United Nations Global Compact
CEO Water Mandate
Communication of Progress for 2018/19

Nedbank Group signed up to the CEO Water Mandate in March 2011. This is therefore the group’s seventh Communication of Progress. It is intended to fulfill the annual reporting requirements of our commitment to the UN CEO Water Mandate and discloses the group’s progress against the six principles contained therein. Much of the information contained in this report has also been disclosed in the Nedbank Group Integrated Report 2018 or the Sustainable Development Review 2018 – Both these reports can be accessed on the Nedbank Group website www.nedbank.co.za.
1. Commitment to the UN Global Compact & CEO Water Mandate

Letter from Chief Executive

Attention: United Nations Global Compact Office

March 2019

Nedbank Group - continued commitment to the United Nations Global Compact

As Chief Executive of Nedbank Group, I reaffirm our commitment to the United Nations Global Compact and the 10 principles that underpin it. In addition, as a Group, we remain a signatory to the Equator Principles and the CEO Water Mandate and we continue to support the UNEP FI Positive Impact Working Group.

These commitments, along with deliberate focus on the Sustainable Development Goals (SDGs), form an important part of our overall strategy as we align our core business to deliver on our purpose – to use our financial expertise to do good for individuals, families, businesses and society.

The SDGs represent a powerful lens to identify opportunities for business innovation and growth, and they define the ‘good’ in our purpose. As such, in 2018 we continued to reorient our strategic approach to focus on the most material SDG targets through our three main points of leverage – Products and Services: Sustainable Development Finance, Operations and Corporate Social Investment.

We are proud to support the work undertaken by the UNGC, cognisant of the important role that the private sector plays in this.

Yours sincerely

Mike Brown

Chief Executive Officer

Nedbank Group

Head Office 135 Rivonia Road Sandown 2196 PO Box 1144 Johannesburg 2000

Tel +27(0)11 294 9999 Fax +27(0) 295 9999 mikeb@nedbank.co.za www.nedbankgroup.co.za
2 Introduction to Nedbank Group

Nedbank Group is one of the largest banking groups in Africa, offering wholesale and retail banking services as well as insurance, asset management and wealth management. In South Africa, we have a strong franchise, evidenced by a 19% deposit and 18% advances market share. Outside South Africa we operate in six countries in the SADC, through subsidiaries and banks in Lesotho, Malawi, Mozambique, Namibia, Swaziland and Zimbabwe. In Central and West Africa, we have a strategic alliance with ETI in the region and we have representative offices in Angola and Kenya. Outside Africa we have a presence in key global financial centres to provide international financial services to South Africa and Africa-based multinational and high-net-worth clients in Guernsey, Isle of Man, Jersey and London, and we have a representative office in Dubai. We employ a staff compliment of 31,227 and our market capitalisation was R136bn as at 31 December 2018 with headline earnings at R13.5bn. Old Mutual’s strategic ownership of the group is 19.9% after the unbundling of Nedbank’s ordinary shares to Old Mutual shareholders and completion of the managed separation process on 15 October 2018. We are considered one of South Africa’s most transformed and progressive banks, with a level 1 BBBEE rating. We are part of the FTSE4Good Index as well as Dow Jones Sustainability Emerging Markets Index in addition to being Africa’s first and only carbon neutral bank since 2010.

We understand that our success is contingent on the degree to which we deliver value to society—value that is aligned with what is material to our stakeholders. As such, it is important to understand our role in society and how society can be different because Nedbank is a part of it. As Nobel Laureate Robert Shiller puts it: ‘Finance, at its best, does not merely manage risk, but also acts as the steward of society’s assets and an advocate of its deepest goals.’ We agree. Banks play a crucial role in facilitating economic activity and enabling sustainable growth and development by moving capital from where it is to where it is required. A deep understanding of one’s purpose helps to guide strategy and decision-making in this regard and should result in an optimal balance between long-term value creation and short-term financial results.

We have defined our purpose as ‘to use our financial expertise to do good for individuals, families, businesses and society’. It follows, then, that it is through the considered development and delivery of products and services that satisfy unmet societal needs that we can enable a thriving society, create long-term value, maintain trust and ensure the success of our brand. The SDGs represent a universal agreement on the economic, social and environmental priorities to be met by 2030. They offer a powerful lens through which to identify opportunities for business innovation and growth, and an objective mechanism through which Nedbank can assess and report delivery on our purpose. We therefore focus on the most material goals and targets through our three main points of leverage – Products and Services: Sustainable Development Finance, Operations and CSI.
For Nedbank to be sustainable over the long term we need to have a clear reason for our existence – a “North Star” that demonstrates what we do to help society to develop and grow, thereby helping enable better lives for all. This is our purpose – it is why we have been building and growing Nedbank since its origins in 1834.

“Doing good is easy to say but harder to measure, and what gets measured gets done. The SDGs represent a single common set of measurement criteria for “doing good” or improving the state of our economy and society. This power of common measurement and aggregation is why we chose the SDGs to measure the delivery of “doing good” as set out in our purpose statement.”

OUR VALUES

**Our purpose**
Being honest, trustworthy, consistent and transparent in all our actions and decisions.

**Respect**
Recognising the inherent worth of every individual and treating everyone with dignity.

**Accountability**
Being prepared to take ownership and be held accountable for our commitments and actions.

**People-centred**
Investing in our people and creating an environment that empowers our people to perform distinctively and to excel.

**Client-driven**
Creating value and delightful experiences for our clients that exceed their expectations.

Mike Brown
Chief Executive

Nedbank Group CEO Water Mandate Communication of Progress 2018/19
Environment risks continued to dominate the WEF Global Risks Report, accounting for three of the top five risks by likelihood and four by impact. These included extreme weather, natural disasters, water crises and failure of climate-change mitigation and adaption. It is, of course, the deep interconnectedness of these risks with human wellbeing that sees them posing systemic challenges to citizens, corporations and governments alike.

The state of water in South Africa has long been a cause for concern with this concern exacerbated by widening gaps between demand and supply of water in the last year. This phenomenon is compounded by the fact that South Africa is the world’s 30th driest country and is situated in a region where rainfall received is far below the levels required. As a result, South Africa is classified as ‘water stressed’ and its current inability to provide sufficient freshwater has negatively impacted on urban users as well as agriculture and all sectors in the economy. Additionally, the expansion in urban migration has been a contributor to the escalating demand of water resources, exerting further pressure on municipalities, communities, private organisations, and government into action and interventions to meet the needs.

The link between water and security is undeniable. Where fresh water is available, accessible, and well-managed, biodiversity can be sustained, economies can grow, and communities can thrive. Yet when fresh water is compromised, life as we know it breaks down and can lead to social disruptions and conflict that further degrade the environment. Failure to address these issues puts people and nature at risk’ (WWF SA, 2017).

In 2019, South Africa continued to grapple with water security measures, following 2018’s looming Day Zero, where a drought-stricken Cape Town’s taps began to run dry and people started queuing for water. These recent droughts across SA also drove home how heavily we rely on the environment, as losses were felt across all sectors of the economy and societal strata. There were extensive reports about Gauteng’s water insecurity also largely exacerbated by infrastructure backlogs, poor maintenance and low rainfall as a result of climate change. We also saw level 1 restrictions imposed in 2019 signalling the depth of the matter. The water challenge in Gauteng is earmarked to be of greater impact compared to Cape Town’s as there are no options for desalination.

This status however, birthed a new culture of water resilience and behaviour changes in Gauteng and across SA; with many corporates and individuals playing a role to help address water challenges. We have continued to see an increase in collective action between communities, government, farmers and private companies to address water use behaviour and adhere to water imposed restrictions and targets. The level of interest in National dam level tracking and water access has also continued to escalate in 2019. This can be attributed to the heightened awareness on the significance of water following 2018’s water challenges in South Africa. And while we continue with the ongoing task of preservation to ensure access to water, the ongoing risks of water shortages and declining water quality across our country remain.

Water quality is defined as water which is safe, drinkable and appealing to all life on earth In South Africa the scarce fresh water is decreasing in quality because of an increase in pollution and the destruction of river catchments, caused by urbanisation, deforestation, damming of rivers, destruction of wetlands, industry, mining, agriculture, energy use and accidental water pollution. As the human population increases, there is an increase in pollution and catchment destruction”. (Rand Water, 2019)
4. Responding to Environmental Risks and Opportunities

Nedbank Group acknowledges the risks posed by climate change and the interrelatedness of water, food and energy security. In line with group’s philosophy of effectively managing risk and harnessing the opportunities it presents, climate change is approached from the dual perspective of limiting its impact on stakeholders, while unlocking any potential benefits.

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<th>Key risk</th>
<th>Impacts</th>
<th>Responses and opportunities</th>
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<td>Energy security</td>
<td>• Economic challenges</td>
<td>— Nedbank has been carbon neutral for 9 years and we continue to drive energy efficiency within our operations in line with our reduction targets.</td>
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<td>• Political uncertainty</td>
<td>— The SA government’s commitment to creating a low-cost, sustainable and balanced energy mix for the country was recently reinforced through the Draft Integrated Resource Plan (IRP) 2019. The Energy Finance team at Nedbank continues to contribute to maximising the impact of the IRP through the financing and support of renewable-energy projects.</td>
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<td>• Resource instability</td>
<td>— Nedbank closed a further 12 renewable-energy project deals under round 4 of the Department of Energy’s (DOE) Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) to the value of R13bn.</td>
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<td>• Price increases</td>
<td>— In all REIPPPP rounds completed so far Nedbank has arranged and funded a total of 42 transactions, underwriting a total of R40bn, with R22.8bn disbursed for renewable-energy deals to date.</td>
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<td>• Energy Efficiency</td>
<td>— Nedbank is building on its successful utility scale energy portfolio to contribute towards further developing the embedded-energy sector. This not only supports government’s shift towards renewable energy, but also contributes to the continued growth of the renewable-energy industry and associated job creation and supports Nedbank clients in their endeavours to secure a reliable and affordable renewable-energy supply.</td>
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<td>— Almost R1bn of our property finance lending incorporated the installation of solar power.</td>
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<td>— Nedbank has a Solar power solution for small businesses and homes where clients can use a Nedbank Personal Loan, NedRevolve or a re-advance facility on their Nedbank home loan to finance energy solutions for their homes. Nedbank also offers finance solutions to business clients wanting to implement renewable-energy projects. These deals include numerous value-added components, including longer payback periods. In 2018 we financed R36m (2017: R24m) of transactions primarily in the photovoltaic space.</td>
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<td>— We support the diversification of SA’s electricity supply. Currently 2,13% (2017: 2,08%) of our total group lending and finance commitments relate to renewable energy generation. These compares favourably with the 0,43% (2017: 0,56%) of total funding of coal- and fossil-fuel-based energy generation (including our direct facilities to Eskom).</td>
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<td>— Importantly, as from 2018 the bank undertook not to provide project financing or other forms of asset-specific financing where the proceeds would be used to develop a new coal-fired power plant, regardless of</td>
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This commitment extends to round 1 of SA’s Coal Baseload Independent Power Producer Programme.

In 2018 we also launched a freely available Energy Efficiency Guide, as a tool to enable businesses to manage energy consumption. Our handbook allows businesses to implement energy management processes that ensure energy efficiency and maximum benefit to a business. Since the official launch October 2018, attended by various stakeholders in government, media, and private sector, 3000 copies have been distributed to clients nationwide.

| Water security | • Health risks
• Reduced crop yields/food shortages
• Economic stagnation and decline
• Water restrictions
• Price increases |
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<td>Our water strategy is three-pronged, focusing on water quality, quantity and access. Evidence of this strategy at work can be found throughout this report.</td>
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| Food security | • Economic decline
• Health risks
• Food shortages
• Price increases
• Land use change
• Social unrest |
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<td>Given the significant strain that could potentially be placed on food security in SA as a direct result of a dysfunctional food production and consumption value chain, we take sustainable agricultural practices very seriously at Nedbank. The WWF-SA Sustainable Agriculture Programme was established to promote innovation and drive responsible farming practices to reduce environmental impacts on constrained water, energy and soil resources and to maintain healthy, natural ecosystems in large-scale commercial, small-scale and communal farmlands.</td>
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<td>In the six years that Nedbank has partnered with and financially supported the programme the following has been achieved:</td>
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<td>- Nedbank has invested R18m in support of WWF-SA’s work with farmers, agricultural industry bodies, consumers and government.</td>
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<td>- The programme delivered industrywide environmental best-practice production standards and highly successful industry value-chain partnerships, implementing these standards in five priority agriculture sectors: fruit, wine, dairy, beef and sugar farming.</td>
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<td>- The programme has supported the development of an independent and integrated social, ethical and environmental assurance platform for responsible farming across the SA agricultural sector.</td>
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<td>- A network of small-scale farmers promotes the participation and further development of smallholder farmers, while also building inclusive market access. Importantly, the positive results achieved by the programme, with the support of Nedbank, are fully sustainable into the future, well integrated, adopted by industry and promoted by farmers themselves – illustrating the importance and benefits of sustainable agriculture practices.</td>
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<td>- Through this programme Nedbank is able to access the expertise of WWF SA agricultural team. This has benefited our clients and our own agricultural teams as they are regularly exposed to best practice for sustainable agriculture, helping with farming operations and also helping Nedbank with risk exposure in this key sector.</td>
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5 Meeting the Commitments to the CEO Water Mandate: Direct Operations

Operational Targets: We continue to set reduction targets to limit the impact of our operations on the environment. These targets clearly specify the carbon emissions and resource usage levels to which we aspire as a group and which we use to guide behaviour at group, cluster, business unit, team and individual level.

The targets are integrated into applicable performance contracts, and regular communication ensures that our staff members are aware of the important role they have to play in helping to limit the impact of our operations on the environment. In assessing the achievement of our reduction targets, it is necessary to define what we measure and where such measurement is undertaken in the group. Nedbank measures actual water consumption (in owned and managed buildings) against our water intensity reduction target and progress reports to the Group Transformation, Social and Ethics Committee, a sub-committee of the Nedbank Group Board. The water data and supporting information is reported annually in the Nedbank Group Integrated Report and the Sustainable Development Review. The data is also externally and independently assured as part of the Deloitte and KPMG assurance of the report.

In 2018 total water consumption across all campus sites decreased by 10.56% to 284 053 kℓ (2017: 317 580 kℓ). This decrease was achieved primarily due to drastic water restriction measures implemented in drought-stricken parts of SA. We also saw a significant decrease achieved per FTE which we unpack on below paragraph. Water technology interventions include the installation of waterless urinals in all buildings, implementation of aerators on all taps to lower usage, removal of hot water in bathrooms, reduction of water supply system pressure and use of waterless hand sanitisers in bathrooms in our Western Cape offices. We will continue to build on these interventions in 2019.

We also continue to invest significantly in the monitoring and maintenance of our water infrastructure. Water leaks typically demand immediate action and cannot be fully prevented through proactive means. Often the only way of identifying a water leak is through meter readings, which means that substantial volumes can be lost before a leak is noticed. Because our employees play a vital role in our water reduction efforts, we also continue to invest in raising awareness and educating our staff members on ways in which they can reduce their water usage. Over the last year we had reductions in office water usage, this was a result of the use of water-saving technology such as air-flush toilets similar to those used in aeroplanes, as well as changes in staff water usage as a result of the drought. Overall, Nedbank has achieved an average water saving of 16.5% per fulltime employee across our operations. Nedbank has achieved reductions of up to 45% in absolute water usage in some of our Cape Town offices and will be using these learnings to drive further reductions in other parts of our operations. To view a graph depicting Nedbank’s water consumption over the last five years, click here.

Water-Saving initiatives: Nedbank advocates behavioural change in our staff base. The following campaigns and activities were used in 2018/19 to drive staff awareness on the importance of water conservation:

- **SDG 6 Group Executive ownership allocation** – Nedbank has prioritised nine goals that we believe represent a combination of the biggest impact for society, delivery on client needs and exciting opportunities for Nedbank to develop innovative banking products and services. These nine goals can be seen on page 4 of this report and are also reflected in the Nedbank Sustainable Development Framework under Sustainable Development Finance, please see this report. In 2018 we allocated those nine goals to nine group executives, who will own and drive Nedbank’s groupwide response to their respective SDG. We have a dedicated Managing Executive that is responsible for SDG 6, ensuring that the bank plays a meaningful role in addressing water and sanitation issues primarily through funding solutions. This SDG allocation has been extensively communicated to staff members internally, as well as externally through the Nedbank Group Integrated Report and Sustainable Development Review. Raisibe Morathi, also Nedbank’s Chief Financial Officer, is the ME responsible for water at Nedbank.
Below is an insert of Raisibe’s executive mandate in terms of SDG 6:

SDG 6: Clean Water and Sanitation

We recognise the human right to clean water and sanitation, yet millions of people across the African continent still do not have access to these. Without sufficient clean water, economies cannot function. SA and many of the countries in which we operate are not only water-scarce countries, but have poor water infrastructure too. The role of the bank is therefore to play a meaningful role in addressing water and sanitation issues primarily through funding solutions.

Raisibe Morathi

- **Cape Town Drought Response Learnings Initiative** – Nedbank partnered as a sponsor, with a collective of academics and practitioners to capture key learnings from the water shortage challenge experienced in Cape Town in 2018. The initiative brings together research skills with the experience of those who were in the thick of the drought response – in terms of city managers, businesses on the ground and other individuals with a range of capabilities and skills. The aim of the initiative is to create a space for challenging conversations out of which important insights can emerge. Nedbank’s objective with this collaboration to play a meaningful role in helping to create a water resilient future.

- **Water Dialogues** - Nedbank Group Strategic Relations & Public Affairs in partnership with the NEPAD Business Foundation (NBF) hosted a forum on water sustainability solutions as part of the quarterly Nedbank-NBF Networking Forum. This interactive session featured presentations on integrated water solutions available in the mining and industrial sectors as well as technological developments available to better manage water usage, and a view on PPP’s as an effective funding mechanism for Government projects. About 120 stakeholders in the water sector attended.

- **Water Week Awareness**: In order to create awareness around the role of water to the sustainable development of South Africa, South African companies, Nedbank, Nedbank clients and Nedbank staff, we distributed communication in support of National water week in South Africa. The objective is to imbed the importance of water while engaging staff around SDG 6 activities at Nedbank from an operational, CSI and lending perspective.

- **10 ways Nedbank is addressing water**- We developed comms to remind staff and external stakeholders of the deliberate efforts Nedbank is taking to address water security, through our main areas of leverage, sustainable finance, operations and CSI.

- We have also continued to reinforce Nedbank water etiquette to all users and visitors of our buildings by email communications and posters with key messages below:
Switch off taps when soaping awareness posters in bathrooms
- Reduce water consumption stickers
- Urinal flush water restriction
- Reduced flushing time on toilets
- No flushing if it is ‘Yellow’
- Water resilient Nedbankers messaging
- How to report water usage transgressions
- How to report leaks to management
- Water impact on business continuity awareness

We are also in the process of developing an Occupational Health and Safety Audio Visual for all visitors to Nedbank campuses to sensitize visitors to Nedbank’s water etiquette and culture, amongst other occupational and environmental safety measures.

Know Your Junk Status – This is communication campaign from previous year which dealt with water, waste and energy and the role staff can play to address sustainability challenges. We used various communication channels using digital AV’s, email comms and posters with key messages below during the water crisis. We have continued to share the content with staff into 2019 using our intranet site, ensuring that staffmembers are empowered with knowledge around acceptable water use behaviour. The comms campaign deals with the following topics: Know Your Water Status, Steps To Shrink Your Water Footprint, Take Measures to Improve Your Water Status, Keep Track Of Your Water Savings, Reuse Grey Water, Living The Waterless Life etc.

In 2016, Nedbank renewed its commitment to supporting the WWF-SA Water Balance Programme with a further pledge of R3m for the next three years, adding to R9m invested in 2011. In 2019 the long-standing relationship between Nedbank and WWF-SA entered its next phase, with the establishment of a new R25m conservation partnership supporting water security, reducing land degradation and improving local economic opportunities for rural communities in the Eastern Cape over the next five years. This will ensure that the land already cleared of invasive species remains so through regular maintenance and adds a new element of restoration to the alien clearing work, rather than ‘hard’ restoration using engineered structures. This new partnership will also build on the previous investments made by Nedbank through the WWF Nedbank Green Trust, the WWF-SA Sustainable Agriculture Programme and the WWF-SA Water Balance Programme and draws extensively from the learnings and achievements of these programmes in to deliver even greater environmental, social and economic sustainability benefits for the country.

As at 2018, a total over 450 ha of densely infested land has been cleared of invasive alien vegetation and received at least three follow-up treatments. This has allowed approximately one billion litres of water a year to remain in vital water catchments and this will continue annually. We assisted in unlocking over R4.8m of government co-funding into Riviersonderend, one of the Western Cape’s top priority catchments. More than 47 000 workdays were created for people from communities surrounding the project’s focus areas.

Water Risks: Nedbank is dependent on its clients being able to access banking services with ease. The physical impacts of climate change have the potential, in extreme circumstances, to affect our ability to service our clients. Our climate change strategic plans take account of this potential physical risk and provide for action plans (Business Continuity and Disaster Recovery) for the medium term (3-5 years). Nedbank has already experienced incidences of branch and office closures due to unstable water supply, water restrictions in many areas and even extreme weather events such as flooding. The Nedbank risk management processes and Business Continuity and Disaster Recovery Plans are designed to identify and address such potential physical impacts of climate change on our business processes and premises. The Nedbank business continuity management policy and programme addresses physical risks on a site specific as well as regional basis. In 2018, Nedbank developed a Water Steering Committee from various teams in the organisation that reports into Group Exco on status, interventions, business continuity plans for the business in light of growing water challenges. The Steering Committee continues to monitor, track and report on the impact of water to the business.
**Lending:** Nedbank continues to engage with private and public-sector stakeholders to provide assistance, advisory services and finance to address the water challenges facing individuals, businesses and the country as a whole. These challenges include water infrastructure, access, efficiency, quality and quantity, as well as issues such as non-revenue water and wastewater, all of which have been exacerbated by continuing poor water governance in many parts of the country. Nedbank has a growing pipeline of water deals, but efforts to bring them to a financial close in 2018 were hampered in particular by the bankability of some of the institutions that require funding for water infrastructure. We hope that public-private partnership opportunities will help remove some of these stumbling blocks as well as increase interest from the corporate sector in actively contributing to water security, thereby protecting their own businesses as well as the needs of broader society. Despite these challenges, we have made some strategic investments in the water space, including a co-investment with the Multiply Group to form Wellspring Group Proprietary Limited (Wellspring) which, as its first investment, has acquired a 67.2% shareholding in SBS Water Systems Proprietary Limited, a leading supplier of medium-to-large water storage tanks. Wellspring’s objective is to invest in and grow companies providing water-related products and services. SBS in turn represents a key initial investment in water and liquid storage, forming an integral part of the entire water value chain and creating a credible market presence with which further acquisitions can be made. In line with our sustainable solutions approach to business, we also finance water infrastructure to address the longer-term quality and quantity requirements. In 2019, we were able to support Rand Water’s funding requirements to the tune of R550m, helping to unlock access to bulk potable water to more than 11 million people in Gauteng. Nedbank has also participated in various government and industrial water initiatives. Being a member of the Western Cape water drought task force is just one example of Nedbank’s role in protecting this scarce resource.

We also take a shared commitment approach to water saving by including water sustainability considerations in the environmental screening processes that inform our lending decisions. Where necessary, we guide clients on ways to improve their social and environmental performance, including their water dependency. Our SEMS assessment tool is fundamental as it allows us and our clients to measure alignment with accepted environmental as well as social standards and legal compliance, and also address any challenges or shortcomings that might otherwise have hindered business progress or created exposure to undue risk.

Nedbank uses the WWF Water Risk Filter as a compliance risk management tool to assess the viability of projects and investments in high-impact industries as well their potential impact on the country’s water resources, where appropriate. We are constantly looking for ways to mitigate risks and additionally, are proactively working with our drought-impacted clients to ensure their resilience during this difficult period. Assistance includes restructuring debt and provision of working capital where required.
6 Meeting the Commitments to the CEO Water Mandate: Greening the Supply Chain and Watershed Management

Our suppliers are key to our long-term success. Our procurement methodologies and practices are therefore designed to meet our need for goods and services in a way that achieves value for money while also promoting positive outcomes for our suppliers, the environment and society as a whole. To enable this our procurement function works closely with our suppliers to promote and enable shared growth, strong relationships and greater sustainability across our entire supply chain.

Our total supplier base has a transformation status that counts towards Nedbank’s BBBEE procurement spend scorecard. Over the past two years we have seen pleasing improvements across key transformation categories, particularly through supplier relationships in the small, medium and microenterprise (SMME) business development sectors. In addition to this, we maintain our relationship with our suppliers in terms of their environmental performance. An example of this is the thorough review of our travel policy and related suppliers in 2018 and 2019. Incorporating environmental sustainability considerations has helped to reduce wasteful spending and carbon emissions and supports Nedbank’s culture of responsible corporate citizenship.

7 Meeting the Commitments to the CEO Water Mandate: Collective Action and Community Engagement

As Nedbank, we know that value is optimised through shared responsibility and collaborative action. We place a priority on partnering with people, organisations and communities that share our passion for sustainable development and recognise the potential that exists to maximise positive impacts by working together. We therefore proactively seek out such partnerships across all our stakeholder groups to contribute towards increased awareness and understanding of the sustainable development imperative to address water and sustainability related challenges.

Such partnerships and engagements in 2018/19 included:

- **Donations of water filters** – We donated 10 water filters to a water-stressed community in northern KwaZulu-Natal. Each filter ensures that up to 10 people have access to safe, clean drinking water for 10 years.
- **Durban Beach Cleanup** – Through Nedbank’s #TeamUp4KZN campaign that was linked to the Nedbank Cup Final – Nedbank raised funds for Durban’s communities that were devastated by the Easter floods. In addition, the Nedbank's Green Affinity team led beach cleanups at the same time across the greater Durban coastline. This was a partnership with the KwaZulu-Natal-based Wildlands Programme, using volunteers, soccer fans and staff to assist to clear plastic pollution in the ocean.
- **Nedbank volunteers recycle over 3.2 tons of rubbish to save our oceans** – In 2018 Nedbank ran a series of 11 cleanups to raise awareness about the impact of plastic and other pollution on our waterways and oceans, as well as the link between land-based pollution and ocean health. Over 1 500 volunteers collected over 3.2 tons of rubbish and over 1.2 tons were recycled.
- **WWF Nedbank Green Trust Marine Plastic Pollution Programme** – The programme requires clients, industries, retailers and government to work towards urgently implementing practical approaches and policies to address the marine and environmental plastic problem collectively throughout its life cycle – from production and consumption to waste management. This national programme is being funded through the WWF Nedbank Green Trust for 2018 to 2021 to the amount of R2.8m.
- **Nedbank participates in the Cape Town Drought Disaster Forums** and is part of the Greater Cape Town Water Fund work being driven by The Nature Conservancy.
- **The WWF Nedbank Green Trust** – The Nedbank Green Affinity supports conservation, the environment and climate-change-related projects through the WWF Nedbank Green Trust. For 2018 Nedbank Green Affinity donations to the WWF Nedbank Green Trust decreased to R14.3m (2017: R26, 8m). The objectives of the trust include maintaining and enhancing the integrity of SA’s ecological assets, ensuring that the ecological systems and their services underpin socioeconomic wellbeing, and address the risks and opportunities posed by climate change. In delivering on these objectives The Green Trust supports eight focus areas, namely: species, freshwater conservation, sustainable agriculture, climate change (adaptation and mitigation), environmental...
leadership, marine conservation focus, land stewardship and community work. A total of R47 million has been invested into 23 national water stewardship and conservation projects by the WWF Nedbank Green Trust.

8 Meeting the Commitments to the CEO Water Mandate: Transparency

Nedbank Group reports as per the GRI G4 principles and King IV Integrated Reporting requirements. Nedbank water usage is independently assured by Deloitte and KPMG as part of their assurance of Nedbank Group’s Integrated Report.

Nedbank Group Sustainability Credentials:

- Carbon-neutral status – We are Africa’s first carbon-neutral financial organisation and have been carbon neutral since 2010.
- FTSE4Good Index – A global responsible-investment index for companies that demonstrate strong environmental, social and governance practices. Included in 2018.
- Dow Jones World Sustainability Emerging Markets Index 2018 – A global performance benchmark for companies in terms of corporate sustainability. Inclusion helps to attract investment to the company.
- South African Carbon Disclosure Project Index 2018 – Scored an ‘A-‘ for performance. One of 11 companies to be awarded this score in SA. Score recognises our corporate environmental action on climate change.
- WWF-SA Water Balance Programme – Invested R25 million over 5 years in national water security. The programme helps to increase water supply and delivers economic and social benefits through job creation.
- WWF Nedbank Green Trust partnership – Invested R264m since the trust’s inception in support of over 200 environmental projects throughout South Africa. (R47 million has been invested into 23 national water and conservation projects).
- WWF-SA Sustainable Agriculture Programme – Invested R25m as official sponsor over 5 years. Partnership helps to promote and support national sustainable agricultural production practices.
- Green buildings – Nedbank occupies ten Green Star-rated buildings.

Nedbank aligns to and/or is represented on:

- UN Sustainable Development Goals
- King IV
- Equator Principles
- Code for Responsible Investment in South Africa
- National Development Plan
- United Nations Global Compact CEO Water Mandate
- Taskforce for Climate-related Financial Disclosures
- National Business Initiative Advisory Committee on Climate Change
- National Energy Efficiency Accord
- International Finance Corporation Performance Standards
- National Energy Efficiency Leadership Network Pledge
- United Nations Environmental Finance Initiative: African Network
- UNEP FI National Capital Declaration
- UNEP FI Banking Ecosystem Network and Positive Impact Working Group
- United Nations Global Compact Advisory Committee
- Banking Association South Africa: Sustainable Finance Committee and Positive Impact Committee
- Association of Ethics Officers in Africa
- Organisation for Economic Cooperation and Development
- National Biodiversity Business Network
- Network for Business Sustainability - Embedding Project: South Africa Peer-to-Peer group
9 Contact Details

Kerri Savin
Senior Manager - Strategy and Reporting
Nedbank Group
+27 (0)10 2348348
kerris@nedbank.co.za

Yonela Siko
Sustainability Communications Manager
Nedbank Group
+27 (0) 10 234 8351
yonelasik@nedbank.co.za