



NEDBANK
GROUP

Nedbank Group Limited

Audited consolidated and separate annual financial statements

for the year ended 31 December 2025



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see money differently

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ABOUT THIS REPORT

Our consolidated and separate annual financial statements provide a detailed analysis of our statutory accounting records. These financial statements are independently audited as indicated in the independent auditors' report and provide in-depth disclosures related to the financial performance of the group and the company.

The notes to the consolidated annual financial statements are classified in the following sections:

Section A: Accounting policies

This section briefly outlines the basis of preparation and key accounting policy elections applied in the preparation of the group's consolidated and separate annual financial statements.

Section B: Segmental and performance-related information

Refer to this section for information on the group's financial performance. This section contains the group's operational segmental report and performance-related notes that provide an analysis of the group's consolidated statement of comprehensive income.

Section C: Core banking assets

This section provides information about the group's core banking assets, including loans and advances, and an analysis of the related impairments charge. Information is also provided on the group's investments in government and other securities, other short-term securities, cash and cash equivalents and derivative financial instruments.

Section D: Core banking liabilities

Information about the group's core banking liabilities, including amounts owed to depositors and long-term debt instruments, can be found in this section, together with an analysis of investment and insurance contract liabilities. A contractual maturity analysis of financial liabilities is also provided.

Section E: Asset management

Refer to this section for an analysis of the group's funds under management.

Section F: Investments

This section provides an analysis of the group's investments in investment securities, associate companies and subsidiaries. Related information, such as related-party disclosure and details about structured entities and securitisation vehicles, can also be found here.

Section G: General assets

This section provides an analysis of general assets such as property and equipment, as well as goodwill and other intangible assets.

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Section H: Other assets

Refer to this section for disclosure on the group's long-term employee benefits, non-current assets and liabilities held for sale and other assets.

Section I: Financial instruments

Additional disclosure of the group's financial instruments can be found in this section. Refer to this section for the categorisation of financial assets and liabilities, the fair-value hierarchy and other fair-value-related disclosures. The group's disclosure on collateral and offsetting of financial assets and liabilities can also be found in this section.

Section J: Share-based payments

This section details the group's share-based payments schemes and their effect on the group's financial position and financial performance.

Section K: Other liabilities

This section provides an analysis of the group's non-core liabilities, including provisions and other liabilities, contingent liabilities, undrawn facilities and commitments.

Section L: Risk and balance sheet management

Refer to this section for the group's liquidity gap disclosure and details on market risk in the trading book and interest rate risk in the banking book.

Section M: Cash flow information

This section contains notes to the group's statement of cash flows.

Section N: Additional information

This section contains additional disclosure that may be relevant to understanding the group's consolidated annual financial statements, such as a foreign currency conversion guide, and information on events occurring after the reporting period end and directors' remuneration.

Audited separate financial statements

Refer to this section for the audited separate annual financial statements of Nedbank Group Limited comprising the separate statement of comprehensive income, separate statement of financial position, separate statement of changes in equity, separate statement of cash flows, and related notes.

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

Nedbank Group Limited Reg No 1966/010630/06.

Prepared under the supervision of the Nedbank Group Limited Chief Financial Officer, Mike Davis, BCom (Hons), DipAcc, CA(SA), AMP (Insead).

Audited in terms of the Companies Act, 71 of 2008 (as amended).

RESPONSIBILITY OF OUR DIRECTORS

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements of Nedbank Group Limited (comprising the statements of financial position at 31 December 2025, the statements of comprehensive income, the statements of changes in equity and statements of cash flows for the year then ended) and the notes to the financial statements (including a summary of significant accounting policies and other explanatory notes) in accordance with International Financial Reporting Standards (IFRS® Accounting Standards) as issued by the International Accounting Standards Board (IASB) and IFRS Interpretations Committee (IFRS IC); the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee; Financial Pronouncements as issued by the Financial Reporting Standards Council; the requirements of the Companies Act, 71 of 2008 (as amended); and the JSE Requirements. In addition, the directors are responsible for the preparation of the Directors' Report.

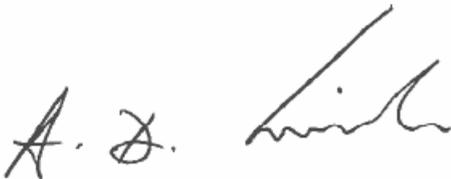
The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedules included in these financial statements.

The directors have made an assessment of the ability of the company and its subsidiaries to continue as going concerns and there is no reason to believe that the businesses will not be going concerns in the year ahead.

The independent auditors are responsible for reporting on whether the consolidated and separate financial statements are fairly presented in accordance with IFRS Accounting Standards and the Companies Act, 71 of 2008 (as amended), and their report is presented on pages 14 to 20.

APPROVAL OF THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

The consolidated and separate annual financial statements of Nedbank Group Limited, as identified in the first paragraph, were approved by the Nedbank Group Limited Board of Directors on 2 March 2026 and are signed on its behalf by:



AD Mminele
Chairperson



JP Quinn
Chief Executive

Sandown
2 March 2026

CHIEF EXECUTIVE AND CHIEF FINANCIAL OFFICER INTERNAL FINANCIAL CONTROL RESPONSIBILITY STATEMENT

Each of the directors whose names are stated below confirms that:

- a) the annual financial statements set out on pages 21 to 282 fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS Accounting Standards;
- b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- c) internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;
- d) the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, and we have fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- e) where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
- f) we are not aware of any fraud involving directors.



JP Quinn
Chief Executive



MH Davis
Chief Financial Officer

Sandown
2 March 2026

CERTIFICATION FROM OUR COMPANY SECRETARY

In terms of section 88(2)(e) of the Companies Act, 71 of 2008 (as amended), I certify that, to the best of my knowledge and belief, Nedbank Group Limited has filed with the Commissioner all the returns and notices that are required by the Companies Act, 71 of 2008 (as amended), and that all these returns and notices are true, correct and up to date.



Jackie Katzin
Company Secretary

Sandown
2 March 2026

REPORT FROM THE GROUP AUDIT COMMITTEE

The Nedbank Group Audit Committee (GAC) is pleased to present its report for the 2025 financial year. This report has been prepared based on the requirements of the South African Companies Act, 71 of 2008, as amended (Companies Act), the King Code of Governance for South Africa (King IV), the Johannesburg Stock Exchange (JSE) Requirements and other applicable regulatory requirements. The committee carried out its responsibilities, including those relating to the audit and financial reporting obligations of the group, as set out in its board-approved charter, which was reviewed and updated during the financial year.

GAC's main objective is to assist the board in fulfilling its oversight responsibilities, and in the evaluation of the adequacy and efficiency of accounting policies, internal financial controls (IFCs) and financial and corporate reporting processes. In addition, GAC assesses the effectiveness of the internal auditors and the independence and effectiveness of the joint external auditors, as well as considers and recommends to shareholders the appointment of the joint external auditors.

This report aims to provide details on how GAC satisfied its various statutory obligations during the period, as well as on some of the significant matters that arose, and how GAC addressed those to assist in ensuring the integrity of Nedbank's financial reporting.

GAC is satisfied that it has fulfilled its responsibilities in accordance with the GAC charter and the applicable legislation.

People update

Neo Phakama Dongwana was appointed as the chair of the Nedbank Group Limited GAC from 30 May 2025 following Stanley Subramoney's stepping down from the role.

Mary Bomela was appointed as a member of GAC effective from 1 June 2025.

Composition and governance

Members of the committee satisfy the requirements to serve as members of an audit committee, as required by section 94 of the Companies Act, and have adequate knowledge and experience to carry out their duties. All members are independent non-executive directors.

The composition of the committee and the attendance of meetings by its members for the 2025 financial year are set out below:

Members meeting attendance	GAC meeting	College of Audit Committee Chairs
NP Dongwana (Chairperson) ¹	7/7	2/2
HR Brody	7/7	
P Langeni	6/7	
TM Nombembe	7/7	
MS Bomela	6/6	
S Subramoney ²	1/1	

¹ Only the chairperson of GAC chairs the 2 Nedbank College of Audit Committee Chairs meetings.

² S Subramoney retired as chair of GAC.

The Chief executive (CE), the Chief Financial Officer (CFO), the Chief Operating Officer (COO), the Chief Risk Officer (CRO), the Chief Internal Auditor (CIA), the Chief Compliance Officer (CCO) and representatives from the joint external auditors are invited to attend all GAC meetings. S Subramoney and AD Mminele are board member invitees at GAC meetings. Other members of management are invited to attend certain meetings to provide the committee with greater insight into specific issues or areas in the group.

The GAC chairperson has regular contact with the Nedbank management team to discuss relevant matters directly. The CIA and the external auditors have direct access to the committee, including closed sessions without management during the year, on any matter that they regard as relevant to the fulfilment of the committee's responsibilities. The GAC chairperson meets with the CIA and the joint external auditors at times considered necessary by either party. In addition, the GAC meeting agenda allows for a meeting solely with the members of GAC.

Five formal GAC meetings, 2 College of Audit Committee Chairs meetings and 1 Prudential Authority (PA) trilateral meeting were held in respect of the 2025 financial year, aligned with key reporting and regulatory timelines and 1 ad hoc GAC meeting to discuss the appointment of the KPMG lead audit partner.

The key focus areas of the meetings were as follows:

28 May 2025	Review of the April year-to-date results, approval of FY 2025 external auditors final fees, review of the joint external auditors' engagement letter, review and approval of the outcome of the fundamental review performed by 25 April 2025 of the Trading Book (FRTB) and GIA's H2 2025 internal audit plan.
27 June 2025 Trilateral discussion	Annual trilateral meeting with representatives of the PA Bank Supervision Department and representatives from the Financial Sector Conduct Authority for discussion of, among other things, key external audit observations, internal audit matters and regulatory reporting responsibilities.
25 July 2025 College of Audit Committee Chairs	Discussion and review of the group subsidiaries' interim performance, key judgement matters and GIA feedback with respect to the subsidiaries.
31 July 2025	Approval of the interim results for the first 6 months to June 2025. Assessment of the key accounting judgements impacting the interim results, including credit impairments, funding valuation adjustments, macro fair-value hedge accounting, and the sale of ETI and related IFRS 5 accounting considerations. Review of the solvency and liquidity assessments based on the interim dividend declared and approval of the going-concern assessment.

	Non-audit fees submission for Q2 2025 and independence reporting, pre-concurrence on non-assurance services and the GIA H2 internal audit plan changes.
13 October 2025	Ad hoc GAC to appoint the KPMG lead audit partner, following the appointment of the previous lead partner, Joelene Pierce, as the new CEO of KPMG, effective 1 March 2026.
29 October 2025	Review of the results for the 9 months to 30 September 2025. Approval of group's Q3 forecast 2025, joint external auditors's plan and regulatory audit plan for FY 2025, proposed FY 2025 external audit fees, non-audit fees submission for Q3 2025 and independence reporting and 2026 internal audit plan approach, thematics and Q1 2026 plan.
28 January 2026	Review of the preliminary results for the 2025 financial year, including a summary of key accounting judgements and tax matters. Joint external auditors non-audit fees submission and independence reporting for Q4 2025. Review of the audit firm's feedback in accordance with section 3.84(g) of the JSE Requirements. Review and approval of the internal audit plan for the 2026 financial year and strategy and budget for 2026–2028.
16 February 2026 College of Audit Committee Chairs	Discussion and review of subsidiaries' full-year performance and GIA feedback on subsidiaries.
25 February 2026	Discussion and review of year-end reports from GIA and the joint external auditors and feedback from subsidiary audit committees, and reports related to relevant matters from the Group Credit Committee (GCC), Group Risk and Capital Management Committee (GRCCM) and the Group Information Technology Committee (GITCO). Review and approval of Nedbank Group further trading statement. Review and approval of the annual financial statements. Review of the solvency and liquidity assessments based on the full-year dividend declared and approval of the going-concern assessment. Review and approval of the 2026 forecast.

The GAC chairperson reports to the board on committee activities and the matters discussed at each meeting, highlighting any key items that the committee believes require action, and providing recommendations for the resolution thereof.

The performance of GAC was reviewed as part of an effectiveness review of the board and all its committees. Evaluations of the Nedbank Group Limited Board and its board committees alternate annually between independent evaluations and internal evaluations.

The Institute of Directors of South Africa (IoDSA) was appointed during 2025 to facilitate an independent evaluation of the Nedbank Group board and board committees. The GAC committee feedback confirmed that there are no areas of concern and that the GAC members gave an overall performance rating of good level.

External auditors

GAC is responsible for the appointment, compensation and oversight of the external auditors for the group, namely Ernst & Young Inc and KPMG Inc in 2025.

During the period, GAC performed the following:

- Approved the external auditors' 2025 annual plan and related scope of work, confirming suitable reliance on GIA and the appropriateness of key audit risks identified.
- Approved the proposed statutory audit fees for the year under review of R305m (2024: R278m). The proposed fees comprised R148m (2024: R132m) for Ernst & Young Inc and R157m (2024: R146m) for KPMG Inc.
- Approved the fees for the regulatory assurance required by the PA and other services for the year under review of R45m (2024: R35m), which comprised R24m (2024: R23m) for Ernst & Young Inc and R21m (2024: R12m) for KPMG Inc.
- 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, with the annual review of the audit quality and the performance of the joint external auditors having been undertaken by means of presentations made by each firm.
- Ensured that the appointment and the independence of the external auditors were in compliance with the Companies Act and all other regulatory and legal requirements, which included receiving from the external auditors all decision letters and explanations issued by the Independent Regulatory Board for

Auditors (IRBA) or any other regulator, and any summaries relating to monitoring procedures or deficiencies (if applicable) issued by the external auditors to confirm the suitability for appointment of the external auditors and designated individual partners.

- Confirmed that no reportable irregularities were identified and reported by the external auditors in terms of the Auditing Profession Act, 26 of 2005.
- Considered reports from subsidiary audit committees and from management on the activities of subsidiary entities and formally engaged with the chairpersons of subsidiary audit committees.
- Reviewed the findings and recommendations of the external auditors and confirmed that there are compensating mitigation controls and/or plans in place.
- Considered and recommended to shareholders the appointment of Ernst & Young Inc and KPMG Inc for the 2025 financial year.

GAC has a well-established policy on auditor independence and audit effectiveness. The group's external auditors' audit-related services are capped at 25% of their statutory audit fees and non-audit services may be provided only in exceptional circumstances that have to be preapproved by GAC. GAC is of the view that this policy further enhances the external auditors' independence.

During the year, GAC received external training on emerging trends and best practices with respect to auditor independence and associated fees for services other than statutory audit. In conjunction, the External Audit Service Policy was clarified to enhance the tracking of services other than the statutory audit. This tracking was rolled down to subsidiary audit committees.

GAC is satisfied that the external auditors are independent of the organisation and have delivered an appropriate level of audit quality.

Change of KPMG lead engagement partner

Following the public announcement on 4 August 2025 that Joelene Pierce had been appointed the incoming Chief Executive Officer of KPMG effective 1 March 2026, the chair of the GAC requested the Group CFO and Group Finance to initiate a formal process to consider and appoint a successor.

KPMG submitted a detailed plan for 5 possible candidates, the resulting rotation plans and the supporting partners for the possible candidates for the next 4-year period.

The 5 candidates were then interviewed by the chair of GAC and the Group CFO, where the KPMG detailed plan was reviewed and assessed. Based on this process the chair of GAC and the Group CFO recommended that Ferdinand Mokete be appointed as the lead engagement partner for KPMG. The appointment of Ferdinand was agreed to by GAC, the board and the PA.

Group Internal Audit

GIA performs an independent assurance function and forms part of the group's lines of defence (third line). The CIA has a functional reporting line to the GAC chairperson, with an administrative reporting line to the CE. GIA provides independent, objective assurance to the Board of Directors of Nedbank Group Limited, through the authority of GAC, that the governance processes – including professional ethics, management of risk and systems of internal control – are adequate and effective in mitigating both significant current and emerging risks that threaten the achievement of the group's objectives, in line with GIA's methodologies, policies and frameworks.

In order to achieve the requirements and expectations of internal audit and ensure GIA's readiness for technological and operational changes of the future, including compliance with the new Global IIA Standards, which are effective from January 2026, GIA has developed its 3-year Strategic Plan for 2025–2027, bringing a transformative perspective to the following areas:

- Rapidly advancing GIA's digital transformation journey.
- Transforming GIA's operating model and talent strategy, for effective execution of the Refreshed GIA Strategic Plan and agile audit plan.

GAC reviewed and approved the annual internal audit charter and evaluated the independence, effectiveness and performance of GIA in compliance with its charter by having done the following:

- Received reports from the CIA that highlighted significant issues related to the processes for controlling

Significant matters

GAC has considered the appropriateness of the key audit matters reported in the external audit opinion and considered the significant accounting judgements and estimates relating to the annual financial statements. These were addressed by the committee as follows:

Significant matter	How GAC addressed the matter
Impairment of loans and advances	GAC reviewed and discussed the feedback from GCC regarding the level and appropriateness of impairments, provisioning methodologies and related key judgements in determining the impairment balances. GAC considered the key disclosures related to sensitivities and post-model adjustments and considered the feedback from GIA and the external auditors.
Valuation of financial instruments held at fair value	GAC reviewed 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, including funding valuation adjustments. GAC considered the key disclosures and the feedback from GIA and external auditors.

Financial, legal, compliance and regulatory reporting requirements

- GAC received regular reports from the 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 expenditure; financial reporting controls and processes; and the adequacy and reliability of management information used during the financial reporting process. GAC has evaluated and is satisfied with the appropriateness of the expertise and experience of the CFO according to the JSE Requirements and is satisfied with the resources, expertise, succession and experience of Nedbank's finance function. GAC reviewed the adequacy of the regulatory reporting processes as required by the Banks Act, 94 of 1990, which included an evaluation of the quality of reporting and the adequacy of systems and

the activities of the group, including potential improvements to those processes.

- Assessed the effectiveness of the GIA function and reviewed and approved the annual GIA plan.
- Ensured that the CIA had direct access to the CE, the Chairperson of the group and the board, as required.
- Ensured that the CIA had direct access to the Nedbank Africa Regions and Wealth Audit Committees' chairs, as required.
- Satisfied itself as to the appropriateness of the expertise, experience and resources of the CIA and the internal audit function.
- Monitored the effectiveness of the internal audit function in terms of its scope, execution of its plan, coverage, resources, independence, skills, staffing, overall performance and standing within the organisation.
- Monitored and challenged, where appropriate, actions taken by management regarding adverse internal audit findings.
- Ensured that GIA complied with the reporting and independence requirements of its charter.
- Satisfied itself that GIA had conformed with the key principles of The International Institute of Internal Auditors (The IIA) standards for professional practice of internal auditing.
- Satisfied itself that an external quality assurance review is performed every 3 years, with the next review having been concluded in February 2026. GIA achieved a 'Generally conforms' rating.
- Satisfied itself that the CIA and the internal audit function are independent of the organisation and that GIA has delivered assurance in accordance with authoritative internal audit standards.

processes, and consideration of any findings regarding the financial regulatory reports by the external auditors.

- GAC received progress updates from the Group CFO and CE with respect to the group's strategic reorganisation and independent confirmation from the CIA on the impact of the reorganisation on the control environment.
- GAC reviewed the findings from the JSE Proactive Monitoring Panel and noted that management's annual financial statement process considered these findings. A notification was sent to the JSE during the year relating to the restatement of previously published financial information in Nedbank Limited.

Annual financial statements and integrated reporting process

- GAC reviewed all formal announcements relating to Nedbank's financial performance and found the reporting process and controls that led to the compilation of the financial information to be effective and appropriate. GAC also assessed and confirmed the appropriateness of the going-concern assumption used in the annual financial statements, considering management budgets and the capital and liquidity profiles.
- GAC acknowledges the positive external recognition received by Nedbank as reflected in the EY Excellence in Integrated Reporting and CGISA awards won in 2025, which underscores the quality and credibility of the group's reporting and governance practices.
- GAC reviewed and discussed the Integrated Report, reporting process and governance and financial information included in the 2025 Integrated Report after having considered recommendations from the Group Transformation, Social and Ethics Committee (GTSEC); Group Remuneration Committee (Remco); GRCMC; Group Climate Resilience Committee (GCRC); and Group Directors' Affairs Committee (DAC). The Integrated Report will be made available at nedbank.co.za on or around 16 April 2026.
- GAC recommended to the board that the annual financial statements be approved. The board subsequently approved the annual financial statements, which will be presented at the forthcoming AGM.
- GAC reviewed and discussed the annual disclosure review performed by management and, through the 2025 review process, considered management's feedback in relation to the process.
- GAC received feedback on the accounting judgements and impacts for the acquisition of the iKhokha group and the disposal of ETI.
- International Financial Reporting Standard (IFRS) 19: Subsidiaries Without Public Accountability: Disclosures was issued by the International Accounting Standards Board (IASB) in May 2024. The objective of the standard is to specify reduced disclosure requirements that an eligible entity is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. For Nedbank Group Limited, it was concluded that an eligible subsidiary may elect to apply IFRS 19. The adoption by the subsidiaries of IFRS 19 is being monitored by Group Finance.

Internal control, risk management and information technology

The Enterprisewide Risk Management Framework (ERMF) operates within a risk philosophy of risk resilience. The group's risk governance and culture ensure that the ERMF is robust, resilient and agile enough to respond appropriately to the challenging external operating environment. The ERMF continues to be refreshed to ensure it remains fit for purpose, in that way remaining resilient and effective in all material respects, enabling Nedbank's overall positive risk outcome in these extraordinarily risky, demanding and challenging times. The overall state of Nedbank's risk management, balance sheet management, internal control environment and risk culture remains sound and robust.

GAC is responsible for reviewing the effectiveness of systems of internal control, financial reporting and risk management for risk allocated to the committee, i.e. financial, accounting and taxation risks, as well as for considering the major findings of any internal investigations into control weaknesses, fraud or misconduct, and management's response.

GAC receives regular reports as part of ERMF processes 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 of Nedbank's key external stakeholders.

GAC receives regular feedback from GITCO regarding the monitoring of the adequacy and effectiveness of the group's IT controls as well as new or emerging IT risks associated with the bank's digital transformation journey, and from GCC regarding its oversight of the adequacy and effectiveness of controls embedded in credit monitoring processes and systems.

GAC also regularly receives feedback on issues contained in the group's Key Issues Control Log, Risk Profile (Risk Universe Heatmap), twice-a-year assessment of the internal control environment (ICE), and risk management and internal control letter of representation (LoR) from the CRO and Chief Internal Auditor.

Having considered, analysed, reviewed and debated information provided by management, other board subcommittees, GIA and the external auditors, GAC considered that the internal controls of the group were effective in all material aspects throughout the year under review.

Coordinated assurance

- The Nedbank CA model incorporates, integrates and optimises risk, audit and compliance functions and assurance activities. This enables an effective ICE across the group, with assurance focused on critical risk exposures, supporting the integrity of information used in internal decision-making (to governance forums) and reporting to external stakeholders.
- CA continued to go from strength to strength in 2025, with more efficient and effective planning demonstrated and well-coordinated audit, compliance and risk work performed (second and third lines of defence). Members of the CA Forum consist of executives from GIA, Group Compliance, Group Risk and Group Finance, as well as cluster risk functions.
- CA remains key to ensuring adequate independent assurance coverage of Nedbank's expansive risk universe and remains a significant focus in navigating the expansive risk landscape and the challenging and turbulent operating environment. With the risk universe continuing to expand to incorporate new, emerging and non-traditional risk types, the need for the coordination, alignment and integration of assurance activities becomes even more critical in ensuring the following:
 - Reliance is placed on work and output of multiple assurance providers to reduce duplication or overlap and the resultant impact on frontline teams.
 - Specialist risk, audit and compliance skillsets across the enterprise are optimised to streamline execution.
 - Efforts are directed to the risks that matter most.
- The CA plans continue to be managed through the CA Forum, which meets at least quarterly. During the CA Forum in November 2025 and January 2026, attendees shared information and challenged:
 - the key focus areas for 2026;
 - draft plans and coverage for 2026;
 - the adequacy of the 2026 CA plan to sufficiently cover all risk types and risk categories across the enterprise; and
 - the outcomes from the 2025 CA themes and related assurance activities.

Internal financial control attestation

Nedbank continues to maintain a strong risk culture and has implemented adequate and effective IFCs to confirm the integrity and reliability of the financial statements. These IFCs safeguard, verify and maintain accountability of Nedbank's assets; are based on established policies and procedures; and are implemented by trained and skilled personnel whose duties are duly segregated. Adherence to the implemented internal controls is continuously monitored by GAC.

Nedbank has successfully completed the sixth year of the IFC attestation process in terms of paragraph 3.84(k) of the JSE Requirements. The CFO and CE make positive statements under their names and signatures.

The deficiencies in design and operating effectiveness of IFCs identified via the group's 3 lines of defence (first line via cluster finance, second line via risk functions and Group Finance, and third line via GIA) were reported to GAC. GAC considered the identified deficiencies as well as the appropriateness of management's response, including remediation, reliance on compensatory controls and additional review procedures. As a result, GAC noted the CE and CFO final attestation.

GAC is satisfied that for the 2025 financial year controls were effective and any significant weaknesses were appropriately addressed.

Future accounting developments

The IASB issued IFRS 18: Presentation and Disclosure in Financial Statements in April 2024. The objective of IFRS 18 is to improve how information is communicated in the financial statements, with a focus on information in the statement of comprehensive income. IFRS 18 aims to improve:

- comparability in the statement of comprehensive income;
- transparency of management-defined performance measures; and
- the grouping of information in the financial statements so that it is more useful.

The effective date of IFRS 18 is 1 January 2027, with early application permitted. The group has not elected to early-adopt this IFRS Accounting Standard, and its application will begin on 1 January 2027, with comparative adjustments to be made. Through the Finance Forum, a steering committee has been set up and will direct and oversee the implementation of IFRS 18. IFRS 18 is expected to have an impact on the group's disclosures in the statement of comprehensive income.

South Africa is progressing well in the process of local benchmark reform in anticipation of the discontinuation of the legacy Johannesburg Interbank Agreed Rate (JIBAR), with the designated replacement rate being the new South African Rand Overnight Index Average Rate (ZARONIA). The local benchmark transition follows the recent completion of the corresponding reform of the London Interbank Offer Rate in international markets and is being coordinated extensively through local regulators and the wider industry. The group has established a comprehensive steering committee consisting of all impacted stakeholders and relevant personnel to oversee the successful preparation and implementation of benchmark reform in the bank. The group is impacted by local benchmark reform across a range of products. The implementation project is currently in the active transition phase. During FY 2026, the change from a liquid JIBAR-based market towards a ZARONIA-based market is expected to occur. The cession date for JIBAR is 31 December 2026. For FY 2025, the group has disclosed the expected quantitative impact of this reference rate reform.

Key focus areas for 2026

- Ensure that the group's financial systems, processes and controls are operating effectively; are commensurate with the group's complexity; and are responsive to changes in the environment and industry.
- Ensure, through the chairperson's College of Audit Committee Chairs, that there is meaningful engagement between the GAC chairperson and the chairpersons of subsidiary audit committees.
- Continue to monitor the implementation of the amended JSE Requirements, including the effectiveness of IFCs.
- Continue to monitor the financial reporting system upgrade during execution of the 2026–2027 implementation plan.
- Hold IFRS 18 steering committee engagements to promote, direct and oversee the successful implementation of the standard.
- Engage with our clients and counterparties to contractually remediate existing JIBAR-linked transactions to ZARONIA-linked transactions.
- Ensure that the migration from on-premise SAP ECC to SAP S/4HANA Cloud in April 2026. Phase 1 – covering the general ledger, master and key data, and core reporting components – is scheduled to go live in Q2 2027. SAP BPC will remain the primary reporting tool until the completion of phase 2 in 2028.
- Monitor the transaction relating to NCBA (subject to regulatory approval), including oversight of the implementation plan, related reporting, and associated financial statements considerations.

Conclusion

GAC is satisfied that the committee is effective, has performed an important oversight function regarding Nedbank's financial reporting, and has complied with all statutory duties as well as the other duties delegated to it by the board under GAC's terms of reference.

GAC considered the group and company annual financial statements for the year ended 31 December 2025 and recommended them for approval to the board on 27 February 2026.

On behalf of GAC



NP Dongwana

Group Audit Committee Chairperson

Sandown
2 March 2026

Report from our directors

For the year ended 31 December 2025

Nature of business

Nedbank Group Limited (Nedbank Group, company or group) is a registered bank-controlling company that, through its subsidiaries, offers wholesale and retail banking services as well as insurance, asset management and wealth management. Nedbank Group Limited maintains a primary listing under 'Banks' on the JSE, with secondary listings on A2X and the Namibian Stock Exchange.

Annual financial statements

Details of the financial results are set out on pages 21 to 282 of the audited consolidated annual financial statements, which have been prepared under the supervision of the Nedbank Group Limited CFO, Mike Davis, and prepared in accordance with IFRS Accounting Standards as issued by the IASB and IFRS Interpretations Committee (IFRS IC); the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee; Financial Pronouncements as issued by the Financial Reporting Standards Council; the requirements of the Companies Act, 71 of 2008; and the JSE Requirements.

Integrated report

The board of directors acknowledges its responsibility to ensure the integrity of the integrated report. The board has accordingly applied its mind to the report and is of the opinion that it addresses all material issues and fairly presents the organisation's integrated performance and its impacts.

Companies Act, 71 of 2008 (as amended)

The board of directors confirms that Nedbank Group Limited has complied with the provisions of the Companies Act, 71 of 2008 (as amended), specifically related to its incorporation, and has operated in conformity with its memorandum of incorporation (Moi) during the period under review.

Year under review

The operating environment in 2025 remained volatile and uncertain, evident in geopolitical conflict, uncertainty around policies and US tariffs. Closer to home, SA made progress across several fronts, resulting in financial markets, corporates and individuals having a more optimistic outlook. The South African economy performed better than many anticipated, with real GDP growth more than doubling to 1.2% yoy during the first 3 quarters of 2025. Notwithstanding persistent infrastructure challenges, structural reforms contributed to the stabilisation of energy and transport networks, leading to an improved operating environment particularly for private enterprises. Supported by the economic recovery, higher business confidence, and greater fixed investment, corporate credit increased strongly off a low prior-year base. A stronger rand, decreasing global oil prices, and moderating inflation expectations resulted in inflation falling to an average of 3.2% in 2025, marginally above the Reserve Bank's revised target of 3%. In response, the central bank enacted a further 100 basis point reduction in interest rates, bringing the repo rate down to 6.75%, which reflects a cumulative decrease of 150 basis points since its peak in August 2024. As a result, household credit demand, although subdued for much of the year, showed signs of recovery in the final months.

Nedbank Group's diluted headline earnings per share (HEPS) increased by 3%, headline earnings (HE) increased by 2% to R17.2bn and return on equity (ROE), at 15.4% (2024: 15.8%), remained above the group's 2025 cost of equity (COE). The increase in HE was driven by an improvement in the impairment charge while revenue growth was slow, associate income declined in the second half of the year given the sale of our 21% shareholding in Ecobank Transnational Incorporated (ETI), and we reported a higher expense base given a once-off settlement with

Transnet. Balance sheet metrics remained strong, enabling the declaration of a final dividend of 1 104 cents per share.

2025 was a transformative year in which we made bold and swift strategic decisions. We successfully restructured our Retail and Business Banking (RBB) and Nedbank Wealth Clusters into a more focused, client-centred organisational design, and created the Personal and Private Banking (PPB) and Business and Commercial Banking (BCB) Clusters from 1 July 2025. These changes were well received by stakeholders, key leadership positions were filled, and momentum is building as is evident in strong underlying growth metrics. We also finalised the acquisition of 100% of fintech company iKhokha to enhance our strategy and fast-track our support for SMEs through digital innovation and inclusive financial services. In December 2025, we disposed of our shareholding in ETI as part of a reset of our strategy on the broader African continent with a clear focus on the SADC and East Africa regions. In this context, in Q1 2026 we announced our intention to acquire a controlling interest in NCBA Group plc, a leading financial services institution in East Africa, for an estimated total consideration of R13.9bn.

We also made good progress on our strategic value unlocks. Digital volumes and values increased strongly as more clients across all our businesses embrace the benefits and convenience of digital channels. Client satisfaction metrics remained at the top end of the peer group, although more can be done here, while the value of the Nedbank brand increased by 20% to R20bn. Total clients reached 8 million for the first time in the group's history, supported by growth across individuals, small and medium-sized businesses and corporates. Under strategic portfolio tilt we recorded solid market share gains in home loans, vehicle finance, overdrafts and retail deposits. Our increased focus on payments and insurance saw good growth in product volumes. And lastly, lending to clients that create positive impacts and support sustainable development finance, in line with the United Nations Sustainable Development Goals, increased to R207bn and, at 21% of total gross loans and advances, exceeded the ambition of 20% we set back in 2021.

Looking forward, SA's growth prospects are more positive, with GDP growth estimated at 1.5% in 2026. Consumer spending will be a key driver as lower interest rates boost confidence and borrowing. Fixed investment is also predicted to recover steadily, benefitting our wholesale banking clusters. Inflation should remain around the Reserve Bank's target of 3% during the latter part of the year due to a stable rand, low global oil prices, lower inflation expectations, and fewer supply-side challenges. Interest rates could reduce by another 50 basis points, which would bring the repo rate down to 6.25% by the end of 2026, with a plausible scenario of interest rates remaining flat from then on for the foreseeable future. Credit growth is projected to be robust, ending the year around 7.7%.

In 2026 we expect that strong underlying growth momentum across all our businesses will be partially offset by the normalisation of wholesale impairments off a low 2025 base, endowment pressure from lower interest rates and associate income from ETI that will not repeat. As a result, ROE for 2026 is likely to be above 15%, heading towards 2025 levels, and above a lower COE of 14.0%. We expect ROE to build in the medium term to around 17%, supported by stronger revenue growth and a well-managed expense base.

Thank you to all Nedbank employees for your dedication and resilience, particularly during the organisational restructuring. We appreciate our clients' ongoing trust, as well as the engagement of investors, regulators, and other stakeholders. As Nedbank, we remain committed to using our financial expertise to do good.

The year under review is fully covered in the 'Reflections from our Chairperson', 'Reflections from our Chief Executive', and 'Reflections from our Chief Financial Officer' sections as set out in the 2025 Nedbank Group Limited Integrated Report, which will be available at group.nedbank.co.za on or around 16 April 2026.

Share capital

Details of the authorised and issued share capital, together with details of shares issued during the year, appear in note B4 to the consolidated annual financial statements.

American depository shares

At 31 December 2025, Nedbank Group Limited had 6 443 195 (31 December 2024: 5 381 918) American depository shares in issue through the Bank of New York Mellon as depository and trading on over-the-counter (OTC) markets in the United States of America. Each American depository share is equal to one ordinary share.

Zimbabwe depository receipts (ZDRs)

Corpserve Nominees (the nominee company that holds Nedbank Group Limited shares on behalf of our Zimbabwean shareholders) listed unsponsored Nedbank Group Limited ZDRs on 25 November 2022. At 31 December 2025, Nedbank Group Limited had 161 305 (31 December 2024: 161 305) ZDRs in issue through Corpserve Nominees as depository and issuer on the Victoria Falls Stock Exchange (VFEX) in Zimbabwe. Each ZDR is equal to 1 ordinary share.

Ownership

Details of shareholders appear on page 280 and 281.

Dividends

The following dividends were declared in respect of the year ended 31 December 2025:

- Interim ordinary dividend of 1 028 cents per share (2024: 971 cents per share).
- Final ordinary dividend of 1 104 cents per share (2024: 1 104 cents per share).

Solvency and liquidity tests

The directors have performed and comply with the requisite solvency and liquidity tests where required by the Companies Act, 71 of 2008, as amended.

Borrowings

Nedbank Group Limited's borrowing powers are unlimited pursuant to the company's MoI. The details of borrowings appear in note D2 to the consolidated annual financial statements.

Directors

Biographical details of the current directors appear online at group.nedbank.co.za. Details of directors' and prescribed officers' remuneration and Nedbank Group Limited shares issued to them appear in note N3 and in the 2025 Remuneration Report, also available at group.nedbank.co.za.

Details of the members of the board who served during the year and at the reporting date (including changes in the directorate that occurred during the period under review) are given below:

Name	Position as director	Date appointed as director	Date of resignation/retirement as director (where applicable)
Daniel Mminele	Independent Non-executive Chairperson	1 May 2023	
Hubert Brody	Lead Independent Director	1 July 2017	29 May 2026
Mary Bomela	Independent Non-executive Director	1 June 2025	
Brian Dames	Non-executive Director	30 June 2014	29 May 2026
Mike Davis	Chief Financial Officer and Executive Director	1 October 2020	
Natasha Davydova	Independent Non-executive Director	15 January 2026	
Neo Dongwana	Independent Non-executive Director	1 June 2017	
Oliver Fortuin	Independent Non-executive Director	1 June 2025	
Fleetwood Grobler	Independent Non-executive Director	1 November 2025	
May Hermanus	Independent Non-executive Director	15 July 2024	
Dixit Joshi	Independent Non-executive Director	15 January 2026	
Errol Kruger	Independent Non-executive Director	1 August 2016	Deceased 26 April 2025
Phumzile Langeni	Independent Non-executive Director	22 March 2022	
Rob Leith	Independent Non-executive Director	13 October 2016 and 1 January 2019	
Linda Makalima	Independent Non-executive Director	1 June 2017	
George Njenga	Independent Non-executive Director	1 December 2025	
Mfundo Nkuhlu	Chief Operating Officer and Executive Director	1 January 2015	
Terence Nombembe	Independent Non-executive Director	1 January 2024	
Jason Quinn	Chief Executive and Executive Director	31 May 2024	
Sanat Rao	Independent Non-executive Director	15 January 2026	
Stanley Subramoney	Non-executive Director	23 September 2015	
Peter Wharton-Hood	Independent Non-executive Director	3 March 2026	

In terms of Nedbank Group Limited's MoI, one-third of the directors are required to retire at each Nedbank Group Limited Annual General Meeting (AGM) and may offer themselves for election or re-election. The directors so retiring are firstly those who were appointed after the last shareholders' meeting, and thereafter those longest in office since their last election.

Furthermore, in terms of Nedbank Group Limited policy, non-executive directors of Nedbank Group Limited who have served on the board for longer than 9 years or who have reached the non-executive director retirement age of 70 are required to retire at the conclusion of the first AGM held after the 9-year term or reaching the age of 70 (whichever occurs first), unless agreed to otherwise by the board.

• Retirement of directors at Nedbank Group AGM

Brian Dames has served on the Nedbank Group Limited Board for longer than 9 years and retires at the conclusion of the AGM on 29 May 2026. Hubert Brody will reach his 9-year term in July 2026 and has elected to retire early, also at the conclusion of the Nedbank Group Limited AGM on 29 May 2026.

Stanley Subramoney has served on the Nedbank Group Limited Board for longer than 9 years. The Nedbank Group Limited Board has resolved to extend his tenure, and Stanley will continue to serve on the Board as a non-executive (but not independent) director.

• Appointments since the last shareholders' meeting

Mary Bomela, Oliver Fortuin, Fleetwood Grobler, George Njenga, Natasha Davydova, Dixit Joshi, Sanat Rao and Peter Wharton-Hood were appointed by the board of directors subsequent to the last shareholders' meeting. In terms of the MoI, their appointments terminate at the close of the AGM to be held on 29 May 2026.

• Longest in office since last election

Mike Davis, Linda Makalima and Daniel Mminele are required to seek re-election at the AGM, having been in office the longest, and will make themselves available for re-election.

Separate resolutions for the above directors' elections or re-elections will be submitted for approval at the AGM on 29 May 2026.

Directors' and prescribed officers' interests

The directors' and prescribed officers' interests in ordinary shares in Nedbank Group Limited at 31 December 2025 (and any movements therein up to the reporting date) are set out in note N3.

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 and the Group Transformation, Social and Ethics Committee Report will be included in the 2025 Nedbank Group Limited Integrated Report, which will be released on or around 16 April 2026.

Group company secretary and registered office

As part of the annual board evaluation process, the board of directors conducted an assessment of the group company secretary. The board is satisfied that Jackie Katzin is suitably competent, qualified and experienced, and has adequately and effectively performed the role and duties of a company secretary and provided the board with independent guidance and support. Jackie has direct access to and ongoing communication with the Chairperson of the board, and they meet regularly throughout the year. Jackie is not a director of the company.

The addresses of the group company secretary and the registered office are as follows:

Business address	Registered address	Postal address
Nedbank 135 Rivonia Campus 135 Rivonia Road Sandown, Sandton 2196 South Africa	Nedbank Group Limited 135 Rivonia Road Sandown, Sandton 2196 South Africa	Nedbank Group Limited PO Box 1144 Johannesburg 2000 South Africa

Property and equipment

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

Political donations

Nedbank Group Limited 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.

Directors' and prescribed officers' service contracts

There are no service contracts with the company's directors, other than for the Chairperson and executive directors, as set out below. The directors who entered into these service contracts remain subject to retirement by rotation under Nedbank Group Limited's MoI.

The key responsibilities of the position of Nedbank Group Limited Chairperson are set out in a contract.

Service contracts have been entered into for Jason Quinn, Mfundo Nkuhlu and Mike Davis. These service contracts are effective until the executive directors reach the normal retirement age and stipulate a maximum notice period of 6 months (12 months for Jason Quinn) under most circumstances.

Details relating to the service contracts of prescribed officers are incorporated in the 2025 Remuneration Report.

Subsidiary companies

Details of principal subsidiary companies are reflected in note F3.

Acquisition of shares

The 2024 Directors' Report referred to the potential for capital optimisation should market conditions be favourable. Between 17 April and 7 November 2025, 10 541 167 Nedbank Group Limited ordinary shares were repurchased for R2.42bn, at an average price of R229.53 per share, under the general authority to repurchase shares previously granted by shareholders. These repurchased shares were cancelled and delisted.

In addition, the following Nedbank Group Limited ordinary shares were purchased by the Nedbank Group (2005) Share Scheme Trust to satisfy the obligation of the trust:

- During the period 4–6 March 2025, 1 350 000 Nedbank Group Limited ordinary shares were purchased for R392.89m at an average of R291.03 per share;
- During the period 7–11 March 2025, 1 256 455 Nedbank Group Limited ordinary shares were purchased for R349.07m, at an average of R277.83 per share; and
- On 11 August 2025, 63 525 Nedbank Group Limited ordinary shares were purchased for R14.78m, at an average of R232.69 per share.

The above excludes transaction costs.

Shareholders will be requested to renew the general authority enabling the company or a company subsidiary to repurchase shares.

Commercial settlement with Transnet

Nedbank Group Limited and Transnet SOC Limited reached a confidential commercial settlement at the end of 2025 to resolve the long-running litigation regarding interest-rate swap transactions with Nedbank agreeing to pay Transnet R600m on a no-admission-of-liability basis. The settlement enables both parties to preserve their longstanding relationship and focus on South African's infrastructure and economic growth. Nedbank remains confident in its internal governance relating to the original transactions.

Acquisition of iKhokha

Nedbank Group Limited entered into a binding agreement in August 2025 to acquire 100% of iKhokha for approximately R1.605bn, subject to adjustments and regulatory approvals (which were finalised with effect from 1 December 2025). The transaction forms part of Nedbank's strategy to deepen support for SME's through digital innovation with iKhokha continuing to operate independently under its existing brand and leadership. As a leading fintech serving hundreds of thousands of entrepreneurs and processing over ZAR20bn annually in digital payments, iKhokha is expected to strengthen Nedbank's SME value proposition and advance financial inclusion.

Disposal of ETI shareholding

Following receipt of regulatory approvals, Nedbank Group Limited concluded the disposal of its 21.2% shareholding in Ecobank Transactional Incorporated (ETI) on 17 December 2025 for US\$100m, making a strategic reset on its broader Africa strategy toward SADC and East Africa.

Events after the reporting period – proposed acquisition of 66% of NCBA Group

On 21 January 2026, Nedbank Group Limited submitted its intention to acquire approximately 66% of NCBA Group plc, a leading East African banking group, through a partial pro-rata offer to all NCBA shareholders. The transaction aligns with Nedbank's strategic objective to expand into East Africa by partnering with a Tier-1 Kenyan bank with strong digital capabilities, regional reach and over 60 million customers. The consideration will comprise 80% Nedbank Group Limited shares and 20% cash, subject to regulatory approvals in Kenya and elsewhere. The deal positions NCBA as Nedbank's primary East African investment vehicle while retaining NCBA's independent governance and listing.

Other than the above, the directors are not aware of any material events that have occurred between the reporting date and 2 March 2026, which is the date of approval of the consolidated and separate annual financial statements.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NEDBANK GROUP LIMITED

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Nedbank Group Limited ('the group and company') set out on pages 21 to 279, which comprise of the consolidated and separate statements of financial position at 31 December 2025, and the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Nedbank Group Limited at 31 December 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the group and company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) as applicable to audits of financial statements of public interest entities, and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule), we report:

Final Materiality

The audit was influenced by our application of materiality. The amount we set as materiality represents a quantitative threshold after taking into account qualitative considerations. This amount is used to evaluate the effect of misstatements to the financial statements.

Misstatements, including omissions, are considered to be material if the misstatements, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated and separate financial statements as a whole. Judgements about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both.

Based on our professional judgement, we determined final materiality as follows:

	Group	Company
Final materiality	R 1 110 million which is 5% of adjusted consolidated Profit before direct taxation ("PBT").	R 630 million which is 4% of adjusted Profit before direct taxation ("PBT").
Rationale for benchmark and percentage applied	<p>PBT adjusted for non-recurring items has been identified as the most appropriate basis, given the company is listed and profit orientated. Profitability is a key performance measure used by users of the financial statements, as it is a relevant indicator of the group's and company's ability to generate profits.</p> <p>PBT was adjusted to exclude significant items that do not represent normal, continuing operations. The primary adjustment to both the group's and company's PBT arises from the material, non-recurring loss on the disposal of Ecobank Transnational Incorporated (ETI), as detailed in note B9. We have further adjusted the group's PBT to exclude the Transnet settlement, as detailed in note B7.</p> <p>The percentage applied to the benchmark was based on our professional judgement after consideration of qualitative factors that impact both the group and company.</p>	

Group Audit Scope

Our risk assessment procedures performed determined our audit scope considering which components are likely to include risks of material misstatement to the consolidated financial statements. We considered the size and risk profile of the components in the group, the organisational structure, the group's system of internal controls and the effectiveness of group wide controls, our experience in prior years and any changes in the business environment.

In establishing our overall approach to the group audit, we determined the type of work that needed to be performed at each component either by us, as the group engagement team, or by component auditors under our instruction. In doing so we performed risk assessment procedures across the group and its components to identify risks of material misstatement and identified how the nature and size of the account balances at the components contributed to those risks and determined which account balances required an audit response.

In total, we identified 33 components requiring an audit response, having considered our evaluation of the risks of material misstatement to the consolidated financial statements. Of those, we identified 17 components at which audit procedures were performed on the entire financial information of the components, either because audit evidence needs to be obtained on all or a significant proportion of a component's financial information to respond to the assessed risks of material misstatement of the consolidated financial statements, or there is a pervasive risk of material

misstatement of the consolidated financial statements due to the existence of events or conditions at the component. We also identified 16 components, at which audit procedures were performed on one or more classes of transactions, account balances or disclosures based on the assessed risks of material misstatement to the consolidated financial statements.

We performed procedures at a group level in respect of a number of financial statement accounts that are centrally managed by the group, the consolidation process, the information technology environment, claims and litigations, and related parties. For the remaining financial information, we performed an analysis that included analytical procedures at an aggregated group level to re-examine our assessment that there is a less than a reasonable possibility of a material misstatement in the remaining financial information.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in respect of the separate financial statements.

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below.

Expected credit losses on loans and advances

Refer to Section I Financial instruments, Note C1 Loans and advances, Note C2 Impairment charge on financial instruments, and Note I6.2 Collateral held to mitigate credit risk to the consolidated financial statements for selected accounting policies and disclosures applicable to this key audit matter.

Overview

Loans and advances, and the associated expected credit losses (ECL) are significant in the context of the consolidated financial statements, which represent 66% of total assets.

The determination of ECL requires significant management judgement and is subject to estimation uncertainty.

The key areas where we applied increased levels of audit focus and professional scepticism in the Group's application of IFRS 9 Financial Instruments (IFRS 9) and IFRS 7 Financial Instruments Disclosures (IFRS 7) in respect of ECL on the retail and wholesale ((Corporate and Investment Banking (CIB) and Business and Commercial Banking (BCB)) portfolios include:

- Definitions, policy choices, judgements made in applying accounting policies, including significant increase in credit risk (SICR), stage determination and migration and collateral valuation;
- ECL modelling risk, including data accuracy and completeness;
- Judgmental post model adjustments;
- Forward-looking information; and
- Disclosures in the consolidated financial statements.

The determination of the ECL for loans and advances is significant in the context of the consolidated financial statements due to its magnitude and the significant level of judgement required in determining the value of the ECL. Accordingly, we have identified the ECL on loans and advances to be a key audit matter.

Definitions, policy choices, judgements made in applying accounting policies including SICR, stage determination and migration and collateral valuation

There is judgement involved in the definitions and methodologies applied to the modelled ECL, including the determination of what constitutes SICR and the consequent timely allocation of the loans and advances to the appropriate stage. The group is required to recognise an allowance for either 12 month or lifetime ECL's in accordance with IFRS 9, depending on whether there has been a SICR since initial recognition. This includes an assessment of any refinements to default definitions, curing definitions, and industry trends.

For stage 3 exposures within the wholesale portfolio, assumptions are applied to estimate the recoverable amounts (including valuations in respect of the collateral) and timing of future cash flows of individual exposures.

Our response to the key audit matter included performing the following audit procedures across the retail and wholesale portfolios:

- We gained an understanding of management's process over credit origination, credit monitoring and credit remediation through inquiries and walkthroughs undertaken.
- We identified relevant controls that address the ECL risks and evaluated the design and implementation thereof and where relevant, tested the operating effectiveness of these relevant controls. The relevant controls focused on –
 - the governance processes to assess the appropriateness of changes to credit models and data changes; and
 - the credit committee's processes where key judgements are considered and the Nedbank Group Rating master scale and judgmental adjustments are approved.
- We independently recalculated the ECL by reperforming management's ECL model methodology. This included performing a reconciliation to evaluate whether the outputs generated from our independent model run aligns with the outputs produced by Nedbank's models.
- We performed an overall stand back assessment of ECL, by stage, based on our understanding and knowledge to determine if reasonable, considering the overall credit quality of the group's loans and advances portfolios and risk profiles.

Definitions, policy choices, judgements made in applying accounting policies including SICR, stage determination and migration and collateral valuation

- With support from our credit modelling specialists, we evaluated the key definitions, policies, judgements and assumptions used in the determination of SICR, stage classification and migration, as well as wholesale collateral valuations, to confirm they are appropriate and aligned with IFRS 9.
- In the wholesale portfolios, for a sample of performing loans, we assessed the counterparty to determine whether there were any indicators of SICR which could indicate a staging migration.
- For a sample of stage 3 exposures within the wholesale portfolio, we considered the impairment indicators and assumptions made by management in their assessment of the recoverability of the exposure. Relating to the sample selected, we inspected the legal agreements and other relevant documentation to confirm the legal right to the collateral and independently calculated the ECL based on our assessment of the expected cash flows and recoverability of collateral at an individual counterparty level.
- We considered evidence from externally available public data to assess the reasonableness of the assumptions applied by management, including evaluating the appropriateness of any guarantees or debtor substitution applied in the valuation of ECL raised for the wholesale portfolio.

Key audit matter description	How the matter was addressed in the audit
<p>ECL modelling risk including data accuracy and completeness</p> <p>The configuration and calibration of ECL models and datasets, which are often not fully observable, require management to apply their judgement.</p> <p>There is a risk that modelling assumptions and data used to build and run the models that calculate ECL are not fully captured by these models. This also includes the estimation of probability of default, exposure at default, loss given default, and stage allocation.</p> <p>Judgemental post-model adjustments</p> <p>Judgemental post-model adjustments are applied to address risks resulting from model limitations or risk events not captured or identified by credit impairment models.</p> <p>Given the inherent complexity and subjectivity in applying judgemental post-model adjustments, there is potential for management bias in identifying and calculating them.</p> <p>Forward-looking information</p> <p>IFRS 9 requires that the determination of the ECL should reflect all reasonable and supportable information, including best available information which is forward-looking. Such forward-looking information requires significant judgement and incorporates both global and domestic economic assumptions and consequences as well as the global and domestic policy landscapes and responses.</p> <p>The assumptions and forecasts for the macro-economic scenarios require careful assessment in the context of the upside and downside risks to the economy. The determination of appropriate weightings incorporated into macro-economic scenarios requires significant management judgement.</p> <p>Disclosures</p> <p>Financial reporting requires inclusion of disclosures that provide an adequate level of transparency regarding uncertainties inherent in the judgements, assumptions, and estimates applied in determining ECL.</p>	<p>ECL modelling risk including data accuracy and completeness</p> <ul style="list-style-type: none"> With the assistance of our credit modelling specialists, we assessed management's models, model recalibrations and assumptions including any changes (where applicable) to definitions and methodologies (at a parameter and ECL calculation level). This included extending the period of calibration to include more recent information and checking the sensitivity of key modelling decisions. We assessed the quality of data used in credit management, reporting and modelling for completeness and accuracy through selecting a sample of facilities and agreed the model input data to underlying supporting documentation. <p>Judgemental post-model adjustments</p> <ul style="list-style-type: none"> We tested the design, implementation and where relevant, the operating effectiveness of controls over the inputs, governance and approval of judgemental post-model adjustments; We evaluated the reasonableness of a sample of judgemental post-model adjustments by assessing key assumptions used and inspected the appropriateness of the post-model adjustment methodology applied in the determination of the ECL. Furthermore, we challenged the post-model adjustments considering the limitations of past performance, emerging risks not yet present in current data and specific sectoral risks. We evaluated the reliability of data used to determine the post-model adjustments, by agreeing to supporting documentation or other analyses, including macroeconomic forecasts where applicable. <p>Forward-looking information</p> <ul style="list-style-type: none"> We obtained an understanding and evaluated the governance process followed as part of the review and approval of the economic scenarios used in the determination of forward-looking information in calculating ECL through inquiries and walkthroughs undertaken. We involved our economics specialists to evaluate the forward-looking model and assess the reasonableness of the macroeconomic scenario forecasts generated to independent industry data. Together with our credit modelling specialists, we evaluated management's forward-looking models to assess whether the macro-economic inputs were appropriately incorporated into the models. We assessed the linkage of the forecasted macroeconomic factors, based on weighted scenarios, to the ECL. <p>Disclosures</p> <p>We assessed whether the disclosures adequately reflect the ECL results and convey the significant judgements and assumptions made by management in the current economic environment against the requirements of IFRS 7 and IFRS 9.</p> <p>Key observation</p> <p>Based on the procedures performed above in respect of the ECL on loans and advances, we did not identify any significant matters requiring further consideration in concluding on the procedures performed.</p>

Key audit matter description	How the matter was addressed in the audit
<p>Valuation of complex financial instruments</p> <p>Refer to Note 12.1 Valuation of financial instruments of the consolidated financial statements for the selected accounting policies and disclosures applicable to this matter.</p> <p>Complex financial instruments are:</p> <ul style="list-style-type: none"> • Unlisted equity investments included within investment securities and categorised as a level 3 financial instrument • Amounts owed to depositors categorised as level 3 financial instruments • Funding valuation adjustments (FVA) related to level 2 derivative financial instruments <p>The valuation of complex financial instruments was a matter of significance for the current year audit due to the significant complexity, subjectivity and uncertainty present in the valuation of these financial instruments. This arises from reliance on complex valuation methodologies and techniques, as well as significant judgement applied in determining unobservable inputs and key assumptions, for which there is significant estimation uncertainty.</p> <p>Examples of such inputs in the valuation of unlisted equity investments include EBITDA multiples and marketability and liquidity discounts.</p> <p>FVA reflects the funding costs of uncollateralised derivatives above the risk-free rate, where highly technical and complex modelling is used.</p> <p>The valuation of amounts owed to depositors categorised as level 3 instruments, and the calculation of FVA related to level 2 derivative financial instruments include complexities due to the use of unobservable inputs in the valuation. Examples of such inputs are the cash flow forecasts and discount rate, both of which are subject to estimation uncertainty.</p> <p>As the determination of the fair value for these complex financial instruments are a key source of estimation uncertainty resulting in significant judgements being applied which requires significant auditor effort, these matters were considered to be a key audit matter in our audit of the consolidated financial statements.</p>	<p>Our response to the key audit matter included performing the following audit procedures.</p> <ul style="list-style-type: none"> • We evaluated the design and implementation, and where relevant, the operating effectiveness of relevant controls relating to the valuation of complex financial instruments. The relevant controls focused on: <ul style="list-style-type: none"> ○ The governance processes over the development of the valuation models and methodology policies. ○ The controls in respect of the assumptions applied, data used, model changes, model validations and the monthly independent price verification process in respect of the valuation of level 3 amounts owed to depositors and the calculation of FVA. • For a sample of unlisted equity investments included within investment securities, amounts owed to depositors and the calculation of FVA related to level 2 derivative financial instruments, with the assistance from our valuation specialists, we: <ul style="list-style-type: none"> ○ Evaluated the appropriateness of the valuation methodologies and techniques used in the valuation of the complex financial instruments in accordance with <i>IFRS 13, Fair value measurement</i> (IFRS 13). ○ Evaluated the reasonableness of the key inputs and assumptions driving the valuation including, amongst others, EBITDA multiples and marketability/liquidity discounts within the valuation of unlisted equity investments, and cash flow forecasts and discount rates within the valuation of amounts owed to depositors and the calculation of FVA related to level 2 derivative financial instruments. ○ Performed independent valuations and assessed these against management's valuations to evaluate the appropriateness of the assumptions and judgements applied. <p>Disclosures</p> <ul style="list-style-type: none"> • We evaluated the appropriateness of the disclosures made relating to the valuation of complex financial instruments in relation to the fair value categorization and hierarchy against the requirements of IFRS 13, IFRS 7 and IFRS 9. <p>Key observation</p> <ul style="list-style-type: none"> • Based on the procedures performed above in respect of the valuation of complex financial instruments, we did not identify any significant matters requiring further consideration in concluding on the procedures performed.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Nedbank Group Limited – Audited consolidated and separate annual financial statements for the year ended 31 December 2025", which includes the Certification from our Company Secretary, Report from the Group Audit Committee and Report from our Directors, as required by the Companies Act of South Africa which we obtained prior to the date of this report and the "Nedbank Group Integrated Report", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditors' report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and / or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion,

forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the group, as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Ernst & Young Inc. and KPMG Inc. have been the auditors of Nedbank Group Limited for 7 years and 2 years respectively.

Ernst & Young Inc.

Ernst & Young Inc.

Director: Rohan Baboolal
Chartered Accountant (SA)
Registered Auditor
102 Rivonia Road
Sandton
2196

2 March 2026

KPMG Inc.

KPMG Inc.

Registered Auditor
Per Ferdinand Mokete
Chartered Accountant (SA)
Registered Auditor
Director
85 Empire Road
Parktown
2193

2 March 2026

AUDITED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER

	Notes	2025 Rm	2024 Rm (Restated)
Interest income on financial instruments measured at amortised cost and debt instruments at fair value through other comprehensive income (FVOCI)	B6.1.1	123 253	123 518
Interest income on other financial instruments and similar income	B6.1.1	1 369	1 497
Interest and similar income		124 622	125 015
Interest expense and similar charges	B6.1.2	81 744	83 209
Interest expense related to all activities		81 915	84 006
Less interest expense related to fair-value activities		(171)	(797)
Net interest income		42 878	41 806
Non-interest revenue and income¹	B6.2	31 046	29 915
Net commission and fees income ¹		22 156	20 864
Commission and fees revenue		30 521	27 823
Commission and fees expense ¹		(8 365)	(6 959)
Net insurance income		1 652	1 572
Insurance revenue		4 434	4 031
Insurance service expense		(2 821)	(2 574)
Net investment and other income and net reinsurance expense		39	115
Fair-value adjustments		(263)	541
Net trading income		5 099	4 620
Equity investment income		892	693
Investment income		319	196
Net sundry (expense)/income		1 191	1 429
Share of gains of associate companies	F2.1	1 192	1 313
Total net income before impairment charge on financial instruments¹		75 116	73 034
Impairments charge on financial instruments	C2.1	6 550	7 997
Total net income¹		68 566	65 037
Total operating expenses ¹	B7	43 395	40 577
Indirect taxation	B8.1	1 275	1 084
Impairments charge on non-financial instruments and other gains and losses	B9	9 616	158
Profit before direct taxation		14 280	23 218
Direct taxation	B8.2.1	4 869	4 746
Profit for the year		9 411	18 472
Other comprehensive income/(losses) (OCI) net of taxation	B8.2.3	6 786	(1 653)
Items that may subsequently be reclassified to profit or loss			
Exchange differences on translating foreign operations		(1 211)	23
Share of OCI of investments accounted for using the equity method		1 204	(1 775)
Debt instruments at FVOCI – net change in fair value		(526)	74
Cash flow hedge gains/(losses)		62	(10)
Items that may not subsequently be reclassified to profit or loss			
Property revaluations		81	(130)
Remeasurements on long-term employee benefit assets		(62)	89
Share of OCI of investments accounted for using the equity method			5
Equity instruments at FVOCI – net change in fair value		(198)	71
Items reclassified to profit or loss			
Amounts reclassified to profit or loss on disposal of associate companies		7 436	
Total comprehensive income for the year		16 197	16 819
Profit attributable to:			
– Ordinary shareholders		7 799	16 834
– Holders of participating preference shares		142	153
– Holders of additional tier 1 capital instruments		1 319	1 334
– Non-controlling interest – ordinary shareholders		151	151
Profit for the year		9 411	18 472
Total comprehensive income attributable to:			
– Ordinary shareholders		14 643	15 237
– Holders of participating preference shares		142	153
– Holders of additional tier 1 capital instruments		1 319	1 334
– Non-controlling interest – ordinary shareholders		93	95
Total comprehensive income for the year		16 197	16 819
Basic earnings per share (cents)	B2	1 681	3 610
Diluted earnings per share (cents)	B2	1 645	3 517

¹ Refer to note A4: Restatements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT

	Notes	31 December 2025 Rm	31 December 2024 Rm
Assets			
Cash and cash equivalents	C5	64 829	55 146
Other short-term securities	C4	71 467	82 896
Derivative financial instruments	C7	21 654	17 072
Government and other securities	C3	258 831	198 522
Loans and advances	C1.1	1 030 577	962 184
Other assets	H3	44 409	38 187
Current taxation assets		262	183
Insurance contract assets	D4	483	395
Investment securities	F1	30 077	28 172
Non-current assets held for sale	H2	140	182
Investments in associate companies	F2	1 546	2 486
Deferred taxation assets	B8.3	396	554
Investment property		289	291
Property and equipment	G1	14 165	14 131
Long-term employee benefit assets	H1.1	6 054	5 484
Intangible assets	G2	13 449	12 652
Total assets		1 558 628	1 418 537
Equity and liabilities			
Ordinary share capital	B4.1	457	467
Ordinary share premium		11 935	14 351
Reserves		101 631	97 446
Total equity attributable to ordinary shareholders		114 023	112 264
Holders of participating preference shares		88	103
Holders of additional tier 1 capital instruments	B5	11 969	12 798
Non-controlling interest attributable to ordinary shareholders		887	921
Total equity		126 967	126 086
Derivative financial instruments	C7	10 872	11 623
Amounts owed to depositors	D1	1 305 596	1 174 691
Provisions and other liabilities	K1.1	42 081	36 369
Current taxation liabilities		274	324
Deferred taxation liabilities	B8.3	787	778
Long-term employee benefit liabilities	H1.1	59	47
Investment contract liabilities	D3	18 435	17 484
Insurance contract liabilities	D4	1 569	1 354
Long-term debt instruments	D2	51 988	49 781
Total liabilities		1 431 661	1 292 451
Total equity and liabilities		1 558 628	1 418 537

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER

Rm				Reserves	
	Number of ordinary shares	Ordinary share capital	Ordinary share premium	Foreign currency translation reserve ¹	Property revaluation reserve ¹
Balance at 1 January 2024	464 565 998	465	14 332	(2 979)	1 584
Additional tier 1 capital instruments issued					
Additional tier 1 capital instruments redeemed					
Share buy-back	(291 929)		(77)		
Movements in terms of long-term incentives (LTI) and black economic empowerment (BEE) schemes ²	2 720 701	2	96		
Preference share dividend					
Additional tier 1 capital instruments distributions					
Dividends to shareholders					
Total comprehensive (losses)/income for the year				(1 724)	(101)
Profit attributable to ordinary shareholders and non-controlling interest					
Exchange differences on translating foreign operations				48	
Cash flow hedge losses ¹					
Movement in fair-value reserve					
Property revaluations					(101)
Remeasurements of long-term employee benefit assets					
Share of OCI of investments accounted for using the equity method				(1 772)	
Transfer (from)/to reserves					(33)
Value of employee services (net of deferred tax)					
Other movements					
Balance at 31 December 2024	466 994 770	467	14 351	(4 703)	1 450
Additional tier 1 capital instruments issued					
Additional tier 1 capital instruments redeemed					
Share buy-back	(10 541 167)	(11)	(2 418)		
Movements in terms of LTI, BEE schemes and other trusts ²	451 298	1	2		
Preference share dividend					
Additional tier 1 capital instruments distributions					
Dividends to shareholders					
Total comprehensive income/(losses) for the year				7 253	79
Profit attributable to ordinary shareholders and non-controlling interest					
Exchange differences on translating foreign operations				(1 155)	
Cash flow hedge gains ¹					
Movement in fair-value reserve					
Property revaluations					79
Remeasurements of long-term employee benefit assets					
Share of OCI of investments accounted for using the equity method				935	
Amounts reclassified to profit or loss on disposal of associate				7 473	
Transfer (from)/to reserves					(41)
Value of employee services (net of deferred tax)					
Other non-distributable reserves movements					
Other movements					
Balance at 31 December 2025	456 904 901	457	11 935	2 550	1 488

¹ Refer to the notes to the consolidated statement of changes in equity on the next page.

² The 451 298 shares (2024: 2 720 701) represents the net of the shares purchased and shares vested in terms of LTI, BEE schemes and other trust as follows:

- 3 412 343 shares (2024: 9 618 922) vested in the year, which had the following impact on reserves: the cost of the shares increased share capital – R4m credit (2024: R9m credit) and the share premium – R834m credit (2024: R1 670m credit); the grant date fair value of the shares is released from the share-based payment reserve – R774m debit (2024: R1 256m debit); and the difference between the grant date fair value of the shares and the cost of the shares is accounted for directly in other distributable reserves – R64m debit (2024: R423m debit).
- 2 960 665 shares (2024: 6 898 221) purchased to be utilised for LTIP awards made in 2025 reduced the share capital – R3m debit (2024: R7m debit) – and share premium – R832m debit (2024: R1 574m debit) – as these shares are accounted for as treasury shares over the vesting period.
- 380 shares (2024: nil) were purchased by Foundation Trust which reduced share capital and share premium, the impact was less than R1m.

All movements are reflected net of taxation.

Reserves									
Share-based payments reserve ¹	Other non-distributable reserves ¹	FVOCI reserve ¹	Other distributable reserves ¹	Total equity attributable to ordinary equity holders	Holders of participating preference shares	Holders of additional tier 1 capital instruments	Non-controlling interest attributable to ordinary shareholders	Total equity	
2 654	337	742	90 614	107 749	106	10 469	887	119 211	
				–		3 000		3 000	
				–		(671)		(671)	
				(77)				(77)	
(1 256)			(423)	(1581)				(1 581)	
				–	(156)			(156)	
				–		(1 334)		(1 334)	
			(9 706)	(9706)			(61)	(9 767)	
–	–	141	16 921	15 237	153	1 334	95	16 819	
			16 834	16 834	153	1 334	151	18 472	
				48			(25)	23	
			(10)	(10)				(10)	
		144		144			1	145	
				(101)			(29)	(130)	
			92	92			(3)	89	
		(3)	5	(1 770)				(1 770)	
	171	(9)	(129)	–				–	
641				641				641	
			1	1				1	
2 039	508	874	97 278	112 264	103	12 798	921	126 086	
				–		2 972		2 972	
				–		(3 801)		(3 801)	
				(2 429)				(2 429)	
(774)			(64)	(835)				(835)	
				–	(157)			(157)	
				–		(1 319)		(1 319)	
			(10 374)	(10 374)			(133)	(10 507)	
–	–	(492)	7 803	14 643	142	1 319	93	16 197	
			7 799	7 799	142	1 319	151	9 411	
				(1 155)			(56)	(1 211)	
			62	62				62	
		(724)		(724)				(724)	
				79			2	81	
			(58)	(58)			(4)	(62)	
		269		1 204				1 204	
		(37)		7 436				7 436	
817	91	8	(58)	–				–	
	(64)			817				817	
				(64)			6	(58)	
			1	1				1	
2 082	535	390	94 586	114 023	88	11 969	887	126 967	

NOTES TO THE CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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

The property revaluation reserve 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 earnings.

Regarding the share-based-payments reserve, equity-settled 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.

Other non-distributable reserves represent other non-distributable revaluation surplus on capital items and non-distributable reserves transferred from other distributable reserves, to comply with various banking regulations.

The FVOCI reserve comprises all fair-value adjustments relating to investments in debt instruments and equity investments that are subsequently measured at FVOCI. When the debt instrument is derecognised, the cumulative gain or loss is reclassified from equity to profit or loss. For investments in equity instruments the cumulative gain or loss is not recycled but may be reclassified within equity on derecognition.

Cash flow hedge gains and losses represent the profit attributable to ordinary shareholders, dividends distribution to shareholders, the effective portion of the cumulative net change in the fair value of cash flow hedging instruments, remeasurements of long-term employee benefit assets, the share of OCI of investments accounted for using the equity method, transfers from share-based payment reserve on settlement, and transfers from revaluation reserves on disposal of property and equipment.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER

	Notes	2025 Rm	2024 Rm
Profit before direct taxation		14 280	23 218
Adjusted for:		(20 982)	(25 965)
Non-cash items and indirect taxation	M1	22 333	16 249
Dividends received		(437)	(408)
Interest and similar income	B6.1.1	(124 622)	(125 015)
Interest expense and similar charges	B6.1.2	81 744	83 209
Interest received		123 408	124 829
Interest paid		(81 990)	(81 754)
Dividends received on investments		437	408
Change in funds for operating activities		(2 951)	(16 039)
Increase in operating assets	M2	(148 504)	(108 458)
Increase in operating liabilities	M3	145 553	92 419
Net cash from operating activities before taxation		32 202	24 697
Taxation paid	M4	(6 044)	(5 886)
Cash flows from operating activities		26 158	18 811
Cash flows used by investing activities		(1 536)	(5 504)
Acquisition of property and equipment, intangible assets and investment properties		(2 598)	(4 623)
Disposal of property and equipment, intangible assets and investment properties		45	405
Acquisition of subsidiary companies	F3.4	(1 582)	(1 043)
Acquisition of associate companies	F2.1		(522)
Disposal of associate companies		1 615	
Acquisition of investment securities		(3 289)	(4 101)
Disposal of investment securities		4 273	4 380
Cash flows used by financing activities		(14 621)	(10 881)
Shares acquired		(3 264)	(1 658)
Issue of additional tier 1 capital instruments		2 972	3 000
Issue of long-term debt instruments	D2.1	14 210	12 587
Redemption of additional tier 1 capital instruments		(3 801)	(671)
Redemption of long-term debt instruments	D2.1	(11 886)	(11 969)
Capital repayments of lease liabilities		(869)	(913)
Dividends paid to ordinary shareholders		(10 507)	(9 767)
Preference share dividends paid		(157)	(156)
Additional tier 1 capital instruments distributions		(1 319)	(1 334)
Effects of exchange rate changes on cash and cash equivalents		(318)	638
Net increase in cash and cash equivalents		9 683	3 064
Cash and cash equivalents at the beginning of the year		55 146	52 082
Cash and cash equivalents at the end of the year	C6	64 829	55 146

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

SECTION A: ACCOUNTING POLICIES

A1 MATERIAL ACCOUNTING POLICIES

ACCOUNTING POLICIES

The financial information presented in the consolidated financial statements comprises that of the parent company, Nedbank Group Limited, together with its subsidiaries, including consolidated structured entities and associates, presented as a single entity (the group). The financial information presented in the separate financial statements comprises that of the parent company, Nedbank Group Limited (the company).

The group's material accounting policies applied in preparing the consolidated and separate financial statements of Nedbank Group Limited are disclosed in the individual sections of the financial statements. This section details the basis of preparation and key accounting policy elections.

BASIS OF PREPARATION

The financial statements have been prepared on a going-concern basis. The financial statements have been prepared on a basis consistent with the prior year. The new IFRS Accounting Standards, interpretations and amendments to existing accounting standards and interpretations effective in the current year, do not have a material impact on the financial statements. IFRS 18: Presentation and Disclosure in Financial Statements will be effective for reporting periods beginning on or after 1 January 2027. This standard is expected to have a material impact on the group, as detailed in note A3. During the year, the group complied with externally imposed capital requirements.

The consolidated and separate financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the IASB and IFRS IC; the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee; Financial Pronouncements as issued by the Financial Reporting Standards Council; the requirements of the Companies Act, 71 of 2008 (as amended); and the JSE Requirements.

The accounting policies of the group apply to the company unless otherwise stated.

The financial statements of the group and company are presented in South African rands, the functional currency of the company, and are rounded off to the nearest million rand.

ACCOUNTING POLICY ELECTIONS

The following accounting policy elections have been made by the group:

Asset/Liability	Option	ELECTION AND IMPLICATION	Note/Section
Property and equipment	<ul style="list-style-type: none"> International Accounting Standard (IAS) 16 permits the use of the cost or revaluation model for the subsequent measurement of property and equipment (choice per category). 	<ul style="list-style-type: none"> Land and buildings are stated at revalued amounts, being fair value less subsequent depreciation and impairment. Revaluation surpluses are recognised in equity, through OCI. When the property is disposed of, the cumulative revaluation surplus is transferred directly to retained earnings. Computer equipment, furniture and other equipment and vehicles are carried at cost less accumulated depreciation and impairment. Right-of-use assets are carried at cost less accumulated depreciation and impairment in accordance with IFRS 16. 	G1
Investment in venture capital divisions	<ul style="list-style-type: none"> IAS 28 provides an exemption from applying the equity method of accounting if an investment in an associate is held by, or indirectly through, a venture capital organisation. 	<ul style="list-style-type: none"> The group determines, on initial recognition of an investment, whether the investment will be accounted for using equity accounting or at fair value through profit or loss (FVTPL). This election is made separately for each associate considering the type of investment being made, and the appropriate measurement basis to be applied. 	F2
Financial instruments	<ul style="list-style-type: none"> IFRS 9 permits trade date or settlement date accounting for the regular-way purchase or sale of financial assets. 	<ul style="list-style-type: none"> Regular-way purchases or sales of financial assets are recognised and derecognised using trade date accounting. 	I
Investments in subsidiaries and associate companies in separate financial statements	<ul style="list-style-type: none"> In terms of IAS 27, investments in subsidiaries and associate companies can be accounted for in the separate financial statements at cost, or in accordance with IFRS 9 or in terms of IAS 28. 	<ul style="list-style-type: none"> The group has elected to recognise investments in subsidiary companies at cost in the separate financial statements. The group has elected to recognise investments in associate companies in the separate financial statements in terms of IAS 28, i.e. using the equity method of accounting. 	Separate financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER

A2 KEY ASSUMPTIONS CONCERNING THE FUTURE AND KEY SOURCES OF ESTIMATION

KEY ASSUMPTIONS CONCERNING SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The group's key accounting policy elections are set out in note A1 of the consolidated financial statements. Detailed accounting policies are disclosed in the notes to the consolidated financial statements. Certain policies, as well as estimates made by management, are considered to be important for an understanding of the group's financial position since they require management to make difficult, complex or subjective judgements and estimates, some of which may relate to matters that are inherently uncertain. Further information on accounting policies that includes estimates that are particularly sensitive in terms of judgements and the extent to which estimates are used is provided within the notes to the consolidated financial statements. Other accounting policies involve significant judgements and estimates, but the total amounts involved are not significant to the financial statements. Management has agreed the accounting policies and critical accounting estimates with the board and Nedbank Group Audit Committee (GAC).

A3 NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

IFRS 18: Presentation and Disclosure in Financial Statements (IFRS 18) has been issued but is not yet effective. The effective date for this IFRS Accounting Standard is for reporting periods beginning on or after 1 January 2027. IFRS 18 is expected to have a material impact on the group as it will affect the presentation of the statement of comprehensive income and related disclosures. The standard introduces 3 new categories for income and expenses: the operating category, investing category and financing category. The categorisation of statement-of-comprehensive-income line items will be based on the group's main business activity.

The IFRS Accounting Standard aims to improve:

- comparability in the statement of comprehensive income;
- the transparency of management-defined performance measures; and
- aggregation and disaggregation in the financial statements so that they are more useful.

The group has not elected to early-adopt this IFRS Accounting Standard, and its application will begin on 1 January 2027, with comparative adjustments to be made. During H1 2026, steering committee engagements will be held to promote, direct and oversee the successful implementation of IFRS 18. The assessment of the impact of IFRS 18 on the group has commenced, including the assessment of the group's main business activity, which will inform the categorisation of certain income and expenses.

In addition, the group is continuously monitoring the IASB and related industry information.

There are no other IFRS Accounting Standards, amendments or improvements that are not yet effective and that are expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

A4 RESTATEMENTS

A4.1 Restatement of fleet management expenses

During 2025 management reviewed the presentation of certain fleet management expenses. These expenses are directly attributable to revenue recognised within non-interest revenue and income associated with the group's fleet management operations. Therefore, these expenses have been restated and are now presented within non-interest revenue and income to ensure alignment with the group's accounting policy governing the presentation of costs directly attributable to associated revenue.

An amount of R497m previously presented in total operating expenses at 31 December 2024 was reallocated to non-interest revenue and income. This restatement represents a reallocation between line items only and has no impact on the 2024 profit for the year or headline earnings at either a cluster or group level.

The impact of the restatement on the group's consolidated statement of comprehensive income is detailed below:

Consolidated statement of comprehensive income and related notes (Rm)

31 December 2024 Rm	As previously reported	Restatement	Restated
Non-interest revenue and income	30 412	(497)	29 915
Net commission and fees income	21 361	(497)	20 864
Commission and fees expenses	(6 462)	(497)	(6 959)
Total net income before impairment charge on financial instruments	73 531	(497)	73 034
Total net income	65 534	(497)	65 037
Total operating expenses	41 074	(497)	40 577

A4.2 Impact on Non-interest revenue and income for the year ended 31 December 2024

The impact of the restatements on note B6.2: Non-interest revenue and income is detailed below:

31 December 2024 Rm	As previously reported	Restatement	Restated
Commission and fees expense	(6 462)	(497)	(6 959)
Other fees	(895)	(497)	(1 392)
Non-interest revenue and income	30 412	(497)	29 915

A4.3 Impact on Total operating expenses for the year ended 31 December 2024

The impact of the restatements on note B7: Total operating expenses is detailed below:

31 December 2024 Rm	As previously reported	Restatement	Restated
Communication and travel	1 325	(336)	989
Depreciation of vehicles	347	(336)	11
Other operating expenses	651	(161)	490
Other sundries	646	(161)	485
Total operating expenses	41 074	(497)	40 577

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER

A4.4 Impact on Statement of comprehensive income for the year ended 31 December 2024

The impact of the restatements on note B1 Segmental reporting: Statement of comprehensive income:

Consolidated statement of comprehensive income (Rm)

31 December 2024	As previously reported	Restatement	Restated
Rm			
Non-interest revenue and income	30 412	(497)	29 915
Net commission and fees revenue	21 361	(497)	20 864
Total net income before impairment charge on financial instruments	73 508	(497)	73 011
Total net income	65 511	(497)	65 014
Total operating expenses	41 074	(497)	40 577
Depreciation	2 548	(336)	2 212
Other operating expenses	5 602	(161)	5 441
Selected ratios			
Non-interest revenue and income to income (%)	41.4	(0.4)	41.0
Non-interest revenue and income to total operating expenses (%)	74.0	(0.3)	73.7
Cost-to-income ratio (%)	55.9	(0.3)	55.6
Revenue (Rm)	72 218	(497)	71 721

SECTION B: SEGMENTAL AND PERFORMANCE-RELATED INFORMATION

B1 SEGMENTAL REPORTING

ACCOUNTING POLICY

An operating segment is a component of an entity that engages in business activities from which it may earn revenues, the operating results of which are regularly reviewed by the group's chief operating decision-makers regarding resources to be allocated and to assess the segment's performance, and for which financial information is available.

The group's identification of its segments and the measurement of segment results are based on the group's internal reporting to management. The segments have been identified according to the nature of their respective products and services and their related target markets.

The segments identified are complemented by the Centre, which provides support in the areas of finance, human resources, governance and compliance, risk management and information technology. Additional information relating to other performance measures is provided. The group accounts for intersegment revenues and transfers as if the transactions were with third parties at current market prices.

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 decision-making and as reviewed by the chief operating decision-maker, which in Nedbank Group Limited's case is the Group Executive Committee. The measure of segment profit is headline earnings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER

DESCRIPTION OF SEGMENTS

Nedbank Corporate and Investment Banking

Nedbank Corporate and Investment Banking (CIB) offers a comprehensive range of transactional, corporate, investment banking, and markets solutions characterised by a deeply integrated partnership approach.

Its offerings include lending products, advisory services, leverage financing, trading, brokering, structuring, hedging, and client coverage. CIB is known for its expertise in both product- and relationship-based solutions, including specialist corporate finance advisory, innovative financial products and services, customised transactional banking, asset management, and commercial property finance.

The primary client-facing units within CIB are the following:

- Markets
- Investment banking
- Property finance
- Transactional services
- Asset management
- Client coverage

Nedbank Business and Commercial Banking

Business and Commercial Banking (BCB) is a client-focused division within the group dedicated to serving juristic entities across the full spectrum, from small and medium enterprises (SMEs) to commercial and mid-corporate companies.

BCB offers a comprehensive suite of tailored banking products and services. These range from everyday banking solutions for SMEs to advanced financial instruments and integrated business solutions for mid-corporates. Central to BCB's value proposition are its digital self-service capabilities complemented by the expertise of dedicated business bankers.

BCB's core purpose is to empower clients to realise their growth ambitions while helping them manage risk effectively, ensuring long-term and sustainable business success.

The primary client-facing units within BCB are the following:

- **SME Banking:** Focused on serving established small businesses aiming for growth. This unit offers enhanced transactional capabilities, access to global banking services, and streamlined credit solutions.
- **Commercial Banking:** Supports well-formalised, medium-to-large businesses with a national footprint. Clients benefit from a dedicated relationship manager and expert advice on industry-specific propositions, working capital management, and medium-to long-term financing.
- **Mid-corporate Banking:** Delivers a bespoke, high-touch service to large, sophisticated companies with complex financial needs. Areas of expertise include succession planning, equity structuring, advanced financial instruments, and advisory services for mergers and acquisitions.

Nedbank Personal and Private Banking

Nedbank Personal and Private Banking (PPB) serves individual clients across all market segments, including youth, entry-level, mass, middle, affluent, and high-net-worth individuals. PPB also supports entrepreneurs and start-up small businesses.

Its diverse product portfolio encompasses transactional accounts, home loans, vehicle and asset finance (including the Motor Finance Corporation), card services, personal loans, investments, insurance, and a comprehensive suite of wealth management solutions. Wealth services include trust and estate planning, stockbroking, and financial planning.

Nedbank Private Wealth Limited operates in South Africa, London, Jersey, the United Arab Emirates, and the Isle of Man, offering clients international reach and expertise. Clients also benefit from value-added services and rewards programmes designed to enhance their banking experience.

Nedbank Africa Regions

Nedbank Africa Regions (NAR) is responsible for the group's banking operations and expansion activities on the rest of the African continent and has client-facing subsidiaries (retail and wholesale banking) in Eswatini, Lesotho, Namibia, Mozambique and Zimbabwe. The cluster also facilitates investment in other countries in Africa.

Centre

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

Reorganisation

During 2025, the group began its strategic transformation to stay ahead in a rapidly evolving market. The group is taking deliberate steps to reinvent itself faster than the market. A key part of this transformation is the reorganisation of the Retail and Business Banking (RBB) and Wealth Clusters into 2 new client-centred clusters, namely Personal and Private Banking (PPB) and Business and Commercial Banking (BCB). The focus of PPB is on individual clients across various segments, while BCB caters to SMEs and mid-tier corporates. These changes reflect the group's new structure and improved alignment with client needs.

PPB and BCB replaced RBB and Wealth, requiring adjustments to how the group presents its financial performance. The new organisational structure was effective from 1 July 2025. To provide comparability the prior-year information has been restated accordingly. The reorganisation has no impact on the group's consolidated statement of comprehensive, consolidated statement of financial position, consolidated statement of changes in equity or consolidated statement of cash flows previously reported.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

B1 Segmental reporting (continued)

Consolidated statement of financial position (Rm)

	Total		Nedbank Corporate and Investment Banking	
	2025	2024	2025	2024 (Restated)
Assets				
Cash and cash equivalents	64 829	55 146	1 643	913
Other short-term securities	71 467	82 896	39 975	49 456
Derivative financial instruments	21 654	17 072	21 613	17 016
Government and other securities	258 831	198 522	118 298	101 654
Loans and advances	1 030 577	962 184	495 137	462 192
Other assets ²	111 270	102 717	46 239	40 883
Intergroup assets	–	–	–	–
Total assets	1 558 628	1 418 537	722 905	672 114
Equity and liabilities				
Total equity	126 967	126 086	37 168	36 671
Derivative financial instruments	10 872	11 623	10 848	11 602
Amounts owed to depositors	1 305 596	1 174 691	586 868	502 964
Provisions and other liabilities	63 205	56 356	23 956	20 053
Long-term debt instruments	51 988	49 781	–	–
Intergroup liabilities	–	–	64 065	100 824
Total equity and liabilities	1 558 628	1 418 537	722 905	672 114

¹ Includes all group eliminations.

² Included in 'Other assets' is R1 517m (2024: R2 486m) related to investments in associate companies accounted for using the equity method. R938m (2024: R1 251m) of this amount relates to the Nedbank Corporate and Investment Banking Cluster, R0m (2024: R666m) relates to the Nedbank Africa Regions Cluster and R579m (2024: R569m) relates to the Centre.

During the year property, equipment, computer software and development costs and investment property of R2 598m (2024: R4 623m) were acquired by the group. R1 828m (2024: R2 440m) of this amount relates to the Centre, R198m (2024: R543m) relates to Nedbank Business and Commercial Banking, R20m (2024: R516m) relates to Nedbank Corporate and Investment Banking, R389m (2024: R991m) relates to Nedbank Personal and Private Banking, and R163m (2024: R133m) relates to the Nedbank Africa Regions Cluster.

Non-current assets

Non-current assets amounted to R29.6bn (2024: R29.7bn), with R27.7bn (2024: R27.2bn) attributable to South Africa and R1.9bn (2024: R2.5bn) attributable to foreign countries. This excludes other assets, insurance contract assets, deferred taxation assets, and long-term employee benefit assets.

Nedbank Business and Commercial Banking		Nedbank Personal and Private Banking		Nedbank Africa Regions		Centre ¹	
2025	2024 (Restated)	2025	2024 (Restated)	2025	2024	2025	2024 (Restated)
29	22	5 971	5 995	10 087	10 791	47 099	37 425
		24 659	25 591	4 962	5 871	1 871	1 978
			42	32	3	9	11
		234	225	3 256	2 803	137 043	93 840
94 739	93 162	411 880	383 949	26 998	22 185	1 823	696
7 666	7 017	28 668	29 609	2 881	3 331	25 816	21 877
133 668	125 285			3 295	5 050	(136 963)	(130 335)
236 102	225 486	471 412	445 411	51 511	50 034	76 698	25 492
11 443	9 961	32 818	31 686	7 799	7 904	37 739	39 864
		17	6	7	15		
221 894	213 678	323 049	305 861	42 270	40 440	131 515	111 748
2 765	1 847	24 897	25 070	1 159	1 349	10 428	8 037
		520	521	276	326	51 192	48 934
		90 111	82 267			(154 176)	(183 091)
236 102	225 486	471 412	445 411	51 511	50 034	76 698	25 492

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

B1 Segmental reporting (continued)

Consolidated statement of comprehensive income (Rm)

	Total		Nedbank Corporate and Investment Banking	
	2025	2024 (Restated)	2025	2024 (Restated)
Net interest income	42 878	41 806	8 805	8 965
Non-interest revenue and income ²	31 046	29 915	10 386	10 651
Net commission and fees revenue ^{2,3}	22 156	20 864	4 275	4 578
Administration fees	1 750	1 721	1 046	1 020
Card fees	3 885	3 754	33	30
Cash-handling fees	1 236	1 227	191	192
Exchange commission	882	754	221	249
Guarantee income	228	240	161	169
Transaction-based commission	294	291		
Other commission	4 726	4 355	963	1 151
Other fees	3 840	3 461	1 604	1 712
Service charges	5 315	5 061	56	55
Net insurance income	1 652	1 572		
Net trading income	5 099	4 620	4 756	4 320
Other income	2 139	2 859	1 355	1 753
Share of gains of associate companies	1 183	1 290	158	132
Total net income before impairment charge on financial instruments^{2,4}	75 107	73 011	19 349	19 748
Impairments charge on financial instruments	6 550	7 997	(718)	576
Total net income²	68 557	65 014	20 067	19 172
Total operating expenses ²	43 395	40 577	10 033	9 246
Staff costs	24 013	22 638	4 615	4 504
Depreciation ²	2 129	2 212	43	48
Amortisation	1 837	1 880	41	40
Fees and assurances	4 785	4 716	599	596
Occupation and accommodation	1 108	1 105	181	180
Marketing and public relations	1 781	1 607	126	117
Communication and travel	949	978	349	375
Other operating expenses ²	6 793	5 441	4 079	3 386
Indirect taxation	1 275	1 084	309	273
Profit before direct taxation⁴	23 887	23 353	9 725	9 653
Direct taxation ⁴	5 075	4 781	1 782	1 833
Profit after direct taxation⁴	18 812	18 572	7 943	7 820
Profit attributable to non-controlling interest:				
– Ordinary shareholders	151	151		
– Preference shareholders	142	153		
– Additional tier 1 capital instrument noteholders	1 319	1 334		
Headline earnings	17 200	16 934	7 943	7 820
Selected ratios				
Non-interest revenue and income to income (%) ^{2,5}	41.3	41.0	53.7	53.9
Non-interest revenue and income to total operating expenses (%) ²	71.5	73.7	103.5	115.2
Cost-to-income ratio (%) ^{2,6}	57.8	55.6	51.9	46.8
Effective taxation rate (%) ⁴	21.2	20.5	18.3	19.0
Revenue (Rm) ^{2,7}	73 924	71 721	19 191	19 616

¹ Includes all group eliminations.

² Refer to note A4: Restatements.

³ During the year the group reviewed the segmental reporting disclosure. As a result of the review, the 'Net commission and fees revenue' line item has been disaggregated into the various products and services within each segment. It is the group's view that disclosing revenues for each product and service will assist in assessing the performance and profitability of the different segments. To provide comparability, the prior-year disaggregated 'Net commission and fees revenue' line item has been disclosed. The disaggregation has no impact on the group's consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity or consolidated statement of cash flows.

⁴ These items are presented on a headline earnings basis, excluding the impact of impairment charges on non-financial instruments, other gains and losses and related tax. Refer to note B9: Headline earnings

Nedbank Business and Commercial Banking		Nedbank Personal and Private Banking		Nedbank Africa Regions		Centre ¹	
2025	2024 (Restated)	2025	2024 (Restated)	2025	2024	2025	2024 (Restated)
6 189	6 264	22 528	22 210	2 902	2 573	2 454	1 794
5 355	4 728	13 381	12 548	1 841	1 757	83	231
5 334	4 687	11 262	10 564	1 338	1 158	(53)	(123)
118	128	460	462	112	97	14	14
2 379	2 248	1 288	1 302	184	154	1	20
614	613	365	357	66	65		
221	199	233	209	207	96		1
36	36	4	4	27	31		
5	5	276	275	13	11		
673	596	2 804	2 380	317	266	(31)	(38)
731	349	1 525	1 512	17	8	(37)	(120)
557	513	4 307	4 063	395	430		
3	3	1 618	1 527	28	40	3	2
54	51	116	112	173	137		
(36)	(13)	385	345	302	422	133	352
				986	1 139	39	19
11 544	10 992	35 909	34 758	5 729	5 469	2 576	2 044
204	299	6 779	6 918	292	315	(7)	(111)
11 340	10 693	29 130	27 840	5 437	5 154	2 583	2 155
7 885	7 023	21 491	20 699	3 241	3 141	745	468
1 512	450	9 441	9 984	1 465	1 449	6 980	6 251
125	158	1 081	1 103	177	174	703	729
5		7	6	24	37	1 760	1 797
653	622	2 460	2 384	252	357	821	757
67	61	849	853	120	118	(109)	(107)
124	77	625	720	76	62	830	631
22	17	448	430	78	97	52	59
5 377	5 638	6 580	5 219	1 049	847	(10 292)	(9 649)
184	153	667	580	96	93	19	(15)
3 271	3 517	6 972	6 561	2 100	1 920	1 819	1 702
891	960	1 698	1 687	363	143	341	158
2 380	2 557	5 274	4 874	1 737	1 777	1 478	1 544
		9		138	158	4	(7)
		142	153				
						1 319	1 334
2 380	2 557	5 123	4 721	1 599	1 619	155	217
46.4	43.0	37.3	36.1	32.1	32.1		
67.9	67.3	62.3	60.6	56.8	55.9		
68.3	63.9	59.8	59.6	56.6	57.4		
27.2	27.3	24.4	25.7	17.3	7.4		
11 544	10 992	35 909	34 758	4 743	4 330	2 537	2 025

⁵ Non-interest revenue and income as a percentage of total net income before impairment charge on financial instruments.

⁶ Total operating expenses as a percentage of net income before impairment charge on financial instruments.

⁷ Revenue is calculated as net interest income plus non-interest revenue and income.

Depreciation costs of R2 129m (2024: R2 212m) and amortisation costs of R1 837m (2024: R1 880m) for property, equipment, computer software, capitalised development and other intangible assets are charged using an activity-justified transfer pricing methodology by the segment owning the assets to the segment using the benefits of those assets.

Revenue

Revenue from external customers amounted to R73.9bn (2024: R71.7bn), with R66.1bn (2024: R64.4bn) attributable to South Africa and R7.8bn (2024: R7.3bn) attributable to foreign countries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 31 DECEMBER

B1.2 Total internal income by segment

	2025 Rm	2024 (Restated) Rm
Nedbank Corporate and Investment Banking	(4 956)	(7 608)
Nedbank Business and Commercial Banking	8 423	8 482
Nedbank Personal and Private Banking	(8 719)	(9 213)
Nedbank Africa Regions	384	420
Centre	4 868	7 918
	-	-

B2 EARNINGS PER SHARE

Basic earnings and headline earnings per share are calculated by dividing the relevant earnings amount by the weighted-average number of shares in issue. Diluted earnings and diluted headline earnings per share are calculated by dividing the relevant earnings by the weighted-average number of shares in issue after having taken the dilutive impact of potential ordinary shares to be issued into account.

	Basic		Headline	
	Basic	Diluted	Basic	Diluted
2025				
Profit attributable to ordinary shareholders (Rm)	7 799	7 799	7 799	7 799
Adjusted for:				
– Headline earnings adjustments (note B9)			9 607	9 607
– Taxation on headline earnings adjustments			(206)	(206)
Adjusted profit attributable to ordinary shareholders (Rm)	7 799	7 799	17 200	17 200
Weighted-average number of ordinary shares	464 052 055	464 052 055	464 052 055	464 052 055
Adjusted for:				
– Share schemes that have a dilutive effect		10 013 264		10 013 264
Adjusted weighted-average number of ordinary shares	464 052 055	474 065 319	464 052 055	474 065 319
Earnings per share (cents)	1 681	1 645	3 706	3 628
	Basic		Headline	
	Basic	Diluted	Basic	Diluted
2024				
Profit attributable to ordinary shareholders (Rm)	16 834	16 834	16 834	16 834
Adjusted for:				
– Headline earnings adjustments (note B9)			135	135
– Taxation on headline earnings adjustments			(35)	(35)
Adjusted profit attributable to ordinary shareholders (Rm)	16 834	16 834	16 934	16 934
Weighted-average number of ordinary shares	466 374 083	466 374 083	466 374 083	466 374 083
Adjusted for:				
– Share schemes that have a dilutive effect		12 269 759		12 269 759
Adjusted weighted-average number of ordinary shares	466 374 083	478 643 842	466 374 083	478 643 842
Earnings per share (cents)	3 610	3 517	3 631	3 538

The dilutive effect calculations are based on the group's daily average share price of 25 098 cents (2024: 25 697 cents).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER

B3 DIVIDENDS

B3.1 ORDINARY SHARES

	Last day to trade (cum dividend)	Cents per share	Rm
2025			
Final declared for 2024 – paid 2025 ¹	8 April 2025	1 104	5 334
Interim declared for 2025 ^{1,2}	2 September 2025	1 028	5 040
Dividends paid to non-controlling interests			133
Ordinary dividends paid 2025		2 132	10 507
Final ordinary dividends declared for 2025²		1 104	
2024			
Final declared for 2023 – paid 2024 ¹	9 April 2024	1 022	4 980
Interim declared for 2024 ^{1,2}	3 September 2024	971	4 726
Dividends paid to non-controlling interests			61
Ordinary dividends paid 2024		1 993	9 767
Final ordinary dividends declared for 2024²		1 104	

¹ Total dividends paid amounted to R10 379m (2024: R9 726m). This includes R5m (2024: R20m) dividends paid to group companies, which has been excluded from the amount disclosed above.

² The total dividend declared was 2 132 cents per share (2024: 2 075 cents per share) and the dividend cover ratio equalled 1.74 times (2024: 1.75 times).

B3.2 AMOUNTS ATTRIBUTABLE TO PARTICIPATING PREFERENCE SHAREHOLDERS

	Amount Rm
Profits/Losses attributable to participating preference shareholders	
2025	
Nedbank (MFC) – share of economic profit ¹	142
	142
2024	
Nedbank (MFC) – share of economic profit ¹	153
	153

¹ Share of economic profit calculated semi-annually.

ACCOUNTING POLICY**Share capital**

Ordinary share capital, preference share capital or any financial instrument issued by the group is classified as equity when:

- payment of cash, in the form of a dividend or redemption, is at the discretion of the group;
- the instrument does not provide for the exchange of financial instruments under conditions that are potentially unfavourable to the group;
- settlement in the group's own equity instruments is for a fixed number of equity instruments at a fixed price; and
- the instrument represents a residual interest in the assets of the group after all its liabilities have been deducted.

Consideration paid or received for equity instruments is recognised directly in equity. Equity instruments are initially measured at the proceeds received, less incremental directly attributable issue costs, net of any related income tax benefits. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the group's equity instruments.

Distributions to holders of equity instruments are recognised as distributions in the statement of changes in equity in the period in which they are payable. Dividends for the year that are declared after the reporting date are disclosed in note B3 to the financial statements.

Treasury shares

When the group acquires its own share capital, the amount of the consideration paid, including directly attributable costs, net of any related tax benefit, is recognised as a change in equity. Shares repurchased by the issuing entity are cancelled. Shares repurchased by group entities are classified as treasury shares and are held at cost. These shares are treated as a deduction from the issued and weighted-average number of shares and the cost price of the shares is presented as a deduction from total equity. The par value of the shares is presented as a deduction from ordinary share capital and the remainder of the cost is presented as a deduction from the ordinary share premium. Dividends received on treasury shares are eliminated on consolidation.

B4.1 ORDINARY SHARE CAPITAL

	2025 Rm	2024 Rm
Authorised		
600 000 000 (2024: 600 000 000) ordinary shares of R1 each	600	600
Issued		
477 272 628 (2024: 488 020 500) fully paid ordinary shares of R1 each	477	488
20 367 727 (2024: 21 025 730) fully paid ordinary treasury shares of R1 each arising from share repurchases of subsidiaries	(20)	(21)
	457	467

Subject to the restrictions imposed by the Companies Act, 71 of 2008 (as amended), and by shareholders in terms of the authority previously provided, the unissued shares are under the control of the directors until the forthcoming AGM.

The treasury shares held are used mainly for the purpose of fulfilling the options and share awards outstanding in terms of the share schemes (for both employees and third parties).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

B4.2 PREFERENCE SHARES

	2025 Rm	2024 Rm
Authorised		
Nedbank Group Limited preference shares		
1 000 000 (2024: 1 000 000) cumulative redeemable non-participating preference shares of R10 000 each	10 000	10 000
1 000 000 (2024: 1 000 000) class A non-redeemable non-cumulative non-participating perpetual preference shares of R1 each	1	1
Nedbank Limited preference shares		
1 000 000 000 (2024: 1 000 000 000) non-redeemable non-cumulative, non-participating preference shares of R0.001 each	1	1
5 000 (2024: 5 000) class A redeemable cumulative preference shares of R0.0001 each ³	1	1
5 000 (2024: 5 000) class B redeemable cumulative preference shares of R0.0001 each ³	1	1
Issued		
Nedbank Group Limited preference share liabilities		
150 000 (2024: 150 000) fully paid cumulative redeemable non-participating preference shares of R10 000 each ²	1 373	1 373
Nedbank Limited preference share capital and premium		
100 (2024: 100) class B redeemable cumulative preference shares of R0.0001 each ³	1	1

¹ Represents amounts less than R1m.

² Nedbank Group Limited's issued preference shares are classified as debt instruments and are reported as part of amounts due to depositors in the statement of financial position. Depfin Investments Proprietary Limited, a subsidiary of Nedbank Limited, subscribed for 15 000 (2024: 15 000) of the 150 000 shares.

³ During the year, the group reviewed the preference share capital disclosure. As a result of the review, the line item 'Class A and Class B redeemable non – cumulative preference shares' has been renamed 'Class A and Class B redeemable cumulative preference to better reflect the nature of this item. The change in description of the line item has not impacted the amounts presented in the prior period.

B5 HOLDERS OF ADDITIONAL TIER 1 CAPITAL INSTRUMENTS

The group has issued additional tier 1 (AT1) capital instruments as follows:

Instrument code	Date of issue	Call date	Instrument terms	2025 Rm	2024 Rm
Subordinated callable notes (rand-denominated)					
NGT104	24 June 2019	15 January 2025	3-month JIBAR + 4.50% per annum		1 829
NGT105	22 November 2019	22 May 2025	3-month JIBAR + 4.25% per annum		1 000
NGT106	4 August 2020	5 August 2025	3-month JIBAR + 4.95% per annum		500
NGT107	18 November 2020	19 November 2025	3-month JIBAR + 4.55% per annum		472
NGT108	8 March 2021	8 September 2026	3-month JIBAR + 4.67% per annum	1 537	1 537
NGT1G – Green AT1	15 June 2021	16 June 2026	3-month JIBAR + 4.10% per annum	910	910
NGT109	3 November 2021	4 November 2026	3-month JIBAR + 3.91% per annum	700	700
NGT110	24 December 2021	27 December 2026	3-month JIBAR + 3.91% per annum	350	350
NGT111	22 April 2022	23 April 2027	3-month JIBAR + 3.79% per annum	1 000	1 000
NGT112	9 December 2022	10 December 2027	3-month JIBAR + 3.40% per annum	500	500
NGT113	27 June 2023	28 June 2028	3-month JIBAR + 3.28% per annum	1 000	1 000
NGT114	20 August 2024	21 August 2029	3-month JIBAR + 2.90% per annum	3 000	3 000
NGT115	7 April 2025	8 April 2030	3-month JIBAR + 2.60% per annum	2 022	
NGT116	27 October 2025	28 October 2030	3-month JIBAR + 2.37% per annum	950	
Total				11 969	12 798

The additional tier 1 notes represent perpetual, subordinated instruments with no redemption date. The instruments are redeemable subject to regulatory approval at the sole discretion of the issuer, Nedbank Group Limited or Nedbank Limited, from the applicable call date and following a regulatory or a tax event. The payment of interest is at the discretion of the issuer and interest payments are non-cumulative. In certain circumstances, the regulator may prohibit Nedbank from making interest payments. Accordingly, the instruments are classified as equity instruments and disclosed as a separate category of equity.

ACCOUNTING POLICY

Interest income and interest expense and similar charges

In terms of IFRS 9 interest income and expense are recognised in profit or loss using the effective-interest method, taking into account the expected timing and amount of cash flows. The effective-interest method is a method of calculating the amortised cost of a financial asset or financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. Interest income and expense include the amortisation of any discount or premium or other differences between the initial carrying amount of an interest-bearing financial instrument and its amount at maturity calculated on an effective-interest-rate basis. Expenses that are incurred by the group as a result of an underlying financial liability but do not meet the definition of transaction costs, are presented as similar charges.

IFRS 15: Revenue from Contracts with Customers

The core principle of the standard is that revenue recognised reflects the consideration to which the company expects to be entitled in exchange for the transfer of promised goods or services to the client. The standard incorporates a 5-step analysis to determine the amount and timing of revenue recognition.

The group has concluded that the loyalty points awarded to clients are considered payable to our clients in terms of IFRS 15. IFRS 15 requires revenue to be decreased by the amount expected to be payable to clients, which is recognised as a liability until payment is effected.

The group assesses the contract and determines whether the fees identified in the contract are in the scope of IFRS 15. If so, the revenue will be recognised only when the group can:

- » identify the contract;
- » identify the performance obligation;
- » determine the transaction price;
- » allocate the transaction price to the performance obligations in the contract; and
- » recognise the revenue as and when the performance obligation is satisfied.

The group is able to identify the contract when both the client and the group have accepted the terms of the agreement. The contract will also identify all the services (performance obligations) the group will render to the client. Based on this, the transaction price is allocated to each identified performance obligation. The group recognises the revenue once the performance obligation has been satisfied, which may occur over time or at a point in time.

• Commission and fees revenue

The group earns fees and commissions from a range of services it provides to clients and these are accounted for as follows:

- » Income earned on the execution of a distinct performance obligation is recognised when the distinct performance obligation has been performed. Revenue is recognised at a point in time.
- » Income earned from the provision of services is recognised over time as the performance obligation is fulfilled.
- » Income that forms an integral part of the effective interest rate of a financial instrument is recognised as an adjustment to the effective interest rate and recorded in interest income in terms of IFRS 9.
- » Fees charged for servicing a loan are recognised in revenue as the performance obligation is provided, which in most instances occurs monthly when the fees are levied.

• Principal versus agent

When the group acts as a principal, it is deemed to be purchasing and selling financial instruments on its own behalf and therefore reports profits and losses as part of net trading income. When the group acts as an agent, the net commission or markup earned is reported as fee income and costs incurred on behalf of the principal are not reported in the statement of comprehensive income.

Where costs are not directly reimbursed, or not included in the cost basis used for calculating a markup, it may be appropriate to gross up and separately report the costs within 'commission and fees expense'.

• Directly attributable and incremental costs

The types of expenses that are presented as part of non-interest revenue and income are those incremental costs that are directly attributable to the revenue generated. The group defines incremental expenses as those that would not have been incurred had it not been for the acquisition of a contract that generated the revenue.

• Commitment fees

The group typically earns commitment fees on lending facilities, such as credit facility fees and revolving-credit-facility fees. The fees are typically charged for making the facilities available to the client.

The group recognises commitment fees as follows:

- Commitment fees that arise from instruments that are not classified and measured at FVTPL, i.e. financial instruments that are classified and measured at amortised cost or FVOCI:
 - » Where drawdown is unlikely, i.e. remote or uncertain, the related commitment fees should be recognised as revenue in terms of IFRS 15 on a time-proportionate basis and over the period in which the facility is provided.
 - » Where drawdown is probable, the related commitment fee is recognised as part of the effective interest rate over the life of the facility in terms of IFRS 9.
- Commitment fees that relate to a loan commitment that is measured and classified as FVTPL are recognised in profit or loss.

- **Non-refundable upfront fees**

Non-refundable upfront fees normally relate to the issuing or administration of a loan facility. Fees that are not integral to the issuing or administration of a loan facility will be recognised as revenue when the performance obligation is satisfied in terms of IFRS 15. This is applicable when the non-refundable performance obligation can be satisfied over time or at a point in time.

To apply this principle, the group first assesses if the contract is satisfied over time. Should this be the case, the revenue is spread over the period of the contract on a time-proportionate basis. If the performance obligation is not satisfied over time and instead is satisfied at a point in time, the revenue is recognised when the service is complete and no further performance obligations are required according to the contract.

The group recognises non-refundable upfront fees that are an integral part of a loan in net interest income through the unwinding of the effective interest rate in terms of IFRS 9.

- **Revenue on investment management contracts**

Fees charged for investment management services in conjunction with investment management contracts are recognised as revenue over time when the performance obligation is fulfilled. Initial fees that exceed the level of recurring fees and relate to the future provision of services are deferred and amortised over the projected period over which services will be provided.

Net insurance income

Refer to note D4: Insurance contracts, for the group's accounting policies on insurance contracts.

Dividend income

Dividend income is recognised when the right to receive payment is established on the ex-dividend date for equity instruments and is included in dividend income under non-interest revenue and income.

Net trading income

Net trading income comprises all gains and losses from changes in the fair value of financial assets and financial liabilities held for trading, together with the related interest, expense, costs and dividends. Interest earned while holding trading securities and interest incurred on trading liabilities are reported within non-interest revenue and income.

Other

Exchange and securities trading income from investments and net gains on the sale of investment banking assets is recognised in profit or loss when the amount of revenue from the transaction can be measured reliably. It is probable that the economic benefits of the transaction will flow to the group and the costs associated with the transaction or service can be measured reliably.

Fair-value gains or losses on financial instruments managed on a fair-value basis measured at FVTPL, including derivatives, are included in non-interest revenue and income.

Fair-value gains or losses on all other financial instruments are included in non-interest revenue and income. These fair-value gains or losses are determined after having deducted the interest component, which is recognised separately in interest income and expense.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

B6.1 NET INTEREST INCOME

B6.1.1 INTEREST AND SIMILAR INCOME

	2025 Rm	2024 Rm
Listed corporate bonds	2 709	2 968
Home loans	21 311	22 203
Commercial mortgages	20 207	21 418
Instalment debtors	21 697	21 178
Credit cards	2 691	2 709
Overdrafts	2 824	2 947
Term and other loans	30 750	33 048
Personal loans	5 590	5 326
Government and other securities	12 960	8 879
Short-term funds and securities	3 883	4 339
	124 622	125 015
Interest and similar income may be analysed as follows:		
– Interest and similar income from financial instruments at amortised cost	119 135	120 221
– Interest and similar income from financial instruments at FVOCI	4 118	3 297
– Interest and similar income from financial instruments at FVTPL	1 369	1 497
	124 622	125 015

B6.1.2 INTEREST EXPENSE AND SIMILAR CHARGES

	2025 Rm	2024 (Restated) Rm
Deposit and loan accounts	50 094	50 649
Current and savings accounts	1 913	2 525
Negotiable certificates of deposit	9 951	11 132
Other interest-bearing liabilities ^{1,2}	15 271	14 811
Corporation for Deposit Insurance (CODI) levy and premiums ²	221	186
Long-term debt instruments	4 465	4 703
Interest expense related to fair-value activities ³	(171)	(797)
	81 744	83 209
Interest expense and similar charges may be analysed as follows:		
– Interest expense and similar charges from financial instruments at amortised cost	77 249	82 243
– Interest expense and similar charges from financial instruments at FVTPL	4 495	966
	81 744	83 209

¹ Includes interest expense of R213m (2024: R238m) related to lease liabilities.

² During the year the group reviewed its interest expense and similar charges disclosure. As a result of this review, the CODI levy and premiums amount has been disaggregated from the 'Other interest-bearing liabilities' line item and presented separately. The prior-year information has been restated. This enhancement has no impact on the total 'Interest expense and similar charges'.

³ Refer to note B6.2.

B6.2 NON-INTEREST REVENUE AND INCOME

	2025 Rm	2024 Rm (Restated)
Commission and fees revenue²	30 521	27 823
Administration fees	1 750	1 721
Card fees	9 057	8 264
Cash-handling fees	1 236	1 227
Exchange commission	882	800
Guarantee income	228	240
Transaction-based commission	298	295
Other commission	5 582	5 358
Other fees	6 173	4 853
Service charges	5 315	5 065
Commission and fees expense³	(8 365)	(6 959)
Card fees	(5 172)	(4 510)
Exchange commission		(46)
Transaction-based commission	(4)	(4)
Other commission	(856)	(1 003)
Other fees ³	(2 333)	(1 392)
Service charges		(4)
Net insurance income	1 652	1 572
Investment contract liabilities expense	(97)	(154)
Investment income	163	158
Net revenue for insurance and reinsurance contracts (note D4.1)	1 428	1 328
Other income	158	240
Fair-value adjustments (note B6.2.1)	(263)	541
Fair-value adjustments	54	496
Hedged-accounted portfolios	(317)	45
Net trading income⁴	5 099	4 620
Foreign exchange	1 814	1 612
Debt securities	2 556	2 268
Equities	684	677
Commodities	45	63
Equity investment income	892	693
Realised gains/(losses), interest and other income	(25)	330
Unrealised gains	784	144
Dividends income	133	219
Investment income	319	196
Dividends income on investments	304	189
Long-term-asset sales	15	7
Net sundry income	1 191	1 429
Rental income	128	140
Rental income from properties in possession	1	1
Foreign exchange gains	87	271
Other sundry income	976	1 018
	31 046	29 915

¹ Represents amounts less than R1m.

² Commission and fees revenue includes R1 857m (2024: R1 702m) related to trust and fiduciary fees.

³ Refer to note A4: Restatements.

⁴ Trading income includes R171m (2024: R797m) of amortised cost funding related to fair-value activities. Refer to note B6.1.2 for further details.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 31 DECEMBER

B6.2.1 ANALYSIS OF FAIR-VALUE ADJUSTMENTS

	2025 Rm	2024 Rm
Fair-value adjustments can be analysed as follows:		
– Financial instruments designated as FVTPL	6 934	2 273
– Financial instruments mandatorily at fair value	(7 197)	(1 732)
	(263)	541

B7 TOTAL OPERATING EXPENSES

	2025 Rm	2024 Rm (Restated)
Staff costs	24 013	22 638
Remuneration and other staff costs	20 521	18 987
Short-term incentives	3 313	3 394
Long-term employee benefits (note H1)	(601)	(490)
Share-based payments expense – employees (note J2)	780	747
Computer processing	7 662	7 307
Depreciation of computer equipment	600	664
Depreciation of right-of-use assets – computer equipment	116	116
Amortisation of computer software	1 824	1 875
Short-term lease charges for computer equipment	328	304
Development costs	503	587
Other computer processing expenses	4 291	3 761
Communication and travel ¹	961	989
Depreciation of vehicles ¹	12	11
Other communication and travel expenses	949	978
Occupation and accommodation	2 147	2 165
Depreciation of owner-occupied land and buildings	404	398
Depreciation of right-of-use assets – land and buildings	635	662
Other occupation and accommodation expenses	1 108	1 105
Marketing and public relations	1 781	1 607
Fees and assurances	4 785	4 716
Auditors' remuneration	394	355
Statutory and regulatory audit	376	345
Non-audit services	18	10
Other fees and assurance costs	4 391	4 361
Furniture, office equipment and consumables	683	665
Depreciation of furniture and other equipment	315	329
Depreciation of right-of-use assets – furniture and other equipment	47	32
Short-term lease charge for furniture and other equipment	12	12
Other office equipment and consumables	309	292
Other operating expenses ¹	1 363	490
Transnet commercial settlement	600	
Amortisation of intangible assets	13	5
Other sundries ¹	750	485
	43 395	40 577

¹ Refer to note A4: Restatements.

Transnet commercial settlement

Transnet and the group have agreed to a confidential commercial settlement of our ongoing litigation. The settlement is made without admission of liability and in the interests of avoiding lengthy and costly litigation and damage to our ongoing relationship. Transnet and the group stand by their respective previous statements in respect of our litigation. Transnet and the group have a long-standing relationship, and the settlement of this litigation allows us to continue to develop this important relationship in the national interest and for the furtherance of infrastructure investment and economic growth. In terms of the settlement the group has agreed to pay Transnet an amount of R600 million, recognised in the 'Transnet commercial settlement' line item in total operating expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

B8 TAXATION

ACCOUNTING POLICY

Taxation expense, recognised in the statement of comprehensive income, comprises current and deferred taxation. Current or deferred taxation is recognised in profit or loss, except to the extent that it relates to items recognised directly in equity, in which case it is also recognised in equity, and, to the extent that it relates to items recognised in OCI, in which case it is also recognised in OCI. The group recognises the income tax consequences of dividends in profit or loss, OCI or equity according to where the group originally recognised those past transactions or events.

Current taxation

Current taxation is the expected tax payable on the taxable income for the year, according to taxation rates enacted or substantively enacted at the reporting date, and any adjustment to taxation payable in respect of previous years (prior-period tax paid).

Deferred taxation

Deferred taxation is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective taxation bases. The amount of deferred taxation provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, and is measured at the taxation rates (enacted or substantively enacted at the reporting date) that are expected to be applied to the temporary differences when they are reversed.

Deferred taxation is recognised in profit or loss for the period, except to the extent that it relates to a transaction that is recognised directly in equity or in OCI, or a business combination that is accounted for as an acquisition. The effect on deferred taxation of any changes in taxation rates is recognised in profit or loss for the period, except to the extent that it relates to items previously charged or credited directly to equity or OCI.

Deferred taxation liabilities are recognised for all taxable temporary differences, and deferred taxation assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be used. Deferred taxation assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related taxation benefits will be realised.

Deferred taxation assets and liabilities are offset if there is a legally enforceable right to offset current taxation liabilities against current taxation assets, and they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different taxation entities, but they intend to settle current tax liabilities and assets on a net basis or their taxation assets and liabilities will be realised simultaneously.

B8.1 INDIRECT TAXATION

	2025 Rm	2024 Rm
Value-added taxation ¹	1 107	920
Transaction-based taxes	168	164
	1 275	1 084

¹ Comprises the value-added taxation incurred that is irrecoverable in respect of the making of exempt supplies as defined in the Value-added Tax Act, 89 of 1991.

B8.2 DIRECT TAXATION

B8.2.1 Charge for the year

	2025 Rm	2024 Rm
South African normal taxation:		
– Current charge	3 697	3 766
– Capital gains taxation – deferred	50	17
– Deferred taxation	380	351
Pillar 2 taxation ¹	34	43
Foreign taxation	913	778
Current and deferred taxation on income	5 074	4 955
Prior-year adjustments	1	(174)
Total taxation on income	5 075	4 781
Taxation on impairments charge on non-financial instruments and other gains and losses items	(206)	(35)
	4 869	4 746

¹Refer to note B8.2.5 International tax reform: Pillar 2 model rules.

B8.2.2 Taxation rate reconciliation

	2025 %	2024 %
Taxation rate reconciliation		
Standard rate of South African normal taxation	27.0	27.0
Dividend income	(3.9)	(2.5)
Share of profits of associate companies	(2.3)	(1.5)
Capital items	(0.6)	(0.2)
Effects of profits taxed in non-African jurisdictions ¹	(0.6)	(0.4)
Additional tier 1 capital instruments	(2.5)	(1.6)
Assessed losses not subject to deferred tax	0.3	0.4
Impairment charge on non-financial instruments and other gains and losses	0.5	
Loss on disposal of associate companies	16.3	
Effects of profits taxed in Nedbank Africa Regions ²	0.1	(0.4)
Non-deductible expenses ³	0.6	0.4
Non-taxable income	(1.0)	(0.2)
Prior-year adjustments		(0.8)
Pillar 2 taxation ⁴	0.2	0.2
Effective taxation rate	34.1	20.4

¹This is mainly due to the effects of the lower tax charge in Nedbank Private Wealth Isle of Man (IOM) and Nedgroup Investments IOM.

²The effects of profits taxed in Nedbank Africa Regions reflects the impact of the following corporate tax rate changes: The tax rate in Namibia was reduced from 31% to 30%, effective 1 January 2025, and the tax rate in Eswatini was reduced from 27,5% to 25%, effective 1 January 2025.

³Non-deductible expenses include the share-based payments and other non-deductible expenses.

⁴Refer to note B8.2.5 International tax reform: Pillar 2 model rules.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

B8.2.3 Income tax recognised in other comprehensive income

Rm	Gross	Taxation	Net of taxation
2025			
Exchange differences on translating foreign operations	(1 211)		(1 211)
Share of OCI of investments accounted for using the equity method	1 204		1 204
Debt instruments at FVOCI – net change in fair value	(711)	185	(526)
Remeasurements on long-term employee benefit assets	(84)	22	(62)
Equity instruments at FVOCI – net change in fair value	(255)	57	(198)
Property revaluations	114	(33)	81
Cash flow hedge gains	85	(23)	62
Amounts reclassified to profit or loss on disposal of associate companies	7 436		7 436
2024			
Exchange differences on translating foreign operations	23		23
Share of OCI of investments accounted for using the equity method	(1 770)		(1 770)
Debt investments at FVOCI – net change in fair value	110	(36)	74
Remeasurements on long-term employee benefit assets	117	(28)	89
Equity instruments at FVOCI – net change in fair value	81	(10)	71
Property revaluations	(142)	12	(130)
Cash flow hedge losses	(14)	4	(10)

B8.2.4 Future taxation relief

Deferred tax assets of R253m (2024: R307m) have not been recognised in respect of tax losses of R939m (2024: R1 092m) because it is not probable that future taxable profit will be available against which the group can use the benefits therefrom.

The assessed losses in Nedbank Mozambique in the amount of R144m (2024: R173m) have an expiry date of 2026 to 2029 (2024: 2025 to 2028).

Assessed losses that never expire were R795m (2024: R918m).

B8.2.5 International tax reform: Pillar 2 model rules

Nedbank Group Limited is the ultimate parent entity for the Nedbank Group of companies. The group is within the scope of the Pillar 2 global minimum tax rules, as the group is a multinational enterprise with a turnover of more than €750 million in at least 2 of the last 4 fiscal years (preceding the current fiscal year). Therefore, a minimum effective corporate tax rate of 15% must be applied in each jurisdiction in which the group operates.

Pillar 2 legislation became effective in South Africa and the United Kingdom (UK) on 1 January 2024, and in The Crown Dependencies (Isle of Man, Guernsey and Jersey) effective 1 January 2025.

In 2024 Nedbank Group Limited provided R43m in relation to the constituent entities in IOM, Jersey and Namibia.

The relevant tax attributable to the IOM and Jersey jurisdictions for the 2025 year amounted to R34m and is provided for under their local domestic top-up legislation. No provisions are currently required for any other jurisdictions in the group, as the transitional safe harbours apply to all other jurisdictions in which the group operates. The only exception is Namibia, where the global minimum tax calculation for 2025 results in an effective tax rate above 15%. As such no top-up tax is required.

The group applies the exception to recognise and disclose information about deferred tax assets and liabilities related to Pillar 2 income taxes, as provided in the amendments to IAS 12 issued in May 2023.

B8.3 DEFERRED TAXATION

The analysis of deferred taxation assets and deferred taxation liabilities is as follows:

	2025 Rm	2024 Rm
Deferred taxation assets		
— Deferred taxation assets to be recovered after more than 12 months	396	554
	396	554
Deferred taxation liabilities		
— Deferred taxation liabilities to be recovered after more than 12 months	(787)	(778)
	(787)	(778)
Net deferred taxation (liability)/asset	(391)	(224)
The gross movement on the deferred income taxation account, is as follows:		
— Balance at the beginning of the year	(224)	414
— Statement of comprehensive income charge	(373)	(385)
— Tax credit relating to components of other comprehensive income	208	(58)
— Tax credit directly to equity	10	(28)
— Acquisition of subsidiary	9	(176)
— Reclassification between taxation types and categories	(1)	19
— Exchange differences	(20)	(10)
Balance at the end of the year	(391)	(224)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

The movement in deferred taxation assets and liabilities during the year, without taking into consideration the offsetting of balances with the same tax jurisdiction, is as follows:

	Capital investments	Credit impairments
Deferred taxation assets		
Balance at 1 January 2024	(17)	2 792
(Credited)/Charged to the income statement		(100)
Charged/(Credited) to OCI		
Credited directly to equity		
Acquisition of subsidiary		
Exchange differences		4
Reclassification between taxation types and categories	17	
Balance at 31 December 2024		2 696
(Credited)/Charged to the income statement		108
Charged/(Credited) to OCI		
Credited directly to equity		
Acquisition of subsidiary		
Exchange differences		(1)
Reclassification between taxation types and categories		
Balance at 31 December 2025		2 803

	Accelerated asset allowances	Property revaluations	Deferred acquisition costs
Deferred taxation liabilities			
Balance at 1 January 2024	(1 491)	(516)	(1 054)
Charged/(Credited) to the income statement	72		(146)
Charged/(Credited) to OCI		12	
Charged directly to equity		12	
Acquisition of subsidiary			
Reclassification between taxation types and categories			
Exchange differences	1		
Balance at 31 December 2024	(1 418)	(492)	(1 200)
Charged/(Credited) to the income statement	(29)		(400)
Charged/(Credited) to OCI		(33)	
Charged directly to equity		15	
Acquisition of subsidiary	(5)		
Reclassification between taxation types and categories			
Exchange differences			
Balance at 31 December 2025	(1 452)	(510)	(1 600)

Deferred revenue	Provisions	Taxation losses	Total
334	2 039	67	5 215
(60)	52	20	(88)
	4		4
	5		5
(160)			(160)
4	(4)		4
	31		48
118	2 127	87	5 028
309	(64)	(51)	302
	(23)		(23)
	(26)		(26)
	13	40	53
(1)	(26)		(28)
	(2)		(2)
426	1 999	76	5 304

Long-term employee benefits	Share-based payments	FVOCI	Capital investments	Acquired intangible assets	IFRS 17 transitional adjustment	Total
(1 302)	(8)	(337)		(66)	(27)	(4 801)
(139)	(67)		7	(1)	(23)	(297)
(28)		(46)				(62)
	(45)					(33)
				(16)		(16)
			(29)			(29)
		(15)				(14)
(1 469)	(120)	(398)	(22)	(83)	(50)	(5 252)
(172)	(38)		(49)	-	13	(675)
22		242				231
	21					36
				(39)		(44)
			1			1
		8				8
(1 619)	(137)	(148)	(70)	(122)	(37)	(5 695)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

B9 HEADLINE EARNINGS

ACCOUNTING POLICY

Impairment charges on non-financial instruments and other gains and losses, which include insurance proceeds on items of property and equipment that were impaired, are disclosed separately on the face of the statement of comprehensive income. This line represents remeasurements excluded from the calculation of headline earnings per share in accordance with the guidance contained in SAICA Headline Earnings Circular 01/2023, except where the amounts are required by IFRS Accounting Standards to be included in other lines on the face of the statement of comprehensive income. The group's share of ETI's impairments charge on non-financial instruments and other (gains)/losses of R9m (2024: R23m) is included in the share of gains of associate companies, and the taxation on impairments charged on non-financial instruments and other gains and losses of R206m (2024: R35m) is included in direct taxation. The principal items that will be included under these measures are gains and losses on sale of property and equipment, impairment of property, equipment, right-of-use assets, intangible assets and goodwill and fair-value adjustments of investment properties (other than those arising from the investment properties held by the group's life insurance subsidiaries).

Rm	2025		2024	
	Gross	Net of taxation	Gross	Net of taxation
Profit attributable to ordinary shareholders		7 799		16 834
Impairments charge on non-financial instruments and other losses/(gains)	9 616	9 410	158	123
IAS 16 loss on disposal of property and equipment	25	21	20	17
IAS 28 impairment of investment in associate			27	27
IAS 28 reclassification of OCI reserves to profit or loss on disposal of associate	7 436	7 436		
Impairment and loss on sale of associates	1 164	1 164		
IAS 36 impairment of goodwill	29	29		
IAS 36 impairment of property and equipment	121	91	23	20
IAS 36 impairment of intangible assets	827	662	100	74
IAS 40 loss on revaluation of investment properties	14	7	12	12
IFRS 3 gain on bargain purchase			(36)	(36)
IFRS 16 impairment of right-of-use assets			12	9
Share of associate (ETI) impairments charge on non-financial instruments and other (gains)/losses	(9)	(9)	(23)	(23)
Headline earnings		17 200		16 934

SECTION C: CORE BANKING ASSETS

ACCOUNTING POLICY

Refer to section I: Financial instruments for the group's accounting policies regarding financial assets and liabilities.

C1 LOANS AND ADVANCES

The group extends advances to individuals and to the corporate, commercial and public sectors. Advances made to individuals are mostly in the form of mortgages, instalment credit, overdrafts, personal loans and credit card borrowings.

C1.1 CATEGORIES OF LOANS AND ADVANCES

	2025 Rm	2024 Rm
Mortgage loans	431 406	415 634
Instalment debtors	194 944	179 394
Credit cards	18 240	17 082
Overdrafts	30 450	28 559
Preference shares and debentures	18 116	13 978
Term loans	185 946	180 709
Other loans and advances	177 513	155 085
Personal loans	27 609	27 010
Covid-19 Loan Guarantee Scheme	124	370
Listed corporate bonds	30 935	32 980
Overnight loans	13 065	10 270
Foreign-client lending	15 885	10 747
Factoring accounts	6 619	7 412
Deposits placed under reverse repurchase agreements	27 985	19 693
Other loans to clients	55 291	46 603
Fair-value hedge-accounted portfolios	1 609	464
Gross loans and advances	1 058 224	990 905
Impairment of loans and advances (note C2)	27 647	28 721
	1 030 577	962 184
Gross loans and advances comprise:		
– Banking loans and advances	997 060	943 554
– Trading loans and advances	61 164	47 351
	1 058 224	990 905

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

C1.2 SECTORAL ANALYSIS

	2025 Rm	2024 Rm
Individuals	415 399	392 656
Financial services, insurance and real estate	299 039	292 863
Banks	38 157	18 855
Manufacturing	79 284	73 439
Building and property development	9 291	8 753
Transport, storage and communication	31 245	33 272
Retailers, catering and accommodation	23 058	24 367
Wholesale and trade	43 070	37 335
Mining and quarrying	32 473	35 363
Agriculture, forestry and fishing	25 698	24 237
Government and public sector	24 363	20 793
Other services	37 147	28 972
	1 058 224	990 905

C1.3 GEOGRAPHICAL ANALYSIS

	2025 Rm	2024 Rm
South Africa (SA)	916 337	877 304
Rest of Africa	60 077	56 535
Europe	53 842	33 859
Asia	14 660	9 429
United States of America	4 614	3 553
Rest of world	8 694	10 225
	1 058 224	990 905

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

C1.4 CLASSIFICATION OF LOANS AND ADVANCES

Rm	Total	
	2025	2024
Mortgage loans	426 978	411 634
Instalment debtors	194 944	179 394
Credit cards	18 240	17 082
Overdrafts	30 450	28 559
Preference shares and debentures	17 845	13 626
Term loans	171 875	151 884
Other loans ¹	74 611	64 195
Specialised and other loans to clients ²	38 046	30 059
Listed corporate bonds	16 881	16 454
Overnight loans	13 065	10 270
Factoring accounts	6 619	7 412
Loans and advances at amortised cost	934 943	866 374
Loans and advances at FVTPL	75 429	61 314
Loans and advances at FVOCI	46 243	62 753
Fair-value hedge-accounted portfolios	1 609	464
Gross loans and advances (note C1.1)	1 058 224	990 905

¹ The 'Other loans' subtotal line represents a group of certain products based on similar nature and size.

² 'Specialised and other loans to clients' includes deposits placed under reverse repurchase agreement.

Subject to 12-month ECL (stage 1)		Subject to lifetime ECL (stage 2) – not credit-impaired		Subject to lifetime ECL (stage 3) – credit-impaired	
2025	2024	2025	2024	2025	2024
372 735	357 005	30 271	31 021	23 972	23 608
167 002	153 909	18 672	16 810	9 270	8 675
14 366	13 362	1 377	1 233	2 497	2 487
23 757	21 795	3 769	3 855	2 924	2 909
17 845	11 564		2 062		
154 306	129 900	10 029	12 231	7 540	9 753
71 548	60 704	2 016	2 436	1 047	1 055
35 754	27 515	1 487	1 547	805	997
16 881	16 454				
12 673	10 197	383	73	9	
6 240	6 538	146	816	233	58
821 559	748 239	66 134	69 648	47 250	48 487
42 542	59 114	3 370	2 541	331	1 098
1 609					
865 710	807 353	69 504	72 189	47 581	49 585

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

C1.5 CREDIT QUALITY OF LOANS AND ADVANCES

Rm	Total		NGR 1–12	
	2025	2024	2025	2024
Subject to 12-month ECL (stage 1)	823 168	748 703	288 702	261 012
Mortgage loans	372 735	357 005	108 968	123 467
Instalment debtors	167 002	153 909	6 710	5 523
Credit cards	14 366	13 362	1 266	1 196
Overdraft	23 757	21 795	5 251	4 443
Preference shares and debentures	17 845	11 564	13 506	7 724
Term loans	154 306	129 900	103 219	80 877
Other loans	71 548	60 704	49 782	37 782
Specialised and other loans to clients	35 754	27 515	21 588	12 306
Listed corporate bonds	16 881	16 454	16 881	16 454
Overnight loans	12 673	10 197	10 883	8 780
Factoring accounts	6 240	6 538	430	242
Fair-value hedge-accounted portfolios	1 609	464		
Subject to lifetime ECL (stage 2) – not credit-impaired	66 134	69 648	1 122	5 314
Mortgage loans	30 271	31 021	377	562
Instalment debtors	18 672	16 810	1	29
Credit cards	1 377	1 233		
Overdraft	3 769	3 855	163	170
Preference shares and debentures	–	2 062		2 062
Term loans	10 029	12 231	327	2 397
Other loans	2 016	2 436	254	94
Specialised and other loans to clients	1 487	1 547	254	94
Overnight loans	383	73		
Factoring accounts	146	816		
Subject to lifetime ECL (stage 3) – credit-impaired	47 250	48 487	–	–
Mortgage loans	23 972	23 608		
Instalment debtors	9 270	8 675		
Credit cards	2 497	2 487		
Overdraft	2 924	2 909		
Term loans	7 540	9 753		
Other loans	1 047	1 055		
Specialised and other loans to clients	805	997		
Overnight loans	9	–		
Factoring accounts	233	58		
Loans and advances at amortised cost	936 552	866 838	289 824	266 326
Loans and advances at FVOCI	46 243	62 753	30 828	47 768
Subject to 12-month ECL (stage 1)	42 542	59 114	30 828	46 613
Subject to lifetime ECL (stage 2) – not credit-impaired	3 370	2 541		1 155
Subject to lifetime ECL (stage 3) – credit-impaired	331	1 098		
Financial guarantees and loan commitments	188 499	185 581	120 004	107 749
Subject to 12-month ECL (stage 1)	182 102	180 526	119 834	107 317
Subject to lifetime ECL (stage 2) – not credit-impaired	4 891	3 556	170	432
Subject to lifetime ECL (stage 3) – credit-impaired	1 506	1 499		
Total credit quality	1 171 294	1 115 172	440 656	421 843

NGR 13–20		NGR 21–25		NP 1–3		Unrated	
2025	2024	2025	2024	2025	2024	2025	2024
479 622	436 235	40 007	38 536	–	–	14 837	12 920
243 026	213 067	14 577	14 264			6 164	6 207
143 412	132 298	15 196	14 525			1 684	1 563
10 503	9 568	2 487	2 474			110	124
17 554	16 194	755	583			197	575
4 339	3 840						
41 756	41 889	6 915	5 231			2 416	1 903
19 032	19 379	77	1 459			2 657	2 084
11 432	11 684	77	1 446			2 657	2 079
1 790	1 417						
5 810	6 278		13				5
						1 609	464
24 460	23 002	40 402	41 094	–	–	150	238
13 273	12 166	16 583	18 218			38	75
2 939	1 935	15 721	14 832			11	14
17	98	1 355	1 129			5	6
2 707	2 807	871	793			28	85
4 525	4 841	5 126	4 948			51	45
999	1 155	746	1 174			17	13
530	471	686	969			17	13
378	65	5	8				
91	619	55	197				
–	–	–	–	43 757	46 830	3 493	1 657
				23 229	22 699	743	909
				9 180	8 597	90	78
				2 478	2 480	19	7
				2 648	2 678	276	231
				5 372	9 489	2 168	264
				850	887	197	168
				608	829	197	168
				9			
				233	58		
504 082	459 237	80 409	79 630	43 757	46 830	18 480	14 815
14 975	13 713	109	174	331	1 098		
11 710	12 327	4	174				
3 265	1 386	105					
				331	1 098		
60 552	72 716	6 427	3 003	1 506	1 498	10	615
56 710	70 144	5 550	2 472			8	593
3 842	2 572	877	531			2	21
				1 506	1 498		1
579 609	545 666	86 945	82 807	45 594	49 426	18 490	15 430

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER

C1.5 CREDIT QUALITY OF LOANS AND ADVANCES (CONTINUED)

The group uses a master rating scale for the measurement of credit risk, which is the risk of the borrower defaulting, measured on a through-the-cycle basis excluding the effect of collateral or loss mitigation [i.e. probability of default (PD) only]. However, the PD of a counterparty may be substituted for another counterparty's PD where the regulatory requirements for PD substitution are met. The Nedbank Group Rating (NGR) master scale is a comprehensive PD rating scale that is mapped to default probabilities and external rating agency scales. This enables the group to measure credit risk consistently and accurately across its entire portfolio. A brief explanation of the scale follows:

- NGR1–12: Represents borrowers who demonstrate a strong capacity to meet financial obligations, and who have a negligible or low PD. This category typically includes the group's large corporate clients, including financial institutions, parastatals and other government-related institutions.
- NGR13–20: Represents borrowers who demonstrate a satisfactory ability to make payments and who have a low or moderate PD. This category typically includes small and medium businesses, medium corporate clients and individuals.
- NGR21–25: Represents borrowers who are of higher risk. This category typically includes higher-risk individuals or small businesses, as well as borrowers that were rated higher on inception but have since migrated down the rating scale as a result of poor financial performance. However, the borrower has not defaulted and is continuing to make repayments.
- NP1–3: Represents clients who have defaulted. Refer to note C2.6 for the group's definition of 'default'.
- Unrated: Represents borrowers who do not have an NGR or a non-performing (NP) rating.

C1.6 SEGMENTAL ANALYSIS

Rm	Total		Nedbank Corporate and Investment Banking	
	2025	2024	2025	2024 (Restated) ¹
Mortgage loans	431 406	415 634	172 268	168 725
Instalment debtors	194 944	179 394	3 393	3 185
Credit cards	18 240	17 082		
Overdrafts	30 450	28 559	4 390	3 922
Preference shares and debentures	18 116	13 978	17 845	13 626
Term loans	185 946	180 709	177 113	172 884
Other loans and advances	116 349	107 734	60 856	55 067
Personal loans	27 609	27 010		
Overnight loans	13 065	10 270	11 529	8 861
Foreign client lending	14 322	8 745	13 405	7 755
Factoring accounts	6 619	7 412		
Listed corporate bonds	30 935	32 980	30 935	32 980
Other loans to clients	23 799	21 317	4 987	5 471
Fair-value hedge-accounted portfolios	1 609	464		
Gross banking loans and advances	997 060	943 554	435 865	417 409
Impairment of advances	(27 647)	(28 721)	(1 892)	(2 568)
Net banking loans and advances	969 413	914 833	433 973	414 841
Trading loans and advances	61 164	47 351	61 164	47 351
Loans and advances	1 030 577	962 184	495 137	462 192

¹ Restated to align with the reorganisation. Refer to note B1.

Nedbank Business and Commercial Banking		Nedbank Personal and Private Banking		Nedbank Africa Regions		Centre	
2025	2024 (Restated) ¹	2025	2024 (Restated) ¹	2025	2024	2025	2024 (Restated) ¹
33 759	34 153	216 031	203 579	9 318	9 123	30	54
20 030	18 544	168 087	155 112	3 434	2 553		
1 669	1 599	16 428	15 333	143	150		
18 065	17 284	4 693	4 285	3 302	3 068		
		271	352				
5 080	4 511	1 050	632	2 674	2 633	29	49
18 576	19 285	27 275	27 178	9 464	6 048	178	156
		24 122	24 248	3 487	2 762		
1 301	1 172			235	237		
582	360	5	4	330	626		
6 619	7 400				12		
10 074	10 353	3 148	2 926	5 412	2 411	178	156
						1 609	464
97 179	95 376	433 835	406 471	28 335	23 575	1 846	723
(2 440)	(2 214)	(21 955)	(22 522)	(1 337)	(1 390)	(23)	(27)
94 739	93 162	411 880	383 949	26 998	22 185	1 823	696
94 739	93 162	411 880	383 949	26 998	22 185	1 823	696

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

C2 IMPAIRMENTS CHARGE ON FINANCIAL INSTRUMENTS

CREDIT RISK

Credit risk arises from lending and other financing activities that constitute the group's core business and is managed within the board-approved credit risk appetite. The Group Credit Risk Management Framework (GCRMF) covers the group's approach to credit risk management and incorporates credit approval mandates and credit risk monitoring and governance structures. It is a key component of the group's Enterprisewide Risk Management Framework (ERMF), Capital Management Framework, and Risk Appetite Framework (RAF), and is reviewed quarterly.

The GCRMF includes 2 advanced internal ratings-based (AIRB) approach technical forums (wholesale and retail) and the ad hoc Group Credit Ratings Committee, which report into the Executive Credit Committee (ECC), an executive subcommittee that reports into the Group Credit Committee (GCC), a board subcommittee chaired by an independent non-executive member of the board. The framework also provides for the Large-exposures Approval Committee (LEAC), with the function to approve credit applications in excess of the large-exposure threshold imposed by the Banks Act, 94 of 1990.

The GCC also acts as the designated committee appointed by the board to monitor, challenge, and ultimately approve all material aspects of the group's AIRB and risk estimation systems and processes. The current membership includes 7 non-executive directors and 3 executive directors. Banking regulations require the board and the GCC to have a general understanding of the AIRB system and related reports. The GCC also needs to ensure the independence of Group Credit Risk (GCR), which includes the Credit Model Validation Unit (CMVU), from the business units originating credit within the group.

GCR monitors the business units' credit portfolios, risk procedures, policies and credit standards, and maintains the GCRMF. GCR also calculates and aggregates credit regulatory capital, and tests and implements all credit regulatory model updates. The CMVU is the bank's independent risk control unit required by banking regulations. It validates the bank's regulatory credit capital models, IFRS 9 impairment models, and the bank's non-regulatory credit models, including credit valuation, credit origination and pricing models, and the IFRS 9 macroeconomic forecast models.

Group Risk Analytics (GRA), which includes Model Risk Management (MRM), calculates and consolidates credit economic capital and IFRS 9 impairment calculations across the bank, and performs credit risk analytics. GRA is the IFRS 9 methodology custodian for Nedbank Group and provides advisory support as well as technical challenge for all key credit risk model families, such as impairments, capital, originations, and pricing. MRM ensures that model risk is optimised and managed effectively across the bank.

KEY ASSUMPTIONS CONCERNING THE FUTURE AND KEY SOURCES OF ESTIMATION

Allowances for loan impairment and other credit risk provisions

The judgements in relation to determining the allowance for loan impairment and other credit risk provisions are as follows:

- Defining what is considered to be a significant increase in credit risk (SICR) – refer to C2.5 for more information.
- Selecting and calibrating probability-of-default (PD), loss-given-default (LGD) and exposure-at-default (EAD) models and linking these input parameters to macroeconomic drivers – refer to C2.5 and C2.7 for more information.
- Establishing the scenarios over which expected credit loss (ECL) should be evaluated and their respective probabilities as well as estimating macroeconomic parameters based on forecast macroeconomic scenarios – refer to C2.7 for more information.
- Making judgemental adjustments to account for emerging or developing events, model and data limitations and deficiencies, and the application of expert credit judgement – refer to C2.8 for more information.

Allowances for loan impairment represent management's estimate of the credit losses expected in the loan portfolios at the reporting date.

Within the Nedbank Business and Commercial Banking and Nedbank Personal and Private Banking portfolios, which comprise large numbers of small homogeneous assets with similar risk characteristics where credit-scoring techniques are generally used, statistical techniques are used to calculate impairment allowances on the portfolio. These statistical analyses use, as primary inputs, the extent to which accounts in the portfolio are in arrears and historical information on the eventual losses encountered from these delinquent portfolios. They also establish causal relationships with macroeconomic indicators, where applicable. There are many such models in use, each tailored to a product, line-of-business, or client category.

Judgement and knowledge are used in selecting the statistical methods to be used when the models are developed or revised. Judgemental adjustments (discussed further in C2.8) may be applied to cater for portfolios where the use of a model is inappropriate or to supplement model outputs to cater for emerging or developing events, model and data limitations and deficiencies, or to cater for the application of expert credit judgement. The impairment allowance reflected in the financial statements for these portfolios is considered to be reasonable and reflective of supportable judgements.

IFRS 9 outlines a 3-stage model for impairment based on changes in credit quality since initial recognition, as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified as stage 1.
- Where a SICR since initial recognition is identified, the financial instrument is moved to stage 2, but not deemed to be credit-impaired. Note C2.5 describes how the group determines when a SICR has occurred.
- Where the financial instrument is credit-impaired, the financial instrument is moved to stage 3. Note C2.6 describes how the group defines 'credit-impaired' and 'default'.
- Financial instruments in stage 1 have their ECLs measured at an amount equal to the portion of lifetime ECLs that result from default events expected within the next 12 months. Instruments classified as stages 2 and 3 have their ECLs measured based on a lifetime basis.
- A pervasive concept in measuring the ECL in accordance with IFRS 9 is that forward-looking information should be considered. Note C2.7 includes an explanation of how the group has incorporated forward-looking information into its ECL models.
- Financial instruments are written off when the group has no reasonable expectations of recovering the individual asset, partially or in its entirety. In addition, post-write-off recoveries are excluded from the calibration of LGDs.

- Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their ECLs are measured on a lifetime basis.
- Off-balance-sheet items are also subject to the IFRS 9 impairment model and include financial guarantees and undrawn loan commitments.

For individually significant loans with larger exposures, impairment allowances are calculated on an individual basis and all relevant considerations that have a bearing on the expected future cash flows are taken into account, for example, the business prospects for the client, the realisable value of collateral, the group's position relative to other claimants, the reliability of client information, and the likely cost and duration of the workout process. The level of the impairment allowance is the difference between the value of the discounted expected future cash flows (discounted at the loan's original effective interest rate) and the carrying amount. Subjective judgements are made in the calculation of future cash flows. Furthermore, judgements change with time as new information becomes available or as workout strategies evolve, resulting in revisions to the impairment allowance as individual decisions are taken. Changes in these estimates would result in a change in the allowances and would have a direct impact on the impairments charge in the income statement.

C2.1 MOVEMENT IN IMPAIRMENTS CHARGE ON FINANCIAL INSTRUMENTS

	2025 Rm	2024 Rm
Balance at the beginning of the year	29 109	29 856
Stage 1 ECL allowance	4 767	4 616
Stage 2 ECL allowance	4 574	5 273
Stage 3 ECL allowance	19 768	19 967
Statement of comprehensive income charge net of recoveries	6 550	7 997
Stage 1 ECL allowance	249	359
Stage 2 ECL allowance	605	(652)
Stage 3 ECL allowance	5 902	8 022
Off-balance-sheet allowance	(110)	87
Non-loans and advances	33	24
FVOCI loan impairment charge	(129)	157
Adjusted for:	(7 735)	(8 744)
Recoveries ¹	1 517	1 359
Interest in suspense ¹	2 409	2 675
Amounts written off ¹	(10 840)	(11 664)
Foreign exchange and other recovery costs ¹	(917)	(933)
Non-loans and advances	(33)	(24)
FVOCI loan impairment charge	129	(157)
Balance at the end of the year	27 924	29 109
Stage 1 ECL allowance	4 556	4 767
Stage 2 ECL allowance	4 739	4 574
Stage 3 ECL allowance	18 629	19 768
Split by measurement category ¹	27 924	29 109
Loans and advances	27 647	28 721
Off-balance-sheet allowance	277	388

¹ Amounts written off against the impairment – adjusted for recoveries, interest in suspense, foreign exchange and other recovery costs – totalled R7 831m (2024: R8 563m). Foreign exchange movements included in this amount resulted in a R71m loss (2024: R6 589m gain). Interest in suspense is interest income on a financial asset that has not been recognised but is owed to the group. Interest in suspense is calculated as the difference between the interest calculated on the gross carrying amount of the financial asset and the net interest amount, calculated based on the net carrying amount of the financial asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
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C2.2 IMPAIRMENT CHARGE ON LOANS AND ADVANCES BY CLASSIFICATION

	Balance at the beginning of the year Rm	Impairments charge/ (release), net of recoveries Rm
Total impairment – 2025		
Home loans	5 663	444
Commercial mortgages	2 099	(93)
Credit cards	2 503	737
Overdrafts	2 115	456
Instalment debtors	8 234	3 251
Preference shares and debentures	49	4
Term loans	7 377	2 026
Financial guarantees and loan commitments	260	(126)
Other loans ¹	809	(53)
Specialised and other loans to clients	710	(33)
Overnight loans	10	(2)
Factoring accounts	89	(18)
Impairment on loans and advances at amortised cost	29 109	6 646
Impairment on loans and advances at FVOCI	414	(129)
Total impairment	29 523	6 517
Total impairment – 2024		
Home loans	4 694	1 253
Commercial mortgages	2 434	315
Credit cards	2 791	366
Overdrafts	1 847	521
Instalment debtors	7 658	2 999
Preference shares and debentures	96	(47)
Term loans	9 078	2 502
Financial guarantees and loan commitments	187	71
Other loans ¹	1 071	(164)
Properties in possession	5	
Specialised and other loans to clients	817	(53)
Overnight loans	143	(117)
Factoring accounts	106	6
Impairment on loans and advances at amortised cost	29 856	7 816
Impairment on loans and advances at FVOCI	530	157
Total impairment	30 386	7 973

¹ The 'Other loans' subtotal line represents a group of certain products based on similar nature and size.

The balance at the end of the year of R28 059m (2024: R29 523m) includes off-balance-sheet items of R277m (2024: R388m).

Post-write-off recoveries Rm	Amounts written off against the impairment, adjusted for interest in suspense Rm	Balance at the end of the year Rm
131	(562)	5 676
126	(78)	2 054
445	(1 143)	2 542
83	(281)	2 373
350	(3 524)	8 311
	1	54
355	(3 761)	5 997
	1	135
27	(1)	782
27		704
		8
	(1)	70
1 517	(9 348)	27 924
	(150)	135
1 517	(9 498)	28 059
101	(385)	5 663
14	(664)	2 099
505	(1 159)	2 503
63	(316)	2 115
393	(2 816)	8 234
		49
276	(4 479)	7 377
	2	260
7	(105)	809
	(5)	–
7	(61)	710
	(16)	10
	(23)	89
1 359	(9 922)	29 109
	(273)	414
1 359	(10 195)	29 523

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued
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C2.3 SECTORAL ANALYSIS

	Total impairment		Stage 1: 12-month ECL allowance		Stage 2: Lifetime ECL allowance (not credit-impaired)		Stage 3: Lifetime ECL allowance (credit-impaired)	
	2025 Rm	2024 Rm	2025 Rm	2024 Rm	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Individuals	21 859	22 620	3 506	3 767	4 174	3 960	14 179	14 893
Financial services, insurance and real estate	2 124	2 078	269	374	106	135	1 749	1 569
Manufacturing	741	1 013	137	118	88	161	516	734
Building and property development	332	267	45	40	33	24	254	203
Transport, storage and communication	451	531	66	77	64	67	321	387
Retailers, catering and accommodation	128	119	26	24	11	7	91	88
Wholesale and trade	545	533	103	92	53	44	389	397
Mining and quarrying	154	171	69	77	7	3	78	91
Agriculture, forestry and fishing	633	855	71	71	68	42	494	742
Government and public sector	38	111	15	17	20	33	3	61
Other services	919	811	249	110	115	98	555	603
	27 924	29 109	4 556	4 767	4 739	4 574	18 629	19 768

C2.4 GEOGRAPHICAL ANALYSIS

	Total impairment		Stage 1: 12-month ECL allowance		Stage 2: Lifetime ECL allowance (not credit-impaired)		Stage 3: Lifetime ECL allowance (credit-impaired)	
	2025 Rm	2024 Rm	2025 Rm	2024 Rm	2025 Rm	2024 Rm	2025 Rm	2024 Rm
SA	26 227	27 033	4 188	4 290	4 593	4 407	17 446	18 336
Other African countries	1 302	1 582	270	380	126	143	906	1 059
Europe	53	72	20	36	2	1	31	35
Asia	14	97	8	5	5	1	1	91
United States of America	1	1			1	1		
Other	327	324	70	56	12	21	245	247
	27 924	29 109	4 556	4 767	4 739	4 574	18 629	19 768

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER

C2.5 ASSESSMENT OF A SIGNIFICANT INCREASE IN CREDIT RISK (STAGE 2)

At each reporting period, an assessment is conducted on all performing financial instruments to determine whether a SICR since initial recognition has been experienced. Performing financial instruments that have experienced a SICR since initial recognition are classified as stage 2 and lifetime ECL is recognised.

In subsequent reporting periods, if the credit risk of the financial instrument improves to the extent that there is no longer a SICR since initial recognition, the financial instrument is classified as stage 1 and 12-month ECL is recognised. Alternatively, if the credit risk of the financial instrument deteriorates and the stage 3 criteria are met, lifetime ECL is recognised.

The group assesses whether there has been a SICR for financial instruments since initial recognition in 1 or more of the following ways:

- In line with groupwide methodology, comparing the remaining lifetime PD at the reporting date, which importantly considers reasonable and supportable forward-looking information, with the PD on the date of initial recognition over the remaining expected life:
 - » The IFRS 9 standard states that 'change in credit risk cannot be assessed simply by comparing the change in the absolute risk of a default occurring over time'. This is because the risk of a default occurring over the expected life usually decreases as time passes if the credit risk is unchanged and the financial instrument is closer to maturity.
 - » Therefore, to ensure accurate comparison, the origination curve needs to be adjusted to the reporting date.
 - » Applying the principles above, established thresholds for SICR are subsequently based on a percentage change in lifetime PD over the remaining lifetime relative to initial recognition and, more specifically, defined by a logarithmic relationship between the reporting date PD and the resultant scaling factor. Grouping the 25 risk buckets into higher-level bands, the average scalar by band is as follows:

Master scale risk band	Average SICR scalar ¹
1–12	3.54
13–20	2.36
21–25	1.59

¹ Average SICR scalar refers to the scalar applied to the adjusted recognition/origination PD within the relevant master scale risk band for comparison with the respective adjusted reporting date PD.

- Using a set of portfolio-specific criteria that are indicative of a SICR to enhance the overall SICR assessment. These include, amongst others, partial arrear triggers and bureau score triggers
- Using the rebuttable presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due.

C2.6 DEFINITION OF 'DEFAULT'

Loans and advances are deemed to have defaulted when the South African banking regulations' default criteria are triggered (these criteria are in line with the Basel III requirements). For retail and specialised-lending portfolios, this is product-centred, and a default would therefore be specific to a borrower account (a specific advance). The remaining portfolios are client- or borrower-centred, meaning that should any transaction with a client default, all transactions with the client would be treated as having defaulted.

Defaulted loans and advances are classified as stage 3 and an appropriate ECL is measured as the difference between the asset's gross carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

Default occurs in respect of a client in the following instances:

Quantitative criteria

- The client has exceeded its advised credit limit or is past due for more than 90 days on any material credit obligation to the group.

Qualitative criteria

- The group considers that the client is unlikely to meet its credit obligations to the group in full without the group having recourse to actions such as realising security (if held).
- The group has consented to a distressed restructuring of the credit obligation, in accordance with Directive 7/2015, that is likely to result in a reduced financial obligation.
- The group has applied for the obligor's bankruptcy or similar order in respect of the obligor's credit obligation.
- The client is placed under business rescue in terms of the Companies Act, 71 of 2008 (as amended), and the client requests a restructure of its facilities due to financial distress.

C2.7 FORWARD-LOOKING INFORMATION INCORPORATED IN THE ECL MODELS

To account for forward-looking information (FLI), the ECL input parameters (PD and LGD) are typically linked to macroeconomic drivers such as the prime rate, gross domestic product (GDP) growth, household debt-to-income ratio, consumer price inflation and credit growth.

The estimation of ECL incorporates forward-looking principles in accordance with IFRS 9. While the underlying modelling methodologies rely primarily on historical experience, the group evaluates the potential impact of emerging risks and uncertainties such as climate-related events and tariff-driven risks to assess whether these risks and uncertainties are adequately captured in the existing forward-looking ECL models. This assessment helps identify any model limitations and informs management's understanding of how emerging risks and uncertainties may affect the credit risk profile. In line with the group's methodology, where emerging risks are assessed to be material and the models do not sufficiently capture these risks at a portfolio or sector level, judgemental post-model adjustments (PMAs) are applied. Climate-related risks are incorporated through PMAs where necessary, while other emerging risks and uncertainties may be reflected through updates to the macroeconomic scenarios used in the models, or may be captured as PMAs. For the current year, management have assessed the impact of emerging risks and uncertainties on ECL and have concluded that these do not have a material impact on critical judgements and estimates.

The incorporation of FLI into the ECL allows for a range of macroeconomic outcomes to capture non-linearities. The parameter inputs used to estimate the ECL are modelled on 4 macroeconomic scenarios: base (expected), positive, mild stress and high stress. Scenarios are provided by the Nedbank Group Economic Unit and incorporate historical trends, statistical models and expert judgement. The macroeconomic scenarios are updated quarterly, with the option of an out-of-cycle update based on significant macroeconomic events. There is a robust internal governance process to review and approve the forecast macroeconomic factors, which process includes approval by GCC.

The ECL under each macroeconomic scenario is the sum of the discounted products of the PD, LGD and exposure at default (EAD) for that specific scenario. The ECL is calculated to reflect an unbiased and probability-weighted amount, with the scenario weights estimated based on the likelihood of occurrence. The scenario set used and their associated weights are reviewed and approved by an executive-level subcommittee, the Executive Credit Committee (ECC), annually.

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The forecast ranges for some of the key macroeconomic variables used are shown below by using the annual average forecast over the 3-year period per scenario.

Scenario	2025					
	Probability weighting (%)	Total ECL allowance	Economic measures	Economic forecast ¹ (%)		
				2026	2027	2028
Base case	50	28 003	GDP	1.48	1.64	1.79
			Prime	9.75	9.25	9.25
			HPI	4.45	4.69	4.74
Mild stress	21	28 233	GDP	0.40	0.95	1.42
			Prime	10.75	10.25	10.00
			HPI	3.62	3.46	3.91
Positive outcome	21	27 879	GDP	2.03	2.09	2.29
			Prime	9.00	8.50	8.50
			HPI	5.62	5.95	5.96
High stress	8	28 424	GDP	(0.2)	0.56	1.19
			Prime	11.50	11.50	11.00
			HPI	2.79	2.22	3.05
Weighted scenarios	100	28 059				

¹ Forecast at 31 December 2025.

Scenario	2024					
	Probability weighting (%)	Total ECL allowance	Economic measures	Economic forecast ¹ (%)		
				2025	2026	2027
Base case	50	29 478	GDP	1.47	1.83	1.49
			Prime	10.50	10.50	10.50
			HPI	5.04	5.34	4.76
Mild stress	21	29 684	GDP	0.52	1.16	0.73
			Prime	11.50	11.50	11.25
			HPI	3.65	4.13	4.07
Positive outcome	21	29 346	GDP	2.01	2.36	2.02
			Prime	10.00	9.50	9.50
			HPI	5.70	6.41	6.28
High stress	8	29 841	GDP	(0.13)	0.84	0.20
			Prime	11.50	12.00	12.00
			HPI	2.26	2.89	3.34
Weighted scenarios	100	29 523				

¹ Forecast at 31 December 2024.

The total ECL allowance is the sum of the impairment allowance on loans and advances at amortised cost and FVOCI.

After the explicit forecast period, 2026 to 2028, all variables are forecast as a long-term average for modelling purposes. The long-term averages used for modelling purposes are GDP of 2.4% (2024: 1.9%), prime of 10.5% (2024: 10.5%) and the house price index (HPI) of 7.2% (2024: 5.9%).

Base case scenario

Global economic assumptions

- Global growth weakens. The slowdown stems from the dramatic changes in US economic policy and foreign relations under the Trump administration. Sharply higher country and product-specific tariffs weigh on global trade volumes and unsettle global supply chains. With protectionist measures used as leverage to achieve a wide range of geopolitical and strategic objectives, policy uncertainty persists and discourages fixed investment. Set against these negatives, the ongoing AI boom, subdued inflation and significant monetary policy easing offer some counterweight.
- Commodity prices are mixed. Softer global demand exerts downward pressure, but a weaker US dollar, lower US interest rates and tight supply conditions in several commodities keep prices relatively steady. Crude oil prices remain under pressure amid ample supply.
- Global inflation diverges. US inflation creeps higher, driven by tariffs, labour shortages, a weaker dollar, and the continued fiscal expansion. Elsewhere, inflation settles around central bank targets, kept in check by relative currency strength and the demand shock inflicted by higher US tariffs.

- Risk sentiment remains erratic. Competing forces influence sentiment. The AI boom and US monetary policy easing limit the downside, partly offsetting persistent worries about US economic policies and growing global geopolitical and economic fragmentation.

Global policy responses

- Monetary policy easing continues. The US Fed cuts its policy rate further in 2025 and 2026. The central bank concludes that tariffs and immigration controls pose a greater threat to growth than to inflation. The Bank of England (BoE) follows a similar trajectory as the US, while the European Central Banking (ECB) holds its policy rates steady at lower levels for an extended period. Japan gradually normalises monetary policy, lifting its policy rate to align with structurally higher inflation and interest rates in other advanced countries. Monetary policy easing continues in most emerging markets (EMs) as economic growth moderates while inflation remains contained.
- Fiscal policy diverges. In the US, aggressive tax cuts combined with limited spending reductions keep the budget deficit and debt burden on an unsustainable path. In Europe, fiscal policy becomes far more expansionary, driven by increased defence spending. China also pursues more fiscal stimulus, running budget deficits of around 4% of GDP over the next 3 years. Fiscal consolidation continues in most other EMs with varying degrees of success.

Domestic policy landscape

- Fiscal metrics remain stretched. The budget deficit averages 4.5% of GDP over the next 3 years, while the debt burden climbs to a peak of about 76% of GDP. Expenditure is inflated by high debt service costs, an elevated social burden and further state-owned enterprise (SOE) bailouts. Revenue growth improves slowly as economic growth picks up.
- Inflation remains below the South African Reserve Bank's (SARB's) 4.5% target in H1 2025, and then rises gradually towards target, stabilising around the midpoint over the next 3 year. Global disinflation, subdued oil and food prices, improved domestic conditions and limited demand pressure keep inflation in check, outweighing the impact of renewed rand volatility.
- Structural constraints continue to slow progress. Load-shedding is kept at bay by increased private generation, improved efficiencies at Eskom and generally subdued demand, driven partly by the switch to renewable energy sources.
- Monetary policy eases further, with the policy rate lowered by 75 bps in 2025 as inflation hovers around 4.5% and the US relaxes its policy stance.

Domestic economic consequences (Outcomes)

GDP growth: Economic activity improves modestly over the next 3 years. The boost comes mainly from stronger consumer spending and a gradual recovery in fixed investment, which offset the drag from shrinking exports. Consumer spending is supported by rising real incomes, contained inflation, lower interest rates and continued withdrawals of contractional savings. Fixed investment turns the corner in 2026, as firmer domestic demand erodes spare capacity and the global environment slowly settles.

- Credit: Loan growth gains moderate upward traction towards year-end, accelerating more meaningfully from 2026 onwards. The boost comes from household borrowing, bolstered by steady interest rates and healthier personal finances. Corporate credit remains volatile as global uncertainties persist.

Debt metrics: Household debt burdens increase gradually as borrowing accelerates, but lower interest rates reduce debt service costs meaningfully. Debt climbs to just above 62% of PDI and debt service costs fall to 7.4% of PDI by end-2028.

- Asset prices:
Equities: After breaking records in 2025, the ALSI's gains moderate considerably in 2026, realigning with domestic economic realities amid choppy global sentiment. The ALSI regains upward traction from 2027 onwards.

House prices: Demand for property gradually recovers, supported by stronger household finances and lower interest rates. House price growth averages 4.4% in nominal terms over the next 4 years.

Mild-stress scenario

The mild-stress scenario is a set of events that are each modelled based on an occurrence with a probability equivalent of a once-in-4-years event, while the high-stress scenario reflects a U-shaped recession, followed by long-term deterioration, and is modelled to represent a 1-in-10-years probability of occurring.

High-stress scenario

Global economic assumptions

- Geopolitical tensions intensify, complicated by the increasingly transactional nature of US foreign and economic policies. The future of NATO hangs in the balance as the US becomes more isolationist and generally hostile towards its traditional allies, threatening Europe's security. The divide between the US and China grows, amplified by a vicious spiral of US tariffs and investment bans, followed by Chinese retaliation with similar measures.
- Protectionist policies spread throughout the world, triggered by the Trump administration's reciprocal tariffs. A trade war ensues. Tariff and non-tariff barriers to trade increase. These lead to more restrictions on cross-border investments, sharper migration clampdowns, and increased currency interventions.
- The world economy enters a downturn. Economic growth slows to around 2.5%, global trade volumes shrink, fixed investment activity stalls and consumer demand falters.
- Commodity prices are mixed. Metal prices decline, but oil, food and industrial commodity prices are volatile and sticky at elevated levels. As global demand weakens, OPEC+ cuts global supply dramatically to keep prices elevated. Climate change undermines food production and drives prices up.

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- Global inflation: Commodity prices remains sticky, as the global trade war, volatile currency movements and supply chain reorientation elevate costs, outweighing the impact of subdued demand.
- Risk-off sentiment intensifies and EMs experience persistent capital outflows.

Global policy responses

- Monetary policy gradually tightens across the globe as stagflation sets in. The US Fed eases monetary policy as growth and employment deteriorate faster than inflation rises. As US tariffs filter through and price pressures mount amid continued fiscal expansion, the US Fed reverses course and hikes its policy rate moderately in 2027. Most other major central banks maintain a neutral policy stance, leaving interest rates on hold. EM central banks diverge. Most Asian EMs ease monetary policy further, while other EMs either hold or tighten as currency weakness fuels price pressures.
- Fiscal policy becomes more expansionary, but its effectiveness is undermined by surging public debt burdens and debt service costs, resulting in rising risk premiums.

Domestic policy landscape

- Political instability worsens as the GNU splinters on ideological and policy differences. A new coalition shifts from the centre to the left but proves chaotic and ineffective.
- Fiscal metrics deteriorate significantly. The budget deficit averages 5% of GDP over the next 3 years, driving debt to over 80% of GDP. Weak economic growth weighs on revenue, while expenditure is inflated by above-inflation wage increases, the adoption of a generous basic income grant, Eskom debt relief and other SOE bailouts.
- Inflation returns, driven by high domestic operating costs, persistent rand weakness, rising wages, fading productivity, and surging administrative prices. A weak rand drives import inflation higher, while domestic inefficiencies mount and pass-through accelerates as company profits come under pressure.
- Structural constraints worsen as reforms continue at a snail's pace, failing to address mounting backlogs. Progress is undermined by political turmoil and competing ideologies. Load-shedding returns in 2026 (stages 2–3), while transport bottlenecks worsen and water outages intensify. Thereafter, energy stabilises on subdued demand and higher generating capacity.
- Monetary policy pivots back towards a tightening bias, rising to 11.50% by late 2026. The MPC remains hawkish as inflation proves persistent and recedes only slowly.

Domestic economic consequences

GDP growth: The economy dips into recession in 2026, before staging a slow recovery. Exports contract as global growth weakens and commodity prices decline. Fixed investment shrinks in 2026 and remains weak thereafter, hurt by slow structural reforms, persistent domestic political and policy uncertainties, and weak domestic and global demand. Consumer spending also weakens, undermined by renewed job losses, higher inflation and rising interest rates

- Credit: Loan growth slows as corporate credit demand dwindles amid difficult global and domestic operating conditions. While household borrowing holds up relatively well in 2026, higher inflation and interest rates catch up with consumers from 2027 onwards.

Debt metrics: Household debt burdens rise as borrowing outpaces slowing nominal income growth, hurt by fading corporate profits and rising unemployment. Debt metrics deteriorate, reaching their worst levels in 2026. Household debt peaks above 65% of PDI and debt service costs rises to a high of 9.3% of PDI.

- Asset prices
Equities: The ALSI weakens in 2026, overwhelmed by global risk-off sentiment, the loss of AGOA, SA's mounting competitive challenges, and fading domestic growth prospects.

House prices: The downward trend continues as household finances deteriorate, and interest rates rise again. House price growth averages 2.8% in nominal terms over the next 4 years.

Positive-outcome scenario

Global economic assumptions

- Geopolitical tensions simmer due to the seismic shift in US foreign and trade policies. However, other developed and developing countries adopt measures to de-escalate the tensions with the US, while simultaneously developing alternative markets through increased bilateral agreements on trade and investment.
- Global growth slows mildly in 2025 and 2026, but gradually regains momentum towards the end of 2026 before accelerating more convincingly in 2028.
- Commodity prices remain subdued in 2025 and 2026, hurt by sluggish global demand, but recover in 2027 as the world economy rebalances.
- Global inflation remains subdued. While US inflation rises on tariff effects, the impact is muted and contained. The mix of higher US tariffs and a weaker dollar export disinflation to the rest of the world. This, combined with the lingering impact of softer demand and subdued commodity prices, keeps inflation on a downward trajectory in 2026 and 2027. While inflation remains sticky in US, it returns to central bank targets in most other countries.
- Risk appetites remain volatile and subdued, but recovers as the world economy adapts and returns to an upward trajectory. Risk appetites return as the rate-cutting cycle gathers pace, the rise in US tariffs is more modest and selective than expected, and China manages to regain upward traction, supporting capital inflows to heavily oversold emerging market economies (EMEs).

Global policy responses

- Monetary policy eases at different speeds across advanced countries. With inflation sticky but not accelerating, the US cuts interest rates aggressively to counter the impact of tariffs and immigration controls on economic growth and employment. Contained inflation

leads to further monetary policy easing in most other countries, although the pace of rate cuts slows following significant reductions in 2025.

- Fiscal policy remains broadly neutral, but the focus shifts towards infrastructure and defence investments. This effectively raises potential growth rates, helping governments to manage elevated public debt burdens and control inflation as productive capacity increases and improves.

Domestic policy landscape

- Political uncertainty fades as the ANC and DA manage to resolve their policy and ideological differences. The increase in political competition gradually yields improved accountability and service delivery.
- Fiscal metrics improve slowly. The budget deficit narrows, averaging 3.5% of GDP over the next 3 years, while the debt burden eases to around 75% of GDP. Revenue is boosted by improved collections and firmer economic growth. Expenditure rises at rates slightly above inflation. Significant wage restraint and cutbacks on wasteful spending enable government to maintain existing social support and fund a greater portion of critical SOEs' debt without worsening fiscal risks materially.
- Inflation declines rapidly on lower global oil, food and other commodity prices; a firmer rand; and lower domestic production costs.
- Structural constraints are gradually lifted as reforms gain traction. Load-shedding ends as more renewable energy comes on stream. Logistics improve as private operators improve operations and restore infrastructure. Modest progress is also made in returning major municipalities to good governance and stabilising water supply.
- Monetary policy: As inflation implodes, monetary policy easing accelerates in 2026 and 2027.

Domestic economic consequences

GDP growth: The economy picks up pace. The initial boost comes from consumer spending, underpinned by rising real incomes, low inflation, and more aggressive interest rate cuts. However, significant structural reforms boost confidence and lower operating costs. This and stronger domestic demand lower hurdle rates and encourage a relatively strong revival in private fixed investment. Increased infrastructure outlays by the public sector add further momentum as domestic growth prospects improve and global policy uncertainties fade.

- **Credit:** Loan growth picks up and accelerates. Rising household incomes, low inflation and falling interest rates drive household borrowing, while the economic recovery and renewed fixed investment support corporate credit.

Debt metrics: Household debt burdens and debt service costs decline as nominal income growth outpaces borrowing and monetary policy easing continues. Impairments decline and remain low throughout.

- **Asset prices**

Equities: The ALSI maintains upward momentum, although the gains moderate to a healthy margin above inflation. Better-than-expected domestic outcomes boost company earnings and improve risk perceptions towards SA.

House prices: A virtuous combination of rising real incomes, lower interest rates and growing confidence supports demand for property, resulting in a more convincing recovery in house prices. Growth averages around 5.3% over 2025 through to 2028.

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C2.8 APPLICATION OF JUDGEMENTAL ADJUSTMENTS IN ESTABLISHING ECL

Nedbank's ECL impairment allowance is estimated quantitatively through the application of IFRS 9 impairment models and is supplemented by judgemental adjustments. Judgemental adjustments are applied to cater for portfolios where the use of a model is inappropriate or applied in addition to the model (referred to as post-model adjustments) to cater for known model and data deficiencies and to account for emerging or developing information for which there is insufficient data and/or time to update models accordingly.

Approximately 10.82% of the 2024 balance sheet ECL (2024: 9.38%) is driven by judgemental adjustments.

The tables that follow provide a breakdown of the balance sheet ECL and income statement ECL charge at 31 December 2025 and 31 December 2024 by cluster or business unit, split between the following categories:

- **Model-driven ECL** – Represents the ECL impairment allowance, which is driven quantitatively by the IFRS 9 impairment models across the group. The key drivers of the model-driven ECL include book growth, updates to the macroeconomic forecasts, changes in credit risk mix and enhancements made to impairment models.
- **Judgemental adjustments** that are further split into the following:
 - **Individually assessed:** Considering the low-default nature of the CIB portfolio and the client-specific approaches applied in the resolution of CIB stage 3 clients, the ECL for these clients is based on the judgement of credit experts. This category therefore represents expert-judgement-based ECL estimates on CIB stage 3 clients that are individually assessed as part of the robust business-as-usual monthly watch list process. Potential losses are assessed under 3 different recovery scenarios, namely an expected case, a best-case and a worst-case scenario.
 - **Forward-looking-information adjustments:** The FLI adjustments include catering for a potential deterioration in collateral valuations, impacts not fully captured by the portfolio-level macroeconomic models, and emerging risks or developing events that are not yet reflected in the underlying data or model or macroeconomic forecasts.
 - **Other judgemental adjustments:** Adjustments are processed to address known system and model shortcomings and data limitations that have not yet been incorporated into the group's models.

Balance sheet ECL

Rm	2025				Modelled ECL as % of total ECL
	Model ECL	Individually assessed	Other judgemental adjustments	Total ECL	
Investment Banking and Transactional Services	552	318		870	63.45
Property Finance	132	1 108		1 240	10.65
Business and Commercial Banking	2 037		446	2 483	82.04
Personal and Private Banking	21 018		1 075	22 093	95.13
NAR	1 262		88	1 350	93.48
Centre	23			23	100
Total	25 024	1 426	1 609	28 059	89.18

Rm	2024 (Restated)				Modelled ECL as % of total ECL
	Model ECL	Individually assessed	Other judgemental adjustments	Total ECL	
Investment Banking and Transactional Services	1 079	954		2 033	53.07
Property Finance	156	1 010		1 166	13.38
Business and Commercial Banking ¹	2 049		193	2 242	91.39
Personal and Private Banking ¹	22 096		555	22 651	97.55
NAR	1 346		58	1 404	95.87
Centre	27			27	100
Total	26 753	1 964	806	29 523	90.62

¹ Restated to align with the reorganisation. Refer to note B1.

Income statement charge

Rm	2025					Modelled ECL as % of total ECL
	Model ECL	Individually assessed	FLI adjustments	Other judgemental adjustments	Total impairment	
Investment Banking and Transactional Services	(267)	(506)			(773)	34,54
Property Finance	(15)	70			55	(27,27)
Business and Commercial Banking	(49)			253	204	-24.02
Personal and Private Banking	6 227		32	520	6 779	91.86
NAR	262			30	292	89,73
Centre	(7)				(7)	100,00
Total	6 151	(436)	32	803	6 550	93,91

Rm	2024 (Restated)					Modelled ECL as % of total ECL
	Model ECL	Individually assessed	FLI adjustments	Other judgemental adjustments	Total impairment	
Investment Banking and Transactional Services	(153)	443			290	(52,87)
Property Finance	(12)	298			286	(4)
Business and Commercial Banking ¹	399			(100)	299	133.44
Personal and Private Banking ¹	7 031		10	(123)	6 918	101.63
NAR	281			34	315	89,21
Centre	39			(150)	(111)	(35,14)
Total	7 585	741	10	(339)	7 997	94,85

¹ Restated to align with the reorganisation. Refer to note B1.

Judgemental adjustments, which are inclusive of 'individually assessed' and 'other judgemental adjustments', are recognised in the following stages: R834m in stage 1, R486m in stage 2 and R1 715m in stage 3 (2024: R352m in stage 1; R248m in stage 2; R2 170m in stage 3). These adjustments have been allocated based on where the associated downside risk resides.

The Retail portfolios are data-rich and homogeneous in nature. Therefore, a portfolio approach typically is applied, with greater reliance placed on the models when determining ECL. The wholesale portfolios are more client- and industry-specific, and as such there is greater reliance on expert judgement applied, in particular for stage 3 clients, when determining ECL.

During 2024 judgemental adjustments continued to be monitored closely, with an overall reduction noted. Impairment models were updated to incorporate more recent data, to address any known deficiencies, and to enhance macroeconomic sensitivity where required. Updates were performed to ensure that the models perform well historically and provide the most appropriate estimates of forward-looking default risk and losses.

The model-driven component of the balance sheet ECL has decreased from 90.62% at YE 2024 to 89.18% at YE 2025. The model-driven contribution to the income statement ECL charge has decreased from 94.85% at YE 2024 to 93.91% at YE 2025.

The remaining judgemental adjustments will continue to be reassessed periodically in line with the emergence of risk in the data and/or the updating of models to adequately capture the prevailing economic environment. Other judgemental adjustments reflect items that are more longstanding in nature and that are reassessed periodically.

Judgemental adjustments are approved and managed through strong internal governance processes. The expert-judgement-based ECL raised in respect of the individually assessed clients is governed through the robust business-as-usual monthly watch list process with representation from all lines of defence. Considering the greater reliance on judgement-based post-model adjustments in navigating through the pandemic, existing governance processes and controls were strengthened, with key roles and responsibilities outlined below:

- **First line of defence:** Post-model adjustment processes or quantification methodologies are developed by the business units.
- **Second line of defence:** GCR provides assurance by challenging existing overlays, identifying emerging risks and recommending overlays to ensure the completeness and adequacy of impairments. Second-line-of-defence committee oversight is provided through avenues such as RBB monthly impairments meetings, cluster credit committees, the executive credit committee, and credit rating approval meetings. GCR provides further oversight in ensuring alignment and consistency in the ECL approaches across the various portfolios. GCR also performs a final assessment of the adequacy of impairments and considers emerging risks that should be accounted for as part of the group's FLI adjustments.
- **Third line of defence:** GIA provides third-line-of-defence assurance, while external audit provides extensive oversight through their year-end audits.

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C2.9 SCENARIO ANALYSIS

Macroeconomic variable (%)

Scenario	2025				2024			
	Probability weighting (%)	Total ECL allowance	Difference to weighted scenario	Percentage difference to weighted scenario	Probability weighting (%)	Total ECL allowance	Difference to weighted scenario	Percentage difference to weighted scenario
Base case	50	28 003	(56)	(0.21)	50	29 478	(45)	(0.16)
Mild stress	21	28 233	174	0.62	21	29 684	161	0.55
Positive outcome	21	27 879	(180)	(0.64)	21	29 346	(177)	(0.60)
High stress	8	28 424	365	1.30	8	29 841	318	1.08
Weighted scenarios	100	28 059			100	29 523		

The total ECL allowance is the sum of the impairment allowance on loans and advances at amortised cost and FVOCI.

Nedbank has used 4 economic scenarios (base case, mild stress, positive outcome and high stress) in the estimation of ECL. These scenarios are prepared by the Nedbank Group Economic Unit and approved by the Nedbank Houseview Forum and the Group Credit Committee (GCC). The base case is our expected outcome and is accordingly allocated a 50% probability weighting. The other scenarios represent the tails of our expected distribution of outcomes and are therefore allocated probability weightings based on the likelihood of their occurrence. The non-Covid-19-related adjustments and Covid-19 key judgement overlays were not flexed in the mild-stress, positive-outcome and high-stress scenarios. The forward-looking macro adjustments relating to Retail portfolios were flexed. The scenarios and the associated probability weightings are reviewed at least quarterly to incorporate any changes in the macroeconomic environment.

The table above summarises the most significant macroeconomic variables impacting ECL for the group that have been weighted and stressed against the final-weighted ECL. The different scenarios are a weighting of the different macroeconomic scenarios (for example interest rate and GDP).

The table above summarises the sensitivity of the ECL outcome against the 4 economic scenarios by calculating the ECL under each scenario described above for selected portfolios, applying a 100% weighting to each scenario in turn. The weighting is reflected in both the determination of a SICR and the measurement of the resulting ECL. The ECL calculated for the positive-outcome and the high-stress scenarios should not be taken to represent the upper and lower limits of possible ECL outcomes.

There is a particularly high degree of estimation uncertainty in numbers representing tail risk scenarios when assigned a 100% weighting.

C2.10 SEGMENTAL ANALYSIS OF IMPAIRMENTS CHARGE ON FINANCIAL INSTRUMENTS

2025

Rm	Total	Nedbank Corporate and Investment Banking	Nedbank Business and Commercial Banking	Nedbank Personal and Private Banking	Nedbank Africa Regions	Centre
ECL allowance at the beginning of the year	29 109	2 785	2 242	22 651	1 404	27
Stage 1	4 767	455	292	3 778	242	
Stage 2	4 574	244	242	4 005	82	1
Stage 3	19 768	2 086	1 708	14 868	1 080	26
Statement of comprehensive income charge net of recoveries	6 550	(718)	204	6 779	292	(7)
Stage 1	249	(57)	130	148	28	
Stage 2	605	(67)	(31)	718	(15)	
Stage 3	5 902	(332)	89	5 922	218	5
Off-balance-sheet allowance	(110)	(133)	15	9	(1)	
Non-loans and advances	33		1	(18)	62	(12)
FVOCI loan impairment charge	(129)	(129)				
Adjusted for:	(7 735)	(92)	37	(7 337)	(346)	3
Recoveries ¹	1 517	122	175	1 169	51	
Interest in suspense ¹	2 409	181	237	2 107	(116)	
Amounts written off against the impairment ¹	(10 840)	(482)	(463)	(9 696)	(199)	
Foreign exchange and other transfers ¹	(917)	(42)	89	(935)	(20)	(9)
Non-loans and advances	(33)		(1)	18	(62)	12
FVOCI loan impairment charge	129	129				
ECL allowance at the end of the year	27 924	1 975	2 483	22 093	1 350	23
Stage 1	4 556	365	407	3 530	254	
Stage 2	4 739	176	249	4 248	66	
Stage 3	18 629	1 434	1 827	14 315	1 030	23
Split by measurement category	27 924	1 975	2 483	22 093	1 350	23
Loans and advances	27 647	1 892	2 440	21 955	1 337	23
Off-balance-sheet allowance	277	83	43	138	13	

¹ Amounts written off against the impairment – adjusted for recoveries, interest in suspense, foreign exchange, and other recovery costs – totalled R7 831m (2024: R8 563m); refer to C2.1. The foreign exchange movements included in this amount resulted in a loss of R71m (2024: R6 589m gain).

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2024

Rm	Total	Nedbank Corporate and Investment Banking (Restated) ¹	Nedbank Business and Commercial Banking (Restated) ¹	Nedbank Personal and Private Banking (Restated) ¹	Nedbank Africa Regions	Centre (Restated) ¹
ECL allowance at the beginning of the year	29 856	3 720	2 311	22 381	1 284	160
Stage 1	4 616	426	306	3 696	188	–
Stage 2	5 273	436	256	4 346	72	163
Stage 3	19 967	2 858	1 749	14 339	1 024	(3)
Statement of comprehensive income charge						
net of recoveries	7 997	576	299	6 918	315	(111)
Stage 1	359		(36)	342	53	
Stage 2	(652)	(184)	(18)	(311)	13	(152)
Stage 3	8 022	533	356	6 874	220	39
Off-balance-sheet allowance	87	70	(2)	25	(6)	
Non-loans and advances	24		(1)	(12)	35	2
FVOCI loan impairment charge	157	157				
Adjusted for:	(8 744)	(1 511)	(368)	(6 648)	(195)	(22)
Recoveries	1 359	4	107	1 206	42	
Interest in suspense	2 675	183	187	2 233	72	
Amounts written off against the impairment	(11 664)	(962)	(731)	(9 779)	(192)	
Foreign exchange and other transfers	(933)	(579)	68	(320)	(82)	(20)
Non-loans and advances	(24)		1	12	(35)	(2)
FVOCI loan impairment charge	(157)	(157)				
ECL allowance at the end of the year	29 109	2 785	2 242	22 651	1 404	27
Stage 1	4 767	455	292	3 778	242	
Stage 2	4 574	244	242	4 005	82	1
Stage 3	19 768	2 086	1 708	14 868	1 080	26
Split by measurement category	29 109	2 785	2 242	22 651	1 404	27
Loans and advances	28 721	2 568	2 214	22 522	1 390	27
Off-balance-sheet allowance	388	217	28	129	14	

¹ Restated to align with the reorganisation. Refer to note B1.

C2.11 CREDIT RISK EXPOSURE

Maximum exposure to credit risk – financial instruments not subject to impairment

Rm	Maximum exposure to credit risk	
	2025	2024
Other short-term securities	49 515	57 253
Derivative financial instruments	21 654	17 072
Government and other securities	96 596	95 045
Loans and advances	75 429	61 314
Other assets	31 230	26 611
Total	274 424	257 295

The group mitigates the credit risk of derivatives, reverse repurchase agreements and securities lending by entering into master netting arrangements, derivative clearing agreements, global master repurchase agreements and global master securities lending agreements.

As part of the reverse repurchase agreements relating to loans and advances, the group has received securities as collateral that are allowed to be sold or repledged in the absence of default. The fair value of these securities at the reporting date amounts to R27 761m (2024: R19 742m).

Credit-impaired financial assets and related collateral held to mitigate potential losses are disclosed below:

Collateral held as security and other credit enhancements relating to credit-impaired financial assets

The value of collateral is considered in determining the severity of expected losses. However, in terms of Nedbank's impairment methodology, expected losses are greater than 0% even where there is overcollateralisation.

There have been no significant changes to collateral valuation policies and processes in the reporting period.

2025

Rm	Gross exposure ¹	Impairment allowance	Carrying amount	Fair value of collateral held	Net exposure
Home loans	16 849	4 397	12 452	12 437	15
Commercial mortgages	7 123	1 770	5 353	5 338	15
Credit cards and overdrafts	5 421	3 294	2 127	1 071	1 056
Term loans	7 872	4 078	3 794	446	3 348
Specialised and other loans to clients	814	462	352	266	86
Instalment debtors	9 269	4 650	4 619	4 611	8
Factoring accounts	233	44	189	189	–
Loans and advances at amortised cost and FVOCI	47 581	18 695	28 886	24 358	4 528

¹ Included in the total loans and advances at amortised cost and FVOCI is a gross carrying amount of R331m relating to term loans at FVOCI.

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2024

Rm	Gross exposure ¹	Impairment allowance	Carrying amount	Fair value of collateral held	Net exposure ²
Home loans	16 671	4 435	12 236	11 758	478
Commercial mortgages	6 937	1 785	5 152	4 674	478
Credit cards and overdrafts	5 396	2 979	2 417	1 216	1 201
Term loans	10 851	5 697	5 154	548	4 606
Specialised and other loans to clients	997	488	509	433	76
Instalment debtors	8 675	4 572	4 103	4 053	50
Factoring accounts	58	27	31	31	–
Loans and advances at amortised cost and FVOCI	49 585	19 983	29 602	22 713	6 889

¹ Included in the total loans and advances at amortised cost and FVOCI is a gross carrying amount of R1 098m relating to term loans at FVOCI.

² During the year the group reviewed its credit risk exposure disclosure. As a result of the review, the 'Net exposure' for loans and advances at amortised costs and FVOCI (stage 3) has been disclosed. To provide comparability, the prior-year 'Net exposure' has been disclosed.

The following tables disclose the distribution of loan-to-value (LTV) ratios of credit-impaired financial assets:

Loans and advances

LTV distributions

2025

Rm	Gross carrying amount of credit-impaired financial assets		
	Home loans	Commercial mortgages	Credit cards and overdrafts
Lower than 50%	1 479	367	180
51% to 75%	2 315	1 404	111
76% to 100%	6 180	2 946	698
Higher than 100%	6 875	2 406	4 432
Loans and advances at amortised cost and FVOCI	16 849	7 123	5 421

Rm	Gross carrying amount of credit-impaired financial assets		
	Home loans	Commercial mortgages	Credit cards and overdrafts
Lower than 50%	1 622	720	200
51% to 75%	2 514	379	7
76% to 100%	6 061	3 833	1 131
Higher than 100%	6 474	2 005	4 058
Loans and advances at amortised cost and FVOCI	16 671	6 937	5 396

Term loans	Specialised and other loans to clients	Instalment debtors	Factoring accounts
1 536	86	132	
65	11	291	
1 117	414	1 244	211
5 154	303	7 602	22
7 872	814	9 269	233

Term loans	Specialised and other loans to clients	Instalment debtors	Factoring accounts
3 584	92	155	
	4	365	
523	609	1 030	42
6 744	292	7 125	16
10 851	997	8 675	58

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C2.12 LOSS ALLOWANCE

Reconciliation of loss allowance relating to financial assets subsequently measured at amortised cost

The following tables present a reconciliation from the opening balance to the closing balance of the loss allowance, and how significant changes in the gross carrying amount of financial instruments contributed to changes in the loss allowance:

2025

Loans and advances

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	740 101	4 767	735 334
New financial assets originated or purchased	474 953	4 183	470 770
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements ¹	(64 197)	5 495	(69 692)
Final repayments	(301 624)	(1 236)	(300 388)
Transfers to 12-month ECL	33 520	488	33 032
Transfers to lifetime ECL (not credit-impaired)	(47 837)	(3 065)	(44 772)
Transfers to lifetime ECL (credit-impaired)	(19 440)	(6 067)	(13 373)
Foreign exchange movements	(2 837)	(9)	(2 828)
Net balances (refer note C2.2)	812 639	4 556	808 083
Total credit and zero balances ²	8 920	(118)	9 038
Balance at the end of the year	821 559	4 438	817 121
Loans and advances at FVTPL			
Loans and advances at FVOCI			
Off-balance-sheet impairment allowance			
Fair-value hedge-accounted portfolios			
ECL credit and other balances			
Loans and advances			

¹ Includes credit risk changes as a result of SICR, changes in credit risk that did not result in a transfer between stages, changes in model inputs and assumptions, and changes due to drawdowns of undrawn commitments.

² Total credit and zero balances throughout this note refer to the loss allowance on balances that are liabilities to the group at the financial year-end. The group, however, still has credit risk exposure on these facilities.

Not credit-impaired			Credit-impaired					
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
69 606	4 574	65 032	48 463	19 768	28 695	858 170	29 109	829 061
		–			–	474 953	4 183	470 770
		–	(10 840)	(10 840)	–	(10 840)	(10 840)	–
(5 359)	690	(6 049)	(4 094)	2 828	(6 922)	(73 650)	9 013	(82 663)
(10 052)	(510)	(9 542)	(8 175)	(1 910)	(6 265)	(319 851)	(3 656)	(316 195)
(30 608)	(339)	(30 269)	(2 912)	(149)	(2 763)	–	–	–
54 243	3 783	50 460	(6 406)	(718)	(5 688)	–	–	–
(11 728)	(3 473)	(8 255)	31 168	9 540	21 628	–	–	–
(8)	14	(22)	17	110	(93)	(2 828)	115	(2 943)
66 094	4 739	61 355	47 221	18 629	28 592	925 954	27 924	898 030
40	(12)	52	29	(8)	37	8 989	(138)	9 127
66 134	4 727	61 407	47 250	18 621	28 629	934 943	27 786	907 157
								75 429
								46 243
								277
								1 609
								(138)
								1 030 577

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Home loans

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	169 748	399	169 349
New financial assets originated or purchased	33 454	81	33 373
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(7 392)	658	(8 050)
Final repayments	(10 120)	(23)	(10 097)
Transfers to 12-month ECL	8 403	38	8 365
Transfers to lifetime ECL (not credit-impaired)	(7 988)	(344)	(7 644)
Transfers to lifetime ECL (credit-impaired)	(3 083)	(427)	(2 656)
Foreign exchange movements	(251)	8	(259)
Net balances	182 771	390	182 381
Total credit and zero balances	169	(37)	206
Balance at the end of the year	182 940	353	182 587

Commercial mortgages

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	187 076	199	186 877
New financial assets originated or purchased	44 852	118	44 734
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(7 066)	(81)	(6 985)
Final repayments	(30 424)	(18)	(30 406)
Transfers to 12-month ECL	4 051	53	3 998
Transfers to lifetime ECL (not credit-impaired)	(7 577)	(21)	(7 556)
Transfers to lifetime ECL (credit-impaired)	(766)	(67)	(699)
Foreign exchange movements	(351)	(3)	(348)
Net balances	189 795	180	189 615
Total credit and zero balances			–
Balance at the end of the year	189 795	180	189 615

Not credit-impaired			Credit-impaired					
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
20 949	828	20 121	16 664	4 436	12 228	207 361	5 663	201 698
		–			–	33 454	81	33 373
		–	(841)	(841)	–	(841)	(841)	–
(521)	190	(711)	(496)	129	(625)	(8 409)	977	(9 386)
(987)	(34)	(953)	(811)	(176)	(635)	(11 918)	(233)	(11 685)
(6 915)	(24)	(6 891)	(1 488)	(14)	(1 474)	–	–	–
10 907	498	10 409	(2 919)	(154)	(2 765)	–	–	–
(3 643)	(577)	(3 066)	6 726	1 004	5 722	–	–	–
(4)	–	(4)	6	21	(15)	(249)	29	(278)
19 786	881	18 905	16 841	4 405	12 436	219 398	5 676	213 722
1	(3)	4	8	(8)	16	178	(48)	226
19 787	878	18 909	16 849	4 397	12 452	219 576	5 628	213 948

Not credit-impaired			Credit-impaired					
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
10 070	115	9 955	6 937	1 785	5 152	204 083	2 099	201 984
		–			–	44 852	118	44 734
		–	(237)	(237)	–	(237)	(237)	–
(352)	(47)	(305)	(117)	458	(575)	(7 535)	330	(7 865)
(1 909)	(36)	(1 873)	(1 063)	(195)	(868)	(33 396)	(249)	(33 147)
(3 881)	(36)	(3 845)	(170)	(17)	(153)	–	–	–
8 323	152	8 171	(746)	(131)	(615)	–	–	–
(1 761)	(43)	(1 718)	2 527	110	2 417	–	–	–
(6)	(1)	(5)	(8)	(3)	(5)	(365)	(7)	(358)
10 484	104	10 380	7 123	1 770	5 353	207 402	2 054	205 348
		–			–	–	–	–
10 484	104	10 380	7 123	1 770	5 353	207 402	2 054	205 348

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Credit card and overdrafts

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	27 200	891	26 309
New financial assets originated or purchased	9 241	187	9 054
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(1 170)	1 175	(2 345)
Final repayments	(3 082)	(47)	(3 035)
Transfers to 12-month ECL	2 203	112	2 091
Transfers to lifetime ECL (not credit-impaired)	(3 387)	(508)	(2 879)
Transfers to lifetime ECL (credit-impaired)	(1 769)	(947)	(822)
Foreign exchange movements	134	4	130
Net balances	29 370	867	28 503
Total credit and zero balances	8 753	(74)	8 827
Balance at the end of the year	38 123	793	37 330

Not credit-impaired			Credit-impaired			Total		
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)					
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
5 048	748	4 300	5 379	2 979	2 400	37 627	4 618	33 009
		–			–	9 241	187	9 054
		–	(1 727)	(1 727)	–	(1 727)	(1 727)	–
157	113	44	(126)	793	(919)	(1 139)	2 081	(3 220)
(681)	(49)	(632)	(597)	(212)	(385)	(4 360)	(308)	(4 052)
(1 958)	(74)	(1 884)	(245)	(38)	(207)	–	–	–
3 615	571	3 044	(228)	(63)	(165)	–	–	–
(1 119)	(556)	(563)	2 888	1 503	1 385	–	–	–
45	1	44	56	59	(3)	235	64	171
5 107	754	4 353	5 400	3 294	2 106	39 877	4 915	34 962
39	(9)	48	21		21	8 813	(83)	8 896
5 146	745	4 401	5 421	3 294	2 127	48 690	4 832	43 858

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Term loans

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	129 900	1 124	128 776
New financial assets originated or purchased	260 894	2 549	258 345
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(14 172)	1 552	(15 724)
Final repayments	(208 594)	(695)	(207 899)
Transfers to 12-month ECL	10 191	70	10 121
Transfers to lifetime ECL (not credit-impaired)	(14 591)	(757)	(13 834)
Transfers to lifetime ECL (credit-impaired)	(7 378)	(2 774)	(4 604)
Foreign exchange movements	(1 944)	(1)	(1 943)
Net balances	154 306	1 068	153 238
Total credit and zero balances			–
Balance at the end of the year	154 306	1 068	153 238

Specialised and other loans to clients¹

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	43 969	162	43 807
New financial assets originated or purchased	36 225	74	36 151
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(934)	70	(1 004)
Final repayments	(26 272)	(68)	(26 204)
Transfers to 12-month ECL	823	11	812
Transfers to lifetime ECL (not credit-impaired)	(1 071)	(6)	(1 065)
Transfers to lifetime ECL (credit-impaired)	(179)	(29)	(150)
Foreign exchange movements	76	(33)	109
Net balances	52 637	181	52 456
Total credit and zero balances	(2)		(2)
Balance at the end of the year	52 635	181	52 454

¹ 'Specialised and other loans to clients' include deposits placed under reverse repurchase agreement and listed corporate bonds.

Instalment debtors

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	153 909	1 799	152 110
New financial assets originated or purchased	73 997	1 041	72 956
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(24 541)	2 161	(26 702)
Final repayments	(22 360)	(222)	(22 138)
Transfers to 12-month ECL	5 235	119	5 116
Transfers to lifetime ECL (not credit-impaired)	(13 146)	(1 405)	(11 741)
Transfers to lifetime ECL (credit-impaired)	(6 049)	(1 820)	(4 229)
Foreign exchange movements	(43)	15	(58)
Net balances	167 002	1 688	165 314
Total credit and zero balances		(7)	7
Balance at the end of the year	167 002	1 681	165 321

Not credit-impaired			Credit-impaired					
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
12 231	905	11 326	9 753	5 348	4 405	151 884	7 377	144 507
		-			-	260 894	2 549	258 345
		-	(4 365)	(4 365)	-	(4 365)	(4 365)	-
(1 336)	346	(1 682)	(59)	787	(846)	(15 567)	2 685	(18 252)
(5 032)	(301)	(4 731)	(5 285)	(1 238)	(4 047)	(218 911)	(2 234)	(216 677)
(10 049)	(63)	(9 986)	(142)	(7)	(135)	-	-	-
16 005	997	15 008	(1 414)	(240)	(1 174)	-	-	-
(1 743)	(940)	(803)	9 121	3 714	5 407	-	-	-
(47)	(2)	(45)	(69)	(12)	(57)	(2 060)	(15)	(2 045)
10 029	942	9 087	7 540	3 987	3 553	171 875	5 997	165 878
		-			-	-	-	-
10 029	942	9 087	7 540	3 987	3 553	171 875	5 997	165 878

Not credit-impaired			Credit-impaired					
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
1 547	63	1 484	997	485	512	46 513	710	45 803
		-			-	36 225	74	36 151
		-	(106)	(106)	-	(106)	(106)	-
(74)	(15)	(59)	(55)	28	(83)	(1 063)	83	(1 146)
(335)	(13)	(322)	(145)	1	(146)	(26 752)	(80)	(26 672)
(811)	(8)	(803)	(12)	(3)	(9)	-	-	-
1 178	29	1 149	(107)	(23)	(84)	-	-	-
(23)	(8)	(15)	202	37	165	-	-	-
5	15	(10)	31	41	(10)	112	23	89
1 487	63	1 424	805	460	345	54 929	704	54 225
		-			-	(2)	-	(2)
1 487	63	1 424	805	460	345	54 927	704	54 223

Not credit-impaired			Credit-impaired					
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
16 810	1 863	14 947	8 675	4 572	4 103	179 394	8 234	171 160
		-			-	73 997	1 041	72 956
		-	(3 562)	(3 562)	-	(3 562)	(3 562)	-
(3 596)	93	(3 689)	(3 216)	683	(3 899)	(31 353)	2 937	(34 290)
(868)	(71)	(797)	(264)	(65)	(199)	(23 492)	(358)	(23 134)
(4 411)	(95)	(4 316)	(824)	(24)	(800)	-	-	-
14 153	1 511	12 642	(1 007)	(106)	(901)	-	-	-
(3 418)	(1 328)	(2 090)	9 467	3 148	6 319	-	-	-
2		2	1	4	(3)	(40)	19	(59)
18 672	1 973	16 699	9 270	4 650	4 620	194 944	8 311	186 633
		-			-	-	(7)	7
18 672	1 973	16 699	9 270	4 650	4 620	194 944	8 304	186 640

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER

Preference shares and debentures

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	11 564	48	11 516
New financial assets originated or purchased	6 280	7	6 273
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(1 818)	(3)	(1 815)
Final repayments			–
Transfers to 12-month ECL	2 035	2	2 033
Transfers to lifetime ECL (not credit-impaired)			–
Transfers to lifetime ECL (credit-impaired)			–
Foreign exchange movements	(216)		(216)
Net balances	17 845	54	17 791
Total credit and zero balances			–
Balance at the end of the year	17 845	54	17 791

Overnight loans

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	10 197	7	10 190
New financial assets originated or purchased	9 317	6	9 311
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(6 386)	(5)	(6 381)
Final repayments	(216)	(2)	(214)
Transfers to 12-month ECL	8	1	7
Transfers to lifetime ECL (not credit-impaired)	(6)	(1)	(5)
Transfers to lifetime ECL (credit-impaired)			–
Foreign exchange movements	(241)		(241)
Net balances	12 673	6	12 667
Total credit and zero balances			–
Balance at the end of the year	12 673	6	12 667

Not credit-impaired			Credit-impaired			Total		
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)					
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
2 062	1	2 061			-	13 626	49	13 577
		-			-	6 280	7	6 273
		-			-	-	-	-
(27)	1	(28)			-	(1 845)	(2)	(1 843)
		-			-	-	-	-
(2 035)	(2)	(2 033)			-	-	-	-
		-			-	-	-	-
		-			-	-	-	-
		-			-	(216)	-	(216)
-	-	-	-	-	-	17 845	54	17 791
		-			-	-	-	-
-	-	-	-	-	-	17 845	54	17 791

Not credit-impaired			Credit-impaired			Total		
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)					
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
73	1	72		2	(2)	10 270	10	10 260
		-			-	9 317	6	9 311
		-			-	-	-	-
330		330	(6)	(1)	(5)	(6 062)	(6)	(6 056)
		-			-	(216)	(2)	(214)
(8)	(1)	(7)			-	-	-	-
(9)		(9)	15	1	14	-	-	-
		-			-	-	-	-
(3)		(3)			-	(244)	-	(244)
383	-	383	9	2	7	13 065	8	13 057
		-			-	-	-	-
383	-	383	9	2	7	13 065	8	13 057

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

Factoring accounts

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	6 538	25	6 513
New financial assets originated or purchased	693	4	689
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(718)	(35)	(683)
Final repayments	(556)	(1)	(555)
Transfers to 12-month ECL	571	34	537
Transfers to lifetime ECL (not credit-impaired)	(71)	(1)	(70)
Transfers to lifetime ECL (credit-impaired)	(216)	(3)	(213)
Foreign exchange movements	(1)		(1)
Net balances	6 240	23	6 217
Total credit and zero balances			–
Balance at the end of the year	6 240	23	6 217

Not credit-impaired			Credit-impaired					
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
816	37	779	58	27	31	7 412	89	7 323
		–			–	693	4	689
		–	(2)	(2)	–	(2)	(2)	–
60	3	57	(19)	26	(45)	(677)	(6)	(671)
(240)	(12)	(228)	(10)	(2)	(8)	(806)	(15)	(791)
(540)	(24)	(516)	(31)	(10)	(21)	–	–	–
71	1	70			–	–	–	–
(21)	(2)	(19)	237	5	232	–	–	–
		–			–	(1)	–	(1)
146	3	143	233	44	189	6 619	70	6 549
		–			–	–	–	–
146	3	143	233	44	189	6 619	70	6 549

Financial guarantees and loan commitments

	Not credit-impaired		Credit-impaired	Total
	Subject to 12-month ECL	Subject to lifetime ECL	Subject to lifetime ECL (excluding purchased/originated)	
	Allowance for ECL	Allowance for ECL	Allowance for ECL	
Rm				
Balance at the beginning of the year	113	13	134	260
New financial assets originated or purchased	116			116
Financial assets written off				–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	3	6	(75)	(66)
Final repayments	(160)	6	(23)	(177)
Transfers to 12-month ECL	48	(12)	(36)	–
Transfers to lifetime ECL (not credit-impaired)	(22)	24	(2)	–
Transfers to lifetime ECL (credit-impaired)		(19)	19	–
Foreign exchange movements	1	1		2
Net balances	99	19	17	135
Total credit and zero balances				–
Balance at the end of the year	99	19	17	135

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

2024

Loans and advances

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	674 327	4 616	669 711
New financial assets originated or purchased	366 858	3 345	363 513
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements ¹	(52 032)	5 352	(57 384)
Final repayments	(224 834)	(1 080)	(223 754)
Transfers to 12-month ECL	32 304	648	31 656
Transfers to lifetime ECL (not credit-impaired)	(41 133)	(2 702)	(38 431)
Transfers to lifetime ECL (credit-impaired)	(17 140)	(5 508)	(11 632)
Foreign exchange movements	1 751	96	1 655
Net balances	740 101	4 767	735 334
Total credit and zero balances ²	8 138	(116)	8 254
Balance at the end of the year	748 239	4 651	743 588
Loans and advances at FVTPL			
Loans and advances at FVOCI			
Off-balance-sheet impairment allowance			
Fair-value hedge-accounted portfolios			
ECL credit and other balances			
Loans and advances			

¹ Includes credit risk changes as a result of SICR, changes in credit risk that did not result in a transfer between stages, changes in model inputs and assumptions, and changes due to drawdowns of undrawn commitments.

² Total credit and zero balances throughout this note refer to the loss allowance on balances that are liabilities to the group at the financial year-end. The group, however, still has credit risk exposure on these facilities.

Not credit-impaired			Credit-impaired					
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
77 027	5 273	71 754	58 144	19 967	38 177	809 498	29 856	779 642
		–			–	366 858	3 345	363 513
		–	(11 664)	(11 664)	–	(11 664)	(11 664)	–
(8 703)	1 028	(9 731)	(6 848)	3 967	(10 815)	(67 583)	10 347	(77 930)
(5 092)	(308)	(4 784)	(11 051)	(1 660)	(9 391)	(240 977)	(3 048)	(237 929)
(28 164)	(439)	(27 725)	(4 140)	(209)	(3 931)	–	–	–
46 291	3 072	43 219	(5 158)	(370)	(4 788)	–	–	–
(11 864)	(4 080)	(7 784)	29 004	9 588	19 416	–	–	–
111	28	83	176	149	27	2 038	273	1 765
69 606	4 574	65 032	48 463	19 768	28 695	858 170	29 109	829 061
42	(13)	55	24	(1)	25	8 204	(130)	8 334
69 648	4 561	65 087	48 487	19 767	28 720	866 374	28 979	837 395
								61 314
								62 753
								388
								464
								(130)
								962 184

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

Home loans

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	159 354	368	158 986
New financial assets originated or purchased	28 693	137	28 556
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(6 292)	809	(7 101)
Final repayments	(9 762)	(18)	(9 744)
Transfers to 12-month ECL	10 302	42	10 260
Transfers to lifetime ECL (not credit-impaired)	(9 148)	(370)	(8 778)
Transfers to lifetime ECL (credit-impaired)	(3 407)	(592)	(2 815)
Foreign exchange movements	8	23	(15)
Net balances	169 748	399	169 349
Total credit and zero balances	181	(37)	218
Balance at the end of the year	169 929	362	169 567

Commercial mortgages

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	173 806	201	173 605
New financial assets originated or purchased	52 199	191	52 008
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(3 927)	(135)	(3 792)
Final repayments	(32 808)	(28)	(32 780)
Transfers to 12-month ECL	7 388	123	7 265
Transfers to lifetime ECL (not credit-impaired)	(8 138)	(22)	(8 116)
Transfers to lifetime ECL (credit-impaired)	(1 429)	(131)	(1 298)
Foreign exchange movements	(15)		(15)
Net balances	187 076	199	186 877
Total credit and zero balances			–
Balance at the end of the year	187 076	199	186 877

Not credit-impaired			Credit-impaired					
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
23 975	746	23 229	15 114	3 580	11 534	198 443	4 694	193 749
		–			–	28 693	137	28 556
		–	(714)	(714)	–	(714)	(714)	–
(776)	408	(1 184)	(510)	419	(929)	(7 578)	1 636	(9 214)
(1 123)	(31)	(1 092)	(665)	(144)	(521)	(11 550)	(193)	(11 357)
(8 823)	(30)	(8 793)	(1 479)	(12)	(1 467)	–	–	–
11 644	491	11 153	(2 496)	(121)	(2 375)	–	–	–
(3 949)	(763)	(3 186)	7 356	1 355	6 001	–	–	–
1	7	(6)	58	73	(15)	67	103	(36)
20 949	828	20 121	16 664	4 436	12 228	207 361	5 663	201 698
2	(1)	3	7	(1)	8	190	(39)	229
20 951	827	20 124	16 671	4 435	12 236	207 551	5 624	201 927

Not credit-impaired			Credit-impaired					
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount ¹	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
11 404	155	11 249	14 242	2 078	12 164	199 452	2 434	197 018
		–			–	52 199	191	52 008
		–	(251)	(251)	–	(251)	(251)	–
(1 997)	(9)	(1 988)	(2 494)	459	(2 953)	(8 418)	315	(8 733)
(696)	(20)	(676)	(5 395)	(541)	(4 854)	(38 899)	(589)	(38 310)
(6 857)	(59)	(6 798)	(531)	(64)	(467)	–	–	–
9 324	73	9 251	(1 186)	(51)	(1 135)	–	–	–
(1 123)	(26)	(1 097)	2 552	157	2 395	–	–	–
15	1	14		(2)	2	–	(1)	1
10 070	115	9 955	6 937	1 785	5 152	204 083	2 099	201 984
		–			–	–	–	–
10 070	115	9 955	6 937	1 785	5 152	204 083	2 099	201 984

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER

Properties in possession

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	128		128
New financial assets originated or purchased			–
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements			–
Final repayments	(128)		(128)
Transfers to 12-month ECL			–
Transfers to lifetime ECL (not credit-impaired)			–
Transfers to lifetime ECL (credit-impaired)			–
Foreign exchange movements			–
Net balances	–	–	–
Total credit and zero balances			–
Balance at the end of the year	–	–	–

Credit cards and overdrafts

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	25 370	902	24 468
New financial assets originated or purchased	9 688	151	9 537
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(1 889)	1 077	(2 966)
Final repayments	(2 713)	(39)	(2 674)
Transfers to 12-month ECL	1 768	91	1 677
Transfers to lifetime ECL (not credit-impaired)	(3 127)	(461)	(2 666)
Transfers to lifetime ECL (credit-impaired)	(1 697)	(840)	(857)
Foreign exchange movements	(200)	10	(210)
Net balances	27 200	891	26 309
Total credit and zero balances	7 957	(73)	8 030
Balance at the end of the year	35 157	818	34 339

Not credit-impaired			Credit-impaired					
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
		–	79	5	74	207	5	202
		–			–	–	–	–
		–			–	–	–	–
		–			–	–	–	–
		–	(79)	(5)	(74)	(207)	(5)	(202)
		–			–	–	–	–
		–			–	–	–	–
		–			–	–	–	–
		–			–	–	–	–
–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–

Not credit-impaired			Credit-impaired					
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
4 877	846	4 031	5 092	2 890	2 202	35 339	4 638	30 701
		–			–	9 688	151	9 537
		–	(1 667)	(1 667)	–	(1 667)	(1 667)	–
184	140	44	(322)	507	(829)	(2 027)	1 724	(3 751)
(418)	(44)	(374)	(525)	(206)	(319)	(3 656)	(289)	(3 367)
(1 625)	(74)	(1 551)	(143)	(17)	(126)	–	–	–
3 231	486	2 745	(104)	(25)	(79)	–	–	–
(1 288)	(616)	(672)	2 985	1 456	1 529	–	–	–
87	10	77	63	41	22	(50)	61	(111)
5 048	748	4 300	5 379	2 979	2 400	37 627	4 618	33 009
40	(12)	52	17		17	8 014	(85)	8 099
5 088	736	4 352	5 396	2 979	2 417	45 641	4 533	41 108

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

Term loans

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	105 496	1 158	104 338
New financial assets originated or purchased	174 982	1 382	173 600
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(7 992)	1 510	(9 502)
Final repayments	(136 552)	(529)	(136 023)
Transfers to 12-month ECL	4 276	81	4 195
Transfers to lifetime ECL (not credit-impaired)	(7 037)	(524)	(6 513)
Transfers to lifetime ECL (credit-impaired)	(4 259)	(1 970)	(2 289)
Foreign exchange movements	986	16	970
Net balances	129 900	1 124	128 776
Total credit and zero balances			–
Balance at the end of the year	129 900	1 124	128 776

Specialised and other loans to clients¹

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	43 751	130	43 621
New financial assets originated or purchased	23 662	183	23 479
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(1 241)	(81)	(1 160)
Final repayments	(22 448)	(85)	(22 363)
Transfers to 12-month ECL	941	75	866
Transfers to lifetime ECL (not credit-impaired)	(984)	(9)	(975)
Transfers to lifetime ECL (credit-impaired)	(374)	(95)	(279)
Foreign exchange movements	662	44	618
Net balances	43 969	162	43 807
Total credit and zero balances			–
Balance at the end of the year	43 969	162	43 807

¹ 'Specialised and other loans to clients' includes deposits placed under reverse repurchase agreement and listed corporate bonds.

Not credit-impaired			Credit-impaired					
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount ¹	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
14 477	1 252	13 225	12 744	6 668	6 076	132 717	9 078	123 639
		–			–	174 982	1 382	173 600
		–	(5 480)	(5 480)	–	(5 480)	(5 480)	–
(1 659)	599	(2 258)	(154)	1 372	(1 526)	(9 805)	3 481	(13 286)
(1 684)	(104)	(1 580)	(3 345)	(498)	(2 847)	(141 581)	(1 131)	(140 450)
(4 071)	(79)	(3 992)	(205)	(2)	(203)	–	–	–
7 382	580	6 802	(345)	(56)	(289)	–	–	–
(2 231)	(1 348)	(883)	6 490	3 318	3 172	–	–	–
17	5	12	48	26	22	1 051	47	1 004
12 231	905	11 326	9 753	5 348	4 405	151 884	7 377	144 507
		–			–	–	–	–
12 231	905	11 326	9 753	5 348	4 405	151 884	7 377	144 507

Not credit-impaired			Credit-impaired					
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount ¹	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
1 673	221	1 452	1 854	466	1 388	47 278	817	46 461
		–			–	23 662	183	23 479
		–	(137)	(137)	–	(137)	(137)	–
(575)	(152)	(423)	105	244	(139)	(1 711)	11	(1 722)
(104)	(17)	(87)	(707)	(117)	(590)	(23 259)	(219)	(23 040)
(438)	(7)	(431)	(503)	(68)	(435)	–	–	–
1 019	17	1 002	(35)	(8)	(27)	–	–	–
(45)	(4)	(41)	419	99	320	–	–	–
17	5	12	1	6	(5)	680	55	625
1 547	63	1 484	997	485	512	46 513	710	45 803
		–			–	–	–	–
1 547	63	1 484	997	485	512	46 513	710	45 803

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
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Instalment debtors

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	135 904	1 692	134 212
New financial assets originated or purchased	68 750	1 008	67 742
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(22 810)	2 221	(25 031)
Final repayments	(19 929)	(209)	(19 720)
Transfers to 12-month ECL	7 559	197	7 362
Transfers to lifetime ECL (not credit-impaired)	(9 731)	(1 294)	(8 437)
Transfers to lifetime ECL (credit-impaired)	(5 960)	(1 819)	(4 141)
Foreign exchange movements	126	3	123
Net balances	153 909	1 799	152 110
Total credit and zero balances		(6)	6
Balance at the end of the year	153 909	1 793	152 116

Preference shares and debentures

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	12 218	52	12 166
New financial assets originated or purchased	5 061	11	5 050
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(3 653)	(14)	(3 639)
Transfers to lifetime ECL (not credit-impaired)	(2 062)	(1)	(2 061)
Net balances	11 564	48	11 516
Total credit and zero balances			–
Balance at the end of the year	11 564	48	11 516

Overnight loans

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	10 956	9	10 947
New financial assets originated or purchased	2 746	3	2 743
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(3 624)	(6)	(3 618)
Final repayments	(33)		(33)
Transfers to 12-month ECL	52	1	51
Transfers to lifetime ECL (not credit-impaired)	(84)		(84)
Transfers to lifetime ECL (credit-impaired)			–
Foreign exchange movements	184		184
Net balances	10 197	7	10 190
Total credit and zero balances			–
Balance at the end of the year	10 197	7	10 190

Not credit-impaired			Credit-impaired			Total		
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
19 997	1 951	18 046	8 575	4 015	4 560	164 476	7 658	156 818
		–			–	68 750	1 008	67 742
		–	(3 376)	(3 376)	–	(3 376)	(3 376)	–
(3 443)	60	(3 503)	(3 065)	1 027	(4 092)	(29 318)	3 308	(32 626)
(1 026)	(80)	(946)	(314)	(83)	(231)	(21 269)	(372)	(20 897)
(6 280)	(158)	(6 122)	(1 279)	(39)	(1 240)	–	–	–
10 681	1 396	9 285	(950)	(102)	(848)	–	–	–
(3 118)	(1 306)	(1 812)	9 078	3 125	5 953	–	–	–
(1)		(1)	6	5	1	131	8	123
16 810	1 863	14 947	8 675	4 572	4 103	179 394	8 234	171 160
		–			–	–	(6)	6
16 810	1 863	14 947	8 675	4 572	4 103	179 394	8 228	171 166

Not credit-impaired			Credit-impaired			Total		
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
244	44	200			–	12 462	96	12 366
		–			–	5 061	11	5 050
(244)	(44)	(200)			–	(3 897)	(58)	(3 839)
2 062	1	2 061			–	–	–	–
2 062	1	2 061	–	–	–	13 626	49	13 577
		–			–	–	–	–
2 062	1	2 061	–	–	–	13 626	49	13 577

Not credit-impaired			Credit-impaired			Total		
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
205	16	189	322	118	204	11 483	143	11 340
		–			–	2 746	3	2 743
		–	(16)	(16)	–	(16)	(16)	–
(52)		(52)	(387)	(114)	(273)	(4 063)	(120)	(3 943)
(6)		(6)			–	(39)	–	(39)
(52)	(1)	(51)			–	–	–	–
84		84			–	–	–	–
(81)	(14)	(67)	81	14	67	–	–	–
(25)		(25)			–	159	–	159
73	1	72	–	2	(2)	10 270	10	10 260
		–			–	–	–	–
73	1	72	–	2	(2)	10 270	10	10 260

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
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Factoring accounts

Rm	Not credit-impaired		
	Subject to 12-month ECL		
	Gross carrying amount	Allowance for ECL	Amortised cost
Balance at the beginning of the year	7 344	26	7 318
New financial assets originated or purchased	1 077	10	1 067
Financial assets written off			–
Repayments net of readvances, capitalised interest, fees and ECL remeasurements	(604)	(3)	(601)
Final repayments	(461)	(2)	(459)
Transfers to 12-month ECL	18	3	15
Transfers to lifetime ECL (not credit-impaired)	(822)	(5)	(817)
Transfers to lifetime ECL (credit-impaired)	(14)	(4)	(10)
Net balances	6 538	25	6 513
Total credit and zero balances			–
Balance at the end of the year	6 538	25	6 513

Not credit-impaired			Credit-impaired					
Subject to lifetime ECL			Subject to lifetime ECL (excluding purchased/originated)			Total		
Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost	Gross carrying amount	Allowance for ECL	Amortised cost
175	21	154	122	59	63	7 641	106	7 535
		–			–	1 077	10	1 067
		–	(23)	(23)	–	(23)	(23)	–
(141)	11	(152)	(21)	(5)	(16)	(766)	3	(769)
(35)	(1)	(34)	(21)	(4)	(17)	(517)	(7)	(510)
(18)	(3)	(15)			–	–	–	–
864	11	853	(42)	(6)	(36)	–	–	–
(29)	(2)	(27)	43	6	37	–	–	–
816	37	779	58	27	31	7 412	89	7 323
		–			–	–	–	–
816	37	779	58	27	31	7 412	89	7 323

Financial guarantees and loan commitments

	Not credit-impaired		Credit-impaired	Total
	Subject to 12-month ECL	Subject to lifetime ECL	Subject to lifetime ECL (excluding purchased/originated)	
	Allowance for ECL	Allowance for ECL	Allowance for ECL	
Rm				
Balance at the beginning of the year	78	21	88	187
New financial assets originated or purchased	269			269
Repayments net of readvances, capitalised interest, fees and ECL	(26)	15	58	47
Final repayments	(170)	(11)	(62)	(243)
Transfers to 12-month ECL	35	(28)	(7)	–
Transfers to lifetime ECL (not credit-impaired)	(16)	17	(1)	–
Transfers to lifetime ECL (credit-impaired)	(57)	(1)	58	–
Net balances	113	13	134	260
Total credit and zero balances				–
Balance at the end of the year	113	13	134	260

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

C2.13 FINANCIAL ASSETS WRITTEN OFF

KEY ASSUMPTIONS CONCERNING THE FUTURE AND KEY SOURCES OF ESTIMATION

Write-off and post-write-off recoveries

Loans and advances are written off when the group has no reasonable expectations of recovering the individual asset partially or in its entirety. This assessment is judgemental and based on both qualitative and quantitative information. To determine the point of write-off, Nedbank has developed policies over several years that consider trends, historical experience, the level of post-write-off recoveries, the macro-environment, historical loan growth and recent delinquency trends. These policies are reviewed annually by appropriate governance forums and the appropriateness of the judgement is considered through a backtest that considers historical levels of post-write-off recoveries when compared with the written-off assets and the balance at default. The group may write off financial assets that are still subject to enforcement activity when there is no reasonable expectation of recovery. Details of the further quantitative and qualitative indicators for the write-off point assessments are as follows:

LOANS AND ADVANCES FURTHER QUANTITATIVE AND QUALITATIVE INDICATORS¹

General (applicable to all categories)	<ul style="list-style-type: none"> It is not economical to pursue further recovery action. A court order has been issued, including liquidation and insolvency orders. There is a confirmed case of fraud. There is a deceased estate. There is reputational risk associated with recovering the asset.
Mortgage loans	<ul style="list-style-type: none"> The asset is abandoned because it is not financially feasible to maintain or expectations of recovering the asset partially or in its entirety are remote. The cost to repair a vandalised property exceeds its value.
Instalment debtors	<ul style="list-style-type: none"> The asset cannot be traced. The asset is abandoned because it is not financially feasible to maintain or expectations of recovering the asset partially or in its entirety are remote.
Credit cards and overdrafts	<ul style="list-style-type: none"> The client has had 3 months (2024: 3 months) with no payment at the legal stage, which translates into approximately 9 months (2024: 9 months) in default.
Term loans (including personal loans)	<p>Personal loans:</p> <ul style="list-style-type: none"> The client has missed 9 consecutive payments (2024: 9 consecutive payments). An insurance claim has been repudiated or a shortfall exists after a settlement and further internal collection efforts have been exhausted. There is a case of confirmed fraud. <p>Term loans:</p> <ul style="list-style-type: none"> The amount becomes irrecoverable as a result of an adopted business rescue plan. The debt collection procedure has been completed, including exhausting the issuance of summons.
Other loans	<ul style="list-style-type: none"> Judgement is applied to determine whether or not a write-off, in whole or in part, is appropriate on a case-by-case basis.

¹ The above is not an exhaustive list.

The total amount of post-write-off-recoveries is R1.5bn (2024: R1.4bn). The table below presents the amount post-write-off-recoveries recognised in the statement of comprehensive income when compared to the date the underlying loan was written off. The disclosure is provided for material portfolios contributing 67% (2024: 83%) of post-write-off recoveries:

2025

	Total post-write-off-recoveries Rm	Period since write-off		
		0 to 1 year	1 to 5 years	>5 years
Instalment debtors	341	33%	56%	11%
Credit card	445	3%	69%	28%
Personal loans	273	10%	53%	37%

2024

	Total post-write-off-recoveries Rm	Period since write-off		
		0 to 1 year	1 to 5 years	>5 years
Instalment debtors	393	33%	54%	14%
Credit card	505	5%	73%	22%
Personal loans	263	10%	51%	39%

The following contractual amounts outstanding on financial assets were written off during the period, and are still subject to enforcement activity:

Rm	2025	2024
Contractual amount outstanding	10 595	10 391

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER

C2.14 MODIFICATION OF FINANCIAL ASSETS

The group modifies the terms of loans provided to clients due to commercial renegotiations, due to clients' entering debt counselling or, in cases of distressed loans, to maximise recovery. Such restructuring activities include extended payment terms, payment holidays and payment forgiveness. Restructuring policies and practices are based on indicators or criteria that, in the judgement of management, indicate that payment will most likely continue. These policies are kept under continuous review.

The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition when the modification is not substantial and does not result in derecognition of the original assets. The group monitors the subsequent performance of the assets. The group may determine that the credit risk has improved significantly after restructure and the assets are then moved from lifetime ECL (stage 2 and stage 3) to 12-month ECL (stage 1). This is the case for assets that have performed in accordance with the new terms during the post-restructure monitoring period, being a period of at least 6 consecutive months. Refer to section I: Financial Instruments for the group's accounting policy on the modification of loans.

The group continues to monitor whether there is a subsequent SICR in relation to such assets. The following table includes a summary of financial assets with lifetime ECLs of which the cash flows were modified during the year as part of the group's restructuring activities and their respective effects on the group's financial performance.

Where the modification of a loan did not result in a modification gain or loss being recognised due to the change in the contractual terms and conditions not being considered substantial and the present value of the loan discounted remaining unchanged, these modifications are not included in the disclosure below.

Refer to section I: Financial instruments for the group's accounting policies regarding financial assets and liabilities, including modification of loans.

Rm	2025	2024
Modification during the year for which the loss allowance reflects lifetime ECL		
Amortised cost before modification	6 947	4 651
Net modification loss	661	462
Modification since initial recognition of the financial asset for which the loss allowance has changed during the year to reflect 12-month ECL		
Gross carrying amount at the end of the year	2 181	1 001
Impact of modification on the ECL allowances associated with these assets	45	24

C3 GOVERNMENT AND OTHER SECURITIES

C3.1 ANALYSIS

	2025 Rm	2024 Rm
Government and government-guaranteed securities	242 556	192 334
Other dated securities ¹	9 060	5 346
Fair-value hedge-accounted portfolios	7 282	902
Impairment of government and other securities	(67)	(60)
	258 831	198 522

¹ Includes securitised assets. See note F5.

C3.2 SECTORAL ANALYSIS

	2025 Rm	2024 Rm
Financial services, insurance and real estate	2 730	1 150
Banks	780	688
Transport, storage and communication	3 043	2 112
Government and public sector	252 278	194 572
	258 831	198 522

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER

C4 OTHER SHORT-TERM SECURITIES

C4.1 ANALYSIS

	2025 Rm	2024 Rm
Negotiable certificates of deposit	19 306	19 087
Treasury bills and other bonds	48 768	60 545
CODI's liquidity tier	3 442	3 269
Impairment of other short-term securities	(49)	(5)
	71 467	82 896

During 2024, SARB launched CODI, which became operational on 1 April 2024, building further confidence in South Africa's resilient financial sector. In line with SARB's mandate to ensure financial stability, CODI will protect qualifying depositors, including individuals and non-financial businesses, as well as inform them of CODI's protection benefits and limitations, should a bank fail. CODI, which is the newest SARB subsidiary, provides cover of up to R100 000 to each qualifying depositor per bank in the unlikely event of a bank's collapse. This coverage limit fully protects 9 out of 10 qualifying depositors in the country. Under the auspices of the Financial Sector Regulation Act, 9 of 2017, CODI has established and will maintain and administer the Deposit Insurance Fund.

The group is a participating bank of the fund. The funding structure of the fund includes the following:

- CODI's own funds – A monthly flat premium of 0.2% and an annual levy of 0.015% of covered deposits paid by the participating banks.
- Liquidity tier – A contractual loan issued by the participating banks to CODI, adjusted monthly at 3% of the deposit balance. The liquidity tier loan is rolled over monthly and adjusted for changes in the participating banks' covered deposit balance. The loan is guaranteed by SARB.
- As needed – An emergency funding facility provided by SARB as needed.

C4.2 SECTORAL ANALYSIS

	2025 Rm	2024 Rm
Banks	18 609	18 755
Government and public sector	52 586	64 041
Other sectors	272	100
	71 467	82 896

C5 CASH AND CASH EQUIVALENTS

	2025 Rm	2024 Rm
Coins and banknotes	6 205	5 806
Money at call and short notice	6 598	6 295
Balances with central banks – other than mandatory reserve deposits	18 609	10 730
Cash and cash equivalents excluding mandatory reserve deposits with central banks	31 412	22 831
Mandatory reserve deposits with central banks	33 417	32 315
	64 829	55 146

Money at call and short notice constitute amounts withdrawable in 32 days or fewer. Mandatory reserve deposits with central banks are subject to certain restrictions and limitations set by the central banks in the countries of operation.

The ECL on the cash and cash equivalents balance is considered immaterial, as these balances carry a low probability of default. This assessment is based on the nature of these balances, which are primarily short-term and held with central banks in local currency.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER

C6 CREDIT ANALYSIS OF OTHER SHORT-TERM SECURITIES, GOVERNMENT AND OTHER SECURITIES, AND CASH AND CASH EQUIVALENTS

CREDIT RATINGS

	NGR1–12 ¹		NGR13–25 ¹		Not rated		Total	
	2025 Rm	2024 Rm	2025 Rm	2024 Rm	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Other short-term securities	61 160	79 389	8 208	656	2 099	2 851	71 467	82 896
Negotiable certificates of deposit	11 470	19 087	7 836				19 306	19 087
Treasury bills and other bonds	46 248	57 035	372	656	2 148	2 854	48 768	60 545
CODI's liquidity tier	3 442	3 269					3 442	3 269
Impairment of other short-term securities		(2)			(49)	(3)	(49)	(5)
Government and other securities	253 721	194 259	1 853	2 586	3 257	1 677	258 831	198 522
Government and government-guaranteed securities	238 143	189 067	1 094	1 532	3 319	1 735	242 556	192 334
Other dated securities	8 301	4 292	759	1 054			9 060	5 346
Fair-value hedge-accounted portfolios	7 282	902					7 282	902
Impairment of government and other securities	(5)	(2)			(62)	(58)	(67)	(60)
Cash and cash equivalents ²	57 718	44 315	6 597	10 690	514	141	64 829	55 146
	372 599	317 963	16 658	13 932	5 870	4 669	395 127	336 564

¹ Debt securities that are purchased by the group are rated using an internal rating system, being the NGR scale. The group requires that investments be rated on the NGR scale to ensure that credit risk is measured consistently and accurately across the group. This ensures compliance with the group's policy on the rating of investments. The NGR scale has been mapped to the credit-rating scales of external credit-rating agencies. According to the NGR scale, investment grade can be equated to a Standard & Poor's and Fitch rating of at least BB+ and a Moody's rating of at least Ba1. The group's investment grade includes credit ratings from NGR01 to NGR12 and subinvestment grade includes credit ratings from NGR13 to NGR25.

² During the year the group reviewed credit analysis disclosure. As a result of the review, the group has enhanced its disclosure by including the 'Cash and cash equivalents' line item. It is the group's view that this enhancement will provide relevant disclosures relating to the credit analysis of the 'Cash and cash equivalents' line item. To provide comparability, the prior-year information has been restated accordingly. The restatement has no impact on the group's consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity or consolidated statement of cash flows previously reported.

ACCOUNTING POLICY

Derivative financial instruments and hedge accounting

Derivatives are classified as financial assets when their fair value is positive, or as financial liabilities when their fair value is negative, subject to the offsetting principles outlined under 'Offsetting financial assets and financial liabilities'. The recognition of fair-value gains and losses depends on whether the derivatives are designated as hedging instruments and the nature of the risks being hedged.

Derivatives that qualify for hedge accounting

During FY2024, the group transitioned its accounting for cash flow hedges from IAS 39 to IFRS 9. As a result, the cash flow hedge relationships previously accounted for under IAS 39 were accounted for prospectively in accordance with IFRS 9.

For fair-value hedges related to interest rate exposure on portfolios of financial assets or liabilities, the group continues to apply hedge accounting as prescribed by IAS 39.

Fair-value hedges

The group uses fair-value hedges to manage changes in the fair value of recognised assets, liabilities, or firm commitments. To mitigate interest rate risk, the group enters into interest rate swap agreements. This exposure is dynamic, influenced by the origination of new loans and deposits, contractual repayments, and early withdrawals or prepayments by clients during each period. In response, the group has adopted a macro fair-value hedge strategy, designating new swap agreements into the hedge accounting solution at the beginning of every month. This approach enables the group to recognise fair-value changes related to the interest rate risk, thereby reducing profit or loss volatility that would otherwise result from changes in the fair value of the interest rate swaps alone.

Where a hedging relationship is designated as a fair-value hedge, the hedged item is adjusted for changes in fair value in respect of the hedged risk. Fair-value gains and losses on both the hedging instrument and the hedged item are recognised in profit or loss, provided that the hedge remains effective at each testing date. Any hedge ineffectiveness is recognised in profit or loss.

The main sources of hedge ineffectiveness in these relationships are cash flow mismatches between the hedged items and the hedging instruments, as well as differences between movements in the benchmark overnight index swap curves and the designated risk curve. Residual accounting volatility arises mainly from the straight-line amortisation of fair-value adjustments on the designated risk through the statement of comprehensive income as compared with the fair-value unwind of the swaps. It is also influenced by the granularity of the fair-value methodology that the group applies in measuring the designated risk.

Hedge accounting is discontinued when the derivative expires, is sold, is terminated, is exercised or no longer meets the criteria for fair-value hedge accounting, or when the hedge designation is revoked. In such cases, the fair-value adjustment previously applied to the hedged item is amortised to profit or loss over the remaining duration of the hedged relationship, in line with IFRS Accounting Standards. If the hedged item is repaid or sold, any unamortised fair-value adjustment is recognised in profit or loss immediately.

Cash flow hedges

The group, with a functional currency of ZAR, applies cash flow hedge accounting to manage its foreign currency risk as part of an approved risk management strategy. The group has exposure to foreign exchange risk through foreign-denominated debt securities as well as non-ZAR-denominated firm commitments.

To manage foreign currency risk, the group enters into derivative positions that match the timing and quantum of its foreign currency exposure but move in the opposite direction of the hedged item. The prescribed hedge ratio is 100%. The gain or loss on the hedging instrument, to the extent effective, is recognised in the cash flow hedge reserve and subsequently recycled to profit or loss when the hedged item impacts the statement of comprehensive income.

The following are potential sources of hedge ineffectiveness:

- The effects of credit risk on the hedged item and the hedging instrument.
- Differences in the characteristics of the hedged item and the hedging instrument.
- The fair value of the hedging instrument at the inception of the hedge relationship.
- Modifications to the terms of the hedged item (e.g. prepayments).

Any hedge ineffectiveness is recognised in profit or loss. For cash flow hedges, the group excludes the currency basis spread (CBS) from the hedge relationship and designates only the remaining portion of the swaps as the hedging instruments. The CBS is included in other comprehensive income (OCI).

Derivatives that do not qualify for hedge accounting

All gains and losses arising from changes in the fair value of derivatives that are not designated within a hedge accounting relationship are recognised in non-interest revenue and income immediately.

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Embedded derivatives

Derivatives in a host contract, whether financial or non-financial instruments such as equity conversion options in convertible bonds, are separated from the host contract when all of the following conditions are met:

- The economic characteristics and risks of the embedded derivative are not closely related to those of the host contract.
- A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative.
- The combined contract is not measured at fair value, with changes in fair value recognised in profit or loss.
- The host contract is accounted for under IFRS 9 if it is a financial instrument, or under other applicable IFRS Accounting Standards if it is not.

If an embedded derivative is required to be separated from its host contract but its separate fair value cannot be measured reliably at acquisition or at a subsequent financial reporting date, the entire hybrid instrument is categorised at fair value through profit or loss (FVTPL) and measured at fair value.

Principal types of derivatives

These transactions are entered into in the normal course of business and are measured at fair value. The principal types of derivative contracts into which the group enters are swaps, options, futures, and forwards.

Collateral

To manage credit risk in derivative transactions, the group may require collateral from counterparties. The credit risk exposure is primarily represented by the positive fair value of the derivative contract. Collateral may be provided in the form of cash or through a lien over a client's assets, which entitles the group to claim current and future liabilities.

South African benchmark reform

During December 2025, the South African Reserve Bank (SARB) formally announced the Johannesburg Interbank Agreed Rate (JIBAR) cessation-of-publication date to be 31 December 2026. All tenors of the JIBAR rate will be considered non-representative from the cessation date onwards. With this announcement, the final aspects of South African JIBAR benchmark reform have now been settled on, with the focus for 2026 on increasing market liquidity and transacting in the designated replacement rate, i.e. South African Rand Overnight Index Average (ZARONIA), as well as the contractual remediation of impacted JIBAR-linked transactions.

The cessation announcement triggered the fixing of the important Credit Adjustment Spread (CAS) as calculated and published on Bloomberg to a static value as of the announcement date. The CAS is expected to play an important role in the contractual remediation of all JIBAR-linked products between the group and its clients, which may have one or more references in calculation against the soon-to-be-discontinued JIBAR benchmark rate after the 2026 cessation date.

Benchmark reform is a critical market infrastructure initiative to improve the integrity and stability of financial markets and is not intended to be any form of value transfer between parties or a change in the price of liquidity and interest rate risk. The process of reform, however, does present a range of risks to the group and its clients, including notably operational and reputational risk, that need to be carefully managed and mitigated. To oversee the successful implementation of benchmark reform, the group has established a comprehensive steering committee comprising all impacted stakeholders and relevant personnel. The group is impacted by this transition across a range of products. The steering committee is responsible for managing both the migration of legacy transactions and the implementation of new transactions under the new benchmark.

The group expects to have engagement with impacted clients and counterparties during 2026 in relation to new ZARONIA transacting as well as the remediation of impacted JIBAR transactions previously concluded.

Financial assets that are impacted by reference rate reform:

Rm	2025 JIBAR	2024 JIBAR
Derivative financial instruments (assets) ¹	20 763	18 562
Other short-term securities	8 896	5 709
Government and other securities	68 696	27 654
Loans and advances	236 894	257 202
Total assets recognised on the balance sheet	335 249	309 127
Loan commitments	24 461	26 356
Total off-balance-sheet exposure	24 461	26 356
Total asset exposure subject to reference rate reform	359 710	335 483

¹ Derivative financial instruments designated in the group's fair-value hedge accounting solution consist principally of JIBAR-linked interest rate swaps. The gross notional amount and fair value of JIBAR-linked derivative financial assets impacted by the reference rate reform are R93.4bn and R2.0bn respectively (2024: R205.9bn and R2.1bn).

Equity and financial liabilities that are impacted by reference rate reform:

Rm	2025 JIBAR	2024 JIBAR
Holdings of additional tier 1 capital instruments	11 969	12 798
Total equity recognised subject to reference rate reform	11 969	12 798
Derivative financial instruments (liabilities) ¹	32 713	18 332
Amounts owed to depositors	206 453	201 044
Long-term debt instruments	44 795	39 729
Total liabilities recognised subject to reference rate reform	283 961	259 105

¹ Derivative financial instruments designated in the group's fair-value hedge accounting solution consist principally of JIBAR-linked interest rate swaps. The gross notional amount and fair value of JIBAR-linked derivative financial liabilities impacted by the reference rate reform are R154.3bn and R9.1bn respectively (2024: R146.9bn and R2.5bn).

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C7.1 TOTAL CARRYING AMOUNT OF DERIVATIVE FINANCIAL INSTRUMENTS

A detailed breakdown of the carrying amount (fair value) and notional principal of the various types of derivative financial instruments held by the group is presented in the following tables in notes C7.2 and C7.3.

	2025 Rm	2024 Rm
Gross carrying amount of assets	21 654	17 072
Gross carrying amount of liabilities	(10 872)	(11 623)
Net carrying amount	10 782	5 449

C7.2 NOTIONAL PRINCIPAL OF DERIVATIVE FINANCIAL INSTRUMENTS

This represents the gross notional amounts of all outstanding contracts at year-end. This gross notional amount is the sum of the absolute amount of all purchases and sales of derivative instruments. The notional amounts do not represent amounts exchanged by the parties and therefore represent only the measure of involvement by the group in derivative contracts and not its exposure to market or credit risks arising from such contracts. The amounts actually exchanged are calculated on the basis of the notional amounts and other terms of the derivative, which relate to interest rates, exchange rates, securities or commodity prices or financial and other indices.

Rm	2025			2024 (Restated)		
	Notional principal	Positive value	Negative value	Notional principal	Positive value	Negative value
Equity derivatives	152 124	115 404	36 720	212 844	158 141	54 703
Options written	29 016	1 864	27 152	32 025	397	31 628
Options purchased	98 655	98 655		142 984	142 772	212
Futures ¹	24 453	14 885	9 568	37 835	14 972	22 863
Commodity derivatives³	53 073	26 061	27 012	45 541	22 685	22 856
Options written ³	25 580		25 580	12 686		12 686
Options purchased ³	24 578	24 578		12 678	12 678	
Swaps	2	1	1	36	18	18
Futures ³	2 913	1 482	1 431	20 141	9 989	10 152
Exchange rate derivatives	1 114 791	561 801	552 990	1 050 907	527 640	523 267
Forwards	839 825	417 373	422 452	868 551	437 173	431 378
Futures	35 505	12 933	22 572	775	11	764
Currency swaps	204 523	114 474	90 049	144 567	71 982	72 585
Options purchased	17 021	17 021		18 475	18 474	1
Options written	17 917		17 917	18 539		18 539
Interest rate derivatives	2 423 049	1 153 435	1 269 614	2 050 934	1 040 302	1 010 632
Interest rate swaps	2 185 330	1 079 282	1 106 048	1 824 667	927 468	897 199
Forward rate agreements	88 522	42 624	45 898	93 604	64 567	29 037
Futures	51 390		51 390	46 170	9 505	36 665
Caps	13 230	4 639	8 591	9 528	2 615	6 913
Floors	6 265	4 895	1 370	1 200	300	900
Credit default swaps ²	8 196	2 618	5 578	7 929	3 368	4 561
Total return swaps ²	70 116	19 377	50 739	67 836	32 479	35 357
Total notional principal	3 743 037	1 856 701	1 886 336	3 360 226	1 748 768	1 611 458

¹ Includes contracts for difference with positive notionals of R0m (2024: R0) and negative notionals of R0m (2024: R0). The equity forward agreement has positive notionals of R14 885m (2024: R14 972m) and negative notionals of R9 568m (2024: R22 863m).

² Credit default swaps and total return swaps contain an interest leg and are internally risk-managed as part of interest rate risk in the banking book.

³ During the year the group found that the notional principal amounts on the 'Options written', 'Options purchased' and 'Futures' line items under the 'Commodity derivatives' subheading were incorrectly understated. The options-written negative value was understated by R12.5bn, the options-purchased positive value was understated by R12.6bn and the futures positive and negative values were understated by R9.9bn and R10.1bn respectively. The understatements had an impact on the total notional principal amounts. For comparability the prior-year information has been restated. This restatement has no impact on the consolidated statement of financial position.

C7.3 CARRYING AMOUNT OF DERIVATIVE FINANCIAL INSTRUMENTS

The amounts disclosed represent the fair value of all derivative instruments held at year-end. The fair value of a derivative financial instrument is the amount at which it could be exchanged in an orderly transaction between market participants at the measurement date other than a forced liquidation or sale. Fair values are obtained from quoted market prices, discounted-cash flow models and market-accepted option-pricing models.

Rm	2025			2024		
	Net carrying amount	Carrying amount of assets	Carrying amount of liabilities	Net carrying amount	Carrying amount of assets	Carrying amount of liabilities
Equity derivatives	4 658	7 384	2 726	2 307	5 690	3 383
Options written	(1 950)	(664)	1 286	(2 966)	109	3 075
Options purchased	7 358	7 358		4 920	4 936	16
Futures ²	(750)	690	1 440	353	645	292
Commodity derivatives	3 271	3 929	658	1 248	2 050	802
Options written	(499)		499	(311)		311
Options purchased	2 772	2 772		556	556	
Swaps	(135)	2	137	(17)	251	268
Futures	1 133	1 155	22	1 020	1 243	223
Exchange rate derivatives	339	4 744	4 405	(1 052)	3 778	4 830
Forwards	592	2 312	1 720	(318)	2 222	2 540
Futures	(1 348)	5	1 353	5	11	6
Currency swaps	1 441	2 121	680	(885)	926	1 811
Options purchased	306	306		619	619	1
Options written	(652)		652	(473)		473
Interest rate derivatives	2 514	5 597	3 083	2 946	5 554	2 608
Interest rate swaps	2 893	4 423	1 530	2 355	3 904	1 549
Forward rate agreements	1	1	1	1	1	1
Options purchased	18	18				
Options written				24	24	
Futures	(14)		14	4	49	45
Caps	(70)	4	74	(95)	1	96
Floors	47	47	1	2	2	1
Credit default swaps	4	4		(3)	16	19
Total return swaps	(364)	1 101	1 465	659	1 558	899
Total carrying amount	10 782	21 654	10 872	5 449	17 072	11 623

¹ Represents amounts less than R1m.

² Includes contracts for difference and an equity forward agreement. The fair value of the contracts for difference is zero as the variation margin is settled at the end of every day.

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C7.4 ANALYSIS OF DERIVATIVE FINANCIAL INSTRUMENTS

Rm	Equity derivatives	Commodity derivatives	Exchange rate derivatives	Interest rate derivatives	Total
Derivative assets					
2025					
Maturity analysis					
Under 1 year	7 045	2 407	2 682	764	12 898
1 to 5 years	339	1 522	553	1 899	4 313
Over 5 years			1 509	2 934	4 443
	7 384	3 929	4 744	5 597	21 654
2024					
Maturity analysis					
Under 1 year	2 471	1 537	2 918	1 630	8 556
1 to 5 years	3 219	513	555	850	5 137
Over 5 years			305	3 074	3 379
	5 690	2 050	3 778	5 554	17 072
Derivative liabilities					
2025					
Maturity analysis					
Under 1 year	2 555	484	3 769	2 062	8 870
1 to 5 years	171	174	498	360	1 203
Over 5 years			138	661	799
	2 726	658	4 405	3 083	10 872
2024					
Maturity analysis					
Under 1 year	2 662	614	3 227	1 229	7 732
1 to 5 years	721	188	1 099	471	2 479
Over 5 years			504	908	1 412
	3 383	802	4 830	2 608	11 623
Notional principal of derivatives					
2025					
Maturity analysis					
Under 1 year	91 160	42 798	947 320	1 990 019	3 071 297
1 to 5 years	60 964	10 275	107 614	280 101	458 954
Over 5 years			59 857	152 929	212 786
	152 124	53 073	1 114 791	2 423 049	3 743 037
2024 (Restated)					
Maturity analysis					
Under 1 year ¹	120 579	32 225	920 503	1 557 567	2 630 874
1 to 5 years ¹	92 265	13 316	87 079	279 227	471 887
Over 5 years			43 325	214 140	257 465
	212 844	45 541	1 050 907	2 050 934	3 360 226

¹ During the year the group found that the notional principal of derivatives maturity analysis related to commodity derivatives was incorrectly understated. The 'Under 1 year' and '1 to 5 years' line items were understated by R31.9bn and R13.2bn respectively. For comparability the prior-year information has been restated. This restatement has no impact on the consolidated statement of financial position.

The maturity analysis in this note is prepared based on contractual maturities.

C7.5 DERIVATIVES DESIGNATED AS FAIR-VALUE HEDGES IN TERMS OF THE GROUP'S FAIR-VALUE HEDGE ACCOUNTING SOLUTION AND CASH FLOW HEDGES

Fair-value hedges

As part of its hedging activities, the group enters into transactions that are designated as fair-value hedge transactions.

Fair-value hedges are used by the group to mitigate the risk of changes in the fair value of financial instruments due to movements in market interest rates. Derivatives that are designated by the group to form part of these fair-value hedge transactions consist principally of interest rate swaps. The corresponding hedged items forming part of these fair-value hedges, designated into the fair-value hedge-accounting solution, consist primarily of fixed-rate government bonds, loans, deposits and capital market issuances.

For qualifying fair-value hedges, all changes in the fair value of the derivative and in the fair value of the hedged item, in relation to the risk being hedged, are recognised in profit or loss monthly if the hedge-accounting criteria are met.

IAS 39 does not specify a single method for assessing hedge effectiveness. The method an entity adopts for assessing hedge effectiveness depends on its risk management strategy. The group considers the linear-regression method as the appropriate hedge effectiveness test to be used for prospective and retrospective hedge effectiveness testing. Linear regression is a statistical method that investigates the strength of the statistical relationship between the hedged item and the hedging instrument.

Hedging is conducted on a PV01 basis between the hedged item and the hedging instrument, rather than on nominal terms. Hedge effectiveness testing was performed monthly and assessed against the effectiveness range of 80% to 125%, as prescribed by IAS 39. The Group consistently remained within the hedge effectiveness range throughout the periods under observation.

Linear-regression analysis involves determining a 'line of best fit' (slope) and then assessing the 'goodness of fit' (R-square) of this line. It provides a means of expressing, in a systematic fashion, the extent to which 1 variable, 'the dependent', will vary with changes in another variable, 'the independent'. In the context of assessing hedge effectiveness, it establishes whether changes in the hedged item and hedging instrument are highly correlated.

The total day-to-day movement of the hedged item (due to the hedged risk) is regressed against the total day-to-day movement of the designated external swaps to calculate the hedge effectiveness, i.e. the degree of offset between the movements in the external swap and the hedged item (due to hedged risk).

Given the respective methodologies applied to perform retrospective and prospective hedge effectiveness testing, the number of data points considered for linear regression will not be consistent between retrospective and prospective testing and will not remain constant for all retrospective tests performed. This is in line with the requirements of IAS 39 as it proves hedge effectiveness retrospectively throughout the reporting periods for which the hedge was designated (IAS 39 paragraphs 89 to 102) and prospectively up to the next possible rebalancing date as documented as part of the risk management strategy for this particular hedging relationship (IAS 39 paragraphs 89 to 102). The hedged risk is designated on the first day of the month for prospective testing purposes and designated for the remainder of the month and with the retrospective run at month-end. The hedged risk is redesignated monthly to reflect the changes in the underlying risk as a result of new or matured deals, early settlements and early withdrawals since the previous risk designation.

Cash flow hedges

To manage foreign currency risk, the group enters into derivative positions that match the timing and quantum of its foreign currency exposure but move in the opposite direction of the hedged item. The gain or loss on the hedging instrument, to the extent effective, is recognised in the cash flow hedge reserve and subsequently recycled to profit or loss when the hedged item impacts the consolidated statement of comprehensive income.

Any hedge ineffectiveness is recognised in profit or loss. For cash flow hedges, the group excludes the currency basis spread (CBS) from the hedge relationship and designates only the remaining portion of the swaps as the hedging instruments. The CBS is included in other comprehensive income (OCI).

Based on the nature of the hedge relationships and the sources of hedge ineffectiveness identified, a combination of qualitative and quantitative assessments is performed to test the effectiveness of a hedging relationship. Hedge effectiveness is assessed at inception of the hedge, at each reporting date, and upon a significant change in the circumstances affecting the hedge effectiveness requirements.

Qualitative hedge effectiveness assessment

The qualitative hedge effectiveness assessment considers whether:

- There is an economic relationship between the hedged item and the hedging instrument, based on a comparison of the critical terms (e.g. notional/principal amount, currencies, interest and principal cash flows and maturity dates);
- The effect of credit risk does not dominate the value changes that result from the economic relationship by considering changes in the credit ratings of the respective parties to the transactions, as well as ensuring that the margining agreement is still in place; and
- The hedge ratio is consistent with the ratio designated. As a result, the hedge ratio is 1:1.

A misalignment in critical terms does not automatically breach the economic relationship, but judgement will be required in making the assessment, supported by a quantitative hedge effectiveness assessment. Changes in terms needs to be evaluated for de-designation or discontinuation triggers.

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Quantitative hedge effectiveness assessment

To assess the hedge effectiveness quantitatively, a statistical regression analysis is performed.

The following table discloses the hedged exposures included in the group's macro fair-value hedge and cash flow hedges:

	Carrying amount of hedged item		Nominal amount of hedged items		Accumulated amount of fair-value adjustments on the hedged item	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Rm						
2025						
Fair- value hedge						
Government and other securities	111 037		115 107		7 282	
Loans and advances	74 709		74 480		1 609	
Derivative financial instruments						
Amounts owed to depositors		170 308		162 888		(1 528)
Cash flow hedge						
Government and other securities	3 407		3 471			
Derivative financial instruments						
Total	189 153	170 308	193 058	162 888	8 891	(1 528)
2024						
Fair- value hedge						
Government and other securities	80 844		84 365		902	
Loans and advances	76 248		76 126		464	
Derivative financial instruments						
Amounts owed to depositors		169 247		164 347		(722)
Cash flow hedge						
Government and other securities						
Derivative financial instruments						
Total	157 092	169 247	160 491	164 347	1 366	(722)

¹ Reclassifications from the cash flow hedge reserve into profit or loss are recognised in non-interest revenue and income.

Carrying amount of hedging instruments		Notional amount of hedging instruments		Cash flow hedge reserve	Amounts reclassified from the cash flow reserve to profit or loss ¹	Hedging gains or losses recognised in other comprehensive income
Assets	Liabilities	Assets	Liabilities			
1 966	(9 135)	99 258	154 853			
568	(202)	3 471	1 520	449	(363)	86
2 534	(9 337)	102 729	156 373	449	(363)	86
2 067	(2 526)	205 895	147 408			
	(236)		3 121	(31)	17	(14)
2 067	(2 762)	205 895	150 529	(31)	17	(14)

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The following table contains the impact on profit or loss for both the fair value-hedge and cash flow hedges:

Rm	2025	2024
Profit on hedged items	6 948	2 534
Losses on hedging instruments	(6 224)	(1 608)
Cash flow hedges-ineffectiveness	22	
Total recognised in profit or loss¹	746	926

¹ Included in non-interest revenue and income.

The following table discloses the fair-value change of the hedged item and hedging instrument per month recognised in profit or loss (presented on an external basis):

Rm	2025											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Change in the fair value of hedged items	22	(93)	270	808	727	600	367	591	694	718	1 590	423
Change in the fair value of the hedging instruments	(3)	130	(224)	(756)	(659)	(603)	(347)	(570)	(688)	(718)	(1 509)	(455)
Net fair-value change	19	37	46	52	68	(3)	20	21	6	–	81	(32)

Rm	2024											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Change in the fair value of hedged items	(121)	(1 011)	(526)	(743)	622	2 077	1 761	201	853	(1 507)	1 384	(791)
Change in the fair value of the hedging instruments	201	1 097	609	785	(566)	(1 955)	(1 717)	(156)	(764)	1 573	(1 298)	840
Net fair-value change	80	86	83	42	56	122	44	45	89	66	86	49

The following table contains the impact on the cash flow hedge reserve:

Rm	2025	2024
Cash flow reserve opening balance	(274)	(260)
Hedging gains or losses recognised in other comprehensive income	449	(31)
Amounts reclassified from the cash flow hedge reserve to profit or loss	(363)	17
Hedged item affecting profit or loss	(363)	17
Hedged future cash flows no longer expected to occur		
Cash flow reserve closing balance	(188)	(274)
Continued hedges	(188)	(274)
Discontinued hedges		
Cash flow reserve closing balance	(188)	(274)

The following table discloses the timing and the nominal amount of the hedging instruments:

2025	Less than 1 year Rm	1-2 years Rm	2-3 years Rm	4-5 years Rm	More than 5 years Rm
Hedging instrument (Foreign exchange derivative financial instruments)	332	237	950	997	2 474
2024	Less than 1 year Rm	1-2 years Rm	2-3 years Rm	4-5 years Rm	More than 5 years Rm
Hedging instrument (Foreign exchange derivative financial instruments)	1 406	375	267	1 073	

The following table discloses the average exchange price of the hedging instruments:

	Average price (USD/ZAR)	
	2025	2024
Exchange rate	18,13	19,49

SECTION D: CORE BANKING LIABILITIES

D1 AMOUNTS OWED TO DEPOSITORS

ACCOUNTING POLICY

Refer to section I: Financial instruments for the group's accounting policies regarding financial assets and liabilities.

D1.1 CLASSIFICATIONS

	2025 Rm	2024 Rm
Current accounts	117 383	116 209
Savings deposits	33 066	33 523
Other deposits and loan accounts	940 695	854 885
Call and term deposits	522 703	473 653
Fixed deposits	81 670	81 797
Cash management deposits	115 712	109 576
Other deposits and loan accounts ¹	220 610	189 859
Foreign currency liabilities ²	40 350	37 171
Negotiable certificates of deposit	132 437	113 348
Deposits received under repurchase agreements ³	40 137	18 834
Macro fair-value hedge-accounted portfolios	1 528	721
	1 305 596	1 174 691
Comprises:		
– Banking deposits	1 221 554	1 118 555
– Trading deposits	84 042	56 136
	1 305 596	1 174 691

¹ Included in 'Other deposits and loan accounts' is an amount of R1 373m (2024: R1 373m) relating to preference shares accounted for as debt instruments.

² Foreign currency liabilities are either matched by advances to clients or hedged against exchange rate fluctuations.

³ The group has pledged government and other securities (note C3) and negotiable certificates of deposit (note C4) amounting to R52 505m (2024: R19 855m) as collateral for deposits received under repurchase agreements of R39 473m (2024: R18 834m), and call and term deposits of R7 061m (2024:Rnil). These amounts represent assets that have been transferred but that do not qualify for derecognition under IFRS 9.

Deposit products include current accounts, savings accounts, call and notice deposits, fixed deposits and negotiable certificates of deposit. Term deposits vary from 6 months to 5 years in both the wholesale and retail markets.

See note D1.4 for a breakdown of amounts owed to depositors by operating segment.

D1.2 SECTORAL ANALYSIS

	2025 Rm	2024 Rm
Banks	89 848	62 670
Government and public sector	100 679	99 298
Individuals	273 980	269 283
Business sector	841 089	743 440
	1 305 596	1 174 691

D1.3 GEOGRAPHICAL ANALYSIS

	2025 Rm	2024 Rm
SA	1 184 053	1 071 338
Rest of Africa	51 807	51 685
Europe	43 641	29 573
Asia	13 882	13 870
United States of America	9 335	5 572
Rest of world	2 878	2 653
	1 305 596	1 174 691

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D1.4 SEGMENTAL ANALYSIS

Rm	Total		Nedbank Corporate and Investment Banking	
	2025	2024	2025	2024 (Restated) ¹
Current accounts	117 383	116 209	7 761	10 141
Savings deposits	33 066	33 523		
Other deposits and loan accounts	940 695	854 885	509 327	447 646
Call and term deposits	522 703	473 653	191 434	166 571
Fixed deposits	81 670	81 797	9 441	11 913
Cash management deposits	115 712	109 576	103 642	97 321
Other deposits and loan accounts	220 610	189 859	204 810	171 841
Foreign currency liabilities	40 350	37 171	30 307	26 343
Negotiable certificates of deposit	132 437	113 348		
Macro fair-value hedge-accounted portfolios	1 528	721		
Deposits received under repurchase agreements	40 137	18 834	39 473	18 834
	1 305 596	1 174 691	586 868	502 964
Comprises:				
– Banking deposits	1 221 554	1 118 555	502 826	446 828
– Trading deposits	84 042	56 136	84 042	56 136
	1 305 596	1 174 691	586 868	502 964

¹ Restated to align with the reorganisation. Refer to note B1.

Nedbank Business and Commercial Banking		Nedbank Personal and Private Banking		Nedbank Africa Regions		Centre	
2025	2024 (Restated) ¹	2025	2024 (Restated) ¹	2025	2024	2025	2024 (Restated) ¹
38 298	38 005	55 812	53 989	15 429	13 799	83	275
119	134	31 990	32 485	957	904		
175 492	166 859	233 283	217 352	20 947	22 404	1 646	624
154 972	144 149	164 304	151 547	11 985	11 379	8	7
1 611	1 400	65 918	62 913	4 700	5 571		
9 495	9 634	366	304	2 147	2 143	62	174
9 414	11 676	2 695	2 588	2 115	3 311	1 576	443
7 985	8 680	1 964	2 035	94	113		
				4 179	3 220	128 258	110 128
						1 528	721
				664			
221 894	213 678	323 049	305 861	42 270	40 440	131 515	111 748
221 894	213 678	323 049	305 861	42 270	40 440	131 515	111 748
221 894	213 678	323 049	305 861	42 270	40 440	131 515	111 748

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

D2 LONG-TERM DEBT INSTRUMENTS

Instrument type	Maturity dates	Interest rates	2025 Rm	2024 Rm
Subordinated debt				
Callable notes (Namibian-dollar-denominated – floating)	27 October 2031	3-month JIBAR	102	102
Callable notes (Namibian-dollar-denominated – fixed)	27 January 2032	Fixed rate with 6-monthly reset	154	206
Long-term debenture	15 September 2030	Zero coupon	20	18
Basel III subordinated debt				
Callable notes (rand-denominated – floating)	19 June 2031 to 31 May 2035	JIBAR plus 1.65% to 2.35%	8 681	8 277
Callable notes green bonds	04 October 2033 to 8 November 2034	JIBAR plus 1.68% to 1.715%	4 148	6 179
Callable notes social bonds	11 November 2035	JIBAR plus 1.58%	2 529	
Securitised liabilities				
Callable notes (rand-denominated – floating)	25 November 2053	JIBAR plus 2.00%	520	520
Senior unsecured debt				
Senior unsecured notes – fixed	22 April 2026 to 19 November 2027	9.95% to 11.15%	6 146	9 742
Senior unsecured notes – floating	21 February 2026 to 21 February 2033	JIBAR plus 0.81% to 2.25%	27 716	23 134
Senior unsecured notes – floating	07 August 2028	Zaronia plus 1.01%	354	
Senior unsecured green bonds	30 April 2026 to 15 December 2028	JIBAR plus 1.35% to 1.45%	1 516	1 517
Unsecured debentures	30 November 2029	Zero coupon	102	86
Total long-term debt instruments in issue			51 988	49 781

D2.1 MOVEMENT IN CARRYING AMOUNT

	2025 Rm	2024 Rm
Balance at the beginning of the year	49 781	47 777
Changes arising from cash movements	(2 279)	(4 010)
Issue of long-term debt instruments	14 210	12 587
Redemption of long-term debt instruments	(11 886)	(11 969)
Interest paid	(4 603)	(4 628)
Disposal of own long-term debt	21	89
Changes arising from non-cash movements	4 465	5 925
Accrued interest and unwinding of premiums/discount	4 465	4 703
Acquisition of long-term debt through business combination, net of debt due to Nedbank Limited		1 222
Balance at the end of the year	51 988	49 781

D3 INVESTMENT CONTRACT LIABILITIES

Insurance contracts are contracts under which the group accepts insurance risk from another party by agreeing to compensate such party or other beneficiaries if a specified uncertain future event adversely affects the party or other beneficiaries and are classified as insurance contract liabilities. Investment contracts are those contracts that transfer financial risk with no significant insurance risk. Policies held within investment contracts are recorded at FVTPL. The group's investment contract liabilities are directly linked to an investment asset for the policyholder.

ACCOUNTING POLICY

Linked products

Linked products are investment-related products where the policyholder bears the investment risk on the assets held in these investment products. The policy benefits are linked directly to the value of the assets in the fund. Linked products are designated and measured at FVTPL at each reporting date. Linked products are revalued using valuation techniques such as discounted-cash-flow methods, index values and closing market values. The valuations are also adjusted for the effects of changes in foreign exchange rates.

	2025 Rm	2024 Rm
Balance at the beginning of the year	17 484	17 512
Premium received	4 285	4 435
Investment income	2 007	1 611
Annuities	(202)	(208)
Death and disability benefits	(125)	(145)
Withdrawals/Surrenders	(5 013)	(5 680)
Other movements	(1)	(41)
Balance at the end of the year	18 435	17 484

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

D4 INSURANCE CONTRACTS

ACCOUNTING POLICY

Classification

Contracts under which the group accepts significant insurance risk are classified as insurance contracts. Contracts held by the group under which it transfers significant insurance risk related to underlying insurance contracts are classified as reinsurance contracts. A contract that is classified as an insurance contract remains an insurance contract until all rights and obligations are extinguished or expire. Some contracts entered into by the group have the legal form of insurance contracts but do not transfer significant insurance risk. These contracts are classified as financial liabilities.

Aggregate and recognition of insurance and reinsurance contracts

Insurance and reinsurance contracts are aggregated into groups for measurement purposes. Groups of insurance and reinsurance contracts are determined by identifying portfolios of insurance and reinsurance contracts, each comprising contracts subject to similar risks and managed together, and dividing each portfolio into annual cohorts (i.e. by year of issue) and each annual cohort into 3 groups based on the profitability of contracts:

- Any contracts that are onerous on initial recognition.
- Any contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently.
- Any remaining contracts in the annual cohort.

Insurance and reinsurance contracts have been aggregated into contracts measured under the General Measurement Model (GMM) and contracts measured under the Premium Allocation Approach (PAA).

Insurance revenue – insurance contracts measured under GMM

The group recognises insurance revenue as it satisfies its performance obligations, i.e. as it provides services under groups of insurance contracts. The insurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining cover that relate to services for which the group expected to receive consideration, and comprises the following items:

- A release of the contractual service margin (CSM), measured based on the cover units provided.
- Changes in the risk adjustment for non-financial risk relating to current services.
- Claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year.

In addition, the group allocates a portion of premiums that relate to recovering insurance acquisition cash flows to each period in a systematic way.

The amount of the CSM of a group of insurance contracts that is recognised as insurance revenue in each year is determined by identifying the cover units in the group, allocating the CSM remaining at the end of the year (before any allocation) equally to each cover unit provided in the year and expected to be provided in future years, and recognising, in profit or loss, the amount of the CSM allocated to cover units provided in the year. The number of cover units is the quantity of services provided by the contracts in the group, determined by considering the quantity of benefits provided for each contract and their expected cover period. The cover units are reviewed at each reporting date.

Insurance revenue – insurance contracts measured under the PAA

The insurance revenue for each period is the amount of expected premium payments received for providing services in that period. The group allocates the expected premium payments to each period as time passes, unless another basis is more appropriate.

Insurance service expense

Insurance service expenses arising from insurance contracts are generally recognised in profit or loss as they are incurred.

Reinsurance income

Reinsurance income comprises an allocation of reinsurance premiums paid less amounts recovered from reinsurers. The allocation of reinsurance premiums paid for each period is the amount of expected premium payments for receiving services in that period.

Insurance finance income or expenses

Insurance finance income or expenses comprise changes in the carrying amount of groups of insurance and reinsurance contracts arising from the effects of the time value of money, financial risk and changes therein. The group presents insurance finance income or expenses in profit or loss.

Insurance acquisition cash flows

Insurance acquisition cash flows are allocated to groups of insurance contracts using a systematic and rational method and considering, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort. For insurance acquisition cash flows measured under PAA, where the cash flows are incurred for a period of 12 months or fewer, the insurance acquisition cash flows are expensed upfront. Where the cash flows are incurred for a period of greater than 12 months, the insurance acquisition cash flows are recognised as part of the liability for remaining coverage (LRC).

Measurement – contracts measured under GMM

Insurance contracts

Insurance contracts are initially measured as the total of:

- the fulfilment cash flows, which comprise the estimates of future cash flows, adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and
- the CSM.

These insurance contracts are subsequently measured as the sum of the LRC and the liability for incurred claims (LIC) .

The LRC comprises:

- the fulfilment cash flows that relate to services that will be provided under the contracts in future periods; and
- any remaining CSM at that date.

The LIC includes fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

Reinsurance contracts

To measure a group of reinsurance contracts, the group applies the same accounting policies as are applied to insurance contracts, adapted where necessary to reflect features that differ from those of insurance contracts.

Measurement – contracts measured under the PAA

The group uses the PAA to simplify the measurement of groups of contracts when the following criteria are met at inception:

- The coverage period of each contract in the group is 1 year or less.
- The group reasonably expects the resulting measurement of the liability (or asset) for the remaining coverage not to differ materially from the result of applying the accounting policies for contracts not measured under the PAA.
- The group has contracts that meet either of the above criteria.

Insurance contracts

On initial recognition the carrying amount of the liability for the remaining coverage is measured at the premiums received on initial recognition minus any insurance acquisition cash flows incurred for a period of greater than 12 months allocated to the contracts at that date.

Subsequently, the carrying amount of the liability for remaining coverage is increased by any premiums received and the amortisation of insurance acquisition cash flows recognised as expenses (where not expensed upfront), and decreased by the amount recognised as insurance revenue for services provided. The group recognises the LIC of a group of insurance contracts at the amount of the fulfilment cash flows relating to incurred claims.

Reinsurance contracts

To measure a group of reinsurance contracts, the group applies the same accounting policies as are applied to insurance contracts, adapted where necessary to reflect features that differ from those of insurance contracts.

KEY ASSUMPTIONS CONCERNING THE FUTURE AND KEY SOURCES OF ESTIMATION

Significant judgements

Significant judgements for insurance and reinsurance contracts include the following:

- Methods used to measure insurance contracts: Primarily deterministic projections are used to estimate the present value of future cash flows for contract measure under the GMM, and where applicable PAA has been used to simplify the measurement of insurance contracts.
- Key assumptions: The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, include mortality and morbidity rates, expenses, lapse and surrender rates, discount rates, and expected loss ratios. These assumptions are based on standard industry and national rates as well as recent historical experience, and are adjusted to reflect the group's own experiences. Discounting is performed at a risk-free rate, which is determined using the zero bond curve obtained from the JSE.
- Risk adjustment for non-financial risk: The risk adjustment for non-financial risk represents the compensation that the group requires for bearing the uncertainty regarding the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment is estimated as a minimum of the 75th percentile.

These judgements are based on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances that are beyond the control of the group. Such changes are reflected in the assumptions when they occur.

There have not been significant changes in methods and processes for estimating inputs used to measure insurance contracts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

D4.1 RECONCILIATION OF REMAINING COVERAGE AND INCURRED CLAIMS

2025

	Opening balance at 1 January 2025			Closing balance at 31 December 2025		
	Gross insurance contracts	Reinsurance contracts	Total insurance contracts	Gross insurance contracts	Reinsurance contracts	Total insurance contracts
Insurance contract assets	88	307	395	136	347	483
Insurance contract liabilities	(1 354)		(1 354)	(1 548)	(21)	(1 569)
Net balance	(1 266)	307	(959)	(1 412)	326	(1 086)

	LRC	LIC	Total
Opening insurance contract assets at 1 January 2025	264	131	395
Opening insurance contract liabilities at 1 January 2025	(871)	(483)	(1 354)
Net opening balance	(607)	(352)	(959)
Insurance revenue	4 434	-	4 434
CSM recognised for services provided	652		652
Change in risk adjustment for non-financial risk for risk expired	245		245
Expected insurance service expenses incurred	763		763
Recovery of insurance acquisition cash flows	287		287
Experience adjustments not related to future service (GMM)	(8)		(8)
Expected premium receipts allocation under the PAA	2 495		2 495
Insurance service expenses	(738)	(2 083)	(2 821)
Incurred insurance service expenses	68	(2 216)	(2 148)
Amortisation/Expense of insurance acquisition cash flows	(696)		(696)
Changes that relate to past service (changes in fulfilment cash flows regarding LIC)		133	133
Changes that relate to future service:			
Losses for the net outflow recognised on initial recognition	(92)		(92)
Losses and reversal of losses on onerous contracts – subsequent measurement	(18)		(18)
Reinsurance (expense)/income	(385)	265	(120)
Total insurance service result	3 311	(1 818)	1 493
Insurance finance income	(92)	27	(65)
Net revenue for insurance and reinsurance contracts	3 219	(1 791)	1 428
Net premiums and premium tax received	(4 115)		(4 115)
Net claims and other insurance service expenses paid, including investment components		1 859	1 859
Insurance acquisition cash flows	701		701
Total cash flows	(3 414)	1 859	(1 555)
Closing insurance contract assets at 31 December 2025	241	242	483
Closing insurance contract liabilities at 31 December 2025	(1 043)	(526)	(1 569)
Net closing balance	(802)	(284)	(1 086)

2024

	Opening balance at 1 January 2024			Closing balance at 31 December 2024		
	Gross insurance contracts	Reinsurance contracts	Total insurance contracts	Gross insurance contracts	Reinsurance contracts	Total insurance contracts
Insurance contract assets	11	367	378	88	307	395
Insurance contract liabilities	(1 537)	(7)	(1 544)	(1 354)		(1 354)
Net balance	(1 526)	360	(1 166)	(1 266)	307	(959)

	LRC	LIC	Total
Opening insurance contract assets at 1 January 2024	246	132	378
Opening insurance contract liabilities at 1 January 2024	(923)	(621)	(1 544)
Net opening balance	(677)	(489)	(1 166)
Insurance revenue	4 031	–	4 031
CSM recognised for services provided	628		628
Change in risk adjustment for non-financial risk for risk expired	189		189
Expected insurance service expenses incurred	725		725
Recovery of insurance acquisition cash flows	253		253
Experience adjustments not related to future service (GMM)	(40)		(40)
Expected premium receipts allocation under the PAA	2 276		2 276
Insurance service expenses	(588)	(1 986)	(2 574)
Incurred insurance service expenses	213	(2 145)	(1 932)
Amortisation/ expense of insurance acquisition cash flows	(742)		(742)
Changes that relate to past service (changes in fulfilment cash flows regarding LIC)		159	159
Changes that relate to future service:			
Losses for the net outflow recognised on initial recognition	(82)		(82)
Losses and reversal of losses on onerous contracts – subsequent measurement	23		23
Reinsurance (expense)/income	(288)	188	(100)
Total insurance service result	3 155	(1 798)	1 357
Insurance finance expense	(48)	19	(29)
Net revenue for insurance and reinsurance contracts	3 107	(1 779)	1 328
Net premiums and premium tax received	(3 832)		(3 832)
Net claims and other insurance service expenses paid, including investment components		1 916	1 916
Insurance acquisition cash flows	795		795
Total cash flows	(3 037)	1 916	(1 121)
Closing insurance contract assets at 31 December 2024	264	131	395
Closing insurance contract liabilities at 31 December 2024	(871)	(483)	(1 354)
Net closing balance	(607)	(352)	(959)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

D4.2 RECONCILIATION OF INSURANCE CONTRACTS

2025

	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total net GMM	Total PAA	Total
Opening insurance contract assets at 1 January 2025	1 201	(161)	(775)	265	130	395
Opening insurance contract liabilities at 1 January 2025	(108)	(290)	(325)	(723)	(631)	(1 354)
Net opening balance	1 093	(451)	(1 100)	(458)	(501)	(959)
Changes that relate to current services	23	257	566	846	–	846
CSM recognised for services provided			566	566		566
Change in risk adjustment for non-financial risk for risk expired		257		257		257
Experience adjustments not related to future service	23			23		23
Changes that relate to future services	509	(192)	(327)	(10)	–	(10)
Contracts initially recognised in the year	573	(247)	(317)	9		9
Changes in estimates that adjust the CSM	(33)	42	(10)	(1)		(1)
Changes in estimates that relate to losses and reversal of losses on onerous contracts	(31)	13		(18)		(18)
Other changes and PAA recognition	44	(1)		43	734	777
Reinsurance expense	(23)	(10)	27	(6)	(114)	(120)
Total insurance service result	553	54	266	873	620	1 493
Insurance finance income/(expense)	119	(75)	(108)	(64)	(1)	(65)
Net revenue for insurance and reinsurance	672	(21)	158	809	619	1 428
Net premiums and premium tax received	(1 788)			(1 788)	(2 327)	(4 115)
Net claims and other insurance service expenses paid, including investment components	686			686	1 173	1 859
Insurance acquisition cash flows	282			282	419	701
Total cash flows	(820)	–	–	(820)	(735)	(1 555)
Closing insurance contract assets at 31 December 2025	1 185	(158)	(654)	373	110	483
Closing insurance contract liabilities at 31 December 2025	(240)	(314)	(288)	(842)	(727)	(1 569)
Net closing balance	945	(472)	(942)	(469)	(617)	(1 086)

2024

	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total net GMM	Total PAA	Total
Opening insurance contract assets at 1 January 2024	239	1	13	253	125	378
Opening insurance contract liabilities at 1 January 2024	863	(679)	(1 084)	(900)	(644)	(1 544)
Net opening balance	1 102	(678)	(1 071)	(647)	(519)	(1 166)
Changes that relate to current services	12	196	628	836	–	836
CSM recognised for services provided			628	628		628
Change in risk adjustment for non-financial risk for risk expired		196		196		196
Experience adjustments not related to future service	12			12		12
Changes that relate to future services	603	(68)	(580)	(45)	–	(45)
Contracts initially recognised in the year	554	(243)	(383)	(72)		(72)
Changes in estimates that adjust the CSM	54	147	(197)	4		4
Changes in estimates that relate to losses and reversal of losses on onerous contracts	(5)	28		23		23
Other changes and PAA recognition	34	155		189	477	666
Reinsurance (expense)/income	(35)	6	32	3	(103)	(100)
Total insurance service result	614	289	80	983	374	1 357
Insurance finance (expense)/income	150	(62)	(109)	(21)	(8)	(29)
Net revenue for insurance and reinsurance	764	227	(29)	962	366	1 328
Net premiums and premium tax received	(1 744)			(1 744)	(2 088)	(3 832)
Net claims and other insurance service expenses paid, including investment components	671			671	1 245	1 916
Insurance acquisition cash flows	300			300	495	795
Total cash flows	(773)	–	–	(773)	(348)	(1 121)
Closing insurance contract assets at 31 December 2024	1 201	(161)	(775)	265	130	395
Closing insurance contract liabilities at 31 December 2024	(108)	(290)	(325)	(723)	(631)	(1 354)
Net closing balance	1 093	(451)	(1 100)	(458)	(501)	(959)

D4.3 RECOGNITION OF THE CSM

During the year, the group reviewed the insurance contracts disclosure. As a result of this review, the recognition of the CSM in profit loss, per time bucket, has been disclosed. For comparability, this presentation has been applied to the prior and current years.

	Less than 1 year	1 to 2 years	2 to 5 years	5 to 10 years	More than 10 years	Total
2025						
Net CSM	368	242	249	60	23	942
2024						
Net CSM	453	262	267	84	34	1 100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

D5 CONTRACTUAL MATURITY ANALYSIS FOR FINANCIAL LIABILITIES

Rm	Statement of financial position amount	<3 months	>3 months <6 months	>6 months <1 year
2025				
Long-term debt instruments	51 988	2 366	5 696	4 383
Investment contract liabilities	18 435	18 435		
Insurance contract liabilities	1 569			617
Amounts owed to depositors	1 305 596	867 552	78 099	188 216
Current accounts	117 383	117 388		
Savings deposits	33 066	33 067		
Other deposits and loan accounts	940 695	637 441	51 678	154 759
Foreign currency liabilities	40 350	35 163	1 764	446
Negotiable certificates of deposit	132 437	13 801	24 657	30 421
Deposits received under repurchase agreements	40 137	29 164		2 590
Macro fair-value hedge-accounted portfolios	1 528	1 528		
Derivative financial instruments – liabilities	10 872	1 710	742	1 381
Lease liabilities	2 478	289	277	555
Provisions and other liabilities	40 723	37 706	77	55
	1 431 661	928 058	84 891	195 207
Contingent liabilities, undrawn facilities and commitments				
Guarantees on behalf of clients		38 098		
Letters of credit and discounting transactions		6 226		
Committed but unutilised facilities and other		201 476		
		245 800		

Rm	Statement of financial position amount	<3 months (Restated)	>3 months <6 months	>6 months <1 year
2024				
Long-term debt instruments ¹	49 781	8 246	886	3 619
Investment contract liabilities	17 484	17 484		
Insurance contract liabilities	1 354			573
Amounts owed to depositors ¹	1 174 691	809 263	90 362	164 053
Current accounts	116 209	116 333		
Savings deposits	33 523	33 574		
Other deposits and loan accounts ¹	854 885	596 411	59 117	136 905
Foreign currency liabilities	37 171	31 414	987	1 115
Negotiable certificates of deposit	113 348	17 622	30 258	26 033
Deposits received under repurchase agreements	18 834	13 188		
Macro fair-value hedge-accounted portfolios ¹	721	721		
Derivative financial instruments – liabilities	11 623	8 772	505	564
Lease liabilities	2 641	271	246	493
Provisions and other liabilities ^{1,2}	34 877	34 524	565	471
	1 292 451	878 560	92 564	169 773
Contingent liabilities, undrawn facilities and commitments				
Financial guarantees on behalf of clients ³		36 902		
Letters of credit and discounting transactions		11 322		
Committed but unutilised facilities and other ³		184 452		
		232 676		

¹ During the year, the group reviewed the contractual maturity analysis of financial liabilities. As a result of this review, the '< 3 months' column has been updated to include balances with undefined contractual repayment profiles. This change in presentation better reflects the nature of these balances. To provide comparability the prior-year information has been disclosed.

² During the year, the group reviewed the contractual maturity analysis of liabilities. As a result of this review, certain balances within the 'Provisions and other liabilities' line item have been reallocated into the various maturity buckets to reflect their contractual terms more accurately. To provide comparability the prior-year information has been disclosed.

³ The 'Committed but unutilised facilities and other' line item includes committed undrawn facilities that the group is unconditionally committed to and those where the commitment may be withdrawn only in response to a contingent event outside the group's control. During the year the group identified that the 'Financial guarantees on behalf of clients' and 'Committed but unutilised facilities and other' line items were understated incorrectly by R885m and R1.2bn respectively. For comparability, the prior-year information has been restated.

>1 year < 5years	>5 years	Total
43 239	14 835	70 519
		18 435
105	847	1 569
193 628	38 285	1 365 780
		117 388
		33 067
102 718	34 553	981 149
705	3 480	41 558
81 822	252	150 953
8 383		40 137
		1 528
7 709	1 116	12 658
1 756	144	3 021
401	2 536	40 775
246 838	57 763	1 512 757
		38 098
		6 226
		201 476
-	-	245 800

>1 year < 5years	>5 years	Total (Restated)
37 735	11 163	61 649
		17 484
36	953	1 562
142 411	22 873	1 228 962
		116 333
		33 574
73 868	19 737	886 038
5 123		38 639
57 774	3 136	134 823
5 646		18 834
		721
2 156	40	12 037
1 961	309	3 280
1 753	205	37 518
186 052	35 543	1 362 492
		36 902
		11 322
		184 452
-	-	232 676

The '< 3 months' column includes balances with undefined contractual repayment profiles.

Derivative financial liabilities are included in the maturity analysis on a contractual, undiscounted basis when contractual maturities are essential to understanding the derivatives' future cash flows. The group considers the contractual maturities to be essential to understanding the future cash outflows of derivative financial liabilities that are designated as hedging instruments in effective hedge accounting relationships.

All other derivative financial liabilities are considered trading as they are held for short periods of time. Therefore, these derivative financial liabilities are disclosed at fair value in the '< 3months' column.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*

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Provisions and other liabilities are included in this table to provide a reconciliation with the statement of financial position and include current and deferred taxation liabilities and long-term employee benefit liabilities

SECTION E: ASSET MANAGEMENT

E1 MANAGED FUNDS

ACCOUNTING POLICY

The group, through a number of subsidiaries, operates unit trusts, holds and invests funds on behalf of clients and acts as a trustee in a number of fiduciary capacities. In addition, companies in the group operate securities and custodial services on behalf of clients. Commissions and fees earned in respect of trust and management activities performed are included in the consolidated statement of comprehensive income as non-interest revenue and income. The funds under management described below are not included in the group's consolidated statement of financial position.

E1.1 FAIR VALUE OF FUNDS UNDER MANAGEMENT – BY TYPE

	2025 Rm	2024 Rm
Fair value of funds under management – by type		
Unit trusts	438 007	414 517
Third party	1 140	1 147
Private clients	62 049	58 011
	501 196	473 675

E1.2 FAIR VALUE OF FUNDS UNDER MANAGEMENT – BY GEOGRAPHY

	2025 Rm	2024 Rm
SA	379 955	348 466
Europe ¹	121 241	125 209
	501 196	473 675

¹ Represents amounts relating to Isle of Man.

E1.3 RECONCILIATION OF MOVEMENT IN FUNDS UNDER MANAGEMENT – BY TYPE

	Unit trusts Rm	Third party Rm	Private clients Rm	Total Rm
Balance at 1 January 2024	392 468	1 163	54 836	448 467
Inflows	740 791	2	5 521	746 314
Outflows	(746 821)	(120)	(6 397)	(753 338)
Mark-to-market value adjustment	26 718	104	4 059	30 881
Foreign currency translation differences	1 361	(2)	(8)	1 351
Balance at 31 December 2024	414 517	1 147	58 011	473 675
Inflows	705 348		8 009	713 357
Outflows	(704 464)	(46)	(8 201)	(712 711)
Mark-to-market value adjustment	35 775	100	4 773	40 648
Foreign currency translation differences	(13 169)	(61)	(543)	(13 773)
Balance at 31 December 2025	438 007	1 140	62 049	501 196

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

E1.4 RECONCILIATION OF MOVEMENT IN FUNDS UNDER MANAGEMENT – BY GEOGRAPHY

	SA Rm (Restated)	Europe Rm	Total Rm
Balance at 1 January 2024	333 067	115 400	448 467
Inflows	731 674	14 640	746 314
Outflows	(735 931)	(17 407)	(753 338)
Mark-to-market value adjustment	19 656	11 225	30 881
Foreign currency translation differences		1 351	1 351
Balance at 31 December 2024¹	348 466	125 209	473 675
Inflows	686 078	27 279	713 357
Outflows	(679 386)	(33 325)	(712 711)
Mark-to-market value adjustment	24 797	15 851	40 648
Foreign currency translation differences		(13 773)	(13 773)
Balance at 31 December 2025	379 955	121 241	501 196

¹ During the year the group found that the balance at 31 December 2024 was understated incorrectly by R2.3bn. For comparability the prior-year information has been restated. This restatement has no impact on the consolidated statement of financial position.

SECTION F: INVESTMENTS

F1 INVESTMENT SECURITIES

ACCOUNTING POLICY

Refer to section I: Financial instruments for the group's accounting policies regarding financial assets and liabilities, note I2.2.1 for the classification of investment securities in terms of the fair-value hierarchy, and section F2 for the group's accounting policies on investments in associate companies.

	Carrying amount		Dividends received		Cumulative gains/(losses)	
	2025 Rm	2024 Rm	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Private-equity investments	8 580	7 458	547	245	1 583	445
Private-equity associates and joint ventures – Property Partners	2 735	2 342	10	29	725	267
Private-equity associates – Investment Banking	911	1 006	60			46
Private equity (unlisted) – Property Partners	1 036	1 268			481	507
Private equity (unlisted) – Investment Banking	3 898	2 842	477	216	377	(375)
Listed investments	55	35	3	2	21	4
Unlisted investments	3 491	3 747	154	7	264	292
Taquanta Asset Managers portfolio	672	620	5		295	
Strate Limited	250	180				
Other	2 569	2 947	149	7	(31)	292
Total listed and unlisted investments	12 126	11 240	704	254	1 868	741
Listed policyholder investments at market value	15 184	14 560				
Unlisted policyholder investments at directors' valuation	2 767	2 372				
Total policyholder investments	17 951	16 932				
Total investment securities	30 077	28 172				

The group has designated 15 listed and unlisted investments (2024:13) at FVOCI, as these investments are held with strategic intent. The fair value of these investments was R1,106m at 31 December 2025 (31 December 2024: R936m). R0m (2024: R4m) was recognised as dividend income and was recognised in the statement of comprehensive income as non-interest revenue and income. No equity investments designated at FVOCI have been derecognised in the current year. There were no transfers of the cumulative gain or loss within equity during the current year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

F2 INVESTMENTS IN ASSOCIATE COMPANIES

ACCOUNTING POLICY

Associates

An associate is an entity over which the group has the ability to exercise significant influence – but not control or joint control – through participation in the financial and operating policy decisions of the entity. This is generally demonstrated by the group holding in excess of 20%, but no more than 50%, of the voting rights. The group accounts for its investments in associate companies (other than investments in associate companies designated as FVTPL) using the equity accounting method, i.e. cost plus the group's share of postacquisition changes in net asset value.

The group's share of postacquisition profit or loss and postacquisition movements in OCI are recognised in the income statement and OCI respectively. The group applies the equity method of accounting from the date on which significant influence starts until the date on which significant influence ceases (or the associate is classified as held for sale), i.e. when the group's share of losses exceeds the carrying amount of the associate, the carrying amount is reduced to nil, inclusive of any long-term debt outstanding. The recognition of further losses is discontinued, except to the extent that the group has incurred legal or constructive obligations, or guaranteed obligations, in respect of the associate.

In applying the equity method, the investor should use the financial statements of the associate as of the same date as the financial statements of the investor unless it is impracticable to do so. If it is impracticable, the most recent available financial statements of the associate should be used, with adjustments made for the effects of any significant transactions or events occurring between the ends of accounting periods. However, the difference between the reporting date of the associate and that of the investor cannot be longer than 3 months.

Where an entity in the group transacts with an associate of the group, unrealised profits and losses are eliminated to the extent of the group's interest in the associate, but only to the extent that there is no evidence of impairment.

At each reporting date the group determines whether there is objective evidence that the investments in associates are impaired. Objective evidence of impairment for an associate investment includes information about significant changes with an adverse effect, that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the associate investment may not be recovered. The carrying amounts of such investments are then reduced to recognise any impairment, by applying the impairment methodology described in note G.

Investments in associates that are held with the intention to dispose of them within 12 months are accounted for and classified as non-current assets held for sale in accordance with the methodology described in note H2.

Associate companies and joint ventures held by venture capital divisions

Where the group has an investment in an associate or joint-venture company held by a venture capital division, whose primary business is to purchase and dispose of minority stakes in entities; the group may choose to classify these investments as FVTPL, given that as the divisions are managed on a fair-value basis. The classification of such investments is determined on a case-by-case basis. The fair value of these joint-venture companies is included in note F1: Investment securities as part of 'Private-equity associates and joint ventures – Property Partners'. Changes in the fair value of these investments are recognised in non-interest revenue and income in profit or loss in the period in which they occur.

KEY ASSUMPTIONS CONCERNING THE FUTURE AND KEY SOURCES OF ESTIMATION

Investment in Ecobank Transnational Incorporated

During 2025, the group decided to sell its associate investment in ETI. On 30 June 2025, the investment was reclassified and accounted for as a non-current asset held for sale in terms of IFRS 5. From that date, the group ceased accounting for its share of ETI's net assets. Prior to the classification as a non-current asset held for sale, an impairment loss of R1 010m was recognised. The group's share of ETI's net assets for the current financial year was translated from US dollar to rand at the closing exchange rate at 30 June 2025.

Prior to recognising the investment in ETI as a non-current asset held for sale, the group aligned the timing of ETI's reporting period. As a result, associate income for the current year included the group's share of ETI's earnings and OCI from 1 October 2024 to 30 June 2025. This change represents a change in accounting estimate in line with IAS 8, reflecting updated information and circumstances that enable the use of aligned reporting periods. The impact of including the equity-accounted earnings and OCI for the period 1 March to 30 June 2025 was R281m in associate income and R840m in OCI, respectively.

The group successfully concluded the disposal of its investment in ETI on 17 December 2025. The disposal represents a reset of the group's strategy for the broader African continent. The investment formed part of the NAR reportable segment. On disposal of ETI, an additional loss on disposal of R155m was recognised for H2 2025 and the cumulative amount of the exchange differences relating to the investment, recognised in OCI and accumulated in a separate reserve, was reclassified from equity to profit or loss. In addition, certain OCI reserves were reclassified from equity to profit or loss on disposal of the investment in ETI.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

F2.1 MOVEMENT IN CARRYING AMOUNT OF ASSOCIATE COMPANIES

	2025 Rm	2024 Rm
Carrying amount at the beginning of the year	2 486	2 489
Share of associate companies' profit after taxation for the year	1 192	1 313
Share of associate companies' OCI for the year	1 204	(1 770)
Acquisition of associate companies		522
Disposal of associate companies	(1 770)	
Impairment of investment in associate company	(1 010)	(27)
Dividends received from equity-accounted associate companies	(205)	(67)
Foreign currency translation and other movements	(351)	26
Carrying amount at the end of the year	1 546	2 486

F2.1.1 MOVEMENT IN CARRYING AMOUNT OF ETI

	2025 Rm	2024 Rm
Carrying amount at the beginning of the year	666	1 248
Share of associate company's profit after taxation for the year	995	1 162
Share of associate company's OCI for the year	1 204	(1 770)
Disposal of associate company	(1 770)	
Impairment of investment in associate company	(1 010)	
Foreign currency translation	(85)	26
Carrying amount at the end of the year	–	666

F2.2 ANALYSIS OF CARRYING AMOUNT OF ASSOCIATE COMPANIES

	2025 Rm	2024 Rm
Associate investments – on acquisition: net asset value	7 755	7 755
Impact of adopting new IFRS Accounting Standards, net of taxation	(780)	(780)
Share of retained earnings since acquisition	7 157	5 965
Share of OCI since acquisition	(8 709)	(9 913)
Dividends received from equity-accounted associate companies	(942)	(737)
Impairment provision for investments in associate companies	(2 787)	(1 777)
Foreign currency translation and other movements	(148)	1 973
	1 546	2 486

F2.3 ANALYSIS OF INVESTMENTS IN ASSOCIATE COMPANIES

	Nature of activities	Percentage holding	
		2025 %	2024 %
Associate companies			
Listed			
ETI (Togo) ²	Banking		21.2%
Unlisted			
Private equity: Tracker Technology Holdings Proprietary Limited ³	Vehicle tracking	18.0%	18.0%
Private equity: other investments	Various		
Other strategic investments	Various		

¹ Includes on-balance-sheet and off-balance-sheet exposure.

² ETI is a pan-African banking group and its shares are listed on the stock exchanges of Nigeria, Ghana and Ivory Coast. The group's strategy remains to own, manage and control banking operations in the Southern African Development Community (SADC) and East Africa, and to provide our clients with access to a banking network in West and Central Africa through our strategic investment in and alliance with the pan-African banking group, which operates in 36 African countries.

³ The group has significant influence over Tracker Technology Holdings Proprietary Limited due to its representation on the board of directors.

Unless otherwise stated above, all entities are domiciled and incorporated in SA. The group has the same proportion of voting rights as its proportion of ownership interest, unless stated otherwise, and has not incurred any contingent liabilities with regard to the associates listed above.

F2.4 ADDITIONAL DISCLOSURE RELATING TO MATERIAL ASSOCIATE COMPANY

	ETI	
	2025 Rm	2024 Rm
Fair value of investment in ETI based on the closing quoted price on the Nigerian Stock Exchange ¹		1 784
Statement of comprehensive income		
Revenue		27 452
Profit from continuing operations		6 289
After-tax profit from discontinued operations		
Other comprehensive losses		(7 116)
Total comprehensive (losses)/income		(827)
Statement of financial position		
Current assets		272 938
Non-current assets		184 783
Current liabilities		362 970
Non-current liabilities		66 879

¹ Based on the NAFEX NGN/USD and prevailing ZAR/USD exchange rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

Measurement method	Acquisition date	Year-end	Group			
			Carrying amount		Net exposure to/(from) associates ¹	
			2025 Rm	2024 Rm	2025 Rm	2024 Rm
Equity-accounted	October 2014	December		666		(334)
Equity-accounted	November 2018	June	566	597	707	842
Equity-accounted			373	654	611	559
Equity-accounted			607	569		
			1 546	2 486	1 318	1 067

F2.5 ADDITIONAL DISCLOSURE RELATING TO IMMATERIAL ASSOCIATES

	2025 Rm	2024 Rm
Carrying amount of immaterial associates	1 517	1 820
Group's share of total comprehensive income: Profit from continuing operations	290	418

ACCOUNTING POLICY

Subsidiary undertakings and consolidated structured entities

Subsidiary undertakings are those entities, including unincorporated entities such as trusts and partnerships, that are controlled by the group. The group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The group is considered to have power over an entity when it has existing rights that give it the current ability to direct the relevant activities of the entity. The group is exposed, or has rights, to variable returns from its involvement with the entity when the investor's returns from its involvement have the potential to vary as a result of the entity's performance. The group considers all facts and circumstances relevant to its involvement with an entity to evaluate whether control exists. The group assesses any changes to the facts and circumstances relevant to the entity and reassesses the consolidation requirements on a continuous basis.

The consolidated financial statements include the assets, liabilities and results of the company plus subsidiaries, including consolidated structured entities from the date control is established until the date that control ceases.

Intragroup balances, transactions, income and expenses, and profits and losses are eliminated in preparation of the consolidated financial statements. Unrealised losses are not eliminated to the extent that they provide objective evidence of impairment.

Subsidiaries include structured entities that are designed so that their activities are not governed by way of voting rights. In assessing whether the group has power over investees it has an interest in, the group considers factors such as the purpose and design of the investee, the group's practical ability to direct the relevant activities of the investee, the nature of the group's relationship with the investee, and the size of the group's exposure to the variability of returns of the investee.

Sponsored entities

Where the group does not have an interest in an unconsolidated structured entity, the group will assess whether it sponsors the specific structured entity. The group will sponsor such an entity by assessing whether the group led the formation of the entity, whether the name of the group is associated with the name of the entity, or whether the group provides certain implicit guarantees to the entity in question.

Company

Investments in group companies are accounted for at cost less impairment losses in the separate financial statements. The carrying amounts of these investments are reviewed annually and impaired, when necessary, by applying the impairment methodology described in note G.

Acquisitions and disposals of stakes in group companies

Acquisitions of subsidiaries (entities acquired) and businesses (assets and liabilities acquired) are accounted for using the acquisition method. The cost of a business combination is measured as the aggregate of the fair values (at the acquisition date) of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss during the period incurred.

Where the cost of acquisition includes any asset or liability resulting from a contingent consideration arrangement, that asset or liability is measured at the acquisition date fair value. Subsequent changes in such fair values are accounted for in profit or loss. Changes in the fair value of a contingent consideration that has been classified as equity are not recognised.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3: Business Combinations are recognised at their fair value at the date of acquisition, except for:

- deferred taxation assets or liabilities, which are recognised and measured in accordance with IAS 12: Income Taxes, and liabilities or assets related to employee benefit arrangements, which are recognised and measured in accordance with IAS 19: Employee Benefits;
- liabilities or equity instruments that relate to the replacement, by the group, of an acquiree's share-based payment awards, which are measured in accordance with IFRS 2: Share-based Payments; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5: Non-current Assets Held for Sale and discontinued operations, which are measured in accordance with that standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the group reports provisional amounts for the items for which the accounting is incomplete. Where provisional amounts were reported, these are adjusted during the measurement period (see below). Additional assets or liabilities are recognised to reflect any new information obtained about the facts and circumstances that existed at the date of acquisition, which, if known, would have affected the amounts recognised on that date.

The measurement period is the period from the date of acquisition to the date the group receives complete information about the facts and circumstances that existed at the acquisition date. This measurement period is subject to a maximum of 1 year after the acquisition date.

Where a business combination is achieved in stages, the group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date on the date the group attains control, and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree before the acquisition date, which previously were recognised in OCI, are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to the acquisition, non-controlling interests consist of the amount attributed to such interests at initial recognition and the non-controlling interest's share of changes in equity since the date of the combination.

The difference between the proceeds from the disposal of a subsidiary, the fair value of any retained investment and its carrying amount at the date of disposal, including the cumulative amount of any exchange differences recognised in the statement of changes in equity that relate to the subsidiary, is recognised as a gain or loss on the disposal of the subsidiary in the group profit or loss for the period.

All changes in the group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (transactions with owners). Any difference between the amount by which the non-controlling interests are increased or decreased and the fair value of the consideration paid or received is recognised directly in equity and attributed to the group.

Investments in foreign operations

Nedbank Group Limited's presentation currency is South African rand. The assets and liabilities, including goodwill and fair-value adjustments, of group entities (including equity-accounted associates) that have functional currencies other than that of the group (South African rand) are translated at the closing exchange rate. Income and expenses are translated using the exchange rates at the dates of the transactions or for practical purposes the average exchange rate for the period where this approximates actual. The differences that arise on translation of these entities are recognised in OCI in the statement of comprehensive income. The cumulative exchange differences are recognised as a separate component of equity and are represented by the balance in the foreign currency translation reserve.

On disposal of a foreign operation, the cumulative amount in the foreign currency translation reserve related to that operation is transferred to profit or loss for the period when the gain or loss on the disposal of the foreign operation is recognised.

The primary and major determinants for non-rand functional currencies are the economic factors that determine the sales price for goods and services as well as costs. Additional supplementary factors to be considered are funding, autonomy and cash flows.

Common control transactions

Transactions in which combining entities are controlled by the same party or parties before and after the transaction, and where that control is not transitory, are referred to as common control transactions. The group's accounting policy for the acquiring entity is to account for the transaction at book values as reflected in the consolidated financial statements of the selling entity.

The excess of the cost of the transaction over the acquirer's proportionate share of the net assets value acquired in common control transactions will be allocated to the common control reserve in equity.

F3.1 ANALYSIS OF INVESTMENTS IN SUBSIDIARY COMPANIES

	Group			
	Issued capital		Effective holding	
	2025 Rm	2024 Rm	2025 %	2024 %
Banking²				
Nedbank Limited ³	29	28	100	100
Nedbank Moçambique, SA	563	563	87.6	87.6
Trust and securities entities⁴				
Syfrets Securities Limited	1	1	100	100
Other companies⁵				
Nedgroup Private Wealth Proprietary Limited	1	1	100	100
NedEurope Limited (Isle of Man)	6 167	6 167	100	100
Nedbank Group Insurance Holdings Limited	17	17	100	100
NedNamibia Holdings Limited	18	18	100	100
Visigro Investments (Proprietary) Limited	1	1	100	100
iKhokha Proprietary Limited	301		100	
Eqstra Investment Holdings Limited	1 145	1 396	100	100
Other companies ⁶				

¹ Represents amounts less than R1m.

² The banking subsidiary companies are restricted in terms of Basel regulations and prudential requirements with regard to the distribution of funds to their holding company.

³ Represents the net indebtedness of Nedbank Limited and its subsidiaries to Nedbank Group Limited.

⁴ The entity is governed by the terms of a trust deed. Restrictions are in place with regard to access or the use of the entity's assets.

⁵ These entities are free of any restrictions imposed on the distribution of funds, save for compliance with any local regulations.

⁶ A collective of investments each with a carrying amount less than R150m.

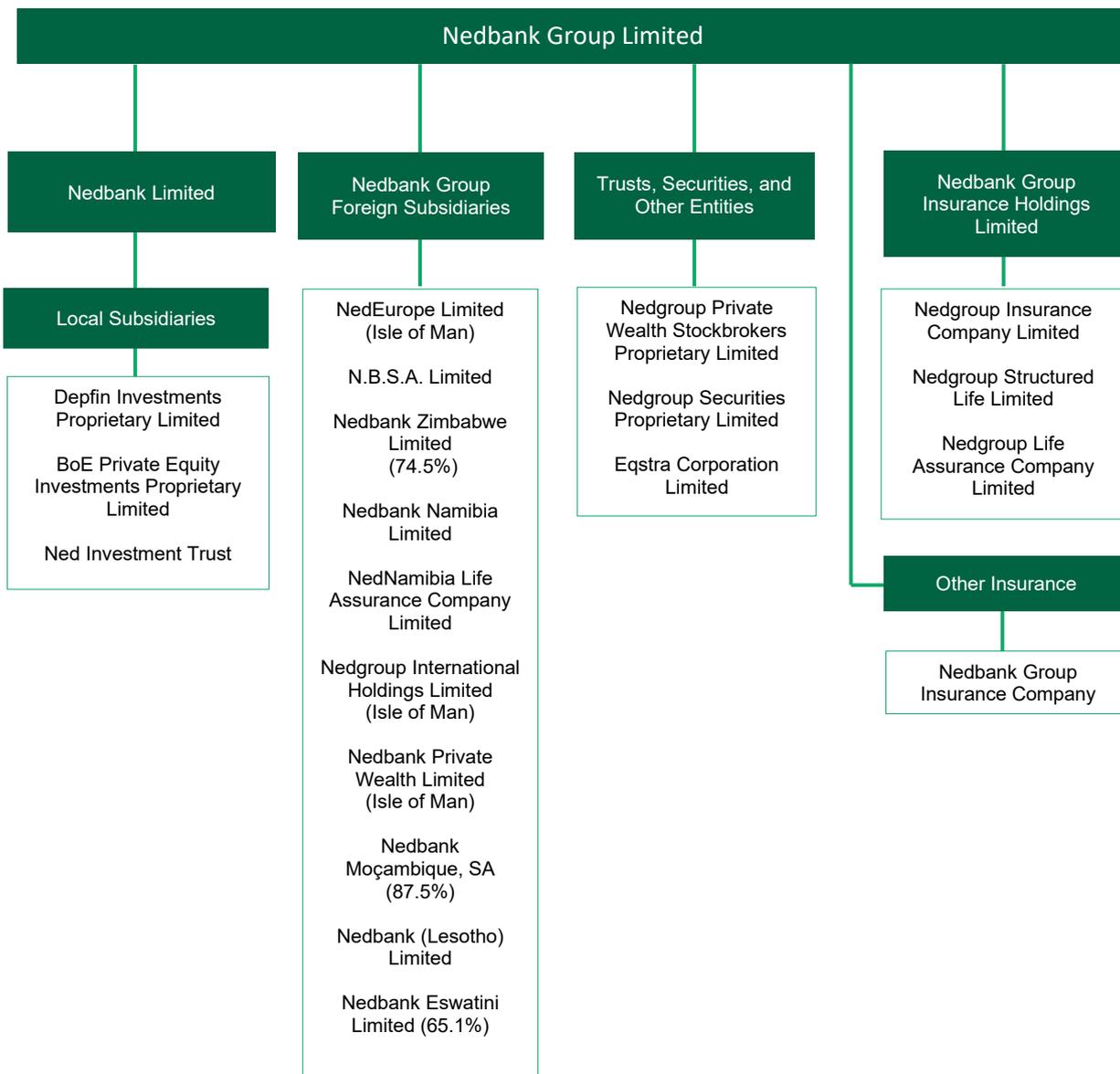
The composition of the group is illustrated in note F3.1. Unless otherwise stated:

- all entities are domiciled in SA;
- the financial statements of the subsidiaries used in the preparation of consolidated financial statements are as of the same date or same period as those of the consolidated financial statements; and
- there are no significant restrictions (e.g. statutory, contractual and regulatory restrictions) on the group's ability to access or use the assets and settle the liabilities of the group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 31 DECEMBER

Company			
Book value of investments		Net indebtedness	
2025 Rm	2024 Rm	2025 Rm	2024 Rm
37 369	36 397	13 780	12 009
730	730	36	
1	1		
566	666		
1 612	1 612		
196	196		257
429	429		
156	166		
1 605			
892	1 142		
369	369	454	532
43 925	41 708	14 270	12 798

F3.2 MAJOR SUBSIDIARY COMPANIES



All subsidiaries are wholly owned, unless stated otherwise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

F3.3 MATERIAL NON-CONTROLLING INTERESTS

The table below provides details of non-wholly owned subsidiaries of the group that have material non-controlling interests:

	Nedbank Moçambique, SA		Nedbank Eswatini Limited		Nedbank Zimbabwe Limited	
	2025 Rm	2024 Rm	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Financial position						
Total assets	9 187	11 034	7 945	7 094	4 083	3 928
Total liabilities	7 377	9 277	6 834	5 937	3 193	2 864
Accumulated non-controlling interests at the end of the year	226	219	388	404	227	269
Comprehensive income						
Income from lending activities	706	595	401	409	294	251
Non-interest revenue and income	265	256	254	219	535	657
Profit from continuing operations	262	267	209	198	122	208
Total comprehensive income	262	267	209	198	122	208
Profit allocated to non-controlling interests during the reporting period	33	33	73	69	31	53
Cash flows						
Cash flows from/(used by) operating activities	69	(169)	332	75	261	(168)
Cash flows (used by)/from investing activities	(28)	(10)	(52)	(9)	(18)	6
Cash flows used by financing activities	(35)	(65)	(261)	(119)	(198)	(106)
Net increase/(decrease) in cash and cash equivalents	6	(244)	19	(53)	45	(268)
Dividends paid to non-controlling interests	–	4	85	35	46	22

F3.4 BUSINESS COMBINATION AND ACQUISITION

Acquisition of iKhokha Proprietary Limited

On 1 December 2025 the group acquired 100% effective interest in iKhokha Proprietary Limited (iKhokha) for R1.605bn, when all suspensive conditions and closing terms to the purchase agreement were met. iKhokha is a South Africa fintech company established in 2012. It is an independent payment service provider that provides comprehensive payment solutions to small-medium enterprises (SMEs), and financial and business management solutions to assist with the day-to-day running of SMEs. Since its inception, iKhokha has emerged as a trusted and leading partner to South African entrepreneurs, providing a comprehensive suite of affordable and accessible financial solutions. The acquisition of iKhokha marks a significant milestone in the group's strategy to deepen its support for SMEs through digital innovation and inclusive financial services.

The group accounted for this investment as a subsidiary and commenced consolidation of the investment from 1 December 2025.

The table below summarises the final fair values of identifiable assets and liabilities recognised on the acquisition date.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of iKhokha at the date of acquisition were as follows:

Rm	2025 Fair value recognised on acquisition
Assets	
Cash and cash equivalents	15
Loans and advances	2
Other assets ¹	19
Property and equipment	26
Deferred taxation assets	9
Intangible assets	356
Total assets	427
Liabilities	
Long-term debt instruments	75
Provisions and other liabilities	110
Current taxation assets	3
Total liabilities	188
Net asset value	239
Goodwill	1 366
Total consideration transferred	1 605

¹ The 'Other assets' balance includes trade receivables of R7.6m, the fair value of which is equal to the gross contractual amount. It is expected that the full contractual amounts can be collected.

Rm	Cash flow on acquisition
Net cash acquired with the subsidiary	15
Cash paid	(1 597)
Net cash flow on acquisition	(1 582)

Deferred consideration

As part of the purchase agreement with the previous owner of iKhokha, deferred consideration has been agreed. This comprises an additional cash payment of R8.1m, together with an applicable escalation rate, payable to the previous owner.

Intangible assets

The main intangible assets recognised in the business combination were software, brand and merchant relationships. The value recognised for these intangible assets is based on a provisional assessment of their fair value while the group finalises the independent valuation, which is expected to be completed by 30 June 2026.

Goodwill

The group also recognised goodwill of R1.366bn, which is presented as part of the 'Intangible assets' line item on the face of the consolidated statement of financial position. The main factor contributing to the goodwill recognised in the acquisition is the strategic opportunity to expand the group's presence in the fast-growing SME market. This is supported by the ongoing benefits of an assembled software developer workforce and the relatively low tangible asset base acquired. Additional value arises from unlocking positive net synergies, including cross-selling Nedbank's transactional, lending, and VAS products. None of the goodwill recognised is expected to be deductible for income tax purposes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER

Financial impact on the consolidated statement of comprehensive income

Since the acquisition date of the above business combination, revenue of R64.5m and profit of R11.2m have been included in the group's consolidated statement of comprehensive income. The impact on revenue and profit or loss from the above transaction, had the acquisition taken place on 1 January 2025, would have been R604.9m and -R13.4m respectively.

Management deferred payment

In terms of the acquisition agreement for iKhokha, the group entered into a deferred payment arrangement with the former owners, who continue to provide management services, with payment conditional on continued employment over a 36-month vesting period. As the arrangement is contingent on future service, it is accounted for separately from the business combination and treated as post-combination remuneration. The total value of the deferred payment is R26.1m, which is recognised as staff costs in the statement of comprehensive income over the vesting period, with a corresponding liability recognised within provisions and other liabilities on the statement of financial position.

Intercompany loans

In addition to the acquisition of iKhokha, Nedbank Limited has advanced a revolving credit facility (RCF) and general banking facility (GBF) amounting to R81.5m to iKhokha as part of the agreed acquisition process. The loan agreement between Nedbank Limited and iKhokha is mainly for the purpose of refinancing iKhokha's existing financial obligations with third parties. The loan bears interest on an arm's-length basis and the repayment of the principal and interest is based on fixed and determinable terms, and is therefore classified as a debt instrument in terms of IFRS 9: Financial instruments.

F4 INTERESTS IN STRUCTURED CONSOLIDATED AND UNCONSOLIDATED STRUCTURED ENTITIES

F4.1 CONSOLIDATED STRUCTURED ENTITIES

The group holds certain interests in consolidated structured entities to ring-fence certain risks and/or achieve specific objectives. Structured entities are entities that have been designed so that voting rights are not the predominant factor in deciding who controls the entity.

The group has identified the following consolidated structured entities:

- Employee benefit trust schemes (refer to note J3).

- Community Trust (refer to note J1).

- Dr Holsboer Benefit Fund.

- Securitisation vehicles (refer to note F5):
 - » Greenhouse 5 Funding (RF) Limited.

The following judgements have been applied in determining that the group has control over the structured entities below:

Employee share schemes

The group has established employee share schemes for the benefit of its employees in return for their employment services rendered. Funding is provided by the group or its subsidiaries for the acquisition of shares that are held on behalf of employees. The trust is governed by the trust deed and the trustees are obligated to fulfil those responsibilities as set out in the trust deed. The group consolidates this trust because of the specific purpose for which the trust was formed and the group's involvement in the key decision-making processes relating to the operations of the trust.

Community Trust

The trust was formed with the specific purpose of providing previously disadvantaged communities with the opportunity to receive certain benefits. The group consolidates this trust because of the specific purpose for which the trust was formed and the group's involvement in the key decision-making processes relating to the operation of the trust.

Dr Holsboer Benefit Fund

Nedbank Group Limited is the founder of the trust. The fund was established in terms of a trust deed for the benefit of employees of the group. The beneficiaries of the trust include employees, contractors and pensioners, as nominated by the trustees in their sole discretion. The trustees have the right to vest or distribute net income of the trust at their discretion. The group reserves the right to terminate the appointment of any of the trustees. In terms of the trust deed, the trustees are not entitled to remuneration for their services, unless the founder and all the trustees agree unanimously. The group has concluded that the trustees act merely in an agent capacity and that the group has control over the trust.

Securitisation

The group sponsors the formation of structured entities primarily for the purpose of securitising financial assets for funding diversification purposes and to add flexibility in mitigating structural liquidity risk. Where it is difficult to determine whether the group controls a structured entity, the group makes judgements in terms of IFRS Accounting Standards about whether it has power over the entity, exposure, or rights to variable returns from its involvement with the entity and the ability to use its power over the entity to affect the amount of its returns. In arriving at these judgements, the factors are considered both jointly and separately.

Currently, the only securitisation structure in place is the residential-mortgage-backed securitisation programme Greenhouse Funding 5 (RF) Limited. The group controls this vehicle and has consolidated it since its inception. The activities of this vehicle are predetermined and restricted in terms of the programme documentation established at its inception. The group does, however, exercise some discretion in its decision-making, which includes the selection and transfer of assets and the management of defaulted assets. Through the provision of administration services, the interest rate hedge and credit enhancement, Nedbank Limited has rights to the residual return of the vehicle.

The group has set up securitisation vehicles that acquire the rights, title, interest and related security of commercial and residential mortgage bonds from Nedbank Limited. The group has concluded that it controls these entities.

Refer to note F5 for more information on the securitisation activities of the group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER

F4.2 UNCONSOLIDATED STRUCTURED ENTITIES

The following judgements were used in determining that the group does not have control over the following structured entities.

Investment funds

The group acts as fund manager to a number of investment funds. The group holds seed capital in certain investment funds where the group assists in starting the investment fund and the group is required by Association for Savings and Investment South Africa (Asisa) rules to hold a minimum interest in the investment fund. In determining whether the group controls such an investment, focus is usually on the assessment of decision-making rights as fund manager, the investor's rights to remove the fund manager and the aggregate economic interests of the group in the fund in the form of management fees and interest held.

In most instances the group's decision-making authority, in its capacity as manager of these investment funds, is regarded as well defined. Discretion is, however, exercised when decisions are made about the relevant activities of these funds.

Fees earned by the group, in its capacity as fund manager, are considered to be market-related and commensurate with the services provided and include only terms, conditions or amounts that are customarily present in arrangements for similar services and level of skills negotiated on an arm's-length basis.

As a result, the group has concluded that it acts as agent on behalf of the investors in all instances. Therefore, the group does not control these funds and has not consolidated these investment funds.

ANALYSIS OF THE GROUP'S INTERESTS IN UNCONSOLIDATED STRUCTURED ENTITIES

The following table summarises the carrying values of the group's interests in unconsolidated structured entities:

	Rm
2025	
Carrying amount of the group's interest	15
Fees earned	936
Total assets under management	328 240
2024	
Carrying amount of the group's interest	11
Fees earned	993
Total assets under management	300 739

Investment funds

The group's maximum exposure to losses from its interests in unconsolidated structured entities is limited to the group's interests in these investment funds. The group does not provide any financial support to these investment funds.

Sponsored entities

In addition to the above unconsolidated structured entities, the group has sponsored certain BEE schemes in which it does not have an interest. The group does not earn any fees or income from these entities, and has not transferred any assets to these sponsored entities.

F5 SECURITISATIONS

The group securitises various consumer and commercial financial assets, generally resulting in the sale of these assets to structured entities, which in turn issue securities to investors. Interests in the securitised financial assets may be retained in the form of senior or subordinated tranches or other residual interests (retained interests).

Active securitisation transactions

Nedbank Group Limited uses securitisation primarily to diversify funds and to add flexibility in mitigating structural liquidity risk. Currently, the group has 1 active traditional securitisation transaction:

- Greenhouse Funding 5 (RF) Limited (Greenhouse 5), a residential-mortgage-backed securitisation programme.

Greenhouse Funding 5 (RF) Limited (Greenhouse 5)

Greenhouse 5 is a securitisation vehicle through which the rights, title, interest and related security in respect of residential home loans were acquired from Nedbank Limited under a segregated-series medium-term-note programme.

Greenhouse 5 is a residential-mortgage-backed securitisation programme implemented during 2019. Greenhouse 5 securitised R1.6bn worth of home loans originated by Nedbank Limited through the issuance of senior notes to the capital market and subordinated notes and a subordinated loan provided by Nedbank Limited. The notes issued by Greenhouse 5 are listed on the JSE and rated by Moody's. The home loans transferred to Greenhouse 5 continue to be recognised as financial assets held by Nedbank Limited.

Greenhouse 5 has been structured as a revolving structure, having the ability to issue new notes and purchase additional mortgage loans.

Greenhouse 5 makes use of an internal risk management policy and uses the Nedbank Group Limited credit risk monitoring process to govern lending activities to external parties.

Nedbank Limited provided Greenhouse 5 with an interest-bearing subordinated loan at the commencement of the programme to provide part of the initial funding. Interest is payable quarterly as part of the priority of payments. The full capital amount outstanding plus any accrued interest will be payable in full on the final maturity date, provided that all outstanding notes have been redeemed in full and all secured creditors have been settled.

In the Greenhouse 5 structure, Nedbank Limited holds the class B and class C notes amounting to R150m. These notes are subordinated to the higher-ranking notes in terms of the priority of payments.

Rm	2025		2024	
	Carrying amount of assets	Associated liabilities	Carrying amount of assets	Associated liabilities
Loans and advances to clients:				
– Residential mortgage loans	398	520	492	521
Less: Impairments	(10)		(12)	
Total	388	520	480	521

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

F6 RELATED PARTIES

F6.1 Key management personnel compensation

Key management personnel are those persons who have authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly, including all directors of the company and its parent, as well as members of the executive committee who are not directors.

Compensation paid to the board of directors and to other key management personnel, as well as the number of share instruments held, are shown below. For further information on remuneration, refer to note N3: Directors remuneration.

	Directors	Key management personnel	Total
Compensation (Rm)			
2025			
Directors' fees	29		29
Remuneration – incurred by subsidiaries	90	139	229
Short-term employee benefits	66	119	185
Postemployment benefit contributions	3	5	8
Share-based payments expense	21	15	36
	119	139	258
2024 (Restated)			
Directors' fees	26		26
Remuneration – incurred by subsidiaries	72	165	237
Short-term employee benefits ¹	71	136	207
Postemployment benefit contributions ¹	3	5	8
Share-based payments expense ¹	(2)	24	22
	98	165	263

	Directors	Key management personnel	Total
Number of share instruments			
2025			
Outstanding at the beginning of the year	626 168	1 225 880	1 852 048
Granted	194 534	397 127	591 661
Exercised	(123 860)	(359 201)	(483 061)
Transferred ²		(150 398)	(150 398)
Outstanding at the end of the year	696 842	1 113 408	1 810 250
2024			
Outstanding at the beginning of the year	939 268	1 445 232	2 384 500
Granted	506 473	438 524	944 997
Forfeited		(3 317)	(3 317)
Exercised	(496 133)	(654 559)	(1 150 692)
Transferred ²	(323 440)		(323 440)
Outstanding at the end of the year	626 168	1 225 880	1 852 048

¹ During the year, the group reviewed the presentation of key management personnel compensation. As a result of this review, 'Postemployment benefit contributions', previously included within 'Short-term employee benefits', has been reclassified and presented separately. In addition, 'Share-based payment expense' has been presented. The reclassifications enhance transparency and provides clearer insight into the individual components of key management personnel compensation. To provide comparability, the prior-year 'Postemployment benefit contributions' and 'Share-based payment expense' has been disclosed. The reclassifications have no impact on the group's consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity or consolidated statement of cash flows.

² Represents the net movement in share instruments of members appointed to and resigning from the Group Executive Committee (Group Exco).

F6.2 Related-party transactions

Transactions between Nedbank Group Limited and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between Nedbank Group Limited and its other related parties are disclosed below. All these transactions were entered into in the normal course of business.

Outstanding balances (Rm)	Due from/(Owing to)	
	2025	2024
Associate companies and joint ventures		
Loans due from associate companies and joint ventures ¹	13 039	8 843
Deposits owing to associate companies and joint ventures ²	(2 117)	(3 079)
Bank balances owing to associate companies and joint ventures	(68)	(82)
Key management personnel		
Mortgage bonds due from key management personnel ³	34	67
Deposits owing to key management personnel ³	(228)	(268)
Bank balances due from key management personnel ³	4	2
Bank balances owing to key management personnel ³	(81)	(81)
Key management personnel – directors	(41)	(34)
Key management personnel – other	(73)	(90)
Share-based payments reserve	(114)	(124)
Long-term employee benefit plans		
Bank balances owing to Nedgroup Pension Fund	(15)	(7)
Bank balances and deposits owing to other funds	(297)	(234)

¹ Of the total loans due from associate companies and joint ventures of R13bn, R4 820bn (2024: R1 464bn) is unsecured.

² The balance includes derivatives.

³ The balance includes transactions with close family members and key management personnel business accounts.

Transactions (Rm)	Income/(Expense)	
	2025	2024
Associate companies		
Income from associate companies and joint ventures ¹	1 993	872
Expense to associate companies and joint ventures ²	(300)	(332)
Key management personnel		
Interest income from key management personnel ³	3	4
Interest expense to key management personnel³	(14)	(13)

¹ The balance includes interest income and NIR.

² The balance includes interest paid and operating expense.

³ The balance includes transactions with close family members and key management personnel business accounts.

Key management personnel paid insurance premiums amounting to R1m (2024: R1m).

Long-term employee benefit plans	Income/(Expense)	
	2025	2024
Interest expense to other funds	(18)	(29)

SECTION G: GENERAL ASSETS

ACCOUNTING POLICY

Impairment (all assets other than financial assets, deferred taxation assets and investment property)

The group assesses all assets (other than financial assets, deferred taxation assets and investment property) for indications of impairment or the reversal of a previously recognised impairment at each reporting date. These impairments (where the carrying amount of an asset exceeds its recoverable amount), or the reversal of a previously recognised impairment, are recognised in profit or loss for the period. Intangible assets not yet available for use are tested, at least annually, for impairment.

The recoverable amount of an asset is the higher of its fair value, less cost to sell, and its value in use (VIU). The fair value, less cost to sell, is determined by ascertaining the current market value of an asset and deducting any costs related to the realisation of the asset.

In the assessment of the VIU, the expected future pretax cash flows from the asset are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset the cash flows of which are largely dependent on those of other assets, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

A previously recognised impairment loss will be reversed if the recoverable amount increases as a result of a change in the estimates used previously to determine the recoverable amount, but not to an amount higher than the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised in prior periods.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction and production of qualifying assets are capitalised as part of the costs of these assets. Qualifying assets are assets that necessarily take a substantial period of time to prepare for their intended use or sale. Capitalisation of borrowing costs continues up to the date on which the assets are complete.

All other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs capitalised are disclosed in the notes by asset category and are calculated at the group's average funding cost, except to the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset. Where this occurs, actual borrowing costs incurred, less any investment income on the temporary investment of those borrowings, are capitalised.

ACCOUNTING POLICY

Items of property and equipment are initially recognised at cost if it is probable that any future economic benefits associated with the items will flow to the group and the items have a cost that can be measured reliably.

Subsequent expenditure is capitalised to the carrying amount of items of property and equipment if it is measurable and it is probable that it increases the future economic benefits associated with the asset. All other expenses are recognised in profit or loss as an expense when incurred.

Subsequent to initial recognition, computer equipment, vehicles and furniture and other equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Land and buildings, the fair values of which can be reliably measured, are carried at revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluation increases are credited directly to other comprehensive income and presented in equity under the heading 'Revaluation reserve'. However, revaluation increases are recognised in profit or loss to the extent that they reverse a revaluation decrease of the same asset previously recognised in profit or loss. Revaluation decreases are recognised in profit or loss. However, decreases are debited directly to equity to the extent of any credit balance existing in the revaluation surplus in respect of the same asset. Land and buildings are revalued on the same basis as investment properties.

Depreciation

Each part of an item of property and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. Items of property and equipment that are classified as held for sale in terms of IFRS 5: Non-current Assets Held for Sale and Discontinued Operations are not depreciated. The depreciable amounts of property and equipment are recognised in profit or loss on a straight-line basis over the estimated useful lives of the items of property and equipment, unless they are included in the carrying amount of another asset. The useful lives, residual values and depreciation methods for property and equipment are assessed and adjusted (where required) annually.

On revaluation, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the item concerned and the net amount restated to the revalued amount. Subsequent depreciation charges are adjusted based on the revalued amount and residual values.

Any difference between the depreciation charge on the revalued amount and that which would have been charged under historic cost is transferred, net of any related deferred taxation, between the revaluation reserve and retained earnings as the property is used. Land is not depreciated.

The initial estimated useful lives are as follows:

Computer equipment	3 to 10 years
Motor vehicles	3 to 10 years
Fixtures and furniture	3 to 10 years
Leasehold property	10 years
Significant leasehold property components	10 years
Freehold property	30 to 58 years
Significant freehold property components	5 to 15 years
Land	Indefinite

Derecognition

Items of property and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. The gain or loss on derecognition is recognised in profit or loss and is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item. On derecognition any surplus in the revaluation reserve in respect of an individual item of property and equipment is transferred directly to retained earnings in the statement of changes in equity.

Compensation from third parties for items of property and equipment that were impaired, lost or given up is included in profit or loss when the compensation becomes receivable.

Leases

The group as lessee

The group is party to lease contracts for the following:

- ATMs
- Branches
- Campus sites
- Office space
- Computer and office equipment

Contract assessment and allocation of consideration

At the inception of a new contract, the group assesses whether the contract is, or contains, a lease. In assessing whether a contract conveys the right to control the use of an identified asset, the group considers whether:

ACCOUNTING POLICY

- the contract involves the use of an asset explicitly or implicitly identified in the contract (this asset must be physically distinct or represent substantially all the capacity of the asset, and if the supplier has a substantive substitution right, then the asset is not identified);
- the group has the right to obtain substantially all the economic benefits from the use of the asset throughout the period of use; and
- the group has the right to direct the use of the asset, i.e. to direct how and for what purpose the asset is used.

At inception or on reassessment of a modified contract that contains a lease component, the group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices and the aggregate stand-alone price of the non-lease components. Non-lease components are recognised as an expense in profit or loss in the period in which they arise.

Lease term

The group determines the lease term as the non-cancellable period of a lease, together with both:

- periods covered by an option to extend the lease if the group is reasonably certain to exercise that option; and
- periods covered by an option to terminate the lease if the group is reasonably certain not to exercise that option.

In assessing whether the group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, the group considers all relevant facts and circumstances that create an economic incentive for the group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. Lease terms are on average 3 years for ATMs, 5 years for branches, 13 years for office blocks, 10 years for campus sites and 5 years for office and computer equipment.

Right-of-use asset (initial and subsequent measurement)

The right-of-use asset is initially measured at cost, which comprises:

- the initial amount of the lease liability, adjusted for any lease payments made at or before the start date;
- less any lease incentives received;
- plus, any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation and impairment losses, adjusted for certain remeasurements of the lease liability. Impairment losses are determined in accordance with IAS 36: Impairment of Assets.

If the lease transfers ownership of the underlying asset to the group by the end of the lease term, or if the cost of the right-of-use asset reflects that it is reasonably certain that the group will exercise a purchase option, the group depreciates the right-of-use asset over the useful life. Otherwise, the group depreciates the right-of-use asset over the shorter of the useful life and the lease term. The group's principles governing estimating useful lives of the right-of-use assets are determined using the same principles as those ascribed to property and equipment.

Onerous leases (impairment assessment)

Onerous leases are dealt with in IAS 36: Impairment of Assets, except for short-term leases, low-value leases and leases that became onerous before the commencement date of the lease, which are dealt with in IAS 37: Provisions, Contingent Liabilities and Contingent Assets.

The group assesses for impairment indicators in the right-of-use asset, considering a combination of the following factors:

- Whether a significant decline in expected economic benefits from the full operational effects of the lease contract has occurred.
- Whether the leased asset is underutilised, renounced, relinquished or abandoned.
- An array of factors to make a conclusion as to whether the lease is onerous.
- The prevailing merits, facts and circumstances of each case.

Impairment losses reduce the right-of-use asset and are recognised in profit and loss. In most cases, an onerous lease does not discharge or extinguish the existing lease liability at the time of occurrence of the impairment event. Any additional penalties to cancel the lease are present-valued and included as part of the lease liability in accordance with IFRS 16.

Disclosure for lease liabilities are done in note K1.

The group as lessor

The group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the group assesses whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying assets. In this case the lease is classified as a finance lease; otherwise, it is classified as an operating lease. If the arrangement contains lease and non-lease components, the group allocates the consideration in the contract to each component on the basis of their relative stand-alone prices.

Operating leases

Assets leased out under operating leases are included under property and equipment in the statement of financial position. Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the rental income. Leased assets are depreciated over their expected useful lives on a basis consistent with similar assets. Rental income, net of any incentives given to lessees, is recognised on a straight-line basis over the term of the lease. When another systematic basis is more representative of the time pattern of the user's benefit, then that method is used.

G1.1 PROPERTY AND EQUIPMENT

	2025 Rm	2024 Rm
Property and equipment (owned) (note G1.2)	12 175	12 020
Right-of-use assets (leased) (note G1.3)	1 990	2 111
Property and equipment	14 165	14 131

G1.2 PROPERTY AND EQUIPMENT (OWNED)

	Land		Buildings	
	2025 Rm	2024 Rm	2025 Rm	2024 Rm
Gross carrying amount				
Balance at 1 January	871	877	5 621	5 951
Acquisitions			308	482
Business combinations			3	27
Increases/(Decreases) arising from revaluations ¹	9	(62)	56	(102)
Transfers to non-current assets held for sale		(2)		(13)
Transfers- intangible assets				
Disposals			(134)	(380)
Transfers between assets			42	(255)
Effect of movements in foreign exchange rates and other movements	(43)	58	(17)	(89)
Balance at 31 December	837	871	5 879	5 621
Accumulated depreciation and impairment losses				
Balance at 1 January			796	1 064
Depreciation charge for the year			404	398
Write-off of accumulated depreciation on revaluations			(60)	(75)
Disposals			(121)	(368)
Effect of movements in foreign exchange rates and other movements ²	–	–	(34)	(223)
Balance at 31 December	–	–	985	796
Carrying amount				
At 1 January	871	877	4 825	4 887
At 31 December	837	871	4 894	4 825

¹ Gains on property revaluations are recognised in profit or loss to the extent that they reverse a revaluation decrease of the same asset previously recognised in profit or loss. During the year, a revaluation loss of R114m (2024: R142m) pretax was recognised in other comprehensive income. Refer to note B8.2.3: Income tax recognised in other comprehensive income.

² Impairment losses of R121m have been included under 'Effect of movements in foreign exchange rates and other movements'. This relates to the scrapping of point-of-sale devices.

Equipment (principally computer equipment, motor vehicles, fixtures and furniture) is stated at cost less accumulated depreciation and impairment losses. Land and buildings are recognised at the revalued amount, which is based on independent external valuations as follows in accordance with the group's accounting policy:

- For South African properties: revaluations are done at 31 December annually.
- For NAR properties:
 - » Lesotho and Eswatini are revalued every 2 years.
 - » Namibia and Zimbabwe are revalued in November, with no significant changes to December balances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

Computer equipment		Furniture and other equipment		Vehicles		Total	
2025 Rm	2024 Rm	2025 Rm	2024 Rm	2025 Rm	2024 Rm	2025 Rm	2024 Rm
3 364	3 743	3 028	2 361	3 761	81	16 645	13 013
738	556	328	421	1 330	589	2 704	2 048
1	7		2		3 059	4	3 095
			(1)	–		65	(164)
	(261)					–	(16)
(584)	(911)	(985)	(369)	(257)	(14)	(1 960)	(1 674)
56	89	(98)	167		(1)	–	–
(18)	141	(26)	447	(16)	47	(120)	604
3 557	3 364	2 247	3 028	4 818	3 761	17 338	16 645
1 592	1 712	1 812	1 314	425	37	4 625	4 127
600	664	315	329	411	347	1 730	1 738
1	(22)	(2)				(61)	(97)
(576)	(890)	(979)	(368)	(13)	(14)	(1 689)	(1 640)
136	128	(84)	537	540	55	558	497
1 753	1 592	1 062	1 812	1 363	425	5 163	4 625
1 772	2 031	1 216	1 047	3 336	44	12 020	8 886
1 804	1 772	1 185	1 216	3 455	3 336	12 175	12 020

The valuers are members or associates of the Institute of Valuers (SA) or a local equivalent in the case of foreign subsidiaries. An annual internal review is also done on those properties not subject to independent external valuation. The carrying amount of properties is the fair value as determined by the valuers less subsequent accumulated depreciation and impairment losses. Adjustments in the valuation of the properties are recorded in the revaluation reserve, which is amortised over the remaining useful life of the property. In determining the fair value of properties, the following factors are considered:

- Property location
- Improvements to the building
- Rentals
- Vacancies
- Property expenses
- Capitalisation rate

G1.2 PROPERTY AND EQUIPMENT (OWNED)

Type of property	Valuation method	Significant inputs	Parameters	Land		Buildings	
				2025 Rm	2024 Rm	2025 Rm	2024 Rm
Commercial property	Market-comparable approach and discounted cash flow	Income capitalisation rates	10.00% – 12.50% (2024: 10.00% – 12.00%)	837	871	4 894	4 825
Total land and buildings				837	871	4 894	4 825

In accordance with IFRS 13 the measurement of the group's properties is considered to be recurring. Recurring fair-value measurements are those that IFRS Accounting Standards require or permit to be recognised in the statement of financial position at the end of each reporting period. Furthermore, the group classifies its properties measured at fair value into level 3 of the fair-value hierarchy. Level 3 fair-value measurements are those that include the use of significant unobservable inputs.

In respect of certain properties, there are restrictions of title in terms of regulatory restrictions such as servitudes. This does not have a material effect on the ability of the group to transfer these properties. No material plant and equipment have been pledged as security for liabilities.

If land and buildings were carried under the cost model and not the revaluation model, the carrying amount would have been R2 609m (2024: R3 082m).

G1.3 RIGHT-OF-USE ASSETS (LEASED)

Right-of-use assets reconciliation

	2025 Rm	2024 Rm
Balance at the beginning of the year	2 111	2 025
Depreciation charge for the year	(798)	(811)
Additions	211	467
Lease modifications ¹	492	459
Impairment losses ²		(12)
Effect of movements in foreign exchange rates and other movements	(26)	(17)
Balance at the end of the year	1 990	2 111

¹ Related to amendments to new and existing lease contracts subsequent to 1 January 2019. Included in lease modifications are reinstatement costs of R21.3m (2024: R21.2m).

²No impairment was recognised for 2025. The impairment indicator identified in 2024 arose from the Group's plans to adopt new ways of working, which will result in certain leased office spaces becoming redundant. When an impairment indicator exists, the right-of-use asset must be assessed for impairment by comparing its recoverable amount to its carrying amount. If the recoverable amount is lower than the carrying amount, the right-of-use asset is impaired.

Depreciation charge by class of right-of-use assets

	2025 Rm	2024 Rm
Property (ATMs, branches, offices and campus sites)	(682)	(695)
Office equipment	(116)	(116)
	(798)	(811)

Closing balances by class of right-of-use assets

	2025 Rm	2024 Rm
Property (ATMs, branches, offices and campus sites)	1 635	1 767
Office equipment	355	344
	1 990	2 111

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

G2 INTANGIBLE ASSETS

ACCOUNTING POLICY

Goodwill

Goodwill arises on the acquisition of subsidiaries and is recognised as an asset on the date that control is acquired, being the acquisition date. Goodwill represents the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over the net fair value of the identifiable net assets recognised. If, after reassessment, the group's interest in the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred plus the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any), this excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is tested for impairment at least once a year. Any impairment loss is recognised immediately in profit or loss and is not subsequently reversed.

On disposal of a subsidiary the goodwill attributable to the subsidiary is included in the determination of the profit or loss on disposal.

Goodwill impairment

Goodwill is allocated to 1 or more cash-generating units (CGUs), being the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Goodwill is allocated to the CGUs in which the synergies from the business combinations are expected. Each CGU containing goodwill is tested annually for impairment. An impairment loss is recognised whenever the carrying amount of an asset or its CGU exceeds its recoverable amount. Impairment losses that are recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to a CGU and then to reduce the carrying amount of the other assets in the CGU on a pro rata basis. However, the carrying amount of these other assets may not be reduced below the highest of their fair value, less costs to sell, and their VIU and zero.

Impairment testing procedures

The recoverable amount of a CGU is the higher of its fair value, less cost to sell, and its VIU. The fair value, less cost to sell, is determined by ascertaining the current market value of an asset (or the CGU) and deducting any costs related to the realisation of the asset.

In the assessment of VIU the expected future cash flows from the CGU are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the particular CGU.

Impairment losses relating to goodwill are not reversed and all impairment losses are recognised in the impairments charge on non-financial instruments and other gains and losses items for the period.

Computer software and development costs (not yet commissioned)

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, and expenditure on internally generated goodwill and brands are recognised as an expense in profit or loss for the period.

If costs can be measured reliably and future economic benefits are available, expenditure on computer software and other development activities, where set procedures and processes are applied to a project for the production of new or substantially improved products and processes, is capitalised if the computer software and other developed products or processes are technically and commercially feasible and the group has intention and sufficient resources to complete development. The expenditure capitalised includes the cost of materials and directly attributable employee and other direct costs. Computer development expenditure is amortised only once the relevant software has become available for use in the manner intended by management. Capitalised software is stated at cost less accumulated amortisation and impairment losses.

Amortisation of computer software and development costs is charged to profit or loss on a straight-line basis over the estimated useful lives of these assets, which do not exceed 10 years and are reviewed annually. Subsequent expenditure relating to computer software is capitalised only when it increases the future economic benefits embodied in the specific asset, in its current condition, to which it relates. All other subsequent expenditure is recognised as an expense in the period in which it is incurred. The profit or loss on the disposal of computer software is recognised in the impairments charge on non-financial instruments and other gains and losses (in profit and loss). The profit or loss on disposal is the difference between the net proceeds received and the carrying amount of the asset.

The amortisation methods and residual values of these intangible assets are reviewed annually.

Contractual client relationships

Contractual client relationships, including the present value of active business in insurance operations, acquired in a business combination, are recognised at fair value at the date of acquisition. The contractual client relationships have indefinite useful lives and are carried at cost. The useful lives and residual values of these client relationships are reviewed annually.

KEY ASSUMPTIONS CONCERNING THE FUTURE AND KEY SOURCES OF ESTIMATION

Goodwill impairment

Management considers at least annually whether the current carrying value of goodwill is to be impaired. The first step of the impairment review process requires the identification of independent CGUs by segmenting the group business into as many largely independent income streams as is reasonably practicable. The goodwill is then allocated to these independent units. The first element of this allocation is based on the areas of the business expected to benefit from the synergies derived from the acquisition. The second element reflects the allocation of the net assets acquired and the difference between the consideration paid for those net assets and their fair value. This allocation is reviewed following business reorganisation. The carrying value of the unit, including the allocated goodwill, is compared with its fair value or VIU to determine whether any impairment exists. If the recoverable amount of a unit is less than its carrying value, goodwill will be impaired.

Detailed calculations may need to be carried out, taking into consideration changes in the market in which a business operates (e.g. competitive activity and regulatory change). In the absence of readily available market price data this calculation is based on discounting expected cash flows at a risk-adjusted interest rate appropriate to the operating unit. The determination of both of these requires the exercise of judgement. The estimation of cash flows is sensitive to the periods for which detailed forecasts are available and to assumptions regarding the long-term sustainable cash flows. While forecasts are compared with actual performance and external economic data, expected cash flows naturally reflect management's view of future performance.

Management performed individual VIU calculations and compared them with the allocated goodwill at an independent CGU level. The goodwill impairment testing performed in 2025 indicated that none of the goodwill was impaired in the year under review. Management believes that reasonable changes in key assumptions used to determine the recoverable amount of Nedbank Limited's goodwill would not result in impairment.

Management considered the source of the key inputs, which is a significant judgement in particular cash flow forecasts. These are aligned with the group's 3-year planning and strategy process. Discount rates have been prepared by the group's Balance Sheet Management Division and reviewed by Group Assets and Liabilities Management and Executive Risk Committee (Group ALCO), and regulatory capital impacts are aligned with the group's capital management oversight processes.

Intangible assets other than goodwill

An internally generated intangible asset, specifically internally developed software generated during the development phase, is recognised as an asset if certain conditions are met. These conditions include technical feasibility, intention to complete the development, ability to use the asset under development, and demonstration of how the asset will generate probable future economic benefits.

The cost of a recognised internally generated intangible asset comprises all costs directly attributable to making the asset capable of being used as intended by management. Conversely, all expenditure arising during the research phase is expensed as incurred.

The decision to recognise internally generated intangible assets requires significant judgement, particularly in the following areas:

- Evaluation of whether activities should be considered research activities or development activities.
- Assumptions about future market conditions, client demand and other developments.
- Assessment of whether completing an asset is technically feasible. The term 'technical feasibility' is not defined in the IFRS Accounting Standards, and therefore requires a group-specific and necessarily judgemental approach.
- Evaluation of the future ability to use or sell the intangible asset arising from the development and the assessment of probability of future benefits from sale or use.
- Evaluation of whether a cost is directly or indirectly attributable to an intangible asset and whether a cost is necessary for completing a development.

All intangible assets of the group have finite useful lives. Consequently, the depreciable amount of the intangible assets is allocated on a systematic basis over their useful lives. Judgement is applied to the following:

- Determining the useful life of an intangible asset, based on estimates regarding the period over which the intangible asset is expected to produce economic benefits to the group.
- Determining the appropriate amortisation method. IFRS Accounting Standards require that the straight-line method be used, unless management can determine reliably the pattern in which the future economic benefits of the asset are expected to be consumed by the group.

Both the amortisation period and the amortisation method have an impact on the amortisation expenses recorded in each period.

In making impairment assessments for the group's intangible assets, management uses certain complex assumptions and estimates about future cash flows that require significant judgement and assumptions about future developments. These assumptions are affected by various factors, including changes in the group's business strategy, internal forecasts and estimation of the group's weighted-average cost of capital. Due to these factors, actual cash flows and values could vary significantly from the forecast future cash flows and related values derived using the discounted-cash-flow method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER

G2.1 MOVEMENT IN CARRYING AMOUNT

Rm	Goodwill	Software	Development costs (not yet commissioned)	Client relationships, contractual rights and other	Total
2025					
Cost					
Balance at the beginning of the year	6 554	16 234	2 426	1 137	26 351
Acquisitions		175	1 423	166	1 764
Acquisition of subsidiary	1 366		228	128	1 722
Development costs commissioned to software		1 313	(1 313)		–
Foreign currency translation and other	(5)	9	(45)	(9)	(50)
Balance at the end of the year	7 915	17 731	2 719	1 422	29 787
Accumulated amortisation and impairment					
Balance at the beginning of the year	2 543	9 894	354	908	13 699
Amortisation charge		1 824		13	1 837
Disposals and retirements	–				–
Impairment losses ¹	29	110	717		856
Foreign currency translation and other	3	(18)	(347)	308	(54)
Balance at the end of the year	2 575	11 810	724	1 229	16 338
Carrying amount					
At the beginning of the year	4 011	6 340	2 072	229	12 652
At the end of the year	5 340	5 921	1 995	193	13 449
2024					
Cost					
Balance at the beginning of the year	6 554	14 656	1 667	930	23 807
Acquisitions		723	1 717	207	2 647
Development costs commissioned to software		962	(962)		–
Disposals and retirements		(131)			(131)
Foreign currency translation and other		24	4		28
Balance at the end of the year	6 554	16 234	2 426	1 137	26 351
Accumulated amortisation and impairment					
Balance at the beginning of the year	2 543	8 078	301	908	11 830
Amortisation charge		1 875			1 875
Disposals and retirements		(131)			(131)
Impairment losses ¹		48	52		100
Foreign currency translation and other		24	1		25
Balance at the end of the year	2 543	9 894	354	908	13 699
Carrying amount					
At the beginning of the year	4 011	6 578	1 366	22	11 977
At the end of the year	4 011	6 340	2 072	229	12 652

¹ Impaired intangible assets consist of projects mainly in the Nedbank Personal and Private Banking and Nedbank Africa Regions Cluster. The main indicators of the impairment of a project are the decommissioning of the project and/or the project not reaching full functionality. When one of these indicators is present, the project is tested for impairment by comparing its recoverable amount with its carrying amount. Where the recoverable amount of a project is lower than its carrying value, the project is impaired.

G2.2 ANALYSIS OF GOODWILL BY CGU

	2025 Rm	2024 Rm
Nedbank Corporate and Investment Banking¹	2 023	2 023
Property Finance	1 374	1 374
Corporate and Investment Banking (excluding Property Finance)	649	649
Nedbank Business and Commercial Banking¹	2 113	747
Nedbank Commercial Banking	747	747
Ikhokha	1 366	
Nedbank Personal and Private Banking¹	1 204	1 209
Nedbank Insurance	402	402
Wealth Management International	100	105
Personal and Private Banking (excluding Wealth Management International and Nedbank Insurance)	702	702
Nedbank Africa Regions	–	32
Mozambique		32
	5 340	4 011

¹ Restated to align with the reorganisation. Refer to note B1.

The goodwill impairment testing conducted in 2025 revealed that there was R32m impairment of goodwill for Mozambique as of 31 December 2025. Consequently, the impairment of goodwill amounted to R32m (2024: R0m).

The VIU of the various CGUs was based on the following assumptions:

	2025 Rm		2024 Rm	
	SA	UK	SA and Namibia	UK
Risk-free rate range, including country risk premium (%)	9.60	4.13	10.00	4.01
Beta range ¹	1.00	1.00	1.00	1.00
Equity risk premium (%) ¹	5.20	5.10	4.80	6.50
Inflation rate (%) ¹	3.00	1.90	4.50	1.80
Country risk premium (%) ¹				
Terminal growth rate range (%) ²	3.00	5.00	4.50	1.80
Cash flow projection (years)	3	5	3	5
Discount rate range (pre-tax) (%) ³	21.64–23.70	11.39	21.64–25.75	13.54
Discount rate range (post-tax) (%) ³	15.80–17.30	9.23	15.80–18.80	11.51

¹ Management determined these key assumptions using information provided by the Nedbank Economic Unit, Balance Sheet Management Division and reputable external sources.

² Based on management estimates of sustainable growth rates.

³ Discount rates are based on the weighted-average cost of equity of the respective CGUs.

	2025 Rm	2024 Rm
Geographical split of goodwill is based on the area in which the CGU operates:		
– SA	5 240	3 874
– Rest of Africa		32
– Europe	100	105
	5 340	4 011

SECTION H: OTHER ASSETS

H1 LONG-TERM EMPLOYEE BENEFITS

ACCOUNTING POLICY

The group operates a number of postemployment defined-benefit and defined-contribution plans for eligible employees. The assets of these plans are generally held in separate trustee-administered funds. These benefits are accounted for in accordance with IAS 19: Employee Benefits.

Defined-benefit plans

The liability recognised in the statement of financial position in respect of defined-benefit pension plans is the present value of the defined-benefit obligation at the reporting date less the fair value of plan assets.

The defined-benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined-benefit obligation is determined by discounting the estimated future cash outflows using yields for government bonds that have maturity dates approximating the terms of the group's obligations.

Gains or losses resulting from remeasurements are recognised immediately in OCI. Remeasurements include actuarial gains and losses, return on plan assets, excluding amounts included in net interest, and the asset ceiling, excluding amounts included in net interest.

Current service costs and net interest on the defined-benefit liability are recognised immediately as an expense in profit or loss. Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date the group recognises related restructuring costs.

Plan assets are offset against plan liabilities only if they are assets held by long-term employee benefit funds or qualifying insurance policies. Qualifying insurance policies exclude any policies held by the related parties.

Defined-contribution plans

Contributions to defined-contribution plans are recognised as an expense in profit or loss in the periods during which services are rendered by employees.

Postemployment benefit plans

The group provides postretirement medical benefits and disability cover for eligible employees. The non-pension postemployment benefits are accounted for, in accordance with their nature, as either a defined-contribution plan or a defined-benefit plan. Similarly, the expected costs associated with such benefits are accounted for in a manner consistent with their classification.

Short-term employee benefits

Short-term employee benefits include salaries, accumulated leave payments, bonuses and non-monetary benefits such as medical aid contributions.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount to be paid under short-term cash bonus plans or accumulated leave if the group has a present, legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably.

KEY ASSUMPTIONS CONCERNING THE FUTURE AND KEY SOURCES OF ESTIMATION

The group provides pension plans for employees. Arrangements for employee retirement benefits vary from country to country and are made in accordance with local regulations and custom.

For defined-benefit schemes, including postretirement medical aid schemes, actuarial valuation of each of the scheme's obligations using the projected-unit credit method and the fair valuation of each of the scheme's assets is performed annually in accordance with the requirements of IAS 19: Employee Benefits.

The actuarial valuation is dependent on a series of assumptions (note H1.1.2), the key ones being interest rates, mortality, investment returns and inflation. Mortality estimates are based on standard industry and national mortality tables, adjusted, where appropriate, to reflect the group's own experience. The returns on fixed-interest investments are set to market yields at the valuation date (less an allowance for risk) to ensure consistency with the asset valuation. The returns on equities are based on the long-term outlook for global equities at the calculation date, having regard to current market yields and dividend growth expectations. Apart from the risk exposures mentioned above, there are no additional or unique risks to the entity. Refer to section L for information on how the general risks related to the items mentioned are managed.

The inflation assumption reflects long-term expectations of both earnings and retail price inflation.

POSTEMPLOYMENT AND OTHER LONG-TERM EMPLOYEE BENEFITS

The group has a number of defined-benefit and defined-contribution plans in terms of which it provides pension, postretirement medical aid and long-term disability benefits to employees and their dependants on retirement, death or disablement. All eligible employees and former employees are members of trustee-administered or underwritten schemes within the group, financed by company and employee contributions. All South African retirement plans are governed by the Pension Funds Act, 24 of 1956. The defined-benefit funds are actuarially valued using the projected-unit credit method. Any deficits are funded to ensure the ongoing financial soundness of the funds.

The benefits provided by the defined-benefit schemes are based on years of membership and/or salary levels. These benefits are provided from contributions by employees, the group, and income from the assets of these schemes. The expense or income recorded in profit or loss includes the current service cost, interest income on plan assets as well as interest expense on the defined-benefit obligation. It is the group's policy to ensure that the benefits are adequately funded to provide for the benefits due to members, and particularly to ensure that any shortfall with regard to the defined-benefit portion will be met by way of additional contributions. The contribution asset is held to fund potential shortfalls related to obligations arising from pension and provident fund benefits, as well as postretirement medical aid disbursements.

The abovementioned strategy is known as a liability-driven investment (LDI) strategy. The portion of the assets in the trustee portfolio not invested in the liability matching strategy or reserve accounts is invested in growth assets to create some possible upside for funding increases above the policy increase. The assets in the liability matching strategy will be invested mainly in South African nominal and inflation-linked government bonds and global equities and properties. This strategy aims to fully match the reasonable benefit expectations of the pensioners to receive annual pension increases in line with the inflation target chosen by the fund through its board of trustees.

The group has 2 types of defined-benefit schemes, where the surplus is recognised and where an asset ceiling has been applied. For the schemes where the surplus is recognised, it has determined that the maximum economic benefit available from the defined benefit plan is in the form of a combination of refunds and reductions in future contributions. This determination is based on the plan's terms and funding policy, which allow for both the refund of surplus assets on the winding up of the plan and the use of surplus assets to offset future service costs. The entity has assessed the plan's rules, funding arrangements, and local regulations and concluded that it has the right to receive a refund of any surplus and to reduce its future contributions.

For the schemes where an asset ceiling has been applied, the group has reviewed the plan's rules and local regulations, which do not allow for refunds of surplus assets or reductions in future contributions. The group has concluded that it cannot derive any economic benefit from these surplus assets, in respect of which it has no unrestricted rights. Where the group has determined that no economic benefit is available from the defined-benefit plan, a ceiling has been applied. The benefits provided by the defined-contribution schemes are determined by the accumulated contributions and investment earnings.

At the dates of the latest valuations, the defined-benefit plans were in a sound financial position in terms of section 16 of the Pension Funds Act. The funds that constitute the assets and liabilities that the group has recognised in the statement of financial position in respect of its defined-benefit plans are listed below. The latest actuarial valuations were performed at 31 December 2025.

POSTEMPLOYMENT BENEFITS

Defined-benefit pension funds

Nedgroup Pension Fund (including the Optiplus policy).

Nedbank UK Pension Fund.

Other funds, consisting of Nedbank Eswatini Limited Pension Fund and Nedbank Lesotho Pension Fund.

Nedbank Private Wealth Pension Scheme.

Defined-benefit medical aid schemes

Nedgroup Medical Aid Scheme for Nedbank employees and pensioners [including the Old Mutual Postretirement Medical Aid (PRMA) annuity policy].

Nedgroup Medical Aid Scheme for past BoE employees and pensioners.

Nedbank Namibia Medical Aid Fund.

OTHER LONG-TERM EMPLOYEE BENEFITS

Nedbank Group Disability Fund (including the OMART policy).

Nedbank Financial Planning (NFP) Earn-Out Scheme.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 31 DECEMBER

H1.1 ANALYSIS OF LONG-TERM EMPLOYEE BENEFIT ASSETS AND LIABILITIES

Rm	Assets	Liabilities	Net asset
2025			
Postemployment benefits (note H1.1.1)	5 884	(15)	5 869
Other long-term employee benefits	170	(44)	126
	6 054	(59)	5 995

Rm	Assets	Liabilities	Net asset
2024			
Postemployment benefits (note H1.1.1)	5 341	(9)	5 332
Other long-term employee benefits	143	(38)	105
	5 484	(47)	5 437

H1.1.1 Net asset/(liability) recognised

Rm	Pension and provident funds	Medical aid funds	Contribution asset	Total
2025				
Present value of defined-benefit obligation	(3 692)	(953)		(4 645)
Fair value of plan assets	8 056	1 392	1 330	10 778
Funded status	4 364	439	1 330	6 133
Unrecognised due to paragraph 65 limit	(264)			(264)
	4 100	439	1 330	5 869
2024				
Present value of defined-benefit obligation	(3 408)	(912)		(4 320)
Fair value of plan assets	7 510	1 251	1 132	9 893
Funded status	4 102	339	1 132	5 573
Unrecognised due to paragraph 65 limit	(241)			(241)
	3 861	339	1 132	5 332

H1.1.2 Postemployment benefits

Rm	Present value of obligation ¹	Fair value of plan asset	Surplus/(Deficit)	Unrecognised due to paragraph 65 limit	Net asset/(liability)
Analysis of long-term employee benefit					
2025					
Pension funds	3 692	8 056	4 364	(264)	4 100
Nedgroup Fund	2 938	6 970	4 032		4 032
Nedbank UK Fund	290	448	158	(158)	
Nedbank Private Wealth funds	114	183	69	(1)	68
Other funds	350	455	105	(105)	
Medical aid funds	953	1 392	439	–	439
Nedgroup scheme for Nedbank employees	890	1 309	419		419
Nedgroup scheme for BoE employees	56	83	27		27
Nedbank Namibia scheme (unfunded)	7		(7)		(7)
Contribution asset		1 330	1 330		1 330
Total	4 645	10 778	6 133	(264)	5 869
2024					
Pension funds	3 408	7 510	4 102	(241)	3 861
Nedgroup Fund	2 675	6 479	3 804		3 804
Nedbank UK Fund	322	471	149	(149)	
Nedbank Private Wealth funds	119	177	58	(1)	57
Other funds	292	383	91	(91)	
Medical aid funds	912	1 251	339	–	339
Nedgroup scheme for Nedbank employees	849	1 175	326		326
Nedgroup scheme for BoE employees	56	76	20		20
Nedbank Namibia scheme (unfunded)	7		(7)		(7)
Contribution asset		1 132	1 132		1 132
Total	4 320	9 893	5 573	(241)	5 332

¹ The weighted-average duration of the obligation for pension funds for Nedgroup was 10 years (2024: 10 years), for Nedbank Eswatini Limited 20 years (2024: 20 years) and for Nedbank Lesotho 16 years (2024: 16 years).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER

Rm	Pension and provident funds	Medical aid funds	Total
Present value of defined-benefit obligation			
2025			
Balance at the beginning of the year	3 408	912	4 320
Current service cost	2		2
Past service cost	3		3
Interest cost	285	90	375
Contributions by plan participants	14		14
Actuarial (gains)/losses	401	49	450
Benefits paid	(410)	(98)	(508)
Impact of foreign currency exchange rate changes	(11)		(11)
Balance at the end of the year	3 692	953	4 645
2024			
Balance at the beginning of the year	3 478	902	4 380
Current service cost	6		6
Interest cost	323	99	422
Contributions by plan participants	14		14
Actuarial gains	(4)	7	3
Benefits paid	(414)	(96)	(510)
Impact of foreign currency exchange rate changes	5		5
Balance at the end of the year	3 408	912	4 320

H1.1.2 Postemployment benefits

Rm	Pension and provident funds	Medical aid funds	Contribution asset	Total
Fair value of plan assets				
2025				
Balance at the beginning of the year	7 510	1 251	1 132	9 893
Expected return on plan assets	682	126	198	1 006
Actuarial gains/(losses)	271	113		384
Contributions by the employer	28			28
Contributions by plan participants	14			14
Benefits paid	(413)	(98)		(511)
Scheme-settled administration costs	(12)			(12)
Impact of foreign currency exchange rate changes	(24)			(24)
Balance at the end of the year	8 056	1 392	1 330	10 778
2024				
Balance at the beginning of the year	7 109	1 166	1 036	9 311
Expected return on plan assets	713	131	96	940
Actuarial losses	75	50		125
Contributions by the employer	27			27
Contributions by plan participants	14			14
Benefits paid	(417)	(96)		(513)
Scheme-settled administration costs	(10)			(10)
Impact of foreign currency exchange rate changes	(1)			(1)
Balance at the end of the year	7 510	1 251	1 132	9 893
Net (income)/expense recognised				
2025				
Current service cost	3			3
Interest (received)/cost	(389)	(36)	(198)	(623)
Scheme-settled plan administration costs	12			12
Past service cost – vested benefit	3			3
Effect of application of asset ceiling	4			4
	(367)	(36)	(198)	(601)
2024				
Current service cost	2			2
Interest (received)/cost	(384)	(32)	(96)	(512)
Scheme-settled plan administration costs	10			10
Past service cost – vested benefit	6			6
Effect of application of asset ceiling	4			4
	(362)	(32)	(96)	(490)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

Rm	Pension and provident funds	Medical aid funds	Contribution asset	Total
Movements in net asset/(liability) recognised				
2025				
Balance at the beginning of the year	3 861	339	1 132	5 332
Net income recognised in the statement of comprehensive income	367	36	198	601
Net remeasurements – debit for the year	(135)	64		(71)
Contributions paid by the employer	21			21
Impact of foreign currency exchange rate changes	20			20
Asset ceiling	(34)			(34)
Balance at the end of the year	4 100	439	1 330	5 869
2024				
Balance at the beginning of the year	3 412	264	1 036	4 712
Net income recognised in the statement of comprehensive income	362	32	96	490
Net remeasurements – credit for the year	79	43		122
Contributions paid by the employer	19			19
Impact of foreign currency exchange rate changes	9			9
Asset ceiling	(20)			(20)
Balance at the end of the year	3 861	339	1 132	5 332
%				
Distribution of plan assets (%)				
2025				
Equity instruments			24.50	27.00
Debt instruments			24.20	41.00
Property			0.10	2.00
Cash			1.40	
International			26.80	30.00
Other			23.00	
			100	100
2024				
Equity instruments			22.50	25.00
Debt instruments			22.80	41.00
Property			0.30	4.00
Cash			1.00	
International			29.30	30.00
Other			24.10	
			100	100
Actual return on plan assets				
2025				
			953	239
2024				
			788	181

Principal actuarial assumptions (%)	Pension and provident funds	Medical aid funds
2025		
Discount rates	5.35-9.90	8.40-8.50
Expected rates of return on plan assets	5.35-9.90	8.40-8.50
Inflation rate	2.35-4.30	3.50-5.20
Expected rates of salary increases	4.80-4.80	3.50-5.20
Pension increase allowance	1.33-3.80	
Annual increase to medical aid subsidy		5.00-5.20
Average expected retirement age (years)	60-65	
2024		
Discount rates	5.35-9.90	10.50-11.00
Expected rates of return on plan assets	5.35-9.90	10.50-10.50
Inflation rate	2.60-4.30	4.80-6.10
Expected rates of salary increases	5.30-5.30	4.80-4.80
Pension increase allowance	1.51-4.30	
Annual increase to medical aid subsidy		6.80-7.60
Average expected retirement age (years)	60-65	

Sensitivity analysis

Defined-benefit obligation

The defined-benefit obligation has been recalculated to show the effect of the discount rate and inflation rate assumptions on the defined-benefit obligation by adding and subtracting 1% to each assumption. This sensitivity analysis is for the Nedgroup Pension Fund, Nedbank Eswatini Limited Pension Fund and Nedbank Lesotho Pension Fund.

2025					
Rm	Main result	Discount rate plus 1%	Discount rate minus 1%	Inflation rate plus 1%	Inflation rate minus 1%
Defined-benefit obligation	3 692	3 064	3 530	3 541	3 068
Change (%)		(17)	(4)	(4)	(17)
2024					
Rm	Main result	Discount rate plus 1%	Discount rate minus 1%	Inflation rate plus 1%	Inflation rate minus 1%
Defined-benefit obligation	3 408	2 791	3 096	3 084	2 776
Change (%)		(18)	(9)	(10)	(19)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued
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Medical aid accrued liability

The sensitivity analysis provided below shows the impact of changes to these assumptions on the accrued liability value at 31 December 2025.

2024

Rm	Main result	Medical subsidy rate plus 1%	Medical subsidy rate minus 1%	Discount rate plus 1%	Discount rate minus 1%
Medical aid accrued liability	953	1 011	886	884	1 017
Change (%)		6	(7)	(7)	7

2024

Rm	Main result	Medical subsidy rate plus 1%	Medical subsidy rate minus 1%	Discount rate plus 1%	Discount rate minus 1%
Medical aid accrued liability	912	977	856	854	979
Change (%)		7	(6)	(6)	7

Pension funds

The expected long-term return is a function of the expected long-term returns on equities, cash and bonds. In setting these assumptions, the asset splits at the latest available date were used and adjustments were made to reflect the effect of expenses.

Weighted-average assumptions (%)

	2025	2024
– Discount rate	7.74	8.55
– Expected return on plan assets	7.74	8.55
– Inflation rate	3.38	3.76
– Future salary increases	4.21	4.63

Medical aid funds

The overall expected long-term rate of return on plan assets is 8.40%. The expected rate of return is based on market expectations, at the beginning of the period, for returns over the entire life of the related obligation. The expected rate of return is based on the expected performance of the entire portfolio.

Rm	Pension and provident funds	Medical aid funds	Total
Experience adjustments on present value of defined-benefit obligations for the past 5 years			
2025	401	49	450
2024	(4)	7	3
2023	(24)	(16)	(40)
2022	(339)	(69)	(408)
2021	153	5	158
Experience adjustments on fair value of plan assets for the past 5 years			
2025		113	113
2024		50	50
2023		(8)	(8)
2022		(82)	(82)
2021		45	45
Estimate of future contributions			
Contributions expected for ensuing year	15		15

Fund surplus for the past 5 years

	Present value of obligation	Fair value of plan asset	Surplus
Pension funds			
2025	3 692	8 056	4 364
2024	3 408	7 510	4 102
2023	3 478	7 109	3 631
2022	3 502	6 515	3 013
2021	4 000	7 068	3 068
Medical aid funds			
2025	953	1 392	439
2024	912	1 251	339
2023	902	1 166	264
2022	907	1 138	231
2021	965	1 186	221

H2 NON-CURRENT ASSETS AND LIABILITIES HELD FOR SALE

ACCOUNTING POLICY

Non-current assets (or disposal groups) are classified as held for sale when their carrying amount will be recovered principally through sale rather than use.

Immediately before classification as held for sale, all assets and liabilities are remeasured in accordance with the group's accounting policies. Non-current assets (or disposal groups) held for sale are measured at the lower of the carrying amount and fair value, less incremental, directly attributable costs to sell (excluding taxation and finance charges), and are not depreciated.

Properties sold but not yet transferred

The sale of properties is expected to be concluded within the following 12 months. Transfer of the properties is expected to take place during the following 12 months. The properties form part of the NAR and Centre segments.

Properties held for sale

In the prior years the group decided to dispose of property considered to meet the criteria to be classified as 'held for sale' at 31 December 2025. Although the sale has not yet been completed, management is committed to a plan to dispose of the property in the next 12 months.

The property has been measured at its fair value and during the year a fair-value loss of R27.6m (2024: R10m) was recognised due to a decrease in the market value.

Non-current assets held for sale

	2025 Rm	2024 Rm
Properties sold but not yet transferred and previously included in property and equipment ¹	25	39
Property held for sale and previously included in investment property	115	143
	140	182

¹ The sale and transfer of a property was concluded during 2025. The property was part of the Centre segment. A loss on disposal of R0.3m has been included in the 'Impairments charge on non-financial instruments and other gains and losses' line item on the consolidated statement of comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 31 DECEMBER

H3 OTHER ASSETS

	2025 Rm	2024 Rm
Properties in possession	211	205
Sundry debtors and other accounts	12 971	11 385
Trading securities and spot positions	31 230	26 611
Impairment of other assets	(3)	(14)
	44 409	38 187

The 'Other assets' balance comprises prepaid expenses and items that are short-term in nature. Based on this, the balance is regarded as having a low PD. Therefore, the ECL has been assessed as insignificant.

SECTION I: FINANCIAL INSTRUMENTS

ACCOUNTING POLICY

Financial instruments recognised in the statement of financial position include all financial assets and financial liabilities, including derivative instruments, but excluding investments in subsidiaries, associate companies and joint arrangements (other than investments held by venture capital divisions), employee benefit assets and liabilities, leases and insurance contracts. Financial instruments are accounted for under IAS 32: Financial Instruments – Presentation; IAS 39: Financial Instruments – Recognition and Measurement (Hedge Accounting); IFRS 9: Financial Instruments; IFRS 7: Financial Instruments – Disclosures; and IFRS 13: Fair Value Measurement.

FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Measurement basis of financial instruments

There are 2 bases of measurement, namely amortised cost and fair value.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual terms of the instrument. Regular-way purchase and sales of financial assets are recognised on the trade date, which is the date on which the group commits to purchase or sell the asset.

At initial recognition the group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at FVTPL, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets or financial liabilities carried at FVTPL are expensed in profit or loss. Immediately after initial recognition ECL are recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

Amortised cost and effective interest rate

The amortised cost of a financial instrument is the amount at which the financial instrument is measured on initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial contractual amount and the maturity amount, less any cumulative impairment losses.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider ECL and includes transaction costs, premiums or discounts, and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For purchased or originated credit-impaired financial assets (assets that are credit-impaired at initial recognition) the group calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of the ECL in estimated future cash flows.

When the group revises the estimates of future cash flows, the carrying amount of the respective financial asset or financial liability is adjusted to reflect the new estimate, discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for:

- purchased or originated credit-impaired financial assets for which the original credit-adjusted effective interest rate is applied to the amortised cost of the financial asset; and
- financial assets that are not purchased or originated credit-impaired, but have subsequently become credit-impaired (or stage 3), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the ECL allowance).

Fair value

The fair value of a financial instrument is the amount that would be received on selling the asset or paid on transferring a liability in an orderly transaction between market participants at the measurement date.

The fair value of instruments that are quoted in an active market is determined using quoted prices where they represent those at which regularly and recently occurring transactions take place.

The group uses valuation techniques to establish the fair value of instruments where quoted prices in active markets are not available. For a detailed discussion of the fair value of financial instruments refer to note 12.

Financial assets

(i) Classification and measurement

The group applies IFRS 9 and classifies its financial assets in the following measurement categories:

- FVTPL
- FVOCI
- Amortised cost

The classification requirements of investments in debt and equity instruments are described below.

ACCOUNTING POLICY

Debt instruments

The classification of investments in debt instruments depends on:

- the business model within which the financial assets are held and managed; and
- the contractual cash flow characteristics of the financial assets, i.e. whether the cash flows represent 'solely payments of principal and interest'.

Financial assets are measured at amortised cost if they are held within a business model of which the objective is to hold those assets for the purpose of collecting contractual cash flows and those cash flows comprise solely payments of principal and interest (i.e. 'hold to collect' business model).

Financial assets are measured at FVOCI if they are held within a business model of which the objective is achieved by both collecting contractual cash flows and selling financial assets and those contractual cash flows comprise solely payments of principal and interest (i.e. 'hold to collect and sell' business model). Movements in the carrying amount of these financial assets are taken through OCI, except for impairment gains or losses, interest revenue and foreign exchange gains or losses, which are recognised in profit or loss.

Where the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.

The remaining financial assets are measured at FVTPL. All derivative instruments that are either financial assets or financial liabilities are classified as mandatorily at fair value and measured at FVTPL. Financial assets with embedded derivatives are considered in their entirety when it is being determined whether their cash flows are solely payments of principal and interest.

The group reclassifies debt investments when, and only when, its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

Investments in equity instruments

For equity investments that are held neither for trading nor for contingent consideration, the group may irrevocably elect to present subsequent changes in the fair value of these equity investments in OCI. Where the equity investment is derecognised, the cumulative gain or loss previously recognised in OCI is not reclassified from equity to profit or loss. However, it may be reclassified in equity.

Alternatively, where the group does not make the above-mentioned election, fair-value changes are recognised in profit or loss. This election is made on an investment-by-investment basis. On initial recognition the group may irrevocably designate a financial asset otherwise meeting the requirements for measurement at amortised cost or FVOCI, as FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

(ii) Impairments

Impairments in terms of IFRS 9 are determined based on an ECL model.

The ECL model applies to financial assets measured at amortised cost and debt instruments at FVOCI, lease receivables and certain loan commitments, as well as financial guarantee contracts.

Under IFRS 9 loss allowances are measured on either of the following bases:

- 12-month ECL: These are ECL that result from possible default events within the 12 months after the reporting date.
- Lifetime ECL: These are ECL that result from all possible default events over the expected life of a financial instrument.

The group is required to recognise an allowance for either 12-month or lifetime ECL, depending on whether there has been a SICR since initial recognition. Indicators of a SICR in the retail portfolio may include any of the following:

- Short-term forbearance
- Direct-debit cancellation
- Extension to the terms granted
- Previous arrears within the past months

Indicators of a SICR in the wholesale portfolio may include any of the following:

- Significant increase in the credit spread.
- Significant adverse changes in business, financial and/or economic conditions in which the client operates.
- Actual or expected forbearance or restructuring.
- Significant change in collateral value.
- Early signs of liquidity and cash flow problems, such as a delay in the servicing of trade creditors or loans.

Measurement of expected credit losses

The measurement of ECL reflects a probability-weighted outcome, the time value of money and the entity's best available forward-looking information. The above-mentioned probability-weighted outcome considers the possibility of a credit loss occurring and the possibility of no credit loss occurring, even if the possibility of a credit loss occurring is low. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the group expects to receive). ECL is discounted at the effective interest rate of the financial asset.

The assessment of the ECL of a financial asset or portfolio of financial assets entails estimations of the likelihood of defaults occurring and of default correlations between counterparties. The group measures ECL using PD, EAD and LGD. These 3 components are multiplied together and adjusted for the likelihood of default. The calculated ECL are then discounted using the original effective interest rate of the financial asset.

ACCOUNTING POLICY

The assessment of a SICR and the calculation of ECL both incorporate forward-looking information. The group has performed historical analyses and identified the key economic variables impacting credit risk and ECL for each portfolio. These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. The Nedbank Group Economic Unit provides a forecast of economic variables and an overview of the economy quarterly or more often, if necessary. Significant judgement and estimates are applied in this process of incorporating forward-looking information into the SICR assessment and ECL calculation.

Credit-impaired financial assets

At each reporting date the group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is credit-impaired when 1 or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The group's definition of 'credit-impaired' is aligned with its internal definition of 'default'.

Presentation of impairment

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets, and the amortised cost is presented on the face of the statement of financial position.

For debt securities at FVOCI the loss allowance is recognised in OCI instead of the carrying amount of the asset being reduced. For off-balance-sheet exposures, such as financial guarantee contracts, the loss allowance is presented in 'Provisions and other liabilities' on the face of the statement of financial position.

(iii) Modification of loans

The group may renegotiate or otherwise modify the contractual cash flows of loans to clients. When this happens, the group assesses whether the new terms are substantially different from the original terms. In the normal course of business restructures a combination of qualitative and quantitative factors needs to be considered to establish whether the change to the contractual cash flows is substantial. However, in a distressed restructure the group needs to determine whether it is merely attempting to recover the original cash flows in the most optimal manner, and as such the original cash flows have not expired, or whether the risks and rewards associated with the cash flows have been altered fundamentally enough for the original instrument to be derecognised.

The group is of the view that the above-mentioned principle can be applied by type of modification for retail exposures, as we assume there is a homogeneous business process and objective underlying each type of modification. The application to wholesale exposures should be dealt with on a case-by-case basis through consultation by the business unit with the group's IFRS Advisory Division, as it may be necessary to take into account whether the modification is considered substantial based on the unique facts and circumstances.

Should the terms be substantially different, the group derecognises the original financial asset and recognises a 'new' financial asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes and for determining whether a significant increase in credit risk has occurred. However, the group also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor's being unable to make originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition.

Should the terms not be substantially different, the renegotiation or modification does not result in derecognition, and the group recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

Revolving products

A revolving credit facility (RCF) may be seen as a financial instrument that is either:

- 1 continuous instrument, with 1 origination date that could be many years in the past; or
- a series of 1-year instruments, each of which would have a different origination date.

With respect to revolving credit facilities, the key consideration of whether the issuing of a new card, change in credit limit, or conducting of a credit review results in derecognition of the loan or facility is the robustness of the process followed and the resulting impact on credit risk management. Where the process is not considered to be sufficiently robust, i.e. it is purely procedural in nature, the original RCF will not be derecognised and the date of origination will remain the date at which the facility was first contractually extended (or was subject to a robust process that resulted in derecognition). If the process is considered to be robust, the date of origination would be the date of derecognition of the previous facility or loan.

The group considers the following factors to determine whether a review (annual or otherwise) is robust, i.e. would result in derecognition:

- The effectiveness of the review in mitigating or managing credit risk until the next scheduled review.
- Evidence that specific action is taken as a result of the outcome of the review, for example:
 - » changes in facility limits;
 - » repricing of the facility;
 - » changes in required collateral or security;
 - » changes to the terms and conditions of the facility; or
 - » withdrawal of the facility.
- That the review is performed at a facility or client level (or client group).
- That the review is done holistically, taking into account the income derived from the facility and the other income generated from the client in comparison to the risk taken.
- That increased monitoring or scrutiny of the facility, for example additional controls and/or approvals, is put in place until the next review.

(iv) Derecognition other than a modification

The group derecognises a financial asset (or group of financial assets) or a part of a financial asset (or part of a group of financial assets) when, and only when:

- the contractual rights to the cash flows arising from the financial asset have expired; or

ACCOUNTING POLICY

- the group transfers the financial asset, including substantially all the risks and rewards of ownership of the asset; or
- the group transfers the financial asset, neither retaining nor transferring substantially all the risks and rewards of ownership of the asset, but no longer retaining control of the asset.

The difference between the carrying amount of a financial asset or financial liability (or part thereof) that is derecognised and the consideration paid or received, including any non-cash assets transferred or liabilities assumed, is recognised in non-interest revenue and income for the period.

The group enters into transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all the risks and rewards. These transactions are accounted for as 'pass-through' transfers that result in derecognition when the group:

- has no obligation to make payments unless it collects equivalent amounts from the assets;
- is prohibited from selling or pledging the assets; and
- has an obligation to remit any cash it collects from the assets without material delay.

Collateral (shares and bonds) furnished by the group under standard repurchase agreements and securities lending and borrowing transactions are not derecognised because the group retains substantially all the risks and rewards on the basis of the predetermined repurchase price, and the criteria for derecognition are therefore not met. This also applies to certain securitisation transactions in which the group retains a subordinated residual interest.

Financial liabilities

(i) Classification and measurement

Financial liabilities are classified as subsequently measured at amortised cost, except for the following:

- Financial liabilities at FVTPL – This classification is applied to derivative financial liabilities and other financial liabilities designated as such at initial recognition. Gains or losses on financial liabilities designated as FVTPL are presented partially in OCI (the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability, which is determined as the amount that is not attributable to changes in market conditions that give rise to market risk) and partially in profit or loss (the remaining amount of change in the fair value of the liability).
- Financial liabilities arising from the transfer of financial assets that did not qualify for derecognition, whereby a financial liability is recognised for the consideration received for the transfer. In subsequent periods, the group recognises any expenses incurred on the financial liability.
- Financial guarantee contracts and loan commitments.

(ii) Derecognition

A financial liability (or part of a financial liability) is derecognised when, and only when, the liability is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or has expired.

Sale and repurchase agreements and lending of securities

Securities sold subject to linked repurchase agreements are recognised as trading securities and the counterparty liability is presented under repurchase agreements as amounts owed to depositors – 'Deposits received under repurchase agreements' on the financial statements. Securities purchased linked to reverse repurchase agreements are not recognised in the financial statements; however, a financial asset for the right to resell the securities is presented as loans and advances – 'Deposits placed under reverse repurchase agreements'. The difference between the sale and repurchase price is treated as interest and recognised over the duration of the agreements using the effective interest method.

Securities lent to counterparties are also retained in the financial statements and any interest earned is recognised in profit or loss using the effective interest method. Securities borrowed are not recognised in the financial statements, unless these are sold to third parties, in which case the purchase and sale are recorded with the gain or loss included in non-interest revenue and income. The obligation to return them is recorded at fair value as a trading liability.

Acceptances

Acceptances comprise undertakings by the group to pay bills of exchange drawn on clients. The group expects most acceptances to be settled simultaneously with the reimbursement from clients. Acceptances are recorded as liabilities within amounts owed to depositors, with the corresponding asset recorded in the statement of financial position within loans and advances.

Cash and cash equivalents

Cash and cash equivalents represent cash on hand and demand deposits and cash equivalents that are short-term (i.e. with a maturity of less than 90 days from acquisition) and highly liquid investments that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value. Cash and cash equivalents therefore include cash and balances with central banks that can be withdrawn on demand (except where a specific minimum balance at the end of the day is required to be maintained), other eligible bills and amounts due from banks.

Investment contract liabilities

Liabilities for unit-linked and market-linked contracts are reported at fair value. For unit-linked contracts the fair value is calculated as the account value of the units, i.e. the number of units held multiplied by the bid price value of the assets in the underlying fund (adjusted for taxation). For market-linked contracts the fair value of the liability is determined with reference to the fair value of the underlying assets. This fair value is calculated in accordance with the financial-soundness valuation basis, except that negative rand reserves arising from the capitalisation of future margins are not permitted. The fair value of the liability, at a minimum, reflects the initial deposit of the client, which is repayable on demand.

ACCOUNTING POLICY

Investment contract liabilities (other than unit-linked and market-linked contracts) are measured at amortised cost.

Contribution income relating to investment contracts

Contribution income includes lump sums received in respect of linked businesses with retirement funds and they are accounted for when due. The contribution income is set off directly against the liability under investment contracts.

Benefits relating to investment contracts

Policyholder benefits are accounted for when claims are initiated directly against the liability under investment contracts.

FINANCIAL GUARANTEE CONTRACTS

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

For loan commitments and financial guarantee contracts, the loss allowance is recognised as a provision. However, for contracts that include both a loan and an undrawn commitment, and where the group cannot identify the ECL separately on the undrawn commitment component from those on the loan component, the ECL on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined ECL exceeds the gross carrying amount of the loan, the ECL is recognised as a provision.

KEY ASSUMPTIONS CONCERNING THE FUTURE AND KEY SOURCES OF ESTIMATION

FAIR VALUE OF FINANCIAL INSTRUMENTS

Certain of the group's financial instruments are carried at FVTPL, such as those designated by management under the fair-value option.

Other non-derivative financial assets may be designated as FVOCI. FVOCI financial investments are initially recognised at fair value and are subsequently held at fair value. Gains and losses arising from changes in fair value of such assets are included as a separate component of OCI and presented in equity.

The fair value of a financial instrument is the amount that would be received on selling the asset or paid on transferring the liability in an orderly transaction at the measurement date between knowledgeable and willing parties, other than in a forced or liquidation sale. Financial instruments entered into as trading transactions, together with any associated hedging, are measured at fair value and the resultant profits and losses are included in net trading income, along with interest and dividends arising from long and short positions and funding costs relating to trading activities. Assets and liabilities resulting from gains and losses on financial instruments held for trading are reported gross in trading portfolio assets and liabilities or derivative financial instruments, reduced by the effects of netting agreements where there is an intention to net-settle with counterparties.

Details of the processes, procedures and assumptions used in the determination of fair value are discussed in note I2. In particular, the areas that involve the greatest amount of judgement and complexity include the following:

- Assessing whether instruments are trading with sufficient frequency and volume that they can be considered liquid.
- The inclusion of a measure of the risk of counterparty non-performance in the fair-value measurement of loans and advances, which involves the modelling of dynamic credit spreads.
- The inclusion of credit valuation adjustments (CVA) and funding valuation adjustments (FVA) in the fair-value measurement of derivative instruments.
- The inclusion of own credit risk in the calculation of the fair value of financial liabilities.

These concepts are developing and evolving continuously. Therefore, changes in these assumptions will arise as the market develops.

11.1 CONSOLIDATED STATEMENT OF FINANCIAL POSITION – CATEGORIES OF FINANCIAL INSTRUMENTS

	Notes	Total Rm	At FVTPL	
			Mandatorily at fair value Rm	Designated ¹ Rm
2025				
Assets				
Cash and cash equivalents	C6	64 829		
Other short-term securities	C4	71 467	48 492	1 023
Derivative financial instruments	C7	21 654	21 654	
Government and other securities	C3	258 831	95 321	1 275
Loans and advances	C1.1	1 030 577	66 080	9 349
Other assets	H3	44 409	31 230	
Current taxation assets		262		
Insurance contract assets	D4	483		
Investment securities	F1	30 077	29 731	42
Non-current assets held for sale	H2	140		
Investments in associate companies	F2	1 546		
Deferred taxation assets	B8.3	396		
Investment property		289		
Property and equipment	G1	14 165		
Long-term employee benefit assets	H1.1	6 054		
Intangible assets	G2	13 449		
Total assets		1 558 628	292 508	11 689
Equity and liabilities				
Ordinary share capital	B4.1	457		
Ordinary share premium		11 935		
Reserves		101 631		
Total equity attributable to ordinary shareholders		114 023	–	–
Holder of participating preference shares		88		
Holder of additional tier 1 capital instruments	B5	11 969		
Non-controlling interest attributable to ordinary shareholders		887		
Total equity		126 967	–	–
Derivative financial instruments	C7	10 872	10 872	
Amounts owed to depositors	D1	1 305 596	84 307	
Provisions and other liabilities	K1.1	42 081	19 798	
Current taxation liabilities		274		
Deferred taxation liabilities	B8.3	787		
Long-term employee benefit liabilities	H1.1	59		
Investment contract liabilities	D3	18 435		18 435
Insurance contract liabilities	D4	1 569		
Long-term debt instruments	D2	51 988		
Total liabilities		1 431 661	114 977	18 435
Total equity and liabilities		1 558 628	114 977	18 435

¹ Refer to note 14 in respect of financial instruments designated as FVTPL.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

FVOCI			
Debt instruments Rm	Equity instruments Rm	Financial instruments at amortised cost Rm	Non-financial assets, liabilities and equity Rm
		64 829	
16 604		5 348	
		162 235	
46 243		908 905	
		10 557	2 622
			262
			483
	304		
			140
			1 546
			396
			289
			14 165
			6 054
			13 449
62 847	304	1 151 874	39 406
			457
			11 935
			101 631
-	-	-	114 023
			88
			11 969
			887
-	-	-	126 967
		1 221 289	
		10 181	12 102
			274
			787
			59
			1 569
		51 988	
-	-	1 283 458	14 791
-	-	1 283 458	141 758

	Notes	Total Rm	At FVTPL	
			Mandatorily at fair value Rm	Designated ¹ Rm
2024				
Assets				
Cash and cash equivalents	C6	55 146		
Other short-term securities	C4	82 896	56 610	643
Derivative financial instruments	C7	17 072	17 072	
Government and other securities	C3	198 522	94 404	641
Loans and advances	C1.1	962 184	52 413	8 901
Other assets	H3	38 187	26 611	
Current taxation assets		183		
Insurance contract assets	D4	395		
Investment securities	F1	28 172	27 210	29
Non-current assets held for sale	H2	182		
Investments in associate companies	F2	2 486		
Deferred taxation assets	B8.3	554		
Investment property		291		
Property and equipment	G1	14 131		
Long-term employee benefit assets	H1.1	5 484		
Intangible assets	G2	12 652		
Total assets		1 418 537	274 320	10 214
Equity and liabilities				
Ordinary share capital	B4.1	467		
Ordinary share premium		14 351		
Reserves ¹		97 446		
Total equity attributable to ordinary equity holders		112 264	–	–
Holder of participating preference shares		103		
Holder of additional tier 1 capital instruments	B5	12 798		
Non-controlling interest attributable to ordinary shareholders		921		
Total equity		126 086	–	–
Derivative financial instruments	C7	11 623	11 623	
Amounts owed to depositors	D1	1 174 691	52 607	
Provisions and other liabilities	K1.1	36 369	15 658	
Current taxation liabilities		324		
Deferred taxation liabilities	B8.3	778		
Long-term employee benefit liabilities	H1.1	47		
Investment contract liabilities	D3	17 484		17 484
Insurance contract liabilities	D4	1 354		
Long-term debt instruments	D2	49 781		
Total liabilities		1 292 451	79 888	17 484
Total equity and liabilities		1 418 537	79 888	17 484

¹Refer to note 14 in respect of financial instruments designated as FVTPL.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

FVOCI		Financial instruments at amortised cost Rm	Non-financial assets, liabilities and equity Rm
Debt instruments Rm	Equity instruments Rm		
		55 146	
20 291		5 352	
		103 477	
62 753		838 117	
		9 546	2 030
			183
			395
118	815		182
			2 486
			554
			291
			14 131
			5 484
			12 652
83 162	815	1 011 638	38 388
			467
			14 351
			97 446
-	-	-	112 264
			103
			12 798
			921
-	-	-	126 086
		1 122 084	
		7 814	12 897
			324
			778
			47
			1 354
		49 781	
-	-	1 179 679	15 400
-	-	1 179 679	141 486

11.2 CONSOLIDATED STATEMENT OF FINANCIAL POSITION – CURRENT AND NON-CURRENT

	2025			2024		
	Total	Current	Non-current	Total	Current	Non-current
Cash and cash equivalents	64 829	64 829		55 146	55 146	
Other short-term securities	71 467	63 002	8 465	82 896	76 149	6 747
Derivative financial instruments	21 654	12 895	8 759	17 072	8 422	8 650
Government and other securities	258 831	20 206	238 625	198 522	4 460	194 062
Loans and advances	1 030 577	287 715	742 862	962 184	274 690	687 494
Other assets	44 409	44 409		38 187	38 187	
Current taxation assets	262	262		183	183	
Insurance contract assets	483	161	322	395	132	263
Investment securities	30 077		30 077	28 172		28 172
Non-current assets held for sale	140	140		182	182	
Investments in associate companies	1 546		1 546	2 486		2 486
Deferred taxation assets	396		396	554		554
Investment property	289		289	291		291
Property and equipment	14 165		14 165	14 131		14 131
Long-term employee benefit assets	6 054		6 054	5 484		5 484
Intangible assets	13 449		13 449	12 652		12 652
Total assets	1 558 628	493 619	1 065 009	1 418 537	457 551	960 986
Derivative financial instruments	10 872	8 385	2 487	11 623	6 820	4 803
Amounts owed to depositors	1 305 596	1 107 809	197 787	1 174 691	1 029 245	145 446
Provisions and other liabilities	42 081	36 306	5 775	36 369	32 342	4 027
Current taxation liabilities	274	274		324	324	
Deferred taxation liabilities	787		787	778		778
Long-term employee benefit liabilities	59		59	47		47
Investment contract liabilities	18 435	18 435		17 484	17 484	
Insurance contract liabilities	1 569	617	952	1 354	573	781
Long-term debt instruments	51 988	8 238	43 750	49 781	8 675	41 106
Total liabilities	1 431 661	1 180 064	251 597	1 292 451	1 095 463	196 988

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

12 FAIR-VALUE MEASUREMENT – FINANCIAL INSTRUMENTS

12.1 VALUATION OF FINANCIAL INSTRUMENTS

BACKGROUND

Information obtained from the valuation of financial instruments is used by the group to assess the performance of the business and, in particular, provide assurance that the risk and return measures that the business has taken are accurate and complete. It is important that the valuation of financial instruments accurately represents the financial position of the group while complying with the requirements of the applicable IFRS Accounting Standards.

The fair value of a financial instrument is the amount that would be received on selling the asset or paid on transferring a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is a presumption that an entity is a going concern without any intention or need to liquidate, to curtail materially the scale of its operations or to undertake a transaction on adverse terms. Fair value is not, therefore, the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distressed sale.

CONTROL ENVIRONMENT

Validation and approval

The business unit entering into the transaction is responsible for the initial determination and recording of the fair value of the transaction. There are normalised review protocols for the independent review and validation of fair values separate from the business unit entering into the transaction. These include, but are not limited to:

- daily controls over the profit or loss recorded by trading and treasury front-office traders;
- specific controls to ensure consistent pricing policies and procedures are adhered to;
- independent valuation of structures, products and trades; and
- periodic review of all elements of the modelling process.

The validation of pricing and valuation methodologies is verified by a specialist team that is part of the group's risk management function and that is independent of all the business units. A specific area of focus is the marking to model of illiquid and/or complex financial instruments.

The review of the modelling process includes approval of model revisions, vetting of model inputs, review of model results and more specifically the verification of risk calculations. All valuation techniques are validated and reviewed by qualified senior employees and are calibrated and backtested for validity by using prices from any observable current market transaction in the same instrument (i.e. without modification or repackaging) or based on any observable market data. The group obtains market data consistently in the same market where the instrument was originated or purchased.

If the fair-value calculation deviates from the quoted market value due to inaccurate observed market data, these deviations in the valuation are documented and presented at a review committee, which is independent of both the business unit and the specialist team, for approval. The committee will need to consider both the regulatory and accounting requirements in arriving at an opinion on whether the deviation is acceptable.

The group refines and modifies its valuation techniques as markets and products develop and as the pricing for individual products becomes more or less readily available. While the group believes its valuation techniques are appropriate and consistent with those of other market participants, the use of different methodologies or assumptions may result in different estimates of fair value at the different reporting dates.

Stress testing and sensitivity measures

For further discussion in respect of stress testing and sensitivity measures refer to note 12.7.

VALUATION METHODOLOGIES

The objective of a fair-value measurement is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. A fair-value measurement includes consideration of the following:

- The particular asset or liability that is being measured (consistently with its unit of account).
- The principal (or most advantageous) market for the asset or liability.
- The valuation technique(s) appropriate for the measurement, considering the availability of data with which to develop inputs that represent the assumptions that market participants would use when pricing the asset or liability and the level of the fair-value hierarchy within which the inputs are categorised.

Quoted price

A financial instrument is regarded as quoted in an active market if quoted prices are readily available from an exchange, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's-length basis. The appropriate quoted market price for an asset held or a liability to be issued is usually the current bid price and, for an asset to be acquired or a liability held, the asking price.

The objective of determining fair value is to arrive at the transaction price of an instrument on the measurement date (i.e. without modifying or repackaging the instrument) in the principal (or most advantageous) active market to which the business has immediate access.

The existence of published price quotations in an active market is the most reliable evidence of fair value and, when they exist, they are used without adjustment to measure the financial asset or financial liability. A market is considered to be active if transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis.

These quoted prices would generally be classified as level 1 in terms of the fair-value hierarchy prescribed by IFRS 13: Fair Value Measurement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER

VALUATION TECHNIQUES

If the market for a financial instrument is not active, the group establishes fair value by using various valuation techniques. These valuation techniques may include:

- using recent arm's-length market transactions between knowledgeable, willing parties;
- reference to the current fair value of another instrument that is substantially the same in nature;
- reference to the value of the net asset of the underlying business;
- earnings multiples;
- discounted-cash-flow analysis; and
- various option pricing models.

If there is a valuation technique that is commonly used by market participants to price the financial instrument and that technique has been demonstrated to provide reasonable estimates of prices obtained in actual market transactions, the group will use that technique. In applying valuation techniques, and to the extent possible, the group maximises the use of relevant observable inputs and minimises the use of unobservable inputs.

The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's-length exchange and motivated by normal business considerations. In applying valuation techniques, the group uses estimates and assumptions that are consistent with available information about the estimates and assumptions that market participants would use in setting a price for the financial instrument.

Fair value is therefore estimated on the basis of the results of a valuation technique that makes use of market inputs and relies as little as possible on entity-specific inputs. A valuation technique would be expected to arrive at a realistic estimate of the fair value if:

- it reasonably reflects how the market could be expected to price the instrument; and
- the inputs to the valuation technique reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument.

Therefore, a valuation technique:

- will incorporate all relevant factors that market participants would consider in determining a price; and
- is consistent with accepted economic methodologies for pricing financial instruments.

If a published price quotation in an active market does not exist for a financial instrument in its entirety, but active markets exist for its component parts, fair value is determined on the basis of the relevant market prices for the various component parts.

If a rate (rather than a price) is quoted in an active market, the group uses that market-quoted rate as an input into a valuation technique to determine fair value. If the market-quoted rate does not include credit risk or other factors that market participants would include in valuing the instrument, the group adjusts for these factors.

Valuation techniques applied by the group would generally be classified as level 2 or level 3 in terms of the fair-value hierarchy prescribed by IFRS 13: Fair Value Measurement. The determination of whether an instrument is classified as level 2 or level 3 is dependent on the significance of observable inputs versus unobservable inputs in relation to the fair value of the instrument.

OBSERVABLE MARKETS

Quoted market prices in active markets are the best evidence of fair value and are used as the basis of measurement, if available. A determination of what constitutes 'observable market data' will necessitate significant judgement. It is the group's belief that 'observable market data' comprises, in the following hierarchical order:

- prices or quotes from an exchange or listed markets in which there are sufficient liquidity and activity;
- proxy observable market data that is proven to be highly correlated and has a logical, economic relationship with the instrument that is being valued; and
- other direct and indirect market inputs that are observable in the marketplace.

Data is considered by the group to be observable if the data is:

- verifiable;
- readily available;
- regularly distributed;
- from multiple independent sources;
- transparent; and

- not proprietary.

Data is considered by the group to be market-based if the data is:

- reliable;
- based on consensus within reasonably narrow, observable ranges;
- provided by sources that are actively involved in the relevant market; and
- supported by actual market transactions.

It is not the intention to imply that all the above characteristics must be present to conclude that the evidence qualifies as observable market data. Judgement is applied based on the strength and quality of the available evidence.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

INPUTS TO VALUATION TECHNIQUES

An appropriate valuation technique for estimating the fair value of a particular financial instrument would incorporate observable market data about the market conditions and other factors that are likely to affect the instrument's fair value. Inputs are selected on a basis that is consistent with the characteristics of the instrument that market participants would take into account in a transaction for that instrument. Principal inputs to valuation techniques applied by the group include the following:

- Discount rate – Where discounted-cash-flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the reporting date for an instrument with similar terms and conditions.
- The time value of money – The business may use well-accepted and readily observable general interest rates, such as the Johannesburg Interbank Agreed Rate (SA), London Interbank Offered Rate (UK) or an appropriate swap rate, as the benchmark rate to derive the present value of future cash flow.
- Credit risk – Credit risk is the risk of loss associated with a counterparty's failure or inability to fulfil its contractual obligations. The valuation of the relevant financial instrument takes into account the effect of credit risk on fair value by including an appropriate adjustment for the risk taken.
- Foreign currency exchange prices – Active currency exchange markets exist for most major currencies, and prices are quoted daily on various trading platforms and in financial publications.
- Commodity prices – Observable market prices are available for those commodities that are actively traded on exchanges in Johannesburg, London, New York, Chicago and other commercial exchanges.
- Equity prices – Prices (and indices of prices) of traded equity instruments are readily observable on JSE Limited or any other recognised international exchange. Present-value techniques may be used to estimate the current market price of equity instruments for which there are no observable prices.
- Volatility – Measures of the volatility of actively traded items can be reasonably estimated by the implied volatility in current market prices. The shape and skew of the volatility curve are derived from a combination of observed trades and doubles in the market. In the absence of an active market, a methodology to derive these volatilities from observable market data will be developed and used.
- Recovery rates/LGD – These are used as an input to valuation models as an indicator of the severity of losses on default. Recovery rates are sourced primarily from market data providers or inferred from observable credit spreads.
- Prepayment risk and surrender risk – Expected repayment patterns for financial assets and expected surrender patterns for financial liabilities can be estimated on the basis of historical data.
- Servicing costs – If the cost of servicing a financial asset or financial liability is significant and other market participants would face comparable costs, the issuer would consider them in determining the fair value of that financial asset or financial liability.
- Dividends – Consistent consensus dividend forecasts adjusted for internal investment analysts' projections can be applied to each share. Forecasts are usually available for the current year plus 1 additional year. Thereafter, a constant growth rate would be applied to the specific dates into the future for each individual share.
- Inception profit (day 1 gain or loss) – The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received), unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique, the variables of which include data from observable markets only.

VALUATION ADJUSTMENTS

To estimate a reliable fair value, where appropriate, the group applies certain valuation adjustments to the pricing information derived from the above sources. In making appropriate adjustments, the group considers certain adjustments to the modelled price that market participants would make when pricing that instrument. Factors that would be considered include, but are not limited to, the following:

- Own credit on financial liabilities – The carrying amount of financial liabilities held at fair value is adjusted to reflect the effect of changes in the group's own credit spreads. As a result, the carrying value of issued bonds and subordinated-debt instruments that have been designated as FVTPL is adjusted by reference to the movement in the appropriate spreads. The effect of changes relating to the group's own credit risk is recognised OCI and the remaining gain or loss is recognised in profit or loss in the consolidated statement of comprehensive income.
- Counterparty credit spreads – Adjustments are made to market prices when the creditworthiness of the counterparty differs from that of the assumed counterparty in the market price (or parameter).

VALUATION TECHNIQUES BY INSTRUMENT

Other short-term securities and government and other securities

The fair value of these instruments is based on quoted market prices from an exchange dealer, broker, industry group or pricing service, when available. When they are unavailable, the fair value is determined by reference to quoted market prices for similar instruments, adjusted, as appropriate, for the specific circumstances of the instruments.

Where these instruments include corporate bonds, the bonds are valued using observable active quoted prices or recently executed transactions, except where observable price quotations are not available. Where price quotations are not available, the fair value is determined based on cash flow models, where significant inputs may include yield curves and bond or single-name credit default swap spreads.

Derivative financial instruments

Derivative contracts can be traded either through an exchange or over the counter and are valued using market-standard models and quoted parameter inputs. Parameter inputs are obtained from pricing services, consensus pricing services and recently occurring transactions in active markets, whenever possible. Certain inputs may not be observable in the market directly, but can be determined from observable prices through model calibration procedures. Other inputs are not observable, but can generally be estimated from historical data or other sources.

Loans and advances

Loans and advances include mortgage loans (home loans and commercial mortgages), other asset-based loans, including collateralised debt obligations, and other secured and unsecured loans.

In the absence of an observable market for these instruments, the fair value is determined by using internally developed models that are specific to the instrument and that incorporate all available observable inputs. These models involve discounting the contractual cash flows by using an at-inception, credit-adjusted zero-coupon curve. Loans and advances are reviewed for observed and verified changes in credit risk and the credit spread is adjusted at subsequent dates if there has been an observable change in credit risk relating to a particular loan or advance.

Investment securities

Investment securities are debt and equity instruments managed on a fair-value basis and these include private-equity investments, listed investments, and unlisted investments.

The fair value of listed investments is determined with reference to quoted bid prices at the close of business on the relevant securities exchange.

Where private-equity investments are involved, the exercise of judgement is required due to uncertainties inherent in estimating the fair value. The fair value of private equity is determined using appropriate valuation methodologies that, depending on the nature of the investment, may include an analysis of the investee's financial position and results, risk profiles and prospects, discounted-cash-flow analysis, enterprise value comparisons with similar companies, price/earnings comparisons and earnings multiples. For each investment, the relevant methodology is applied consistently over time and may be adjusted for changes in market conditions relative to that instrument.

The fair value of unlisted investments is determined using appropriate valuation techniques that may include, but are not limited to, discounted-cash-flow analysis, net-asset-value calculations and directors' valuations.

Other assets

Short positions or long positions in equities arise in trading activities where equity shares not owned by the group are sold in the market to third parties. The fair value of these instruments is determined by reference to the gross short or long position valued at the offer rate.

Investments in instruments that do not have a quoted market price in an active market and the fair value of which cannot be reliably measured, as well as derivatives that are linked to and have to be settled by delivery of such unquoted equity instruments, are measured at fair value using models considered to be appropriate by management.

Amounts owed to depositors

Amounts owed to depositors include deposits under repurchase agreements, negotiable certificates of deposit and other deposits. These instruments incorporate all market risk factors, including a measure of the group's credit risk relevant for that financial liability when designated as FVTPL.

The fair value of these financial liabilities is determined by discounting the contractual cash flows using a Nedbank Group Limited-specific credit-adjusted yield curve that reflects the level at which the group would issue similar instruments at the reporting date. The market risk parameters are valued consistently to similar instruments held as assets.

The fair value of a financial liability with a demand feature is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid. When the fair value of a financial liability cannot be reliably determined, the liability is recorded at the amount due. Fair value is considered reliably measurable if:

- the variability in the range of reasonable fair-value estimates is not significant for that instrument; or
- the probabilities of the various estimates within the range can be reasonably assessed and used in estimating fair value.

Investment contract liabilities

The fair value of investment contract liabilities is determined by reference to the fair value of the underlying assets.

Long-term debt instruments

The fair value of long-term debt instruments is determined by reference to published market values on the relevant exchange, when they are:

- available; and
- considered to be trading with sufficient volume and frequency.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*

FOR THE YEAR ENDED 31 DECEMBER

When the above conditions are not met, the fair value is determined using models considered to be appropriate by management. As far as possible, inputs to these models will leverage observable inputs for similar instruments with similar coupons and maturities.

Complex instruments

These instruments are valued by using internally developed models that are specific to the instrument and that have been calibrated to market prices. In less active markets data are obtained from less-frequent market transactions and broker quotes, and through extrapolation and interpolation techniques. Where observable prices or inputs are not available, other relevant sources of information such as historical data, fundamental analysis of the economics of the transaction and proxy information from similar transactions are used. These models are reviewed and assessed continually to ensure that the best available data is being used in the determination of fair value.

Other liabilities

Short positions or long positions in equities arise in trading activities where equity shares, not owned by the group, are sold in the market to third parties. The fair value of these instruments is determined by reference to the gross short or long position valued at the offer rate.

Where the group has assets and liabilities with offsetting market risks, it may use middle-market prices as a basis for establishing fair values for the offsetting of risk positions and apply the bid or asking price to the net open position, as appropriate.

SUMMARY OF PRINCIPAL VALUATION TECHNIQUES – LEVEL 2 INSTRUMENTS

The following table sets out the group's principal valuation techniques used in determining the fair value of financial assets and financial liabilities classified as level 2 in the fair-value hierarchy:

	VALUATION TECHNIQUE	KEY INPUTS
Assets		
Other short-term securities	Discounted-cash-flow model	Discount rates
Derivative financial instruments	Discounted-cash-flow model Black–Scholes Valuation Model Multiple valuation techniques	Discount rates Risk-free rates and volatilities Valuation multiples
Government and other securities	Discounted-cash-flow model	Discount rates
Loans and advances	Discounted-cash-flow model	Interest rate curves
Investment securities	Discounted-cash-flow model Adjusted net asset value Dividend yield method	Money market rates and interest rates Underlying price of market-traded instruments Dividend growth rates
Liabilities		
Derivative financial instruments	Discounted-cash-flow model Black–Scholes Valuation Model Multiple valuation techniques	Discount rates Risk-free rates and volatilities Valuation multiples
Amounts owed to depositors	Discounted-cash-flow model	Discount rates
Investment contract liabilities	Adjusted net asset value	Underlying price of market-traded instruments

SUMMARY OF PRINCIPAL VALUATION TECHNIQUES – LEVEL 3 INSTRUMENTS

The summary of the valuation techniques applicable to those financial assets and financial liabilities classified as level 3 in the fair-value hierarchy is set out in note I2.7.

12.2 FAIR-VALUE HIERARCHY

12.2.1 Financial assets

				At FVTPL			
		Total financial assets	Total financial assets recognised at amortised cost	Total financial assets recognised at fair value	Mandatorily at fair value		
Rm	Note				Level 1	Level 2	Level 3
2025		1 519 222	1 151 874	367 348	133 021	148 254	11 233
Cash and cash equivalents	C6	64 829	64 829	–			
Other short-term securities	C4	71 467	5 348	66 119	2 834	45 658	
Derivative financial instruments	C7	21 654		21 654	10	21 626	18
Government and other securities	C3	258 831	162 235	96 596	90 213	5 108	
Loans and advances	C1.1	1 030 577	908 905	121 672	271	63 479	2 330
Other assets	H3	41 787	10 557	31 230	31 230		
Investment securities	F1	30 077		30 077	8 463	12 383	8 885

				At FVTPL			
		Total financial assets	Total financial assets recognised at amortised cost	Total financial assets recognised at fair value	Mandatorily at fair value		
Rm	Note				Level 1	Level 2	Level 3
2024		1 380 149	1 011 638	368 511	126 324	137 759	10 237
Cash and cash equivalents	C6	55 146	55 146	–			
Other short-term securities	C4	82 896	5 352	77 544	2 517	54 093	
Derivative financial instruments	C7	17 072		17 072	14	17 034	24
Government and other securities	C3	198 522	103 477	95 045	89 693	4 711	
Loans and advances	C1.1	962 184	838 117	124 067	352	49 830	2 231
Other assets	H3	36 157	9 546	26 611	26 611		
Investment securities	F1	28 172		28 172	7 137	12 091	7 982

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 31 DECEMBER

At FVTPL			At FVOCI					
Designated			Debt instruments			Equity instruments		
Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
–	11 647	42	–	62 847	–	26	4	274
	1 023			16 604				
	1 275			46 243				
	9 349							
		42				26	4	274

At FVTPL			At FVOCI					
Designated			Debt instruments			Equity instruments		
Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
–	10 185	29	–	83 162	–	9	505	301
	643			20 291				
	641			62 753				
	8 901							
		29		118		9	505	301

I2.2.1 Financial assets

Summary of fair-value hierarchies

Rm	Total financial assets recognised at fair value		Total financial assets classified as level 1	
	2025	2024	2025	2024
Other short-term securities	66 119	77 544	2 834	2 517
Derivative financial instruments	21 654	17 072	10	14
Government and other securities	96 596	95 045	90 213	89 693
Loans and advances	121 672	124 067	271	352
Other assets	31 230	26 611	31 230	26 611
Investment securities	30 077	28 172	8 489	7 146
	367 348	368 511	133 047	126 333

Reconciliation to categorised statement of financial position

Rm	Mandatorily at fair value		Designated as FVTPL	
	2025	2024	2025	2024
Level 1	133 021	126 324		
Level 2	148 254	137 759	11 647	10 185
Level 3	11 233	10 237	42	29
	292 508	274 320	11 689	10 214

Reconciliation to statement of financial position

Rm	Note	2025	2024
Total financial assets	I1	1 519 222	1 380 149
Total non-financial assets	I1	39 406	38 388
Total assets		1 558 628	1 418 537

I2.2.2 Financial liabilities

Rm	Note	Total financial liabilities	Total financial liabilities recognised at amortised cost	Total financial liabilities recognised at fair value
2025		1 416 870	1 283 458	133 412
Derivative financial instruments	C7	10 872		10 872
Amounts owed to depositors	D1	1 305 596	1 221 289	84 307
Provisions and other liabilities	K1.1	29 979	10 181	19 798
Investment contract liabilities	D3/D4	18 435		18 435
Long-term debt instruments	D2	51 988	51 988	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

Total financial assets classified as level 2		Total financial assets classified as level 3	
2025	2024	2025	2024
63 285	75 027		
21 626	17 034	18	24
6 383	5 352		
119 071	121 484	2 330	2 231
12 387	12 714	9 201	8 312
222 752	231 611	11 549	10 567

FVOCI: Debt instruments		FVOCI: Equity instruments	
2025	2024	2025	2024
		26	9
62 847	83 162	4	505
		274	301
62 847	83 162	304	815

At FVTPL					
Mandatorily at fair value			Designated		
Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
19 830	86 764	8 383	–	18 435	–
32	10 840				
	75 924	8 383			
19 798				18 435	

Rm	Note	Total financial liabilities	Total financial liabilities recognised at amortised cost	Total financial liabilities recognised at fair value
2024		1 277 051	1 179 679	97 372
Derivative financial instruments	C7	11 623		11 623
Amounts owed to depositors	D1	1 174 691	1 122 084	52 607
Provisions and other liabilities	K1.1	23 472	7 814	15 658
Investment contract liabilities	D3/D4	17 484		17 484
Long-term debt instruments	D2	49 781	49 781	

Summary of fair-value hierarchies

Rm	Total financial liabilities recognised at fair value		Total financial liabilities classified as level 1	
	2025	2024	2025	2024
Derivative financial instruments	10 872	11 623	32	9
Amounts owed to depositors	84 307	52 607		
Provisions and other liabilities	19 798	15 658	19 798	15 658
Investment contract liabilities	18 435	17 484		
	133 412	97 372	19 830	15 667

Reconciliation to categorised statement of financial position

Rm	Mandatorily at fair value		Designated as FVTPL	
	2025	2024	2025	2024
Level 1	19 830	15 667		
Level 2	86 764	58 578	18 435	17 484
Level 3	8 383	5 643		
	114 977	79 888	18 435	17 484

Reconciliation to statement of financial position

Rm	Note	2025	2024
Total financial liabilities	I1	1 416 870	1 277 051
Total equity and non-financial liabilities	I1	141 758	141 486
Total equity and liabilities		1 558 628	1 418 537

The tables presented above analyse the financial assets and financial liabilities that are measured at fair value by level of fair-value hierarchy as required by IFRS 13: Fair Value Measurement. The levels of the hierarchy are defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.

Level 2: Valuation techniques using market data that is either directly or indirectly observable. Various factors influence the availability of observable data and these may vary from product to product and change over time. Factors include, for example, the depth of activity in the relevant market, the type of product, whether the product is new and not widely traded in the market, the maturity of market modelling and the nature of the transaction (bespoke or generic).

Level 3: Valuation techniques that include significant inputs that are unobservable. To the extent that a valuation is based on inputs that are not market-observable, the determination of the fair value can be more subjective, dependent on the significance of the unobservable inputs to the overall valuation. Unobservable inputs are determined based on the best information available and may include reference to similar instruments, similar maturities, appropriate proxies or other analytical techniques.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

At FVTPL						
Mandatorily at fair value			Designated			
Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
15 667	58 578	5 643	–	17 484	–	
9	11 614					
	46 964	5 643				
15 658				17 484		

Total financial liabilities classified as level 2		Total financial liabilities classified as level 3	
2025	2024	2025	2024
10 840	11 614		
75 924	46 964	8 383	5 643
18 435	17 484		
105 199	76 062	8 383	5 643

12.3 DETAILS OF CHANGES IN VALUATION TECHNIQUES

There have been no material changes to valuation techniques.

12.4 TRANSFERS BETWEEN LEVELS OF THE FAIR-VALUE HIERARCHY

In terms of the group's policy, transfers of financial instruments between levels of the fair-value hierarchy are deemed to have occurred at the end of the reporting period.

There were no transfers between levels of the fair-value hierarchy during the 2025 reporting period.

12.5 LEVEL 3 RECONCILIATION

Financial assets

Rm	Opening balance at 1 January	Gains/ (Losses) in non-interest revenue and income in profit for the year
2025		
At FVTPL	10 266	1 742
Derivative financial instruments assets	24	(6)
Loans and advances	2 231	145
Investment securities	8 011	1 603
At FVOCI – Equity instruments	301	–
Investment securities	301	–
Total financial assets classified as level 3	10 567	1 742

Rm	Opening balance at 1 January	Gains/ (Losses) in non-interest revenue and income in profit for the year
2024		
At FVTPL	7 544	1 197
Derivative financial instruments assets	20	4
Government and other securities	24	13
Loans and advances		216
Investment securities ¹	7 500	964
At FVOCI – Equity instruments	301	–
Investment securities	301	–
Total financial assets classified as level 3	7 845	1 197

¹ The inputs used in the fair value measurement became unobservable during the year hence the transfer to level 3

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

Losses relating to investments in equity instruments at FVOCI and debt instruments at FVOCI in OCI for the year	Purchases	Sales	Settlements	Closing balance at 31 December
–	3 698	(1 646)	(2 785)	11 275
				18
		(46)		2 330
	3 698	(1 600)	(2 785)	8 927
(27)	–	–	–	274
(27)				274
(27)	3 698	(1 646)	(2 785)	11 549

Losses relating to investments in equity instruments at FVOCI and debt instruments at FVOCI in OCI for the year	Purchases	Issues	Sales	Settlements	Transfers from level 2 ¹ Rm	Closing balance at 31 December
–	3 902	–	(1 967)	(422)	12	10 266
						24
				(37)		–
	2 040		(25)			2 231
	1 862		(1 942)	(385)	12	8 011
–	–	–	–	–	–	301
						301
–	3 902	–	(1 967)	(422)	12	10 567

Financial liabilities

Rm	Opening balance at 1 January	Gains in non-interest revenue in profit for the year	Issues	Settlements	Closing balance at 31 December
2025					
At FVTPL	5 643	(750)	3 908	(418)	8 383
Amounts owed to depositors	5 643	(750)	3 908	(418)	8 383
Total financial liabilities classified as level 3	5 643	(750)	3 908	(418)	8 383

Rm	Opening balance at 1 January Rm	Losses in non-interest revenue in profit for the year Rm	Issues Rm	Closing balance at 31 December Rm
2024				
At FVTPL	–	198	5 445	5 643
Amounts owed to depositors	–	198	5 445	5 643
Total financial liabilities classified as level 3	–	198	5 445	5 643

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

12.6 UNREALISED GAINS

The unrealised gains arising on instruments classified as level 3 include the following:

	2025	2024
Unrealised gains on financial instruments categorised within level 3 ¹	2 492	1 395
	2 492	1 395

¹During the year, the group reviewed the unrealised gains note. As a result of the review, the line item 'Equity investment income' has been renamed 'Unrealised gains on financial instruments categorised within level 3' to better reflect the nature of this item in accordance with IFRS 13. The change in description of the line item has not impacted the amounts presented in the prior period.

12.7 EFFECT OF CHANGES IN SIGNIFICANT UNOBSERVABLE ASSUMPTIONS

The fair value of financial instruments is, in certain circumstances, measured using valuation techniques that include assumptions that are not market-observable. Where these scenarios apply, the group performs stress testing on the fair value of the relevant instruments. When performing the stress testing, appropriate levels for the unobservable input parameters are chosen so that they are consistent with prevailing market evidence and in line with the group's approach to valuation control. The following information is intended to illustrate the potential impact of the relative uncertainty in the fair value of financial instruments for which valuation is dependent on unobservable input parameters and that are classified as level 3 in the fair-value hierarchy. However, the disclosure is neither predictive nor indicative of future movements in fair value.

During the year the group enhanced its disclosure on the effect of changes in significant unobservable assumptions by including the valuation technique and the quantum of significant unobservable inputs used for Loans and Advances and Amounts Owed to Depositors classified as level 3. These enhanced disclosures will enable users to understand the nature and impact of significant unobservable inputs on these balances. To ensure comparability, prior year information has been disclosed.

Loan and advances are classified as level 3 due to unobservable inputs that are sensitive to changes in rental cash flows. The valuation technique used is the discounted cash flow model, and the actual rental cash flows used in the measurement amount to R1 041m (2024: R1 611m). Reasonably possible changes in these rental cash flows do not have a material impact on the fair value.

Financial liabilities are classified as level 3 due to unobservable inputs that are sensitive to changes in the long-term secured non-ZAR funding spreads. The valuation technique used is the discounted cash flow model, and the actual funding spreads used in the measurement range between 1% and 3% (2024: between 1% and 3%). The reasonably possible changes in these funding spreads do not have a material impact on the fair value.

The group discloses level 3 fair-value instruments as follows:

- Material level 3 fair-value instruments are disaggregated into the relevant industries.
- The quantum of the significant unobservable inputs applied is disclosed.
- The valuation techniques, with descriptions of their nature, for each material level 3 fair-value instrument is disclosed.

The following table shows the effect of changes in unobservable input parameters to reasonable possible alternative assumptions that significantly impact the fair value.

Financial assets 2025	Valuation technique	Significant unobservable inputs
Investment securities – Industry		
Transportation		
Asset management	EBITDA	EBITDA (Rm)
	EBITDA	EBITDA (Rm)
		EBITDA multiple
	NAV	NAV/ NAV Growth (Rm)
		Marketability/liquidity discount
Telecommunications and technology	NAV	NAV/ NAV Growth (Rm)
	EBITDA	EBITDA Multiple
Mining	DCF & EBITDA	Metallurgical chrome price (US\$ per tonne)
		Marketability/liquidity discount
Speciality chemicals	EBITDA	EBITDA (Rm)
		EBITDA multiple
Renewable energy	EBITDA	EBITDA Multiple
Tourism	EBITDA	EBITDA (Rm)
		EBITDA Multiple
Financial assets 2024	Valuation technique	Significant unobservable inputs
Investment securities - Industry		
Transportation	Earnings before interest, taxation, depreciation and amortisation (EBITDA)	EBITDA (Rm)
Asset management	EBITDA	EBITDA (Rm)
		EBITDA multiple
Telecommunications and technology	Net asset value	Net asset value (Rm)
		Marketability/Liquidity discount
Financial Services	Discounted cash flow	EBITDA margin
	Price-to-earnings and price-to- book multiple	Size discount
		Marketability/Liquidity discount
Speciality chemicals	EBITDA	EBITDA (Rm)
		EBITDA multiple

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

Actual significant unobservable inputs applied	Reasonable possible percentage change in significant unobservable inputs	Impact of the change in unobservable inputs on fair value	
	%		Rm
R3bn	4		(7)
R311m	(5)		(7)
8 times	(2)		3
R2bn	(6)		(2)
25%	(5)		2
R533m	(6)		(3)
6 times	19		48
160	13		2
18%	12		(2)
R41m	(27)	Between (19) and 6	
4 times	(23)		(16)
1 time	66		9
R18m	Between (5) and 5	Between (15) and 15	
7 times	Between (8) and 8	Between (12) and 12	

Actual significant unobservable inputs applied	Reasonable possible percentage change in significant unobservable inputs	Impact of the change in unobservable inputs on fair value	
	%		Rm
R3bn	5		9
R276m	(6)		(15)
8 times	(7)		(12)
R423m	25		5
25%	(5)		1
Between 0% and 50%	Between 3 and 25	Between (6) and (0.4)	
30%	(30)		180
15%	(25)		159
15%	(25)		159
R53m	(25)	Between (24) and (8)	
4 times	7		7

VALUATION TECHNIQUE

Valuation technique	Description
EBITDA	A valuation technique that measures fair value using earnings before interest, tax, depreciation and amortisation. This method approximates cash flows generated.
Discounted-cash-flow model	A valuation technique that discounts future expected cash flows of a financial instrument. The discount rate is determined using a rate that is adjusted to reflect macroeconomic factors relating to the financial instrument.
Net asset value (NAV)	A measure that estimates the equity value of an entity. The equity value represents the net assets and liabilities.
Price-to-earnings and price-to-book multiple	A measure used for comparison of an entity's share price and earnings generated from that instrument. The higher the ratio, the higher the fair-value multiple. The price-to-book ratio compares the share price of a company to its book value. Both ratios are used as an average to track the movement of an entity in order to determine whether they should be sold or continue to be held for investment purposes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

13 ASSETS AND LIABILITIES NOT MEASURED AT FAIR VALUE FOR WHICH FAIR VALUE IS DISCLOSED

Certain financial instruments of the group are not carried at fair value and are measured at amortised cost. The calculation of the fair value of the financial instruments incorporates the group's best estimate of the value at which the financial assets could be exchanged, or financial liabilities transferred, between market participants at the measurement date. The group's estimate of what fair value is does not necessarily represent what it would be able to sell the asset for or transfer the respective financial liability for in an involuntary liquidation or distressed sale.

The fair values of these respective financial instruments at the reporting dates detailed below are estimated only for the purpose of IFRS Accounting Standards disclosure:

Rm	Carrying value	Fair value	Level 1	Level 2	Level 3
2025					
Financial assets	1 071 140	1 082 853	172 820	17 218	892 815
Government and other securities	162 235	174 800	172 820		1 980
Loans and advances	908 905	908 053		17 218	890 835
Financial liabilities	51 988	52 863	28 441	24 422	–
Long-term debt instruments	51 988	52 863	28 441	24 422	
2024					
Financial assets	941 594	942 141	102 629	16 507	823 005
Government and other securities	103 477	104 791	102 629		2 162
Loans and advances	838 117	837 350		16 507	820 843
Financial liabilities	49 781	50 745	26 185	24 560	–
Long-term debt instruments	49 781	50 745	26 185	24 560	

Loans and advances

Loans and advances, recognised in note C1.1, that are not recognised at fair value principally comprise variable-rate financial assets. The interest rates on these variable-rate financial assets are adjusted when the applicable benchmark interest rate changes.

Loans and advances are not traded actively in most markets and it is therefore not possible to determine the fair value of these loans and advances using observable market prices and market inputs. Due to the unique characteristics of the loans and advances portfolio and the fact that there have been no recent transactions involving the disposal of such loans and advances, there is no basis to determine a price that could be negotiated between market participants in an orderly transaction. The group is not currently in the position of a forced sale of such underlying loans and advances and it would therefore be inappropriate to value the loans and advances on a forced-sale basis.

The group has determined the fair value of the gross exposures for loans and advances measured at amortised cost, which resulted in these assets' fair value being 0.09% lower (2024: 0.10% lower) than the carrying value.

For specifically impaired loans and advances, the carrying value as determined after consideration of the group's IFRS 9 ECL is considered the best estimate of fair value.

The group has developed a methodology and model to determine the fair value of the gross exposures for the performing loans and advances measured at amortised cost. This model incorporates the use of average interest rates and projected monthly cash flows per product type. Future cash flows are discounted using interest rates at which similar loans would be granted to borrowers with similar credit ratings and maturities. Methodologies and models are updated on a continuous basis for changes in assumptions, forecasts and modelling techniques. Future forecasts of the group's PDs and LGDs for the periods 2026 to 2028 (2024: for periods 2025 to 2027) are based on the latest available internal data and are applied to the projected cash flows of the first 3 years. Thereafter, PDs and LGDs are gradually reverted to their long-run averages and are applied to the remaining projected cash flows. Inputs into the model include various assumptions used in the pricing of loans and advances. The determination of such inputs is highly subjective and therefore any change to 1 or more of the assumptions (e.g. interest rates, future forecasts of PDs or LGDs, or macroeconomic conditions) may result in a significant change in the determination of the fair value.

Reasonable bounds for the fair value are estimated to be between 0.91% higher and 1.09% lower (2024: between 0.91% higher and 1.09% lower) than the carrying value.

The fair value of corporate bonds is based on the discounted-cash-flow methodology (level 2).

Government and other securities

The fair value of high-quality South African government bonds listed in an active market is based on the available market prices (level 1, and those that use significant unobservable inputs – level 3). The discounted-cash-flow methodology principles (level 3) are the same as those used to determine the fair value of loans and advances. See note C3 for further details.

Long-term debt instruments

The fair value of long-term debt instruments is based on available market prices (level 1) or, where prices are not quoted or where the market is considered to be inactive, is based on the discounted-cash-flow analysis (level 2). The discounted-cash-flow methodology principles are the same as those used to determine the fair value of loans and advances.

Amounts owed to depositors

The amounts owed to depositors principally comprise variable-rate liabilities and hedge-accounted fixed-rate liabilities. The carrying value of the amounts owed to depositors approximates fair value because the instruments reprice to current market rates at frequent intervals. In addition, a significant portion of the balance is callable or is short-term in nature.

Cash and cash equivalents, other assets, mandatory deposits with central banks, other short-term securities, and provisions and other liabilities

The carrying values of cash and cash equivalents, other assets, mandatory deposits with central banks, other short-term securities and provisions and other liabilities are considered a reasonable approximation of their respective fair values, as they are either short-term in nature or are repriced to current market rates at frequent intervals.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

14 FINANCIAL INSTRUMENTS DESIGNATED AS FAIR VALUE THROUGH PROFIT OR LOSS

The group has satisfied the criteria for designation of financial instruments as FVTPL in terms of the accounting policies.

Various fixed-rate advances and liabilities are entered into by the group. The overall interest rate risk of the group is economically hedged by way of interest rate swaps and managed by Group ALCO. The interest rate risk is then traded to the market through the central trading desk.

The swaps and front-desk trading instruments meet the definition of 'derivatives', and are measured at fair value in terms of IFRS 9. Fixed-rate advances and liabilities, however, do not meet this definition. Therefore, to avoid any accounting mismatch of holding the advances at amortised cost and the hedging instruments at fair value, the advances and liabilities are designated as FVTPL and are held at fair value.

Various instruments are designated as FVTPL, which is consistent with the group's documented risk management or investment strategy. The fair value of the instruments is managed and reviewed regularly by the risk/investment functions of the group. The risk of the portfolio is measured and monitored on a fair-value basis.

14.1 Financial assets designated as FVTPL

Rm	Maximum exposure to credit risk	
	2025	2024
Government-guaranteed Treasury bills	1 275	641
Mortgage loans	1 023	643
Loans and advances (secured and unsecured)	2 100	1 770
Loans to other banks	7 176	7 131
Unlisted investments	73	29
	42	29
	11 689	10 214

Nedbank Group Limited has estimated the change in credit risk as being the amount arising from the change in fair value of the financial instrument that is not attributable to changes in market conditions that give rise to market risk. Individual credit spreads for loans or receivables that have been designated as FVTPL are determined at the inception of the deal. The credit spread is calculated as the difference between the benchmark interest rate and the interest rate the client is charged. Subsequent changes in the benchmark interest rate and the credit spread give rise to changes in fair value in the financial instrument. Loans and advances are reviewed for observable changes in credit risk and the credit spread is adjusted at subsequent dates if there has been an observable change in credit risk relating to a particular loan or advance. No credit derivatives are used to hedge the credit risk on any of the financial assets designated as FVTPL.

A breakdown of the financial assets that are designated as FVTPL can be found in note I1. A detailed explanation of how each financial asset is valued can be found in note I2.1.

14.2 Financial liabilities designated as FVTPL

2025

Financial liabilities required to present the effects of change in credit risk in OCI:

Rm	Fair value	Financial liabilities where change in credit risk is recognised in OCI		Amount of cumulative gains/(losses) transferred within equity
		Current period	Cumulative	
Investment contract liabilities ¹	18 435			
	18 435	–	–	–

2024

Rm	Fair value	Financial liabilities where change in credit risk is recognised in OCI		Amount of cumulative gains/(losses) transferred within equity
		Current period	Cumulative	
Investment contract liabilities ¹	17 484			
	17 484	–	–	–

¹ The value of investment contract liabilities changes according to changes in the value of the unit-linked assets. Unit-linking asset features contain specific asset performance risk rather than credit risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
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15 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

ACCOUNTING POLICY

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position only when the group has a legally enforceable right to set off the financial asset and financial liability and the group has an intention of settling the asset and liability on a net basis or realising the asset and settling the liability simultaneously. Income and expense items are offset only to the extent that their related instruments have been offset in the statement of financial position.

In accordance with the requirements of IFRS 7: Financial Instruments – Disclosures, the table below sets out the impact of:

- recognised financial instruments that are set off in the statement of financial position in accordance with the requirements of IAS 32: Financial Instruments – Presentation; and
- financial instruments that are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments and transactions that did not qualify for presentation on a net basis.

The group reports financial assets and financial liabilities on a net basis in the statement of financial position only if there is a legally enforceable right to set off the recognised amounts and there is intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Certain master netting arrangements may not meet the criteria for offsetting in the statement of financial position because:

- these agreements create a right of setoff that is enforceable only following an event of default, insolvency or bankruptcy; and
- the group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Master netting arrangements and similar agreements include derivative clearing agreements, global master repurchase agreements and global master securities lending agreements. These create a right to offset in the event of default, insolvency or bankruptcy.

Similar financial instruments include derivatives, sales and repurchase agreements, reverse sale and repurchase agreements, and securities borrowing and lending agreements. Only loans and deposits that are offset in the statement of financial position are included in the table below. These consist largely of cash management accounts where the right to offset outstanding balances is created by agreements between the company and the client.

2025

Rm	Effects of netting on the statement of financial position			Related amounts not offset in the statement of financial position		Amounts not subject to IFRS 7 offsetting disclosure ²	Total amounts recognised in the statement of financial position
	Gross amounts	Amounts offset in the statement of financial position in accordance with IAS 32	Net amounts included in the statement of financial position ¹	Amounts that may be netted off on the occurrence of a future event	Net amounts reflecting the effect of master netting arrangements		
Financial assets							
Derivative financial assets	55 897	(38 576)	17 321	(3 233)	14 088	4 333	21 654
Loans and advances	157 814	(84 269)	73 545		73 545	957 032	1 030 577
Cash and cash equivalents	15 857	(14 408)	1 449		1 449	63 380	64 829
Total financial assets	229 568	(137 253)	92 315	(3 233)	89 082	1 024 745	1 117 060
Financial liabilities							
Derivative financial liabilities	(65 457)	56 024	(9 433)	3 233	(6 200)	(1 439)	(10 872)
Amounts owed to depositors	(170 984)	81 229	(89 755)		(89 755)	(1 216 111)	(1 305 866)
Total financial liabilities	(236 441)	137 253	(99 188)	3 233	(95 955)	(1 217 550)	(1 316 738)

¹ Includes the net amount of financial assets and financial liabilities where offsetting has been applied in terms of IAS 32 and financial instruments that are subject to master netting agreements, but where no offsetting has been applied. Excludes financial instruments that are subject neither to setoff nor to master netting agreements.

² Includes financial instruments that are subject neither to setoff nor to master netting agreements.

2024

	Effects of netting on the statement of financial position			Related amounts not offset in the statement of financial position			
	Gross amounts	Amounts offset in the statement of financial position in accordance with IAS 32	Net amounts included in the statement of financial position ¹	Amounts that may be netted off on the occurrence of a future event	Net amounts reflecting the effect of master netting arrangements		
Rm							
Financial assets							
Derivative financial assets	44 864	(29 875)	14 989	(6 140)	8 849	2 083	17 072
Loans and advances	82 989	(77 467)	5 522		5 522	956 662	962 184
Cash and cash equivalents	3 050	(2 418)	632		632	54 514	55 146
Total financial assets	130 903	(109 760)	21 143	(6 140)	15 003	1 013 259	1 034 402
Financial liabilities							
Derivative financial liabilities	(42 592)	32 192	(10 400)	6 140	(4 260)	(1 223)	(11 623)
Amounts owed to depositors	(104 358)	77 569	(26 789)		(26 789)	(1 147 902)	(1 174 691)
Total financial liabilities	(146 950)	109 761	(37 189)	6 140	(31 049)	(1 149 125)	(1 186 314)

¹ Includes the net amount of financial assets and financial liabilities where offsetting has been applied in terms of IAS 32 and financial instruments that are subject to master netting agreements, but where no offsetting has been applied. Excludes financial instruments that are subject neither to setoff nor to master netting agreements.

² Includes financial instruments that are subject neither to setoff nor to master netting agreements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

16 COLLATERAL

ACCOUNTING POLICY

Financial and non-financial assets are held as collateral in respect of recognised financial assets. Such collateral, except cash collateral, is not recognised by the group, as the group does not retain the risks and rewards of ownership, and is obliged to return such collateral to counterparties on settlement of the related obligations. Should a counterparty be unable to settle its obligations, the group takes possession of collateral or calls on other credit enhancements as full or part settlement of such amounts. These assets are recognised when the applicable recognition criteria under IFRS Accounting Standards are met, and the group's accounting policies are applied from the date of recognition.

Cash collateral is recognised when the group receives the cash and it is reported as amounts owed to depositors. Collateral is also given to counterparties under certain financial arrangements, but such assets are not derecognised where the group retains the risks and rewards of ownership. Such assets are at risk to the extent that the group is unable to fulfil its obligations to counterparties.

16.1 COLLATERAL PLEDGED

The group has pledged government and other securities (note C3) and negotiable certificates of deposit (note C4) amounting to R52 505m (2024: R19 855m) as collateral for deposits received under repurchase agreements of R39 473m (2024: R18 834m), and call and term deposits of R7 061m (2024: Rnil), which are disclosed in note D1. These amounts represent assets that have been transferred but do not qualify for derecognition under IFRS 9.

These transactions are entered into under terms and conditions that align with standard industry practice in securities borrowing and lending activities.

16.2 COLLATERAL HELD TO MITIGATE CREDIT RISK

Credit risk mitigation refers to the actions that can be taken by the group to manage its exposure with credit risk so as to align such exposure with its risk appetite. This action can be proactive or reactive and the level of mitigation that a bank desires may be influenced by external factors such as the economic cycle or internal factors such as a change in risk appetite.

References to credit risk mitigation normally focus on the taking of collateral as well as the management of such collateral. While collateral is an essential component of credit risk mitigation, there are a number of other methods used for mitigating credit risk. The group's credit risk policy acknowledges the role to be played by credit risk mitigation in the management of credit risk, but emphasises that collateral on its own is not necessarily a justification for lending. The primary consideration for any lending opportunity should rather be the borrower's financial position and ability to repay the facility from its own resources and cash flow.

The group generally segregates collateral received into the following 2 classes:

Financial collateral

The group takes financial collateral to support credit exposures in the trading book. This includes cash and debt securities in respect of derivative transactions.

These transactions are entered into under terms and conditions that are standard industry practice in securities borrowing and lending activities.

Non-financial collateral

In secured financial transactions, the group takes other physical collateral to recover outstanding exposure in the event of the borrower being unable or unwilling to fulfil its obligations. This includes mortgages over property (both residential and commercial), liens over business assets (including plant, vehicles, aircraft, inventories, trade debtors and financial securities that have a tradable market, such as shares and other securities) and guarantees from parties other than the borrower.

Should a counterparty be unable to settle its obligations, the group takes possession of collateral as full or part settlement of such amounts. In general, the group seeks to dispose of such property and other assets that are not readily convertible into cash as soon as the market for the relevant asset permits.

The group monitors the concentration levels of collateral to ensure that it is adequately diversified. In particular, the following collateral types are common in the marketplace:

- **Retail portfolio**
 - Mortgage lending that is secured by mortgage bonds over residential property.
 - Instalment credit transactions that are secured by the assets financed.
 - Overdrafts that are either unsecured or secured by guarantees, suretyships or pledged securities.

- **Wholesale portfolio**

- Commercial properties that are supported by the property financed and a cession of the leases.
- Instalment credit type of transactions that are secured by the assets financed.
- Working capital facilities when secured, usually by either a claim on specific assets (fixed assets, inventories, or trade debtors) or other collateral, such as guarantees.
- Term and structured lending, which usually relies on guarantees or credit derivatives (where only internationally recognised and enforceable agreements are used).
- Credit exposure to other banks, where the risk is commonly mitigated through the use of financial control and netting agreements.

The valuation and management of collateral across all business units of the group are governed by the group's credit policy.

Management considers collateral held in the retail portfolio to be homogeneous by nature and therefore more reliably identifiable. Generally, valuations in respect of mortgage portfolios are updated using statistical index models, published data by service providers are used for motor vehicles, and physical inspection is performed for other types of collateral. Furthermore, physical valuations are performed 6-monthly on the defaulted book.

Management considers collateral held in the wholesale portfolio to be non-homogeneous and often exhibiting illiquid characteristics and therefore valuing collateral of this nature requires a significant level of judgement. Collateral of this nature is valued at the inception of a transaction and at least annually during the life of the transaction, usually as part of the facility review, which includes a review of the security structure and covenants to ensure that proper title is retained over the relevant collateral.

A further consideration with regard to the valuation and management of collateral is that when credit intervention is required, or in the case of default, all items of collateral relating to that particular client portfolio are immediately revalued. In such instances physical inspection by an expert valuer is required. This process also ensures that an appropriate impairment is evaluated timeously.

As part of the reverse repurchase agreements, the group has received securities as collateral that are allowed to be sold or repledged in the absence of default. The fair value of these securities at the reporting date amounts to R27 761m (2024: R19 742m), of which R7m (2024: R15m) has been sold or repledged.

16.3 COLLATERAL TAKEN POSSESSION OF AND RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

Included in properties in possession (note H3) is an amount of R196m (2024: R74m) related to retail assets and an amount of R4m (2024: R125m) related to wholesale assets the group has acquired during the year by taking possession of collateral held as security.

SECTION J: SHARE-BASED PAYMENTS

ACCOUNTING POLICY

Equity-settled share-based payment transactions with employees

The group receives services from employees as consideration for equity instruments of the group. The fair value of the employee services is measured at the grant date, by reference to the fair value of the equity instruments.

Where the equity instruments do not vest until the employee has completed a specified period of service, it is assumed that the services rendered by the employee, as consideration for the equity instruments, will be received in the future during the vesting period. The services are accounted for in profit or loss in the statement of comprehensive income as they are rendered during the vesting period, with a corresponding increase in equity. The amount recognised as an expense is adjusted to reflect the number of share awards for which the related service and non-market performance vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of share awards that do meet the related service and non-market performance conditions at the vesting date. Where the equity instruments are no longer outstanding, the accumulated share-based payment reserve in respect of those equity instruments is transferred to retained earnings.

Nedbank Group Limited equity instruments in respect of Nedbank Group Limited shares are granted to employees as part of their remuneration package as services are rendered.

Cash-settled share-based payment transactions with employees

The cost of cash-settled transactions is measured initially at fair value at the grant date. The fair value is expensed over the period until the vesting date, with recognition of a corresponding liability. The liability is remeasured to fair value at each reporting date up to and including the settlement date, with changes in fair value recognised in the statements of comprehensive income as staff costs.

Measurement of fair value of equity instruments granted

The equity instruments granted by the group are measured at fair value at the measurement date using standard-option pricing valuation models. The valuation technique is consistent with generally acceptable valuation methodologies for pricing financial instruments and incorporates all factors and assumptions that knowledgeable, willing market participants would consider in setting the price of the equity instruments. Vesting conditions, other than market conditions, are not taken into account in determining fair value. Vesting conditions are taken into account by adjusting the number of equity instruments included in the measurement of the transaction amount.

Share-based payment transactions with persons or entities other than employees

Transactions in which equity instruments are issued to historically disadvantaged individuals and organisations in SA for less than fair value are accounted for as share-based payments. Where the group has issued such instruments and expects to receive services in return for equity instruments, the share-based payments charge is spread over the related vesting (i.e. service) period. In instances where such services could not be identified, the cost is expensed with immediate effect. The valuation techniques are consistent with those mentioned above.

As the group cannot estimate reliably the fair value of services received or the value of additional benefits received, the group rebuts the presumption that such services and business can be measured reliably. The group therefore measures its fair value by reference to the fair value of the shares, share options or equity instruments granted, in line with the group's accounting policy. For the non-option equity awards, the fair value is measured by reference to the listed share price, which includes the participant's right to dividends over the vesting period.

The following are the share schemes that have been in place during the year. All schemes are equity-settled at group level, except the Nedbank United Kingdom (UK) schemes, the Nedbank Wealth Management International schemes and the Nedbank Africa scheme, all of which are cash-settled. The latter all fall under the umbrella of 1 phantom scheme. For our international and Nedbank Africa Regions operations long-term incentives (LTIs) are made on a phantom basis, mirroring the Nedbank Group (2005) Employee Share Scheme in design and structure.

J1 DESCRIPTION OF ARRANGEMENTS

Traditional employee schemes

Scheme	Trust/Special-purpose vehicle (SPV)	Description	Vesting requirements	Maximum term
Nedbank Group (2005) Share Option and Restricted-share Scheme	Nedbank Group (2005) Share Scheme Trust	Restricted shares are awarded with the joint aim of aligning the interests of stakeholders and retaining employees. Awards are discretionary and participation is limited to executives and managers in South Africa with direct influence on strategic delivery, individuals with critical or highly mobile skills where the impact of loss would be significant and those identified as potential leadership successors.	All awards are fully subject to performance and service conditions. Awards granted to disclosed officers and other Group Exco members are fully conditional on achieving predefined financial and non-financial corporate performance targets (CPTs). These CPTs are measured over a 3-year period aligned to the group's financial year. For certain other participant categories, vesting requires meeting a minimum individual performance threshold during the vesting period.	3 years
Nedbank Group (2005) Matched-share Scheme	Nedbank Group (2005) Share Scheme Trust	For employees in South Africa, a portion of any short-term incentive (STI) amount over a defined threshold is mandatorily deferred in shares. All South African employees are eligible to participate in a matching arrangement. An amount of up to 50% of their after-tax STI can be invested, which will be matched by the group in shares, subject to meeting the specified vesting conditions	Compulsory deferred shares vest in three equal tranches at 6, 18 and 30 months after award subject to continued service. A matching arrangement on a 1-for-1 basis is offered on both compulsory and voluntary STI deferrals. The match is subject to the participant remaining in service on the vesting date, retaining the deferral for 3 years and the achievement of specified matching performance conditions.	3 years
Nedbank Group Phantom Share Plan	N/A	Restricted phantom units are awarded with the joint aim of aligning the interests of stakeholders and retaining employees. Awards are discretionary and participation is limited to executives and managers outside South Africa with direct influence on strategic delivery, individuals with critical or highly mobile skills where the impact of loss would be significant and those identified as potential leadership successors.	Phantom units mirror the South African scheme in design and structure. All awards are fully subject to performance and service conditions. measured over a 3-year period aligned to the group's financial year.	3 years
Phantom Matched-share Scheme financial year.	N/A	For employees outside South Africa, a portion of any STI amount over a defined threshold is mandatorily deferred in phantom units. All employees outside South Africa are eligible to participate in a matching arrangement. An amount of up to 50% of their after-tax STI can be invested, which will be matched by the group in restricted phantom units, subject to meeting the specified vesting conditions.	Compulsory deferred phantom units vest in three equal tranches at 6, 18 and 30 months after award subject to continued service. A matching arrangement on a 1-for-1 basis is offered on both compulsory and voluntary STI deferrals. The match is subject to the participant remaining in service on the vesting date, retaining the deferral for 3 years and the achievement of specified matching performance conditions.	3 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 31 DECEMBER

Nedbank Eyethu BEE schemes – Clients and business partners

Scheme	Trust/Special-purpose vehicle (SPV)	Description	Vesting requirements
Community Trust	Nedbank Eyethu Community Trust	<p>The trust has been formed with the specific purpose of providing previously disadvantaged communities and charitable organisations with the opportunity to receive dividends in respect of the scheme shares, thereby contributing to Nedbank Group Limited's BEE compliance.</p> <p>The shares are not allocated to specific beneficiaries. At the end of the 5 years the net assets of the trust will be allocated to participants as determined by the trustees</p>	<p>Ten years subsequent to December 2013, the termination date of the trust was moved from 2015 to 2030 to provide an ongoing flexible vehicle for deploying the residual assets of the trust and continued support of community affairs in line with the group's BEE and Fair Share 2030 initiatives.</p>

J2 EFFECT ON PERFORMANCE AND FINANCIAL POSITION

Rm	Share-based payments expense		Share-based payments reserve/liability	
	2025	2024	2025	2024
Traditional employee schemes	780	747	3 955	3 218
Nedbank Group (2005) Share Option and Restricted-share Scheme	542	581	3 461	2 844
Nedbank Group (2005) Matched-share Scheme	194	79	385	245
Nedbank UK Long-term Incentive Plan ¹	13	26	27	34
Nedbank UK Matched-share Scheme ¹	3	4	8	8
Nedbank Wealth Management International Long-term Incentive Plan ¹	12	25	32	37
Nedbank Wealth Management International Matched-share Scheme ¹	1	2	3	3
Nedbank Africa Restricted-share Scheme and Matched-share Scheme ¹	15	30	39	47
Nedbank Eyethu BEE schemes	–	–	124	124
Community Scheme			124	124
	780	747	4 079	3 342

¹ This scheme is cash-settled and therefore creates a liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

J3 MOVEMENTS IN NUMBER OF INSTRUMENTS

	2025		2024	
	Number of instruments	Weighted-average exercise price	Number of instruments	Weighted-average exercise price
Nedbank Group (2005) Share Option and Restricted-share Scheme				
Outstanding at the beginning of the year	13 786 877		16 577 839	
Granted	4 269 787		5 268 545	
Forfeited	(339 769)		(419 835)	
Transfers			(2 279)	
Exercised	(4 124 067)		(7 637 393)	
Outstanding at the end of the year	13 592 828		13 786 877	
Weighted-average share price for share instruments exercised (R)		263.32		230.29
Nedbank Group (2005) Matched-share Scheme				
Outstanding at the beginning of the year	3 191 720		2 917 857	
Granted	1 202 598		1 131 567	
Forfeited	(142 448)		(169 518)	
Exercised	(844 810)		(688 186)	
Outstanding at the end of the year	3 407 060		3 191 720	
Weighted-average share price for share instruments exercised (R)		258.88		228.67
Nedbank UK Long-term Incentive Plan				
Outstanding at the beginning of the year	250 243		249 687	
Granted	91 179		105 503	
Transfers			2 279	
Exercised	(80 840)		(107 226)	
Outstanding at the end of the year	260 582		250 243	
Nedbank UK Matched-share Scheme				
Outstanding at the beginning of the year	60 670		40 121	
Granted	36 161		25 376	
Forfeited	(5 891)		(2 638)	
Exercised	(14 130)		(2 189)	
Outstanding at the end of the year	76 810		60 670	
	2025		2024	
	Number of instruments	Weighted-average exercise price	Number of instruments	Weighted-average exercise price
Nedbank Wealth Management International Long-term Incentive Plan				
Outstanding at the beginning of the year	306 902		332 636	
Granted	101 187		131 493	
Forfeited	(22 585)		(21 163)	
Exercised	(68 902)		(136 064)	
Outstanding at the end of the year	316 602		306 902	
Nedbank Wealth Management International Matched-share Scheme				
Outstanding at the beginning of the year	24 594		25 258	
Granted	7 817		10 069	
Forfeited	(838)		(1 500)	
Exercised	(4 889)		(9 233)	
Outstanding at the end of the year	26 684		24 594	
Nedbank Africa Restricted-share Scheme				
Outstanding at the beginning of the year	350 333		374 122	
Granted	119 697		126 583	
Forfeited	(6 613)		(11 625)	
Exercised	(105 745)		(138 747)	
Outstanding at the end of the year	357 672		350 333	
Nedbank Africa Matched-share Scheme				
Outstanding at the beginning of the year	36 020		24 637	
Granted	14 975		19 795	
Forfeited	(3 391)		(5 897)	
Exercised	(7 802)		(2 515)	
Outstanding at the end of the year	39 802		36 020	

	2025		2024	
	Number of instruments	Weighted-average exercise price	Number of instruments	Weighted-average exercise price
Community Scheme				
Outstanding at the beginning of the year	1 559 448		1 559 448	
Outstanding at the end of the year	1 559 448		1 559 448	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

J4 INSTRUMENTS OUTSTANDING AT THE END OF THE YEAR

	2025		2024	
	Number of instruments	Weighted-average remaining contractual life (years)	Number of instruments	Weighted-average remaining contractual life (years)
Nedbank Group (2005) Share Option and Restricted-share Scheme	13 592 828	1.2	13 786 877	1.3
Nedbank Group (2005) Matched-share Scheme	3 407 060	1.2	3 191 720	1.3
Nedbank UK Long-term Incentive Plan	260 582	1.4	250 243	1.3
Nedbank UK Matched-share Scheme	76 810	1.4	60 670	1.4
Nedbank Wealth Management International Long-term Incentive Plan	316 602	1.2	306 902	1.5
Nedbank Wealth Management International Matched-share Scheme	26 684	1.1	24 594	1.4
Nedbank Africa Restricted-share Scheme	357 672	1.2	350 333	1.4
Nedbank Africa Matched-share Scheme	39 802	1.4	36 020	1.6
Community Scheme	1 559 448	5.0	1 559 448	6.0

J5 INSTRUMENTS GRANTED DURING THE YEAR

	Nedbank Group (2005) Share Option and Restricted- share Scheme ¹	Nedbank Group (2005) Matched- share Scheme ²
2025		
Number of instruments granted	4 269 787	1 202 598
Weighted-average fair value per instrument granted (R)	259.00	200.88
Weighted-average share price (R)	259.00	257.25
Weighted-average life (years)	3	3
Number of participants	1 771	2 627
Weighted-average vesting period (years)	3	3
2024		
Number of instruments granted	5 268 545	1 131 567
Weighted-average fair value per instrument granted (R)	232.81	176.86
Weighted-average share price (R)	232.81	228.67
Weighted-average life (years)	3	3
Number of participants	1 694	2 070
Weighted-average vesting period (years)	3	3

¹ The weighted-average fair value of instruments granted during the year has been calculated using the closing price of Nedbank Group Limited quoted on the JSE.

² The weighted-average fair value of instruments granted during the year has been calculated using the closing price of Nedbank Group Limited quoted on the JSE of R200.88 (2024: R176.86), less the present value of dividends anticipated over the vesting period. A dividend yield of 8.58% (2024: 8.94%) has been incorporated into the measurement of the fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 31 DECEMBER

Nedbank UK Long-term Incentive Plan ¹	Nedbank UK Matched- share Scheme ¹	Nedbank Wealth Management International Long-term Incentive Plan ¹	Nedbank Wealth Management International Matched- share Scheme ¹	Nedbank Africa Restricted- share Scheme ¹	Nedbank Africa Matched- share Scheme ¹
91 179	36 161	101 187	7 817	119 697	14 975
253.11	257.25	260.84	257.25	259.32	257.25
253.11	257.25	260.84	257.25	259.32	257.25
3	3	3	3	3	3
30	12	21	28	85	151
3	3	3	3	3	3
105 503	25 376	131 493	10 069	126 583	19 795
228.16	228.67	229.80	228.67	228.16	228.67
228.16	228.67	229.80	228.67	228.16	228.67
3	3	3	3	3	3
28	9	20	22	73	138
3	3	3	3	3	3

SECTION K: OTHER LIABILITIES

K1 PROVISIONS AND OTHER LIABILITIES

ACCOUNTING POLICY

Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of a past event in respect of which it is probable that an outflow of economic benefits will occur and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the reasonable estimate of the expenditure required to settle the obligation at the reporting date. Where the effect of discounting is material, the provision is discounted. The discount rate reflects current market assessments of the time value of money and, where appropriate, risks specific to the liability. Gains from the expected disposal of assets are not taken into account in measuring provisions. Provisions are reviewed at each reporting date and adjusted to reflect the current reasonable estimate. If it is no longer probable that an outflow of resources will be required to settle the obligation, the provision is reversed.

Reimbursements

Where some or all the expenditure required to settle a provision is expected to be reimbursed by a party outside the group, the reimbursement is recognised when it is virtually certain that it will be received if the group settles the obligation. The reimbursement is recorded as a separate asset at an amount not exceeding the related provision. The expense for the provision is presented net of the reimbursement in profit or loss.

Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the group from an executory contract are lower than the unavoidable cost of meeting the obligations under the contract. Future operating costs or losses are not provided for.

Client loyalty

When a cardholder makes a purchase that is regarded as eligible spend, the person or entity is granted points that can be redeemed at a later date for goods or services. Points do not expire, unless a client is delinquent or dormant, in which case the points accrued are forfeited as stated in the terms and conditions. Client loyalty programmes are accounted for in accordance with IFRS 15 and a contract liability is recognised. The revenue normally earned by the group when clients transact on their Nedbank cards is reduced by the expected amount payable arising from the issue of points.

If the expectation regarding the amount to be paid changes, this is recognised in revenue. When the group settles the liability, there will be an additional revenue recognised and the costs will be offset against the liability.

Lease liabilities

Initial and subsequent measurement

The lease liability is initially measured at a present value of unpaid lease payments at the start date (the date the underlying asset is available for use). The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the group uses the incremental borrowing rate, being the rate that the group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The lease payments include:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- amounts expected to be payable by the group under residual-value guarantees;
- variable lease payments that are based on an index or a rate;
- the exercise price of a purchase option if the group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the group is reasonably certain to exercise that option.

The lease liability is subsequently measured under IFRS 9 at amortised cost using the effective-interest method. Interest expense is recognised in profit or loss and capitalised to the lease liability.

Reassessment of lease liability

After the start date the group remeasures the lease liability to reflect changes to the lease payments. The carrying amount of the lease liability is remeasured by discounting the revised lease payments using a revised discount rate if:

- there is a change in the lease term; or
- the group changes its assessment of whether it will exercise an option to purchase the underlying asset.

The carrying amount of the lease liability is remeasured by discounting the revised lease payments using the original discount rate if there is a change in:

- the amounts expected to be payable under a residual value guarantee; or
- future lease payments resulting from a change in an index or a rate used to determine those payments.

If the change in lease payments results from a change in floating rates, the group uses a revised discount rate that reflects changes in the interest rate.

ACCOUNTING POLICY

The group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. When corresponding adjustments to the right-of-use asset reduces the carrying amount to zero, the group recognises any remaining amount of the remeasurement in profit or loss.

Lease modifications

The group accounts for modifications as a separate lease using a new discount rate if the modification is a material economic alteration of the initial contract. This would occur if the modification in question:

- increases the scope of the lease by adding the right to use 1 or more underlying assets; and
- the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that does not meet the criteria to be recognised as a separate lease at the effective date of the lease modification, the group accounts for the lease by:

- allocating the consideration in the modified contract between lease and non-lease components;
- determining the lease term of the modified lease; and
- remeasuring the lease liability by discounting the revised lease payments using a revised discount rate. The revised discount rate is determined as the interest rate implicit in the lease for the remainder of the lease term if that rate can be readily determined, or is determined as the group's incremental borrowing rate at the effective date of the modification, if the interest rate implicit in the lease cannot be readily determined.

Additionally, for a lease modification that is not accounted for as a separate lease, the group accounts for the remeasurement of the lease liability by doing the following:

- Decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The group recognises in profit or loss any gain or loss relating to the partial or full termination of the lease.
- Making a corresponding adjustment to the right-of-use asset for all other lease modifications.

Variable lease expense

The group recognises variable lease expenses not contingent or dependent on an index or a rate as an expense in profit or loss in the period in which the event or condition that triggers the payment occurs.

Short-term leases and leases of low-value assets

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or fewer. Low-value assets comprise computer equipment and small items of office furniture. Leases with values of less than R20 000 are considered low-value leases. The group does not recognise right-of-use assets and lease liabilities for short-term and low-value leases.

The group considers a short-term lease to be a new lease if:

- there is a lease modification; or
- there is any change in the lease term (for example the group exercises an option not previously included in its determination of the lease term).

Derecognition

Termination of a lease, partially or fully, results in derecognition of the right-of-use asset and the corresponding lease liability. The group recognises any profit or loss in the period in which the termination occurs.

Critical judgements and assumptions

Discount rates

The group's incremental borrowing rate is lease-specific and is determined using an array of assumptions and judgements surrounding the characteristics of the contract. The group considers:

- the credit risk of the group (swap yield curves are also used as anchors for most leases);
- the tenor of the lease; and
- the economic environment (the country, the currency and the date that the lease is entered into) in which the transaction occurs.

Refer to note G1 for accounting policies applied for right-of-use assets.

K1.1 Analysis of carrying amount

	2025 Rm	2024 Rm
Creditors and other accounts	14 556	12 701
Client loyalty programmes liability	467	395
Short-trading securities and spot positions	19 798	15 658
Provision for the impairment of off-balance-sheet items	277	388
Bonus accrual (note K1.2)	3 309	3 414
Leave pay accrual (note K1.3)	1 196	1 172
Lease liabilities (note K1.5)	2 478	2 641
	42 081	36 369

K1.2 Bonus accrual

	2025 Rm	2024 Rm
Balance at the beginning of the year	3 414	3 034
Recognised in profit or loss	3 313	3 394
Used during the year	(3 403)	(3 018)
Foreign currency translation and other movements	(15)	4
Balance at the end of the year	3 309	3 414

K1.3 Leave pay accrual

	2025 Rm	2024 Rm
Balance at the beginning of the year	1 172	1 116
Recognised in profit or loss	430	450
Used during the year	(402)	(388)
Foreign currency translation and other movements	(4)	(6)
Balance at the end of the year	1 196	1 172

K1.4 Day 1 gains and losses

The group enters into transactions where the fair value of the financial instruments is determined using valuation models for which certain inputs are not based on market-observable prices or rates. Such financial instruments are initially recognised at the transaction price, which is the best indicator of fair value. The transaction price may differ from the valuation amount obtained, giving rise to a day 1 gain or loss.

The difference between the transaction price and the valuation amount, commonly referred to as 'day 1 gain or loss', is deferred and either amortised over the life of the transaction, deferred until the instrument's fair value can be determined using market-observable inputs, or realised when the financial instrument is derecognised.

The group's day 1 gains are attributable to loans and advances.

	2025 Rm	2024 Rm
Balance at the beginning of the year	87	98
Subsequent recognition	(29)	(11)
Balance at the end of the year	58	87

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

K1.5 Lease liabilities

Lease liabilities reconciliation

	2025 Rm	2024 Rm
Balance at the beginning of the year	2 641	2 647
Interest expense	213	238
Additions	211	467
Lease modifications	492	437
Lease payments	(1 082)	(1 151)
Derecognition	(7)	(1)
Effect of movements in foreign exchange rates and other movements	10	4
Balance at the end of the year	2 478	2 641

Current and non-current lease liabilities

	2025 Rm	2024 Rm
Current lease liabilities	1 122	1 011
Non-current lease liabilities	1 356	1 630
Total lease liabilities	2 478	2 641

K2 CONTINGENT LIABILITIES, UNDRAWN FACILITIES AND COMMITMENTS

K2.1 Contingent liabilities and undrawn facilities

	2025 Rm	2024 Rm (Restated)
Financial guarantees on behalf of clients	38 098	36 902
Letters of credit and discounting transactions	6 226	11 322
Committed but unutilised facilities and other ¹	201 476	184 452
	245 800	232 676

¹The 'Committed but unutilised facilities and other' line item includes committed undrawn facilities that the group is unconditionally committed to and those where the commitment may be withdrawn only in response to a contingent event outside the group's control.

The group, in the ordinary course of business, enters into transactions that expose it to taxation, legal and business risks that could result in litigation matters. Based on internal investigations and consultations with the group's legal counsel, the group does not expect the ultimate resolution of any of these matters to have a material adverse effect on the group's consolidated financial position. Provisions are made for known liabilities that are expected to materialise (refer to note K1). Possible obligations and known liabilities, where no reliable estimate can be made or it is considered improbable that an outflow would result, are reported as a contingent liability.

During the year the group identified that the 'Financial guarantees on behalf of clients' and 'Committed but unutilised facilities and other' line items were understated incorrectly by R885m and R1.2bn respectively. For comparability, the prior-year information has been restated. This restatement has no impact on the provision for impairment of off-balance-sheet items.

Rm	2024		
	Restated	Restatement	As previously reported
Financial guarantees on behalf of clients	36 902	885	36 017
Committed but unutilised facilities and other	184 452	1 233	183 219

K2.2 Commitments

K2.2.1 Capital expenditure approved by directors

	2025 Rm	2024 Rm
Contracted but not provided for	721	655

Funds to meet capital expenditure commitments will be provided from group resources. In addition, capital expenditure is incurred in the normal course of business throughout the year.

K2.2.2 Commitments under derivative instruments

The group enters into option contracts, financial futures contracts, forward rate and interest rate swap agreements, and other financial agreements in the normal course of business (refer to note C7).

SECTION L: RISK AND BALANCE SHEET MANAGEMENT

L1 FINANCIAL RISK MANAGEMENT

The group's risk management procedures include credit risk, liquidity risk, interest rate risk in the banking book and market risk.

L2 CAPITAL MANAGEMENT

Nedbank Group Limited's Capital Management Framework reflects the integration of risk, capital, strategy and performance measurement across the group, which is a significant component of the ERMF.

In accordance with the board-approved Solvency and Capital Management Policy, the group is required to maintain capitalisation levels that meet or exceed the greater of the Basel III regulatory capital requirements and economic capital.

The Nedbank Group Strategic Capital Management function forms part of the Balance Sheet Management Division of the Group Finance Cluster, which reports to the CFO. This function is tasked with implementing the Capital Management Framework and Internal Capital Adequacy Assessment Process (ICAAP) across the group. The responsibilities for capital management, including ICAAP, are defined in the terms of reference outlined with the ERMF, applying to both the board and executive management. The board and executive management are supported in the execution of their duties by GRCCM, and Group ALCO.

Capital, reserves, and long-term debt instruments

The group's Capital Management Framework, along with the associated policies and processes, governs the group's capital and reserves in line with the consolidated statement of changes in equity. It also encompasses the management of long-term debt instruments as referenced in note D2.

L3 LIQUIDITY GAP

The primary role of a bank in terms of financial intermediation is the maturity transformation of short-term deposits into longer-term loans and advances. By fulfilling this role, banks are inherently susceptible to liquidity mismatches and consequently funding and market liquidity risks.

In terms of measuring, managing and mitigating liquidity mismatches, Nedbank focuses on 2 types of liquidity risk, namely, funding liquidity risk and market liquidity risk. Funding liquidity risk is the risk that the group is unable to meet its payment obligations as they fall due. These payment obligations could emanate from depositor withdrawals or the inability to roll over maturing debt or meet contractual commitments to lend. Market liquidity risk is the risk that the group will be unable to sell assets without incurring an unacceptable loss in order to generate cash required to meet payment obligations under a stress liquidity event.

Nedbank diligently manages funding and market liquidity risks through its robust Liquidity Risk Management Framework (LRMF), which is designed to ensure banking operations continue uninterrupted under normal and stressed conditions. The key objectives that underpin the LRMF include ensuring that every entity within the group can meet its financial obligations seamlessly under normal and stressed market conditions, while maintaining financial-market confidence at all times, protecting key stakeholder interests and consistently complying with regulatory liquidity requirements, thereby safeguarding the stability and integrity of our operations.

The group's LRMF seeks to maintain appropriate liquidity buffers while continually reviewing the appropriateness of the liquidity risk metrics, the liquidity policy, the funding strategy, and the contingency funding and liquidity plan. These individual components of the LRMF should at all times support the board-approved risk appetite, which is to ensure that stress funding sources are sufficient to meet stress funding requirements for a given time horizon. This framework sets out the key responsibilities, processes, reporting and assurance measures, all crucial for effective liquidity risk management.

To ensure regulatory compliance and the ability to meet future liquidity requirements, the group conducts extensive stress testing and scenario analysis, in order to identify and implement appropriate actions designed to reduce the severity of a liquidity crisis, to determine the appropriate funding strategies designed to support liquidity risk mitigations and to right-size the liquidity buffer portfolio (sources of quick liquidity) in the most optimal manner for seasonal, cyclical and stress events.

A portfolio of marketable and highly liquid assets, which could be liquidated to meet unforeseen or unexpected funding requirements, is maintained. The group has sufficient sources of quick liquidity that can be accessed in times of stress, as is evident in the combined portfolio of high-quality liquid assets (HQLA) and other sources of quick liquidity, collectively amounting to R361.6bn at December 2025 (2024: R339.0bn) and representing 23.2% (2024: 23.9%) of total assets. The group actively manages these sources of quick liquidity to ensure adequate levels of diversified funding to meet a stress liquidity event.

Liquidity risk management plays a pivotal role in all entities within the group across all jurisdictions and currencies. It stands as a central focus for the group. Liquidity risk is managed on a consistent basis across all foreign entities within the group. This management is facilitated through individual ALCOs, ensuring compliance with both SARB and local central banks regulatory requirements. These foreign entities are required to establish robust governance structures, rigorous processes and best practices designed to identify, measure, manage, and mitigate liquidity risk in accordance with the group's LRMF. These foreign entities are required to report into every Group ALCO meeting, fostering transparency and collective risk oversight.

Nedbank Group Limited's Liquidity Risk Contingency Plan (LRCP), as set out in the LRMF, is designed to protect depositors, creditors and shareholders under adverse liquidity situations. The LRCP has been formulated in the belief that early detection, advance preparations and prompt responses can contribute to liquidity crisis avoidance or minimisation. The LRCP establishes guidelines for managing a liquidity risk crisis, identifying early-warning signs of a possible liquidity stress event, and the need for heightened liquidity risk monitoring and reduced liquidity risk exposure. In addition, Nedbank has also developed detailed recovery plans (RPs) that establish Nedbank's framework for dealing with a crisis emanating from a capital, liquidity and business continuity or an operational event.

The board of directors retains ultimate responsibility for the effective management of liquidity risk. Through the GRCMC (a board committee), the board has delegated its responsibility for the management of liquidity risk to Group ALCO. The LRMF, LRCP and RP are reviewed annually by Group ALCO and approved by GRCMC.

Refer to the liquidity risk and funding section of the 2025 Nedbank Group Limited Annual Results booklet available at <https://group.nedbank.co.za/explore-investor-relations/results-and-reports.html> for more information.

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L3.1 LIQUIDITY GAP

The below tables represent the group's net liquidity gap based on contractual cash flows of assets and liabilities.

Rm	<3 months	>3 months <6 months	>6 months <1 year	>1 year <5 years	>5 years	Non-determined	Total
2025							
Cash and cash equivalents	63 500	321	454			554	64 829
Other short-term securities	28 333	18 807	12 418	8 280	185	3 444	71 467
Derivative financial instruments	5 234	3 476	4 185	4 314	4 445		21 654
Government and other securities	4 267	1 725	14 214	77 208	161 121	296	258 831
Loans and advances	160 865	44 798	82 052	470 386	251 892	20 584	1 030 577
Other assets	33 551					11 341	44 892
Investment securities						30 077	30 077
Non-financial assets	27	220				36 054	36 301
Total Assets	295 777	69 347	113 323	560 188	417 643	102 350	1 558 628
Total equity						126 967	126 967
Derivative financial instruments	4 081	2 165	2 139	1 447	1 040		10 872
Amounts owed to depositors	857 150	71 208	179 451	165 781	27 942	4 064	1 305 596
Provisions and other liabilities	23 733	270	538	1 785	2 587	13 168	42 081
Investment contract liabilities	18 435						18 435
Long-term debt instruments	1 464	4 512	2 262	32 055	11 695		51 988
Non-financial liabilities	185	65	25			2 414	2 689
Total Equity and Liabilities	905 048	78 220	184 415	201 068	43 264	146 613	1 558 628
Net liquidity gap	(609 271)	(8 873)	(71 092)	359 120	374 379	(44 263)	–

Rm	<3 months	>3 months <6 months	>6 months <1 year	>1 year <5 years	>5 years	Non-determined	Total
2024							
Cash and cash equivalents	55 002					144	55 146
Other short-term securities	39 914	18 096	14 009	6 085	662	4 130	82 896
Derivative financial instruments	4 100	1 905	2 491	5 177	3 397	2	17 072
Government and other securities	2 907	49	1 504	63 896	130 166		198 522
Loans and advances	169 214	36 647	70 563	433 309	231 137	21 314	962 184
Other assets	27 835					10 747	38 582
Investment securities						28 172	28 172
Non-financial assets	10	91				35 862	35 963
Total Assets	298 982	56 788	88 567	508 467	365 362	100 371	1 418 537
Total equity						126 086	126 086
Derivative financial instruments	3 091	1 068	2 704	2 023	2 715	22	11 623
Amounts owed to depositors	793 590	79 742	155 913	122 625	19 217	3 604	1 174 691
Provisions and other liabilities	22 062	259	471	1 753	205	11 619	36 369
Investment contract liabilities	17 484						17 484
Long-term debt instruments	6 639	57	1 979	29 832	10 549	725	49 781
Non-financial liabilities	25	306				2 172	2 503
Total Equity and Liabilities	842 891	81 432	161 067	156 233	32 686	144 228	1 418 537
Net liquidity gap¹	(543 909)	(24 644)	(72 500)	352 234	332 676	(43 857)	–

¹ During the year the group reviewed the contractual maturity analysis presented in the non-determinable maturity column. As a result of this review, certain balances previously presented in the non-determinable maturity column have been reclassified into the various maturity buckets to better reflect the contractual maturity. To ensure comparability, prior-year balances have been restated accordingly.

This note has been prepared on a contractual-maturity basis.

L4 INTEREST RATE RISK IN THE BANKING BOOK

	2025 Rm	2024 Rm
Net interest income sensitivity		
1% instantaneous decline in interest rates ^{1,2}	(1 468)	(1 518)
Economic value of equity sensitivity		
1% instantaneous decline in interest rates ^{1,3}	1 964	737

¹ Nedbank London Branch and Nedbank Private Wealth: 0.5% instantaneous decline in interest rates.

² Nedbank Zimbabwe: ZWG – 3.0% instantaneous decline in interest rates.

³ During the year, the group reviewed the economic-value-of-equity sensitivity disclosure. As a result of this review, the 'Economic-value-of-equity sensitivity' and '1% instantaneous decline in interest rates' line items have been presented in tabular format. This disclosure was previously presented only in the accompanying narrative information. To ensure comparability, prior-year balances have been presented.

Management of interest rate risk in the banking book

The group is exposed to interest rate risk in the banking book (IRRBB) due primarily to the following:

- The group writes a large quantity of prime-linked advances.
- To lengthen the funding profile, term funding is raised across the curve at fixed-term deposit rates that reprice only at maturity.
- Three-month repricing interest rate swaps and forward-rate agreements are typically used in the risk management of fixed-rate term deposits and fixed-rate advances.
- Short-term demand funding products reprice to different short-end base rates.
- Certain non-repricing transactional deposit accounts are non-rate sensitive.
- The group has a mismatch in net non-rate-sensitive balances, including shareholders' funds that do not reprice for interest rate changes.

The following applies to IRRBB:

- Repricing risk (mismatch risk) – This arises from timing differences in the maturity (for fixed rate) and repricing (for floating rate) of group assets, liabilities, and off-balance-sheet positions.
- Endowment risk – This is the net mismatch between non-rate-sensitive assets, liabilities, capital, and non-repricing transactional deposit accounts, effectively invested in rate-sensitive assets.
- Reset or basis risk – This occurs due to imperfect correlation in the adjustment of the rates earned and paid on different instruments with otherwise similar repricing characteristics.
- Yield curve risk – This results from changes in the shape and slope of the yield curve.
- Embedded optionality – This is the risk related to interest-related options embedded in bank products.

The group uses various analytical techniques to measure interest rate sensitivity in the banking book, on both an earnings and economic-value basis. This includes a repricing profile analysis, simulated modelling of NII and EVE for standard interest rate shocks, and stress testing of NII and EVE for multiple stressed-interest-rate scenarios. The analysis includes the application of both parallel and non-parallel interest rate shocks and rate ramps. The group's NII sensitivity is actively managed through on- and off-balance-sheet interest rate risk management strategies based on the group's assessment of the correlation between interest rate sensitivity and impairment sensitivity over the cycle. While the group's cumulative hedge ratio between endowment and impairments for the period 2010 to 2025 has proved effective as an economic hedge in terms of reducing income statement volatility, it is recognised that the correlation between endowment and impairments may vary across different clusters because of the nature of their respective business portfolios. In certain low-correlation portfolios, endowment will be structurally hedged over time as opportunities arise through interest rate cycles. Conversely, where a stronger correlation exists between endowment and impairments, the relationship between interest rate sensitivity and impairment sensitivity is regarded as a natural economic hedge.

Sensitivity analysis

At the reporting date, the net interest income (profit or loss) sensitivity of the banking book for a 1% parallel decline in interest rates, measured over 12 months, is a decrease in net interest income of approximately R1 468m before tax (2024: R1 518m), which is within the board's approved risk limit. The group's net interest income sensitivity exhibits minimal convexity and will therefore also result in an increase in pre-tax net interest income of a similar amount should interest rates increase by 1%. At 31 December 2025, R14bn of the group's endowment position was hedged within business clusters where the endowment does not provide a natural offset to credit impairments. As a result, the bank's NII sensitivity for a 1% decrease in interest rates, expressed as a percentage of AIEBA, decreased from 15 bps to 13 bps yoy.

Nedbank group's economic-value-of-equity sensitivity, measured for a 1% parallel decline in interest rates, was R1 964m (2024: R737m). Nedbank Group's EVE sensitivity has increased yoy, driven primarily by the associated endowment hedge positions. While these hedges have mitigated earnings volatility, they have resulted in higher IRRBB on an economic value basis. This has led to a controlled increase in overall EVE sensitivity, aligned with the bank's strategic balance sheet management and risk optimisation objectives.

Comprehensive IRRBB disclosures are included in the group's unaudited Pillar 3 Risk and Capital Management Report, available on its website.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

L5 MARKET RISK IN THE TRADING BOOK

Trading market risk is the risk of loss as a result of unfavourable changes in the market value of the trading book because of changes in market risk factors, such as foreign exchange rates, interest rates, equity prices, commodity prices, credit spreads and implied volatilities. The trading book is defined as positions in financial instruments and commodities, including derivative products and other off-balance-sheet instruments, that are held with trading intent or used to hedge other elements of the trading book.

MANAGEMENT OF TRADING MARKET RISK

Trading market risk is governed by board-approved policies that cover management, identification, measurement and monitoring.

Market risk limits, including value at risk (VaR) and stress trigger limits, are approved at board level and reviewed periodically, but at least annually. These limits are then allocated to the trading units using a tiered-limit approach by the Trading Risk Committee. Market risk reports are available at a variety of levels and in various degrees of detail, ranging from individual trader level to a group level view of market risk. Market risk exposures are measured and reported to management and bank executives daily.

In addition to applying business judgement, management uses a number of quantitative measures to manage the exposure to trading market risk. These measures include the following:

- Risk limits based on a portfolio measure of market risk exposures referred to as VaR, including extreme tail loss (ETL).
- Scenario analysis, stress testing and other analytical tools that measure the potential effects on trading revenue in the event of various unexpected market events.

HISTORICAL VALUE AT RISK (99%, 1-DAY) BY RISK TYPE

VaR is the potential loss in pretax profit due to adverse market movements over a defined holding period with a specified confidence level. The VaR methodology is a statistically defined, probability-based approach that takes into account market volatilities as well as risk diversification by recognising offsetting positions and correlations between products and markets. It facilitates the consistent measurement of risk across all markets and products, and risk measures can be aggregated to arrive at a single risk number. The 99% 1-day VaR number used by the group shows, at a 99% confidence level, that the daily loss will not exceed the reported VaR and therefore the daily losses exceeding the VaR figure are likely to occur, on average, once in every 100 business days.

The group uses 1 year of historical data to estimate VaR. Some of the considerations that are taken into account when reviewing the VaR numbers are the following:

- The assumed 1-day holding period will not fully capture the market risk of positions that cannot be liquidated or offset with hedges within 1 day.
- The historical VaR assumes that the past is a good representation of the future, which may not always be the case.
- The 99% confidence level does not indicate the potential loss beyond this interval.
- If a product or listing is new in the market, limited historical data would be available. In such cases a proxy is chosen to act as an estimate for the historical rates of the relevant risk factor. Depending on the amount of (limited) historical rates available, regression analysis is used on the chosen proxy to refine the link between the proxy and the actual rates.

Additional risk measures are used to monitor the individual trading desks, including performance triggers, approved trading products, concentration of exposures, maximum tenor limits and market liquidity constraints.

All market risk models are subject to periodic independent validation in terms of the Group Market Risk Framework. Should the review process indicate that models need to be updated, a formal independent review will take place. All new risk models developed are validated independently prior to implementation.

The group's current trading activities are focused on liquid markets.

Rm	2025				2024			
	Average	Minimum	Maximum	Year-end	Average	Minimum	Maximum	Year-end
Foreign exchange	2.4	0.5	15.4	3.0	3.8	0.6	12.2	2.0
Interest rate	42.9	25.3	85.1	34.9	51.0	25.1	88.8	33.9
Equity	5.5	0.9	37.3	3.0	3.5	0.6	22.5	4.1
Credit	5.7	3.9	9.6	9.1	12.2	7.0	15.4	7.0
Commodity	0.6		1.6	0.1	0.5	0.2	0.9	0.3
Diversification	(17.3)			(13.4)	(23.4)			(21.2)
Total VaR exposure	39.8	22.4	70.9	36.7	47.6	24.6	89.2	26.1

L6 INSURANCE RISK

Insurance risk is managed through underwriting limits, approval procedures, centralised reinsurance management, and the monitoring emerging issues. Internal risk measurement models, sensitivity analysis, and scenario analysis are used to assess and monitor insurance risk exposures. The underwriting strategy aims to achieve a balanced portfolio through appropriate risk selection and maintaining underwriting profitability. This includes defining classes of insurance business, product ranges, competitiveness, underwriting control, and mandates. A portion of the risks underwritten is reinsured to control exposure to losses and protect capital resources. Proportional and non-proportional reinsurance treaties are used to reduce net exposure, with facultative reinsurance used in specific circumstances.

Various life and non-life products that cover risks ranging from homeowners' risk, warranty, and personal lines to life insurance, disability, retrenchment, and dread disease are underwritten. These key risks incorporate underwriting and claims experience risk, which are managed through sensible pricing and reinsurance. Concentrations of risk may arise from a single insurance contract or related contracts, impacting liabilities, but as the risks covered are across the group's client base, there is no specific concentration risk demographically. There is geographical concentration in respect of South Africa.

Total aggregate exposure limits are set for natural catastrophes and modelling tools are used to monitor aggregation and simulate catastrophe losses. The most significant exposure would arise from an earthquake. Insurance risk is ceded to limit exposure to underwriting losses under various agreements. The group remains liable to policyholders if any reinsurer fails to meet its obligations. Reinsurer security is assessed from public rating information and internal investigations. The group is liable for all insured events during the contract term, even if the loss is discovered after the contract term. The majority of insurance contracts are 'short-tailed', with most claims settled within a year. Detailed claims run-off information is not presented as 'long-tailed' business comprises less than 10% of an average year's claims costs.

When assessing sensitivities through changing key assumptions individually in a range averaging 10% (2024: 10%), each item had an impact of less than R45m (2024: R35m) on profit before direct taxation, both before and after reinsurance mitigation.

The nature of the group's exposure to insurance risk and its objectives, policies and processes used to manage and measure the risks have not changed from the previous period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

SECTION M: CASH FLOW INFORMATION

M1 NON-CASH ITEMS AND INDIRECT TAXATION

	2025 Rm	2024 Rm
Non-cash items and indirect taxation		
Depreciation and amortisation	4 377	4 428
Movement in impairments on financial instruments	8 067	9 356
Unrealised gains (note B6.2)	(784)	(144)
Fair-value adjustments (note B6.2)	263	(240)
Foreign exchange losses	36	1 793
Short-term incentives and long-term employee benefits	(105)	380
Share-based payments expense – employees (note B7)	780	747
Impairments charge on non-financial instruments and other gains and losses (note B9)	9 616	158
Indirect taxation (note B8.1)	1 275	1 084
Share of gains of associate companies (note F2.1)	(1 192)	(1 313)
	22 333	16 249

M2 INCREASE IN OPERATING ASSETS

	2025 Rm	2024 Rm
Other short-term securities	11 429	4 873
Government and other securities	(60 309)	(27 805)
Loans and advances	(76 721)	(79 681)
Derivative financial instruments and other operating assets	(24 117)	(6 031)
Movement in interest accruals	1 214	186
	(148 504)	(108 458)

M3 INCREASE IN OPERATING LIABILITIES

	2025 Rm	2024 Rm
Current and savings accounts	717	35
Other deposits, loan accounts and foreign currency liabilities	88 989	94 866
Negotiable certificates of deposit	19 089	(13 794)
Deposits received under repurchase agreements	21 303	5 215
Derivative financial instruments and other operating liabilities	15 209	7 552
Movement in interest accruals	246	(1 455)
	145 553	92 419

M4 TAXATION PAID

	2025 Rm	2024 Rm
Amounts payable at the beginning of the year	(142)	(157)
Statement of comprehensive income charge (excluding deferred taxation)	(4 495)	(4 360)
Current taxation recognised in equity	282	114
Amounts payable at the end of the year	13	142
	(4 342)	(4 261)
Indirect taxation paid	(1 702)	(1 625)
Taxation paid	(6 044)	(5 886)

SECTION N: ADDITIONAL INFORMATION

N1 FOREIGN CURRENCY CONVERSION

ACCOUNTING POLICY

Foreign currency transactions

Individual entities within the group may use a functional currency different from that of the group, being the currency of the primary economic environment in which the respective entities operate. Transactions in foreign currencies are translated into the functional currency of the individual entities at the date of the transaction by applying the spot exchange rate ruling at the transaction date to the foreign currency amounts. The consolidated financial statements are presented in South African rands, which is the group's presentation currency.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency of the respective entities of the group at the spot exchange rate ruling at the reporting date.

Exchange differences that arise on the settlement or translation of monetary items at rates that are different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in non-interest revenue and income, in the period in which they arise.

Non-monetary assets and liabilities that are denominated in foreign currencies and measured at fair value are translated into the respective functional currencies of the group entities using the foreign exchange rates ruling at the dates when the fair values were determined.

Non-monetary assets and liabilities that are denominated in foreign currencies and measured in terms of historical cost are converted to the functional currency of the respective group entities at the rate of exchange ruling at the date of the transaction and are not retranslated subsequently.

Exchange differences on non-monetary items are recognised consistently, with the gains and losses that arise on such items, i.e. exchange differences relating to an item for which gains and losses are recognised directly in equity, are generally recognised in equity. Similarly, exchange differences for non-monetary items for which gains and losses are recognised in profit or loss are recognised in non-interest revenue and income in the period in which they arise.

Exchange rates

	Average		Closing	
	2025	2024	2025	2024
UK pound to rand	23,56	23,42	22,32	23,53
US dollar to rand	17,88	18,33	16,61	18,75
Mozambican metical to rand	0,28	0,29	0,26	0,29

Geographic analyses

The geographic analyses within various notes are based on the geographic location of the clients or transactions and not the domicile of the group entity.

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FOR THE YEAR ENDED 31 DECEMBER

Foreign currency sensitivity analysis

During the year, the group enhanced its foreign currency disclosure by presenting a sensitivity analysis of foreign-currency-denominated financial instruments to changes in exchange rates. This disclosure will enable users to understand the nature and impact of the group's foreign currency risk exposure. To provide comparability the prior-year information has been disclosed.

A sensitivity analysis was performed to assess the impact of a 10% (2024: 10%) strengthening or weakening of material foreign currencies against the group's functional currency, assuming all other variables remain constant. This analysis reflects the potential effect on profit or loss and equity at the reporting date, based on foreign-currency-denominated financial instruments. Refer to L5 for the group's sensitivity analysis on market risk relating to foreign-currency-denominated financial instruments in the trading book.

Change in foreign exchange rate	Net investment	Change in foreign exchange rate	Increase or decrease in equity/profit or loss
	Rm	%	Rm
2025			
GPB	4 864	10	486
USD	(5 114)	10	511
EUR	(1 974)	10	197
Other	2 922	10	292

Change in foreign exchange rate	Net investment	Change in foreign exchange rate	Increase or decrease in equity/profit or loss
	Rm	%	Rm
2024			
GPB	7 476	10	748
USD	(5 129)	10	513
EUR	(2 178)	10	218
Other	2 501	10	250

N2 EVENTS AFTER THE REPORTING PERIOD

Events after the reporting period – proposed acquisition of 66% of NCBA Group

On 21 January 2026, Nedbank Group Limited submitted its intention to acquire approximately 66% of NCBA Group plc, a leading East African banking group, through a partial pro-rata offer to all NCBA shareholders. The transaction aligns with Nedbank's strategic objective to expand into East Africa by partnering with a Tier-1 Kenyan bank with strong digital capabilities, regional reach and over 60 million customers. The consideration will comprise 80% Nedbank Group Limited shares and 20% cash, subject to regulatory approvals in Kenya and elsewhere. The deal positions NCBA as Nedbank's primary East African investment vehicle while retaining NCBA's independent governance and listing.

Other than the above, the directors are not aware of any material events that have occurred between the reporting date and 2 March 2026, which is the date of approval of the consolidated and separate annual financial statements.

N3 DIRECTORS' EMOLUMENTS

The following disclosures are those required by the Companies Act, 71 of 2008 (as amended), in respect of remuneration of directors and prescribed officers:

N3.1 TOTAL REMUNERATION OF EXECUTIVE DIRECTORS AND PRESCRIBED OFFICERS

R'000	Jason Quinn ^{1,2,3}		Mfundo Nkuhlu	
	2025	2024	2025	2024
Cash salary	9 380	5 576	6 298	6 029
Retirement contributions	579	343	937	894
Other benefits	379	205	415	377
Total guaranteed package	10 338	6 124	7 650	7 300
Cash short-term incentive	9 500	5 750	7 000	7 750
Deferred short-term incentive	8 000	4 250	5 500	6 250
Total short-term incentive	17 500	10 000	12 500	14 000
Long-term incentive awarded	21 000	18 000	13 500	13 250
Long-term incentive awarded - On appointment		62 732		
Buy-out awarded (Settled)		9 150		
Buy-out awarded (Deferred)		13 726		
Agreed early retirement payment				
Total awarded remuneration	48 838	119 732	33 650	34 550

R'000	Andiswa Bata ^{4,5,6}		Anél Bosman	
	2025	2024	2025	2024
Cash salary	2 178		5 964	5 044
Retirement contributions	356		469	398
Other benefits	77		262	243
Total guaranteed package	2 611	–	6 695	5 685
Cash short-term incentive	4 500		8 750	11 250
Deferred short-term incentive	3 000		7 250	9 750
Total short-term incentive	7 500	–	16 000	21 000
Long-term incentive awarded	13 000		12 000	10 000
Long-term incentive awarded - On appointment	10 000			
Buy-out awarded (Settled)	8 800			
Buy-out awarded (Deferred)	2 700			
Agreed early retirement payment				
Total awarded remuneration	44 611	–	34 695	36 685

¹ Jason's 2024 remuneration relates to the period from his appointment on 22 May 2024.

² Jason received an on appointment LTI award of R62.7m in August 2024. This award, together with the award referenced in note 3, was made in respect of the awards that he forfeited on resignation from his previous employer. The award is fully subject to the standard corporate performance targets applicable to the 2024 LTI issuance.

³ A cash buyout award of R22.9m was granted to Jason in June 2024 on commencement of employment. An amount of R9.2m was settled in cash on appointment and the remaining R13.7m will be settled in cash in May 2027, subject to minimum performance requirements. The buyout award is subject to full repayment or forfeiture should his employment terminate for any reason other than a no fault termination before 31 May 2027.

⁴ Andiswa's 2025 remuneration relates to the period from her appointment on 18 August 2025.

⁵ Andiswa received an on appointment LTI award of R10m in August 2025. This award, together with the award referenced in note 6, was made in respect of the awards that she forfeited on resignation from her previous employer. The award is fully subject to the standard corporate performance targets applicable to the 2025 LTI issuance.

⁶ A cash buyout award of R11.5m was granted to Andiswa on commencement of employment in August 2025. An amount of R8.8m was settled in cash on appointment and the remaining R2.7m will be settled in cash in August 2027, subject to minimum performance requirements. The buyout awards are subject to full repayment or forfeiture should her employment terminate for any reason other than a no fault termination before 31 July 2027.

⁷ Iolanda Ruggiero retired on 31 March 2025 and her remuneration for the period up to this date is disclosed.

⁸ No-fault termination treatment was applied to Iolanda's unvested share awards in accordance with the Remuneration Policy. These awards will remain subject to the applicable performance conditions and vesting schedule. An early-retirement payment totalling R19 million was made. Malus (forfeiture) and clawback provisions continue to apply to all incentive awards.

Total direct remuneration is paid 100% by Nedbank Limited for services rendered.

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Michael Davis		Ciko Thomas	
2025	2024	2025	2024
5 848	5 547	5 794	5 544
1 089	1 031	948	906
299	272	205	190
7 236	6 850	6 947	6 640
7 250	8 000	5 625	6 750
5 750	6 500	4 125	5 250
13 000	14 500	9 750	12 000
13 500	13 250	13 000	12 250
33 736	34 600	29 697	30 890

Terence Sibiya		Iolanda Ruggiero ^{7,8}	
2025	2024	2025	2024
4 498	4 242	1 068	4 225
434	415	153	605
236	280	29	108
5 169	4 937	1 250	4 938
4 750	6 000		
3 250	4 500		
8 000	10 500	–	–
10 000	10 000		
		19 000	
23 169	25 437	20 250	4 938

N3.2 NON-EXECUTIVE DIRECTORS' REMUNERATION

Name	Note	Nedbank Limited and Nedbank Group Limited board fees	Committee fees	2025	2024
		(R000)	(R000)	(R000)	(R000)
M Bomela	1	386	346	732	
HR Brody	2	912	1 418	2 330	2 238
BA Dames		651	1 067	1 719	1 494
NP Dongwana	3	651	1 678	2 329	1 574
O Fortuin	4	386	141	527	
MA Hermanus	5	651	283	934	375
EM Kruger	6	265	940	1 717	3 995
FR Grobler	7	111	50	161	
P Langeni	8	651	1 189	1 841	1 524
RAG Leith	9	651	2 045	2 696	1 996
L Makalima		651	1 535	2 187	1 918
AD Mminele	10	7 366		7 420	7 249
G Njenga	11	55	10	66	
TM Nombembe		651	751	1 403	1 207
S Subramoney	12	651	1 917	2 568	2 418
Total		14 689	13 370	28 630	25 988

¹ Mary Bomela was appointed as independent NED and as a member of the Group Audit Committee and Group Transformation, Social and Ethics Committee, effective 1 June 2025.

² Hubert Brody was appointed as a member of the Group Risk and Capital Management Committee, effective 9 May 2025. He stepped down as chair and member of the Group Remuneration Committee, effective 30 May 2025.

³ Neo Dongwana has been appointed as a member of the Group Directors' Affairs Committee and appointed as chair of the Group Audit Committee, effective 30 May 2025.

⁴ Oliver Fortuin has been appointed as an independent NED and as member of the Group Information Technology Committee, effective 1 June 2025.

⁵ May Hermanus has been appointed as a member of the Group Transformation, Social and Ethics Committee, effective 30 May 2025.

⁶ Errol Kruger's total fee is inclusive of the Nedbank Private Wealth (Isle of Man) chairperson fees of £21 600 (R511 300). He ceased being a NED, effective May 2025.

⁷ Fleetwood Grobler was appointed as an independent NED and a member of the Group Sustainability and Climate Resilience Committee on 1 November 2025 and as a member of the Group Remuneration Committee, effective 17 November 2025.

⁸ Phumzile Langeni has been appointed as chair of the Group Remuneration Committee and a member of the Group Directors' Affairs Committee, effective 30 May 2025. She stepped down as member of the Group Transformation, Social and Ethics Committee, effective 30 May 2025.

⁹ Rob Leith has been appointed as chair of the Group Risk and Capital Management Committee, effective 9 May 2025.

¹⁰ Daniel Mminele's total fee is inclusive of fringe benefits of R53 937.

¹¹ George Njenga was appointed as an independent NED and a member of the Group Sustainability and Climate Resilience Committee, effective 1 December 2025.

¹² Stanley Subramoney has been appointed as chair of the Group Credit Committee and Large-exposures Approval Committee, effective 9 May 2025. He stepped down as chair and member of the Group Audit Committee, effective 30 May 2025.

Where applicable, board fees include travel reimbursements for business mileage.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

Number of shares	Beneficial direct	Beneficial direct	Beneficial indirect	Beneficial indirect
	2025	2024	2025	2024
Directors¹				
Hubert Brody	1 094	1 094		
Brian Dames	64	64		
Mike Davis	146 931	123 916	190 233	184 625
Mfundo Nkuhlu	56 116	45 465	197 092	204 037
Jason Quinn			309 517	237 506
Stanley Subramoney			2 300	2 300
Prescribed officers¹				
Andiswa Bata			42 975	
Anél Bosman	89 068	66 999	183 031	187 034
Terence Sibiya	110 592	92 397	141 979	139 768
Ciko Thomas	30 270	12 567	179 611	180 099
Total ordinary shares	434 135	342 502	1 246 738	1 135 369

¹ No change in the interests of the directors and POs occurred between 31 December 2025 and 2 March 2026.

N3.3 SHARE-BASED PAYMENTS TO EXECUTIVE DIRECTORS AND PRESCRIBED OFFICERS

Executive director	Opening balance at 1 January 2025				Awards made during 2025			
	Number of restricted shares/options	Date of issue/inception	Issue price (R)	Vesting date	Number of restricted shares/options	Date of issue/inception	Issue price (R)	Final vesting/exercise date
Jason Quinn								
Nedbank restricted shares	237 506	15 August 2024	264,13	16 August 2027	63 233	24 March 2025	284,66	25 March 2028
Compulsory Bonus Share Scheme					8 778	31 March 2025	266,29	1 April 2028
Total value of dividends								
Total	237 506				72 011			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
 FOR THE YEAR ENDED 31 DECEMBER

Awards vesting/lapsing during 2025								
Number of restricted shares/options released	Number of restricted shares/options lapsed	Market price at vesting	Value gained on vesting	Notional value of loss on lapsing	Total value of dividends paid in respect of all plans 3	Number of restricted shares/options	End of performance period	Final vesting/exercise date
		(R)	(R)	(R)	(R)			
						237 506	31 December 2026	16 August 2027
						63 233	31 December 2027	25 March 2028
						8 778	31 December 2027	1 April 2028
					6 598 902			
-	-		-	-	6 598 902	309 517		

Executive director	Opening balance at 1 January 2025				Awards made during 2025			
	Number of restricted shares/options	Date of issue/inception	Issue price	Vesting date	Number of restricted shares/options	Date of issue/inception	Issue price	Final vesting/exercise date
			(R)				(R)	
Mfundo Nkuhlu								
Nedbank restricted shares	57 297	17 March 2022	218,16	18 March 2025				
	53 076	22 March 2023	226,09	23 March 2026				
	55 146	27 March 2024	226,67	28 March 2027				
					46 546	24 March 2025	284,66	25 March 2028
Compulsory Bonus Share Scheme¹	9 500	31 March 2022	238,81	1 April 2025				
	13 519	31 March 2023	213,58	1 April 2026				
	13 061	31 March 2024	231,59	1 April 2027				
					12 908	31 March 2025	266,29	1 April 2028
Voluntary Bonus Share Scheme²	1 151	31 March 2022	238,81	1 April 2025				
	1 287	31 March 2023	213,58	1 April 2026				
					1 549	31 March 2025	266,29	1 April 2028
Total value of dividends								
Total	204 037				61 003			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *continued*
FOR THE YEAR ENDED 31 DECEMBER

Awards vesting/lapsing during 2025								
Number of restricted shares/options released	Number of restricted shares/options lapsed	Market price at vesting	Value gained on vesting	Notional value of loss on lapsing	Total value of dividends paid in respect of all plans 3	Number of restricted shares/options	End of performance period	Final vesting/exercise date
		(R)	(R)	(R)	(R)			
34 665	22 632	267,04	9 256 942	6 043 649				
						53 076	31 December 2025	23 March 2026
						55 146	31 December 2026	28 March 2027
						46 546	31 December 2027	25 March 2028
	9 500	259,53	–	2 465 535				
						13 519	31 December 2025	1 April 2026
						13 061	31 December 2026	1 April 2027
						12 908	31 December 2027	1 April 2028
	1 151	259,53	–	298 719				
						1 287	31 December 2025	1 April 2026
						1 549	31 December 2027	1 April 2028
					4 629 120			
34 665	33 283		9 256 942	8 807 903	4 629 120	197 092		

Executive director	Opening balance at 1 January 2025				Awards made during 2025			
	Number of restricted shares/options	Date of issue/inception	Issue price	Vesting date	Number of restricted shares/options	Date of issue/inception	Issue price	Final vesting/exercise date
			(R)				(R)	
Mike Davis								
Nedbank restricted shares								
	45 837	17 March 2022	218,16	18 March 2025				
	48 653	22 March 2023	226,09	23 March 2026				
	50 734	27 March 2024	226,67	28 March 2027				
					46 546	24 March 2025	284,66	25 March 2028
Compulsory Bonus Share Scheme¹								
	8 924	31 March 2022	238,81	1 April 2025				
	13 197	31 March 2023	213,58	1 April 2026				
	13 061	31 March 2024	231,59	1 April 2027				
					13 425	31 March 2025	266,29	1 April 2028
Voluntary Bonus Share Scheme²								
	1 151	31 March 2022	238,81	1 April 2025				
	1 287	31 March 2023	213,58	1 April 2026				
	1 781	31 March 2024	231,59	1 April 2027				
					1 549	31 March 2025	266,29	1 April 2028
Total value of dividends								
Total	184 625				61 520			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER

Awards vesting/lapsing during 2025								
Number of restricted shares/options released	Number of restricted shares/options lapsed	Market price at vesting	Value gained on vesting	Notional value of loss on lapsing	Total value of dividends paid in respect of all plans 3	Number of restricted shares/options	End of performance period	Final vesting/exercise date
		(R)	(R)	(R)	(R)			
27 732	18 105	267,04	7 405 553	4 834 759				
						48 653	31 December 2025	23 March 2026
						50 734	31 December 2026	28 March 2027
						46 546	31 December 2027	25 March 2028
	8 924	259,53	–	2 316 046				
						13 197	31 December 2025	1 April 2026
						13 061	31 December 2026	1 April 2027
						13 425	31 December 2027	1 April 2028
	1 151	259,53	–	–				
						1 287	31 December 2025	1 April 2026
						1 781	31 December 2026	1 April 2027
						1 549	31 December 2027	1 April 2028
					4 362 015			
27 732	28 180		7 405 553	7 150 805	4 362 015	190 233		

Prescribed officer	Opening balance at 1 January 2025				Awards made during 2025			
	Number of restricted shares/options	Date of issue/inception	Issue price	Vesting date	Number of restricted shares/options	Date of issue/inception	Issue price	Final vesting/exercise date
			(R)				(R)	
Ciko Thomas								
Nedbank restricted shares	45 837	17 March 2022	218,16	18 March 2025				
	48 653	22 March 2023	226,09	23 March 2026				
	50 734	27 March 2024	226,67	28 March 2027				
					43 033	24 March 2025	284,66	25 March 2028
Compulsory Bonus Share Scheme¹	10 076	31 March 2022	238,81	1 April 2025				
	13 519	31 March 2023	213,58	1 April 2026				
	11 280	31 March 2024	231,59	1 April 2027				
					10 843	31 March 2025	266,29	1 April 2028
Voluntary Bonus Share Scheme²					1 549	31 March 2025	266,29	1 April 2028
Total value of dividends								
Total	180 099				55 425			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER

Awards vesting/lapsing during 2025								
Number of restricted shares/options released	Number of restricted shares/options lapsed	Market price at vesting	Value gained on vesting	Notional value of loss on lapsing	Total value of dividends paid in respect of all plans 3	Number of restricted shares/options	End of performance period	Final vesting/exercise date
		(R)	(R)	(R)	(R)			
27 732	18 105	267,04	7 405 553	4 834 759				
						48 653	31 December 2025	23 March 2026
						50 734	31 December 2026	28 March 2027
						43 033	31 December 2027	25 March 2028
	10 076	259,53	–	2 615 024				
						13 519	31 December 2025	1 April 2026
						11 280	31 December 2026	1 April 2027
						10 843	31 December 2027	1 April 2028
						1 549	31 December 2027	1 April 2028
					4 213 682			
27 732	28 181		7 405 553	7 449 783	4 213 682	179 611		

Prescribed officer	Opening balance at 1 January 2025				Awards made during 2025			
	Number of restricted shares/options	Date of issue/inception	Issue price	Vesting date	Number of restricted shares/options	Date of issue/inception	Issue price	Final vesting/exercise date
			(R)				(R)	
Andiswa Bata								
Nedbank restricted shares					42 975	21 August 2025	232,69	22 August 2028
Total value of dividends								
Total	-				42 975			

Prescribed officer	Opening balance at 1 January 2025				Awards made during 2025			
	Number of restricted shares/options	Date of issue/inception	Issue price	Vesting date	Number of restricted shares/options	Date of issue/inception	Issue price	Final vesting/exercise date
			(R)				(R)	
Anel Bosman								
Nedbank restricted shares	43 546	17 March 2022	218,16	18 March 2025				
	39 807	22 March 2023	226,09	23 March 2026				
	41 911	27 March 2024	226,67	28 March 2027				
					35 129	24 March 2025	284,66	25 March 2028
Compulsory Bonus Share Scheme ¹	16 121	31 March 2022	238,81	1 April 2025				
	21 244	31 March 2023	213,58	1 April 2026				
	20 186	31 March 2024	231,59	1 April 2027				
					20 137	31 March 2025	266,29	1 April 2028
Voluntary Bonus Share Scheme ²	1 151	31 March 2022	238,81	1 April 2025				
	1 287	31 March 2023	213,58	1 April 2026				
	1 781	31 March 2024	231,59	1 April 2027				
					1 549	31 March 2025	266,29	1 April 2028
Total value of dividends								
Total	187 034				56 815			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER

Awards vesting/lapsing during 2025								
Number of restricted shares/options released	Number of restricted shares/options lapsed	Market price at vesting	Value gained on vesting	Notional value of loss on lapsing	Total value of dividends paid in respect of all plans 3	Number of restricted shares/options	End of performance period	Final vesting/exercise date
		(R)	(R)	(R)	(R)			
						42 975	31 December 2027	22 August 2028
					441 783			
-	-		-	-	441 783	42 975		

Awards vesting/lapsing during 2025								
Number of restricted shares/options released	Number of restricted shares/options lapsed	Market price at vesting	Value gained on vesting	Notional value of loss on lapsing	Total value of dividends paid in respect of all plans 3	Number of restricted shares/options	End of performance period	Final vesting/exercise date
		(R)	(R)	(R)	(R)			
26 346	17 200	267,04	7 035 436	4 593 088		39 807	31 December 2025	23 March 2026
						41 911	31 December 2026	28 March 2027
						35 129	31 December 2027	25 March 2028
	16 121	259,53	-	4 183 883		21 244	31 December 2025	1 April 2026
						20 186	31 December 2026	1 April 2027
						20 137	31 December 2027	1 April 2028
	1 151	259,53	-	298 719		1 287	31 December 2025	1 April 2026
						1 781	31 December 2026	1 April 2027
						1 549	31 December 2027	1 April 2028
					4 272 622			
26 346	34 472		7 035 436	9 075 690	4 272 622	183 031		

Prescribed officer	Opening balance at 1 January 2025				Awards made during 2025			
	Number of restricted shares/options	Date of issue/inception	Issue price	Vesting date	Number of restricted shares/options	Date of issue/inception	Issue price	Final vesting/exercise date
			(R)				(R)	
Terence Sibiya								
Nedbank restricted shares								
	36 670	17 March 2022	218,16	18 March 2025				
	35 384	22 March 2023	226,09	23 March 2026				
	37 058	27 March 2024	226,67	28 March 2027				
					35 129	24 March 2025	284,66	25 March 2028
Compulsory Bonus Share Scheme¹								
	6 045	31 March 2022	238,81	1 April 2025				
	9 334	31 March 2023	213,58	1 April 2026				
	11 280	31 March 2024	231,59	1 April 2027				
					9 294	31 March 2025	266,29	1 April 2028
Voluntary Bonus Share Scheme²								
	1 046	31 March 2022	238,81	1 April 2025				
	1 170	31 March 2023	213,58	1 April 2026				
	1 781	31 March 2024	231,59	1 April 2027				
					1 549	31 March 2025	266,29	1 April 2028
Total value of dividends								
Total	139 768				45 972			

¹. Matching on the Compulsory Bonus Share Scheme (CBSS) occurs only on shares in the scheme at the vesting date. If CPTs are met, 100% matching occurs.

². For the Voluntary Bonus Share Scheme (VBSS), employees invest their own Nedbank shares in the scheme. After 3 years, if the CPTs are met, 100% matching occurs.

³. Plans exclude the VBSS, which consists of own shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER

Awards vesting/lapsing during 2025								
Number of restricted shares/options released	Number of restricted shares/options lapsed	Market price at vesting	Value gained on vesting	Notional value of loss on lapsing	Total value of dividends paid in respect of all plans 3	Number of restricted shares/options	End of performance period	Final vesting/exercise date
		(R)	(R)	(R)	(R)			
22 186	14 484	267,04	5 924 549	3 867 807				
						35 384	31 December 2025	23 March 2026
						37 058	31 December 2026	28 March 2027
						35 129	31 December 2027	25 March 2028
	6 045	259,53	–	1 568 859				
						9 334	31 December 2025	1 April 2026
						11 280	31 December 2026	1 April 2027
						9 294	31 December 2027	1 April 2028
	1 046	259,53	–	271 468				
						1 170	31 December 2025	1 April 2026
						1 781	31 December 2026	1 April 2027
						1 549	31 December 2027	1 April 2028
					3 242 723			
22 186	21 575		5 924 549	5 708 135	3 242 723	141 979		

AUDITED SEPARATE FINANCIAL STATEMENTS

SEPARATE STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER

	Note	2025 Rm	2024 Rm
Dividends from subsidiary companies		16 645	11 682
Interest income on financial instruments measured at amortised cost ¹		1 415	1 460
Interest expense and similar charges ²		(1 619)	(1 551)
(Expenses)/other income		(21)	4
Share of (losses)/gains from associate company		(7 603)	1 162
Total income		8 817	12 757
Total operating expenses	1	(30)	(41)
Profit before direct taxation		8 787	12 716
Direct taxation	2	(87)	(61)
Profit for the year		8 700	12 655
Other comprehensive loss net of taxation		8 553	(1 744)
Items that may subsequently be reclassified to profit or loss			
Exchange differences on translating foreign operations		(87)	26
Share of other comprehensive gains/(losses) of investments accounted for using the equity method		1 204	(1 775)
Items that may not subsequently be reclassified to profit or loss			
Share of other comprehensive losses of investments accounted for using the equity method			5
Items reclassified to profit or loss			
Amounts reclassified to profit or loss on disposal of associate		7 436	
Total comprehensive income for the year		17 253	10 911

¹ During the year, the company reviewed its presentation of interest income in the statement of comprehensive income. As a result of the review, the line item 'interest and similar income' was renamed 'Interest income on financial instruments measured at amortised cost'. The revised description more accurately reflects the nature of the company's interest income and aligns with the requirements of IAS 1: Presentation of Financial Statements. This reclassification had no impact on the company's statement of financial position, statement of changes in equity, or statement of cash flows.

² Interest expense for financial liabilities is measured at amortised cost and includes notional discounting of interest-free loans of R3m (2024: R128m).

SEPARATE STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER

	Note	2025 Rm	2024 Rm
Assets			
Cash and cash equivalents		2 254	276
Other assets		78	
Government and other securities		15 358	12 436
Investment securities		52	47
Investments in associate companies	3		666
Investments in subsidiary companies		44 399	44 388
Investment in ordinary shares		31 956	28 800
Investment in additional tier 1 capital instruments		11 969	12 798
Investment in intragroup tier 2 instruments			2 020
Amounts due from subsidiaries		474	770
Total assets		62 141	57 813
Equity and liabilities			
Ordinary share capital	4.1	477	488
Ordinary share premium		16 703	19 121
Holders of additional tier 1 capital instruments		11 969	12 798
Reserves		12 393	6 838
Equity attributable to ordinary shareholders		41 542	39 245
Amounts owing to subsidiaries		3 816	2 703
Preference shares issued	4.2	1 373	1 373
Taxation payable		27	27
Other liabilities		25	9
Long-term debt instruments	5	15 358	14 456
Total liabilities		20 599	18 568
Total equity and liabilities		62 141	57 813

SEPARATE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER

	Number of ordinary shares	Ordinary share capital Rm	Ordinary share premium Rm	Holders of additional tier 1 capital instruments
Balance at 1 January 2024	488 105 724	488	19 198	10 469
Repurchase of odd-lot holdings	(291 929)		(77)	
Additional tier 1 capital instruments issued				3 000
Additional tier 1 capital instruments redemption				(671)
Total comprehensive (losses)/income for the year	–	–	–	–
Profit for the year				
Exchange differences on translating foreign operations				
Share of OCI of investments accounted for using the equity method				
Dividends to shareholders				
Additional tier 1 capital instruments interest paid				
Balance at 31 December 2024	487 813 795	488	19 121	12 798
Repurchase of general holdings	(10 541 167)	(11)	(2 418)	
Additional tier 1 capital instruments issued				2 972
Additional tier 1 capital instruments redemption				(3 801)
Total comprehensive (losses)/income for the year	–	–	–	–
Profit for the year				
Exchange differences on translating foreign operations				
Share of OCI of investments accounted for using the equity method				
Amounts reclassified to profit or loss on disposal of associate companies				
Dividends to shareholders				
Additional tier 1 capital instruments interest paid				
Balance at 31 December 2025	477 272 628	477	16 703	11 969

¹ This represents the cumulative foreign exchange differences that arise on the translation of an entity with a functional currency different from 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 or loss on disposal of the subsidiary, associate company or joint venture.

² All share-based payment expenses are recognised in the statement of comprehensive income, with the corresponding amount recognised in share-based payment reserves. On the expiry or exercise of a share-based instrument the cumulative amount recognised in this respect is transferred directly to other distributable reserves.

³ Represents other non-distributable revaluation surplus on capital items.

⁴ This comprises all fair-value adjustments relating to investments in debt instruments and equity investments that are subsequently measured at FVOCI. The expected credit loss allowance relating to such debt instruments is also recognised in OCI and accumulated in this reserve. When the debt instrument is derecognised, the cumulative gain or loss is reclassified from equity to profit or loss. For investments in equity instruments the cumulative gain or loss is not recycled, but may be reclassified within equity on derecognition.

⁵ Represents the accumulated profits after distributions to shareholders and appropriation of retained earnings to other non-distributable earnings.

Foreign currency translation reserve ¹ Rm	Share-based payments reserve ² Rm	Other non- distributable reserves ³ Rm	FVOCI reserve ⁴ Rm	Distributable reserves ⁵ Rm	Total ordinary shareholders' equity Rm
(6 575)	125	67	(229)	13 601	37 144
					(77)
					3 000
					(671)
(1 746)	–	–	(3)	12 660	10 911
				12 655	12 655
26					26
(1 772)			(3)	5	(1 770)
				(9 727)	(9 727)
				(1 335)	(1 335)
(8 321)	125	67	(232)	15 199	39 245
					(2 429)
					2 972
					(3 801)
8 321	–	–	232	8 700	17 253
				8 700	8 700
(87)					(87)
935			269		1 204
7 473			(37)		7 436
				(10 379)	(10 379)
				(1 319)	(1 319)
–	125	67	–	12 201	41 542

SEPARATE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER

	Note	2025 Rm	2024 Rm
Profit before direct taxation		8 787	12 716
Adjusted for:		(8 841)	(12 726)
Non-cash items	6.1	7 600	(1 135)
Interest and similar income		(1 415)	(1 460)
Interest expense and similar charges		1 619	1 551
Dividends from subsidiary companies		(16 645)	(11 682)
Dividends received from subsidiary and associate companies		16 564	11 635
Interest received		1 429	1 462
Interest paid		(1 598)	(1 370)
Change in funds for operating activities		(635)	(2 154)
Increase in operating assets		(1 735)	(28)
Decrease/(increase) in operating liabilities		1 100	(2 126)
Net cash from operating activities before taxation		15 706	9 563
Taxation paid	6.2	(87)	(34)
Cash flows from operating activities		15 619	9 529
Cash flows (used by)/from investing activities		354	(4 717)
(Acquisition)/Disposal of additional tier 1 capital and long-term debt instruments ¹		1 879	(3 575)
Acquisition of investments in subsidiaries		(1 525)	(1 142)
Cash flows used by financing activities		(13 995)	(6 063)
Repurchase of ordinary shares		(2 418)	(77)
Issued additional tier 1 capital instruments		2 972	3 000
Redemption of additional tier 1 capital instruments		(3 801)	(671)
Issued long-term debt instruments		5 000	3 746
Redemption of long-term debt instruments		(4 050)	(2 500)
Issued of redeemable preference shares			1 500
Dividends paid to ordinary shareholders		(10 379)	(9 727)
Additional tier 1 capital instruments distributions		(1 319)	(1 334)
Net (decrease)/increase in cash and cash equivalents for the year		1 978	(1 251)
Cash and cash equivalents at the beginning of year		276	1 527
Cash and cash equivalents at the end of the year		2 254	276

¹ Included in the '(Acquisition)/Disposal of additional tier 1 capital and long-term debt instruments' line item is acquisitions of additional tier 1 capital of R2 972m (2024: R3 000m), acquisitions of long-term debt instruments of R5 000m (2024: R3 746m), disposals of additional tier 1 capital of R3 801m (2024: R671m) and disposals of long-term debt instruments of R2 050m (2024: R2 500m). These acquisitions and disposals are with Nedbank Limited, a registered financial institution.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

1 TOTAL OPERATING EXPENSES

	2025 Rm	2024 Rm
Audit fees	10	9
Directors' fees	3	2
Listing and admin fees	17	30
	30	41

2 DIRECT TAXATION

2.1 Charge for the year

	2025 Rm	2024 Rm
Current taxation	27	37
Foreign dividend withholding tax	60	24
	87	61

2.2 Taxation rate reconciliation

	2025 %	2024 %
Standard rate of South African normal taxation	27	27
Non-taxable income	(27)	(27)
Effective taxation rate	–	–

3 INVESTMENT IN ASSOCIATE COMPANIES

3.1 Movement in carrying amount

	2025 Rm	2024 Rm
Carrying amount at the beginning of the year	666	1 248
Share of associate companies' profit after taxation for the year	994	1 162
Share of associate companies' OCI for the year	1 207	(1 770)
Foreign currency translation and other movements	(87)	26
Impairment provision and loss on disposal	(2 780)	
Carrying amount at the end of the year	–	666

3.2 Analysis of carrying amount

	2025 Rm	2024 Rm
Associate investments – on acquisition: net asset value	6 265	6 265
Our share of amounts recognised directly in equity	(780)	(780)
Share of earnings since acquisition	6 253	5 259
Share of OCI since acquisition	(8 645)	(9 852)
Dividends received from equity-accounted associate company	(403)	(403)
Impairment provision for investments in associate company	(1 750)	(1 750)
Foreign currency translation and other movements	1 840	1 927
Impairment provision and loss on disposal	(2 780)	
	–	666

Refer to note F2 for more information on the disposal of the investment in ETI.

4 SHARE CAPITAL

4.1 Ordinary share capital

	2025 Rm	2024 Rm
Authorised		
600 000 000 (2024: 600 000 000) ordinary shares of R1 each	600	600
Issued ordinary share capital		
477 272 628 (2024: 487 813 795) fully paid ordinary shares of R1 each	477	488

Subject to the restrictions imposed by the Companies Act, 71 of 2008 (as amended), the unissued shares are under the control of the directors until the forthcoming AGM.

4.2 Preference share capital and premium

	2025 Rm	2024 Rm
Authorised		
1 000 000 (2024: 1 000 000) cumulative redeemable non-participating preference shares of R10 000 each	10 000	10 000
1 000 000 (2024: 1 000 000) class A non-redeemable non-participating perpetual preference shares of R1 each ¹	1	1
Issued		
150 000 (2024: 150 000) fully paid cumulative redeemable non-participating preference shares of R10 000 each ²	1 373	1 373

¹ Represents amounts less than R1m.

² 15 000 (2024: 15 000) shares were subscribed by Depfin Proprietary Limited.

The 'B' redeemable preference shares confer the right to receive dividends, after the payment of all dividends that may be payable to the holders of other classes of preference shares.

Subject to the provisions of the Companies Act, 71 of 2008, the 'B' redeemable cumulative preference shares are redeemable at any time at the option of the company on such basis as may be determined by the directors of the company.

5 LONG-TERM DEBT INSTRUMENTS

Instrument type	Maturity date	Interest rate	2025 Rm	2024 Rm
Callable notes (rand-denominated – floating)	30 June 2030	JIBAR + 2.80%		2 020
Callable notes (rand-denominated – floating)	2 July 2030	JIBAR + 3.85%		2 110
Callable notes (rand-denominated – floating)	19 June 2031	JIBAR + 2.35%	2 508	2 508
Callable notes (rand-denominated – floating)	27 December 2031	JIBAR + 2.0%	450	451
Callable notes (rand-denominated – floating)	4 October 2033	JIBAR + 1.715%	2 116	2 123
Callable notes (rand-denominated – floating)	19 November 2032	JIBAR + 2.10%	1 439	1 440
Callable notes (rand-denominated – floating)	30 April 2034	JIBAR + 1.86%	1 765	1 768
Callable notes (rand-denominated – floating)	8 November 2034	JIBAR + 1.68%	2 031	2 036
Callable notes (rand-denominated – floating)	31 May 2035	JIBAR + 1.65%	2 519	
Callable notes (rand-denominated – floating)	11 November 2035	JIBAR + 1.58%	2 530	
			15 358	14 456

The net movement for the year relates to 2 note of R4 050m (2024: R2 500m) that were redeemed and 2 notes issued in 2025 for R 5 000m (2024: R3 746m) and interest accrued of R47m (2024: R8m).

Refer to C7: Derivative Financial Instruments in the Nedbank Group Limited consolidated annual financial statements for the disclosure of South African benchmark reform. The 31 December 2025 balances of government and other securities and holders of additional tier 1 capital instruments are also impacted by this reform.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER

5.1 MOVEMENT IN CARRYING AMOUNT

	2025 Rm	2024 Rm
Balance at the beginning of the year	14 456	13 218
Changes arising from cash movements	(432)	(124)
Issue of long-term debt instruments	5 000	3 746
Redemption of long-term debt instruments	(4 050)	(2 500)
Interest paid	(1 382)	(1 370)
Changes arising from non-cash movements	1 334	1 362
Accrued interest and unwinding of premiums/discount	1 334	1 362
	15 358	14 456

6 NOTES TO THE SEPARATE STATEMENT OF CASH FLOWS

6.1 Non-cash items

	2025 Rm	2024 Rm
Interest accruals	(8)	(5)
Interest expense accruals	(3)	(1)
Share of gains of associate companies	7 603	(1 162)
Fair-value adjustments	4	(1)
Taxation expense provision		26
Foreign exchange gains	4	8
	7 600	(1 135)

6.2 Taxation paid

	2025 Rm	2024 Rm
Statement-of-comprehensive-income charge – current tax	27	10
Statement-of-comprehensive-income charge – foreign dividend withholding tax	60	24
	87	34

NOTES TO THE SEPARATE FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

7 SHARE-BASED PAYMENTS

Equity instruments are granted to business partners and non-executive directors as an incentive to retain business and develop growth within the group. The share-based payment expenses and reserve balances in respect of the Client and Community Schemes, implemented in 2005, were accounted for in the Nedbank Group Limited consolidated financial statements and in the Nedbank Group Limited stand-alone financial statements. Both of these schemes will be equity-settled.

As the company cannot reliably estimate the fair value of services received or the value of additional business received, the company rebuts the presumption that such services and business can be measured reliably. The company therefore measures its fair value by reference to the fair value of the equity instruments granted, in line with the group's accounting policy. The fair value of share option awards is measured at the grant date using the Black–Scholes Valuation Model. For the non-option equity awards, the fair value is measured by reference to the listed share price, as well as the dividends over the vesting period to which the participant has a right.

7.1 Description of arrangements

Scheme	Trust/SPV	Description	Maximum term
Nedbank Eyethu BEE schemes			
Community Trust	Nedbank Eyethu Community Trust	The trust has been formed with the specific purpose of providing previously disadvantaged communities and charitable organisations with the opportunity to receive dividends in respect of the scheme shares, thereby contributing to Nedbank Group Limited's BEE compliance. Shares are not allocated to specific beneficiaries. At the end of the 5 years the net assets of the trust will be allocated to participants as determined by the trustees.	The termination date of the trust was moved from 2015 to 2030 to provide an ongoing flexible vehicle for deploying the residual assets of the trust and continued support of community affairs in line with the group's BEE and Fair Share 2030 initiatives.

7.2 Effect on profit and financial position

	Share-based payments reserve	
	2025	2024
Community Scheme ¹	125	125
	125	125

7.3 Movements in number of instruments

	2025		2024	
	Number of instruments	Weighted-average remaining contractual life (years)	Number of instruments	Weighted-average remaining contractual life (years)
Community Scheme				
Outstanding at the beginning of the year	1 559 448	6	1 559 448	7
Outstanding at the end of the year	1 559 448	5	1 559 448	6

¹ This reserve will start to decrease once the Community Scheme has distributed the shares to the beneficiaries. This reserve has 851 111 (2024: 851 111) shares to be distributed.

8. RELATED PARTIES

8.1 Key management employees' compensation

Key management employees are those persons who have authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including all directors of the company and its parent, as well as members of the executive committee who are not directors, as well as close members of the family of any of these individuals.

Refer to note F6.1 to the Nedbank Group Limited consolidated annual financial statements for compensation paid to the board of directors and compensation paid to other key management employees, as well as the number of share instruments held.

8.2 Related-party transactions

The following significant transactions were entered into between Nedbank Group Limited and the following related parties. All these transactions were entered into in the normal course of business.

Outstanding balances (Rm)	Due from/(Owing to)	
	2025	2024
Subsidiaries		
Loan owing to Nedbank Nominees Proprietary Limited – interest-free	(5)	(5)
Advance to Ned Settle Services Proprietary Limited – interest-free	72	72
Advance to NPE Holdco Proprietary Limited – interest-free	383	383
Advance to Nedbank Group Insurance Holdings Limited		257
Interest-free loan account Nedbank Limited CIB	11	11
Bank account with Nedbank Limited	2 218	235
Bank account with Nedbank Mozambique Limited	36	41
Nedbank Limited investment in tier 2 instruments		2 020
Loan from Nedbank Limited – interest-free	(1 111)	(11)
Tier 2 long-term debt – Nedbank Limited	15 358	12 436
Accounts receivable from Nedbank Limited	8	5
Accounts payable to Nedbank Limited	(2)	
Accounts payable to Nedgroup Investment Africa	(1)	(1)
Investment in additional tier 1 capital instruments	11 969	12 798
Nedgroup Securities accounts receivable		42
Depfin Proprietary Limited interest-bearing loan payable	(2 545)	(2 534)
Depfin Proprietary Limited redeemable preference shares	(152)	(152)
Key management employees		
– Community Trust – share-based payments reserve	(125)	(125)

Transactions (Rm)	Income/(Expense)	
	2025	2024
Interest income from subsidiaries		
Nedbank Limited – interest income	1 400	1 460
Nedbank Limited – interest expense	(1 334)	(1 491)
Depfin Proprietary Limited– interest expense	(194)	(37)
Dividends from subsidiaries		
Nedbank Limited	10 906	7 849
Nedeurope Limited	2 427	936
NedNamibia Holdings Proprietary Limited	548	221
Nedbank Group Insurance Holdings Limited	1 190	1 100
Nedgroup Investments Proprietary Limited	215	190
Nedbank Eswatini Limited	158	65
Nedbank Lesotho Limited	168	45
Nedbank Mozambique Limited		26
Nedgroup investment Africa	113	50
Nedgroup Securities Proprietary Limited	500	1 000
Nedgroup Private Wealth Proprietary Limited	200	200
ERF 7 Sandown Proprietary Limited	100	
Visigro Investments Proprietary Limited	120	
Dividends declared by subsidiaries	16 645	11 682

NOTES TO THE SEPARATE FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

9 LIQUIDITY, CREDIT RISK AND MARKET RISK INFORMATION

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the company. Financial assets subject to credit risk are cash and cash equivalents, government and other securities, investment in intergroup asset tier 2 instruments, and amounts due from and deposits with subsidiaries. The maximum exposure to credit risk is equal to the carrying amount. These amounts are monitored and provision is made, where necessary, for any irrecoverable amounts. At the end of the reporting period the company does not consider there to be any significant concentration of credit risk that had not been adequately provided for.

Financial assets subject to credit risk are mainly cash and cash equivalents, government and other securities, and intergroup investments in tier 2 instruments due from Nedbank Limited, a subsidiary of the company. Nedbank Limited has an external credit rating of zaAAA (2024: zaAA) from Standard & Poor's and Aaa.za (2024: Aa1) from Moody's Investors Service.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The company's risk to liquidity results from long-term debt instruments and amounts owing to subsidiaries. Through the group's Liquidity Risk Management Framework, the company manages the funding and market liquidity risk to ensure that operations continue uninterrupted under normal and stressed conditions. The key objectives that underpin the LRMF include maintaining financial-market confidence at all times, protecting key stakeholder interests and meeting regulatory liquidity requirements.

Maturity analysis (undiscounted contractual amounts)

Amounts owing to subsidiaries (Rm)	2025	2024 (Restated)
Less than 1 year ¹	1 289	213
More than a year but less than 5 years ¹	859	959
More than 5 years ¹	6 684	7 407
	8 833	8 579

Long-term debt instruments (Rm)	2025	2024 (Restated)
Less than 1 year ²	1 306	1 438
More than a year but less than 5 years ²	9 360	11 020
More than 5 years ²	15 020	12 449
	25 686	24 906

¹ During the year, the company reviewed the maturity analysis of amounts owing to subsidiaries and as a result of the review, the amounts owing to subsidiaries was mistated in the prior year and the categories have been restated accordingly. This reclassification has no impact on the total amounts owing to subsidiaries. The following 2024 line items were restated:

- Less than 1 year increased from R22m to R213m, a restatement of R191m.
- More than 1 year but less than 5 years increased from R157m to R959m, a restatement of R802m.
- More than 5 years increased from R2 648m to R7 407m, a restatement of R4 759m.

² During the year, the company reviewed the maturity analysis of long-term debt instruments. As a result of the review, the categories have been updated to include the interest payable to better reflect the nature of the line item. To ensure comparability, prior-year balances have been restated accordingly. This reclassification has no impact on the total long-term debt instruments. The following 2024 line items were restated:

- Less than 1 year, which was not previously disclosed separately, increased from Rnil to R1 438m, a restatement of R1 438m.
- More than 1 year but less than 5 years increased from Rnil to R11 020m, a restatement of R11 020m.
- More than 5 years, which was not previously disclosed separately, decreased from R24 906 to R12 449m.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises 3 types of risk: currency risk, interest rate risk and other price risk.

Interest rate risk is the risk that the value of a financial instrument will fluctuate owing to changes in market interest rates. The company's market risk results from interest rate changes on long-term debt instruments, amounts owing to subsidiaries, and amounts from and deposits with subsidiaries. Amounts owing to subsidiaries and amounts from and deposits with subsidiaries are unsecured, have no fixed terms of repayment and are non-interest-bearing. The company's level of borrowing and consequently the debt-servicing costs are closely monitored and controlled, with the prevailing and projected interest rates and the company's capacity to service such debt from future earnings taken into account.

Cash flow sensitivity analysis linked to interest rate risk

The company manages its exposure to interest rate risk by ensuring that instruments issued by the company (long-term debt instruments and additional tier 1 instruments) are invested in instruments with the identical interest rate risk profile. Therefore, a 1% increase or decrease in JIBAR-based interest rates at the end of the reporting would have no impact on the cashflows, profit or equity of the entity.

10 STATEMENT OF FINANCIAL POSITION – CATEGORIES OF FINANCIAL INSTRUMENTS

During the year, the company reviewed its presentation of categories of financial instruments. As a result of this review, the company enhanced this disclosure by presenting the categories of financial instruments in tabular format. It is the company's view that this enhancement will provide a better understanding of the company's financial instruments. To provide comparability the prior year categories of financial instruments have been presented.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS continued
FOR THE YEAR ENDED 31 DECEMBER

2025	Notes	Total Rm	FVTPL: Mandatorily at fair value Rm	FVTPL: Designated Rm	FVOCI: Debt instruments Rm	FVOCI: Equity Instruments Rm	Financial Instruments at amortised cost Rm	Non-financial assets, liabilities, and equity Rm
Assets								
Cash and cash equivalents		2 254					2 254	
Other assets		78					78	
Government and other securities ¹		15 358					15 358	
Investment securities		52	52					
Investments in associate companies	3							
Investment in ordinary shares		31 956						31 956
Investment in additional tier 1 capital instruments		11 969						11 969
Investment in intragroup tier 2 instruments								
Amounts due from subsidiaries		474					474	
Total assets		62 141	52	–	–	–	18 164	43 925
Equity and liabilities								
Ordinary share capital	4.1	477						477
Ordinary share premium		16 703						16 703
Holdings of additional tier 1 capital instruments		11 969						11 969
Reserves		12 393						12 393
Equity attributable to ordinary shareholders								
		41 542	–	–	–	–	–	41 542
Amounts owing to subsidiaries		3 816					3 816	
Preference shares issued		1 373					1 373	
Taxation payable		27						27
Other liabilities		25					25	
Long-term debt instruments	5	15 358					15 358	
Total liabilities		20 599	–	–	–	–	20 572	27
Total equity and liabilities		62 141	–	–	–	–	20 572	41 569

¹ Government and other securities comprise solely of instruments within the banking sector.

2024	Notes	Total Rm	FVTPL: Mandatorily at fair value Rm	FVTPL: Designated Rm	FVOCI: Debt instruments Rm	FVOCI: Equity Instruments Rm	Financial Instruments at amortised cost Rm	Non-financial assets, liabilities, and equity Rm
Assets								
Cash and cash equivalents		276					276	
Government and other securities ¹		12 436					12 436	
Investment securities		47	47					
Investments in associate companies	3	666						666
Investment in ordinary shares		28 800						28 800
Investment in additional tier 1 capital instruments		12 798						12 798
Investment in intragroup tier 2 instruments		2 020					2 020	
Amounts due from subsidiaries		770					770	
Total assets		57 813	47	–	–	–	15 502	42 264
Equity and liabilities								
Ordinary share capital	4.1	488						488
Ordinary share premium		19 121						19 121
Holdings of additional tier 1 capital instruments		12 798						12 798
Reserves		6 838						6 838
Equity attributable to ordinary shareholders								
		39 245	–	–	–	–	–	39 245
Amounts owing to subsidiaries		2 703					2 703	
Preference shares issued		1 373					1 373	
Taxation payable		27						27
Other liabilities		9					9	
Long-term debt instruments	5	14 456					14 456	
Total liabilities		18 568	–	–	–	–	18 541	27
Total equity and liabilities		57 813	–	–	–	–	18 541	39 272

¹ Government and other securities comprise solely of instruments within the banking sector.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER

11 ASSETS AND LIABILITIES NOT MEASURED AT FAIR VALUE FOR WHICH FAIR VALUE IS DISCLOSED

Certain financial instruments of the group are not carried at fair value. The calculation of the fair value of these financial instruments incorporates the group's best estimate of the value at which these financial assets could be exchanged, or financial liabilities transferred, between market participants at the measurement date. The group's estimate of what fair value is does not necessarily represent what it would be able to sell the asset for or transfer the respective financial liability for in an involuntary liquidation or distressed sale.

The fair values of these respective financial instruments at the reporting date detailed below are estimated only for the purpose of IFRS Accounting Standards disclosure, as follows:

	Carrying value	Fair value	Level 1	Level 2
2025				
Financial assets (Rm)	15 358	15 732	8 639	7 093
Government and other securities	15 358	15 732	8 639	7 093
Investments in subsidiaries				
Financial liabilities (Rm)	15 358	15 732	8 639	7 093
Long-term debt instruments	15 358	15 732	8 639	7 093
2024				
Financial assets (Rm)	14 456	14 867	5 900	8 967
Government and other securities	12 436	12 693	5 900	6 793
Investments in subsidiaries	2 020	2 174		2 174
Financial liabilities (Rm)	14 456	14 867	5 900	8 967
Long-term debt instruments	14 456	14 867	5 900	8 967

Government and other securities

The fair value of high-quality South African government bonds listed in an active market is based on the available market prices (level 1, and those that use unobservable inputs – level 2). The discounted-cash-flow methodology principles are used to determine the fair value. Refer to note 12: Fair-value measurement – financial instruments in the Nedbank Group Limited consolidated annual financial statements for the disclosure of the significant inputs.

Long-term debt instruments

The fair value of long-term debt instruments is based on available market prices (level 1). Where prices are not quoted or where the market is considered to be inactive, it is based on discounted-cash-flow analysis (level 2). Refer to note 12: Fair-value measurement – financial instruments in the Nedbank Group Limited consolidated annual financial statements for the disclosure of the significant inputs.

Cash and cash equivalents, amounts due from subsidiaries, preference shares and other liabilities

The carrying values of cash and cash equivalents, amounts due from subsidiaries, preference shares and other liabilities are considered a reasonable approximation of their respective fair values, as they are either short-term in nature or repriced to current market rates at frequent intervals.

Investments in subsidiaries

The fair value of the investment in intragroup tier 2 instruments included in the 'Investment in subsidiaries' line item is based on unobservable inputs – level 2. The discounted-cash-flow methodology principles are used to determine the fair value. The significant unobservable input to the valuation technique is the discount rate.

12 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Assets and liabilities consist primarily of non-financial assets and liabilities. These are not subject to offsetting disclosures as envisaged in IFRS 7: Financial Instruments – Disclosures.

13 DIRECTORS' EMOLUMENTS

Details of directors' emoluments have been included in N3.

14 EVENTS AFTER THE REPORTING PERIOD

Other than the events listed in note N2 of the consolidated annual financial statements, the directors are not aware of any material events that have occurred between the reporting date and 2 March 2026, which is the date of approval of the consolidated and separate annual financial statements.

INFORMATION NOT COVERED BY THE INDEPENDENT AUDITORS' REPORT

SHAREHOLDER ANALYSIS

Register date: 2 January 2026

Authorised share capital: 600 000 000 shares

Issued share capital: 477 272 628 shares

Shareholder spread	Number of share-holdings	%	Number of shares	%
1–1 000 shares	32 852	85.27	6 786 776	1.42
1 001–10 000 shares	4 194	10.89	11 570 703	2.42
10 001–100 000 shares	1 035	2.69	33 687 526	7.06
100 001–1 000 000 shares	374	0.97	116 028 414	24.31
1 000 001 shares and over	70	0.18	309 199 209	64.79
Total	38 525	100.00	477 272 628	100.00

Distribution of shareholders	Number of share-holdings	%	Number of shares	%
Banks/Brokers	315	0.81	144 210 480	30.22
Close corporations	172	0.44	302 816	0.06
Empowerment	29	0.08	2 918 879	0.61
Endowment funds	138	0.36	3 274 668	0.69
Government	14	0.04	339 163	0.07
Individuals	32 281	83.79	19 720 702	4.13
Insurance companies	123	0.32	12 897 399	2.70
Investment companies	11	0.03	623 722	0.13
Medical aid schemes	41	0.11	3 347 939	0.70
Mutual funds	606	1.57	136 979 756	28.70
Other corporations	250	0.65	325 403	0.07
Private companies	771	2.00	3 950 198	0.83
Public companies	23	0.06	121 030	0.03
Retirement funds	561	1.46	118 905 783	24.91
Share trusts ¹	4	0.01	21 138 794	4.43
Sovereign wealth funds	10	0.03	3 574 246	0.75
Trusts	3 131	8.12	4 479 740	0.94
UK nominee accounts	45	0.12	161 910	0.03
Total	38 525	100.00	477 272 628	100.00

¹ Excludes shares held by directors and prescribed officers in the Nedbank Group (2005) share option, matched-share and restricted-share schemes.

Public/Non-public shareholders	Number of share-holdings	%	Number of shares	%
Non-public shareholders	66	0.17	28 481 997	5.96
Directors and associates of the company ¹	6	0.02	903 347	0.19
Prescribed officers of the company ¹	4	0.01	777 526	0.16
Treasury stock	1		20 367 727	4.27
Nedbank/Nedbank Group pension funds	1		56 537	0.01
Nedbank Group and associates (share trusts and foundation) ²	5	0.01	2 174 456	0.46
Nedbank Group Limited and associates (mutual funds and banks)	20	0.05	3 928 917	0.82
Nedbank Group BEE trusts – SA ²	3	0.01	114 772	0.02
Nedbank Group BEE trusts – Namibia	26	0.07	158 715	0.03
Public shareholders	38 459	99.83	448 790 631	94.04
Total	38 525	100.00	477 272 628	100.00

¹ Includes shares held by directors and prescribed officers in the Nedbank Group (2005) share option, matched-share and restricted-share schemes.

² Excludes shares held by directors and prescribed officers in the Nedbank Group (2005) share option, matched-share and restricted-share schemes.

Major shareholders/managers	Number of shares	2025 % holding	2024 % holding
Nedbank Group treasury shares	20 367 727	4.26	4.30
BEE trusts:	2 597 880	0.54	0.53
– Eyethu scheme – Nedbank SA	2 482 790	0.52	0.51
– Omufima scheme – Nedbank Namibia	115 090	0.02	0.02
Nedbank Group (2005) Share Option, Matched-share and Restricted-share Schemes	13 748 013	2.88	2.91
Nedbank Namibia Limited	47 512	0.01	0.01
General repurchase of shares			0.04
Nedbank Foundation Trust	2 435		
Nedbank Social Development Fund Trust	3 971 887	0.83	0.81
Public Investment Corporation (SA)	71 088 954	14.89	14.80
Allan Gray (SA)	47 084 322	9.87	7.98
BlackRock Incorporated (international)	24 920 369	5.22	4.67
The Vanguard Group Incorporated (international)	19 841 053	4.16	3.94
Lazard Asset Management (international)	16 925 844	3.55	2.93
Fairtree Asset Management Pty Ltd (SA)	16 826 589	3.53	2.09
Coronation Fund Managers (SA)	14 858 579	3.11	5.16
Sanlam Investment Management Proprietary Limited (SA)	12 178 076	2.55	3.34
Ninety One	10 317 194	2.16	3.68
State Street Global Advisors (international)	10 078 337	2.11	1.67

Beneficial shareholders holding of 5% or more	Number of shares	2025 % holding	2024 % holding
Government Employees Pension Fund (SA)	76 508 408	16.03	15.87
Allan Gray Asset Management	33 784 015	7.08	5.78
	110 292 423	23.11	21.65

Geographical distribution of shareholders	Number of shares	2025 % holding	2024 % holding
Domestic	297 684 251	62.37	63.73
SA	289 437 359	60.64	61.75
Namibia	8 246 892	1.73	1.98
Foreign	179 588 377	37.63	36.27
United States of America	97 694 575	20.47	18.40
Europe	32 442 189	6.80	6.16
United Kingdom and Ireland	22 431 741	4.70	4.03
Asia	13 508 802	2.83	3.83
Other countries	13 511 070	2.83	3.85
	477 272 628	100.00	100.00

COMPLIANCE WITH IFRS ACCOUNTING STANDARDS

Note number	Note description	IFRS required
A1	Material accounting policies	IAS 1
A2	Key assumptions concerning the future and key sources of estimation	IAS 1
A3	New standards and interpretations	IAS 8
A4	Restatements	IAS 8 and IFRS 15
B1	Segmental reporting	IFRS 8
B2	Earnings per share	IAS 33
B3	Dividends	IAS 1, IAS 10, and IAS 32
B4	Share capital	IAS 1 and IAS 32
B5	Holders of additional tier 1 capital instruments	IAS 32, IFRS 7, IFRS 9 and IFRS 13
B6.1	Net interest income	IAS 32, IFRS 7, IFRS 9 and IFRS 13
B6.2	Non-interest revenue and income	IAS 32, IFRS 7, IFRS 9, IFRS 13, IFRS 15 and IFRS 17
B7	Total operating expenses	IAS 1, IAS 16, IAS 19, IFRS 2 and IFRS 16
B8.1	Indirect taxation	IAS 1
B8.2	Direct taxation	IAS 12
B8.3	Deferred taxation	IAS 12
B9	Headline earnings	IAS 1, IAS 16, IAS 28, IAS 36, IAS 40, IFRS 3 and IFRS 16
C1	Loans and advances	IFRS 7, IFRS 8, IFRS 9 and IFRS 13
C2	Impairments charge on financial instruments	IAS 1, IFRS 7, IFRS 8 and IFRS 9
C3	Government and other securities	IAS 1, IAS 32, IFRS 7, IFRS 9 and IFRS 13
C4	Other short-term securities	IAS 1, IAS 32, IFRS 7, IFRS 9 and IFRS 13
C5	Cash and cash equivalents	IAS 1, IAS 32, IAS 7 and IFRS 7
C6	Credit analysis of other short-term securities, government and other securities, and cash and cash equivalents	IFRS 7
C7	Derivative financial instruments	IAS 32, IFRS 7, IFRS 9 and IFRS 13
D1	Amounts owed to depositors	IAS 1, IAS 32, IFRS 7, IFRS 8, IFRS 9 and IFRS 13
D2	Long-term debt instruments	IAS 32, IFRS 7, IFRS 9 and IFRS 13
D3	Investment contract liabilities	IAS 1, IFRS 13 and IFRS 17
D4	Insurance contract liabilities	IAS 1 and IFRS 17
D5	Contractual maturity analysis for financial liabilities	IFRS 7
E1	Managed funds	IAS 1, IFRS 7 and IFRS 13
F1	Investment securities	IAS 32, IFRS 7, IFRS 9 and IFRS 13
F2	Investments in associate companies	IAS 8, IAS 24, IAS 28, IFRS 9, IFRS 11, IFRS 12 and IFRS 13
F3	Investments in subsidiary companies and related disclosure	IAS 24, IAS 27, IFRS 3, IFRS 10 and IFRS 12
F4	Interests in structured consolidated and unconsolidated structured entities	IFRS 10 and IFRS 12
F5	Securitisations	IFRS 7, IFRS 9, IFRS 12 and IFRS 13
F6	Related parties	IAS 24
G1	Property and equipment	IAS 16, IAS 36, IFRS 13 and IFRS 16
G2	Intangible assets	IAS 38, IAS 36 and IFRS 13
H1	Long-term employee benefits	IAS 19 and IFRS 14
H2	Non-current assets and liabilities held for sale	IFRS 5 and IFRS 13
H3	Other assets	IAS 1, IAS 2, IFRS 7, IFRS 9 and IFRS 13
I1	Consolidated statement of financial position – categories of financial instruments	IFRS 7 and IFRS 9
I2	Fair-value measurement – financial instruments	IFRS 7, IFRS 9 and IFRS 13
I3	Assets and liabilities not measured at fair value for which fair value is disclosed	IFRS 7, IFRS 9 and IFRS 13
I4	Financial instruments designated as fair value through profit or loss	IAS 32, IFRS 7, IFRS 9 and IFRS 13
I5	Offsetting financial assets and financial liabilities	IFRS 7 and IAS 32
I6	Collateral	IFRS 7
J	Share-based payments	IFRS 2
K1	Provisions and other liabilities	IAS 37, IAS 32, IFRS 7, IFRS 9, IFRS 13 and IFRS 16
K2	Contingent liabilities and undrawn facilities and commitments	IAS 37 and IFRS 7
L1	Financial risk management	IAS 1 and IFRS 7
L2	Capital management	IAS 1 and IFRS 7
L3	Liquidity gap	IFRS 7
L4	Interest rate risk in the banking book	IFRS 7
L5	Market risk in the trading book	IFRS 7
M	Cash flow information	IAS 7
N1	Foreign currency conversion	IAS 21 and IFRS 7
N2	Events after the reporting period	IAS 10
N3	Directors' emoluments	IAS 19 and IFRS 2

