



STANDARD BANK GROUP LIMITED

(Incorporated with limited liability on 25 November 1969 under Registration Number 1969/017128/06 in the Republic of South Africa)

ZAR50,000,000,000 Domestic Medium Term Note Programme

On 28 November 2016, Standard Bank Group Limited (the "**Issuer**") established a ZAR50,000,000,000 Domestic Medium Term Note Programme (the "**Programme**") pursuant to a programme memorandum dated 28 November 2016, as amended and restated on 13 November 2018 and on 19 September 2019 (the "**Previous Programme Memoranda**") in terms of which Programme the Issuer may from time to time issue notes ("**Notes**"), which expression shall include (i) Senior Notes and/or (ii) Subordinated Notes (each as defined herein) and, in the case of Subordinated Notes, with or without terms capable of qualifying such Subordinated Notes as Additional Tier 1 Capital or Tier 2 Capital, as the case may be. As at 24 December 2020 (the "**Programme Date**"), the Programme Amount is ZAR50,000,000,000. This Programme Memorandum (the "**Programme Memorandum**") will apply to Notes issued under the Programme on or after the Programme Date in an aggregate Outstanding Principal Amount which will not exceed ZAR50,000,000,000 unless such amount is increased by the Issuer pursuant to the section of this Programme Memorandum headed "*General Description of the Programme*". This Programme Memorandum will supersede and replace the Previous Programme Memoranda in their entirety. Notes issued under the Programme on or after the Programme Date are subject to the provisions described herein. This Programme Memorandum does not affect any Notes issued before the Programme Date and the relevant Previous Programme Memoranda will continue to apply to such Notes.

Notes issued under the Programme are subject to the terms and conditions contained in the section of the Programme Memorandum headed "*General Terms and Conditions*" (the "**General Terms and Conditions**") or "*Additional Tier 1 Terms and Conditions*" (the "**Additional Tier 1 Terms and Conditions**"), and together with the General Terms and Conditions, the "**Terms and Conditions**") (as applicable). Capitalised terms used in this Programme Memorandum are defined in the Terms and Conditions, unless separately defined, and/or in relation to a Tranche of Notes, in a pricing supplement (the "**Applicable Pricing Supplement**").

Subject to the Capital Rules, (i) the proceeds of the issue of Additional Tier 1 Notes will rank as Additional Tier 1 Capital, and (ii) the proceeds of the issue of Tier 2 Notes will rank as Tier 2 Capital. Any other terms and conditions not contained in the Terms and Conditions that are applicable to the Notes, will be set forth in the Applicable Pricing Supplement. In addition, any Notes issued are subject to all Applicable Laws (as defined herein) and, in the case of Notes listed on the JSE or such other Financial Exchange(s) (each term as defined herein) as may be determined by the Issuer, in accordance with the Debt Listings Requirements or such other Financial Exchange(s), as the case may be.

Notes will be issued in individual Tranches, which together with other Tranches, may form a Series of Notes. A Tranche of Notes will be issued on, and subject to, the relevant Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement.

This Programme Memorandum has been registered with the JSE. A Tranche of Notes may be listed on the Interest Rate Market of the JSE or on such other or additional Financial Exchange(s) as may be selected by the Issuer and the relevant Dealer (as defined below), subject to all Applicable Laws. Unlisted Notes may also be issued under the Programme but will not be regulated by the JSE. Claims against the JSE Debt Guarantee Fund Trust and/or the JSE Guarantee Fund, as applicable, may only be made in respect of the trading of Notes listed on the JSE in accordance with the rules of the JSE Debt Guarantee Fund Trust and/or the JSE Guarantee Fund, as applicable. The holders of the Notes not listed on the Interest Rate Market of the JSE will have no recourse against the JSE or the JSE Guarantee Fund. Unlisted Notes are not regulated by the JSE. The Applicable Pricing Supplement relating to a Tranche of Notes which is to be listed on the JSE will specify the relevant platform or sub-market of the JSE on which such Tranche of Notes is to be listed and will be delivered to the JSE and the Central Depository, before the Issue Date. A Tranche of Notes listed on the JSE may be traded by or through members of the JSE from the date specified in the Applicable Pricing Supplement, in accordance with the Applicable Procedures. The settlement of trades on the JSE will take place in accordance with the electronic settlement procedures of the JSE and the Central Depository for all trades done through the JSE. The placement of a Tranche of unlisted Notes may (at the sole discretion of the Issuer) be reported through the JSE reporting system, in which event the settlement of trades in such Notes will take place in accordance with the electronic settlement procedures of the JSE and the Central Depository. The settlement and redemption procedures for a Tranche of Notes listed on any Financial Exchange (other than or in addition to the JSE) will be specified in the Applicable Pricing Supplement.

The Notes may be issued on a continuing basis and be placed by one or more of the Dealers specified under the section of this Programme Memorandum headed "*Summary of the Programme*" and any additional Dealer appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue or on an ongoing basis. References in this Programme Memorandum to the "**relevant Dealer**" shall, in the case of Notes being (or intended to be) placed by more than one Dealer, be to all Dealers agreeing to place such Notes.

As at the Programme Date the Issuer is rated by Fitch Ratings Ltd and Moody's Investors Service Cyprus Limited. See the section of this Programme Memorandum headed "*General Description of the Programme*" for the ratings assigned to the Issuer as at the Programme Date. The Programme is not rated but may after the Programme Date be rated by a Rating Agency on a national or international scale basis. A Tranche of Notes may also, on or before the Issue Date, be rated by a Rating Agency on a national or international scale basis. Notes issued under the Programme may be rated by a rating agency on a national or international scale basis. The rating assigned to the Issuer and/or the Programme and/or the Notes, as the case may be, as well as the rating agency(ies) which assigned such rating(s), will be specified in the Applicable Pricing Supplement and made available on the Issuer's website at <https://reporting.standardbank.com/debt-investors/debt-securities/debt-securities/>.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a supplementary Programme Memorandum, if appropriate, will be made available, which will describe the effect of the agreement reached in relation to such Notes.

Arranger, Dealer and JSE Debt Sponsor
The Standard Bank of South Africa Limited
(acting through its Corporate and Investment Banking Division)

Programme Memorandum dated 24 December 2020

IMPORTANT NOTICES

Where any term is defined within the context of any particular clause or section in this Programme Memorandum, the term so defined, unless it is clear from the clause or section in question that the term so defined has limited application to the relevant clause or section, shall bear the meaning ascribed to it for all purposes in this Programme Memorandum, unless qualified by the relevant terms and conditions of any particular Tranche of Notes as set out in the Applicable Pricing Supplement or unless the context otherwise requires. Expressions defined in this Programme Memorandum shall bear the same meanings in supplements to this Programme Memorandum which do not themselves contain their own definitions.

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted which would make any statement in this Programme Memorandum false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that this Programme Memorandum contains all information required by Applicable Laws and the Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in this Programme Memorandum, the annual financial statements, the Applicable Pricing Supplements and the annual reports and any amendments or supplements to the aforementioned documents, except as otherwise stated therein.

The JSE takes no responsibility for the contents of this Programme Memorandum, the annual financial statements, any Applicable Pricing Supplements, or the annual reports of the Issuer and any amendments or supplements to the aforesaid documents. The JSE makes no representation as to the accuracy or completeness of this Programme Memorandum, the annual financial statements, any Applicable Pricing Supplements, or the annual reports of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listings of the Notes is not to be taken in any way as an indication of the merits of the Issuer or the Notes and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

The Issuer, having made all reasonable enquiries, confirms that this Programme Memorandum contains or incorporates by reference all information which is material in the context of the issue and the offering of Notes, that the information contained or incorporated by reference in this Programme Memorandum is true and accurate in all material respects and is not misleading, that the opinions and the intentions expressed in this Programme Memorandum are honestly held and that there are no other facts the omission of which would make this Programme Memorandum or any such information or expression of any such opinions or intentions misleading in any material respect and that all proper enquiries have been made to verify the foregoing.

This Programme Memorandum is to be read in conjunction with any amendment or supplement thereto and in conjunction with all documents which are deemed to be incorporated herein by reference (see the section headed "*Documents Incorporated by Reference*") and, in relation to any Tranche of Notes, should be read and construed together with the Applicable Pricing Supplement. This Programme Memorandum shall be read and construed on the basis that such documents are incorporated by reference into and form part of this Programme Memorandum.

None of the Arranger, the Dealers, the JSE Debt Sponsor, the JSE nor any of their professional advisers or any of their respective affiliates (other than the Issuer) has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any of the Arranger, the Dealers, the JSE Debt Sponsor, the JSE or other professional advisers or any of their respective affiliates (other than the Issuer) as to the accuracy or completeness of the information contained in this Programme Memorandum or any other information provided by the Issuer. None of the Arranger, the Dealers, the JSE Debt Sponsor, the JSE nor any of their professional advisers or any of their respective affiliates (other than the Issuer) accept any liability in relation to the information contained in this Programme Memorandum or any other information provided by the Issuer in connection with the Programme.

No Person has been authorised to give any information or to make any representation not contained in or not consistent with this Programme Memorandum or any other information supplied in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger, any Dealer, the JSE Debt Sponsor nor any of their professional advisers or any of their respective affiliates.

Neither this Programme Memorandum nor any other information supplied in connection with the Programme or the Notes is intended to provide a basis for any credit or other evaluation, or should be considered as a recommendation by the Issuer, the Arranger, the Dealers, the JSE Debt Sponsor, the JSE nor any of their professional advisers or any of their respective affiliates that any recipient of this Programme Memorandum, or

any other information supplied in connection with the Programme or the Notes should purchase any of the Notes.

Each investor contemplating the subscription for, or purchase of, any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the condition (financial or otherwise), of (a) the Issuer and (b) the Issuer and its consolidated Subsidiaries (the "**Group**"). Neither this Programme Memorandum nor any other information supplied in connection with the Programme or the Notes constitutes an offer or invitation by or on behalf of the Issuer, the Arranger or the Dealers or any of their respective affiliates to any Person to subscribe for or to purchase any of the Notes.

The delivery of this Programme Memorandum does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other financial statements or other information supplied in connection with the Programme or any Notes is correct as at any time subsequent to the date indicated in the document containing the same. The Arranger and the Dealers expressly do not undertake to review the financial condition or affairs of the Issuer and its Subsidiaries during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, among others, the most recently published annual report of the Issuer and the annual financial statements of the Issuer and of the Group and, if published later, the most recently published interim financial statements of the Group when deciding whether or not to purchase any Notes.

Neither this Programme Memorandum nor any Applicable Pricing Supplement constitutes an offer to sell or the solicitation of an offer to buy or an invitation to subscribe for or purchase any Notes in any jurisdiction to any Person to whom it is unlawful to make such offer, solicitation or invitation in such jurisdiction.

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (a) Notes are legal investments for it, (b) Notes can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

The distribution of this Programme Memorandum and any Applicable Pricing Supplement and the offer or sale of Notes may be restricted by law in certain jurisdictions. In particular, there are restrictions on the distribution of this Programme Memorandum and the offer or sale of Notes in the United States of America, the United Kingdom, South Africa and certain other jurisdictions (see the section headed "*Subscription and Sale*" in the document incorporated by reference entitled "*Risk Factor & Other Disclosures Schedule relating to the Standard Bank Group Limited ZAR 50,000,000,000 Domestic Medium Term Note Programme*"). The Issuer does not represent that this Programme Memorandum may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, nor does it assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer which would permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Programme Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any Applicable Laws and regulations.

Persons into whose possession this Programme Memorandum or any Applicable Pricing Supplement or any Notes come are required to inform themselves about, and observe, any such restrictions.

Notes have not been and will not be registered under the United States Securities Act of 1933 (the "Securities Act"). Notes may not be offered, sold or delivered within the United States of America or to U.S. persons except in accordance with Regulation S under the Securities Act.

In this Programme Memorandum, references to websites or uniform resource locators ("**URLs**") are inactive textual references and are included for information purposes only. The contents of any such website or URL shall not form part of, or be deemed to be incorporated into, this Programme Memorandum.

All references in this document to "**Rand**", "**ZAR**", "**South African Rand**", "**R**" and "**cent**" refer to the currency of South Africa.

In this Programme Memorandum, references to a numbered "**Condition**" shall be to such specified condition in the relevant Terms and Conditions.

The Notes may not be a suitable investment for all investors. It is advisable that each potential investor in the Notes determines the suitability of that investment in light of its own circumstances. In particular, it is advisable that each potential investor (a) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Programme Memorandum or any applicable supplement, (b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio, (c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency, (d) understands thoroughly the terms of the Notes and is familiar with the behaviour of the relevant financial markets, and (e) is able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

In connection with the issue and distribution of any Tranche of Notes, the Issuer or a Dealer disclosed as the approved stabilisation manager (if any) or any Person acting for it (the "Stabilisation Manager") in the Applicable Pricing Supplement may, subject to the terms and conditions for stabilisation contained in the Applicable Pricing Supplement and only if such stabilising is permitted by the Debt Listings Requirements and approved by the JSE, over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period after the issue date. However, there may be no obligation on the Stabilisation Manager or any of its agents to do this. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after a limited period and is to be carried out in accordance with all Applicable Laws and regulations.

The price/yield, amount and allocation of Notes to be issued under this Programme will be determined by the Issuer and each Arranger and Dealer at the time of issue, in accordance with the prevailing market conditions.

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DOCUMENTS INCORPORATED BY REFERENCE

Capitalised terms used in this section headed "Documents Incorporated by Reference" shall have the same meanings as defined in the relevant Terms and Conditions, unless they are defined in this section or this is clearly inappropriate from the context.

The following documents shall be deemed to be incorporated in, and to form part of, this Programme Memorandum:

- (a) all amendments and supplements to this Programme Memorandum circulated by the Issuer from time to time;
- (b) the audited annual financial statements (together with the reports and notes thereto) of the Issuer and the Group for the three financial years ended 31 December 2017, 2018 and 2019 as well as the published audited annual financial statements (together with the reports and notes thereto) of the Issuer and the Group in respect of all financial years of the Issuer after the Programme Date, as and when same become available;
- (c) the unaudited interim financial statements of the Group for the period ended 30 June 2020, together with such statements, reports and notes attached to or intended to be read with such unaudited interim financial statements as well as the unaudited interim financial statements of the Group prepared after the Programme Date, together with such statements, reports and notes attached to or intended to be read with such unaudited interim financial statements, as when such unaudited interim financial statements become available;
- (d) any other audited or unaudited financial statements of the Issuer published in the manner required by the Debt Listings Requirements, which do not fall within the ambit of paragraph (b) or (c) above;
- (e) each Applicable Pricing Supplement relating to any Tranche of Notes issued under the Programme on or after the Programme Date (and listed on the Interest Rate Market of the JSE);
- (f) the following corporate governance and policy disclosure documents in respect of the Issuer:
 - (i) King IV Statement of Compliance;
 - (ii) Conflicts of Interests policy;
 - (iii) Nomination of Directors policy; and
- (g) a document entitled the "*Risk Factor & Other Disclosures Schedule relating to the Standard Bank Group Limited ZAR50,000,000,000 Domestic Medium Term Note Programme*" (the "**Risk Factor & Other Disclosures Schedule**") which contains the following information:
 - (i) the risk factors the Issuer believes are material for the purpose of assessing the market risks associated with the Notes;
 - (ii) South African Exchange Control;
 - (iii) South African Taxation;
 - (iv) Subscription and Sale;
 - (v) Settlement, Clearing and Transfer of Notes;
 - (vi) to the Banking Sector in South Africa;
- (i) a document entitled "*Issuer Disclosure Schedule relating to Standard Bank Group Limited*" (the "**Issuer Disclosure Schedule**") which contains the following information:
 - (i) the description of the Issuer, including, but not limited to, its business, management, directors and corporate governance disclosure;
 - (ii) details of the Issuer's directors and debt officer prescribed by paragraph 4.10(b) of the Debt Listings Requirements;
 - (iii) the register of conflicts of interests or confirmation that no recorded conflicts of interest exist; and
- (j) all information pertaining to the Issuer which is relevant to the Programme and/or this Programme Memorandum which is electronically submitted by the Stock Exchange News Service established by

the JSE ("SENS"), to SENS subscribers, if required and/or which is available on any electronic news service established or used or required by the JSE;

- (k) the sustainable bond framework established by SBG in February 2020 (the "**Sustainable Bond Framework**"), which framework is yet to be approved by the JSE,

save that any statement contained in this Programme Memorandum or in any of the documents incorporated by reference in and forming part of this Programme Memorandum shall be deemed to be modified or superseded for the purpose of this Programme Memorandum to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

The Issuer will, in connection with the listing of Notes on the JSE or on such other or further Financial Exchange(s) as may be selected by the Issuer and the relevant Dealer, and for so long as any Note remains Outstanding and listed on such Financial Exchange, publish a new Programme Memorandum or a further supplement to the Programme Memorandum, and release an announcement on SENS where:

- (a) there is a material change in the financial or trading position of the Issuer; or
- (b) a material event has occurred which affects any matter contained in this Programme Memorandum, the disclosure of which would reasonably be required by Noteholders and/or potential investors in the Notes; or
- (c) any of the information contained in this Programme Memorandum becomes out-dated in a material respect; or
- (d) this Programme Memorandum no longer contains all the materially correct information required by the Applicable Procedures,

provided that, in the circumstances set out in paragraphs (a), (b) (c) and (d) above, no new Programme Memorandum or supplement to this Programme Memorandum, as the case may be, is required in respect of the Issuer's annual financial statements or interim financial statements if such financial statements are incorporated by reference into this Programme Memorandum and such financial statements are published, as required by the Companies Act and the JSE, and submitted to the JSE within the time period required by the Debt Listings Requirements.

Any such new Programme Memorandum or Programme Memorandum as supplemented shall be deemed to have been substituted for the previous Programme Memorandum from the date of issue of the new Programme Memorandum, or Programme Memorandum as supplemented, as the case may be.

The Issuer will provide, free of charge, to any Person, upon request of such Person, a copy of any of the public documents deemed to be incorporated herein by reference for so long as the Programme Memorandum remains registered with the JSE, unless such documents have been modified or superseded, in which case the modified or superseding documentation will be provided. In addition, any Noteholder shall be entitled to request a copy of the Register in respect of the Notes held by that Noteholder. Requests for such documents should be directed to the Issuer at its Specified Office.

	Information incorporated by reference:	Accessible on the Issuer's website	Available for inspection at the registered office of the Issuer (as set out at the end of this Programme Memorandum)	Available on the JSE's website <u>www.jse.co.za</u>
(a)	Programme Memorandum, any amendments and/or supplements to this Programme Memorandum.	Yes, available at: https://reporting.standardbank.com/debt-investors/debt-securities/debt-securities/	Yes	Yes
(b)	All Applicable Pricing Supplements relating to Notes in	Yes, available at: https://reporting.sta	Yes	Yes

	issue under the Programme.	ndardbank.com/debt-investors/debt-securities/debt-securities/		
(c)	Audited annual financial statements and unaudited interim financial statements of the Issuer (together with the reports and notes thereto)	Yes, available at: https://reporting.standardbank.com/results-reports/annual-reports/	Yes	No
(d)	Constitutional documents of the Issuer.	Yes, available at: https://reporting.standardbank.com/debt-investors/debt-securities/debt-securities/	Yes	No
(e)	Implementation by the Issuer of the King Code through the application of the King Code disclosure and application regime, and the following applicable corporate governance policies: <ul style="list-style-type: none"> Conflicts of Interests Nomination of Directors 	Yes available at: King Code: https://thevault.exchange/?get_group_doc=18/1587728120-SBG2019GovernanceandRemunerationReport.pdf Applicable corporate governance policies: https://www.standardbank.com/sbg/standard-bank-group/who-we-are/corporate-governance	Yes	No
(f)	All information pertaining to the Issuer which is relevant to the Programme and/or this Programme Memorandum	Yes, available at: https://reporting.standardbank.com/debt-investors/debt-securities/debt-securities/	Yes	No
(g)	Risk Factor & Other Disclosures Schedule	Yes, available at: https://reporting.standardbank.com/debt-investors/debt-securities/debt-securities/	Yes	Yes

(h)	Issuer Disclosure Schedule	Yes, available at: https://reporting.standardbank.com/debt-investors/debt-securities/debt-securities/	Yes	Yes
(i)	Sustainable Bond Framework established by SBG in February 2020	Yes, available at: https://reporting.standardbank.com/debt-investors/debt-securities/debt-securities/	Yes	No

In relation to any Tranche of Notes listed on the Interest Rate Market of the JSE, copies of any notices to Noteholders, including of meetings and any amendments to the relevant Terms and Conditions or amendments to the Credit Rating of a Tranche of Notes and/or to the Programme Memorandum, shall be published on SENS.

The Issuer will, for so as the Programme Memorandum remains registered with the JSE, announce by electronically publishing such announcement on SENS, or any other similar service established by the JSE, when any information incorporated by reference is updated and where such updated information is available.

GENERAL DESCRIPTION OF THE PROGRAMME

Capitalised terms used in this section headed "General Description of the Programme" shall have the same meaning as defined in the relevant Terms and Conditions, unless they are defined in this section or this is clearly inappropriate from the context.

Subject to the prior consent of the Relevant Regulator (if required by the Capital Rules), the Issuer may from time to time (without the consent of any Noteholder) issue one or more Tranches of Notes under the Programme, pursuant to this Programme Memorandum, provided that the aggregate Outstanding Principal Amount of all of the Notes issued under the Programme from time to time does not exceed the Programme Amount. The applicable terms of any Notes will be set out in the relevant Terms and Conditions incorporated by reference into the Notes, as modified and supplemented by the Applicable Pricing Supplement relating to the Notes and any supplementary Programme Memorandum. A summary of the Programme, the General Terms and Conditions and the Additional Tier 1 Terms and Conditions appears in the section of this Programme Memorandum headed "*Summary of the Programme*".

As at the Programme Date, the Programme Amount is ZAR50,000,000,000 (or its equivalent in such other currency or currencies as Notes are issued). This Programme Memorandum will only apply to Notes issued under the Programme in an aggregate Outstanding Principal Amount which does not exceed the Programme Amount, unless such amount is increased as set out below. For the purpose of calculating the aggregate Outstanding Principal Amount of Notes Outstanding issued under the Programme from time to time:

- (a) the ZAR equivalent of Notes denominated in another currency shall be determined at or about the time at which an agreement is reached for the issue of such Notes as between the Issuer and the relevant Dealer(s) on the basis of the spot rate at such time for the sale of such ZAR amount against the purchase of such currency or unit of account in the Johannesburg inter-bank foreign exchange markets, as quoted by The Standard Bank of South Africa Limited or by any leading bank selected by the Issuer;
- (b) the amount of Indexed Notes and Partly Paid Notes shall be calculated by reference to the original Nominal Amount of such Notes (and, in the case of Partly Paid Notes, regardless of the subscription price paid); and
- (c) the amount of Zero Coupon Notes and Other Notes issued at a discount or premium shall be calculated by reference to the Nominal Amount received by the Issuer for the relevant issue.

From time to time, the Issuer may wish to increase the Programme Amount. Subject to the Applicable Procedures, the Programme Agreement and all Applicable Laws, the Issuer may, without the consent of Noteholders, increase the Programme Amount by delivering notice thereof to (i) the JSE Debt Sponsor, (ii) Noteholders in accordance with Condition 17 (*Notices*) of the General Terms and Conditions and Condition 18 (*Notices*) of the Additional Tier 1 Terms and Conditions, (iii) the relevant Financial Exchange(s), (iv) the Transfer, Paying and Calculation Agents, and (v) the Arranger and (vi) the Dealers. Upon such notices being given, all references in the Programme Memorandum or any other agreement, deed or document in relation to the Programme, to the Programme Amount, shall be, and shall be deemed to be, references to the increased Programme Amount.

A Tranche of Notes may be listed on the Interest Rate Market of the JSE or on such other or additional Financial Exchange(s) as may be determined by the Issuer, subject to Applicable Laws. Unlisted Notes may also be issued under the Programme. The Applicable Pricing Supplement will specify whether or not a Tranche of Notes will be listed and, if so, on which Financial Exchange.

To the extent that Notes may be listed on the JSE, the JSE's approval of the listing of any Notes is not to be taken in any way as an indication of the merits of the Issuer or the Notes. The JSE has not verified the accuracy and truth of the contents of the Programme Memorandum and, to the extent permitted by law, the JSE will not be liable for any claim of whatsoever kind.

Claims against the JSE Debt Guarantee Fund Trust and/or the JSE Guarantee Fund, as the case may be, may only be made in respect of trading in Notes listed on the JSE and in accordance with the rules of the JSE Debt Guarantee Fund Trust and/or the JSE Guarantee Fund, as the case may be. Unlisted Notes are not regulated by the JSE.

As at the Programme Date, the Programme has not been rated by any Rating Agency. The Issuer has been rated by Fitch Ratings Ltd ("**Fitch**") and Moody's Investors Service Cyprus Limited ("**Moody's**"), (see the section headed "*Ratings*" in the document incorporated by reference entitled "*Issuer Disclosure Schedule relating to Standard Bank Group Limited*").

SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and is qualified by, the remainder of this Programme Memorandum and, in relation to the relevant Terms and Conditions of any particular Tranche of Notes, the Applicable Pricing Supplement. Capitalised terms used in this section headed "Summary of the Programme" shall have the same meanings as defined in the relevant Terms and Conditions, unless they are defined in this section or this is clearly inappropriate from the context.

PARTIES

Arranger	The Standard Bank of South Africa Limited (acting through its Corporate and Investment Banking Division) (Registration Number 1962/000738/06).
Central Depository	Strate Proprietary Limited (Registration Number 1998/022242/07), a central securities depository licensed in terms of the Financial Markets Act or such additional or alternative depository as may be agreed between the Issuer and the relevant Dealer(s).
CSD Procedures	In relation to a Tranche of Registered Notes which is listed on the Interest Rate Market of the JSE (and/or held in the Central Depository), the rules and operating procedures for the time being of the Central Depository and Participants.
Dealers	The Standard Bank of South Africa Limited (acting through its Corporate and Investment Banking Division) (Registration Number 1962/000738/06) and any other Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment of any Dealer.
Issuer	Standard Bank Group Limited (Registration Number 1969/017128/06).
JSE	JSE Limited (Registration Number 2005/022939/06), licensed as an exchange in terms of the Financial Markets Act.
JSE Debt Sponsor	The Standard Bank of South Africa Limited (acting through its Corporate and Investment Banking Division) (Registration Number 1962/000738/06).
Debt Officer	<p>Arno Daehnke, Group Chief Financial Officer of Standard Bank Group Limited.</p> <p>The Debt Officer is appointed by Issuer, in accordance with the Debt Listings Requirements, in order to:</p> <ul style="list-style-type: none">(a) act as a central contact person to assist Noteholders with any issues pertaining to compliance with (i) the Terms and Conditions and (ii) the Debt Listings Requirements; and(b) subject to the disclosure limitations at nominee/broker holder level, assist Noteholders with access to the Register within the time periods specified in the Debt Listings Requirements.
Transfer Agent, Calculation Agent and Paying Agent	The Standard Bank of South Africa Limited (Registration Number 1962/000738/06), or such other entity appointed by the Issuer as Transfer Agent, Calculation Agent or Paying Agent (as the case may be), in which event that other entity shall act in such capacity in respect of that Tranche or Series of Notes, as specified in the Applicable Pricing Supplement.

GENERAL

JSE Debt Guarantee Fund Trust and/or the JSE Guarantee Fund	Claims against the JSE Debt Guarantee Fund Trust may only be made in respect of the trading of Notes which are listed on the separate platform or sub-market of the JSE designated as the " <i>Interest Rates Market</i> " and in accordance with the rules of the JSE Debt Guarantee Fund Trust. The holders of Notes that are not listed on the separate platform or sub-market of the JSE designated as the " <i>Interest Rates Market</i> " will have no recourse against the JSE or the JSE Debt Guarantee Fund Trust. Unlisted Notes are not regulated
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by the JSE.

Claims against the JSE Guarantee Fund may only be made in respect of the trading of Notes which are listed on the JSE (other than on the separate platform or sub-market of the JSE designated as the "*Interest Rates Market*") and in accordance with the rules of the JSE Guarantee Fund. The holders of Notes that are not listed on the JSE will have no recourse against the JSE or the JSE Guarantee Fund. Unlisted Notes are not regulated by the JSE.

Blocked Rand

Blocked Rand may be used to subscribe for or purchase Notes, subject to South African Exchange Control Regulations (see section headed "*South African Exchange Control*" in the document incorporated by reference entitled "*Risk Factor & Other Disclosures Schedule relating to the Standard Bank Group Limited ZAR50,000,000,000 Domestic Medium Term Note Programme*").

Commercial Paper Regulations

The Commercial Paper Regulations comprise an exemption to "*the business of a bank*" as defined in the Banks Act. The question of whether the Issuer, in the issue and placing of a Tranche of Notes, conducts "*the business of a bank*" as defined in the Banks Act is a question of fact. If the Issuer, in relation to the issue and placing of a Tranche of Notes, is obliged (or is not obliged but nevertheless elects) to comply with the Commercial Paper Regulations, the Issuer will procure that Annexure "A" to the Applicable Pricing Supplement relating to that Tranche of Notes is completed and attached to that Applicable Pricing Supplement.

Cross Default

Senior Notes will have the benefit of a cross default as described in Condition 12.1(c) (*Cross default of Issuer*) of the General Terms and Conditions.

Denomination of Notes

Notes will be issued in such denominations as may be specified in the Applicable Pricing Supplement.

Description of the Programme

Standard Bank Group Limited ZAR50,000,000,000 Domestic Medium Term Note Programme.

Distribution

Notes may be distributed by way of private placement, auction or bookbuild or any other means permitted under South African law, and in each case on a syndicated or non-syndicated basis as may be determined by the Issuer and the relevant Dealer(s) and reflected in the Applicable Pricing Supplement.

Method of Transfer

The method of transfer is by registration for transfer of Notes to occur through the Register and by electronic book entry in the securities accounts of Participants or the Central Depository, as the case may be, for transfers of Beneficial Interests in the Notes, in all cases subject to the restrictions described in this Programme Memorandum. The Notes will be freely transferable.

Form of Notes

Senior Notes and Subordinated Notes (other than Additional Tier 1 Notes and Tier 2 Notes) may be issued in the form of Registered Notes, Bearer Notes or Order Notes. Additional Tier 1 Notes and Tier 2 Notes will only be issued in the form of Registered Notes. Registered Notes may be issued in certificated or uncertificated form, as specified in the Applicable Pricing Supplement (see section of this Programme Memorandum headed "*Form of the Notes*" below). Bearer Notes and Order Notes will, if issued, be issued in certificated form.

Governing Law

The Programme Memorandum, the General Terms and Conditions, the Additional Tier 1 Terms and Conditions and the Notes will be governed by, and construed in accordance with, the laws of South Africa.

Interest

A Tranche of Notes may be interest-bearing or non-interest bearing, as specified in the Applicable Pricing Supplement. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate or be index linked, and the method of calculating interest may vary between the Issue Date and the Maturity Date (if any), all as specified in the Applicable Pricing Supplement.

Issuer Disclosure Schedule	The document incorporated by reference entitled “ <i>Issuer Disclosure Schedule relating to Standard Bank Group Limited</i> ”.
Interest Period(s) or Interest Payment Date(s)	The Interest Rate(s), Interest Payment Date(s) and Interest Period(s) applicable to interest-bearing Notes will be specified in the Applicable Pricing Supplement.
Interest Payment Limitations (Additional Tier 1 Notes)	<p>Interest on each Tranche of Additional Tier 1 Notes will be due and payable only at the sole and absolute discretion of the Issuer and, accordingly, the Issuer shall have sole and absolute discretion to elect not to pay (in whole or in part) the Interest Amount otherwise scheduled to be paid on any Interest Payment Date.</p> <p>In addition, the Issuer will not be obliged to pay any Interest Amount otherwise scheduled to be paid on each Tranche of Additional Tier 1 Notes on an Interest Payment Date to the extent that (a) such Interest Amount together with any Additional Amounts payable with respect thereto, when aggregated with other Relevant Distributions paid, declared or required to be paid in the then current financial year of the Issuer exceeds the amount of the Issuer's Distributable Items, or (b) the Issuer shall not be obliged to pay such Interest Amount in accordance with the requirements of the Capital Rules, or (c) the Relevant Regulator orders the Issuer not to pay such Interest Amount (in whole or in part).</p> <p>All accrued and unpaid Interest Amounts on Additional Tier 1 Notes will also not be paid, and the Issuer will not be obliged to pay such Interest Amounts, if a Non-Viability Event occurs.</p> <p>If practicable, notice that a scheduled Interest Amount (in whole or in part) will not be paid will be given to the Noteholders of the Additional Tier 1 Notes, the Transfer Agent and the Paying Agent as soon as possible prior to the relevant Interest Payment Date. However, any failure to provide such notice will not invalidate the Issuer's election not to pay a scheduled Interest Amount or any part thereof nor give rise to an obligation to pay that scheduled Interest Amount or any part thereof where the Issuer does not otherwise have an obligation to make such payment, and non-payment of any Interest Amount (in whole or in part) on any Interest Payment Date shall constitute evidence that the Issuer has elected or is required not to pay such Interest Amount (or the relevant part thereof).</p> <p>If the Issuer provides notice of its election to not pay a portion, but not all, of an Interest Amount and the Issuer subsequently does not make a payment of the remaining portion of such Interest Amount on the relevant Interest Payment Date, such non-payment shall evidence the Issuer's exercise of its discretion to elect not to pay such remaining portion of that Interest Amount and, accordingly, such remaining portion of that Interest Amount shall also not be due and payable.</p> <p>The non-payment of any Interest Amount (or any part thereof) in accordance with the provisions set out above shall not constitute a default for any purpose on the part of the Issuer. For the avoidance of doubt, Interest Amounts which the Issuer has elected (or is deemed to have elected) not to pay or which the Issuer is not obliged to pay will never become due and are non-cumulative, and no Interest Amount (or any part thereof) which has not been paid (or any amount in lieu thereof) shall be payable in respect of the Additional Tier 1 Notes thereafter, whether in a winding-up, curatorship or administration of the Issuer or otherwise.</p> <p>If an Interest Amount (or any portion thereof) (the "Relevant Interest Amount") is not paid in full on the relevant Interest Payment Date in accordance with above provisions, then during the period from that relevant Interest Payment Date until the immediately succeeding Interest Payment</p>

Date on which the Issuer has paid in full the Interest Amount due and payable for that Interest Period on that succeeding Interest Payment Date, the Issuer shall not:

- (a) declare or pay a distribution or dividend or pay any interest on any Common Equity Tier 1 Capital Securities or any Junior Securities other than:
 - (i) dividends due and payable on Mandatory Preference Shares;
 - (ii) any dividend which has been declared on any Common Equity Tier 1 Capital Securities or any Junior Securities prior to the date of notice to the Noteholders referred to in the above provisions;
 - (iii) distributions, dividends or interest on any Junior Securities paid by any entity which is a subsidiary of the Issuer to its immediate holding company or to the Issuer; or
 - (iv) scrip dividends or capitalisation awards; or
- (b) save in the case of redemptions, repurchases or reductions stemming from the exercise of share options or similar share-based incentives by employees of the Issuer and/or any Subsidiary of the Issuer, redeem, purchase, reduce the capital of or otherwise acquire:
 - (i) any Common Equity Tier 1 Capital Securities or Junior Securities; or
 - (ii) any securities of any subsidiary of the Issuer benefitting from a guarantee or similar support agreement which ranking as to the right of repayment of principal (in the case of such securities) or as to the payment of sums under any such guarantee or similar support agreement (in the case of any such guarantee or similar support agreement), is, as the case may be, junior to the Additional Tier 1 Notes.

The non-payment of any Relevant Interest Amount in accordance with the above provisions shall not impose any other restrictions on the Issuer.

Issue Price

Notes may be issued on a fully-paid or (except in the case of Tier 2 Notes and Additional Tier 1 Notes) a partly-paid basis and at an issue price which is at their Nominal Amount or at a discount to, or premium over, their Nominal Amount as specified in the Applicable Pricing Supplement.

Listing

This Programme is registered with the JSE. Notes issued under the Programme may be listed on the JSE, or on a successor exchange or such other or additional Financial Exchange(s) as may be selected by the Issuer and (if applicable) the relevant Dealer in relation to such issue. Unlisted Notes may also be issued under the Programme. Unlisted Notes are not regulated by the JSE.

The Applicable Pricing Supplement in respect of a Tranche of Notes will specify whether or not such Tranche of Notes will be listed, on which Financial Exchange they are to be listed (if applicable) and, if such Tranche of Notes is to be listed on the JSE, the relevant platform or sub-market of the JSE on which such Tranche of Notes is to be listed.

Maturities of Notes

Any maturity, subject, in relation to a Tranche of Subordinated Notes and a Tranche of Tier 2 Notes, to such minimum or maximum maturities as may be allowed or required from time to time by the applicable Capital Rules, as set out in the Applicable Pricing Supplement. Tier 2 Notes will have a minimum maturity of 5 (five) years and 1 (one) day. Additional Tier 1 Notes will have no scheduled maturity.

Noteholder(s)

The holders of the Registered Notes (as recorded in the Register) and/or

Notes

Bearers of the Bearer Notes and/or the Payees of the Order Notes.

Save as stated below, Notes may, subject to Applicable Laws and the Capital Rules, comprise:

Fixed Rate Notes: Fixed Rate Notes will bear interest at a fixed interest rate, as indicated in the Applicable Pricing Supplement;

Floating Rate Notes: Floating Rate Notes will bear interest at a floating rate, as indicated in the Applicable Pricing Supplement;

Zero Coupon Notes: Zero Coupon Notes will be offered and sold at a discount to their Nominal Amount or at par and will not bear interest other than in the case of late payment;

Indexed Notes: payments in respect of interest on Indexed Interest Notes or in respect of principal on Indexed Redemption Amount Notes will be calculated by reference to such index and/or formula as may be indicated in the Applicable Pricing Supplement;

Mixed Rate Notes: Mixed Rate Notes will bear interest over respective periods at the rates applicable for any combination of Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or Indexed Notes, each as specified in the Applicable Pricing Supplement;

Instalment Notes: the Applicable Pricing Supplement in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed;

Partly Paid Notes: the Issue Price of Partly Paid Notes will be payable in two or more instalments as set out in the Applicable Pricing Supplement. Partly Paid Notes will not be listed on the JSE;

Exchangeable Notes: Notes which may be redeemed by the Issuer in cash or by the delivery of securities as specified in the Applicable Pricing Supplement; and

Other Notes: terms applicable to Notes other than those specifically contemplated under this Programme Memorandum will be set out in the Applicable Pricing Supplement.

Additional Tier 1 Notes and Tier 2 Notes will not comprise Zero Coupon Notes, Indexed Notes, Instalment Notes or Partly Paid Notes.

Participants

The persons accepted by the Central Depository as participants in terms of the Financial Markets Act. As at the Programme Date, the Participants are Citibank NA, South Africa branch, FirstRand Bank Limited (RMB Custody and Trustee Services), Nedbank Limited, The Standard Bank of South Africa Limited, Standard Chartered Bank, Johannesburg Branch, Société Générale, Johannesburg branch and the SARB. Euroclear Bank S.A./N.V. as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream Banking**") may hold Notes through their Participant (see the section headed "*Settlement, Clearing and Transfer of Notes*" in the document incorporated by reference entitled "*Risk Factor & Other Disclosures Schedule relating to the Standard Bank Group Limited ZAR50,000,000,000 Domestic Medium Term Note Programme*").

Programme Agreement

The Amended and Restated Programme Agreement dated 24 December 2020 between the Arranger, Dealers and the Issuer.

Programme Amount

The maximum aggregate Outstanding Principal Amount of all Notes Outstanding that may be issued under the Programme at any one point in time, being as at the Programme Date ZAR50,000,000,000 (or its equivalent in other currencies) or such increased amount as is determined by the Issuer from time to time, subject to the Applicable Procedures, Applicable Laws and the Programme Agreement, as more fully set out in the section of this Programme Memorandum headed "*General Description of the Programme*".

Purchases

The Issuer or any holding company of the Issuer or any Subsidiary of the Issuer or of any such holding company may at any time purchase Notes (other than Tier 2 Notes and Additional Tier 1 Notes) (including all matured Coupons and Receipts) in the open market or otherwise at any price. Such Notes may, at the option of the Issuer or the relevant holding company or the relevant Subsidiary, be held, re-issued, re-sold or surrendered to the Paying Agent for cancellation.

Subject to Condition 8.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Tier 2 Notes*) of the General Terms and Conditions, the Issuer may at any time purchase Tier 2 Notes in the open market or otherwise at any price. Subject to Condition 9.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Additional Tier 1 Notes*) of the Additional Tier 1 Terms and Conditions, the Issuer may at any time purchase Additional Tier 1 Notes in the open market or otherwise at any price. Such Tier 2 Notes or Additional Tier 1 Notes, as the case may be, may (subject to the Capital Rules), at the option of the Issuer be held, re-issued, re-sold or surrendered to the Paying Agent for cancellation.

Redemption

A Tranche of Notes (other than Additional Tier 1 Notes) will, subject to the General Terms and Conditions, be redeemed on the Maturity Date, as set out in Condition 8.1 (*Scheduled Redemption*) of the General Terms and Conditions. A Tranche of Additional Tier 1 Notes will have no scheduled maturity date.

Notes may be redeemable at par or at such other Redemption Amount (detailed in a formula, index or otherwise) as may be specified in the Applicable Pricing Supplement. Notes may also be redeemable in two or more instalments on such dates and in such manner as may be specified in the Applicable Pricing Supplement relating to the relevant Tranche of Notes.

For so long as the applicable Capital Rules so require, Tier 2 Notes may be redeemed or purchased only if (a) the Issuer has notified the Relevant Regulator of, and the Relevant Regulator has consented in writing to, such redemption or purchase, subject to such conditions (if any) as the Relevant Regulator may deem appropriate and (b) the redemption or purchase of the Tier 2 Notes is not prohibited by the Capital Rules as described in Condition 8.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Tier 2 Notes*) of the General Terms and Conditions.

For so long as the applicable Capital Rules so require, Additional Tier 1 Notes may be redeemed or purchased only if (a) the Issuer has notified the Relevant Regulator of, and the Relevant Regulator has consented in writing to, such redemption or purchase, subject to such conditions (if any) as the Relevant Regulator may deem appropriate and (b) the redemption or purchase of the Additional Tier 1 Notes is not prohibited by the Capital Rules as described in Condition 9.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Additional Tier 1 Notes*) of the Additional Tier 1 Terms and Conditions.

Optional Redemption

Subject as described in "*Redemption*" above, the Applicable Pricing Supplement will indicate whether, and the extent (if at all) to which, Notes (other than Additional Tier 1 Notes) may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders in accordance with the General Terms and Conditions.

Subject as described in "*Redemption*" above, the Applicable Pricing Supplement will indicate whether, and the extent (if at all) to which, Additional Tier 1 Notes may be redeemed at the option of the Issuer (either in whole or in part) in accordance with the Additional Tier 1 Terms and Conditions. No Optional Redemption Date(s) (Call) in respect of Additional Tier 1 Notes may occur earlier than 5 (five) years and 1 (one) day after the

	Issue Date.
Tax Redemption and redemption if a Change in Law occurs	<p>Subject as described in "<i>Redemption</i>" above, early redemption of:</p> <p>(a) Notes (other than Additional Tier 1 Notes) will only be permitted for tax reasons as described in Condition 8.2 (<i>Redemption for Tax reasons or Change in Law</i>) of the General Terms and Conditions; and</p> <p>(b) Additional Tier 1 Notes will only be permitted for tax reasons as described in Condition 9.3 (<i>Redemption for Tax reasons or Change in Law</i>) of the Additional Tier 1 Terms and Conditions.</p> <p>Senior Notes may be redeemed at the option of the Issuer if a Tax Event (Gross up) occurs. Subordinated Notes (including Tier 2 Notes and Additional Tier 1 Notes) may be redeemed if a Tax Event (Gross up), a Tax Event (Deductibility) or, if specified in the Applicable Pricing Supplement as applicable, a Change in Law occurs.</p>
Redemption for Regulatory Reasons	<p>Subject as described in "<i>Redemption</i>" above, early redemption of the Tier 2 Notes in whole (but not in part) is permitted at the option of the Issuer if a Capital Disqualification Event occurs and is continuing as described in Condition 8.5 (<i>Redemption following the occurrence of a Capital Disqualification Event</i>) of the General Terms and Conditions.</p> <p>Subject as described in "<i>Redemption</i>" above, early redemption of the Additional Tier 1 Notes in whole (but not in part) is permitted at the option of the Issuer if a Capital Disqualification Event occurs and is continuing as described in Condition 9.5 (<i>Redemption following the occurrence of a Capital Disqualification Event</i>) of the Additional Tier 1 Terms and Conditions.</p>
Register	<p>The Register is the register of the Issuer's securities (including the register of the Issuer's uncertificated securities) contemplated in (and maintained in accordance with) Part E of the Companies Act.</p> <p>The Register will be maintained by the Transfer Agent in terms of the relevant Terms and Conditions.</p> <p>The registered holder of an Uncertificated Note which is held in the Central Depository will be determined in accordance with the CSD Procedures, and such registered holders of Notes will be named in the Register as the registered holder of Notes.</p> <p>Each holder of Notes represented by an Individual Certificate will be named in the Register as the registered Noteholder of such Notes.</p>
Risk Factors	<p>Investing in the Notes involves certain risks. The principal risk factors that may affect the abilities of the Issuer to fulfil its obligations under the Notes are discussed in the section headed "<i>Risk Factors</i>" in document incorporated by reference entitled <i>Risk Factor & Other Disclosures Schedule relating to the Standard Bank Group Limited ZAR50,000,000,000 Domestic Medium Term Note Programme</i>.</p>
Securities Transfer Tax	<p>As at the Programme Date, no Securities Transfer Tax (as contemplated in the Securities Transfer Tax Act, 2007) is payable on the issue or on the transfer of Notes.</p>
Selling Restrictions	<p>The distribution of this Programme Memorandum and/or any Applicable Pricing Supplement and any offering or sale of or subscription for any Tranche of Notes may be restricted by law in certain jurisdictions, and is restricted by law in the United States of America, the United Kingdom, the European Economic Area, South Africa and certain other jurisdictions (see the section headed "<i>Subscription and Sale</i>" in the document incorporated by reference entitled "<i>Risk Factor & Other Disclosures Schedule relating to the Standard Bank Group Limited ZAR50,000,000,000 Domestic Medium Term Note Programme</i>"). Any other or additional restrictions which are applicable,</p>

and which may be required to be met in relation to an offering or sale of a particular Tranche of Notes will be included in the Applicable Pricing Supplement. Persons who come into possession of this Programme Memorandum and/or any Applicable Pricing Supplement must inform themselves about and observe all applicable selling restrictions.

**Solvency Condition
(Additional Tier 1 Notes)**

Except in a winding-up, dissolution, de-registration or administration as provided in Condition 9.2 (*Winding-up of the Issuer*) of the Additional Tier 1 Terms and Conditions, all payments in respect of or arising from (including any damages for breach of any obligations under) the Additional Tier 1 Notes are, without prejudice to the right of the Issuer to cancel payments under the Additional Tier 1 Terms and Conditions, conditional upon the Issuer being solvent at the time of payment by the Issuer and no payment shall be due and payable in respect of or arising from the Additional Tier 1 Notes except to the extent that the Issuer could make such payment and still be solvent immediately thereafter (the "**Solvency Condition**"). For the purposes of the Solvency Condition, the Issuer shall be considered to be "*solvent*" if both (a) it is able to pay its debts to its Senior Creditors as they fall due and (b) its Assets exceed its Liabilities. A certificate as to the solvency of the Issuer signed by 2 (two) authorised officers or, if the Issuer is in winding-up or administration, its liquidator or administrator (as the case may be) shall, in the absence of manifest error, be treated and accepted by the Issuer and the Noteholders as correct and sufficient evidence thereof.

Specified Currency

South African Rand or, subject to all Applicable Laws and, in the case of Notes listed on the JSE, the Debt Listings Requirements, such other currency as specified in the Applicable Pricing Supplement.

Status of Notes

Notes may be issued on a senior or subordinated basis, as specified in the Applicable Pricing Supplement.

Status of the Senior Notes

The Senior Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, all as described in Condition 5.1 (*Status of Senior Notes*) of the General Terms and Conditions and the Applicable Pricing Supplement.

Status of Subordinated Notes that are Tier 2 Notes

Tier 2 Notes will constitute direct, unsecured and subordinated obligations of the Issuer, all as described in Condition 5.2 (*Status of Tier 2 Notes*) of the General Terms and Conditions and the Applicable Pricing Supplement.

Status of Additional Tier 1 Notes

Additional Tier 1 Notes will constitute direct, unsecured and subordinated obligations of the Issuer, all as described in Condition 5 (*Status of Additional Tier 1 Notes*) of the Additional Tier 1 Terms and Conditions and the Applicable Pricing Supplement.

Status of Subordinated Notes that are not Tier 2 Notes or Additional Tier 1 Notes

Subordinated Notes that are not Tier 2 Notes or Additional Tier 1 Notes will constitute direct, unsecured and subordinated obligations of the Issuer, all as described in Condition 5.3 (*Status of Subordinated Notes that are not Additional Tier 1 Notes or Tier 2 Notes*) of the General Terms and Conditions and the Applicable Pricing Supplement.

Non-Viability Loss Absorption (Tier 2 Notes)

In relation to Tier 2 Notes, a "**Non-Viability Event**" shall occur when a "*trigger event*" specified in writing by the Relevant Regulator in accordance with the Capital Rules has occurred; provided that, as a minimum, the aforesaid "*trigger event*" shall be the earlier of:

- (a) a decision that a write-off, without which the Issuer would become non-viable, is necessary as determined by the Relevant Regulator; or
- (b) the decision to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by the Relevant Regulator.

Upon the occurrence of a Non-Viability Event, the Issuer will notify Tier 2 Noteholders and subsequently Write-off the Tier 2 Notes, in accordance with

the Capital Rules, as described in Condition 5.4 (*Loss Absorption Following A Non-Viability Event*) of the General Terms and Conditions.

If a Statutory Loss Absorption Regime is implemented in South Africa, and the Tier 2 Notes are subject to such a Statutory Loss Absorption Regime upon the occurrence of a Non-Viability Event, then the Issuer, if so specified in the Applicable Pricing Supplement, shall have the option to elect that the Non-Viability Loss Absorption Condition referred to in Condition 5.4 (*Loss Absorption Following A Non-Viability Event*) of the General Terms and Conditions shall cease to apply and that the Statutory Loss Absorption Regime will apply to the Tier 2 Notes from the date specified by the Issuer in accordance with Condition 5.4 (*Loss Absorption Following A Non-Viability Event*) of the General Terms and Conditions.

**Non-Viability Loss
Absorption (Additional Tier
1 Notes)**

In relation to Additional Tier 1 Notes a "**Non-Viability Event**" shall occur when:

- (a) a "*trigger event*" specified in writing by the Relevant Regulator in accordance with the Capital Rules has occurred; provided that, as a minimum, the aforesaid "*trigger event*" shall be the earlier of:
 - (i) a decision that a write-off, without which the Issuer would become non-viable, is necessary as determined by the Relevant Regulator; or
 - (ii) the decision to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by the Relevant Regulator; or.
- (b) the Issuer's Common Equity Tier 1 Capital Ratio is equal to or below 5.875 per cent.,

whichever is the earlier to occur; provided that paragraph (b) above will only apply if the Additional Tier 1 Notes are liability accounted by the Issuer.

The Applicable Pricing Supplement relating to a Tranche of Additional Tier 1 Notes will specify whether that Tranche of Additional Tier 1 Notes will, upon the occurrence of a Non-Viability Event, be Written-off or Converted into Issuer Ordinary Shares in (at the direction of the Relevant Regulator at the time of the occurrence of that Non-Viability Event) whole or in part.

Conversion of Additional Tier 1 Notes:

If Conversion upon the occurrence of a Non-Viability Event is specified as applicable to a Series of Additional Tier 1 Notes in the Applicable Pricing Supplement then upon the occurrence of a Non-Viability Event, the Issuer will Convert the Current Principal Amount of the Additional Tier 1 Notes (or the Relevant Part thereof) into Issuer Ordinary Shares, in accordance with the Capital Rules, by such amount (the "**Conversion Amount**") as the Relevant Regulator shall require; provided that:

- (a) a Conversion of the Additional Tier 1 Notes need only occur up until the point where the Issuer is deemed by the Relevant Regulator to be viable again, as specified in writing by the Relevant Regulator, and the Issuer's Common Equity Tier 1 Capital Ratio is above 5.875 per cent. to the extent that the Additional Tier 1 Notes are liability accounted; and
- (b) the Additional Tier 1 Notes shall be Converted in whole, or in part, on a *pro rata* basis with other Loss Absorbing Instruments.

Any such Conversion shall take place on such date selected by the Issuer in consultation with the Relevant Regulator (the "**Conversion Date**") but no later than 30 (thirty) days following the occurrence of the Non-Viability Event unless:

- (a) in accordance with the Capital Rules, the Relevant Regulator has agreed with the Issuer in writing that the Current Principal Amount (or the Relevant Part thereof) of the Additional Tier 1 Notes may be Converted after a longer period, in which case, the Conversion Date shall be such date as agreed with the Relevant Regulator; or
- (b) the Issuer, using its best efforts, is unable to complete the Conversion within the aforesaid 30-day period as a result of the need to comply with any Applicable Laws, regulations or written instructions of the Relevant Regulator (including but not limited to the time required to interface and consult with the Relevant Regulator), in which case the Conversion Date shall be a date as soon as reasonably possible after the end of the aforesaid 30-day period.

A Conversion may occur on more than one occasion following the occurrence of a Non-Viability Event and the Additional Tier 1 Notes may be Converted on more than one occasion.

To the extent that the conversion or write-off of any Loss Absorbing Instruments is not effective for any reason:

- (a) the ineffectiveness of any such conversion or write-off shall not prejudice the requirement to effect a Conversion of the Additional Tier 1 Notes; and
- (b) the conversion or write-off of any Loss Absorbing Instrument which is not effective shall not be taken into account in determining the Conversion Amount of the Additional Tier 1 Notes.

If a Conversion of any Additional Tier 1 Notes will take place pursuant to the occurrence of a Non-Viability Event specified in the Non-Viability Event Notice, the Issuer shall deliver a further written notice (the "**Conversion Notice**") to the Noteholders which specifies:

- (a) the Conversion Price;
- (b) the Conversion Record Date;
- (c) the Conversion Date;
- (d) the number of Conversion Shares to be issued pursuant to that Conversion; and
- (e) details of the arrangement for the settlement of the Conversion,

within the time period specified in the Applicable Pricing Supplement or failing any time period stipulated therein, as soon as the Conversion Price has been determined and such details are available. In this regard, the Issuer is required to do all things which may be necessary to enable such price and details to be determined as soon as is reasonably possible in the circumstances.

On the Conversion Date, in accordance with Applicable Laws, the Capital Rules and (if applicable) the written instructions received from the Relevant Regulator:

- (a) the Issuer shall issue to the relevant Noteholders (as they appear, and into the relevant Securities Accounts of the Beneficial Interest holders of the Converted Additional Tier 1 Notes recorded as such on the Conversion Record Date (or to the relevant Participant managing such Securities Account, if such Issuer Ordinary Shares are certificated), or, as the case may be, to the holder of Individual Certificates in respect of Converted Additional Tier 1 Notes as set out in the Register on the Conversion Record Date) such number of Issuer Ordinary Shares (the "**Conversion Shares**") calculated by

dividing the Conversion Amount on the Conversion Date by the Conversion Price;

- (b) the relevant Noteholders shall be deemed to have subscribed for the Conversion Shares for an aggregate subscription price equal to the Conversion Amount (the "**Subscription Price**");
- (c) the Subscription Price shall be automatically off-set against the Conversion Amount and the aggregate Current Principal Amount of the Additional Tier 1 Notes shall be reduced by the Conversion Amount; and
- (d) the Conversion Shares shall be credited as fully paid and shall be freely transferable and shall have the same rights as, and *pari passu* in all respects with, and be of the same class as, all of the Issuer Ordinary Shares as at the Conversion Date. If the Issuer Ordinary Shares are issued in registered certificated form, the Issuer shall procure that the certificate/s evidencing the Relevant Number of Issuer Ordinary Shares is/are delivered to each relevant Subordinated Noteholder.

Should all other issued Issuer Ordinary Shares be listed on a Relevant Stock Exchange at the time the Conversion Shares are issued to the relevant Noteholders pursuant to Condition 8.2 (*Conversion of Additional Tier 1 Notes upon a Non-Viability Event*) of the Additional Tier 1 Terms and Conditions, the Issuer shall procure that such Conversion Shares are, upon issue, likewise listed on that Relevant Stock Exchange.

Where, at the occurrence of the relevant Non-Viability Event, the Conversion of the relevant Tranche of Additional Tier 1 Notes pursuant to Condition 8.2 (*Conversion of Additional Tier 1 Notes upon a Non-Viability Event*) of the Additional Tier 1 Terms and Conditions (a) cannot be undertaken for any reason or (b) is not irrevocable or (c) will not result in an immediate increase in the Common Equity Tier 1 Capital Ratio, then the relevant Tranche of Additional Tier 1 Notes shall, instead of being Converted, be Written-off, at the occurrence of that Non-Viability Event (at the discretion of the Relevant Regulator), *mutatis mutandis* in accordance with the provisions of Condition 8.3 (*Write-off of Additional Tier 1 Notes upon a Non-Viability Event*) of the Additional Tier 1 Terms and Conditions.

For the avoidance of doubt, following any Conversion of the Additional Tier 1 Notes (or the Relevant Part thereof) the Issuer shall not be obliged to pay compensation in any form to the Noteholders.

Any Conversion of the Additional Tier 1 Notes (or the Relevant Part thereof) upon the occurrence of a Non-Viability Event will not constitute an event of default or any other breach of the Issuer's obligations, or a failure to perform by the Issuer, under the Additional Tier 1 Terms and Conditions and shall not entitle the Noteholders to petition or apply for the liquidation, winding-up or dissolution of the Issuer.

Once a Conversion of all or the Relevant Part of the Current Principal Amount of the Additional Tier 1 Notes has occurred, no Conversion Amount shall be restored under any circumstances (including, without limitation, where the Non-Viability Event ceases to continue) and the Noteholders will automatically irrevocably lose their rights to receive, and no longer have any rights against the Issuer with respect to, interest accrued on the Additional Tier 1 Notes prior to the Conversion Date and repayment of the Conversion Amount; provided that, if the Additional Tier 1 Notes are Converted in part, interest will continue to accrue on the Current Principal Amount.

The Issuer shall at all times (to the extent that it is within the Issuer's control and/or power to do so) obtain and maintain all prior authorisations (including, without limitation, all Issuer shareholder approvals in terms of the Companies Act and the JSE Listings Requirements applicable to the Main Board of the

JSE) necessary to ensure the Conversion of the relevant Tranche of Additional Tier 1 Notes. The Issuer will not issue and list a Tranche of Additional Tier 1 Notes to which Conversion is applicable unless the Issuer shall have secured and/or obtained the required shareholders' approval in accordance with the JSE Listings Requirements applicable to the Main Board of the JSE.

Write-off of Additional Tier 1 Notes:

If Write-off upon the occurrence of a Non-Viability Event is specified as applicable to a Series of Additional Tier 1 Notes in the Applicable Pricing Supplement then upon the occurrence of a Non-Viability Event, the Issuer will Write-off the Current Principal Amount of the Additional Tier 1 Notes (or the Relevant Part thereof), in accordance with the Capital Rules, by such amount (the "**Written-off Amount**") as the Relevant Regulator shall require; provided that:

- (a) a Write-off of the Additional Tier 1 Notes need only occur up until the point where the Issuer is deemed by the Relevant Regulator to be viable again, as specified in writing by the Relevant Regulator, and the Issuer's Common Equity Tier 1 Capital Ratio is above 5.875 per cent. to the extent that the Additional Tier 1 Notes are liability accounted; and
- (b) the Additional Tier 1 Notes shall be Written-off in whole, or in part, on a *pro rata* basis with other Loss Absorbing Instruments.

Any such Write-off shall take place on such date selected by the Issuer in consultation with the Relevant Regulator (the "**Write-off Date**") but no later than 30 (thirty) days following the occurrence of the Non-Viability Event unless in accordance with the Capital Rules, the Relevant Regulator has agreed with the Issuer in writing that the Current Principal Amount (or the Relevant Part thereof) of the Additional Tier 1 Notes may be Written-off after a longer period, in which case, the Write-off shall take place on such date as agreed with the Relevant Regulator.

A Write-off may occur on more than one occasion following the occurrence of a Non-Viability Event and the Additional Tier 1 Notes may be Written-off on more than one occasion.

For the avoidance of doubt, following any Write-off of the Additional Tier 1 Notes (or the Relevant Part thereof) the Issuer shall not be obliged to pay compensation in any form to the Noteholders.

Any Write-off of the Additional Tier 1 Notes (or the Relevant Part thereof) upon the occurrence of a Non-Viability Event will not constitute an event of default or any other breach of the Issuer's obligations, or a failure to perform by the Issuer, under the Additional Tier 1 Terms and Conditions and shall not entitle the Noteholders to petition or apply for the liquidation, winding-up or dissolution of the Issuer.

Once a Write-off of all or the Relevant Part of the Current Principal Amount of the Additional Tier 1 Notes has occurred, no Written-off Amount shall be restored under any circumstances (including, without limitation, where the Non-Viability Event ceases to continue) and the Noteholders will automatically irrevocably lose their rights to receive, and no longer have any rights against the Issuer with respect to, interest accrued on the Additional Tier 1 Notes prior to the Write-off Date and repayment of the Written-off Amount; provided that, if the Additional Tier 1 Notes are Written-off in part, interest will continue to accrue on the Current Principal Amount.

Disapplication of Non-Viability Loss Absorption Condition:

If a Statutory Loss Absorption Regime is implemented in South Africa, and the Additional Tier 1 Notes are subject to such a Statutory Loss Absorption

Regime upon the occurrence of a Non-Viability Event, then the Issuer, if so specified in the Applicable Pricing Supplement, shall have the option to elect that the Non-Viability Loss Absorption Condition referred to in Condition 8 (*Loss Absorption Following A Non-Viability Event*) of the Additional Tier 1 Terms and Conditions shall cease to apply and that the Statutory Loss Absorption Regime will apply to the Additional Tier 1 Notes from the date specified by the Issuer in accordance with Condition 8.4 (*Disapplication of Non-Viability Loss Absorption Condition*) of the Additional Tier 1 Terms and Conditions.

Taxation

A summary of the applicable tax legislation in respect of the Notes, as at the Programme Date, is set out in the section headed "*South African Taxation*" in the document incorporated by reference entitled "*Risk Factor & Other Disclosures Schedule relating to the Standard Bank Group Limited ZAR50,000,000,000 Domestic Medium Term Note Programme*". The summary does not constitute tax advice. Potential investors in the Notes should consult their own professional advisers as to the potential tax consequences of, and their tax positions in respect of, an investment in the Notes. It should be noted that the tax consequences to the holders of Additional Tier 1 Notes of the compulsory Conversion of Additional Tier 1 Notes into Issuer Ordinary Shares or the compulsory Write-off of Tier 2 Notes or Additional Tier 1 Notes, upon the occurrence of a Non-Viability Event, are complicated and potential investors in or purchasers of Tier 2 Notes and/or Additional Tier 1 Notes must consult their professional advisers in this regard.

Terms and Conditions

The Terms and Conditions of Senior Notes, Subordinated Notes (other than Additional Tier 1 Notes) and Tier 2 Notes are set out in the section of this Programme Memorandum headed "*General Terms and Conditions*". The Terms and Conditions of Additional Tier 1 Notes are set out in the section of this Programme Memorandum headed "*Additional Tier 1 Terms and Conditions*".

Withholding Tax

A withholding tax on South African-sourced interest paid to or for the benefit of a foreign person applies at a rate of 15%, in accordance with the Income Tax Act, 1962. The legislation exempts, *inter alia*, from the withholding tax on interest any amount of interest paid by a bank as defined in the Banks Act, to a foreign person. It is envisaged that this exemption would apply to the interest payments made to Noteholders on listed Notes.

In the event that an additional withholding tax or such other deduction is required by Applicable Laws, then the Issuer will, subject to the Issuer's rights to redeem Notes following a Tax Event (Gross up), Tax Event (Deductibility) or Change in Law pursuant to Condition 8.2 (*Redemption for Tax reasons or Change in Law*) of the General Terms and Conditions or Condition 9.3 (*Redemption for Tax reasons or Change in Law*) of the Additional Tier 1 Terms and Conditions (as applicable) (and subject to certain exceptions as provided in Condition 10 (*Taxation*) of the General Terms and Conditions or Condition 11 (*Taxation*) of the Additional Tier 1 Terms and Conditions), pay such additional amounts as shall be necessary in order that the net amounts received by the Noteholders after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes in the absence of such withholding or deduction.

RISK FACTORS

Investing in Notes involves certain risks. The Issuer has prepared a separate document entitled “*Risk Factor & Other Disclosures Schedule relating to the Standard Bank Group Limited ZAR 50,000,000,000 Domestic Medium Term Note Programme*” (“**Risk Factor & Other Disclosures Schedule**”) which, amongst other things, outlines the factors the Issuer believes may affect its ability to fulfil its obligations under the Notes as well as the factors which are material for the purpose of assessing the market risks associated with the Notes. This separate document is incorporated by reference and is available on the website of the Issuer at <https://reporting.standardbank.com/debt-investors/debt-securities/debt-securities/> (See further the section of this Programme Memorandum entitled “*Documents Incorporated by Reference*”).

Prospective investors are to ensure that they have read the Risk Factor & Other Disclosures Schedule available on the Issuer’s website as well as the detailed information set out elsewhere in this Programme Memorandum to reach their own views prior to making any investment decision.

FORM OF THE NOTES

Capitalised terms used in this section headed "Form of the Notes" shall bear the same meanings as used in the relevant Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

A Tranche of Senior Notes or Subordinated Notes (other than Additional Tier 1 Notes or Tier 2 Notes) may be issued in the form of listed or unlisted Registered Notes, Bearer Notes or Order Notes as specified in the Applicable Pricing Supplement. Additional Tier 1 Notes and Tier 2 Notes may be issued in the form of listed or unlisted Registered Notes as specified in the Applicable Pricing Supplement.

The Notes may be listed on the JSE and/or a successor exchange to the JSE or such other or further exchange or exchanges as the Issuer may select in relation to an issue and specify in the Applicable Pricing Supplement.

Registered Notes

A Tranche of Registered Notes will be issued in certificated form or uncertificated form as specified in the Applicable Pricing Supplement. Each Tranche of Notes which is listed on the JSE will be issued in uncertificated form and held in the Central Depository. A Tranche of unlisted Notes may also be held in the Central Depository.

Notes issued in certificated form

All certificated Registered Notes will be represented by single Individual Certificates in registered form. Registered Notes represented by Individual Certificates will be registered in the Register in the name of the individual Noteholders of such Notes.

Subject to the Applicable Laws, title to Registered Notes represented by Individual Certificates will pass upon registration of transfer in accordance with Condition 14.1 (*Transfer of Registered Notes*) of the General Terms and Conditions or Condition 15 (*Transfer of Additional Tier 1 Notes*) of the Additional Tier 1 Terms and Conditions (as applicable).

The Issuer shall regard the Register as the conclusive record of title to the Registered Notes represented by Individual Certificates.

Payments of all amounts due and payable in respect of Registered Notes represented by Individual Certificates will be made in accordance with Condition 9 (*Payments*) of the General Terms and Conditions or Condition 10 (*Payments*) of the Additional Tier 1 Terms and Conditions (as applicable) to the Person reflected as the registered Noteholder of such Registered Notes in the Register at 17:00 (South African time) on the Last Day to Register, and the Issuer's obligations will be discharged by proper payment to or to the order of such registered holder in respect of each amount so paid.

Notes issued in uncertificated form

A Tranche of Registered Notes which is listed on the JSE will, subject to Applicable Laws and Applicable Procedures, be issued in uncertificated form in terms of section 33 of the Financial Markets Act.

Registered Notes issued in uncertificated form will not be represented by any certificate or written instrument. A Tranche of Registered Notes issued in uncertificated form will be held in the Central Depository, and the nominees of the relevant Participants will be named in the Register as the registered holders of the Notes, unless the Participant has set up a central securities account in the name of any holder. In the event that the Participant has set up such central securities account in the name of an individual holder, such individual Noteholder will be named in the Register as the registered holder of the relevant Notes.

Title to Registered Notes issued in uncertificated form will pass upon registration of transfer in accordance with Condition 14.1 (*Transfer of Registered Notes*) of the General Terms and Conditions or Condition 15 (*Transfer of Additional Tier 1 Notes*) of the Additional Tier 1 Terms and Conditions (as applicable).

Payments of all amounts due and payable in respect of Registered Notes issued in uncertificated form will be made in accordance with Condition 9 (*Payments*) of the General Terms and Conditions or Condition 10 (*Payments*) of the Additional Tier 1 Terms and Conditions (as applicable) to the Person reflected as the registered Noteholder of such Registered Notes in the Register at 17:00 (South African time) on the Last Day to Register, and the Issuer will be discharged by proper payment to or to the order of such registered holder in respect of each amount so paid.

Beneficial Interests in Notes held in the Central Depository

The Participants will maintain records of the Beneficial Interests in Registered Notes held in the Central Depository.

The registered Noteholders of Registered Notes in a Tranche of Registered Notes held in the Central Depository will be determined in accordance with the CSD Procedures, and such registered Noteholders will be named in the Register as the registered holders of such Registered Notes.

A Tranche of Registered Notes which is listed on the JSE will be issued in uncertificated form and held in the Central Depository. A Tranche of unlisted Registered Notes may also be issued in uncertificated form and held in the Central Depository. While a Tranche of Registered Notes is held in the Central Depository, the registered Noteholder of the Registered Notes in that Tranche of Registered Notes, determined in accordance with the CSD Procedures, will be named in the Register as the Noteholder of the Registered Notes in that Tranche.

The Central Depository will hold each Tranche of Registered Notes subject to the Financial Markets Act and the Applicable Procedures. All amounts to be paid and, subject to the CSD Procedures, all rights to be exercised in respect of Registered Notes held in the Central Depository will be paid to and, subject to the CSD Procedures, may be exercised only by the Central Depository for the holders of Beneficial Interests in such Registered Notes.

The Central Depository maintains central securities accounts only for Participants. As at the Programme Date, the Participants are Citibank NA, Johannesburg branch, FirstRand Bank Limited (RMB Custody and Trustee Services), Nedbank Limited, The Standard Bank of South Africa Limited, Standard Chartered Bank, Johannesburg branch, Société Générale Johannesburg branch, and the SARB. Beneficial Interests which are held by Participants will be held directly through the Central Depository, and the Central Depository will hold such Beneficial Interests, on behalf of such Participants, through the central securities accounts maintained by the Central Depository for such Participants.

The Participants are in turn required to maintain securities accounts for their clients. Beneficial Interests which are held by clients of Participants will be held indirectly through such Participants, and such Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such Participants for such clients. The clients of Participants may include the holders of Beneficial Interests in the Notes or their custodians. The clients of Participants, as the holders of Beneficial Interests or as custodians for such holders, may exercise their rights in respect of the Notes held by them in the Central Depository only through their Participants. Euroclear Bank S.A./N.V. as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, société anonyme, (Clearstream, Luxembourg) ("**Clearstream**") may hold Registered Notes through their Participant.

In relation to each Person shown in the records of the Central Depository or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular outstanding Nominal Amount of Registered Notes, a certificate or other document issued by the Central Depository or the relevant Participant, as the case may be, as to the outstanding Nominal Amount of such Registered Notes standing to the account of any Person shall be *prima facie* proof of such Beneficial Interest.

Subject to the Applicable Laws, title to Beneficial Interests held by Participants directly through the Central Depository will pass on transfer thereof by electronic book entry in the central securities accounts maintained by the Central Depository for such Participants. Subject to the Applicable Laws, title to Beneficial Interests held by clients of Participants indirectly through such Participants will pass on transfer thereof by electronic book entry in the security accounts maintained by such Participants for such clients. Beneficial Interests may be transferred only in accordance with the CSD Procedures. Holders of Beneficial Interests in Registered Notes must vote in accordance with the Applicable Procedures. Holders of Beneficial Interests in Registered Notes must exercise their respective rights to vote through their respective Participants. The respective Participants will vote in accordance with the respective instructions conveyed to them by the respective holders of Beneficial Interests in Registered Notes, in accordance the CSD Procedures.

The holder of a Beneficial Interest will only be entitled to exchange such Beneficial Interest for Registered Notes represented by an Individual Certificate in accordance with Condition 13 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*) of the General Terms and Conditions or Condition 14 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*) of the Additional Tier 1 Terms and Conditions (as applicable).

Bearer and Order Notes

Bearer Notes issued in bearer form and Order Notes issued in order form and which are interest bearing may, if indicated in the Applicable Pricing Supplement, have interest coupons and, if indicated in the Applicable Pricing Supplement, Talons for further Coupons attached on issue. Notes repayable in instalments may have Receipts for the payment of the instalments of principal (other than the final instalment) attached on issue, as if indicated in the Applicable Pricing Supplement.

Title to Bearer Notes and/or Receipts, Coupons and Talons attached on issue to the Individual Certificate evidencing such Bearer Notes will pass by delivery of such Individual Certificate, Receipt, Coupon or Talon (as the case may be). Title to Order Notes and/or any Receipts, Coupons and Talons attached on issue to the Individual Certificate evidencing such Order Note, will pass by way of endorsement and delivery of such Individual Certificate, Receipt, Coupon or Talon (as the case may be).

Additional Tier 1 Notes and Tier 2 Notes will not be issued in the form of Bearer Notes or Order Notes.

PRO FORMA APPLICABLE PRICING SUPPLEMENT (GENERAL TERMS AND CONDITIONS)

Set out below is the form of Applicable Pricing Supplement that will be completed for each Tranche of Senior Notes, Subordinated Notes (other than Additional Tier 1 Notes) and Tier 2 Notes issued under the Programme:

Applicable Pricing Supplement dated [●]



Standard Bank Group Limited

(Incorporated with limited liability under Registration Number 1969/017128/06 in the Republic of South Africa)

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] due [Maturity Date]
Under its ZAR50,000,000,000 Domestic Medium Term Note Programme**

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The terms and conditions set forth in the section of the Programme Memorandum dated [●] (the "**Programme Memorandum**"), as updated and amended from time to time, headed "*General Terms and Conditions*" (the "**General Terms and Conditions**") apply to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the General Terms and Conditions. This Applicable Pricing Supplement must be read in conjunction with such Programme Memorandum. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

DESCRIPTION OF THE NOTES

- | | | |
|-----|--|---|
| 1. | Issuer | Standard Bank Group Limited |
| 2. | Debt Officer | Arno Daehnke, Group Chief Financial Officer of Standard Bank Group Limited |
| 3. | Status of the Notes | [Senior/Subordinated/Tier 2 Notes]
[Secured/Unsecured] |
| 4. | (a) Series Number | [●] |
| | (b) Tranche Number | [●] |
| | | <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)</i> |
| 5. | Aggregate Nominal Amount | [●] |
| | (a) Series | [●] |
| | (b) Tranche | [●] |
| 6. | Redemption/Payment Basis | [Partly Paid/Instalment/Exchangeable/Other] |
| 7. | Type of Notes | [Fixed Rate Notes]/[Floating Rate Notes]/[Indexed Notes]/[Exchangeable Notes]/[Partly Paid Notes]/[Zero Coupon Notes]/[Mixed Rate Notes]/[Instalment Notes]/[specify other] |
| 8. | Interest Payment Basis | [Fixed Rate]/[Floating Rate]/[Zero Coupon]/[Indexed Interest]/[Indexed Redemption Amount]/[Mixed Rate] |
| 9. | Form of Notes | [Registered Notes]/[Bearer Notes]/[Order Notes] |
| 10. | Automatic/Optional Conversion from one Interest/Payment Basis to another | [insert details including date for conversion] |

11.	Issue Date/Settlement Date	[●]
12.	Business Centre	[●]
13.	Additional Business Centre	[●]
14.	Specified Denomination	[●]
15.	Calculation Amount	[●]
16.	Issue Price	[●]
17.	Interest Commencement Date	[●]
18.	Maturity Date	[●]
19.	Maturity Period	[●]
20.	Specified Currency	[●]
21.	Applicable Business Day Convention	[Floating Rate Business Day]/[Following Business Day]/[Modified Following Business Day]/[Preceding Business Day]/[other convention – <i>insert details</i>]
22.	Calculation Agent	[The Standard Bank of South Africa Limited]
23.	Paying Agent	[The Standard Bank of South Africa Limited]
24.	Transfer Agent	[The Standard Bank of South Africa Limited]
25.	Settlement Agent	[The Standard Bank of South Africa Limited]
26.	Specified office of the Calculation Agent, Paying Agent, Transfer Agent and Settlement Agent	[●]
27.	Final Redemption Amount	[●]
PARTLY PAID NOTES		[Applicable]/[Not Applicable]
<i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>		
28.	Amount of each payment comprising the Issue Price	[●]
29.	Date upon which each payment is to be made by Noteholder	[●]
30.	Consequences (if any) of failure to make any such payment by Noteholder	[●]
31.	Interest Rate to accrue on the first and subsequent instalments after the due date for payment of such instalments	[●] per cent.
INSTALMENT NOTES		[Applicable]/[Not Applicable]
<i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>		
32.	Instalment Dates	[●]
33.	Instalment Amounts (expressed as a percentage of the aggregate Nominal Amount of the Notes)	[●]
FIXED RATE NOTES		[Applicable]/[Not Applicable]
<i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>		
34.	(a) Fixed Interest Rate(s)	[●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (<i>specify</i>)] in arrears]

- (b) Interest Payment Date(s) [●] in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"/[not adjusted]
- (c) Interest Period(s) each period commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period will commence on (and include) the Interest Commencement Date and end on (but exclude) [the following Interest Payment Date/state specific Interest Payment Date]
- (d) Fixed Coupon Amount[(s)] [●] per Calculation Amount
- (e) Initial Broken Amount [●]
- (f) Final Broken Amount [●]
- (g) Any other terms relating to the particular method of calculating interest [Not Applicable]/[give details]

FLOATING RATE NOTES

[Applicable]/[Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- 35. (a) Interest Payment Date(s) [●], with the first Interest Payment Date being [●] (each Interest Payment Date [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"/[not adjusted]])
- (b) Interest Period(s) each period commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period will commence on (and include) the Interest Commencement Date and end on (but exclude) [the following Interest Payment Date/state specific Interest Payment Date]
- (c) Definitions of Business Day (if different from that set out in Condition 1 (*Interpretation*)) [●]
- (d) Interest Rate(s) [●] per cent.
- (e) Minimum Interest Rate [●] per cent.
- (f) Maximum Interest Rate [●] per cent.
- (g) Day Count Fraction [●]
- (h) Other terms relating to the method of calculating interest (e.g. rounding up provision, if different from Condition 6.2 (*Interest on Floating Rate Notes and Indexed Notes*)) [●]
- 36. Manner in which the Interest Rate is to be determined [ISDA Determination/Screen Rate Determination/other (*give details*)]
- 37. Margin [(+/-) [●] per cent. to be added to/subtracted from the relevant (ISDA Rate/Reference Rate)]
- 38. If ISDA Determination:
 - (a) Floating Rate [●]

- (b) Floating Rate Option [●]
- (c) Designated Maturity [●]
- (d) Reset Date(s) [The first day of each Interest Period/ *(give details)* (and thereafter the first Business Day of each Interest Period)]
39. If Screen Rate Determination:
- (a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated) [e.g. ZAR-JIBAR-SAFEX/Prime Rate]
- (b) Interest Determination Date(s) [The second day on which the TARGET system is open prior to the start of each Interest Period/The first day of each Interest Period/*(give details)*]
- (c) Relevant Screen Page [●]
- (d) Relevant Time [●]
- (e) Reference Banks [●]
40. If Interest Rate to be calculated otherwise than by reference to 37 or 38 above
- (a) Margin [●]
- (b) Minimum Interest Rate [●]
- (c) Maximum Interest Rate [●]
- (d) Business Day Convention [●]
- (e) Day Count Fraction [●]
- (f) Default Rate [●]
- (g) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest for Floating Rate Notes [●]
41. If different from Calculation Agent, agent responsible for calculating amount of principal and interest [[Name] shall be the Calculation Agent (*no need to specify if the Calculation Agent is to perform this function*)]
- MIXED RATE NOTES** [Applicable]/[Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
42. Period(s) during which the interest rate for the Mixed Rate Notes will be (as applicable) for:
- (a) Fixed Rate Notes [●]
- (b) Floating Rate Notes [●]
- (c) Indexed Notes [●]
- (d) Other [●]
- ZERO COUPON NOTES** [Applicable]/[Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
43. (a) Implied Yield [●] per cent. per annum
- (b) Reference Price [●]

- (c) Any other formula or basis for determining amount(s) payable [Consider whether it is necessary to specify a Day Count Fraction for the purposes of Condition 8.9(c)]

INDEXED NOTES

- [Applicable]/[Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
44. (a) Type of Indexed Notes [Indexed Interest Notes/Indexed Redemption Amount Notes]
- (b) Index/Formula by reference to which Interest Amount/Final Redemption Amount is to be determined
- Name of Index: [●]
 Index Code: [●]
 Index Currency: [●]
 Index Sponsor: [●]
 Index Calculator: [●]
- The Index ground rules document is available at www.[●].
- Any change to the Index methodology will be published on SENS and communicated to the JSE. All other changes as detailed in the ground rules document will be published on the Index Calculator's website, www.[●].
- The Index Level is to be published [daily/monthly] and is available at www.[●]
- (c) Index of Indices [Yes/No]
- (If yes, complete the below information for each underlying index)*
- [Underlying Indices: [●]]
- The Index Level is published [daily/monthly] on www.[●]
- (d) Manner in which the Interest Amount/Final Redemption Amount is to be determined [●]The Index Level is published [daily/monthly] on www.[●]
- (e) Initial Index Level [●]
- (f) Interest Payment Date(s) [●], with the first Interest Payment Date being [●] (each Interest Payment Date [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"]/[not adjusted]])
- (g) Interest Period(s) each period commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period will commence on (and include) the Interest Commencement Date and end on (but exclude) [the following Interest Payment Date/state specific Interest Payment Date]
- (h) If different from the Calculation Agent, agent responsible for calculating amount of principal and interest [●]
- (i) Provisions where calculation by [●]

reference to index and/or formula is impossible or impracticable

- (j) Minimum Interest Rate [●]
- (k) Maximum Interest Rate [●]
- (l) Other terms relating to the calculation of the Interest Rate [●]

EXCHANGEABLE NOTES

- 45. Mandatory Exchange applicable? [Yes]/[No]
- 46. Noteholders' Exchange Right applicable? [Yes]/[No]
- 47. Exchange Securities [●]
- 48. Manner of determining Exchange Price [●]
- 49. Exchange Period [●]
- 50. Other [●]

OTHER NOTES

- 51. If the Notes are not Partly Paid Notes, Instalment Notes, Fixed Rate Notes, Floating Rate Notes, Mixed Rate Notes, Zero Coupon Notes, Indexed Notes or Exchangeable Notes or if the Notes are a combination of any of the foregoing, set out the relevant description and any additional terms and conditions relating to such Notes. [●]

PROVISIONS REGARDING REDEMPTION/MATURITY

- 52. Redemption at the Option of the Issuer (Call Option): [Applicable]/[Not Applicable]
If applicable:
 - (a) Optional Redemption Date(s) (Call) [●]
 - (b) Optional Redemption Amount(s) (Call) and method, if any, of calculation of such amount(s) [●]
 - (c) Minimum period of notice (if different from Condition 8.3 (*Redemption at the option of the Issuer (Call Option)*)) [●]
 - (d) If redeemable in part: [●]
 - Minimum Redemption Amount(s) [●]
 - Higher Redemption Amount(s) [●]
 - (e) Other terms applicable on Redemption [●]
- 53. Redemption at the option of the Noteholders of Senior Notes (Put Option): [Applicable]/[Not Applicable]
If applicable:
 - (a) Optional Redemption Date(s) (Put) [●]
 - (b) Optional Redemption Amount(s) (Put) and method, if any, of calculation of such amount(s) [●]

- (c) Minimum period of notice (if different to Condition 8.4 (*Redemption at the option of Noteholders of Senior Notes (Put Option)*)) [●]
- (d) If redeemable in part:
 Minimum Redemption Amount(s) [●]
 Higher Redemption Amount(s) [●]
- (e) Other terms applicable on Redemption [●]
- (f) Attach *pro forma* Put Notice(s) [●]
54. Early Redemption Amount(s) payable on redemption pursuant to the provisions of Conditions 8.2 (*Redemption for Tax reasons or Change in Law*), Condition 8.5 (*Redemption following the occurrence of a Capital Disqualification Event*) or Condition 12 (*Events of Default*) and/or the method of calculating same (if required or if different from that set out in Condition 8.9 (*Early Redemption Amounts*)) [●]
55. Optional Redemption for Subordinated Notes upon a Change in Law [Applicable]/[Not Applicable]
56. Substitution and Variation for Tier 2 Notes [Applicable]/[Not Applicable]
57. Substitution and Variation for Tier 2 Notes upon a Change in Law [Applicable]/[Not Applicable]
58. Option to dis-apply Non-viability Loss Absorption Condition for Tier 2 Notes pursuant to Condition 5.5 (*Disapplication of Non-Viability Loss Absorption*) [Applicable]/[Not Applicable]
59. Date for payment of Early Redemption Amount(s) payable on redemption pursuant to the provisions of Condition 12 (*Events of Default*) Date specified in announcement published by the Issuer on SENS, in accordance with the timetable set out in paragraph 3 of Schedule 4, Form A4 of the Debt Listings Requirements, which date will be on or before the day which is five Business Days after that date of receipt by the Issuer of the notice referred to in Condition 12 (*Events of Default*)

GENERAL

60. Material Changes As at the date of this Applicable Pricing Supplement, there has been no material change in the financial or trading position of the Issuer and its Subsidiaries since the date of the Issuer's latest [audited financial statements/ unaudited interim financial statements], dated [●]. As at the date of this Applicable Pricing Supplement, there has been no involvement by [●], the auditors of the Issuer, in making the aforementioned statement.
61. Other terms or special conditions [Not Applicable]/[give details]
62. [Date of [Board] approval for issuance of Notes obtained] [●]
 (*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of*)

		<i>Notes)</i>
63.	Additional selling restrictions	[●]
64.	(a) International Securities Identification Number (ISIN)	[●]
	(b) Stock Code	[●]
65.	(a) Financial Exchange	[●]
	(b) Relevant sub-market of the Financial Exchange	[●]
	(c) Clearing System	[Strate Proprietary Limited]
66.	If syndicated, names of managers	[●]
67.	Receipts attached? If yes, number of Receipts attached	[Yes]/[No] [●]
68.	Coupons attached? If yes, number of Coupons attached	[Yes]/[No] [●]
69.	Credit Rating assigned to the [Issuer]/[Programme]/[Notes]	[●]
70.	Date of issue of Credit Rating and date of next review	[●]
71.	Stripping of Receipts and/or Coupons prohibited as provided in Condition 14.4 (<i>Prohibition on Stripping</i>)?	[Yes]/[No]
72.	Governing law (if the laws of South Africa are not applicable)	[●]
73.	Other Banking Jurisdiction	[●]
74.	Last Day to Register, which shall mean that the "books closed period" (during which the Register will be closed) will be from each Last Day to Register to the applicable Payment Day until the date of redemption	[17h00 on [[●]], [●], [●] and [●]] of each year commencing on [●], or if such day is not a Business Day, the Business Day before each Books Closed Period until the Maturity Date] [or the last Business Day immediately preceding the commencement of the Books Closed Period]
75.	Books Closed Period	[The Register will be closed from [●] to [●] and from [●] to [●] (all dates inclusive) in each year until the Maturity Date.]/ [●]
76.	Stabilisation Manager (if any)	[●]
77.	Method of distribution	[●]
78.	Authorised amount of the Programme	[●]
79.	Total Notes in issue (including current issue)	[●] The Issuer confirms that aggregate Nominal Amount of all Notes Outstanding under this Programme is within the Programme Amount.
80.	Rights of cancellation	The Notes will be delivered to investors on the Issue Date through the settlement system of the Central Depository, provided that: <ul style="list-style-type: none"> (i) no event occurs prior to the settlement process being finalised on the Issue Date which the Dealers (in their sole discretion) consider to be a <i>force majeure</i> event; or (ii) no event occurs which the Dealers (in their

sole discretion) consider may prejudice the issue, the Issuer, the Notes or the Dealers,

(each, a "**Withdrawal Event**").

If the Issuer decides to terminate this transaction due to the occurrence of a Withdrawal Event, this transaction shall terminate and no party hereto shall have any claim against any other party as a result of such termination. In such event, the Notes, if listed, will immediately be de-listed.

81. Responsibility statement

The Issuer certifies that, to the best of its knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made, as well as that the Programme Memorandum as read together with this Applicable Pricing Supplement contains all information required by Applicable Laws and the Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum as read together with the annual financial statements and this Applicable Pricing Supplement and the annual reports and any amendments or any supplements to the aforementioned documents, except as otherwise stated therein or herein.

The JSE takes no responsibility for the contents of the information contained in the Programme Memorandum as read together with this Applicable Pricing Supplement and any amendments or any supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of any of the Applicable Pricing Supplement and any amendments or any supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listing of the debt securities is not to be taken in any way as an indication of the merits or the Issuer or of any of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever and the Issuer further confirms that the authorised amount of the Programme of ZAR50,000,000,000 has not been exceeded.

82. Commercial Paper Regulations

[Not Applicable]/[Applicable – see Annexure "A" to this Applicable Pricing Supplement]

83. Use of proceeds

[●]/[General corporate purposes] / [The Notes are intended to be issued as [Green Bonds]/[Social Bonds]/[Sustainable Bonds],, [further particulars (including investment category of [Green]/[Social]/[Sustainable] Projects and eligibility criteria) to be provided]]

84. Other provisions

[●]

Application [is hereby]/[will not be] made to list this issue of Notes [on ● ●●]. The Programme was registered with the JSE on [●].

SIGNED at _____ on this _____ day of _____ 20____.

For and on behalf of
STANDARD BANK GROUP LIMITED
Issuer

Name:
Capacity: Authorised Signatory
Who warrants his/her authority hereto

Name:
Capacity: Authorised Signatory
Who warrants his/her authority hereto

ANNEXURE "A" TO THE APPLICABLE PRICING SUPPLEMENT
COMMERCIAL PAPER REGULATIONS

Disclosure requirements in terms of paragraph 3(5) of the Commercial Paper Regulations

The information required to be disclosed in terms of paragraph 3(5) of the Commercial Paper Regulations is set out in this Annexure "A" (except where such information is disclosed in the Programme Memorandum and/or the Applicable Pricing Supplement):

1. **Issuer and Ultimate Borrower** (paragraph 3(5)(a) of the Commercial Paper Regulations)
The Issuer of the relevant Tranche of Notes is Standard Bank Group Limited (incorporated with limited liability under registration number 1969/017128/06 in South Africa).
The "*ultimate borrower*" is [the Issuer] [specify other].
2. **Going concern** (paragraph 3(5)(b) of the Commercial Paper Regulations)
The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments, thereby reflecting the adequacy of the liquidity and solvency of the Issuer.
3. **Auditor** (paragraph 3(5)(c) of the Commercial Paper Regulations)
The auditors of the Issuer as at the Issue Date are [●] and [●].
[●] and [●] have acted as the auditors of the Issuer's latest audited financial statements.
4. **Total amount of Commercial Paper** (paragraph 3(5)(d) of the Commercial Paper Regulations)
 - (a) [The Issuer has not, prior to the Issue Date, issued any "*commercial paper*" (as defined in the Commercial Paper Regulations).]
[The Issuer has, prior to the Issue Date, issued "*commercial paper*" (as defined in the Commercial Paper Regulations) in an aggregate amount of ZAR[●].]
 - (b) [As at Issue Date, to the best of the Issuer's knowledge and belief, the Issuer estimates that it will not issue any "*commercial paper*" (as defined in the Commercial Paper Regulations) during the Issuer's current financial year (excluding this Tranche of Notes).]
[As at Issue Date, to the best of the Issuer's knowledge and belief, the Issuer estimates that it will issue "*commercial paper*" (as defined in the Commercial Paper Regulations) in an aggregate amount of ZAR[●] during the Issuer's current financial year (excluding this Tranche of Notes).]
5. **Other information** (paragraph 3(5)(e) of the Commercial Paper Regulations)
All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in this Tranche of Notes is contained in the Programme Memorandum and the Applicable Pricing Supplement.
6. **Material adverse change** (paragraph 3(5)(f) of the Commercial Paper Regulations)
Save as disclosed in the Programme Memorandum [and as set out below], there has been no material adverse change in the Issuer's financial position since the date of the Issuer's last audited financial statements.
[give details, if applicable]
7. **Listing** (paragraph 3(5)(g) of the Commercial Paper Regulations)
This Tranche of Notes will be [unlisted] [listed on [the Interest Rate Market of the JSE] [specify other]].
8. **Use of proceeds** (paragraph 3(5)(h) of the Commercial Paper Regulations)
[The proceeds of the issue of this Tranche of Notes will be used by the Issuer for its general corporate purposes]/[The Notes are intended to be issued as Green Bonds, [further particulars (including category of Green Projects) to be provided]/ [specify other]
9. **Security** (paragraph 3(5)(i) of the Commercial Paper Regulations)
This Tranche of Notes is [secured] [unsecured].

10. **Auditors confirmation** (paragraph 3(5)(j) of the Commercial Paper Regulations)

[●], being one of the Issuer's auditors as at the Issue Date, have confirmed in writing that nothing has come to their attention which causes them to believe that the issue of this Tranche of Notes under the Programme, pursuant to the Programme Memorandum (as read with the Applicable Pricing Supplement) will not comply in all material respects with the provisions of the Commercial Paper Regulations.

11. **Audited financial statements** (paragraphs 3(5)(j)(i) and (j)(ii) of the Commercial Paper Regulations)

Where, in relation to the issue and placing of this Tranche of Notes, the Programme Memorandum and/or the Applicable Pricing Supplement is distributed and/or made available for inspection in South Africa, a copy of the Issuer's latest audited annual financial statements will at all times separately accompany (either by electronic delivery or by physical delivery) the Programme Memorandum and/or the Applicable Pricing Supplement, as required by the Commercial Paper Regulations.

GENERAL TERMS AND CONDITIONS

The following are the Terms and Conditions of the Senior Notes, Subordinated Notes (other than Additional Tier 1 Notes) and Tier 2 Notes to be issued by the Issuer pursuant to this Programme Memorandum. Senior Notes, Subordinated Notes (other than Additional Tier 1 Notes) and Tier 2 Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Senior Notes, Subordinated Notes (other than Additional Tier 1 Notes) or Tier 2 Notes. Before the Issuer issues any Tranche of Senior Notes, Subordinated Notes (other than Additional Tier 1 Notes) or Tier 2 Notes, the Issuer shall complete and sign the Applicable Pricing Supplement, based on the pro forma Pricing Supplement included in the section of the Programme Memorandum headed "Pro Forma Applicable Pricing Supplement (General Terms and Conditions)", setting out details of such Senior Notes, Subordinated Notes (other than Additional Tier 1 Notes) or Tier 2 Notes. The Applicable Pricing Supplement in relation to any Tranche of Senior Notes, Subordinated Notes (other than Additional Tier 1 Notes) or Tier 2 Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Tranche of Senior Notes, Subordinated Notes (other than Additional Tier 1 Notes) or Tier 2 Notes.

Any reference in this Programme Memorandum to any statute, regulation or other legislation shall be a reference to that statute, regulation or other legislation at the Programme Date, as amended or substituted from time to time.

1. INTERPRETATION

1.1 Definitions

In these Terms and Conditions, unless inconsistent with the context or separately defined in the Applicable Pricing Supplement, the following expressions shall have the following meanings:

Additional Amount	shall have the meaning defined in Condition 10 (<i>Taxation</i>);
Additional Business Centre(s)	the city or cities specified as such in the Applicable Pricing Supplement;
Additional Conditions	in relation to any issue of Notes, the proceeds of which are intended by the Issuer to qualify as Tier 2 Capital, such conditions, in addition to the conditions specified in the applicable Capital Rules, as may be prescribed by the Relevant Regulator for the proceeds of the issue of such Notes to qualify as Tier 2 Capital, pursuant to the approval granted by the Relevant Regulator for the issue of such Notes, as specified in the Applicable Pricing Supplement;
Additional Tier 1 Capital	" <i>additional tier 1 capital</i> " as defined in section 1(1) of the Banks Act;
Additional Tier 1 Capital Rules	shall have the meaning defined in the Additional Tier 1 Terms and Conditions;
Additional Tier 1 Capital Securities	any obligations or securities of the Issuer which upon issue qualified (or were intended to qualify) as Additional Tier 1 Capital;
Additional Tier 1 Notes	shall have the meaning defined in the Additional Tier 1 Terms and Conditions;
Additional Tier 1 Terms and Conditions	the terms and conditions applicable to Additional Tier 1 Notes issued under the Programme as set out in the section of this Programme Memorandum headed " <i>Additional Tier 1 Terms and Conditions</i> ";
Agency Agreement	the Amended and Restated Agency Agreement dated 24 December 2020 and made between the Issuer, the Transfer Agent, the Calculation Agent and the Paying Agent, as may be further supplemented and/or amended and/or restated from time to time;
Applicable Laws	in relation to a Party, means all and any: (a) statutes and subordinate legislation and common law;

	<ul style="list-style-type: none"> (b) regulations; (c) ordinances and by-laws; (d) directives, codes of practice, circulars, guidance notices, judgments and decisions of any competent authority, or any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation; and (e) other similar provisions,
	from time to time, compliance with which is mandatory for that Party;
Applicable Pricing Supplement	the Pricing Supplement relating to each Tranche of Notes;
Applicable Procedures	CSD Procedures, the rules, listing requirements and operating procedures from time to time of the, Settlement Agents, JSE and/or any Financial Exchange, as the case may be;
Banks Act	the Banks Act, 1990;
Bearer	the bearer of an Individual Certificate evidencing a Bearer Note or of a Receipt or Coupon attached to such Individual Certificate on issue;
Bearer Note	a Note payable to the Bearer thereof, transferable by way of delivery in accordance with Condition 14.2 (<i>Transfer of Bearer Notes</i>) and the term "Bearer Note" shall include the rights to payment of any interest or principal represented by a Coupon or Receipt (if any) attached on issue to the Individual Certificate evidencing such Bearer Note;
Beneficial Interest	in relation to a Tranche of Notes which is held in the Central Depository, the beneficial interest as a co-owner of an undivided share of all of the Notes in that Tranche, as contemplated in section 37(1) of the Financial Markets Act, the nominal value of which beneficial interest, in relation to any number of Notes in that Tranche, is determined by reference to the portion that the aggregate Nominal Amount of such number of Notes Outstanding bears to the aggregate Nominal Amount of all of the Notes in that Tranche Outstanding, as provided in section 37(3) of the Financial Markets Act;
Books Closed Period	in relation to a Tranche of Notes, the period, as specified in the Applicable Pricing Supplement, commencing after the Last Day to Register, during which transfer of the Notes will not be recorded in the Register, or such other shorter period as the Issuer may decide to determine those Noteholders entitled to receive interest or redemption monies;
Business Day	a day (other than a Saturday or Sunday or public holiday within the meaning of the Public Holidays Act, 1994) which is a day on which commercial banks settle ZAR payments in Johannesburg or any Additional Business Centre specified in the Applicable Pricing Supplement save that if the Specified Currency is not ZAR, "Business Day" shall mean a day (other than a Saturday or Sunday) which is a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the Specified Currency and in each (if any) Additional Business Centre, save further that if the Applicable Pricing Supplement so provides, " Business Day " shall include a Saturday;
Calculation Agent	The Standard Bank of South Africa Limited (Registration Number

	1962/000738/06), unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Calculation Agent in accordance with the Agency Agreement, in which event that other entity shall act as a calculation agent in respect of that Tranche or Series of Notes;
Calculation Amount	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Call Option	if specified as applicable in the Applicable Pricing Supplement, the option of the Issuer to early redeem the Notes in that Tranche of Notes in whole or, if so specified in the Applicable Pricing Supplement, in part at the Optional Redemption Amount(s) on the Optional Redemption Date(s) in accordance with Condition 8.3 (<i>Redemption at the option of the Issuer (Call Option)</i>);
Capital Disqualification Event	is an event which will be deemed to have occurred with respect to the Tier 2 Notes of any Series if, as a result of a Regulatory Change, the Tier 2 Notes of that Series are fully, or to the extent permitted by the Capital Rules, partially, excluded from Tier 2 Capital of the Issuer on a solo and/or consolidated basis (save where such non-qualification is only as a result of any applicable limitation on the amount of such capital and any amortisation of recognition as Tier 2 Capital under the Capital Rules in the final five years prior to maturity);
Capital Rules	at any time, any capital adequacy rules, legislation, regulations, requirements, guidance notes and policies relating to capital adequacy then in effect in South Africa in relation to banks registered under the Banks Act and licensed to conduct the business of a bank in South Africa (and where relevant, the rules applicable specifically to the Issuer) as applied by the Relevant Regulator or, if the Issuer becomes domiciled in a jurisdiction other than South Africa, any capital adequacy rules, legislation, regulations, requirements, guidance notes and policies relating to capital adequacy then in effect in such other jurisdiction in relation to bank and bank holding companies registered and licensed in such other jurisdiction (and where relevant, the rules applicable specifically to the Issuer) as applied by the Relevant Regulator;
Central Depository	Strate Proprietary Limited (Registration Number 1998/022242/07), a private company registered as a central securities depository in terms of the Financial Markets Act (or any successor legislation thereto), or any additional or alternate depository approved by the Issuer;
Change in Law	on, or after the Issue Date of the first Tranche of Subordinated Notes in any Series of Notes, (a) due to the adoption of or any change in any Applicable Law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any Applicable Law or regulation (including any action taken by a taxing authority), the Issuer determines in good faith that it will incur a materially increased cost in performing its obligations under such Subordinated Notes (including, without limitation, due to any tax liability, decrease in tax benefit or other adverse effect on its tax position);
Class or Class of Noteholders	the holders of a Series of Notes or, where appropriate, the holders of different Series of Notes;
Common Equity Tier 1	" <i>common equity tier 1 capital</i> " as defined in section 1(1) of the

Capital	Banks Act;
Common Equity Tier 1 Capital Securities	securities of the Issuer which qualify (or were intended to qualify at issue) as Common Equity Tier 1 Capital (including, without limitation, the Issuer Ordinary Shares);
Companies Act	the Companies Act, 2008;
Coupon	an interest coupon evidencing title to an interest payment in respect of an interest bearing Note which is a Bearer Note or an Order Note, attached on issue to the Individual Certificate evidencing such interest bearing Note and any reference to a Coupon shall, unless the context otherwise requires, be deemed to include a reference to a Talon;
Cross Default Threshold Amount	in relation to any Financial Indebtedness of the Issuer at any time, an amount which is 5 per cent. of Total Assets from time to time;
CSD Procedures	the rules and operating procedures, for the time being, of the Central Securities Depository and Participants;
Day Count Fraction	<p>in respect of the calculation of an amount for any period of time (the "Calculation Period"), such day count fraction as may be specified in these Terms and Conditions or the Applicable Pricing Supplement:</p> <p>(a) if "Actual/Actual (ICMA)" is so specified, means:</p> <p style="margin-left: 40px;">(i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and</p> <p style="margin-left: 40px;">(ii) where the Calculation Period is longer than one Regular Period, the sum of:</p> <p style="margin-left: 80px;">(1) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and</p> <p style="margin-left: 80px;">(2) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;</p> <p>(b) if "Actual/365" or "Actual/Actual (ISDA)" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);</p> <p>(c) if "Actual/365 (Fixed)" is so specified, means the actual number of days in the Calculation Period divided by 365;</p>

- (d) "**Actual/360**" is so specified, means the number of days in the Calculation Period divided by 360;
- (e) if "**30/360**" is so specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that included the last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and
- (f) if "**30E/360**" or "**Eurobond Basis**" is so specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the date of final maturity is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month);

Dealers	The Standard Bank of South Africa Limited (acting through its Corporate and Investment Banking Division) (Registration Number 1962/000738/06) and any other additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment of any Dealer;
Debt Listings Requirements	the debt listings requirements of the JSE in force from time to time;
Early Redemption Amount	the amount at which the Notes will be redeemed by the Issuer pursuant to the provisions of Condition 8.2 (<i>Redemption for Tax reasons or Change in Law</i>), Condition 8.5 (<i>Redemption following the occurrence of a Capital Disqualification Event</i>) and/or Condition 12 (<i>Events of Default</i>), determined in accordance with Condition 8.9 (<i>Early Redemption Amounts</i>) or as set out in the Applicable Pricing Supplement;
Endorsement	an "indorsement", <i>mutatis mutandis</i> , within the meaning of the Bills of Exchange Act, 1964;
Endorsement in Blank	an Endorsement which specifies no named Payee;
Event of Default	an event of default by the Issuer as set out in Condition 12 (<i>Events of Default</i>);
Exchangeable Notes	Notes which may be redeemed by the Issuer in the manner specified in the Applicable Pricing Supplement by the delivery to the Noteholders of cash or of so many of the Exchange Securities as are determined in accordance with the Applicable Pricing Supplement;
Exchange Control Regulations	the Exchange Control Regulations, 1961 promulgated pursuant to the Currency and Exchanges Act, 1933;
Exchange Period	in respect of Exchangeable Notes to which the Noteholders' Exchange Right applies (as specified in the Applicable Pricing Supplement), the period specified in the Applicable Pricing

	Supplement during which such right may be exercised;
Exchange Price	the value specified in the Applicable Pricing Supplement according to which the number of Exchange Securities which may be delivered in redemption of an Exchangeable Note will be determined;
Exchange Securities	the securities specified in the Applicable Pricing Supplement which may be delivered by the Issuer in redemption of Exchangeable Notes to the value of the Exchange Price;
Extraordinary Resolution	a resolution passed at a meeting (duly convened) of the Noteholders or members of the relevant Class of Noteholders, as the case may be, holding not less than 66.67% in Nominal Amount of the Notes, or of the Notes in that relevant Class, as the case may be, for the time being Outstanding present in person or by proxy voting thereat upon a show of hands or if a poll be duly demanded, then by a majority consisting of not less than 66.67 per cent. of the votes given on such poll;
Extraordinary Written Resolution	a resolution passed other than at a meeting of the Noteholders or members of the relevant Class of Noteholders, with the written consent of the Noteholders holding not less than 66.67% in Nominal Amount, of the Notes or of the Notes in that relevant Class, as the case may be, for the time being Outstanding. A resolution of Noteholders or members of the relevant Class of Noteholders shall state the date that the Issuer selected to determine which Noteholders recorded in the Register will receive notice of the written resolution;
Final Broken Amount	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Final Redemption Amount	the amount of principal payable in respect of each Note upon final redemption thereof, as specified in the Applicable Pricing Supplement;
Financial Indebtedness	any indebtedness of any Person for money borrowed or raised including (without limitation) any indebtedness for or in respect of: <ul style="list-style-type: none"> (a) amounts raised by acceptance under any acceptance credit facility; (b) amount raised under any note purchase facility; (c) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with the Applicable Laws and generally accepted accounting principles, be treated as finance and capital leases as at the Programme Date; (d) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 90 (ninety) days; and (e) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;
Financial Exchange	the JSE and/or such other or further financial exchange(s) as may be selected by the Issuer and the relevant Dealer, subject to Applicable Laws;
Financial Markets Act	the Financial Markets Act, 2012;
Fixed Coupon Amount	has the meaning ascribed thereto in the Applicable Pricing

	Supplement;
Fixed Interest Rate	the rate or rates of interest applicable to Fixed Rate Notes, as specified in the Applicable Pricing Supplement;
Fixed Rate Notes	Notes which will bear interest at the Fixed Interest Rate, as specified in the Applicable Pricing Supplement and more fully described in Condition 6.1 (<i>Interest on Fixed Rate Notes</i>);
Floating Rate Notes	Notes which will bear interest as specified in the Applicable Pricing Supplement and more fully described in Condition 6.2 (<i>Interest on Floating Rate Notes and Indexed Notes</i>);
Implied Yield	the yield accruing on the Issue Price of Zero Coupon Notes, as specified in the Applicable Pricing Supplement;
Income Tax Act	the Income Tax Act, 1962;
Indexed Interest Notes	Notes in respect of which the Interest Amount is calculated by reference to such index and/or formula as specified in the Applicable Pricing Supplement;
Indexed Notes	an Indexed Interest Note and/or an Indexed Redemption Amount Note, as applicable;
Indexed Redemption Amount Notes	Notes in respect of which the Final Redemption Amount is calculated by reference to an index and/or a formula as specified in the Applicable Pricing Supplement;
Individual Certificate	<p>(a) <i>in respect of Registered Notes</i>: a Note in the definitive registered form of a single certificate and, in respect of Registered Notes, being a certificate exchanged for a Beneficial Interest in accordance with Condition 13 (<i>Exchange of Beneficial Interests and Replacement of Individual Certificates</i>) and any further certificate issued in consequence of a transfer thereof;</p> <p>(b) <i>in respect of Bearer Notes</i>: a Note in the definitive bearer form of a single certificate together with Coupons and/or Receipts, if applicable; or</p> <p>(c) <i>in respect of Order Notes</i>: a Note in the definitive order form of a single certificate together with Coupons and/or Receipts, if applicable;</p>
Initial Broken Amount	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Instalment Amount	the amount expressed as a percentage of the Nominal Amount of an Instalment Note, being an instalment of principal (other than the final instalment) on an Instalment Note;
Instalment Notes	Notes redeemable in Instalment Amounts by the Issuer on an amortised basis on different Instalment Dates, as specified in the Applicable Pricing Supplement;
Interest Amount	in relation to a Tranche of Notes and an Interest Period, the amount of interest payable in respect of that Tranche of Notes for that Interest Period;
Interest Commencement Date	the first date from which interest on the Notes, other than Zero Coupon Notes, will accrue, as specified in the Applicable Pricing Supplement;
Interest Determination Date	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Interest Payment Date	if applicable in relation to a Tranche of Notes, the date(s) specified in the Applicable Pricing Supplement or if no such date(s) is/are

	specified in the Applicable Pricing Supplement, the last day of each Interest Period as may be adjusted in accordance with the relevant Business Day Convention (as specified in the Applicable Pricing Supplement);
Interest Period	if applicable in relation to a Tranche of Notes, the interest period or periods indicated in the Applicable Pricing Supplement;
Interest Rate	the rate or rates of interest applicable to Notes other than Zero Coupon Notes, as indicated in the Applicable Pricing Supplement;
ISDA	International Swaps and Derivatives Association, Inc.;
ISDA Definitions	the ISDA Definitions as published by ISDA (as amended, supplemented, revised or republished from time to time) as specified in the Applicable Pricing Supplement;
Issue Date	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Issuer	Standard Bank Group Limited (Registration Number 1969/017128/06), a public company incorporated in accordance with the laws of South Africa;
JSE	JSE Limited (Registration Number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa, licensed as an exchange under the Financial Markets Act;
JSE Debt Guarantee Fund Trust	the guarantee fund trust operated by the JSE as a separate guarantee fund in terms of the rules of the JSE, as required by sections 8(1)(h) and 17(1)(w) of the Financial Markets Act or any successor fund;
JSE Debt Sponsor	The Standard Bank of South Africa Limited (acting through its Corporate and Investment Banking division) (Registration Number 1962/000738/06), a public company incorporated in accordance with the laws of South Africa;
JSE Guarantee Fund	the Guarantee Fund established and operated by the JSE as a separate guarantee fund, in terms of the rules of the JSE, as required by sections 8(1)(h) and 17(1)(w) of the South African Financial Markets Act or such other fund of any successor exchange, as the case may be;
Junior Securities	in relation to the Tier 2 Notes: <ul style="list-style-type: none"> (a) any securities issued by the Issuer which qualify (or were intended to qualify at issue) as Common Equity Tier 1 Capital; (b) any securities issued by the Issuer which qualify (or were intended to qualify at issue) as Additional Tier 1 Capital; and (c) any securities issued by, or any other obligations of the Issuer which rank, or are expressed to rank, junior to the Tier 2 Notes on liquidation, winding-up or bankruptcy of the Issuer;
Last Day to Register	with respect to a particular Series of Notes (as specified in the Applicable Pricing Supplement), the close of business on the Business Day immediately preceding the first day of a Books Closed Period and in the case of Notes listed on the Main Board of the JSE, shall mean "Last Day to Trade" as set out in the Debt Listings Requirements;
Mandatory Exchange	if specified in the Applicable Pricing Supplement, the obligation of the Issuer to redeem Exchangeable Notes on the Maturity Date by

	delivery of Exchange Securities to the relevant Noteholders of Exchangeable Notes;
Margin	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Maturity Date	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Maturity Period	shall be the period referred to in the Applicable Pricing Supplement;
Maximum Redemption Amount	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Minimum Redemption Amount	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Mixed Rate Notes	Notes which will bear interest over respective periods at differing interest rates applicable to any combination of Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or Indexed Notes, each as specified in the Applicable Pricing Supplement and as more fully described in Condition 6.3 (<i>Interest on Mixed Rate Notes</i>);
Nominal Amount	in relation to any Note, the total amount, excluding interest owing by the Issuer under the Note, as specified in the Applicable Pricing Supplement;
Non-Viability Event	shall have the meaning ascribed thereto in Condition 5.4(b) (<i>Loss Absorption Following A Non-Viability Event</i>);
Non-Viability Event Notice	shall have the meaning ascribed thereto in Condition 5.4(c) (<i>Loss Absorption Following A Non-Viability Event</i>);
Non-Viability Loss Absorption Condition	shall have the meaning ascribed thereto in Condition 5.4 (<i>Loss Absorption Following A Non-Viability Event</i>);
Noteholders	the holders of the Registered Notes (as recorded in the Register) and/or the Bearers of the Bearer Notes and/or the Payees of the Order Notes;
Noteholders' Exchange Right	if specified in the Applicable Pricing Supplement, the right of Noteholders of Exchangeable Notes to elect to receive delivery of the Exchange Securities in lieu of cash from the Issuer upon redemption of such Notes;
Notes	the notes issued or to be issued by the Issuer under the Programme;
Optional Redemption Amount (Call)	in respect of any Note, its Nominal Amount or such other amount as may be specified in, or determined in accordance with, the Applicable Pricing Supplement;
Optional Redemption Amount (Put)	in respect of any Note, its Nominal Amount or such other amount as may be specified in, or determined in accordance with, the Applicable Pricing Supplement;
Optional Redemption Date(s) (Call)	the date(s) specified as such in the Applicable Pricing Supplement in relation to a Tranche of Notes pursuant to which the Issuer is specified as having an option to redeem in accordance with Condition 8.4 (<i>Redemption at the option of the Issuer (Call Option)</i>). If no such date(s) is/are specified in the Applicable Pricing Supplement, the Optional Redemption Date(s) (Call) shall be the Interest Payment Date(s) (in the case of interest-bearing Notes) or, such other date(s) (in the case of non-interest-bearing Notes) stipulated as the date(s) for redemption of such Tranche of Notes or the relevant portion of such Tranche of Notes, as the case may be, in the notice delivered by the Issuer pursuant to Condition 8.4 (<i>Redemption at the option of the Issuer (Call</i>

	<i>Option</i>));
Optional Redemption Date(s) (Put)	the date(s) specified as such in the Applicable Pricing Supplement in relation to a Tranche of Senior Notes pursuant to which the Senior Noteholders are specified as having an option to redeem in accordance with Condition 8.4 (<i>Redemption at the option of Noteholders of Senior Notes (Put Option)</i>). If no such date(s) is/are specified in the Applicable Pricing Supplement, the Optional Redemption Date(s) (Put Option) shall be the Interest Payment Date(s) (in the case of interest-bearing Notes) or such other date(s) (in the case of non-interest-bearing Notes) stipulated as the date(s) for redemption of such Tranche of Senior Notes or the relevant portion of such Tranche of Senior Notes, as the case may be, in the Put Notice;
Other Subordinated Securities	in relation to a Series of Subordinated Notes (other than Additional Tier 1 Notes or Tier 2 Notes), any obligations or securities of the Issuer which rank or are expressed to rank on a liquidation, bankruptcy or winding-up of the Issuer <i>pari passu</i> with the Subordinated Notes of that Series;
Other Tier 2 Securities	any obligations or securities of the Issuer (other than the Tier 2 Notes): <ul style="list-style-type: none"> (a) which upon issue qualified (or were intended to qualify) as Tier 2 Capital; or (b) which otherwise rank or are expressed to rank on a liquidation, bankruptcy or winding-up of the Issuer <i>pari passu</i> with the Tier 2 Notes or with other obligations or securities falling within paragraph (a) above;
Order Note	a Note payable to the Payee thereof, transferable by way of Endorsement and delivery in accordance with Condition 14.3 (<i>Transfer of Order Notes</i>) and the term "Order Note" shall include the rights to interest or principal represented by a Coupon or Receipt (if any) attached on issue to the Individual Certificate evidencing such Order Note;
Outstanding	in relation to the Notes, all the Notes issued other than: <ul style="list-style-type: none"> (a) those which have been redeemed in full; (b) those in respect of which the date for redemption in accordance with these Terms and Conditions or the Additional Tier 1 Terms and Conditions (as applicable) has occurred and the redemption moneys wherefore (including all interest (if any) accrued thereon to the date for such redemption and any interest (if any) payable under these Terms and Conditions or the Additional Tier 1 Terms and Conditions (as applicable) after such date) remain available for payment against presentation of Individual Certificates; (c) those which have been purchased and cancelled as provided in Condition 8.14 (<i>Cancellation</i>) of these Terms and Conditions or Condition 9.9 (<i>Cancellation</i>) of the Additional Tier 1 Terms and Conditions (as applicable); (d) those which have become prescribed under Condition 11 (<i>Prescription</i>) of these Terms and Conditions or Condition 12 (<i>Prescription</i>) of the Additional Tier 1 Terms and Conditions (as applicable); (e) Notes represented by those mutilated or defaced Individual Certificates which have been surrendered in

exchange for replacement Individual Certificates pursuant to Condition 13 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*) of these Terms and Conditions or Condition 14 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*) of the Additional Tier 1 Terms and Conditions (as applicable); and

- (f) (for the purpose only of determining how many Notes are Outstanding and without prejudice to their status for any other purpose), those Notes represented by Individual Certificates alleged to have been lost, stolen or destroyed and in respect of which replacement Individual Certificates have been issued pursuant to Condition 13 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*) of these Terms and Conditions or Condition 14 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*) of the Additional Tier 1 Terms and Conditions (as applicable),

provided that for each of the following purposes, namely:

- (1) the right to attend and vote at any meeting of the Noteholders; and
- (2) the determination of how many and which Notes are for the time being Outstanding for the purposes of Conditions 18 (*Meetings of Noteholders*) and 19 (*Modification*) of these Terms and Conditions,

all:

- (i) Notes (if any) which are for the time being held by the Issuer (subject to any Applicable Laws) or by any Person for the benefit of the Issuer and not cancelled (unless and until ceasing to be so held); and
- (ii) Receipts and Coupons,

shall be deemed not to be Outstanding;

in relation to a Note, the principal amount of that Note less

Outstanding Principal Amount

- (a) on each occasion on which that Note is partially redeemed in accordance with these Terms and Conditions or the Additional Tier 1 Terms and Conditions (as applicable), that portion of such principal amount of that Note which has been so partially redeemed;
- (b) in the case of Tier 2 Notes, that portion of such principal amount as which has been reduced, on one or more occasions, pursuant to a Write-off following the occurrence of a Non-Viability Event; and
- (c) in the case of Additional Tier 1 Notes, that portion of such principal amount as which has been reduced, on one or more occasions, pursuant to a Conversion or Write-off (each as defined in the Additional Tier 1 Terms and Conditions) (as applicable) following the occurrence of a

Non-Viability Event (as defined in the Additional Tier 1 Terms and Conditions);

Participants	depository institutions accepted by the Central Depository as participants in terms of the Financial Markets Act;
Partly Paid Notes	Unlisted Notes which are issued with the Issue Price partly paid and which Issue Price is paid up fully by the Noteholder in instalments (as specified in the Applicable Pricing Supplement);
Payee	a Person reflected (either as the subscriber or by way of Endorsement) as the payee on an Individual Certificate evidencing an Order Note or a Receipt or Coupon, attached thereto on issue, and to whom such Individual Certificate, Receipt or Coupon (as the case may be) has been delivered;
Paying Agent	The Standard Bank of South Africa Limited (Registration Number 1962/000738/06), unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Paying Agent, in which event that other entity shall act as a Paying Agent in respect of that particular Tranche or Series of Notes;
Payment Day	any day which is a Business Day and upon which a payment is due by the Issuer in respect of the Notes;
Person	any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;
Previous Programme Memoranda	the programme memorandum dated 28 November 2016, as amended and restated on 13 November 2018 and 19 September 2019;
Prime Rate	the publicly quoted basic rate of interest (per cent., per annum, compounded monthly in arrears and calculated on a 365 (three hundred and sixty-five) day year (irrespective of whether or not the year is a leap year)) from time to time published by The Standard Bank of South Africa Limited as being its prime overdraft rate as certified by any authorised official of such bank, whose appointment, designation or authority need not be proved;
Programme	the Standard Bank Group Limited ZAR50,000,000,000 Domestic Medium Term Note Programme;
Programme Amount	the maximum aggregate Nominal Amount of all Notes Outstanding that may be issued under the Programme at any one point in time being as at the Programme Date, ZAR50,000,000,000 (or its equivalent in other currencies) or such increased amount as is determined by the Issuer from time to time, subject to the Applicable Procedures, Applicable Laws and the Programme Agreement, as set out in the section of this Programme Memorandum headed " <i>General Description of the Programme</i> ";
Programme Date	the date of this Programme Memorandum being 24 December 2020;
Programme Memorandum	this programme memorandum dated 24 December 2020 which will apply to all Notes issued under the Programme on or after the Programme Date and, which, in respect of such Notes, supersedes and replaces the Previous Programme Memoranda in their entirety;
Put Notice	a notice which must be delivered to the Paying Agent by any Noteholder wanting to exercise the Put Option;
Put Option	if specified as applicable in the Applicable Pricing Supplement, the option of a Noteholder of Senior Notes to require the Issuer to redeem the Senior Notes in that Tranche of Notes held by the

Noteholder, in whole or in part at the Optional Redemption Amount on the Optional Redemption Date in terms of Condition 8.4 (*Redemption at the option of Noteholders of Senior Notes (Put Option)*);

Qualifying Tier 2 Securities

securities issued directly by the Issuer that:

- (a) have terms not materially less favourable to an investor than the terms of the Notes being substituted or varied in accordance with Condition 8.6 (*Substitution or Variation*) (as reasonably determined by the Issuer in consultation with an investment bank or financial adviser of international standing (which in either case is independent of the Issuer), and provided that a certification to such effect of two authorised officers shall have been delivered to the Paying Agent prior to the issue or, as appropriate, variation of the relevant securities), and, subject thereto, which: (i) contain terms which comply with the then current minimum requirements of the Relevant Regulator in relation to Tier 2 Capital, required to ensure that such Qualifying Tier 2 Securities qualify as Tier 2 Capital; (ii) include terms which provide for the same Interest Rate or rate of return from time to time applying to the Notes, and preserve the Interest Payment Dates; (iii) rank senior to, or *pari passu* with, the ranking of the Notes; (iv) preserve any existing rights under these Terms and Conditions to any accrued interest or other amounts which have not been paid; (v) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; and (vi) have a solicited published rating ascribed to them or expected to be ascribed to them if the Notes had a solicited published rating from a rating agency immediately prior to such substitution or variation; and
- (b) if the Notes are listed (i) on the JSE, or (ii) such other Financial Exchange at that time as selected by the Issuer;

Receipt

a receipt evidencing title to payment of an Instalment Amount payable on an Instalment Note which is a Bearer Note or an Order Note, attached upon issue to the Individual Certificate evidencing such Instalment Note;

Redemption Amount

the Final Redemption Amount, the Optional Redemption Amount, the Early Redemption Amount or such other amount in the nature of a redemption amount, as appropriate, as may be specified in, or determined in accordance with the provisions of, the relevant Applicable Pricing Supplement;

Reference Banks

has the meaning ascribed thereto in the Applicable Pricing Supplement;

Reference Price

has the meaning ascribed thereto in the Applicable Pricing Supplement;

Reference Rate

has the meaning ascribed thereto in the Applicable Pricing Supplement;

Reference Price

in relation to a Tranche of Notes (where applicable), the price specified as such in the Applicable Pricing Supplement;

Register

the register of Noteholders maintained by the Transfer Agent in terms of Condition 15 (*Register*);

Registered Note	a Note issued in registered form and transferable in accordance with Condition 14.1 (<i>Transfer of Registered Notes</i>) and which may include Uncertificated Notes;
Regular Period	<p>(a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;</p> <p>(b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "<i>Regular Date</i>" means the day and month (but not the year) on which any Interest Payment Date falls; and</p> <p>(c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "<i>Regular Date</i>" means the day and the month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;</p>
Regulations Relating to Banks	the Regulations Relating to Banks published under Government Notice R1029 in Government Gazette 35950 of 12 December 2012 (as amended by Government Notice R1029 in Government Gazette No. 35950 on 12 December 2012, Government Notice R261 in Government Gazette 38616 of 27 March 2015, Government Notice R309 in Government Gazette 38682 of 10 April 2015 and Government Notice R297 in Government Gazette 40002 of 20 May 2016), issued under section 90 of the Banks Act;
Regulatory Change	a change in, or amendment to, the Capital Rules or any change in the application of or official or generally published guidance or interpretation of the Capital Rules, which change or amendment becomes, or would become, effective on or after the Issue Date of the first Tranche of Notes of the relevant Series;
Relevant Date	<p>in respect of any payment relating to the Notes, the date on which such payment first becomes due, except that, in relation to monies payable to the Central Depository in accordance with these Terms and Conditions, it means the first date on which:</p> <p>(a) the full amount of such monies have been received by the Central Depository;</p> <p>(b) such monies are available for payment to the holders of Beneficial Interests; and</p> <p>(c) notice to that effect has been duly given to such holders in accordance with the Applicable Procedures;</p>
Relevant Regulator	the Prudential Authority in terms of the Banks Act and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer;
Relevant Screen Page	the page, section or other part of a particular information service

	(including, without limitation, Reuters) specified as the Relevant Screen Page in the Applicable Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;
Relevant Time	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Representative	a Person duly authorised to act on behalf of a Noteholder, who may be regarded by the Issuer, the Transfer Agent and the Paying Agent (all acting in good faith) as being duly authorised based upon the tacit or express representation thereof by such Representative, in the absence of express notice to the contrary from such Noteholder;
SARB	the South African Reserve Bank;
Senior Claims	shall have the meaning defined in Condition 5.3(b)(iii);
Senior Creditors	creditors of the Issuer: <ul style="list-style-type: none"> (a) who are unsubordinated creditors of the Issuer; and (b) (other than the holders of Additional Tier 1 Capital Securities or Tier 2 Securities) whose claims are, or are expressed to be, subordinated (whether in the event of a dissolution, liquidation or winding-up of the Issuer or otherwise) to the claims of unsubordinated creditors of the Issuer but not further or otherwise;
Senior Notes	Notes issued with the status and characteristics set out in Condition 5.1 (<i>Status of Senior Notes</i>) as specified in the Applicable Pricing Supplement;
SENS	the Stock Exchange News Service established by the JSE;
Series	a Tranche of Notes together with any further Tranche or Tranches of Notes which are: (a) expressed to be consolidated and form a single series; and (b) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices;
Settlement Agent	The Standard Bank of South Africa Limited (Registration Number 1962/000738/06), unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Settlement Agent, in which event that other entity shall act as a Settlement Agent in respect of that particular Tranche or Series of Notes;
Solvent Reconstruction	the event where an order is made or an effective resolution is passed for the winding-up of the Issuer, other than under or in connection with a scheme of amalgamation or reconstruction involving a bankruptcy or insolvency where the obligations of the Issuer in relation to the outstanding Notes are assumed by the successor entity to which all, or substantially all, of the property, assets and undertaking of the Issuer are transferred or where an arrangement with similar effect not involving bankruptcy or insolvency is implemented;
South Africa	the Republic of South Africa;
Specified Currency	subject to the Exchange Control Regulations, has the meaning ascribed thereto in the Applicable Pricing Supplement;

Specified Denomination	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Specified Office	the registered address of the Issuer as specified in the Applicable Pricing Supplement or such other address as the Issuer may specify by notice to the Noteholders which change of address shall in each case be notified to the Noteholders in accordance with Condition 17 (<i>Notices</i>);
Statutory Loss Absorption Regime	any legal, statutory or regulatory regime or requirement implemented in South Africa which provides the Relevant Regulator with the power to implement principal loss absorption measures in respect of capital instruments (such as Additional Tier 1 Capital and Tier 2 Capital), including, but not limited to, any such regime or requirement which is implemented pursuant to Basel III;
Subordinated Notes	(i) any Notes issued with the status and characteristics set out in Condition 5.2 (<i>Status of Tier 2 Notes</i>) and specified as Tier 2 Notes in the Applicable Pricing Supplement, (ii) any Notes issued with the status and characteristics set out in Condition 5.3 (<i>Status of Subordinated Notes that are not Additional Tier 1 Notes or Tier 2 Notes</i>) as specified in the Applicable Pricing Supplement, or (iii) any Notes issued with the status and characteristics set out in Condition 5 (<i>Status of Additional Tier 1 Notes</i>) of the Additional Tier 1 Terms and Conditions as specified in the Applicable Pricing Supplement;
Subsidiary	an entity of which a Person has direct or indirect control or owns directly or indirectly more than 50 per cent. of the voting capital or similar right of ownership and control for this purpose means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise;
Talon	a talon entitling the holder to receive further Coupons in relation to an interest-bearing Bearer Note or Order Note, if specified in the Applicable Pricing Supplement, attached to the Individual Certificate evidencing such interest-bearing Note;
Tax Event (Deductibility)	an event where, as a result of a Tax Law Change, in respect of the Issuer's obligation to make any payment of interest on the next Interest Payment Date or any subsequent Interest Payment Date, the Issuer would not be entitled to claim a deduction in respect of computing its taxation liabilities in South Africa, or such entitlement is, in the opinion of the Issuer, materially reduced, and, in each case, the Issuer cannot avoid the foregoing in connection with the Notes by taking measures reasonably available to it (such reasonable measures to exclude any requirement to instigate litigation in respect of any decision or determination of the South African Revenue Service that any such interest does not constitute a tax deductible expense);
Tax Event (Gross up)	an event where, as a result of a Tax Law Change, the Issuer has paid or will or would on the next Interest Payment Date be required to pay Additional Amounts as provided or referred to in Condition 10 (<i>Taxation</i>);
Tax Law Change	a change or proposed change in, or amendment or proposed amendment to, the tax laws or regulations of South Africa, or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such tax laws or regulations (including a holding by a court of competent jurisdiction), whether or not having

	retrospective effect, which actual or proposed change or amendment becomes effective on or after the Issue Date of the first Tranche of Notes of the relevant Series;
Tier 2 Capital	" <i>tier 2 capital</i> " as defined in section 1(1) of the Banks Act;
Tier 2 Capital Rules	Regulation 38(12) of the Regulations Relating to Banks and such other provisions of the Capital Rules with which Tier 2 Notes must comply in order for the proceeds of the issue of such Notes to qualify as Tier 2 Capital;
Tier 2 Noteholder	a holder of a Tier 2 Note;
Tier 2 Notes	Notes specified as such in the Applicable Pricing Supplement and complying with the Tier 2 Capital Rules;
Total Assets	the aggregate of all of the assets of the Issuer as set out in the most recently published audited financial statements of the Issuer from time to time and if no such financial statements of the Issuer have been published at such time, means all of the assets of the Issuer as certified by the Chief Financial Officer of the Issuer;
Tranche	in relation to any particular Series, all Notes which are identical in all respects (including as to listing);
Transfer Agent	The Standard Bank of South Africa Limited (Registration Number 1962/000738/06), unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Transfer Agent, in which event that other entity shall act as a Transfer Agent in respect of that particular Tranche or Series of Notes;
Transfer Form	the written form for the transfer of a Registered Note, in the form approved by the Transfer Agent, and signed by the transferor and transferee;
Uncertificated Note	a Note that is an uncertificated security as contemplated in the Financial Markets Act;
Write-off	means, in respect of Tier 2 Notes: <ul style="list-style-type: none"> (a) the Tier 2 Notes shall be cancelled (in the case of a Write-off in whole) or written-off in part on a <i>pro rata</i> basis (in the case of a Write-off in part), in accordance with the Capital Rules and as determined by the Relevant Regulator; and (b) all rights of any Tier 2 Noteholder for payment of any amounts under or in respect of the Tier 2 Notes (including, without limitation, any amounts arising as a result of, or due and payable upon the occurrence of, an Event of Default) shall, as the case may be, be cancelled or written off pro rata among the Tier 2 Noteholders and, in each case, not restored under any circumstances, irrespective of whether such amounts have become due and payable prior to the date of the Non-Viability Event Notice and even if the Non-Viability Event has ceased;
ZAR	the lawful currency of South Africa, being South African Rand, or any successor currency;
ZAR-JIBAR-SAFEX	the mid-market rate for deposits in ZAR for a period of the Designated Maturity which appears on the Reuters Screen SAFEX Page as at 12h00 (Johannesburg time) on the relevant date, or any successor rate; and
Zero Coupon Notes	Notes which will be offered and sold at a discount to their Nominal Amount or at par and will not bear interest other than in the case of

late payment.

1.2 Interpretation

In these Terms and Conditions, unless inconsistent with the context, any reference to:

- (a) one gender includes a reference to the others;
- (b) the singular includes the plural and vice versa;
- (c) natural persons include juristic persons and vice versa;
- (d) a "subsidiary" or "holding company" shall be interpreted in accordance with section 1 of the Companies Act;
- (e) any agreement or instrument is a reference to that agreement or instrument as amended, supplemented, varied, novated, restated or replaced from time to time, and "amended" or "amendment" will be construed accordingly;
- (f) a provision of law is a reference to that provision as amended or re-enacted, and includes any subordinate legislation;
- (g) a "regulation" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which any person to which it applies is accustomed to comply) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (h) "assets" includes present and future properties, revenues and rights of every description;
- (i) "disposal" means a sale, transfer, grant, lease or other disposal (whether voluntary or involuntary);
- (j) "indebtedness" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (k) an "authorisation" includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarisation;
- (l) a party or any other person includes that person's permitted successor, transferee, cessionary and/or delegate; and
- (m) a time of day is a reference to South African standard time.

1.3 Application of these Terms and Conditions

These Terms and Conditions apply only to Senior Notes, Subordinated Notes (other than Additional Tier 1 Notes) and Tier 2 Notes and, accordingly, unless expressly stated to the contrary or the context otherwise indicates, all references in these Terms and Conditions to Notes shall exclude Additional Tier 1 Notes. The Additional Tier 1 Terms and Conditions shall not apply to Senior Notes, Subordinated Notes (other than Additional Tier 1 Notes) or Tier 2 Notes.

2. ISSUE

- 2.1 Subject to the prior consent of the Relevant Regulator (to the extent required by the Capital Rules), Notes may be issued by the Issuer in Tranches pursuant to the Programme. A Tranche of Notes may, together with a further Tranche or Tranches, form a Series of Notes issued under the Programme, provided that the aggregate Outstanding Principal Amount of all Notes Outstanding under the Programme at any one point in time does not exceed the Programme Amount.
- 2.2 The Applicable Pricing Supplement for each Tranche of Notes is (to the extent relevant) incorporated herein for the purposes of those Notes and supplements these Terms and Conditions. The Applicable Pricing Supplement may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of those Notes.

3. FORM

3.1 General

- (a) A Tranche of Notes may be issued in the form of listed or unlisted Registered Notes, Bearer Notes or Order Notes as specified in the Applicable Pricing Supplement.
- (b) A Tranche of Notes may be listed on the JSE or on such other or further Financial Exchange(s) as may be determined by the Issuer, subject to any Applicable Laws. Unlisted Notes may also be issued under the Programme. Unlisted Notes are not regulated by the JSE. The Applicable Pricing Supplement will specify whether or not a Tranche of Notes will be listed, on which Financial Exchange(s) they are to be listed (if applicable) and, if such Tranche of Notes is to be listed on the JSE, the relevant platform or sub-market of the JSE on which such Tranche of Notes is to be listed. Notes listed on the JSE will be freely transferable and fully paid up.

3.2 Registered Notes

A Tranche of Registered Notes will be issued in certificated form, as contemplated in Condition 3.2(a) (*Notes issued in certificated form*), or in uncertificated form, as contemplated in Condition 3.2(b) (*Notes issued in uncertificated form*), as specified in the Applicable Pricing Supplement. Each Tranche of Notes which is listed on the JSE, and issued in uncertificated form, will be held in the Central Depository, as contemplated in Condition 3.2(b) (*Notes issued in uncertificated form*). A Tranche of unlisted Notes may also be held in the Central Depository, as contemplated in Condition 3.2(c) (*Beneficial Interests in Notes held in the Central Depository*).

(a) *Notes issued in certificated form*

Each Tranche of Registered Notes which is not listed on the JSE and/or held in the Central Depository will, subject to Applicable Laws and the Applicable Procedures, be issued in certificated form represented by an Individual Certificate.

(b) *Notes issued in uncertificated form*

A Tranche of Registered Notes which is listed on the JSE will, subject to Applicable Laws and Applicable Procedures, be issued in uncertificated form in terms of section 33 of the Financial Markets Act. Registered Notes issued in uncertificated form will be held in the Central Depository. Registered Notes issued in uncertificated form will not be represented by any certificate or written instrument. A Registered Note which is represented by an Individual Certificate may be replaced by uncertificated securities in terms of section 33 of the Financial Markets Act.

(c) *Beneficial Interests in Notes held in the Central Depository*

The Central Depository will hold Registered Notes issued in uncertificated form, subject to the Financial Markets Act and the CSD Procedures.

All amounts to be paid and all rights to be exercised in respect of Registered Notes held in the Central Depository will be paid to and may be exercised, subject to CSD Procedures, only by the Central Depository for the holders of Beneficial Interests in such Registered Notes.

A holder of a Beneficial Interest shall only be entitled to exchange such Beneficial Interest for Registered Notes represented by an Individual Certificate in accordance with Condition 13 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*).

(d) *Bearer Notes and Order Notes*

Bearer Notes and Order Notes will be issued in certificated form and will be evidenced by Individual Certificates. Bearer Notes or Order Notes, other than Zero Coupon Notes, may have Coupons (as indicated in the Applicable Pricing Supplement) attached to the Certificate on issue. Instalment Notes which are Bearer Notes or Order Notes may have Receipts (as indicated in the Applicable Pricing Supplement) attached to the Individual Certificate on issue.

(e) *Denomination*

The Aggregate Nominal Amount, Specified Currency and Specified Denomination of a Tranche of Notes will be specified in the Applicable Pricing Supplement.

(f) *Recourse to the JSE Debt Guarantee Fund Trust and/or the JSE Guarantee Fund*

The holders of Notes that are not listed on the JSE will have no recourse against the JSE, the JSE Debt Guarantee Fund Trust or the JSE Guarantee Fund. Claims against the JSE Debt Guarantee Fund Trust or the JSE Guarantee Fund, as applicable, may only be made in respect of the trading of Notes listed on the JSE and can in no way relate to a default by the Issuer of its obligations under the Notes listed on the JSE. Any claims against the JSE Debt Guarantee Fund Trust or the JSE Guarantee Fund may only be made in accordance with the rules of the JSE Debt Guarantee Fund or the JSE Guarantee Fund, as applicable. Unlisted Notes are not regulated by the JSE.

4. TITLE

4.1 Registered Notes

(a) *Registered Notes issued in certificated form*

Each holder of Registered Notes represented by an Individual Certificate will be named in the Register as the registered holder of such Registered Notes.

Title to Registered Notes represented by an Individual Certificate will pass upon registration of transfer in the Register in accordance with Condition 14.1 (*Transfer of Registered Notes*).

The Issuer, the Transfer Agent and the Paying Agent shall recognise a holder of Registered Notes represented by an Individual Certificate as the sole and absolute owner of the Registered Notes registered in that Noteholder's name in the Register (notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) and shall not be bound to enter any trust in the Register or to take notice of or to accede to the execution of any trust, express, implied or constructive, to which any Registered Note may be subject.

(b) *Registered Notes issued in uncertificated form*

The registered Noteholder of Registered Notes which are held in the Central Depository, will be determined in accordance with the CSD Procedures, and will be named in the Register as the registered holder of such Registered Notes.

Title to Registered Notes issued in uncertificated form will pass upon registration of transfer in the Register in accordance with Condition 14.1 (*Transfer of Registered Notes*).

(c) *Beneficial Interests in Registered Notes held in the Central Depository*

The Participant will maintain records of the Beneficial Interests in Registered Notes held in the Central Depository.

While a Tranche of Registered Notes is held in the Central Depository, the registered Noteholder of the Registered Notes in that Tranche of Notes, determined in accordance with the CSD Procedures, will be named in the Register as the sole Noteholder of such Registered Note.

Beneficial Interests which are held by clients of Participants will be held indirectly through such Participants, and such Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such Participants for such clients. The clients of Participants may include the holders of Beneficial Interests or their custodians. The clients of Participants, as the holders of Beneficial Interests or as custodians for such holders, may exercise their rights in respect of the Notes held by them in the Central Depository only through their Participants.

In relation to each Person shown in the records of the Central Depository or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Nominal Amount of Registered Notes, a certificate or other document issued by the Central Depository or the relevant Participant, as the case may be, as to the aggregate Nominal Amount of such Registered Notes standing to the account of such Person shall be *prima facie* proof of such Beneficial Interest.

Beneficial Interest in Registered Notes may be transferred only in accordance with the CSD Procedures.

Any reference in these Terms and Conditions to the relevant Participant shall, in respect of a Beneficial Interest, be a reference to the Participant appointed to act as such by the holder of such Beneficial Interest.

4.2 **Bearer Notes**

Title to Bearer Notes (including rights to Instalment Amounts and/or interest thereon, as applicable) will pass by delivery of the Individual Certificate evidencing such Note or of the Receipt and/or Coupon relating thereto, as the case may be, in accordance with Condition 14.2 (*Transfer of Bearer Notes*). The Issuer, the Transfer Agent and the Paying Agent may deem and treat the Bearer of any such Individual Certificate, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes.

The disposal or acquisition of or dealing in Bearer Notes is subject to the prior written approval of the Minister of Finance (or a Person authorised by the Minister of Finance) in accordance with Regulation 15 of the Exchange Control Regulations.

4.3 **Order Notes**

Title to Order Notes (including rights to Instalment Amounts and/or interest thereon, as applicable) will initially pass by Endorsement and delivery of the Individual Certificate evidencing such Note or of the Receipt and/or Coupon relating thereto, as the case may be, in accordance with Condition 14.3 (*Transfer of Order Notes*). Any Individual Certificate evidencing an Order Note or such Receipt or Coupon upon which the last Endorsement is an Endorsement in Blank shall be treated as a Bearer Note, for so long as not subject to further Endorsement. The Issuer, the Transfer Agent and the Paying Agent may deem and treat the Person who from the face of the Individual Certificate, Receipt or Coupon relating to an Order Note appears to be the Payee thereto as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or notice of any previous loss or theft thereof) for all purposes and payment to such Person or their Representative shall discharge the Issuer from all liability to the Payee in relation to such Individual Certificate, Receipt or Coupon, as the case may be, even if such Endorsement has been forged or made without authority. Provided that the Issuer pays any amount due upon presentation and surrender of an Individual Certificate evidencing an Order Note, or any Receipt or Coupon attached thereto on issue, in good faith, it shall not be incumbent upon the Issuer or the Transfer Agent to determine or prove that the Endorsement of the Payee making such Endorsement was made by or under the authority of the Person whose Endorsement it purports to be.

5. **STATUS OF NOTES**

5.1 **Status of Senior Notes**

(a) *Application*

This Condition 5.1 applies only to Senior Notes.

(b) *Status of the Senior Notes*

Unless otherwise specified in the Applicable Pricing Supplement, the Senior Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer which will at all times rank *pari passu* without preference or priority among themselves and rank at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer from time to time owing, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

5.2 **Status of Tier 2 Notes**

(a) *Application*

This Condition 5.2 applies only to Tier 2 Notes.

(b) *Status of the Tier 2 Notes*

Subject to Condition 5.4 (*Loss Absorption Following A Non-Viability Event*), the Tier 2 Notes constitute direct, unsecured and, in accordance with Condition 5.2(c) (*Subordination*), subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and (save for the claims of those creditors that have been accorded preferential rights by law):

- (i) *pari passu* with Other Tier 2 Securities;
 - (ii) senior to Common Equity Tier 1 Capital Securities and the obligations of the Issuer under any Junior Securities; and
 - (iii) junior to the present and/or future claims of Senior Creditors.
- (c) *Subordination*
- The claims of Tier 2 Noteholders entitled to be paid amounts due in respect of the Tier 2 Notes are subordinated to the present and/or future claims of Senior Creditors and, accordingly, in the event of the dissolution of the Issuer or if the Issuer is placed into liquidation or is wound-up (in each case other than pursuant to a Solvent Reconstruction):
- (i) notwithstanding that any Tier 2 Noteholder shall have proved a claim for any amount in respect of the Tier 2 Notes in the event of the dissolution, liquidation or winding-up of the Issuer no such amount shall be paid to that Tier 2 Noteholder until the claims of Senior Creditors have been fully satisfied; and
 - (ii) no amount due under the Tier 2 Notes shall be eligible for set-off, counterclaim, abatement or other similar remedy which a Tier 2 Noteholder might otherwise have under the laws of any jurisdiction in respect of the Tier 2 Notes nor shall any amount due under the Tier 2 Notes be payable to any Tier 2 Noteholder, until the claims of all Senior Creditors which are admissible in any such dissolution, liquidation or winding-up have been paid or discharged in full.
- (d) *Set-off*
- (i) Subject to Applicable Laws, no Tier 2 Noteholder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer under or in connection with the Tier 2 Notes and each Tier 2 Noteholder shall, by virtue of being the holder of any Tier 2 Note, be deemed to have waived all such rights of set-off, compensation and retention. Notwithstanding the preceding sentence, if any of the amounts owing to any Tier 2 Noteholder by the Issuer is discharged by set-off (whether by operation of law or otherwise), such Tier 2 Noteholder shall, unless such payment is prohibited by law, immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of its winding-up or administration, the liquidator or administrator, as appropriate, of the Issuer for payment to the Senior Creditors in respect of amounts owing to them by the Issuer, and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer, or the liquidator or administrator, as appropriate, of the Issuer (as the case may be), for payment to the Senior Creditors in respect of amounts owing to them by the Issuer and accordingly any such discharge shall be deemed not to have taken place.
 - (ii) As used in this Condition 5.2(d), the expression "*obligations*" includes any direct or indirect obligations of the Issuer and whether by way of guarantee, indemnity, other contractual support arrangement or otherwise and regardless of name or designation.

5.3 **Status of Subordinated Notes that are not Additional Tier 1 Notes or Tier 2 Notes**

- (a) *Application*
- This Condition 5.3 applies only to Subordinated Notes that are not Additional Tier 1 Notes or Tier 2 Notes.
- (b) *Status of the Subordinated Notes that are not Additional Tier 1 Notes or Tier 2 Notes*
- Subordinated Notes that are not Additional Tier 1 Notes or Tier 2 Notes constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and (save for the claims of those creditors that have been accorded preferential rights by law):
- (i) *pari passu* with Other Subordinated Securities;
 - (ii) senior to the claims of holders of Additional Tier 1 Capital and Tier 2 Capital; and

- (iii) junior to the present and/or future claims of Senior Creditors (the "**Senior Claims**") in relation to which such claims of the holders of such Subordinated Notes are (or are expressed to be) subordinated in the event of the dissolution, liquidation or winding-up of the Issuer as provided in the Applicable Pricing Supplement.

(c) *Subordination*

Subject to Applicable Laws, in the event of the dissolution of the Issuer or if the Issuer is placed into liquidation or wound-up, the claims of the holders of Subordinated Notes that are not Additional Tier 1 Notes or Tier 2 Notes shall be subordinated to Senior Claims to the extent that in any such event, (i) no holder of such Subordinated Notes that are not Additional Tier 1 Notes or Tier 2 Notes shall be entitled to prove or tender to prove a claim in respect of such Subordinated Notes and (ii) no amount due under such Subordinated Notes shall be eligible for set-off, counterclaim, abatement or such other similar remedy under the laws of any jurisdiction in respect of such Subordinated Notes nor shall any amount due under such Subordinated Notes be payable to the holders of such Subordinated Notes in respect of the obligations of the Issuer thereunder until all Senior Claims which are admissible in any such dissolution, liquidation or winding-up have been paid or discharged in full.

5.4 **Loss Absorption Following A Non-Viability Event**

- (a) This Condition 5.4 applies only to Tier 2 Notes and is referred to as the "**Non-Viability Loss Absorption Condition**" in these Conditions.
- (b) a "**Non-Viability Event**" shall occur when a "*trigger event*" specified in writing by the Relevant Regulator in accordance with the Capital Rules has occurred; provided that, as a minimum, the aforesaid "*trigger event*" shall be the earlier of:
 - (i) a decision that a write-off, without which the Issuer (on a consolidated basis or as required by the Capital Rules) would become non-viable, is necessary as determined by the Relevant Regulator; or
 - (ii) the decision to make a public sector injection of capital, or equivalent support, without which the Issuer (on a consolidated basis or as required by the Capital Rules) would have become non-viable, as determined by the Relevant Regulator.
- (c) Upon the occurrence of a Non-Viability Event, the Issuer will notify Tier 2 Noteholders (a "**Non-Viability Event Notice**") in accordance with Condition 17 (*Notices*) and subsequently Write-off the Tier 2 Notes, in accordance with the Capital Rules.
- (d) For the avoidance of doubt, following any Write-off of the Tier 2 Notes (in accordance with these terms) the Issuer shall not be obliged to pay compensation in any form to the Tier 2 Noteholders.
- (e) Any Write-off of the Tier 2 Notes upon the occurrence of a Non-Viability Event will not constitute an Event of Default or any other breach of the Issuer's obligations under the Terms and Conditions of any Notes.

5.5 **Disapplication of Non-Viability Loss Absorption**

- (a) This Condition 5.5 applies only to Tier 2 Notes.
- (b) If a Statutory Loss Absorption Regime is implemented in South Africa and the Tier 2 Notes are subject to such Statutory Loss Absorption Regime upon the occurrence of a Non-Viability Event, then the Issuer, if so specified in the Applicable Pricing Supplement, shall have the option at any time by written notice (the "**Amendment Notice**") to the Tier 2 Noteholders in accordance with Condition 17 (*Notices*), to elect that that the Non-Viability Loss Absorption Condition shall cease to apply and that the Statutory Loss Absorption Regime will apply to the Tier 2 Notes from the date specified in the Amendment Notice (the "**Amendment Date**"), being a date no earlier than the date on which the Statutory Loss Absorption Regime takes effect (the "**Amendment Option**"). If the Issuer exercises the Amendment Option, the Non-Viability Loss Absorption Condition will cease to apply and the Tier 2 Notes will be subject to such minimum requirements of the Statutory Loss Absorption Regime required to ensure that the Tier 2 Notes continue to qualify as Tier 2 Capital with effect from the Amendment Date. If the Amendment Option is not specified in the Applicable Pricing Supplement or if the Amendment Option is specified in the Applicable Pricing Supplement but is not exercised by

the Issuer, then the Tier 2 Notes will not be subject to the Statutory Loss Absorption Regime and the Non-Viability Loss Absorption Condition will continue to apply to the Tier 2 Notes.

- (c) For the avoidance of doubt, if a Non-Viability Event occurs on or after such date on which the Non-Viability Loss Absorption Condition referred to in Condition 5.4 is dis-applied, the Relevant Regulator or the Issuer following instructions from the Relevant Regulator, may take such action in respect of the Tier 2 Notes as is required or permitted by such Statutory Loss Absorption Regime.
- (d) Notwithstanding and to the exclusion of any other term of the Tier 2 Notes or any other agreements, arrangements or understanding between the Issuer and any Holder (which, for the purposes of this Condition 5.4, includes each holder of a beneficial interest in the Tier 2 Notes), by its acquisition of the Tier 2 Notes, each Holder acknowledges and accepts that any liability arising under the Tier 2 Notes may be subject to the exercise of Statutory Loss Absorption Powers by the Relevant Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:
 - (i) the effect of the exercise of any Statutory Loss Absorption Powers by the Relevant Resolution Authority; and
 - (ii) the variation of the terms of the Tier 2 Notes, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of any Statutory Loss Absorption Powers by the Relevant Resolution Authority.
- (e) For the purposes of this Condition:

"Statutory Loss Absorption Powers" means any write-down, conversion, transfer, modification, suspension or similar or related power existing from time to time under, and exercised in compliance with the Statutory Loss Absorption Regime, as amended or replaced from time to time and pursuant to which any obligation of the Issuer can be reduced, cancelled, modified, or converted into shares, other securities or other obligations of the Issuer or any other person (or suspended for a temporary period); and

"Relevant Resolution Authority" means the resolution authority with the ability to exercise any Statutory Loss Absorption Powers in relation to the Issuer.

5.6 Capital Rules and Additional Conditions

In order for the proceeds of the issuance of any Tranche of Notes to qualify as Tier 2 Capital, Subordinated Notes must comply with the applicable Capital Rules (including the Additional Conditions (if any) prescribed by the Relevant Regulator in respect of a particular Tranche of Subordinated Notes). The Issuer will specify in the Applicable Pricing Supplement whether any issue of Notes is an issue of Tier 2 Notes, the proceeds of which are intended to qualify as Tier 2 Capital. The Additional Conditions (if any) prescribed by the Relevant Regulator in respect of Subordinated Notes will be specified in the Applicable Pricing Supplement or a supplement to the Programme Memorandum.

6. INTEREST

If the Applicable Pricing Supplement so specifies, the Notes of any Tranche will bear interest from the Interest Commencement Date at the Interest Rate(s) specified in, or determined in accordance with, the Applicable Pricing Supplement and such interest will be payable in respect of each Interest Period on the Interest Payment Date(s) specified in the Applicable Pricing Supplement. The interest payable on the Notes of any Tranche for a period other than a full Interest Period shall be determined in accordance with the Applicable Pricing Supplement.

6.1 Interest on Fixed Rate Notes

Unless otherwise specified in the Applicable Pricing Supplement, interest on Fixed Rate Notes will be paid on a six-monthly basis on the Interest Payment Dates.

(a) *Accrual of Interest*

The Notes bear interest from the Interest Commencement Date at the Interest Rate payable in arrears on each Interest Payment Date, subject as provided in Condition 9 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which

case it will continue to bear interest in accordance with Condition 9 (*Payments*) (before as well as after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 7 (seven) days after the Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(b) *Fixed Coupon Amount*

The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

(c) *Calculation of Interest Amount*

The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Interest Rate to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount, provided that:

- (i) if an Initial Broken Amount is specified in the Applicable Pricing Supplement, then the first Interest Amount shall equal the Initial Broken Amount specified in the Applicable Pricing Supplement; and
- (ii) if a Final Broken Amount is specified in the Applicable Pricing Supplement, then the final Interest Amount shall equal the Final Broken Amount specified in the Applicable Pricing Supplement.

6.2 Interest on Floating Rate Notes and Indexed Notes

(a) *Accrual of Interest*

The Notes bear interest from the Interest Commencement Date at the Interest Rate payable in arrears on each Interest Payment Day, subject as provided in Condition 9 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6.2 (before as well as after judgement) until whichever is the earlier of (i) the day on which all sums due in respect of such Notes to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is 7 (seven) days after the Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent there is subsequent default in payment).

(b) *Interest Rate*

The Interest Rate which is applicable to a Tranche of Floating Rate Notes for an Interest Period will be determined on the basis of Screen Rate Determination or on the basis of ISDA Determination or on such other basis as may be determined by the Issuer and specified in the Applicable Pricing Supplement.

(c) *ISDA Determination including fallback provisions*

If ISDA Determination is specified in the Applicable Pricing Supplement as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if that Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) the Floating Rate Option is as specified in the Applicable Pricing Supplement;

- (ii) the Designated Maturity is the period specified in the Applicable Pricing Supplement; and
- (iii) the relevant Reset Date is either: (A) if the applicable Floating Rate Option is based on ZAR-JIBAR-SAFEX, the first day of that Interest Period; or (B) in any other case, as specified in the Applicable Pricing Supplement.

"Floating Rate", "Floating Rate Option", "Designated Maturity" and "Reset Date" have the meanings given to those expressions in the ISDA Definitions and "JIBAR" means the average mid-market yield rate per annum for a period of the Designated Maturity which appears on the Reuters Screen SAFEX page at or about 11h00 (Johannesburg time) on the relevant date (or any successor rate).

(d) *Screen Rate Determination including fallback provisions*

If Screen Rate Determination is specified in the Applicable Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date; or
- (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iii) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
 - (A) request the principal Johannesburg office of each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 12h00 (Johannesburg time) on the Interest Determination Date in question; and
 - (B) determine the arithmetic mean of such quotations; and
- (iv) if fewer than 3 (three) such offered quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Johannesburg inter-bank market, selected by the Calculation Agent, at approximately 12h00 (Johannesburg time) on the first day of the relevant Interest Period for loans in the Specified Currency to leading banks in the Johannesburg inter-bank market for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

(and the Interest Rate for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Interest Rate applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

(e) *Indexed Interest*

If the Indexed Interest Note provisions are specified in the Applicable Pricing Supplement as being applicable, the Interest Rate(s) applicable to the Notes for each Interest Period will be determined in accordance with the manner specified in the Applicable Pricing Supplement.

(f) *Maximum and/or Minimum Interest Rate*

If the Applicable Pricing Supplement specifies a Maximum Interest Rate for any Interest Period, then the Interest Rate for such Interest Period shall in no event be greater than such Maximum Interest Rate and/or if it specifies a Minimum Interest Rate for any Interest Period,

then the Interest Rate for such Interest Period shall in no event be less than such Minimum Interest Rate.

(g) *Determination of Interest Rate and Calculation of Interest Amount*

The Calculation Agent, in the case of Floating Rate Notes will, at or as soon as practicable after each time at which the Interest Rate is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Interest Rate for such Interest Period to the Calculation Amount and multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount.

(h) *Calculation of Other Amounts*

If the Applicable Pricing Supplement specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the Applicable Pricing Supplement.

(i) *Publication*

The Calculation Agent will cause each Interest Rate and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it, together with any relevant payment date(s) to be notified to the Issuer, the Paying Agent, the Transfer Agent, the Noteholders in respect of any Floating Rate Notes which are Bearer Notes or Order Notes, any Financial Exchange on which the relevant Floating Rate Notes are for the time being listed and any central securities depository in which Individual Certificates in respect of the Notes are immobilised, as soon as possible after their determination but (in the case of each Interest Rate, Interest Amount and Interest Payment Date) in any event not later than 3 (three) Business Days after the Interest Determination Date (in the case of the determination of Interest Rate applicable to a Tranche of Floating Rate Notes) and no later than 3 (three) Business Days before the Interest Payment Date (in the case of the determination of the Interest Amount). Notice thereof shall also promptly be given to the Noteholders in accordance with Condition 17 (*Notices*).

The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. Any such amendment will be promptly notified to the Issuer and to the Noteholders in accordance with Condition 17 (*Notices*) and, if the relevant Tranche of Notes is listed on the JSE, the JSE and the Central Depository. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and Interest Amount in respect of a Note having the minimum Specified Denomination.

(j) *Notifications etc. to be final*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the Condition 6.2 (*Interest on Floating Rate Notes and Indexed Notes*) by the Calculation Agent will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Paying Agent and the Noteholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

6.3 **Interest on Mixed Rate Notes**

The interest rate payable from time to time on Mixed Rate Notes shall be the interest rate payable on any combination of Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or Indexed Notes for respective periods, each as specified in the Applicable Pricing Supplement. During each such applicable period, the interest rate on the Mixed Rate Notes shall be determined and fall due for payment on the basis that, and to the extent that, such Mixed Rate Notes are Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or Indexed Notes, as the case may be.

6.4 **Interest on Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue on the paid-up Nominal Amount of such Notes and otherwise as specified in the Applicable Pricing Supplement.

6.5 **Interest on Instalment Notes**

In the case of Instalment Notes, interest will accrue on the amount outstanding on the relevant Note from time to time and otherwise as specified in the Applicable Pricing Supplement.

6.6 **Accrual of Interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date of its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will accrue at the SAFEX Overnight Deposit Rate (to be found on the Reuters Screen SAFEY page as at 12h00 (Johannesburg time) on the presentation date, or any successor rate) until the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; or
- (b) in respect of Uncertificated Notes, the date on which the full amount of the moneys payable has been received by the Paying Agent and notice to that effect has been given to Noteholders in accordance with Condition 17 (*Notices*).

In the event that the SAFEX Overnight Deposit Rate is not ascertainable from the relevant screen page at the time contemplated above, the Calculation Agent shall follow the procedure contemplated in Condition 6.2(b) (*Interest Rate*) to ascertain a rate.

6.7 **Notes listed on the JSE**

The amount of any interest payable in respect of the Notes in terms of Condition 6 will be announced on SENS at least 3 (three) Business Days before the relevant Interest Payment Date.

6.8 **Business Day Convention**

If any Interest Payment Date (or other date) which is specified in the Applicable Pricing Supplement to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (a) the "**Following Business Day Convention**", such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day; or
- (b) the "**Modified Following Business Day Convention**", such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date (or other such date) shall be brought forward to the first preceding Business Day; or
- (c) the "**Preceding Business Day Convention**", such Interest Payment Date (or other date) shall be brought forward to the first preceding Business Day.

7. **EXCHANGE OF TALONS**

On or after the Interest Payment Date on which the final Coupon (being the Coupon in respect of the relevant Individual Certificate relating to the latest Interest Payment Date in respect of that series of Coupons) matures, but not later than the date of prescription (in accordance with Condition 11 (*Prescription*)) of the Talon which may be exchanged for the respective Coupons, the Talon (if any) attached to the relevant Individual Certificate upon issue may be surrendered at the specified office of the Transfer Agent in exchange for further Coupons, including (if such further Coupons do not include Coupons up to, and including, the final date for the payment of interest due in respect of the Notes to which they pertain) a further Talon, subject to the provisions of Condition 11 (*Prescription*). Each Talon shall, for the purposes of these Terms and Conditions, mature on the Interest Payment Date on which the final Coupon issued pursuant to such Talon matures.

8. **REDEMPTION AND PURCHASE**

8.1 **Scheduled Redemption**

Unless previously redeemed or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date (if any), subject as provided in Condition 9 (*Payments*).

8.2 **Redemption for Tax reasons or Change in Law**

Senior Notes may be redeemed at the option of the Issuer in whole, but not in part, if a Tax Event (Gross up) occurs and Subordinated Notes may be redeemed (subject to Condition 8.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Tier 2 Notes*) in respect of Tier 2 Notes only) at the option of the Issuer in whole, but not in part, if a Tax Event (Gross up) or a Tax Event (Deductibility) occurs and, if specified in the Applicable Pricing Supplement, upon the occurrence of a Change in Law:

- (a) at any time (if neither the Floating Rate Note provisions nor the Indexed Note provisions are specified in the Applicable Pricing Supplement as being applicable or, if they are, such provisions are not applicable at the time of redemption); or
- (b) on any Interest Payment Date (if the Floating Rate Note Provisions or the Indexed Note provisions are specified in the Applicable Pricing Supplement as being applicable and are applicable at the time of redemption),

on giving not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Noteholders and to the Transfer Agent and the Paying Agent (which notice shall be irrevocable in accordance with Condition 17 (*Notices*), at their Early Redemption Amount, together with interest accrued (if any) to the date fixed for redemption, provided, however, that no such notice of redemption shall be given earlier than:

- (i) where the Notes may be redeemed at any time, 90 (ninety) days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due or would be entitled (as such entitlement is materially reduced) to claim a deduction in respect of computing its taxation liabilities; or
- (ii) where the Notes may be redeemed only on an Interest Payment Date, 60 (sixty) days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due or would not be entitled (or such entitlement is materially reduced) to claim a deduction in respect of computing its taxation liabilities, as applicable.

Prior to the publication of any notice of redemption pursuant to this Condition 8.2, the Issuer shall deliver to the Transfer Agent and the Paying Agent (A) a certificate signed by 2 (two) authorised officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (B) an opinion of independent legal advisers of recognised standing to the effect that a Tax Event (Gross up), Tax Event (Deductibility), or if applicable, a Change in Law has occurred. Upon the expiry of any such notice as is referred to in this Condition 8.2, the Issuer shall be bound to redeem the Notes in accordance with this Condition 8.2.

8.3 **Redemption at the option of the Issuer (Call Option)**

If Redemption at the option of the Issuer (Call Option) is specified in the Applicable Pricing Supplement as being applicable, the Notes may be redeemed (subject to Condition 8.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Tier 2 Notes*) in respect of Tier 2 Notes only) at the option of the Issuer in whole or, if so specified in the Applicable Pricing Supplement, in part upon the Issuer having given:

- (a) not less than 30 (thirty) and not more than 60 (sixty) days' notice to the Noteholders in accordance with Condition 17 (*Notices*); and
- (b) not less than 7 (seven) days before giving the notice referred to in (a) above, notice to the Transfer Agent,

(both of which notices shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notices) on the Optional Redemption Date(s) (Call) and at the Optional Redemption Amount(s) (Call) specified in, or determined in the manner specified in, the Applicable Pricing Supplement together, if appropriate, with interest accrued up to (but excluding) the Optional Redemption Date(s) (Call). In respect of Tier 2 Notes, no Optional Redemption Date(s) (Call) shall fall earlier than the date being 5 (five) years and 1 (one) day after the Issue Date.

Any such redemption amount must be of a nominal amount equal to or greater than the Minimum Redemption Amount or equal to or less than a Higher Redemption Amount, both as specified in the

Applicable Pricing Supplement, if applicable. In the case of a partial redemption of Notes, the Notes to be redeemed ("**Applicable Notes**") will be selected:

- (i) in the case of Applicable Notes represented by Individual Certificates, individually by lot; and
- (ii) in the case of Applicable Notes issued in uncertificated form, in accordance with the Applicable Procedures,

and in each such case not more than 30 (thirty) days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**").

A list of the serial numbers of the Individual Certificates (and, in the case of Applicable Notes which are Bearer Notes or Order Notes, the relevant Receipts and/or Coupons) will be published in accordance with Condition 17 (*Notices*) not less than 15 (fifteen) days prior to the date fixed for redemption. The aggregate Nominal Amount of Applicable Notes represented by Individual Certificates shall bear the same proportion to the aggregate Nominal Amount of all Applicable Notes as the aggregate Nominal Amount of Individual Certificates outstanding bears to the aggregate Nominal Amount of the Notes Outstanding, in each case on the Selection Date, provided that such first mentioned Nominal Amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination and the aggregate Nominal Amount of Applicable Notes issued in uncertificated form shall be equal to the balance of the Applicable Notes. No exchange of Beneficial Interests in Uncertificated Notes for Individual Certificates will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this Condition 8.3 and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 17 (*Notices*) at least 5 (five) days prior to the Selection Date.

Holders of Applicable Notes shall surrender the Individual Certificates, together with Receipts and Coupons (if any) relating to the Notes in accordance with the provisions of the notice given to them by the Issuer as contemplated above. Where only a portion of the Notes represented by such Individual Certificates, Receipts and Coupons (as applicable) are redeemed, the Transfer Agent shall deliver new Individual Certificates, Receipts and Coupons (as applicable) to such Noteholders in respect of the balance of the Notes.

8.4 **Redemption at the option of Noteholders of Senior Notes (Put Option)**

This Condition 8.4 applies only to Senior Notes. If Redemption at the option of Noteholders of Senior Notes (Put Option) is specified in the Applicable Pricing Supplement as being applicable, the Issuer shall, at the option of each Noteholder of Senior Notes in such Tranche of Senior Notes, redeem the Senior Notes on the Optional Redemption Date(s) (Put) specified in the relevant Put Notice or in the Applicable Pricing Supplement, as the case may be, at the relevant Optional Redemption Amount together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 8.4, the Noteholders of such Senior Notes must, not less than 30 (thirty) nor more than 60 (sixty) days before the relevant Optional Redemption Date(s) (Put), surrender the Individual Certificates (if any) relating to such Senior Notes with the Paying Agent in accordance with Condition 17 (*Notices*), together with a duly completed Put Notice. The redemption amount specified in such Put Notice in respect of any such Note must be of a nominal amount equal to or greater than the Minimum Redemption Amount or equal to or less than the Higher Redemption Amount, each as specified in the Applicable Pricing Supplement, if applicable.

The redemption of Senior Notes issued in uncertificated form shall take place in accordance with the Applicable Procedures.

Where a Noteholder puts Senior Notes represented by an Individual Certificate, such Noteholder shall deliver the Individual Certificate, together with Receipts and/or Coupons (if any), to the Transfer Agent for cancellation by attaching it to a Put Notice. A holder of an Individual Certificate shall specify its payment details in the Put Notice for the purposes of payment of the Optional Redemption Amount.

The delivery of Put Notices shall be required to take place during normal office hours of the Transfer Agent. *Pro forma* Put Notices shall be available from the Specified Office of the Issuer.

Any Put Notice given by a holder of any Senior Note pursuant to this Condition 8.4 shall be irrevocable except where after giving the notice, but prior to the due date of redemption, an Event of Default shall have occurred and be continuing in which event such Noteholder, at its option, may elect by notice to the Issuer and the Transfer Agent to withdraw the notice given pursuant to this Condition 8.4 and

instead to declare such Senior Note forthwith due and payable pursuant to Condition 12 (*Events of Default*).

8.5 **Redemption following the occurrence of a Capital Disqualification Event**

This Condition 8.5 applies only to Tier 2 Notes.

The Issuer may redeem the Notes of any Tranche of Notes in whole, but not in part:

- (a) at any time (if neither the Floating Rate Note provisions nor the Indexed Note provisions are specified in the Applicable Pricing Supplement as being applicable or, if they are, such provisions are not applicable at the time of redemption); or
- (b) on any Interest Payment Date (if the Floating Rate Note Provisions or the Indexed Note provisions are specified in the Applicable Pricing Supplement as being applicable and are applicable at the time of redemption),

on giving not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Noteholders (which notice shall be irrevocable in accordance with Condition 17 (*Notices*)), at their Early Redemption Amount together with interest (if any) accrued to such date, following the occurrence of a Capital Disqualification Event.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Transfer Agent and the Paying Agent (i) a certificate signed by 2 (two) authorised officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) unless the Relevant Regulator has confirmed to the Issuer that a Capital Disqualification Event applies to the relevant Notes, an opinion of independent legal advisers of recognised standing to the effect that a Capital Disqualification Event applies. Upon the expiry of any such notice as is referred to in this Condition 8.5, the Issuer shall be bound to redeem the Notes in accordance with this Condition 8.5.

8.6 **Substitution or Variation**

Where Substitution or Variation for Tier 2 Notes is specified in the Applicable Pricing Supplement as being applicable, and a Tax Event (Gross up), Tax Event (Deductibility) or a Capital Disqualification Event and, if specified in the Applicable Pricing Supplement, a Change in Law has occurred and is continuing, then the Issuer may, subject to Condition 8.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Tier 2 Notes*) and/or as directed or approved by the Relevant Regulator and having given not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Noteholders in accordance with Condition 18 (*Notices*), the Paying Agent and the Transfer Agent (which notice shall be irrevocable) but without any requirement for the consent or approval of the Noteholders, at any time either substitute all (but not some only) of the Notes for, or vary the terms of the Notes so that they remain or, as appropriate, become, Qualifying Tier 2 Securities. Upon the expiry of such notice, the Issuer shall either vary the terms of or substitute the Notes in accordance with this Condition 8.6, as the case may be.

8.7 **Conditions to Redemption, Purchase, Modification, Substitution or Variation of Tier 2 Notes**

- (a) Notwithstanding the foregoing provisions of this Condition 8 or Condition 17 (*Notices*) and subject to Condition 8.7(b) below, for so long as the applicable Capital Rules so require, Tier 2 Notes may be redeemed, purchased (in whole or in part), modified, substituted or varied, prior to the Maturity Date, only at the option of the Issuer, and only if:
 - (i) the Issuer has notified the Relevant Regulator of, and the Relevant Regulator has consented in writing to, such redemption, purchase, modification, substitution or variation (as applicable), subject to such conditions (if any) as the Relevant Regulator may deem appropriate (in any case, only if and to the extent such a notification or consent is required by the Capital Rules (including any prescribed notice periods with which the Issuer may need to comply, if any, in such Capital Rules));
 - (ii) the redemption, purchase, modification, substitution or variation of the Tier 2 Notes is not prohibited by the Capital Rules; and
 - (iii) prior to the publication of any notice of redemption, substitution or variation or redemption pursuant to this Condition 8, the Issuer shall deliver to the Paying Agent and the Transfer Agent a certificate signed by two authorised officers stating that the relevant requirement or circumstance giving rise to the right to redeem, substitute or,

as appropriate, vary is satisfied and, in the case of a substitution or variation, that the relevant Qualifying Tier 2 Securities have terms not materially less favourable to an investor than the terms of the Notes and will as from the date of such substitution or variation otherwise comply with the requirements of the definition thereof in Condition 1 (*Interpretation*).

- (b) This Condition 8.7 does not apply in respect of a redemption in whole, but not in part, of Tier 2 Notes upon a Capital Disqualification Event in accordance with Condition 8.5 (*Redemption following the occurrence of a Capital Disqualification Event*).

8.8 **Early Redemption upon the occurrence of an Event of Default**

Upon the occurrence of an Event of Default and receipt by the Issuer of a written notice declaring Notes held by the relevant Noteholder to be forthwith due and payable in accordance with Condition 12 (*Events of Default*), such Notes shall become forthwith due and payable at the Early Redemption Amount in the manner set out in Condition 8.9 (*Early Redemption Amounts*), together with interest (if any) to the date of payment, in accordance with Condition 12 (*Events of Default*).

8.9 **Early Redemption Amounts**

For the purpose of Condition 8.2 (*Redemption for Tax reasons or Change in Law*), Condition 8.5 (*Redemption following the occurrence of a Capital Disqualification Event*) and Condition 12 (*Events of Default*) (and otherwise as stated herein), the Notes will be redeemed at the Early Redemption Amount calculated as follows:

- (a) in the case of Notes with a Final Redemption Amount equal to the Nominal Amount, at the Final Redemption Amount thereof; or
- (b) in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price (to be determined in the manner specified in the Applicable Pricing Supplement), at that Final Redemption Amount or, if no such amount or manner is so specified in the Pricing Supplement, at their Nominal Amount; or
- (c) in the case of Zero Coupon Notes, at an amount (the "**Amortised Face Amount**") equal to the sum of:
 - (i) the Reference Price; and
 - (ii) the product of the Implied Yield (compounded semi-annually) being applied to the Reference Price from (and including) the Issue Date up to (but excluding) the date fixed for redemption or, as the case may be, the date upon which such Note becomes due and payable, or such other amount as is specified in the Applicable Pricing Supplement.

Where such calculation is to be made for a period which is not a whole number of years, it shall be calculated on the basis of actual days elapsed divided by 365, or such other calculation basis as may be specified in the Applicable Pricing Supplement.

8.10 **Instalment Notes**

Instalment Notes will be redeemed at the Instalment Amounts and on the Instalment Dates. In the case of early redemption in accordance with Condition 8.2 (*Redemption for Tax reasons or Change in Law*), or Condition 8.5 (*Redemption following the occurrence of a Capital Disqualification Event*) or Condition 8.9 (*Early Redemption Amounts*), the Early Redemption Amount will be determined pursuant to Condition 8.9 (*Early Redemption Amounts*).

8.11 **Partly Paid Notes**

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 8 and the Applicable Pricing Supplement.

8.12 **Exchangeable Notes**

If the Notes are Exchangeable Notes, they will be redeemed, whether at maturity, early redemption or otherwise in the manner specified in the Applicable Pricing Supplement. Exchangeable Notes, in respect of which Mandatory Exchange is specified in the Applicable Pricing Supplement as applying, or upon the exercise by the Noteholder of the Noteholder's Exchange Right (if applicable), will be

redeemed by the Issuer delivering to each Noteholder so many of the Exchange Securities as are required in accordance with the Exchange Price. The delivery by the Issuer of the Exchange Securities in the manner specified in the Applicable Pricing Supplement shall constitute the *in specie* redemption in full of such Notes.

8.13 Purchases

- (a) Subject to the relevant provisions of the Debt Listing Requirements or the requirements of any applicable additional Financial Exchange(s), the Issuer or any holding company of the Issuer or any Subsidiary of the Issuer or of any such holding company may at any time purchase Notes (other than Tier 2 Notes and Additional Tier 1 Notes) (including all unmatured Coupons and Receipts) in the open market or otherwise at any price. Such Notes may at the option of the Issuer be held, re-issued, re-sold or surrendered to the Paying Agent for cancellation in accordance with Condition 8.14 (*Cancellation*).
- (b) the Issuer may at any time purchase Tier 2 Notes (including all unmatured Coupons and Receipts) in the open market or otherwise at any price, subject to Condition 8.7 (Conditions to Redemption, Purchase, Modification, Substitution or Variation of Tier 2 Notes), any Applicable Laws, the Debt Listing Requirements and the requirements of any applicable additional Financial Exchange(s). Such Notes may (subject to the Capital Rules) at the option of the Issuer be held, re-issued, re-sold or surrendered to the Paying Agent for cancellation in accordance with Condition 8.14 (*Cancellation*).

8.14 Cancellation

Subject Condition 8.13 (*Purchases*), all Notes which are redeemed or purchased by the Issuer or any holding company of the Issuer or any of Subsidiary of the Issuer of any such holding company may, at its option be cancelled and may, if cancelled, not be reissued or resold. Where only a portion of Notes represented by an Individual Certificate are cancelled, the Transfer Agent shall deliver an Individual Certificate to such Noteholder in respect of the balance of the Notes.

8.15 Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note, pursuant to this Condition 8 or upon its becoming due and repayable as provided in Condition 12 (*Events of Default*), is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 8.9(c), as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of: (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and (b) where relevant, 5 (five) days after the date on which the full amount of the moneys payable has been received by the Central Depository, and notice to that effect has been given to the Noteholders in accordance with Condition 17 (*Notices*).

9. PAYMENTS

9.1 General

Only Noteholders named in the Register at 17h00 (Johannesburg time) on the relevant Last Day to Register shall be entitled to payment of amounts due and payable in respect of Registered Notes.

All payments of all amounts (whether in respect of principal, interest or otherwise) due and payable in respect of any Notes shall be made by the Issuer (where the Issuer itself acts as Paying Agent) or the Paying Agent on behalf of the Issuer (where the Issuer has appointed a third party to act as Paying Agent), as the case may be, on the terms and conditions of the Agency Agreement (if any) and this Condition 9 (*Payments*).

All references in this Condition 9 to "*Paying Agent*" shall be construed as references to the Issuer (where the Issuer itself acts as Paying Agent) or the Paying Agent on behalf of the Issuer (where the Issuer has appointed a third party entity to act as Paying Agent), as the case may be.

Payments will be subject in all cases to any fiscal or other laws, directives and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 10 (*Taxation*).

9.2 Payments – Registered Notes/Certificated and Uncertificated

(a) *Method of payment*

The Paying Agent shall pay all amounts due and payable in respect of any Registered Notes:

- (i) in the case of Notes which are held in the Central Depository, in immediately available and freely transferable funds, in the Specified Currency, by electronic funds transfer to the bank account of the relevant Participants with whom the registered Noteholders of such Notes maintains a securities account in respect of the Notes; and
- (ii) in the case of Note(s) which are represented by an Individual Certificate, in immediately available and freely transferable funds, in the Specified Currency, by electronic funds transfer, to the bank account of the Person named as the registered Noteholder of such Notes in the Register or, in the case of joint registered Noteholders, the bank account of the first one of them named in the Register in respect of such Notes; provided that if several Persons are entered into the Register as joint registered Noteholders of such Notes then, without affecting the previous provisions of this Condition 9, payment to any one of them shall be an effective and complete discharge by the Issuer of the amount so paid, notwithstanding any notice (express or otherwise) which the Paying Agent and/or the Issuer may have of the right, title, interest or claim of any other Person to or in any such Notes.

Neither the Issuer nor the Paying Agent shall be responsible for the loss in transmission of any such funds, and payment of any amount into the bank accounts referred to above, in accordance with this Condition 9.2(a), shall be satisfaction *pro tanto*, to the extent of such amount, of the Issuer's obligations to the Noteholders under the relevant Registered Notes and the applicable Terms and Conditions.

(b) *Beneficial Interest*

Following payment to the Central Depository of amounts due and payable in respect of Notes which are held in the Central Depository, the relevant funds will be transferred by the Central Depository, via the Participants, to the holders of Beneficial Interest in such Notes, in accordance with the CSD Procedures.

Each of the Persons reflected in the records of the Central Depository or the relevant Participant, as the case may be, as the holders of Beneficial Interests in Notes, will look solely to the Central Depository or the relevant Participants, as the case may be, for such Person's share of each payment so made by the Paying Agent, on behalf of the Issuer, to or for the order of the registered Noteholder of such Notes.

Neither the Paying Agent nor the Issuer will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests or for maintaining, supervising or reviewing any records relating to Beneficial Interests.

Payments of amounts due and payable in respect of Beneficial Interests in Notes will be recorded by the Central Depository or the relevant Participant, as the case may be, distinguishing between interest and principal, and such record of payments by the Central Depository or relevant Participant, will be *prima facie* proof of such payments.

(c) *Surrender of Individual Certificates*

Payments of principal in respect of any Registered Note(s) which is/are represented by Individual Certificate(s) shall be made to the Noteholder(s) of such Registered Note(s) only if, prior to the date on which the relevant Tranche of Notes are redeemed, such Individual Certificate(s) shall have been surrendered to the Transfer Agent at its Specified Office.

If the relevant Individual Certificate is not surrendered to the Transfer Agent at its Specified Office in accordance with this Condition 9.2(c), the amount of principal payable to the Noteholder of the Registered Note(s) represented by that Individual Certificate shall be retained by the Paying Agent for such Noteholder, at the latter's risk, until that Individual Certificate shall have been surrendered to the Transfer Agent at its Specified Office, and such Noteholder will not be entitled to any interest and/or other payments in respect of any delay in payment occasioned as a result of such failure to surrender such Individual Certificate.

9.3 **Payments – Bearer Notes**

Payments of interest in respect of Bearer Notes will be made to the Bearer only against presentation and surrender by the Bearer or its Representative of the relevant Coupon or (in respect of interest-bearing Bearer Notes issued without Coupons) only against presentation by the Bearer or its Representative of the relevant Individual Certificate to the Paying Agent at its Specified Office.

Payments of Instalment Amounts in respect of Bearer Notes will be made to the Bearer only following presentation and surrender by the Bearer or its Representative of the relevant Receipt to the Paying Agent at its Specified Office. Payments of the final instalment of principal in respect of Bearer Notes which are Instalment Notes, or of the principal of all other Bearer Notes, will be made to the Bearer only following presentation and surrender by the Bearer or its Representative of the Individual Certificate evidencing such Bearer Notes to the Paying Agent at its Specified Office.

Upon presentation and/or surrender as aforesaid, the Bearer or its Representative shall be required to nominate in writing to the Paying Agent a bank account within South Africa (or any other banking jurisdiction specified in the Applicable Pricing Supplement) into which the relevant payment must be made and provide details of its address (being an address within South Africa or any other banking jurisdiction specified in the Applicable Pricing Supplement).

9.4 **Payments – Order Notes**

Payments of interest in respect of Order Notes will be made to the Payee only following presentation and surrender by the Payee or its Representative of the relevant Coupon or (in respect of interest-bearing Order Notes issued without Coupons) only against presentation by the Payee or its Representative of the relevant Individual Certificate to the Paying Agent at its Specified Office.

Payments of Instalment Amounts in respect of Order Notes will be made to the Noteholder only following presentation and surrender by the Payee or its Representative of the relevant Receipt to the Paying Agent at its Specified Office. Payments of the final instalment of principal in respect of Order Notes which are Instalment Notes, or of the principal of all other Order Notes, will be made to the Payee only following presentation and surrender by the Payee or its Representative of the Individual Certificate evidencing such Order Notes.

Upon presentation and/or surrender as aforesaid, the Payee or its Representative shall be required to nominate in writing to the Paying Agent a bank account within South Africa (or any other banking jurisdiction specified in the Applicable Pricing Supplement) into which the relevant payment must be made and provide details of its address (being an address within South Africa or any other banking jurisdiction specified in the Applicable Pricing Supplement).

9.5 **Method of Payment**

Payments of interest and principal will be made in the Specified Currency by electronic funds transfer.

If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer in accordance with the preceding paragraph by reason of the occurrence of a strike, lockout, fire, explosion, floods, riot, war, accident, act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, unrest or disturbances, cessation of labour, Government interference or control or any other cause or contingency beyond the control of the Issuer (each a "**Payment Disruption Event**"), then:

- (a) the Issuer shall as soon as practicable notify the Noteholders of the relevant Notes of the occurrence of such Payment Disruption Event in accordance with Condition 17 (*Notices*); and
- (b) the:
 - (i) Issuer's obligation to pay the interest or principal or any such other amounts in respect of the relevant Notes (the "**Affected Amount**") shall be postponed to; and
 - (ii) date on which any such Affected Amount shall be due and payable in respect of the relevant Notes shall be extended to,

a date falling 14 calendar days (or such other date as may be determined by the Calculation Agent and notified to the Noteholders in accordance with Condition 17 (*Notices*)) after the date on which the Payment Disruption Event is no longer occurring and notice thereof shall be given to the relevant Noteholders in accordance with Condition 17 (*Notices*).

In the case of joint Noteholders of Registered Notes payment by electronic funds transfer will be made to the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Notes.

Payments will be subject in all cases to any taxation or other laws, directives and regulations applicable thereto in the place of payment, but subject to the provisions of Condition 10 (*Taxation*).

9.6 **Surrender of Individual Certificates, Receipts and Coupons**

No payment in respect of the final redemption of a Registered Note shall be made until 10 (ten) days after the date on which the Individual Certificate in respect of the Note to be redeemed has been surrendered to the Paying Agent.

Payments of interest in respect of Bearer Notes or Order Notes shall be made in accordance with Condition 9.5 (*Method of Payment*) only following presentation and surrender of the relevant Coupon (if any) to the Paying Agent.

Payments of Instalment Amounts in respect of Instalment Notes which are Bearer Notes or Order Notes shall be made by the Issuer in accordance with Condition 9.5 (*Method of Payment*) only following presentation and surrender of the relevant Receipt to the Paying Agent.

No payment in respect of the final redemption of a Bearer Note or Order Note shall be made until the later of:

- (a) the Relevant Date; and
- (b) the date on which the Individual Certificate in respect of the Note to be redeemed has been presented and surrendered to the Paying Agent.

Upon final redemption as aforesaid, all unmatured Coupons relating to Bearer Notes or Order Notes, as the case may be, (whether or not surrendered with the relevant Individual Certificate) shall become void and no payment shall be made thereafter in respect of them.

Documents required to be presented and/or surrendered to the Paying Agent in accordance with these Terms and Conditions shall be so presented and/or surrendered at the office of the Paying Agent specified in the Applicable Pricing Supplement.

Holders of Uncertificated Notes are not required to present and/or surrender any documents of title.

9.7 **Payment Day**

- (a) If the date for payment of any amount in respect of any unlisted Note is not a Business Day and is not subject to adjustment in accordance with a Business Day Convention, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place for payment and shall not be entitled to further interest or other payment in respect of any such delay.
- (b) If an Interest Period in respect of any Note which would otherwise end on a date which is not a Business Day has been adjusted in accordance with a Business Day Convention to end on a date which is the next Business Day, the holder thereof shall be entitled to payment of interest in respect of the number of additional days in that extended Interest Period in accordance with that Business Day Convention.

9.8 **Interpretation of principal and interest**

Any reference in these Terms and Conditions to principal in respect of the Notes shall include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 9.5 (*Method of Payment*);
- (b) the Final Redemption Amount of the Notes or the Early Redemption Amount of the Notes, as the case may be;
- (c) the Optional Redemption Amount(s) (if any) of the Notes;
- (d) in relation to Instalment Notes, the Instalment Amounts;

- (e) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined under Condition 8.9 (*Early Redemption Amounts*)); and
- (f) any premium and any other amounts which may be payable under or in respect of the Notes, but excluding for the avoidance of doubt, interest.

Any reference in these Terms and Conditions to interest in respect of the Notes shall include, as applicable, any additional amounts which may be payable with respect to interest under Condition 10 (*Taxation*).

10. TAXATION

- 10.1 A Noteholder whose Notes are redeemed shall pay all taxes payable in connection with the payment of the Interest Amount, or the redemption of such Notes and/or the payment of the Final Redemption Amount and/or the Optional Redemption Amount and/or the Early Redemption Amount as a result of such redemption. The Issuer is not liable for or otherwise obliged to pay any taxes that may arise as a result of the ownership, transfer, redemption or enforcement of any Note.
- 10.2 All payments of principal and interest in respect of the Notes by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of South Africa or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law.
- 10.3 In such event, the Issuer will pay such additional amounts (each, an **Additional Amount**) as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, as the case may be, in the absence of such withholding or deduction except that no such Additional Amounts shall be payable with respect to any Note:
 - (a) held by or on behalf of a Noteholder, who is liable for such taxes or duties in respect of such Note by reason of his having some connection with South Africa other than the mere holding of such Note or the receipt of principal or interest in respect thereof; or
 - (b) presented for payment by or on behalf of, or held by, a Noteholder who could lawfully avoid (but has not so avoided) such withholding or deduction by complying with any statutory requirements in force at the present time or in the future by making a declaration of non-residency or other similar claim or filing for exemption to which it is entitled to the relevant tax authority or the Paying Agent (the effect of which is not to require the disclosure of the identity of the relevant Noteholder); or
 - (c) where such withholding or deduction is in respect of taxes levied or imposed on interest or principal payments only by virtue of the inclusion of such payments in the taxable income (as defined in section 1 of the Income Tax Act) or taxable capital gain (as defined in paragraph 1 of Schedule 8 to the Income Tax Act) of any Noteholder; or
 - (d) where (in the case of payment of principal and/or interest which is conditional on surrender and/or presentation of the relevant Individual Certificate in accordance with these Terms and Conditions) the relevant Individual Certificate is surrendered and/or presented more than 30 (thirty) days after the Relevant Date except to the extent that the Noteholder thereof would have been entitled to an Additional Amount on presenting the same for payment on such 30th (thirtieth day); or
 - (e) if such withholding or deduction arises through the exercise by revenue authorities of special powers in respect of disputers or alleged tax defaulters.
- 10.4 Any reference in these Terms and Conditions to any amounts in respect of the Notes shall be deemed also to refer to any Additional Amounts which may be payable under these Terms and Conditions or under any undertakings given in addition to, or in substitution for, these Terms and Conditions.
- 10.5 *FATCA withholding*

Notwithstanding any other provision in these Terms and Conditions, the Issuer, and the Paying Agents, shall be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any intergovernmental agreement, or implementing legislation adopted by another jurisdiction in

connection with these provisions, or pursuant to any agreement with the U.S. IRS ("**FATCA withholding**"). The Issuer will have no obligations to pay Additional Amounts or otherwise indemnify a holder for any FATCA withholding deducted or withheld by the Issuer, a Paying Agent or any other party as a result of any person (other than an agent of the Issuer) not being entitled to receive payments free of FATCA withholding.

10.6 *Taxing jurisdiction*

If the Issuer becomes subject at any time to any taxing jurisdiction other than South Africa, references in these Terms and Conditions to South Africa shall be construed as references to South Africa and/or such other jurisdiction.

11. **PRESCRIPTION**

The Notes, Receipts and Coupons will become prescribed unless presented for payment of principal and interest within a period of 3 (three) years after the Relevant Date therefor save that any relevant Individual Certificate, Receipt or Coupon constituting a "*bill of exchange or other negotiable instrument*" in accordance with section 11 of the Prescription Act, 1969 will become prescribed unless presented for payment of principal and interest within a period of 6 (six) years from the Relevant Date thereof.

12. **EVENTS OF DEFAULT**

12.1 **Events of Default relating to Senior Notes**

An Event of Default in relation to Senior Notes shall arise if any one or more of the following events shall have occurred and be continuing:

- (a) *Non-payment*: the failure by the Issuer to pay within 7 Business Days from the due date any amount due in respect of any of the Senior Notes; or
- (b) *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Senior Notes and such default remains unremedied for 30 (thirty) days after written notice thereof has been delivered by any Noteholder to the Issuer or to the Specified Office of the Transfer Agent (addressed to the Issuer); or
- (c) *Cross default of Issuer*:
 - (i) any Financial Indebtedness of the Issuer is not paid when due or and payable (whether by scheduled maturity, required prepayment, acceleration, demand, or similar), and such failure is continuing beyond the finally determined cure period, if any; or
 - (ii) any such Financial Indebtedness becomes due and payable prior to its stated maturity as a result of a default (howsoever described) and such default is continuing beyond the applicable cure period, if any,

provided that the amount of Financial Indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above individually or in the aggregate exceeds the Cross Default Threshold Amount; or

- (d) *Insolvency, winding-up etc.* the granting of an order by any competent court or authority for the liquidation, curatorship, winding-up or dissolution of the Issuer, whether provisionally (and not dismissed or withdrawn within 30 (thirty) days thereof) or finally, or the placing of the Issuer under voluntary liquidation or curatorship, provided that no liquidation, curatorship, winding-up or dissolution shall constitute an event of default if: (i) the liquidation, curatorship, winding-up or dissolution is for purposes of effecting an amalgamation, merger, demerger, consolidation, reorganisation or other similar arrangement within the Group; or (ii) in respect of a Solvent Reconstruction; or (iii) the liquidation, curatorship, winding-up or dissolution is for purposes of effecting an amalgamation, merger, demerger, consolidation, reorganisation or other similar arrangement, the terms of which were approved by Extraordinary Resolution or an Extraordinary Written Resolution of Noteholders before the date of the liquidation, curatorship, winding-up or dissolution; or
- (e) *Failure to take action*: any action, condition or thing (including the obtaining of any consent, licence, approval or authorisation) now or hereafter necessary to enable the Issuer to comply with its obligations under the Programme for the issuance of the Notes is not taken, fulfilled or

done, or any such consent, licence, approval or authorisation shall be revoked, modified, withdrawn or withheld or shall cease to remain in full force and effect, resulting in the Issuer being unable to perform any of its payment or other obligations in terms of the Notes or the Programme for the issuance of the Notes,

if the Issuer becomes aware of the occurrence of any Event of Default, the Issuer shall forthwith notify all Noteholders and, in respect of listed Notes, shall notify the JSE and announce on SENS, within one Business Day after becoming aware that such Event of Default has occurred, the details of such Event of Default, and shall further notify (i) to the extent that there are any uncertificated Notes outstanding, the Central Depository and (ii) if and for so long as any Notes are listed on any other Financial Exchange, such Financial Exchange, of such details.

Upon the happening of an Event of Default, any holder of Senior Notes may, by written notice to the Issuer at its registered office, effective upon the date of receipt thereof by the Issuer, declare the Notes held by such Noteholder to be forthwith due and payable. Upon receipt of that notice, such Notes shall become forthwith due and payable at the Early Redemption Amount, together with accrued interest (if any) to the date of payment.

12.2 Events of Default relating to Subordinated Notes

An Event of Default in relation to Subordinated Notes shall arise if any one or more of the following events occurs and is continuing:

- (a) *Non-payment*: subject to Condition 6.1(a) (*Accrual of Interest*), if applicable, the failure by the Issuer to pay within 7 days from the due date any amount due in respect of the Subordinated Notes; or
- (b) *Insolvency, winding-up etc.*: the granting of an order by any competent court or authority for the liquidation, winding-up or dissolution of the Issuer, whether provisionally (and not dismissed or withdrawn within 30 (thirty) days thereof) or finally, or the placing of the Issuer under voluntary liquidation or curatorship (provided that no liquidation, winding-up or dissolution shall constitute an Event of Default if the liquidation, winding-up or dissolution is (i) for purposes of effecting an amalgamation, merger, demerger, consolidation, reorganisation or other similar arrangement within the Group, (ii) in respect of a Solvent Reconstruction, or (iii) the liquidation, curatorship, winding-up or dissolution is for purposes of effecting an amalgamation, merger, demerger, consolidation, reorganisation or other similar arrangement, the terms of which were approved by Extraordinary Resolution or an Extraordinary Written Resolution of Noteholders before the date of the liquidation, winding-up or dissolution.

If the Issuer becomes aware of the occurrence of any Event of Default, the Issuer shall forthwith notify all Noteholders of that Class and, in respect of listed Notes, shall notify the JSE and announce on SENS, within one Business Day after becoming aware that such Event of Default has occurred, the details of such Event of Default, and shall further notify (i) to the extent that there are any uncertificated Notes outstanding, the Central Depository and (ii) if and for so long as any Notes are listed on any other Financial Exchange, such Financial Exchange, of such details.

Upon the happening of an Event of Default referred to in Condition 12.2(a) (*Non-payment*), any holder of Subordinated Notes of that Class may, subject to Condition 5.2(c) (*Subordination*) and the Capital Rules in the case of Tier 2 Notes or Condition 5.3(c) (*Subordination*) in the case of other Subordinated Notes, and subject as provided below, at its discretion and without further notice, institute proceedings for the winding-up of the Issuer and/or prove a claim in any winding-up of the Issuer, but take no other action in respect of that default.

Upon the happening of an Event of Default referred to in Condition 12.2(b) (*Insolvency, winding-up etc.*), any holder of Subordinated Notes of the Series may, by written notice to the Issuer at its registered office, effective upon the date of receipt thereof by the Issuer, declare the Notes of the Series held by such Noteholder to be forthwith due and payable. Upon receipt of that notice, such Notes shall, subject to Condition 5.2(c) (*Subordination*) and the Capital Rules in the case of Tier 2 Notes or Condition 5.3(c) (*Subordination*) in the case of other Subordinated Notes, become forthwith due and payable at the Early Redemption Amount, together with accrued interest (if any) to the date of payment.

Without prejudice to the preceding Conditions, if the Issuer breaches any of its obligations under the Subordinated Notes of that Series (other than any obligation in respect of the payment of principal or interest on such Notes), then any holder of Subordinated Notes of that Series may, at its discretion and

without further notice, bring such proceedings as it may think fit to enforce the obligation in question, provided that the Issuer shall not, as a result of the bringing of any such proceedings, be obliged to pay any sum representing or measured by reference to principal or interest on or satisfy any other payment obligation in relation to such Subordinated Notes sooner than the same would otherwise have been payable by it.

12.3 Additional Tier 1 Notes

No:

- (a) non-payment of any interest (in whole or in part) in respect of Additional Tier 1 Notes in accordance with Condition 7.1 (*Optional Interest Non-Payment*) or Condition 7.2 (*Mandatory Interest Non-Payment*) of the Additional Tier 1 Terms and Conditions;
- (b) Write-off of Tier 2 Notes in accordance with these Terms and Conditions; and
- (c) Write-off or Conversion (each as defined in the Additional Tier 1 Terms and Conditions) of Additional Tier 1 Notes, in accordance with the Additional Tier 1 Terms and Conditions,

shall constitute an Event of Default under, or breach of, these Terms and Conditions for any purpose on the part of the Issuer.

13. EXCHANGE OF BENEFICIAL INTERESTS AND REPLACEMENT OF INDIVIDUAL CERTIFICATES

13.1 Exchange of Beneficial Interests

- (a) The holder of a Beneficial Interest in Notes may, in terms of the Applicable Procedures and subject to section 34(e) and section 42 of the Financial Markets Act read with section 35(2)(i) of the Financial Markets Act (or the relevant provisions of any successor legislation), by written notice to the holder's nominated Participant (or, if such holder is a Participant, the Central Depository), request that such Beneficial Interest be exchanged for Notes in definitive form represented by an Individual Certificate (the **Exchange Notice**). The Exchange Notice shall specify (i) the name, address and bank account details of the holder of the Beneficial Interest and (ii) the day on which such Beneficial Interest is to be exchanged for an Individual Certificate; provided that such day shall be a Business Day and shall fall not less than 30 (thirty) days after the day on which such Exchange Notice is given.
- (b) The holder's nominated Participant will, following receipt of the Exchange Notice, through the Central Depository, notify the Transfer Agent that it is required to exchange such Beneficial Interest for Notes represented by an Individual Certificate. The Transfer Agent will, as soon as is practicable but within 14 (fourteen) days after receiving such notice, in accordance with the Applicable Procedures, procure that an Individual Certificate is prepared, authenticated and made available for delivery, on a Business Day falling within the aforementioned 14 (fourteen) day period, to the Participant acting on behalf of the holder of the Beneficial Interest in respect of the conversion at the Specified Office of the Transfer Agent; provided that joint holders of a Beneficial Interest shall be entitled to receive only one Individual Certificate in respect of that joint holding, and the delivery to one of those joint holders shall be delivery to all of them.
- (c) In the case of the exchange of a Beneficial Interest in any Registered Notes:
 - (i) such Registered Note will, prior to the Exchange Date, be surrendered (through the Central Depository system) to the Transfer Agent at its Specified Office; and
 - (ii) the Transfer Agent will obtain the release of such uncertificated Notes from the Central Depository in accordance with the CSD Procedures.
- (d) An Individual Certificate shall, in relation to a Beneficial Interest:
 - (i) in a Tranche of Notes which is held in the Central Depository, represent that number of Notes as have, in the aggregate, the same aggregate Nominal Amount of Notes standing to the account of the holder of such Beneficial Interest; and
 - (ii) in any number of Notes issued in uncertificated form of a particular aggregate Nominal Amount standing to the account of the holder thereof, represent that number of Notes of that aggregate Nominal Amount,

as the case may be, and shall otherwise be in such form as may be agreed between the Issuer and the Transfer Agent; provided that if such aggregate Nominal Amount is equivalent to a fraction of the Specified Denomination or a fraction of any multiple thereof, such Individual Certificate shall be issued in accordance with, and be governed by, the Applicable Procedures.

- (e) Subject always to Applicable Laws and Applicable Procedures, upon the replacement of a Beneficial Interest in Notes, with Notes in definitive form represented by an Individual Certificate in accordance with this Condition 13, such Notes (now represented by an Individual Certificate) will cease to be listed on the Financial Exchange and will no longer be lodged in the Central Depository. Notes represented by Individual Certificates will be registered in the Register in the name of the individual Noteholders of such Notes.

13.2 Replacement

If any Individual Certificate, Receipt or Coupon is worn-out, mutilated, defaced, stolen, destroyed or lost, it may be replaced at the Specified Office of the Transfer Agent, on payment by the claimant of such costs and expenses as may be incurred in connection therewith and the provision of such indemnity as the Issuer and the Transfer Agent may reasonably require. Worn-out, mutilated or defaced Individual Certificates, Receipts or Coupons must be surrendered at the Specified Office of the Transfer Agent before replacements will be issued.

13.3 Death and sequestration or liquidation of Noteholder

Any Person becoming entitled to Registered Notes in consequence of the death, sequestration or liquidation of the holder of such Notes may, upon producing evidence to the satisfaction of the Issuer that he holds the position in respect of which he proposes to act under this Condition 13.3 (*Death and sequestration or liquidation of Noteholder*) or of his title as the Issuer and the Transfer Agent shall require, be registered himself as the holder of such Notes or, subject to the Applicable Procedures, this Condition 13.3 (*Death and sequestration or liquidation of Noteholder*) and Condition 14.1 (*Transfer of Registered Notes*), may transfer such Notes. The Issuer and (if applicable) the Central Depository and the relevant Participant shall be entitled to retain any amount payable upon the Notes to which any Person is so entitled until such Person shall be registered as aforesaid or shall duly transfer the Notes.

13.4 Costs

The costs and expenses of the printing, issue and delivery of each Individual Certificate and all taxes and any and all governmental charges or insurance charges that may be imposed in relation to such Individual Certificate shall be borne by the holder of the Notes represented by that Individual Certificate. Separate costs and expenses relating to the provision of Individual Certificates and/or the transfer of Notes may be levied by other Persons, such as a Participant, under the Applicable Procedures, and such costs and expenses shall not be borne by the Issuer. The costs and expenses of the printing, issue and delivery of Bearer Notes and Order Notes, and any Coupons, shall be borne by the Issuer, save as otherwise provided in the Applicable Pricing Supplement.

14. TRANSFER OF NOTES

14.1 Transfer of Registered Notes

- (a) *Transfer of Beneficial Interests in Registered Notes (including Uncertificated Notes) held in the Central Depository*
 - (i) Beneficial Interests may be transferred only in accordance with the Applicable Procedures through the Central Depository.
 - (ii) Transfers of Beneficial Interests to and from clients of Participants occur by way of electronic book entry in the securities accounts maintained by the Participants for their clients, in accordance with the Applicable Procedures.
 - (iii) Transfers of Beneficial Interests among Participants occur through electronic book entry in the central securities accounts maintained by the Central Depository for the Participants, in accordance with the Applicable Procedures.
 - (iv) Transfers of Beneficial Interests in Registered Notes will not be recorded in the Register and the Central Depository will continue to be reflected in the Register as the Noteholder of such Notes notwithstanding such transfers.

- (b) *Transfer of Registered Notes represented by Individual Certificates*
- (i) In order for any transfer of Registered Notes represented by an Individual Certificate to be recorded in the Register, and for such transfer to be recognised by the Issuer:
 - (A) the transfer of such Registered Notes must be embodied in a Transfer Form;
 - (B) the Transfer Form must be signed by the registered Noteholder of such Registered Notes and the transferee, or any authorised representatives of that registered Noteholder or transferee; and
 - (C) the Transfer Form must be delivered to the Transfer Agent at its specified office together with the Individual Certificate representing such Registered Notes for cancellation.
 - (ii) Registered Notes represented by an Individual Certificate may only be transferred, in whole or in part, in amounts of not less than the Specified Denomination (or any multiple thereof).
 - (iii) Subject to this Condition 14.1(b), the Transfer Agent will, within 10 (ten) Business Days of receipt by it of a valid Transfer Form (or such longer period as may be required to comply with any Applicable Laws and/or Applicable Procedures), record the transfer of Registered Notes represented by an Individual Certificate (or the relevant portion of such Registered Notes) in the Register, and authenticate and deliver to the transferee at the Transfer Agent's specified office or, at the risk of the transferee, send by mail to such address as the transferee may request, a new Individual Certificate in respect of the Registered Notes transferred reflecting the Nominal Amount Outstanding of the Registered Notes transferred.
 - (iv) Where a Noteholder has transferred a portion only of Registered Notes represented by an Individual Certificate, the Transfer Agent will authenticate and deliver to such Noteholder at the Transfer Agent's Specified Office or, at the risk of such Noteholder, send by mail to such address as such Noteholder may request, a new Individual Certificate representing the balance of the Registered Notes held by such Noteholder.
 - (1) The transferor of any Registered Notes represented by an Individual Certificate will be deemed to remain the owner thereof until the transferee is registered in the Register as the holder thereof.
 - (2) Before any transfer of Registered Notes represented by an Individual Certificate is registered in the Register, all relevant transfer taxes (if any) must have been paid by the transferor and/or the transferee and such evidence must be furnished as the Issuer and the Transfer Agent may reasonably require as to the identity and title of the transferor and the transferee.
 - (3) No transfer of any Registered Notes represented by an Individual Certificate will be registered whilst the Register is closed as contemplated in Condition 15 (*Register*).
 - (4) If a transfer of any Registered Notes represented by an Individual Certificate is registered in the Register, the Transfer Form and cancelled Individual Certificate will be retained by the Transfer Agent.
 - (5) In the event of a partial redemption of Notes, the Transfer Agent shall not be obliged to register the transfer of any Notes during the period beginning on the 10th (tenth) day before the date of the partial redemption and ending on the date of the partial redemption (both inclusive).

14.2 **Transfer of Bearer Notes**

Bearer Notes (including rights to Instalment Amounts and/or interest thereon, as applicable) may be transferred by the delivery of the Individual Certificate evidencing such Bearer Note or the relevant Receipt or Coupon relating thereto, as the case may be. Where the last Endorsement on an Individual Certificate evidencing an Order Note or a Receipt or Coupon relating thereto is an Endorsement in Blank, then such Individual Certificate, Receipt or Coupon, as the case may be, shall be treated as evidencing a Bearer Note.

14.3 **Transfer of Order Notes**

Order Notes (including rights to Instalment Amounts and/or interest thereon, as applicable) may be transferred by the Endorsement of the Individual Certificate evidencing such Order Note or Receipt or Coupon relating thereto, as the case may be, by the old Payee and the delivery of such Individual Certificate, Receipt or Coupon to the new Payee.

14.4 **Prohibition on Stripping**

Where so specified in the Applicable Pricing Supplement, Bearer Notes or Order Notes which are issued with Receipts and/or Coupons attached and which are redeemable at the option of the Issuer and/or Noteholders shall be issued subject to the condition that the relevant Notes (including rights to Instalment Amounts and/or interest thereon, as applicable) may only be transferred to a single transferee at a time and accordingly that the various rights in respect of such Notes may not be stripped and transferred to various transferees at different times. Stripping of Receipts and/or Coupons is otherwise permitted.

15. **REGISTER**

15.1 The Register shall:

- (a) be kept at the Specified Offices of the Transfer Agent or such other person as may be appointed for the time being by the Issuer to maintain the Register;
- (b) reflect the number of Registered Notes issued and Outstanding, the date upon which each of the Noteholders was registered as such and whether they are Registered Notes, Bearer Notes or Order Notes;
- (c) to the extent permitted by Applicable Law, contain the name, address, and bank account details of the Noteholders of Registered Notes;
- (d) set out the Nominal Amount of the Notes issued to such Noteholders and shall show the date of such issue;
- (e) show the serial number of Individual Certificates issued in respect of any Notes;
- (f) be open for inspection during the normal business hours of the Issuer to any Noteholder or any person authorised in writing by any Noteholder; and
- (g) be closed during the Books Closed Period.

15.2 The registered Noteholder of the Registered Notes in a Tranche of Registered Notes which is held in the Central Depository will be determined in accordance with the CSD Procedures, and such registered Noteholder will be named in the Register as the registered holder of such Registered Notes.

15.3 The Transfer Agent shall not be obliged to record any transfer while the Register is closed.

15.4 The Transfer Agent shall alter the Register in respect of any change of name, address or bank account number of any of the Noteholders of any Registered Notes of which it is notified in accordance with these Terms and Conditions.

15.5 Except as provided for in these Terms and Conditions or as required by law, in respect of Registered Notes, the Issuer will only recognise a Noteholder as the owner of the Notes registered in that Noteholder's name as per the Register.

15.6 Except as provided for in these Terms and Conditions or as required by Applicable Laws, the Transfer Agent shall not be bound to enter any trust into the Register or to take notice of any or to accede to any trust executed, whether express, implied or constructive, to which any Individual Certificate may be subject.

16. **TRANSFER AGENT, CALCULATION AGENT AND PAYING AGENT**

16.1 Any third party appointed by the Issuer as Calculation Agent, Paying Agent and/or Transfer Agent shall act solely as the agent of the Issuer and does not assume any obligation towards or relationship of agency or trust for or with any Noteholders.

16.2 If the Issuer elects to appoint another entity (not being the Issuer) as Calculation Agent, Paying Agent and/or Transfer Agent, that other entity, on execution of an appropriate Agency Agreement or an appropriate accession letter to the Agency Agreement, as the case may be, shall serve in that capacity in respect of the Notes. The Issuer shall notify the Noteholders in the manner set out in

Condition 17 (*Notices*) of any such appointment and, if any Notes are listed on the JSE, the Issuer shall notify the JSE of any such appointment.

- 16.3 The Issuer is entitled to vary or terminate the appointment of the Transfer Agent, the Calculation Agent and the Paying Agent and/or appoint additional or other agents and/or approve any change in the specified office through which any such agent acts on the terms of the Agency Agreement, provided that there will at all times be a Transfer Agent, Calculation Agent and a Paying Agent with an office in such place as may be required by the Applicable Procedures. The Transfer Agent, Paying Agent and Calculation Agent act solely as the agents of the Issuer and do not assume any obligation towards or relationship of agency or trust for or with any Noteholders.
- 16.4 To the extent that the Issuer acts as the Transfer Agent, Calculation Agent or Paying Agent, all references in these Terms and Conditions to:
- (a) any action, conduct or functions in such role shall be understood to mean that the Issuer shall perform such action, conduct or function itself; and
 - (b) requirements for consultation, indemnification by or of, payment by or to, delivery by or to, notice by or to, consent by or to or agreement between the Issuer and such Transfer Agent, Calculation Agent or Paying Agent (as the case may be) shall be disregarded to the extent that the Issuer performs such role.

17. NOTICES

17.1 Notice by the Issuer

Notices to Noteholders shall be valid and effective:

- (a) in the case of uncertificated Notes listed on the JSE, if delivered to:
 - (i) the JSE and electronically published on SENS, or any other similar service, established by the JSE; and
 - (ii) the Central Depository and the Participants; or
- (b) in the case of unlisted uncertificated Notes, if mailed to the registered addresses of the Noteholders appearing in the Register or, if delivered to the Central Depository and the Participants (and if required, electronically published on SENS, or any other similar service, established by the JSE); or
- (c) in the case of Notes being represented by an Individual Certificate (whether evidencing Registered Notes, Bearer Notes or Order Notes), if mailed to the registered addresses of the holders of the Notes appearing in the Register and published, not earlier than 4 (four) calendar days after the date of posting of such notice by registered mail:
 - (i) in an English language daily newspaper of general circulation in South Africa; and
 - (ii) for so long as the Notes are listed on the JSE or such other Financial Exchange, a daily newspaper of general circulation in the city in which the JSE or such other Financial Exchange is situated or any electronic news service of general distribution.

Any such notice shall be deemed to have been given on the seventh day after the day on which it is mailed, or the day of its publication, as the case may be.

17.2 Notice by the Noteholders

A notice to be given by any Noteholder to the Issuer shall be in writing and given by lodging (either by hand delivery or posting by registered mail) that notice, together with a certified copy of the relevant Individual Certificate, Coupon or Receipt at the office of the Transfer Agent specified in the Applicable Pricing Supplement. For so long as any of the Notes are uncertificated, notice may be given by any holder of a Beneficial Interest in such Notes to the Issuer via the relevant Participant in accordance with the Applicable Procedures, in such manner as the Issuer and the relevant Participant may approve for this purpose. Such notices shall be deemed to have been received by the Issuer, if delivered by hand, on the second Business Day after being hand delivered, or, if sent by registered mail, 7 (seven) days after posting.

17.3 **Notice in relation to Notes listed on the JSE**

For so long as any Notes are listed on the JSE, notwithstanding Conditions 17.1 and 17.2, all notices in respect of such JSE-listed Notes shall be made by way of an announcement on SENS.

18. **MEETINGS OF NOTEHOLDERS**

This Condition 18 contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the amendment of any of these General Terms and Conditions. All meetings of Noteholders shall comply with the mandatory provisions of the law, including the Companies Act (notwithstanding that the Companies Act refers to meetings of shareholders) and the Debt Listings Requirements.

18.1 **Demand to call a meeting**

- (a) The Issuer may at any time convene a meeting of all Noteholders or holders of any Class of Notes, and shall be obliged to do so upon the request in writing of Noteholders holding not less than:
 - (i) 10 per cent. of the aggregate Nominal Amount of all Outstanding Notes; or
 - (ii) 10 per cent. of the value of a specific Class of Notes,as the case may be.
- (b) Upon receiving the request to call a meeting as described in Condition 18.1(a), the Issuer must:
 - (i) immediately:
 - (A) inform the JSE in writing that it has received a request to call a meeting, and specifying the purpose of the meeting; and
 - (B) release an announcement on SENS stating that the Issuer has received a demand to call a meeting from Noteholders pursuant to the Debt Listing Requirements; and
 - (ii) within 5 (five) Business Days from the date of receipt of the request to call a meeting, release an announcement on SENS (the “**Notice of Meeting**”) specifying the information set out in 18.1(c) below.
- (c) The Issuer shall include in the Notice of Meeting, the following:
 - (i) the date of the meeting, which is not to exceed 7 (seven) Business Days from the date that the Notice of Meeting is issued;
 - (ii) the time of the scheduled meeting; and
 - (iii) details of a pre-meeting of the Noteholders (without the presence of the Issuer) which is to be held on the same day/venue as the scheduled meeting, but at least 2 (two) hours before the scheduled meeting.
- (d) The Issuer shall release an announcement on SENS within 2 (two) Business Days after the meeting setting out the details of the outcome thereof.
- (e) In the event of liquidation or curatorship of the Issuer, or the inability of the Issuer to pay its debts as and when they fall due, the reference to 5 (five) Business Days in Condition 18.1(b)(ii) above shall be reduced to 2 (two) Business Days and 7 (seven) Business Days in Condition 18.1(c)(i) above shall be reduced to 5 (five) Business Days.
- (f) At the meeting:
 - (i) Noteholders shall exercise their voting through polling and not by the show of hands;
 - (ii) a chairperson shall be elected by Noteholders as voted in accordance with Condition 18.1(f)(i) above.
- (g) The Noteholder(s) who demand(ed) the meeting may, prior to the meeting, withdraw the demand by notice in writing to the Issuer. A copy of the withdrawal must be submitted to the JSE by the Issuer, upon receipt thereof. Further, the Issuer may cancel the meeting if, as a

result of one or more of the demands being withdrawn, there is a failure to meet the required percentage participation stipulated in Condition 18.1(a).

18.2 Notice

Unless Noteholders of at least 90 per cent. of the aggregate Nominal Amount of all Notes or Class of Notes Outstanding, as the case may be, agree in writing to a shorter period, at least 15 (fifteen) business days' prior written notice (exclusive of the day on which the notice is given and of the day on which the relevant meeting is to be held) specifying the date, time and place of the meeting shall be given to the Noteholders and the Transfer Agent (with a copy to the Issuer). Every such meeting shall be held at such time and place as the Transfer Agent may approve. The notice shall set out the nature of the business for which the meeting is to be held, the full text of any resolutions to be proposed and shall state that a Noteholder may appoint a proxy (as defined below) by delivering a form of proxy (as defined below) to the Specified Officers of the Transfer Agent by no later than 24 hours before the time fixed for the meeting.

For as long as any Notes are listed on the JSE, notices of meetings in respect of such JSE-listed Notes, shall be announced on SENS, which announcement shall state the date that the Issuer has selected to determine which Noteholders recorded in the Register will receive notice of the meeting, and the last date by which proxy forms must be submitted.

A notice by Noteholders requesting a meeting of Noteholders pursuant to Condition 18.1 (*Demand to call a meeting*) above may consist of several documents in like form, each signed by one or more requisitioning Noteholders. Such a notice will be delivered to the Specified Offices of the Issuer.

18.3 Proxy

A Noteholder may by an instrument in writing (a "**form of proxy**") signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation, appoint any Person (a "**proxy**") to act on his or its behalf in connection with any meeting or proposed meeting of the Noteholders.

Any Noteholder which is a corporation may by resolution of its directors or other governing body authorise any Person to act as its Representative in connection with any meeting or proposed meeting of the Noteholders.

Any proxy or Representative appointed shall, so long as the appointment remains in force, be deemed for all purposes in connection with any meeting or proposed meeting of the Noteholder specified in the appointment, to be the holder of the Notes to which the appointment relates and the holder of the Notes shall be deemed for such purposes not to be the holder.

18.4 Chairperson

The chairperson (who may, but need not, be a Noteholder) of the meeting shall be appointed by the Issuer. The procedures to be followed at the meeting shall be as determined by the chairperson subject to the remaining provisions of this Condition 18. Should the Noteholder requisition a meeting, and the Issuer fails to call such a meeting within the time periods specified in Condition 18.1 (*Demand to call a meeting*), then the chairperson of the meeting held at the instance of the Noteholders shall be selected by a majority of Noteholders present in Person, by Representative or by proxy. The chairperson of an adjourned meeting need not be the same Person as was chairperson of the original meeting.

18.5 Quorum

At any such meeting one or more Noteholders present in Person, by Representative or by proxy, holding in aggregate not less than 30 (thirty) per cent. of the Nominal Amount of Notes for the time being Outstanding shall form a quorum for the transaction of business. The quorum at any such meeting for passing an Extraordinary Resolution shall (subject as provided below) be one or more Noteholders of that Class present or represented by proxies or Representatives and holding or representing in the aggregate a clear majority in Nominal Amount of the Notes held by the applicable Class for the time being Outstanding. At any meeting the business of which includes any of the following matters ("**Reserved Matters**"), any such Reserved Matter shall only be capable of being effected after having been approved by Extraordinary Resolution namely:

- (a) modification of the Maturity Date of any Notes or reduction or cancellation of the Redemption Amount payable upon redemption of the Notes; or

- (b) reduction or cancellation of the amount payable or modification of the payment date in respect of any interest in respect of the Notes or variation of the method of calculating the Interest Rate in respect of the Notes; or
- (c) reduction or increase of any Minimum Interest Rate and/or Maximum Interest Rate specified in the Applicable Pricing Supplement of any Note; or
- (d) modification of the currency in which payments under the Notes are to be made; or
- (e) modification of the majority required to pass an Extraordinary Resolution or an Extraordinary Written Resolution; or
- (f) the sanctioning of any such scheme or proposal as is described in Condition 18.13(g) below; or
- (g) alteration of this proviso or the proviso to Condition 18.7(c) below.

At any meeting whose business includes any Reserved Matter, the quorum shall be one or more Noteholders of that Class present or represented by proxies or Representatives and holding or representing in the aggregate not less than 66.67 per cent. in Nominal Amount of the Notes of that Class for the time being Outstanding. An Extraordinary Resolution passed at any meeting of the holders of Notes of that Class will be binding on all holders of Notes, whether or not they are present at the meeting. No amendment to or modification of the Conditions may be effected without the written agreement of the Issuer.

18.6 **Adjournment of meetings**

The Chairperson may, with the consent of (and shall if directed by) any Noteholders, adjourn a meeting of Noteholders or a Class of Noteholders from time to time and from place to place.

If within thirty minutes after the time fixed for any such meeting a quorum is not present, then:

- (a) in the case of a meeting requested by Noteholders, it shall be dissolved; or
- (b) in the case of any other meeting, it shall be adjourned for such period (which shall be not less than 14 (fourteen) days and not more than 21 (twenty-one) days) and to such time and place as the Chairperson determines and approved by the Transfer Agent; provided, however, that:
 - (i) the meeting shall be dissolved if the Issuer so decides; and
 - (ii) no meeting may be adjourned more than once for want of a quorum subject to as provided in Condition 18.7(c) below.

No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which adjournment took place.

18.7 **Notice following adjournment**

Condition 18.2 above shall apply to any meeting which is to be resumed after adjournment for want of a quorum save that:

- (a) 7 (seven) days' notice (exclusive of the day on which the notice is given and of the day on which the relevant meeting is to be held) shall be sufficient; and
- (b) the notice shall state that (except in the circumstances where sub-paragraph (c) below applies) one or more Noteholders present in Person, by Representative or by proxy whatever the Nominal Amount of the Notes held or represented by them, will form a quorum;
- (c) in relation to any adjourned meeting the business of which includes any Reserved Matter, the quorum shall be one or more Noteholders present in Person, by Representative or by proxy holding or representing not less than one third in aggregate Nominal Amount of the Notes for the time being Outstanding.

It shall not be necessary to give notice of the resumption of a meeting which has been adjourned for any other reason.

18.8 **Participation**

The following may attend and speak at a meeting:

- (a) Noteholders present, by Representative or by proxy provided that no such Person shall be entitled to attend and speak (or vote) unless he provides proof acceptable to the Issuer that he is a Noteholder, its Representative or proxy if so required by the Issuer to do so;
- (b) any officer or duly appointed representative of the Issuer and every other Person authorised in writing by the Issuer provided that such Person shall not be entitled to vote, other than as a proxy or Representative;
- (c) the legal counsel to the Issuer;
- (d) the Transfer Agent;
- (e) any other Person approved by the Noteholders at such meeting; and
- (f) every director or duly appointed representative of the Issuer and every other Person authorised in writing by the Issuer may attend and speak at a meeting of Noteholders, but shall not be entitled to vote, other than as a proxy or Representative.

18.9 **Show of hands**

Except where otherwise provided, every resolution proposed to be passed at a meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairperson's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution.

18.10 **Poll**

A demand for a poll shall be valid if it is made by the Chairperson, the Issuer or one or more Noteholders present, by Representative or by proxy (whatever the Nominal Amount of Notes held or represented by them). The poll may be taken immediately or after such adjournment as the Chairperson directs, but any poll demanded on the election of the Chairperson or on any question of adjournment shall be taken at the meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant meeting for any other business as the Chairperson directs.

18.11 **Votes**

Every Noteholder present in Person, by Representative or by proxy and who provided proof acceptable to the Issuer of his entitlement to vote, if so required by the Issuer, shall have one vote per Specified Denomination (or the nearest rounded off multiple thereof) of the relevant Class of Notes Outstanding held or represented by him. For the avoidance of doubt, the holders of Coupons or Receipts shall be entitled to receive notice of and to attend and speak at any meeting in respect of which they fall within the Series of Noteholders but no such Person shall have rights to vote at such meetings.

Notwithstanding any other provision contained in this Condition 18, the holders of Beneficial Interests in Registered Notes must vote in accordance with the CSD Procedures. Holders of Beneficial Interests in Registered Notes must exercise their respective rights to vote through their respective Participants. The respective Participants will vote in accordance with the respective instructions conveyed to them by the respective holders of the Beneficial Interest in Registered Notes, in accordance with the CSD Procedures.

In the case of a voting tie, the Chairperson shall have a casting vote.

Unless the form of proxy states otherwise, a Representative or proxy shall not be obliged to exercise all the votes which he is entitled or cast all the votes which he exercises in the same way.

A majority shall be required to ordinarily pass a resolution of Noteholders.

Notwithstanding anything to the contrary contained herein, any Noteholder that is the Issuer or any of its Subsidiaries shall not be entitled to vote.

18.12 **Validity of votes by proxies**

Any vote by a proxy in accordance with the form of proxy shall be valid even if such form of proxy or any instruction pursuant to which it was given has been amended or revoked, provided that the Transfer Agent or the Issuer at its Specified Office has not been notified in writing of such amendment or

revocation by the time which is 24 hours before the time fixed for the relevant meeting. Unless revoked, any appointment of a proxy under a form of proxy in relation to a meeting shall remain in force in relation to any resumption of such meeting following an adjournment.

18.13 **Powers**

A meeting of Noteholders will have power (exercisable by Extraordinary Resolution at a meeting of Noteholders or by Extraordinary Written Resolution), without prejudice to any other powers conferred on it or any other Person:

- (a) power to sanction any compromise or arrangement proposed to be made between the Issuer and the Class of Noteholders or any of them;
- (b) power to approve the substitution of any entity for the Issuer which shall be proposed by the Issuer;
- (c) power to sanction any abrogation, modification, compromise or arrangement in respect of the rights of the Class of Noteholders against the Issuer or against any of its property whether such rights shall arise under the Notes or otherwise;
- (d) power to assent to any modification of the provisions contained in these Terms and Conditions which shall be proposed by the Issuer;
- (e) power to give any authority or sanction which under these Terms and Conditions is required to be given by Extraordinary Resolution or an Extraordinary Written Resolution;
- (f) power to appoint any persons (whether Noteholders or not) as a committee or committees to represent the interests of the Noteholders of that Class and to confer upon such committee or committees any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution or an Extraordinary Written Resolution;
- (g) power to sanction any scheme or proposal for the exchange or sale of the Notes for, or the conversion of the Notes into or the cancellation of the Notes in consideration of, shares, stocks, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any entity (corporate or otherwise) formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration for cash.

18.14 **Binding effect of resolutions**

Any resolution passed at a meeting of a Class of Noteholders duly convened shall be binding upon all Noteholders of that Class whether or not present at such meeting and whether or not voting, and each Noteholder of that Class shall be bound to give effect to it accordingly.

An Extraordinary Resolution or an Extraordinary Written Resolution shall be binding upon all Noteholders whether or not present at such meeting and whether or not voting, and each of the Noteholders shall be bound to give effect to it accordingly.

18.15 **Notice of the result of voting on any resolution**

Notice of the result of the voting on any resolution (including any Extraordinary Resolution or an Extraordinary Written Resolution) duly considered by the Noteholders shall (i) be given to the Noteholders within 14 (fourteen) days or (ii) in respect of Notes listed on the JSE, be announced on SENS within 2 (two) Business Days of the conclusion of the meeting or after the responses to the written resolutions have been received in accordance with Condition 17 (*Notices*). Non-publication shall not invalidate any such resolution.

18.16 **Minutes**

Minutes shall be made of all resolutions and proceedings of meetings by the company secretary of the Issuer and duly entered in books to be provided by the Issuer for that purpose. The Chairperson shall sign the minutes, which shall be *prima facie* evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such meeting in respect of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed thereat, or proceedings held, to have been duly passed and held.

19. MODIFICATION

19.1 The Issuer may, without the consent of the relevant Class of Noteholders, effect any amendment or modification of these Terms and Conditions which is of a technical nature made to correct a manifest error or to comply with mandatory provisions of any applicable laws.

19.2 Save as provided in Condition 19.1 and subject to Condition 9.6 (*Substitution or Variation*) and Condition 8.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Tier 2 Notes*), no amendment, variation or modification of these Terms and Conditions may be effected or be of any force or effect unless:

(a) in writing and signed by or on behalf of the Issuer and by or on behalf of the members of the relevant Class of Noteholders holding not less than 66.67 per cent. in Nominal Amount, of the Notes in that Class for the time being Outstanding; or

(b) sanctioned by an Extraordinary Resolution or Extraordinary Written Resolution of the relevant Class of Noteholders,

provided that no such amendment, variation or modification shall be of any force or effect unless notice of the intention to make such amendment, variation or modification shall have been given to all the members of the relevant Class of Noteholders in terms of Condition 17 (*Notices*).

19.3 Save for modification pursuant to Condition 8.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Tier 2 Notes*), the Issuer shall be obliged to first obtain approval from the JSE prior to seeking approval of Noteholders as contemplated in Condition 19.2. In order to obtain such approval from the JSE, the amended placing document, whether in the form of a supplement to this Programme Memorandum or otherwise, must be submitted to the JSE and once approved, such amended placing document must also be published on SENS according to the requirements of the JSE from time to time.

19.4 No amendment or modification to these Terms and Conditions (or applicable Terms and Conditions) may be effected unless such amendment or modification complies with the applicable provisions of the Debt Listings Requirements or such other Financial Exchange, as the case may be.

19.5 Any modification of these Terms and Conditions applicable to the Tier 2 Notes in accordance with this Condition 19 is subject to the Issuer obtaining the consent of the Relevant Regulator (if and to the extent that such consent is required by the Capital Rules) pursuant to Condition 8.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Tier 2 Notes*).

19.6 Any such modification of these Terms and Conditions made pursuant to this Condition 19 shall be binding on the relevant Class of Noteholders and any such modification shall be notified to the relevant Class of Noteholders in accordance with Condition 17 (*Notices*) and to the relevant Financial Exchange as soon as practicable thereafter.

19.7 For the avoidance of doubt:

(a) the exercise by the Issuer of its rights under Condition 16 (*Transfer Agent, Calculation Agent and Paying Agent*) shall not constitute an amendment, variation or modification of these Terms and Conditions; and

(b) it is recorded that, the Applicable Pricing Supplement, in relation to any Tranche of Notes, may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify such Terms and Conditions for the purposes of such Tranche of Notes. The issuing of any such Applicable Pricing Supplement shall not constitute an amendment, variation or modification of these Terms and Conditions as contemplated by this Condition 19 requiring the approval of the Noteholders or the JSE.

20. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further Notes (including Additional Tier 1 Notes) (the "**Additional Notes**") having terms and conditions which are identical to any of the other Notes (including Additional Tier 1 Notes) already issued under the Programme (the "**Existing Notes**") or the same in all respects save for their respective Issue Prices, Issue Dates and aggregate Nominal Amounts, so that the Additional Notes shall (i) be consolidated to form a single Series with the Existing Notes and (ii) rank *pari passu* in all respects with the Existing Notes.

21. GOVERNING LAW

Unless otherwise specified in the Applicable Pricing Supplement, the provisions of the Programme Memorandum, the applicable Terms and Conditions and the Notes are governed by, and shall be construed in accordance with, the laws of South Africa.

SIGNED at Johannesburg on this 24th day of December 2020.

For and on behalf of
STANDARD BANK GROUP LIMITED

Name: Ann Hunter
Capacity: Authorised Signatory
Who warrants his/her authority hereto

Name: Jan Brits
Capacity: Authorised Signatory
Who warrants his/her authority hereto

PRO FORMA APPLICABLE PRICING SUPPLEMENT (ADDITIONAL TIER 1 TERMS AND CONDITIONS)

Set out below is the form of Applicable Pricing Supplement that will be completed for each Tranche of Additional Tier 1 Notes issued under the Programme:

Applicable Pricing Supplement dated [●]



Standard Bank Group Limited

(Incorporated with limited liability under Registration Number 1969/017128/06 in The Republic of South Africa)

**Issue of [Aggregate Nominal Amount of Tranche] Additional Tier 1 Notes
Under its ZAR50,000,000,000 Domestic Medium Term Note Programme**

This document constitutes the Applicable Pricing Supplement relating to the issue of Additional Tier 1 Notes described herein. The terms and conditions set forth in the section of the Programme Memorandum dated [●] (the "**Programme Memorandum**"), as updated and amended from time to time, headed "*Additional Tier 1 Terms and Conditions*" (the "**Additional Tier 1 Terms and Conditions**") apply to the issue of Additional Tier 1 Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Additional Tier 1 Terms and Conditions. This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

DESCRIPTION OF THE NOTES

- | | | |
|----|--|---|
| 1. | Issuer | Standard Bank Group Limited |
| 2. | Status of the Notes | Additional Tier 1 Notes
Unsecured
In accordance with the Capital Rules, Additional Tier 1 Notes issued under and pursuant to this Applicable Pricing Supplement will be subject to [Conversion]/[Write-off] upon the occurrence of a Non-Viability Event. |
| 3. | (a) Series Number | [●] |
| | (b) Tranche Number | [●]
<i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)</i> |
| 4. | Aggregate Nominal Amount | [●] |
| | (a) Series | [●] |
| | (b) Tranche | [●] |
| 5. | Type of Notes | [Fixed Rate Notes]/[Floating Rate Notes]/[Mixed Rate Notes] |
| 6. | Interest Payment Basis | [Fixed Rate]/[Floating Rate]/[Mixed Rate] |
| 7. | Form of Notes | [Listed]/[Unlisted] Registered Notes |
| 8. | Automatic/Optional Conversion from one Interest Payment Basis to another | <i>[insert details including date for conversion]</i> |

- | | | |
|-----|---|--|
| 9. | Issue Date | [●] |
| 10. | Business Centre | [●] |
| 11. | Additional Business Centre | [●]/[Not Applicable] |
| 12. | Nominal Amount per Additional Tier 1 Note | [●] |
| 13. | Specified Denomination | [●] |
| 14. | Calculation Amount | [●] |
| 15. | Issue Price | 100% |
| 16. | Interest Commencement Date | [●] |
| 17. | Specified Currency | [●] |
| 18. | Applicable Business Day Convention | [Floating Rate Business Day]/[Following Business Day]/[Modified Following Business Day]/[Preceding Business Day]/[other convention – <i>insert details</i>] |
| 19. | Debt Officer | Arno Daehnke, Group Chief Financial Officer of Standard Bank Group Limited |
| 20. | Calculation Agent | [●] |
| 21. | Paying Agent | [●] |
| 22. | Transfer Agent | [●] |
| 23. | Settlement Agent | [●] |
| 24. | Specified office of the Calculation Agent, Paying Agent, Transfer Agent and Settlement Agent | [●] |
| 25. | Redemption Amount (if different from that set out in the definition of " <i>Redemption Amount</i> " in Condition 1 (<i>Interpretation</i>)) | [●] |

FIXED RATE NOTES

[Applicable]/[Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- | | | | |
|-----|-----|---|--|
| 26. | (a) | Fixed Interest Rate(s) | [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (<i>specify</i>)] in arrears] |
| | (b) | Interest Payment Date(s) | [●] in each year [adjusted in accordance with [<i>specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"</i>]/[not adjusted] |
| | (c) | Interest Period(s) | each period commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period will commence on (and include) the Interest Commencement Date and end on (but exclude) [the following Interest Payment Date/ <i>state specific Interest Payment Date</i>] |
| | (d) | Fixed Coupon Amount[(s)] | [●] per Calculation Amount |
| | (e) | Initial Broken Amount | [●] |
| | (f) | Any other terms relating to the particular method of calculating interest | [Not Applicable]/[<i>give details</i>] |

FLOATING RATE NOTES

[Applicable]/[Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

27. (a) Interest Payment Date(s) [●], with the first Interest Payment Date being [●] (each Interest Payment Date [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"]/[not adjusted])
- (b) Interest Period(s) each period commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period will commence on (and include) the Interest Commencement Date and end on (but exclude) [the following Interest Payment Date/state specific Interest Payment Date]
- (c) Definitions of Business Day (if different from that set out in Condition 1 (*Interpretation*)) [●]
- (d) Interest Rate(s) [●] per cent.
- (e) Minimum Interest Rate [●] per cent.
- (f) Maximum Interest Rate [●] per cent.
- (g) Day Count Fraction [●]
- (h) Other terms relating to the method of calculating interest (e.g. rounding up provision, if different from Condition 6.2 (*Interest on Floating Rate Notes*)) [●]
28. Manner in which the Interest Rate is to be determined [ISDA Determination/Screen Rate Determination/other (*give details*)]
29. Margin [(+/-) [●] per cent. to be added to/subtracted from the relevant (ISDA Rate/Reference Rate)]
30. If ISDA Determination:
- (a) Floating Rate [●]
- (b) Floating Rate Option [●]
- (c) Designated Maturity [●]
- (d) Reset Date(s) [The first day of each Interest Period/ (*give details*) (and thereafter the first Business Day of each Interest Period)]
31. If Screen Rate Determination:
- (a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated) [e.g. ZAR-JIBAR-SAFEX/Prime Rate]
- (b) Interest Determination Date(s) [The second day on which the TARGET system is open prior to the start of each Interest Period/The first day of each Interest Period/other (*give details*)]
- (c) Relevant Screen Page [●]
- (d) Relevant Time [●]
- (e) Reference Banks [●]

32. If Interest Rate to be calculated otherwise than by reference to 30 or 31 above
- (a) Margin [●]
 - (b) Minimum Interest Rate [●]
 - (c) Maximum Interest Rate [●]
 - (d) Business Day Convention [●]
 - (e) Day Count Fraction [●]
 - (f) Default Rate [●]
 - (g) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest for Floating Rate Notes [●]
33. If different from Calculation Agent, agent responsible for calculating amount of principal and interest [[Name] shall be the Calculation Agent (no need to specify if the Calculation Agent is to perform this function)]

MIXED RATE NOTES

[Applicable]/[Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

34. Period(s) during which the interest rate for the Mixed Rate Notes will be (as applicable) for:
- (a) Fixed Rate Notes [●]
 - (b) Floating Rate Notes [●]

PROVISIONS REGARDING EARLY REDEMPTION

35. Redemption at the Option of the Issuer (Call Option): [Applicable]/[Not Applicable]

If applicable:

- (a) Optional Redemption Date(s) (Call) [●]
- (b) Redemption Amount and method, if any, of calculation of such amount(s) (if different from that set out in the definition of "Redemption Amount" in Condition 1 (Interpretation)) [●]
- (c) Minimum period of notice (if different from Condition 8.3 (Redemption at the option of the Issuer (Call Option))) [●]
- (d) If redeemable in part: [●]
 - Minimum Redemption Amount(s) [●]
 - Higher Redemption Amount(s) [●]
- (e) Other terms applicable on Redemption [●]

36. Redemption Amount(s) payable on redemption pursuant to the provisions of Condition 9.3 (Redemption for Tax reasons or Change in Law) or Condition 9.5 [●]

(Redemption following the occurrence of a Capital Disqualification Event) and/or the method of calculating same (if different from that set out in the definition of "Redemption Amount" in Condition 1 (Interpretation))

- | | | |
|-----|---|-------------------------------|
| 37. | Optional Redemption upon a Change in Law | [Applicable]/[Not Applicable] |
| 38. | Substitution and Variation | [Applicable]/[Not Applicable] |
| 39. | Substitution and Variation upon a Change in Law | [Applicable]/[Not Applicable] |

NON-VIABILITY LOSS ABSORPTION

- | | | |
|-----|--|--|
| 40. | Conversion upon the occurrence of a Non-Viability Event | [Applicable]/[Not Applicable] |
| | If applicable: | |
| (a) | Conversion Price | [●]/[Determined in the manner set out in Annexure [●] to this Applicable Pricing Supplement] |
| (b) | Conversion Record Date if different from the Additional Tier 1 Terms and Conditions | [●] |
| (c) | Conversion Date if different from the Additional Tier 1 Terms and Conditions | [●]/[Not Applicable] |
| (d) | Time period for the delivery of the Conversion Notice if different from Condition 8.2(f) | [●] |
| 41. | Write-off upon the occurrence of a Non-Viability Event | [Applicable]/[Not Applicable] |
| 42. | Option to dis-apply Non-Viability Loss Absorption Condition pursuant to Condition 8.4 (<i>Disapplication of Non-Viability Loss Absorption Condition</i>) | [Applicable]/[Not Applicable] |

GENERAL

- | | | |
|-----|---|---|
| 43. | Other terms or special conditions | [Not Applicable]/[give details] |
| 44. | [Date of [Board] approval for issuance of Additional Tier 1 Notes obtained] | [●]
<i>(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)</i> |
| 45. | Additional selling restrictions | [●] |
| 46. | (a) International Securities Identification Number (ISIN) | [●] |
| | (b) Stock Code | [●] |
| 47. | (a) Financial Exchange | [●] |
| | (b) Relevant sub-market of the Financial Exchange | [●] |
| 48. | If syndicated, names of managers | [●] |
| 49. | Credit Rating assigned to the [Issuer]/[Programme]/[Notes] | [●] |
| 50. | Date of issue of Credit Rating and date of next review | [●] |

51.	Applicable Rating Agency	[●]
52.	Governing law (if the laws of South Africa are not applicable)	[●]
53.	Other Banking Jurisdiction	[●]
54.	Last Day to Register, which shall mean that the "books closed period" (during which the Register will be closed) will be from each Last Day to Register to the applicable Payment Day until the date of redemption	[●]
55.	Books Closed Period	[The Register will be closed from [●] to [●] and from [●] to [●] (all dates inclusive) in each year until the Maturity Date.]/[●]
56.	Stabilisation Manager (if any)	[●]
57.	Method of distribution	[●]
58.	Authorised amount of the Programme	[●]
59.	Total Notes in issue (excluding Additional Tier 1 Notes described in this Applicable Pricing Supplement)	[●]
60.	Right of cancellation	<p>The Additional Tier 1 Notes will be delivered to investors on the Issue Date through the settlement system of the Central Depository, provided that:</p> <ul style="list-style-type: none"> (i) no event occurs prior to the settlement process being finalised on the Issue Date which the Dealers (in their sole discretion) consider to be a <i>force majeure</i> event; or (ii) no event occurs which the Dealers (in their sole discretion) consider may prejudice the issue, the Issuer, the Additional Tier 1 Notes or the Dealers, <p>(each a "Withdrawal Event").</p> <p>If the Dealers decide to terminate this transaction due to the occurrence of a Withdrawal Event, this transaction shall terminate and no party hereto shall have any claim against any other party as a result of such termination. In such event, the Additional Tier 1 Notes, if listed, will immediately be de-listed.</p>
61.	Material Change	<p>As at the date of this Applicable Pricing Supplement, there has been no material change in the financial or trading position of the Issuer and its Subsidiaries since the date of the Issuer's latest audited financial statements or unaudited interim reports, dated [●]. As at the date of this Applicable Pricing Supplement, there has been no involvement by [●], the auditors of the Issuer, in making the aforementioned statement.</p>
62.	Responsibility statement	<p>The Issuer certifies that, to the best of its knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made, as well as that the Programme Memorandum read together with this Applicable Pricing Supplement contains all information required by Applicable Laws and the Debt Listings</p>

Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum as read together with the annual financial statements and this Applicable Pricing Supplement and the annual reports and supplements to the aforementioned documents, except as otherwise stated therein or herein.

The JSE takes no responsibility for the contents of the information contained in the Programme Memorandum as read together with this Applicable Pricing Supplement and any amendments or any supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of any of the Applicable Pricing Supplement and any amendments or any supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listing of the debt securities is not to be taken in any way as an indication of the merits or the Issuer or any of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever and the Issuer further confirms that the authorised amount of the Programme of ZAR50,000,000,000 has not been exceeded.

63. Other provisions [●]

Application [is hereby]/[will not be] made to list this issue of Additional Tier 1 Notes [on ●●●●]. The Programme was registered with the JSE on [●].

SIGNED at _____ on this _____ day of _____ 20 ____.

For and on behalf of
STANDARD BANK GROUP LIMITED
Issuer

Name:
Capacity: Authorised Signatory
Who warrants his/her authority hereto

Name:
Capacity: Authorised Signatory
Who warrants his/her authority hereto

ADDITIONAL TIER 1 TERMS AND CONDITIONS

The following are the Terms and Conditions of the Additional Tier 1 Notes to be issued by the Issuer pursuant to this Programme Memorandum. Additional Tier 1 Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Additional Tier 1 Notes. Before the Issuer issues any Tranche of Additional Tier 1 Notes, the Issuer shall complete and sign the Applicable Pricing Supplement, based on the pro forma Applicable Pricing Supplement (included in the section of the Programme Memorandum headed "Pro Forma Applicable Pricing Supplement (Additional Tier 1 Terms and Conditions)", setting out details of such Additional Tier 1 Notes. The Applicable Pricing Supplement in relation to any Tranche of Additional Tier 1 Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Tranche of Additional Tier 1 Notes.

Any reference in this Programme Memorandum to any statute, regulation or other legislation shall be a reference to that statute, regulation or other legislation at the Programme Date, as amended or substituted from time to time.

1. INTERPRETATION

1.1 Definitions

In these Terms and Conditions, unless inconsistent with the context or separately defined in the Applicable Pricing Supplement, the following expressions shall have the following meanings:

Additional Amount	shall have the meaning defined in Condition 10 (<i>Taxation</i>);
Additional Business Centre(s)	the city or cities specified as such in the Applicable Pricing Supplement;
Additional Conditions	in relation to any issue of Additional Tier 1 Notes, the proceeds of which are intended by the Issuer to qualify as Additional Tier 1 Capital, such conditions, in addition to the conditions specified in the applicable Capital Rules, as may be prescribed by the Relevant Regulator for the proceeds of the issue of such Notes to qualify as Additional Tier 1 Capital, pursuant to the approval granted by the Relevant Regulator for the issue of such Additional Tier 1 Notes, as specified in the Applicable Pricing Supplement;
Additional Tier 1 Capital	" <i>additional tier 1 capital</i> " as defined in section 1(1) of the Banks Act;
Additional Tier 1 Capital Rules	Regulation 38(11)(b) of the Regulations Relating to Banks and such other provisions of the Capital Rules with which Additional Tier 1 Notes must comply in order for the proceeds of the issue of such Notes to qualify as Additional Tier 1 Capital;
Additional Tier 1 Capital Securities	any obligations or securities of the Issuer which upon issue qualified (or were intended to qualify) as Additional Tier 1 Capital;
Additional Tier 1 Notes	the notes issued or to be issued by the Issuer under the Programme and represented by an Individual Certificate (if any) or Uncertificated Notes and specified as such in the Applicable Pricing Supplement and complying with the Additional Tier 1 Capital Rules;
Agency Agreement	the Amended and Restated Agency Agreement dated 24 December 2020 and made between the Issuer, the Transfer Agent, the Calculation Agent and the Paying Agent, as may be further supplemented and/or amended and/or restated from time to time;
Applicable Laws	in relation to a Party, means all and any: <ul style="list-style-type: none">(a) statutes and subordinate legislation and common law;(b) regulations;(c) ordinances and by-laws;

		(d) directives, codes of practice, circulars, guidance notices, judgments and decisions of any competent authority, or any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation; and
		(e) other similar provisions,
		from time to time, compliance with which is mandatory for that Party;
Applicable Supplement	Pricing	the Pricing Supplement relating to each Tranche of Additional Tier 1 Notes;
Applicable Procedures		CSD Procedures, the rules, listings requirements and operating procedures from time to time of the, Settlement Agents, JSE and/or any Financial Exchange, as the case may be;
Approved Winding-up		a solvent winding-up of the Issuer solely for the purposes of a merger, reconstruction, reorganisation or amalgamation, the terms of which merger, reconstruction, reorganisation or amalgamation: <ul style="list-style-type: none"> (a) have previously been approved in writing by an Extraordinary Resolution of the Noteholders; and (b) do not provide that the Additional Tier 1 Notes shall thereby become repayable;
Assets		the consolidated gross assets of the Issuer, as shown in the latest published audited or reviewed balance sheet of the Issuer, but adjusted for subsequent events or contingencies in such manner as the directors of the Issuer or its auditors may determine or, if the Issuer is in liquidation or administration, its liquidator or administrator (as the case may be) may determine;
Banks Act		the Banks Act, 1990;
Basel III		(a) the agreements on capital requirements, a leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee on Banking Supervision in December 2010, each as amended, supplemented or restated;
		(b) the rules for global systemically important banks contained in "Global systemically important banks: assessment methodology and the additional loss absorbency requirement – Rules text" published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated; and
		(c) any further guidance or standards published by the Basel Committee on Banking Supervision relating to "Basel III";
Beneficial Interest		in relation to a Tranche of Additional Tier 1 Notes which is held in the Central Depository, the beneficial interest as a co-owner of an undivided share of all of the Additional Tier 1 Notes in that Tranche, as contemplated in section 37(1) of the Financial Markets Act, the nominal value of which beneficial interest, in relation to any number of Notes in that Tranche, is determined by reference to the portion that the aggregate Nominal Amount of such number of Notes Outstanding bears to the aggregate Nominal Amount of all

of the Notes in that Tranche Outstanding, as provided in section 37(3) of the Financial Markets Act;

Books Closed Period	in relation to a Tranche of Additional Tier 1 Notes, the period, as specified in the Applicable Pricing Supplement, commencing after the Last Day to Register, during which transfer of the Additional Tier 1 Notes will not be recorded in the Register, or such other shorter period as the Issuer may decide to determine those Noteholders entitled to receive interest or redemption monies;
Business Day	a day (other than a Saturday or Sunday or public holiday within the meaning of the Public Holidays Act, 1994) which is a day on which commercial banks settle ZAR payments in Johannesburg or any Additional Business Centre specified in the Applicable Pricing Supplement save that if the Specified Currency is not ZAR, "Business Day" shall mean a day (other than a Saturday or Sunday) which is a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the Specified Currency and in each (if any) Additional Business Centre, save further that if the Applicable Pricing Supplement so provides, " Business Day " shall include a Saturday;
Calculation Agent	The Standard Bank of South Africa Limited (Registration Number 1962/000738/06), unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Additional Tier 1 Notes, another entity as Calculation Agent in accordance with the Agency Agreement, in which event that other entity shall act as a calculation agent in respect of that Tranche or Series of Additional Tier 1 Notes;
Calculation Amount	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Call Option	if specified as applicable in the Applicable Pricing Supplement, the option of the Issuer to early redeem the Additional Tier 1 Notes in that Tranche of Additional Tier 1 Notes in whole or, if so specified in the Applicable Pricing Supplement, in part at the Optional Redemption Amount(s) on the Optional Redemption Date(s) in accordance with Condition 9.4 (<i>Redemption at the option of the Issuer (Call Option)</i>);
Capital Event	Disqualification is an event which will be deemed to have occurred with respect to the Additional Tier 1 Notes of any Series if, as a result of a Regulatory Change, the Additional Tier 1 Notes of that Series are fully, or to the extent permitted by the Capital Rules, partially, excluded from Additional Tier 1 Capital of the Issuer on a solo and/or consolidated basis (save where such non-qualification is only as a result of any applicable limitation on the amount of such capital);
Capital Rules	at any time, any capital adequacy rules, legislation, regulations, requirements, guidance notes and policies relating to capital adequacy then in effect in South Africa in relation to banks registered under the Banks Act and licensed to conduct the business of a bank in South Africa (and where relevant, the rules applicable specifically to the Issuer) as applied by the Relevant Regulator or, if the Issuer becomes domiciled in a jurisdiction other than South Africa, any capital adequacy rules, legislation, regulations, requirements, guidance notes and policies relating to capital adequacy then in effect in such other jurisdiction in relation to bank and bank holding companies registered and licensed in such other jurisdiction (and where relevant, the rules applicable specifically to the Issuer) as applied by the Relevant Regulator;

Central Depository	Strate Proprietary Limited (Registration Number 1998/022242/07), a private company registered as a central securities depository in terms of the Financial Markets Act (or any successor legislation thereto), or any additional or alternate depository approved by the Issuer;
Change in Law	on, or after the Issue Date of the first Tranche of Additional Tier 1 Notes in any Series of Additional Tier 1 Notes, (a) due to the adoption of or any change in any Applicable Laws or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any Applicable Laws or regulation (including any action taken by a taxing authority), the Issuer determines in good faith that it will incur a materially increased cost in performing its obligations under such Additional Tier 1 Notes (including, without limitation, due to any tax liability, decrease in tax benefit or other adverse effect on its tax position);
Class or Class of Noteholders	the holders of a Series of Additional Tier 1 Notes or, where appropriate, the holders of different Series of Additional Tier 1 Notes;
Common Equity Tier 1	at any time, the sum, expressed in Rands, of all amounts that constitute Common Equity Tier 1 Capital of the Issuer as at such time, less any deductions from Common Equity Tier 1 Capital required to be made as at such time, in each case as calculated by the Issuer on a consolidated basis in accordance with the then prevailing Capital Rules but without taking into account any transitional, phasing in or similar provisions;
Common Equity Tier 1 Capital	" <i>common equity tier 1 capital</i> " as defined in section 1(1) of the Banks Act;
Common Equity Tier 1 Capital Ratio	with respect to the Issuer, at any time, the ratio of Common Equity Tier 1 of the Issuer as at such time to the Risk Weighted Assets of the Issuer at the same time, expressed as a percentage;
Common Equity Tier 1 Capital Securities	securities of the Issuer which qualify (or were intended to qualify at issue) as Common Equity Tier 1 Capital (including, without limitation, the Issuer Ordinary Shares);
Companies Act	the Companies Act, 2008;
Conversion	the conversion of Additional Tier 1 Notes into Issuer Ordinary Shares upon the occurrence of a Non-Viability Event and after the delivery of an Issuer Non-Viability Event Notice in accordance with Condition 8.2 (<i>Conversion of Additional Tier 1 Notes upon a Non-Viability Event</i>), and its cognates shall bear the same meaning;
Conversion Amount	shall have the meaning defined in Condition 8.2(b);
Conversion Date	shall have the meaning defined in Condition 8.2(c);
Conversion Last Day to Trade	the date which is 5 (five) Business Days prior to a Conversion Record Date;
Conversion Price	in relation to a Tranche of Additional Tier 1 Notes, the conversion price set out, or determined in the manner set out, in the Applicable Pricing Supplement;
Conversion Record Date	the date which is 5 (five) Business Days prior to a Conversion Date or such other date specified in the Applicable Pricing Supplement;
Conversion Shares	shall have the meaning defined in Condition 8.2(g)(i);

Converted Additional Tier 1 Notes	the Series of Additional Tier 1 Notes which the Relevant Regulator requires to be Converted upon the occurrence of a Non-Viability Event or, as the case may be, the Relevant Part(s) thereof identified by the Relevant Regulator;
CSD Procedures	the rules and operating procedures, for the time being, of the Central Depository and Participants;
Current Principal Amount	<p>(a) with respect to the Additional Tier 1 Notes or an Additional Tier 1 Note (as the context requires), the principal amount thereof, calculated on the basis of the Original Principal Amount, as such amount may be reduced, on one or more occasions, pursuant to a Conversion or Write-off (as applicable) following the occurrence of a Non-Viability Event; or</p> <p>(b) with respect to any other Loss Absorbing Instrument, the principal amount thereof (or amount analogous to a principal amount), calculated on an analogous basis to the calculation of the Current Principal Amount of the Additional Tier 1 Notes;</p>
Day Count Fraction	<p>in respect of the calculation of an amount for any period of time (the "Calculation Period"), such day count fraction as may be specified in these Terms and Conditions or the Applicable Pricing Supplement:</p> <p>(a) if "Actual/Actual (ICMA)" is so specified, means:</p> <p style="margin-left: 40px;">(i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and</p> <p style="margin-left: 40px;">(ii) where the Calculation Period is longer than one Regular Period, the sum of:</p> <p style="margin-left: 80px;">(1) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and</p> <p style="margin-left: 80px;">(2) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;</p> <p>(b) if "Actual/365" or "Actual/Actual (ISDA)" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);</p>

- (c) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) "**Actual/360**" is so specified, means the number of days in the Calculation Period divided by 360;
- (e) if **30/360** is so specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that included the last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and
- (f) if **30E/360** or **Eurobond Basis** is so specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the date of final maturity is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month);

Dealers

The Standard Bank of South Africa Limited (acting through its Corporate and Investment Banking Division) (Registration Number 1962/000738/06) and any other additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment of any Dealer;

Debt Listings Requirements

the debt listings requirements of the JSE in force from time to time;

Distributable Items

with respect to an Interest Payment Date and subject as otherwise defined in the Capital Rules:

- (a) the amount of the profits of the Issuer at the end of its financial year immediately preceding that Interest Payment Date plus any profits brought forward and reserves available for that purpose before discretionary distributions to holders of own funds instruments; less
- (b) any losses brought forward, profits which are non-distributable pursuant to provisions in legislation or the Issuer's memorandum of incorporation and sums placed to non-distributable reserves in accordance with applicable law in South Africa or the Issuer's memorandum of incorporation,

those losses and reserves being determined on the basis of the consolidated accounts of the Issuer;

Exchange Regulations

Control

the Exchange Control Regulations, 1961 promulgated pursuant to the Currency and Exchanges Act, 1933;

Extraordinary Resolution

a resolution passed at a meeting (duly convened) of the Noteholders or members of the relevant Class of Noteholders, as the case may be, holding not less than 66.67% in Nominal Amount

of the Notes, or of the Notes in that relevant Class, as the case may be, for the time being Outstanding present in person or by proxy voting thereat upon a show of hands or if a poll be duly demanded, then by a majority consisting of not less than 66.67 per cent. of the votes given on such poll

Extraordinary Resolution	Written	a resolution passed other than at a meeting of the Noteholders or members of the relevant Class of Noteholders, with the written consent of the Noteholders holding not less than 66.7% in Nominal Amount, of the Notes or of the Notes in that relevant Class, as the case may be, for the time being Outstanding. A resolution of Noteholders or members of the relevant Class of Noteholders shall state the date that the Issuer selected to determine which Noteholders recorded in the Register will receive notice of the written resolution;
Financial Exchange		the JSE and/or such other or further financial exchange(s) as may be selected by the Issuer and the relevant Dealer, subject to Applicable Laws;
Financial Markets Act		the Financial Markets Act, 2012;
First Call Date		in relation to a Tranche of Additional Tier 1 Notes, the date which is 5 (five) years and 1 (one) day after the Issue Date;
Fixed Coupon Amount		has the meaning ascribed thereto in the Applicable Pricing Supplement;
Fixed Interest Rate		the rate or rates of interest applicable to Fixed Rate Notes, as specified in the Applicable Pricing Supplement;
Fixed Rate Notes		Additional Tier 1 Notes which will bear interest at the Fixed Interest Rate, as specified in the Applicable Pricing Supplement and more fully described in Condition 6.1 (<i>Interest on Fixed Rate Notes</i>);
Floating Rate Notes		Additional Tier 1 Notes which will bear interest as specified in the Applicable Pricing Supplement and more fully described in Condition 6.2 (<i>Interest on Floating Rate Notes</i>);
General Conditions	Terms and	the terms and conditions applicable to Notes (other than Additional Tier 1 Notes) issued under the Programme as set out in the section of this Programme Memorandum headed " <i>General Terms and Conditions</i> ";
Income Tax Act		the Income Tax Act, 1962;
Individual Certificate		an Additional Tier 1 Note in the definitive registered form of a single certificate and, in respect of Registered Notes, being a certificate exchanged for a Beneficial Interest in accordance with Condition 14 (<i>Exchange of Beneficial Interests and Replacement of Individual Certificates</i>) and any further certificate issued in consequence of a transfer thereof;
Initial Broken Amount		has the meaning ascribed thereto in the Applicable Pricing Supplement;
Interest Amount		in relation to a Tranche of Additional Tier 1 Notes and an Interest Period, the amount of interest payable in respect of that Tranche of Additional Tier 1 Notes for that Interest Period;
Interest Commencement Date		the first date from which interest on the Additional Tier 1 Notes will accrue, as specified in the Applicable Pricing Supplement;
Interest Determination Date		has the meaning ascribed thereto in the Applicable Pricing Supplement;
Interest Payment Date		the date(s) specified in the Applicable Pricing Supplement or if no

	such date(s) is/are specified in the Applicable Pricing Supplement, the last day of each Interest Period as may be adjusted in accordance with the relevant Business Day Convention (as specified in the Applicable Pricing Supplement);
Interest Period	the interest period or periods indicated in the Applicable Pricing Supplement;
Interest Rate	the rate or rates of interest applicable to Additional Tier 1 Notes, as indicated in the Applicable Pricing Supplement;
ISDA	International Swaps and Derivatives Association, Inc.;
ISDA Definitions	the ISDA Definitions as published by ISDA (as amended, supplemented, revised or republished from time to time) as specified in the Applicable Pricing Supplement;
Issue Date	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Issuer	Standard Bank Group Limited (Registration Number 1969/017128/06), a public company incorporated in accordance with the laws of South Africa;
Issuer Ordinary Shares	ordinary shares in the share capital of the Issuer;
JSE	JSE Limited (Registration Number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa, licensed as an exchange under the Financial Markets Act;
JSE Debt Guarantee Fund Trust	the guarantee fund trust operated by the JSE as a separate guarantee fund in terms of the rules of the JSE, as required by sections 8(1)(h) and 17(1)(w) of the Financial Markets Act or any successor fund;
JSE Debt Sponsor	The Standard Bank of South Africa Limited (acting through its Corporate and Investment Banking division) (Registration Number 1962/000738/06), a public company incorporated in accordance with the laws of South Africa;
JSE Guarantee Fund	the Guarantee Fund established and operated by the JSE as a separate guarantee fund in terms of the rules of the JSE, as required by sections 8(1)(h) and 17(1)(w) of the South African Financial Markets Act or such other fund of any successor exchange, as the case may be;
Junior Securities	in relation to the Additional Tier 1 Notes: <ul style="list-style-type: none"> (a) the Issuer Ordinary Shares, other share capital or any other securities issued by the Issuer the proceeds of which qualify (or were intended to qualify at issue) as Common Equity Tier 1 Capital; and (b) any other shares or securities issued by, or any other obligations of, the Issuer which rank, or are expressed to rank, junior to the Additional Tier 1 Notes on a liquidation, winding-up or bankruptcy of the Issuer;
Last Day to Register	with respect to a particular Series of Additional Tier 1 Notes, the close of Business on the Business Day immediately preceding the first day of a Books Closed Period and in the case of Notes listed on the Main Board of the JSE shall mean "Last Day to Trade" as set out in the Debt Listings Requirements;
Liabilities	the consolidated gross liabilities of the Issuer, as shown in the latest published audited or reviewed balance sheet of the Issuer, but adjusted for subsequent events or contingencies in such manner as the directors of the Issuer or its auditors may determine, or if the

		Issuer is in liquidation or administration, its liquidator or administrator (as the case may be) may determine;
Loss Absorbing Instrument		at any time any Other Additional Tier 1 Security which may have all or some of its principal amount written-off (whether in whole or in part or on a permanent or temporary basis) or converted (whether in whole or in part) (in each case in accordance with its conditions or otherwise) on the occurrence or as a result of a Non-Viability Event;
Mandatory Shares	Preference	any class of preference shares issued by the Issuer: <ul style="list-style-type: none"> (a) the terms of which do not allow the board of directors of the Issuer to cancel, defer, pass or eliminate any distribution or dividend payment at its discretion; and (b) the proceeds of which preference shares do not qualify on issue for inclusion in the Regulatory Capital of the Issuer;
Margin		has the meaning ascribed thereto in the Applicable Pricing Supplement;
Maximum Amount	Redemption	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Minimum Amount	Redemption	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Mixed Rate Notes		Additional Tier 1 Notes which will bear interest over respective periods at differing interest rates applicable to any combination of Fixed Rate Notes or Floating Rate Notes, each as specified in the Applicable Pricing Supplement and as more fully described in Condition 6.3 (<i>Interest on Mixed Rate Notes</i>);
Nominal Amount		in relation to any Additional Tier 1 Note, the total amount, excluding interest owing by the Issuer under the Additional Tier 1 Note, as specified in the Applicable Pricing Supplement;
Non-Viability Event		shall have the meaning ascribed thereto in Condition 8.1(a) (<i>Loss Absorption Following A Non-Viability Event</i>);
Non-Viability Event Notice		shall have the meaning ascribed thereto in Condition 8.1(c) (<i>Loss Absorption Following A Non-Viability Event</i>);
Non-Viability Absorption Condition	Loss	shall have the meaning ascribed thereto in Condition 8 (<i>Loss Absorption Following A Non-Viability Event</i>);
Noteholders		the holders of the Registered Notes (as recorded in the Register);
Notes		the notes issued or to be issued by the Issuer under the Programme (including, without limitation, Additional Tier 1 Notes);
Optional Redemption Date(s) (Call)		the date(s) specified as such in the Applicable Pricing Supplement in relation to a Tranche of Additional Tier 1 Notes pursuant to which the Issuer is specified as having an option to redeem in accordance with Condition 9.4 (<i>Redemption at the option of the Issuer (Call Option)</i>). If no such date(s) is/are specified in the Applicable Pricing Supplement, the Optional Redemption Date(s) (Call) shall be the Interest Payment Date(s) stipulated as the date(s) for redemption of such Tranche of Additional Tier 1 Notes or the relevant portion of such Tranche of Additional Tier 1 Notes, as the case may be, in the notice delivered by the Issuer pursuant to Condition 9.4 (<i>Redemption at the option of the Issuer (Call Option)</i>);
Original Principal Amount		the principal amount (which, for these purposes, is equal to the Nominal Amount) of the Additional Tier 1 Notes at the Issue Date

without having regard to any subsequent Conversion or Write-off (as applicable);

Other Additional Tier 1 Securities

in relation to the Additional Tier 1 Notes, any obligations or securities of the Issuer (other than the Additional Tier 1 Notes):

- (a) which upon issue qualified (or were intended to qualify) as Additional Tier 1 Capital; or
- (b) which otherwise rank or are expressed to rank on a liquidation, bankruptcy or winding-up of the Issuer *pari passu* with the Additional Tier 1 Notes or with other obligations or securities falling within paragraph (a) above;

Outstanding

in relation to the Notes, all the Notes issued other than:

- (a) those which have been redeemed in full;
- (b) those in respect of which the date for redemption in accordance with these Terms and Conditions or the General Terms and Conditions (as applicable) has occurred and the redemption moneys wherefore (including all interest (if any) accrued thereon to the date for such redemption and any interest (if any) payable under these Terms and Conditions or the General Terms and Conditions (as applicable) after such date) remain available for payment against presentation of Individual Certificates;
- (c) those which have been purchased and cancelled as provided in Condition 9.9 (*Cancellation*) of these Terms and Conditions or Condition 8.14 (*Cancellation*) of the General Terms and Conditions (as applicable);
- (d) those which have become prescribed under Condition 12 (*Prescription*) of these Terms and Conditions or Condition 11 (*Prescription*) of the General Terms and Conditions (as applicable);
- (e) Notes represented by those mutilated or defaced Individual Certificates which have been surrendered in exchange for replacement Individual Certificates pursuant to Condition 14 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*) of these Terms and Conditions or Condition 13 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*) of the General Terms and Conditions (as applicable); and
- (f) (for the purpose only of determining how many Notes are Outstanding and without prejudice to their status for any other purpose), those Notes represented by Individual Certificates alleged to have been lost, stolen or destroyed and in respect of which replacement Individual Certificates have been issued pursuant to Condition 14 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*) of these Terms and Conditions or Condition 13 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*) of the General Terms and Conditions (as applicable),

provided that for each of the following purposes, namely:

- (1) the right to attend and vote at any meeting of the Noteholders; and

- (2) the determination of how many and which Additional Tier 1 Notes are for the time being Outstanding for the purposes of Conditions 19 (Meetings of Noteholders) and 20 (Modification) of these Terms and Conditions,

all Additional Tier 1 Notes (if any) which are for the time being held by the Issuer (subject to any Applicable Laws) or by any Person for the benefit of the Issuer and not cancelled (unless and until ceasing to be so held) shall be deemed not to be Outstanding;

Outstanding Amount	Principal	<p>in relation to a Note, the principal amount of that Note less</p> <p>(a) on each occasion on which that Note is partially redeemed in accordance with these Terms and Conditions or the General Terms and Conditions (as applicable), that portion of such principal amount of that Note which has been so partially redeemed;</p> <p>(b) in the case of Tier 2 Notes, that portion of such principal amount as which has been reduced, on one or more occasions, pursuant to a Write-off (as defined in the General Terms and Conditions) following the occurrence of a Non-Viability Event (as defined in the General Terms and Conditions); and</p> <p>(c) in the case of Additional Tier 1 Notes, that portion of such principal amount as which has been reduced, on one or more occasions, pursuant to a Conversion or Write-off (as applicable) following the occurrence of a Non-Viability Event;</p>
Participants		depository institutions accepted by the Central Depository as participants in terms of the Financial Markets Act;
Paying Agent		The Standard Bank of South Africa Limited (Registration Number 1962/000738/06), unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Additional Tier 1 Notes, another entity as Paying Agent, in which event that other entity shall act as a Paying Agent in respect of that particular Tranche or Series of Additional Tier 1 Notes;
Payment Day		any day which is a Business Day and upon which a payment is due by the Issuer in respect of the Additional Tier 1 Notes;
Person		any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;
Previous Memoranda	Programme	the programme memorandum dated 28 November 2016, as amended and restated on 13 November 2018 and 19 September 2019;
Programme		the Standard Bank Group Limited ZAR50,000,000,000 Domestic Medium Term Note Programme;
Programme Amount		the maximum aggregate Outstanding Principal Amount of all Notes Outstanding that may be issued under the Programme at any one point in time being as at the Programme Date, ZAR50,000,000,000 (or its equivalent in other currencies) or such increased amount as is determined by the Issuer from time to time, subject to the Applicable Procedures, Applicable Laws and the Programme Agreement, as set out in the section of this Programme

	Memorandum headed " <i>General Description of the Programme</i> ";
Programme Date	the date of this Programme Memorandum being 24 December 2020;
Programme Memorandum	this programme memorandum dated 24 December 2020 which will apply to all Notes issued under the Programme on or after the Programme Date and, which, in respect of such Notes, supersedes and replaces the Previous Programme Memoranda in their entirety;
Qualifying Additional Tier 1 Securities	<p>securities issued directly by the Issuer that:</p> <p>(a) have terms not materially less favourable to an investor than the terms of the Additional Tier 1 Notes being substituted or varied in accordance with Condition 9.6 (Substitution or Variation) (as reasonably determined by the Issuer in consultation with an investment bank or financial adviser of international standing (which in either case is independent of the Issuer), and provided that a certification to such effect of two authorised officers shall have been delivered to the Paying Agent prior to the issue or, as appropriate, variation of the relevant securities), and, subject thereto, which: (i) contain terms which comply with the then current minimum requirements of the Relevant Regulator in relation to Additional Tier 1 Capital, required to ensure that such Qualifying Additional Tier 1 Securities qualify as Additional Tier 1 Capital; (ii) include terms which provide for the same Interest Rate or rate of return from time to time applying to the Additional Tier 1 Notes, and preserve the Interest Payment Dates; (iii) rank senior to, or <i>pari passu</i> with, the ranking of the Additional Tier 1 Notes; (iv) preserve any existing rights under these Terms and Conditions to any accrued interest or other amounts which have not been paid; and (v) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Additional Tier 1 Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; and</p> <p>(b) if the Additional Tier 1 Notes are listed (i) are listed on the JSE, or (ii) are listed on such other Financial Exchange at that time as selected by the Issuer;</p>
Redemption Amount	in respect of each Additional Tier 1 Note at any time determined for the redemption thereof, the then Current Principal Amount thereof or (if applicable) such other amount as may be specified in, or determined in accordance with the provisions of, the Applicable Pricing Supplement;
Reference Banks	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Reference Price	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Reference Rate	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Reference Price	in relation to a Tranche of Notes (where applicable), the price specified as such in the Applicable Pricing Supplement;
Register	the register of Noteholders maintained by the Transfer Agent in terms of Condition 16 (<i>Register</i>);

Registered Note	an Additional Tier 1 Note issued in registered form and transferable in accordance with Condition 15 (<i>Transfer of Additional Tier 1 Notes</i>) and which may include Uncertificated Notes;
Regular Period	<p>(a) in the case of Additional Tier 1 Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;</p> <p>(b) in the case of Additional Tier 1 Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where Regular Date means the day and month (but not the year) on which any Interest Payment Date falls; and</p> <p>(c) in the case of Additional Tier 1 Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where Regular Date means the day and the month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;</p>
Regulations Relating to Banks	the Regulations Relating to Banks published under Government Notice R1029 in Government Gazette 35950 of 12 December 2012 (as amended by Government Notice R1029 in Government Gazette No. 35950 on 12 December 2012, Government Notice R261 in Government Gazette 38616 of 27 March 2015, Government Notice R309 in Government Gazette 38682 of 10 April 2015 and Government Notice R297 in Government Gazette 40002 of 20 May 2016), issued under section 90 of the Banks Act;
Regulatory Capital	the proceeds of the issue of shares and/or instruments which proceeds rank (or are deemed under the Capital Rules to rank) on issue for inclusion in the Tier 2 Capital, the Additional Tier 1 Capital, the Common Equity Tier 1 Capital of the Issuer on a solo and/or consolidated basis, in accordance with the Capital Rules;
Regulatory Change	a change in, or amendment to, the Capital Rules or any change in the application of or official or generally published guidance or interpretation of the Capital Rules, which change or amendment becomes, or would become, effective on or after the Issue Date of the first Tranche of Additional Tier 1 Notes of the relevant Series;
Relevant Date	<p>in respect of any payment relating to the Additional Tier 1 Notes, the date on which such payment first becomes due, except that, in relation to monies payable to the Central Depository in accordance with these Terms and Conditions, it means the first date on which:</p> <p>(a) the full amount of such monies have been received by the Central Depository;</p> <p>(b) such monies are available for payment to the holders of Beneficial Interests; and</p> <p>(c) notice to that effect has been duly given to such holders in</p>

	accordance with the Applicable Procedures;
Relevant Distributions	<p>the sum of:</p> <ul style="list-style-type: none"> (a) any payments of interest on the Additional Tier 1 Notes made or scheduled to be made by the Issuer in the then current financial year of the Issuer; and (b) any distributions or interest payment made or scheduled to be made by the Issuer on Common Equity Tier 1 Capital Securities or Other Additional Tier 1 Securities in the then current financial year of the Issuer;
Relevant Part	in relation to a Series of Additional Tier 1 Notes, the portion of the aggregate Current Principal Amount of that Series of Additional Tier 1 Notes which the Relevant Regulator requires to be Converted or Written-off (as applicable) upon the occurrence of a Non-Viability Event whether expressed as a value, a percentage or otherwise, as determined and notified to the Issuer by the Relevant Regulator;
Relevant Regulator	the Prudential Authority in terms of the Banks Act and any successor or replacement thereto, or other authority having primary responsibility for the prudential oversight and supervision of the Issuer;
Relevant Screen Page	the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the Applicable Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;
Relevant Stock Exchange	the JSE or if at the relevant time the Issuer Ordinary Shares are not listed and admitted to trading on the JSE, the principal stock exchange or securities market on which the Issuer Ordinary Shares are then listed, admitted to trading or quoted or dealt in;
Relevant Time	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Representative	a Person duly authorised to act on behalf of a Noteholder, who may be regarded by the Issuer, the Transfer Agent and the Paying Agent (all acting in good faith) as being duly authorised based upon the tacit or express representation thereof by such Representative, in the absence of express notice to the contrary from such Noteholder;
Risk Weighted Assets	as at any time, the aggregate amount, expressed in Rands, of the consolidated risk weighted assets of the Issuer, as calculated in accordance with the then prevailing Capital Rules, but without taking into account any transitional, phasing in or similar provisions;
SARB	the South African Reserve Bank;
Securities Account	shall bear the meaning ascribed thereto in the Financial Markets Act;
Senior Creditors	<p>creditors of the Issuer:</p> <ul style="list-style-type: none"> (a) who are unsubordinated creditors of the Issuer; (b) (other than the holders of Additional Tier 1 Capital Securities or Tier 2 Capital Securities) whose claims are,

	or are expressed to be, subordinated (whether only in the event of a dissolution, liquidation or winding-up of the Issuer or otherwise) to the claims of unsubordinated creditors of the Issuer but not further or otherwise; or
	(c) who are subordinated creditors of the Issuer (including, for the avoidance of doubt, holders of Tier 2 Capital Securities) other than those whose claims are, or are expressed to rank, <i>pari passu</i> with, or junior to, the claims of the Noteholders under the Additional Tier 1 Notes;
SENS Series	the Stock Exchange News Service established by the JSE; a Tranche of Additional Tier 1 Notes together with any further Tranche or Tranches of Additional Tier 1 Notes which are: (a) expressed to be consolidated and form a single series; and (b) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices;
Settlement Agent	The Standard Bank of South Africa Limited (Registration Number 1962/000738/06), unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Settlement Agent, in which event that other entity shall act as a Settlement Agent in respect of that particular Tranche or Series of Notes;
Solvency Condition	shall have the meaning defined in Condition 10.7(a);
Solvent Reconstruction	the event where an order is made or an effective resolution is passed for the winding-up of the Issuer, other than under or in connection with a scheme of amalgamation or reconstruction involving a bankruptcy or insolvency, where the obligations of the Issuer in relation to the outstanding Additional Tier 1 Notes are assumed by the successor entity to which all, or substantially all, of the property, assets and undertaking of the Issuer are transferred or where an arrangement with similar effect not involving bankruptcy or insolvency is implemented;
South Africa	the Republic of South Africa;
Specified Currency	subject to the Exchange Control Regulations, has the meaning ascribed thereto in the Applicable Pricing Supplement;
Specified Denomination	has the meaning ascribed thereto in the Applicable Pricing Supplement;
Specified Office	the registered address of the Issuer as specified in the Applicable Pricing Supplement or such other address as the Issuer may specify by notice to the Noteholders which change of address shall in each case be notified to the Noteholders in accordance with Condition 18 (<i>Notices</i>);
Statutory Loss Absorption Regime	any legal, statutory or regulatory regime or requirement implemented in South Africa which provides the Relevant Regulator with the power to implement principal loss absorption measures in respect of capital instruments (such as Additional Tier 1 Capital and Tier 2 Capital), including, but not limited to, any such regime or requirement which is implemented pursuant to Basel III;
Subsidiary	an entity of which a person has direct or indirect control or owns directly or indirectly more than 50 per cent. of the voting capital or similar right of ownership and control for this purpose means the power to direct the management and the policies of the entity

	whether through the ownership of voting capital, by contract or otherwise;
Tax Event	a Tax Event (Deductibility) or a Tax Event (Gross Up), as applicable;
Tax Event (Deductibility)	an event where, as a result of a Tax Law Change, in respect of the Issuer's obligation to make any payment of interest on the next Interest Payment Date or any subsequent Interest Payment Date, the Issuer would not be entitled to claim a deduction in respect of computing its taxation liabilities in South Africa, or such entitlement is, in the opinion of the Issuer, materially reduced, and, in each case, the Issuer cannot avoid the foregoing in connection with the Additional Tier 1 Notes by taking measures reasonably available to it (such reasonable measures to exclude any requirement to instigate litigation in respect of any decision or determination of the South African Revenue Service that any such interest does not constitute a tax deductible expense);
Tax Event (Gross up)	an event where, as a result of a Tax Law Change, the Issuer has paid or will or would on the next Interest Payment Date be required to pay Additional Amounts as provided or referred to in Condition 11 (<i>Taxation</i>);
Tax Law Change	a change or proposed change in, or amendment or proposed amendment to, the tax laws or regulations of South Africa, or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such tax laws or regulations (including a holding by a court of competent jurisdiction), whether or not having retrospective effect, which actual or proposed change or amendment becomes effective on or after the Issue Date of the first Tranche of Additional Tier 1 Notes of the relevant Series;
Tier 2 Capital	" <i>tier 2 capital</i> " as defined in section 1(1) of the Banks Act;
Tier 2 Capital Securities	any obligations or securities of the Issuer which upon issue qualified (or were intended to qualify) as Tier 2 Capital;
Tier 2 Notes	shall have the meaning defined in the General Terms and Conditions;
Tranche	in relation to any particular Series, all Additional Tier 1 Notes which are identical in all respects (including as to listing);
Transfer Agent	The Standard Bank of South Africa Limited (Registration Number 1962/000738/06), unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Additional Tier 1 Notes, another entity as Transfer Agent, in which event that other entity shall act as a Transfer Agent in respect of that particular Tranche or Series of Additional Tier 1 Notes;
Transfer Form	the written form for the transfer of a Registered Note, in the form approved by the Transfer Agent, and signed by the transferor and transferee;
Uncertificated Note	an Additional Tier 1 Note that is an uncertificated security as contemplated in the Financial Markets Act;
Write-off	in respect of Additional Tier 1 Notes: <ul style="list-style-type: none"> (a) the Additional Tier 1 Notes shall be cancelled (in the case of a Write-off in whole) or written-off in part on a <i>pro rata</i> basis (in the case of a Write-off in part), in accordance with the Capital Rules and as determined by the Relevant Regulator; and

- (b) all rights of any Noteholder for payment of any amounts under or in respect of the Additional Tier 1 Notes shall, as the case may be, be cancelled or written off *pro rata* among the Noteholders and, in each case, not restored under any circumstances, irrespective of whether such amounts have become due and payable prior to the date of the Non-Viability Event Notice and even if the Non-Viability Event has ceased;

Write-off Date	shall have the meaning defined in Condition 8.3(c);
Written-off Amount	shall have the meaning defined in Condition 8.3(b);
ZAR	the lawful currency of South Africa, being South African Rand, or any successor currency;
ZAR-JIBAR-SAFEX	the mid-market rate for deposits in ZAR for a period of the Designated Maturity which appears on the Reuters Screen SAFEX Page as at 12h00 (Johannesburg time) on the relevant date, or any successor rate.

1.2 Interpretation

In these Terms and Conditions, unless inconsistent with the context, any reference to:

- (a) one gender includes a reference to the others;
- (b) the singular includes the plural and vice versa;
- (c) natural persons include juristic persons and vice versa;
- (d) a "**holding company**" shall be interpreted in accordance with section 1 of the Companies Act;
- (e) any agreement or instrument is a reference to that agreement or instrument as amended, supplemented, varied, novated, restated or replaced from time to time, and "**amended**" or "**amendment**" will be construed accordingly;
- (f) a provision of law is a reference to that provision as amended or re-enacted, and includes any subordinate legislation;
- (g) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which any person to which it applies is accustomed to comply) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (h) "**assets**" includes present and future properties, revenues and rights of every description;
- (i) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (j) an "**authorisation**" includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarisation;
- (k) a party or any other person includes that person's permitted successor, transferee, cessionary and/or delegate; and
- (l) a time of day is a reference to South African standard time.

1.3 Application of these Terms and Conditions

These Terms and Conditions apply only to Additional Tier 1 Notes. The General Terms and Conditions shall not apply to Additional Tier 1 Notes.

2. ISSUE

- 2.1 Subject to the prior consent of the Relevant Regulator (to the extent required by the Capital Rules), Additional Tier 1 Notes may be issued by the Issuer in Tranches pursuant to the Programme. A Tranche of Additional Tier 1 Notes may, together with a further Tranche or Tranches, form a Series of Additional Tier 1 Notes issued under the Programme, provided that the aggregate Outstanding

Principal Amount of all Notes Outstanding under the Programme at any one point in time does not exceed the Programme Amount.

- 2.2 The Applicable Pricing Supplement for each Tranche of Additional Tier 1 Notes is (to the extent relevant) incorporated herein for the purposes of those Additional Tier 1 Notes and supplements these Terms and Conditions. The Applicable Pricing Supplement may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of those Additional Tier 1 Notes.

3. FORM

3.1 General

- (a) A Tranche of Additional Tier 1 Notes may be issued in the form of listed or unlisted Registered Notes as specified in the Applicable Pricing Supplement.
- (b) A Tranche of Additional Tier 1 Notes may be listed on the JSE or on such other or further Financial Exchange(s) as may be determined by the Issuer, subject to any Applicable Laws. Unlisted Notes may also be issued under the Programme. Unlisted Notes are not regulated by the JSE. The Applicable Pricing Supplement will specify whether or not a Tranche of Additional Tier 1 Notes will be listed, on which Financial Exchange(s) they are to be listed (if applicable) and, if such Tranche of Additional Tier 1 Notes is to be listed on the JSE, the relevant platform or sub-market of the JSE on which such Tranche of Additional Tier 1 Notes is to be listed.

3.2 Registered Notes

A Tranche of Registered Notes will be issued in certificated form, as contemplated in Condition 3.2(a) (*Notes issued in certificated form*), or in uncertificated form, as contemplated in Condition 3.2(b) (*Notes issued in uncertificated form*), as specified in the Applicable Pricing Supplement. Each Tranche of Additional Tier 1 Notes which is listed on the JSE, and issued in uncertificated form, will be held in the Central Depository, as contemplated in Condition (b) (*Notes issued in uncertificated form*). A Tranche of unlisted Notes may also be held in the Central Depository, as contemplated in Condition 3.2(c) (*Beneficial Interests in Additional Tier 1 Notes held in the Central Depository*).

(a) *Notes issued in certificated form*

Each Tranche of Registered Notes which is not listed on the JSE and/or held in the Central Depository will, subject to Applicable Laws and the Applicable Procedures, be issued in certificated form represented by an Individual Certificate.

(b) *Notes issued in uncertificated form*

A Tranche of Registered Notes which is listed on the JSE will, subject to Applicable Laws and Applicable Procedures, be issued in uncertificated form in terms of section 33 of the Financial Markets Act. Registered Notes issued in uncertificated form will be held in the Central Depository. Registered Notes issued in uncertificated form will not be represented by any certificate or written instrument. A Registered Note which is represented by an Individual Certificate may be replaced by uncertificated securities in terms of section 33 of the Financial Markets Act.

(c) *Beneficial Interests in Additional Tier 1 Notes held in the Central Depository*

The Central Depository will hold Registered Notes issued in uncertificated form, subject to the Financial Markets Act and the CSD Procedures.

All amounts to be paid and all rights to be exercised in respect of Registered Notes held in the Central Depository will be paid to and may be exercised, subject to CSD Procedures, only by the Central Depository for the holders of Beneficial Interests in such Registered Notes.

A holder of a Beneficial Interest shall only be entitled to exchange such Beneficial Interest for Registered Notes represented by an Individual Certificate in accordance with Condition 14 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*).

(d) *Denomination*

The Aggregate Nominal Amount, Specified Currency and Specified Denomination of a Tranche of Notes will be specified in the Applicable Pricing Supplement.

(e) *Recourse to the JSE Debt Guarantee Fund Trust and/or the JSE Guarantee Fund*

The holders of Additional Tier 1 Notes that are not listed on the JSE will have no recourse against the JSE, the JSE Debt Guarantor Fund Trust or the JSE Guarantee Fund, as applicable. Claims against the JSE Debt Guarantee Fund Trust or the JSE Guarantee Fund, as applicable, may only be made in respect of the trading of Additional Tier 1 Notes listed on the JSE and can in no way relate to a default by the Issuer of its obligations under the Additional Tier 1 Notes listed on the JSE. Any claims against the JSE Debt Guarantee Fund Trust or the JSE Guarantee Fund may only be made in accordance with the rules of the JSE Debt Guarantee Fund Trust or the JSE Guarantee Fund, as applicable. Unlisted Notes are not regulated by the JSE.

4. TITLE

4.1 Registered Notes issued in certificated form

Each holder of Registered Notes represented by an Individual Certificate will be named in the Register as the registered holder of such Registered Notes.

Title to Registered Notes represented by an Individual Certificate will pass upon registration of transfer in the Register in accordance with Condition 15(*Transfer of Additional Tier 1 Notes*).

The Issuer, the Transfer Agent and the Paying Agent shall recognise a holder of Registered Notes represented by an Individual Certificate as the sole and absolute owner of the Registered Notes registered in that Noteholder's name in the Register (notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) and shall not be bound to enter any trust in the Register or to take notice of or to accede to the execution of any trust, express, implied or constructive, to which any Registered Note may be subject.

4.2 Registered Notes issued in uncertificated form

The registered Noteholder of Registered Notes which are held in the Central Depository, will be determined in accordance with the CSD Procedures, and will be named in the Register as the registered holder of such Registered Notes.

Title to Registered Notes issued in uncertificated form will pass upon registration of transfer in the Register in accordance with Condition 15 (*Transfer of Additional Tier 1 Notes*).

4.3 Beneficial Interests in Registered Notes held in the Central Depository

The Participant will maintain records of the Beneficial Interests in Registered Notes held in the Central Depository.

While a Tranche of Registered Notes is held in the Central Depository, the registered Noteholder of the Registered Notes in that Tranche of Notes, determined in accordance with the CSD Procedures, will be named in the Register as the sole Noteholder of such Registered Note.

Beneficial Interests which are held by clients of Participants will be held indirectly through such Participants, and such Participants will hold such Beneficial Interests, on behalf of such clients, through the securities accounts maintained by such Participants for such clients. The clients of Participants may include the holders of Beneficial Interests or their custodians. The clients of Participants, as the holders of Beneficial Interests or as custodians for such holders, may exercise their rights in respect of the Notes held by them in the Central Depository only through their Participants.

In relation to each Person shown in the records of the Central Depository or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Nominal Amount of Registered Notes, a certificate or other document issued by the Central Depository or the relevant Participant, as the case may be, as to the aggregate Nominal Amount of such Registered Notes standing to the account of such Person shall be *prima facie* proof of such Beneficial Interest.

Beneficial Interest in Registered Notes may be transferred only in accordance with the CSD Procedures.

Any reference in these Terms and Conditions to the relevant Participant shall, in respect of a Beneficial Interest, be a reference to the Participant appointed to act as such by the holder of such Beneficial Interest.

5. STATUS OF ADDITIONAL TIER 1 NOTES

5.1 Status

The Additional Tier 1 Notes on issue constitute Additional Tier 1 Capital of the Issuer under the Capital Rules.

Subject to Condition 8 (*Loss Absorption Following A Non-Viability Event*), the Additional Tier 1 Notes constitute direct, unsecured and, in accordance with Condition 5.2 (*Subordination*), subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and (save for the claims of those creditors that have been accorded preferential rights by law):

- (a) *pari passu* with Other Additional Tier 1 Securities;
- (b) senior to Common Equity Tier 1 Capital Securities and the obligations of the Issuer under any Junior Securities; and
- (c) junior to the present and/or future claims of Senior Creditors.

5.2 Subordination

The claims of Noteholders entitled to be paid amounts due in respect of the Additional Tier 1 Notes are subordinated to the present and/or future claims of Senior Creditors and, accordingly, in the event of the dissolution of the Issuer or if the Issuer is placed into liquidation or is wound-up (in each case other than pursuant to a Solvent Reconstruction):

- (a) notwithstanding that any Noteholder shall have proved a claim for any amount in respect of the Additional Tier 1 Notes in the event of the dissolution of the Issuer no such amount shall be paid to that Noteholder until the claims of the Senior Creditors have been fully satisfied; and
- (b) no amount due under the Additional Tier 1 Notes shall be eligible for set-off, counterclaim, abatement or other similar remedy which a Noteholder might otherwise have under the laws of any jurisdiction in respect of the Additional Tier 1 Notes nor shall any amount due under the Additional Tier 1 Notes be payable to any Noteholder, until the claims of all Senior Creditors which are admissible in any such dissolution, liquidation or winding-up have been paid or discharged in full.

5.3 Set-off

- (a) Subject to Applicable Laws, no Noteholder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Additional Tier 1 Notes and each Noteholder shall, by virtue of being the holder of any Additional Tier 1 Note, be deemed to have waived all such rights of set-off, compensation or retention. Notwithstanding the preceding sentence, if any of the amounts owing to any Noteholder by the Issuer is discharged by set-off (whether by operation of law or otherwise), such Noteholder shall, unless such payment is prohibited by law, immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of its winding-up or administration, the liquidator or administrator, as appropriate, of the Issuer for payment to the Senior Creditors in respect of amounts owing to them by the Issuer, and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer, or the liquidator or administrator, as appropriate, of the Issuer (as the case may be), for payment to the Senior Creditors in respect of amounts owing to them by the Issuer and accordingly any such discharge shall be deemed not to have taken place.
- (b) As used in this Condition 5.3, the expression "*obligations*" includes any direct or indirect obligations of the Issuer and whether by way of guarantee, indemnity, other contractual support arrangement or otherwise and regardless of name or designation.

5.4 Write-off or Conversion of Additional Tier 1 Notes

The Applicable Pricing Supplement of a Tranche of Additional Tier 1 Notes shall specify whether:

- (a) Conversion upon the occurrence of a Non-Viability Event; or

- (b) Write-off upon the occurrence of a Non-Viability Event, will apply to that Tranche of Additional Tier 1 Notes.

5.5 Capital Rules and Additional Conditions

In order for the proceeds of the issuance of any Tranche of Additional Tier 1 Notes to qualify as Additional Tier 1 Capital, Additional Tier 1 Notes must comply with the applicable Capital Rules (including the Additional Conditions (if any) prescribed by the Relevant Regulator in respect of a particular Tranche of Additional Tier 1 Notes). The Additional Conditions (if any) prescribed by the Relevant Regulator in respect of Additional Tier 1 Notes will be specified in the Applicable Pricing Supplement or a supplement to the Programme Memorandum.

6. INTEREST

Subject to Condition 7 (*Limitations on Payments of Interest*), if the Applicable Pricing Supplement so specifies, the Additional Tier 1 Notes of any Tranche will bear interest from the Interest Commencement Date at the Interest Rate(s) specified in, or determined in accordance with, the Applicable Pricing Supplement and such interest will be payable in respect of each Interest Period on the Interest Payment Date(s) specified in the Applicable Pricing Supplement. The interest payable on the Additional Tier 1 Notes of any Tranche for a period other than a full Interest Period shall be determined in accordance with the Applicable Pricing Supplement.

6.1 Interest on Fixed Rate Notes

Unless otherwise specified in the Applicable Pricing Supplement, interest on Fixed Rate Notes will be paid on a six-monthly basis on the Interest Payment Dates.

(a) *Accrual of Interest*

Subject to Condition 7 (*Limitations on Payments of Interest*):

- (i) the Additional Tier 1 Notes bear interest on their Current Principal Amount from the Interest Commencement Date at the Interest Rate payable in arrears on each Interest Payment Date, subject as provided in Condition 10(*Payments*); and
- (ii) each Additional Tier 1 Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with Condition 10 (*Payments*) (before as well as after judgment) until whichever is the earlier of (A) the day on which all sums due in respect of such Additional Tier 1 Note up to that day are received by or on behalf of the relevant Noteholder and (B) the day which is 7 (seven) days after the Paying Agent has notified the Noteholders that it has received all sums due in respect of the Additional Tier 1 Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(b) *Fixed Coupon Amount*

The amount of interest payable in respect of each Additional Tier 1 Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Additional Tier 1 Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

(c) *Calculation of Interest Amount*

The amount of interest payable in respect of each Additional Tier 1 Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Interest Rate to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Additional Tier 1 Note divided by the Calculation Amount, provided that if an Initial Broken Amount is specified in the Applicable Pricing Supplement, then the first Interest Amount shall equal the Initial Broken Amount specified in the Applicable Pricing Supplement.

6.2 Interest on Floating Rate Notes

(a) *Accrual of Interest*

Subject to Condition 7 (*Limitations on Payments of Interest*):

- (i) the Additional Tier 1 Notes bear interest from the Interest Commencement Date at the Interest Rate payable in arrears on each Interest Payment Day, subject as provided in Condition 10 (*Payments*); and
- (ii) each Additional Tier 1 Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6.2 (before as well as after judgement) until whichever is the earlier of (A) the day on which all sums due in respect of such Additional Tier 1 Notes to that day are received by or on behalf of the relevant Noteholder and (B) the day which is 7 (seven) days after the Paying Agent has notified the Noteholders that it has received all sums due in respect of the Additional Tier 1 Notes up to such seventh day (except to the extent there is subsequent default in payment).

(b) *Interest Rate*

The Interest Rate which is applicable to a Tranche of Floating Rate Notes for an Interest Period will be determined on the basis of Screen Rate Determination or on the basis of ISDA Determination or on such other basis as may be determined by the Issuer and specified in the Applicable Pricing Supplement.

(c) *ISDA Determination including fallback provisions*

If ISDA Determination is specified in the Applicable Pricing Supplement as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate applicable to the Additional Tier 1 Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if that Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) the Floating Rate Option is as specified in the Applicable Pricing Supplement;
- (ii) the Designated Maturity is the period specified in the Applicable Pricing Supplement; and
- (iii) the relevant Reset Date is either: (A) if the applicable Floating Rate Option is based on ZAR-JIBAR-SAFEX, the first day of that Interest Period; or (B) in any other case, as specified in the Applicable Pricing Supplement.

"**Floating Rate**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those expressions in the ISDA Definitions and "**JIBAR**" means the average mid-market yield rate per annum for a period of the Designated Maturity which appears on the Reuters Screen SAFEX page at or about 11h00 (Johannesburg time) on the relevant date (or any successor rate).

(d) *Screen Rate Determination including fallback provisions*

If Screen Rate Determination is specified in the Applicable Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate applicable to the Additional Tier 1 Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date; or

- (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iii) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
 - (A) request the principal Johannesburg office of each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 12h00 (Johannesburg time) on the Interest Determination Date in question; and
 - (B) determine the arithmetic mean of such quotations; and
- (iv) if fewer than 3 (three) such offered quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Johannesburg inter-bank market, selected by the Calculation Agent, at approximately 12h00 (Johannesburg time) on the first day of the relevant Interest Period for loans in the Specified Currency to leading banks in the Johannesburg inter-bank market for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

(and the Interest Rate for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Interest Rate applicable to the Additional Tier 1 Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Additional Tier 1 Notes in respect of a preceding Interest Period.

(e) *Maximum and/or Minimum Interest Rate*

If the Applicable Pricing Supplement specifies a Maximum Interest Rate for any Interest Period, then the Interest Rate for such Interest Period shall in no event be greater than such Maximum Interest Rate and/or if it specifies a Minimum Interest Rate for any Interest Period, then the Interest Rate for such Interest Period shall in no event be less than such Minimum Interest Rate.

(f) *Determination of Interest Rate and Calculation of Interest Amount*

The Calculation Agent, in the case of Floating Rate Notes will, at or as soon as practicable after each time at which the Interest Rate is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Additional Tier 1 Note for such Interest Period. The Interest Amount will be calculated by applying the Interest Rate for such Interest Period to the Calculation Amount and multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Additional Tier 1 Note divided by the Calculation Amount.

(g) *Calculation of Other Amounts*

If the Applicable Pricing Supplement specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the Applicable Pricing Supplement.

(h) *Publication*

The Calculation Agent will cause each Interest Rate and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it, together with any relevant payment date(s) to be notified to the Issuer, the Paying Agent, the Transfer Agent, any Financial Exchange on which the relevant Floating

Rate Notes are for the time being listed and any central securities depository in which Individual Certificates in respect of the Additional Tier 1 Notes are immobilised, as soon as possible after their determination but (in the case of each Interest Rate, Interest Amount and Interest Payment Date) in any event not later than 3 (three) Business Days after the Interest Determination Date (in the case of the determination of Interest Rate applicable to a Tranche of Floating Rate Notes) and no later than 3 (three) Business Days before the Interest Payment Date (in the case of the determination of the Interest Amount). Notice thereof shall also promptly be given to the Noteholders in accordance with Condition 18 (*Notices*).

The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. Any such amendment will be promptly notified to the Issuer and to the Noteholders in accordance with Condition 18 (*Notices*) and, if the relevant Tranche of Additional Tier 1 Notes is listed on the JSE, the JSE and the Central Depository. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and Interest Amount in respect of a Note having the minimum Specified Denomination.

(i) *Notifications etc. to be final*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the Condition 6.2 (*Interest on Floating Rate Notes*) by the Calculation Agent will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Paying Agent and the Noteholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

6.3 Interest on Mixed Rate Notes

The interest rate payable from time to time on Mixed Rate Notes shall be the interest rate payable on any combination of Fixed Rate Notes or Floating Rate Notes for respective periods, each as specified in the Applicable Pricing Supplement. During each such applicable period, the interest rate on the Mixed Rate Notes shall be determined and fall due for payment on the basis that, and to the extent that, such Mixed Rate Notes are Fixed Rate Notes or Floating Rate Notes, as the case may be.

6.4 Accrual of Interest

(a) Each Additional Tier 1 Note (or in the case of the redemption of part only of an Additional Tier 1 Note, that part only of such Additional Tier 1 Note) will cease to bear interest (if any) from the date of its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will accrue at the SAFEX Overnight Deposit Rate (to be found on the Reuters Screen SAFEX page as at 12h00 (Johannesburg time) on the presentation date, or any successor rate) until the earlier of:

- (i) the date on which all amounts due in respect of such Additional Tier 1 Note have been paid; or
- (ii) in respect of Uncertificated Notes, the date on which the full amount of the moneys payable has been received by the Paying Agent and notice to that effect has been given to Noteholders in accordance with Condition 18 (*Notices*).

In the event that the SAFEX Overnight Deposit Rate is not ascertainable from the relevant screen page at the time contemplated above, the Calculation Agent shall follow the procedure contemplated in Condition 6.2(b) (*Interest Rate*) to ascertain a rate.

6.5 Notes listed on the JSE

The amount of any interest payable in respect of the Notes in terms of Condition 6 will be announced on SENS at least 3 (three) Business Days before the relevant Interest Payment Date.

6.6 Business Day Convention

If any Interest Payment Date (or other date) which is specified in the Applicable Pricing Supplement to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (a) the "**Following Business Day Convention**", such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day; or
- (b) the "**Modified Following Business Day Convention**", such Interest Payment Date (or other date) shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date (or other such date) shall be brought forward to the first preceding Business Day; or
- (c) the "**Preceding Business Day Convention**", such Interest Payment Date (or other date) shall be brought forward to the first preceding Business Day.

7. LIMITATIONS ON PAYMENTS OF INTEREST

7.1 Optional Interest Non-Payment

The Issuer may at any time elect, in its sole and full discretion, not to pay (in whole or in part) the Interest Amount otherwise scheduled to be paid on any Interest Payment Date.

7.2 Mandatory Interest Non-Payment

Without prejudice to Condition 7.1 (*Optional Interest Non-Payment*), the Issuer shall not be obliged to pay any Interest Amount otherwise scheduled to be paid on an Interest Payment Date to the extent that:

- (a) such Interest Amount together with any Additional Amounts payable with respect thereto, when aggregated with other Relevant Distributions paid, declared or required to be paid in the then current financial year of the Issuer exceeds the amount of the Issuer's Distributable Items; or
- (b) the Issuer shall not be obliged to pay that Interest Amount in accordance with the requirements of the Capital Rules; or
- (c) the Relevant Regulator orders the Issuer not to pay that Interest Amount (in whole or in part).

All accrued and unpaid Interest Amounts will also not be paid, and the Issuer shall not be obliged to pay such Interest Amounts, if a Non-Viability Event occurs.

7.3 Notice of Interest Non-Payment

- (a) If practicable, notice that a scheduled Interest Amount (in whole or in part) will not be paid in accordance with Condition 7.1 (*Optional Interest Non-Payment*) or Condition 7.2 (*Mandatory Interest Non-Payment*) will be given to the Noteholders, the Transfer Agent and the Paying Agent as soon as possible prior to the relevant Interest Payment Date.
- (b) Any failure to provide the notice referred to in paragraph (a) above will not invalidate the Issuer's election, nor prejudice the Issuer's right, not to pay a scheduled Interest Amount or any part thereof nor give rise to an obligation to pay that scheduled Interest Amount or any part thereof where the Issuer does not otherwise have an obligation to make such payment, and non-payment of any Interest Amount (in whole or in part) on any Interest Payment Date shall constitute evidence that the Issuer has elected or is required not to pay such Interest Amount (or the relevant part thereof).
- (c) If the Issuer provides notice of its election to not pay a portion, but not all, of an Interest Amount and the Issuer subsequently does not make a payment of the remaining portion of such Interest Amount on the relevant Interest Payment Date, such non-payment shall evidence the Issuer's exercise of its discretion to elect not to pay such remaining portion of that Interest Amount and, accordingly, such remaining portion of that Interest Amount shall also not be due and payable.

7.4 No Default

The non-payment of any Interest Amount (or any part thereof) in accordance with Condition 7.1 (*Optional Interest Non-Payment*) or Condition 7.2 (*Mandatory Interest Non-Payment*) shall not constitute a default or breach for any purpose on the part of the Issuer. For the avoidance of doubt, Interest Amounts which the Issuer has elected (or is deemed to have elected) not to pay or which the Issuer is not obliged to pay will never become due and are non-cumulative, and no Interest Amount (or any part thereof) which has not been paid (or any amount in lieu thereof) shall be payable in respect of the Additional Tier 1 Notes thereafter, whether in a winding-up, curatorship or administration of the Issuer or otherwise.

7.5 Dividend Restrictions

If an Interest Amount (or any portion thereof) (the "**Relevant Interest Amount**") is not paid in full on the relevant Interest Payment Date in accordance with Condition 7.1 (*Optional Interest Non-Payment*) or Condition 7.2 (*Mandatory Interest Non-Payment*), then during the period from that relevant Interest Payment Date until the immediately succeeding Interest Payment Date on which the Issuer has paid in full the Interest Amount due and payable for that Interest Period on that succeeding Interest Payment Date, the Issuer shall not:

- (a) declare or pay a distribution or dividend or pay any interest on any Common Equity Tier 1 Capital Securities or any Junior Securities other than:
 - (i) dividends due and payable on Mandatory Preference Shares;
 - (ii) any dividend which has been declared on any Common Equity Tier 1 Capital Securities or any Junior Securities prior to the date of notice to the Noteholders referred to in Condition 7.3 (*Notice of Interest Non-Payment*);
 - (iii) distributions, dividends or interest on any Junior Securities paid by any entity which is a Subsidiary of the Issuer to its immediate holding company or to the Issuer; or
 - (iv) scrip dividends or capitalisation awards; or
- (b) save in the case of redemptions, repurchases or reductions stemming from the exercise of share options or similar share-based incentives by employees of the Issuer and/or any Subsidiary of the Issuer, redeem, purchase, reduce the capital of or otherwise acquire:
 - (i) any Common Equity Tier 1 Capital Securities or Junior Securities; or
 - (ii) any securities of any Subsidiary of the Issuer benefitting from a guarantee or similar support agreement which ranking as to the right of repayment of principal (in the case of such securities) or as to the payment of sums under any such guarantee or similar support agreement (in the case of any such guarantee or similar support agreement), is, as the case may be, junior to the Additional Tier 1 Notes.

The non-payment of any Relevant Interest Amount in accordance with this Condition 7 shall not impose any other restrictions on the Issuer.

8. LOSS ABSORPTION FOLLOWING A NON-VIABILITY EVENT

This Condition 8 (other than Condition 8.4 (*Disapplication of Non-Viability Loss Absorption Condition*)) is referred to as the "**Non-Viability Loss Absorption Condition**" in these Terms and Conditions.

8.1 Non-Viability Event

- (a) A **Non-Viability Event** shall occur when:
 - (i) a "*trigger event*" specified in writing by the Relevant Regulator in accordance with the Capital Rules has occurred; provided that, as a minimum, the aforesaid "*trigger event*" shall be the earlier of:
 - (A) a decision that a write-off, without which the Issuer would become non-viable, is necessary as determined by the Relevant Regulator; or
 - (B) the decision to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by the Relevant Regulator; or,
 - (ii) the Issuer's Common Equity Tier 1 Capital Ratio is equal to or below 5.875 per cent., whichever is the earlier to occur; provided that paragraph (a) above will only apply if the Additional Tier 1 Notes are liability accounted by the Issuer.
- (b) Whether a Non-Viability Event has occurred at any time shall be determined by the Relevant Regulator or any agent appointed for such purpose by the Relevant Regulator, and such determination shall be binding on the Noteholders.
- (c) Upon the occurrence of a Non-Viability Event, the Issuer will notify the Noteholders (a "**Non-Viability Event Notice**") in accordance with Condition 18 (*Notices*) and subsequently either

Convert or Write-off the Additional Tier 1 Notes (or the Relevant Part thereof, as the case may be), in accordance with the Capital Rules and Condition 8.2 (*Conversion of Additional Tier 1 Notes upon a Non-Viability Event*) or Condition 8.3 (*Write-off of Additional Tier 1 Notes upon a Non-Viability Event*) (as applicable). Any delay in delivery or failure to deliver a Non-Viability Event Notice shall not affect the validity of any Conversion or Write-off or the timing of any Conversion or Write-off.

8.2 Conversion of Additional Tier 1 Notes upon a Non-Viability Event

- (a) This Condition 8.2 applies only to Additional Tier 1 Notes to which Conversion is specified as applicable in the Applicable Pricing Supplement.
- (b) Upon the occurrence of a Non-Viability Event, the Issuer will Convert the Current Principal Amount of the Additional Tier 1 Notes (or the Relevant Part thereof) into Issuer Ordinary Shares, in accordance with the Capital Rules, by such amount (the "**Conversion Amount**") as the Relevant Regulator shall require; provided that:
 - (i) a Conversion of the Additional Tier 1 Notes need only occur up until the point where the Issuer is deemed by the Relevant Regulator to be viable again, as specified in writing by the Relevant Regulator, and the Issuer's Common Equity Tier 1 Capital Ratio is above 5.875 per cent. to the extent that the Additional Tier 1 Notes are liability accounted; and
 - (ii) the Additional Tier 1 Notes shall be Converted in whole, or in part, on a *pro rata* basis with other Loss Absorbing Instruments.
- (c) Any such Conversion shall take place on such date selected by the Issuer in consultation with the Relevant Regulator (the "**Conversion Date**") but no later than 30 (thirty) days following the occurrence of the Non-Viability Event unless:
 - (i) in accordance with the Capital Rules, the Relevant Regulator has agreed with the Issuer in writing that the Current Principal Amount (or the Relevant Part thereof) of the Additional Tier 1 Notes may be Converted after a longer period, in which case, the Conversion Date shall be such date as agreed with the Relevant Regulator; or
 - (ii) the Issuer, using its best efforts, is unable to complete the Conversion within the aforesaid 30-day period as a result of the need to comply with any Applicable Laws, regulations or written instructions of the Relevant Regulator (including but not limited to the time required to interface and consult with the Relevant Regulator), in which case the Conversion Date shall be a date as soon as reasonably possible after the end of the aforesaid 30-day period.
- (d) A Conversion may occur on more than one occasion following the occurrence of a Non-Viability Event and the Additional Tier 1 Notes may be Converted on more than one occasion.
- (e) To the extent that the conversion or write-off of any Loss Absorbing Instruments is not effective for any reason:
 - (i) the ineffectiveness of any such conversion or write-off shall not prejudice the requirement to effect a Conversion of the Additional Tier 1 Notes; and
 - (ii) the conversion or write-off of any Loss Absorbing Instrument which is not effective shall not be taken into account in determining the Conversion Amount of the Additional Tier 1 Notes.
- (f) If a Conversion of any Additional Tier 1 Notes will take place pursuant to the occurrence of a Non-Viability Event specified in the Non-Viability Event Notice, the Issuer shall deliver a further written notice (the "**Conversion Notice**") to the Noteholders in accordance with Condition 18 (*Notices*) which specifies:
 - (i) the Conversion Price;
 - (ii) the Conversion Record Date;
 - (iii) the Conversion Date;
 - (iv) the number of Conversion Shares to be issued pursuant to that Conversion; and
 - (v) details of the arrangement for the settlement of the Conversion,

within the time period specified in the Applicable Pricing Supplement or failing any time period stipulated therein, as soon as the Conversion Price has been determined and such details are available. In this regard, the Issuer is required to do all things which may be necessary to enable such price and details to be determined as soon as is reasonably possible in the circumstances.

- (g) On the Conversion Date, in accordance with Applicable Laws, the Capital Rules and (if applicable) the written instructions received from the Relevant Regulator:
 - (i) the Issuer shall issue to the relevant Noteholders (as they appear, and into the relevant Securities Accounts of the Beneficial Interest holders of the Converted Additional Tier 1 Notes recorded as such on the Conversion Record Date (or to the relevant Participant managing such Securities Account, if such Issuer Ordinary Shares are certificated), or, as the case may be, to the holder of Individual Certificates in respect of Converted Additional Tier 1 Notes as set out in the Register on the Conversion Record Date) such number of Issuer Ordinary Shares (the "**Conversion Shares**") calculated by dividing the Conversion Amount on the Conversion Date by the Conversion Price;
 - (ii) the relevant Noteholders shall be deemed to have subscribed for the Conversion Shares for an aggregate subscription price equal to the Conversion Amount (the "**Subscription Price**");
 - (iii) the Subscription Price shall be automatically off-set against the Conversion Amount and the aggregate Current Principal Amount of the Additional Tier 1 Notes shall be reduced by the Conversion Amount; and
 - (iv) the Conversion Shares shall be credited as fully paid and shall be freely transferable and shall have the same rights as, and *pari passu* in all respects with, and be of the same class as, all of the Issuer Ordinary Shares as at the Conversion Date. If the Issuer Ordinary Shares are issued in registered certificated form, the Issuer shall procure that the certificate/s evidencing the Relevant Number of Issuer Ordinary Shares is/are delivered to each relevant Subordinated Noteholder.
- (h) Should all other issued Issuer Ordinary Shares be listed on a Relevant Stock Exchange at the time the Conversion Shares are issued to the relevant Noteholders pursuant to this Condition 8.2, the Issuer shall procure that such Conversion Shares are, upon issue, likewise listed on that Relevant Stock Exchange.
- (i) If, when calculating the number of Conversion Shares as contemplated in Condition 8.2(g)(i), the number of Issuer Ordinary Shares calculated requires the issue of a fraction of a share to any Person, the number of Issuer Ordinary Shares to be issued will be rounded down to the nearest whole number of Issuer Ordinary Shares to ensure the issue of a whole number of shares to each Person entitled to receive same, and the relevant Noteholders or holders of the Beneficial Interests in the relevant Converted Additional Tier 1 Notes shall only be entitled to receive such whole number of Issuer Ordinary Shares.
- (j) As soon as reasonably possible after the Conversion Date, the Issuer shall in accordance with Condition 18 (*Notices*) deliver to the relevant Noteholders a notice from the Central Depository confirming that the Conversion Shares have been issued and entered in the relevant Noteholders' respective Securities Accounts.
- (k) Any Conversion of Additional Tier 1 Notes or the Relevant Part(s) thereof in accordance with this Condition 8.2 will be final and binding in the absence of manifest error or fraud.
- (l) Where, at the occurrence of the relevant Non-Viability Event, the Conversion of the relevant Tranche of Additional Tier 1 Notes pursuant to this Condition 8.2 (i) cannot be undertaken for any reason or (ii) is not irrevocable or (iii) will not result in an immediate increase in the Common Equity Tier 1 Capital Ratio, then the relevant Tranche of Additional Tier 1 Notes shall, instead of being Converted, be Written-off, at the occurrence of that Non-Viability Event (at the discretion of the Relevant Regulator), *mutatis mutandis* in accordance with the provisions of Condition 8.3 (*Write-off of Additional Tier 1 Notes upon a Non-Viability Event*).

- (m) For the avoidance of doubt, following any Conversion of the Additional Tier 1 Notes (or the Relevant Part thereof) the Issuer shall not be obliged to pay compensation in any form to the Noteholders.
- (n) Any Conversion of the Additional Tier 1 Notes (or the Relevant Part thereof) upon the occurrence of a Non-Viability Event will not constitute an event of default or any other breach of the Issuer's obligations, or a failure to perform by the Issuer, under these Terms and Conditions and shall not entitle the Noteholders to petition or apply for the liquidation, winding-up or dissolution of the Issuer.
- (o) Once a Conversion of all or the Relevant Part of the Current Principal Amount of the Additional Tier 1 Notes has occurred, no Conversion Amount shall be restored under any circumstances (including, without limitation, where the Non-Viability Event ceases to continue) and the Noteholders will automatically irrevocably lose their rights to receive, and no longer have any rights against the Issuer with respect to, interest accrued on the Additional Tier 1 Notes prior to the Conversion Date and repayment of the Conversion Amount; provided that, if the Additional Tier 1 Notes are Converted in part, interest will continue to accrue on the Current Principal Amount.
- (p) Upon the occurrence of a Non-Viability Event, the Issuer will, in respect of listed Additional Tier 1 Notes, forthwith notify the Central Depository, the JSE and/or such other Financial Exchange upon which such Additional Tier 1 Notes are listed, as the case may be, of the occurrence of that Non-Viability Event and of the Issuer's intention to effect a Conversion of Additional Tier 1 Notes.
- (q) The Issuer shall at all times (to the extent that it is within the Issuer's control and/or power to do so) obtain and maintain all prior authorisations (including, without limitation, all Issuer shareholder approvals in terms of the Companies Act and the JSE Listings Requirements applicable to the Main Board of the JSE) necessary to ensure the Conversion of the relevant Tranche of Additional Tier 1 Notes pursuant to this Condition 8.2. The Issuer will not issue and list a Tranche of Additional Tier 1 Notes to which Conversion is applicable unless the Issuer shall have secured and/or obtained the required shareholders' approval in accordance with the JSE Listings Requirements applicable to the Main Board of the JSE.

8.3 Write-off of Additional Tier 1 Notes upon a Non-Viability Event

- (a) This Condition 8.3 applies only to Additional Tier 1 Notes to which Write-off is specified as applicable in the Applicable Pricing Supplement.
- (b) Upon the occurrence of a Non-Viability Event, the Issuer will Write-off the Current Principal Amount of the Additional Tier 1 Notes (or the Relevant Part thereof), in accordance with the Capital Rules, by such amount (the "**Written-off Amount**") as the Relevant Regulator shall require; provided that:
 - (i) a Write-off of the Additional Tier 1 Notes need only occur up until the point where the Issuer is deemed by the Relevant Regulator to be viable again, as specified in writing by the Relevant Regulator, and the Issuer's Common Equity Tier 1 Capital Ratio is above 5.875 per cent. to the extent that the Additional Tier 1 Notes are liability accounted; and
 - (ii) the Additional Tier 1 Notes shall be Written-off in whole, or in part, on a *pro rata* basis with other Loss Absorbing Instruments.
- (c) Any such Write-off shall take place on such date selected by the Issuer in consultation with the Relevant Regulator (the "**Write-off Date**") but no later than 30 (thirty) days following the occurrence of the Non-Viability Event unless in accordance with the Capital Rules, the Relevant Regulator has agreed with the Issuer in writing that the Current Principal Amount (or the Relevant Part thereof) of the Additional Tier 1 Notes may be Written-off after a longer period, in which case, the Write-off shall take place on such date as agreed with the Relevant Regulator.
- (d) A Write-off may occur on more than one occasion following the occurrence of a Non-Viability Event and the Additional Tier 1 Notes may be Written-off on more than one occasion.

- (e) To the extent that the conversion or write-off of any Loss Absorbing Instruments is not effective for any reason:
 - (i) the ineffectiveness of any such conversion or write-off shall not prejudice the requirement to effect a Write-off of the Additional Tier 1 Notes; and
 - (ii) the conversion or write-off of any Loss Absorbing Instrument which is not effective shall not be taken into account in determining the Written-off Amount of the Additional Tier 1 Notes.
- (f) For the avoidance of doubt, following any Write-off of the Additional Tier 1 Notes (or the Relevant Part thereof) the Issuer shall not be obliged to pay compensation in any form to the Noteholders.
- (g) Any Write-off of the Additional Tier 1 Notes (or the Relevant Part thereof) upon the occurrence of a Non-Viability Event will not constitute an event of default or any other breach of the Issuer's obligations, or a failure to perform by the Issuer, under these Terms and Conditions and shall not entitle the Noteholders to petition or apply for the liquidation, winding-up or dissolution of the Issuer.
- (h) Once a Write-off of all or the Relevant Part of the Current Principal Amount of the Additional Tier 1 Notes has occurred, no Written-off Amount shall be restored under any circumstances (including, without limitation, where the Non-Viability Event ceases to continue) and the Noteholders will automatically irrevocably lose their rights to receive, and no longer have any rights against the Issuer with respect to, interest accrued on the Additional Tier 1 Notes prior to the Write-off Date and repayment of the Written-off Amount; provided that, if the Additional Tier 1 Notes are Written-off in part, interest will continue to accrue on the Current Principal Amount.
- (i) Upon the occurrence of a Non-Viability Event, the Issuer will, in respect of listed Additional Tier 1 Notes, forthwith notify the Central Depository, the JSE and/or such other Financial Exchange upon which such Additional Tier 1 Notes are listed, as the case may be, of the occurrence of that Non-Viability Event and of the Issuer's intention to effect a Write-off of any Series of Additional Tier 1 Notes.

8.4 **Disapplication of Non-Viability Loss Absorption Condition**

- (a) If a Statutory Loss Absorption Regime is implemented in South Africa and the Additional Tier 1 Notes are subject to such Statutory Loss Absorption Regime upon the occurrence of a Non-Viability Event, then the Issuer, if so specified in the Applicable Pricing Supplement, shall have the option at any time by written notice (the "**Amendment Notice**") to the Noteholders in accordance with Condition 18 (*Notices*) and the Relevant Regulator, to elect that that the Non-Viability Loss Absorption Condition shall cease to apply and that the Statutory Loss Absorption Regime will apply to the Additional Tier 1 Notes from the date specified in the Amendment Notice (the "**Amendment Date**"), being a date no earlier than the date on which the Statutory Loss Absorption Regime takes effect (the "**Amendment Option**"). If the Issuer exercises the Amendment Option, the Non-Viability Loss Absorption Condition will cease to apply and the Additional Tier 1 Notes will be subject to such minimum requirements of the Statutory Loss Absorption Regime required to ensure that the Additional Tier 1 Notes continue to qualify as Additional Tier 1 Capital with effect from the Amendment Date. If the Amendment Option is not specified in the Applicable Pricing Supplement or if the Amendment Option is specified in the Applicable Pricing Supplement but is not exercised by the Issuer, then the Additional Tier 1 Notes will not be subject to the Statutory Loss Absorption Regime and the Non-Viability Loss Absorption Condition will continue to apply to the Additional Tier 1 Notes.
- (b) For the avoidance of doubt, if a Non-Viability Event occurs on or after such date on which the Non-Viability Loss Absorption Condition referred to in this Condition 8 is dis-applied, the Relevant Regulator or the Issuer following instructions from the Relevant Regulator, may take such action in respect of the Additional Tier 1 Notes as is required or permitted by such Statutory Loss Absorption Regime.

9. **REDEMPTION AND PURCHASE**

9.1 **No Maturity**

The Additional Tier 1 Notes:

- (a) will be perpetual securities and will have no fixed date for redemption and the Noteholders will have no right to require the Issuer to redeem or purchase the Additional Tier 1 Notes at any time;
- (b) may only be redeemed, substituted, varied or purchased, prior to a winding-up or liquidation of the Issuer, in accordance with and subject to the provisions of Condition 9.3 (*Redemption for Tax reasons or Change in Law*), Condition 9.4 (*Redemption at the option of the Issuer (Call Option)*), Condition 9.5 (*Redemption following the occurrence of a Capital Disqualification Event*) or Condition 9.6 (*Substitution or Variation*), as applicable; and
- (c) will only be repayable subject to, and in accordance with the terms of, Condition 9.2 (*Winding-up of the Issuer*).

9.2 **Winding-up of the Issuer**

If at any time prior to the date on which the Original Principal Amount of the Additional Tier 1 Notes has been voluntarily redeemed, Converted or Written-off (as applicable), in any case, in full:

- (a) an order is made or an effective resolution is passed for the winding-up, dissolution or de-registration of the Issuer (other than an Approved Winding-up); or
- (b) a liquidator or administrator of the Issuer is appointed and such liquidator or administrator gives notice that it intends to declare and distribute a dividend,

each Additional Tier 1 Note shall be repayable and each Noteholder shall be entitled to be repaid in respect of each Additional Tier 1 Note of which it is the holder (in lieu of any other payment by the Issuer), such amount, if any, as would have been payable to the Noteholder if, on the day prior to the commencement of such winding-up or administration and thereafter, such Noteholder were (in respect of such Additional Tier 1 Note) the holder of one of a class of preference shares in the capital of the Issuer ("**Notional Preference Shares**") ranking *pari passu* as to a return of assets in such winding-up or administration with Other Additional Tier 1 Securities of the Issuer and with that class or classes of preference shares (if any) from time to time issued or which may be issued by the Issuer which have a preferential right to a return of assets in such winding-up or administration over, and so rank ahead of, the holders of all other classes of issued shares for the time being in the capital of the Issuer other than preference shares which, upon issue, qualified (or were intended to qualify) as Tier 2 Capital ("**Tier 2 Preference Shares**"), but ranking junior to the claims of Senior Creditors and holders of Tier 2 Preference Shares, on the assumption that the amount that such Noteholder was entitled to receive in respect of each such Notional Preference Share on a return of assets in such winding-up or administration were an amount equal to the Current Principal Amount of the relevant Additional Tier 1 Note and any accrued but unpaid Interest Amounts thereon (other than Interest Amounts which the Issuer has elected not to pay or which the Issuer is not obliged to pay, as the case may be, pursuant to Condition 7 (*Limitations on Payments of Interest*)).

9.3 **Redemption for Tax reasons or Change in Law**

Additional Tier 1 Notes may be redeemed (subject to the Solvency Condition and Condition 9.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Additional Tier 1 Notes*)) at the option of the Issuer in whole, but not in part, if a Tax Event occurs and, if specified in the Applicable Pricing Supplement, upon the occurrence of a Change in Law:

- (a) at any time (if the Floating Rate Note provisions are not specified in the Applicable Pricing Supplement as being applicable or, if they are, such provisions are not applicable at the time of redemption); or
- (b) on any Interest Payment Date (if the Floating Rate Note provisions are specified in the Applicable Pricing Supplement as being applicable and are applicable at the time of redemption),

on giving not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Noteholders (which notice shall be irrevocable in accordance with Condition 18 (*Notices*)), at their Redemption Amount, together with any unpaid interest accrued to (but excluding) the date of redemption (but excluding any Interest Amounts which the Issuer has elected not to pay or is not obliged to pay, as the case may be, in accordance with Condition 7 (*Limitations on Payments of Interest*)), provided, however, that no such notice of redemption shall be given earlier than:

- (i) where the Additional Tier 1 Notes may be redeemed at any time, 90 (ninety) days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts or would be entitled (as such entitlement is materially reduced) to claim a deduction in respect of computing its taxation liabilities; or
- (ii) where the Additional Tier 1 Notes may be redeemed only on an Interest Payment Date, 60 (sixty) days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts or would not be entitled (or such entitlement is materially reduced) to claim a deduction in respect of computing its taxation liabilities.

Prior to the publication of any notice of redemption pursuant to this Condition 9.3, the Issuer shall deliver to the Transfer Agent and the Paying Agent (A) a certificate signed by 2 (two) authorised officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (B) an opinion of independent legal advisers of recognised standing to the effect that a Tax Event, or if applicable, a Change in Law has occurred. Upon the expiry of any such notice as is referred to in this Condition 9.3, the Issuer shall be bound to redeem the Additional Tier 1 Notes in accordance with this Condition 9.3.

9.4 **Redemption at the option of the Issuer (Call Option)**

If Redemption at the option of the Issuer (Call Option) is specified in the Applicable Pricing Supplement as being applicable, the Additional Tier 1 Notes may be redeemed (subject to the Solvency Condition and Condition 9.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Additional Tier 1 Notes*)) at the option of the Issuer in whole or, if so specified in the Applicable Pricing Supplement, in part upon the Issuer having given:

- (a) not less than 30 (thirty) and not more than 60 (sixty) days' notice to the Noteholders in accordance with Condition 18 (*Notices*); and
- (b) not less than 7 (seven) days before giving the notice referred to in paragraph(a) above, notice to the Transfer Agent,

(both of which notices shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notices) on the Optional Redemption Date(s) (Call) and at the Redemption Amount, together with any unpaid interest accrued to (but excluding) the date of redemption (but excluding any Interest Amounts which the Issuer has elected not to pay or is not obliged to pay, as the case may be, in accordance with Condition 7 (*Limitations on Payments of Interest*)). No Optional Redemption Date(s) (Call) shall fall earlier than the First Call Date.

Any such Redemption Amount must be of a nominal amount equal to or greater than the Minimum Redemption Amount or equal to or less than a Higher Redemption Amount, both as specified in the Applicable Pricing Supplement, if applicable. In the case of a partial redemption of Additional Tier 1 Notes, the Additional Tier 1 Notes to be redeemed ("**Applicable Notes**") will be selected:

- (a) in the case of Applicable Notes represented by Individual Certificates, individually by lot; and
- (b) in the case of Applicable Notes issued in uncertificated form, in accordance with the Applicable Procedures,

and in each such case not more than 30 (thirty) days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**").

A list of the serial numbers of the Individual Certificates will be published in accordance with Condition 18 (*Notices*) not less than 15 (fifteen) days prior to the date fixed for redemption. The aggregate Nominal Amount of Applicable Notes represented by Individual Certificates shall bear the same proportion to the aggregate Nominal Amount of all Applicable Notes as the aggregate Nominal Amount of Individual Certificates outstanding bears to the aggregate Nominal Amount of the Notes Outstanding, in each case on the Selection Date, provided that such first mentioned Nominal Amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination and the aggregate Nominal Amount of Applicable Notes issued in uncertificated form shall be equal to the balance of the Applicable Notes. No exchange of Beneficial Interests in Uncertificated Notes for Individual Certificates will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this Condition 9.4 and

notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 18 (*Notices*) at least 5 (five) days prior to the Selection Date.

Holders of Applicable Notes shall surrender the Individual Certificates in accordance with the provisions of the notice given to them by the Issuer as contemplated above. Where only a portion of the Additional Tier 1 Notes represented by such Individual Certificates is redeemed, the Transfer Agent shall deliver new Individual Certificates to such Noteholders in respect of the balance of the Additional Tier 1 Notes.

9.5 Redemption following the occurrence of a Capital Disqualification Event

The Issuer may redeem the Additional Tier 1 Notes of any Tranche of Additional Tier 1 Notes in whole, but not in part:

- (a) at any time (if the Floating Rate Note provisions are not specified in the Applicable Pricing Supplement as being applicable or, if they are, such provisions are not applicable at the time of redemption); or
- (b) on any Interest Payment Date (if the Floating Rate Note provisions are specified in the Applicable Pricing Supplement as being applicable and are applicable at the time of redemption),

on giving not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Noteholders (which notice shall be irrevocable in accordance with Condition 18 (*Notices*)), at the Redemption Amount, together with any unpaid interest accrued to (but excluding) the date of redemption (but excluding any Interest Amounts which the Issuer has elected not to pay or is not obliged to pay, as the case may be, in accordance with Condition 7 (*Limitations on Payments of Interest*)), following the occurrence of a Capital Disqualification Event.

Prior to the publication of any notice of redemption pursuant to this Condition 9.5, the Issuer shall deliver to the Transfer Agent and the Paying Agent (i) a certificate signed by two authorised officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) unless the Relevant Regulator has confirmed to the Issuer that a Capital Disqualification Event applies to the relevant Additional Tier 1 Notes, an opinion of independent legal advisers of recognised standing to the effect that a Capital Disqualification Event applies. Upon the expiry of any such notice as is referred to in this Condition 9.5, the Issuer shall be bound to redeem the Additional Tier 1 Notes in accordance with this Condition 9.5.

9.6 Substitution or Variation

Where Substitution or Variation is specified in the Applicable Pricing Supplement as being applicable, and a Tax Event or a Capital Disqualification Event and, if specified in the Applicable Pricing Supplement, a Change in Law has occurred and is continuing, then the Issuer may, subject to Condition 9.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Additional Tier 1 Notes*) and/or as directed or approved by the Relevant Regulator and having given not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Noteholders in accordance with Condition 18 (*Notices*), the Paying Agent and the Transfer Agent (which notice shall be irrevocable) but without any requirement for the consent or approval of the Noteholders, at any time either substitute all (but not some only) of the Additional Tier 1 Notes for, or vary the terms of the Additional Tier 1 Notes so that they remain or, as appropriate, become, Qualifying Additional Tier 1 Securities. Upon the expiry of such notice, the Issuer shall either vary the terms of or substitute the Notes in accordance with this Condition 9.6, as the case may be.

9.7 Conditions to Redemption, Purchase, Modification, Substitution or Variation of Additional Tier 1 Notes

- (a) Notwithstanding the foregoing provisions of this Condition 9 or Condition 18 (*Notices*) and subject to Condition 9.7(b), for so long as the applicable Capital Rules so require, Additional Tier 1 Notes may be redeemed, purchased (in whole or in part), modified, substituted or varied only at the option of the Issuer, and only if:
 - (i) the Issuer has notified the Relevant Regulator of, and the Relevant Regulator has consented in writing to, such redemption, purchase, modification, substitution or variation (as applicable), subject to such conditions (if any) as the Relevant Regulator may deem appropriate (in any case, only if and to the extent such a notification or

consent is required by the Capital Rules (including any prescribed notice periods with which the Issuer may need to comply, if any, in such Capital Rules));

- (ii) the redemption, purchase, modification, substitution or variation of the Additional Tier 1 Notes is not prohibited by the Capital Rules; and
 - (iii) prior to the publication of any notice of redemption, substitution or variation or redemption pursuant to this Condition 9, the Issuer shall deliver to the Paying Agent and the Transfer Agent a certificate signed by two authorised officers stating that the relevant requirement or circumstance giving rise to the right to redeem, substitute or, as appropriate, vary is satisfied and, in the case of a substitution or variation, that the relevant Qualifying Additional Tier 1 Securities have terms not materially less favourable to an investor than the terms of the Additional Tier 1 Notes and will as from the date of such substitution or variation otherwise comply with the requirements of the definition thereof in Condition 1 (*Interpretation*).
- (b) This Condition 9.7 does not apply in respect of a redemption in whole, but not in part, of Additional Tier 1 Notes upon a Capital Disqualification Event in accordance with Condition 9.5(*Redemption following the occurrence of a Capital Disqualification Event*).

9.8 Purchases

Subject to Condition 9.7(*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Additional Tier 1 Notes*), the Issuer may at any time purchase Additional Tier 1 Notes in the open market or otherwise at any price. Such Additional Tier 1 Notes may (subject to the Capital Rules) at the option of the Issuer be held, re-issued, re-sold or surrendered to the Paying Agent for cancellation in accordance with Condition 9.9 (*Cancellation*)

9.9 Cancellation

All Additional Tier 1 Notes which are redeemed or purchased by the Issuer may, at its option, be cancelled and may, if cancelled, not be reissued or resold. Where only a portion of Additional Tier 1 Notes represented by an Individual Certificate are cancelled, the Transfer Agent shall deliver an Individual Certificate to such Noteholder in respect of the balance of the Additional Tier 1 Notes.

10. PAYMENTS

10.1 General

- (a) Only Noteholders named in the Register at 17h00 (Johannesburg time) on the relevant Last Day to Register shall be entitled to payment of amounts due and payable in respect of Registered Notes.
- (b) All payments of all amounts (whether in respect of principal, interest or otherwise) due and payable in respect of any Additional Tier 1 Notes shall be made by the Issuer (where the Issuer itself acts as Paying Agent) or the Paying Agent on behalf of the Issuer (where the Issuer has appointed a third party to act as Paying Agent), as the case may be, on the terms and conditions of the Agency Agreement (if any) and this Condition 10.
- (c) All references in this Condition 10 to "Paying Agent" shall be construed as references to the Issuer (where the Issuer itself acts as Paying Agent) or the Paying Agent on behalf of the Issuer (where the Issuer has appointed a third party entity to act as Paying Agent), as the case may be.
- (d) Payments will be subject in all cases to any fiscal or other laws, directives and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 11(*Taxation*).

10.2 Payments – Registered Notes/Certificated and Uncertificated

(a) Method of payment

The Paying Agent shall pay all amounts due and payable in respect of any Registered Notes:

- (i) in the case of Additional Tier 1 Notes which are held in the Central Depository, in immediately available and freely transferable funds, in the Specified Currency, by electronic funds transfer to the bank account of the relevant Participants with whom

the registered Noteholder/s of such Additional Tier 1 Notes maintains a securities account in respect of the Additional Tier 1 Notes; and

- (ii) in the case of Additional Tier 1 Note(s) which are represented by an Individual Certificate, in immediately available and freely transferable funds, in the Specified Currency, by electronic funds transfer, to the bank account of the Person named as the registered Noteholder of such Additional Tier 1 Notes in the Register or, in the case of joint registered Noteholders, the bank account of the first one of them named in the Register in respect of such Additional Tier 1 Notes; provided that if several Persons are entered into the Register as joint registered Noteholders of such Additional Tier 1 Notes then, without affecting the previous provisions of this Condition 10, payment to any one of them shall be an effective and complete discharge by the Issuer of the amount so paid, notwithstanding any notice (express or otherwise) which the Paying Agent and/or the Issuer may have of the right, title, interest or claim of any other Person to or in any such Additional Tier 1 Notes.

Neither the Issuer nor the Paying Agent shall be responsible for the loss in transmission of any such funds, and payment of any amount into the bank accounts referred to above, in accordance with this Condition 10.2(a), shall be satisfaction *pro tanto*, to the extent of such amount, of the Issuer's obligations to the Noteholders under the relevant Registered Notes and the applicable Terms and Conditions.

(b) *Beneficial Interest*

Following payment to the Central Depository of amounts due and payable in respect of Additional Tier 1 Notes which are held in the Central Depository, the relevant funds will be transferred by the Central Depository, via the Participants, to the holders of Beneficial Interest in such Additional Tier 1 Notes, in accordance with the CSD Procedures.

Each of the Persons reflected in the records of the Central Depository or the relevant Participant, as the case may be, as the holders of Beneficial Interests in Additional Tier 1 Notes, will look solely to the Central Depository or the relevant Participants, as the case may be, for such Person's share of each payment so made by the Paying Agent, on behalf of the Issuer, to or for the order of the registered Noteholder of such Additional Tier 1 Notes.

Neither the Paying Agent nor the Issuer will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests or for maintaining, supervising or reviewing any records relating to Beneficial Interests.

Payments of amounts due and payable in respect of Beneficial Interests in Additional Tier 1 Notes will be recorded by the Central Depository or the relevant Participant, as the case may be, distinguishing between interest and principal, and such record of payments by the Central Depository or relevant Participant, will be *prima facie* proof of such payments.

(c) *Surrender of Individual Certificates*

Payments of principal in respect of any Registered Note(s) which is/are represented by Individual Certificate(s) shall be made to the Noteholder(s) of such Registered Note(s) only if, prior to the date on which the relevant Tranche of Additional Tier 1 Notes are redeemed, such Individual Certificate(s) shall have been surrendered to the Transfer Agent at its Specified Office.

If the relevant Individual Certificate is not surrendered to the Transfer Agent at its Specified Office in accordance with this Condition 10.2(c), the amount of principal payable to the Noteholder of the Registered Note(s) represented by that Individual Certificate shall be retained by the Paying Agent for such Noteholder, at the latter's risk, until that Individual Certificate shall have been surrendered to the Transfer Agent at its Specified Office, and such Noteholder will not be entitled to any interest and/or other payments in respect of any delay in payment occasioned as a result of such failure to surrender such Individual Certificate.

10.3 **Method of Payment**

- (a) Payments of interest and principal will be made in the Specified Currency by electronic funds transfer.

- (b) If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer in accordance with the preceding paragraph by reason of the occurrence of a strike, lockout, fire, explosion, floods, riot, war, accident, act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, unrest or disturbances, cessation of labour, Government interference or control or any other cause or contingency beyond the control of the Issuer (each a "**Payment Disruption Event**"), then:
 - (i) the Issuer shall as soon as practicable notify the Noteholders of the relevant Additional Tier 1 Notes of the occurrence of such Payment Disruption Event in accordance with Condition 18 (*Notices*); and
 - (ii) the:
 - (A) Issuer's obligation to pay the interest or principal or any such other amounts in respect of the relevant Additional Tier 1 Notes (the "**Affected Amount**") shall be postponed to; and
 - (B) date on which any such Affected Amount shall be due and payable in respect of the relevant Additional Tier 1 Notes shall be extended to,

a date falling 14 calendar days (or such other date as may be determined by the Calculation Agent and notified to the Noteholders in accordance with Condition 18 (*Notices*)) after the date on which the Payment Disruption Event is no longer occurring and notice thereof shall be given to the relevant Noteholders in accordance with Condition 18 (*Notices*).
- (c)
- (d) In the case of joint Noteholders of Registered Notes payment by electronic funds transfer will be made to the account of the Noteholder first named in the Register. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Additional Tier 1 Notes.
- (e) Payments will be subject in all cases to any taxation or other laws, directives and regulations applicable thereto in the place of payment, but subject to the provisions of Condition 11 (*Taxation*).

10.4 Surrender of Individual Certificates

- (a) No payment in respect of the final redemption of a Registered Note shall be made until 10 (ten) days after the date on which the Individual Certificate in respect of the Additional Tier 1 Note to be redeemed has been surrendered to the Paying Agent.
- (b) Documents required to be presented and/or surrendered to the Paying Agent in accordance with these Terms and Conditions shall be so presented and/or surrendered at the office of the Paying Agent specified in the Applicable Pricing Supplement.
- (c) Holders of Uncertificated Notes are not required to present and/or surrender any documents of title.

10.5 Payment Day

Subject to Condition 7.1 (*Optional Interest Non-Payment*) and Condition 7.2 (*Mandatory Interest Non-Payment*) (as applicable):

- (a) if the date for payment of any amount in respect of any unlisted Additional Tier 1 Note is not a Business Day and is not subject to adjustment in accordance with a Business Day Convention, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place for payment and shall not be entitled to further interest or other payment in respect of any such delay.
- (b) if an Interest Period in respect of any Additional Tier 1 Note which would otherwise end on a date which is not a Business Day has been adjusted in accordance with a Business Day Convention to end on a date which is the next Business Day, the holder thereof shall be entitled to payment of interest in respect of the number of additional days in that extended Interest Period in accordance with that Business Day Convention.

10.6 Interpretation of principal and interest

- (a) Any reference in these Terms and Conditions to principal in respect of the Additional Tier 1 Notes shall include, as applicable:
 - (i) any additional amounts which may be payable with respect to principal under Condition 10.3 (*Method of Payment*); and
 - (ii) the Redemption Amount of the Additional Tier 1 Notes.
 but excluding for the avoidance of doubt, interest.
- (b) Any reference in these Terms and Conditions to interest in respect of the Additional Tier 1 Notes shall include, as applicable, any Additional Amounts which may be payable with respect to interest under Condition 11 (*Taxation*).

10.7 Solvency Condition

- (a) Except in a winding-up, dissolution, de-registration or administration as provided in Condition 9.2 (*Winding-up of the Issuer*), all payments in respect of or arising from (including any damages for breach of any obligations under) the Additional Tier 1 Notes are, without prejudice to the right of the Issuer to cancel payments under these Terms and Conditions, conditional upon the Issuer being solvent at the time of payment by the Issuer and no payment shall be due and payable in respect of or arising from the Additional Tier 1 Notes except to the extent that the Issuer could make such payment and still be solvent immediately thereafter (the **Solvency Condition**).
- (b) For the purposes of the Solvency Condition, the Issuer shall be considered to be "*solvent*" if both (i) it is able to pay its debts to its Senior Creditors as they fall due and (ii) its Assets exceed its Liabilities. A certificate as to the solvency of the Issuer signed by 2 (two) authorised officers or, if the Issuer is in winding-up or administration, its liquidator or administrator (as the case may be) shall, in the absence of manifest error, be treated and accepted by the Issuer and the Noteholders as correct and sufficient evidence thereof.

11. TAXATION

- 11.1 A Noteholder whose Additional Tier 1 Notes are redeemed shall pay all taxes payable in connection with the payment of the Interest Amount, or the redemption of such Additional Tier 1 Notes and/or the payment of the Redemption Amount as a result of such redemption. The Issuer is not liable for or otherwise obliged to pay any taxes that may arise as a result of the ownership, transfer, redemption or enforcement of any Additional Tier 1 Note.
- 11.2 All payments of principal and interest in respect of the Additional Tier 1 Notes by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of South Africa or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law.
- 11.3 In such event, the Issuer will pay such additional amounts (each, an **Additional Amount**) as shall be necessary in order that the net amounts received by the holders of the Additional Tier 1 Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Additional Tier 1 Notes, as the case may be, in the absence of such withholding or deduction except that no such Additional Amounts shall be payable with respect to any Additional Tier 1 Note:
 - (a) held by or on behalf of a Noteholder, who is liable for such taxes or duties in respect of such Additional Tier 1 Note by reason of his having some connection with South Africa other than the mere holding of such Additional Tier 1 Note or the receipt of principal or interest in respect thereof; or
 - (b) presented for payment by or on behalf of, or held by, a Noteholder who could lawfully avoid (but has not so avoided) such withholding or deduction by complying with any statutory requirements in force at the present time or in the future by making a declaration of non-residency or other similar claim or filing for exemption to which it is entitled to the relevant tax authority or the Paying Agent (the effect of which is not to require the disclosure of the identity of the relevant Noteholder); or
 - (c) where such withholding or deduction is in respect of taxes levied or imposed on interest or principal payments only by virtue of the inclusion of such payments in the taxable income (as

defined in section 1 of the Income Tax Act) or taxable capital gain (as defined in paragraph 1 of Schedule 8 to the Income Tax Act) of any Noteholder; or

- (d) where (in the case of payment of principal and/or interest which is conditional on surrender and/or presentation of the relevant Individual Certificate in accordance with these Terms and Conditions) the relevant Individual Certificate is surrendered and/or presented more than 30 (thirty) days after the Relevant Date except to the extent that the Noteholder thereof would have been entitled to an additional amount on presenting the same for payment on such 30th (thirtieth day); or
- (e) if such withholding or deduction arises through the exercise by revenue authorities of special powers in respect of disputers or alleged tax defaulters.

11.4 Any reference in these Terms and Conditions to any amounts in respect of the Additional Tier 1 Notes shall be deemed also to refer to any Additional Amounts which may be payable under these Terms and Conditions or under any undertakings given in addition to, or in substitution for, these Terms and Conditions.

11.5 **FATCA withholding**

Notwithstanding any other provision in these Terms and Conditions, the Issuer, and the Paying Agents, shall be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any intergovernmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. IRS ("**FATCA withholding**"). The Issuer will have no obligations to pay Additional Amounts or otherwise indemnify a holder for any FATCA withholding deducted or withheld by the Issuer, a Paying Agent or any other party as a result of any person (other than an agent of the Issuer) not being entitled to receive payments free of FATCA withholding.

11.6 **Taxing jurisdiction**

If the Issuer becomes subject at any time to any taxing jurisdiction other than South Africa, references in these Terms and Conditions to South Africa shall be construed as references to South Africa and/or such other jurisdiction.

12. **PRESCRIPTION**

The Additional Tier 1 Notes will become prescribed unless presented for payment of principal and interest within a period of 3 (three) years after the Relevant Date therefor save that any relevant Individual Certificate constituting a "*bill of exchange or other negotiable instrument*" in accordance with section 11 of the Prescription Act, 1969 will become prescribed unless presented for payment of principal and interest within a period of 6 (six) years from the Relevant Date thereof.

13. **ENFORCEMENT EVENTS**

13.1 Notwithstanding any of the provisions below in this Condition 13, the right to institute winding-up proceedings is limited to circumstances where payment of principal or interest due in respect of the Additional Tier 1 Notes has become due and is not duly paid.

13.2 If default is made for a period of 7 (seven) days or more after the Issuer has received notice thereof in the payment of any principal or interest due in respect of the Additional Tier 1 Notes or any of them, each Noteholder may in its discretion institute proceedings for the winding-up or liquidation of the Issuer but (subject to Condition 13.3) may take no further or other action to enforce payment.

13.3 If at any time prior to the date on which the Original Principal Amount of the Additional Tier 1 Notes has been Converted or Written-off (as applicable) in full, a liquidation or winding-up (whether or not instituted by a Noteholder as aforesaid and other than an Approved Winding-up) or administration of the Issuer shall occur where the liquidator or administrator has given notice that it intends to declare and distribute a dividend, each Noteholder in its discretion may prove in such winding-up or administration of the Issuer and/or claim in the liquidation of the Issuer in respect of the Additional Tier 1 Notes, such claim being as provided in Condition 9.2 (*Winding-up of the Issuer*).

13.4 No payment in respect of the Additional Tier 1 Notes may be made by the Issuer pursuant to this Condition 13 nor will any Noteholder accept the same (provided it has notice or actual knowledge of the relevant circumstances) otherwise than during or after a liquidation or winding-up of the Issuer or

after a liquidator or administrator of the Issuer has given notice that it intends to declare and distribute a dividend.

13.5 If the Issuer becomes aware of the occurrence of any event referred to in Condition 13.2 or Condition 13.3, the Issuer shall forthwith notify all Noteholders of the Class and, in respect of listed Additional Tier 1 Notes, shall announce on SENS, within one Business Day after becoming aware that such an event has occurred, the details of such event, and shall further notify (i) to the extent that there are any uncertificated Additional Tier 1 Notes outstanding, the Central Depository and (ii) if and for so long as any Additional Tier 1 Notes are listed on any other Financial Exchange, such Financial Exchange, of such details.

13.6 Without prejudice to the preceding Conditions, if the Issuer breaches any of its obligations under the Additional Tier 1 Notes of the Series (other than any obligation in respect of the payment of principal or interest on such Additional Tier 1 Notes), then any holder of Additional Tier 1 Notes of the Series may, at its discretion and without further notice, bring such proceedings as it may think fit to enforce the obligation in question, provided that the Issuer shall not, as a result of the bringing of any such proceedings, be obliged to pay any sum representing or measured by reference to principal or interest on or satisfy any other payment obligation in relation to such Additional Tier 1 Notes sooner than the same would otherwise have been payable by it.

14. EXCHANGE OF BENEFICIAL INTERESTS AND REPLACEMENT OF INDIVIDUAL CERTIFICATES

14.1 Exchange of Beneficial Interests

- (a) The holder of a Beneficial Interest in Additional Tier 1 Notes may, in terms of the Applicable Procedures and subject to section 34(e) and section 42 of the Financial Markets Act read with section 35(2)(i) of the Financial Markets Act (or the relevant provisions of any successor legislation), by written notice to the holder's nominated Participant (or, if such holder is a Participant, the Central Depository), request that such Beneficial Interest be exchanged for Additional Tier 1 Notes in definitive form represented by an Individual Certificate (the "**Exchange Notice**"). The Exchange Notice shall specify (i) the name, address and bank account details of the holder of the Beneficial Interest and (ii) the day on which such Beneficial Interest is to be exchanged for an Individual Certificate; provided that such day shall be a Business Day and shall fall not less than 30 (thirty) days after the day on which such Exchange Notice is given.
- (b) The holder's nominated Participant will, following receipt of the Exchange Notice, through the Central Depository, notify the Transfer Agent that it is required to exchange such Beneficial Interest for Additional Tier 1 Notes represented by an Individual Certificate. The Transfer Agent will, as soon as is practicable but within 14 (fourteen) days after receiving such notice, in accordance with the Applicable Procedures, procure that an Individual Certificate is prepared, authenticated and made available for delivery, on a Business Day falling within the aforementioned 14 (fourteen) day period, to the Participant acting on behalf of the holder of the Beneficial Interest in respect of the conversion at the Specified Office of the Transfer Agent; provided that joint holders of a Beneficial Interest shall be entitled to receive only one Individual Certificate in respect of that joint holding, and the delivery to one of those joint holders shall be delivery to all of them.
- (c) In the case of the exchange of a Beneficial Interest in any Registered Notes:
 - (i) such Registered Note will, prior to the Exchange Date, be surrendered (through the Central Depository system) to the Transfer Agent at its Specified Office; and
 - (ii) the Transfer Agent will obtain the release of such uncertificated Additional Tier 1 Notes from the Central Depository in accordance with the CSD Procedures.
- (d) An Individual Certificate shall, in relation to a Beneficial Interest:
 - (i) in a Tranche of Additional Tier 1 Notes which is held in the Central Depository, represent that number of Additional Tier 1 Notes as have, in the aggregate, the same aggregate Nominal Amount of Additional Tier 1 Notes standing to the account of the holder of such Beneficial Interest; and

- (ii) in any number of Additional Tier 1 Notes issued in uncertificated form of a particular aggregate Nominal Amount standing to the account of the holder thereof, represent that number of Additional Tier 1 Notes of that aggregate Nominal Amount,

as the case may be, and shall otherwise be in such form as may be agreed between the Issuer and the Transfer Agent; provided that if such aggregate Nominal Amount is equivalent to a fraction of the Specified Denomination or a fraction of any multiple thereof, such Individual Certificate shall be issued in accordance with, and be governed by, the Applicable Procedures.

Subject always to Applicable Laws and Applicable Procedures, upon the replacement of a Beneficial Interest in Additional Tier 1 Notes, with Additional Tier 1 Notes in definitive form represented by an Individual Certificate in accordance with this Condition 14, such Additional Tier 1 Notes (now represented by an Individual Certificate) will cease to be listed on the Financial Exchange and will no longer be lodged in the Central Depository. Additional Tier 1 Notes represented by Individual Certificates will be registered in the Register in the name of the individual Noteholders of such Additional Tier 1 Notes.

14.2 Replacement

If any Individual Certificate is worn-out, mutilated, defaced, stolen, destroyed or lost, it may be replaced at the Specified Office of the Transfer Agent, on payment by the claimant of such costs and expenses as may be incurred in connection therewith and the provision of such indemnity as the Issuer and the Transfer Agent may reasonably require. Worn-out, mutilated or defaced Individual Certificates must be surrendered at the Specified Office of the Transfer Agent before replacements will be issued.

14.3 Death and sequestration or liquidation of Noteholder

Any Person becoming entitled to Registered Notes in consequence of the death, sequestration or liquidation of the holder of such Additional Tier 1 Notes may, upon producing evidence to the satisfaction of the Issuer that he holds the position in respect of which he proposes to act under this Condition 14.3 (*Death and sequestration or liquidation of Noteholder*) or of his title as the Issuer and the Transfer Agent shall require, be registered himself as the holder of such Additional Tier 1 Notes or, subject to the Applicable Procedures, this Condition 14.3 (*Death and sequestration or liquidation of Noteholder*) and Condition 15 (Transfer of Additional Tier 1 Notes), may transfer such Additional Tier 1 Notes. The Issuer and (if applicable) the Central Depository and the relevant Participant shall be entitled to retain any amount payable upon the Additional Tier 1 Notes to which any Person is so entitled until such Person shall be registered as aforesaid or shall duly transfer the Additional Tier 1 Notes.

14.4 Costs

The costs and expenses of the printing, issue and delivery of each Individual Certificate and all taxes and any and all governmental charges or insurance charges that may be imposed in relation to such Individual Certificate shall be borne by the holder of the Additional Tier 1 Notes represented by that Individual Certificate. Separate costs and expenses relating to the provision of Individual Certificates and/or the transfer of Additional Tier 1 Notes may be levied by other Persons, such as a Participant, under the Applicable Procedures, and such costs and expenses shall not be borne by the Issuer.

15. TRANSFER OF ADDITIONAL TIER 1 NOTES

15.1 Transfer of Beneficial Interests in Registered Notes (including Uncertificated Notes) held in the Central Depository

- (a) Beneficial Interests may be transferred only in accordance with the Applicable Procedures through the Central Depository.
- (b) Transfers of Beneficial Interests to and from clients of Participants occur by way of electronic book entry in the securities accounts maintained by the Participants for their clients, in accordance with the Applicable Procedures.
- (c) Transfers of Beneficial Interests among Participants occur through electronic book entry in the central securities accounts maintained by the Central Depository for the Participants, in accordance with the Applicable Procedures.
- (d) Transfers of Beneficial Interests in Registered Notes will not be recorded in the Register and the Central Depository will continue to be reflected in the Register as the Noteholder of such Additional Tier 1 Notes notwithstanding such transfers.

15.2 **Transfer of Registered Notes represented by Individual Certificates**

- (a) In order for any transfer of Registered Notes represented by an Individual Certificate to be recorded in the Register, and for such transfer to be recognised by the Issuer:
 - (i) the transfer of such Registered Notes must be embodied in a Transfer Form;
 - (ii) the Transfer Form must be signed by the registered Noteholder of such Registered Notes and the transferee, or any authorised representatives of that registered Noteholder or transferee; and
 - (iii) the Transfer Form must be delivered to the Transfer Agent at its specified office together with the Individual Certificate representing such Registered Notes for cancellation.
- (b) Registered Notes represented by an Individual Certificate may only be transferred, in whole or in part, in amounts of not less than the Specified Denomination (or any multiple thereof).
- (c) Subject to this Condition 15.2, the Transfer Agent will, within 10 (ten) Business Days of receipt by it of a valid Transfer Form (or such longer period as may be required to comply with any Applicable Laws and/or Applicable Procedures), record the transfer of Registered Notes represented by an Individual Certificate (or the relevant portion of such Registered Notes) in the Register, and authenticate and deliver to the transferee at the Transfer Agent's specified office or, at the risk of the transferee, send by mail to such address as the transferee may request, a new Individual Certificate in respect of the Registered Notes transferred reflecting the Nominal Amount Outstanding of the Registered Notes transferred.
- (d) Where a Noteholder has transferred a portion only of Registered Notes represented by an Individual Certificate, the Transfer Agent will authenticate and deliver to such Noteholder at the Transfer Agent's Specified Office or, at the risk of such Noteholder, send by mail to such address as such Noteholder may request, a new Individual Certificate representing the balance of the Registered Notes held by such Noteholder.
- (e) The transferor of any Registered Notes represented by an Individual Certificate will be deemed to remain the owner thereof until the transferee is registered in the Register as the holder thereof.
- (f) Before any transfer of Registered Notes represented by an Individual Certificate is registered in the Register, all relevant transfer taxes (if any) must have been paid by the transferor and/or the transferee and such evidence must be furnished as the Issuer and the Transfer Agent may reasonably require as to the identity and title of the transferor and the transferee.
- (g) No transfer of any Registered Notes represented by an Individual Certificate will be registered whilst the Register is closed as contemplated in Condition 16 (*Register*).
- (h) If a transfer of any Registered Notes represented by an Individual Certificate is registered in the Register, the Transfer Form and cancelled Individual Certificate will be retained by the Transfer Agent.
- (i) In the event of a partial redemption of Additional Tier 1 Notes, the Transfer Agent shall not be obliged to register the transfer of any Additional Tier 1 Notes during the period beginning on the 10th (tenth) day before the date of the partial redemption and ending on the date of the partial redemption (both inclusive).

16. **REGISTER**

16.1 The Register shall:

- (a) be kept at the Specified Offices of the Transfer Agent or such other person as may be appointed for the time being by the Issuer to maintain the Register;
- (b) reflect the number of Registered Notes issued and Outstanding, the date upon which each of the Noteholders was registered as such;
- (c) to the extent permitted by Applicable Law, contain the name, address, and bank account details of the Noteholders of Registered Notes;
- (d) set out the Nominal Amount of the Additional Tier 1 Notes issued to such Noteholders and shall show the date of such issue;

- (e) show the serial number of Individual Certificates issued in respect of any Additional Tier 1 Notes;
 - (f) be open for inspection during the normal business hours of the Issuer to any Noteholder or any person authorised in writing by any Noteholder; and
 - (g) be closed during the Books Closed Period.
- 16.2 The registered Noteholder of the Registered Notes in a Tranche of Registered Notes which is held in the Central Depository will be determined in accordance with the CSD Procedures, and such registered Noteholder will be named in the Register as the registered holder of such Registered Notes.
- 16.3 The Transfer Agent shall not be obliged to record any transfer while the Register is closed.
- 16.4 The Transfer Agent shall alter the Register in respect of any change of name, address or bank account number of any of the Noteholders of any Registered Notes of which it is notified in accordance with these Terms and Conditions.
- 16.5 Except as provided for in these Terms and Conditions or as required by law, in respect of Registered Notes, the Issuer will only recognise a Noteholder as the owner of the Notes registered in that Noteholder's name as per the Register.
- 16.6 Except as provided for in these Terms and Conditions or as required by Applicable Laws, the Transfer Agent shall not be bound to enter any trust into the Register or to take notice of any or to accede to any trust executed, whether express, implied or constructive, to which any Individual Certificate may be subject.

17. TRANSFER AGENT, CALCULATION AGENT AND PAYING AGENT

- 17.1 Any third party appointed by the Issuer as Calculation Agent, Paying Agent and/or Transfer Agent shall act solely as the agent of the Issuer and does not assume any obligation towards or relationship of agency or trust for or with any Noteholders.
- 17.2 If the Issuer elects to appoint another entity (not being the Issuer) as Calculation Agent, Paying Agent and/or Transfer Agent, that other entity, on execution of an appropriate Agency Agreement or an appropriate accession letter to the Agency Agreement, as the case may be, shall serve in that capacity in respect of the Additional Tier 1 Notes. The Issuer shall notify the Noteholders in the manner set out in Condition 18 (*Notices*) of any such appointment and, if any Additional Tier 1 Notes are listed on the JSE, the Issuer shall notify the JSE of any such appointment.
- 17.3 The Issuer is entitled to vary or terminate the appointment of the Transfer Agent, the Calculation Agent and the Paying Agent and/or appoint additional or other agents and/or approve any change in the specified office through which any such agent acts on the terms of the Agency Agreement, provided that there will at all times be a Transfer Agent, Calculation Agent and a Paying Agent with an office in such place as may be required by the Applicable Procedures. The Transfer Agent, Paying Agent and Calculation Agent act solely as the agents of the Issuer and do not assume any obligation towards or relationship of agency or trust for or with any Noteholders.
- 17.4 To the extent that the Issuer acts as the Transfer Agent, Calculation Agent or Paying Agent, all references in these Terms and Conditions to:
- (a) any action, conduct or functions in such role shall be understood to mean that the Issuer shall perform such action, conduct or function itself; and
 - (b) requirements for consultation, indemnification by or of, payment by or to, delivery by or to, notice by or to, consent by or to or agreement between the Issuer and such Transfer Agent, Calculation Agent or Paying Agent (as the case may be) shall be disregarded to the extent that the Issuer performs such role.

18. NOTICES

18.1 Notice by the Issuer

Notices to Noteholders shall be valid and effective:

- (a) in the case of uncertificated Additional Tier 1 Notes listed on the JSE, if delivered to:
 - (i) the JSE and electronically published on SENS, or any other similar service, established by the JSE; and

- (ii) the Central Depository and the Participants; or
- (b) in the case of unlisted uncertificated Additional Tier 1 Notes, if mailed to the registered addresses of the Noteholders appearing in the Register or, if delivered to the Central Depository and the Participants (and if required, electronically published on SENS, or any other similar service, established by the JSE); or
- (c) in the case of Additional Tier 1 Notes being represented by an Individual Certificate, if mailed to the registered addresses of the holders of the Additional Tier 1 Notes appearing in the Register and published, not earlier than 4 (four) calendar days after the date of posting of such notice by registered mail:
 - (i) in an English language daily newspaper of general circulation in South Africa; and
 - (ii) for so long as the Additional Tier 1 Notes are listed on the JSE or such other Financial Exchange, a daily newspaper of general circulation in the city in which the JSE or such other Financial Exchange is situated or any electronic news service of general distribution.

Any such notice shall be deemed to have been given on the seventh day after the day on which it is mailed, or the day of its publication, as the case may be.

18.2 Notice by the Noteholders

A notice to be given by any Noteholder to the Issuer shall be in writing and given by lodging (either by hand delivery or posting by registered mail) that notice, together with a certified copy of the relevant Individual Certificate at the office of the Transfer Agent specified in the Applicable Pricing Supplement. For so long as any of the Additional Tier 1 Notes are uncertificated, notice may be given by any holder of a Beneficial Interest in such Additional Tier 1 Notes to the Issuer via the relevant Participant in accordance with the Applicable Procedures, in such manner as the Issuer and the relevant Participant may approve for this purpose. Such notices shall be deemed to have been received by the Issuer, if delivered by hand, on the second Business Day after being hand delivered, or, if sent by registered mail, 7 (seven) days after posting.

18.3 Notice in relation to Additional Tier 1 Notes listed on the JSE

For so long as any Additional Tier 1 Notes are listed on the JSE, notwithstanding Conditions 18.1 and 18.2, all notices in respect of such JSE-listed Additional Tier 1 Notes shall be made by way of an announcement on SENS.

19. MEETINGS OF NOTEHOLDERS

This Condition 19 contains provisions for convening meetings of Noteholders to consider matters relating to the Additional Tier 1 Notes, including the amendment of any of these Additional Tier 1 Terms and Conditions. All meetings of Noteholders shall comply with the mandatory provisions of the law, including the Companies Act (notwithstanding that the Companies Act refers to meetings of shareholders) and the Debt Listings Requirements.

19.1 Demand to call a meeting

- (a) The Issuer may at any time convene a meeting of all Noteholders or holders of any Class of Notes, and shall be obliged to do so upon the request in writing of Noteholders holding not less than:
 - (i) 10 per cent. of the aggregate Nominal Amount of all Outstanding Notes; or
 - (ii) 10 per cent. of the value of a specific class of Notes,
 as the case may be.
- (b) Upon receiving the request to call a meeting as described in Condition 19.1(a), the Issuer must:
 - (i) immediately:
 - (A) inform the JSE in writing that it has received a request to call a meeting, and specifying the purpose of the meeting; and

- (B) release an announcement on SENS stating that the Issuer has received a demand to call a meeting from Noteholders pursuant to the Debt Listing Requirements;
 - (ii) within 5 (five) Business Days from the date of receipt of the request to call a meeting, release an announcement on SENS (the “**Notice of Meeting**”) specifying information set out in 19.1(c) below.
- (c) The Issuer shall include in the Notice of Meeting, the following:
 - (i) the date of the meeting, which is not to exceed 7 (seven) Business Days from the date that the Notice of Meeting is issued;
 - (ii) the time of the scheduled meeting; and
 - (iii) details of a pre-meeting of the Noteholders (without the presence of the Issuer) which is to be held on the same day/venue as the scheduled meeting, but at least 2 (two) hours before the scheduled meeting.
- (d) The Issuer shall release an announcement on SENS within 2 (two) Business Days after the meeting setting out the details of the outcome thereof.
- (e) In the event of liquidation or curatorship of the Issuer, or the inability of the Issuer to pay its debts as they fall due, the reference to 5 (five) Business Days in Condition 19.1(b)(ii) above shall be reduced to 2 (two) Business Days and 7 (seven) Business Days in Condition 19.1(c)(i) above shall be reduced to 5 (five) Business Days.
- (f) At the meeting:
 - (i) Noteholders shall exercise their voting through polling and not by the show of hands; And
 - (ii) a chairperson shall be elected by Noteholders as voted in accordance with Condition 19.1(f)(i) above.
- (g) The Noteholder(s) who demand(ed) the meeting may, prior to the meeting, withdraw the demand by notice in writing to the Issuer. A copy of the withdrawal must be submitted to the JSE by the Issuer, upon receipt thereof. Further, the Issuer may cancel the meeting if, as a result of one or more of the demands being withdrawn, there is a failure to meet the required percentage in participation stipulated Condition 19.1(a).

19.2 Notice

Unless Noteholders of at least 90 per cent. of the aggregate Nominal Amount of all Additional Tier 1 Notes or Class of Additional Tier 1 Notes Outstanding, as the case may be, agree in writing to a shorter period, at least 15 (fifteen) business days' prior written notice (exclusive of the day on which the notice is given and of the day on which the relevant meeting is to be held) specifying the date, time and place of the meeting shall be given to the Noteholders and the Transfer Agent (with a copy to the Issuer). Every such meeting shall be held at such time and place as the Transfer Agent may approve. The notice shall set out the nature of the business for which the meeting is to be held, the full text of any resolutions to be proposed and shall state that a Noteholder may appoint a proxy (as defined below) by delivering a form of proxy (as defined below) to the Specified Officers of the Transfer Agent by no later than 24 hours before the time fixed for the meeting.

For so long as any Notes are listed on the JSE notices of meetings in respect of such JSE-listed Notes, shall be announced on SENS, which announcement shall state the date that the Issuer has selected to determine which Noteholders recorded in the Register will receive notice of the meeting, and the last date by which proxy forms must be submitted.

A notice by Noteholders requesting a meeting of Noteholders pursuant to Condition 19.1 above may consist of several documents in like form, each signed by one or more requisitioning Noteholders. Such a notice will be delivered to the Specified Offices of the Issuer.

19.3 Proxy

A Noteholder may by an instrument in writing (a “**form of proxy**”) signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly

authorised officer of the corporation, appoint any Person (a "**proxy**") to act on his or its behalf in connection with any meeting or proposed meeting of the Noteholders.

Any Noteholder which is a corporation may by resolution of its directors or other governing body authorise any Person to act as its Representative in connection with any meeting or proposed meeting of the Noteholders.

Any proxy or Representative appointed shall, so long as the appointment remains in force, be deemed for all purposes in connection with any meeting or proposed meeting of the Noteholder specified in the appointment, to be the holder of the Additional Tier 1 Notes to which the appointment relates and the holder of the Additional Tier 1 Notes shall be deemed for such purposes not to be the holder.

19.4 **Chairperson**

The chairperson (who may, but need not, be a Noteholder) of the meeting shall be appointed by the Issuer. The procedures to be followed at the meeting shall be as determined by the chairperson subject to the remaining provisions of this Condition 19. Should the Noteholder requisition a meeting, and the Issuer fails to call such a meeting within the time periods specified in Condition 19.1, then the chairperson of the meeting held at the instance of the Noteholders shall be selected by a majority of Noteholders present in Person, by Representative or by proxy. The chairperson of an adjourned meeting need not be the same Person as was chairperson of the original meeting.

19.5 **Quorum**

At any such meeting one or more Noteholders present in Person, by Representative or by proxy, holding in aggregate not less than 30 (thirty) per cent. of the Nominal Amount of Additional Tier 1 Notes for the time being Outstanding shall form a quorum for the transaction of business. The quorum at any such meeting for passing an Extraordinary Resolution shall (subject as provided below) be one or more Noteholders of that Class present or represented by proxies or Representatives and holding or representing in the aggregate a clear majority in Nominal Amount of the Additional Tier 1 Notes held by the applicable Class for the time being Outstanding. At any meeting the business of which includes any of the following matters ("**Reserved Matters**"), any such Reserved Matter shall only be capable of being effected after having been approved by Extraordinary Resolution namely:

- (a) reduction or cancellation of the Redemption Amount payable upon redemption of the Additional Tier 1 Notes; or
- (b) reduction or cancellation of the amount payable or modification of the payment date in respect of any interest in respect of the Additional Tier 1 Notes or variation of the method of calculating the Interest Rate in respect of the Additional Tier 1 Notes; or
- (c) reduction or increase of any Minimum Interest Rate and/or Maximum Interest Rate specified in the Applicable Pricing Supplement of any Additional Tier 1 Note; or
- (d) modification of the currency in which payments under the Additional Tier 1 Notes are to be made; or
- (e) modification of the majority required to pass an Extraordinary Resolution; or
- (f) the sanctioning of any such scheme or proposal as is described in Condition 19.13(g) below; or
- (g) alteration of this proviso or the proviso to Condition 19.7(c) below.

At any meeting whose business includes any of such matters, the quorum shall be one or more Noteholders of that Class present or represented by proxies or Representatives and holding or representing in the aggregate not less than 66.67 per cent. in Nominal Amount of the Additional Tier 1 Notes of that Class for the time being Outstanding. An Extraordinary Resolution passed at any meeting of the holders of Additional Tier 1 Notes of that Class will be binding on all holders of Additional Tier 1 Notes, whether or not they are present at the meeting. No amendment to or modification of the Conditions may be effected without the written agreement of the Issuer.

19.6 **Adjournment of meetings**

The Chairperson may, with the consent of (and shall if directed by) any Noteholders, adjourn a meeting of Noteholders or a Class of Noteholders from time to time and from place to place.

If within thirty minutes after the time fixed for any such meeting a quorum is not present, then:

- (a) in the case of a meeting requested by Noteholders, it shall be dissolved; or
- (b) in the case of any other meeting, it shall be adjourned for such period (which shall be not less than 14 (fourteen) days and not more than 21 (twenty-one) days) and to such time and place as the Chairperson determines and approved by the Transfer Agent; provided, however, that:
 - (i) the meeting shall be dissolved if the Issuer so decides; and
 - (ii) no meeting may be adjourned more than once for want of a quorum subject to as provided in Condition 19.7(c) below.

No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which adjournment took place.

19.7 **Notice following adjournment**

Condition 19.2 shall apply to any meeting which is to be resumed after adjournment for want of a quorum save that:

- (a) 7 (seven) days' notice (exclusive of the day on which the notice is given and of the day on which the relevant meeting is to be held) shall be sufficient; and
- (b) the notice shall state that (except in the circumstances where sub-paragraph (c) below applies) one or more Noteholders present in Person, by Representative or by proxy whatever the Nominal Amount of the Additional Tier 1 Notes held or represented by them, will form a quorum;
- (c) in relation to any adjourned meeting the business of which includes any Reserved Matter, the quorum shall be one or more Noteholders present in Person, by Representative or by proxy holding or representing not less than one third in aggregate Nominal Amount of the Additional Tier 1 Notes for the time being Outstanding.

It shall not be necessary to give notice of the resumption of a meeting which has been adjourned for any other reason.

19.8 **Participation**

The following may attend and speak at a meeting:

- (a) Noteholders present, by Representative or by proxy provided that no such Person shall be entitled to attend and speak (or vote) unless he provides proof acceptable to the Issuer that he is a Noteholder, its Representative or proxy if so required by the Issuer to do so;
- (b) any officer or duly appointed representative of the Issuer and every other Person authorised in writing by the Issuer provided that such Person shall not be entitled to vote, other than as a proxy or Representative;
- (c) the legal counsel to the Issuer;
- (d) the Transfer Agent;
- (e) any other Person approved by the Noteholders at such meeting; and
- (f) every director or duly appointed representative of the Issuer and every other Person authorised in writing by the Issuer may attend and speak at a meeting of Noteholders, but shall not be entitled to vote, other than as a proxy or Representative.

19.9 **Show of hands**

Except where otherwise provided, every resolution proposed to be passed at a meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairperson's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution.

19.10 **Poll**

A demand for a poll shall be valid if it is made by the Chairperson, the Issuer or one or more Noteholders present, by Representative or by proxy (whatever the Nominal Amount of Additional Tier 1 Notes held or represented by them). The poll may be taken immediately or after such adjournment as the Chairperson directs, but any poll demanded on the election of the Chairperson or on any question of

adjournment shall be taken at the meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant meeting for any other business as the Chairperson directs.

19.11 **Votes**

Every Noteholder present in Person, by Representative or by proxy and who provided proof acceptable to the Issuer of his entitlement to vote, if so required by the Issuer, shall have one vote per Specified Denomination (or the nearest rounded off multiple thereof) of the relevant Class of Additional Tier 1 Notes Outstanding held or represented by him.

Notwithstanding any other provision contained in this Condition 19, the holders of Beneficial Interests in Registered Notes must vote in accordance with the CSD Procedures. Holders of Beneficial Interests in Registered Notes must exercise their respective rights to vote through their respective Participants. The respective Participants will vote in accordance with the respective instructions conveyed to them by the respective holders of the Beneficial Interest in Registered Notes, in accordance with the CSD Procedures.

In the case of a voting tie, the Chairperson shall have a casting vote.

Unless the form of proxy states otherwise, a Representative or proxy shall not be obliged to exercise all the votes which he is entitled or cast all the votes which he exercises in the same way.

A majority shall be required to ordinarily pass a resolution of Noteholders.

Notwithstanding anything to the contrary contained herein, any Noteholder that is the Issuer or any of its Subsidiaries shall not be entitled to vote.

19.12 **Validity of votes by proxies**

Any vote by a proxy in accordance with the form of proxy shall be valid even if such form of proxy or any instruction pursuant to which it was given has been amended or revoked, provided that the Transfer Agent or the Issuer at its Specified Office has not been notified in writing of such amendment or revocation by the time which is 24 hours before the time fixed for the relevant meeting. Unless revoked, any appointment of a proxy under a form of proxy in relation to a meeting shall remain in force in relation to any resumption of such meeting following an adjournment.

19.13 **Powers**

A meeting of Noteholders will have power (exercisable by Extraordinary Resolution), without prejudice to any other powers conferred on it or any other Person:

- (a) power to sanction any compromise or arrangement proposed to be made between the Issuer and the Class of Noteholders or any of them;
- (b) power to approve the substitution of any entity for the Issuer which shall be proposed by the Issuer;
- (c) power to sanction any abrogation, modification, compromise or arrangement in respect of the rights of the Class of Noteholders against the Issuer or against any of its property whether such rights shall arise under the Additional Tier 1 Notes or otherwise;
- (d) power to assent to any modification of the provisions contained in these Terms and Conditions which shall be proposed by the Issuer;
- (e) power to give any authority or sanction which under these Terms and Conditions is required to be given by Extraordinary Resolution;
- (f) power to appoint any persons (whether Noteholders or not) as a committee or committees to represent the interests of the Noteholders of that Class and to confer upon such committee or committees any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution;
- (g) power to sanction any scheme or proposal for the exchange or sale of the Additional Tier 1 Notes for, or the conversion of the Additional Tier 1 Notes into or the cancellation of the Additional Tier 1 Notes in consideration of, shares, stocks, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or any entity (corporate or otherwise) formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, bonds, debentures, debenture stock and/or

other obligations and/or securities as aforesaid and partly for or into or in consideration for cash.

19.14 Binding effect of resolutions

Any resolution passed at a meeting of a Class of Noteholders duly convened shall be binding upon all Noteholders of that Class whether or not present at such meeting and whether or not voting, and each Noteholder of that Class shall be bound to give effect to it accordingly.

An Extraordinary Resolution shall be binding upon all Noteholders whether or not present at such meeting and whether or not voting, and each of the Noteholders shall be bound to give effect to it accordingly.

19.15 Notice of the result of voting on any resolution

Notice of the result of the voting on any resolution (including any Extraordinary Resolution) duly considered by the Noteholders shall (i) be given to the Noteholders within 14 (fourteen) days or (ii) in respect of Notes listed on the JSE, be announced on SENS within 2 (two) Business Days of the conclusion of the meeting in accordance with Condition 18 (*Notices*). Non-publication shall not invalidate any such resolution.

19.16 Minutes

Minutes shall be made of all resolutions and proceedings of meetings by the company secretary of the Issuer and duly entered in books to be provided by the Issuer for that purpose. The Chairperson shall sign the minutes, which shall be *prima facie* evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such meeting in respect of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed thereat, or proceedings held, to have been duly passed and held.

20. MODIFICATION

20.1 The Issuer may effect, without the consent of the relevant Class of Noteholders, any amendment or modification of these Terms and Conditions which is of a technical nature made to correct a manifest error or to comply with mandatory provisions of any applicable laws.

20.2 Save as provided in Condition 20.1 and subject to Condition 9.6 (*Substitution or Variation*) and Condition 9.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Additional Tier 1 Notes*), no amendment, variation or modification of these Terms and Conditions may be effected or be of any force or effect unless:

- (a) in writing and signed by or on behalf of the Issuer and by or on behalf of the members of the relevant Class of Noteholders holding not less than 66.67 per cent. in Nominal Amount of the Additional Tier 1 Notes in that Class for the time being Outstanding; or
- (b) sanctioned by an Extraordinary Resolution or Extraordinary Written Resolution of the relevant Class of Noteholders,

provided that no such amendment, variation or modification shall be of any force or effect unless notice of the intention to make such amendment, variation or modification shall have been given to all the members of the relevant Class of Noteholders in terms of Condition 18 (*Notices*).

20.3 Save for modification pursuant to Condition 9.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Additional Tier 1 Notes*), the Issuer shall be obliged to first obtain approval from the JSE prior to seeking approval of Noteholders as contemplated in Condition 20.2. In order to obtain such approval from the JSE, the amended placing document, whether in the form of a supplement to this Programme Memorandum or otherwise, must be submitted to the JSE and once approved, such amended placing document must also be published on SENS according to the requirements of the JSE from time to time.

20.4 No amendment or modification to these Terms and Conditions (or applicable Terms and Conditions) may be effected unless such amendment or modification complies with the applicable provisions of the Debt Listings Requirements or such other Financial Exchange, as the case may be.

20.5 Any modification of these Terms and Conditions in accordance with this Condition 20 is subject to the Issuer obtaining the consent of the Relevant Regulator (if and to the extent that such consent is required by the Capital Rules) pursuant to Condition 9.7 (*Conditions to Redemption, Purchase, Modification, Substitution or Variation of Additional Tier 1 Notes*).

- 20.6 Any such modification of these Terms and Conditions made pursuant to this Condition 20 shall be binding on the relevant Class of Noteholders and any such modification shall be notified to the relevant Class of Noteholders in accordance with Condition 18 (*Notices*) and to the relevant Financial Exchange as soon as practicable thereafter.
- 20.7 For the avoidance of doubt:
- (a) the exercise by the Issuer of its rights under Condition 17 (*Transfer Agent, Calculation Agent and Paying Agent*) shall not constitute an amendment, variation or modification of these Terms and Conditions; and
 - (b) it is recorded that, the Applicable Pricing Supplement, in relation to any Tranche of Additional Tier 1 Notes, may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify such Terms and Conditions for the purposes of such Tranche of Additional Tier 1 Notes. The issuing of any such Applicable Pricing Supplement shall not constitute an amendment, variation or modification of these Terms and Conditions as contemplated by this Condition 20 requiring the approval of the Noteholders or the JSE.

21. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further Additional Tier 1 Notes (the "**Additional Notes**") having terms and conditions which are identical to any of the other Additional Tier 1 Notes already issued under the Programme (the **Existing Notes**) or the same in all respects save for their respective Issue Prices, Issue Dates and aggregate Nominal Amounts, so that the Additional Notes shall (i) be consolidated to form a single Series with the Existing Notes and (ii) rank *pari passu* in all respects with the Existing Notes.

22. GOVERNING LAW

Unless otherwise specified in the Applicable Pricing Supplement, the provisions of the Programme Memorandum, the applicable Terms and Conditions and the Additional Tier 1 Notes are governed by, and shall be construed in accordance with, the laws of South Africa.

SIGNED at Johannesburg on this 24th day of December 2020.

For and on behalf of
STANDARD BANK GROUP LIMITED

Name: Ann Hunter
Capacity: Authorised Signatory
Who warrants his/her authority hereto

Name: Jan Brits
Capacity: Authorised Signatory
Who warrants his/her authority hereto

USE OF PROCEEDS

- (a) The net proceeds from each issue of Notes will be applied by the Issuer as follows: for its general corporate purposes; or
- (b) to finance or refinance, in whole or in part, projects and activities that promote climate-friendly and other environmental purposes ("**Green Projects**") meeting the eligibility criteria set out in the Sustainable Bond Framework, in which case the Applicable Pricing Supplement will specify that such Notes are "Green Bonds" ("**Green Bonds**") and will provide additional information in relation to the intended use of proceeds in respect of such Notes (including the applicable investment category and eligibility criteria); or
- (c) to finance or refinance, in whole or in part, projects and activities that are aimed at reducing economic and social inequality ("**Social Projects**") meeting the eligibility criteria set out in the Sustainable Bond Framework, in which case the Applicable Pricing Supplement will specify that such Notes are "Social Bonds" ("**Social Bonds**") and will provide additional information in relation to the intended use of proceeds in respect of such Notes (including the applicable investment category and eligibility criteria); or
- (d) to finance or refinance, in whole or in part, projects and activities that have both a positive environmental and social impact ("**Sustainable Projects**") meeting the eligibility criteria set out in the Sustainable Bond Framework, in which case the Applicable Pricing Supplement will specify that such Notes are "Sustainable Bonds" ("**Sustainable Bonds**") and will provide additional information in relation to the intended use of proceeds in respect of such Notes (including the investment category and eligibility criteria).

If, in respect of any particular issue, there is a particular identified use of proceeds other than as described above, this will be stated in the Applicable Pricing Supplement.

DESCRIPTION OF STANDARD BANK GROUP LIMITED

The Issuer has prepared a separate document entitled "*Issuer Disclosure Schedule relating to Standard Bank Group Limited*" ("**Issuer Disclosure Schedule**") which, amongst other things, sets out the description of the Issuer, its business, legal status, management and corporate governance. This separate document is incorporated by reference and is available on the website of the Issuer at <https://reporting.standardbank.com/debt-investors/debt-securities/debt-securities/> (see the section of this Programme Memorandum entitled "*Documents Incorporated by Reference*").

Prospective investors are to ensure that they have read the Issuer Disclosure Schedule to reach their own views on the Issuer, its business, legal status, management and corporate governance prior to making any investment decision.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

The Issuer has prepared a separate document entitled “*Risk Factor & Other Disclosures Schedule relating to the Standard Bank Group Limited ZAR 50,000,000,000 Domestic Medium Term Note Programme*” which, amongst other things, sets out a description of “*Settlement, Clearing and Transfer of Notes*”. This separate document is incorporated by reference and is available on the website of the Issuer at <https://reporting.standardbank.com/debt-investors/debt-securities/debt-securities/> (see the section of this Programme Memorandum entitled “*Documents Incorporated by Reference*”).

SOUTH AFRICAN EXCHANGE CONTROL

The Issuer has prepared a separate document entitled “*Risk Factor & Other Disclosures Schedule relating to the Standard Bank Group Limited ZAR 50,000,000,000 Domestic Medium Term Note Programme*” (“**Risk Factor & Other Disclosures Schedule**”) which, amongst other things, sets out a description of “*South African Exchange Control*”. This separate document is incorporated by reference and is available on the website of the Issuer at <https://reporting.standardbank.com/debt-investors/debt-securities/debt-securities/> (see the section of this Programme Memorandum entitled “*Documents Incorporated by Reference*”).

The information set out in the Risk Factor & Other Disclosures Schedule is intended as a general guide to the position under the Exchange Control Regulations as at the Programme Date. The contents of the document do not constitute exchange control advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Notes. Prospective subscribers for or purchasers of any Notes should consult their professional advisers in this regard.

SOUTH AFRICAN TAXATION

The Issuer has prepared a separate document entitled "*Risk Factor & Other Disclosures Schedule relating to the Standard Bank Group Limited ZAR 50,000,000,000 Domestic Medium Term Note Programme*" ("**Risk Factor & Other Disclosures Schedule**") which, amongst other things, sets out a description of "*South African Taxation*". This separate document is incorporated by reference and is available on the website of the Issuer at <https://reporting.standardbank.com/debt-investors/debt-securities/debt-securities/> (see the section of this Programme Memorandum entitled "*Documents Incorporated by Reference*").

The information set out in the Risk Factor & Other Disclosures Schedule is intended as a general guide to the relevant tax laws of South Africa as at the Programme Date. The contents of the document do not constitute tax advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Notes. Prospective subscribers for or purchasers of any Notes should consult their professional advisers in this regard.

SUBSCRIPTION AND SALE

The Issuer has prepared a separate document entitled “*Risk Factor & Other Disclosures Schedule relating to the Standard Bank Group Limited ZAR 50,000,000,000 Domestic Medium Term Note Programme*” which, amongst other things, sets out a description of “*Subscription and Sale*”. This separate document is incorporated by reference and is available on the website of the Issuer at <https://reporting.standardbank.com/debt-investors/debt-securities/debt-securities/> (see the section of this Programme Memorandum entitled “*Documents Incorporated by Reference*”).

GENERAL INFORMATION

Capitalised terms used in this section headed "General Information" shall bear the same meanings as used in the relevant Terms and Conditions, except to the extent that they are separately defined in this section or clearly inappropriate from the context.

AUTHORISATION

All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under the laws of South Africa have been or will be given or obtained for the establishment of the Programme, its update from time to time and the issue of Notes and for the Issuer, Transfer Agent, Calculation Agent and Paying Agent to undertake and perform their respective obligations under the Notes, the Programme Memorandum and Agency Agreement. The Issuer is, as at the Programme Date, in compliance with the provisions of the Companies Act and is acting in conformity with its memorandum of incorporation.

LISTING

This Programme has been registered with the JSE. Notes issued under the Programme may be listed on the JSE or such other or further Financial Exchange(s) as may be determined by the Issuer and the Dealer(s) (if any), subject to all Applicable Laws. Unlisted Notes may also be issued under this Programme. The Applicable Pricing Supplement will specify whether or not a Tranche of Notes will be listed and, if so, on which Financial Exchange(s).

MATERIAL CHANGE

Save as disclosed in the section headed "*Risk Factors*" – *The full extent to which the recent coronavirus (COVID-19) pandemic impacts the SB Group's business, results of operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted*" in the document incorporated by reference entitled "*Risk Factor & Other Disclosures Schedule relating to the Standard Bank Group Limited ZAR 50,000,000,000 Domestic Medium Term Note Programme*" ("**Risk Factor & Other Disclosures Schedule**") there has been no material adverse change in the financial or trading position of the Issuer and its Subsidiaries since the date of its latest audited financial statements or unaudited interim results, as applicable. The auditors of the Issuer did not participate in any due diligence performed by the Issuer in the making of this statement.

LITIGATION AND RISKS

Save as disclosed in the Risk Factor & Other Disclosures Schedule, the Issuer is not engaged (whether as defendant or otherwise) in any legal, arbitration, administration or other proceedings, the results of which might reasonably be expected to have a material effect on the financial or trading position or the operations of the Issuer, nor is it aware of any such proceedings being threatened or pending against it in the 12 months prior to the Programme Date.

An investment in Notes by a Noteholder is subject to the risks detailed in the section headed "*Risk Factors*" in the Risk Factor & Other Disclosures Schedule.

AUDITORS

PricewaterhouseCoopers Incorporated and KPMG Incorporated have acted as the auditors of the financial statements of the Issuer for the financial years ending 31 December 2017, 2018 and 2019, and in respect of these years, have issued unqualified audit reports in respect of the Issuer.

CORPORATE INFORMATION

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