so registered. Should their shares not be registered in their own name but in any other name or form, shareholders wishing to attend and/or vote at the annual general meeting should follow the instructions and explanatory notes that accompany the notice of the annual general meeting. Similarly, shareholders who are holding dematerialised Nedbank Group ordinary shares and believe these to be held in their own name should check with the transfer secretaries and take the appropriate action in accordance with the instructions and guidance contained herein or obtain assistance from the transfer secretaries, if necessary. A person who holds a beneficial interest in any certificated Nedbank Group shares may vote on a matter at the annual general meeting, only to the extent that 1 the beneficial interest includes the right to vote on the matter; and 2 the person's name is on the company's register of disclosures as the holder of a beneficial interest; or 3 the person holds a proxy appointment in respect of that matter from the registered holder of the relevant Nedbank Group shares.
Participant (previously known as central securities depository participant) or nominee holdings	Holders of Nedbank Group ordinary shares (whether certificated or dematerialised) through a nominee should timeously make the necessary arrangements with that nominee or, if applicable, participant or broker to furnish such nominee, participant or broker with the necessary authority to attend and vote at the annual general meeting no later than 08:30 on Wednesday, 4 May 2016 or they should instruct their nominee, participant or broker on how they wish their votes to be cast on their behalf at the annual general meeting. As far as holdings in a participant are concerned, these will be guided by the terms of the agreement entered into between shareholders and their participant or broker.
Proxies	Shareholders completing a form of proxy are requested to ensure that their form of proxy reaches the address in note 10 on page 52 no later than 08:30 on Wednesday, 4 May 2016.
Enquiries	Any shareholders experiencing difficulties or having questions pertaining to the annual general meeting or the above are invited to contact the Company Secretary's office on +27 (0)11 294 9107 by no later than 08:30 on Tuesday, 3 May 2016.
Results of the annual general meeting	The results of the annual general meeting will be posted on SENS as soon as it is practicable after the annual general meeting.

FORM OF PROXY

NEDBANK GROUP LIMITED (incorporated in the Republic of SA) Reg No 1966/010630/06
JSE share code: NED; NSX share code: NBK ISIN: ZAE000004875 ('Nedbank Group' or 'the company')

For use by registered holders of certificated Nedbank Group securities and holders of dematerialised Nedbank Group securities registered in their own name ('shareholders') and any persons who are not shareholders, but who at the record date of Friday, 29 April 2016, are entitled to exercise any voting rights (irrespective of the form, title or nature of the securities to which those voting rights are attached) (collectively 'holders') in relation to the resolutions to be proposed at the annual general meeting to be held in the Auditorium, Retail Place West, Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton, on Thursday, 5 May 2016, at 08:30 and at any adjournment thereof.

Holders of dematerialised securities who wish to attend the annual general meeting must inform their nominee, participant (previously referred to as central securities depository participant) or broker of their intention and the nominee, participant or broker will furnish such holder with the necessary letter of representation to attend and vote at the annual general meeting. Alternately, should a holder not wish to attend the annual general meeting in person, such holder may provide his/her nominee, participant or broker with his/her voting instruction and such nominee, participant or broker will complete all necessary documentation and action same in order for the holders' vote(s) to be taken account of at the annual general meeting.

I/We ______________________________

of (address) ______________________________

being the holder(s) of ______________________ ordinary shares in the company, appoint (see notes 1 and 4):

1 or failing him/her ______________________________

2 or failing him/her ______________________________

the chair of the annual general meeting as my/our proxy to act for me/us and on my/our behalf at the annual general meeting that will be held for the purpose of considering and, if deemed fit, passing with or without modification the ordinary and special resolutions to be proposed thereat and at any adjournment thereof, and to vote for and/or against such resolutions and/or to abstain from voting in respect of the ordinary shares registered in my/our name(s), in accordance with the following instructions (see note 5):

			For	Against	Abstain
Ordinary resolutions					
3	Election of directors of the company appointed during the year:				
	3.1	Election as a director of Mr JB Hemphill, who was appointed as a director since the previous general meeting of shareholders			
	3.2	Election as a director of Mr S Subramoney, who was appointed as a director since the previous general meeting of shareholders			
	4	Reelection of directors retiring by rotation:			
	4.1	Reelection as a director of Mr DKT Adomakoh, who is retiring by rotation			
	4.2	Reelection as a director of Mr ID Gladman, who is retiring by rotation			
	4.3	Reelection as a director of Mr MI Wyman, who is retiring by rotation			
	5	Reappointment of external auditors:			
	5.1	Reappointment of Deloitte & Touche as external auditors			
	5.2	Reappointment of KPMG Inc as external auditors			
6	Placing of unissued ordinary shares under the control of the directors				
7	Placing of unissued preference shares under the control of the directors				
8	Advisory endorsement on a non-binding basis of the company's Remuneration Policy				
Special resolutions					
Board					
9	Special resolution 1 – Remuneration of non-executive directors				
	9.1	Non-executive Chairman			
	9.2	Lead independent director premium			
	9.3	Nedbank Group boardmember			

		For	Against	Abstain
	Committee fees			
9.4	Nedbank Group Audit Committee			
9.4.1	Chair			
9.4.2	Member			
9.5	Nedbank Group Credit Committee			
9.5.1	Chair			
9.5.2	Member			
9.6	Nedbank Group Directors' Affairs Committee			
9.6.1	Chair			
9.6.2	Member			
9.7	Nedbank Group Information Technology Committee			
9.7.1	Chair			
9.7.2	Member			
9.8	Nedbank Group Related-party Transactions Committee			
9.8.1	Chair			
9.8.2	Member			
9.9	Nedbank Group Remuneration Committee			
9.9.1	Chair			
9.9.2	Member			
9.10	Nedbank Group Risk and Capital Management Committee			
9.10.1	Chair			
9.10.2	Member			
9.11	Nedbank Group Transformation, Social and Ethics Committee			
9.11.1	Chair			
9.11.2	Member			
10	Special resolution 2 – general authority to repurchase shares			
11	Special resolution 3 – general authority to provide financial assistance to related and interrelated companies			
12	Special resolution 4 – amendment to the memorandum of incorporation regarding the retirement age of executive directors			
13	Special resolution 5 – Amendments to the rules of the Nedbank Group (2005) Share Option, Matched-share and Restricted-share schemes			

On a show of hands a person entitled to vote is only entitled to one vote, irrespective of the number of the relevant Nedbank Group shares he/she holds or represents.

On a poll a person entitled to vote at the annual general meeting present in person or by proxy/proxies is entitled to that proportion of the total votes in the company that the aggregate amount of the nominal value of the Nedbank Group shares held or represented by him/her bears to the aggregate amount of the nominal value of all the Nedbank Group shares issued by the company and carrying the right to vote.

A proxy/proxies may delegate his/her/their authority in terms of this proxy to another person. This proxy form will lapse and cease to be of force and effect immediately after the annual general meeting of the company to be held in the Auditorium, Retail Place West, Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton on Thursday, 5 May 2016, at 08:30 or at any adjournment thereof, unless it is revoked earlier.

Signed at (place) ____________________ on (date) ____________________ 2016

Signature ______________________________

Assisted by me (where applicable) ____________________

Please read the notes on the reverse side hereof.

Please read the notes on the reverse side hereof.

NOTES TO FORM OF PROXY

Summary of rights of a holder to be represented by proxy as contained in section 58 of the Companies Act and notes to form of proxy.

1 Each holder entitled to attend and vote at the annual general meeting is entitled to appoint one or more individuals as proxy/proxies (who need not be person(s) entitled to vote at the annual general meeting) to attend, participate in, speak and vote or abstain from voting in place of that holder at the annual general meeting.

2 The proxy/proxies may delegate the authority received from the holder to a further person, subject to any restriction set out in this form of proxy.

3 A proxy appointment must be in writing, dated and signed by the holder appointing the proxy/proxies.

4 A holder may insert the name of a proxy or the names of two alternative proxies of the holder's choice in the space provided, with or without deleting 'the chair of the annual general meeting'. The person whose name stands first on this form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of the persons whose names follow. Further, a holder may appoint more than one proxy to exercise voting rights attached to different securities held by that holder.

5 A holder's instructions to the proxy/proxies have to be indicated by the insertion of the relevant number of votes exercisable by that holder in the appropriate box provided. Failure to comply with this will be deemed to authorise the chair of the annual general meeting, if the chair is the authorised proxy, to vote in favour of the ordinary and special resolutions at the annual general meeting, or the appointed proxy/proxies to vote or to abstain from voting at the annual general meeting, without direction as he/she/they deem(s) fit, in respect of all the holder's votes exercisable thereat.

6 A holder or his/her proxy/proxies is/are not obliged to vote in respect of all the ordinary shares held by such holder or represented by such proxy/proxies, but the total number of votes for or against the ordinary and special resolutions and in respect of which any abstention is recorded may not exceed the total number of votes to which the holder or his/her proxy/proxies is/are entitled.

7 Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity has to be attached to this form of proxy, unless previously recorded by the company's transfer secretaries or waived by the chair of the annual general meeting. Examples of satisfactory identification include a valid identity document, a valid driving licence or a valid passport.

8 Any alterations or corrections to this form of proxy must be initialled by the signatory/signatories.

9 The completion and lodging of this form of proxy will not preclude the relevant holder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such holder wish to do so, in which case this proxy will be suspended accordingly.

10 Forms of proxy have to be lodged with or posted to the Company Secretary's office (for the attention of Jackie Katzin, Ground Floor, Block A, Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton, 2196 or PO Box 1144, Johannesburg, 2000) or the company's transfer secretaries in SA, namely Computershare Investor Services (Pty) Ltd ('Computershare'), 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), or in Namibia, namely Transfer Secretaries (Pty) Ltd, 4 Robert Mugabe Avenue, Windhoek, Namibia (PO Box 2401, Windhoek, Namibia) before a proxy/proxies may exercise any voting rights of a holder at the annual general meeting. The forms of proxy are requested to be received no later than 08:30 on Wednesday, 4 May 2016. Forms of proxy can also be submitted electronically to Computershare (proxy@computershare.co.za), subject to the proxy instructions meeting all other criteria. Any form of proxy not received by the company or the company's transfer secretaries in accordance with the above, must be handed to the Company Secretary at the annual general meeting before a proxy/proxies may exercise any voting rights of a holder at the annual general meeting.

11 This form of proxy may be completed by:

11.1 those holders who are holding Nedbank Group shares in a certificated form; or

11.2 those holders who are recorded in the subregister as holding Nedbank Group shares in dematerialised electronic form in their own name; or

11.3 persons who are not shareholders but who are entitled to exercise any voting rights (irrespective of the form, title or nature of the securities to which those voting rights are attached) as at the record date at this annual general meeting.

12 Holders of Nedbank Group ordinary shares (whether certificated or dematerialised) through a nominee, should timeously make the necessary arrangements with that nominee or, if applicable, participant (previously referred to as central securities depository participant) or broker on how they wish their votes to be cast on their behalf at the annual general meeting. As far as holdings in a participant are concerned, these will be guided by the terms of the agreement entered into between shareholders and their participant or broker.

13 Holders attending the annual general meeting on 08:30 Wednesday, 4 May 2016 will be afforded the opportunity of putting questions to the directors and management.

14 If this form of proxy has been delivered to the company in accordance with paragraph 10, as long as that appointment remains in effect, any notice that is required by the Companies Act or the company's memorandum of incorporation to be delivered by the company to a holder must be delivered by the company to the holder or, alternatively, if a holder has directed the company to do so in writing and has paid any reasonable fees charged by the company for doing so, to such holder's proxy/proxies.

15 Except if a holder provides in this proxy form that a proxy appointment is irrevocable, a holder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy/proxies; and (ii) delivering a copy of the revocation instrument to the proxy/proxies and to the Company Secretary's office at Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton, 2196, for the attention of Jackie Katzin, to be received before the replacement proxy/proxies exercise(s) any rights of the holder at the annual general meeting of the company or any adjournment thereof.

16 The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's/proxies' authority to act on behalf of the holder as of the later of: (i) the date stated in the revocation instrument, if any; or (ii) the date on which the revocation instrument was delivered, as required in paragraph 15 above.

COMPANY DETAILS

NEDBANK GROUP LIMITED

Incorporated in the Republic of SA
Registration number 1966/010630/06

Registered address

Nedbank 135 Rivonia Campus,
135 Rivonia Road
Sandown, Sandton, 2196, SA
PO Box 1144, Johannesburg, 2000, SA

Transfer secretaries in SA

Computershare Investor Services (Pty) Ltd
70 Marshall Street, Johannesburg, 2001, SA
PO Box 61051, Marshalltown, 2107, SA

Namibia

Transfer Secretaries (Pty) Ltd
4 Robert Mugabe Avenue
Windhoek, Namibia
PO Box 2401, Windhoek, Namibia

INSTRUMENT CODES

Nedbank Group ordinary shares

Company Secretary:	TSB Jali
Reg no:	1966/010630/06
JSE share code	NED
NSX share code	NBK
ISIN	ZAE000004875
Sponsors in SA:	Merrill Lynch SA (Pty) Ltd Nedbank Corporate and Investment Banking
Sponsor in Namibia: Investment	Old Mutual Services (Namibia) (Pty) Ltd

Nedbank Limited non-redeemable non-cumulative preference shares

JSE share code	NBKP
ISIN	ZAE000043667

This announcement is available on the group's website at nedbankgroup.co.za, together with pthe following additional information:

- Financial results presentation to analysts.
- Link to a webcast of the presentation to analysts.

For further information please contact Nedbank Group Investor Relations at nedbankgroupir@nedbank.co.za.

Disclaimer

Nedbank Group has acted in good faith and has made every reasonable effort to ensure the accuracy and completeness of the information contained in this document, including all information that may be defined as 'forward-looking statements' within the meaning of US securities legislation.

Forward-looking statements may be identified by words such as 'believe', 'anticipate', 'expect', 'plan', 'estimate', 'intend', 'project', 'target', 'predict' and 'hope'.

Forward-looking statements are not statements of fact, but statements by the management of Nedbank Group based on its current estimates, projections, expectations, beliefs and assumptions regarding the group's future performance.

No assurance can be given that forward-looking statements will prove to be correct and undue reliance should not be placed on such statements.

The risks and uncertainties inherent in the forward-looking statements contained in this document include, but are not limited to: changes to International Financial Reporting Standards and the interpretations, applications and practices subject thereto as they apply to past, present and future periods; domestic and international business and market conditions such as exchange rate and interest rate movements; changes to the domestic and international regulatory and legislative environments; changes to domestic and international operational, social, economic and political risks; and the effects of both current and future litigation.

Nedbank Group does not undertake to update any forward-looking statements contained in this document and does not assume responsibility for any loss or damage whatsoever and howsoever arising as a result of the reliance by any party thereon, including, but not limited to, loss of earnings, profits, or consequential loss or damage.