
APPLICABLE PRICING SUPPLEMENT (PREFERENCE SHARES)



INVESTEC BANK LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1969/004763/06)

**Issue of ZAR2,500,000,000 Redeemable Programme Preference Shares
Under its ZAR40,000,000,000 Domestic Medium Term Note and Preference Share
Programme**

This document constitutes the Applicable Pricing Supplement (Preference Shares) relating to the issue of a Redeemable Programme Preference Shares described herein in accordance with the Issuer's Memorandum of Incorporation. Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the **Programme Preference Share Terms and Conditions**) set forth under the section headed "*Programme Preference Share Terms and Conditions*", as updated and amended from time to time. This Pricing Supplement must be read in conjunction with the Programme Preference Share Terms and Conditions. To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Programme Preference Share Terms and Conditions, the provisions of this Pricing Supplement shall prevail.

The risk factors relating to the Programme Preference Shares and the Issuer are set out in the Programme, as supplemented by the Additional Risk Factors in Annex C to this Applicable Pricing Supplement. Prospective purchasers of any securities should ensure that they fully understand the nature of the securities and the extent of their exposure to risks, and that they consider the suitability of the securities as an investment in the light of their own circumstances and financial position.

Specialist securities involve a high degree of risk, including the risk of losing some or a significant part of their initial investment. Potential investors should be prepared to sustain a total loss of their investment in such securities. The securities represent general, unsecured, unsubordinated, contractual obligations of the Issuer and rank *pari passu* in all respects with each other. Purchasers are reminded that the securities constitute obligations of the Issuer only and of no other person. Therefore, potential purchasers should understand that they are relying on the credit worthiness of the Issuer.

PARTIES

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| 1. | Issuer | Investec Bank Limited |
| 2. | Specified Office | 100 Grayston Drive, Sandown, Sandton |
| 3. | If non-syndicated, Dealer(s) | Investec Bank Limited |
| 4. | If syndicated, Managers | Not Applicable |

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| 5. | Debt Sponsor | Investec Bank Limited |
| 6. | Paying Agent and Settlement Agent | Investec Bank Limited Address: 100 Grayston Drive, Sandown, Sandton |
| 7. | Specified Office | 100 Grayston Drive, Sandown, Sandton |
| 8. | Calculation Agent | Investec Bank Limited |
| 9. | Specified Office | 100 Grayston Drive, Sandown, Sandton |
| 10. | Transfer Agent | Computershare Investor Services Proprietary Limited |
| 11. | Specified Office | 70 Marshall Street, Johannesburg |

PROVISIONS RELATING TO THE PROGRAMME PREFERENCE SHARES

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| 12. | Class of Programme Preference Shares | Class IBRP2 |
| 13. | Status of Programme Preference Shares | Redeemable Cumulative Non-Participating Unsecured Preference Shares |
| | (a) Class Number | Class IBRP2 |
| | (b) Tranche Number | 1 |
| 14. | Number of Programme Preference Shares | 62,500 (Sixty-Two Thousand Five Hundred) |
| 15. | Dividend/Payment Basis | Indexed Programme Preference Shares |
| 16. | Form of Programme Preference Share | Listed. The Programme Preference Shares in this Tranche is issued in uncertificated form in the CSD. |
| 17. | Automatic/Optional Conversion from one Dividend/ Payment Basis to another | N/A |
| 18. | Issue Date | 30 October 2018 |
| 19. | Business Centre | Johannesburg |
| 20. | Additional Business Centre | N/A |
| 21. | Calculation Amount | ZAR40,000 (Forty Thousand Rand) per Programme Preference Share |

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| 22. | Issue Price | ZAR40,000 (Forty Thousand Rand) per Programme Preference Share consisting of a par value of ZAR0.01 (one cent) and a premium of ZAR39,999.99 (Thirty-Nine Thousand nine hundred and ninety-nine Rand and ninety-nine cents). |
| 23. | Dividend Commencement Date | Issue Date |
| 24. | Final Redemption Date | The Final Redemption Date (as defined in Annex A hereto (the Additional Conditions)). |
| 25. | Specified Currency | ZAR |
| 26. | Applicable Business Day Convention | Following Business Day |
| 27. | Final Redemption Amount | As determined in accordance with Additional Condition 3.1 (<i>Final Redemption Amount</i>) of the Additional Conditions. |
| 28. | Last Day to Trade | As defined in the Additional Conditions. |
| 29. | Record Date | As defined in the Additional Conditions. |
| 30. | Penalty Dividend Rate | The Prime Rate as defined in the Additional Conditions. |
| 31. | Provisions applicable to Programme Preference Shares, the proceeds of which are intended to qualify as Regulatory Capital | N/A |
| 32. | Additional Amounts | Applicable as set out in, and subject to, Additional Condition 6 (<i>Additional Amounts</i>) of the Additional Conditions. |
| 33. | Preference Dividends Payable | Discretion of the Board: No |

**FIXED RATE PROGRAMME
PREFERENCE SHARES**

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|-----|--------------------------------|-----|
| 34. | Payment of Dividend Amount | |
| | (a) Dividend Rate(s) | N/A |
| | (b) Dividend Payment Date(s) | N/A |
| | (c) Fixed Dividend Amount[(s)] | N/A |
| | (d) Initial Broken Amount | N/A |
| | (e) Final Broken Amount | N/A |

- (f) Day Count Fraction N/A
- (g) Any other terms relating to the particular method of calculating dividends N/A

FLOATING RATE PROGRAMME PREFERENCE SHARES

- 35. Payment of Dividend Amount
 - (a) Dividend Rate(s) N/A
 - (b) Dividend Payment Date(s) N/A
 - (c) Any other terms relating to the particular method of calculating dividends N/A
 - (d) Definition of Business Day (if different from that set out in Condition 2 of the Programme Preference Shares Terms and Conditions(*Interpretation*)) N/A
 - (e) Minimum Dividend Rate N/A
 - (f) Maximum Dividend Rate N/A
 - (g) Day Count Fraction N/A
 - (h) Other terms relating to the method of calculating dividends (e.g.: day count fraction, rounding-up provision, if different from Condition 7.3.2 of the Programme Preference Shares Terms and Conditions (*Dividend on Floating Rate Programme Preference Shares and Indexed Programme Preference Shares*)) N/A
- 36. Manner in which the Dividend Rate is to be determined N/A
- 37. Margin N/A
- 38. If ISDA Determination

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|-----|-----|--|-----|
| | (a) | Floating Rate | N/A |
| | (b) | Floating Rate Option | N/A |
| | (c) | Designated Maturity | N/A |
| | (d) | Reset Date(s) | N/A |
| | (e) | ISDA Definitions to apply | N/A |
| 39. | | If Screen Rate Determination | |
| | (a) | Reference Rate (including relevant period by reference to which the Dividend Rate is to be calculated) | N/A |
| | (b) | Dividend Rate Determination Date(s) | N/A |
| | (c) | Relevant Screen page and Reference Code | N/A |
| | (d) | Relevant Time | N/A |
| 40. | | If Dividend Rate to be calculated otherwise than by ISDA Determination or Screen Rate Determination, insert basis for determining Dividend Rate/Margin/Fallback provisions | N/A |
| 41. | | If different from Calculation Agent, agent responsible for calculating amount of principal and dividend | N/A |

MIXED RATE PROGRAMME PREFERENCE SHARES

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| 42. | | Period(s) during which the dividend rate for the Mixed Rate Programme Preference Shares will be (as applicable) that for: | |
| | (a) | Fixed Rate Programme Preference Shares | N/A |
| | (b) | Floating Rate Programme Preference Shares | N/A |
| | (c) | Indexed Programme Preference Shares | N/A |

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| (d) | Other Programme Preference Shares | N/A |
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43. The Dividend Rate and other pertinent details are set out under the headings relating to the applicable forms of Programme Preference Shares

INDEXED PROGRAMME PREFERENCE SHARES

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| 44. | (a) Type of Indexed Programme Preference Shares | Indexed Programme Preference Shares |
| | (b) Index and formula by reference to which the Dividend Amount, Early Redemption Amount and Final Redemption Amount is to be determined | As set out in the Additional Conditions. |
| | (c) Manner in which the Dividend Amount, Early Redemption Amount and Final Redemption Amount is to be determined | As set out in the Additional Conditions. |
| | (d) Dividend Period | The period beginning on (and including) the Issue Date and ending on (but excluding) the Dividend Valuation Date (as defined in the Additional Conditions). |
| | (e) Dividend Payment Date | Accelerated Dividend Payment Date or Redemption Dividend Payment Date (each as defined in the Additional Conditions). |
| | (f) If different from the Calculation Agent, agent responsible for calculating amount of principal and dividend | N/A |
| | (g) Provisions where calculation by reference to Index and/or Formula is impossible or impracticable | As set out in the Additional Conditions. |
| | (h) Minimum Dividend Rate | N/A |
| | (i) Maximum Dividend Rate | N/A |

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| (j) | Other terms relating to the calculation of the Dividend Rate (e.g.: Day Count Fraction, rounding-up provisions) | As set out in the Additional Conditions. |
| (k) | Closing Level of Index on last practicable date | 6512.882 |

OTHER PROGRAMME PREFERENCE SHARES

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| 45. | Relevant description and any additional Programme Preference Share Terms relating to such Programme Preference Shares | N/A |
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PROVISIONS REGARDING REDEMPTION/MATURITY

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| 46. | Redemption at the option of the Issuer: if yes: | Yes |
| (a) | Optional Redemption Date(s) | As set out in the Additional Conditions. |
| (b) | Optional Redemption Amount(s) and method, if any, of calculation of such amount | The Early Redemption Amount as determined in accordance with the Additional Conditions. |
| (c) | Minimum period of notice (if different from Condition 10.3 (<i>Early Redemption at the option of the Issuer</i>)) | N/A |
| (d) | If redeemable in part: | N/A |
| | Minimum Redemption Amount(s) | N/A |
| | Higher Redemption Amount(s) | N/A |
| (e) | Other terms applicable on Redemption | N/A |
| 47. | Early Redemption Amount(s) payable on redemption following a Regulatory Event (if applicable) or upon the occurrence of a Redemption Event (if required), if yes: | Yes. Both applicable as set out in the Additional Conditions. |

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|-----|---|---|
| (a) | Amount payable | The Early Redemption Amount as determined in accordance with the Additional Conditions. |
| (b) | Method of calculation of amount payable (if required or if different from that set out in Condition 10.5 of the Programme Preference Shares Terms and Conditions (<i>Early Redemption Amounts</i>)) | As set out in the Additional Conditions. |
| 48. | Hedge Unwind Adjustment | N/A |

GENERAL

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| 49. | Aggregate Nominal Amount of Notes Outstanding (as defined in the Note Terms and Conditions) and the aggregate Calculation Amount of Programme Preference Shares as at the Issue Date | ZAR33,196,645,050 |
| 50. | Financial Exchange | JSE |
| 51. | ISIN No. | ZAE000264081 |
| 52. | Stock Code | IBRP2 |
| 53. | Additional selling restrictions | N/A |
| 54. | Provisions relating to stabilisation | N/A |
| 55. | Method of distribution | Private Placement |
| 56. | Credit Rating assigned to Issuer as at the Issue Date (if any) | See Annex B hereto (<i>Applicable Credit Ratings</i>). |
| 57. | Governing law (if the laws of South Africa are not applicable) | N/A |
| 58. | Other Banking Jurisdiction | N/A |
| 59. | Use of proceeds | General banking and trading purposes |
| 60. | Surrendering of Individual Certificates | 10 (ten) days after the date on which the Individual Certificate (if any) in respect of the Programme Preference Shares to be redeemed has been surrendered to the Issuer. |
| 61. | Reference Banks | N/A |

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| 62. | Redemption Events | Applicable as set out in the Additional Conditions. |
| 63. | Other provisions | And further as set out in the Additional Conditions. |

No Material Change

As at the Issue Date, the Directors confirm, after due and careful enquiry, there has been no material change in the financial or trading position of the Issuer since the date of the Issuer's audited annual financial statement for its financial year ended 31 March 2018. As at the Issue Date, there has been no involvement by the auditors of the Issuer, Ernst & Young Inc. and KPMG Inc., in making the aforementioned statement.

Litigation

Save as disclosed this Applicable Pricing Supplement (read with the Programme Memorandum), the Issuer has not been involved in any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had a material effect on the financial position of the Issuer.

Responsibility

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 this Applicable Pricing Supplement (read with the Programme Memorandum) contains all information required by law and the Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Pricing Supplement (read with the Programme Memorandum).

The JSE takes no responsibility for the contents of this Applicable Pricing Supplement (read with the Programme Memorandum) and any amendments or supplements to this Applicable Pricing Supplement. The JSE makes no representation as to the accuracy or completeness of the Programme Memorandum or this Applicable Pricing Supplement and any amendments or supplements to the Programme Memorandum or this Applicable Pricing Supplement and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the Programme Memorandum or this Applicable Pricing Supplement. The JSE's approval of the registration of the Programme Memorandum and this Applicable Pricing Supplement and listing of the Programme Preference Shares is not to be taken in any way as an indication of the merits of the Issuer or of the Programme Preference Shares and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

SIGNED at Sandton on this 24th day of October 2018.

For and on behalf of
INVESTEC BANK LIMITED

For and on behalf of
INVESTEC BANK LIMITED



Name: Kenric Andrew Owen
Capacity: Authorised Signatory
Who warrants his authority hereto



Name: Annerie Botha
Capacity: Authorised Signatory
Who warrants his authority hereto

ANNEX A

*The additional definitions and terms and conditions set out in this Annex A (the **Additional Conditions**) will only apply to the Programme Preference Shares referred to in this Applicable Pricing Supplement and not to any other Programme Preference Shares issued under the Programme.*

1. Additional definitions

In this Applicable Pricing Supplement, unless inconsistent with the context, the following expressions shall have the following meanings.

Accelerated Dividend Event means the occurrence of any one or more of the following events which is continuing:

- (a) any of the Redemption Events referred to in Condition 14.1.1 to 14.1.6 of the Programme Preference Share Terms and Conditions except that:
 - (i) the reference to "10 (ten) Business Days" in Condition 14.1.1 shall be amended to "5 (five) Business Days";
 - (ii) the reference to "30 (thirty) days" in Condition 14.1.3 shall be amended to "10 (ten) Business Days";
 - (iii) the reference to "10%" in Condition 14.2 shall be amended to "100%"; and
 - (iv) the reference to "50.1%" in Condition 14.3 shall be amended to "100%";
- (b) any representation or warranty made by the Issuer in the Subscription Agreement is or proves to have been incorrect or misleading when made and such event is not remedied by the Issuer within 10 (ten) Business Days of the Programme Preference Shareholder(s) holding 100% of the Programme Preference Shares referred to in this Applicable Pricing Supplement delivering a written notice to the Issuer requiring such remedy;
- (c) a Liquidity Provider Event;
- (d) the termination of the Liquidity Agreement (other than as a result of a breach by the Programme Preference Shareholder of its obligations under the Liquidity Agreement);
- (e) the Programme Preference Shares are suspended or delisted by the Financial Exchange;
- (f) the Issuer is removed from the Register of Companies and such event is not remedied within 10 (ten) Business Days of receipt of written notice from the Programme Preference Shareholder(s) holding 100% of the Programme Preference Shares referred to in this Applicable Pricing Supplement calling upon the Issuer to remedy such event; or
- (g) if an Issuer Acceptance Notice is not delivered within the Issuer Acceptance Period or the Issuer expressly rejects a Holder Term Adjustment in accordance

with Additional Condition 4.3 (*Terms Adjustment: Programme Preference Shareholder*).

Accelerated Dividend Finalisation Date means the date on which finalisation information regarding the Dividend Amount to be paid on the Accelerated Dividend Payment Date will be published by the Issuer on SENS, being the 1st (first) Business Day immediately following the Accelerated Dividend Valuation Date.

Accelerated Dividend Notice has the meaning given to that term in Additional Condition 5 (*Payment of Dividend Amount*).

Accelerated Dividend Notice Date means:

- (a) if the Accelerated Dividend Notice is delivered by the Programme Preference Shareholder prior to 12 p.m. South African Standard Time on any day, the date on which that Accelerated Dividend Notice is delivered or deemed to be delivered in accordance with Condition 19.1 (*By the Issuer*) of the Programme Preference Share Terms and Conditions; or
- (b) if the Accelerated Dividend Notice is delivered by the Programme Preference Shareholder at or after 12 p.m. South African Standard Time on any day, the 1st (first) Business Day after the date on which that Accelerated Dividend Notice is delivered or deemed to be delivered in accordance with Condition 19.1 (*By the Issuer*) of the Programme Preference Share Terms and Conditions.

Accelerated Dividend Payment Date means the 1st (first) Business Day immediately following the Accelerated Dividend Record Date.

Accelerated Dividend Record Date means the day on which the Programme Preference Shareholder must be recorded in the Register in order to receive the Dividend Amount on the Accelerated Dividend Payment Date, being the date which is 8 (eight) Business Days after the Accelerated Dividend Finalisation Date or such other date after the Accelerated Dividend Finalisation Date prescribed by the JSE Debt Listings Requirements, or permitted by the JSE, to be the "record date" for the payment of cash dividends in respect of debt securities listed on the Main Board of the JSE; provided that, if that date is not a Friday and the JSE Debt Listings Requirement require that the Accelerated Dividend Record Date falls on a Friday, the Accelerated Dividend Record Date shall be the 1st (first) Friday occurring after that date unless that Friday is not a Business Day in which event the Accelerated Dividend Record Date will be the last Business Day of the week in which that Friday falls.

Accelerated Dividend Valuation Date means, subject to Additional Condition 3.5 (*Consequences of Disrupted Days*), the date which is 5 (five) Business Days after the Accelerated Dividend Notice Date or if such date is not a Scheduled Trading Day the 1st (first) Scheduled Trading Day thereafter.

Affiliate means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

Applicable STT Rate means the rate at which STT is levied from time to time (being 0.25% as at the Issue Date).

Barrier Level means a percentage calculated by the Calculation Agent in respect of the Valuation Date as the Participation Percentage multiplied by the Final Index Performance.

Call Commencement Date means the 3rd (third) anniversary of the Issue Date.

Change in Tax Laws means, on or after the Issue Date of the Programme Preference Shares:

- (a) any variation, amendment or any change in a relevant provision of the Income Tax Act or any other relevant tax legislation, excluding a change in the rate of any tax (other than any increase in the rate at which dividend tax is levied in terms of the Income Tax Act); or
- (b) any variation, amendment or any change in the interpretation thereof by any court, revenue or other competent authority; or
- (c) any increase in the rate at which dividends tax is levied in terms of the Income Tax Act,

which takes effect before the Final Redemption Date or Early Redemption Date, as applicable.

Component Share means each component share or reference share underlying the Index.

Deemed Valuation Date has the meaning given to that term in Additional Condition 3.5 (*Consequences of Disrupted Days*).

Disrupted Day means any Scheduled Trading Day on which (a) the Index Sponsor fails to publish the level of the Index, (b) the Exchange or any Related Exchange fails to open for trading during its regular trading session, or (c) a Market Disruption Event has occurred.

Dividend Amount has the meaning given to that term in Additional Condition 3.3 (*Dividend Amount*).

Dividend Valuation Date means the Accelerated Dividend Valuation Date or the Redemption Dividend Valuation Date (as applicable).

Downgrade Event means:

- (a) Fitch has downgraded the Issuer's national scale long-term credit rating for unsecured and non-guaranteed obligations assigned by it (on a solicited basis) below AA(zaf) and Moody's has downgraded the Issuer's national scale credit rating for long-term deposits below Aa1.za (and, if S&P has substituted Fitch or Moody's as contemplated by the definition of "*Rating Agency*", S&P has downgraded the Issuer's national scale credit rating for long-term deposits below za.AA+); or
- (b) if the Downgrade Event specified in paragraph (a) above has occurred, any further downgrade by both of the Rating Agencies of the Issuer's ratings specified in paragraph (a) above by one or more ratings notches; or

(c) the Issuer ceases to be rated by both of the Rating Agencies,

provided that no Downgrade Event shall occur where any downgrade of a rating assigned to the Issuer (on a solicited basis) is downgraded solely as a result of the downgrading of any sovereign rating assigned to the Republic of South of Africa (on a solicited basis) by any Rating Agency, unless the downgrade of any such sovereign rating assigned to the Republic of South of Africa is by more than two rating notches, in which event this proviso will not apply.

Early Closure means the closure on any Exchange Business Day of the Exchange in respect of any Component Share or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least 1 (one) hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day, and (b) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

Early Redemption Amount has the meaning given to that term in Additional Condition 3.2 (*Early Redemption Amount*).

Early Redemption Date means the 1st (first) Business Day immediately following the Early Redemption Record Date.

Early Redemption Finalisation Date means the date on which finalisation information regarding the Early Redemption Amount will be published by the Issuer on SENS, being the 1st (first) Business Day immediately following the Early Redemption Valuation Date.

Early Redemption Notice means:

- (a) in relation to the Issuer, the written notice delivered by the Issuer pursuant to Additional Condition 7.4 (*Early Redemption: Index Cancellation*), 7.5 (*Early Redemption: Issuer Terms Adjustment*), 7.6 (*Early Redemption: Accelerated Dividend*) or 7.7 (*Early Redemption at the option of the Issuer*), as applicable; and
- (b) in relation to the Programme Preference Shareholder, the written notice delivered by the Programme Preference Shareholder pursuant to Additional Condition 7.2 (*Programme Preference Shareholder*), 7.3 (*Early Redemption: Illegality Event*), 7.8 (*Early Redemption at the option of the Programme Preference Shareholder*) or 7.9 (*Early Redemption: Redemption Event*), as applicable.

Early Redemption Notice Date means:

- (a) in the case of an Early Redemption Notice delivered by the Issuer:
 - (i) if that Early Redemption Notice is delivered prior to 12 p.m. South African Standard Time on any day, the date on which that Early Redemption Notice is delivered or deemed to be delivered in accordance with Condition 19.1 (*By the Issuer*) of the Programme Preference Share Terms and Conditions; or

- (ii) if that Early Redemption Notice is delivered at or after 12 p.m. South African Standard Time on any day, the 1st (first) Business Day after the date on which that Early Redemption Notice is delivered or deemed to be delivered in accordance with Condition 19.1 (*By the Issuer*) of the Programme Preference Share Terms and Conditions,

provided that if that Early Redemption Notice is delivered by the Issuer on a day which is not a Business Day it shall be deemed to be delivered at 9 a.m. South African Standard Time on the next following Business Day which Business Day shall be the Early Redemption Notice Date; and

- (b) in the case of an Early Redemption Notice delivered by the Programme Preference Shareholder:

- (i) if that Early Redemption Notice is delivered prior to 12 p.m. South African Standard Time on any day, the date on which that Early Redemption Notice is delivered or deemed to be delivered in accordance with Condition 19.2 (*Notice by the Programme Preference Shareholders*) of the Programme Preference Share Terms and Conditions; or

- (ii) if that Early Redemption Notice is delivered at or after 12 p.m. South African Standard Time on any day, the 1st (first) Business Day after the date on which that Early Redemption Notice is delivered or deemed to be delivered in accordance with Condition 19.2 (*Notice by the Programme Preference Shareholders*) of the Programme Preference Share Terms and Conditions,

provided that if that Early Redemption Notice is delivered by the Programme Preference Shareholder on a day which is not a Business Day it shall be deemed to be delivered at 9 a.m. South African Standard Time on the next following Business Day which Business Day shall be the Early Redemption Notice Date.

Early Redemption Record Date means the day on which the Programme Preference Shareholder must be recorded in the Register in order to receive the Early Redemption Amount, being the date which is 8 (eight) Business Days after the Early Redemption Finalisation Date or such other date after the Early Redemption Finalisation Date prescribed by the JSE Debt Listings Requirements, or permitted by the JSE, to be the "record date" for the redemption of debt securities listed on the Main Board of the JSE; provided that, if that date is not a Friday and the JSE Debt Listings Requirements require that the Early Redemption Record Date falls on a Friday, the Early Redemption Record Date shall be the 1st (first) Friday occurring after that date unless that Friday is not a Business Day in which event the Early Redemption Record Date will be the last Business Day of the week in which that Friday falls.

Early Redemption Valuation Date means, subject to Additional Condition 3.5 (*Consequences of Disrupted Days*), the date which is 5 (five) Business Days after the Early Redemption Notice Date, or if such date is not a Scheduled Trading Day, the 1st (first) Scheduled Trading Day thereafter.

Exchange means the JSE, any successor to the JSE or any substitute exchange or quotation system to which trading in the Component Shares has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity

relative to the Component Shares on such temporary exchange or quotation system as on the original Exchange).

Exchange Business Day means any Scheduled Trading Day on which (a) the Index Sponsor publishes the level of the Index, and (b) the Exchange and each Related Exchange is open for trading during its regular trading session, notwithstanding such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

Exchange Disruption means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for (a) any Component Shares on the Exchange in respect of such Component Share, or (b) futures or options contracts relating to the Index on any relevant Related Exchange.

FATCA Withholding has the meaning given to that term in Additional Condition 6.3 (*FATCA Withholding*).

Final Index Level means the level of the Index as determined by the Calculation Agent as of the Valuation Time on the Exchange on the Valuation Date.

Final Index Performance means a percentage calculated by the Calculation Agent in respect of the Valuation Date and the Index in accordance with the following formula:

$$[(\text{Final Index Level} \div \text{Initial Index Level}) + \text{PE}] \times 100\%$$

Where:

PE means $0.002 \times d/365$; and

d means the number of calendar days in the period between the Issue Date and the Valuation Date.

Final Redemption Amount has the meaning given to that term in Additional Condition 3.1 (*Final Redemption Amount*).

Final Redemption Date means the 1st (first) Business Day immediately following the Final Redemption Record Date.

Final Redemption Finalisation Date means the date on which finalisation information regarding the Final Redemption Amount will be published by the Issuer on SENS, being:

- (a) the date which is 8 (eight) Business Days prior to the Final Redemption Record Date referred to in paragraph (a) of the definition of **Final Redemption Record Date** or such other date prescribed by the JSE Debt Listings Requirements, or permitted by the JSE, to be the "finalisation date" for the redemption of securities listed on the Main Board of the JSE; or
- (b) if the Final Redemption Valuation Date has been determined pursuant to Additional Condition 3.5 (*Consequences of Disrupted Days*), the 1st (first) Business Day immediately following the Final Redemption Valuation Date.

Final Redemption Record Date means the day on which the Programme Preference Shareholder must be recorded in the Register in order to receive the Final Redemption Amount, being:

- (a) the fifth anniversary of the Issue Date; or
- (b) if the Final Redemption Valuation Date has been determined pursuant to Additional Condition 3.5 (*Consequences of Disrupted Days*), the date which is 8 (eight) Business Days after the Final Redemption Finalisation Date referred to in paragraph (b) of the definition of **Final Redemption Finalisation Date** or such other date after the Early Redemption Finalisation Date prescribed by the JSE Debt Listings Requirements, or permitted by the JSE, to be the "record date" for the redemption of debt securities listed on the Main Board of the JSE,

provided that, if either such date is not a Friday and the JSE Debt Listings Requirements require that the Final Redemption Record Date falls on a Friday, the Final Redemption Record Date shall be the 1st (first) Friday occurring after such date unless that Friday is not a Business Day in which event the Final Redemption Record Date will be the last Business Day of the week in which that Friday falls.

Final Redemption Valuation Date means, subject to Additional Condition 3.5 (*Consequences of Disrupted Days*), the Scheduled Trading Day immediately preceding the Final Redemption Finalisation Date referred to in paragraph (a) of the definition of **Final Redemption Finalisation Date**.

Fitch means Fitch Ratings Ltd.

Gross-Up Amount means, in relation to the Programme Preference Shareholder and a Gross-Up Event, an amount that, after normal income tax (if any) arising as a result of the events specified in Additional Condition 6.2(a)(i) and/or (ii), puts the Programme Preference Shareholder in the same position as it would have been in had such tax not been imposed on any Dividend Amount or Applicable Redemption Amount (as the case may be) as a consequence of the occurrence of that Gross-Up Event.

Gross-Up Event means the occurrence of any one or more of the following events or circumstances:

- (a) any Preference Dividend is not paid in compliance with the requirements of the Companies Act, including, without limitation, section 46 of the Companies Act;
- (b) the Programme Preference Shares are not redeemed out of the "contributed tax capital" (as defined in section 1 of the Income Tax Act) of the Issuer, attributable to the class of shares of which the Programme Preference Shares forms part;
- (c) the payment of any Preference Dividend in respect of the Programme Preference Shares results in a reduction of the "contributed tax capital" (as defined in section 1 of the Income Tax Act) of the Issuer attributable to the class of shares applicable to the Programme Preference Shares;
- (d) any Preference Dividend, when paid is not a "dividend" (as defined in section 1 of the Income Tax Act);

- (e) the Issuer is a "foreign company" (as defined in section 1 of the Income Tax Act);
- (f) the Programme Preference Shares are not validly created, allotted and issued on the Issue Date in accordance with the provisions of the Companies Act or the Issuer's Memorandum of Incorporation;
- (g) the Issuer is not a "resident" (as defined in section 1 of the Income Tax Act); or
- (h) the occurrence of any Accelerated Dividend Event (other than the Accelerated Dividend Event referred to in paragraph (g) of the definition of "*Accelerated Dividend Event*") or Redemption Event.

Hedge Positions has the meaning given to that term in the definition of "Regulatory Event".

Hedging Party has the meaning given to that term in the definition of "Regulatory Event".

Holder Acceptance Notice has the meaning given to that term in Additional Condition 4.2 (*Terms Adjustment: Issuer*).

Holder Acceptance Period has the meaning given to that term in Additional Condition 4.2 (*Terms Adjustment: Issuer*).

Holder Adjustment Notice has the meaning given to that term in Additional Condition 4.3 (*Terms Adjustment: Programme Preference Shareholder*).

Holder Terms Adjustment has the meaning given to that term in Additional Condition 4.3 (*Terms Adjustment: Programme Preference Shareholder*).

Holding Company means, in relation to a person, any other person in respect of which it is a Subsidiary.

Illegality Event has the meaning given to that term in Additional Condition 7.2 (*Programme Preference Shareholder*).

Income Tax Act means the Income Tax Act, 1962 of South Africa.

Increased Cost of Hedging means that a Hedging Party would incur a materially increased (as compared with circumstances existing as at the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of entering into and performing its obligations with respect to the Programme Preference Shares, provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of that Hedging Party shall not be deemed to be an Increased Cost of Hedging.

Independent Dealer has the meaning given to that term in Additional Condition 10.2 (*Calculation Agent disputes*).

Index means, subject to adjustment pursuant to Additional Condition 3.4 (*Adjustments to Index*), the FTSE/JSE Top 40 Total Return Index (Index Code: J200; Alpha Code:

TOPI) as published by the Index Sponsor or the JSE on behalf of the Index Sponsor and displayed on Bloomberg Ticker Top40TR Index. A short description of the Index, its historical levels and constituents can be found at <https://www.ftse.com/Analytics/Factsheets/temp/4e2506dd-3680-4882-a820-66bbacef983e.pdf>. The Index is described in full in the Index Rules.

Index Adjustment Event has the meaning given to that term in Additional Condition 3.4 (*Adjustments to Index*).

Index Cancellation has the meaning given to that term in Additional Condition 3.4 (*Adjustments to Index*).

Index Cancellation Event has the meaning given to that term in Additional Condition 3.4 (*Adjustments to Index*).

Index Disruption has the meaning given to that term in Additional Condition 3.4 (*Adjustments to Index*).

Index Modification has the meaning given to that term in Additional Condition 3.4 (*Adjustments to Index*).

Index Parties has the meaning given to that term in Additional Condition 12 (*Index Disclaimer*).

Index Rules means the rules applicable to the Index entitled "FTSE/JSE Africa Index Series" v5.6 dated June 2018 (as amended from time to time) which are found at <https://www.jse.co.za/content/JSEIndexClassificationandCodesItems/FTSE%20JSE%20Ground%20Rules%20v5%208%20Aug%202018.pdf>.

Index Sponsor means FTSE International Limited or its successor, being the entity that (a) is responsible for setting and reviewing the Index Rules and the methods of calculation and adjustments, if any related to the Index, and (b) announces (directly or through an agent) the level of the Index on a regular basis during each Scheduled Trading Day in accordance with the Index Rules.

Initial Index Level means 6485.364

Investec means Investec Limited, a public company incorporated in the Republic of South Africa with limited liability under registration number 1925/002833/06.

Investec Group means Investec and its Subsidiaries from time to time.

ISL means Investec Securities Proprietary Limited, a private company incorporated in the Republic of South Africa with limited liability under registration number 1972/008905/07.

Issuer Acceptance Notice has the meaning given to that term in Additional Condition 4.3 (*Terms Adjustment: Programme Preference Shareholder*).

Issuer Acceptance Period has the meaning given to that term in Additional Condition 4.3 (*Terms Adjustment: Programme Preference Shareholder*).

Issuer Adjustment Notice has the meaning given to that term in Additional Condition 4.2 (*Terms Adjustment: Issuer*).

Issuer Terms Adjustment has the meaning given to that term in Additional Condition 4.2 (*Terms Adjustment: Issuer*).

Issuer Terms Adjustment Event has the meaning given to that term in Additional Condition 4.2 (*Terms Adjustment: Issuer*).

JSE Debt Listings Requirements means the Debt Listings Requirements of the JSE as amended from time to time.

Last Day to Trade means the day which is 3 (three) Business Days prior to the Record Date.

Liquidity Agreement means the Liquidity Put Option Agreement concluded or to be concluded between the Liquidity Provider and the Programme Preference Shareholder in relation to the Programme Preference Shares in this Tranche.

Liquidity Provider means ISL or its successor or permitted assigns in accordance with the terms of the Liquidity Agreement.

Liquidity Provider Event means, in relation to the Liquidity Provider, the occurrence of one or more of the following events:

- (a) after the expiration of any applicable grace period with respect to payments by the Liquidity Provider under and in accordance with the terms of the Liquidity Agreement, the failure by the Liquidity Provider to make, when and where due, any payment of any amount due to the Programme Preference Shareholder under and in accordance with the terms of the Liquidity Agreement; or
- (b) after the expiration of any applicable grace period with respect to such obligation by the Liquidity Provider under and in accordance with the terms of the Liquidity Agreement, the Liquidity Provider fails to comply with any of its obligations (other than the payment obligations referred to in paragraph (a) above) under and in accordance with the terms of the Liquidity Agreement; or
- (c) the granting of an order by any competent court or authority for the liquidation, winding-up, dissolution of, or commencement of business rescue proceedings in respect of, the Liquidity Provider, whether provisionally (and not dismissed or withdrawn within 30 (thirty) days thereof) or finally, or the placing of the Liquidity Provider under voluntary liquidation or curatorship, provided that no liquidation, curatorship, winding-up, dissolution or business rescue is for purposes of effecting an amalgamation, merger, demerger, consolidation, reorganisation or other similar arrangement within the Investec Group, the terms of which were approved by the Programme Preference Shareholder before the date of the liquidation, winding-up, dissolution or business rescue; or
- (d) the Liquidity Provider ceases to be a, direct or indirect, wholly owned Subsidiary of Investec without the prior written consent of the Programme Preference Shareholder.

Mandatory Dividend Date means:

- (a) the Accelerated Dividend Payment Date; or

(b) the Applicable Redemption Date.

Market Disruption Event means either:

- (a) (i) the occurrence or existence, in respect of any Component Share, of:
- (A) a Trading Disruption in respect of such Component Share, which the Calculation Agent determines is material, at any time during the 1 (one) hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Share is principally traded;
 - (B) an Exchange Disruption in respect of such Component Share, which the Calculation Agent determines is material, at any time during the 1 (one) hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Share is principally traded; or
 - (C) an Early Closure in respect of such Component Share; and
- (ii) the aggregate of all Component Shares in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20% or more of the level of the Index; or
- (b) the occurrence or existence, in respect of futures or options contracts relating to the Index, of (i) a Trading Disruption, or (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the 1 (one) hour period that ends at the Valuation Time in respect of the Related Exchange, or (iii) an Early Closure, in each case in respect of such futures or options contracts.

For the purposes of determining whether a Market Disruption Event exists in respect of a Component Share at any time, if a Market Disruption Event occurs in respect of such Component Share at that time, then the relevant percentage contribution of that Component Share to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component Share to (y) the overall level of the Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market "opening data".

Moody's means Moody's Investors Service Ltd.

Participation Percentage means, as at the Issue Date, 100%, subject to adjustment in accordance with Additional Condition 4 (*Terms Adjustments*).

Prime Rate means the publicly quoted basic rate of interest (per cent., per annum, compounded monthly in arrear 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.

Rating Agency means each of Moody's or Fitch provided that if either such Rating Agency ceases to rate the Issuer then it shall be substituted with S&P if S&P rates the Issuer at the relevant time.

Record Date means the Accelerated Dividend Record Date, the Redemption Dividend Record Date, the Early Redemption Record Date or the Final Redemption Record Date (as applicable).

Redemption Dividend Finalisation Date means the date on which finalisation information regarding the Dividend Amount to be paid on the Redemption Dividend Payment Date will be published by the Issuer on SENS, being the Early Redemption Finalisation Date or the Final Redemption Finalisation Date (as applicable).

Redemption Dividend Payment Date means the 1st (first) Business Day immediately following the Redemption Dividend Record Date.

Redemption Dividend Record Date means the day on which the Programme Preference Shareholder must be recorded in the Register in order to receive the Dividend Amount on the Redemption Dividend Payment Date, being the Early Redemption Record Date or the Final Redemption Record Date (as applicable).

Redemption Dividend Valuation Date means the Early Redemption Valuation Date or the Final Redemption Valuation Date (as applicable).

Redemption Event means that an Accelerated Dividend Event has occurred and the Issuer has not exercised its election to redeem the Programme Preference Shares in accordance with Additional Condition 7.6 (*Early Redemption: Accelerated Dividend*) by the Accelerated Dividend Valuation Date.

Regulatory Event means on or after the Issue Date of the Programme Preference Shares, due to:

- (a) any implementation, introduction, abolition, withdrawal, or variation of any Applicable Law, regulation, published practice, concession, official directive, ruling, notice, announcement (including but not limited to any budget speech) or any change in the interpretation, or any new or further interpretation, or different interpretation by any court, governmental, revenue, central bank or other competent authority or compliance with any existing, new or different request, direction, circular or official directive from any government entity, revenue, central bank or other competent authority; or
- (b) any change in banking practice as it affects or is applied generally by any financial institution in the Republic of South Africa; or
- (c) a requirement or a request by any statutory or monetary authority, including but not limited to any taxation of dividends, to pay any amounts, or maintain special deposits or reserve assets, in addition to those currently paid or maintained or reserved by the Issuer and/or its Holding Company; or
- (d) any compliance by the Issuer and/or its Holding Company with any reserve, capital adequacy, cash ratio, special deposit or liquidity requirement (or any other similar requirement) in terms of any Applicable Law, or as otherwise required by a regulator, in respect of the Programme Preference Shares in addition to those payable by the Issuer and/or its Holding Company as at the Issue Date; or
- (e) any change in the listings requirement of the Financial Exchange; or

(f) any change in the exchange control regulations of the Republic of South Africa, (other than for any change in the rate of taxation on income or capital gains or dividends) the Issuer determines in good faith that:

- (i) it has become illegal or contrary to Applicable Law or regulation for the Programme Preference Shareholder to hold the Programme Preference Share; or
- (ii) it has become illegal or contrary to Applicable Law or regulation for the Issuer or any of its Affiliates (each, a **Hedging Party**) to hold, acquire, deal in, maintain or dispose of or realise, recover or remit the proceeds of the sale or disposal of, Component Shares, other components comprised in the Index relating to the Programme Preference Shares, futures contracts, commodities or contracts in securities, options, futures or derivatives it or any of its Affiliates deems necessary to hedge the equity price risk of the Issuer issuing and performing its obligations under or in connection with the Programme Preference Shares (collectively, **Hedge Positions**); or
- (iii) the Issuer, the Liquidity Provider or the Issuer's Holding Company will incur any Increased Cost in performing its obligations in respect of the Programme Preference Shares or any Hedge Position in connection with the Programme Preference Shares (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position); or
- (iv) the Issuer or any of its Affiliates will be subjected to materially less favourable regulatory capital treatment in respect of the Programme Preference Shares or any related Hedge Positions.

Related Exchange means each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Index.

S&P means Standard & Poor's Rating Services.

Scheduled Closing Time means, in respect of the Exchange and each Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of the Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

Scheduled Trading Day means any day on which the Exchange and each Related Exchange is scheduled to be open for trading for its regular trading session.

STT means securities transfer tax levied in terms of the STT Act or any similar levy, tax duty or levy that replaces securities transfer tax and which would be payable on the redemption of the Programme Preference Shares.

STT Act means the Securities Transfer Tax Act, 2007 of South Africa.

Subscription Agreement means the Preference Share Subscription Agreement concluded or to be concluded between the Issuer and the Programme Preference

Shareholder in relation to the Programme Preference Shares in this Tranche on or about the Issue Date.

Subsidiary means a "subsidiary" as defined in the Companies Act.

Substitute Index has the meaning given to that term in Additional Condition 3.4 (*Adjustments to Index*).

Successor Index has the meaning given to that term in Additional Condition 3.4 (*Adjustments to Index*).

Tax Event means a Change in Tax Law that results in any Preference Dividend received or to be received by the Programme Preference Shareholder to whom that Preference Dividend may accrue in terms of the Income Tax Act either being subject to normal tax or being subject to dividends tax at a higher dividends tax rate than that applicable as at the Issue Date.

Terms Adjustment means a Holder Terms Adjustment or an Issuer Terms Adjustment (as applicable).

Trading Disruption means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (a) relating to any Component Share on the Exchange in respect of such Component Share, or (b) in futures or options contracts relating to the Index on any relevant Related Exchange.

Valuation Date means:

- (a) in relation to the determination of the Final Redemption Amount, the Final Redemption Valuation Date;
- (b) in relation to the determination of the Early Redemption Amount, the Early Redemption Valuation Date; and
- (c) in relation to the determination of the Dividend Amount, the Dividend Valuation Date.

Valuation Time means:

- (a) for the purposes of determining whether a Market Disruption Event has occurred:
 - (i) in respect of any Component Share, the Scheduled Closing Time on the Exchange in respect of such Component Share; and
 - (ii) in respect of any options contracts or futures contracts on the Index, the Scheduled Closing Time on the Related Exchange; and
- (b) in all other circumstances, the time on the relevant Valuation Date at which the official closing level of the Index is calculated and published by the Index Sponsor and/or set out in the Index Rules for the Index (as applicable).

2. Interpretation

The provisions of Condition 2 (Interpretation) of the Programme Preference Share Terms and Conditions apply to these Additional Conditions as though they were set out in full in these Additional Conditions, except that references to the Programme Preference Share Terms and Conditions are to be construed as references to these Additional Conditions.

3. Index-Linked Conditions

3.1 Final Redemption Amount

The **Final Redemption Amount** per Programme Preference Share shall be an amount which is the lesser of:

- (a) the Issue Price; and
- (b) an amount determined by the Calculation Agent in accordance with the following formula:

$$\text{FRA} = \text{CA} \times [\text{PP} \times \text{FIP}]$$

Where:

FRA = the Final Redemption Amount;

CA = the Calculation Amount;

PP = the Participation Percentage on the Final Redemption Date; and

FIP = the Final Index Performance

3.2 Early Redemption Amount

The **Early Redemption Amount** per Programme Preference Share shall be an amount which is the lesser of:

- (a) the Issue Price; and
- (b) an amount determined by the Calculation Agent in accordance with the following formula:

$$\text{ERA} = [[\text{CA} \times [\text{PP} \times \text{FIP}] - \text{ERD}]] - \text{UW}$$

Where:

ERA = the Early Redemption Amount;

CA = the Calculation Amount;

PP = the Participation Percentage on the Early Redemption Date;

FIP = the Final Index Performance;

- UW = if the Programme Preference Shares are redeemed as a consequence of a Tax Event, any Unwind Costs, or, in any other circumstances, zero; and
- ERD = if the Programme Preference Shares are redeemed on or prior to the 1st (first) anniversary of the Issue Date for any reason (other than the occurrence of an Accelerated Dividend Event (other than the Accelerated Dividend Event referred to in paragraph (g) of the definition of "Accelerated Dividend Event") or a Redemption Event), an amount equal to 0.15% x [CA x [PP x FIP]], or, in any other circumstances, zero.

3.3 Dividend Amount

- (a) In respect of each Programme Preference Share in this Tranche for the Dividend Period, the Programme Preference Shareholder shall be entitled, if the Barrier Level is greater than 100%, to receive and be paid, in accordance with Condition 7.1 (*Right to Preference Dividends*) of the Preference Share Terms and Conditions, a Scheduled Preference Dividend in the Specified Currency based on the performance of the Index equal to the Dividend Amount calculated in accordance with the formula set out in paragraph (b) below.
- (b) The **Dividend Amount** shall be an amount determined by the Calculation Agent in accordance with the following formula:

$$DA = [CA \times BL] - CA$$

Where:

- DA = the Dividend Amount;
- CA = the Calculation Amount; and
- BL = the Barrier Level on the Valuation Date.

3.4 Adjustments to Index

- (a) If the Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor to the Index Sponsor acceptable to the Calculation Agent, or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Index, then in each case that index (the **Successor Index**) will be deemed to be the Index and the Additional Conditions will be construed accordingly.
- (b) If (i) on or prior to any Valuation Date, the Index Sponsor announces that it will make a material change in the formula for or the method of calculating the Index or in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes in constituent stock and capitalisation and other routine events) (an **Index Modification**) or permanently cancels the Index and no Successor Index exists (an

Index Cancellation) or (ii) on any Valuation Date, the Index Sponsor fails to calculate and announce the Index (an **Index Disruption** and together with an Index Modification and an Index Cancellation, each an **Index Adjustment Event**), then the Calculation Agent shall determine, in an objective and commercially reasonable manner, whether such Index Adjustment Event has a material effect on the Programme Preference Shares and if so either:

- (i) calculate the relevant level of the Index at the relevant time on such Valuation Date using, in lieu of a published level for the Index, the level of the Index at the relevant time on such Valuation Date as determined by the Calculation Agent in accordance with the formula for and the method of calculating the level of the Index last in effect prior to the occurrence of such Index Adjustment Event but using only those Component Shares or other assets or instruments which comprised the Index immediately prior to the occurrence of such Index Adjustment Event (other than those Component Shares or other assets or securities which have since ceased to be listed on the Exchange); or
- (ii) in the case of Index Cancellation only:
 - (A) the Calculation Agent may replace the Index with a new security index (a **Substitute Index**) selected by the Calculation Agent which is substantially similar to the Index and using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the level of the Index (and such Substitute Index shall be deemed to be the Index for the purposes of these Additional Conditions) and make such adjustments to the Additional Conditions as it deems necessary or appropriate in relation to such substitution to account for and preserve the economic equivalent of the obligation of the Issuer to make payment of any amount under the Programme Preference Shares; or
 - (B) if no Substitute Index has been identified within 10 (ten) Business Days of the occurrence of the Index Cancellation or if the Calculation Agent determines that it is not practical or appropriate to substitute the Index with a Substitute Index or that no substitution can be reasonably made (an **Index Cancellation Event**), the Issuer shall be entitled to redeem the Programme Preference Shares in accordance with Additional Condition 7.4 (*Early Redemption: Index Cancellation*).
- (c) The Calculation Agent shall as soon as reasonably practicable after determining that an Index Adjustment Event has occurred which has a material effect on the Programme Preference Shares or making any adjustments or other determinations pursuant to this Additional Condition 3.4 notify the Issuer giving details of the action proposed to be taken in relation thereto, whereupon the Issuer shall promptly notify

the Programme Preference Shareholder of the occurrence of that event and the details of the action proposed to be taken in relation thereto in accordance with Condition 19 (Notices) of the Programme Preference Share Terms and Conditions. Without limiting the obligation of the Calculation Agent to give notice to the Issuer and the Issuer to give notice to the Programme Preference Shareholder as set forth in the preceding sentence, failure by the Calculation Agent to notify the Issuer and/or the Issuer to notify the Programme Preference Shareholder of the occurrence of an Index Adjustment Event shall not affect the validity of the occurrence and effect of such Index Adjustment Event.

3.5 Consequences of Disrupted Days

- (a) If a Valuation Date is a Disrupted Day, then the Valuation Date shall be the 1st (first) succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of 8 (eight) Scheduled Trading Days immediately following the Valuation Date is a Disrupted Day. In that case (i) the eighth Scheduled Trading Day shall be the deemed Valuation Date (**Deemed Valuation Date**), notwithstanding the fact that it is a Disrupted Day, and the Calculation Agent shall determine the level of the Index as of the Valuation Time on the Deemed Valuation Date in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the 1st (first) Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Deemed Valuation Date of each Component Share (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant Component Share on the Deemed Valuation Date, its good faith estimate of the value of the relevant Component Share as of the Valuation Time on the Deemed Valuation Date).
- (b) The Calculation Agent shall as soon as reasonably practicable under the circumstances notify the Issuer of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been a Valuation Date, whereupon the Issuer shall promptly notify the Programme Preference Shareholder of the occurrence of that event in accordance with Condition 19 (Notices) of the Programme Preference Share Terms and Conditions. Without limiting the obligation of the Calculation Agent to notify the Issuer or the Issuer to notify the Programme Preference Shareholder as set forth in the preceding sentence, failure by the Calculation Agent to notify the Issuer or the Issuer to notify the Programme Preference Shareholder of the occurrence of a Disrupted Day shall not affect the validity of the occurrence and effect of such Disrupted Day on the Programme Preference Shares.

3.6 Correction of the Index

If the level of the Index published on any Valuation Date and used or to be used by the Calculation Agent for any calculation under the Programme Preference Shares is subsequently corrected and the correction is published by the Index Sponsor (or its agent) within 2 (two) Scheduled Trading Days after the original publication, the Calculation Agent shall recalculate the Dividend Amount, the Final Redemption Amount and/or the Early Redemption Amount (as applicable) using such corrected level of the Index. The Calculation Agent shall as soon

as practicable notify the Issuer, whereupon the Issuer shall promptly notify the Programme Preference Shareholder in accordance with Condition 19 (*Notices*) of the Programme Preference Share Terms and Conditions, of (a) that correction, and (b) the Dividend Amount, the Final Redemption Amount and/or the Early Redemption Amount (as applicable) as recalculated as a result of that correction.

4. **Terms Adjustments**

4.1 Disapplication of Programme Preference Share Terms and Conditions

Conditions 7.7 (*Regulatory Event*) shall not apply to the Programme Preference Shares and shall be replaced by the provisions of this Additional Condition 4.

4.2 Terms Adjustment: Issuer

- (a) If a Regulatory Event or Increased Cost of Hedging occurs, the Issuer shall be entitled (but not obliged), by delivery of a written notice to the Programme Preference Shareholder in accordance with Condition 19 (*Notices*) of the Programme Preference Share Terms and Conditions (an **Issuer Adjustment Notice**) to propose an adjustment to the Programme Preference Share Terms and Conditions and/or these Additional Conditions and/or the Participation Percentage as may be necessary or appropriate in relation to such Regulatory Event or Increased Cost of Hedging (as the case may be) to account for and preserve the economic objectives of the Programme Preference Shares and to place the Issuer in the same position as it would have been in had the Regulatory Event or Increased Cost of Hedging (as the case may be) not occurred and ensure that the Issuer will receive the same return as if that Regulatory Event or Increased Cost of Hedging had not occurred (an **Issuer Terms Adjustment**). The Issuer Adjustment Notice shall be accompanied by a written confirmation signed by two authorised signatories of the Issuer setting out in reasonable detail the consequences of the Relevant Event or Increased Cost of Hedging on the Issuer's or any Hedging Party's obligations in connection with the Programme Preference Shares or Hedge Positions (as the case may be).
- (b) The Programme Preference Shareholder may, within 5 (five) Scheduled Trading Days after receipt of the Issuer Adjustment Notice (or such further period as may be agreed in writing by the Issuer) (the **Holder Acceptance Period**), notify the Issuer in writing (a **Holder Acceptance Notice**) that it elects to amend the Programme Preference Share Terms and Conditions and/or these Additional Conditions and/or the Participation Percentage to take into account the Issuer Terms Adjustment whereupon the Programme Preference Share Terms and Conditions and/or these Additional Conditions and/or the Participation Percentage shall be amended from the date of receipt of the Holder Acceptance Notice.
- (c) If the Holder Acceptance Notice is not delivered within the Holder Acceptance Period or the Programme Preference Shareholder expressly rejects the Issuer Terms Adjustment, the Issuer shall be entitled (but not obliged) to redeem the Programme Preference Shares

in accordance with Additional Condition 7.5 (*Early Redemption: Issuer Terms Adjustment*) (an **Issuer Terms Adjustment Event**).

4.3 Terms Adjustment: Programme Preference Shareholder

- (a) If a Downgrade Event or Tax Event occurs, the Programme Preference Shareholder shall be entitled (but not obliged), by delivery of a written notice to the Issuer in accordance with Condition 19 (*Notices*) of the Programme Preference Share Terms and Conditions (a **Holder Adjustment Notice**) to propose an adjustment to the Programme Preference Share Terms and Conditions and/or these Additional Conditions and/or the Participation Percentage as may be necessary or appropriate in relation to such Downgrade Event or Tax Event (as the case may be) to account for and preserve the economic objectives of the Programme Preference Shares and to place the Programme Preference Shareholder in the same position as it would have been in had the Downgrade Event or Tax Event (as the case may be) not occurred and ensure that the Programme Preference Shareholder will receive the same return as if that Downgrade Event or Tax Event had not occurred (an **Holder Terms Adjustment**). The Holder Adjustment Notice shall be accompanied by a written confirmation signed by two authorised signatories of the Programme Preference Shareholder setting out in reasonable detail the consequences of the Downgrade Event or Tax Event on the Programme Preference Shareholder's return in connection with the Programme Preference Shares.
- (b) The Issuer may, within 5 (five) Scheduled Trading Days after receipt of the Holder Adjustment Notice (or such further period as may be agreed in writing by the Programme Preference Shareholder) (the **Issuer Acceptance Period**), notify the Programme Preference Shareholder in writing (an **Issuer Acceptance Notice**) that it elects to amend the Programme Preference Share Terms and Conditions and/or these Additional Conditions and/or the Participation Percentage to take into account the Holder Terms Adjustment whereupon the Programme Preference Share Terms and Conditions and/or these Additional Conditions and/or the Participation Percentage shall be amended from the date of receipt of the Issuer Acceptance Notice.
- (c) If the Issuer Acceptance Notice is not delivered within the Issuer Acceptance Period or the Issuer expressly rejects the Holder Terms Adjustment, the Programme Preference Shareholder shall be entitled (but not obliged) to require the payment of the Scheduled Preference Dividend in accordance with Additional Condition 5 (*Payment of Dividend Amount*).

5. **Payment of Dividend Amount**

5.1 Redemption Dividend

Unless the Dividend Amount has been declared and paid by the Issuer pursuant to Additional Condition 5.2 (*Accelerated Dividend*), the Issuer shall:

- (a) declare the Scheduled Preference Dividend in an amount equal to the Dividend Amount by no later than the Redemption Dividend Finalisation Date; and
- (b) pay the Dividend Amount to the Programme Preference Shareholder on the Redemption Dividend Payment Date.

5.2 Accelerated Dividend

- (a) Upon the occurrence of an Accelerated Dividend Event which is continuing, the Programme Preference Shareholder may, by written notice to the Issuer in accordance with Condition 19 (*Notices*) of the Programme Preference Share Terms and Conditions (the **Accelerated Dividend Notice**), require the Issuer to (i) declare the Scheduled Preference Dividend to the Programme Preference Shareholder in an amount equal to the Dividend Amount by no later than the Accelerated Dividend Finalisation Date, and (ii) pay such Dividend Amount to the Programme Preference Shareholder on the Accelerated Dividend Payment Date.
- (b) If the Programme Preference Shareholder delivers an Accelerated Dividend Notice, the Issuer shall be entitled (but not obliged) to redeem the Programme Preference Shares in accordance with Additional Condition 7.6 (*Early Redemption: Accelerated Dividend*).

6. **Additional Amounts**

6.1 Disapplication of Programme Preference Share Terms and Conditions

Conditions 8 (Additional Amounts) shall not apply to the Programme Preference Shares and shall be replaced by the provisions of this Additional Condition 6.

6.2 Gross-Up

- (a) Subject to paragraphs (c) and (d) below, if:
 - (i) any Dividend Amount paid or payable by the Issuer:
 - (A) is not a "dividend" as defined in section 1 of the Income Tax Act; or
 - (B) is not exempt from income tax under the Income Tax Act, and consequently is subject to normal income tax under the Income Tax Act; or
 - (ii) any Applicable Redemption Amount is subject to normal income tax under the Income Tax Act,

only as a result of the occurrence of a Gross-Up Event, then, without double counting, the Issuer shall, in addition to that Dividend Amount or Applicable Redemption Amount (as the case may be), be obliged to pay to the Programme Preference Shareholder an amount equal to the

Gross-Up Amount simultaneously with the payment of that Dividend Amount on the Dividend Payment Date or that Applicable Redemption Amount on the Applicable Redemption Date (as applicable).

- (b) Subject to paragraphs (c) and (d) below, if the effect of a Gross-Up Event in respect of a Dividend Amount or Applicable Redemption Amount only becomes apparent after the Programme Preference Shares have been redeemed, the Issuer shall and hereby does indemnify and hold the Programme Preference Shareholder harmless against the effect of that Gross-Up Event and, accordingly, shall pay to the Programme Preference Shareholder, within 10 (ten) Business Days of written demand, the Gross-Up Amount that would have been payable to the Programme Preference Shareholder on the date of payment of such Dividend Amount or Applicable Redemption Amount (as the case may be) had the effect of that Gross-Up Event been apparent on or prior to the Dividend Payment Date or the Applicable Redemption Date (as the case may be).
- (c) Notwithstanding paragraph (a) or (b) above, paragraphs (a) and (b) above shall not apply:
 - (i) to the extent a Gross-Up Amount is compensated for by a Terms Adjustment pursuant to Additional Condition 4 (*Terms Adjustments*); or
 - (ii) to the extent a Gross-Up Amount is attributable to the wilful breach by the Programme Preference Shareholder or any of its Affiliates of any Applicable Law or regulation; or
 - (iii) where any Preference Dividend paid or payable by the Issuer to the Programme Preference Shareholder is deemed to be an amount of income in terms of section 8E(2) of the Income Tax Act solely by reason of the Programme Preference Shareholder or any of its Affiliates, without the written consent of the Issuer (given or withheld in its sole discretion), having entered into any agreement or arrangement which results in the Programme Preference Shares being or becoming a "hybrid equity instrument" as envisaged in section 8E of the Income Tax Act; or
 - (iv) where any Preference Dividend paid or payable by the Issuer to the Programme Preference Shareholder is deemed to be an amount of income in terms of section 8EA(2) of the Income Tax Act solely by reason of the Programme Preference Shareholder or any of its Affiliates, without the written consent of the Issuer (given or withheld in its sole discretion), having entered into any agreement or arrangement which results in the Programme Preference Shares being or becoming a "third-party backed share" as envisaged in section 8EA of the Income Tax Act; or
 - (v) to the extent the Programme Preference Shareholder could lawfully avoid (but has not so avoided) any tax on the Preference Dividend arising as the consequence of the occurrence of a Gross-Up Event by complying with any statutory requirements

in force at the relevant time or by making a declaration or other claim or filing for exemption to which it is entitled to the relevant tax authority; or

- (vi) to the extent a Gross-Up Amount is attributable to the failure by the Programme Preference Shareholder to provide the Issuer with the written declaration contemplated in section 64G(2)(a)(i)(aa) of the Income Tax Act prior to the date of declaration of the relevant Preference Dividend; or
 - (vii) in the event that any Dividend Amount or Applicable Redemption Event becomes payable prior to the Final Redemption Date as a consequence of the occurrence of a Tax Event or an Illegality Event; or
 - (viii) if any of the events or circumstances described in paragraph (a)(i) or (a)(ii) occur due to (A) the nature or characteristics of the Dividend Amount or Applicable Redemption Amount in the hands of the Programme Preference Shareholder, or (B) the Programme Preference Shareholder not being a South African tax resident, or (C) a change in the tax residence of the Programme Preference Shareholder; or
 - (ix) to any FATCA Withholding.
- (d) If the Programme Preference Shareholder (the **Existing Programme Preference Shareholder**) sells, transfers or otherwise disposes of the Programme Preference Shares to any person (each, a **New Programme Preference Shareholder**) then the New Programme Preference Shareholder or Programme Preference Shareholder, as the case may, is only entitled to receive payment under this Additional Condition 6 to the same extent as the Existing Programme Preference Shareholder would have been if the sale, transfer or other disposal had not occurred.
- (e) Notwithstanding anything to the contrary contained herein, the Issuer gives no assurances, guarantees, representations or warranties in respect of the nature and/or characteristics of the Dividend Amount and/or the Applicable Redemption Amount in the hands of the Programme Preference Shareholder.
- (f) The provisions of this Additional Condition 6 shall survive the redemption of the Programme Preference Shares and shall remain enforceable against the Issuer by the Programme Preference Shareholder until the date of expiry of a period of 3 (three) years after the Applicable Redemption Date.

6.3 FATCA Withholding

Notwithstanding any other provision in the Programme Preference Share Terms and Conditions or these Additional Conditions, the Issuer, and the Paying Agent, 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, the 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.

7. Early Redemption

7.1 Disapplication of Programme Preference Share Terms and Conditions

Conditions 10.2 (Early Redemption following a Regulatory Event), 10.3 (Early Redemption at the option of the Issuer), 10.4 (Early Redemption following a Redemption Event) and 14 (Redemption Events) of the Programme Preference Share Terms and Conditions shall not apply to the Programme Preference Shares and shall be replaced by the provisions of this Additional Condition 7.

7.2 Programme Preference Shareholder

For purposes of this Additional Condition 7, any option granted to the Preference Shareholder to redeem the Programme Preference Shares shall only be capable of being exercised on the instruction of Preference Shareholder(s) holding 100% of the Programme Preference Shares referred to in this Applicable Pricing Supplement.

7.3 Early Redemption: Illegality Event

If, at any time, it is or becomes illegal or unlawful for the Programme Preference Shareholder to perform any of its obligations as contemplated by the Programme Preference Share Terms and Conditions and/or the Additional Conditions or to hold the Programme Preference Shares or to claim and recover all or any part of a Preference Dividend, Early Redemption Amount or Final Redemption Amount (an **Illegality Event**):

- (a) the Programme Preference Shareholder shall, promptly upon becoming aware of the same, notify the Issuer and the Calculation Agent (the **Illegality Notification Date**); and
- (b) if the Issuer and the Programme Preference Shareholder fail to remove or rectify such Illegality Event (provided such Illegality Event is capable of being removed or rectified), or agree upon alternative acceptable provisions within 10 (ten) Business Days (or such longer period as the Issuer and the Programme Preference Shareholder may agree in the circumstances) of the Illegality Notification Date, the Programme Preference Shareholder shall be entitled, by written notice to the Issuer delivered in accordance with Condition 19 (*Notices*) of the Programme Preference Share Terms and Conditions (the **Illegality Redemption Notice**), to require the Issuer to redeem the Programme Preference Shares on the Early Redemption Date for the Early Redemption Amount.

7.4 Early Redemption: Index Cancellation

If an Index Cancellation Event occurs, the Programme Preference Shares may be redeemed at the option of the Issuer by written notice to the Programme Preference Shareholder delivered in accordance with Condition 19 (*Notices*) of the Programme Preference Share Terms and Conditions (which notice shall be revocable), on the Early Redemption Date for the Early Redemption Amount.

7.5 Early Redemption: Issuer Terms Adjustment

If an Issuer Terms Adjustment Event occurs, the Programme Preference Shares may be redeemed at the option of the Issuer by written notice to the Programme Preference Shareholder delivered in accordance with Condition 19 (*Notices*) of the Programme Preference Share Terms and Conditions (which notice shall be revocable), on the Early Redemption Date for the Early Redemption Amount.

7.6 Early Redemption: Accelerated Dividend

If the Programme Preference Shareholder delivers an Accelerated Dividend Notice, the Programme Preference Shares may be redeemed at the option of the Issuer by written notice to the Programme Preference Shareholder delivered in accordance with Condition 19 (*Notices*) of the Programme Preference Share Terms and Conditions (which notice shall be revocable), on the Early Redemption Date for the Early Redemption Amount.

7.7 Early Redemption at the option of the Issuer

The Programme Preference Shares may be redeemed at the option of the Issuer, at any time after the Call Commencement Date, by written notice to the Programme Preference Shareholder delivered in accordance with Condition 19 (*Notices*) of the Programme Preference Share Terms and Conditions (which notice shall be revocable) (the **Issuer Optional Redemption Notice**), on the Early Redemption Date for the Early Redemption Amount. The Issuer Optional Redemption Notice may not be delivered at any time on or prior to the Call Commencement Date.

7.8 Early Redemption at the option of the Programme Preference Shareholder

The Programme Preference Shares may be redeemed at the option of the Programme Preference Shareholder, at any time after the Call Commencement Date, by written notice to the Issuer delivered in accordance with Condition 19 (*Notices*) of the Programme Preference Share Terms and Conditions (which notice shall be revocable) (the **Holder Optional Redemption Notice**), on the Early Redemption Date for the Early Redemption Amount. The Holder Optional Redemption Notice may not be delivered at any time on or prior to the Call Commencement Date.

7.9 Early Redemption: Redemption Event

Upon the occurrence of a Redemption Event, the Programme Preference Shares may be redeemed at the option of the Programme Preference Shareholder by written notice to the Issuer delivered in accordance with Condition 19 (*Notices*) of the Programme Preference Share Terms and Conditions on the Early Redemption Date for the Early Redemption Amount.

8. Redemption Duties

If the Programme Preference Shares is redeemed within a period of 3 (three) years from the Issue Date as a result of a Tax Event or an Illegality Event, then the Programme Preference Shareholder shall bear 50% of any STT levied in respect of such redemption of the Programme Preference Shares at the Applicable STT Rate, which amount shall be payable by the Programme Preference Shareholder to the Issuer on the Early Redemption Date and the Issuer shall be entitled to deduct and withhold such amount from any Early Redemption Amount or Dividend Amount payable by the Issuer to the Programme Preference Shareholder on that Early Redemption Date.

9. Further Issues

Notwithstanding Condition 23 (*Further Issues*) of the Programme Preference Share Terms and Conditions, no further Programme Preference Shares in the same Class as Programme Preference Shares in this Tranche may be issued by the Issuer without the prior written approval of the Programme Preference Shareholder.

10. Calculation Agent

10.1 Appointment and duties

The Calculation Agent acts as calculation agent in relation to the Programme Preference Shares in accordance with the provisions of Condition 18 (*Transfer Agent, Calculation Agent and Paying Agent*) of the Programme Preference Share Terms and Conditions. The Calculation Agent shall have no duties other than as specifically set forth in this Applicable Pricing Supplement and the other Programme Preference Share Terms and Conditions and shall have no implied duties, other than the duty to act honestly, objectively and in good faith and in a commercially reasonable manner and to exercise the due diligence of a prudent agent in comparable circumstances.

10.2 Calculation Agent disputes

- (a) The Calculation Agent is responsible for making any determination, calculation or adjustment in connection with the Programme Preference Shares. If the Programme Preference Shareholder does not agree with a particular determination, adjustment or calculation for which the Calculation Agent is responsible, then within 3 (three) Exchange Business Days after the Calculation Agent provides the Programme Preference Shareholder with its determination, adjustment or calculation, each party shall select an Independent Dealer, which dealers shall jointly appoint a third Independent Dealer, each to make a determination, adjustment or calculation as to the disputed matter within 2 (two) Exchange Business Days of such appointment. The parties shall share equally the costs, fees and expenses (if any) of any Independent Dealers called upon to resolve a dispute and agree to waive any claim that they might otherwise have against any Independent Dealer for any determination, adjustment or calculation made in good faith pursuant to this provision. For the purposes of this Additional Condition 10.2, **Independent Dealer** means a leading dealer in the relevant market that is not an Affiliate of either of the parties or any other appointed Independent Dealer.

- (b) In the event that only 1 (one) Independent Dealer provides a response as to the disputed matter within 2 (two) Exchange Business Days of its appointment, that response shall be binding on the parties for the disputed matter, absent manifest error.
- (c) In the event that 2 (two) or 3 (three) Independent Dealers provide a response as to the disputed matter within 2 (two) Exchange Business Days of their respective appointments:
 - (i) if those responses are susceptible to the determination of an arithmetic mean, the arithmetic mean of such responses shall be binding on the parties for the disputed matter, absent manifest error; or
 - (ii) if those responses are not susceptible to the determination of an arithmetic mean:
 - (A) if the majority of the responding Independent Dealers provided the same response, such response shall be binding on the parties for the disputed matter, absent manifest error; or
 - (B) if the majority of the Independent Dealers did not provide the same response, the responding Independent Dealers will jointly appoint a fourth Independent Dealer (the **Resolver**), and the Resolver will select within 2 (two) Exchange Business Days from the responses originally provided by the responding Independent Dealers, with the selected response being binding on the parties for the disputed matter, absent manifest error.

The Calculation Agent and the Programme Preference Shareholder acknowledge and agree, by way of example and without limiting the phrase, that the following are not susceptible to the determination of an arithmetic mean: (1) responses as to whether or not an event has occurred; and (2) responses in which different terms of the Programme Preference Shares are proposed to be adjusted.

11. Notices

Notwithstanding Condition 19.1.1 (but subject to the remaining provisions of Condition 19.1 (By the Issuer)) of the Programme Preference Share Terms and Conditions, notices may not be given or delivered to the Programme Preference Shareholder by telegram, telex or fax.

12. Index Disclaimer

The Programme Preference Shares is not sponsored, endorsed, sold or promoted by the Index or the Index Sponsor or the JSE or any of their respective Affiliates (the **Index Parties**). No Index Party makes any representation or warranty, express or implied, to the Programme Preference Shareholder of the Programme Preference Shares or any member of the public regarding the advisability of investing in securities generally or in the Programme Preference Shares particularly or the ability of the Index

to track general stock market performance. The Index Sponsor's and the JSE's only relationship to the Issuer is the licensing of certain trademarks and trade names of the Index Sponsor and/or the JSE of the Index which is determined, composed and calculated by the Index Sponsor and the JSE without regard to the Issuer or the Programme Preference Shares. No Index Party has any obligation to take the needs of the Issuer or the Programme Preference Shareholder into consideration in determining, composing or calculating the Index. No Index Party is responsible for and has participated in the determination of the prices and amount of the Programme Preference Shares or the timing of the issuance or sale of the Programme Preference Shares or in the determination or calculation of the Applicable Redemption Amount or Dividend Amount. No Index Party has any obligation or liability in connection with the administration, marketing or trading of the Programme Preference Shares.

No Index Party guarantees the adequacy, accuracy, timeliness or completeness of the Index or any data included therein or any communications, including but not limited to, oral or written communications (including electronic communications) with respect thereto. No Index Party shall be subject to any damages or liability for any errors, omissions or delays therein. No Index Party makes any express or implied warranties, and each Index Party expressly disclaims all warranties or merchantability or fitness for a particular purpose or use with respect to the marks, the Index or any data included therein. Without limiting any of the foregoing, in no event whatsoever shall any Index Party be liable for any indirect, special, incidental, punitive or consequential damages, including but not limited to, loss or profits, trading losses, lost time or goodwill, even if they have been advised of the possibility of such damages, whether in contract, tort, strict liability or otherwise.

Neither the Issuer nor the Calculation Agent shall have any liability to the Programme Preference Shareholder for any act or failure to act by the Index Sponsor or any other Index Party in connection with the calculation, adjustment or maintenance of the Index. Neither the Issuer nor the Calculation Agent or any of its Affiliates has any affiliation with or control over the Index or the Index Sponsor or any other Index Party or any control over the computation, composition or determination of the Index. Although the Calculation Agent will obtain information concerning the Index from publicly available sources it believes reliable, it will not independently verify the information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer or the Calculation Agent or any of their Affiliates as to the accuracy, completeness and timeliness of information concerning the Index.

ANNEX B

APPLICABLE CREDIT RATINGS

1. Issuer

The Issuer has, as at the date of this Applicable Pricing Supplement, been rated as follows:

| Rating Agency | Rating |
|---------------------------------------|---------|
| S&P (Long term -Foreign Currency) | BB |
| S&P (Long term –National Scale) | za.AA+ |
| Moody's (Long term -Foreign Currency) | Baa3 |
| Moody's (Long term –National Scale) | Aa1.za |
| Fitch (Long term – Foreign Currency) | BB+ |
| Fitch Long term – National Scale) | AA(zaf) |

2. Programme Preference Shares

This Tranche of Programme Preference Shares will not be rated.

ANNEX C

ADDITIONAL RISK FACTORS APPLICABLE TO THE PROGRAMME PREFERENCE SHARES

Amounts payable in respect of Indexed Programme Preference Shares

The redemption amount and preference dividends payable under the Programme Preference Shares are dependent upon the level of, or changes in the level of, the Index. An investment in the Indexed Programme Preference Shares will entail significant risks not associated with a conventional fixed rate or floating rate Programme Preference Share.

Value of the Index

The value of an Index is calculated by reference to the value of its components. Changes in the values of the Index components, the composition of the Index as well as factors that may influence the value of the Index components also influence the value of the Programme Preference Shares and can influence the yield from an investment in the Programme Preference Shares. Fluctuations in the value of one index component may be compensated or aggravated by fluctuations in the value of other index components. The past performance of an index does not represent any guarantee of its future performance. The Programme Preference Shares may be subject to early redemption or cancellation, as applicable, or adjustment if an Index is modified or cancelled and there is no successor index acceptable to the Calculation Agent, if the Index Sponsor fails to calculate and announce the Index, if certain market disruption events occur, or if certain events (such as illegality, disruptions or cost increases) occur with respect to the Issuer's or any Affiliate's hedging arrangements.

Miscellaneous risks associated with Programme Preference Shares

The movements in the level of the Index may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant level of the Index may affect the actual yield to investors, even if the average level is consistent with their expectations.

Adjustments and disruptions to the Index Level

If certain disruption events occur with respect to valuation of the Index and the Calculation Agent determines that an event giving rise to a Disrupted Day has occurred at any relevant time, such determination may have an effect on the timing of valuation and consequently the value of the Programme Preference Shares and/or may delay settlement in respect of the Programme Preference Shares. Prospective purchasers should review the Programme Preference Share Terms and Conditions and the Applicable Pricing Supplement to ascertain whether and how such provisions apply to the Programme Preference Shares.

The market price of the Programme Preference Shares may be volatile and may depend on the time remaining to the redemption and the volatility of the level of the Index. The level of the Index may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which any securities comprising the Index may be traded.

ANNEX D

ADDITIONAL INFORMATION

The Issuer

Investec Bank Limited

Incorporated in Gauteng, South Africa, on 31 March 1969

Registration number: 1969/004763/06

In terms of Section 19.10 of the Listing Requirements, the Issuer confirms that:

- a. it is incorporated under the laws of South Africa and is a member of the Banking Association of South Africa and is subject to the Banks Act 94 of 1990 as amended from time to time;
- b. it has acquired members of staff who have been responsible for the listing and trading of the Programme Preference Shares in South Africa;
- c. its capital and reserves as at 31 March 2018 amounted to ZAR 51,8 million. As at the date of this Applicable Pricing Supplement, the Issuer has net tangible assets of at least R2 billion located in South Africa; and
- d. for so long as any Programme Preference is outstanding to inform the JSE if the level of the Issuer's net tangible assets falls below R2 billion.

Settlement responsibility

Upon the redemption of the Programme Preference Shares, the Issuer is responsible for settlement and not the JSE nor any other exchange.

Changes to terms of Programme Preference Shares

Any change in the terms of the Programme Preference Shares, save as otherwise provided for in the Programme Preference Share Terms and Conditions or the Additional Conditions, must be approved by extraordinary resolution of the Programme Preference Shareholder, excluding the votes of the Issuer or any of their associates.

