



NEW DEVELOPMENT BANK

(Established by the agreement on the New Development Bank, executed amongst governments of the Federative Republic of Brazil, the Russian Federation, the Republic of India, the People's Republic of China and the Republic of South Africa on July 15, 2014 in Fortaleza)

ZAR10,000,000,000 Note Programme

On 25 March 2019, the New Development Bank (the **Issuer**) established a ZAR10,000,000,000 Note Programme (the **Programme**) pursuant to a programme memorandum dated 25 March 2019 (the **Previous Programme Memorandum**). This amended and restated programme memorandum (this **Programme Memorandum**) will apply to all Notes issued under the Programme on or after the Programme Date and will, in respect of such Notes, supersede and replace the Previous Programme Memorandum in its entirety.

Under this Programme, the Issuer may from time to time issue notes (the **Notes**), denominated in any currency agreed by the Issuer and the relevant Dealers and further subject to all Applicable Laws and, in the case of Notes listed on the Interest Rate Market of the JSE or such other Financial Exchange(s) as may be determined by the Issuer and the relevant authority, the listings requirements of the JSE or such other Financial Exchange(s), that are subject to the terms and conditions (the **Terms and Conditions**) contained in this Programme Memorandum. The Notes and each Tranche under it will be issued on, and subject to the Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions as set forth in a pricing supplement (the **Applicable Pricing Supplement**).

Capitalised terms used in this Programme Memorandum are defined in the section of this Programme Memorandum headed "*Terms and Conditions of the Notes*", unless separately defined, and/or in relation to a Tranche of Notes, in the Applicable Pricing Supplement.

As at the Programme Date, the Programme Amount is ZAR10,000,000,000. This Programme Memorandum will apply to the Notes issued under the Programme in an aggregate outstanding Nominal Amount which will not exceed ZAR10,000,000,000 (or its equivalent in other currencies) unless such amount is increased by the Issuer pursuant to the section of this Programme Memorandum headed "*General Description of the Programme*".

The Notes may comprise, without limitation, Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Index-Linked Notes and/or such combination of the foregoing Notes and/or such other type of Notes as may be determined by the Issuer and the relevant Dealer(s) and specified in the Applicable Pricing Supplement. Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. A Tranche of Notes will be issued on, and subject to, the Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement.

This Programme Memorandum will be registered with the JSE. A Tranche of Notes will be listed on the Interest Rate Market of the JSE or on such other or additional Financial Exchange(s) as may be determined by the Issuer, subject to all Applicable Laws. Claims against the JSE Debt Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE in accordance with the rules of the JSE Debt Guarantee Fund Trust. The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the JSE or the JSE Debt Guarantee Fund Trust. A copy of the Applicable Pricing Supplement relating to a Tranche of Notes which is to be listed on the Interest Rate Market of the JSE will be delivered to the JSE and the CSD, before the Issue Date, and the Notes in that Tranche may be traded by or through members of the JSE from the date specified in the Applicable Pricing Supplement, in accordance with the Applicable Procedures. The settlement of trades on the JSE will take place in accordance with the electronic settlement procedures of the JSE and the CSD for all trades done through the JSE. The settlement and redemption procedures for a Tranche of Notes listed on any Financial Exchange (other than or in addition to the JSE) will be specified in the Applicable Pricing Supplement.

The Notes may be issued on a continuing basis and be placed by one or more of the Dealers specified under the section headed "*Summary of the Programme*" and any additional Dealer(s) appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue or on an ongoing basis. References in this Programme Memorandum to the "**relevant Dealers**" shall, in the case of Notes being (or intended to be) placed by more than 1 (one) Dealer, be to all Dealers agreeing to place such Notes.

Particular attention is drawn to the section in this Programme Memorandum headed "*Investor Considerations / Risk Factors*" on page 18 below.

Lead Arranger
The Standard Bank of South Africa Limited,
acting through its Corporate and Investment Banking division

Co-Arranger
Absa Bank Limited,
acting through its Corporate and Investment Banking division

Dealers
Absa Bank Limited,
acting through its Corporate and Investment Banking division

Nedbank Limited,
acting through its Nedbank Corporate and Investment Banking division

FirstRand Bank Limited,
acting through its Rand Merchant Bank division

The Standard Bank of South Africa Limited
acting through its Corporate and Investment Banking division

JSE Debt Sponsor
The Standard Bank of South Africa Limited,
acting through its Corporate and Investment Banking division

GENERAL

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

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from this Programme Memorandum which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this 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 Programme Memorandum and the published audited annual financial statements, the annual reports, the constitutional documents of the Issuer, the Applicable Pricing Supplement (s) of the Issuer and all other documents incorporated by reference and any amendments or supplements to the aforementioned documents, except as otherwise stated therein (see the section of this Programme Memorandum headed "*Documents Incorporated by Reference*").

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

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

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

The Lead Arranger and Co-Arranger (together, the **Arrangers**), the Dealers, the JSE Debt Sponsor or any of their respective Subsidiaries or Holding Companies or a Subsidiary of their Holding Companies (**Affiliates**), other professional advisers named herein and the JSE have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Arrangers, the Dealers, the JSE Debt Sponsor or any of their Affiliates or other professional advisers named herein or the JSE as to the accuracy or completeness of the information contained in this Programme Memorandum or any other information provided by the Issuer. The Arrangers, the Dealers, the JSE Debt Sponsor or any of their Affiliates or other professional advisers named herein or the JSE do not accept any liability in relation to the information contained in this Programme Memorandum or any other information provided by the Issuer in connection with the Programme.

No Person has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Programme Memorandum or any other document entered into in relation to the Programme or any other information supplied by the Issuer in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arrangers, the Dealers, or any of their Affiliates or other professional advisers.

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

Each Person contemplating the subscription for, or purchase of, any Notes should determine for itself the relevance of the information contained in this Programme Memorandum and should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer, and its subscription for, or purchase of, Notes should be based upon any such investigation as it deems necessary. Neither this Programme Memorandum nor any Applicable Pricing Supplement nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer, the Arrangers, or any Dealers to any Person to subscribe for or to purchase any Notes.

Neither the delivery of this Programme Memorandum nor any Applicable Pricing Supplement nor the offering, sale or delivery of any Note shall at any time imply that the information contained herein is correct at any time subsequent to the date hereof, or that any other financial statements or other information supplied in connection with the Programme is correct at any time subsequent to the date indicated in the document containing the same. The Arrangers, the Dealers, the JSE Debt Sponsor or any of their Affiliates or other professional advisers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, *inter alia*, the most recent financial statements, if any, of the Issuer, when deciding whether or not to subscribe for, or purchase, any Notes.

Neither this Programme Memorandum nor any Applicable Pricing Supplement constitutes an offer to sell or the solicitation of an offer to buy or an invitation by the Issuer to subscribe for or purchase any Notes. The distribution of this Programme Memorandum and any Applicable Pricing Supplement and the issue, sale or offer of Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Programme Memorandum or any Applicable Pricing Supplement or any Notes come are required by the Issuer, the Arrangers, the Dealers, the JSE Debt Sponsor or any of their Affiliates or other professional advisers to inform themselves about and observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Programme Memorandum or any Applicable Pricing Supplement and other offering material relating to the Notes, see the section headed "*Subscription and Sale*".

The obligations of Issuer in relation to the Notes are solely the obligations of the Issuer and will not be the obligations or the responsibility of, or be guaranteed by, the Government of South Africa nor any other government or any other person.

Neither the Issuer, the Arrangers, the Dealers, the JSE Debt Sponsor nor any of their Affiliates or other professional advisers represent that this Programme Memorandum may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arrangers, the Dealers, the JSE Debt Sponsor or any of their Affiliates or other professional advisers which would permit a public offering of any Notes or distribution of this Programme Memorandum in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Programme Memorandum nor any advertisement nor other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any Applicable Laws and regulations. The Dealers have represented that all offers and sales by it will be made on the same terms.

The Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the Securities Act). Notes may not be offered, sold or delivered within the United States of America or to U.S. Persons except in accordance with Regulation S under the Securities Act. In addition, there are restrictions on the distribution of this Programme Memorandum in South Africa, the European Union and the United Kingdom. For a complete description of certain restrictions on the offering, sale and delivery of Notes and distribution of this Programme Memorandum, see the section of this Programme Memorandum headed "*Subscription and Sale*".

In connection with the issue and distribution of any Tranche of Notes under the Programme, the relevant Dealer(s), if any, that is specified in the Applicable Pricing Supplement as the Stabilising Manager (or any Person acting for the Stabilising Manager) may, if specified in that Applicable Pricing Supplement and only if such stabilising is permitted by the Debt Listings Requirements and approved by the JSE, over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period. However, there may be no obligation on the Stabilising Manager (or any agent of the Stabilising Manager) to do this. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after a limited period. Such stabilising shall be in compliance with all Applicable Laws, regulations and rules.

The Noteholders must comply with all laws that apply to them in any place in which they possess this Programme Memorandum. Noteholders must also obtain any consents or approvals that they need in order to buy or purchase any Notes. None of the Issuer, Arrangers, the Dealers, the JSE Debt Sponsor or any of their Affiliates or other professional advisers are responsible for Noteholders' compliance with these legal requirements.

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DOCUMENTS INCORPORATED BY REFERENCE

Capitalised terms used in this section headed "Documents Incorporated by Reference" shall bear the same meanings as those used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

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

- (a) all amendments, restatements and/or supplements to this Programme Memorandum prepared by the Issuer from time to time;
- (b) each Applicable Pricing Supplement relating to any Tranche of Notes issued under the Programme;
- (c) as at the Programme Date, the published audited annual financial statements, together with reports and notes thereto, of the Issuer for the financial years ended December 2020, 2021 and 2022 and in respect of any issue of Notes after the Programme Date, the published audited annual financial statements, together with reports and notes thereto, of the Issuer in respect of further financial years, as and when such published audited annual financial statements become available;
- (d) as at the Programme Date, the published annual report (incorporating the Issuer's audited annual financial statements, together with reports and the notes thereto of the Issuer and attached to or intended to be read with such audited annual financial statements of the Issuer for the financial years ended December 2020, 2021 and 2022 and in respect of any issue of Notes after the Programme Date, the published annual report of the Issuer in respect of further financial years, as and when such published annual report becomes available;
- (e) the unaudited condensed interim financial statements of the Issuer for the period 30 June 2022, together with such statements, reports and notes attached to or intended to be read with such unaudited condensed financial statements, in respect of future financial periods, as and when such unaudited condensed financial statements become available;
- (f) the Issuer's Code of Conduct for Board Officials policy (which sets out the management of conflicts of interests);
- (g) as at the Programme Date, the information statement dated 10 August 2023, containing:
 - (i) information pertaining to the business description of the Issuer;
 - (ii) the full names of each of the directors of the Issuer;
 - (iii) the full name of the Issuer's corporate secretary, the address of its offices and of its Specified Offices;
 - (iv) the full name and contact details of the debt officer of the Issuer;
 - (v) information relating to risk factors associated with an investment in the Notes, including, but not limited to, risk factors specific to the Issuer; and
 - (vi) information relating to the Issuer's compliance with corporate governance,together with any future information statement, as and when such information statement becomes available (the **Information Statement**); and
- (h) all information pertaining to the Issuer which is relevant to the Programme and/or this Programme Memorandum which will be electronically submitted through the Stock Exchange News Service of the JSE (**SENS**) or similar service established by the JSE, to SENS subscribers, if required,

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

The Issuer will, for as long as this Programme Memorandum remains registered with the JSE, make available for inspection, at its Specified Office without charge to any Person, upon the request of such Person, a copy of this Programme Memorandum, any amendments and/or supplements thereto, the Applicable Pricing Supplement(s) relating to any issue of listed Notes, and copies of all other documents which are incorporated herein by reference, unless such documents have been modified or superseded, in which case the modified or superseding documentation will be made available for inspection, including the most recently obtained beneficial disclosure report in relation to the Notes made available by the Participant to the CSD. Prior written requests for such documents should be directed to the Issuer at its Specified Office. In addition, the constitutive documents of the Issuer will be available for inspection upon prior written request at the Specified Office of the Issuer, and are available on the Issuer's website at <https://www.ndb.int/wp-content/uploads/2022/11/Agreement-on-the-New-Development-Bank.pdf>.

This Programme Memorandum, and those documents listed in (a) to (e) above, unless such documents have been modified or superseded, in which case the modified or superseding documentation, are available on the Issuer's website at <https://www.ndb.int/investor-relations/borrowing-programmes> and the document listed in (f) above, unless such documents have been modified or superseded, in which case the modified or superseding documentation, are available on the Issuer's website at <https://www.ndb.int/governance/transparency-reporting/> as at the Programme Date, unless such documents are not required to be made available on the Issuer's website in terms of the Applicable Laws.

In addition, this Programme Memorandum, any amendments and/or supplements thereto and the Applicable Pricing Supplements relating to any issue of listed Notes will be filed with the JSE which will publish such documents on its website at <http://www.jse.co.za>.

This Programme Memorandum does not constitute an offer or invitation by or on behalf of the Issuer, the Arrangers and the Dealers, the JSE Debt Sponsor or their Affiliates or other professional advisers to any Person in any jurisdiction to subscribe for or purchase any Notes.

The Issuer will, for so long as this Programme Memorandum remains registered with the JSE, publish a new Programme Memorandum or a supplement to this Programme Memorandum, as the case may be, if:

- (i) a change in the condition (financial or trading position) of the Issuer has occurred which is material in the context of the Notes so listed and the Issuer's payment obligations thereunder; or
- (ii) an event has occurred which affects any matter contained in this Programme Memorandum, the disclosure of which would reasonably be required by Noteholders and/or potential investors in the Notes; or
- (iii) any of the information contained in this Programme Memorandum becomes outdated in a material respect; or
- (iv) this Programme Memorandum no longer contains all the material correct information required by the Applicable Procedures,

provided that, in the circumstances set out in paragraphs (iii) and (iv) above, no new Programme Memorandum or supplement to this Programme Memorandum, as the case may be, is required in respect of the Issuer's audited annual financial statements and/or if such the unaudited condensed financial statements are incorporated by reference into this Programme Memorandum.

GENERAL DESCRIPTION OF THE PROGRAMME

Capitalised terms used in this section headed “General Description of the Programme” shall bear the same meanings as those used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Issuer may from time to time issue one or more Tranches of Notes under the Programme, pursuant to this Programme Memorandum, provided that the aggregate outstanding Nominal Amount of all of the Notes issued under the Programme from time to time does not exceed the Programme Amount.

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

This Programme Memorandum and any supplement thereto will only be valid for the issue of Notes in an aggregate Nominal Amount, which when added to the aggregate Nominal Amount then Outstanding of all the Notes previously or simultaneously issued under the Programme, does not exceed ZAR10,000,000,000 or its equivalent in other currencies. For the purpose of calculating the South African Rand equivalent of the aggregate Nominal Amount of the Notes issued under the Programme, from time to time, the South African Rand equivalent of the Notes denominated in another Specified Currency (as specified in the Applicable Pricing Supplement) shall be determined as of the date of agreement to issue such Notes (the **Agreement Date**) on the basis of the spot rate for the sale of the South African Rand against the purchase of such Specified Currency in the South African foreign exchange market quoted by any leading bank selected by the Issuer on the Agreement Date (the **Conversion Rate**) and in respect of Zero Coupon Notes and other Notes, the Conversion Rate shall be applied to the net subscription proceeds received by the Issuer for the relevant issue.

From time to time, the Issuer may wish to increase the Programme Amount. Subject to the Applicable Procedures, all Applicable Laws and the Programme Agreement (defined in the section headed “*Subscription and Sale*”), the Issuer may, without the consent of Noteholders, increase the Programme Amount by delivering a notice thereof to the Noteholders in accordance with Condition 17 (*Notices*) of the Terms and Conditions, and the Arrangers, the Dealers and the CSD. Upon such notice being given to the Noteholders and the conditions set out in the Programme Agreement to exercise this right having been met, all references in this Programme Memorandum (and each agreement, deed or document relating to the Programme and/or this Programme Memorandum) to the Programme Amount will be, and will be deemed to be, references to the increased Programme Amount set out in such notice.

This Programme Memorandum will apply to all Notes issued under the Programme on or after the Programme Date.

The “*Summary of the Programme*” and the “*Terms and Conditions of the Notes*” are disclosed below.

SUMMARY OF THE PROGRAMME

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

PARTIES

Issuer	New Development Bank, established in accordance with the Articles of Agreement.
Lead Arranger	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division (registration number 1962/000738/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa (SBSA).
Co-Arranger	Absa Bank Limited, acting through its Corporate and Investment Banking division (registration number 1986/004794/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa (Absa).
Arrangers	Lead Arranger and Co-Arranger jointly.
Dealers	(a) Absa; (b) FirstRand Bank Limited, acting through its Rand Merchant Bank division (registration number 1929/001225/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa; (c) Nedbank Limited, acting through its Nedbank Corporate and Investment Banking division (registration number 1951/000009/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa; and/or (d) SBSA; (e) any other additional Dealer(s) appointed under the Programme by the Issuer from time to time, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment of such Dealer(s).
Transfer Agent	SBSA, or such other entity appointed by the Issuer as Transfer Agent, in which event that other entity will act as Transfer Agent, as specified in the Applicable Pricing Supplement.
Paying Agent	SBSA, or such other entity appointed by the Issuer as Paying Agent, in which event that other entity will act as Paying Agent, as specified in the Applicable Pricing Supplement.
Calculation Agent	SBSA, or such other entity appointed by the Issuer as Calculation Agent, in which event that other entity will act as Calculation Agent, as specified in the Applicable Pricing

	Supplement.
Issuer Agent	SBSA, or such other entity appointed by the Issuer as Issuer Agent pursuant to the debt instrument solution system of the CSD, in which event that other entity will act as Issuer Agent.
JSE Debt Sponsor	SBSA, or such other entity appointed by the Issuer from time to time.
CSD	Strate Proprietary Limited (registration number 1998/022242/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa and registered as a central securities depository in terms of the Financial Markets Act or such additional, alternative or successor central securities depository as may be agreed between the Issuer and the relevant Dealer(s).
JSE	JSE Limited (registration number 2005/022939/06), a public company with limited liability duly incorporated in accordance with the company laws of South Africa and a licensed financial exchange in terms of the Financial Markets Act or any exchange which operates as a successor exchange to the JSE.
GENERAL	
Clearing and Settlement	Each Tranche of Notes which is held in the CSD will be issued, cleared and settled in accordance with the Applicable Procedures through the electronic settlement system of the CSD. The CSD acts as the approved electronic clearing house, and carries on the role of matching, clearing and facilitation of settlement of all transactions carried out on the JSE. Each Tranche of Notes which is held in the CSD will be cleared by Participants who will follow the electronic settlement procedures prescribed by the JSE and the CSD (see the section of this Programme Memorandum headed " <i>Settlement, Clearing and Transfer of Notes</i> ").
Cross-Acceleration	The terms of the Notes will contain a cross-acceleration provision relating to the Material Indebtedness as further described in Condition 15.1.3 (<i>Cross Acceleration</i>).
Debt Listings Requirements	The debt listings requirements of the JSE pursuant to the provisions of the Financial Markets Act for the listing of debt securities on the JSE, as amended from time to time.
Denomination	Notes will be issued in such denominations as may be agreed by the Issuer and the relevant Dealer(s) and as indicated in the Applicable Pricing Supplement, save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the central bank or regulator or any laws or regulations applicable to the Notes.
Description of Programme	New Development Bank ZAR10,000,000,000 Note Programme.
Distribution	Notes may be distributed by way of private placement, auction or bookbuild or any other means permitted under South African law, and in each case on a syndicated or non-syndicated basis as may be determined by the Issuer and the relevant Dealer(s) and reflected in the Applicable Pricing

	Supplement.
Emigrant Capital	Emigrant capital, formerly known as blocked rands, that is solely used for fund transfers in and out of South Africa and that is held in a designated emigrant capital account may be used by, for exchange control purposes, non-residents to subscribe for, or purchase, Notes, subject to the Exchange Control Regulations.
Form of Notes	Each Tranche of Notes which is listed on the Interest Rate Market of the JSE will be issued in uncertificated form, and will be held in the CSD. The holder of a Beneficial Interest may exchange such Beneficial Interest for Notes in certificated form represented by an Individual Certificate (see the section of this Programme Memorandum headed " <i>Form of the Notes</i> ").
Governing Law and Jurisdiction	The Notes will be governed by and construed in accordance with the laws of South Africa in force from time to time, unless otherwise set out in the Applicable Pricing Supplement.
Interest	Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate or be index-linked, and the method of calculating interest may vary between the Issue Date and the Maturity Date.
Interest Rate/Interest Period(s)/Interest Payment Date(s)	The Interest Rate, Interest Payment Date(s) and Interest Period(s), if any, applicable to a Tranche of Notes will be specified in the Applicable Pricing Supplement.
Issue and Transfer Taxes and withholding tax	<p>In accordance with the Articles of Agreement, as in force from time to time, no tax of any kind shall be levied by any member, on any obligation or security issued by the Issuer, including any dividend or interest thereon, by whomsoever held (i) which discriminates against such obligation or security solely because it is issued by the Issuer; or (ii) if the sole jurisdictional basis for such taxation is the place or currency in which it is issued, made payable or paid, or the location of any office or place of business maintained by the Issuer. Also, under the Articles of Agreement, the Issuer is exempt from any obligation for the payment, withholding or collection of any tax by a member state. Accordingly, the interest due on the Notes will be paid to the Paying Agent without deduction in respect of any tax by a member state.</p> <p>If any taxation is leviable on payments due on the Notes, notwithstanding the provisions of the Articles of Agreement, neither the Issuer nor the Paying Agent will make any additional payment in the event of any deduction or withholding being required in respect of such taxation and neither the Issuer nor the Paying Agent shall be liable to any holder of the Notes or to any other person for any commissions, costs, losses or expenses in relation to or resulting from such withholding or payment.</p>
Issue Price	Notes may be issued on a fully paid basis and at their Nominal Amount or at a discount or premium to their Nominal Amount, as specified in the Applicable Pricing Supplement.
Listing	This Programme Memorandum has been registered with the JSE. Notes issued under the Programme will be listed

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

Maturities of Notes

Such maturity(ies) as specified in the Applicable Pricing Supplement. The Notes are not subject to any minimum or maximum maturity.

Notes

Notes may comprise of:

Fixed Rate Notes

A Fixed Rate of Interest will be payable in arrears on such date or dates as may be agreed between the Issuer and the relevant Dealer(s), as indicated in the Applicable Pricing Supplement and on redemption, and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s).

Floating Rate Notes

Floating Rate Notes will bear interest calculated at a rate determined: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the ISDA Definitions; or (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quoting service; or (iii) on such other basis as may be agreed between the Issuer and the relevant Dealer(s), as indicated in the Applicable Pricing Supplement.

The Margin (if any) relating to such Floating Rate Notes will be agreed between the Issuer and the relevant Dealer(s) for each issue of Floating Rate Notes, as indicated in the Applicable Pricing Supplement.

Floating Rate Notes may also have a maximum Interest Rate, a minimum Interest Rate or both, as indicated in the Applicable Pricing Supplement.

The Interest Period for Floating Rate Notes may be 1 (one), 2 (two), 3 (three), 6 (six) or 12 (twelve) months or such other period as the Issuer and the relevant Dealer(s) may agree, as indicated in the Applicable Pricing Supplement.

Zero Coupon Notes

Zero Coupon Notes will be issued at their Nominal Amount or at a discount to it and will not bear interest (except in the case of late payment as specified).

Index-Linked Notes	Payments (whether in respect of interest on Indexed Interest Notes or in respect of principal on Indexed Redemption Amount Notes and whether at maturity or otherwise) will be calculated by reference to such index and/or formula as the Issuer and the relevant Dealer(s) may agree, as indicated in the Applicable Pricing Supplement.
Dual Currency Notes	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer and the relevant Dealer(s) may agree, as indicated in the Applicable Pricing Supplement.
Instalment Notes	The Applicable Pricing Supplement will set out the dates on which, and the amounts in which, Instalment Notes may be redeemed.
Exchangeable Notes	Exchangeable Notes may be redeemed by the Issuer in cash or by the delivery of securities, as specified in the Applicable Pricing Supplement.
Other Notes	Terms applicable to any other type of Notes that are approved by the JSE or its successor, or such other Financial Exchange(s) as may be selected by the Issuer in relation to an issue of listed Notes, will be set out in the Applicable Pricing Supplement.

Noteholder(s) The holders of Notes which are recorded as the registered Noteholders of those Notes in the Register. The CSD will be named in the Register as the registered Noteholder of each Tranche of Notes which is held in the CSD. Each holder of Notes which is represented by an Individual Certificate will be named in the Register as the registered Noteholder of such Notes.

Rating As at the Programme Date, the Issuer is rated. The Programme is not rated but may after the Programme Date be rated by a Rating Agency on a national or international scale basis. A Tranche of Notes may also, on or before the Issue Date, be rated by a Rating Agency on a national or international scale basis. Unrated Tranches of Notes may also be issued. The Rating assigned to the Issuer and/or the Programme and/or the Notes, as the case may be, as well as the Rating Agency(ies) which assigned such Rating(s), will be specified in the Applicable Pricing Supplement. Unrated Tranches of Notes may also be issued.

A Rating is not a recommendation to subscribe for, buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the Rating Agency. Any adverse change in the Rating of the Issuer and/or the Programme and/or a Tranche of Notes, as the case may be, could

adversely affect the trading price of all or any of the Notes. Any amendment in the Rating of the Issuer and/or the Programme and/or a Tranche of Notes, as the case may be, after the Programme Date, will be announced on SENS in accordance with the Debt Listing Requirements.

Redemption

A Tranche of Notes will, subject to the Applicable Pricing Supplement, be redeemed on the Maturity Date, as set out in Condition 8.1 (*Redemption at Maturity*).

If so specified in the Applicable Pricing Supplement, the Issuer may redeem the Notes of any Tranche at any time prior to the Maturity Date following the occurrence of a change in law and/or for tax reasons, as set out in Condition 8.2 (*Redemption for Tax Reasons*), unless otherwise set out in the Applicable Pricing Supplement.

If "*Redemption at the Option of the Issuer*" is specified as applicable in the Applicable Pricing Supplement or pursuant to Condition 8.3 (*Redemption at the Option of the Issuer*), the Issuer may, having given not less than 30 (thirty) Days' nor more than 60 (sixty) Days' prior written notice (or such other period of prior written notice as may be specified in the Applicable Pricing Supplement) to the Noteholders in accordance with Condition 17 (*Notices*), redeem the Tranche of Notes on any Optional Redemption Date(s), unless otherwise set out in the Applicable Pricing Supplement.

If "*Redemption at the Option of Noteholders*" is specified as applicable in the Applicable Pricing Supplement, the Noteholders of any Tranche of Notes may, having given not less than 30 (thirty) Days nor more than 60 (sixty) Days' prior written notice (or such other period of prior written notice as may be specified in the Applicable Pricing Supplement), require the Issuer to redeem Notes on any Optional Redemption Date in the manner specified in Condition 8.4 (*Redemption at the Option of the Noteholders*) and the Applicable Pricing Supplement.

If "*Redemption in the event of a Change of Control*" is specified as being applicable in the Applicable Pricing Supplement and (i) a Change of Control occurs (as defined below); and (ii) within the Change of Control Period (as defined below in Condition 8.5.5 (g) of this Programme Memorandum), (A) a Rating Downgrade (as defined below in Condition 8.5.5 (g) of this Programme Memorandum) occurs in relation to the Issuer and/or the Programme and/or any Tranche of Notes, as the case may be; or (B) if, the Issuer and/or the Programme and/or any Tranche of Notes are not so rated, a Negative Rating Event (as defined below) in respect of that Change of Control occurs, (in either case, a **Change of Control Event**) and (C) the Noteholders resolve by way of an Extraordinary Resolution to have their Notes redeemed by the Issuer, then each Noteholder in that Class of Noteholders shall have the option to require the Issuer to redeem each Note in that Tranche of Notes held by that Noteholder at its Early Redemption Amount together with accrued interest (if any) within 15 (fifteen) Days after the delivery by that Noteholder of a Change of Control Redemption Notice (as defined below), in the manner specified in Condition 8.5 (*Redemption in the event of a Change of Control*), unless otherwise set out in the

Applicable Pricing Supplement.

If “*Redemption in the event of a failure to maintain JSE Interest Rate Market Listing or Rating*” is specified as applicable in the Applicable Pricing Supplement, the Noteholders of any Tranche of Notes may, after having been notified by the Issuer in accordance with Condition 17 (*Notices*), require the Issuer to redeem Notes in the manner specified in Condition 8.6 (*Redemption in the event of a failure to maintain JSE Interest Rate Market Listing or Rating*) and the Applicable Pricing Supplement.

Selling Restrictions

The distribution of this Programme Memorandum and/or any Applicable Pricing Supplement and any offering or sale of or subscription for a Tranche of Notes may be restricted by law in certain jurisdictions, and is restricted by law in the United States of America, the United Kingdom, the European Economic Area and South Africa (see the section of this Programme Memorandum headed “*Subscription and Sale*”). Any other or additional restrictions which are applicable to the placing of a Tranche of Notes will be set out in the Applicable Pricing Supplement. Persons who come into possession of this Programme Memorandum and/or any Applicable Pricing Supplement must inform themselves about and observe all applicable selling restrictions.

Size of the Programme

As at the Programme Date, the Programme Amount is ZAR10,000,000,000. This Programme Memorandum will only apply to Notes issued under the Programme in an aggregate outstanding Nominal Amount which does not exceed the Programme Amount. The Issuer may increase the Programme Amount in the manner set out in the section of this Programme Memorandum headed “*General Description of the Programme*”. The Programme Amount at the time of the issue of any Tranche of Notes will be set out in the Applicable Pricing Supplement.

Specified Currency

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

Status of the Notes

Unless otherwise set out in the Applicable Pricing Supplement, the Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain debts required to be preferred by law) with all other present or future unsecured and unsubordinated obligations of the Issuer from time to time outstanding.

The obligations of Issuer in relation to the Notes are solely the obligations of the Issuer and will not be the obligations or the responsibility of, or be guaranteed by, the Government of South Africa nor any other government or any other person.

Stabilisation

In connection with the issue and distribution of any Tranche of Notes under the Programme, the Dealers, if any, that is specified in the Applicable Pricing Supplement as the Stabilising Manager (or any Person acting for the Stabilising Manager) may, if specified in that Applicable Pricing Supplement and only if such stabilising is permitted by the

Debt Listings Requirements and approved by the JSE, over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period. However, there may be no obligation on the Stabilising Manager (or any agent of the Stabilising Manager) to do this. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after a limited period. Such stabilising shall be in compliance with all Applicable Laws, regulations and rules.

Taxation

A summary of the applicable tax legislation in respect of the Notes, as at the Programme Date, is set out in the section of this Programme Memorandum headed "*South African Taxation*". The summary does not constitute tax advice. Potential investors in the Notes should, before making an investment in the Notes, consult their own professional advisers as to the potential tax consequences of, and their tax positions in respect of, an investment in the Notes.

Terms and Conditions

The terms and conditions of the Notes are set out in the section of this Programme Memorandum headed "*Terms and Conditions of the Notes*". The Applicable Pricing Supplements may specify other terms and conditions (which may replace, modify or supplement the Terms and Conditions) in relation to specific terms and conditions of the Notes of any Tranche of Notes issued.

Use of Proceeds

The Issuer will use the issue proceeds of the Notes for its general corporate purposes, or as may otherwise be described in the Applicable Pricing Supplement.

Exchange Control

A summary in relation to Exchange Control in respect of the Notes, as at the Programme Date, is set out in the section of this Programme Memorandum headed "*South African Exchange Control*". This Programme Memorandum has been prepared by the Issuer for purposes of issuing Notes in South Africa in accordance with Section H of the Currency and Exchanges Manual for Authorised Dealers (**Authorised Dealer Manual**). Section H of the Authorised Dealer Manual enables the Issuer, subject to provisions the requirements of Section H (including the prior written approval of the Financial Surveillance Department of the South African Reserve Bank), to issue Notes in South Africa, provided the Notes are listed on the JSE. Each Series of Notes issued pursuant to this Programme Memorandum, will be listed on the Interest Rate Market of the JSE, as required by Section H of the Authorised Dealer Manual. The summary does not constitute exchange control advice. Potential investors in the Notes should, before making an investment in the Notes, consult their own professional advisers in relation to exchange control.

INVESTOR CONSIDERATIONS / RISK FACTORS

All information pertaining to Investor Considerations/Risk Factors, as set out in the Information Statement, as amended and updated from time to time, is incorporated by reference in, and forms part of this Programme Memorandum, and is available on the Issuer's website, <https://www.ndb.int/investor-relations/borrowing-programmes/>, as at the date of this Programme Memorandum.

FORM OF THE NOTES

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

Notes issued in certificated form

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

Subject to the Applicable Laws, title to Notes represented by Individual Certificates will be freely transferable, fully paid up (save for Zero Coupon Notes) and will pass upon registration of transfer in accordance with Condition 13.2 (*Transfer of Notes represented by Individual Certificates*) of the Terms and Conditions.

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

Payments of all amounts due and payable in respect of Notes represented by Individual Certificates will be made in accordance with Condition 7 (*Payments*) of the Terms and Conditions to the Person reflected as the registered Noteholder of such Notes in the Register by 17h00 (South African time) on the Last Day to Register, and the payment obligations of the Issuer will be discharged by proper payment to or to the order of such registered Noteholder in respect of each amount so paid.

Notes issued in uncertificated form

A Tranche of Notes which is listed on the Interest Rate Market of the JSE will be freely transferable and fully paid up (save for Zero Coupon Notes) and must, subject to Applicable Laws and Applicable Procedures, be issued in uncertificated form in terms of section 33 of the Financial Markets Act.

Notes issued in uncertificated form will not be represented by any certificate or written instrument. A Tranche of Notes issued in uncertificated form will be held by the CSD, and the relevant Noteholder will be named in the Uncertificated Securities Register as the registered Noteholder of that Tranche of Notes.

Beneficial Interests in Notes held in the CSD

A Tranche of Notes which is listed on the Interest Rate Market of the JSE must be issued in uncertificated form and held in the CSD. While a Tranche of Notes is held in the CSD, the relevant Noteholder will be named in the Register as the holder of the Notes in that Tranche.

The CSD will hold each Tranche of Notes, subject to the Financial Markets Act and the Applicable Procedures. All amounts to be paid in respect of Notes held in the CSD will be paid to the relevant Participant on behalf of the relevant Noteholder pursuant to the Applicable Procedures. All rights to be exercised in respect of Notes held in the CSD will be exercised by the relevant Noteholder.

The CSD maintains central securities accounts only for Participants. As at the Programme Date, the Participants are ABSA Bank Limited, Citibank, N.A., South Africa Branch; FirstRand Bank Limited; Nedbank Limited; The Standard Bank of South Africa Limited; Standard Chartered Bank, Johannesburg Branch and the South African Reserve Bank.

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

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

facie proof of such Beneficial Interest. However, the registered Noteholder of such Notes named in the Register will be treated by the Issuer, the Paying Agent, the Transfer Agent and the CSD as the holder of that outstanding Nominal Amount of such Notes for all purposes.

Subject to the Applicable Laws and the Applicable Procedures, title to Beneficial Interests held by Noteholders directly through the CSD will be freely transferable and pass on transfer thereof by electronic book entry in the central securities accounts maintained by the CSD or relevant Participants for such Noteholders. Title to Beneficial Interests held by clients of Participants indirectly through such Participants will pass on transfer thereof by electronic book entry in the security accounts maintained by such Participants for such clients. Beneficial Interests may be transferred only in accordance with the Applicable Procedures. Holders of Beneficial Interests vote in accordance with the Applicable Procedures.

The holder of a Beneficial Interest will only be entitled to exchange such Beneficial Interest for Notes represented by an Individual Certificate in accordance with Condition 10 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*) of the Terms and Conditions.

PRO FORMA APPLICABLE PRICING SUPPLEMENT

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

**NEW DEVELOPMENT BANK**

(Established by the agreement on the New Development Bank, executed amongst governments of the Federative Republic of Brazil, the Russian Federation, the Republic of India, the People's Republic of China and the Republic of South Africa on July 15, 2014 in Fortaleza)

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] due [Maturity Date]
under its ZAR10,000,000,000 Note Programme**

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 10 August 2023, prepared by the New Development Bank in connection with the New Development Bank's ZAR10,000,000,000 Note Programme, as amended and/or supplemented from time to time (the **Programme Memorandum**).

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*".

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the terms and conditions contained in this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

PARTIES

1.	Issuer Registered Office	New Development Bank 1600, Guozhan Road Pudong New District Shanghai 200126 China
2.	Dealer(s) Specified Address	[] []
3.	Manager(s) Specified Address	[] []
4.	Debt Sponsor Specified Address	[] []
5.	Paying Agent Specified Address	[] []
6.	Calculation Agent	[]

	Specified Address	[]
7.	Transfer Agent	[]
	Specified Address	[]
8.	Issuer Agent	[]
	Specified Address	[]
9.	Settlement Agent	[]
	Specified Address	[]

PROVISIONS RELATING TO THE NOTES

10.	Status of Notes	[Secured/Unsecured]
11.	Form of Notes	The Notes in this Tranche are [listed/unlisted] Notes issued in [uncertificated form and held by the CSD/certificated form]
12.	Series Number	[]
13.	Tranche Number	[]
14.	Aggregate Nominal Amount:	
	(a) Series	[]
	(b) Tranche	[]
15.	Interest	[Interest-bearing/Non-interest-bearing]
16.	Interest Payment Basis	[[Fixed Rate/Floating Rate/Zero Coupon/Index-Linked/Dual Currency/Instalment] /other]
17.	Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	[Insert details including date for conversion]
18.	Issue Date	[]
19.	Nominal Amount per Note	[]
20.	Specified Denomination	[]
21.	Specified Currency	[]
22.	Issue Price	[]
23.	Interest Commencement Date	[]
24.	Maturity Date	[]
25.	Applicable Business Day Convention	[Floating Rate Business Day / Following Business Day / Modified Following Business Day / Preceding Business Day / other convention – insert details]
26.	Final Redemption Amount	[]
27.	Last Day to Register	By 17h00 on [], of each year until the Maturity Date, or if such day is not a Business Day, the Business Day before each Books Closed Period, or if any early redemption occurs, 10 Days prior to the actual Redemption Date

28. Books Closed Period(s) The Register will be closed from [...] to [...] and from [...] to [...] of each year until the Maturity Date (all dates inclusive), or if any early redemption occurs, 10 Days prior to the actual Redemption Date

29. Default Rate []

FIXED RATE NOTES

30. (a) Interest Payment Date(s) [*insert date*], of each year until the Maturity Date or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention with the first Interest Payment Date being [*insert date*], or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention

(b) Interest Period(s) From and including the applicable Interest Payment Date and ending on but excluding the following Interest Payment Date, the first Interest Period commencing on and including the Interest Commencement Date and ending on the day before the next Interest Payment Date (each Interest Payment Date as adjusted in accordance with the Applicable Business Day Convention

(c) Fixed Rate of Interest [] percent per annum [payable [annually/semi-annually/quarterly] in arrears]

(d) Fixed Coupon Amount(s) [] per [] in Nominal Amount

(e) Initial Broken Amount []

(f) Final Broken Amount []

(g) Day Count Fraction []

(h) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision) []

FLOATING RATE NOTES

31. (a) Interest Payment Date(s) [*insert date*], of each year until the Maturity Date or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention with the first Interest Payment Date being [*insert date*], or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the

	Applicable Business Day Convention
(b) Interest Period(s)	From and including the applicable Interest Payment Date and ending on but excluding the following Interest Payment Date, the first Interest Period commencing on and including the Interest Commencement Date and ending on the day before the next Interest Payment Date (each Interest Payment Date as adjusted in accordance with the Applicable Business Day Convention
(c) Definition of Business Day (if different from that set out in Condition 1) (<i>Interpretation</i>)	[]
(d) Minimum Rate of Interest	[] percent per annum
(e) Maximum Rate of Interest	[] percent per annum
(f) Day Count Fraction	[]
(g) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision)	[]
32. Manner in which the Rate of Interest is to be determined	[ISDA Determination / [Screen Rate Determination (Reference Rate plus Margin)]/other – insert details]
33. Margin	[...] basis points [[] percent] to be added to/subtracted from the relevant ISDA Rate / Reference Rate]
34. If ISDA Determination	
(a) Floating Rate	[]
(b) Floating Rate Option	[]
(c) Designated Maturity	[]
(d) Reset Date(s)	On the first Business Day of each Interest Period, [with the first Interest Rate Determination Date being []
(e) ISDA Definitions to apply	[]
35. If Screen Rate Determination:	
(a) Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated)	[]
(b) Interest Rate Determination Date(s)	[], [], [] and [] (or the first Business Day of each Interest Period) of each year until the Maturity Date, with the first Interest Rate Determination Date being [<i>insert date</i>]
(c) Relevant Screen Page and Reference Code	[]
36. If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Rate Determination, insert basis for determining Rate of Interest/Margin/ Fallback provisions	[]
37. Calculation Agent responsible for calculating	[]

amount of principal and interest

ZERO COUPON NOTES

38. (a) Implied Yield []
- (b) Reference Price Percent [NACA] [NACM] [NACQ]
[NACS] [other method of
compounding]
- (c) Any other formula or basis for determining
amount(s) payable []

INSTALMENT NOTES

39. Instalment Dates []
40. Instalment Amounts (expressed as a percentage
of the aggregate Nominal Amount of the Notes) []

INDEX-LINKED NOTES

41. (a) Type of Index-Linked Notes [Indexed Interest Notes / Indexed
Redemption Amount Notes]
- (b) Name, code and currency of the
Index/Formula by reference to which Interest
Rate / Interest Amount is to be determined []
- (c) Manner in which the Interest Rate / Interest
Amount is to be determined []
- (d) Interest Payment Date(s) [*insert date*], of each year until the
Maturity Date or, if such day is not a
Business Day, the Business Day on
which interest will be paid, as
determined in accordance with the
Applicable Business Day Convention
with the first Interest Payment Date
being [*insert date*], or, if such day is
not a Business Day, the Business Day
on which interest will be paid, as
determined in accordance with the
Applicable Business Day Convention
- (e) Interest Period(s) From and including the applicable
Interest Payment Date and ending on
but excluding the following Interest
Payment Date, the first Interest Period
commencing on and including the
Interest Commencement Date and
ending on the day before the next
Interest Payment Date (each Interest
Payment Date as adjusted in
accordance with the Applicable
Business Day Convention)
- (f) Provisions where calculation by reference to
Index and/or Formula is impossible or
impracticable []
- (g) Definition of Business Day (if different from
that set out in Condition 1 (*Interpretation*)) []
- (h) Minimum Rate of Interest [] percent per annum
- (i) Maximum Rate of Interest [] percent per annum

- | | |
|---|--|
| (j) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision) (Base CPI) | [] |
| (k) Index sponsor | [] |
| (l) Index calculator (if different to the index sponsor) | [] |
| (m) Website address where the link to the index rulebook is available | [] |
| (n) Index level | The index level is published [daily/weekly/monthly] on the index calculator's website, as detailed in line item (m) above |
| (o) Required confirmations | Any changes to the index methodology will be published on SENS and communicated to the JSE and all other changes as detailed in the ground rules document will be published on the index calculator's website at [] |
| (p) Underlying indices | [N/A / The list of indices underlying the index is as follows:

[]

The index level for each of the abovementioned indices are published [daily/weekly/monthly]

The website address where the rulebooks are index levels for the abovementioned indices is [] |

DUAL CURRENCY NOTES

- | | |
|---|--|
| 42. (a) Type of Dual Currency Notes | [Dual Currency Interest/Dual Currency Redemption Amount] Notes |
| (b) Rate of Exchange/method of calculating Rate of Exchange | [] |
| (c) Provisions applicable where calculation by reference to Rate of Exchange is impossible or impracticable | [] |
| (d) Person at whose option Specified Currency(ies) is/are payable | [] |

EXCHANGEABLE NOTES

- | | |
|--|----------|
| 43. (a) Mandatory Exchange applicable | [Yes/No] |
| (b) Noteholders' Exchange Right applicable | [Yes/No] |
| (c) Exchange Securities | [] |
| (d) Manner of determining Exchange Price | [] |
| (e) Exchange Period | [] |
| (f) Other | [] |

OTHER NOTES

44. If the Notes are not Instalment Notes, Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Index-Linked Notes, Dual Currency Notes or Exchangeable Notes or if the Notes are a combination of any of the foregoing, set out the relevant description and any additional Terms and Conditions relating to such Notes

PROVISIONS REGARDING REDEMPTION/MATURITY

45. Redemption at the Option of the Issuer pursuant to Condition 8.3 (*Redemption at the Option of the Issuer*): [Yes/No]
- If yes:
- (a) Optional Redemption Date(s)
- (b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s)
- (c) Minimum period of notice (if different from Condition 8.3 (*Redemption at the Option of the Issuer*))
- (d) If redeemable in part:
- Minimum Redemption Amount(s)
- Higher Redemption Amount(s)
- (e) Other terms applicable on Redemption
46. Redemption at the Option of the Noteholders pursuant to Condition 8.4 (*Redemption at the Option of the Noteholders*): [Yes/No]
- if yes:
- (a) Optional Redemption Date(s)
- (b) Optional Redemption Amount(s)
- (c) Minimum period of notice (if different from Condition 8.4 (*Redemption at the Option of the Noteholders*))
- (d) If redeemable in part:
- Minimum Redemption Amount(s)
- Higher Redemption Amount(s)
- (e) Other terms applicable on Redemption
- (f) Attach *pro forma* put notice(s)
47. Redemption in the event of a Change of Control at the election of Noteholders pursuant to Condition 8.5 (*Redemption in the event of a Change of Control*) or any other terms applicable to a Change of Control [Yes/No]
48. Redemption in the event of a failure to maintain JSE Interest Rate Market Listing or Rating at the election of the Noteholders pursuant to Condition 8.6 (*Redemption in the event of a failure to maintain JSE Interest Rate Market Listing or*) [Yes/No]

Rating)

49. Early Redemption Amount(s) payable on redemption for taxation reasons, at the option of the Issuer in terms of Condition 8.3 (*Redemption at the Option of the Issuer*) at the option of the Noteholders in terms of Condition 8.4 (*Redemption at the Option of the Noteholders*), in the event of a Change of Control in terms of Condition 8.5 (*Redemption in the event of a Change of Control*), Condition 8.6 (*Redemption in the event of a failure to maintain JSE Interest Rate Market Listing or Rating*), or on Event of Default in terms of Condition 15 (*Events of Default*) (if required or if different from that set out in the relevant Conditions).

[Yes/No]

If yes:

- (a) Amount payable; or
- (b) Method of calculation of amount payable

GENERAL

50. Financial Exchange
51. Additional selling restrictions
52. International Securities Identification Numbering (ISIN)
53. Stock Code
54. Stabilising Manager
55. Provisions relating to stabilisation
56. Method of distribution [Auction/Bookbuild/Private Placement]
57. Rating assigned to the [Issuer] [Programme]/[Notes] *[issue date to be specified]*
58. Applicable Rating Agency
59. Governing law and Jurisdiction (if the laws of South Africa are not applicable)
60. Other provisions *[Other Events of Default in addition to the Events of Default referred to in Condition 15 (Events of Default)]*
[Other covenants, provisions]

Responsibility:

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Programme Memorandum or this Applicable Pricing Supplement which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the Programme Memorandum together with this Applicable Pricing Supplement, contain all information required by law and the Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing Supplement and all other documents incorporated by reference and any amendments or supplements to the aforementioned documents, except as otherwise stated therein (see the section of this Programme Memorandum headed "*Documents Incorporated by Reference*").

The JSE takes no responsibility for the contents of the Programme Memorandum read with this Applicable Pricing Supplement, the integrated annual reports, which include the published audited annual financial statements of the Issuer and any amendments or supplements to the aforementioned

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

Programme Amount:

As at the date of this Applicable Pricing Supplement, the Issuer confirms that the authorised Programme Amount of ZAR10,000,000,000 has not been exceeded.

Material Change:

As at the date of this Applicable Pricing Supplement, and 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 latest published audited annual financial statements or interim financial statements (as applicable) and disclosed in the Programme Memorandum. As at the date of this Applicable Pricing Supplement, there has been no involvement by [Insert Auditors] in making the aforementioned statement.

Listing:

Application [is hereby] / [will not be] made to list this issue of Notes on [●●●●●].

SIGNED at _____ on this _____ day of _____ 20●●

For and on behalf of
NEW DEVELOPMENT BANK

Name:
Capacity:
Who warrants his/her authority hereto

Name:
Capacity:
Who warrants his/her authority hereto

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes to be issued by the Issuer which will be incorporated by reference into each issued Note. Each Tranche of Notes will be issued on, and subject to, the Terms and Conditions below, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement.

Before the Issuer issues any Tranche of listed Notes, the Issuer shall complete, sign and deliver to the JSE or such other or further Financial Exchange(s) and the CSD, a pricing supplement based on the *pro forma* Applicable Pricing Supplement included in this Programme Memorandum, setting out the details of such Notes. The Issuer may determine that particular Notes will not be listed on the Interest Rate Market of the JSE or such other Financial Exchange(s) and, in that case, no Applicable Pricing Supplement will be delivered to the JSE or such other or further Financial Exchange(s).

If there is any conflict or inconsistency between provisions set out in the Applicable Pricing Supplement and the provisions set out in these Terms and Conditions of the Notes, then the provisions in the Applicable Pricing Supplement shall prevail.

Words and expressions used in the Applicable Pricing Supplement shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated therein. Any reference to legislation or a statute shall be to such legislation or statute as amended, varied or re-enacted from time to time.

1. INTERPRETATION

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

Absa	Absa Bank Limited, acting through its Corporate and Investment Banking division (registration number 1986/004794/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa;
Affiliate	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;
Articles of Agreement	The agreement on the New Development Bank, executed amongst governments of the Federative Republic of Brazil, the Russian Federation, the Republic of India, the People's Republic of China and the Republic of South Africa on 15 July 2014 in Fortaleza;
Applicable Laws	in relation to any Person, all and any statutes and subordinate legislation, regulations, by-laws, directives, circulars, judgments and decisions of any competent authority, or any governmental, intergovernmental or supranational body, agency or regulatory, self-regulatory or other authority or organisation and other similar provisions, from time to time, compliance with which is mandatory for that Person. For the avoidance of doubt, all reference to Applicable Laws shall include the Debt Listings Requirements;
Applicable Pricing Supplement	in relation to a Tranche of Notes, the pricing supplement completed and signed by the Issuer in relation to that Tranche of Notes, setting out the additional and/or other terms and conditions as are applicable to that Tranche of Notes, based upon the <i>pro forma</i> pricing supplement which is set out in the section of this Programme Memorandum headed " <i>Pro Forma Applicable Pricing Supplement</i> ";
Applicable Procedures	the rules and operating procedures for the time being of the CSD, the Participants and the Debt Listings Requirements and/or any other Financial Exchange(s);
Banks Act	the Banks Act, 1990;
Beneficial Interest	in relation to a Tranche of Notes which is held in the CSD, the beneficial

interest as co-owner of an undivided share of all of the Notes in that Tranche, as contemplated in section 37(1) of the Financial Markets Act, the nominal value of which beneficial interest, in relation to any number of Notes in that Tranche, is determined by reference to the proportion that the aggregate outstanding Nominal Amount of such number of Notes bears to the aggregate outstanding Nominal Amount of all of the Notes in that Tranche, as provided in section 37(3) of the Financial Markets Act;

Books Closed Period	in relation to a Tranche of Notes, the period, as specified in the Applicable Pricing Supplement, commencing after the Last Day to Register, during which transfer of the Notes will not be registered, or such shorter period as the Issuer may decide in order to determine those Noteholders entitled to receive principal and/or interest;
Business Day	a day (other than a Saturday or Sunday or public holiday within the meaning of the Public Holidays Act, 1994), on which commercial banks settle ZAR payments in Johannesburg, save further that if the Applicable Pricing Supplement so provides, " <i>Business Day</i> " shall include a Saturday;
Calculation Agent	SBSA, unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Calculation Agent in respect of that Tranche or Series of Notes, as indicated in the Applicable Pricing Supplement;
Class of Noteholders	the holders of a Series of Notes or, where appropriate, the holders of different Series of Notes;
Class of Notes	a particular Series of Notes in relation to the other Series of Notes;
Companies Act	the Companies Act, 2008, as amended from time to time;
CSD	Strate Proprietary Limited (registration number 1998/022242/07), a private company with limited liability duly incorporated in accordance with the company laws of South Africa and licensed as a central securities depository in terms of the Financial Markets Act or such additional, alternative or successor central securities depository as may be agreed between the Issuer and the relevant Dealer(s), in terms of the Financial Markets Act;
Day	a Gregorian calendar day unless qualified by the word " <i>Business</i> ";
Day Count Fraction	<p>in relation to a Tranche of Notes (where applicable) and the calculation of an amount for any period of time (the Calculation Period), the Day Count Fraction specified as such in the Terms and Conditions or the Applicable Pricing Supplement and:</p> <p>(a) if Actual/365 or Act/365 is so specified, means the actual number of Days in the Interest Period in respect of which payment is being made divided by 365 (three hundred and sixty five) (or, if any portion of the Interest Period falls in a leap year, the sum of (i) the actual number of Days in that portion of the Interest Period falling in a leap year divided by 366 (three hundred and sixty six) and (ii) the actual number of Days in that portion of the Interest Period falling in a non-leap year divided by 365 (three hundred and sixty five));</p> <p>(b) if Actual/Actual (ICMA) is so specified, means:</p> <ol style="list-style-type: none">1. where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of Days in the Calculation Period divided by the product of (1) the actual number of Days in such Regular Period and (2) the number of Regular Periods in any year; and

2. where the Calculation Period is longer than one Regular Period, the sum of:
- a. the actual number of Days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of Days in such Regular Period and (2) the number of Regular Periods in any year; and
 - b. the actual number of Days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of Days in such Regular Period and (2) the number of Regular Periods normally ending in any year;
- (c) if **Actual/Actual** or **Actual/Actual (ISDA)** is so specified, means the actual number of Days in the Calculation Period divided by 365 (three hundred and sixty five) (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of Days in that portion of the Calculation Period falling in a leap year divided by 366 (three hundred and sixty six) and (B) the actual number of Days in that portion of the Calculation Period falling in a non-leap year divided by 365 (three hundred and sixty five));
- (d) if **Actual/365 (Fixed)** is so specified, means the actual number of Days in the Calculation Period divided by 365 (three hundred and sixty five);
- (e) if **Actual/360** is so specified, means the actual number of Days in the Calculation Period divided by 360 (three hundred and sixty);
- (f) if **30/360**, **360/360** or **Bond Basis** is so specified, means the number of Days in the Calculation period divided by 360 (three hundred and sixty), calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

- Y₁** is the year, expressed as a number, in which the first Day of the Calculation Period falls;
- Y₂** is the year, expressed as a number, in which the first Day immediately following the last Day included in the Calculation Period falls;
- M₁** is the calendar month, expressed as a number, in which the first Day of the Calculation Period falls;
- M₂** is the calendar month, expressed as a number, in which the first Day immediately following the last Day included in the Calculation Period falls;
- D₁** is the first Day, expressed as a number, of the Calculation Period, unless such number would be 31 (thirty one), in which case D₁ will be 30 (thirty); and
- D₂** is the Day, expressed as a number, immediately following the last Day included in the Calculation Period unless such number would be 31 (thirty one) and D₁ is greater than 29 (twenty nine),

in which case D₂ will be 30 (thirty);

- (g) if **30E/360** or **Eurobond Basis** is so specified, means the number of Days in the Calculation Period divided by 360 (three hundred and sixty), calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

- Y₁** is the year, expressed as a number, in which the first Day of the Calculation Period falls;
- Y₂** is the year, expressed as a number, in which the Day immediately following the last Day included in the Calculation Period falls;
- M₁** is the calendar month, expressed as a number, in which the first Day of the Calculation Period falls;
- M₂** is the calendar month, expressed as a number, in which the Day immediately following the last Day included in the Calculation Period falls;
- D₁** is the first Day, expressed as a number, of the Calculation Period unless such number would be 31 (thirty one), in which case D₁ will be 30 (thirty); and
- D₂** is the Day, expressed as a number, immediately following the last Day included in the Calculation Period unless such number would be 31 (thirty one), in which case D₂ will be 30 (thirty); and
- (h) if **30E/360 (ISDA)** is so specified, means the number of Days in the Calculation Period divided by 360 (three hundred and sixty), calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

- Y₁** is the year, expressed as a number, in which the first Day of the Calculation Period falls;
- Y₂** is the year, expressed as a number, in which the Day immediately following the last Day included in the Calculation Period falls;
- M₁** is the calendar month, expressed as a number, in which the first Day of the Calculation Period falls;
- M₂** is the calendar month, expressed as a number, in which the Day immediately following the last Day included in the Calculation Period falls;
- D₁** is the first Day, expressed as a number, of the Calculation Period unless (i) that Day is the last Day of February or (ii) such number would be 31 (thirty one), in which case D₁ will be 30 (thirty); and
- D₂** is the Day, expressed as a number, immediately following the last Day included in the Calculation Period unless (i) that Day is the last Day of February but not the Maturity Date or (ii) such number would be 31 (thirty one), in which case D₂ will be 30 (thirty);

Dealers

Absa, Nedbank, RMB, SBSA and/or any other entity appointed as a Dealer by the Issuer, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment of any such Dealer(s), as indicated in the Applicable

	Pricing Supplement;
Debt Listings Requirements	the debt listings requirements of the JSE pursuant to the provisions of the Financial Markets Act for the listing of debt securities on the JSE, as amended from time to time;
Default Rate	in relation to a Tranche of Notes, the default rate specified as such in the Applicable Pricing Supplement;
Dual Currency Notes	Notes which pay interest in a base currency and the principal in a non-base currency or <i>vice versa</i> , as indicated in the Applicable Pricing Supplement;
Early Redemption Amount	in relation to a Tranche of Notes, the amount, as set out in Condition 8.7 (<i>Early Redemption Amounts</i>), at which the Notes will be redeemed by the Issuer, pursuant to the provisions of Conditions 8.2 (<i>Redemption for Tax Reasons</i>), 8.3 (<i>Redemption at the Option of the Issuer</i>), 8.4 (<i>Redemption at the Option of the Noteholders</i>), 8.5 (<i>Redemption in the event of a Change of Control</i>) 8.6 (<i>Redemption in the event of a failure to maintain JSE Interest Rate Market Listing or Rating</i>), and/or Condition 15 (<i>Events of Default</i>);
Event of Default	in relation to a Series of Notes, and unless otherwise set out in the Applicable Pricing Supplement, any of the events which, with the giving of notice and the expiry of a grace period as described in Condition 15 (<i>Events of Default</i>) would become an Event of Default;
Exchange Control Regulations	the Exchange Control Regulations, 1961, promulgated pursuant to the Currency and Exchanges Act, 1933;
Exchange Period	in relation to a Tranche of Exchangeable Notes, in respect of Exchangeable Notes to which the Noteholders' Exchange Right applies (as indicated in the Applicable Pricing Supplement), the period indicated in the Applicable Pricing Supplement during which such right may be exercised;
Exchange Price	in relation to a Tranche of Exchangeable Notes, the amount determined in accordance with the manner described in the Applicable Pricing Supplement, according to which the number of Exchange Securities which may be delivered in redemption of an Exchangeable Note will be determined;
Exchange Securities	in relation to a Tranche of Exchangeable Notes, the securities indicated in the Applicable Pricing Supplement which may be delivered by the Issuer in redemption of the Exchangeable Notes to the value of the Exchange Price;
Exchangeable Notes	Notes which may be redeemed by the Issuer in the manner indicated in the Applicable Pricing Supplement by the delivery to the Noteholders of cash or of so many of the Exchange Securities as is determined in accordance with the Applicable Pricing Supplement;
Extraordinary Resolution	<p>(a) a resolution in writing signed no later than 20 (twenty) Business Days after the notice of the written resolution has been sent to Noteholders by or on behalf of all of the Noteholders or a Class of Noteholders holding not less than 66.67% (sixty-six point six seven percent) of total value of the Notes outstanding from time to time or the total value of a specific Class of Notes, as the case may be;</p> <p>(b) a resolution passed at a meeting (duly convened) of all of the Noteholders or Class of Noteholders, as the case may be, holding not less than 66.67% (sixty-six point six seven percent) of the value of a specific Class of Notes or the value of the outstanding Notes present in person or by proxy and voting at</p>

such meeting upon a show of hands or a poll;

Final Broken Amount	in relation to a Tranche of Fixed Rate Notes, the final broken amount specified as such in the Applicable Pricing Supplement;
Final Redemption Amount	in relation to a Tranche of Notes, the amount of principal specified in the Applicable Pricing Supplement payable in respect of such Tranche of Notes upon the Maturity Date;
Financial Exchange	the JSE and/or such other or additional financial exchange(s) as may be determined by the Issuer and the relevant Dealer(s), subject to Applicable Laws, and upon which the Notes are listed as specified in the Applicable Pricing Supplement;
Financial Markets Act	the Financial Markets Act, 2012;
Fixed Coupon Amount	in relation to a Tranche of Fixed Rate Notes (where applicable), the amount(s) specified as such in the Applicable Pricing Supplement;
Fixed Interest Payment Date	in relation to a Tranche of Fixed Rate Notes, the date(s) specified as such in the Applicable Pricing Supplement;
Fixed Interest Period	in relation to a Tranche of Fixed Rate Notes, the period from (and including) a Fixed Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Fixed Interest Payment Date or as otherwise set out in the Applicable Pricing Supplement;
Fixed Rate Notes	Notes which will bear interest at the Fixed Rate of Interest, as indicated in the Applicable Pricing Supplement;
Fixed Rate of Interest	in relation to a Tranche of Fixed Rate Notes, the fixed rate of interest specified as such in the Applicable Pricing Supplement;
Floating Rate	in relation to a Tranche of Floating Rate Notes, the floating rate of interest specified as such in the Applicable Pricing Supplement;
Floating Rate Notes	Notes which will bear interest at a Floating Rate as indicated in the Applicable Pricing Supplement and more fully described in Condition 6.2 (<i>Floating Rate Notes and Indexed Interest Notes</i>);
Higher Redemption Amount	in relation to a Tranche of Notes, the higher redemption amount specified as such in the Applicable Pricing Supplement;
Holding Company	in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary;
ICMA	International Capital Market Association;
IFRS	the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (as amended, supplemented or re-issued from time to time);
Implied Yield	in relation to a Tranche of Zero Coupon Notes, the yield accruing on the Issue Price of such Notes, as specified in the Applicable Pricing Supplement;
Income Tax Act	Income Tax Act, 1962;
Indebtedness	any indebtedness in respect of monies borrowed from any third party lender and (without double counting) guarantees (other than those given in the ordinary course of business), whether present or future, actual or contingent;
Indexed Interest Notes	Notes in respect of which the Interest Amount is calculated by reference to an index and/or a formula as indicated in the Applicable Pricing Supplement;

Index-Linked Notes	Indexed Interest Notes and/or Indexed Redemption Amount Notes, as applicable and as indicated in the Applicable Pricing Supplement;
Indexed Redemption Amount Notes	Notes in respect of which the Final Redemption Amount is calculated by reference to an index and/or a formula as may be indicated in the Applicable Pricing Supplement;
Individual Certificate	a Note in the definitive registered form of a single certificate and being a certificate exchanged for Beneficial Interest in accordance with Condition 10 (<i>Exchange of Beneficial Interests and Replacement of Individual Certificates</i>) and any further certificate issued in consequence of a transfer thereof;
Initial Broken Amount	in relation to a Tranche of Fixed Rate Notes, the initial broken amount specified as such in the Applicable Pricing Supplement;
Instalment Amount	in relation to a Tranche of Instalment Notes, the amount expressed (in the Applicable Pricing Supplement) as a percentage of the Nominal Amount of an Instalment Note, being an instalment of principal (other than the final instalment) on an Instalment Note;
Instalment Dates	in relation to a Tranche of Instalment Notes, the dates specified as such in the Applicable Pricing Supplement;
Instalment Notes	Notes issued on the same date but redeemed in Instalment Amounts by the Issuer on an amortised basis on different Instalment Dates, as specified in the Applicable Pricing Supplement;
Interest Amount	in relation to a Tranche of Notes, the amount of interest payable in respect of each Nominal Amount of Fixed Rate Notes, Floating Rate Notes and Indexed Interest Notes, as determined by the Calculation Agent in accordance with Condition 6 (<i>Interest</i>);
Interest Commencement Date	in relation to a Tranche of Notes (where applicable) the first date from which interest on the Notes, other than Zero Coupon Notes, will accrue, as specified in the Applicable Pricing Supplement;
Interest Determination Date	in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;
Interest Payment Date	in relation to a Tranche of Notes, the Interest Payment Date(s) specified in the Applicable Pricing Supplement or, if no express Interest Payment Date(s) is/are specified in the Applicable Pricing Supplement, the last Business Day of the Interest Period commencing on the preceding Interest Payment Date, or, in the case of the first Interest Payment Date, commencing on the Interest Commencement Date;
Interest Period	in relation to a Tranche of Notes, each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date or as otherwise set out in the Applicable Pricing Supplement;
Interest Rate or Rate of Interest	in relation to a Tranche of Notes, the rate or rates of interest applicable to Notes other than Zero Coupon Notes as indicated in the Applicable Pricing Supplement;
Interest Rate Market of the JSE	the separate platform or sub-market of the JSE designated as the " <i>Interest Rate Market</i> ", or such other platform or submarket designated by the JSE from time to time, and on which Notes (and other debt securities) will be listed;
ISDA	the International Swaps and Derivatives Association Inc.;
ISDA Definitions	the 2006 ISDA Definitions published by ISDA (as amended, supplemented, revised or republished from time to time) as specified in the Applicable Pricing Supplement;

Issue Date	in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;
Issue Price	in relation to a Tranche of Notes, the price specified as such in the Applicable Pricing Supplement;
Issuer	New Development Bank, established in accordance with the Articles of Agreement;
Issuer Agent	SBSA or such other entity appointed by the Issuer as Issuer Agent pursuant to the debt instrument solution system of the CSD, in which event that other entity will act as Issuer Agent;
JSE	the JSE Limited (registration number 2005/022939/06), a public company with limited liability duly incorporated in accordance with the company laws of South Africa and a licensed financial exchange under the Financial Markets Act or any exchange which operates as a successor exchange to the JSE;
JSE Debt Guarantee Fund Trust	the guarantee fund trust established and operated by the JSE as a separate guarantee fund, in terms of sections 8(1)(h) and 17(2)(w) of the Financial Markets Act or any successor fund;
Last Day to Register	with respect to a particular Tranche of Notes (as specified in the Applicable Pricing Supplement), the last date or dates preceding a Payment Day on which the Transfer Agent will accept Transfer Forms and record the transfer of Notes in the Register for that particular Tranche of Notes and whereafter the Register is closed for further transfers or entries until the Payment Day or if such day is not a Business Day, the Business Day before each Books Closed Period;
Mandatory Exchange	in relation to a Tranche of Exchangeable Notes, the mandatory exchange specified as such in the Applicable Pricing Supplement;
Margin	in relation to a Tranche of Notes (where applicable), the margin specified as such in the Applicable Pricing Supplement;
Material Indebtedness	any Indebtedness amounting in aggregate to an outstanding amount equal to or exceeding 5 (five) percent of the Issuer's paid-in-capital at the time of the occurrence of an Event of Default;
Maturity Date	in relation to a Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;
Minimum Redemption Amount	in relation to a Tranche of Notes, the minimum redemption amount specified as such in the Applicable Pricing Supplement;
NACA	nominal annual compounded annually;
NACM	nominal annual compounded monthly;
NACQ	nominal annual compounded quarterly;
NACSA	nominal annual compounded semi-annually;
Nedbank	Nedbank Limited, acting through its Nedbank Corporate and Investment Banking division (registration number 1951/000009/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa;
Nominal Amount	in relation to any Note, the total amount, excluding interest and any adjustments on account of any formula, owing by the Issuer under the Note;
Noteholders	the registered holders of the Notes as recorded in the Register;
Noteholders'	in relation to Exchangeable Notes, if indicated as applicable in the Applicable Pricing Supplement, the right of Noteholders of

Exchange Right	Exchangeable Notes to elect to receive delivery of the Exchange Securities <i>in lieu</i> of cash from the Issuer upon redemption of such Notes;
Notes	secured or unsecured registered notes issued or to be issued by the Issuer under the Programme, pursuant to this Programme Memorandum;
Optional Redemption Amount(s)	in relation to a Tranche of Notes, the optional redemption amount specified as such in the Applicable Pricing Supplement;
Outstanding	<p>in relation to the Notes, all the Notes issued under the Programme other than:</p> <ul style="list-style-type: none"> (a) those that have been redeemed in full; (b) those in respect of which the date for redemption in accordance with the Terms and Conditions has occurred and the Final Redemption Amount wherefore (including all interest (if any) accrued thereon to the date for such redemption and any interest (if any) payable under the Terms and Conditions after such date) remain available for payment against presentation of Individual Certificates (if any); (c) those which have been purchased and cancelled as provided in Condition 8 (<i>Redemption and Purchase</i>); (d) those which have become prescribed under Condition 14 (<i>Prescription</i>); (e) those represented by mutilated or defaced Individual Certificates which have been surrendered in exchange for replacement Individual Certificates pursuant to Condition 10 (<i>Exchange of Beneficial Interests and Replacement of Individual Certificates</i>); or (f) for the purpose only of determining how many Notes are Outstanding and without prejudice to their status for any other purpose, those Notes represented by Individual Certificates alleged to have been lost, stolen or destroyed and in respect of which replacement Individual Certificates have been issued pursuant to Condition 10 (<i>Exchange of Beneficial Interests and Replacement of Individual Certificates</i>), <p>provided that for each of the following purposes:</p> <ul style="list-style-type: none"> (i) the right to attend and vote at any meeting of the Noteholders; and (ii) the determination of how many and which Notes are for the time being Outstanding for the purposes of Conditions 18 (<i>Amendment of these Terms and Conditions</i>) and Conditions 19 (<i>Meetings of Noteholders/Consent Process</i>), <p>all Notes (if any) which are for the time being held by the Issuer (subject to any Applicable Laws) or by any Person for the benefit of the Issuer and not cancelled (unless and until ceasing to be so held), shall be deemed not to be Outstanding;</p>
Participant	a Person accepted by the CSD as a participant in terms of section 31 of the Financial Markets Act, and who is approved by the CSD, as a Settlement Agent to perform electronic settlement of funds and scrip;
Paying Agent	SBSA, unless the Issuer elects to appoint another entity as Paying Agent, in which event that other entity shall act as a Paying Agent in respect of that Tranche or Series of Notes, as indicated in the Applicable Pricing Supplement;

Payment Day	any day which is a Business Day and upon which a payment is due by the Issuer in respect of the Notes, except that, in relation to monies payable to the CSD in accordance with these Terms and Conditions, it means the first date on which (i) the full amount of such monies have been received by the CSD, (ii) such monies are available for payment to the holders of Beneficial Interests and (iii) notice to that effect has been duly given to such holders in accordance with the Applicable Procedures;
Person	any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;
Programme	New Development Bank ZAR10,000,000,000 Note Programme under which the Issuer may from time to time issue Notes;
Programme Amount	the maximum aggregate outstanding Nominal Amount of all of the Notes that may be issued under the Programme at any one point in time, being ZAR10,000,000,000 (Ten Billion Rand) or such increased amount as is determined by the Issuer from time to time, subject to the Applicable Procedures and Applicable Laws;
Programme Date	the date of this Programme Memorandum being 10 August 2023;
Programme Memorandum	this programme memorandum dated 10 August 2023, as amended and/or restated and/or supplemented from time to time;
Rating	in relation to the Issuer and/or the Programme and/or a Tranche of Notes (where applicable), as the case may be, the national scale rating of the Issuer and/or the Programme and/or the Tranche of Notes, as the case may be, granted by the Rating Agency, specified in the Applicable Pricing Supplement;
Rating Agency	Global Credit Rating Co. Proprietary Limited (GCR), S & P Global Ratings (S&P), Moody's Investors Service Inc. (Moody's), as the case may be, and their successors or any other rating agency of equivalent national or international standing, as the case may be and as specified from time to time by the Issuer, specified in the Applicable Pricing Supplement (if applicable) and/or notified to Noteholders pursuant to Condition 17 (<i>Notices</i>);
Redemption Date	in relation to a Tranche of Notes, the date upon which the Notes are redeemed by the Issuer, in accordance with Condition 8 (<i>Redemption and Purchase</i>);
Reference Banks	four leading banks in the South African inter-bank market selected by the Calculation Agent;
Reference Price	in relation to a Tranche of Floating Rate Notes (where applicable), the price specified as such in the Applicable Pricing Supplement;
Reference Rate	in relation to a Tranche of Zero Coupon Notes (where applicable), the rate specified as such in the Applicable Pricing Supplement;
Register	the register of Noteholders maintained by or on behalf of the Transfer Agent in accordance with Condition 11 (<i>Registration of Notes Issued in Certificated Form</i>) and Condition 12 (<i>Registration of Notes Issued in Uncertificated Form</i>), as the case may be;
Regular Period	<p>(a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to, but excluding, the first Interest Payment Date and each successive period from and including one Interest Payment Date to, but excluding, the next Interest Payment Date;</p> <p>(b) in the case of Notes where, apart from the first Interest Period,</p>

interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “Regular Date” means the Day and the month (but not the year) on which any Interest Payment Date falls; and

in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “Regular Date” means the Day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

Relevant Date	in respect of any payment relating to the Notes, the date on which such payment first becomes due, except that, in relation to monies payable to the CSD in accordance with these Terms and Conditions, it means the first date on which (i) the full amount of such monies have been received by the CSD, (ii) such monies are available for payment to the holders of Beneficial Interests and (iii) notice to that effect has been duly given to such holders in accordance with the Applicable Procedures;
Relevant Nominating Body	any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them;
Relevant Screen Page	in relation to a Tranche of Floating Rate Notes (where applicable), the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the Applicable Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;
Representative	a Person duly authorised to act on behalf of a Noteholder, the Transfer Agent or the Paying Agent, as the case may be, who may be regarded by the Issuer (acting in good faith) as being duly authorised based upon the tacit or express representation thereof by such Representative, in the absence of express notice to the contrary from such Noteholder, the Transfer Agent and the Paying Agent;
RMB	FirstRand Bank Limited, acting through its Rand Merchant Bank division (registration number 1929/001225/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa;
SAFEX	the JSE Equity and Commodity Derivatives Markets;
SBSA	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division (registration number 1962/000738/06), a public company with limited liability and a registered bank duly incorporated in accordance with the company and banking laws of South Africa;
SENS	the Stock Exchange News Service of the JSE;
Series	a Tranche of Notes together with any further Tranche or Tranches of Notes which are: <ul style="list-style-type: none">(a) expressed to be consolidated and form a single series; and(b) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or

Issue Prices;

Settlement Agent	a Participant, approved by the JSE in terms of the Applicable Procedures to perform electronic settlement of both funds and scrip on behalf of market participants;
South Africa	the Republic of South Africa;
Specified Currency	in relation to each Note in a Tranche of Notes, subject to all Applicable Laws, the currency specified in the Applicable Pricing Supplement;
Specified Denomination	in relation to each Note in a Tranche of Notes, the denomination specified as such in the Applicable Pricing Supplement;
Specified Office	the office of each entity specified at the end of this Programme Memorandum or as specified in the Applicable Pricing Supplement;
Subsidiary	subsidiary company as defined in section 3(1) of the Companies Act;
Sub-unit	with respect to any currency, the lowest amount of such currency that is available as legal tender in the country of such currency;
Terms and Conditions	the terms and conditions incorporated in this section headed “ <i>Terms and Conditions of the Notes</i> ” and in accordance with which the Notes will be issued;
Tranche	in relation to any particular Series, all Notes which are identical in all respects (including as to listing);
Transfer Agent	SBSA, or such other entity appointed by the Issuer as Transfer Agent, in which event that other entity will act as Transfer Agent, as specified in the Applicable Pricing Supplement, or such other entity appointed by the Issuer as Transfer Agent, in which event that other entity will act as Transfer Agent, as specified in the Applicable Pricing Supplement;
Transfer Form	the written form for the transfer of a Note, in the form approved by the Transfer Agent, and signed by the transferor and transferee;
Uncertificated Securities Register	an Uncertificated Securities Register as contemplated in section 1 of the Companies Act;
ZAR or Rand	the lawful currency of South Africa, being the South African Rand, or any successor currency;
ZAR-JIBAR-SAFEX	(a) the mid-market rate for deposits in ZAR for a period of the Designated Maturity (as indicated in the Applicable Pricing Supplement) that appears on the Reuters Screen SAFEX Page as at 11h00 (Johannesburg time) on the relevant date; and (b) in the event that the ZAR-JIBAR-SAFEX ceases to apply, such other rate as may be determined by the Calculation Agent and notified to the Noteholders pursuant to Condition 17 (Notices); and
Zero Coupon Notes	Notes which will be offered and sold at a discount to their Nominal Amount or at par and which will not bear interest other than in the case of late payment, as indicated in the Applicable Pricing Supplement.

2. ISSUE

- 2.1. The Issuer may, at any time and from time to time (without the consent of any Noteholder), issue one or more Tranche(s) of Notes pursuant to the Programme, provided that the aggregate outstanding Nominal Amount of all of the Notes issued under the Programme from time to time does not exceed the Programme Amount.
- 2.2. Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. A Tranche of Notes will be issued on, and subject to, the Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Tranche of Notes set out in the Applicable Pricing Supplement relating to that Tranche of

Notes.

- 2.3. Each Note, may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index-Linked Note, a Dual Currency Note, an Instalment Note or such combination of any of the foregoing or such other type of Note as may be determined by the Issuer and specified in the relevant Applicable Pricing Supplement.
- 2.4. All payments in relation to the Notes will be made in the Specified Currency. Each Note will be issued in the Specified Denomination.
- 2.5. The Terms and Conditions of a Tranche of Notes are incorporated by reference into the Individual Certificate(s) (if any) representing the Notes in that Tranche. The Applicable Pricing Supplement relating to a Tranche of Notes issued in certificated form will be attached to the Individual Certificate(s) representing the Notes in that Tranche.

3. FORM AND DENOMINATION

3.1. General

- 3.1.1. A Tranche of Notes will be issued in the form of registered Notes listed on the relevant Financial Exchange, as specified in the Applicable Pricing Supplement.
- 3.1.2. A Tranche of Notes may be listed on the Interest Rate Market of the JSE or on such other or further Financial Exchange(s) as may be determined by the Issuer and the Dealer(s), subject to any Applicable Laws and Applicable Procedures. The Applicable Pricing Supplement will specify whether or not a Tranche of Notes will be listed and if so, the Financial Exchange(s) on which such Tranche of Notes will be listed.

3.2. Registered Notes

A Tranche of Notes will be issued in certificated form or in uncertificated form, as contemplated in Condition 3.2.1 (*Notes issued in certificated form*) and Condition 3.2.2 (*Notes issued in uncertificated form*), respectively, as specified in the Applicable Pricing Supplement. Each Tranche of Notes which is listed on the Interest Rate Market of the JSE will be issued in uncertificated form, as contemplated in Condition 3.2.2 (*Notes Issued in uncertificated Form*) and held in the CSD, as contemplated in Condition 3.2.3 (*Beneficial Interests in Notes held in the CSD*).

3.2.1. **Notes issued in certificated form**

All Notes issued in certificated form will be represented by Individual Certificates. A Note which is represented by an Individual Certificate may be replaced by uncertificated securities in terms of section 33 of the Financial Markets Act.

3.2.2. **Notes issued in uncertificated form**

A Tranche of Notes which is listed on the Interest Rate Market of the JSE must, subject to Applicable Laws and Applicable Procedures, be issued in uncertificated form in terms of section 33 of the Financial Markets Act. Notes issued in uncertificated form will be held in the CSD. Notes issued in uncertificated form will not be represented by any certificate or written instrument.

3.2.3. **Beneficial Interests in Notes held in the CSD**

- (i) A Tranche of Notes which is listed on the Interest Rate Market of the JSE will be issued in uncertificated form and held in the CSD.
- (ii) The CSD will hold Notes subject to the Financial Markets Act and the Applicable Procedures.
- (iii) All amounts to be paid in respect of Notes held in the CSD will be paid to the relevant Participant for the holders of Beneficial Interests in such Notes.
- (iv) A holder of a Beneficial Interest shall only be entitled to exchange such Beneficial Interest for Notes represented by an Individual Certificate in accordance with Condition 10 (*Exchange of Beneficial Interests and Replacement of Individual Certificates*).

3.2.4. **Recourse to the JSE Debt Guarantee Fund Trust**

The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the JSE or the JSE Debt Guarantee Fund Trust. Claims against the JSE Debt Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the JSE Debt Guarantee Fund Trust.

4. **TITLE**

4.1. **Notes issued in certificated form**

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

4.1.2. Title to Notes represented by an Individual Certificate will pass upon registration of transfer in the Register in accordance with Condition 13.2 (*Transfer of Notes represented by Individual Certificates*).

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

4.2. **Notes issued in uncertificated form**

The Noteholder will be named in the Uncertificated Securities Register as the registered holder of each Tranche of Notes which is issued in uncertificated form.

4.3. **Beneficial Interests in Notes held in the CSD**

4.3.1. While a Tranche of Notes is held in the CSD, the Noteholder will be named in the Register as the sole Noteholder of the Notes in that Tranche.

4.3.2. Beneficial Interests which are held by Participants will be held directly through the CSD, and the CSD will hold such Beneficial Interests, on behalf of such Participants, through the central securities accounts maintained by the CSD for such Participants.

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

4.3.4. In relation to each Person shown in the records of the CSD or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Nominal Amount of Notes, a certificate or other document issued by the CSD or the relevant Participant, as the case may be, as to the aggregate Nominal Amount of such Notes standing to the account of such Person shall be *prima facie* proof of such Beneficial Interest. A Noteholder (as the registered holder of such Notes named in the Register) will be treated by the Issuer, the Paying Agent, the Transfer Agent and the CSD as the holder of that aggregate Nominal Amount of such Notes for all purposes.

4.3.5. Beneficial Interests in Notes may be transferred only in accordance with the Applicable Procedures. Such transfers will not be recorded in the Uncertificated Securities Register and the Noteholder will continue to be reflected in the Uncertificated Securities Register as the registered holder of such Notes, notwithstanding such transfers.

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

5. STATUS OF THE NOTES

- 5.1. Unless otherwise set out in the Applicable Pricing Supplement, the Notes are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* and rateably without any preference among themselves and (save for certain debts required to be preferred by law) equally with all other present and future outstanding direct, unconditional, unsecured and unsubordinated obligations of the Issuer from time to time.
- 5.2. The obligations of Issuer in relation to the Notes are solely the obligations of the Issuer and will not be the obligations or the responsibility of, or be guaranteed by, the Government of South Africa nor any other government or member country or any other person.

6. INTEREST

6.1. Fixed Rate Notes

- 6.1.1. Each Fixed Rate Note bears interest on its outstanding Nominal Amount from (and including) the Interest Commencement Date specified in the Applicable Pricing Supplement at the rate(s) per annum equal to the Fixed Rate of Interest so specified, payable in arrears on the Interest Payment Dates in each year up to and including the Maturity Date.
- 6.1.2. The first payment of interest will be made on the Interest Payment Date following the Interest Commencement Date.
- 6.1.3. Except as provided in the Applicable Pricing Supplement, the amount of interest payable per Note on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount, provided that:
 - 6.1.3.1. if an Initial Broken Amount is specified in the Applicable Pricing Supplement, then the first Interest Amount shall equal the Initial Broken Amount specified in the Applicable Pricing Supplement; and
 - 6.1.3.2. if a Final Broken Amount is specified in the Applicable Pricing Supplement, then the final Interest Amount shall equal the Final Broken Amount.
- 6.1.4. Interest will be calculated in accordance with the Interest Rate Period as specified in the Applicable Pricing Supplement for JSE listed Fixed Rate Notes, however in any other instance, such interest shall be calculated by applying the Fixed Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, as specified in the Applicable Pricing Supplement, and rounding the resultant figure to the nearest Sub-unit of the relevant Specified Currency, half such Sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

6.2. Floating Rate Notes and Indexed Interest Notes

Interest Payment Dates

Each Floating Rate Note and Indexed Interest Note bears interest on its outstanding Nominal Amount from (and including) the Interest Commencement Date specified in the Applicable Pricing Supplement, and such interest will be payable in arrears on the Interest Payment Date(s) in each year (if applicable) specified in the Applicable Pricing Supplement. Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date) up to and including the Maturity Date.

Rate of Interest

The Rate of Interest payable from time to time in respect of the Floating Rate Notes and Indexed Interest Notes will be determined in the manner specified in the Applicable Pricing Supplement.

Minimum and/or Maximum Rate of Interest

If the Applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the above provisions is less than such Minimum Rate of

Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest. If the Applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the above provisions is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be limited to such Maximum Rate of Interest.

Determination of Rate of Interest and Calculation of Interest Amount

The Calculation Agent, in the case of Floating Rate Notes and Indexed Interest Notes will at, or as soon as is practicable after, each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the Interest Amount payable in respect of each Floating Rate Note and Indexed Interest Note in respect of each Specified Denomination for the relevant Interest Period, and the Calculation Agent shall notify the Issuer of the Rate of Interest for the relevant Interest Period as soon as is practicable after calculating the same. Each Interest Amount shall be calculated by applying the Rate of Interest to the Specified Denomination, multiplying such sum by the applicable Day Count Fraction and rounding the resultant figure to the nearest Sub-unit of the relevant Specified Currency, half a Sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Interest Determination, Screen Rate Determination including Fallback Provisions

Where ISDA Determination is specified in the Applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph, **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by such agent as a notional amount under an interest rate swap transaction if that agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the most recent ISDA Definitions and under which:

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

For the purposes of the above sub-paragraph **Floating Rate**, **Floating Rate Option**, **Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions specified in the Applicable Pricing Supplement.

Where Screen Rate Determination is specified in the Applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject to the provisions below, be either:

- (a) if the Relevant Screen Page is available,
 - (i) the offered quotation (if only one quotation appears on the Relevant Screen Page); or
 - (ii) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage per annum) for the Reference Rate which appears on the Relevant Screen Page as at 11h00 (Johannesburg time) (or as otherwise specified in the Applicable Pricing Supplement) on the Interest Rate Determination Date in question plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent. If 5 (five) or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations; or

- (b) if the Relevant Screen Page is not available or if, in the case of (a)(i) above, no such

offered quotation appears or, in the case of (a)(i) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph, the Calculation Agent shall request the principal Johannesburg office of each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 11h00 (Johannesburg time) on the Interest Rate Determination Date in question. If 2 (two) or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent; or

- (c) if the Rate of Interest cannot be determined by applying the provisions of (a) and (b) above, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks offered, at approximately 11h00 (Johannesburg time) on the relevant Interest Rate Determination Date, deposits in an amount approximately equal to the Nominal Amount of the Notes of the relevant Series, for a period equal to that which would have been used for the Reference Rate to prime banks in the Johannesburg inter-bank market plus or minus (as appropriate) the Margin (if any). If fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the Rate of Interest for the relevant Interest Period will be determined by the Calculation Agent as the arithmetic mean (rounded as provided above) of the rates for deposits in an amount approximately equal to the Nominal Amount of the Notes of the relevant Series, for a period equal to that which would have been used for the Reference Rate, quoted at approximately 11h00 (Johannesburg time) on the relevant Interest Rate Determination Date, by the Reference Banks plus or minus (as appropriate) the Margin (if any). If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 6.2(c), the Rate of Interest shall be determined as at the last preceding Interest Determination Date (through substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the Applicable Pricing Supplement as being other than ZAR-JIBAR-SAFEX, the Rate of Interest in respect of such Notes will be determined as provided in the Applicable Pricing Supplement.

Notification of Rate of Interest and Interest Amount

The Issuer will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be announced on SENS and notified to the CSD and/or every other relevant exchange or authority as soon as possible after their determination but in any event no later than the 3rd (third) Business Day before the relevant Interest Payment Date. Each Interest Amount, Interest Payment Date or effective Rate of Interest, as the case may be, so announced and/or notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period or a change in the effective Rate of Interest. Any such amendment will be promptly announced on SENS, notified to the CSD and/or every other relevant exchange or authority and to the Noteholders *via* SENS in accordance with Condition 17 (*Notices*) and at least 3 (three) Business Days prior to the relevant Interest Payment Date.

Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6.2 (*Floating Rate Notes and Indexed Interest Notes*), by the Calculation Agent shall (in the absence of wilful deceit, bad faith or manifest error or proven error) be binding on the Issuer and all Noteholders and in the absence as aforesaid no liability to the Issuer or the

Noteholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

6.3. The Calculation Agent shall forthwith notify the Issuer of such change and the Issuer shall deliver a notice to Noteholders in accordance with Condition 17 (*Notices*) specifying the Replacement Benchmark, and market conventions of adjustment spread. Such notice shall be irrevocable and will be binding on the Noteholders.

6.4. **Dual Currency Interest Notes**

In the case of Dual Currency Interest Notes, the Interest Rate or Interest Amount payable shall be determined in the manner specified in the Applicable Pricing Supplement.

6.5. **Accrual of Interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date of its redemption unless, upon due presentation thereof, payment of principal or the Early Redemption Amount is improperly withheld or refused. In such event, interest will continue to accrue on the Nominal Amount of the Note or part of the Note at the Rate of Interest as specified in the Applicable Pricing Supplement, plus interest at the Default Rate specified in the Applicable Pricing Supplement (if any) until the date on which all amounts due in respect of such Note have been paid, or, in respect of uncertificated Notes, the date on which the full amount of the money payable has been received by the CSD and/or the Participants and notice to that effect has been given to Noteholders in accordance with Condition 17 (*Notices*).

6.6. **Business Day Convention**

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

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

7. PAYMENTS

7.1. **General**

Payments of principal and/or interest on an Individual Certificate shall be made to the registered holder of such Note, as set forth in the Register on the close of business on the Last Day to Register (as specified in the Applicable Pricing Supplement). In addition to the above, in the case of a final redemption payment, the holder of the Individual Certificate shall be required, on or before the Last Day to Register prior to the Maturity Date, to surrender such Individual Certificate at the offices of the Transfer Agent.

Payments of principal and/or interest in respect of uncertificated Notes shall be made to the CSD in the name of, and for, the account of the CSD and/or the Participants, as shown in the Register on the Last Day to Register pursuant to the Applicable Procedures, and the Issuer will be discharged of its payment obligations by proper payment in the name of, and for the account of the CSD and/or holder or the Participants, in respect of each amount so paid. Each of the Persons shown in the records of the CSD and the Participants, as the case may be, shall look solely to the CSD or the Participant, as the case may be, for his share of each payment so made by the Issuer to the registered holder of such uncertificated Notes.

Payment will be subject, in all cases, to any Applicable Law, but without prejudice to the provisions of Condition 9 (*South African Taxation*).

7.2. **Method of Payment**

Payments will be made in the Specified Currency by credit or transfer, by means of electronic settlement, to the Noteholder.

Payments will be subject, in all cases to any fiscal or other laws, directives and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9 (*South African Taxation*).

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

7.3. **Payment Day**

7.3.1. Notwithstanding anything to the contrary contained in these Terms and Conditions, if the date for payment of any amount payable in respect of any Note is not a Business Day, then if a Business Day Convention:

7.3.1.1. is not specified in the Applicable Pricing Supplement, such date for payment shall be the following Business Day; and

7.3.1.2. is specified in the Applicable Pricing Supplement, such date for payment shall be adjusted according to such Business Day Convention, and shall accrue up and until, but exclude the relevant Interest Payment Date, and be paid to the Noteholder on the relevant Interest Payment Date.

7.4. **Interpretation of Principal and Interest**

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

7.4.1. any additional amounts which may be payable with respect to principal under Condition 9 (*South African Taxation*);

7.4.2. the Final Redemption Amount of the Notes or the Early Redemption Amount of the Notes, as the case may be;

7.4.3. the Optional Redemption Amount(s) (if any), as specified in the Applicable Pricing Supplement, of the Notes;

7.4.4. in relation to Instalment Notes, the Instalment Amounts;

7.4.5. in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 8.7.3); and

7.4.6. any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes, but excluding for the avoidance of doubt, interest.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 9 (*South African Taxation*).

8. **REDEMPTION AND PURCHASE**

8.1. **Redemption at Maturity**

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer in the Specified Currency at its Final Redemption Amount plus interest (if any) specified in, or determined in the manner specified in, the Applicable Pricing Supplement on the Maturity Date.

8.2. **Redemption for Tax Reasons**

Notes may be redeemed at the option of the Issuer at any time (in the case of Notes other than Floating Rate Notes, Indexed Interest Notes having an Interest Rate then determined on a floating or indexed basis) or on any Interest Payment Date (in the case of Floating Rate Notes, Indexed Interest Notes), on giving not less than 30 (thirty) Days nor more than 60 (sixty) Days notice to the Noteholders prior to such redemption, in accordance with Condition 17 (*Notices*)

(which notice shall be irrevocably certified by 2 (two) authorised signatories of the Issuer and include particulars of the relevant change pursuant to Condition 8.2.1 below), if the Issuer, immediately prior to the giving of such notice, is of the reasonable opinion that:

- 8.2.1. As a result of any change in, or amendment to, the laws or regulations of South Africa or any political sub-division of, or any authority in, or of, South Africa having power to tax, or any change or amendment of such laws which becomes effective after the relevant Issue Date, the Issuer is or would be required to pay additional amounts as provided or referred to in Condition 9 (*South African Taxation*); and
- 8.2.2. the requirement and/or any adverse effect cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 (ninety) Days prior to the earliest date on which the Issuer would be obliged to pay or may become subject to the payment of such additional amounts were a payment in respect of the Notes then due. Notes may be redeemed by the Issuer in accordance with this Condition 8.2 (*Redemption for Tax Reasons*) in whole or in part. A redemption in part may be effected by the Issuer:

- 8.2.2.1. notwithstanding that such partial redemption may not entirely avoid such obligation to pay additional amounts as provided for or referred to in Condition 9 (*South African Taxation*); and
- 8.2.2.2. *mutatis mutandis* in the manner described in Condition 8.3 (*Redemption at the Option of the Issuer*), provided that the references to the giving of notice therein and to the Minimum Redemption Amount and the Higher Redemption Amount (both as specified in the Applicable Pricing Supplement) therein shall be disregarded for such purposes.

Notes redeemed for tax reasons pursuant to this Condition 8.2 (*Redemption for Tax Reasons*) will be redeemed at their Early Redemption Amount referred to in Condition 8.7 (*Early Redemption Amounts*), together (if appropriate) with interest accrued from (and including) the immediately preceding Interest Payment Date to (but excluding) the date of redemption or as specified in the Applicable Pricing Supplement.

8.3. **Redemption at the Option of the Issuer**

If the Issuer has specified in the Applicable Pricing Supplement to having an option to redeem, the Issuer may, having given not less than 30 (thirty) Days nor more than 60 (sixty) Days irrevocable notice to the Noteholders in accordance with Condition 17 (*Notices*) or unless otherwise specified with the Applicable Pricing Supplement, redeem all or some of the Notes (to which such Applicable Pricing Supplement relates) then Outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the Applicable Pricing Supplement, together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).

Any such redemption must be of a Nominal Amount equal to or greater than the Minimum Redemption Amount or equal to or less than the Higher Redemption Amount, both as indicated in the Applicable Pricing Supplement.

In the case of a partial redemption of Notes, the Notes to be redeemed (Redeemed Notes) will be selected individually by lot, in the case of Redeemed Notes represented by Individual Certificates, and in accordance with the Applicable Procedures in the case of Redeemed Notes which are uncertificated, and in each case not more than 30 (thirty) Days prior to the date fixed for redemption (such date of selection being hereinafter called the Selection Date).

In the case of Redeemed Notes represented by Individual Certificates, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 17 (*Notices*) not less than 15 (fifteen) Days prior to the date fixed for redemption. The aggregate Nominal Amount of Redeemed Notes represented by Individual Certificates shall bear the same proportion to the aggregate Nominal Amount of all Redeemed Notes as the aggregate Nominal Amount of Individual Certificates outstanding bears to the aggregate Nominal Amount of the Notes Outstanding, in each case on the Selection Date, provided that such first mentioned Nominal Amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination and the aggregate Nominal Amount of Redeemed Notes which are uncertificated shall be equal to the balance of the Redeemed Notes. No exchange of the

relevant uncertificated Notes will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this sub-paragraph, and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 17 (*Notices*) at least 10 (ten) Days prior to the Selection Date.

Holders of Redeemed Notes shall surrender the Individual Certificates, if any, representing the Notes in accordance with the provisions of the notice given to them by the Issuer as contemplated above. Where only a portion of the Notes represented by such Individual Certificates are redeemed, the Transfer Agent shall deliver new Individual Certificates to the Noteholders, as the case may be, in respect of the balance of the Notes.

8.4. **Redemption at the Option of the Noteholders**

If Noteholders are specified in the Applicable Pricing Supplement as having an option to request the redemption of Notes, such Noteholders may exercise such option in respect of such Notes by delivering to the Transfer Agent, in accordance with Condition 17 (*Notices*), a duly executed notice (**Put Notice**), at least 30 (thirty) Days but not more than 60 (sixty) Days, prior to the Optional Redemption Date.

For redemption in part, the redemption amount specified in such Put Notice in respect of any such Note must be of a principal amount equal to or greater than the Minimum Redemption Amount or equal to or less than the Higher Redemption Amount, each as indicated in the Applicable Pricing Supplement.

The redemption by the Noteholders of uncertificated Notes shall take place in accordance with the Applicable Procedures.

The Issuer shall proceed to redeem the Notes in respect of which such option has been exercised in accordance with the terms of the Applicable Pricing Supplement, at the Optional Redemption Amount(s) and on the Optional Redemption Date(s), together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).

In the event that the redeeming Noteholder is the holder of an Individual Certificate, then such Noteholder shall (attached to the Put Notice) deliver the Individual Certificate to the Transfer Agent at least 1 (one) Business Day prior to the Optional Redemption Date for cancellation, failing which the Put Notice shall be invalid. A holder of an Individual Certificate shall, in that holder's Put Notice, specify a bank account in South Africa into which the redemption payment amount is to be paid.

If, prior to the due date for its redemption, such Note becomes immediately due and payable or if redemption monies are improperly withheld or refused, the Transfer Agent shall post such Note by uninsured post to, and at the risk of, the relevant Noteholder (unless the Noteholder has otherwise requested and paid the costs of such insurance to the Transfer Agent at the time of depositing the Notes) at such address as may have been given by the Noteholder in the Put Notice. At the end of each period for the exercise of such option, the Transfer Agent shall promptly notify the Issuer of the Nominal Amount of the Notes in respect of which such option has been exercised with it and the serial numbers in respect of any Notes represented by an Individual Certificate.

The delivery of Put Notices shall be required to take place during normal office hours to the Issuer and Transfer Agent. Put Notices shall be available for inspection at the Specified Address of the Transfer Agent.

Any Put Notice given by a Noteholder pursuant to this Condition 8.4 (*Redemption at the Option of the Noteholders*) shall be irrevocable except where, after giving the notice but prior to the due date of redemption, an Event of Default shall have occurred and be continuing in which event such Noteholder, at its option, may elect by notice to the Issuer delivered at least 1 (one) Business Day prior to the Optional Redemption Date to withdraw the notice given pursuant to this Condition 8.4 (*Redemption at the Option of the Noteholders*) and instead to declare such Note forthwith due and payable pursuant to Condition 15 (*Events of Default*).

The Issuer shall have no liability to remedy any defects in any Put Notice or bring any such defects to the attention of any Noteholder.

8.5. Redemption in the event of a Change of Control

The provisions of this Condition 8.5 (*Redemption in the event of a Change of Control*) shall apply if specified as applicable in the Applicable Pricing Supplement.

8.5.1. A Change of Control Event shall occur if at any time while any Note remains Outstanding:

- (i) a Change of Control occurs; and
- (ii) within the Change of Control Period and in respect of that Change of Control:
 - (A) a Rating Downgrade occurs in relation to the Issuer and/or the Programme and/or any Notes rated by a Rating Agency, as the case may be; or
 - (B) if, at the time the Change of Control occurs, the Issuer and/or the Programme and/or the Notes, as the case may be, are not so rated, a Negative Rating Event occurs.

8.5.2. Promptly upon the Issuer becoming aware that a Change of Control Event has occurred, the Issuer shall give notice to the Noteholders in accordance with Condition 17 (*Notices*) specifying the nature of the Change of Control Event and the circumstances giving rise to it and the procedure for exercising the option set out in Condition 8.5.4.

8.5.3. If a Change of Control Event occurs at any time while any Note remains Outstanding, then provided the Noteholders have:

- (i) in terms of Condition 17 (*Notices*) issued a notice to convene a meeting of Noteholders within 30 (thirty) Days of the notification set out in Condition 8.5.2 above; and
- (ii) resolved in terms of Condition 19 (*Meetings of Noteholders/Consent Process*) by way of Extraordinary Resolution to require the redemption of the Notes of that Class of Noteholders in these circumstances,

the Issuer shall redeem all Notes held by that Class of Noteholders at its Early Redemption Amount together with accrued interest (if any) within 15 (fifteen) Days of having received a written notice from that Class of Noteholders to redeem such Note (a **Change of Control Redemption Notice**).

8.5.4. Such option shall be exercisable by a Class of Noteholders through the delivery of a written notice (a Change of Control Redemption Notice) to the Issuer at its Specified Office within 60 (sixty) Days after the occurrence of a Change of Control Event, unless prior to the delivery by that Noteholder of its Change of Control Redemption Notice the Issuer gives notice to redeem the Notes.

8.5.5. For the purposes of this Condition 8.5 (*Redemption in the event of a Change of Control*):

- (a) **Acting in Concert** means a group of Persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition of shares in the Issuer by any of them, either directly or indirectly, to obtain or consolidate Control of the Issuer;
- (b) a **Change of Control** shall be deemed to have occurred at each time (whether or not approved by the senior management or board of directors of the Issuer) that any Person or Person Acting in Concert or any Person or Persons acting on behalf of any such Person(s) (**Relevant Person**), at any time directly or indirectly acquires Control of the Issuer, as the case may be, provided that a Change of Control shall not be deemed to have occurred if the shareholders of the Relevant Person are also, or immediately prior to the event which would otherwise constitute a Change of Control, were all of the shareholders of the Issuer, as the case may be;
- (c) **Change of Control Period** means, in relation to a Change of Control of the Issuer, the period commencing 60 (sixty) Days prior to such Change of Control and ending 60 (sixty) Days after such Change of Control;
- (d) **Control** means (A) the holding beneficially of more than 50% (fifty percent) of the issued shares of the Issuer (excluding any part of the issued shares that carry no right to participate beyond a specified amount in a distribution of either profits or

capital), and/or (B) the power to cast, or control the casting of votes in respect of, such number of the shares in the issued shares of the Issuer carrying more than 50% (fifty percent) of the total number of votes that may be cast at a general meeting of the shareholders of the Issuer;

- (e) **Investment Grade Rating** means a national scale rating of **Baa3za** by Moody's, **zaBBB-** by S&P, **BBB-(RSA)** by GCR or its equivalent for the time being, or better;
- (f) a **Negative Rating Event** shall, in relation to Notes that are unrated and/or where no rating is assigned to the Issuer and/or the Programme, as the case may be, by a Rating Agency at the time a Change of Control occurs, be deemed to have occurred if:
 - (A) the Issuer does not on or before the 60th (sixtieth) Business Day after the commencement of the Change of Control Period seek, and use all reasonable endeavours to obtain from a Rating Agency, a rating in respect of itself and/or the Programme and/or the Notes, as the case may be, that are not rated; or
 - (B) if it does so seek and use such endeavours, it has not, at the expiry of the Change of Control Period and as a result of such Change of Control, obtained an Investment Grade Rating in respect of itself and/or the Programme and/or such Notes, as the case may be;
- (g) **Rating Downgrade** shall, in relation to the Issuer and/or the Programme and/or the Notes, as the case may be, be deemed to have occurred in respect of a Change of Control if within the Change of Control Period the rating previously assigned to the Issuer, and/or the Programme and/or such Notes, as the case may be, by any Rating Agency is:
 - (A) withdrawn; or
 - (B) changed from an Investment Grade Rating to a non-Investment Grade Rating; or
 - (C) in the case of a non-Investment Grade Rating, downgraded by any Rating Agency by one or more Rating Notches (as defined in Condition 8.5.5(h) below),

provided that no Rating Downgrade shall have occurred if the Rating assigned to the Issuer and/or the Programme and/or the Notes, as the case may be, is substituted for an Investment Grade Rating by another Rating Agency; and
- (h) **Rating Notch** means the difference between one Rating and the Rating immediately below it, for example, from "BB+" to "BB" by the Rating Agency or such similar lower or equivalent Rating.

8.6. **Redemption in the event of a failure to maintain JSE Interest Rate Market Listing or Rating**

The provisions of this Condition 8.6 (*Redemption in the event of a failure to maintain JSE Interest Rate Market Listing or Rating*) shall apply if specified in the Applicable Pricing Supplement.

- 8.6.1. The Issuer shall, for so long as listed Notes remain Outstanding:
 - (a) ensure that those Notes remain listed on the Interest Rate Market of the JSE (the JSE Interest Rate Market Listing); or
 - (b) if rated, maintain any Rating in respect of the Issuer, the Notes or the Programme, as the case may be.
- 8.6.2. If a breach of either of the undertakings in Condition 8.6.1 above occurs, the Issuer shall within 3 (three) Business Days of such breach, and in accordance with Condition 17 (*Notices*), give notice (the **Issuer Redemption Notice**) of such breach and the procedure for exercising the option set out in Condition 8.6.3 below to the Noteholders;
- 8.6.3. Each Noteholder may within the period ending 45 (forty five) Days of receipt of the Issuer Redemption Notice (the **Election Period**), require the Issuer to redeem its Notes on:

- (a) the Interest Payment Date immediately following the Election Period; or
- (b) if the Election Period expires within a Books Closed Period, the next Interest Payment Date falling after the Interest Payment Date at the end of the Election Period,
- (c) by delivery to the Issuer of a notice (the Noteholder Redemption Notice) in accordance with Condition 17 (Notices).

8.6.4. The Issuer shall, in accordance with Condition 8.6.3 above, redeem the Notes relevant to each Noteholder Redemption Notice at the Early Redemption Amount calculated in accordance with Condition 8.7 (*Early Redemption Amounts*), together with accrued interest (if any).

8.7. **Early Redemption Amounts**

For the purpose of Conditions 8.2 (*Redemption for Tax Reasons*), Condition 8.3 (*Redemption at the Option of the Issuer*), Condition 8.4 (*Redemption at the Option of the Noteholders*), Condition 8.5 (*Redemption in the event of a Change of Control*) Condition 8.6 (*Redemption in the event of a failure to maintain JSE Interest Rate Market Listing or Rating*), and/or Condition 15 (*Events of Default*), the Notes will be redeemed at the Early Redemption Amount, plus interest (if any) calculated as follows:

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

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

8.8. **Instalment Notes**

Instalment Notes will be redeemed at the Instalment Amounts and on the Instalment Dates. In the case of early redemption in accordance with Conditions 8.2 (*Redemption for Tax Reasons*), Condition 8.3 (*Redemption at the Option of the Issuer*), Condition 8.4 (*Redemption at the Option of the Noteholders*), Condition 8.5 (*Redemption in the event of a Change of Control*), Condition 8.6 (*Redemption in the event of a failure to maintain JSE Interest Rate Market Listing or Rating*) and/or Condition 15 (*Events of Default*), the Early Redemption Amount will be determined pursuant to Condition 8.7 (*Early Redemption Amounts*).

8.9. **Exchangeable Notes**

If the Notes are Exchangeable Notes, they will be redeemed, whether at maturity, early redemption or otherwise, in the manner indicated in the Applicable Pricing Supplement. Exchangeable Notes in respect of which Mandatory Exchange is indicated in the Applicable Pricing Supplement as applying, or upon the exercise by the Noteholder of the Noteholder's Exchange Right (if applicable), will be redeemed by the Issuer delivering to each Noteholder as many of the Exchange Securities as are required in accordance with the Exchange Price. The delivery by the Issuer of the Exchange Securities in the manner set out in the Applicable Pricing Supplement shall constitute the *in specie* redemption in full of such Notes.

8.10. **Purchases**

The Issuer may, subject to the Applicable Laws, at any time purchase Notes, save for any instance where the Issuer are in possession of unpublished price sensitive information (pursuant to the Financial Markets Act) or it is an automatic purchase to a credit-linked Note resulting from a credit event being called or a purchase pursuant to the exercise of an early redemption right in accordance with these Terms and Conditions by a holder of such Notes, at any price in the open market or otherwise.

Such Notes may, subject to Applicable Laws, be held, resold, or, at the option of the Issuer, surrendered to the Transfer Agent for cancellation.

8.11. **Cancellation**

All Notes which have been redeemed will forthwith be cancelled. All Notes so cancelled shall be forwarded to the Issuer and cannot be re-issued or resold. Where only a portion of Notes represented by an Individual Certificate are cancelled, the Transfer Agent shall deliver an Individual Certificate to such Noteholder in respect of the balance of the Notes.

8.12. **Late Payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 8 (*Redemption and Purchase*) or upon its becoming due and repayable as provided in Condition 15 (*Events of Default*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 8.7.3 as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of: (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and (ii) 5 (five) Days after the date on which the full amount of the moneys payable has been received by the CSD, and notice to that effect has been given to the Noteholder in accordance with Condition 17 (*Notices*).

8.13. **Applicable Procedures**

The redemption and partial redemption of Beneficial Interests shall take place in accordance with the Applicable Procedures and the Financial Markets Act.

9. **SOUTH AFRICAN TAXATION**

In accordance with the Articles of Agreement as in force from time to time, no tax of any kind shall be levied by any member, on any obligation or security issued by the Issuer, including any dividend or interest thereon, by whomsoever held (i) which discriminates against such obligation or security solely because it is issued by the Issuer; or (ii) if the sole jurisdictional basis for such taxation is the place or currency in which it is issued, made payable or paid, or the location of any office or place of business maintained by the Issuer. Also, under the Articles of Agreement, the Issuer is exempt from any obligation for the payment, withholding or collection of any tax by a member state. Accordingly, the interest due on the Notes will be paid to the Paying Agent without deduction in respect of any tax by a member state.

If any taxation is leviable on payments due on the Notes, notwithstanding the provisions of the Articles of Agreement, neither the Issuer nor the Paying Agent will make any additional payment in the event of any deduction or withholding being required in respect of such taxation and neither the Issuer nor the Paying Agent shall be liable to any holder of the Notes or to any other person for any commissions, costs, losses or expenses in relation to or resulting from such withholding or payment.

10. **EXCHANGE OF BENEFICIAL INTERESTS AND REPLACEMENT OF INDIVIDUAL CERTIFICATES**

10.1. **Exchange of Beneficial Interests**

- 10.1.1. The holder of a Beneficial Interest in Notes may, in terms of the Applicable Procedures and subject to section 42 of the Financial Markets Act, by written notice to the holder's nominated Participant (or, if such holder is a Participant, the CSD), request that such Beneficial Interest be exchanged for Notes in definitive form represented by an Individual Certificate (the **Exchange Notice**). The Exchange Notice shall specify (i) the name, address and bank account details of the holder of the Beneficial Interest and (ii) the Day

on which such Beneficial Interest is to be exchanged for an Individual Certificate; provided that such Day shall be a Business Day and shall fall not less than 30 (thirty) Days after the Day on which such Exchange Notice is given.

- 10.1.2. The holder's nominated Participant will, following receipt of the Exchange Notice, through the CSD, notify the Transfer Agent that it is required to exchange such Beneficial Interest for Notes represented by an Individual Certificate. The Transfer Agent will, as soon as is practicable but within 14 (fourteen) Days after receiving such notice, in accordance with the Applicable Procedures, procure that an Individual Certificate is prepared, authenticated and made available for delivery, on a Business Day falling within the aforementioned 14 (fourteen) Day period, to the holder of the Beneficial Interest at the Specified Address of the Transfer Agent; provided that joint holders of a Beneficial Interest shall be entitled to receive only one Individual Certificate in respect of that joint holding, and the delivery to one of those joint holders shall be delivery to all of them.
- 10.1.3. In the case of the exchange of a Beneficial Interest in Notes issued in uncertificated form:
 - 10.1.3.1. the CSD will surrender (through the CSD system) such uncertificated Notes to the Transfer Agent at its Specified Address; and
 - 10.1.3.2. the Transfer Agent will obtain the release of such uncertificated Notes from the CSD in accordance with the Applicable Procedures.
- 10.1.4. An Individual Certificate shall, in relation to a Beneficial Interest in any number of Notes issued in uncertificated form of a particular aggregate Nominal Amount standing to the account of the holder thereof, represent that number of Notes of that aggregate Nominal Amount, and shall otherwise be in such form as may be agreed between the Issuer and the Transfer Agent; provided that if such aggregate Nominal Amount is equivalent to a fraction of the Specified Denomination or a fraction of any multiple thereof, such Individual Certificate shall be issued in accordance with, and be governed by, the Applicable Procedures.

10.2. **Replacement**

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

10.3. **Death and sequestration or liquidation of Noteholder**

Any Person becoming entitled to Notes as a consequence of the death, sequestration or liquidation of such Noteholder may, upon producing evidence to the satisfaction of the Issuer that he holds the position in respect of which he proposes to act under this Condition 10.3 (*Death and sequestration or liquidation of Noteholder*), or of his title as the Issuer and the Transfer Agent shall require, he be registered himself as the holder of such Notes or, subject to the Applicable Procedures, this Condition 10.3 (*Death and sequestration or liquidation of Noteholder*) and Condition 13.2 (*Transfer of Notes represented by Individual Certificates*), may transfer such Notes. The Issuer and (if applicable) the CSD and the relevant Participant shall be entitled to retain any amount payable upon the Notes to which any Person is so entitled until such Person shall be registered as aforesaid or until such time such Notes are duly transferred.

10.4. **Costs**

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

in relation to such mode of delivery shall be borne by the Noteholder.

11. REGISTRATION OF NOTES ISSUED IN CERTIFICATED FORM

- 11.1. The Register of Noteholders in respect of Notes issued in certificated form:
- 11.1.1. shall be kept at the Specified Address of the Transfer Agent and a copy thereof shall be made available for inspection at the Specified Address of the Issuer (as set out at the end of this Programme Memorandum) or such other Person as may be appointed for the time being by the Issuer to maintain the Register;
 - 11.1.2. shall contain the names, addresses and bank account numbers of the registered Noteholders;
 - 11.1.3. shall show the total Nominal Amount of the Notes held by the Noteholders;
 - 11.1.4. shall show the dates upon which each of the Noteholders was registered as such;
 - 11.1.5. shall show the serial numbers of the Individual Certificates and the dates of issue thereof;
 - 11.1.6. shall be open for inspection at all reasonable times during business hours on Business Days by any Noteholder or any Person authorised in writing by a Noteholder; and
 - 11.1.7. shall be closed during the Books Closed Period.
- 11.2. The Transfer Agent shall alter the Register in respect of any change of name, address or account number of any of the Noteholders of which it is notified.
- 11.3. Except as provided for in these Terms and Conditions or as required by law, in respect of Notes, the Issuer will only recognise a Noteholder as the owner of the Notes registered in that Noteholder's name as per the Register.
- 11.4. Except as provided for in these Terms and Conditions or as required by law, the Issuer shall not be bound to enter any trust in the Register or to take notice of or to accede to the execution of any trust (express, implied or constructive) to which any Individual Certificate may be subject.

12. REGISTRATION OF NOTES ISSUED IN UNCERTIFICATED FORM

- 12.1. The Uncertificated Securities Register of Noteholders in respect of Notes issued in uncertificated form will be administered by a Participant or the CSD as determined in accordance with the rules of the CSD.
- 12.2. Subject to Applicable Laws and the Applicable Procedures, title to Beneficial Interests held by Noteholders through the CSD will pass on transfer thereof by electronic book entry in the central securities accounts maintained by the CSD or the relevant Participants for such Noteholders. Beneficial Interests may be transferred only in accordance with the Applicable Procedures.
- 12.3. The Participant, or the CSD, as the case may be, shall alter the Uncertificated Securities Register in respect of any change of name, address or account number of any of the Noteholders of uncertificated notes of which it is notified.

13. TRANSFER OF NOTES

13.1. *Transfer of Beneficial Interests in Notes held in the CSD*

- 13.1.1. Beneficial Interests may be transferred only in accordance with the Applicable Procedures through the CSD.
- 13.1.2. Transfers of Beneficial Interests to and from clients of Participants occur by way of electronic book entry in the securities accounts maintained by the Participants for their clients, in accordance with the Applicable Procedures.
- 13.1.3. Transfers of Beneficial Interests among Participants occur through electronic book entry in the central securities accounts maintained by the CSD for the Participants, in accordance with the Applicable Procedures.

13.1.4. Transfers of Beneficial Interests in Notes will not be recorded in the Register and the CSD will continue to be reflected in the Register as the holder of such Notes notwithstanding such transfers.

13.2. *Transfer of Notes represented by Individual Certificates*

13.2.1. In order for any transfer of Notes represented by an Individual Certificate to be recorded in the Register, and for such transfer to be recognised by the Issuer:

13.2.1.1. the transfer of such Notes must be embodied in a Transfer Form;

13.2.1.2. the Transfer Form must be signed by the registered Noteholder of such Notes and the transferee, or any Representatives of that registered Noteholder or transferee; and

13.2.1.3. the Transfer Form must be delivered to the Transfer Agent at its Specified Address together with the Individual Certificate representing such Notes for cancellation.

13.2.2. Notes represented by an Individual Certificate may only be transferred, in whole or in part, in amounts of not less than the Specified Denomination (or any multiple thereof).

13.2.3. Subject to this Condition 13.2 (*Transfer of Notes represented by Individual Certificates*), the Transfer Agent will, within 3 (three) Business Days of receipt by it of a valid Transfer Form (or such longer period as may be required to comply with any Applicable Laws and/or Applicable Procedures), record the transfer of Notes represented by an Individual Certificate (or the relevant portion of such Notes) in the Register, and authenticate and deliver to the transferee at the Transfer Agent's Specified Address or, at the risk of the transferee, send by mail to such address as the transferee may request, a new Individual Certificate in respect of the Notes transferred reflecting the outstanding Nominal Amount of the Notes transferred.

13.2.4. Where a Noteholder has transferred only a portion of the Notes represented by an Individual Certificate, the Transfer Agent will authenticate and deliver to such Noteholder at the Transfer Agent's Specified Address or, at the risk of such Noteholder, send by mail to such address as such Noteholder may request, at the risk of such Noteholder, a new Individual Certificate representing the balance of the Notes held by such Noteholder.

13.2.5. The transferor of any Notes represented by an Individual Certificate will be deemed to remain the owner thereof until the transferee is registered in the Register as the holder thereof.

13.2.6. Before any transfer of Notes represented by an Individual Certificate is registered in the Register, all relevant transfer taxes (if any) must have been paid by the transferor and/or the transferee and such evidence must be furnished as the Issuer and the Transfer Agent may reasonably require as to the identity and title of the transferor and the transferee.

13.2.7. No transfer of any Notes represented by an Individual Certificate will be registered whilst the Register is closed as contemplated in Condition 11 (*Registration of Notes in Certificated Form*).

13.2.8. If a transfer of any Notes represented by an Individual Certificate is registered in the Register, the Transfer Form and cancelled Individual Certificate will be retained by the Transfer Agent.

13.2.9. In the event of a partial redemption of Notes under Condition 8.3 (*Redemption at the Option of the Issuer*), the Transfer Agent shall not be required in terms of Condition 8.3 (*Redemption at the Option of the Issuer*), to register the transfer of any Notes during the period beginning on the 10th (tenth) Day before the date of the partial redemption and ending on the date of the partial redemption (both inclusive).

14. PRESCRIPTION

The Notes will become void unless presented for payment of principal within a period of 3 (three) years after their Redemption Date.

15. EVENTS OF DEFAULT

15.1. Unless otherwise set out in the Applicable Pricing Supplement if, for any particular Series of Notes, one or more of the following events (**Events of Default**) shall have occurred and be continuing:

15.1.1. **Non-Payment**

the Issuer fails to pay any principal or interest due under the Notes on its due date and such default continues for a period of 90 (ninety) days, except where the failure to pay is due to an administrative or technical error, other than an error caused by the negligence or wilful misconduct of the Issuer or any such failure continues for a period of 5 (five) Business Days after receiving written notice from any of the Noteholders demanding such payment; or

15.1.2. **Breach of Material Obligations**

the Issuer fails to perform or observe any of its other material obligations or undertakings (not specifically covered elsewhere in this Condition 15 (*Events of Default*)) under or in respect of any of the Notes and such failure continues for a period of 90 (ninety) days after receipt by the Issuer of a notice from the Noteholders of not less than 25% (twenty five per cent) in principal amount of all the Notes at the time outstanding (in accordance with Condition 17 (*Notices*)) in respect of such failure specifying the failure and requesting the Issuer to remedy same; or

15.1.3. **Cross Acceleration**

any Material Indebtedness of the Issuer shall become due and payable prior to its stated maturity by reason of the occurrence of an event of default howsoever described and such default shall have continued for more than 90 (ninety) days and the time for payment of such interest or principal or other obligation has not been effectively extended or waived; or

15.1.3.1. **Authorisation and Consents**

any material action or condition, including obtaining any material consent, licence approval or authorisation now or in future necessary to enable the Issuer to comply with its payment obligations under the Notes is not taken, fulfilled or in place or any such material consent, licence, approval or authorisation is revoked, modified, withdrawn or withheld or ceases to be in full force and effect, resulting in the Issuer being unable to perform any of its payment obligations in terms of the Notes and the Issuer fails to take reasonable steps to remedy such circumstances within 90 (ninety) days of receiving written notice from the Noteholders demanding such remedy; or

15.1.3.2. **Winding-up etc.**

any resolution is passed by the Issuer for the termination of the Issuer pursuant to Article 41 of the Articles of Agreement of the Issuer, or the Issuer otherwise ceases to exist; or

15.1.3.3. **Other**

any other Event of Default provided for such Series, as specified in the Applicable Pricing Supplement,

then any Noteholder may, by written notice to the Issuer at its Specified Office, effective upon the date of receipt thereof by the Issuer, declare the Notes held by the Noteholder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 8.7 (*Early Redemption Amounts*)), together with accrued interest (if any) to the date of repayment, or as specified in the Applicable Pricing Supplement.

- 15.1.4. For the purposes of Condition 15.1.3 (*Cross Acceleration*), any Material Indebtedness which is in a currency other than South African Rand shall be converted into South African Rand at the spot rate for the sale of South African Rand against the purchase of the relevant currency quoted by any leading bank of South Africa selected on the date of such Event of Default.

15.2. Notification of Event of Default

If the Issuer becomes aware of the occurrence of any Event of Default, the Issuer shall forthwith notify all Noteholders in accordance with Condition 17 (*Notices*), the Dealers and the JSE, or any other Financial Exchange, as the case may be, in writing.

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

Any third party appointed by the Issuer as Calculation Agent, Transfer Agent, Paying Agent and Issuer Agent or otherwise shall act solely as the agents of the Issuer and does not assume any obligation towards or relationship of agency or trust for or with any Noteholders. The Issuer is entitled to vary or terminate the appointment of such agents and/or appoint additional or other agents and/or approve any change in the Specified Address through which any agent acts.

17. NOTICES

- 17.1. All notices to the Noteholders represented by Individual Certificates shall be in writing and shall be sent by registered mail to the respective addresses of those Noteholders appearing in the Register or delivered by hand to the respective addresses of those Noteholders appearing in the Register. Each such notice shall be deemed to have been received by the relevant Noteholder on the 21st (twenty first) day following the day on which the notice was posted as received by a post office (if such notice is sent by registered mail) or the date of delivery (if such notice is delivered by hand).
- 17.2. Notwithstanding the provisions of Condition 17.1, for so long as all of the Notes in a Tranche are held in their entirety in the CSD, they may be substituted for the notice contemplated in Condition 17.1, by the delivery of the relevant notice to the CSD, the relevant Participant and the Financial Exchange for communication by them to the holders of Beneficial Interests in such Notes in accordance with the Applicable Procedures. Each such notice will be deemed to have been received by the holders of Beneficial Interests on the Day of delivery of such notice to the relevant Participant.
- 17.3. Notwithstanding the provisions of Conditions 17.1 and 17.2 and in respect of listed Notes only, notices relating to the dissemination of information by the Issuer (save for any notices relating to the amendment of any Condition in terms of Condition 18 (*Amendment of these Terms and Conditions*)) may be announced via SENS.
- 17.4. Any notice to the Issuer shall be deemed to have been received by the Issuer, if delivered to the Specified Office of the Issuer, on the date of delivery, and if sent by registered mail, on the 21st (twenty first) Day after the Day on which it is sent. The Issuer may change its Specified Office upon prior written notice to Noteholders specifying such new Specified Office.
- 17.5. For so long as any of the Notes are uncertificated, notice may be given by any holder of an uncertificated Note to the Issuer *via* the relevant Settlement Agent in accordance with the Applicable Procedures, in such manner as the Issuer and the relevant Participants may approve for this purpose.

18. AMENDMENT OF THESE TERMS AND CONDITIONS

- 18.1. These Terms and Conditions set out all the rights and obligations relating to the Notes and, subject to the further provisions of this Condition 18 (*Amendment of these Terms and Conditions*), no addition, variation or consensual cancellation of these Terms and Conditions shall be of any force or effect unless the JSE has been notified and the amendments have been reduced to writing and signed by or on behalf of the Issuer and the Noteholders (if applicable).
- 18.2. The Issuer may effect, without the consent of the Noteholders or the relevant Class of Noteholders, as the case may be, any modification of the Terms and Conditions, and/or the Applicable Pricing Supplement(s) which is of a technical nature (including an increase in the Programme Amount) or is made to correct a manifest error or to comply with mandatory

provisions of any Applicable Laws. No prior approval of the JSE or such other Financial Exchange, as the case may be, is required, however, the Issuer must provide the amended Terms and Conditions and/or the Applicable Pricing Supplement to the JSE immediately after the amendment and release of an announcement on SENS providing a summary of the amendments and where the amended Terms and Conditions and/or the Applicable Pricing Supplement will be available for the inspection. Any such modification to an Issuer document shall be binding on the Noteholders or the relevant Class of Noteholders, as the case may be, and any such modification shall be communicated to the Noteholders or the relevant Class of Noteholders, as the case may be, in accordance with Condition 17 (*Notices*) as soon as is practicable thereafter.

- 18.3. If any amendments to the Terms and Conditions, and/or the Applicable Pricing Supplement(s), do not fall within the provisions of Condition 18.2 the amendments will be approved in terms of Conditions 18.4 set out below.
- 18.4. Subject to the prior conditional formal approval of the JSE or such other Financial Exchange, as the case may be, the Issuer may with the prior sanction of an Extraordinary Resolution of Noteholders or with the prior written consent of Noteholders or the relevant Class of Noteholders, as the case may be, holding not less than 66.67% (sixty-six point sixty-seven percent) in Nominal Amount of the Notes Outstanding from time to time, amend these Terms and Conditions, and/or the Applicable Pricing Supplement(s), provided that no such amendment shall be of any force or effect unless notice of the intention to make such amendment shall have been given to all Noteholders in terms of Condition 17 (*Notices*).
- 18.5. Within 48 (forty-eight) hours after the meeting to consider the proposed Extraordinary Resolution has been held or the Noteholders' consent from the written Extraordinary Resolution has been received, the Issuer shall procure that a SENS announcement is released containing details of the voting results.
- 18.6. Any such amendment to this Programme Memorandum shall be binding on the Noteholders or the relevant Class of Noteholders, as the case may be.

19. MEETINGS OF NOTEHOLDERS/CONSENT PROCESS

19.1. Convening of meetings

- 19.1.1. The Issuer may at any time convene a meeting of Noteholders (a **Meeting** or the **Meeting**).
- 19.1.2. The Issuer must convene a Meeting upon the requisition in writing of the holders of:
 - 19.1.2.1. at least 10% (ten percent) of the aggregate Nominal Amount outstanding of the Notes;
or
 - 19.1.2.2. at least 10% (ten percent) of the aggregate Nominal Amount outstanding of a specific Class of Notes (**Requisition Notice**).
- 19.1.3. The Issuer will, if required to convene a Meeting by the Noteholders (as contemplated in Condition 19.1.2 in line with the Applicable Procedures and, inform the JSE in writing and describe the purpose of the meeting and announce the receipt of the Requisition Notice on SENS.
- 19.1.4. Whenever the Issuer wishes or is required to convene a Meeting, it shall forthwith give notice in writing to the Noteholders as specified in Condition 19.4 (Notice of Meetings).
- 19.1.5. The Meeting must be announced on SENS and the announcement must state, *inter alia*, the date and time of the Meeting and the date that the Issuer has selected to determine which Noteholders recorded in the Register will receive a Notice of Meeting and the last date by which proxy forms must be submitted.
- 19.1.6. All Meetings shall be held in Johannesburg and/or virtually, as described in the Notice of Meeting.
- 19.1.7. Any director or duly authorised representative of the Issuer, and any other Person authorised in writing by the Issuer, may attend and speak at a Meeting, but shall not be entitled to vote, other than as a proxy (as defined below) or duly authorised representative of a Noteholder.

19.1.8. The Noteholders who demanded a Meeting may, prior to such Meeting, withdraw the demand for such Meeting by issuing a written notice to the Issuer, a copy of which must also be submitted to the JSE. Further, the Issuer may cancel the required Meeting if the required percentage in Condition 19.1.2 is not met as a result of one or more of the demands being withdrawn.

19.1.9. Where the Issuer is required to convene a Meeting, the Issuer must within 2 (two) Business Days after the Meeting was held announce on SENS the outcome of the Meeting.

19.2. **Requisition**

19.2.1. Upon receipt of a Requisition Notice, the Issuer shall issue a Notice of Meeting, which shall include the date and time of the meeting and the date selected by the Issuer to determine which Noteholders shall receive the Notice of Meeting and the last day for proxy forms to be submitted and the Notice of Meeting shall further state the nature of the business for which the meeting is to be held and shall be deposited at the Specified Office of the Issuer.

19.2.2. A Requisition Notice may consist of several documents in like form, each signed by one or more requisitionists.

19.3. **Convening of meetings by requisitionists**

If the Issuer does not proceed to cause a Meeting to be held within a reasonable period of time and in accordance with the Applicable Laws after the deposit with the corporate secretary of the Issuer of a valid Requisition Notice, requisitionists who together hold not less than 10% (ten percent) of the aggregate Nominal Amount outstanding of the Notes or a Class of Notes for the time being, may themselves convene the Meeting, provided that such Meeting so convened shall be held within 60 (sixty) Days from the date of delivery of the Requisition Notice and shall be convened as nearly as possible in the same manner as that in which Meetings may be convened by the Issuer. Notice of the Meeting shall be required to be given to the Issuer.

19.4. **Notice of Meeting**

19.4.1. Subject to Condition 19.4.2, unless all Noteholders or all the holders of a relevant Class of Notes are present at the meeting and vote to waive the minimum notice period, a minimum of at least 15 (fifteen) Business Days written notice specifying the place, Day, time and record date of the proposed Meeting and the nature of the business to be transacted thereat shall be given by the Issuer to Noteholders.

19.4.2. After the deposit with the corporate secretary of the Issuer of a valid Requisition Notice, the Issuer must, within the time period prescribed by the Applicable Laws and the Debt Listings Requirements, issue a written Notice of Meeting to the Noteholders.

19.4.3. The Notice of Meeting shall specify, *inter alia*, the place (physical or virtual), Day, time (including the notice period applicable pursuant to the Applicable Procedures), and record date of the proposed Meeting and the nature of the business to be transacted thereat. The Notice of Meeting shall also specify the percentage of voting rights that will be required for the proposed resolution to be adopted and the form of the proposed resolution and shall include a statement to the effect that Noteholders may appoint proxies (who need not also be Noteholders) and that the participants at the Meeting need to provide satisfactory identification. Such Notice of Meeting is required to be given in accordance with Condition 17 (Notices).

19.4.4. In the case of a written resolution, the notice to Noteholders or a Class of Noteholders, as the case may be, must include the proposed resolutions to be passed, the record date, any restrictions on voting as provided for in these Terms and Conditions, the last date on which a Noteholder may submit its written vote as well as the address where the vote must be submitted.

19.4.5. A resolution in writing submitted to Noteholders or Noteholders of a Series or Class, as the case may be, entitled to exercise voting rights in relation to the resolution, and signed by the requisite majority of Noteholders or Noteholders of a Series or Class, as the case may be, shall be as valid and effective as if it had been passed at a meeting duly convened and constituted and shall be deemed (unless a statement to the contrary is made in that resolution) to have been passed on the last day on which that resolution is signed by any one or more of the Noteholders or Noteholders of a Series or Class, as the case may be. That resolution may consist of two or more documents in the same form each of which is signed by one or more of the Noteholders or Noteholders of a Series or Class, as the case may be.

19.5. **Quorum**

19.5.1. At any meeting one or more Noteholders or relevant Class of Noteholders, as the case may be, present in person or by proxy and holding in the aggregate not less than 25% (twenty five percent) of the voting rights that are entitled to be exercised in respect of at least 1 (one) matter to be decided at the meeting shall form a quorum for the transaction of business. If there are more than two Noteholders, then the meeting may not begin until at least three Noteholders are present at the meeting.

19.5.2. No business shall be transacted at a meeting of Noteholders or any Class of Noteholders unless a quorum is present at the time when the meeting proceeds to business.

19.5.3. If, within 1 (one) hour from the time fixed for the meeting, a quorum is not present, (i) for the meeting to take place, then the meeting shall stand adjourned for 1 (one) week, or (ii) for the matter to be considered, then the meeting shall be postponed to a later time in the meeting unless there is no other business on the agenda for the meeting, in which case the meeting shall stand adjourned for one week.

19.5.4. The chairman may extend the one hour limit for a reasonable period on the grounds that (a) exceptional circumstances affecting weather or transportation have generally impeded or are generally impeding the ability of the Noteholders to be present at the meeting or (b) 1 (one) or more particular Noteholders, having been delayed have communicated an intention to attend the meeting, and those Noteholders, together with others in attendance, would satisfy the quorum requirements for the meeting of the matter to be considered. The Issuer is not required to give further notice of a meeting that has been postponed or adjourned unless the location of the meeting has changed. If at the time appointed for a postponed meeting to begin or an adjourned meeting to resume, the requirements for a quorum have not been satisfied, the Noteholders present in person or by proxy will be deemed to constitute a quorum.

19.6. **Chairman**

The chairman of the meeting shall be appointed by the Issuer, unless otherwise directed by the Noteholders at the meeting of the Noteholders.

19.7. **Adjournment**

19.7.1. A meeting, or the consideration of any matter at the meeting, may be adjourned from time to time without further notice, on a motion supported by Persons entitled to exercise, in aggregate, the majority of the voting rights held by all of the Persons who are present at the meeting at the time and that are entitled to be exercised on at least one matter remaining on the agenda of the meeting or on the matter under consideration. Such adjournment may be to a fixed time and place or until further notice (in such case, the notice must then be provided to the Noteholders timeously). A meeting, or the consideration of any matter at the meeting, may be adjourned from time to time without further notice, on a motion supported by Persons entitled to exercise, in aggregate, the majority of the voting rights held by all of the Persons who are present at the meeting at the time and that are entitled to be exercised on at least 1 (one) matter remaining on the agenda of the meeting or on the matter under consideration. Such adjournment may be to a fixed time and place or until further notice (in such case, the notice must then be provided to the Noteholders timeously).

19.7.2. A meeting may not be adjourned beyond the earlier of (i) the date falling 120 (one hundred and twenty) Business Days after the record date or (ii) the date falling 60 (sixty) Business Days after the date on which the adjournment occurred (unless otherwise provided in the Issuer's constitutive documents).

19.7.3. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

19.8. **How questions are decided**

19.8.1. At a meeting, a resolution put to the vote shall be decided by a poll unless, before or on the declaration that such meeting will be conducted by poll, a vote by show of hands, is demanded by the chairman or by any one of the Noteholders present in person (physically or virtually) or by proxy.

19.8.2. Unless a vote by show of hands is demanded, a declaration by the chairman that on a poll a resolution has been carried, or carried by a particular majority, or lost, shall be conclusive evidence of that fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

19.8.3. A polled vote must be held on a particular matter to be voted on in a meeting if a demand for a polled vote is made by (i) at least 5 (five) persons having the right to vote on the matter either in person or as proxy of the Noteholder or (ii) a Person who is, or Persons who together are, entitled to exercise at least 10% (ten percent) of the voting rights entitled to be voted on that matter.

19.8.4. In the case of an equality of votes, whether on a poll or a show of hands, the chairman shall not be entitled to a casting vote in addition to the vote, if any, to which he is entitled.

19.9. **Votes**

19.9.1. On a show of hands every Noteholder present in person shall have 1 (one) vote. On a poll every Noteholder, present in person or by proxy, shall have 1 (one) vote for each ZAR1,000,000 (one million) of the Nominal Amount outstanding of the Notes held by him. The joint holders of Notes shall have only 1 (one) vote on a show of hands and 1 (one) vote on a poll for each ZAR1,000,000 (one million) of the Nominal Amount outstanding of the Notes of which they are the registered holder and the vote may be exercised only by that holder present whose name appears first on the Register in the event that more than 1 (one) of such joint holders is present in person or by proxy at the meeting. The Noteholder in respect of uncertificated Notes shall vote at any such meeting on behalf of the holders of Beneficial Interests in such Notes in accordance with the instructions to the CSD from the holders of Beneficial Interests conveyed through the Settlement Agents in accordance with the Applicable Procedures.

19.9.2. Notwithstanding anything to the contrary contained herein, any Noteholder that is the Issuer shall not be entitled to vote.

19.10. **Proxies and representatives**

19.10.1. Noteholders may:

19.10.1.1. present in person; or

19.10.1.2. through any appointed Person (a proxy), by an instrument in writing (a form of proxy) in the form annexed to the notice convening the meeting, signed by the Noteholder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney of a duly authorised officer or a duly authorised officer of the corporation, vote on a poll or by show of hands.

19.10.2. A Person appointed to act as proxy need not be a Noteholder.

19.10.3. The form of proxy shall be deposited in accordance with the Applicable Procedures at the office of the Noteholder's nominated Participant or at the office where the Register is kept or at such other office as the Issuer may determine not less than 24 (twenty four) hours before the time appointed for holding the meeting or adjourned meeting at which the Person named in such form of proxy proposes to vote, or the chairman decides otherwise and in default, the proxy shall be invalid.

- 19.10.4. No form of proxy shall be valid after the expiration of 12 (twelve) months from the date named in it as the date of its execution.
- 19.10.5. A proxy shall have the right to demand or join in demanding a poll.
- 19.10.6. Notwithstanding Condition 19.10.4 the form of proxy shall be valid for any adjourned meeting, unless the contrary is stated thereon.
- 19.10.7. A vote given in accordance with the terms of a proxy shall be valid notwithstanding the previous death or incapacity of the principal or revocation of the proxy or of the authority under which the form of proxy was executed or the transfer of Notes in respect of which the proxy was given, provided that no intimation in writing of such death, incapacity or revocation shall have been received by the Issuer at the office of the Transfer Agent more than, and that the transfer has been given effect to less than, 12 (twelve) hours before the commencement of the meeting or adjourned meeting at which the proxy is to be used.
- 19.10.8. Any Noteholder which is a corporation may by resolution of its directors or other governing body authorise any Person to act as its representative in connection with any meeting or proposed meeting of Noteholders. Any reference in this Condition 19 (*Meetings of Noteholders/Consent Process*) to a Noteholder present in person includes such a duly authorised representative of a Noteholder.

19.11. **Minutes**

- 19.11.1. The Issuer shall cause minutes of all resolutions and proceedings of meetings to be duly entered in the minute books of the Issuer.
- 19.11.2. Any such minutes as aforesaid, if purporting to be signed by the chairman of the meeting at which such resolutions were passed or proceedings held or by the chairman of the next succeeding meeting, shall be receivable in evidence without any further proof, and until the contrary is proved, a meeting of Noteholders in respect of the proceedings of which minutes have been so made shall be deemed to have been duly held and convened and all resolutions passed thereat, or proceedings held, to have been duly passed and held.

19.12. **Mutatis mutandis application**

The provisions of this Condition 19 (*Meetings of Noteholders/Consent Process*) shall apply *mutatis mutandis* to the calling and conduct of meetings on an individual Tranche, Series or Class of Noteholders, as the case may be.

20. **FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further Notes having terms and conditions the same as any of the other Notes issued under the Programme or the same in all respects save for the amount and date of the first payment of interest thereon, the Issue Price and the Issue Date, so that the further Notes shall be consolidated to form a single Series with the Outstanding Notes.

21. **GOVERNING LAW AND JURISDICTION**

- 21.1. Unless otherwise set out in the Applicable Pricing Supplement, the Terms and Conditions and all rights and obligations to the Notes are governed by, and shall be construed in accordance with, the laws of South Africa in force from time to time.

21.2. **Jurisdiction**

- 21.2.1. Subject to Condition 21.2.6, any dispute, controversy, difference or claim arising out of, relating to, or in connection with the Notes, including the existence, validity, interpretation, performance, breach or termination thereof or any non-contractual obligations arising out of, relating to, or in connection with the Notes or the consequence of their nullity, shall be referred to and finally resolved by arbitration administered by the London Court of International Arbitration (**LCIA**) under the LCIA Administered Arbitration Rules (**LCIA Rules**) for the time being in force when the dispute, controversy, difference or claim arises.
- 21.2.2. The seat of the arbitration shall be London, England. English law will be the procedural law of any arbitration hereunder.

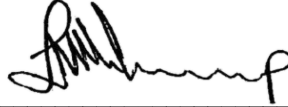
- 21.2.3. The arbitral tribunal shall consist of three arbitrators. The members of the arbitral tribunal shall be appointed in the manner set out in the LCIA Rules. The appointing authority shall be LCIA. The language of the arbitration shall be English.
- 21.2.4. Unless otherwise expressly provided in the relevant Applicable Pricing Supplement, the arbitral tribunal will have no authority to award (i) punitive damages or (ii) damages for consequential or indirect losses.
- 21.2.5. The arbitral tribunal shall not be authorised to grant, and no holder of Notes shall seek from any judicial authority, any interim measures or pre-award or emergency relief against the Issuer, notwithstanding any provisions of the LCIA Rules to the contrary.
- 21.2.6. At the election of the Issuer, any further dispute, controversy or claim which arises out of these Notes shall be consolidated with any ongoing proceedings before the arbitral tribunal, but no other party shall be joined to, and no other disputes, controversies or claims shall be consolidated with, such on-going proceedings before the arbitral tribunal.
- 21.2.7. Notwithstanding the provisions of this Condition 21.2, nothing contained herein or in the relevant Applicable Pricing Supplement shall operate or be regarded as a waiver, renunciation or other modification by the Issuer of any status, immunities, privileges or exemptions of the Issuer under its Articles of Agreement, all of its basic documents, any applicable law or international practice.

SIGNED at SHANGHAI on this 10th day of August 2023

For and on behalf of
NEW DEVELOPMENT BANK



Name: Syed Yousuf Ali
Capacity: Director General, Treasury and Portfolio Management
Who warrants his/her authority hereto



Name: Leslie Warren Maasdorp
Capacity: Vice President and Chief Financial Officer
Who warrants his/her authority hereto

USE OF PROCEEDS

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

The proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes or as may otherwise be described in the Applicable Pricing Supplement.

DESCRIPTION OF NEW DEVELOPMENT BANK

All information pertaining to, inter alia, the description of the New Development Bank, its business, directors, management and corporate governance, is set out in the Information Statement, which will be amended and restated from time to time, which is incorporated by reference in, and forms part of this Programme Memorandum, and is available on the Issuer's website <https://www.ndb.int/investor-relations/borrowing-programmes/>.

Appointment of the Board of Directors of the Issuer

In line with Issuer's lean governance structure, the Issuer has a non-resident Board of Directors. According to the Articles of Agreement, which sets out the process for the appointment of the Board of Directors and which is available on the Issuer's website at <https://www.ndb.int/wp-content/uploads/2022/11/Agreement-on-the-New-Development-Bank.pdf>, each of the founding members appoints one director and one alternate director to the Board for a term of two years, and additional directors and alternates could be elected by non-founding members. The total number of directors should be no more than ten. The directors may be re-elected. The President is also a member of the Board of Directors, but shall have no vote except a deciding vote in case of an equal division amongst the directors.

SETTLEMENT, CLEARING AND TRANSFER OF NOTES

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

Notes listed on the Interest Rate Market of the JSE and/or held in the CSD

Each Tranche of Notes which is listed on the Interest Rate Market of the JSE in uncertificated form will be held in the CSD.

Clearing systems

Each Tranche of Notes listed on the Interest Rate Market of the JSE will be issued, cleared and settled in accordance with the Applicable Procedures for the time being of the JSE and the CSD through the electronic settlement system of the CSD. Such Notes will be cleared by Participants who will follow the electronic settlement procedures prescribed by the JSE and the CSD.

The CSD has, as the operator of an electronic clearing system, been appointed by the JSE to match, clear and facilitate the settlement of transactions concluded on the JSE. Subject as aforesaid, each Tranche of Notes which is listed on the Interest Rate Market of the JSE will be issued, cleared and transferred in accordance with the Applicable Procedures and the Terms and Conditions, and will be settled through Participants who will comply with the electronic settlement procedures prescribed by the JSE and the CSD. The Notes may be accepted for clearance through any additional clearing system as may be agreed between the JSE, the Issuer and the Dealers.

Participants

The CSD maintains accounts for Participants. As at the Programme Date, the Participants which are approved by the CSD, in terms of the Applicable Procedures, as Settlement Agents to perform electronic settlement of funds and scrip are ABSA Bank Limited; Citibank N.A. South Africa Branch; FirstRand Bank Limited Nedbank Limited; The Standard Bank of South Africa Limited; Standard Chartered Bank, Johannesburg Branch and the South African Reserve Bank. Euroclear, Bank S.A./N.V, as operator of the Euroclear System (**Euroclear**), and Clearstream Banking, société anonyme, (Clearstream Luxembourg) (**Clearstream**) as operator of the Euroclear System, and Clearstream will settle off-shore transfers in the Notes through their Participants.

Settlement and clearing

Participants will be responsible for the settlement of scrip and payment transfers through the CSD, the JSE and the South African Reserve Bank.

While a Tranche of Notes is held in the CSD, the Noteholder will be named in the Register as the holder of the Notes in that Tranche in accordance with the Applicable Procedures. All amounts to be paid in respect of Notes held in the CSD will be paid to the relevant Participants on behalf of the relevant Noteholder pursuant to the Applicable Procedures. All rights to be exercised in respect of Notes held in the CSD will be exercised by the relevant Noteholder.

In relation to each Person shown in the records of the CSD or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Nominal Amount of Notes, a certificate or other document issued by the CSD or the relevant Participant, as the case may be, as to the Nominal Amount of such Notes standing to the account of such Person shall be *prima facie* proof of such Beneficial Interest. However, the Noteholder as the registered holder of such Notes named in the Uncertificated Securities Register will be treated by the Issuer, the Paying Agent, the Transfer Agent and the CSD as the holder of that aggregate Nominal Amount of such Notes for all purposes.

Payments of all amounts in respect of a Tranche of Notes which is listed on the Interest Rate Market of the JSE and/or held in uncertificated form will be made to the CSD, which in turn will transfer such funds, via the Participants, to the holders of Beneficial Interests. Each of the Persons reflected in the records of the CSD as the holders of Beneficial Interests in Notes shall look solely to the CSD or the relevant Participant, as the case may be, for such Person's share of each payment so made by (or on behalf of) the Issuer to, or for the order of, the CSD.

Payments of all amounts in respect of a Tranche of Notes which is listed on the Interest Rate Market of the JSE and/or held in uncertificated form will be recorded by the CSD, distinguishing between interest and principal, and such record of payments by the CSD, shall be *prima facie* proof of such payments.

Transfers and exchanges

Subject to the Applicable Laws and the Applicable Procedures, title to Beneficial Interest held by Noteholders through the CSD will be freely transferable and will pass on transfer thereof by electronic book entry in the securities accounts maintained by the CSD or relevant Participants for such Noteholders.

Beneficial Interests may be exchanged for Notes represented by Individual Certificates in accordance with Condition 13.2 (*Transfer of Notes represented by Individual Certificates*).

Records of payments, trust and voting

Neither the Issuer nor the Paying Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests, or for maintaining, supervising or reviewing any records relating to Beneficial Interests. Neither the Issuer nor the Paying Agent nor the Transfer Agent will be bound to record any trust in the Register or to take notice of or to accede to the execution of any trust (express, implied or constructive) to which any Note may be subject. Holders of Beneficial Interests vote in accordance with the Applicable Procedures.

JSE Debt Guarantee Fund Trust

The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the JSE or the JSE Debt Guarantee Fund Trust. Claims against the JSE Debt Guarantee Fund Trust may only be made in respect of the trading of the Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the JSE Debt Guarantee Fund Trust.

Notes listed on any Financial Exchange other than (or in addition to) the Interest Rate Market of the JSE

Each Tranche of Notes which is listed on any Financial Exchange other than (or in addition to) the Interest Rate Market of the JSE will be issued, cleared and settled in accordance with the rules and settlement procedures for the time being of that Financial Exchange. The settlement and redemption procedures for a Tranche of Notes which is listed on any Financial Exchange (other than or in addition to the JSE) will be specified in the Applicable Pricing Supplement.

SUBSCRIPTION AND SALE

Capitalised terms used in this section headed “Subscription and Sale” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Dealers have in terms of the amended and restated programme agreement dated on or around 10 August 2023, as may be amended, supplemented or restated from time to time (the **Programme Agreement**), agreed with the Issuer on a basis upon which it may from time to time agree to subscribe for Notes or procure the subscription of the Notes.

Selling restrictions

South Africa

Each Dealer has (or will have) represented, warranted and agreed that it (i) will not offer Notes for subscription, (ii) will not solicit any offers for subscription for or sale of the Notes, and (iii) will itself not sell or offer the Notes in South Africa in contravention of the Companies Act, Banks Act, Exchange Control Regulations and/or any other Applicable Laws and regulations of South Africa in force from time to time.

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that it will not make an “offer to the public” (as such expression is defined in the Companies Act, and which expression includes any section of the public) of Notes (whether for subscription, purchase or sale) in South Africa. This Programme Memorandum does not, nor is it intended to, constitute a prospectus prepared and registered under the Companies Act.

Offers not deemed to be offers to the public

Offers for subscription for, or sale of, Notes are not deemed to be offers to the public if:

- (a) made only to certain investors contemplated in section 96(1)(a) of the Companies Act; or
- (b) the total contemplated acquisition cost of Notes, for any single addressee acting as principal, is equal to or greater than ZAR1,000,000, or such higher amount as may be promulgated by notice in the Government Gazette of South Africa pursuant to section 96(2)(a) of the Companies Act.

Information made available in this Programme Memorandum should not be considered as “*advice*” as defined in the Financial Advisory and Intermediary Services Act, 2002.

United States

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (**Regulation S**).

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that:

- (a) the Notes in that Tranche have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except in certain transactions exempt from the registration requirements of the Securities Act;
- (b) it has not offered, sold or delivered any Notes in that Tranche and will not offer, sell or deliver any Notes in that Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 (forty) Days after completion of the distribution, as determined and certified by the Dealer(s) or, in the case of an issue of such Notes on a syndicated basis, the relevant Lead Manager, of all Notes of the Series of which that Tranche of Notes is a part, within the United States or to, or for the account or benefit of, U.S. Persons;
- (c) it will send to each dealer to which it sells any Notes in that Tranche during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales

- of such Notes within the United States or to, or for the account or benefit of, U.S. Persons; and
- (d) it, its Affiliates and any Persons acting on its or any of its Affiliates behalf have not engaged and will not engage in any directed selling efforts in the United States (as defined in Regulation S under the Securities Act) with respect to the Notes in that Tranche and it, its Affiliates and any Persons acting on its or any of its Affiliates' behalf have complied and will comply with the offering restrictions requirements of Regulation S.

Until 40 (forty) Days after the commencement of the offering of a Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the Securities Act.

European Economic Area

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that, in relation to each Member State of the European Economic Area which has implemented the EU Prospectus Regulations (each a **Relevant Member State**), with effect from and including the date on which the EU Prospectus Regulations is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of any of such Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of any of such Notes to the public in that Relevant Member State:

- (a) if the terms or drawdown prospectus in relation to the Notes specifies that an offer of those Notes may be made other than pursuant to Article 1(4) of the EU Prospectus Regulations in that Relevant Member State (a **Non-exempt Offer**), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State in accordance with the EU Prospectus Regulations and/or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus, if not a drawdown prospectus, has subsequently been completed by the terms contemplating such Non-exempt Offer, in accordance with the EU Prospectus Regulations, in the period beginning and ending on the dates specified in the drawdown prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulations;
- (c) at any time to fewer than 150 (one hundred and fifty) natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulations) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulations, provided that no such offer referred to in (a) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulations or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulations.

For the purposes of this provision, the expression an "*offer of Notes to the public*" in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, and the expression "**EU Prospectus Regulations**" means Regulation (EU) 2017/1129 (as amended).

The Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that, in relation to any offering of Notes to which Directive 2014/65/EU on markets in financial instruments (as amended, **MiFID II**) applies, that such offering is in accordance with the applicable rules set out in MiFID II (including any applicable national transposition of MiFID II), including that any commission, fee or non-monetary benefit received from the relevant Issuer complies with such rules.

United Kingdom

Public Offer Selling Restrictions under the UK Prospectus Regulation

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that has not made and will not make an offer of any of such Notes to the United Kingdom except that it may make an offer of any of such Notes to the public in the United Kingdom:

- (a) if the final terms or drawdown prospectus in relation to the Notes specifies that an offer of those Notes may be made other than pursuant to section 86 of the FSMA (a **Non-exempt Offer**), following the date of publication of a prospectus in relation to such Notes which either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within section 86 of the FSMA, provided that no such offer referred to in (a) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression “an offer of Notes to the public” in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA and regulations made thereunder.

Other regulatory restrictions: The Dealer has represented and agreed, and each further Dealer appointed under this Programme will be required to represent and agree, that:

- (a) **Financial Promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 (*Financial Promotion*) of the FSMA) received by it in connection with the issue or sale of any Securities in which section 21(1) of the FSMA would not, if it was not an authorised person, apply to the Issuer; and
- (b) **General Compliance:** it has complied and will comply with all applicable provisions of the FSMA and the Financial Conduct Authority Handbook with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

Selling Restrictions Addressing Additional United Kingdom Securities Laws

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to represent and agree that:

- (a) in relation to any of the Notes in that Tranche which have a maturity of less than one year, (i) it is a Person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any of such Notes other than to Persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of such Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act, 2000 (the **FSMA**) by the Issuer;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any of the Notes in that Tranche under circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any of the Notes in that Tranche in, from or otherwise involving the United Kingdom.

General

Prior to the issue of any Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Tranche of Notes will be required to agree that:

- (a) it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in each jurisdiction in which it purchases, subscribes or procures the subscription for, offers or sells Notes in that Tranche or has in its possession or distributes the Programme Memorandum and will obtain any consent, approval or permission required by it for the purchase, subscription, offer or sale by it of Notes in that Tranche under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, subscription, offers or sales; and
- (b) it will comply with such other or additional restrictions as the Issuer and such Dealer agree and as are set out in the Applicable Pricing Supplement.

Neither the Issuer nor any of the Dealers represent that Notes may at any time lawfully be subscribed for or sold in compliance with any applicable registration or other requirements in any jurisdiction or pursuant to any exemption available thereunder nor assumes any responsibility for facilitating such subscription or sale.

SOUTH AFRICAN TAXATION

Capitalised terms used in this section headed “South African Taxation” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or are clearly inappropriate from the context.

The comments below are intended as a general guide to the relevant tax laws of South Africa as at the Programme Date. South African tax laws are subject to frequent change and accordingly the comments set out below may be subject to change, possibly with retrospective effect. The contents of this section headed “Taxation” do not constitute tax advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Notes. Prospective subscribers for or purchasers of any Notes should consult their professional tax advisers in this regard. The Issuer makes no representation and gives no warranty or undertaking, express or implied, and accepts no responsibility for the accuracy or completeness of the information contained in this section.

Taxation treatment of Noteholders in General

Income Tax

South African resident Noteholders

Under current South African tax laws, a “resident” (as defined in section 1 of the Income Tax Act, 1962 (the **Income Tax Act**)) is subject to income tax on his/her worldwide income. Accordingly, all Noteholders of South African Notes who are “residents” of South Africa will generally be liable to pay income tax, subject to available deductions, allowances and exemptions, on any amount deemed to be (including income in the form of interest) earned pursuant to the South African Notes.

Under section 24J of the Income Tax Act, which applies to interest bearing arrangements, any discount or premium to the Nominal Amount of South African Notes is treated as part of any interest income on the South African Notes. Interest income which accrues (or is deemed to accrue) to a Noteholder of South African Notes in accordance with section 24J of the Income Tax Act, is deemed to accrue on a day-to-day basis until that Noteholder disposes of the South African Notes or until maturity. This day-to-day basis accrual is determined by calculating the yield to maturity (as defined in section 24J of the Income Tax Act) and applying this rate to the capital for the relevant tax period. Any premium or discount is also treated as interest for the purposes of the exemption under section 10(1)(h) of the Income Tax Act.

Section 24JB deals with the fair value taxation of financial instruments for certain types of taxpayers (“covered persons”). If section 24JB of the South African Income Tax Act applies to the Noteholders and the Notes, the tax treatment of the acquisition, holding and/or disposal of the Notes will differ from what is set out above.

Noteholders of South African Notes should seek advice as to whether these provisions may apply to them.

Non-resident Noteholders

Non-residents of South Africa are subject to income tax on all amounts derived from a South African source (subject to domestic exemptions, such as those for interest income, mentioned below, or relief in terms of any applicable double taxation treaties). Any relief under an applicable double taxation agreement may be subject to the application of the Multilateral Convention to implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting. Depending on the nature of the amount, different domestic rules regarding the determination of source will be applicable. (Regarding the treatment of amounts earned by non-residents of South Africa that are capital in nature, see “*Capital Gains Tax*” below).

Interest as defined in section 24J of the South African Income Tax Act (see above) is derived from a South African source if that amount:

- (a) is attributable to an amount incurred by a person that is a South African tax resident, unless the interest is attributable to a foreign permanent establishment of that resident; or
- (b) is received or accrues in respect of the utilisation or application in South Africa by any person of any funds or credit obtained in terms of any form of "*interest-bearing arrangement*".

The Notes may constitute an "*interest-bearing arrangement*", if amounts earned pursuant to the Notes constitute "*interest*" (see "*Definition of Interest*" below). Accordingly, if the proceeds raised by the Issuer from issuing the Notes will be utilised or applied in South Africa and amounts earned pursuant to the Notes constitute "*interest*", the Notes will give rise to South African sourced interest.

To the extent the disposal of the South African Notes gives rise to a gain or a loss, the normal principles are to be applied in determining whether such gain or loss should be subject to income tax in terms of the Income Tax Act.

Capital Gains Tax

Capital gains and losses on the disposal of South African Notes made by South African residents are subject to capital gains tax, to the extent that a resident Noteholder disposes of Notes other than on a speculative basis or as part of a scheme of profit-making. Any discount or premium on acquisition which has already been treated as interest for income tax purposes, under section 24J of the Income Tax Act, will not be taken into account when determining any capital gain or loss. Under section 24J(4A) of the Income Tax Act, a loss on disposal will, to the extent that it has previously been included in the taxable income of the Noteholder (as interest), be allowed as a deduction from the taxable income of the Noteholder when it is incurred and accordingly will not give rise to a capital loss.

Capital gains tax under the Eighth Schedule to the Income Tax Act will only be levied in relation to South African Notes held by a non-resident of South Africa if the South African Notes are disposed of, and are effectively connected with a permanent establishment of that non-resident in South Africa during the relevant year of assessment.

To the extent that a Noteholder constitutes a "*covered person*", as defined in section 24JB of the Income Tax Act, and section 24JB applies to the South African Notes, the Noteholder will be taxed in accordance with the provisions of section 24JB of the Income Tax Act.

Noteholders are advised to consult their own professional advisers as to whether a disposal of South African Notes will result in a liability to capital gains tax.

Withholding Tax

South Africa imposes a withholding tax on South African-sourced interest paid to or for the benefit of a foreign person, at a rate of 15% of the amount of the interest, in terms of section 50A-50H of the Income Tax Act. Apart from the immunity from taxation in respect of any Notes issued by the Issuer provided for under Article 34(c)(ii) of the Articles of Agreement, Article 34(a) of the Articles of Agreement provides that the Issuer will be immune from any obligation relating to the withholding or collection of any tax. Accordingly, no South African withholding taxes should be levied on any interest payable in respect of the Notes paid thereon to any Noteholder

South African sourced interest that is paid to or for the benefit of a foreign person in respect of any "listed debt" is exempt from the withholding tax on interest. A "listed debt" is a debt that is listed on a "recognised exchange" as defined in the Income Tax Act. The JSE constitutes a "recognised exchange" in accordance with paragraph 1 of the Eighth Schedule to the Income Tax Act. The Notes will accordingly be listed on a "recognised exchange" and should therefore also be exempt from withholding tax on interest on that basis, if it they are not otherwise immune from withholding tax on interest by virtue of Article 34(c)(ii), read with Article 34(a) of the Articles of Agreement.

In the event that the Notes cease to be listed on a "recognised exchange"(and if no other exemptions under the Income Tax Act are applicable), and any tax immunity is withdrawn or does not apply, the rate of withholding tax may be reduced by the application of any double taxation agreements between South Africa and the relevant Noteholder's country of tax residence. Any relief under an applicable double taxation agreement may be subject to the application of the Multilateral Convention to implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting.

Taxation of Foreign Exchange Gains and Losses

The Notes may be denominated in a currency other than ZAR (**Foreign Currency Notes**). A South African tax resident who holds Foreign Currency Note and who is (1) a company; (2) a trust carrying on a trade; or (3) a natural person who holds the Notes as trading stock will be required to account for foreign exchange gains and losses on translation and realisation of the Foreign Currency Notes in accordance with the provisions of section 24I of the Income Tax Act. Such persons may be required to include in or deduct from their income any translation and realisation exchange gains or losses on the Notes.

No taxable foreign exchange gains or losses will arise for such persons where the Notes are attributable to a permanent establishment outside of South Africa and the functional currency of that permanent establishment is denominated in a foreign currency.

No foreign exchange gains or losses on translation and realisation of the Notes in accordance with the provisions of section 24I of the Income Tax Act will arise for non-resident holders of the Notes, unless such Notes are attributable to a South African permanent establishment of such non-resident holder.

Section 8FA of the Income Tax Act

Section 8FA of the Income Tax Act applies to "*hybrid interest*", which is a term defined in the Income Tax Act, with reference to "*debt*" instruments that have certain equity-like features.

Section 8FA provides that interest on a hybrid debt instrument and/or hybrid interest are, for purposes of the Income Tax Act, deemed to be a *dividend in specie*. If section 8FA applies to the Notes, the tax treatment of the interest may differ from what is set out above, and such payments may, subject to the Articles of Agreement, be subject to dividend withholding tax as a result of the deemed classification of interest as dividends in specie. The provisions of 8FA are subject to certain exemptions. Prospective subscribers for or purchasers of Notes are advised to consult their own professional advisers to ascertain whether Section 8FA may apply to the Notes.

Definition of Interest

The references to "*interest*" above mean "*interest*" as understood in South African tax law. The statements above do not take any account of any different definitions of "*interest*" or "*principal*" which may prevail under any other law or which may be created by the Additional Terms and Conditions of the South African Notes or any related documentation.

SOUTH AFRICAN EXCHANGE CONTROL

Capitalised terms used in this section headed “South African Exchange Control” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The information below is intended as a general guide to the position under the Exchange Control Regulations as at the Programme Date. The Exchange Control Regulations are subject to change at any time without notice. The contents of this section headed “South African Exchange Control” do not constitute exchange control advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Notes. Prospective subscribers for or purchasers of any Notes should consult their professional advisers in this regard.

Non-South African resident Noteholders and emigrants from the Common Monetary Area

Dealings in the Notes and the performance by the Issuer of its obligations under the Notes and the Terms and Conditions may be subject to the Exchange Control Regulations.

Emigrant Capital Account

Emigrant Capital in an Emigrant’s Capital account may be used for the subscription for or purchase of Notes. Any amounts payable by the Issuer in respect of the Notes subscribed for or purchased with Emigrant Capital from an Emigrant’s Capital account may not, in terms of the Exchange Control Regulations, be remitted out of South Africa or paid into any non-South African bank account.

Emigrants from the Common Monetary Area

Any Individual Certificates issued to Noteholders who are emigrants from the Common Monetary Area will be endorsed “*non-resident*”. Such restrictively endorsed Individual Certificates shall be deposited with an authorised foreign exchange Dealers controlling such emigrant’s remaining assets.

In the event that a Beneficial Interest in Notes is held by an emigrant from the Common Monetary Area through the CSD, the securities account maintained for such emigrant by the relevant Participant will be designated as an Emigrant Capital account.

Any payments of principal due to a Noteholder who is an emigrant from the Common Monetary Area will be deposited into such emigrant Noteholder’s Emigrant Capital account, as maintained by an authorised foreign exchange dealer. Interest payments are freely transferable and may be credited to the emigrant’s non-resident Rand account. Capital amounts are not freely transferable from the Common Monetary Area and may only be dealt with in terms of the Exchange Control Regulations.

Non-residents of the Common Monetary Area

Any Individual Certificates issued to Noteholders who are not resident in the Common Monetary Area will be endorsed “*non-resident*”. In the event that a Beneficial Interest in Notes is held by a non-resident of the Common Monetary Area through the CSD, the securities account maintained for such Noteholder by the relevant Participant will be designated as a “*non-resident*” account.

It will be incumbent on any such non-resident Noteholder to instruct the non-resident’s nominated or authorised Dealers in foreign exchange as to how any funds due to such non-resident in respect of Notes are to be dealt with. Such funds may, in terms of the Exchange Control Regulations, be remitted abroad only if the relevant Notes are acquired with foreign currency introduced into South Africa or Rand from a non-resident Rand account held with an authorised foreign exchange dealer and provided that the relevant Individual Certificate has been endorsed “*non-resident*” or the relevant securities account has been designated as a “*non-resident*” account, as the case may be.

For purposes of this section, **Common Monetary Area** means South Africa, Lesotho, Namibia, and Eswatini (formerly Swaziland).

GENERAL INFORMATION

Capitalised terms used in this section headed “General Information” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

Authorisation

All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under the laws of South Africa as at the Programme Date have been given for the update of the Programme and the issue of Notes and for the Issuer to undertake and perform its obligations under the Programme Memorandum and the Notes.

Listing

This Programme Memorandum has been registered with the JSE. Notes to be issued under the Programme will be listed on the Interest Rate Market of the JSE or any other Financial Exchange.

Documents Available

For so long as this Programme Memorandum is registered with the JSE, copies of the documents incorporated under the section headed “*Documents Incorporated by Reference*” will, when published, be available at the Specified Office of the Issuer as set out at the end of this Programme Memorandum. This Programme Memorandum, any supplements, and/or any amendments hereto, the Applicable Pricing Supplements relating to any issue of Notes listed on the JSE, the published audited annual financial statements of the Issuer and the documents which are incorporated herein by reference, unless such documents have been modified or superseded, in which case the modified or superseding documentation will also be available on the Issuer’s website at <https://www.ndb.int/investor-relations/borrowing-programmes/>. In addition, this Programme Memorandum, together with any supplements and/or amendments thereto, and the Applicable Pricing Supplements relating to any issue of listed Notes will be filed with the JSE which will publish such documents on its website at <http://www.jse.co.za>.

Material Change

As at the Programme Date, there has been no material change in the Issuer’s financial or trading position since the date of its last audited annual financial statements. The Issuer’s auditors have not reviewed or reported on the Issuer’s financial or trading position since the date of its last audited annual financial statements.

Litigation

Save as disclosed herein and in the most recent audited annual financial statements and unaudited condensed financial statements, the Issuer is not and 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 or the operations of the Issuer in the previous 12 months from the date of the Programme Memorandum

Auditors

Deloitte and Touche have acted as the auditors of the audited annual financial statements of the Issuer for the financial years ended December 2020, 2021, and 2022 and, in respect of those years, have issued audited unmodified reports.

Compliance

The Issuer is formed in terms of and in compliance with the provisions of, *inter alia*, its Articles of Agreement and is acting in conformity thereof.

CORPORATE INFORMATION

ISSUER**New Development Bank**

1600 Guozhan Road
Pudong New District
Shanghai
China
200126

Contact: Syed Yousuf Ali
+86-160-188-3388

ARRANGERS**LEAD-ARRANGER****The Standard Bank of South Africa Limited
(acting through its Corporate and Investment
Banking division)**

(registration number 1962/000738/06)
3rd Floor East
30 Baker Street
Rosebank, 2196
South Africa
PO Box 61344
Marshalltown, 2107
South Africa
Contact: Head of Debt Capital Markets
(011) 721 6032

CO-ARRANGER**Absa Bank Limited****(acting through its Corporate and Investment
Banking division)**

(registration number 1986/004794/06)
15 Alice Lane
Sandton, 2196
South Africa
Private Bag X10056
Sandton, 2146
South Africa
Contact: Head of Debt Capital Markets
(011) 895 6555

DEALERS**The Standard Bank of South Africa Limited
(acting through its Corporate and Investment
Banking division)**

(registration number 1962/000738/06)
3rd Floor East
30 Baker Street
Rosebank, 2196
South Africa
PO Box 61344
Marshalltown, 2107
South Africa
Contact: Head of Debt Capital Markets
(011) 721 6032

Absa Bank Limited**(acting through its Corporate and Investment
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(registration number 1986/004794/06)
15 Alice Lane
Sandton, 2196
South Africa
Private Bag X10056
Sandton, 2146
South Africa
Contact: Head of Debt Capital Markets
(011) 895 6555

**Rand Merchant Bank,
(a division of FirstRand Bank Limited)**

(registration number 1929/001225/06)
1 Merchant Place
Cnr Fredman Drive and Rivonia Road
Sandton, 2196
South Africa
P O Box 786273
Sandton, 2146
South Africa
Contact: Head of Debt and Trade Solutions
(011) 282 8000

Nedbank Limited**(acting through its Nedbank Corporate and
Investment Banking division)**

(registration number 1951/000009/06)
135 Rivonia Road
Sandton, 2196
South Africa
P O Box 1144
Johannesburg, 2000
South Africa
Contact: Head of Debt Capital Markets
(011) 294 4481

JSE DEBT SPONSOR
The Standard Bank of South Africa Limited
(acting through its Corporate and Investment Banking division)
(registration number 1962/000738/06)
3rd Floor East
30 Baker Street
Rosebank, 2196
South Africa
PO Box 61344
Marshalltown, 2107
South Africa
Contact: Head of Debt Capital Markets
(011) 721 5594

PAYING AGENT, TRANSFER AGENT, ISSUER AGENT AND CALCULATION AGENT

The Standard Bank of South Africa Limited
(acting through its Corporate and Investment Banking division)
(registration number 1962/000738/06)
3rd Floor East
30 Baker Street
Rosebank, 2196
South Africa
PO Box 61344
Marshalltown, 2107
South Africa
Contact: Head of Debt Capital Markets
(011) 721 6032

LEGAL ADVISORS TO THE ISSUER, ARRANGERS AND DEALERS

Bowman Gilfillan Incorporated
(registration number 1998/021409/21)
11 Alice Lane
Sandown
Sandton, 2196
South Africa
Contact: Mr C van Heerden
(011) 669 9354

AUDITORS TO THE ISSUER

Deloitte and Touche Tohmatsu
Certified Public Accountants LLP
30/F Bund Center
222 Yan An Roan East
Shanghai, 200002
Peoples Republic of China
Contact: Audit Partner
0086 (21) 6141 8888